

November 17, 2023

Via eTariff

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

**Re: Potomac-Appalachian Transmission Highline, LLC and PJM
Interconnection, L.L.C., Docket Nos. ER09-1256-___ and ER12-2708-010
(Consolidated)**

**Filing of Offer of Settlement and Motion for Expedited Comment Period and
Commission Order**

Dear Secretary Bose:

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or the “Commission”),¹ Potomac-Appalachian Transmission Highline, LLC and its operating companies PATH Allegheny Transmission Company, LLC and PATH West Virginia Transmission Company, LLC (collectively, the “PATH Companies”), on behalf of themselves and Keryn Newman and Alison Haverty (together, the “*Pro Se* Parties”), Delaware Division of the Public Advocate, Maryland Office of People’s Counsel, and New Jersey Division of Rate Counsel (collectively, the “Joint Consumer Advocates” and, together with the PATH Companies and the *Pro Se* Parties, the “Settling Parties”) hereby file an Offer of Settlement that includes a Settlement Agreement and other documents as described below.²

As explained therein, the Settlement Agreement is supported by the Settling Parties, is otherwise unopposed, and resolves all issues in the above-referenced dockets, including all related sub-dockets thereof. The Settlement Agreement provides a process for the cancellation of the PATH Companies’ formula transmission rate and will facilitate the final wind-down and termination of the PATH Companies. The Settlement Agreement is fair, reasonable, and in the public interest, and the Settling Parties respectfully request that the Commission approve it without condition or modification. Moreover, the undersigned respectfully move for an expedited comment period and Commission order date regarding the Settlement Agreement.

¹ 18 C.F.R. § 385.602 (“Rule 602”).

² Pursuant to Order No. 714, this filing is submitted by PJM Interconnection, L.L.C. (“PJM”) on behalf of the PATH Companies as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, the PATH Companies have requested that PJM submit this filing in the eTariff system as part of PJM’s electronic Intra PJM Tariff.

I. Contents of Submission

In accordance with Rule 602, this Offer of Settlement filing includes the following documents:

- This transmittal letter;
- An Explanatory Statement;
- The Settlement Agreement, including two appendices thereto:
 - Appendix A, which contains actual (*i.e.*, “real” or “live”) tariff records to implement the provisions of the Settlement Agreement that reference that Appendix A;³
 - Appendix B, which contains a red-lined document that shows the tariff revisions that result in the text of the actual tariff records contained in Appendix A);⁴ and
- A certificate of service.

II. Service of Filing

Pursuant to Rule 602(d),⁵ the PATH Companies certify that they are serving a complete copy of this Offer of Settlement filing on all required parties.

PJM has served a copy of this filing on 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,⁶ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link: <https://pjm.com/library/filing-order.aspx> with a specific link to the newly 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 Region⁷ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using 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.

³ See Settlement Agreement, Sections 5.1 and 9.13.

⁴ See *id.*

⁵ 18 C.F.R. § 385.602(d).

⁶ See 18 C.F.R §§ 35.2(e), 385.2010(f)(3)

⁷ PJM already maintains, updates, and regularly uses e-mail lists for all PJM members and affected state commissions.

III. Motion for Expedited Comment Period and Commission Order

Under Rule 602(f)(2),⁸ comments on an offer of settlement may be filed not later than 20 days after the filing of the offer of settlement and reply comments may be filed not later than 30 days after the filing of the offer of settlement “unless otherwise provided by the Commission or the presiding officer.”

Pursuant to Rule 212,⁹ the undersigned respectfully request that the Commission grant an expedited comment period regarding the Settlement Agreement – specifically, that the Commission make initial comments on the Settlement Agreement due on December 1, 2023 and make reply comments due on December 8, 2023. The undersigned further respectfully request that if no party files initial comments in opposition to the Settlement, that the Commission waive the reply comment period. Finally, the undersigned respectfully request that the Commission issue an order accepting the Settlement Agreement without condition or modification by December 26, 2023.

The Settlement Agreement is unopposed, and granting the requested dates will better facilitate timely Commission consideration of, and the issuance of refunds pursuant to Commission approval of, the Settlement Agreement, and will limit any additional costs that would be incurred absent such expedited action. Furthermore, similarly expedited periods have been granted for other offers of settlement filed pursuant to Rule 602.¹⁰ Therefore, good cause exists to grant the requested comment and Commission order dates.

⁸ 18 C.F.R. § 385.602(f)(2).

⁹ 18 C.F.R. § 385.212.

¹⁰ See, e.g., *Norwalk Power, LLC*, Notice of Chief Judge Shortening Comment Period, Docket Nos. ER07-799-000, *et al.* (Dec. 5, 2008); *Norwalk Power, LLC*, 125 FERC ¶ 61,390 (Dec. 30, 2008) (order approving settlement agreement pursuant to request for expedited order).

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Thank you for your assistance in this matter. Please contact the undersigned with any questions.

Respectfully submitted,

/s/ P. Nikhil Rao

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**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Potomac-Appalachian Transmission	)	Docket Nos. ER09-1256-___
Highline, LLC	)	ER12-2708-___
PJM Interconnection, L.L.C.)	
	)	(Consolidated)
)	

EXPLANATORY STATEMENT

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”),¹ Potomac-Appalachian Transmission Highline, LLC (“PATH”) and its operating companies PATH Allegheny Transmission Company, LLC (“PATH-AYE”) and PATH West Virginia Transmission Company, LLC (“PATH-WV”) (collectively, the “PATH Companies”), Keryn Newman and Alison Haverty (together, the “*Pro Se* Parties”), Delaware Division of the Public Advocate, Maryland Office of People’s Counsel, and New Jersey Division of Rate Counsel (collectively, the “Joint Consumer Advocates,” and, together with the PATH Companies and the *Pro Se* Parties, the “Settling Parties,” and each a “Settling Party”)² submit this Explanatory Statement as part of their filing of a Settlement Agreement (“Settlement Agreement”) to resolve all issues in Docket Nos. ER09-1256 and ER12-2708, including all related sub-dockets thereof. The Settlement Agreement provides a

¹ 18 C.F.R. § 385.602.

² Additionally, the following entities have authorized the Settling Parties to state that they do not oppose the Settlement Agreement: American Municipal Power, Inc., Delaware Public Service Commission, Maryland Public Service Commission, New Jersey Board of Public Utilities, Pennsylvania Office of Consumer Advocate, and Virginia Office of the Attorney General’s Division of Consumer Counsel.

process for the cancellation of the PATH Companies' formula transmission rate and will facilitate the final wind-down and termination of the PATH Companies.

This Explanatory Statement is provided solely to comply with Rule 602(c)(1)(ii), 18 C.F.R. § 385.602(c)(1)(ii). The Explanatory Statement is not intended to, and does not, alter any of the provisions of the Settlement Agreement. In the event of an inconsistency between the Explanatory Statement and the Settlement Agreement, the Settlement Agreement shall control.

I. Background

The PATH Companies initiated the development of the Potomac-Appalachian Transmission Highline transmission project (the "PATH Project") in accordance with the PJM Interconnection, L.L.C. ("PJM") Regional Transmission Expansion Plan for 2007. As reconfigured in 2008, the PATH Project was to be a 275-mile, 765 kV line from Amos Substation in West Virginia through Virginia to the new Kempton Substation in Maryland.

Cost recovery for the PATH Project was developed in Commission proceedings in Docket No. ER08-386. In 2009, pursuant to protocols (the "Protocols") contained in Attachment H-19 of the PJM Open Access Transmission Tariff ("Tariff") regarding the PATH Companies' Commission-approved formula rate also contained in that Attachment H-19 (the "PATH Formula Rate"), the PATH Companies began filing annual updates related to its rates in Docket No. ER09-1256. Some of these annual updates were objected to, using the formal challenge procedure under the Protocols. In 2012, the Commission granted in part and dismissed in part formal challenges regarding the 2010

and 2011 annual updates and set them for hearing and settlement judge procedures.

Potomac-Appalachian Transmission Highline, LLC, 140 FERC ¶ 61,229 (2012).

Also in 2012, prior to the commencement of construction, PJM directed the termination of the PATH Project. The PATH Companies then filed proposed revisions to the PATH Formula Rate in Docket No. ER12-2708 to allow for recovery of prudently incurred abandoned plant costs associated with the PATH Project, which the Commission accepted in part and rejected in part and set for hearing and settlement judge procedures.

Potomac-Appalachian Transmission Highline, LLC, 141 FERC ¶ 61,177 (2012). After the 2012 annual update was formally challenged, the Commission set it for hearing and settlement judge procedures and consolidated Docket Nos. ER09-1256 and ER12-2708.

Potomac-Appalachian Transmission Highline, LLC, 143 FERC ¶ 61,208 (2013).

On April 6, 2015, the PATH Companies and Commission Trial Staff filed a stipulation agreement in the consolidated proceedings to resolve certain identified issues (the “Stipulation Agreement”). Later in 2015, the Presiding Administrative Law Judge issued an initial decision on remaining issues raised in the consolidated proceedings.

Potomac-Appalachian Transmission Highline, LLC, 152 FERC ¶ 63,025 (2015) (the “Initial Decision”).

In 2017, after parties filed briefs on exception to the Initial Decision, the Commission issued an order that affirmed in part and reversed in part the determinations of the Initial Decision on certain PATH-related issues, disallowed abandoned plant recovery of certain expenditures related to advocacy and advertising (collectively, the “Advocacy and Advertising Expenditures”) through the PATH Formula Rate, and established a Return on Equity (“ROE”) for the PATH Project of 8.11% effective January

19, 2017 (the date the order was issued). *Potomac-Appalachian Transmission Highline, LLC*, Opinion No. 554, 158 FERC ¶ 61,050 (2017) (“Opinion No. 554”). The PATH Companies refunded the Advocacy and Advertising Expenditures during rate years 2018 and 2020. The PATH Companies filed a request for rehearing on ROE issues addressed in Opinion No. 554; the request for rehearing on certain of the ROE issues remains pending before the Commission.

In 2018, the PATH Companies filed petitions for declaratory orders in Docket Nos. EL18-186 and EL18-187 seeking Commission determinations that certain distributions of paid-in capital will not violate section 305(a) of the Federal Power Act (together, the “PDOs”). The Commission has not yet acted on the PDOs.

In 2020, on rehearing from Opinion No. 554, the Commission reversed itself on the issue of the Advocacy and Advertising Expenditures and permitted the PATH Companies to recover them through the PATH Formula Rate. Accordingly, in 2021, the PATH Companies reversed (i.e., re-collected through charges in rates) the Advocacy and Advertising Expenditures refunds made in 2018 and 2020. Regarding the ROE for the PATH Project, the Commission established a paper hearing and directed the parties to submit briefs regarding the Commission’s current ROE methodology and how that methodology would apply to the PATH case. *Potomac-Appalachian Transmission Highline, LLC*, Opinion No. 554-A, 170 FERC ¶ 61,050 (2020) (“Opinion No. 554-A”). Later in 2020, the Commission issued an order on rehearing that modified the discussion in Opinion No. 554-A and continued to reach the same result. *Potomac-Appalachian Transmission Highline, LLC*, Opinion No. 554-B, 172 FERC ¶ 61,048 (2020) (“Opinion

No. 554-B”). The Commission has not yet issued an order on the paper hearing regarding the ROE for the PATH Project.

Following the submittal of a petition for review of Opinion Nos. 554-A and 554-B on the issue of the Advocacy and Advertising Expenditures, the United States Court of Appeals for the District of Columbia Circuit issued an opinion disallowing their inclusion in the PATH Formula Rate and remanding the case to the Commission for further proceedings consistent with the opinion. *Newman v. FERC*, 27 F.4th 690 (D.C. Cir. 2022) (the “D.C. Circuit Opinion”). The Commission has not yet issued an order on remand.

II. Summary of Settlement Agreement

The introduction to the Settlement Agreement states that the Settling Parties (defined as the same parties listed above that are submitting this Explanatory Statement) have entered into the Settlement Agreement to resolve all issues in Docket Nos. ER09-1256 and ER12-2708, including all related sub-dockets thereof, and to provide a process for the cancellation of the PATH Formula Rate. The Settlement Agreement goes on to state that it will facilitate the final wind-down and termination of the PATH Companies.

Article I of the Settlement Agreement specifies how definitions are used in the Settlement Agreement.

Article II of the Settlement Agreement specifies that PATH’s currently effective ROE of 8.11%, which became effective January 19, 2017 pursuant to Commission directives in Opinion No. 554, will remain unchanged at 8.11% through the remainder of the period that the PATH Formula Rate is in effect.³ Pursuant to Article II, this

³ Settlement Agreement, Section 2.1.

resolution will resolve all outstanding ROE issues relating to the PATH Companies, including the briefing process established pursuant to Opinion No. 554-A.⁴ Further, Article II states that not later than 30 days after the Effective Date of the Settlement Agreement (defined in Section 8.1 of the Settlement Agreement), the PATH Companies will withdraw the request for rehearing on ROE issues that they filed on February 21, 2017 in Docket Nos. ER09-1256 and ER12-2708.

Article III of the Settlement Agreement states that the PATH Companies will reverse previous charges corresponding to the amounts disallowed in the D.C. Circuit Opinion, and will reflect these refunds, including interest on such amounts at the Commission's rate set forth in 18 C.F.R. § 35.19a ("Interest"), in the Final Close-Out Amount set forth in Section 4.2 of the Settlement Agreement.⁵ Under Article III, the Settling Parties also agree that the PATH Companies are abiding by the Stipulation Agreement, which provided that PATH-WV included a debt rate adjustment (from 6.64% to 4.70%), with interest, in its 2016 Actual Transmission Revenue Requirement ("ATRR") True-up Adjustment calculation, and PATH-AYE reflected the stipulated 4.70% debt rate (reduced from 6.76%), with interest, in its revenue requirement calculations through the True-up Adjustment calculation performed pursuant to Opinion No. 554.⁶

Article IV of the Settlement Agreement states that, subject to Section 4.3 of the Settlement Agreement, the Settling Parties agree that the PATH Formula Rate will be replaced with a final lump sum refund amount (the "Final Close-Out Amount") as set

⁴ *Id.*, Section 2.2.

⁵ *Id.*, Section 3.1.

⁶ *Id.*, Section 3.2.

forth in Article IV. The Final Close-Out Amount reflects the implementation of the provisions of Articles II and III of the Settlement Agreement and any other debits or credits necessary to terminate the PATH Formula Rate and wind down the PATH Companies' operations.⁷ Article IV specifies that the Final Close-Out Amount is (\$9,511,221) (*i.e.*, a refund) and sets forth, on a line-item-by-line-item basis, how it was calculated.⁸

Article IV goes on to state that, after a Final Order approving the Settlement Agreement is received, in accordance with Article VIII of the Settlement Agreement, the PATH Companies will adjust the Final Close-Out Amount to reflect any amounts collected pursuant to the PATH Formula Rate during 2024, as based on the PATH Projected Transmission Revenue Requirement ("PTRR") for 2024, as well as Interest from December 31, 2023 through the date the Final Close-Out Amount is refunded to PATH Formula Rate customers pursuant to Section 4.4 of the Settlement Agreement.⁹ Article IV states that not later than 30 days after the Effective Date of the Settlement Agreement as defined in Section 8.1 thereto, the PATH Companies shall direct PJM to refund the Final Close-Out Amount to PATH Formula Rate customers, and the Final Close-Out Amount will be included in a refund report that will be filed on an informational basis with the Commission not later than 60 days after the Final Close-Out Amount is refunded to PATH Formula Rate customers.¹⁰ Article IV specifies that the Final Close-Out Amount shall represent the final disposition of any and all issues relating

⁷ *Id.*, Section 4.1.

⁸ *Id.*, Section 4.2.

⁹ *Id.*, Section 4.3.

¹⁰ *Id.*, Sections 4.4 and 4.5.

to the PATH Formula Rate, for all PTRRs, ATRRs, and True-up Adjustments associated with both the current and all prior Rate Years. Other than pursuant to the Settlement Agreement, no Settling Party or other entity shall have any further rights to review, challenge, or otherwise contest any matters relating to the PATH Formula Rate, for any Rate Year, including the inputs thereto.¹¹

Article V of the Settlement Agreement states that, as of the Effective Date of the Settlement Agreement as specified in Section 8.1 thereto, the tariff records included as Appendix A to the Settlement Agreement shall replace and supersede the tariff records constituting Attachment H-19 (including Attachments H-19A and H-19B) of the PJM Tariff then in effect.¹² (Attached to the Settlement Agreement as Appendix B are Attachments H-19, H-19A and H-19B in redline form.) Not later than 30 days after the date that the Final Close-Out Amount is refunded to PATH Formula Rate customers, the PATH Companies shall submit a notice of cancellation of Attachment H-19 of the PJM Tariff. The Settling Parties shall not oppose or protest that notice of cancellation.¹³

Article VI of the Settlement Agreement provides that any disposition of paid-in capital by the PATH Companies, pursuant to the PDOs or otherwise, will not reduce or otherwise affect the Final Close-Out Amount specified in Article IV of the Settlement Agreement.¹⁴ The Settling Parties commit not to oppose, protest, contest, or otherwise

¹¹ *Id.*, Section 4.6.

¹² *Id.*, Section 5.1.

¹³ *Id.*, Section 5.2.

¹⁴ *Id.*, Section 6.1.

object to any filings or other actions taken by the PATH Companies to dispose of paid-in capital, including withdrawal of the pending PDOs.¹⁵

Article VII of the Settlement Agreement states that the Settlement Agreement will fully and finally resolve all claims and outstanding matters and issues with respect to all the PATH Companies' abandoned plant and formula rate proceedings, including Docket Nos. ER09-1256, ER12-2708 and all sub-dockets thereto.¹⁶

Article VIII of the Settlement Agreement specifies that the Settlement Agreement will become effective as of the date that the Commission issues a Final Order approving the Settlement Agreement without condition or modification (the "Effective Date"). For purposes of the Settlement Agreement, an order will be considered a "Final Order" as of the date it is issued by the Commission if no comments were filed in opposition to the Settlement Agreement, or, if comments in opposition were filed, as of the date that rehearing is denied by the Commission by order or by operation of law, or, if rehearing was not sought, as of the date on which the right to seek Commission rehearing expires.¹⁷

Article VIII also states that if the Commission rejects the Settlement Agreement or any portion thereof, the Settlement Agreement shall be deemed null and void and of no force and effect. If the Commission accepts or approves the Settlement Agreement subject to conditions or modifications, then the Settlement Agreement shall not become effective, and it shall in that event be deemed null and void and of no force and effect unless each of the Settling Parties notifies all of the other Settling Parties and the Commission in writing within fifteen (15) days after such Commission order that it

¹⁵ *Id.*, Section 6.2.

¹⁶ *Id.*, Section 7.1.

¹⁷ *Id.*, Section 8.1.

accepts such condition(s) or modification(s) and the order becomes a Final Order. The Settlement Agreement also sets forth procedures under which the Settling Parties will confer and negotiate in good faith to attempt to address any such Commission rejection of the Settlement Agreement or Commission acceptance or approval of the Settlement Agreement subject to conditions or modifications.¹⁸ Upon issuance of a Final Order (including a Final Order subject to one or more conditions or modifications that all of the Settling Parties subsequently state is acceptable to them pursuant to Section 8.2 thereto), the PATH Companies will undertake to complete general steps associated with corporate dissolution of the PATH Companies.¹⁹

Article IX of the Settlement Agreement contains standard provisions regarding non-severability, absence of admission and non-establishment of precedent, reservation of rights, privileged and confidential settlement discussions, support by the Settling Parties for the Settlement Agreement, standard of review, headings and captions, the binding effect of the Settlement Agreement, the Settlement Agreement's controlling in the event of an inconsistency with this Explanatory Statement, absence of third-party beneficiaries, authorization to execute the Settlement Agreement, execution in counterparts, and incorporation by reference of Appendix A and Appendix B into the Settlement Agreement.

¹⁸ *Id.*, Section 8.2.

¹⁹ *Id.*, Section 8.3.

The sequence of actions under the Settlement Agreement provisions described above is summarized in the following table:

Section	Date	Action
5.1	Effective Date	New Attachment H-19 tariff records will replace and supersede legacy Attachment H-19 tariff records
4.3	After Effective Date	PATH Companies to adjust if necessary the Final Close-Out Amount to update Interest and to adjust to account for amounts collected during 2024, if any.
4.4	Not later than 30 days after Effective Date	PATH Companies will direct PJM to refund the Final Close-Out Amount
2.3	Not later than 30 days after Effective Date	PATH Companies will withdraw request for rehearing on ROE
5.2	Not later than 30 days after Final Close-Out Amount is refunded to customers	PATH Companies shall submit a notice of cancellation of new Attachment H-19 tariff records
4.5	Not later than 60 days after Final Close-Out Amount is refunded to customers	PATH Companies will file a refund report on an informational basis with Commission
8.3	After the PATH Companies file the refund report	PATH Companies will undertake to complete general steps associated with corporate dissolution of the PATH Companies

III. Responses to Required Questions

By notice of the Chief Administrative Law Judge dated December 15, 2016, all parties submitting settlements under Section 602 of the Commission's Rules of Practice and Procedure must address four questions in their explanatory statements.²⁰ The questions and specific responses applicable to the Settlement Agreement are as follows:

²⁰ *Amended Notice to the Public on Information to Be Provided With Settlement Agreements and Guidance on the Role of the Settlement Judges*, issued by Chief Administrative Law Judge Carmen A. Cintron on December 15, 2016.

A. Does the settlement affect other pending cases?

Article VI of the Settlement Agreement includes provisions regarding the disposition of paid-in capital amounts. The disposition of those amounts are at issue before the Commission in Docket Nos. EL18-186 and EL18-187.

B. Does the settlement involve issues of first impression?

The Settlement Agreement does not involve issues of first impression.

C. Does the settlement depart from Commission precedent?

The Settlement Agreement does not depart from Commission precedent.

D. Does the settlement seek to impose a standard of review other than the ordinary just and reasonable standard with respect to any changes to the settlement that might be sought by either a third party or the Commission acting *sua sponte*?

No. Section 9.6 of the Settlement Agreement provides that the standard of review for any changes proposed by a non-Settling Party, or the Commission acting *sua sponte*, will be the just and reasonable standard of review.

IV. Conclusion

The Settlement Agreement resolves all issues in Docket Nos. ER09-1256 and ER12-2708, including all related sub-dockets thereof. The Settlement Agreement provides a process for the cancellation of the PATH Companies' formula transmission rate and will facilitate the final wind-down and termination of the PATH Companies. For the reasons explained in the Settlement Agreement and in this Explanatory Statement, the Settlement Agreement is fair, reasonable, and in the public interest, and the Settling Parties respectfully request that the Commission approve it without condition or modification.

Respectfully submitted,

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*Counsel for the PATH Companies on behalf of the
Settling Parties*

Dated: November 17, 2023

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Potomac-Appalachian Transmission	)	Docket Nos. ER09-1256-___
Highline, LLC	)	ER12-2708-___
PJM Interconnection, L.L.C.)	
	)	(Consolidated)
)	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement”) is entered into pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”), 18 C.F.R. § 385.602, by and among Potomac-Appalachian Transmission Highline, LLC (“PATH”) and its operating companies PATH Allegheny Transmission Company, LLC (“PATH-AYE”) and PATH West Virginia Transmission Company, LLC (“PATH-WV”) (collectively, the “PATH Companies”), Keryn Newman and Alison Haverty (together, the “*Pro Se* Parties”), Delaware Division of the Public Advocate, Maryland Office of People’s Counsel, and New Jersey Division of Rate Counsel (collectively, the “Joint Consumer Advocates” and, together with the PATH Companies and the *Pro Se* Parties, the “Settling Parties,” and each a “Settling Party”).¹ The Settling Parties enter into this Settlement Agreement to resolve all issues in Docket Nos. ER09-1256 and ER12-2708, including all related sub-dockets thereof, and to provide a process for the cancellation of the PATH Companies’ formula transmission rate.

¹ Additionally, the following entities have authorized the Settling Parties to state that they do not oppose the Settlement Agreement: American Municipal Power, Inc., Delaware Public Service Commission, Maryland Public Service Commission, New Jersey Board of Public Utilities, Pennsylvania Office of Consumer Advocate, and Virginia Office of the Attorney General’s Division of Consumer Counsel.

This Settlement Agreement will facilitate the final wind-down and termination of the PATH Companies.

ARTICLE I – DEFINITIONS

1.1 All defined terms used in this Settlement Agreement and not defined herein have the meanings set forth in Attachment H-19 of the Open Access Transmission Tariff (“Tariff”) of PJM Interconnection L.L.C. (“PJM”).

ARTICLE II – RETURN ON EQUITY

2.1 PATH’s currently effective Return on Equity (“ROE”) of 8.11%, which became effective January 19, 2017 pursuant to Commission directives in *Potomac-Appalachian Transmission Highline, LLC*, Opinion No. 554, 158 FERC ¶ 61,050 (2017) (“Opinion No. 554”), will remain unchanged at 8.11% through the remainder of the period that the PATH Companies’ formula rate, as set forth in Attachment H-19 of the PJM Tariff (the “PATH Formula Rate”), is in effect.

2.2 This resolution will resolve all outstanding ROE issues relating to the PATH Companies, including the briefing process established pursuant to *Potomac-Appalachian Transmission Highline, LLC*, Opinion No. 554-A, 170 FERC ¶ 61,050 (2020) (“Opinion No. 554-A”).

2.3 Not later than 30 days of the Effective Date of this Settlement Agreement as specified in Section 8.1 hereto, the PATH Companies will withdraw the request for rehearing on return on equity (“ROE”) issues that they filed on February 21, 2017 in Docket Nos. ER09-1256 and ER12-2708.

ARTICLE III – ADVOCACY-RELATED EXPENSES, COST OF DEBT RATE

3.1 The PATH Companies will reverse previous charges corresponding to the amounts disallowed by the United States Court of Appeals for the District of Columbia Circuit in *Newman v. FERC*, 27 F.4th 690 (D.C. Cir. 2022) (the “D.C. Circuit Opinion”), and will reflect these refunds, including interest on such amounts at the Commission’s rate set forth in 18 C.F.R. § 35.19a (“Interest”), in the Final Close-Out Amount set forth in Section 4.2 below.

3.2 The Settling Parties agree that the PATH Companies are abiding by the stipulation agreement filed on April 6, 2015 in Docket Nos. ER09-1256 and ER12-2708, which provided that PATH-WV included a debt rate adjustment (from 6.64% to 4.70%), with interest, in its 2016 Actual Transmission Revenue Requirement (“ATRR”) True-up Adjustment calculation, and PATH-AYE reflected the stipulated 4.70% debt rate (reduced from 6.76%), with interest, in its revenue requirement calculations through the True-up Adjustment calculation performed pursuant to Opinion No. 554.

ARTICLE IV – FINAL RATE ACCOUNTING

4.1 Subject to Section 4.3 below, the Settling Parties agree that the PATH Formula Rate will be replaced with a final lump sum refund amount (the “Final Close-Out Amount”) as set forth in this Article IV of this Settlement Agreement. The Final Close-Out Amount reflects the implementation of the provisions of Articles II and III of this Settlement Agreement and any other debits or credits necessary to terminate the PATH Formula Rate and wind down the PATH Companies’ operations.

4.2 The Final Close-Out Amount is (\$9,511,221) and is calculated as follows:

Item	Dollar amount (\$)
PATH AYE – reversal of advocacy-related expenses	(2,722,728)
PATH AYE – Interest on reversal of advocacy-related expenses through December 31, 2023	(1,449,537)
PATH WV – reversal of advocacy-related expenses	(6,170,665)
PATH WV – Interest on reversal of advocacy-related expenses through December 31, 2023	(3,637,285)
PATH AYE – under-recovery associated with 2023 True-up Adjustment	58,334
PATH AYE – Interest on 2023 True-up Adjustment amount through December 31, 2023	1,629
PATH WV – over-recovery associated with 2023 True-up Adjustment	(111,645)
PATH WV – Interest on 2023 True-up Adjustment amount through December 31, 2023	(2,419)
PATH AYE – 2024 Projected Transmission Revenue Requirement (“PTRR”)	211,686
PATH AYE – 2022 True-up Adjustment less 2024 Interest through December 31, 2023	1,846,218
PATH WV – 2024 PTRR	3,020,866
PATH WV – 2022 True-up Adjustment less 2024 Interest through December 31, 2023	(255,675)
Negotiated Reduction	(300,000)
Final Close-Out Amount (refund)	\$ (9,511,221)

4.3 After a Final Order approving this Settlement Agreement is received, in accordance with Article VIII of this Settlement Agreement, the PATH Companies will adjust the Final Close-Out Amount to reflect any amounts collected pursuant to the PATH Formula Rate during 2024, as based on the PATH PTRR for 2024, as well as Interest from December 31, 2023 through the date the Final Close-Out Amount is refunded to PATH Formula Rate customers pursuant to Section 4.4 of this Settlement Agreement below.

4.4 Not later than 30 days after the Effective Date of this Settlement Agreement as defined in Section 8.1 hereto, the PATH Companies shall direct PJM to refund the Final Close-Out Amount to PATH Formula Rate customers.

4.5 The Final Close-Out Amount will be included in a refund report that will be filed on an informational basis with the Commission not later than 60 days after the Final Close-Out Amount is refunded to PATH Formula Rate customers.

4.6 The Final Close-Out Amount shall represent the final disposition of any and all issues relating to the PATH Formula Rate, for all PTRRs, ATRRs, and True-up Adjustments associated with both the current and all prior Rate Years. Other than pursuant to this Settlement Agreement, no Settling Party or other entity shall have any further rights to review, challenge, or otherwise contest any matters relating to the PATH Formula Rate, for any Rate Year, including the inputs thereto.

ARTICLE V – REPLACEMENT TARIFF SHEETS

5.1 As of the Effective Date of this Settlement Agreement as specified in Section 8.1 hereto, the tariff records included as Appendix A to this Settlement Agreement shall replace and supersede the tariff records constituting Attachment H-19 (including Attachments H-19A and H-19B) of the PJM Tariff then in effect. (Attached to this Settlement Agreement as Appendix B are Attachments H-19, H-19A and H-19B in redline form.)

5.2 Not later than 30 days after the date that the Final Close-Out Amount is refunded to PATH Formula Rate customers, the PATH Companies shall submit a notice of cancellation of Attachment H-19 of the PJM Tariff. The Settling Parties shall not oppose or protest that notice of cancellation.

ARTICLE VI – DISPOSITION OF PAID-IN CAPITAL AMOUNTS

6.1 Any disposition of paid-in capital by the PATH Companies, pursuant to the petitions for declaratory order submitted in Docket Nos. EL18-186 and EL18-187, or otherwise, will not reduce or otherwise affect the Final Close-Out Amount specified in Article IV of this Settlement Agreement.

6.2 The Settling Parties commit not to oppose, protest, contest, or otherwise object to any filings or other actions taken by the PATH Companies to dispose of paid-in capital, including withdrawal of the pending petitions for declaratory order filed in Docket Nos. EL18-186 and EL18-187.

ARTICLE VII – FINAL RESOLUTION OF PROCEEDINGS

7.1 This Settlement Agreement will fully and finally resolve all claims and outstanding matters and issues with respect to all the PATH Companies' abandoned plant and formula rate proceedings, including Docket Nos. ER09-1256, ER12-2708, and all sub-dockets thereto.

ARTICLE VIII – EFFECTIVE DATE, MODIFICATIONS, WIND-DOWN

8.1 This Settlement Agreement will become effective as of the date that the Commission issues a Final Order approving this Settlement Agreement without condition or modification (the "Effective Date"). For purposes of this Settlement Agreement, an order will be considered a "Final Order" as of the date it is issued by the Commission if no comments were filed in opposition to this Settlement Agreement, or, if comments in opposition were filed, as of the date that rehearing is denied by the Commission by order or by operation of law, or, if rehearing was not sought, as of the date on which the right to seek Commission rehearing expires.

8.2 If the Commission rejects this Settlement Agreement or any portion thereof, the Settlement Agreement shall be deemed null and void and of no force and effect. If the Commission accepts or approves the Settlement Agreement subject to conditions or modifications, then the Settlement Agreement shall not become effective, and it shall in that event be deemed null and void and of no force and effect unless each of the Settling Parties notifies all of the other Settling Parties and the Commission in writing within fifteen (15) days of such Commission order that it accepts such condition(s) or modification(s) and the order becomes a Final Order.

Notwithstanding the preceding two sentences of this Section 8.2, in either of those events the Settling Parties shall, within fifteen (15) days of such Commission order, confer (which may be by remote electronic means or in person) and negotiate in good faith to attempt to address any such Commission rejection of the Settlement Agreement or Commission acceptance or approval of the Settlement Agreement subject to conditions or modifications in a manner that, to the extent practicable and compatible with such order, restores the economic balance reflected in the Settlement Agreement as executed. If the Settling Parties can in good faith agree to revisions to the Settlement Agreement to address such Commission rejection of the Settlement Agreement or Commission acceptance or approval of the Settlement Agreement subject to conditions or modifications, then such renegotiated settlement agreement shall be filed with the Commission for its approval, in place of the Settlement Agreement as originally executed. However, if the Settling Parties cannot in good faith agree to revisions to the Settlement Agreement to resolve such Commission rejection of the Settlement Agreement or Commission acceptance or approval of the Settlement Agreement subject to conditions

or modifications within that 15-day period, then the first two sentences of this Section 8.2 will control.

8.3 Upon issuance of a Final Order (including a Final Order subject to one or more conditions or modifications that all of the Settling Parties subsequently state is acceptable to them pursuant to Section 8.2 above), but not before the PATH Companies file the refund report contemplated in Section 4.5 above, the PATH Companies will undertake to complete general steps associated with corporate dissolution of the PATH Companies.

ARTICLE IX – MISCELLANEOUS PROVISIONS

9.1 Non-Severability. The provisions of this Settlement Agreement are not severable and shall not bind any Settling Party unless and until the Commission issues a Final Order approving this Settlement Agreement (including a Final Order subject to one or more conditions or modifications that all of the Settling Parties subsequently state is acceptable to them) pursuant to Article VIII of this Settlement Agreement.

9.2 No Admission or Precedent. The tender of this Settlement Agreement is solely for the purpose of resolving the matters described herein, and is not intended to establish any principle or precedent with respect to any issue in the above-captioned proceedings or any other proceeding. Accordingly, neither this Settlement Agreement nor any Settling Party's performance in accordance herewith shall be deemed to constitute an admission or concession as to any matter. Nothing in this Settlement Agreement will affect the continued applicability of the D.C. Circuit Opinion – i.e., *Newman v. FERC*, 27 F.4th 690 (D.C. Cir. 2022). The Commission's approval of this Settlement Agreement shall not constitute a determination by the Commission as to the merits of any allegation

or contention that was made or that could have been made in the above-captioned proceedings or any other proceeding; nor shall the Commission's approval of this Settlement Agreement be deemed to establish a "settled practice" as that term was interpreted and applied in *Public Service Commission of the State of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980).

9.3 Reservation of Rights. The Settling Parties retain their respective rights to take any actions not inconsistent with the provisions of this Settlement Agreement as approved by the Commission in a Final Order.

9.4 Settlement Discussions. This Settlement Agreement results from settlement discussions and communications that were conducted on the explicit understanding, pursuant to Rule 602(e) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602(e), that all offers of settlement and communications relating thereto shall be privileged and confidential, shall be without prejudice to the position of any party or participant presenting any such offer or participating in any settlement discussions and communications, and shall not be used in a manner in connection with these proceedings or otherwise, except to the extent of enforcing the terms and conditions of this Settlement.

9.5 Support for Settlement Agreement. The Settling Parties will support this Settlement Agreement and will cooperate in securing Commission approval and implementation of this Settlement Agreement. The Settling Parties hereby waive any and all rights to seek rehearing or judicial review of any Commission order(s) approving the Settlement Agreement without modification or condition. However, if the Commission approves the Settlement Agreement with modifications or conditions, any Settling Party

may seek rehearing or judicial review of the Commission order(s) approving the Settlement Agreement solely to challenge the Commission's imposition of such modifications or conditions in order to preserve the terms and conditions in order to preserve the terms and conditions of the Settlement Agreement as filed.

9.6 Standard of Review. Absent the mutual agreement of the Settling Parties to a proposed change to this Settlement Agreement, the standard of review for unilateral changes to the Settlement Agreement proposed by a Settling Party will be the “public interest” standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956), *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), *Morgan Stanley Capital Group Inc. v. Public Utility District No. 1 of Snohomish County*, 554 U.S. 527 (2008), and *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165 (2010), and the standard of review for any changes proposed by a non-Settling Party, or the Commission acting *sua sponte*, will be the just and reasonable standard of review set forth in *Devon Power LLC*, 134 FERC ¶ 61,208, at P 10 (2011), *reh'g denied*, 137 FERC ¶ 61,073 (2011), *review dismissed in part and denied in part sub nom. New England Power Generators Association v. FERC*, 707 F.3d 364 (D.C. Cir. 2012).

9.7 Headings and Captions. Section headings and captions are used in this Settlement Agreement solely for convenience of reference and shall not be used to interpret or modify the terms of this Settlement Agreement.

9.8 Binding Effect of Settlement. This Settlement Agreement shall be binding on and shall inure to the benefit of the successors, assigns, or purchasers for value of the stock or assets of all Settling Parties.

9.9 Inconsistency with Explanatory Statement. To the extent there is any inconsistency between this Settlement Agreement and the Explanatory Statement submitted in support hereof, this Settlement Agreement shall control.

9.10 No Third-Party Beneficiaries. Except as specifically set forth in this Settlement Agreement, nothing in this Settlement Agreement, whether express or implied, confers any rights or remedies under, or by reason of, this Settlement Agreement on any parties or persons other than the Settling Parties.

9.11 Authorization. Each person executing this Settlement Agreement on behalf of a Settling Party represents and warrants that he or she is duly authorized and empowered to act on behalf of, and to authorize this Settlement Agreement to be executed on behalf of, the Settling Party that he or she represents.

9.12 Counterparts. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

9.13 Incorporation of Appendices. Appendix A and Appendix B to this Settlement Agreement are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, the Settling Parties have caused this Settlement Agreement to be duly executed.

[SIGNATURES PAGES FOLLOW]

Potomac-Appalachian Transmission Highline, LLC

By: 

Date: November 13, 2023

Name and Title: P. Nikhil Rao
Counsel for PATH Companies

By: 

Date: November 14, 2023

Name and Title: Hector Garcia Santana
Counsel for the PATH Companies

Potomac-Appalachian Transmission Highline, LLC

By: Keryn Newman
Name: Keryn Newman

Date: 11/14/23

By: _____

Date: _____

Name: _____

Pro Se Parties

By: _____

Date: _____

Name: _____

By: /s/ Alison Haverty

Date: 11/14/2023

Name: Alison Haverty

Pro Se Parties

Delaware Division of the Public Advocate

By: /s Regina A. Iorii

Date: 11/14/23

Name and Title: Regina A. Iorii, Deputy Attorney General

Maryland Office of People's Counsel

By: _____

Date: _____

Name and Title: _____

New Jersey Division of Rate Counsel

By: _____

Date: _____

Name and Title: _____

Joint Consumer Advocates

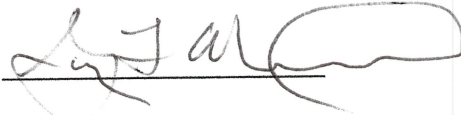
Delaware Division of the Public Advocate

By: _____

Date: _____

Name and Title: _____

Maryland Office of People's Counsel

By:  _____

Date: November 15, 2023

Name and Title: _____

Gary L. Alexander, Assistant People's Counsel

New Jersey Division of Rate Counsel

By: _____

Date: _____

Name and Title: _____

Joint Consumer Advocates

Delaware Division of the Public Advocate

By: _____

Date: _____

Name and Title: _____

Maryland Office of People's Counsel

By: _____

Date: _____

Name and Title: _____

New Jersey Division of Rate Counsel

By: T. David Wand

Date: 11/14/23

Name and Title: T. David Wand, Esq.
Deputy Rate Counsel

Joint Consumer Advocates

Appendix A: Clean Tariff

ATTACHMENT H-19

Potomac-Appalachian Transmission Highline, L.L.C.

Pursuant to the settlement agreement filed on November 17, 2023 and subsequently approved by the Federal Energy Regulatory Commission in Docket Nos. ER09-1256 and ER12-2708 (the “Settlement Agreement”), the Final Close-Out Amount, as that term is defined in the Settlement Agreement, will be calculated and refunded as provided in the Settlement Agreement.

Attachment H-19A

[Not Used]

ATTACHMENT H-19B

[Not Used]

Appendix B: Marked Tariff

ATTACHMENT H-19

~~Annual Transmission Rates—Potomac-Appalachian Transmission Highline, L.L.C.~~

Pursuant to the settlement agreement filed on November 17, 2023 and subsequently approved by the Federal Energy Regulatory Commission in Docket Nos. ER09-1256 and ER12-2708 (the “Settlement Agreement”), the Final Close-Out Amount, as that term is defined in the Settlement Agreement, will be calculated and refunded as provided in the Settlement Agreement.

1. ~~The annual transmission revenue requirement is equal to the results of the Potomac-Appalachian Transmission Highline, L.L.C. (“PATH”) formula and its associated attachments shown in Attachment H-19A posted on the PJM Internet site (“Formula Rate”) which reflects the facilities within PJM and the associated revenue requirements of PATH West Virginia Transmission Company, L.L.C. (“PATH-WV”), and PATH Allegheny Company, L.L.C. (“PATH Allegheny”). The rates determined pursuant to Attachment H-19A shall be implemented pursuant to the Formula Rate Implementation Protocols set forth in Attachment H-19B. Service utilizing other facilities will be provided at rates determined on a case-by-case basis.~~
2. ~~The revenue requirement in (1) shall be effective until amended by PATH or modified by the Commission.~~

Attachment H-19A

[Not Used]

SUMMARY

		PATH West Virginia Transmission Company, LLC (PATH-WV) (1)		PATH Allegheny Transmission Company, LLC (PATH- Allegheny) (2)		Potomac-Appalachian Transmission Highline, LLC (3) = (1) + (2)
—1	NET REVENUE REQUIREMENT	\$0	(A)	\$0	(B)	\$0
—2	PJM Project No.					
—3	b0490 & b0491	\$0	(C)	-		\$0
—4	b0492 & b0560	-		\$0	(D)	\$0
—5	-	-		-		
—6	Total (Sum lines 3 to 5)	\$0		\$0		\$0

Sources:

(A) Rate Formula Template, page 2, line 5, col. (3)

(B) Rate Formula Template, page 7, line 5, col. (3)

(C) Rate Formula Template Attachment 5, page 30 col., (7)

(D) Rate Formula Template Attachment 5, page 31 col., (6)

Attachment A

Formula Rate - Non-Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

PATH West Virginia Transmission Company, LLC

Line No.			(1)	(2)	(3)	Allocated Amount
4	GROSS REVENUE REQUIREMENT	(line 86)		12 months	\$	
	REVENUE CREDITS		Total	Allocator		
2	Total Revenue Credits	Attachment 1, line 12	0	TP	1.00000	
3	True-up Adjustment with Interest	Protocols	0	DA	1.00000	
4a	Accelerated True-up Adjustment with Interest		0	DA	1.00000	
4b	Interest on Gains or Recoveries in Account 254	Company Records	0	DA	1.00000	-
5	NET REVENUE REQUIREMENT	(Lines 1 minus line 2 plus line 3 plus line 4a and 4b)				\$

Attachment A

Formula Rate—Non-Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

9

PATH West Virginia Transmission Company, LLC

		(1)	(2)	(3)	(4)	(5)
			Form No. 1			Transmission
			Page, Line, Col.	Company Total	Allocator	(Col 3 times Col 4)
Line No.						
	RATE-BASE:					
	GROSS PLANT IN SERVICE					
6	—Production	(Attachment 4)		-	NA	0.00000
7	—Transmission	(Attachment 4)		-	TP	1.00000
8	—Distribution	(Attachment 4)		-	NA	0.00000
9	—General & Intangible	(Attachment 4)		-	W/S	1.00000
10	—Common	(Attachment 4)		-	CE	1.00000
11	TOTAL GROSS PLANT (sum lines 6-10)	(GP=1 if plant=0)			GP=	1.00000
	ACCUMULATED DEPRECIATION					
13	—Production	(Attachment 4)		-	NA	0.00000
14	—Transmission	(Attachment 4)		-	TP	1.00000
15	—Distribution	(Attachment 4)		-	NA	0.00000
16	—General & Intangible	(Attachment 4)		-	W/S	1.00000
17	—Common	(Attachment 4)		-	CE	1.00000
18	TOTAL ACCUM. DEPRECIATION (sum lines 13-17)			-		
	NET PLANT IN SERVICE					
20	—Production	(line 6—line 13)		-		
21	—Transmission	(line 7—line 14)		-		
22	—Distribution	(line 8—line 15)		-		
23	—General & Intangible	(line 9—line 16)		-		
24	—Common	(line 10—line 17)		-		

25	TOTAL NET PLANT (sum lines 20-24)	(NP-1 if plant =0)	-	NP=	1.0000	
26	ADJUSTMENTS TO RATE BASE (Note A)					
27	-Account No. 281 (enter negative)	(Attachment 4)	-	NA	0.00000	
28	-Account No. 282 (enter negative)	(Attachment 4)	-	NP	1.00000	
29	-Account No. 283 (enter negative)	(Attachment 4)	-	NP	1.00000	
30	-Account No. 190	(Attachment 4)	-	NP	1.00000	
31	-Account No. 255 (enter negative)	(Attachment 4)	-	NP	1.00000	
32	-CWIP	(Attachment 4)	-	DA	1.00000	
33	-Unamortized Regulatory Asset	(Attachment 4)	-	DA	1.00000	
34	-Unamortized Abandoned Plant	(Attachment 4)	-	DA	1.00000	
35	TOTAL ADJUSTMENTS (sum lines 27-34)		-			
36	LAND HELD FOR FUTURE USE	(Attachment 4)	-	TP	1.00000	
37	WORKING CAPITAL (Note C)					
38	-CWC	calculated	-			
39	-Materials & Supplies (Note B)	(Attachment 4)	-	TE	1.00000	
40	Prepayments (Account 165 - Note C)	(Attachment 4)	-	GP	1.00000	
41	TOTAL WORKING CAPITAL (sum lines 38-40)		-			
42	RATE BASE (sum lines 25, 35, 36, & 41)		-			

Formula Rate—Non-Levelized

Attachment A
Rate Formula Template
Utilizing FERC Form 1 Data

PATH West Virginia Transmission Company, LLC

(1)		(2)	(3)	(4)	(5)
		Form No. 1 Page, Line, Col.	Company Total	Allocator	Transmission (Col 3 times Col 4)
43	O&M				
44	—Transmission	321.112.b	-	TE	1.00000
45	— Less Account 565	321.96.b	-	TE	1.00000
46	— Less Account 566 (Misc Trans Expense)	Line 56	-	DA	1.00000
47	—A&G	323.197.b	0	W/S	1.00000
48	— Less EPRI & Reg. Comm. Exp. & Other Ad.	(Note D & Attach 4)	-	DA	1.00000
49	— Plus Transmission Related Reg. Comm. Exp.	(Note D & Attach 4)	-	TE	1.00000
50	— PBOP expense adjustment	(Attachment 4)	-		
51	—Common	(Attachment 4)	-	GE	1.00000
52	—Transmission Lease Payments	200.4.c	-	DA	1.00000
53	Account 566				
54	—Amortization of Regulatory Asset	Attachment 4	-	DA	1.00000
55	—Miscellaneous Transmission Expense	Attachment 4	-	DA	1.00000
56	Total Account 566		-		
57	TOTAL O&M (sum lines 44, 47, 49, 50, 51, 52, 56 less lines 45, 46 & 48)		-		
58	DEPRECIATION EXPENSE				
59	—Transmission	336.7.b & c	-	TP	1.00000
60	—General and Intangible	336.1.d&e + 336.10.b&e	-	W/S	1.00000
61	—Common	336.11.b&e	-	GE	1.00000
62	—Amortization of Abandoned Plant	(Attachment 4)	-	DA	1.00000
63	TOTAL DEPRECIATION (Sum lines 59-62)		-		
64	TAXES OTHER THAN INCOME TAXES (Note E)				

65	LABOR RELATED						
66	Payroll	263i	-	W/S	1.00000		
67	Highway and vehicle	263i	-	W/S	1.00000		
68	PLANT RELATED						
69	Property	263i	-	GP	1.00000		
70	Gross Receipts	263i	-	NA	0.00000		
71	Other	263i	-	GP	1.00000		
72	Payments in lieu of taxes		-	GP	1.00000		
73	TOTAL OTHER TAXES (sum lines 66-72)		-				
74	INCOME TAXES	(Note F)					
75	$T = 1 - \frac{((1 - SIT) * (1 - FIT))}{(1 - SIT * FIT * p)}$		0.00%				
76	$CIT = (T / (1 - T)) * (1 - (WCLTD / R))$		0.00%				
77	where WCLTD = (line 118) and R = (line 124)						
78	and FIT, SIT & p are as given in footnote F.						
79	$1 / (1 - T) = (T \text{ from line 75})$		0.0000				
80	Amortized Investment Tax Credit	(266.8f) (enter negative)	0				
81	Income Tax Calculation = line 76 * line 85		0	NA			
82	ITC adjustment (line 79 * line 80)		0	NP	1.00000		
82a	(Excess)/Deficient Deferred Income Taxes (Attachment 4.1, Line 3, Col. N+O) (Note L)		0				
82b	(Excess)/Deficient Deferred Income Tax Adjustment (line 79 * line 82a)		0	DA	1.00000		
83	Total Income Taxes	(sum lines 81, 82, 82b)	0				
84	RETURN						
85	$-\{ \text{Rate Base (line 42)} * \text{Rate of Return (line 121)} \}$		0	NA			
86	REV. REQUIREMENT (sum lines 57, 63, 73, 83, 85)		0				

Attachment A

Formula Rate—Non-Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

-
0

PATH West Virginia Transmission Company, LLC

SUPPORTING CALCULATIONS AND NOTES

87 TRANSMISSION PLANT INCLUDED IN ISO RATES

88	Total transmission plant (line 7, column 3)	0
89	Less transmission plant excluded from ISO rates (Note H)	0
90	Less transmission plant included in OATT Ancillary Services (Note H)	0
91	Transmission plant included in ISO rates (line 88 less lines 89 & 90)	0

92 Percentage of transmission plant included in ISO Rates (line 91 divided by line 88) (If line 88 equal zero, enter 1) TP= 1.0000

93 TRANSMISSION EXPENSES

94		
95	Total transmission expenses (line 44, column 3)	0
96	Less transmission expenses included in OATT Ancillary Services (Note G)	0
97	Included transmission expenses (line 95 less line 96)	0
98	Percentage of transmission expenses after adjustment (line 97 divided by line 95) (If line 95 equal zero, enter 1)	1.0000
99	Percentage of transmission plant included in ISO Rates (line 92)	TP 1.00000
100	Percentage of transmission expenses included in ISO Rates (line 98 times line 99)	TE= 1.00000

101 WAGES & SALARY ALLOCATOR (W&S)

102	Form 1 Reference	\$	TP	Allocation	
103	Production	0			
104	Transmission	0	1.00	0	
105	Distribution	0			W&S Allocator
106	Other	0		-	(\$ / Allocation)
107	Total (sum lines 103-106) (TP equals 1 if there are no wages & salaries)	0		0	= 1.00000 = WS

108 COMMON PLANT ALLOCATOR (CE) (Note I)

109				\$	% Electric	W&S Allocator	
110	-Electric	200.3.e	0		(line 110 / line 113)	(line 107)	CE
111	-Gas	201.3.d	0		1.00000	*	1.00000 = 1.00000
112	-Water	201.3.e	0				
113	-Total (sum lines 110-112)		0				

114

RETURN (R)

\$

115							
116							
117				\$ %	Cost	Weighted	
118	-Long Term Debt (Note K)	(Attachment 4)	0	50%	6.64%	0.0332	=WCLTD
119	-Preferred Stock	(Attachment 4)	0	0%	0.00%	0.0000	
120	-Common Stock (Note J)	(Attachment 4)	0	50%	10.4%	0.0715	
121	Total (sum lines 118-120)		0			0.1047	=R

SUPPORTING CALCULATIONS AND NOTES

Attachment A

Formula Rate – Non Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

-
0

PATH West Virginia Transmission Company, LLC

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)

References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter	
A	<p>The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets</p> <p>—or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility</p> <p>—chose to utilize amortization of tax credits against taxable income as discussed in Note F. Account 281 is not allocated.</p>
B	<p>Identified in Form 1 as being only transmission related.</p>
C	<p>Cash Working Capital assigned to transmission is one eighth of O&M allocated to transmission</p> <p>—Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 110-111 line 57 in the Form 1.</p>
D	<p>EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, except safety, education and out reach</p> <p>—related advertising included in Account 930.1. Regulatory Commission Expenses directly related to transmission service;</p> <p>—ISO filings, or transmission siting itemized at 351.h.</p>
E	<p>Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.</p> <p>—Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template,</p> <p>—since they are recovered elsewhere.</p>
F	<p>The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =</p> <p>—"the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a</p> <p>—work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that</p> <p>—elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce</p>

~~rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)~~

~~multiplied by (1/(1-T)) (page 4, line 79).~~

Inputs Required:	FIT=	0.00%	
	SIT=	0.00%	(State Income Tax Rate or Composite SIT from Attachment 4)
	p=	0.00%	(percent of federal income tax deductible for state purposes)

G Removes dollar amount of transmission expenses included in the OATT ancillary services rates, if any.

H Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation

~~step-up facilities, which are deemed to included in OATT ancillary services. For these purposes, generation step-up~~

~~facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.~~

I Enter dollar amounts

J The ROE consists of a base ROE of 10.40%, a 50 basis point adder for participation in PJM and a 150 basis point Incentive ROE adder. No change in ROE may be made absent a Section 205 or 206 filing with FERC and no filing to change the ROE may be made by a Settling Party or Non-Opposing Party (as defined in the Settlement Agreement filed on October 7, 2011 in Docket No. ER08-386-000, of a/.) except in accordance with the provisions of Section 3.2 of the Settlement Agreement. Subject to rehearing of the November 30, 2012 Hearing Order in Docket No. ER12-2708-000, the post abandonment ROE will be 10.9% beginning September 1, 2012 and 10.4% beginning December 1, 2012. The 2012 true-up will be computed using an ROE that is a time-weighted average of the pre-abandonment ROE (i.e., 12.4%) and the allowed post abandonment ROE. Example Calculation: For the first 244 days the authorized ROE will be 12.4%, for the next 91 days the ROE will be 10.9%, and for the remaining 31 days the ROE will be 10.4%. Therefore, the weighted ROE = $(12.4\% * 244 + 10.9\% * 91 + 10.4\% * 31) / 366 = 11.858\%$. Beginning with 2013 and through the remainder of the amortization period, the ROE will be 10.4%.

K The percentage shown for Long Term Debt is subject to the Annual Update and Attachment 6 and Attachment 9.

L Upon enactment of changes in tax law, income tax rates (including changes in apportionment) and other actions taken by a taxing authority, deferred taxes are re-measured and adjusted in the Company's books of account, resulting in excess or deficient accumulated deferred taxes. Such excess or deficient deferred taxes attributed to the transmission function will be based upon tax records and calculated in the calendar year in which the excess or deficient amount was measured and recorded for financial reporting purposes.

Attachment A

Formula Rate—Non-Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

0

PATH Allegheny Transmission Company, LLC

(1)

(2)

(3)

Line

Allocated

No.

Amount

1 GROSS REVENUE REQUIREMENT (line 86) 12 months

\$

REVENUE CREDITS

Total

Allocator

2 Total Revenue Credits Attachment 1, line 12 0 TP 1.00000

-

3 True-up Adjustment with Interest Protocols 0 DA 1.00000

-

4a Accelerated True-up Adjustment with Interest 0 DA 1.00000

-

4b Interest on Gains or Recoveries in Account 254 Company Records 0 DA 1.00000

-

5 NET REVENUE REQUIREMENT (Lines 1 minus line 2 plus line 3 plus line 4a and 4b.)

\$

Attachment A

Formula Rate – Non-Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

PATH Allegheny Transmission Company, LLC

		(1)	(2)	(3)	(4)	(5)
			Form No. 4			Transmission
Line			Page, Line, Col.	Company Total	Allocator	(Col 3 times Col 4)
No.	RATE BASE:					
	GROSS PLANT IN SERVICE					
6	–Production	(Attachment 4)	-	NA	0.00000	_____
7	–Transmission	(Attachment 4)	-	TP	1.00000	_____
8	–Distribution	(Attachment 4)	-	NA	0.00000	_____
9	–General & Intangible	(Attachment 4)	-	W/S	1.00000	_____
10	–Common	(Attachment 4)	-	CE	1.00000	_____
11	TOTAL GROSS PLANT (sum lines 6-10)	(GP=1 if plant =0)	-	GP=	1.00000	_____
	ACCUMULATED DEPRECIATION					
12						
13	–Production	(Attachment 4)	-	NA	0.00000	_____
14	–Transmission	(Attachment 4)	-	TP	1.00000	_____
15	–Distribution	(Attachment 4)	-	NA	0.00000	_____
16	–General & Intangible	(Attachment 4)	-	W/S	1.00000	_____
17	–Common	(Attachment 4)	-	CE	1.00000	_____
18	TOTAL ACCUM. DEPRECIATION (sum lines 13-17)		-			_____
	NET PLANT IN SERVICE					
19						
20	–Production	-(line 6 – line 13)	-			_____
21	–Transmission	-(line 7 – line 14)	-			_____
22	–Distribution	-(line 8 – line 15)	-			_____
23	–General & Intangible	-(line 9 – line 16)	-			_____
24	–Common	-(line 10 – line 17)	-			_____

25	TOTAL NET PLANT (sum lines 20-24)	(NP=1 if plant =0)	-	NP=	1.0000	
26	ADJUSTMENTS TO RATE BASE (Note A)					
27	-Account No. 281 (enter negative)	(Attachment 4)	-	NA	0.00000	
28	-Account No. 282 (enter negative)	(Attachment 4)	-	NP	1.00000	
29	-Account No. 283 (enter negative)	(Attachment 4)	-	NP	1.00000	
30	-Account No. 190	(Attachment 4)	-	NP	1.00000	
31	-Account No. 255 (enter negative)	(Attachment 4)	-	NP	1.00000	
32	-CWIP	(Attachment 4)	-	DA	1.00000	
33	-Unamortized Regulatory Asset	(Attachment 4)	-	DA	1.00000	
34	-Unamortized Abandoned Plant	(Attachment 4)	-	DA	1.00000	
35	TOTAL ADJUSTMENTS (sum lines 27-34)		-			
36	LAND HELD FOR FUTURE USE	(Attachment 4)	-	TP	1.00000	
37	WORKING CAPITAL (Note C)					
38	-CWC	calculated	-			
39	-Materials & Supplies (Note B)	(Attachment 4)	-	TE	1.00000	
40	-Prepayments (Account 165 - Note C)	(Attachment 4)	-	GP	1.00000	
41	TOTAL WORKING CAPITAL (sum lines 38-40)		-			
42	RATE BASE (sum lines 25, 35, 36, & 41)		-			

Attachment A

Formula Rate—Non-Levelized

—Rate Formula Template

—Utilizing FERC Form 1 Data

PATH Allegheny Transmission Company, LLC

(1)

(2)

(3)

(4)

(5)

		Form No. 4			Transmission
		Page, Line, Col.	Company Total	Allocator	(Col 3 times Col 4)
43	O&M				
44	—Transmission	321.112.b		TE	1.00000
45	—Less Account 565	321.96.b		TE	1.00000
46	—Less Account 566	Line 56		DA	1.00000
47	—A&G	323.197.b		W/S	1.00000
48	—Less EPRI & Reg. Comm. Exp. & Other Ad.	(Note D & Attach 4)		DA	1.00000
49	—Plus Transmission Related Reg. Comm. Exp.	(Note D & Attach 4)		TE	1.00000
50	—PBOP expense adjustment	(Attachment 4)			
51	—Common	(Attachment 4)		CE	1.00000
52	—Transmission Lease Payments	200.4.e		DA	1.00000
53	Account 566				
54	—Amortization of Regulatory Asset	Attachment 4		DA	1.00000
55	—Miscellaneous Transmission Expense	Attachment 4		DA	1.00000
56	Total Account 566				
57	TOTAL O&M (sum lines 44, 47, 49, 50, 51, 52, 56 less lines 45, 46, 48)				
58	DEPRECIATION EXPENSE				
59	—Transmission	336.7.b & c		TP	1.00000
60	—General and Intangible	336.1.d&e + 336.10.b.c.d&e		W/S	1.00000
61	—Common	336.11.b & c		CE	1.00000
62	—Amortization of Abandoned Plant	(Attachment 4)		DA	1.00000
63	TOTAL DEPRECIATION (Sum lines 59-62)				

64	TAXES OTHER THAN INCOME TAXES (Note E)						
65	LABOR RELATED						
66	Payroll	263i		W/S	1.00000		
67	Highway and vehicle	263i		W/S	1.00000		
68	PLANT RELATED						
69	Property	263i		GP	1.00000		
70	Gross Receipts	263i		NA	0.00000		
71	Other	263i		GP	1.00000		
72	Payments in lieu of taxes			GP	1.00000		
73	TOTAL OTHER TAXES (sum lines 66-72)						
74	INCOME TAXES (Note F)						
75	$T = 1 - \frac{((1 - SIT) * (1 - FIT))}{(1 - SIT * FIT * p)} =$		0.00%				
76	$CIT = (T / (1 - T)) * (1 - (WCLTD / R)) =$		0.00%				
77	where WCLTD = (line 118) and R = (line 121)						
78	and FIT, SIT & p are as given in footnote F.						
79	$1 / (1 - T) = (T \text{ from line 75})$		0.0000				
80	Amortized Investment Tax Credit (266.8f) (enter negative)		0				
81	Income Tax Calculation = line 76 * line 85		0	NA			
82	ITC adjustment (line 79 * line 80)		0	NP	1.00000		
82a	(Excess)/Deficient Deferred Income Taxes (Attachment 4.1, Line 40, Col. H) (Note L)		0				
82b	(Excess)/Deficient Deferred Income Tax Adjustment (line 79 * line 82a)		0	DA	1.00000		
83	Total Income Taxes (sum lines 81, 82, 82b)		0				
84	RETURN						
85	$[- \text{Rate Base (line 42)} * \text{Rate of Return (line 121)}]$		0	NA			
			-				-
86	REV. REQUIREMENT (sum lines 57, 63, 73, 83, 85)		0				

Attachment A

Formula Rate—Non-Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

-
0

PATH Allegheny Transmission Company, LLC

SUPPORTING CALCULATIONS AND NOTES

87 TRANSMISSION PLANT INCLUDED IN ISO RATES

88	Total transmission plant—(line 7, column 3)	0
89	Less transmission plant excluded from ISO rates—(Note H)	0
90	Less transmission plant included in OATT Ancillary Services—(Note H)	0
91	Transmission plant included in ISO rates—(line 88 less lines 89 & 90)	0

92 Percentage of transmission plant included in ISO Rates (line 91 divided by line 88) [If line 88 equal zero, enter 1] TP= 1.0000

93 TRANSMISSION EXPENSES

94		
95	Total transmission expenses—(line 44, column 3)	0
96	Less transmission expenses included in OATT Ancillary Services—(Note G)	0
97	Included transmission expenses (line 95 less line 96)	0

98 Percentage of transmission expenses after adjustment (line 97 divided by line 95) [If line 95 equal zero, enter 1] 1.0000

99 Percentage of transmission plant included in ISO Rates (line 92) TP 1.00000

100 Percentage of transmission expenses included in ISO Rates (line 98 times line 99) TE= 1.00000

101 WAGES & SALARY ALLOCATOR—(W&S)

102		Form 1 Reference	\$	TP	Allocation	
103	—Production	354.20.b	0			
104	—Transmission	354.21.b	0	1.00	0	
105	—Distribution	354.23.b	0			W&S Allocator
106	—Other	354.24,25,26.b	0		-	(\$ / Allocation)

107	Total (sum lines 103-106) [TP equals 1 if there are no wages & salaries]		0		0	=	1.00000	=	WS
108	COMMON PLANT ALLOCATOR (CE) (Note I)								
109			\$		% Electric		W&S Allocator		
110	Electric	200.3.c	0		(line 110 / line 113)		(line 107)		CE
111	Gas	201.3.d	0		1.00000	*	1.00000	=	1.00000
112	Water	201.3.e	0						
113	Total (sum lines 110-112)		0						
114	RETURN (R)						\$		
115									
116									
117			\$	%	Cost		Weighted		
118	Long Term Debt (Note K)	(Attachment 4)	0	50%	6.76%		0.0338	=WCLTD	
119	Preferred Stock	(Attachment 4)	0	0%	0.00%		0.0000		
120	Common Stock (Note J)	(Attachment 4)	0	50%	10.4%		0.0715		
121	Total (sum lines 118-120)		0				0.1053	=R	

SUPPORTING CALCULATIONS AND NOTES

Attachment A

Formula Rate – Non Levelized

Rate Formula Template

Utilizing FERC Form 1 Data

-
0

PATH Allegheny Transmission Company, LLC

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)

References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter	
A	<p>The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets</p> <p>—or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility</p> <p>—chose to utilize amortization of tax credits against taxable income as discussed in Note F. Account 281 is not allocated.</p>
B	<p>Identified in Form 1 as being only transmission related.</p>
C	<p>Cash Working Capital assigned to transmission is one eighth of O&M allocated to transmission</p> <p>—Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 110-111 line 57 in the Form 1.</p>
D	<p>EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, except safety, education and out reach</p> <p>—related advertising included in Account 930.1. Regulatory Commission Expenses directly related to transmission service,</p> <p>—ISO filings, or transmission siting itemized at 351.h.</p>
E	<p>Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.</p> <p>—Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template,</p> <p>—since they are recovered elsewhere.</p>
F	<p>The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p =</p> <p>—"the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a</p> <p>—work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that</p> <p>—elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce</p>

~~rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f)~~

~~multiplied by (1/1-T) (page 9, line 79).~~

Inputs Required:	FIT=	0.00%	
	SIT=	0.00%	-(State Income Tax Rate or Composite SIT from Attachment 4)
	p=	0.00%	-(percent of federal income tax deductible for state purposes)

G Removes dollar amount of transmission expenses included in the OATT ancillary services rates, if any.

H Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation

~~step-up facilities, which are deemed to included in OATT ancillary services. For these purposes, generation step-up~~

~~facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.~~

I Enter dollar amounts

J The ROE consists of a base ROE of 10.40%, a 50 basis point adder for participation in PJM and a 150 basis point Incentive ROE adder. No change in ROE may be made absent a Section 205 or 206 filing with FERC and no filing to change the ROE may be made by a Settling Party or Non Opposing Party (as defined in the Settlement Agreement filed on October 7, 2011 in Docket No. ER08-386-000, et al.) except in accordance with the provisions of Section 3.2 of the Settlement Agreement. Subject to rehearing of the November 30, 2012 Hearing Order in Docket No. ER12-2708-000, the post abandonment ROE will be 10.9% beginning September 1, 2012 and 10.4% beginning December 1, 2012. The 2012 true-up will be computed using an ROE that is a time-weighted average of the pre abandonment ROE (i.e., 12.4%) and the allowed post abandonment ROE. Example Calculation: For the first 244 days the authorized ROE will be 12.4%, for the next 91 days the ROE will be 10.9% , and for the remaining 31 days the ROE will be 10.4%. Therefore, the weighted ROE = $(12.4\% * 244 + 10.9\% * 91 + 10.4\% * 31) / 366 = 11.858\%$. Beginning with 2013 and through the remainder of the amortization period, the ROE will be 10.4%.

K The percentage shown for Long Term Debt is subject to the Annual Update and Attachment 6 and Attachment 9.

L Upon enactment of changes in tax law, income tax rates and other actions taken by a taxing authority, deferred taxes are re-measured and adjusted in the Company's books of account, resulting in excess or deficient accumulated deferred taxes, for schedule M items not directly taken to the P&L. Such excess or deficient deferred taxes attributed to the transmission function will be based upon tax records and calculated in the calendar year in which the excess or deficient amount was measured and recorded for financial reporting purposes.

**Attachment 1—Revenue Credit Workpaper
PATH West Virginia Transmission Company, LLC**

Account 454—Rent from Electric Property

1	Rent from FERC Form No. 1—Note 6			
2	Other Electric Revenues	See Note 5		
3	Schedule 1A			
4	PTP Serv revs for which the load is not included in the divisor received by TO			
5	PJM Transitional Revenue Neutrality (Note 1)			
6	PJM Transitional Market Expansion (Note 1)			
7	Professional Services (Note 3)			
8	Revenues from Directly Assigned Transmission Facility Charges (Note 2)			
9	Rent or Attachment Fees associated with Transmission Facilities (Note 3)			
10	Gross Revenue Credits	Sum lines 2-9 + line 4		
11	Less line 20	less line 18		
12	Total Revenue Credits	line 10 + line 11		
13	Revenues associated with lines 13 thru 18 are to be included in lines 1-9 and total of those revenues entered here			
14	Income Taxes associated with revenues in line 15			
15	One-half margin $-(\text{line } 13 - \text{line } 14)/2$			
16	All expenses (other than income taxes) associated with revenues in line 13 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.			
17	Line 15 plus line 16			
18	Line 13 less line 17			

- Note 1 All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on page 2, line 2 of Rate Formula Template.
- Note 2 If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.
- Note 3 Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). DLC will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 15–20, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).
- Note 4 If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support. For example revenues associated with distribution facilities. In addition Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.

Attachment 1—Revenue Credit Workpaper
PATH West Virginia Transmission Company, LLC

Note 5 ~~Other electric Revenues—includes revenues for various related electricity products/premium services such as surge protectors and appliance guards~~

Note 6 ~~All Account 454 and 456 Revenues must be itemized below~~

Account 454	Include	\$
Joint pole attachments—telephone	Include	_____
Joint pole attachments—cable	Include	_____
Underground rentals	Include	_____
Transmission tower wireless rentals	Include	_____
Other rentals	Include	_____
Corporate headquarters sublease	Include	_____
Misc non-transmission rentals	Include	_____
Customer commitment services	Include	_____
xxx	-	-
xxx	-	-
Total	-	_____
-	-	-
Account 456	Include	_____
Other electric revenues	Include	_____
Transmission Revenue—Firm	Include	_____
Transmission Revenue—Non-Firm	Include	_____
xxx	-	_____
xxx	-	_____
xxx	-	_____
xxx	-	_____
xxx	-	_____

xxxx	-	_____	
xxxx	-	_____	
Total	-	_____	
Total Account 454 and 456 included			_____
Payments by PJM of the revenue requirement calculated on Rate Formula Template	-Exclude		_____
Total Account 454 and 456 included and excluded			_____

Attachment 1—Revenue Credit Workpaper
PATH Allegheny Transmission Company, LLC

Account 454—Rent from Electric Property

1	Rent from FERC Form No. 1—Note 6			
2	Other Electric Revenues	See Note 5		
3	Schedule 1A			
4	PTP Serv revs for which the load is not included in the divisor received by TO			
5	PJM Transitional Revenue Neutrality (Note 1)			
6	PJM Transitional Market Expansion (Note 1)			
7	Professional Services (Note 3)			
8	Revenues from Directly Assigned Transmission Facility Charges (Note 2)			
9	Rent or Attachment Fees associated with Transmission Facilities (Note 3)			
10	Gross Revenue Credits	Sum lines 2-9 + line 4		
11	Less line 20	less line 18		
12	Total Revenue Credits	line 10 + line 11		
13	Revenues associated with lines 13 thru 18 are to be included in lines 1-9 and total of these revenues entered here			
14	Income Taxes associated with revenues in line 15			
15	One half margin $(\text{line } 13 - \text{line } 14) / 2$			
16	All expenses (other than income taxes) associated with revenues in line 13 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.			

47 Line 15 plus line 16

48 Line 13 less line 17

Note 1 All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on page 7, line 2 of Rate Formula Template.

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

Note 3 Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). DLC will retain 50% of net revenues consistent with *Pacific Gas and Electric Company*, 90 FERC ¶ 61,314. Note: in order to use lines 15–20, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

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

Note 5 Other electric Revenues—includes revenues for various related electricity products/premium services such as surge protectors and appliance guards

Attachment 1—Revenue Credit Workpaper
PATH Allegheny Transmission Company, LLC

Note 6 All Account 454 and 456 Revenues must be itemized below

Account 454	Include	\$
Joint pole attachments—telephone	Include	_____
Joint pole attachments—cable	Include	_____
Underground rentals	Include	_____
Transmission tower wireless rentals	Include	_____
Other rentals	Include	_____
Corporate headquarters sublease	Include	_____
Misc non-transmission rentals	Include	_____
Customer commitment services	Include	_____
xxxx	-	-
xxxx	-	-
Total	-	_____
-	-	-
Account 456	Include	_____
Other electric revenues	Include	_____
Transmission Revenue—Firm	Include	_____
Transmission Revenue—Non-Firm	Include	_____
xxxx	-	_____
xxxx	-	_____
xxxx	-	_____
xxxx	-	_____
xxxx	-	_____
xxxx	-	_____
xxxx	-	_____
Total	-	_____
Total Account 454 and 456 included		_____
Payments by PJM of the revenue requirement calculated on Rate Formula Template	Exclude	_____

~~Total Account 454 and 456 included and excluded~~

~~Attachment 2 has been removed and intentionally left blank.~~

~~Attachment 2 has been removed and intentionally left blank.~~

~~Attachment 3—Calculation of Carrying Charges~~
~~—PATH West Virginia Transmission Company, LLC~~

1 Calculation of Composite Depreciation Rate			
2	—Transmission Plant @ Beginning of Period	(Attachment 4)	_____
3	—Transmission Plant @ End of Period	(Attachment 4)	_____
4	—Sum	(sum lines 2 & 3)	_____
5	—Average Balance of Transmission Investment	(line 4/2)	_____
6	—Depreciation Expense	Rate Formula Template	_____
7	—Composite Depreciation Rate	(line 6/line 5)	0.00%
8	—Depreciable Life for Composite Depreciation Rate	(1/line 7)	_____
9	—Round line 8 to nearest whole year		_____

~~Attachment 3—Calculation of Carrying Charges~~
~~PATH Allegheny Transmission Company, LLC~~

4 Calculation of Composite Depreciation Rate			
2	—Transmission Plant @ Beginning of Period	(Attachment 4)	_____
3	—Transmission Plant @ End of Period	(Attachment 4)	_____
4	—Sum	(sum lines 2 & 3)	_____
5	—Average Balance of Transmission Investment	(line 4/2)	_____
6	—Depreciation Expense	Rate Formula Template	_____
7	—Composite Depreciation Rate	(line 6/line 5)	0.00%
8	—Depreciable Life for Composite Depreciation Rate	(1/line 7)	_____
9	—Round line 8 to nearest whole year		_____

Attachment 4—Cost Support

PATH West Virginia Transmission Company, LLC

Plant in Service Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					-	-	-	-
1	<u>Calculation of Transmission Plant In Service</u>	Source	Year	Balance	-	-	-	-
2	December	p206.58.b	2007	_____	-	-	-	-
3	January	company records	2008	_____	-	-	-	-
4	February	company records	2008	_____	-	-	-	-
5	March	company records	2008	_____	-	-	-	-
6	April	company records	2008	_____	-	-	-	-
7	May	company records	2008	_____	-	-	-	-
8	June	company records	2008	_____	-	-	-	-
9	July	company records	2008	_____	-	-	-	-
10	August	company records	2008	_____	-	-	-	-
11	September	company records	2008	_____	-	-	-	-
12	October	company records	2008	_____	-	-	-	-
13	November	company records	2008	_____	-	-	-	-
14	December	p207.58.g	2008	_____	-	-	-	-
15	Transmission Plant In Service	(sum lines 2-14)/13		_____	-	-	-	-
-			-		-	-	-	-
16	<u>Calculation of Distribution Plant In Service</u>	Source			-	-	-	-
17	December	p206.75.b	2007	_____	-	-	-	-
18	January	company records	2008	_____	-	-	-	-
19	February	company records	2008	_____	-	-	-	-
20	March	company records	2008	_____	-	-	-	-
21	April	company records	2008	_____	-	-	-	-
22	May	company records	2008	_____	-	-	-	-
23	June	company records	2008	_____	-	-	-	-
24	July	company records	2008	_____	-	-	-	-
25	August	company records	2008	_____	-	-	-	-
26	September	company records	2008	_____	-	-	-	-
27	October	company records	2008	_____	-	-	-	-
28	November	company records	2008	_____	-	-	-	-
29	December	p207.75.g	2008	_____	-	-	-	-
30	Distribution Plant In Service	(sum lines 17-29)/13		_____	-	-	-	-
-			-		-	-	-	-
31	<u>Calculation of Intangible Plant In Service</u>	Source			-	-	-	-
32	December	p204.5.b	2007	_____	-	-	-	-

33	December	p205.5.g	2008		-	-
34	Intangible Plant In Service	(sum lines 32 & 33) /2			-	-
-			-		-	-
35	<u>Calculation of General Plant In Service</u>	Source	-		-	-
36	December	p206.99.b	2007		-	-
37	December	p207.99.g	2008		-	-
38	General Plant In Service	(sum lines 36 & 37) /2			-	-
-			-		-	-
39	<u>Calculation of Production Plant In Service</u>	Source	-		-	-
40	December	p204.46b	2007		-	-
41	January	company records	2008		-	-
42	February	company records	2008		-	-
43	March	company records	2008		-	-
44	April	company records	2008		-	-
45	May	company records	2008		-	-
46	March	Attachment 6	2008		-	-
47	April	company records	2008		-	-
48	August	company records	2008		-	-
49	September	company records	2008		-	-
50	October	company records	2008		-	-
51	November	company records	2008		-	-
52	December	p205.46.g	2008		-	-
53	Production Plant In Service	(sum lines 40-52) /13			-	-

54	<u>Calculation of Common Plant In Service</u>	Source	Year	Balance	-	-
55	December (Electric Portion)	p356	2007	_____	-	-
56	December (Electric Portion)	p356	2008	_____	-	-
57	Common Plant In Service	(sum lines 55 & 56) /2		_____	-	-
-				-	-	-
58	<u>Total Plant In Service</u>	(sum lines 15, 30, 34, 38, 53, & 57)		_____	-	-
-	-	-	-	-	-	-

Accumulated Depreciation Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					-	-	-	Details
59	<u>Calculation of Transmission Accumulated Depreciation</u>	Source	Year	Balance	-			-
60	December	Prior year p219.25	2007		-	-		-
61	January	company records	2008		-	-		-
62	February	company records	2008		-	-		-
63	March	company records	2008		-	-		-
64	April	company records	2008		-	-		-
65	May	company records	2008		-	-		-
66	June	company records	2008		-	-		-
67	July	company records	2008		-	-		-
68	August	company records	2008		-	-		-
69	September	company records	2008		-	-		-
70	October	company records	2008		-	-		-
71	November	company records	2008		-	-		-
72	December	p219.25	2008		-	-		-
73	Transmission Accumulated Depreciation	(sum lines 60-72) /13			-			-
74	<u>Calculation of Distribution Accumulated Depreciation</u>	Source			-			-
75	December	Prior year p219.26	2007		-	-		-
76	January	company records	2008		-	-		-
77	February	company records	2008		-	-		-
78	March	company records	2008		-	-		-
79	April	company records	2008		-	-		-
80	May	company records	2008		-	-		-
81	June	company records	2008		-	-		-
82	July	company records	2008		-	-		-
83	August	company records	2008		-	-		-
84	September	company records	2008		-	-		-
85	October	company records	2008		-	-		-
86	November	company records	2008		-	-		-
87	December	p219.26	2008		-	-		-
88	Distribution Accumulated Depreciation	(sum lines 75-87) /13			-			-
-					-	-		-
89	<u>Calculation of Intangible Accumulated Depreciation</u>	Source			-			-
90	December	Prior year p200.21.e	2007		-	-		-
91	December	p200.21.e	2008		-	-		-
92	Accumulated Intangible Depreciation	(sum lines 90 & 91) /2			-			-

-					-	-
93	<u>Calculation of General Accumulated Depreciation</u>	Source			-	-
94	December	Prior year p219.28	2007		-	-
95	December	p219.28	2008		-	-
96	<u>Accumulated General Depreciation</u>	(sum lines 94 & 95) /2			-	-

Attachment 4—Cost Support
PATH West Virginia Transmission Company, LLC

97	<u>Calculation of Production Accumulated Depreciation</u>	Source	Year	Balance	-	-
98	December	Prior year p219	2007		-	-
99	January	company records	2008		-	-
100	February	company records	2008		-	-
101	March	company records	2008		-	-
102	April	company records	2008		-	-
103	May	company records	2008		-	-
104	June	company records	2008		-	-
105	July	company records	2008		-	-
106	August	company records	2008		-	-
107	September	company records	2008		-	-
108	October	company records	2008		-	-
109	November	company records	2008		-	-
110	December	p219.20 thru 219.24	2008		-	-
111	Production Accumulated Depreciation	(sum lines 98-110) /13			-	-
-					-	-
112	<u>Calculation of Common Accumulated Depreciation</u>	Source			-	-
113	December (Electric Portion)	p356	2007		-	-
114	December (Electric Portion)	p356	2008		-	-
115	Common Plant Accumulated Depreciation (Electric Only)	(sum lines 113 & 114) /2			-	-
-					-	-
116	Total Accumulated Depreciation	(sum lines 73, 88, 92, 96, 111, & 115)			-	-
-					-	-

ADJUSTMENTS TO RATE BASE — (Note A)

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions							-	-	-
-	-	-	-	Beginning of Year	End of Year	Average Balance	-	-	-
117	-Account No. 281 (enter negative)	273.8.k		-	-	0			
118	-Account No. 282 (enter negative)	275.2.k, WS 4.1 A, Ln 7				0			
119	-Account No. 283 (enter negative)	277.9.k, WS 4.1 A, Ln 12			-	0			
120	-Account No. 190	234.8.c, WS 4.1 A, Ln 2				0			

121	-Account No. 255 (enter negative)	267.8.h			-	0		
-					-			
-					-			
122	-Unamortized Abandoned Plant	Per FERC Order			-	0		
123	-		Months Remaining in Amortization Period	Beginning Balance		Amortization Expense (p114.10.c)	Additions (Deductions)	Ending Balance
-	-Monthly Balance	Source						
124	December	p111.71.d (and Notes)						
125	January	company records						
126	February	company records						
127	March	company records						
128	April	company records						
129	May	company records						
130	June	company records						
131	July	company records						
132	August	company records						
133	September	company records						
134	October	company records						
135	November	company records						
136	December	p111.71.c (and Notes) Detail on p.230b						
137	Ending Balance is a 13-Month Average	(sum lines 124-136)/13						
-	Note: Deductions resulting from gains or recoveries that exceed the unamortized balance are recorded in FERC Account 254, Other Regulatory Liabilities.					Appendix A Line 62		Appendix A Line 34
-					-			
138	-Prepayments (Account 165)	111.57.c			-	0		

Attachment 4 – Cost Support
PATH West Virginia Transmission Company, LLC

					Amos Substation Upgrade	Amos-to Midpoint Line	Midpoint Substation and SVC	Midpoint to Interconnection with PATH Allegheny	Total	
139	<u>Calculation of Transmission CWIP</u>	Source	-	-						-
140	December	216.b	2007	\$ _____	_____	_____			_____	-
141	January	company records	2008	_____	_____	_____			_____	-
142	February	company records	2008	_____	_____	_____			_____	-
143	March	company records	2008	_____	_____	_____			_____	-
144	April	company records	2008	_____	_____	_____			_____	-
145	May	company records	2008	_____	_____	_____			_____	-
146	June	company records	2008	_____	_____	_____			_____	-
147	July	company records	2008	_____	_____	_____			_____	-
148	August	company records	2008	_____	_____	_____			_____	-
149	September	company records	2008	_____	_____	_____			_____	-
150	October	company records	2008	_____	_____	_____			_____	-
151	November	company records	2008	_____	_____	_____			_____	-
152	December	216.b	2008	_____	_____	_____			_____	-
153	Transmission CWIP	(sum lines 140-152) /13		_____	_____	_____	_____	_____	_____	-
-	-			-						-
-	-			-						-
-	-			-						-
-	-			-						-

LAND HELD FOR FUTURE USE

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Beg of year	End of Year	Average	Details	
154	LAND HELD FOR FUTURE USE	p214	Total		_____	_____	_____		-
-			Non transmission Related		_____	_____			-
-			Transmission Related		_____	_____			-

EPRI Dues Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					-	-	-	-	Details
-	Allocated General & Common Expenses				-				
-			EPRI Dues	Common Expenses		EPRI Dues	Common Expenses		-
155	-	EPRI Dues & Common Expenses	-	p352-353 p356			-	-	- -

Regulatory Expense Related to Transmission Cost Support

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

Attachment 4—Cost Support

PATH West Virginia Transmission Company, LLC

Safety-Related Advertising, Education and Out Reach Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Form 1 Amount	Safety, Education, Siting & Outreach Related	Other	Details
-	Directly Assigned A&G				-			-
157	-	General Advertising Exp Account 930.1	-	-	p323.101.b	-	-	-None

Multi-state Workpaper

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Weighed Average
-	Income Tax Rates			-				-	
-				-	WV	-	-		-
158	-	SIT=State Income Tax Rate or Composite	-	-	0.000%	-	-		0.00% -

Excluded Plant Cost Support

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

[illegible]

Materials & Supplies-

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Beg of year	End of Year	Average	-	-	-	-
-					-						-
160	Assigned to O&M	p227.6									-
161	Stores Expense Undistributed	p227.16	-	-							-
162	Undistributed Stores Exp										-
-					-						-
163	- Transmission Materials & Supplies	p227.8	-	-				-	-	-	-

Regulatory Asset

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					-	-	-	-	-	-	-
-											-
164	Beginning Balance of Regulatory Asset	p111.72.d (and notes)		-							-
165	Months Remaining in Amortization Period		60	-							-
166	Monthly Amortization	(line 164 - line 168) / 167		-							-
167	Months in Year to be amortized		40	-							-
168	Ending Balance of Regulatory Asset	p111.72.e		-							-
169	- Average Balance of Regulatory Asset	(line 164 + line 168)/2		-	-	-	-	-	-	-	-

Attachment 4--Cost Support
PATH West Virginia Transmission Company, LLC

Capital Structure

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions						-	-
-						-	-
-						-	-
-						-	-
170	Monthly Balances for Capital Structure					-	-
171		Year	Debt	Preferred Stock	Common Stock	-	-
172	January	2008	_____0	_____	_____0	-	-
173	February	2008	_____	_____	_____	-	-
174	March	2008	_____	_____	_____	-	-
175	April	2008	_____	_____	_____	-	-
176	May	2008	_____	_____	_____	-	-
177	June	2008	_____	_____	_____	-	-
178	July	2008	_____	_____	_____	-	-
179	August	2008	_____	_____	_____	-	-
180	September	2008	_____	_____	_____	-	-
181	October	2008	_____	_____	_____	-	-
182	November	2008	_____	_____	_____	-	-
183	December	2008	_____	_____	_____	-	-
184	Average		_____0	_____	_____0	-	-
Note: the amount outstanding for debt retired during the year is the outstanding amount as of the last month it was outstanding; the equity is less Account 216.1, Preferred Stock, and Account 219; and the capital structure is fixed at 50/50 until the first two lines are placed in service							

Detail of Account 566 Miscellaneous Transmission Expenses

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			-	-	-
				Total	
185	Amortization Expense on Regulatory Asset			_____	
186	Miscellaneous Transmission Expense			_____	
		Footnote Schedule Page	-		
187	Total Account 566	p 320.b.97		_____	

PBOPs

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions									
									Details
188	<u>Calculation of PBOP Expenses</u>								-
-									-
-									-
189	<u>PATH WV - AEP Employees</u>								-
190	Total PBOP expenses				\$117,254,159				-
191	Amount relating to retired personnel				\$0				-
192	Amount allocated on Labor				\$117,254,159				-
193	Labor dollars				1,151,954,661				-
194	Cost per labor dollar				\$0.102				-
195	PATH WV labor (labor not capitalized) current year								-
196	PATH WV PBOP Expense for current year				\$0				-
197	PATH WV PBOP Expense in Account 926 for current year				\$0				-
198	PBOP Adjustment for Appendix A, Line 50				\$0				-
199	Lines 190-194 cannot change absent approval or acceptance by FERC in a separate proceeding.								-
-									-
200	<u>PATH WV - Allegheny Employees</u>								-
201	Total PBOP expenses				\$22,856,433				-
202	Amount relating to retired personnel				\$8,786,372				-
203	Amount allocated on FTEs				\$14,070,061				-
204	Number of FTEs				4,474				-
205	Cost per FTE				\$3,145				-
206	PATH WV FTEs (labor not capitalized) current year								-
207	PATH WV PBOP Expense for current year				\$0				-
208	PATH WV PBOP Expense in Account 926 for current year				\$0				-
209	PBOP Adjustment for Appendix A, Line 50				\$0				-
210	Lines 201-205 cannot change absent approval or acceptance by FERC in a separate proceeding.								-
-									-
211	- PBOP expense adjustment (sum lines 198 & 209)				\$0	-	-	-	-

Attachment 4 - Cost Support
PATH Allegheny Transmission Company, LLC

Plant in Service Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					-	-	-	-
1	<u>Calculation of Transmission Plant In Service</u>	Source	Year	Balance	-	-	-	-
2	December	p206.58.b	2007	_____	-	-	-	-
3	January	company records	2008	_____	-	-	-	-
4	February	company records	2008	_____	-	-	-	-
5	March	company records	2008	_____	-	-	-	-
6	April	company records	2008	_____	-	-	-	-
7	May	company records	2008	_____	-	-	-	-
8	June	company records	2008	_____	-	-	-	-
9	July	company records	2008	_____	-	-	-	-
10	August	company records	2008	_____	-	-	-	-
11	September	company records	2008	_____	-	-	-	-
12	October	company records	2008	_____	-	-	-	-
13	November	company records	2008	_____	-	-	-	-
14	December	p207.58.g	2008	_____	-	-	-	-
15	Transmission Plant In Service	(sum lines 2-14) /13		_____	-	-	-	-
-			-		-	-	-	-
16	<u>Calculation of Distribution Plant In Service</u>	Source			-	-	-	-
17	December	p206.75.b	2007	_____	-	-	-	-
18	January	company records	2008	_____	-	-	-	-
19	February	company records	2008	_____	-	-	-	-
20	March	company records	2008	_____	-	-	-	-
21	April	company records	2008	_____	-	-	-	-
22	May	company records	2008	_____	-	-	-	-
23	June	company records	2008	_____	-	-	-	-
24	July	company records	2008	_____	-	-	-	-
25	August	company records	2008	_____	-	-	-	-
26	September	company records	2008	_____	-	-	-	-
27	October	company records	2008	_____	-	-	-	-
28	November	company records	2008	_____	-	-	-	-
29	December	p207.75.g	2008	_____	-	-	-	-
30	Distribution Plant In Service	(sum lines 17-29) /13		_____	-	-	-	-
-			-		-	-	-	-
31	<u>Calculation of Intangible Plant In Service</u>	Source			-	-	-	-
32	December	204.5b	2007	_____	-	-	-	-

33	December	p205.5.g	2008		-	-
34	Intangible Plant In Service	(sum lines 32 & 33) /2			-	-
-			-		-	-
35	<u>Calculation of General Plant In Service</u>	Source	-		-	-
36	December	p206.00.b	2007		-	-
37	December	p207.00.g	2008		-	-
38	General Plant In Service	(sum lines 36 & 37) /2			-	-
-			-		-	-
39	<u>Calculation of Production Plant In Service</u>	Source	-		-	-
40	December	p204.46b	2007		-	-
41	January	company records	2008		-	-
42	February	company records	2008		-	-
43	March	company records	2008		-	-
44	April	company records	2008		-	-
45	May	company records	2008		-	-
46	March	Attachment 6	2008		-	-
47	April	company records	2008		-	-
48	August	company records	2008		-	-
49	September	company records	2008		-	-
50	October	company records	2008		-	-
51	November	company records	2008		-	-
52	December	p205.46.g	2008		-	-
53	Production Plant In Service	(sum lines 40-52) /13			-	-

Attachment 4—Cost Support
PATH Allegheny Transmission Company, LLC

54	<u>Calculation of Common Plant In Service</u>	Source	Year	Balance	-	-
55	December (Electric Portion)	p356	2007	_____	-	-
56	December (Electric Portion)	p356	2008	_____	-	-
57	Common Plant In Service	(sum lines 55 & 56)/2		_____	-	-
-				-	-	-
58	<u>Total Plant In Service</u>	(sum lines 15, 30, 34, 38, 53, & 57)		_____	-	-
-	-	-	-	-	-	-

Accumulated Depreciation Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Details						
59	<u>Calculation of Transmission Accumulated Depreciation</u>	Source	Year	Balance	-	-	-	-	-	-	-
60	December	Prior year p219.25	2007	_____	-	-	-	-	-	-	-
61	January	company records	2008	_____	-	-	-	-	-	-	-
62	February	company records	2008	_____	-	-	-	-	-	-	-
63	March	company records	2008	_____	-	-	-	-	-	-	-
64	April	company records	2008	_____	-	-	-	-	-	-	-
65	May	company records	2008	_____	-	-	-	-	-	-	-
66	June	company records	2008	_____	-	-	-	-	-	-	-
67	July	company records	2008	_____	-	-	-	-	-	-	-
68	August	company records	2008	_____	-	-	-	-	-	-	-
69	September	company records	2008	_____	-	-	-	-	-	-	-
70	October	company records	2008	_____	-	-	-	-	-	-	-
71	November	company records	2008	_____	-	-	-	-	-	-	-
72	December	p219.25	2008	_____	-	-	-	-	-	-	-
73	Transmission Accumulated Depreciation	(sum lines 60-72)/13		_____	-	-	-	-	-	-	-
-					-	-	-	-	-	-	-
74	<u>Calculation of Distribution Accumulated Depreciation</u>	Source			-	-	-	-	-	-	-
75	December	Prior year p219.26	2007	_____	-	-	-	-	-	-	-
76	January	company records	2008	_____	-	-	-	-	-	-	-
77	February	company records	2008	_____	-	-	-	-	-	-	-
78	March	company records	2008	_____	-	-	-	-	-	-	-
79	April	company records	2008	_____	-	-	-	-	-	-	-
80	May	company records	2008	_____	-	-	-	-	-	-	-

81	June	company records	2008		-	-
82	July	company records	2008		-	-
83	August	company records	2008		-	-
84	September	company records	2008		-	-
85	October	company records	2008		-	-
86	November	company records	2008		-	-
87	December	p219.26	2008		-	-
88	Distribution Accumulated Depreciation	(sum lines 75-87)/13			-	-
-					-	-
89	Calculation of Intangible Accumulated Depreciation	Source			-	-
90	December	Prior year p200.21.e	2007		-	-
91	December	p200.21.e	2008		-	-
92	Accumulated Intangible Depreciation	(sum lines 90 & 91)/2			-	-
-					-	-
93	Calculation of General Accumulated Depreciation	Source			-	-
94	December	Prior year p219.28	2007		-	-
95	December	p219.28	2008		-	-
96	Accumulated General Depreciation	(sum lines 94 & 95)/2			-	-

~~Attachment 4—Cost Support~~
~~PATH Allegheny Transmission Company, LLC~~

97	<u>Calculation of Production Accumulated Depreciation</u>	Source	Year	Balance	-	
98	December	Prior year p219	2007	_____	-	
99	January	company records	2008	_____	-	
100	February	company records	2008	_____	-	
101	March	company records	2008	_____	-	
102	April	company records	2008	_____	-	
103	May	company records	2008	_____	-	
104	June	company records	2008	_____	-	
105	July	company records	2008	_____	-	
106	August	company records	2008	_____	-	
107	September	company records	2008	_____	-	
108	October	company records	2008	_____	-	
109	November	company records	2008	_____	-	-
110	December	p219-20 thru 219-24	2008	_____	-	-
111	Production Accumulated Depreciation	(sum lines 98-110) /13		_____	-	
-						-
112	<u>Calculation of Common Accumulated Depreciation</u>	Source			-	
113	December (Electric Portion)	p356	2007	_____	-	
114	December (Electric Portion)	p356	2008	_____	-	
115	Common Plant Accumulated Depreciation (Electric Only)	(sum lines 113 & 114) /2		_____	-	
-						-
116	<u>Total Accumulated Depreciation</u>	(sum lines 73, 88, 92, 96, 111, & 115)		_____	-	-
-						- - - - -

~~ADJUSTMENTS TO RATE BASE (Note A)~~

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Details				
-	-	-	-	-	-	-	-	-	-
			Beginning of Year	End of Year	Average Balance		EOY FAS 109 EDIT	EOY FAS 109 Other	
117	-Account No. 281 (enter negative)	273.8.k					-	-	-
118	-Account No. 282 (enter negative)	275.2.k					-	-	-
119	-Account No. 283 (enter negative)	277.9.k					-	-	-
120	-Account No. 190	234.8.k					-	-	-
121	-Account No. 255 (enter negative)	267.8.k					-	-	-
122	-Unamortized Abandoned Plant	Per FERC Order-					FAS109 related to Excess/Deficient ADIT		

("EDIT"). Sum of Accounts 282 and 283 less
Account 190 will sum to PATH A 4.1 total.
Other FAS109 does not include EDIT.

		Source	Months Remaining in Amortization Period	Beginning Balance	Amortization Expense (p114.10.e)	Additions (Deductions)	Ending Balance
423-	<u>Monthly Balance</u>						
424	December	p111.71.d (and Notes)					
425	January	company records	0		-	-	-
426	February	company records			-	-	-
427	March	company records			-	-	-
428	April	company records			-	-	-
429	May	company records			-	-	-
430	June	company records			-	-	-
431	July	company records			-	-	-
432	August	company records			-	-	-
433	September	company records			-	-	-
434	October	company records			-	-	-
435	November	company records			-	-	-
436	December	p111.71.e (and Notes) Detail on p.230b			-	-	-
437	Ending Balance is a 13-Month Average Balance	(sum lines 424-436)/13			-	-	-
Note: Deductions resulting from gains or recoveries that exceed the unamortized balance are recorded in FERC Account 254, Other Regulatory Liabilities.					Appendix A Line 62		Appendix A Line 34
438	-Prepayments (Account 165)	411.57.e	-	-	0		

Attachment 4 – Cost Support
PATH Allegheny Transmission Company, LLC

					Kempton Substation	Kempton to Interconnection with PATH West Virginia	Midpoint Substation and SVC	Total	
139	-	<u>Calculation of Transmission CWIP</u>	Source	-	-				-
140		December	216.b	2007	\$			-	-
141		January	company records	2008				-	-
142		February	company records	2008				-	-
143		March	company records	2008				-	-
144		April	company records	2008				-	-
145		May	company records	2008				-	-
146		June	company records	2008				-	-
147		July	company records	2008				-	-
148		August	company records	2008				-	-
149		September	company records	2008				-	-
150		October	company records	2008				-	-
151		November	company records	2008				-	-
152		December	216.b	2008				-	-
153		Transmission CWIP	(sum lines 140-152)/13					-	-
-									-
-									-
-									-
-	-	-	-	-	-	-	-	-	-

LAND HELD FOR FUTURE USE

					Beg of year	End of Year	Average	Details
154		LAND HELD FOR FUTURE USE	p214	Total				-

Attachment 4 – Cost Support
PATH Allegheny Transmission Company, LLC

Safety-Related Advertising, Education and Out Reach Cost Support

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

Multi-state Workpaper

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions						State 1	State 2	State 3	State 4	State 5	Weighed Average
Income Tax Rates											
-						MD-	WV	VA-	-		-
158	-	SIT-State Income Tax Rate or Composite	-	-	-	0.00%	0.000%	-0%	-	0.00%	-

Excluded Plant Cost Support

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

Attachment 4--Cost Support
PATH Allegheny Transmission Company, LLC

Capital Structure

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions						-	-
-						-	-
170	Monthly Balances for Capital Structure					-	-
171		Year	Debt	Preferred Stock	Common Stock	-	-
172	January	2008	_____0	-	_____0	-	-
173	February	2008	_____	-	_____	-	-
174	March	2008	_____	-	_____	-	-
175	April	2008	_____	-	_____	-	-
176	May	2008	_____	-	_____	-	-
177	June	2008	_____	-	_____	-	-
178	July	2008	_____	-	_____	-	-
179	August	2008	_____	-	_____	-	-
180	September	2008	_____	-	_____	-	-
181	October	2008	_____	-	_____	-	-
182	November	2008	_____	-	_____	-	-
183	December	2008	_____	-	_____	-	-
184	Average		_____0	-	_____0	-	-
Note: the amount outstanding for debt retired during the year is the outstanding amount as of the last month it was outstanding; the equity is less Account 216.1, Preferred Stock, and Account 219; and the capital structure is fixed at 50/50 until the first two lines are placed in service							

Detail of Account 566 Miscellaneous Transmission Expenses

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				-
-				-
			Total	
185	Amortization Expense on Regulatory Asset		-	
186	Miscellaneous Transmission Expense		-	
		Footnote Schedule Page		
187	Total Account 566	p 320.b.97	-	

PBOPs

188	<u>Calculation of PBOP Expenses</u>		
-			
189	<u>PATH – Allegheny – Allegheny Employees</u>		
190	Total PBOP expenses	\$22,856,433	
191	Amount relating to retired personnel	\$8,786,372	
192	Amount allocated on FTEs	\$14,070,061	
193	Number of FTEs	4,475	
194	Cost per FTE	\$3,144	
195	PATH Allegheny FTEs (labor not capitalized) current year	4.75	
196	PATH Allegheny PBOP Expense for current year	\$14,936	
197	PATH Allegheny PBOP Expense in Account 926 for current year	\$14,936	
198	PBOP Adjustment for Appendix A, Line 50		
199	Lines 190-194 cannot change absent approval or acceptance by FERC in a separate proceeding.		

~~Debit/(Credit)~~

NOTE C: The amounts of the remeasurement shown here are as of the effective date of the change in tax rates and will remain static on this worksheet.

NOTE D: ~~{REFERENCE OR CITE TO APPROVAL OF AMORTIZATION PERIOD FOR UNPROTECTED EXCESS OR DEFICIENT ADIT}~~

NOTE E: ~~In the event of future tax rate changes, additional lines will be inserted as required to reflect any new ADIT or regulatory deferral accounts that may be necessary to track that tax rate change.~~

NOTE F: ~~The amount of excess or deficient amortization entries shown in lines 1a through 1h are shown as a debit or credit to the ADIT account from which it is being amortized. The total of Columns N and O in line 3 is the offset recorded to the 410.1/411 account and will tie to the total company amount of excess or deficient ADIT amortization shown on line 82a of the PATH WV cost of service.~~

NOTE G: ~~The amortization reported in Columns L and M reflects the amortization of the ADIT Regulatory Offset Accounts (the '.4' accounts described in the NOTE A above.) against its offsetting deferred regulatory asset or liability recorded in Account 182.3 of 254, respectively. Columns N and O are the amortization of the ADIT excess or deficiency that are recorded in each ADIT Utility Deferral Account (the '.1' accounts described in Note A above).~~

PATH-WV
WORKSHEET PATH-WV 4.1-A
DETAIL OF ADIT DEFERRALS

PERIOD ENDED DECEMBER 31, 20__

<u>PERIOD ENDED DECEMBER 31, 20__</u>				DEBIT (CREDIT)
	<u>COLUMN A</u>	<u>COLUMN B</u>	<u>COLUMN C</u>	<u>COLUMN D</u>
		<u>PER BOOKS</u>		
	<u>ACCUMULATED DEFERRED FIT ITEMS</u>	<u>BALANCE AS OF 12-31-20__</u>	<u>BALANCE AS OF 12-31-20__</u>	<u>ELECTRIC UTILITY (B+C)/2</u>
1	ACCOUNT 190			
-	-	-	-	0
-	-	-	-	0
-	-	-	-	0
-	-	-	-	0
-	-	-	-	0
2	SUBTOTAL OF UTILITY BALANCES (FF1 P234 Ln 8)	0	0	0
3	NON-UTILITY DEFERRALS			
-	-	-	-	0
-	-	-	-	0
-	-	-	-	0
4	TOTAL ACCOUNT 190	0	0	0
5	TOTAL ACCOUNT BALANCE (FF1 P 234 Ln 18)			-
6	ACCOUNT 282:			
-	-			0
-	-			0
-	-			0
7	SUBTOTAL OF UTILITY BALANCES (FF1 P274, 275 Ln 5)	0	0	0
8	NON-UTILITY DEFERRALS			

	-	-	-	0
	-	-	-	0
	282.4 EXCESS ADIT-PROTECTED	<u> </u>	<u> </u>	0
	282.4 EXCESS ADIT-UNPROTECTED	<u> </u>	<u> </u>	0
9	SUB-TOTAL OF EXCESS AND DEFICIENT ADIT	-	-	0
10	TOTAL ACCOUNT 282	<u> 0</u>	<u> 0</u>	<u> 0</u>
	TOTAL ACCOUNT BALANCE (FF1 P-274/275 Ln 9)	<u> </u>	<u> </u>	-
11	ACCOUNT 283:			
	-	-	-	0
	-	-	-	0
	-	-	-	0
	-	-	-	0
	-	-	-	0
	-	-	-	0
	-	-	-	0
12	SUBTOTAL OF UTILITY BALANCES (FF1 P-276/277 Ln 9)	<u> 0</u>	<u> 0</u>	<u> 0</u>
13	NON-UTILITY DEFERRALS			
	-	-	-	0
	-	-	-	0
	-	-	-	0
14	TOTAL ACCOUNT 283	<u> 0</u>	<u> 0</u>	<u> 0</u>
15	TOTAL ACCOUNT BALANCE (FF1 P-276/277 Ln 9)	<u> </u>	<u> </u>	-

PATH-WV
WORKSHEET 4.1-B-X
ADIT REMEASUREMENT WORKSHEET
Debit/(Credit)
~~(TAX CHANGE LEGISLATION)~~

	A	B	C	D	E	F=E/C	G	H=E+G	I	J=C-H
			XX/XX/XX Pre-remeasurement Balance	Description / Reference	Remeasurement Amount (NOTE 1)	Remeasurement Percentage (NOTE 2)	Adjustments (NOTE 3)	Total Excess/Deficiency by Account (NOTE 4)	Protected/Unprotected	ADIT Deferral at XX/XX/XXXX After Remeasurement
Line No.	Utility Account									
1	List ADIT Accounts		\$	{DESCRIPTION OF LINE ITEMS}	\$	%	\$	\$		\$
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14	Total		\$	(Sum of Lns.)	\$		\$	\$		\$

GENERAL NOTE: This worksheet will summarize remeasurement adjustments in ADIT Accounts required by changes in either Federal or State Income Tax Rates. A new sheet will be included in the working formula for each change to tax rates that may occur while this formula rate is in effect.

NOTE 1: Amount of Remeasurement in Column E will be based on supporting workpapers showing the remeasurement of individual ADIT items in each tax deferral account, and will indicate whether each remeasured ADIT item will be treated as protected or unprotected. The resulting totals will be shown on this worksheet for each ADIT account.

NOTE 2: Remeasurement calculation may not equal ____% of the (DATE OF REMEASUREMENT) deferral balance because of specific ADIT items that are not subject to remeasurement.

NOTE 3: [NOTES/EXPLANATIONS OF AMOUNTS REPORTED IN COLUMN G, IF NECESSARY]

NOTE 4: Ties to PATH-WV's' Excess/Deficient ADIT Worksheet, Column F, showing the initial remeasurement value determined as a result of the (TAX CHANGE LEGISLATION).

Attachment 4.1—Excess & Deficient ADIT Detail
PATH Allegheny Transmission Company, LLC

	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L
Line No.	Vintage (Note A)	Description	(Excess)/Deficient ADIT Transmission Remeasured Balance as of 12/31/XX (Attachment 4.2 Col. J)	(Excess)/Deficient ADIT Transmission—Beg Balance of Year (Note C)	Current Period Other Activity (Note D)	Amortization Period (Note E)	Years Remaining at Year-End	Amortization (Note F)	(Excess)/Deficient ADIT Transmission—Ending Balance of Year (Note G) (Col. D + Col. E) — Col. H	Protected/Unprotected	Regulatory Asset (Account 182.2) or Regulatory Liability (Account 254)	Amortized to Account 410.1 or Account 411.1
Non-property (Note A):												
1		Account 190										
1a	-	-							-		-	-
2		Account 282										
2a	-	-							-		-	-
3		Account 283										
3a	-	-					-		-		-	-
4		Non-property gross-up for Taxes	-			-	-		-		-	-
5		Total Non-Property	-	-	-			-	-			
Property (Note A):												
6	-	Property Book Tax Timing Difference—Account 190	-	-	-	-ARAM	-ARAM	-	-	Protected	N/A	N/A
7	-	Property Book Tax Timing Difference—Account 190	-	-	-	-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
8	-	Property Book Tax Timing Difference—Account 190	-	-	-	-ARAM	-ARAM	-	-	Protected	N/A	N/A
9	-	Property Book Tax Timing Difference—Account 190	-	-	-	-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
10	-	Property Book Tax Timing Difference—Account 282	-	-	-	-ARAM	-ARAM	-	-	Protected	N/A	N/A
11	-	Property Book Tax Timing Difference—Account 282	-	-	-	-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
12	-	Property Book Tax Timing Difference—Account 282	-	-	-	-ARAM	-ARAM	-	-	Protected	N/A	N/A
13	-	Property Book Tax Timing Difference—Account 282	-	-	-	-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
14	-	Property Book Tax Timing Difference—Account 283	-	-	-	-ARAM	-ARAM	-	-	Protected	N/A	N/A
15	-	Property Book Tax Timing Difference—Account 283	-	-	-	-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
16	-	Property Book Tax Timing Difference—Account 283	-	-	-	-ARAM	-ARAM	-	-	Protected	N/A	N/A
17	-	Property Book Tax Timing Difference—Account 283	-	-	-	-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
18	-	Property Gross-up for Taxes	-	-	-	-ARAM	-ARAM	-	-	Protected, Unprotected	N/A	N/A
19	-	Total Property (Total of lines 6 thru 18)	-	-	-			-	-			

COLUMN A		COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L
Line No.	Vintage (Note A)	Description	(Excess)/Deficient ADIT Transmission Remeasured Balance as of 12/31/XX (Attachment 4.2 Col. J)	(Excess)/Deficient ADIT Transmission Beg Balance of Year (Note C)	Current Period Other Activity (Note D)	Amortization Period (Note E)	Years Remaining at Year End	Amortization (Note F)	(Excess)/Deficient ADIT Transmission Ending Balance of Year (Note G) (Col. D + Col. E) - Col. H	Protected/Unprotected	Regulatory Asset (Account 182.3) or Regulatory Liability (Account 254)	Amortized to Account 410.1 or Account 411.1
Non-property (Note A):												
20		Account 190										
20a	-	-	-	-		-	-	-	-	-	-	-
21		Account 282										
21a	-	-							-	-	-	-
22		Account 283										
22a	-	-	-	-	-	-	-	-	-	-	-	-
23		Non-property gross-up for Taxes	-	-	-	-	-	-	-	-	-	-
24		Total Non-Property	-	-	-			-	-			
Property (Note A):												
25	-	Property Book Tax Timing Difference Account 190				-ARAM	-ARAM	-	-	Protected	N/A	N/A
26	-	Property Book Tax Timing Difference Account 190				-ARAM	-ARAM	-		Unprotected	N/A	N/A
27	-	Property Book Tax Timing Difference Account 190				-ARAM	-ARAM	-		Protected	N/A	N/A
28	-	Property Book Tax Timing Difference Account 190				-ARAM	-ARAM	-		Unprotected	N/A	N/A
29	-	Property Book Tax Timing Difference Account 282				-ARAM	-ARAM	-	-	Protected	N/A	N/A
30	-	Property Book Tax Timing Difference Account 282				-ARAM	-ARAM	-		Unprotected	N/A	N/A
31	-	Property Book Tax Timing Difference Account 282				-ARAM	-ARAM	-		Protected	N/A	N/A
32	-	Property Book Tax Timing Difference Account 282				-ARAM	-ARAM	-		Unprotected	N/A	N/A
33	-	Property Book Tax Timing Difference Account 283				-ARAM	-ARAM	-	-	Protected	N/A	N/A
34	-	Property Book Tax Timing Difference Account 283				-ARAM	-ARAM	-		Unprotected	N/A	N/A
35	-	Property Book Tax Timing Difference Account 283				-ARAM	-ARAM	-		Protected	N/A	N/A
36	-	Property Book Tax Timing Difference Account 283				-ARAM	-ARAM	-		Unprotected	N/A	N/A
										Protected,		
37	-	Property Gross-up for Taxes				-ARAM	-ARAM	-	-	Unprotected	N/A	N/A
38	-	Total Property (Total of lines 25 thru 37)	-	-	-			-	-			

39	Deferral of Amortized Excess/Deficient ADITs (Note H)	-
40	Total Non-Property & Property Amortization, excluding gross up for taxes (Total of lines 1,2,3-6 thru 17, 20 thru 22, 25 thru 36) (Note I)	-
41	Total 20XX FAS109 (Total of lines 5, 19, 24, 38) (Note J)	-
42	Total 20XX FAS109 (Attachment 4) (Note J)	-

Notes:

- A Excess/deficient ADIT will be tracked separately for each federal or state tax rate change, to be identified by the appropriate vintage in column A. PATH AVE will modify Attachment 4.2 to add an additional page for each additional vintage without pursuing a Federal Power Act Section 205 filing.
- B Upon a tax rate change (federal or state), the Company remeasures its deferred tax assets and liabilities to the new applicable corporate tax rate. For schedule M items not directly taken to the P&L, the result of this remeasurement is a change to the net deferred tax assets/liabilities recorded in accounts 190, 282, and 283 with a corresponding change in regulatory assets (account 182.3) and regulatory liabilities (account 254) to reflect the return of/collection from excess/deficient deferred taxes to/from customers. The remeasurement is effectuated within PowerTax and Tax Provision, which maintain both the timing different and APB11 deferred tax balance (the historical ADIT based on the time difference and the rate in effect when the timing difference occurred). The difference in the two results is reclassified from ADIT to regulatory assets/liabilities for deficient/excess ADIT. Within the FERC Form 1, deficient and excess ADITs in Account 182.3 and Account 254, respectively are presented grossed up for tax purposes. For ratemaking purposes, these grossed up balances are treated as FAS109 and subsequently removed from rate base, thereby ensuring rate base neutrality for tax rate changes. The Company would follow the process described above to remeasure ADIT balances (increase or decrease) due to any future federal or state income tax rate change.
- C Beginning balance of year is the end of the prior year balance as reflected on FERC Form No. 1, pages 232 (Account 182.3) and 278 (Account 254)
- D In the event the Company populates the data enterable fields, it will support the data entered as just and reasonable in its annual update
- E PATH will amortize all excess/deficient amounts in the years noted above.
- F The amortization will occur through FERC income statement Accounts 410.1 and 411.1
- G Ending balance of year is the end of current year balance, as reflected on FERC Form No. 1, pages 232 (Account 182.3) and 278 (Account 254)
- H Reflects the net amount of amortization from prior period(s) that was booked for GAAP, but deferred for FERC purposes because a mechanism did not exist to pass back/collect excess/deficient ADITs to/from customers. The deferred gross up for taxes is calculated in Attachment A, line 82b. The net amortized deferral amount, including the gross up for taxes, is in Account 254, as reflected on FERC Form No. 1, page 278 or Account 182.3, as reflected on FERC Form No. 1, page 232.
- I The amortization gross up for taxes occurs on Attachment A, line 82b
- J Included to demonstrate rate base neutrality. Ties back to FERC Form No. 1 page 232 (Account 182.3) plus page 278 (Account 254).

Attachment 4.2—Excess & Deficient ADIT Detail
PATH Allegheny Transmission Company, LLC

Line No.	Vintage (Note A)	M Item	COLUMN A			COLUMN B			COLUMN C	COLUMN D
			Deferred Tax Asset (Liability) (Note B)			(Excess) Deficient Deferred Income Tax Activity post tax remeasurement			-	-
			12/31/2017 ADIT Balance (Prior to 2017 TCJA)	12/31/2017 ADIT Balance (After 2017 TCJA)	Change in ADIT due to 2017 TCJA	ADIT Offset to P&L (Note B)	(Excess) Deficient Deferred Income Taxes (Notes B & C)	(Excess) Deficient Deferred Income Tax Activity post tax remeasurement	Protected / Unprotected	Regulatory Asset (Account 182.3) or Regulatory Liability (Account 254) as of 12/31/17
						Tax Expense (Benefit)	ADIT Offset to Regulatory Asset (Liability) (= (Col. E + Col. F))	Other Adjustments Including Gross-up True-ups	2017 Return-to-Accrual Adjustment (Recorded in 2018)	(Excess)/Deficient ADIT Transmission Remeasured Balance (= Col. G + Col. H + Col. I)
Non-Property-Related Items:										
1		190 Accounts								
1a	-2017 TCJA		-	-	-	-	-	-	-	-
2		Total For 190 Accounts:	-	-	-	-	-	-	-	-
3		282 Accounts								
3a	-2017 TCJA		-	-	-	-	-	-	-	-
4		Total For 282 Accounts:	-	-	-	-	-	-	-	-
5		283 Accounts								
5a	-2017 TCJA		-	-	-	-	-	-	-	-
6		Total For 283 Accounts:	-	-	-	-	-	-	-	-
Total Non-Property-Related Items:										
7		Net (Excess) Deficient Deferred Income Taxes (excluding Gross-up)	-	-	-	-	-	-	-	-
8		Net Tax Gross-up					-	-	-	-
9		Net (Excess) Deficient Deferred Income Taxes (including Gross-up)					-	-	-	-

Attachment 4.2 – Excess & Deficient ADIT Detail
PATH Allegheny Transmission Company, LLC

Attachment 4.2
page 2 of 3
For the 12 months ended 12/31/17

COLUMN A		COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I	COLUMN J	COLUMN K	COLUMN L
			Deferred Tax Asset (Liability) (Note B)			ADIT Offset to P&L (Note B)	(Excess) Deficient Deferred Income Taxes (Notes B & C)	(Excess) Deficient Deferred Income Tax Activity post tax remeasurement			-	-
			12/31/2017 ADIT Balance (Prior to 2017 TCJA)	12/31/2017 ADIT Balance (After 2017 TCJA)	Change in ADIT due to 2017 TCJA	Tax Expense (Benefit)	ADIT Offset to Regulatory Asset (Liability) (= (Col. E + Col. F))	Other Adjustments Including Gross-up True-ups	2017 Return-to-Accrual Adjustment (Recorded in 2018)	(Excess)/Deficient ADIT Transmission Remeasured Balance (= Col. G + Col. H + Col. I)	Protected / Unprotected	Regulatory Asset (Account 182.3) or Regulatory Liability (Account 254) as of 12/31/17
		M Item										
		Non-Property Related Items:										
10		190 Accounts										
10a		-	-	-	-	-	-	-	-	-	-	-
11		Total For 190 Accounts:	-	-	-	-	-	-	-	-	-	-
12		282 Accounts										
12a		-	-	-	-	-	-	-	-	-	-	-
13		Total For 282 Accounts:	-	-	-	-	-	-	-	-	-	-
14		283 Accounts										
14a		-	-	-	-	-	-	-	-	-	-	-
15		Total For 283 Accounts:	-	-	-	-	-	-	-	-	-	-
		Total Non-Property Related Items:										
16		Net (Excess) Deficient Deferred Income Taxes (excluding Gross-up)	-	-	-	-	-	-	-	-	-	-
17		Net Tax Gross-up					-	-	-	-		
18		Net (Excess) Deficient Deferred Income Taxes (including Gross-up)					-	-	-	-		

Attachment 4.2—Excess & Deficient ADIT Detail
PATH Allegheny Transmission Company, LLC

Notes:	A	Excess/deficient ADIT will be tracked separately for each federal or state tax rate change, to be identified by the appropriate vintage in column A. PATH AVE will modify Attachment 4.2
	B	Upon a tax rate change (federal or state), the Company remeasures its deferred tax assets and liabilities to the new applicable corporate tax rate. For schedule M items not directly taken into account 190, 282, and 283 with a corresponding change in regulatory assets (account 182.3) and regulatory liabilities (account 254) to reflect the return of/collection from excess/deficient ADITs. The Company will maintain both the timing difference and APB11 deferred tax balance (the historical ADIT based on the timing difference and the rate in effect when the timing difference occurred). The ADITs on the FERC Form 1, deficient and excess ADITs in Account 182.3 and Account 254, respectively are presented grossed-up for tax purposes. For ratemaking purposes, these grossed-up balances will be used to calculate the rate. The Company would follow the process described above to remeasure ADIT balances (increase or decrease) due to any future federal or state income tax rate change.
	C	Reflects the end of 2017 balance, as reflected on FERC Form No. 1, pages 222 (Account 182.3) and 278 (Account 254)

Attachment 5-Transmission Enhancement Charge Worksheet

PATH West Virginia Transmission Company, LLC

New Plant Carrying Charge

Formula Line	Item	-	-	-
5	NET REVENUE REQUIREMENT			
24	NET TRANSMISSION PLANT IN SERVICE			
32	CWIP			
34	UNAMORTIZED ABANDONED PLANT			
-	Carrying charge (line 3/sum of lines 4, 5 and 6)			

(1) (2) (3) (4) (5) (6) (7)

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

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

PJM Upgrade ID: - b0490 & b0491							
Ames Substation Upgrade-CWIP	Ames to Midpoint Line-CWIP	Midpoint Substation and SVC-CWIP	Midpoint to Interconnection with PATH Allegheny-CWIP	Transmission Plant In Service	Unamortized Abandoned Plant	Totals	
No	No	No	No	No	Yes		
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
-	-	-	-	-	-		

13	Forecast—Forecast of average 13 month current year net transmission plant plus 13 mo CWIP balances. Reconciliation—Average of 13 month prior year net transmission plant balances plus prior year 13-mo CWIP balances.							
		Investment	0	-	-	-	-	0
		Revenue Requirement	-	-	-	-	-	0

Attachment 5—Transmission Enhancement Charge Worksheet

PATH Allegheny Transmission Company, LLC

New Plant Carrying Charge

Formula-Line	Item	-	-	-
	NET REVENUE			
5	REQUIREMENT			_____
24	NET TRANSMISSION PLANT IN SERVICE			_____
32	CWIP			_____
34	UNAMORTIZED ABANDONED PLANT			_____
-	Carrying charge (line 3/sum of lines 4, 5 and 6)			_____

(1)

(2)

(3)

(4)

(5)

(6)

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

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

			PJM Upgrade ID: b0492 & b0560				
Details	-	Kemptown Substation –CWIP	Kemptown to Interconnection with PATH-West Virginia—CWIP	Midpoint Substation and SVC –CWIP	Transmission Plant In Service	Unamortized Abandoned Plant	Totals
Schedule 12 FCR for This Project	(Yes or No)	No	No	No	No	Yes	-
		0.0%	0.0%	0.0%	0.0%	0.0%	-
-		-	-	-	-	-	-

"Yes" if a project under PJM OATT Schedule 12, otherwise "No"

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Forecast — Forecast of average 13 month current
year net transmission plant plus 13-mo CWIP
balances. — Reconciliation
— Average of 13 month prior year net transmission
plant balances plus prior year 13-mo CWIP
balances.

Investment						
	0				-	0
Revenue						
Requirement	-				-	0

Attachment 6 - Financing Costs for Long Term Debt using the Internal Rate of Return Methodology -- PATH-WV

HYPOTHETICAL EXAMPLE

PATH anticipates its financing will be a 7 year loan, where by PATH pays Origination Fees of \$7.9 million and a Commitments Fee of 0.375% on the undrawn principle. Consistent with GAAP, PATH will amortize the Origination Fees and Commitments Fees using the standard Internal Rate of Return formula below. Each year, PATH will true up the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount on this attachment.

Total Loan Amount	-	-	-	\$ 600,000,000
-------------------	---	---	---	----------------

Internal Rate of Return ¹	-	-	-	6.64%
Based on following Financial Formula ² :	-	-	-	
-	-	-	-	
NPV = 0 =	$\sum_{t=1}^N C_t / (1 + IRR)^p w r(t)$			
-	-	-	-	
-	-	-	-	

-	-	-	-	-
Origination Fees	-	-	-	-
Underwriting Discount	-	-	-	-
Arrangement Fee	-	-	-	2,000,000
Upfront Fee	-	-	-	4,400,000
Rating Agency Fee	-	-	-	200,000
Legal Fees	-	-	-	1,250,000
Total Issuance Expense	-	-	-	7,850,000
-	-	-	-	-
-	-	-	-	-
Annual Rating Agency Fee	-	-	-	200,000
Annual Bank Agency Fee	-	-	-	75,000
Revolving Credit Commitment Fee	-	-	-	0.375%

	2008	2009	2010	2011	2012	2013	2014
LIBOR Rate	4.0610%	4.0610%	4.0610%	4.0610%	4.0610%	4.0610%	4.0610%
Spread	1.875%	1.875%	1.875%	1.875%	1.875%	1.875%	1.875%
Interest Rate	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Year		Capital Expenditures (\$000's)	Principle Drawn-In Quarter (\$000's)	Principle Drawn To-Date (\$000's)	Interest Expense (\$000's)	Origination Fees (\$000's)	Commitment & Utilization Fee (\$000's)	Net Cash Flows (\$000's) (D-F-G-H)
-	-	-	-	-	-	-	-	-
Prior to 11/2008		16,529						-
30/11/2008	Q4	8,923						
15/02/2009	Q1	14,636	20,044	20,044		125		19,919
15/05/2009	Q2	17,119	8,560	28,604	297			8,262
15/08/2009	Q3	46,132	23,066	51,670	424			22,642
15/11/2009	Q4	62,740	31,370	83,040	767			30,603
15/02/2010	Q1	132,393	66,197	149,236	1,232	7,725	553	56,686
15/05/2010	Q2	132,393	66,197	215,433	2,215		491	63,490
15/08/2010	Q3	132,393	66,197	281,629	3,197		429	62,570
15/11/2010	Q4	132,393	66,197	347,826	4,179		367	61,650
15/02/2011	Q1	70,588	35,294	383,120	5,162		305	29,827
15/05/2011	Q2	70,588	35,294	418,414	5,685		272	29,336
15/08/2011	Q3	70,588	35,294	453,708	6,209		239	28,846
15/11/2011	Q4	70,588	35,294	489,002	6,733		206	28,355
15/02/2012	Q1	51,885	25,943	514,944	7,257		173	18,513
15/05/2012	Q2	51,885	25,943	540,887	7,642		148	18,152
15/08/2012	Q3	51,885	25,943	566,829	8,027		124	17,792
15/11/2012	Q4	51,885	25,943	592,772	8,412		100	17,431
15/02/2013	Q1	11,122	7,228	600,000	8,797		76	(1,644)
15/05/2013	Q2			600,000	8,904		69	(8,973)
15/08/2013	Q3			600,000	8,904		69	(8,973)
15/11/2013	Q4			600,000	8,904		69	(8,973)
15/02/2014	Q1			600,000	8,904		69	(8,973)
15/05/2014	Q2			600,000	8,904		69	(8,973)
15/08/2014	Q3			600,000	8,904		69	(8,973)
15/11/2014	Q4			600,000	8,904		69	(8,973)
15/02/2015	Q1			600,000	8,904			(608,903)

¹ ~~The IRR is the Debt Cost shown on Page 5, Line 118 of Rate Formula Template~~

² ~~The IRR is a discount rate that makes the net present value of a series of cash flows equal to zero. The IRR equation can only be solved through iterations performed by a computer program (i.e. NPV function with goal seek in a spreadsheet program).~~

Attachment 6 – Financing Costs for Long Term Debt using the Internal Rate of Return Methodology – PATH Allegheny

HYPOTHETICAL EXAMPLE

PATH anticipates its financing will be a 7 year loan, where by PATH pays Origination Fees of \$7.9 million and a Commitments Fee of 0.375% on the undrawn principle. Consistent with GAAP, PATH will amortize the Origination Fees and Commitments Fees using the standard Internal Rate of Return formula below. Each year, PATH will true up the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount on this attachment.

Total Loan Amount	-	-	\$ 300,000,000
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Internal Rate of Return ¹	-	-	6.76%
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Based on following Financial Formula²:

NPV = 0 =

$$\sum_{t=1}^N C_t / (1 + IRR)^p w r(t)$$

Origination Fees

Underwriting Discount

Arrangement Fee

Upfront Fee

Rating Agency Fee

Legal Fees

Total Issuance Expense

Annual Rating Agency Fee

Annual Bank Agency Fee

Revolving Credit Commitment Fee

-	2008	2009	2010	2011	2012	2013	2014
LIBOR Rate	4.0610%	4.0610%	4.0610%	4.0610%	4.0610%	4.0610%	4.0610%
Spread	1.875%	1.875%	1.875%	1.875%	1.875%	1.875%	1.875%

	Interest Rate	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%	5.94%
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(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Year		Capital Expenditures - (\$000's)	Principle Drawn-In Quarter (\$000's)	Principle Drawn To-Date (\$000's)	Interest Expense (\$000's)	Origination Fees (\$000's)	Commitment & Utilization Fee (\$000's)	Net-Cash Flows (\$000's)
-	-	-	-	-	-	-	-	(D-F-G-H)
Prior to 11/2008		8,672						-
15/11/2008	Q4	13,079						
15/02/2009	Q1	18,143	19,947	19,947		75		19,872
15/05/2009	Q2	17,756	8,878	28,825	296			8,582
15/08/2009	Q3	24,818	12,409	41,234	428			11,984
15/11/2009	Q4	33,644	16,822	58,056	612			16,240
15/02/2010	Q1	33,686	16,843	74,899	862	4,075	296	11,644
15/05/2010	Q2	30,747	15,359	90,258	1,112		280	13,967
15/08/2010	Q3	39,142	19,571	109,829	1,339		265	17,966
15/11/2010	Q4	41,965	20,983	130,811	1,630		247	19,106
15/02/2011	Q1	52,638	26,319	157,130	1,941		227	24,150
15/05/2011	Q2	47,999	24,000	181,130	2,332		203	21,465
15/08/2011	Q3	61,165	30,583	211,712	2,688		180	27,714
15/11/2011	Q4	65,576	32,788	244,500	3,142		152	29,495
15/02/2012	Q1	29,076	14,538	259,038	3,628		121	10,789
15/05/2012	Q2	26,514	13,257	272,295	3,844		107	9,306
15/08/2012	Q3	33,786	16,893	289,188	4,041		95	12,757
15/115/2012	Q4	21,624	10,812	300,000	4,292		79	6,442
15/02/2013	Q1			300,000	4,452		69	(4,521)
15/05/2013	Q2			300,000	4,452		69	(4,521)
15/08/2013	Q3			300,000	4,452		69	(4,521)
15/11/2013	Q4			300,000	4,452		69	(4,521)
15/02/2014	Q1			300,000	4,452		69	(4,521)
15/05/2014	Q2			300,000	4,452		69	(4,521)
15/08/2014	Q3			300,000	4,452		69	(4,521)
15/11/2014	Q4			300,000	4,452		69	(4,521)
15/02/2015	Q1			300,000	4,452			(304,452)

¹ ~~The IRR is the Debt Cost shown on Page 10, Line 118 of Rate Formula Template~~

² ~~The IRR is a discount rate that makes the net present value of a series of cash flows equal to zero. The IRR equation can only be solved through iterations performed by a computer program (i.e. NPV function with goal seek in a spreadsheet program).~~

~~PATH West Virginia Transmission Company, LLC~~

YEAR-ENDED **31/12/2014**

~~(HYPOTHETICAL EXAMPLE)~~

~~Development of Effective Cost Rates:~~

Page 83

⁴The Effective Cost Rate is the Debt Cost shown on Page 5, Line 118 of Rate Formula Template

Attachment 7

Potomac-Appalachian Transmission Highline, LLC

PATH Allegheny Transmission Company, LLC

CALCULATION OF COST OF DEBT AFTER CONSTRUCTION PHASE

YEAR ENDED

31/12/2014

(HYPOTHETICAL EXAMPLE)

			Amount Outstanding	Unamortized Debt Issue Expense	Unamortized Debt Premium/ (Discount)	Unamortized Losses on Reacquired Debt	Net Amount Outstanding	Effective Cost Rate ¹	Annualized Cost
<u>Debt:</u>									
<u>First Mortgage Bonds:</u>									
			\$ 300,000,000	\$2,900,000	(\$2,320,000)	\$0	\$294,780,000	7.237%	\$ 21,333,422
<u>Other Long Term Debt:</u>									
6.600									
%	Series Medium Term Notes	Due 2021	\$ 200,000,000	\$1,800,000			\$198,200,000	6.734%	\$ 13,347,503
									-
Total Debt			\$ 500,000,000	\$ 4,700,000	\$ (2,320,000)	\$	\$ 492,980,000	7.035%	\$ 34,680,924
Check with FERC Form 1 B/S pgs 110-113			\$ 185,750,000	\$ (1,131,082)	\$ (1,595,909)	\$ 17,075,452			

Development of Effective Cost Rates:

			Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance	Issuance Expense	Loss on Reacquired Debt	Net Proceeds	Net Proceeds Ratio	Coupon Rate	Effective Cost Rate	Annual Interest
<u>First Mortgage Bonds</u>													
7.090%	Series Due	2041	01/01/2014	30/06/2044	\$ 300,000,000	\$ (2,400,000)	\$ 3,000,000		\$ 294,600,000	98.2000	0.07090	7.237%	\$21,270,000
													-
<u>Other Long Term Debt:</u>													
6.600%	Series Medium Term Notes	Due 2021	01/01/2014	06/30/2024	200,000,000	-	2,000,000	-	\$ 198,000,000	99.0000	0.06600	6.734%	13,200,000
					\$ 500,000,000	(2,400,000)	\$ 5,000,000		\$ 492,600,000				

⁴The Effective Cost Rate is the Debt Cost shown on Page 10, Line 118 of Rate Formula Template

PATH West Virginia Transmission Company, LLC

<p>Hypothetical Actual Revenue Requirement For Year 2009 Available _____ May 31, 2010</p> <p>-</p> <p>\$16,000,000</p>	-	<p>Hypothetical 2009 Revenue Requirement Forecast by Sept 1, 2008</p> <p>-</p> <p>\$15,000,000</p>	=	<p>True-up Adjustment—Over (Under) Recovery</p> <p>-</p> <p>(\$1,000,000)</p>
--	---	--	---	---

- - - - - - - - - - -

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery Plus Interest	Hypothetical Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
			0.5500%				

An over or under collection will be recovered prorata over 2009, held for 2010 and returned prorata over 2011.

Calculation of Interest					Monthly	
January	Year 2009	_____ (83,333)	0.5500%	\$12.00	_____ 5,500	_____ 88,833
February	Year 2009	_____ (83,333)	0.5500%	\$11.00	_____ 5,042	_____ 88,375
March	Year 2009	_____ (83,333)	0.5500%	\$10.00	_____ 4,583	_____ 87,917
April	Year 2009	_____ (83,333)	0.5500%	\$9.00	_____ 4,125	_____ 87,458
May	Year 2009	_____ (83,333)	0.5500%	\$8.00	_____ 3,667	_____ 87,000
June	Year 2009	_____ (83,333)	0.5500%	\$7.00	_____ 3,208	_____ 86,542
July	Year 2009	_____ (83,333)	0.5500%	\$6.00	_____ 2,750	_____ 86,083
August	Year 2009	_____ (83,333)	0.5500%	\$5.00	_____ 2,292	_____ 85,625
September	Year 2009	_____ (83,333)	0.5500%	\$4.00	_____ 1,833	_____ 85,167
October	Year 2009	_____ (83,333)	0.5500%	\$3.00	_____ 1,375	_____ 84,708

November	Year 2009	(83,333)	0.5500%	\$2.00	917	84,250
December	Year 2009	(83,333)	0.5500%	\$1.00	458	83,792
					35,750	1,035,750
					-Annual	
January through December	Year 2010	1,035,750	0.5500%	\$12.00	68,360	1,104,110
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					-Monthly	
January	Year 2011	(1,104,110)	0.5500%	6,073	(95,332)	1,014,851
February	Year 2011	(1,014,851)	0.5500%	5,582	(95,332)	925,101
March	Year 2011	(925,101)	0.5500%	5,088	(95,332)	834,857
April	Year 2011	(834,857)	0.5500%	4,592	(95,332)	744,117
May	Year 2011	(744,117)	0.5500%	4,093	(95,332)	652,879
June	Year 2011	(652,879)	0.5500%	3,591	(95,332)	561,138
July	Year 2011	(561,138)	0.5500%	3,086	(95,332)	468,893
August	Year 2011	(468,893)	0.5500%	2,579	(95,332)	376,140
September	Year 2011	(376,140)	0.5500%	2,069	(95,332)	282,877
October	Year 2011	(282,877)	0.5500%	1,556	(95,332)	189,102
November	Year 2011	(189,102)	0.5500%	1,040	(95,332)	94,810
December	Year 2011	(94,810)	0.5500%	521	(95,332)	0
					39,869	
True-Up Adjustment with Interest					\$	1,143,978
Less Over (Under) Recovery					\$	(1,000,000)
Total Interest					\$	143,978

Attachment 8
Potomac-Appalachian Transmission Highline, LLC
Example of Interest Rates and Interest Calculations
PATH Allegheny Transmission Company, LLC

<div> Hypothetical Actual Revenue Requirement For Year 2009 Available May 31, 2010 \$16,000,000 </div>	-	<div> Hypothetical 2009 Revenue Requirement Forecast by Sept 1, 2008 \$15,000,000 </div>	=	<div> True up Adjustment Over (Under) Recovery (\$1,000,000) </div>
-	-	-	-	-

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery Plus Interest	Hypothetical Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
			0.5500%				
An over or under collection will be recovered prorata over 2009, held for 2010 and returned prorata over 2011							
<u>Calculation of Interest</u>					<u>Monthly</u>		
January	Year 2009	(83,333)	0.5500%	\$12.00	5,500		88,833
February	Year 2009	(83,333)	0.5500%	\$11.00	5,042		88,375
March	Year 2009	(83,333)	0.5500%	\$10.00	4,583		87,917
April	Year 2009	(83,333)	0.5500%	\$9.00	4,125		87,458
May	Year 2009	(83,333)	0.5500%	\$8.00	3,667		87,000
June	Year 2009	(83,333)	0.5500%	\$7.00	3,208		86,542
July	Year 2009	(83,333)	0.5500%	\$6.00	2,750		86,083
August	Year 2009	(83,333)	0.5500%	\$5.00	2,292		85,625
September	Year 2009	(83,333)	0.5500%	\$4.00	1,833		85,167

October	Year 2009	(83,333)	0.5500%	\$3.00	1,375	84,708
November	Year 2009	(83,333)	0.5500%	\$2.00	917	84,250
December	Year 2009	(83,333)	0.5500%	\$1.00	458	83,792
					35,750	1,035,750
					-Annual	
January through December	Year 2010	1,035,750	0.5500%	\$12.00	68,360	1,104,110
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					-Monthly	
January	Year 2011	(1,104,110)	0.5500%	6,073	(95,332)	1,014,851
February	Year 2011	(1,014,851)	0.5500%	5,582	(95,332)	925,101
March	Year 2011	(925,101)	0.5500%	5,088	(95,332)	834,857
April	Year 2011	(834,857)	0.5500%	4,592	(95,332)	744,117
May	Year 2011	(744,117)	0.5500%	4,093	(95,332)	652,879
June	Year 2011	(652,879)	0.5500%	3,591	(95,332)	561,138
July	Year 2011	(561,138)	0.5500%	3,086	(95,332)	468,893
August	Year 2011	(468,893)	0.5500%	2,579	(95,332)	376,140
September	Year 2011	(376,140)	0.5500%	2,069	(95,332)	282,877
October	Year 2011	(282,877)	0.5500%	1,556	(95,332)	189,102
November	Year 2011	(189,102)	0.5500%	1,040	(95,332)	94,810
December	Year 2011	(94,810)	0.5500%	521	(95,332)	0
					39,869	
True Up Adjustment with Interest					\$	1,143,978
Less Over (Under) Recovery					\$	(1,000,000)
Total Interest					\$	143,978

Potomac-Appalachian Transmission Highline, LLC

Attachment 9 - Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan

Applicable to both PATH West Virginia Transmission Company, LLC & PATH Allegheny Transmission Company, LLC

To be Prepared on 8/15/2013 (hypothetical date)

SUMMARY							
YEAR	Estimated Effective cost of debt used in forecast/true up	Final Effective cost of debt for the construction loan:	Hypothetical Revenue Requirement				
			Based on Estimated Effective cost of debt	Based on Actual Effective cost of debt	Over (Under) Recovery	Hypothetical Monthly Interest Rate applicable over the ATRR period	Total Amount of Construction Loan Related True-Up included in rates effective Jan 2014 (Refund)/Owed
2008	7.18%	7.00%	\$ 2,500,000.00	\$ 2,400,000.00	\$ 100,000.00	0.550%	\$ (148,288.33)
2009	6.8%	7.00%	\$5,000,000.00	\$5,150,000.00	\$ (150,000.00)	0.560%	\$ 209,670.43
2010	7.2%	7.00%	\$8,300,000.00	\$8,200,000.00	\$ 100,000.00	0.540%	\$ (131,109.09)
2011	7.3%	7.00%	\$12,300,000.00	\$12,000,000.00	\$ 300,000.00	0.580%	\$ (368,656.73)
2012*	7.1%	6.83%	\$18,000,000.00	\$17,900,000.00	\$ 100,000.00	0.570%	\$ (114,946.28)
2013**	6.50%	6.50%	\$25,000,000.00	\$25,000,000.00	\$		-
2014**	6.50%	6.50%					\$ (553,329.99)
-							-
* Assumes that the construction loan is retired on Sept 1, 2012							
** Assumes permanent debt structure is put in place on Sept 1, 2012 with effective rate of 6.5%							
Note: True-Up period is 2008 – 2012, with the true-up amount included in 2014 forecasted ATRR. Final effective cost of debt for 2012 is computed as follows: $((7\% \times 243 \text{ days}) + (6.5\% \times 122 \text{ days})) / 365 \text{ days}$							
-			-	-	-	-	-

Calculation of Applicable Interest Expense for each ATRR period

Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Hypothetical Monthly Interest Rate	Months	-Calculated Interest	Amortization	Surcharge (Refund) Owed
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Calculation of Interest for 2008 True-Up Period

An over or under collection will be recovered prorata over 2008, held for 2009, 2010, 2011, 2012, 2013 and returned prorata over 2014

Monthly

January	Year-2008	-	0.5500%	12.00	—	—
February	Year-2008	-	0.5500%	11.00	—	—
March	Year-2008	10,000	0.5500%	10.00	—(550)	—(10,550)
April	Year-2008	10,000	0.5500%	9.00	—(495)	—(10,495)
May	Year-2008	10,000	0.5500%	8.00	—(440)	—(10,440)
June	Year-2008	10,000	0.5500%	7.00	—(385)	—(10,385)
July	Year-2008	10,000	0.5500%	6.00	—(330)	—(10,330)
August	Year-2008	10,000	0.5500%	5.00	—(275)	—(10,275)
September	Year-2008	10,000	0.5500%	4.00	—(220)	—(10,220)
October	Year-2008	10,000	0.5500%	3.00	—(165)	—(10,165)
November	Year-2008	10,000	0.5500%	2.00	—(110)	—(10,110)
December	Year-2008	10,000	0.5500%	1.00	—(55)	—(10,055)
-					—(3,025)	—(103,025)
-						-
-					-Annual	-
-						-
January through December	Year-2009	(103,025)	0.5600%	12.00	—(6,923)	—(109,948)
January through December	Year-2010	(109,948)	0.5400%	12.00	—(7,125)	—(117,073)
January through December	Year-2011	(117,073)	0.5800%	12.00	—(8,148)	—(125,221)
January through December	Year-2012	(125,221)	0.5700%	12.00	—(8,565)	—(133,786)
January through December	Year-2013	(133,786)	0.5700%	12.00	—(9,151)	—(142,937)
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					-Monthly	-
January	Year-2014	142,937	0.5700%		—(815)	—(131,395)
February	Year-2014	131,395	0.5700%		—(749)	—(119,786)
March	Year-2014	119,786	0.5700%		—(683)	—(108,112)
April	Year-2014	108,112	0.5700%		—(616)	—(96,371)
May	Year-2014	96,371	0.5700%		—(549)	—(84,563)
June	Year-2014	84,563	0.5700%		—(482)	—(72,687)
July	Year-2014	72,687	0.5700%		—(414)	—(60,744)
August	Year-2014	60,744	0.5700%		—(346)	—(48,733)
September	Year-2014	48,733	0.5700%		—(278)	—(36,653)

October	Year 2014	36,653	0.5700%	(209)	(12,357)	(24,505)
November	Year 2014	24,505	0.5700%	(140)	(12,357)	(12,287)
December	Year 2014	12,287	0.5700%	(70)	(12,357)	0
-				(5,351)		-
-						-
Total Amount of True-Up Adjustment for 2008 ATRR					\$ (148,288)	-
Less Over (Under) Recovery					\$ 100,000	-
Total Interest					\$ (48,288)	-

Potomac-Appalachian Transmission Highline, LLC

Attachment 9—Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan

Applicable to both PATH West Virginia Transmission Company, LLC & PATH Allegheny Transmission Company, LLC

Calculation of Interest for 2009 True-Up Period									
An over or under collection will be recovered prorata over 2009, held for 2010, 2011, 2012, 2013 and returned prorata over 2014									
						Monthly			
January	Year 2009	(12,500)	0.5600%	12.00	840		13,340		
February	Year 2009	(12,500)	0.5600%	11.00	770		13,270		
March	Year 2009	(12,500)	0.5600%	10.00	700		13,200		
April	Year 2009	(12,500)	0.5600%	9.00	630		13,130		
May	Year 2009	(12,500)	0.5600%	8.00	560		13,060		
June	Year 2009	(12,500)	0.5600%	7.00	490		12,990		
July	Year 2009	(12,500)	0.5600%	6.00	420		12,920		
August	Year 2009	(12,500)	0.5600%	5.00	350		12,850		
September	Year 2009	(12,500)	0.5600%	4.00	280		12,780		
October	Year 2009	(12,500)	0.5600%	3.00	210		12,710		
November	Year 2009	(12,500)	0.5600%	2.00	140		12,640		
December	Year 2009	(12,500)	0.5600%	1.00	70		12,570		
-					5,460		155,460		
-							-		
-							-		
-							-		
						Annual			
January through December	Year 2010	155,460	0.5400%	12.00	10,074		165,534		
January through December	Year 2011	165,534	0.5800%	12.00	11,521		177,055		
January through December	Year 2012	177,055	0.5700%	12.00	12,111		189,166		
January through December	Year 2013	189,166	0.5700%	12.00	12,939		202,104		
-							-		
-							-		
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months						Monthly			
January	Year 2014	(202,104)	0.5700%		1,152	17,473	185,784		
February	Year 2014	(185,784)	0.5700%		1,059	17,473	169,370		
March	Year 2014	(169,370)	0.5700%		965	17,473	152,863		
April	Year 2014	(152,863)	0.5700%		871	17,473	136,262		
May	Year 2014	(136,262)	0.5700%		777	17,473	119,566		

June	Year 2014	(119,566)	0.5700%	682	17,473	102,775
July	Year 2014	(102,775)	0.5700%	586	17,473	85,888
August	Year 2014	(85,888)	0.5700%	490	17,473	68,905
September	Year 2014	(68,905)	0.5700%	393	17,473	51,826
October	Year 2014	(51,826)	0.5700%	295	17,473	34,649
November	Year 2014	(34,649)	0.5700%	197	17,473	17,374
December	Year 2014	(17,374)	0.5700%	99	17,473	(0)
-				7,566		-
-						-
Total Amount of True-Up Adjustment for 2009 ATRR					\$ 209,670	-
Less Over (Under) Recovery					\$ (150,000)	-
Total Interest					\$ 59,670	-

Calculation of Interest for 2010 True-Up Period						
An over or under collection will be recovered prorata over 2010, held for 2011, 2012, 2013 and returned prorata over 2014						
					Monthly	
-						-
January	Year 2010	8,333	0.5400%	12.00	(540)	(8,873)
February	Year 2010	8,333	0.5400%	11.00	(495)	(8,828)
March	Year 2010	8,333	0.5400%	10.00	(450)	(8,783)
April	Year 2010	8,333	0.5400%	9.00	(405)	(8,738)
May	Year 2010	8,333	0.5400%	8.00	(360)	(8,693)
June	Year 2010	8,333	0.5400%	7.00	(315)	(8,648)
July	Year 2010	8,333	0.5400%	6.00	(270)	(8,603)
August	Year 2010	8,333	0.5400%	5.00	(225)	(8,558)
September	Year 2010	8,333	0.5400%	4.00	(180)	(8,513)
October	Year 2010	8,333	0.5400%	3.00	(135)	(8,468)
November	Year 2010	8,333	0.5400%	2.00	(90)	(8,423)
December	Year 2010	8,333	0.5400%	1.00	(45)	(8,378)
-					(3,510)	(103,510)
-						-
-					Annual	-
-						-
January through December	Year 2011	(103,510)	0.5800%	12.00	(7,204)	(110,714)
January through December	Year 2012	(110,714)	0.5700%	12.00	(7,573)	(118,287)
January through December	Year 2013	(118,287)	0.5700%	12.00	(8,091)	(126,378)
-						-
-						-
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					Monthly	
January	Year 2014	126,378	0.5700%	(720)	(10,926)	(116,473)
February	Year 2014	116,473	0.5700%	(662)	(10,926)	(105,909)
March	Year 2014	105,909	0.5700%	(604)	(10,926)	(95,587)
April	Year 2014	95,587	0.5700%	(545)	(10,926)	(85,206)

May	Year 2014	85,206	0.5700%	—————	(486)	(10,926)	(74,766)
June	Year 2014	74,766	0.5700%	—————	(426)	(10,926)	(64,266)
July	Year 2014	64,266	0.5700%	—————	(366)	(10,926)	(53,707)
August	Year 2014	53,707	0.5700%	—————	(306)	(10,926)	(43,087)
September	Year 2014	43,087	0.5700%	—————	(246)	(10,926)	(32,407)
October	Year 2014	32,407	0.5700%	—————	(186)	(10,926)	(21,666)
November	Year 2014	21,666	0.5700%	—————	(123)	(10,926)	(10,864)
December	Year 2014	10,864	0.5700%	—————	(62)	(10,926)	0
-				—————	(4,731)		-
-							-
Total Amount of True Up Adjustment for 2010 ATRR						\$ ———	(131,109)
Less Over (Under) Recovery						\$ ———	100,000
						-	-
Total Interest						\$ ———	(31,109)

Potomac-Appalachian Transmission Highline, LLC

Attachment 9—Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan

Applicable to both PATH West Virginia Transmission Company, LLC & PATH Allegheny Transmission Company, LLC

Calculation of Interest for 2011 True-Up Period

An over or under collection will be recovered prorata over 2011, held for 2012, 2013 and returned prorata over 2014

					Monthly	-
January	Year 2011	25,000	0.5800%	12.00	(1,740)	(26,740)
February	Year 2011	25,000	0.5800%	11.00	(1,595)	(26,595)
March	Year 2011	25,000	0.5800%	10.00	(1,450)	(26,450)
April	Year 2011	25,000	0.5800%	9.00	(1,305)	(26,305)
May	Year 2011	25,000	0.5800%	8.00	(1,160)	(26,160)
June	Year 2011	25,000	0.5800%	7.00	(1,015)	(26,015)
July	Year 2011	25,000	0.5800%	6.00	(870)	(25,870)
August	Year 2011	25,000	0.5800%	5.00	(725)	(25,725)
September	Year 2011	25,000	0.5800%	4.00	(580)	(25,580)
October	Year 2011	25,000	0.5800%	3.00	(435)	(25,435)
November	Year 2011	25,000	0.5800%	2.00	(290)	(25,290)
December	Year 2011	25,000	0.5800%	1.00	(145)	(25,145)
-					(11,310)	(311,310)
-						-
-					Annual	-
-						-
January through December	Year 2012	(311,310)	0.5700%	12.00	(21,294)	(332,604)
January through December	Year 2013	(332,604)	0.5700%	12.00	(22,750)	(355,354)

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>				<u>Monthly</u>		-	
January	Year 2014	355,354	0.5700%	—————	(2,026)	(30,721)	(326,658)
February	Year 2014	326,658	0.5700%	—————	(1,862)	(30,721)	(297,798)
March	Year 2014	297,798	0.5700%	—————	(1,697)	(30,721)	(268,774)

April	Year 2014	268,774	0.5700%	—	(1,532)	(30,721)	(239,585)
May	Year 2014	239,585	0.5700%	—	(1,366)	(30,721)	(210,229)
June	Year 2014	210,229	0.5700%	—	(1,198)	(30,721)	(180,706)
July	Year 2014	180,706	0.5700%	—	(1,030)	(30,721)	(151,015)
August	Year 2014	151,015	0.5700%	—	(861)	(30,721)	(121,154)
September	Year 2014	121,154	0.5700%	—	(691)	(30,721)	(91,123)
October	Year 2014	91,123	0.5700%	—	(519)	(30,721)	(60,921)
November	Year 2014	60,921	0.5700%	—	(347)	(30,721)	(30,547)
December	Year 2014	30,547	0.5700%	—	(174)	(30,721)	0
					(13,303)		
-							
Total Amount of True Up Adjustment for 2011 ATRR					\$ (368,657)		
Less Over (Under) Recovery					\$ 300,000		
Total Interest	-	-	-	-	-	\$ (68,657)	-

Calculation of Interest for 2012 True Up Period

An over or under collection will be recovered prorata over 2012, held for 2013 and returned prorata over 2014

Calculation of Interest for 2013 Trade Expenses						Monthly	-
An over or under collection will be recovered prorata over 2012, held for 2013 and returned prorata over 2014							-
January	Year 2012	8,333	0.5700%	12.00	(570)	(8,903)	
February	Year 2012	8,333	0.5700%	11.00	(523)	(8,856)	
March	Year 2012	8,333	0.5700%	10.00	(475)	(8,808)	
April	Year 2012	8,333	0.5700%	9.00	(428)	(8,761)	
May	Year 2012	8,333	0.5700%	8.00	(380)	(8,713)	
June	Year 2012	8,333	0.5700%	7.00	(333)	(8,666)	
July	Year 2012	8,333	0.5700%	6.00	(285)	(8,618)	
August	Year 2012	8,333	0.5700%	5.00	(238)	(8,571)	
September	Year 2012	8,333	0.5700%	4.00	(190)	(8,523)	
October	Year 2012	8,333	0.5700%	3.00	(143)	(8,476)	
November	Year 2012	8,333	0.5700%	2.00	(95)	(8,428)	
December	Year 2012	8,333	0.5700%	1.00	(48)	(8,381)	
-					(3,705)	(103,705)	
-							
-							
					—Annual	-	
January through December	Year 2013	(103,705)	0.5700%	12.00	(7,093)	(110,798)	

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

Interest (Cash/Recovery) Plus Interest Authorized and Accrued Over 12 Months				Monthly		
January	Year 2014	110,798	0.5700%	(632)	(9,579)	(101,851)
February	Year 2014	101,851	0.5700%	(584)	(9,579)	(92,853)
March	Year 2014	92,853	0.5700%	(529)	(9,579)	(83,803)
April	Year 2014	83,803	0.5700%	(478)	(9,579)	(74,702)
May	Year 2014	74,702	0.5700%	(426)	(9,579)	(65,549)
June	Year 2014	65,549	0.5700%	(374)	(9,579)	(56,344)
July	Year 2014	56,344	0.5700%	(321)	(9,579)	(47,086)
August	Year 2014	47,086	0.5700%	(268)	(9,579)	(37,776)
September	Year 2014	37,776	0.5700%	(215)	(9,579)	(28,412)

October	Year 2014	28,412	0.5700%	(162)	(9,579)	(18,995)
November	Year 2014	18,995	0.5700%	(108)	(9,579)	(9,525)
December	Year 2014	9,525	0.5700%	(54)	(9,579)	0
				(4,148)		-
-						-
Total Amount of True-Up Adjustment for 2012 ATRR					\$ (114,946)	-
Less Over (Under) Recovery					\$ 100,000	-
Total Interest		- - - - - - - - -			\$ (14,946)	- -

~~Potomac Appalachian Transmission Highline, LLC~~
~~Attachment 10 – Depreciation Accrual Rates~~

~~Applicable to PATH West Virginia Transmission Company, LLC~~

-		-	-	-	-
			Accrual Rate (Annual) Percent	-Annual Depreciation Expense	-
TRANSMISSION PLANT					-
350.2		Land & Land Rights – Easements	1.43	-	-
352		Structures & Improvements	1.82	-	-
353		Station Equipment		-	-
		-Other	2.43	-	-
		-SVC Dynamic Control Equipment	4.09	-	-
354		Towers & Fixtures	1.26	-	-
355		Poles & Fixtures	3.11	-	-
356		Overhead Conductors & Devices	1.13	-	-
Total Transmission Plant Depreciation				-	-
Total Transmission Depreciation Expense (must tie to p336.7.b & c)		<div></div>		-	-
GENERAL PLANT					-
			Accrual Rate (Annual) Percent	-Annual Depreciation Expense	-
				-	-

390	Structures & Improvements	2.00		-
		-		-
391	Office Furniture & Equipment	5.00		-
	—Information Systems	10.00		-
	—Data Handling	10.00		-
		-		-
392	Transportation Equipment	-		-
	—Other	5.33		-
	—Autos	11.43		-
	—Light Trucks	6.96		-
	—Medium Trucks	6.96		-
	—Trailers	4.44		-
	—ATV	5.33		-
		-		-
393	Stores Equipment	5.00		-
		-		-
394	Tools, Shop & Garage Equipment	5.00		-
		-		-
395	Laboratory Equipment	5.00		-
		-		-
396	Power Operated Equipment	4.17		-
		-		-
397	Communication Equipment	6.67		-
		-		-
398	Miscellaneous Equipment	6.67		-
Total General Plant				-
Total General Plant Depreciation Expense (must tie to p336.10.b & c)				-
INTANGIBLE PLANT				-
				-
303	Miscellaneous Intangible Plant	20.00		-
Total Intangible Plant				-

Accrual Rate (Annual) Percent	-Annual Depreciation Expense
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Total Intangible Plant Amortization (must tie to p336.1 d & e)

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

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Potomac Appalachian Transmission Highline, LLC
Attachment 10—Depreciation Accrual Rates

Applicable to PATH Allegheny Transmission Company, LLC

			Accrual Rate (Annual) Percent	Annual Depreciation Expense	
TRANSMISSION PLANT					
350.2	Land & Land Rights—Easements		1.43		
352	Structures & Improvements		1.82		
353	Station Equipment				
	—Other		2.43		
	—SVC Dynamic Control Equipment		4.09		
354	Towers & Fixtures		1.26		
355	Poles & Fixtures		3.11		
356	Overhead Conductors & Devices		1.13		
Total Transmission Plant Depreciation					
Total Transmission Depreciation Expense (must tie to p336.7.b & c)					
GENERAL PLANT					
390	Structures & Improvements		2.00		

391	Office Furniture & Equipment	5.00		-
	—Information Systems	10.00		-
	—Data Handling	10.00	-	-
			-	-
392	Transportation Equipment		-	-
	—Other	5.33		-
	—Autos	11.43		-
	—Light Trucks	6.96		-
	—Medium Trucks	6.96		-
	—Trailers	4.44		-
	—ATV	5.33		-
			-	-
393	Stores Equipment	5.00		-
			-	-
394	Tools, Shop & Garage Equipment	5.00		-
			-	-
395	Laboratory Equipment	5.00		-
			-	-
396	Power Operated Equipment	4.17		-
			-	-
397	Communication Equipment	6.67		-
			-	-
398	Miscellaneous Equipment	6.67		-
Total General Plant				-
Total General Plant Depreciation Expense (must tie to p336.10.b.c.d&e)				-
INTANGIBLE PLANT				-
303	Miscellaneous Intangible Plant	20.00		-
Total Intangible Plant				-

Accrual Rate (Annual) Percent	-Annual Depreciation Expense	-
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Total Intangible Plant Amortization (must tie to p336.1 d & e)

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

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ATTACHMENT H-19B

[Not Used]

FORMULA RATE IMPLEMENTATION PROTOCOLS

~~I. Definitions~~

- ~~A. “Accelerated True-up Adjustment” means an election by PATH to apply the difference between the Projected Transmission Revenue Requirement for a Rate Year and the Revised Projected Transmission Revenue Requirement, if any, for the same Rate Year as a credit to the Projected Transmission Revenue Requirement for the next succeeding Rate Year, which credit shall include interest as determined in accordance with Section IV of these Protocols (e.g., PATH provides its original estimate for the 2010 Projected Transmission Revenue Requirement on September 1, 2009, but during the course of the 2010 Rate Year, PATH determines that the original estimate exceeds the Revised Projected Transmission Revenue Requirement for the 2010 Rate Year and elects to apply an Accelerated True-up Adjustment as a credit, together with interest, to the 2011 Projected Transmission Revenue Requirement).~~
- ~~B. “Actual Transmission Revenue Requirement” means the net revenue requirement calculated and posted on the PJM website no later than June 1 of each year subsequent to calendar year 2008 for the immediately preceding calendar year in accordance with PATH’s Formula Rate and based upon PATH’s actual costs and expenditures, and which shall be shown on page 1, line 6 of the Formula Rate.~~
- ~~C. “Annual Update” means the informational filing submitted by PATH on June 1 of each calendar year subsequent to calendar year 2008 pursuant to Section III of these Protocols.~~
- ~~D. “Discovery Period” means the period immediately following the Publication Date for the Initial Annual Update or the Annual Update, as applicable, for serving Information Requests pursuant to Section VI of these Protocols.~~
- ~~E. “Formal Challenge” means a filing made by an Interested Party to the FERC in accordance with the terms of Section VII of these Protocols, and which shall include the information required under 18 C.F.R. § 385.206 (b)(1), (2), (3), (4) and (7).~~
- ~~F. “Formula Rate” means the cost of service template and associated attachments shown in Attachment H-19A.~~
- ~~G. “Initial Annual Update” means the informational filing submitted by PATH on September 2, 2008, pursuant to Section III of the Protocols.~~
- ~~H. “Interested Party” means an entity that is or may become a customer taking transmission service under this Tariff, a state public utility commission or state consumer advocate agency in Maryland, Pennsylvania, Virginia, West Virginia, Delaware, New Jersey or the District of Columbia, or any entity having standing under Section 206 of the Federal Power Act.~~

- ~~I. “Material Accounting Change” means any (i) change in PATH’s accounting policies and practices (as such changes are defined by the Statement of Financial Accounting Standards No. 154 issued by the Financial Accounting Standards Board or its successor), or (ii) change in PATH’s inter-corporate cost allocation policies or practices from those policies and/or practices in effect for the Rate Year upon which the immediately preceding Annual Update was based, which change causes a result under the Formula Rate different than the result under the Formula Rate as calculated without such change.~~
- ~~J. “Publication Date” means:~~
- ~~• with respect to the Initial Annual Update, September 2, 2008;~~
 - ~~• with respect to the filing and posting of each Annual Update, June 1 of each year; and~~
 - ~~• with respect to the posting of the Projected Transmission Revenue Requirement, September 1 of each year following calendar year 2008;~~
 - ~~• provided, however, that if the date for making any posting or filing required under these Protocols should fall on a weekend or a holiday recognized by the FERC, then the posting or filing shall be due on the next business day and the “Publication Date” shall correspond to the actual posting or filing date.~~
- ~~K. “Preliminary Challenge” means a written notice delivered to PATH during the Review Period which specifies an Interested Party’s challenge to the Annual Update or Projected Transmission Revenue Requirement pursuant to Section VII of these Protocols.~~
- ~~L. “Projected Transmission Revenue Requirement” means the projected net revenue requirement, shown on summary page 1, line 6 of the Formula Rate and calculated for the forthcoming Rate Year, which includes, where applicable, the most recently calculated True-up Adjustment and interest on such True-up Adjustment amount.~~
- ~~M. “Protocols” means these Formula Rate Implementation Protocols.~~
- ~~N. “Rate Year” means the period that corresponds to the calendar year during which charges are assessed under the Formula Rate populated with inputs set forth in any given calendar year’s Projected Transmission Revenue Requirement.~~
- ~~O. “Review Period” means the period immediately following the Publication Date for the Initial Annual Update or the Annual Update, as applicable, for reviewing these informational filings for any given year pursuant to Section VI of these Protocols.~~
- ~~P. “Revised Projected Transmission Revenue Requirement” means the most recent Projected Transmission Revenue Requirement which has been revised to include current forecasted revenues for that Rate Year which is the subject of such Projected Transmission Revenue Requirement.~~
- ~~Q. “True-up Adjustment” means the difference between the Projected Transmission Revenue Requirement, or Revised Projected Transmission Revenue Requirement, as the case may be, for a Rate Year and the Actual Transmission Revenue Requirement for the same Rate Year, calculated without interest, and provided in the Annual Update on June~~

~~1 of the year subsequent to the Rate Year, in accordance with Section III of these Protocols, and implemented in accordance with Section IV of these Protocols.~~

~~H. Formula Rate~~

- ~~A. Formula Rate inputs for (i) rate of return on common equity, (ii) “Post-Employment Benefits other than Pension” pursuant to Statement of Financial Accounting Standards No. 106, Employers’ Accounting for Postretirement Benefits Other Than Pensions (“PBOP”) charges, (iii) extraordinary property losses, and (iv) depreciation and/or amortizations shall be stated values to be used in the Formula Rate until changed pursuant to a Federal Power Act Section 205 or 206 filing.~~
- ~~B. An application under Section 205 or 206 that is limited to modification of the stated values for depreciation rates or PBOP expense under the Formula Rate shall not be deemed to constitute an open review of other components of the Formula Rate, except to the extent of necessary conforming changes.~~
- ~~C. Any modification to the Formula Rate shall be made through a Federal Power Act Section 205 or Section 206 filing, and not through the Initial Annual Update, a subsequent Annual Update, a Preliminary Challenge, a Formal Challenge or a True-up Adjustment.~~

~~III. Annual Update and Meeting~~

~~A. Initial Annual Update~~

~~(1) On September 2, 2008, PATH shall submit its Initial Annual Update as an informational filing to FERC and shall post the same on the PJM website, www.PJM.com. The Initial Annual Update shall, to the extent specified in the Formula Rate, be based upon projected costs for the 2009 Rate Year calculated pursuant to the Formula Rate, but the Initial Annual Update shall not include a True-up Adjustment.~~

~~B. Annual Update~~

~~— (1) On June 1 of each year subsequent to calendar year 2008, PATH shall submit its Annual Update as an informational filing to FERC and shall post the same on the PJM website. The Annual Update shall calculate PATH’s Actual Transmission Revenue.~~

~~— Requirement for the preceding Rate Year¹ in accordance with the terms of the Formula Rate and these Protocols, as well as a True-up Adjustment for the preceding Rate Year.~~

~~(2) The Actual Transmission Revenue Requirement shall be based on PATH’s books and records which reflect data properly recorded in:~~

~~(a) PATH’s FERC Form No. 1 report (to the extent the Formula Rate specifies FERC Form No. 1 data as the input sources); and~~

~~(b) FERC’s Uniform System of Accounts;~~

~~as each exists as of the last day of the preceding Rate Year.~~

~~(3) The Annual Update shall:~~

- ~~(a) provide supporting documentation for data not otherwise available in the FERC Form No. 1 that are used in the Formula Rate;~~
- ~~(b) provide sufficient information, including all workpapers necessary to explain any changes made since the last Annual Update, to enable any Interested Party to replicate the calculation of the Formula Rate results from FERC Form No. 1 and other applicable accounting inputs and to compare the calculation to that of prior years;~~
- ~~(c) identify any changes to the FERC Form No. 1 page or line numbers as referenced in the Formula Rate;~~
- ~~(d) identify all adjustments made to the FERC Form No. 1 data in determining Formula Rate inputs, including relevant footnotes to the FERC Form No. 1 and any adjustments not shown in a FERC Form No. 1 footnote;~~
- ~~(e) include an Operations and Maintenance (O&M) report for PATH WV and PATH Allegheny provided in the format of the templates shown as Exhibit Nos. 5 and 6 to the Settlement filed on December 10, 2008 in Docket No. ER08-386;~~
- ~~(f) include an historical Capital investment report for PATH WV and PATH Allegheny provided in the format of the template shown as Exhibit Nos. 7 and 8 to the Settlement filed on December 10, 2008 in Docket No. ER08-386.~~

~~1 Since the first year of this rate schedule (i.e. 2008) is a partial Rate Year, the initial Projected Transmission Revenue Requirement, as set forth in PATH's original application filed on December 28, 2007, with the FERC, Docket No. ER08-386-000, will be divided by the number of months the rate is in effect to calculate the projected cost of service to be collected each month of the first Rate Year. The first True-up Adjustment under these Protocols will be calculated in June 2009 based upon such initial Projected Transmission Revenue Requirement and the Annual Update filed/posted on June 1, 2009.~~

- ~~(g) describe those factors causing any change in the Actual Transmission Revenue Requirement, including identification of any charges under the Formula Rate which materially differ from those under the preceding Annual Update and a detailed explanation of the primary reason(s) for the differences, if any, between the Annual Update and the prior year's Annual Update; and~~
- ~~(h) provide notice of Material Accounting Changes, which may incorporate by reference applicable disclosure statements filed with the Securities and Exchange Commission.~~

~~C. Open Meeting and Formula Rate Data~~

~~(1) Within two business days of the Publication Date, PATH shall provide notice on PJM's website of the time, date and location of an open meeting among Interested Parties. The 2008 open meeting shall permit PATH to explain and clarify, and shall provide Interested Parties an opportunity to seek information and clarification concerning, the Initial Annual Update. Each subsequent open meeting shall permit PATH to explain and clarify, and shall provide Interested Parties an opportunity to seek information and clarification concerning the Annual Update, the Actual Transmission Revenue Requirement, the True-up Adjustment, input data and cost detail. The open meeting shall be held no earlier than thirty (30) and no later than sixty (60) days after each year's Publication Date.~~

~~(2) PATH will, on a best efforts basis, notify each of the parties to FERC Docket No. ER08-386-000 each year by electronic mail (to the extent that current electronic mail addresses are available to PATH) that the Initial Annual Update or subsequent Annual Update has been posted and describe the time and location of the open meeting to explain the Initial Annual Update or subsequent Annual Update, as applicable.~~

~~(3) Within five calendar days of the Publication Date, PATH will send a workable Excel file containing data for the Formula Rate populated with inputs for the Actual Transmission Revenue Requirement for the preceding Rate Year to the attention of the Executive Secretary and General Counsel of the state utility commissions of Maryland, Pennsylvania, Virginia and West Virginia. Upon written request by any party to FERC Docket No. ER08-386-000 or any Interested Party, PATH will promptly make available to such entity and/or a consultant designated by it, a "workable" Excel file containing the same data, provided that the party has provided PATH with a current electronic mail address.~~

~~D. Actual Transmission Revenue Requirement~~

~~It is the intent of the Formula Rate, including the supporting explanations and allocations described therein, that each input to the Formula Rate for purposes of the Actual Transmission Revenue Requirement, will be taken directly from the FERC Form No. 1 by the application of clearly identified and supporting information, or where the reconciliation is provided through a worksheet, the worksheet will be included in the filed~~

~~Formula Rate template. The inputs to the worksheet must meet this transparency standard.~~

~~IV. Projected Transmission Revenue Requirement, Implementation of True-up Adjustment and Meeting~~

~~A. On September 1 of each year subsequent to calendar year 2008, PATH shall post its Projected Transmission Revenue Requirement for the subsequent Rate Year. In the event of an Accelerated True-up Adjustment, such posted Projected Transmission Revenue Requirement shall include a posting of the supporting Revised Projected Transmission Revenue Requirement. The Projected Transmission Revenue Requirements applicable under the Formula Rate shall be applicable to services on and after January 1 of any Rate Year.~~

~~B. The Projected Transmission Revenue Requirement (shown on page 1, line 6 of the Formula Rate) for any Rate Year shall be the sum of the projected revenue requirement for such Rate Year plus the most recently calculated (i) True-up Adjustment with interest (included on pages 2 and 7, line 3 of the Formula Rate), and (ii) Accelerated True-up Adjustment, if any, with interest (included on pages 2 and 7, line 4 of the Formula Rate).~~

~~(1) Interest on any True-up Adjustment or Accelerated True-up Adjustment shall be based on the Commission's interest rate on refunds (18 C.F.R. § 35.19a). The interest payable shall be calculated as follows:~~

~~(a) Absent an Accelerated True-up Adjustment, the average of the interest rates will be used to calculate the time value of money for the period that True-up Adjustment exists. The interest rate to be applied to the True-up Adjustment will be determined using the average rate for the twenty (20) months preceding September of the current year.~~

~~(b) In the event of an Accelerated True-up Adjustment, the average of the interest rates will be used to calculate the time value of money for the period that the Accelerated True-up Adjustment exists. The interest rate to be applied to the Accelerated True-up Adjustment will be determined using the average rate for the eight (8) months preceding September of the then current year.~~

~~(2) PATH shall perform, upon expiration of the term of any construction loan for PATH-WV and PATH-Allegheny, a final calculation of interest rates, interest calculations, and other expenses associated with the construction loan to ensure that the interest rate for each and every Rate Year, or portion thereof, of the construction loan term matches both: (i) the actual interest rate and expenses of the construction loan, as calculated pursuant to the internal rate of return method, and (ii) other actual expenses associated with the construction loan. The results of such final calculation of interest rates, interest calculations, and other expenses associated with the construction loan shall be included in the Annual Update immediately following the expiration of the construction loan.~~

~~(3) — The following example is an illustration of the Projected Transmission Revenue Requirement and its incorporation of the True-up Adjustment plus interest and Accelerated True-up Adjustment, if any, plus interest.~~

~~Example for 2009 Projected Transmission Revenue Requirement~~

~~In September 2008, the 2009 Projected Transmission Revenue Requirement will be projected for the purpose of deriving 2009 estimated charges under the Formula Rate. In June 2010, the 2009 Actual Transmission Revenue Requirement calculated in accordance with the Formula Rate, will be compared to the 2009 Projected Transmission Revenue Requirement to derive the 2009 True-up Adjustment. PATH will post all information as more particularly described in these Protocols, relating to the 2009 True-up Adjustment no later than June 1, 2010, affording all interested parties at least seven months to review these calculations. The interest rate to be applied to the 2009 True-up Adjustment will be the average monthly FERC rate of return on refunds in effect from January 1, 2009 through August 31, 2010. The 2009 True-up Adjustment with interest will be included on pages 2 and 7, line 3 of the Formula Rate of the Projected Transmission Revenue Requirement for the 2011 Rate Year and estimated charges for the 2011 Rate Year will be made available to customers by September 1, 2010. The Projected Transmission Revenue Requirement for the 2011 Rate Year will take effect on January 1, 2011.~~

~~In the event PATH determines that the 2009 Projected Transmission Revenue Requirement exceeds the Revised Projected Transmission Revenue Requirement for 2009, PATH may elect to apply such Accelerated True-up Adjustment to the 2010 Rate Year. The interest rate to be applied will be the average monthly FERC interest rate on refunds in effect from January 1, 2009 through August 31, 2009. This 2009 Accelerated True-up Adjustment will be included on pages 2 and 7, line 4 of the Formula Rate in the Projected Transmission Revenue Requirement for 2010 and estimated charges will be made available to customers by September 1, 2009. New charges will take effect on January 1, 2010. Given that any Accelerated True-up Adjustment for 2009 will be based on forecasted results, a final adjustment will be calculated in June 2010. The Revised Projected Transmission Revenue Requirement for 2009 will be compared to Actual Transmission Revenue Requirement for 2009 calculated in accordance with the Formula Rate for purposes of calculating the 2009 True-up Adjustment. The 2009 True-up Adjustment will be included in the Projected Transmission Revenue Requirement for 2011 and estimated charges that take effect on January 1, 2011.~~

~~C. — Within two business days of the Publication Date for the Projected Transmission Revenue Requirement for the 2010 Rate Year and each subsequent Rate Year, PATH shall provide notice on PJM's website of the time, date and location of an open meeting among Interested Parties. The open meeting shall permit PATH to explain and clarify, and shall provide Interested Parties an opportunity to seek information and clarification concerning the Projected Transmission Revenue Requirement, inclusive of any posted Revised Projected Transmission Revenue Requirement. The open meeting shall be held no earlier than thirty (30) and no later than sixty (60) days after each year's Publication Date with respect to the Projected Transmission Revenue Requirement.~~

~~D. — PATH will, on a best efforts basis, notify each of the parties to FERC Docket No. ER08-386-000 each year by electronic mail (to the extent that current electronic mail addresses are available to PATH) that the Projected Transmission Revenue Requirement has been~~

~~posted and describe the time and location of the open meeting to explain the Projected Transmission Revenue Requirement.~~

- ~~E. Within five calendar days of the Publication Date with respect to the Projected Transmission Revenue Requirement, PATH will send a workable Excel file containing data for that Formula Rate populated with inputs for the Projected Transmission Revenue Requirement for the subsequent Rate Year, inclusive of any posted Revised Projected Transmission Revenue Requirement, to the attention of the Executive Secretary and General Counsel of the state utility commissions of Maryland, Pennsylvania, Virginia and West Virginia. Upon written request by any party to FERC Docket No. ER08-386-000 or any Interested Party, PATH will promptly make available to such entity and/or a consultant designated by it, a “workable” Excel file containing the same data, provided that the party has provided PATH with a current electronic mail address.~~

~~V. Construction Work in Progress~~

- ~~A. Accounting. For each transmission project listed on Attachment 5 of the Formula Rate for which PATH, or one of its operating companies, has received FERC approval or authorization for incentive rate treatment and recovery of 100 percent of Construction Work in Progress (“CWIP”), PATH shall use the following accounting procedures to ensure that PATH does not also recover an Allowance for Funds Used During Construction (“AFUDC”) for such project:~~

~~(1) PATH shall assign each such project a unique Funding Project Number (“FPN”) for internal cost tracking purposes.~~

~~(2) PATH shall record actual construction costs to each FPN through work orders that are coded to correspond to the FPN for each such project, which work orders shall be segregated from work orders for any other projects of PATH.~~

~~(3) For each such project, PATH shall prepare monthly work order summaries of costs incurred under the associated FPN. These summaries shall show monthly additions to CWIP and plant in service and shall correspond to amounts recorded in PATH’s FERC Form No. 1. PATH shall use these summaries as data inputs into Attachment 5 of the Formula Rate. PATH shall make such work order summaries available upon request under the review procedures of Section VI.~~

~~(4) When any such project, or portion thereof, is placed into service, PATH shall deduct from total CWIP the accumulated charges for work orders under the FPN for the project, or portion thereof. The purpose of this control process is to ensure that expenditures are not double-counted as both CWIP and as additions to plant.~~

- ~~B. Annual Reporting. PATH shall file a report with the Commission at the time of PATH’s Annual Update that shall include the following information:~~

~~(1) the actual amount of CWIP recorded;~~

~~(2) any amounts recorded in related FERC accounts or subaccounts, such as AFUDC and regulatory liability;~~

- ~~(3) — the resulting effect on the CWIP revenue requirement;~~
- ~~(4) — a statement of the current status of each project; and~~
- ~~(5) — the estimated in-service date for each project.~~

~~VI. Annual Review Procedures~~

- ~~A. — Each Annual Update filed/posted on June 1 of each year subsequent to calendar year 2008 shall be subject to the following review procedures, which procedures may also address PATH's Projected Transmission Revenue Requirement posting as provided herein. For purposes of Sections VI and VII of these Protocols, Projected Transmission Revenue Requirement means and includes any Revised Projected Transmission Revenue Requirement posted with such Projected Transmission Revenue Requirement. The Initial Annual Update filed/posted on September 2, 2008 shall be subject to these same review procedures except that the Discovery Period and the Review Period shall commence on September 2, 2008 and the respective time periods for the Discovery Period and Review Period for the Initial Annual Update shall be thirty (30) days less than the time periods set forth below.~~
- ~~B. — The Review Period shall commence upon the Publication Date of the Annual Update. Interested Parties shall have the right to review the calculations and inputs of the Annual Update and the Projected Transmission Revenue Requirement. The Review Period shall run for one hundred and eighty (180) days, but shall be extended by fifteen (15) days upon the receipt by PATH of a written request for extension from one or more Interested Party(ies), whereupon the Review Period shall end no later than one hundred and ninety-five (195) days after the Publication Date, subject, however, to the terms of this Section VI.E below~~
- ~~C. — During the Discovery Period, Interested Parties shall have the right to serve reasonable information and document requests ("Information Requests") on PATH relevant to the Annual Update, including the True-up Adjustment, and the Projected Transmission Revenue Requirement under review. The Discovery Period shall run for one hundred and fifty (150) days, but may be extended in accordance with this Section VI.E below.~~
- ~~D. — The subjects of such Information Requests shall be limited to what is or may be reasonably necessary to determine: (a) that the input data are properly recorded; (b) that PATH has properly applied the Formula Rate and the procedures in these Protocols; (c) the accuracy of data and the consistency with the Formula Rate of the charges shown in the Annual Update(including the True-up Adjustment) or the Projected Transmission Revenue Requirement; (d) the extent and effect(s) of Material Accounting Changes; (e) the prudence of the costs and expenditures included for recovery in the Annual Update; (f) the prudence of projected expenses included in the Projected Transmission Revenue Requirement; and (g) the reasonableness of any cost allocation methodologies, including inter-corporate cost allocation methodologies that differ from those utilized in the prior Annual Update. Further, Interested Parties may obtain and review the Capital and O&M budgets ("Budgets") for PATH WV and PATH Allegheny, subject to confidentiality protections. The Budgets shall be provided in the format of the templates shown as~~

Exhibit Nos. 9 and 10 to the Settlement filed on December 10, 2008 in Docket No. ER08-386.

~~E. PATH shall make a good faith effort to respond to Information Requests within fifteen (15) business days of receipt of such Information Requests. Notwithstanding anything to the contrary contained in these Protocols, with respect to any Information Requests received by PATH within the Discovery Period and for which PATH is unable to provide a response within fifteen (15) business days after the end of the Discovery Period, the Review Period shall be extended day for day until PATH's response is provided.~~

~~VII. Preliminary and Formal Challenges~~

~~A. Challenges~~

~~(1) Preliminary or Formal Challenges to the Annual Update or Projected Transmission Revenue Requirement posting may challenge one or more of the following:~~

- ~~(a) the extent or effect of a Material Accounting Change;~~
- ~~(b) whether a True-up Adjustment includes only properly recorded data in accordance with Section III and IV;~~
- ~~(c) whether the Annual Update fails to include data properly recorded in accordance with Section III;~~
- ~~(d) whether the Annual Update satisfies the transparency standard of Section III.D;~~
- ~~(e) the proper application by PATH of the Formula Rate and the procedures in these Protocols;~~
- ~~(f) the accuracy of data and the consistency with the Formula Rate of the charges shown in the Annual Update (including the True-up Adjustment);~~
- ~~(g) the prudence of PATH's projected costs and expenditures;~~
- ~~(h) the prudence of the actual costs and expenditures;~~
- ~~(i) the effect of any change to the underlying Uniform System of Accounts or FERC Form No. 1; and~~
- ~~(j) whether, as a consequence of any of the above in this Section VII.A.1, the Formula Rate, as initially accepted by the Commission, has been materially altered.~~

~~B. Resolution of Preliminary Challenges or Filing of Formal Challenge~~

~~(1) PATH and Interested Parties raising Preliminary Challenges shall attempt in good faith to resolve all Preliminary Challenges.~~

~~(2) — If an Interested Party who has raised a Preliminary Challenge and PATH have not resolved the Preliminary Challenge within twenty one (21) days after expiration of the Review Period, that Interested Party shall have an additional twenty one (21) days to make a Formal Challenge with the Commission, which shall be served on PATH by electronic service on the date of such filing provided, however, if the FERC initiates a proceeding to consider the Annual Update, Interested Parties may raise therein any Formal Challenges without regard to the Review Period or timeframes specified herein.~~

~~(3) — Interested Parties shall make a good faith effort to raise all issues in a Preliminary Challenge prior to filing a Formal Challenge; provided, however, that a Preliminary Challenge shall not be a prerequisite for bringing a Formal Challenge.~~

~~(4) — Within twenty (20) days of the date of the filing a Formal Challenge, PATH shall submit its response to the Commission and certify therein that it has served by electronic service that response to the Commission and certify therein that it has served by electronic service that response on any party that has filed a Formal Challenge and on each person upon whom PATH served the Annual Update.~~

~~C. — Formal Proceedings~~

~~(1) — In any proceeding initiated by the FERC concerning the Annual Update or in response to a Formal Challenge, PATH shall bear the burden of proving that it has reasonably applied the terms of the Formula Rate, including the calculation of the True-up Adjustment and/or reasonably adopted and applied Material Accounting Changes, if any, consistent with the applicable procedures in these Protocols, in that year's Annual Update. Nothing herein is intended to alter the burdens applied by the FERC with respect to prudence challenges.~~

~~(2) — Nothing stated in these Protocols shall be deemed to limit in any way the right of PATH to file unilaterally, pursuant to Section 205 of the Federal Power Act and the regulations thereunder, changes to the Formula Rate or any of its stated values, or the right of any other party to request such changes pursuant to Section 206 of the Federal Power Act and the regulations thereunder. The party filing pursuant to Section 205 or 206 bears the standard burdens associated with such a filing.~~

~~VIII. — Changes to Annual Informational Filings~~

~~Any changes to the data inputs, including but not limited to revisions to PATH's FERC Form No. 1, or as the result of any FERC proceeding to consider the Annual Update, or as a result of the procedures set forth herein, shall be incorporated into the Formula Rate and the charges produced by the Formula Rate (with interest determined in accordance with 18 C.F.R. § 35.19a) in the Annual Update for the next effective Rate Period. This reconciliation mechanism shall apply in lieu of mid-Rate Year adjustments and any refunds or surcharges. However, actual refunds or surcharges (with interest determined in accordance with 18 C.F.R. § 35.19a) for the then current rate year shall be made in the event that the Formula Rate is replaced by a stated rate for PATH.~~

~~To the extent that any party, including but not limited to PATH, its auditors, any wholesale customer, any Interested Party or the FERC finds an error in any FERC Form No. 1 data or specific data applied in the Formula Rate, related to the period under review, such error must be corrected in the Formula Rate or Annual Update and shall be reflected in the True-up Adjustment made as part of the next succeeding Annual Update. Nothing herein is intended to allow, bar, or otherwise address any error, or the correction thereof, occurring in a period prior to the period under review. Further, nothing herein shall prejudice any party's claims concerning: (i) any error occurring in a period prior to the period under review, (ii) the correction of any prior period errors in the Formula Rate; or (iii) the implementation of any such corrections.~~

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents upon each person designated on the official service lists compiled by the Secretary in the above-captioned proceedings.

Dated at New York, N.Y., this 17th day of November, 2023.

/s/ Seth G. Slade

Seth G. Slade

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