BEFORE THE

PUBLIC SERVICE COMMISSION

OF MARYLAND

In the Matter of the Application	*	
Of The Potomac Edison Company	*	
For Adjustments to its Retail	*	Case No. ____
Rates for the Distribution of	*	
Electric Energy	*	

DIRECT TESTIMONY OF

RAYMOND E. VALDES

Concerning: Overview of Application

March 22, 2023

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Raymond E. Valdes, and my business address is 800 Cabin Hill Drive, Greensburg, Pennsylvania 15601.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by FirstEnergy Service Company and my title is Director, Rates and Regulatory Affairs. My time is devoted to tasks performed for The Potomac Edison Company ("PE" or "Company") and Monongahela Power Company ("Mon Power").

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I am a graduate of the University of Pittsburgh where I earned a Bachelor of Science in Electrical Engineering. I have over 32 years of experience with FirstEnergy Service Company or its predecessor companies, and have held positions of Engineer, Power Services; Engineer, Rates; Regulatory Specialist; Senior Consultant; Rates Advisor; General Manager, Retail Pricing Services; and my current position of Director, Rates and Regulatory Affairs. My current duties and responsibilities include directing the rates and regulatory activities for PE's Maryland and West Virginia operations and Mon Power's West Virginia operations.

Q. HAVE YOU TESTIFIED IN RATE PROCEEDINGS BEFORE REGULATORY COMMISSIONS?

A. Yes, I have testified in proceedings before the Maryland Public Service Commission ("Commission"), the Public Service Commission of West Virginia, the Public Utilities

Commission of Ohio, the Pennsylvania Public Utility Commission, and the Virginia State Corporation Commission.

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. The purpose of my testimony is to:

1) Provide an overview of the Company and comparison of the Company's rates regionally and nationally;
2) Summarize the Company's distribution base rate increase;
3) Provide information on the Company's new low-income residential assistance programs to help with the affordability of electric service for the Company's low-income customers;
4) Introduce the other witnesses for the Company in this proceeding who will detail individual aspects of the Company's rate filing for increased revenues sufficient to cover its cost of service and provide an adequate return for its investors; and
5) Address additional items, such as the request for a storm deferral and a proposal for customer refunds.

Q. HAVE YOU PREPARED OR HAD PREPARED UNDER YOUR SUPERVISION EXHIBITS TO ACCOMPANY YOUR TESTIMONY?

A. Yes, I have. Exhibits RV-1 through RV-3 provide calculations regarding costs that should not have been included in customer rates from the Company's prior distribution base rate case, Exhibit RV-4 presents the summation of such costs (with interest) that has accumulated between the prior distribution rate case and eventual customer refund, and

Exhibit RV-5 presents a calculation of the credits to refund to customers for the above-mentioned amounts. These exhibits are described in detail in my testimony.

II. OVERVIEW OF THE COMPANY

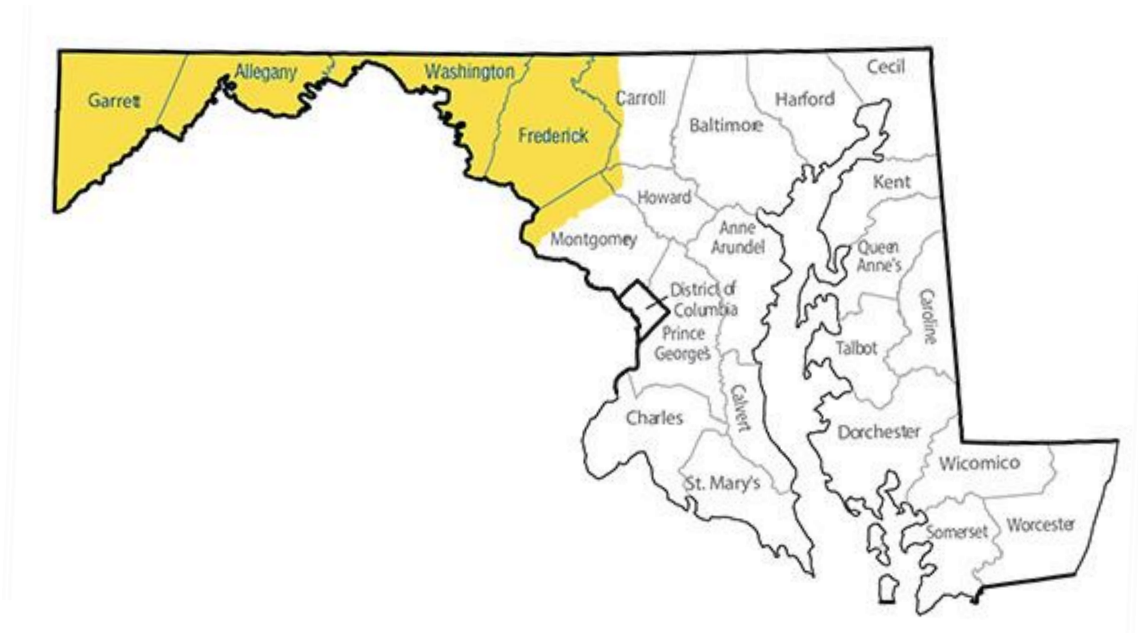
Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY.

A. PE is a Maryland electric distribution utility that is a part of the FirstEnergy Corporation ("FirstEnergy") family of electric utilities. PE is headquartered in Williamsport, Maryland and provides retail electric service to approximately 285,000 customers in Maryland,[1] representing approximately 11% of the electric customers in Maryland. PE's residential customers make up about 88% of the Company's Maryland customer count and account for about 49% of the 6.8 million kilowatt-hours ("kWh") delivered by PE in 2022. Commercial customers are about 11% of PE's Maryland customer base and are about 29% of the kWh delivered, while industrial customers account for about 1% of the customer base and about 22% of the kWh delivered in 2022.[2]

PE's Maryland service territory includes all or parts of Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington counties and is a combination of suburban, rural, and mountainous terrain and demographics. PE's service territory in Maryland is depicted in yellow below.

[1] PE also provides retail electric service to customers in West Virginia and owns transmission facilities in Maryland, West Virginia, and Virginia.

[2] For purposes of my testimony, residential consists of customers billed on Schedule R, commercial consists of customers billed on Schedules G, C, C-A, the CSH subset of C-A, and PH (less than 600 kW), and industrial consists of customers billed on Schedules PH (600 kW and greater), PP and AGS.



PE's Maryland service territory and reliability is more fully described in the testimony of Company witness McGettigan.

Q. PLEASE DESCRIBE THE EFFORTS OF FIRSTENERGY AND PE WITH REGARD TO DIVERSITY, EQUITY, AND INCLUSION.

A. FirstEnergy has received numerous awards, which include the 2022 Leading Disability Employer Seal by the National Organization on Disability, Forbes' Best Employers for Diversity in 2020, DiversityInc's Top Utilities list in 2019, 2020 and 2021, recognition by the Bloomberg Gender-Equality Index for women's equality in the workplace in 2019, 2020 and 2021, recognition by G.I. Jobs magazine as a Military Friendly employer every year since 2016, and in 2023 was designated as a Top 50 Diversity Employer by Minority Engineer magazine.

Also, FirstEnergy and the Company are committed to providing opportunities to small, women-owned, minority-owned, Historically Underutilized Business Zones ("HUBZone"), veteran-owned, and service-disabled veteran-owned businesses through its supplier diversity program. In 2020, FirstEnergy spent $482 million with diverse suppliers and earned the 2021 Regional Council Member Done Deals award from the Women's Business Enterprise Center-East ("WBEC-East") for the $54.8 million spent with women-owned businesses certified by WBEC-East. Additionally, PE participates in the FirstEnergy's Preferred Supplier Program, which seeks to support minority businesses within the FirstEnergy footprint using a three-pronged approach:

1. Enrollment – Companies identified by FirstEnergy will be given the opportunity to grow their existing relationship and possibly be used as a supplier.
2. Support – Assistance to suppliers enrolled in the program through mentorship and training.
3. Investment – FirstEnergy will invest in minority-owned funds that are willing and able to invest in diverse businesses across our service territory.

PE exceeded its long-term supplier diversity goal of 25% in every year since the last time the Company filed a rate case in 2018, including in 2022 by achieving a supplier diversity spend of 27.87%. PE continues to invest in its supplier diversity programs by, for example, using vendor data reports to identify categories where diverse supplier utilization has been low, and strengthening its supplier diversity recruitment initiatives in those categories.

Moreover, PE is proudly involved in the communities that it serves and the Company's employees take pride in supporting their local communities. The FirstEnergy Foundation and PE have donated nearly $890,000 over the last decade to Maryland and West Virginia United Way agencies and raised almost $174,000 for Maryland and West Virginia-based food banks through Harvest for Hunger, an annual awareness campaign aimed at fighting hunger.

Q. TURNING TO PE'S ENVIRONMENTAL POLICIES, DOES THE COMPANY ENGAGE IN PRACTICES TO ADDRESS CLIMATE CHANGE AND ITS IMPACTS, AND TO FURTHER MARYLAND'S GOALS FOR REDUCING STATEWIDE GREENHOUSE GAS EMISSIONS?

A. Yes. PE supports initiatives and programs that encourage and incent customers to use energy more efficiently and to adopt electric vehicles ("EVs"), and that foster the state's transition to clean energy. PE has been an active participant in EmPOWER Maryland since the program's inception, and the Company continues to offer energy efficiency and conservation programs, which currently are designed to assist customers in reducing their energy consumption. PE is currently nearing the end of its 2021-2023 EmPOWER Maryland program cycle. It is my understanding that as the Company plans for the 2024-2026 cycle, it is looking to propose plans and programs to target reducing greenhouse gas emissions in addition to improving energy efficiency.

To support the state's transition to clean energy, PE also received Commission approval for two energy storage pilot projects. The first project went into service in late 2022 and will be used to study the interaction between EV public charging and battery storage. The second project is projected to be completed by February 2024. Also, to help further expand the adoption of EVs across its service territory, PE is advancing several programs including the offering of residential and multi-family rebates for EV chargers and the installation of public EV chargers. PE also recently filed a proposal for a residential EV-only time-of-use rate plan. The Company is committed to supporting its customers and the State of Maryland in reaching their clean energy goals and to helping power a cleaner, healthier, sustainable future.

Q. DOES PE COMPLY WITH FEDERAL, STATE, AND LOCAL ENVIRONMENTAL REGULATIONS AND LAWS?

A. Yes. It is my understanding that in addition to advancing programs that support energy efficiency in Maryland and investing in programs to develop and promote EVs, PE is in compliance with all applicable federal, state, and local environmental regulations and laws.

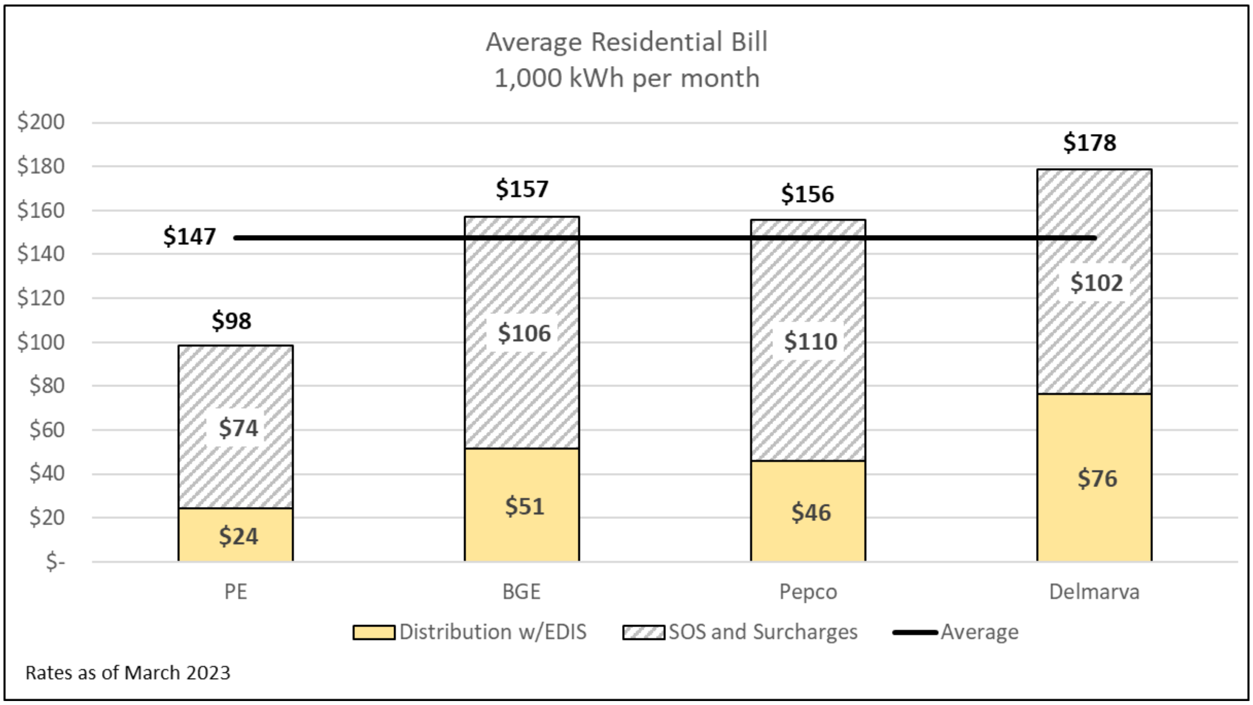
Q. HOW DO PE'S RATES CURRENTLY COMPARE TO MARYLAND AND NATIONAL ELECTRIC RATES?

A. Very favorably. PE's residential electric rates are currently the lowest amongst the investor-owned electric utilities in Maryland and are among the lowest nationally. Chart 1 below depicts a residential electric bill in Maryland as of March 2023 based upon an average usage of 1,000 kWh per month. As shown on the chart, an average PE residential bill for distribution[3] service is less than half of other Maryland investor-owned electric

[3] Distribution rates for PE in this chart include the Electric Distribution Investment Surcharge since that surcharge represents costs that will eventually be rolled into distribution rates.

utilities and, after adding in surcharges[4] and standard offer generation service, is over 35% below the state average.

<u>Chart 1</u>



The Company's electric rates also compare favorably to national electric rates. The Company's total electric rate for an aggregate of all customers in 2022 was approximately 9.9 cents per kWh, which when compared to the most recent data available from the United States Energy Information Administration ("U.S. EIA"),[5] is the lowest from all states east of the Mississippi River and 13th lowest in the nation. With regard to residential customers,

[4] Surcharges exclude generation reconciliation mechanisms (identified as an energy cost adjustment or procurement cost adjustment) and decoupling bill stabilization adjustment mechanisms since those mechanisms alternate between charges and credits throughout the year and, as such, rates effective during March 2023 are not necessarily representative of annual rates. The inclusion in March 2023 rates of these mechanisms would not materially affect the results depicted on the chart.
[5] Table 5.6.A. Average Price of Electricity to Ultimate Customers by End-Use Sector, December 2022.

the previously-mentioned average bill for PE residential customers is currently $98 per month, which translates to 9.8 cents per kWh and was the second lowest in the nation for the U.S. EIA most recent reporting period.[6]

In sum, PE provides safe, reliable, and cost-effective electric service to approximately 285,000 customers throughout its varied and diverse Maryland service territory, which includes large parts of Maryland's rural and mountainous terrain. PE employs hundreds of Marylanders, who contribute their skills to support the Company in its goal to provide its customers and communities with consistent, safe, and reliable electric service. The Company's concerted efforts to increase supplier diversity have allowed PE consistently to exceed its diverse supplier spend goal, and PE and its employees contribute to the Maryland economy through corporate philanthropy initiatives.

III. <u>COMPANY'S BASE RATE INCREASE</u>

Q. PLEASE EXPLAIN THE BACKGROUND FOR THE COMPANY'S DISTRIBUTION BASE RATE FILING.

A. PE's prior distribution base rate case was filed on August 24, 2018 in Case No. 9490 and ended with Commission Order No. 89072 (the "Order") issued on March 22, 2019 that authorized an increase in distribution rates effective March 23, 2019. That Order also issued interlocking directives with respect to the duration of the Electric Distribution Investment Surcharge ("EDIS") program and its relationship with the Company's next base

[6] Only North Dakota was lower at 9.62 cents per kWh, per Table 5.6.A as of December 2022.

rate case filing. Specifically, the Commission directed the Company to submit a base rate case application that aligns with the end of the initial four-year period of EDIS (end of 2022 or early 2023).[7] In accordance with the Order, the Company is submitting its distribution base rate filing application in early 2023 (i.e., four years after the issuance of the Order) to: (1) roll into rate base the EDIS capital costs for 2019-2022 so that those costs will no longer be recovered through a surcharge upon conclusion of this proceeding; and (2) request current rate relief to address a new revenue deficiency. As a result, this distribution base rate proceeding provides the Commission an opportunity to address the roll-in of EDIS costs into distribution rates, provide revenues sufficient to cover the Company's cost of service, and determine a reasonable rate of return that will allow the Company to attract the necessary capital resources to continue to provide our customers with safe and reliable distribution service.

Q. WHAT IS THE TEST PERIOD UTILIZED IN THE COMPANY'S REQUEST FOR RATE RELIEF?

A. The Company's filing is a traditional base rate filing utilizing a historical test year (meaning the Company's filing is not a multi-year rate filing). The test year is 12 months ended December 2022, with rate base calculated on a 13-month average from December 2021 through December 2022.

Q. DOES THE HISTORICAL TEST YEAR INCLUDE ANY FORECASTED AMOUNTS?

[7] Order at 12.

A. No. Although past practice has permitted the filing by utilities of a partially forecasted test year, in cases filed that way the forecasted test year amounts must ultimately be replaced in the record with actual amounts to ensure Commission determination is based upon a historical test year utilizing actual cost data. The practical effect of having to submit testimony regarding, and to take and provide discovery on, two sets of numbers is that all the parties, including the applicant, Staff, and Office of People's Counsel ("OPC"), have to do a large amount of duplicative work in such cases. Here, however, in an effort to help ease the administrative burden associated with evaluation of two different sets of Company filing data (i.e., an initial set with a partially forecasted historical test year followed a couple months later with a second set with a historical test year based upon actual cost data), the Company has endeavored to submit its initial distribution base rate application based solely on actual cost data from a historical test year of 2022. This should significantly ease the review and evaluation process for all parties with respect to the Company's distribution base rate application. The Company has, though, included some post-test year adjustments as described by Company witness Soltis.

Q. DOES THE COMPANY ANTICIPATE ANY UPDATES TO ITS FILING?

A. Yes. Due to the desire of the Company to initially file its distribution base rate application based upon actual cost data from a historical test year and due to the limited time between the end of 2022 through the date of this filing, the depreciation study sponsored by Company witness Spanos is based upon plant and reserve balance data as of June 30, 2022. However, the Company has recently provided Mr. Spanos with updated plant and reserve balance data as of December 31, 2022, to eventually synchronize the depreciation study with the end of the historical test year. Upon completion of the depreciation study with data as of December 31, 2022, the Company will file an update to its distribution base rate case to reflect the depreciation rate results of the updated depreciation study as well as any other changes or corrections that may have occurred subsequent to this initial filing.

Q. WHAT IS THE COMPANY'S REQUESTED CAPITAL STRUCTURE AND RETURN IN ITS REQUEST FOR RATE RELIEF?

A. As more fully described and supported by Company witness Wang, PE's requested capital structure is the Company's actual capital structure on December 31, 2022, with ratios of 53.53% for common equity and 46.47% for long-term debt. The Company's embedded long-term debt cost rate is 4.018% and, as described and supported by Company witness D'Ascendis, the requested return on equity is 10.60%. The resultant rate of return is 7.54%.

Q. PLEASE SUMMARIZE THE COMPANY'S OVERALL REQUEST IN THIS CASE.

A. The Company's request is detailed in the testimony of other witnesses but, generally, the Company is requesting a $47.5 million increase[8] in base distribution revenues based on an overall rate of return of 7.54%. As the Company is experiencing a revenue deficiency, it is necessary that it makes this request for rate relief in conjunction with the request to roll into rate base (and subsequently decrease from surcharge recovery) EDIS capital costs incurred during 2019-2022.

[8] The requested increase is also displayed on the income statement sponsored by Company witness Soltis in Exhibit JAS-1 (column 6).

Q. IS THE COMPANY PROPOSING ANY NEW INITIATIVES TO HELP LOW INCOME CUSTOMERS WITH THE AFFORDABILITY OF THEIR ELECTRIC BILL?

A. Yes. To assist low-income customers with paying their electric bill and to help increase participation in available low-income assistance programs, PE is proposing a new "Energy Assistance Outreach Team" and a "50% Discount Program." The "Energy Assistance Outreach Team" is designed to increase awareness, education and participation in energy assistance programs that are available to low-income residential customers; whereas the "50% Discount Program" will provide a 50% monthly discount to distribution charges to income-eligible residential customers during the winter heating period.[9] These two programs are discussed in greater detail in the direct testimony of Company witness Larnerd.

Q. WHAT IS THE COST OF THE TWO PROGRAMS TO ASSIST LOW-INCOME CUSTOMERS AND HOW WILL THE COST BE COLLECTED?

A. The total estimated annual cost for the two new low-income assistance programs is $1,042,433. Since the programs are solely available to residential customers, cost collection is proposed to be collected through the residential distribution kWh rate of Schedule R. Dividing the $1,042,433 by the 2022 residential weather-normalized distribution kWh and grossing up the result for Maryland gross receipts tax and the Commission assessment factor equates to a rate increment of $0.00032 per kWh. Put

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[9] The winter heating period is the five-month period of November through March.

another way, the proposed rate increment to assist low-income residential customers is only 32 cents per month for an average residential customer using 1,000 kWh per month. This small impact on residential customer bills will help the affordability of electric service for the Company's low-income customers.

Q. WHAT IS THE TOTAL OF THE COMPANY'S REQUESTED RATE RELIEF THAT INCLUDES THE NEW LOW INCOME ASSISTANCE PROGRAMS?

A. The Company's total base rate request is an increase of $48.5 million, which is the $47.5 million previously discussed plus the approximately $1 million for new low-income assistance programs. The Company's requested increase, however, reflects the movement of about $4.8 million of EDIS revenues from the surcharge to distribution rates. In other words, the $48.5 million increase in distribution revenues will be accompanied by an approximate $4.8 million decrease in the EDIS, resulting in a net change in revenues of $43.8 million.

Q. WHAT ARE SOME OF THE CONTRIBUTING FACTORS FOR THE NEED FOR THE REQUESTED RATE RELIEF?

A. In general, the Company is seeking an increase in rates because its revenues are not sufficient to cover the cost of service, including a reasonable return to investors. There are several items that contribute to the requested rate increase. First – and as further described below – it represents an increase in rate base supported by incremental capital expenditures to provide benefit to our customers. Also, increases in operation and maintenance ("O&M") expenses are primarily attributable to costs associated with vegetation management and changes in FirstEnergy's capitalization policy. In the Company's prior distribution rate case, PE requested recovery through the EDIS for the costs to transition its vegetation management program from a five-year vegetation management clearing cycle to a four-year clearing cycle, which is also consistent with the clearing cycle for other Maryland electric utilities. Although incremental cost recovery was not approved by the Commission through the EDIS, the Company remained concerned of the impact of tree-caused outages to electric service reliability and subsequent impact to customers. Therefore, the Company proceeded with its transition from a five-year vegetation management clearing cycle to a four-year clearing cycle to help improve reliability performance for its customers. Also, the cost increase in this filing that is associated with vegetation management is inherent in the regulatory lag process where costs are initially incurred and then subsequently recovered through future base rate cases.

Additionally, as more fully discussed by Company witness Ashton, effective January 1, 2022, FirstEnergy and, likewise, PE adjusted its capitalization rate for Administrative and General ("A&G") overhead costs as a result of a representative labor time study conducted by an independent, third-party entity in response to an audit report from the Federal Energy Regulatory Commission's ("FERC") Division of Audits and Accounting. The effect of the adjustment to A&G capitalization was to reduce amounts that were capitalized and increase amounts that were charged to O&M. For example, if approximately 57% of A&G costs were previously capitalized, then the remaining 43% of A&G costs were charged to O&M. A reduction of the capitalization percentage to 28% would then translate to 72% of A&G costs being charged to O&M. Also, in response to the FERC audit, FirstEnergy and, likewise, PE reclassified the effect of the change in A&G

overhead percentages on plant and reserve for the amounts capitalized between years 2015 and 2021 to an A&G capitalization regulatory asset. The Company is proposing to include the A&G capitalization regulatory asset in rate base and to recover this regulatory asset by amortizing the balance removed from each plant account and included in this regulatory asset by applying the Commission-approved depreciation rates applicable to the plant account from which each balance was removed. This ensures that customer rates are not impacted by this reclassification. Because the reclassification has no impact on rate base or recovery, items impacted continue to be shown in the appropriately charged plant accounts within this filing.

Furthermore, during 2021, an additional change to vegetation management capitalization occurred whereby the capitalization percentage for vegetation management was lowered with a corresponding increase in the percentage charged to O&M. Since O&M has a greater effect on customer rates than capital, the effect of the reduction in capitalization percentages and subsequent increases in O&M percentages tends to increase customer rates.

Q. DID CHANGES IN CAPITAL PLACED IN SERVICE BETWEEN RATE CASES ALSO HAVE AN EFFECT ON THE COMPANY'S REQUEST FOR RATE RELIEF?

A. Yes. A portion of the increase in capital placed in service, which subsequently increases rate base, is due to the rolling into rate base of EDIS capital costs for 2019-2022. There are also other capital projects that contribute to the increase in capital placed in service, such as those that are used to bolster and/or improve reliability to the benefit of customers, as more fully described by Company witness McGettigan.

Q. BASED ON THE COMPANY'S REQUEST FOR RATE RELIEF, WHAT WILL BE THE IMPACT TO CUSTOMERS?

A. Table 1 below shows a summary of the impact per rate schedule of the Company's request for rate relief, which includes the proposed low-income assistance programs and reduction in the current EDIS rate.

Table 1

Rate Schedule	Distribution Revenue[1] Current	Distribution Revenue[1] Proposed	Low-Income Programs[2]	EDIS Reduction	Change	Total Bill % Change[3]
(a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f) = (c)+(d)+ (e)-(b)*	*(g)*
R (residential)	$ 83,434,046	$ 116,805,235	$ 1,066,726	$ (2,885,189)	$ 31,552,725	9.5%
G, C	24,649,053	31,710,614	-	(789,248)	6,272,313	5.7%
Hag/Fred	22,208	29,012		(1,239)	5,565	6.4%
C-A, CSH	435,542	569,506	-	(28,456)	105,508	3.7%
PH, AGS	19,362,724	25,006,595	-	(1,043,863)	4,600,008	2.7%
PP	1,374,959	1,776,695	-	(14,192)	387,545	0.6%
Street Lighting	4,969,621	5,843,144	-	(25,029)	848,494	13.6%
Total	$ 134,248,154	$ 181,740,802	$ 1,066,726	$ (4,787,214)	$ 43,772,160	6.4%

[1] Distribution includes tax surcharges for the Franchise Tax and the Montgomery County Fuel Energy Local Tax
[2] $1,042,433 grossed-up for Maryland gross receipts tax and the Commission assessment factor
[3] Based upon rates as of March 2023

The proposed rate increase results in an increase of $9.50 per month for a residential customer using 1,000 kWh per month, representing a 9.7% increase in the customer's total bill.[10] For an aggregate of all customer classes, the proposed rate increase results in a 6.4% increase in the customer's total bill.

Q. ARE THERE ANY ADDITIONAL ASPECTS OF THE COMPANY'S DISTRIBUTION RATE APPLICATION?

A. Yes. In addition to the Company's request for rate relief, PE is also seeking the continuation of the EDIS program in a Phase II. The proposed EDIS Phase II will fund three incremental reliability programs for underground cable replacement, substation reclosers, and resiliency, as explained in further detail in the direct testimony of Company witness McGettigan. Notwithstanding the Company's positive reliability and service performance and the significant investments the Company has made in those areas, PE understands that our customers and this Commission expect our continuous improvement. These programs will provide real and meaningful benefits to our customers and help increase our reliability performance to ensure that the Company continues to meet and exceed this Commission's standards and expectations, and are not related to the base rate increase request. The surcharge rate change associated with EDIS Phase II will not occur until January 1, 2024, to coincide with commencement of the EDIS Phase II, and is addressed in further detail by Company witness Fall.

Q. IF THE COMPANY'S REQUEST IS APPROVED, HOW WILL PE'S RATES COMPARE TO THE RATES OF MARYLAND'S OTHER ELECTRIC UTILITIES?

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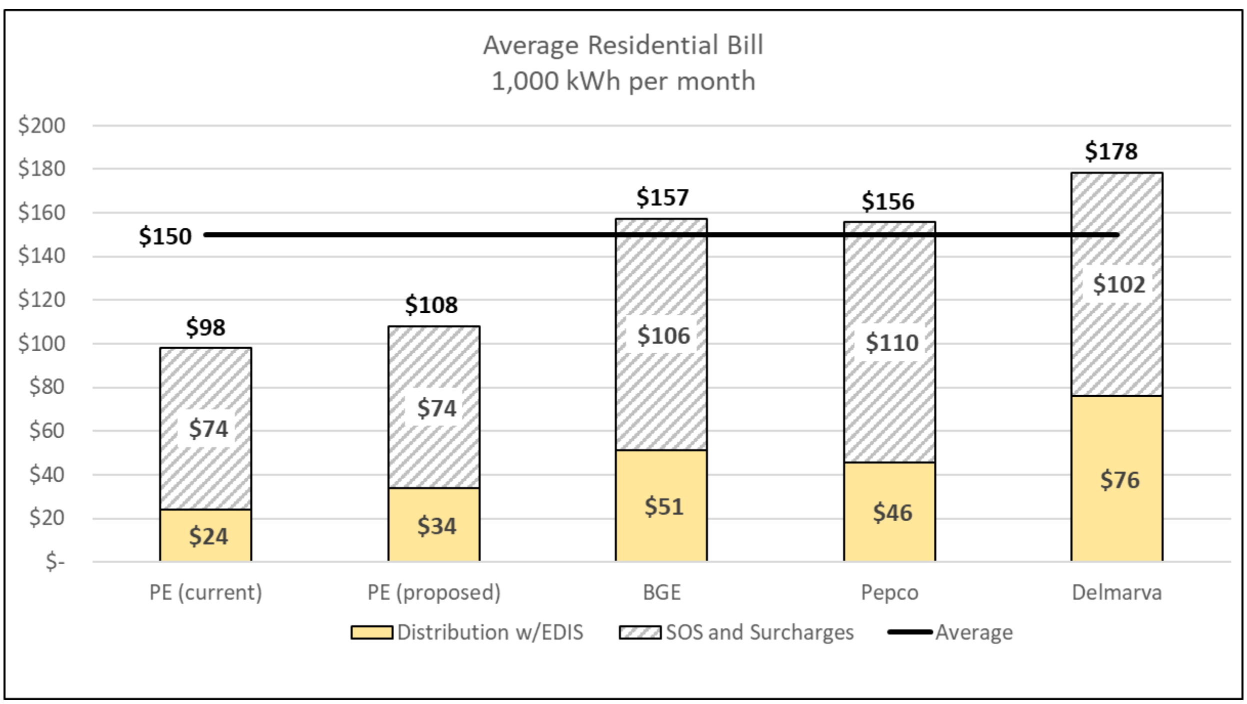
[10] The percentage increase of 9.7% differs slightly from the class average 9.5% provided in Table 1 since the actual average monthly kWh usage is slightly higher than 1,000 kWh per month.

A. The Company's proposed rates will still compare favorably to those of Maryland's other investor-owned electric utilities in that they will continue to remain the lowest in the State of Maryland. Chart 2 is a replication of my previous Chart 1 that depicts a residential electric bill based upon an average usage of 1,000 kWh per month. However, in Chart 2, I have added the effect of the Company's proposed rate increase which, even after the increase, results in a monthly bill that is less than the other Maryland investor-owned electric utilities on a distribution-only basis and a total bill basis. In sum, the Company's rates will still be the lowest of any of the investor-owned electric utilities in the state and the new low-income assistance programs will further assist those with limited incomes.

Chart 2



Additionally, even after the proposed rate increase, the Company's electric rates will continue to compare favorably to national electric rates. The new total electric rate of approximately 10.6 cents per kWh for an aggregate of all customers will still be one of the lowest of all states in the nation and lower than all states east of the Mississippi River (with the exception of West Virginia and North Carolina) when compared to the most recent data available from the United States Energy Information Administration ("U.S. EIA").[11] The new average PE residential customer rate of 10.8 cents per kWh will be 7th lowest in the nation and lower than all states east of the Mississippi River.[12]

Q. HOW WILL THE PROPOSED RATE INCREASE BRING VALUE TO PE'S CUSTOMERS?

A. PE must attract capital at cost-effective rates to remain a financially strong company that can continue to invest in its distribution system. The Company is under-earning its authorized rate of return, as well as earning less than the Commission-approved returns for the state's other electric distribution utilities. By authorizing the Company to earn a fair rate of return, the Commission will allow the Company to maintain the stability and profitability needed to attract investors and capital at cost-effective rates. As a result, the Company will then be well-positioned to continue its capital expenditures program, which will allow us to continue to meet our customers' and this Commission's expectations of the safe and reliable service for which we are known.

IV. OVERVIEW OF THE APPLICATION

Q. PLEASE PROVIDE AN OVERVIEW OF THE APPLICATION.

[11] Table 5.6.A. Average Price of Electricity to Ultimate Customers by End-Use Sector, December 2022.
[12] Only North Dakota was lower at 9.62 cents per kWh, per Table 5.6.A as of December 2022.

A. PE's request for rate relief in this proceeding consists of the Company's Application for rate relief, and the direct testimonies and supporting documentation and exhibits of witnesses testifying on behalf of the Company.

Q. PLEASE PROVIDE AN OVERVIEW OF THE WITNESSES TESTIFYING ON BEHALF OF THE COMPANY AND THE SUBJECT MATTERS THEY WILL DISCUSS.

A. The following witnesses are employed by the Company or affiliates of the Company and have submitted direct testimony and supporting exhibits in this proceeding:

1) Jill A. Soltis, Analyst in the Rates and Regulatory Affairs Department, provides the Company's income statement and rate base, and describes certain ratemaking adjustments.

2) Susan M. Colflesh, Analyst in the Rates and Regulatory Affairs Department, provides the jurisdictional separation study and describes certain ratemaking adjustments.

3) Heather E. Ward, Analyst in the Rates and Regulatory Affairs Department, describes certain ratemaking adjustments.

4) Tracy M. Ashton, Assistant Controller in Corporate Finance, proposes a new pension and other post-employment benefits ("OPEB") expense normalization mechanism ("PON Mechanism"), addresses accounting items and allocations to PE, describes proposed customer refunds, and describes certain ratemaking adjustments.

5) Gregory J. Gawlik, Assistant Controller in the Tax Department, supports state

and federal income tax information used by PE and discusses significant tax law changes.

6) Weizhong (Bill) Wang, Assistant Treasurer in the Treasury Department, describes and supports PE's capital structure, embedded cost of long-term debt, and overall weighted average cost of capital.
7) Stephanie L. Fall, Manager in the Rates and Regulatory Affairs Department, supports the Company's tariff revisions and the rate-related aspects of EDIS Phase II.
8) Bobbi S. Miller, Analyst in the Rates and Regulatory Affairs Department, describes and supports updated studies used by the class cost of service study.
9) Donald J. McGettigan, Director of Operations at PE, provides supporting information regarding electric distribution operations, the Company's reliability performance, and describe the proposed incremental infrastructure improvements in EDIS Phase II.
10) Walter S. Larnerd, Manager, Revenue Operations Strategy in the Revenue Operations Department, addresses two proposed new low-income assistance initiatives for residential customers.

In addition, the following expert consultants are testifying on behalf of the Company and provide supporting documentation and exhibits:

1) Timothy S. Lyons, Partner at ScottMadden, Inc., sponsors and supports the lead lag study, the class cost of service study, and the distribution rate design.
2) Dylan W. D'Ascendis, Partner at ScottMadden, Inc., sponsors and supports the

proposed rate of return on common equity for the Company's Maryland jurisdictional rate base, and calculates the credit-adjusted risk-free rate for PE.

3) John J. Spanos, President at Gannett Fleming Valuation and Rate Consultants, LLC, sponsors and supports the depreciation study and proposed updates to the depreciation accrual rates.

4) Mark Warner, Vice President at Gabel Associates, Inc., presents the results of the benefit-cost analysis performed regarding the suite of electric vehicle charging program offerings developed and implemented by PE.

V. ADDITIONAL ITEMS

Q. ARE THERE ANY ADDITIONAL ITEMS TO ADDRESS REGARDING THIS FILING?

A. Yes, there are two additional items. One is a request for a storm deferral mechanism and the second deals with a customer refund proposal.

Storm Deferral Mechanism

Q. PLEASE ADDRESS THE STORM DEFERRAL MECHANISM.

A. Storm expense can be a volatile category of O&M expense that is unpredictable and outside the control of a utility. No amount of good utility management can eliminate the potential for significant storms that occur in a utility's service territory that can cause considerable damage to utility facilities and infrastructure. As such, the Company proposes to institute deferral accounting for storm expense to periodically compare actual storm O&M expense to the amount currently collected in rates (referred to hereafter as "Storm Deferral Mechanism"). Deferral accounting will be calculated on a monthly basis, with any over-collection recorded as a regulatory liability and any under-collection recorded as a regulatory asset. This will ensure that customers will ultimately pay only the actual incurred level of storm expense – no more and no less. To be clear, this is <u>not</u> a request for a surcharge. The Company acknowledges that the Commission would retain full authority to determine the prudency of any future storm expenses. This is simply a request for authorization to establish an accounting mechanism to record over-collected amounts as a regulatory liability and under-collected amounts as a regulatory asset. Distribution rates would not be adjusted until the Company's subsequent base rate case, at which time the cumulative regulatory liability or regulatory asset would be presented to the Commission for determination of disposition in customer rates.

Q. HOW WOULD THE STORM DEFERRAL MECHANISM BE ESTABLISHED AND OPERATE?

A. The first step is to establish a baseline by which actual storm O&M expenses will be compared. Adjustment No. 5 sponsored by Company witness Ward sets forth a level of storm O&M expense that is equivalent to a five-year annual average, which effectively normalizes within distribution rates a level of annual storm collection expense. Effective with the establishment of new distribution rates in this proceeding, on a monthly basis the actual level of storm O&M expense will be compared against the baseline level with an accounting entry made to record amounts that are in excess or less than the baseline. The cumulative amount, represented as a regulatory liability if it is an over-collection or a regulatory asset if it is an under-collection, will be presented by the Company in the subsequent distribution base rate proceeding as a request for a rate adjustment to return to customers (in the case of a cumulative over-collection) or collect from customers (in the case of a cumulative under-collection). In that proceeding, all intervening parties will be afforded the opportunity to closely examine and evaluate the request and storm-related expenses.

Q. PLEASE PROVIDE AN EXAMPLE OF THE STORM DEFERRAL MECHANISM.

A. Shown below in Table 2 is an example of how the Storm Deferral Mechanism would have worked if it had been approved in the Company's last distribution base rate proceeding

<u>Table 2</u>

Baseline	$3,387,162	Proposed storm O&M from last base rate case	
		Under/(Over)-Collection	
2019 Storm O&M	$5,643,850	$2,256,688	*2019 minus Baseline*
2020 Storm O&M	$1,072,305	($2,314,857)	*2020 minus Baseline*
2021 Storm O&M	$1,431,460	($1,955,702)	*2021 minus Baseline*
2022 Storm O&M	$2,616,818	($770,344)	*2022 minus Baseline*
Total (Over)-Collection =		($2,784,215)	

In the above example, a cumulative over-collected amount (i.e., a regulatory liability) of $2,784,215 would have been presented to the Commission in this proceeding as a reduction to customer rates.

Q. DID THE COMMISSION APPROVE THE COMPANY'S REQUEST FOR A STORM DEFERRAL MECHANISM IN THE PRIOR BASE RATE CASE?

A. No. Although Commission Staff did not object to the Storm Deferral Mechanism based on certain conditions, the Commission agreed with the argument of OPC that the Company's proposal was not necessary or appropriate since the use of a five-year average to normalize storm damage expense allegedly provides an opportunity to recover storm damage expense.[13] However, in that proceeding, the Commission did not approve either the five-year average or the Storm Deferral Mechanism. Further, the use of a five-year average is not a means to recover prior storm damage expense. It is used solely as a means to normalize and levelize storm damage expense to a baseline value.

Further, criteria typically used to establish deferral accounting are that the expense is: (1) outside the control of a utility; (2) unpredictable and volatile; and (3) substantial and recurring. Storm-related expenses are certainly outside the control of a utility since the Company has no control over the intensity and duration of potentially significant storms that may affect its service territory. The above Table 2 demonstrates that the storm expenses are indeed unpredictable and volatile since actual storm expenses over the last four years have varied from 23% to as much as 68% from the baseline. In the past ten years, actual storm expenses have varied as much as 227%. Finally, storm damage expense is recurring each year, and the incurrence of millions of dollars in storm damage expense

[13] The Commission did note that, "…the Commission declines to adopt Potomac Edison's proposal for a storm fund at this time." Order at 16. [emphasis added]

is substantial for a utility the size of PE and can potentially be crippling depending upon the size and intensity of future storms.

Q. WHAT WERE THE CONDITIONS FOR A STORM DEFERRAL MECHANISM PUT FORTH BY COMMISSION STAFF IN CASE NO. 9490?

A. Staff believed a Storm Deferral Mechanism would be reasonable with the following conditions: (1) the regulatory asset and regulatory liability balance earn a return based on the Company's most recent authorized rate of return; and (2) the Company file an annual reconciliation with the Commission for the storm-related regulatory asset or liability.[14] The Company is agreeable to both conditions for the establishment of a Storm Deferral Mechanism.

<u>Customer Refunds</u>

Q. PLEASE ADDRESS THE CUSTOMER REFUNDS PROPOSED IN THIS PROCEEDING.

A. FirstEnergy took swift and deliberate action following the investigation of Ohio HB6 activities to report certain costs that may have been improperly classified, misallocated, or lacked proper supporting documentation.[15] To that end, my department received information coordinated through the Controllers Department that identified the costs that were improperly classified, misallocated, or lacked proper supporting documentation, at

[14] Direct Testimony of Yulia Poberesky, pg 11, filed November 20, 2018 in Case No. 9490.
[15] Please see Case No. 9667 for filings and information provided in response to OPC's petition to investigate the relationship of FirstEnergy with PE, as well as the definition of Ohio HB6 activities.

which time my department performed calculations to determine amounts that were reflected in PE Maryland distribution rates. Those calculations first determined the time period by which such costs were reflected in the test year[16] from the last distribution base rate case and then applied allocations from the last base rate case to achieve a PE Maryland distribution jurisdictional amount. Upon calculation of the associated revenue requirement, PE then took proactive action to create a regulatory liability (i.e., future refund to customers) to ensure customers would be refunded such amounts with interest. The workpapers for this calculation are attached to my testimony as Exhibit RV-1 and show that $37,588 was reflected in distribution rates for amounts that were improperly classified, misallocated, or lacked proper supporting documentation.

Q. WERE ANY ADDITIONAL HISTORICAL REVIEWS DONE UNRELATED TO THE REVIEW DISCUSSED IN CASE NO. 9667?

A. Yes. As also described by Company witness Ashton, FirstEnergy performed additional reviews of certain non-operating or non-recoverable costs, including costs associated with advertising, sponsorships, competitive services, and lobbying, and identified certain costs that were recorded to utility operating accounts that were also included in customer rates. The Controllers Department identified the costs allocated to PE, and my department performed a PE Maryland-specific analysis to determine the time period by which such costs were reflected in the test year from the last distribution base rate case and then applied

[16] The test year in the Company's last distribution base rate case was the 12-month period of July 2017 through June 2018. Therefore, any O&M expenses that occurred prior to July 2017 or after June 2018 would not have been reflected in customer rates. Capital costs that were incurred after June 2018 would also not have been reflected in customer rates.

allocations from the last base rate case to achieve a PE Maryland distribution jurisdictional amount. The workpapers for this calculation are attached to my testimony as Exhibits RV-2 and RV-3 and are separated into the categories of Sponsorship/Advertising and Miscellaneous,[17] respectively. The Sponsorship/Advertising category has identified $195,939 included in distribution rates, whereas the Miscellaneous category has identified $68,421. A summary of the amounts included in PE Maryland distribution rates is shown below in Table 3.

<u>Table 3</u>

Case No. 9667	$37,588
Sponsorship/Advertising	$195,939
Miscellaneous	$68,421
Total =	$301,948

Q. BASED UPON THE NUMBERS PROVIDED IN TABLE 3, HOW WAS THE CUSTOMER REFUND DETERMINED?

A. Since the amounts above in Table 3 were reflected in the test year from the last distribution base rate case, as each year passes by, the amounts are incremented annually until new distribution rates are established in this new rate case. There is a timespan of approximately 4 years and 7 months (i.e., approximately 4.6 years) from the date current distribution rates were established on March 23, 2019, through the October 19, 2023 date by which new distribution rates are presumed to be effective from this proceeding. As a result, the

[17] As indicated in Exhibit RV-3, the Miscellaneous category includes amounts related to FE Foundation, FE Products, IT for FE Products, trade association dues, lobbying and vendors.

$301,948 total in Table 3 needs to be multiplied by approximately 4.6 years to determine the total amount in the regulatory liability that will accumulate during that timespan.

Q. IS INTEREST APPLIED FOR THE PERIOD BETWEEN BASE RATE CASES?

A. Yes. The Company applied compounded interest to the regulatory liability at the Company's currently authorized rate of return, which is 7.15%. Further, compounded interest will continue to apply upon conclusion of this base rate case until the amount in the regulatory liability is refunded to customers.

Q. WHAT IS THE TOTAL AMOUNT TO BE REFUNDED TO CUSTOMERS?

A. Once the timespan since the test year and interest is applied, the total refunds to customers equal $1,668,447 – of which $207,363 (12%) represents the amount discussed in Case No. 9667, $1,083,418 (65%) represents sponsorships and advertisement, and $377,666 (23%) represents miscellaneous (as described earlier in my testimony). Detailed calculations supporting the $1,668,447 are contained in Exhibit RV-4 to my testimony.

Q. HOW DOES THE COMPANY PROPOSE TO REFUND THIS AMOUNT TO CUSTOMERS?

A. Like the one-time refunds the Company provided to customers as a result of the Tax Cut and Jobs Act of 2017, the Company proposes to issue a one-time fixed bill credit to customers to discharge the regulatory liability. Specifically, within 30 days of a final order in this proceeding, the Company will file with the Commission the credits that are to be rendered to each customer class. The $1,668,447 regulatory liability will be allocated to rate schedules on the basis of distribution revenue from the Company's last base rate case. The format of the filing and calculation of the credits will be substantially similar to the example provided in Exhibit RV-5. Since such a filing would be made in November 2023, the Company will be requesting Commission approval prior to the end of the year so that refunds can be provided to customers during the month of January 2024. Additionally, following the distribution of the one-time refunds, the Company will submit an informational filing to the Commission that reports the actual refunds distributed to customers not more than 30 days after completion of the distribution of refunds.

The Company wanted to provide the refunds to customers as soon as practical upon conclusion of the base rate case, which is January 2024, and did not want to extend the distribution of customer refunds over an extended period, which is why the refunds are provided over a one-month period instead of an annual or multi-year period. Also, to ensure the full amount of refunds are provided to customers, the refund was designed as a fixed credit per rate schedule[18] since the use of a kWh credit can unfortunately result in a high degree of variability due in large part to unpredictable changes in weather temperature during the winter; whereas the number of customers can be forecasted with a much greater degree of accuracy.

VI. CONCLUSION

Q. PLEASE SUMMARIZE THE COMPANY'S DISTRIBUTION BASE RATE FILING.

[18] Customer credits will be a fixed dollar amount per rate schedule, with the exception of streetlighting customers (which will have a per kWh credit due to their fixed kWh consumption per month) and Schedule PP customers (which due to their unique size will have individual credits for each of the ten customers on that rate schedule).

A. The Company's total rate request is an increase of $48.5 million in distribution revenues accompanied by an approximate $4.8 million decrease in the EDIS, resulting in a net change in revenues of $43.8 million. PE seeks an increase in distribution rates to recover the costs of the Company's ongoing efforts to provide safe and reliable service to its customers. PE's request also includes the rolling into rate base of EDIS capital incurred through 2022; proposing a Phase II of EDIS to continue proactive investments in system reliability and resiliency; recovery of costs for existing deferrals; a proposal for deferrals association with storm and pension/OPEB recovery; approval to include the A&G capitalization regulatory asset in rate base; and two new initiatives to provide further assistance to the Company's low-income residential customers. Even with the proposed rate increase, the Company's rates will still be the lowest of any of the investor-owned electric utilities in the State of Maryland. The Company requests the Commission to approve its base rate application and to find that the revised rates for retail electric service in Maryland result in just and reasonable rates.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY AT THIS TIME?

A. Yes, it does.

THE POTOMAC EDISON COMPANY - MARYLAND
Summary Case No. 9667

	Prior to Nov 1, 2021	Effective[1] Nov 1, 2021
	MD	MD
Vendor 1		
O&M Annual Rev Req	$ -	$ -
Capital Annual Rev Req	$ 1,238	$ 1,162
	$ 1,238	$ 1,162
Vendor 2		
O&M Annual Rev Req	$ 27,048	$ 27,048
Capital Annual Rev Req	$ 796	$ 749
	$ 27,844	$ 27,797
Vendor 3		
O&M Annual Rev Req	$ 6,442	$ 6,442
Capital Annual Rev Req	$ 2,063	$ 1,945
	$ 8,506	$ 8,387

	MD	MD
Total		
O&M Annual Rev Req	$ 33,490	$ 33,490
Capital Annual Rev Req	$ 4,098	$ 3,856
	$ 37,588	$ 37,346

[1]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II, which subsequently lowered the capital revenue

THE POTOMAC EDISON COMPANY - MARYLAND
Case No. 9667
O&M Recorded to Account 923

	Vendor 1 PE10	Vendor 2 PE10	Vendor 3 PE10
2017 Jul	$ -	$ 3,696.84	$ -
2017 Aug	$ -	$ 3,696.84	$ 6,538.30
2017 Sep	$ -	$ 3,696.84	$ -
2017 Oct	$ -	$ 3,696.84	$ -
2017 Nov	$ -	$ 3,696.84	$ -
2017 Dec	$ -	$ 14,291.84	$ 6,538.30
2018 Jan	$ -	$ 3,289.00	$ -
2018 Feb	$ -	$ 3,767.40	$ -
2018 Mar	$ -	$ 3,767.40	$ -
2018 Apr	$ -	$ 3,767.40	$ -
2018 May	$ -	$ 3,767.40	$ -
2018 Jun	$ -	$ 3,767.40	$ -
Total PE =	$ -	$ 54,902.04	$ 13,076.60

Maryland	Vendor 1	Vendor 2	Vendor 3
MD rate case test year O&M =	$ -	$ 54,902.04	$ 13,076.60
PE-MD Allocator[1] =	58.116%	58.116%	58.116%
PE-MD rate case test year O&M =	$ -	$ 31,906.87	$ 7,599.60
PE-MD Distribution Allocator[2] =	82.065%	82.065%	82.065%
PE-MD Distribution rate case test year O&M =	$ -	$ 26,184.37	$ 6,236.61
Gross-Up with GRT & PSC Assessment Fee =	$ -	$ 26,771.66	$ 6,376.49
Gross-Up with GRT, PSC Fee & Uncollectibles =	$ -	$ 27,048.09	$ 6,442.33

[1]PE-MD GP01 A&G O&M allocator per Exhibit LMO-1 Actuals, Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

[2]PE-MD MDGP01 A&G O&M allocator per Exhibit LMO-1 Actuals, Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

THE POTOMAC EDISON COMPANY - MARYLAND
Capital Revenue Requirement - Vendor 1

Annual Depreciation	3.04%
Tax Life	20

Year	Month	PE Capital	MD Jurisdictional Allocator[1]	Distribution Allocator[2]	PE-MD Distribution Plant-In-Service	PE-MD Dist. Plant-In-Service Month Ending	Regulatory Book Depreciation	Regulatory Depreciation Reserve	Net Plant	Deferred Income Taxes	ADIT	Rate Base	Monthly Capital Revenue Requirement	TOIT: *Property Tax*	Total Revenue Requirement
2014	Jan-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Aug-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Sep-14	$ 414.07	0.59138	0.90670	$ 222.02	$ 222.02	$ 0.28	$ 0.28	$ 221.74	$ (0.50)	$ (0.50)	$ 221.25			
	Oct-14	$ 414.06	0.59138	0.90670	$ 222.02	$ 444.05	$ 0.84	$ 1.12	$ 442.92	$ (1.10)	$ (1.60)	$ 441.32			
	Nov-14	$ 414.07	0.59138	0.90670	$ 222.03	$ 666.07	$ 1.41	$ 2.53	$ 663.54	$ (2.10)	$ (3.69)	$ 659.85			
	Dec-14	$ -	0.59138	0.90670	$ -	$ 666.07	$ 1.69	$ 4.22	$ 661.86	$ (2.02)	$ (5.71)	$ 656.14			
2015	Jan-15	$ 456.54	0.59138	0.90670	$ 244.80	$ 910.87	$ 2.00	$ 6.22	$ 904.65	$ (0.76)	$ (6.48)	$ 898.18			
	Feb-15	$ 740.97	0.59138	0.90670	$ 397.31	$ 1,308.18	$ 2.81	$ 9.03	$ 1,299.15	$ (0.91)	$ (7.39)	$ 1,291.76			
	Mar-15	$ 1,481.94	0.59138	0.90670	$ 794.62	$ 2,102.80	$ 4.32	$ 13.35	$ 2,089.45	$ (1.32)	$ (8.71)	$ 2,080.75			
	Apr-15	$ 740.97	0.59138	0.90670	$ 397.31	$ 2,500.11	$ 5.83	$ 19.18	$ 2,480.93	$ (1.36)	$ (10.06)	$ 2,470.87			
	May-15	$ 740.97	0.59138	0.90670	$ 397.31	$ 2,897.42	$ 6.84	$ 26.01	$ 2,871.41	$ (1.59)	$ (11.65)	$ 2,859.75			
	Jun-15	$ 6,826.68	0.59138	0.90670	$ 3,660.50	$ 6,557.92	$ 11.98	$ 37.99	$ 6,519.92	$ (5.57)	$ (17.23)	$ 6,502.70			
	Jul-15	$ 1,481.94	0.59138	0.90670	$ 794.62	$ 7,352.54	$ 17.62	$ 55.61	$ 7,296.93	$ (5.39)	$ (22.62)	$ 7,274.31			
	Aug-15	$ 740.97	0.59138	0.90670	$ 397.31	$ 7,749.85	$ 19.13	$ 74.74	$ 7,675.11	$ (5.79)	$ (28.41)	$ 7,646.70			
	Sep-15	$ 740.97	0.59138	0.90670	$ 397.31	$ 8,147.16	$ 20.14	$ 94.88	$ 8,052.28	$ (6.54)	$ (34.95)	$ 8,017.33			
	Oct-15	$ 740.97	0.59138	0.90670	$ 397.31	$ 8,544.47	$ 21.14	$ 116.02	$ 8,428.45	$ (7.63)	$ (42.58)	$ 8,385.87			
	Nov-15	$ -	0.59138	0.90670	$ -	$ 8,544.47	$ 21.65	$ 137.67	$ 8,406.80	$ (7.49)	$ (50.07)	$ 8,356.73			
	Dec-15	$ 740.96	0.59138	0.90670	$ 397.31	$ 8,941.77	$ 22.15	$ 159.82	$ 8,781.96	$ (11.45)	$ (61.53)	$ 8,720.43			
2016	Jan-16	$ 1,536.10	0.59138	0.90670	$ 823.66	$ 9,765.44	$ 23.70	$ 183.51	$ 9,581.93	$ (8.91)	$ (70.43)	$ 9,511.49			
	Feb-16	$ 768.04	0.59138	0.90670	$ 411.83	$ 10,177.26	$ 25.26	$ 208.77	$ 9,968.49	$ (8.86)	$ (79.30)	$ 9,889.20			
	Mar-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 234.55	$ 9,942.71	$ (8.72)	$ (88.01)	$ 9,854.70			
	Apr-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 260.34	$ 9,916.93	$ (8.72)	$ (96.73)	$ 9,820.19			
	May-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 286.12	$ 9,891.15	$ (8.72)	$ (105.45)	$ 9,785.69			
	Jun-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 311.90	$ 9,865.36	$ (8.72)	$ (114.17)	$ 9,751.19			
	Jul-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 337.68	$ 9,839.58	$ (8.72)	$ (122.89)	$ 9,716.69			
	Aug-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 363.47	$ 9,813.80	$ (8.72)	$ (131.61)	$ 9,682.19			
	Sep-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 389.25	$ 9,788.02	$ (8.72)	$ (140.33)	$ 9,647.68			
	Oct-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 415.03	$ 9,762.23	$ (8.72)	$ (149.05)	$ 9,613.18			
	Nov-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 440.81	$ 9,736.45	$ (8.72)	$ (157.77)	$ 9,578.68			
	Dec-16	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 466.60	$ 9,710.67	$ (8.72)	$ (166.49)	$ 9,544.18			
2017	Jan-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 492.38	$ 9,684.89	$ (8.57)	$ (175.05)	$ 9,509.83			
	Feb-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 518.16	$ 9,659.10	$ (8.57)	$ (183.62)	$ 9,475.48			
	Mar-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 543.94	$ 9,633.32	$ (8.57)	$ (192.19)	$ 9,441.14			
	Apr-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 569.73	$ 9,607.54	$ (8.57)	$ (200.75)	$ 9,406.79			
	May-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 595.51	$ 9,581.76	$ (8.57)	$ (209.32)	$ 9,372.44			
	Jun-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 621.29	$ 9,555.97	$ (8.57)	$ (217.88)	$ 9,338.09			
	Jul-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 647.07	$ 9,530.19	$ (8.57)	$ (226.45)	$ 9,303.75	$ 96.23	$ 8.31	$ 104.54
	Aug-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 672.85	$ 9,504.41	$ (8.57)	$ (235.01)	$ 9,269.40	$ 95.97	$ 8.31	$ 104.28
	Sep-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 698.64	$ 9,478.63	$ (8.57)	$ (243.58)	$ 9,235.05	$ 95.71	$ 8.31	$ 104.02
	Oct-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 724.42	$ 9,452.84	$ (8.57)	$ (252.14)	$ 9,200.70	$ 95.45	$ 8.31	$ 103.76
	Nov-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 750.20	$ 9,427.06	$ (8.57)	$ (260.71)	$ 9,166.36	$ 95.19	$ 8.31	$ 103.50
	Dec-17	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 775.98	$ 9,401.28	$ (8.57)	$ (269.27)	$ 9,132.01	$ 94.93	$ 8.31	$ 103.24
2018	Jan-18	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 801.77	$ 9,375.50	$ (7.39)	$ (276.66)	$ 9,098.83	$ 94.68	$ 8.31	$ 102.99
	Feb-18	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 827.55	$ 9,349.72	$ (7.39)	$ (284.05)	$ 9,065.66	$ 94.43	$ 8.31	$ 102.74
	Mar-18	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 853.33	$ 9,323.93	$ (7.39)	$ (291.45)	$ 9,032.49	$ 94.17	$ 8.31	$ 102.49
	Apr-18	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 879.11	$ 9,298.15	$ (7.39)	$ (298.84)	$ 8,999.31	$ 93.92	$ 8.31	$ 102.23
	May-18	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 904.90	$ 9,272.37	$ (7.39)	$ (306.23)	$ 8,966.14	$ 93.67	$ 8.31	$ 101.98
	Jun-18	$ -	0.59138	0.90670	$ -	$ 10,177.26	$ 25.78	$ 930.68	$ 9,246.59	$ (7.39)	$ (313.62)	$ 8,932.96	$ 93.42	$ 8.31	$ 101.73
		$ 18,980.20			$ 10,177.26										

Annual Revenue Requirement prior to new Depreciation Rates =	$ 1,237.50
New Depreciation Rate effective March 23, 2019 =	2.66%
Annual Revenue Requirement after new Depreciation Rates =	$ 1,198.83
Gross-Up with GRT & PSC Assessment Fee =	$ 1,225.72
Gross-Up with Uncollectibles =	$ 1,238.37
New Depreciation Rate[3] effective November 1, 2021 =	1.93%
Annual Revenue Requirement after new Depreciation Rates =	$ 1,124.54
Gross-Up with GRT & PSC Assessment Fee =	$ 1,149.76
Gross-Up with Uncollectibles =	$ 1,161.63

[1]PE-MD CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[2]PE-MD Distribution CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[3]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II

THE POTOMAC EDISON COMPANY - MARYLAND
Capital Revenue Requirement - Vendor 2

Exhibit RV-1
Page 4 of 5

Annual Depreciation 3.04%
Tax Life 20

Year	Month	PE Capital	MD Jurisdictional Allocator[1]	Distribution Allocator[2]	PE-MD Distribution Plant-In-Service	PE-MD Dist. Plant-In-Service Month Ending	Regulatory Book Depreciation	Regulatory Depreciation Reserve	Net Plant	Deferred Income Taxes	ADIT	Rate Base	Monthly Capital Revenue Requirement	TOIT: *Property Tax*	Total Revenue Requirement
2014	Jan-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-14	$ 754.11	0.59138	0.90670	$ 404.35	$ 404.35	$ 0.51	$ 0.51	$ 403.84	$ (0.55)	$ (0.55)	$ 403.29			
	Aug-14	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 1.54	$ 402.82	$ (0.41)	$ (0.97)	$ 401.85			
	Sep-14	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 2.56	$ 401.79	$ (0.41)	$ (1.38)	$ 400.41			
	Oct-14	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 3.59	$ 400.77	$ (0.41)	$ (1.80)	$ 398.97			
	Nov-14	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 4.61	$ 399.75	$ (0.41)	$ (2.21)	$ 397.54			
	Dec-14	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 5.63	$ 398.72	$ (0.41)	$ (2.62)	$ 396.10			
2015	Jan-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 6.66	$ 397.70	$ (0.39)	$ (3.01)	$ 394.69			
	Feb-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 7.68	$ 396.67	$ (0.39)	$ (3.40)	$ 393.27			
	Mar-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 8.71	$ 395.65	$ (0.39)	$ (3.78)	$ 391.86			
	Apr-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 9.73	$ 394.62	$ (0.39)	$ (4.17)	$ 390.45			
	May-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 10.76	$ 393.60	$ (0.39)	$ (4.56)	$ 389.04			
	Jun-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 11.78	$ 392.57	$ (0.39)	$ (4.95)	$ 387.63			
	Jul-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 12.80	$ 391.55	$ (0.39)	$ (5.33)	$ 386.22			
	Aug-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 13.83	$ 390.53	$ (0.39)	$ (5.72)	$ 384.80			
	Sep-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 14.85	$ 389.50	$ (0.39)	$ (6.11)	$ 383.39			
	Oct-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 15.88	$ 388.48	$ (0.39)	$ (6.50)	$ 381.98			
	Nov-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 16.90	$ 387.45	$ (0.39)	$ (6.88)	$ 380.57			
	Dec-15	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 17.93	$ 386.43	$ (0.39)	$ (7.27)	$ 379.16			
2016	Jan-16	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 18.95	$ 385.40	$ (0.34)	$ (7.61)	$ 377.79			
	Feb-16	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 19.98	$ 384.38	$ (0.34)	$ (7.95)	$ 376.43			
	Mar-16	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 21.00	$ 383.36	$ (0.34)	$ (8.28)	$ 375.07			
	Apr-16	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 22.02	$ 382.33	$ (0.34)	$ (8.62)	$ 373.71			
	May-16	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 23.05	$ 381.31	$ (0.34)	$ (8.96)	$ 372.35			
	Jun-16	$ -	0.59138	0.90670	$ -	$ 404.35	$ 1.02	$ 24.07	$ 380.28	$ (0.34)	$ (9.30)	$ 370.99			
	Jul-16	$ 212.29	0.59138	0.90670	$ 113.83	$ 518.18	$ 1.17	$ 25.24	$ 492.94	$ (0.49)	$ (9.79)	$ 483.15			
	Aug-16	$ 212.28	0.59138	0.90670	$ 113.83	$ 632.01	$ 1.46	$ 26.70	$ 605.31	$ (0.65)	$ (10.44)	$ 594.88			
	Sep-16	$ 212.28	0.59138	0.90670	$ 113.83	$ 745.84	$ 1.75	$ 28.44	$ 717.40	$ (0.86)	$ (11.30)	$ 706.09			
	Oct-16	$ 212.28	0.59138	0.90670	$ 113.83	$ 859.67	$ 2.03	$ 30.48	$ 829.19	$ (1.18)	$ (12.48)	$ 816.71			
	Nov-16	$ 212.28	0.59138	0.90670	$ 113.83	$ 973.49	$ 2.32	$ 32.80	$ 940.70	$ (1.68)	$ (14.16)	$ 926.54			
	Dec-16	$ 212.28	0.59138	0.90670	$ 113.83	$ 1,087.32	$ 2.61	$ 35.41	$ 1,051.91	$ (2.78)	$ (16.94)	$ 1,034.98			
2017	Jan-17	$ 7,498.69	0.59138	0.90670	$ 4,020.83	$ 5,108.15	$ 7.85	$ 43.26	$ 5,064.89	$ (3.00)	$ (19.94)	$ 5,044.95			
	Feb-17	$ 425.25	0.59138	0.90670	$ 228.02	$ 5,336.17	$ 13.23	$ 56.49	$ 5,279.69	$ (1.73)	$ (21.67)	$ 5,258.01			
	Mar-17	$ 425.25	0.59138	0.90670	$ 228.02	$ 5,564.19	$ 13.81	$ 70.29	$ 5,493.90	$ (1.81)	$ (23.48)	$ 5,470.41			
	Apr-17	$ 425.25	0.59138	0.90670	$ 228.02	$ 5,792.21	$ 14.38	$ 84.68	$ 5,707.54	$ (1.91)	$ (25.40)	$ 5,682.14			
	May-17	$ 425.25	0.59138	0.90670	$ 228.02	$ 6,020.23	$ 14.96	$ 99.64	$ 5,920.59	$ (2.05)	$ (27.45)	$ 5,893.15			
	Jun-17	$ 425.25	0.59138	0.90670	$ 228.02	$ 6,248.26	$ 15.54	$ 115.18	$ 6,133.07	$ (2.23)	$ (29.67)	$ 6,103.40			
	Jul-17	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 131.01	$ 6,117.25	$ (2.15)	$ (31.82)	$ 6,085.43	$ 61.91	$ 5.10	$ 67.01
	Aug-17	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 146.84	$ 6,101.42	$ (2.15)	$ (33.96)	$ 6,067.45	$ 61.77	$ 5.10	$ 66.87
	Sep-17	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 162.67	$ 6,085.59	$ (2.15)	$ (36.11)	$ 6,049.48	$ 61.63	$ 5.10	$ 66.74
	Oct-17	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 178.50	$ 6,069.76	$ (2.15)	$ (38.26)	$ 6,031.50	$ 61.50	$ 5.10	$ 66.60
	Nov-17	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 194.33	$ 6,053.93	$ (2.15)	$ (40.40)	$ 6,013.53	$ 61.36	$ 5.10	$ 66.46
	Dec-17	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 210.15	$ 6,038.10	$ (2.15)	$ (42.55)	$ 5,995.55	$ 61.23	$ 5.10	$ 66.33
2018	Jan-18	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 225.98	$ 6,022.27	$ (5.76)	$ (48.31)	$ 5,973.96	$ 61.06	$ 5.10	$ 66.17
	Feb-18	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 241.81	$ 6,006.44	$ (5.76)	$ (54.08)	$ 5,952.37	$ 60.90	$ 5.10	$ 66.00
	Mar-18	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 257.64	$ 5,990.61	$ (5.76)	$ (59.84)	$ 5,930.78	$ 60.74	$ 5.10	$ 65.84
	Apr-18	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 273.47	$ 5,974.79	$ (5.76)	$ (65.60)	$ 5,909.18	$ 60.57	$ 5.10	$ 65.67
	May-18	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 289.30	$ 5,958.96	$ (5.76)	$ (71.36)	$ 5,887.59	$ 60.41	$ 5.10	$ 65.51
	Jun-18	$ -	0.59138	0.90670	$ -	$ 6,248.26	$ 15.83	$ 305.13	$ 5,943.13	$ (5.76)	$ (77.13)	$ 5,866.00	$ 60.25	$ 5.10	$ 65.35
		$ 11,652.75			$ 6,248.26										

Annual Revenue Requirement prior to new Depreciation Rates =	$ 794.55
New Depreciation Rate effective March 23, 2019 =	2.66%
Annual Revenue Requirement after new Depreciation Rates =	$ 770.81
Gross-Up with GRT & PSC Assessment Fee =	$ 788.10
Gross-Up with Uncollectibles =	$ 796.24
New Depreciation Rate[3] effective November 1, 2021 =	1.93%
Annual Revenue Requirement after new Depreciation Rates =	$ 725.20
Gross-Up with GRT & PSC Assessment Fee =	$ 741.46
Gross-Up with Uncollectibles =	$ 749.12

[1]PE-MD CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[2]PE-MD Distribution CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[3]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II

THE POTOMAC EDISON COMPANY - MARYLAND
Capital Revenue Requirement - Vendor 3

Annual Depreciation	3.04%
Tax Life	20

Year	Month	PE Capital	MD Jurisdictional Allocator[1]	Distribution Allocator[2]	PE-MD Distribution Plant-In-Service	PE-MD Dist. Plant-In-Service Month Ending	Regulatory Book Depreciation	Regulatory Depreciation Reserve	Net Plant	Deferred Income Taxes	ADIT	Rate Base	Monthly Capital Revenue Requirement	TOIT: *Property Tax*	Total Revenue Requirement
2014	Jan-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Aug-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Sep-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Oct-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Nov-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Dec-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
2015	Jan-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Aug-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Sep-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Oct-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Nov-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Dec-15	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
2016	Jan-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Aug-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Sep-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Oct-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Nov-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Dec-16	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
2017	Jan-17	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-17	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-17	$ 8,561.70	0.59138	0.90670	$ 4,590.82	$ 4,590.82	$ 5.82	$ 5.82	$ 4,585.01	$ (3.14)	$ (3.14)	$ 4,581.87			
	Apr-17	$ -	0.59138	0.90670	$ -	$ 4,590.82	$ 11.63	$ 17.45	$ 4,573.38	$ (1.54)	$ (4.67)	$ 4,568.70			
	May-17	$ 8,561.70	0.59138	0.90670	$ 4,590.82	$ 9,181.64	$ 17.45	$ 34.89	$ 9,146.75	$ (5.86)	$ (10.53)	$ 9,136.22			
	Jun-17	$ -	0.59138	0.90670	$ -	$ 9,181.64	$ 23.26	$ 58.15	$ 9,123.49	$ (4.26)	$ (14.79)	$ 9,108.70			
	Jul-17	$ -	0.59138	0.90670	$ -	$ 9,181.64	$ 23.26	$ 81.41	$ 9,100.23	$ (4.26)	$ (19.05)	$ 9,081.18	$ 92.02	$ 7.50	$ 99.52
	Aug-17	$ 8,561.70	0.59138	0.90670	$ 4,590.82	$ 13,772.46	$ 29.08	$ 110.49	$ 13,661.98	$ (12.13)	$ (31.18)	$ 13,630.79	$ 132.29	$ 11.25	$ 143.53
	Sep-17	$ -	0.59138	0.90670	$ -	$ 13,772.46	$ 34.89	$ 145.38	$ 13,627.09	$ (10.53)	$ (41.71)	$ 13,585.37	$ 137.76	$ 11.25	$ 149.00
	Oct-17	$ -	0.59138	0.90670	$ -	$ 13,772.46	$ 34.89	$ 180.27	$ 13,592.20	$ (10.53)	$ (52.25)	$ 13,539.95	$ 137.41	$ 11.25	$ 148.66
	Nov-17	$ -	0.59138	0.90670	$ -	$ 13,772.46	$ 34.89	$ 215.16	$ 13,557.31	$ (10.53)	$ (62.78)	$ 13,494.53	$ 137.07	$ 11.25	$ 148.32
	Dec-17	$ 8,561.70	0.59138	0.90670	$ 4,590.82	$ 18,363.28	$ 40.71	$ 255.86	$ 18,107.42	$ (56.31)	$ (119.09)	$ 17,988.34	$ 176.91	$ 15.00	$ 191.91
2018	Jan-18	$ -	0.59138	0.90670	$ -	$ 18,363.28	$ 46.52	$ 302.38	$ 18,060.90	$ (17.60)	$ (136.68)	$ 17,924.22	$ 182.24	$ 15.00	$ 197.24
	Feb-18	$ -	0.59138	0.90670	$ -	$ 18,363.28	$ 46.52	$ 348.90	$ 18,014.38	$ (17.60)	$ (154.28)	$ 17,860.10	$ 181.75	$ 15.00	$ 196.75
	Mar-18	$ -	0.59138	0.90670	$ -	$ 18,363.28	$ 46.52	$ 395.42	$ 17,967.86	$ (17.60)	$ (171.88)	$ 17,795.98	$ 181.27	$ 15.00	$ 196.26
	Apr-18	$ -	0.59138	0.90670	$ -	$ 18,363.28	$ 46.52	$ 441.94	$ 17,921.34	$ (17.60)	$ (189.48)	$ 17,731.86	$ 180.78	$ 15.00	$ 195.78
	May-18	$ -	0.59138	0.90670	$ -	$ 18,363.28	$ 46.52	$ 488.46	$ 17,874.82	$ (17.60)	$ (207.07)	$ 17,667.75	$ 180.30	$ 15.00	$ 195.29
	Jun-18	$ -	0.59138	0.90670	$ -	$ 18,363.28	$ 46.52	$ 534.98	$ 17,828.30	$ (17.60)	$ (224.67)	$ 17,603.63	$ 179.81	$ 15.00	$ 194.81
		$ 34,246.80			$ 18,363.28										

Annual Revenue Requirement prior to new Depreciation Rates =	$ 2,057.07
New Depreciation Rate effective March 23, 2019 =	2.66%
Annual Revenue Requirement after new Depreciation Rates =	$ 1,997.47
Gross-Up with GRT & PSC Assessment Fee =	$ 2,042.27
Gross-Up with Uncollectibles =	$ 2,063.36
New Depreciation Rate[3] effective November 1, 2021 =	1.93%
Annual Revenue Requirement after new Depreciation Rates =	$ 1,882.96
Gross-Up with GRT & PSC Assessment Fee =	$ 1,925.20
Gross-Up with Uncollectibles =	$ 1,945.08

[1]PE-MD CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[2]PE-MD Distribution CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[3]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II

THE POTOMAC EDISON COMPANY - MARYLAND
Summary Sponsorship/Advertising

	Prior to Nov 1, 2021	Effective[1] Nov 1, 2021
	MD	MD
Sponsorship/Advertising		
O&M Annual Rev Req	$ 194,146	$ 194,146
Capital Annual Rev Req	$ 1,792	$ 1,685
	$ 195,939	$ 195,831

[1]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II, which subsequently lowered the capital revenue

THE POTOMAC EDISON COMPANY - MARYLAND
Sponsorship/Advertising
O&M Recorded to Account 923

		Total Company PE10
2017	Jul	$ 13,739.92
2017	Aug	$ 10,390.65
2017	Sep	$ 97,861.18
2017	Oct	$ 38,646.11
2017	Nov	$ 23,173.78
2017	Dec	$ 161,017.87
2018	Jan	$ 1,356.26
2018	Feb	$ 5,281.38
2018	Mar	$ 5,422.18
2018	Apr	$ 14,140.15
2018	May	$ 11,642.99
2018	Jun	$ 11,404.55
	Total PE =	$ 394,077.04

Maryland	Sponsorship/ Advertising
MD rate case test year O&M =	$ 394,077.04
PE-MD Allocator[1] =	58.116%
PE-MD rate case test year O&M =	$ 229,021.81
PE-MD Distribution Allocator[2] =	82.065%
PE-MD Distribution rate case test year O&M =	$ 187,946.75
Gross-Up with GRT & PSC Assessment Fee =	$ 192,162.21
Gross-Up with GRT, PSC Fee & Uncollectibles =	$ 194,146.39

[1]PE-MD GP01 A&G O&M allocator per Exhibit LMO-1 Actuals, Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

[2]PE-MD MDGP01 A&G O&M allocator per Exhibit LMO-1 Actuals, Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

THE POTOMAC EDISON COMPANY - MARYLAND
Capital Revenue Requirement

Annual Depreciation 3.04%
Tax Life 20

Year	Month	PE Capital	MD Jurisdictional Allocator[1]	Distribution Allocator[2]	PE-MD Distribution Plant-In-Service	PE-MD Dist. Plant-In-Service Month Ending	Regulatory Book Depreciation	Regulatory Depreciation Reserve	Net Plant	Deferred Income Taxes	ADIT	Rate Base	Monthly Capital Revenue Requirement	TOIT: *Property Tax*	Total Revenue Requirement
2014	Jan-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Aug-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Sep-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Oct-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Nov-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Dec-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
2015	Jan-15	$ 556.07	0.59138	0.90670	$ 298.17	$ 298.17	$ 0.38	$ 0.38	$ 297.79	$ (0.15)	$ (0.15)	$ 297.64			
	Feb-15	$ 68.61	0.59138	0.90670	$ 36.79	$ 334.96	$ 0.80	$ 1.18	$ 333.78	$ (0.07)	$ (0.22)	$ 333.55			
	Mar-15	$ 2,325.83	0.59138	0.90670	$ 1,247.12	$ 1,582.08	$ 2.43	$ 3.61	$ 1,578.47	$ (0.91)	$ (1.13)	$ 1,577.34			
	Apr-15	$ -	0.59138	0.90670	$ -	$ 1,582.08	$ 4.01	$ 7.62	$ 1,574.46	$ (0.47)	$ (1.61)	$ 1,572.85			
	May-15	$ 22.30	0.59138	0.90670	$ 11.96	$ 1,594.03	$ 4.02	$ 11.64	$ 1,582.39	$ (0.49)	$ (2.09)	$ 1,580.30			
	Jun-15	$ 1,993.57	0.59138	0.90670	$ 1,068.96	$ 2,663.00	$ 5.39	$ 17.03	$ 2,645.96	$ (1.69)	$ (3.78)	$ 2,642.19			
	Jul-15	$ -	0.59138	0.90670	$ -	$ 2,663.00	$ 6.75	$ 23.78	$ 2,639.22	$ (1.31)	$ (5.09)	$ 2,634.13			
	Aug-15	$ -	0.59138	0.90670	$ -	$ 2,663.00	$ 6.75	$ 30.52	$ 2,632.47	$ (1.31)	$ (6.40)	$ 2,626.07			
	Sep-15	$ -	0.59138	0.90670	$ -	$ 2,663.00	$ 6.75	$ 37.27	$ 2,625.73	$ (1.31)	$ (7.72)	$ 2,618.01			
	Oct-15	$ 12.01	0.59138	0.90670	$ 6.44	$ 2,669.43	$ 6.75	$ 44.02	$ 2,625.41	$ (1.33)	$ (9.05)	$ 2,616.36			
	Nov-15	$ 177.16	0.59138	0.90670	$ 94.99	$ 2,764.43	$ 6.88	$ 50.91	$ 2,713.52	$ (1.79)	$ (10.84)	$ 2,702.68			
	Dec-15	$ -	0.59138	0.90670	$ -	$ 2,764.43	$ 7.00	$ 57.91	$ 2,706.52	$ (1.75)	$ (12.59)	$ 2,693.92			
2016	Jan-16	$ 2,178.98	0.59138	0.90670	$ 1,168.38	$ 3,932.81	$ 8.48	$ 66.39	$ 3,866.41	$ (3.25)	$ (15.84)	$ 3,850.58			
	Feb-16	$ -	0.59138	0.90670	$ -	$ 3,932.81	$ 9.96	$ 76.36	$ 3,856.45	$ (2.84)	$ (18.68)	$ 3,837.77			
	Mar-16	$ -	0.59138	0.90670	$ -	$ 3,932.81	$ 9.96	$ 86.32	$ 3,846.49	$ (2.84)	$ (21.52)	$ 3,824.97			
	Apr-16	$ -	0.59138	0.90670	$ -	$ 3,932.81	$ 9.96	$ 96.28	$ 3,836.52	$ (2.84)	$ (24.36)	$ 3,812.17			
	May-16	$ -	0.59138	0.90670	$ -	$ 3,932.81	$ 9.96	$ 106.25	$ 3,826.56	$ (2.84)	$ (27.19)	$ 3,799.37			
	Jun-16	$ 2,006.73	0.59138	0.90670	$ 1,076.02	$ 5,008.82	$ 11.33	$ 117.57	$ 4,891.25	$ (4.05)	$ (31.25)	$ 4,860.00			
	Jul-16	$ 1,906.76	0.59138	0.90670	$ 1,022.41	$ 6,031.24	$ 13.98	$ 131.56	$ 5,899.68	$ (5.08)	$ (36.32)	$ 5,863.36			
	Aug-16	$ -	0.59138	0.90670	$ -	$ 6,031.24	$ 15.28	$ 146.84	$ 5,884.40	$ (4.72)	$ (41.04)	$ 5,843.36			
	Sep-16	$ 4,139.28	0.59138	0.90670	$ 2,219.50	$ 8,250.73	$ 18.09	$ 164.93	$ 8,085.81	$ (9.67)	$ (50.72)	$ 8,035.09			
	Oct-16	$ 521.36	0.59138	0.90670	$ 279.55	$ 8,530.29	$ 21.26	$ 186.18	$ 8,344.11	$ (9.76)	$ (60.48)	$ 8,283.62			
	Nov-16	$ 1,160.31	0.59138	0.90670	$ 622.17	$ 9,152.45	$ 22.40	$ 208.58	$ 8,943.87	$ (12.66)	$ (73.14)	$ 8,870.73			
	Dec-16	$ 173.79	0.59138	0.90670	$ 93.18	$ 9,245.64	$ 23.30	$ 231.88	$ 9,013.75	$ (13.37)	$ (86.51)	$ 8,927.24			
2017	Jan-17	$ 2,220.94	0.59138	0.90670	$ 1,190.88	$ 10,436.51	$ 24.93	$ 256.81	$ 10,179.70	$ (9.13)	$ (95.64)	$ 10,084.06			
	Feb-17	$ 342.47	0.59138	0.90670	$ 183.63	$ 10,620.15	$ 26.67	$ 283.49	$ 10,336.66	$ (8.82)	$ (104.46)	$ 10,232.20			
	Mar-17	$ -	0.59138	0.90670	$ -	$ 10,620.15	$ 26.90	$ 310.39	$ 10,309.76	$ (8.75)	$ (113.21)	$ 10,196.54			
	Apr-17	$ -	0.59138	0.90670	$ -	$ 10,620.15	$ 26.90	$ 337.30	$ 10,282.85	$ (8.75)	$ (121.97)	$ 10,160.89			
	May-17	$ -	0.59138	0.90670	$ -	$ 10,620.15	$ 26.90	$ 364.20	$ 10,255.95	$ (8.75)	$ (130.72)	$ 10,125.23			
	Jun-17	$ 68.49	0.59138	0.90670	$ 36.73	$ 10,656.87	$ 26.95	$ 391.15	$ 10,265.72	$ (8.80)	$ (139.52)	$ 10,126.21			
	Jul-17	$ 1,784.50	0.59138	0.90670	$ 956.85	$ 11,613.73	$ 28.21	$ 419.36	$ 11,194.37	$ (10.10)	$ (149.61)	$ 11,044.76	$ 111.84	$ 9.48	$ 121.32
	Aug-17	$ 446.42	0.59138	0.90670	$ 239.37	$ 11,853.10	$ 29.72	$ 449.08	$ 11,404.02	$ (10.17)	$ (159.78)	$ 11,244.23	$ 114.86	$ 9.68	$ 124.54
	Sep-17	$ 72.77	0.59138	0.90670	$ 39.02	$ 11,892.12	$ 30.08	$ 479.16	$ 11,412.96	$ (10.18)	$ (169.96)	$ 11,243.00	$ 115.21	$ 9.71	$ 124.92
	Oct-17	$ 4,175.00	0.59138	0.90670	$ 2,238.66	$ 14,130.78	$ 32.96	$ 512.12	$ 13,618.65	$ (17.08)	$ (187.04)	$ 13,431.61	$ 134.66	$ 11.54	$ 146.20
	Nov-17	$ 1.93	0.59138	0.90670	$ 1.03	$ 14,131.81	$ 35.80	$ 547.92	$ 13,583.89	$ (16.31)	$ (203.35)	$ 13,380.54	$ 137.11	$ 11.54	$ 148.66
	Dec-17	$ 8.06	0.59138	0.90670	$ 4.32	$ 14,136.13	$ 35.81	$ 583.73	$ 13,552.40	$ (16.35)	$ (219.70)	$ 13,332.70	$ 136.76	$ 11.54	$ 148.30
2018	Jan-18	$ -	0.59138	0.90670	$ -	$ 14,136.13	$ 35.81	$ 619.54	$ 13,516.59	$ (12.08)	$ (231.78)	$ 13,284.81	$ 136.40	$ 11.54	$ 147.95
	Feb-18	$ 2,548.24	0.59138	0.90670	$ 1,366.38	$ 15,502.51	$ 37.54	$ 657.08	$ 14,845.43	$ (12.89)	$ (244.67)	$ 14,600.76	$ 148.10	$ 12.66	$ 160.76
	Mar-18	$ -	0.59138	0.90670	$ -	$ 15,502.51	$ 39.27	$ 696.36	$ 14,806.15	$ (12.41)	$ (257.08)	$ 14,549.08	$ 149.44	$ 12.66	$ 162.10
	Apr-18	$ -	0.59138	0.90670	$ -	$ 15,502.51	$ 39.27	$ 735.63	$ 14,766.88	$ (12.41)	$ (269.49)	$ 14,497.40	$ 149.04	$ 12.66	$ 161.71
	May-18	$ -	0.59138	0.90670	$ -	$ 15,502.51	$ 39.27	$ 774.90	$ 14,727.61	$ (12.41)	$ (281.90)	$ 14,445.71	$ 148.65	$ 12.66	$ 161.31
	Jun-18	$ 2,427.50	0.59138	0.90670	$ 1,301.63	$ 16,804.14	$ 40.92	$ 815.82	$ 15,988.32	$ (13.87)	$ (295.77)	$ 15,692.55	$ 159.74	$ 13.72	$ 173.47
		$ 31,339.07			$ 16,804.14										

Annual Revenue Requirement prior to new Depreciation Rates =	$ 1,781.23
New Depreciation Rate effective March 23, 2019 =	2.66%
Annual Revenue Requirement after new Depreciation Rates =	$ 1,734.96
Gross-Up with GRT & PSC Assessment Fee =	$ 1,773.88
Gross-Up with Uncollectibles =	$ 1,792.19
New Depreciation Rate[3] effective November 1, 2021 =	1.93%
Annual Revenue Requirement after new Depreciation Rates =	$ 1,631.11
Gross-Up with GRT & PSC Assessment Fee =	$ 1,667.70
Gross-Up with Uncollectibles =	$ 1,684.92

[1]PE-MD CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

[2]PE-MD Distribution CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

[3]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II

THE POTOMAC EDISON COMPANY - MARYLAND
Summary Miscellaneous*

	Prior to Nov 1, 2021		Effective[1] Nov 1, 2021	
	MD		MD	
Total				
O&M Annual Rev Req	$	62,676	$	62,676
Capital Annual Rev Req	$	5,745	$	5,402
	$	68,421	$	68,078

*Includes amounts related to FE Foundation, Lobbying, FE Products, IT for FE Products, Vendors, and Trade Association Dues

[1]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II, which subsequently lowered the capital revenue

THE POTOMAC EDISON COMPANY - MARYLAND
Miscellaneous
O&M Recorded to Accounts 923, 926 and 403

	FERC 923 PE10	FERC 926 PE10	FERC 403 PE10	Total PE10
2017 Jul	$ 6,989.37	$ 1,045.44	$ 17.71	$ 8,052.52
2017 Aug	$ 6,989.37	$ 1,045.44	$ 17.71	$ 8,052.52
2017 Sep	$ 6,989.37	$ 1,045.44	$ 17.71	$ 8,052.52
2017 Oct	$ 7,503.63	$ 1,045.44	$ 17.71	$ 8,566.77
2017 Nov	$ 6,989.37	$ 1,045.44	$ 17.71	$ 8,052.52
2017 Dec	$ 8,772.06	$ 1,045.44	$ 17.71	$ 9,835.21
2018 Jan	$ 8,843.27	$ 1,161.87	$ 17.20	$ 10,022.34
2018 Feb	$ 8,846.21	$ 1,161.87	$ 17.20	$ 10,025.28
2018 Mar	$ 10,158.81	$ 1,161.87	$ 17.20	$ 11,337.88
2018 Apr	$ 8,860.09	$ 1,161.87	$ 17.20	$ 10,039.16
2018 May	$ 8,849.78	$ 1,161.87	$ 17.20	$ 10,028.85
2018 Jun	$ 22,209.64	$ 1,161.87	$ 17.20	$ 23,388.71
Total PE =	$ 112,000.98	$ 13,243.88	$ 209.41	$ 125,454.28

Maryland	FERC 923	FERC 926	FERC 403	Total
MD rate case test year O&M =	$ 112,000.98	$ 13,243.88	$ 209.41	$ 125,454.28
PE-MD Allocator[1] =	58.116%	58.670%	60.794%	
PE-MD rate case test year O&M =	$ 65,090.49	$ 7,770.19	$ 127.31	$ 72,987.99
PE-MD Distribution Allocator[2] =	82.065%	91.902%	91.902%	
PE-MD Distribution rate case test year O&M =	$ 53,416.51	$ 7,140.96	$ 117.00	$ 60,674.47
Gross-Up with GRT & PSC Assessment Fee =	$ 54,614.59	$ 7,301.12	$ 119.62	$ 62,035.34
Gross-Up with GRT, PSC Fee & Uncollectibles =	$ 55,178.52	$ 7,376.51	$ 120.86	$ 62,675.89

[1]PE-MD allocators per Exhibit LMO-1 Actuals, Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490
[2]PE-MD allocators per Exhibit LMO-1 Actuals, Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

THE POTOMAC EDISON COMPANY - MARYLAND
Capital Revenue Requirement

Annual Depreciation	3.04%
Tax Life	20

Year	Month	PE Capital	MD Jurisdictional Allocator[1]	Distribution Allocator[2]	PE-MD Distribution Plant-In-Service	PE-MD Dist. Plant-In-Service Month Ending	Regulatory Book Depreciation	Regulatory Depreciation Reserve	Net Plant	Deferred Income Taxes	ADIT	Rate Base	Monthly Capital Revenue Requirement	TOIT: *Property Tax*	Total Revenue Requirement
2014	Jan-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Feb-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Mar-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Apr-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	May-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jun-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Jul-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Aug-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Sep-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Oct-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Nov-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
	Dec-14	$ -	0.59138	0.90670	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
2015	Jan-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 817.62	$ 1.04	$ 1.04	$ 816.58	$ (0.42)	$ (0.42)	$ 816.17			
	Feb-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 1,635.24	$ 3.11	$ 4.14	$ 1,631.10	$ (0.62)	$ (1.03)	$ 1,630.06			
	Mar-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 2,452.86	$ 5.18	$ 9.32	$ 2,443.54	$ (0.89)	$ (1.92)	$ 2,441.62			
	Apr-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 3,270.48	$ 7.25	$ 16.57	$ 3,253.91	$ (1.26)	$ (3.18)	$ 3,250.73			
	May-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 4,088.10	$ 9.32	$ 25.89	$ 4,062.21	$ (1.74)	$ (4.92)	$ 4,057.29			
	Jun-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 4,905.72	$ 11.39	$ 37.28	$ 4,868.44	$ (2.38)	$ (7.30)	$ 4,861.14			
	Jul-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 5,723.34	$ 13.46	$ 50.75	$ 5,672.60	$ (3.21)	$ (10.51)	$ 5,662.09			
	Aug-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 6,540.96	$ 15.53	$ 66.28	$ 6,474.68	$ (4.33)	$ (14.84)	$ 6,459.84			
	Sep-15	$ 2,382.42	0.59138	0.90670	$ 1,277.46	$ 7,818.43	$ 18.19	$ 84.47	$ 7,733.96	$ (6.90)	$ (21.73)	$ 7,712.22			
	Oct-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 8,636.05	$ 20.84	$ 105.31	$ 8,530.73	$ (8.98)	$ (30.71)	$ 8,500.02			
	Nov-15	$ 2,553.93	0.59138	0.90670	$ 1,369.43	$ 10,005.48	$ 23.61	$ 128.93	$ 9,876.55	$ (15.28)	$ (45.99)	$ 9,830.56			
	Dec-15	$ 1,524.83	0.59138	0.90670	$ 817.62	$ 10,823.10	$ 26.38	$ 155.31	$ 10,667.79	$ (22.96)	$ (68.95)	$ 10,598.84			
2016	Jan-16	$ 2,127.45	0.59138	0.90670	$ 1,140.75	$ 11,963.85	$ 28.86	$ 184.17	$ 11,779.67	$ (10.96)	$ (79.90)	$ 11,699.77			
	Feb-16	$ 2,137.88	0.59138	0.90670	$ 1,146.34	$ 13,110.19	$ 31.76	$ 215.93	$ 12,894.25	$ (11.23)	$ (91.14)	$ 12,803.12			
	Mar-16	$ 2,127.45	0.59138	0.90670	$ 1,140.75	$ 14,250.93	$ 34.66	$ 250.59	$ 14,000.34	$ (11.61)	$ (102.75)	$ 13,897.60			
	Apr-16	$ 2,127.45	0.59138	0.90670	$ 1,140.75	$ 15,391.68	$ 37.55	$ 288.14	$ 15,103.55	$ (12.13)	$ (114.87)	$ 14,988.67			
	May-16	$ 2,679.07	0.59138	0.90670	$ 1,436.53	$ 16,828.21	$ 40.81	$ 328.95	$ 16,499.26	$ (13.08)	$ (127.96)	$ 16,371.31			
	Jun-16	$ 2,127.45	0.59138	0.90670	$ 1,140.75	$ 17,968.96	$ 44.08	$ 373.03	$ 17,595.93	$ (13.86)	$ (141.82)	$ 17,454.12			
	Jul-16	$ 2,127.45	0.59138	0.90670	$ 1,140.75	$ 19,109.71	$ 46.97	$ 419.99	$ 18,689.72	$ (15.03)	$ (156.85)	$ 18,532.87			
	Aug-16	$ 2,127.45	0.59138	0.90670	$ 1,140.75	$ 20,250.46	$ 49.86	$ 469.85	$ 19,780.61	$ (16.59)	$ (173.44)	$ 19,607.17			
	Sep-16	$ 4,560.45	0.59138	0.90670	$ 2,445.33	$ 22,695.79	$ 54.40	$ 524.25	$ 22,171.54	$ (21.65)	$ (195.09)	$ 21,976.45			
	Oct-16	$ 2,947.95	0.59138	0.90670	$ 1,580.70	$ 24,276.49	$ 59.50	$ 583.74	$ 23,692.75	$ (25.68)	$ (220.77)	$ 23,471.98			
	Nov-16	$ 2,475.02	0.59138	0.90670	$ 1,327.12	$ 25,603.61	$ 63.18	$ 646.93	$ 24,956.68	$ (31.52)	$ (252.29)	$ 24,704.40			
	Dec-16	$ 2,130.00	0.59138	0.90670	$ 1,142.12	$ 26,745.72	$ 66.31	$ 713.23	$ 26,032.49	$ (42.44)	$ (294.73)	$ 25,737.76			
2017	Jan-17	$ 2,440.08	0.59138	0.90670	$ 1,308.38	$ 28,054.11	$ 69.41	$ 782.65	$ 27,271.46	$ (24.95)	$ (319.68)	$ 26,951.78			
	Feb-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 29,356.98	$ 72.72	$ 855.37	$ 28,501.61	$ (25.27)	$ (344.95)	$ 28,156.66			
	Mar-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 30,659.85	$ 76.02	$ 931.39	$ 29,728.46	$ (25.70)	$ (370.65)	$ 29,357.81			
	Apr-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 31,962.72	$ 79.32	$ 1,010.71	$ 30,952.01	$ (26.29)	$ (396.94)	$ 30,555.07			
	May-17	$ 2,772.27	0.59138	0.90670	$ 1,486.50	$ 33,449.22	$ 82.86	$ 1,093.57	$ 32,355.66	$ (27.23)	$ (424.17)	$ 31,931.49			
	Jun-17	$ 4,204.81	0.59138	0.90670	$ 2,254.64	$ 35,703.86	$ 87.59	$ 1,181.16	$ 34,522.70	$ (29.25)	$ (453.42)	$ 34,069.28			
	Jul-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 37,006.73	$ 92.10	$ 1,273.26	$ 35,733.47	$ (30.25)	$ (483.68)	$ 35,249.79	$ 359.01	$ 30.22	$ 389.23
	Aug-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 38,309.60	$ 95.40	$ 1,368.66	$ 36,940.94	$ (32.03)	$ (515.71)	$ 36,425.23	$ 371.21	$ 31.29	$ 402.49
	Sep-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 39,612.48	$ 98.70	$ 1,467.36	$ 38,145.11	$ (34.49)	$ (550.20)	$ 37,594.91	$ 383.36	$ 32.35	$ 415.71
	Oct-17	$ 3,103.20	0.59138	0.90670	$ 1,663.95	$ 41,276.43	$ 102.46	$ 1,569.82	$ 39,706.60	$ (39.18)	$ (589.37)	$ 39,117.23	$ 398.65	$ 33.71	$ 432.36
	Nov-17	$ 2,429.80	0.59138	0.90670	$ 1,302.87	$ 42,579.30	$ 106.22	$ 1,676.04	$ 40,903.26	$ (44.86)	$ (634.24)	$ 40,269.02	$ 411.13	$ 34.77	$ 445.90
	Dec-17	$ 2,686.66	0.59138	0.90670	$ 1,440.60	$ 44,019.89	$ 109.69	$ 1,785.73	$ 42,234.16	$ (58.77)	$ (693.01)	$ 41,541.15	$ 424.23	$ 35.95	$ 460.18
2018	Jan-18	$ 2,349.28	0.59138	0.90670	$ 1,259.69	$ 45,279.59	$ 113.11	$ 1,898.84	$ 43,380.74	$ (38.26)	$ (731.28)	$ 42,649.47	$ 436.05	$ 36.98	$ 473.02
	Feb-18	$ 2,349.28	0.59138	0.90670	$ 1,259.69	$ 46,539.28	$ 116.30	$ 2,015.15	$ 44,524.13	$ (38.57)	$ (769.84)	$ 43,754.29	$ 447.60	$ 38.01	$ 485.61
	Mar-18	$ 4,066.25	0.59138	0.90670	$ 2,180.34	$ 48,719.62	$ 120.66	$ 2,135.81	$ 46,583.81	$ (39.62)	$ (809.46)	$ 45,774.35	$ 467.26	$ 39.79	$ 507.04
	Apr-18	$ 2,349.28	0.59138	0.90670	$ 1,259.69	$ 49,979.31	$ 125.02	$ 2,260.83	$ 47,718.49	$ (39.86)	$ (849.32)	$ 46,869.16	$ 479.90	$ 40.82	$ 520.72
	May-18	$ 2,349.28	0.59138	0.90670	$ 1,259.69	$ 51,239.01	$ 128.21	$ 2,389.04	$ 48,849.97	$ (40.61)	$ (889.93)	$ 47,960.04	$ 491.35	$ 41.85	$ 533.20
	Jun-18	$ 19,831.21	0.59138	0.90670	$ 10,633.58	$ 61,872.59	$ 143.27	$ 2,532.31	$ 59,340.27	$ (52.14)	$ (942.07)	$ 58,398.20	$ 585.46	$ 50.53	$ 635.98
		$ 115,389.96			$ 61,872.59										

Annual Revenue Requirement prior to new Depreciation Rates =	$ 5,701.46
New Depreciation Rate effective March 23, 2019 =	2.66%
Annual Revenue Requirement after new Depreciation Rates =	$ 5,561.57
Gross-Up with GRT & PSC Assessment Fee =	$ 5,686.31
Gross-Up with Uncollectibles =	$ 5,745.02
New Depreciation Rate[3] effective November 1, 2021 =	1.93%
Annual Revenue Requirement after new Depreciation Rates =	$ 5,229.15
Gross-Up with GRT & PSC Assessment Fee =	$ 5,346.44
Gross-Up with Uncollectibles =	$ 5,401.64

[1]PE-MD CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

[2]PE-MD Distribution CWIP allocator per Exhibit LMO-1 Actuals (page 11), Distribution Base Rate Filing dated October 22, 2018 in Case No. 9490

[3]New depreciation rates were effective November 1, 2021 in accordance with Commission Order No. 89971 dated October 26, 2021 in Case No. 9490 Phase II

THE POTOMAC EDISON COMPANY - MARYLAND

Principal and Carrying Charge Calculation

Case No. 9667

		Case No. 9667
Effective March 23, 2019		
O&M Revenue Req	$	33,490.42
Capital Revenue Req		4,097.97
	$	37,588.39
Effective November 1, 2021		
O&M Revenue Req	$	33,490.42
Capital Revenue Req		3,855.83
	$	37,346.25

PSC Ordered ROR	7.15%	thru Oct 18, 2023
Proposed ROR	7.54%	after Oct 18, 2023

	Total Before Carrying Charge	ROR Daily Carrying Charge %	Days in Month	Compounded Carrying Charge	Total with Carrying Charge	Cumulative Principal	Cumulative Carrying Charge	Cumulative Principal + Carrying Charge
Mar 23-31, 2019	$ 926.84	0.02%	9	$ 1.63	$ 928.47	$ 926.84	$ 1.63	$ 928.47
Apr 2019	$ 3,089.46	0.02%	30	$ 23.61	$ 3,113.07	$ 4,016.30	$ 25.24	$ 4,041.54
May 2019	$ 3,192.44	0.02%	31	$ 43.93	$ 3,236.37	$ 7,208.74	$ 69.17	$ 7,277.91
Jun 2019	$ 3,089.46	0.02%	30	$ 60.93	$ 3,150.39	$ 10,298.20	$ 130.10	$ 10,428.30
Jul 2019	$ 3,192.44	0.02%	31	$ 82.71	$ 3,275.15	$ 13,490.64	$ 212.81	$ 13,703.45
Aug 2019	$ 3,192.44	0.02%	31	$ 102.60	$ 3,295.04	$ 16,683.08	$ 315.41	$ 16,998.49
Sep 2019	$ 3,089.46	0.02%	30	$ 118.05	$ 3,207.51	$ 19,772.54	$ 433.46	$ 20,206.00
Oct 2019	$ 3,192.44	0.02%	31	$ 142.09	$ 3,334.53	$ 22,964.98	$ 575.55	$ 23,540.53
Nov 2019	$ 3,089.46	0.02%	30	$ 156.50	$ 3,245.96	$ 26,054.44	$ 732.05	$ 26,786.49
Dec 2019	$ 3,192.44	0.02%	31	$ 182.05	$ 3,374.49	$ 29,246.88	$ 914.10	$ 30,160.98
Jan 2020	$ 3,192.44	0.02%	31	$ 202.54	$ 3,394.98	$ 32,439.32	$ 1,116.64	$ 33,555.96
Feb 2020	$ 2,986.47	0.02%	29	$ 207.59	$ 3,194.06	$ 35,425.79	$ 1,324.23	$ 36,750.02
Mar 2020	$ 3,192.44	0.02%	31	$ 242.55	$ 3,434.99	$ 38,618.23	$ 1,566.78	$ 40,185.01
Apr 2020	$ 3,089.46	0.02%	30	$ 254.31	$ 3,343.77	$ 41,707.69	$ 1,821.09	$ 43,528.78
May 2020	$ 3,192.44	0.02%	31	$ 283.72	$ 3,476.16	$ 44,900.13	$ 2,104.81	$ 47,004.94
Jun 2020	$ 3,089.46	0.02%	30	$ 294.39	$ 3,383.85	$ 47,989.59	$ 2,399.20	$ 50,388.79
Jul 2020	$ 3,192.44	0.02%	31	$ 325.38	$ 3,517.82	$ 51,182.03	$ 2,724.58	$ 53,906.61
Aug 2020	$ 3,192.44	0.02%	31	$ 346.74	$ 3,539.18	$ 54,374.47	$ 3,071.32	$ 57,445.79
Sep 2020	$ 3,089.46	0.02%	30	$ 355.75	$ 3,445.21	$ 57,463.93	$ 3,427.07	$ 60,891.00
Oct 2020	$ 3,192.44	0.02%	31	$ 389.15	$ 3,581.59	$ 60,656.37	$ 3,816.22	$ 64,472.59
Nov 2020	$ 3,089.46	0.02%	30	$ 397.04	$ 3,486.50	$ 63,745.83	$ 4,213.26	$ 67,959.09
Dec 2020	$ 3,192.44	0.02%	31	$ 432.07	$ 3,624.51	$ 66,938.27	$ 4,645.33	$ 71,583.60
Jan 2021	$ 3,192.44	0.02%	31	$ 454.09	$ 3,646.53	$ 70,130.71	$ 5,099.42	$ 75,230.13
Feb 2021	$ 2,883.49	0.02%	28	$ 428.45	$ 3,311.94	$ 73,014.20	$ 5,527.87	$ 78,542.07
Mar 2021	$ 3,192.44	0.02%	31	$ 496.34	$ 3,688.78	$ 76,206.64	$ 6,024.21	$ 82,230.85
Apr 2021	$ 3,089.46	0.02%	30	$ 501.40	$ 3,590.86	$ 79,296.10	$ 6,525.61	$ 85,821.71
May 2021	$ 3,192.44	0.02%	31	$ 540.55	$ 3,732.99	$ 82,488.54	$ 7,066.16	$ 89,554.70
Jun 2021	$ 3,089.46	0.02%	30	$ 544.44	$ 3,633.90	$ 85,578.00	$ 7,610.60	$ 93,188.60
Jul 2021	$ 3,192.44	0.02%	31	$ 585.28	$ 3,777.72	$ 88,770.44	$ 8,195.88	$ 96,966.32
Aug 2021	$ 3,192.44	0.02%	31	$ 608.22	$ 3,800.66	$ 91,962.88	$ 8,804.10	$ 100,766.98
Sep 2021	$ 3,089.46	0.02%	30	$ 610.33	$ 3,699.79	$ 95,052.34	$ 9,414.43	$ 104,466.77
Oct 2021	$ 3,192.44	0.02%	31	$ 653.77	$ 3,846.21	$ 98,244.78	$ 10,068.20	$ 108,312.98
Nov 2021	$ 3,069.55	0.02%	30	$ 654.56	$ 3,724.11	$ 101,314.33	$ 10,722.76	$ 112,037.09
Dec 2021	$ 3,171.87	0.02%	31	$ 699.62	$ 3,871.49	$ 104,486.20	$ 11,422.38	$ 115,908.58
Jan 2022	$ 3,171.87	0.02%	31	$ 723.13	$ 3,895.00	$ 107,658.07	$ 12,145.51	$ 119,803.58
Feb 2022	$ 2,864.92	0.02%	28	$ 672.83	$ 3,537.75	$ 110,522.99	$ 12,818.34	$ 123,341.33
Mar 2022	$ 3,171.87	0.02%	31	$ 768.26	$ 3,940.13	$ 113,694.86	$ 13,586.60	$ 127,281.46
Apr 2022	$ 3,069.55	0.02%	30	$ 766.04	$ 3,835.59	$ 116,764.41	$ 14,352.64	$ 131,117.05
May 2022	$ 3,171.87	0.02%	31	$ 815.48	$ 3,987.35	$ 119,936.28	$ 15,168.12	$ 135,104.40
Jun 2022	$ 3,069.55	0.02%	30	$ 812.01	$ 3,881.56	$ 123,005.83	$ 15,980.13	$ 138,985.96
Jul 2022	$ 3,171.87	0.02%	31	$ 863.27	$ 4,035.14	$ 126,177.70	$ 16,843.40	$ 143,021.10
Aug 2022	$ 3,171.87	0.02%	31	$ 887.77	$ 4,059.64	$ 129,349.57	$ 17,731.17	$ 147,080.74
Sep 2022	$ 3,069.55	0.02%	30	$ 882.39	$ 3,951.94	$ 132,419.12	$ 18,613.56	$ 151,032.68
Oct 2022	$ 3,171.87	0.02%	31	$ 936.42	$ 4,108.29	$ 135,590.99	$ 19,549.98	$ 155,140.97
Nov 2022	$ 3,069.55	0.02%	30	$ 929.76	$ 3,999.31	$ 138,660.54	$ 20,479.74	$ 159,140.28
Dec 2022	$ 3,171.87	0.02%	31	$ 985.66	$ 4,157.53	$ 141,832.41	$ 21,465.40	$ 163,297.81
Jan 2023	$ 3,171.87	0.02%	31	$ 1,010.90	$ 4,182.77	$ 145,004.28	$ 22,476.30	$ 167,480.58
Feb 2023	$ 2,864.92	0.02%	28	$ 934.33	$ 3,799.25	$ 147,869.20	$ 23,410.63	$ 171,279.83
Mar 2023	$ 3,171.87	0.02%	31	$ 1,059.38	$ 4,231.25	$ 151,041.07	$ 24,470.01	$ 175,511.08
Apr 2023	$ 3,069.55	0.02%	30	$ 1,049.47	$ 4,119.02	$ 154,110.62	$ 25,519.48	$ 179,630.10
May 2023	$ 3,171.87	0.02%	31	$ 1,110.08	$ 4,281.95	$ 157,282.49	$ 26,629.56	$ 183,912.05
Jun 2023	$ 3,069.55	0.02%	30	$ 1,098.84	$ 4,168.39	$ 160,352.04	$ 27,728.40	$ 188,080.44
Jul 2023	$ 3,171.87	0.02%	31	$ 1,161.40	$ 4,333.27	$ 163,523.91	$ 28,889.80	$ 192,413.71
Aug 2023	$ 3,171.87	0.02%	31	$ 1,187.71	$ 4,359.58	$ 166,695.78	$ 30,077.51	$ 196,773.29
Sep 2023	$ 3,069.55	0.02%	30	$ 1,174.42	$ 4,243.97	$ 169,765.33	$ 31,251.93	$ 201,017.26
Oct 1-18, 2023	$ 1,841.73	0.02%	18	$ 715.29	$ 2,557.02	$ 171,607.06	$ 31,967.22	$ 203,574.28
Oct 19-31, 2023	$ -	0.02%	13	$ 546.69	$ 546.69	$ 171,607.06	$ 32,513.91	$ 204,120.97
Nov 2023	$ -	0.02%	30	$ 1,264.99	$ 1,264.99	$ 171,607.06	$ 33,778.90	$ 205,385.96
Dec 2023	$ -	0.02%	31	$ 1,315.26	$ 1,315.26	$ 171,607.06	$ 35,094.16	$ 206,701.22
Jan 2024	$ -	0.02%	15.5	$ 661.84	$ 661.84	$ 171,607.06	$ 35,756.00	$ 207,363.06
Total	$ 171,607.06			$ 35,756.00	$ 207,363.06			

Principal and Carrying Charge Calculation
Sponsorship/Advertising

	Sponsorship / Advertising
Effective March 23, 2019	
O&M Revenue Req	$ 194,146.39
Capital Revenue Req	1,792.19
	$ 195,938.58
Effective November 1, 2021	
O&M Revenue Req	$ 194,146.39
Capital Revenue Req	1,684.92
	$ 195,831.31

PSC Ordered ROR	7.15%	thru Oct 18, 2023
Proposed ROR	7.54%	after Oct 18, 2023

	Total Before Carrying Charge	ROR Daily Carrying Charge %	Days in Month	Compounded Carrying Charge	Total with Carrying Charge	Cumulative Principal	Cumulative Carrying Charge	Cumulative Principal + Carrying Charge
Mar 23-31, 2019	$ 4,831.36	0.02%	9	$ 8.52	$ 4,839.88	$ 4,831.36	$ 8.52	$ 4,839.88
Apr 2019	$ 16,104.54	0.02%	30	$ 123.08	$ 16,227.62	$ 20,935.90	$ 131.60	$ 21,067.50
May 2019	$ 16,641.36	0.02%	31	$ 228.99	$ 16,870.35	$ 37,577.26	$ 360.59	$ 37,937.85
Jun 2019	$ 16,104.54	0.02%	30	$ 317.59	$ 16,422.13	$ 53,681.80	$ 678.18	$ 54,359.98
Jul 2019	$ 16,641.36	0.02%	31	$ 431.16	$ 17,072.52	$ 70,323.16	$ 1,109.34	$ 71,432.50
Aug 2019	$ 16,641.36	0.02%	31	$ 534.84	$ 17,176.20	$ 86,964.52	$ 1,644.18	$ 88,608.70
Sep 2019	$ 16,104.54	0.02%	30	$ 615.37	$ 16,719.91	$ 103,069.06	$ 2,259.55	$ 105,328.61
Oct 2019	$ 16,641.36	0.02%	31	$ 740.68	$ 17,382.04	$ 119,710.42	$ 3,000.23	$ 122,710.65
Nov 2019	$ 16,104.54	0.02%	30	$ 815.78	$ 16,920.32	$ 135,814.96	$ 3,816.01	$ 139,630.97
Dec 2019	$ 16,641.36	0.02%	31	$ 948.98	$ 17,590.34	$ 152,456.32	$ 4,764.99	$ 157,221.31
Jan 2020	$ 16,641.36	0.02%	31	$ 1,055.80	$ 17,697.16	$ 169,097.68	$ 5,820.79	$ 174,918.47
Feb 2020	$ 15,567.72	0.02%	29	$ 1,082.12	$ 16,649.84	$ 184,665.40	$ 6,902.91	$ 191,568.31
Mar 2020	$ 16,641.36	0.02%	31	$ 1,264.37	$ 17,905.73	$ 201,306.76	$ 8,167.28	$ 209,474.04
Apr 2020	$ 16,104.54	0.02%	30	$ 1,325.66	$ 17,430.20	$ 217,411.30	$ 9,492.94	$ 226,904.24
May 2020	$ 16,641.36	0.02%	31	$ 1,478.96	$ 18,120.32	$ 234,052.66	$ 10,971.90	$ 245,024.56
Jun 2020	$ 16,104.54	0.02%	30	$ 1,534.58	$ 17,639.12	$ 250,157.20	$ 12,506.48	$ 262,663.68
Jul 2020	$ 16,641.36	0.02%	31	$ 1,696.11	$ 18,337.47	$ 266,798.56	$ 14,202.59	$ 281,001.15
Aug 2020	$ 16,641.36	0.02%	31	$ 1,807.46	$ 18,448.82	$ 283,439.92	$ 16,010.05	$ 299,449.97
Sep 2020	$ 16,104.54	0.02%	30	$ 1,854.42	$ 17,958.96	$ 299,544.46	$ 17,864.47	$ 317,408.93
Oct 2020	$ 16,641.36	0.02%	31	$ 2,028.55	$ 18,669.91	$ 316,185.82	$ 19,893.02	$ 336,078.84
Nov 2020	$ 16,104.54	0.02%	30	$ 2,069.68	$ 18,174.22	$ 332,290.36	$ 21,962.70	$ 354,253.06
Dec 2020	$ 16,641.36	0.02%	31	$ 2,252.29	$ 18,893.65	$ 348,931.72	$ 24,214.99	$ 373,146.71
Jan 2021	$ 16,641.36	0.02%	31	$ 2,367.03	$ 19,008.39	$ 365,573.08	$ 26,582.02	$ 392,155.10
Feb 2021	$ 15,030.90	0.02%	28	$ 2,233.39	$ 17,264.29	$ 380,603.98	$ 28,815.41	$ 409,419.39
Mar 2021	$ 16,641.36	0.02%	31	$ 2,587.30	$ 19,228.66	$ 397,245.34	$ 31,402.71	$ 428,648.05
Apr 2021	$ 16,104.54	0.02%	30	$ 2,613.68	$ 18,718.22	$ 413,349.88	$ 34,016.39	$ 447,366.27
May 2021	$ 16,641.36	0.02%	31	$ 2,817.73	$ 19,459.09	$ 429,991.24	$ 36,834.12	$ 466,825.36
Jun 2021	$ 16,104.54	0.02%	30	$ 2,838.04	$ 18,942.58	$ 446,095.78	$ 39,672.16	$ 485,767.94
Jul 2021	$ 16,641.36	0.02%	31	$ 3,050.93	$ 19,692.29	$ 462,737.14	$ 42,723.09	$ 505,460.23
Aug 2021	$ 16,641.36	0.02%	31	$ 3,170.52	$ 19,811.88	$ 479,378.50	$ 45,893.61	$ 525,272.11
Sep 2021	$ 16,104.54	0.02%	30	$ 3,181.51	$ 19,286.05	$ 495,483.04	$ 49,075.12	$ 544,558.16
Oct 2021	$ 16,641.36	0.02%	31	$ 3,407.94	$ 20,049.30	$ 512,124.40	$ 52,483.06	$ 564,607.46
Nov 2021	$ 16,095.72	0.02%	30	$ 3,412.63	$ 19,508.35	$ 528,220.12	$ 55,895.69	$ 584,115.81
Dec 2021	$ 16,632.25	0.02%	31	$ 3,648.10	$ 20,280.35	$ 544,852.37	$ 59,543.79	$ 604,396.16
Jan 2022	$ 16,632.25	0.02%	31	$ 3,771.26	$ 20,403.51	$ 561,484.62	$ 63,315.05	$ 624,799.67
Feb 2022	$ 15,022.68	0.02%	28	$ 3,509.38	$ 18,532.06	$ 576,507.30	$ 66,824.43	$ 643,331.73
Mar 2022	$ 16,632.25	0.02%	31	$ 4,007.70	$ 20,639.95	$ 593,139.55	$ 70,832.13	$ 663,971.68
Apr 2022	$ 16,095.72	0.02%	30	$ 3,996.56	$ 20,092.28	$ 609,235.27	$ 74,828.69	$ 684,063.96
May 2022	$ 16,632.25	0.02%	31	$ 4,255.05	$ 20,887.30	$ 625,867.52	$ 79,083.74	$ 704,951.26
Jun 2022	$ 16,095.72	0.02%	30	$ 4,237.39	$ 20,333.11	$ 641,963.24	$ 83,321.13	$ 725,284.37
Jul 2022	$ 16,632.25	0.02%	31	$ 4,505.36	$ 21,137.61	$ 658,595.49	$ 87,826.49	$ 746,421.98
Aug 2022	$ 16,632.25	0.02%	31	$ 4,633.73	$ 21,265.98	$ 675,227.74	$ 92,460.22	$ 767,687.96
Sep 2022	$ 16,095.72	0.02%	30	$ 4,606.07	$ 20,701.79	$ 691,323.46	$ 97,066.29	$ 788,389.75
Oct 2022	$ 16,632.25	0.02%	31	$ 4,888.58	$ 21,520.83	$ 707,955.71	$ 101,954.87	$ 809,910.58
Nov 2022	$ 16,095.72	0.02%	30	$ 4,854.20	$ 20,949.92	$ 724,051.43	$ 106,809.07	$ 830,860.50
Dec 2022	$ 16,632.25	0.02%	31	$ 5,146.49	$ 21,778.74	$ 740,683.68	$ 111,955.56	$ 852,639.24
Jan 2023	$ 16,632.25	0.02%	31	$ 5,278.74	$ 21,910.99	$ 757,315.93	$ 117,234.30	$ 874,550.23
Feb 2023	$ 15,022.68	0.02%	28	$ 4,879.25	$ 19,901.93	$ 772,338.61	$ 122,113.55	$ 894,452.16
Mar 2023	$ 16,632.25	0.02%	31	$ 5,532.65	$ 22,164.90	$ 788,970.86	$ 127,646.20	$ 916,617.06
Apr 2023	$ 16,095.72	0.02%	30	$ 5,481.28	$ 21,577.00	$ 805,066.58	$ 133,127.48	$ 938,194.06
May 2023	$ 16,632.25	0.02%	31	$ 5,798.28	$ 22,430.53	$ 821,698.83	$ 138,925.76	$ 960,624.59
Jun 2023	$ 16,095.72	0.02%	30	$ 5,739.90	$ 21,835.62	$ 837,794.55	$ 144,665.66	$ 982,460.21
Jul 2023	$ 16,632.25	0.02%	31	$ 6,067.09	$ 22,699.34	$ 854,426.80	$ 150,732.75	$ 1,005,159.55
Aug 2023	$ 16,632.25	0.02%	31	$ 6,204.94	$ 22,837.19	$ 871,059.05	$ 156,937.69	$ 1,027,996.74
Sep 2023	$ 16,095.72	0.02%	30	$ 6,135.83	$ 22,231.55	$ 887,154.77	$ 163,073.52	$ 1,050,228.29
Oct 1-18, 2023	$ 9,657.43	0.02%	18	$ 3,737.19	$ 13,394.62	$ 896,812.20	$ 166,810.71	$ 1,063,622.91
Oct 19-31, 2023	$ -	0.02%	13	$ 2,856.34	$ 2,856.34	$ 896,812.20	$ 169,667.05	$ 1,066,479.25
Nov 2023	$ -	0.02%	30	$ 6,609.25	$ 6,609.25	$ 896,812.20	$ 176,276.30	$ 1,073,088.50
Dec 2023	$ -	0.02%	31	$ 6,871.88	$ 6,871.88	$ 896,812.20	$ 183,148.18	$ 1,079,960.38
Jan 2024	$ -	0.02%	15.5	$ 3,457.94	$ 3,457.94	$ 896,812.20	$ 186,606.12	$ 1,083,418.32
Total	$ 896,812.20			$ 186,606.12	$ 1,083,418.32			

Principal and Carrying Charge Calculation

Miscellaneous

		Miscellaneous
Effective March 23, 2019		
O&M Revenue Req	$	62,675.89
Capital Revenue Req		5,745.02
	$	68,420.91
Effective November 1, 2021		
O&M Revenue Req	$	62,675.89
Capital Revenue Req		5,401.64
	$	68,077.53

PSC Ordered ROR	7.15%	thru Oct 18, 2023
Proposed ROR	7.54%	after Oct 18, 2023

	Total Before Carrying Charge	ROR Daily Carrying Charge %	Days in Month	Compounded Carrying Charge	Total with Carrying Charge	Cumulative Principal	Cumulative Carrying Charge	Cumulative Principal + Carrying Charge
Mar 23-31, 2019	$ 1,687.09	0.02%	9	$ 2.97	$ 1,690.06	$ 1,687.09	$ 2.97	$ 1,690.06
Apr 2019	$ 5,623.64	0.02%	30	$ 42.98	$ 5,666.62	$ 7,310.73	$ 45.95	$ 7,356.68
May 2019	$ 5,811.09	0.02%	31	$ 79.96	$ 5,891.05	$ 13,121.82	$ 125.91	$ 13,247.73
Jun 2019	$ 5,623.64	0.02%	30	$ 110.90	$ 5,734.54	$ 18,745.46	$ 236.81	$ 18,982.27
Jul 2019	$ 5,811.09	0.02%	31	$ 150.56	$ 5,961.65	$ 24,556.55	$ 387.37	$ 24,943.92
Aug 2019	$ 5,811.09	0.02%	31	$ 186.76	$ 5,997.85	$ 30,367.64	$ 574.13	$ 30,941.77
Sep 2019	$ 5,623.64	0.02%	30	$ 214.88	$ 5,838.52	$ 35,991.28	$ 789.01	$ 36,780.29
Oct 2019	$ 5,811.09	0.02%	31	$ 258.64	$ 6,069.73	$ 41,802.37	$ 1,047.65	$ 42,850.02
Nov 2019	$ 5,623.64	0.02%	30	$ 284.87	$ 5,908.51	$ 47,426.01	$ 1,332.52	$ 48,758.53
Dec 2019	$ 5,811.09	0.02%	31	$ 331.38	$ 6,142.47	$ 53,237.10	$ 1,663.90	$ 54,901.00
Jan 2020	$ 5,811.09	0.02%	31	$ 368.68	$ 6,179.77	$ 59,048.19	$ 2,032.58	$ 61,080.77
Feb 2020	$ 5,436.18	0.02%	29	$ 377.87	$ 5,814.05	$ 64,484.37	$ 2,410.45	$ 66,894.82
Mar 2020	$ 5,811.09	0.02%	31	$ 441.51	$ 6,252.60	$ 70,295.46	$ 2,851.96	$ 73,147.42
Apr 2020	$ 5,623.64	0.02%	30	$ 462.91	$ 6,086.55	$ 75,919.10	$ 3,314.87	$ 79,233.97
May 2020	$ 5,811.09	0.02%	31	$ 516.44	$ 6,327.53	$ 81,730.19	$ 3,831.31	$ 85,561.50
Jun 2020	$ 5,623.64	0.02%	30	$ 535.87	$ 6,159.51	$ 87,353.83	$ 4,367.18	$ 91,721.01
Jul 2020	$ 5,811.09	0.02%	31	$ 592.27	$ 6,403.36	$ 93,164.92	$ 4,959.45	$ 98,124.37
Aug 2020	$ 5,811.09	0.02%	31	$ 631.16	$ 6,442.25	$ 98,976.01	$ 5,590.61	$ 104,566.62
Sep 2020	$ 5,623.64	0.02%	30	$ 647.56	$ 6,271.20	$ 104,599.65	$ 6,238.17	$ 110,837.82
Oct 2020	$ 5,811.09	0.02%	31	$ 708.36	$ 6,519.45	$ 110,410.74	$ 6,946.53	$ 117,357.27
Nov 2020	$ 5,623.64	0.02%	30	$ 722.72	$ 6,346.36	$ 116,034.38	$ 7,669.25	$ 123,703.63
Dec 2020	$ 5,811.09	0.02%	31	$ 786.49	$ 6,597.58	$ 121,845.47	$ 8,455.74	$ 130,301.21
Jan 2021	$ 5,811.09	0.02%	31	$ 826.56	$ 6,637.65	$ 127,656.56	$ 9,282.30	$ 136,938.86
Feb 2021	$ 5,248.73	0.02%	28	$ 779.89	$ 6,028.62	$ 132,905.29	$ 10,062.19	$ 142,967.48
Mar 2021	$ 5,811.09	0.02%	31	$ 903.47	$ 6,714.56	$ 138,716.38	$ 10,965.66	$ 149,682.04
Apr 2021	$ 5,623.64	0.02%	30	$ 912.69	$ 6,536.33	$ 144,340.02	$ 11,878.35	$ 156,218.37
May 2021	$ 5,811.09	0.02%	31	$ 983.94	$ 6,795.03	$ 150,151.11	$ 12,862.29	$ 163,013.40
Jun 2021	$ 5,623.64	0.02%	30	$ 991.03	$ 6,614.67	$ 155,774.75	$ 13,853.32	$ 169,628.07
Jul 2021	$ 5,811.09	0.02%	31	$ 1,065.37	$ 6,876.46	$ 161,585.84	$ 14,918.69	$ 176,504.53
Aug 2021	$ 5,811.09	0.02%	31	$ 1,107.13	$ 6,918.22	$ 167,396.93	$ 16,025.82	$ 183,422.75
Sep 2021	$ 5,623.64	0.02%	30	$ 1,110.97	$ 6,734.61	$ 173,020.57	$ 17,136.79	$ 190,157.36
Oct 2021	$ 5,811.09	0.02%	31	$ 1,190.04	$ 7,001.13	$ 178,831.66	$ 18,326.83	$ 197,158.49
Nov 2021	$ 5,595.41	0.02%	30	$ 1,191.53	$ 6,786.94	$ 184,427.07	$ 19,518.36	$ 203,945.43
Dec 2021	$ 5,781.93	0.02%	31	$ 1,273.59	$ 7,055.52	$ 190,209.00	$ 20,791.95	$ 211,000.95
Jan 2022	$ 5,781.93	0.02%	31	$ 1,316.44	$ 7,098.37	$ 195,990.93	$ 22,108.39	$ 218,099.32
Feb 2022	$ 5,222.39	0.02%	28	$ 1,224.90	$ 6,447.29	$ 201,213.32	$ 23,333.29	$ 224,546.61
Mar 2022	$ 5,781.93	0.02%	31	$ 1,398.69	$ 7,180.62	$ 206,995.25	$ 24,731.98	$ 231,727.23
Apr 2022	$ 5,595.41	0.02%	30	$ 1,394.68	$ 6,990.09	$ 212,590.66	$ 26,126.66	$ 238,717.32
May 2022	$ 5,781.93	0.02%	31	$ 1,484.75	$ 7,266.68	$ 218,372.59	$ 27,611.41	$ 245,984.00
Jun 2022	$ 5,595.41	0.02%	30	$ 1,478.46	$ 7,073.87	$ 223,968.00	$ 29,089.87	$ 253,057.87
Jul 2022	$ 5,781.93	0.02%	31	$ 1,571.83	$ 7,353.76	$ 229,749.93	$ 30,661.70	$ 260,411.63
Aug 2022	$ 5,781.93	0.02%	31	$ 1,616.49	$ 7,398.42	$ 235,531.86	$ 32,278.19	$ 267,810.05
Sep 2022	$ 5,595.41	0.02%	30	$ 1,606.73	$ 7,202.14	$ 241,127.27	$ 33,884.92	$ 275,012.19
Oct 2022	$ 5,781.93	0.02%	31	$ 1,705.15	$ 7,487.08	$ 246,909.20	$ 35,590.07	$ 282,499.27
Nov 2022	$ 5,595.41	0.02%	30	$ 1,693.05	$ 7,288.46	$ 252,504.61	$ 37,283.12	$ 289,787.73
Dec 2022	$ 5,781.93	0.02%	31	$ 1,794.88	$ 7,576.81	$ 258,286.54	$ 39,078.00	$ 297,364.54
Jan 2023	$ 5,781.93	0.02%	31	$ 1,840.89	$ 7,622.82	$ 264,068.47	$ 40,918.89	$ 304,987.36
Feb 2023	$ 5,222.39	0.02%	28	$ 1,701.48	$ 6,923.87	$ 269,290.86	$ 42,620.37	$ 311,911.23
Mar 2023	$ 5,781.93	0.02%	31	$ 1,929.22	$ 7,711.15	$ 275,072.79	$ 44,549.59	$ 319,622.38
Apr 2023	$ 5,595.41	0.02%	30	$ 1,911.21	$ 7,506.62	$ 280,668.20	$ 46,460.80	$ 327,129.00
May 2023	$ 5,781.93	0.02%	31	$ 2,021.64	$ 7,803.57	$ 286,450.13	$ 48,482.44	$ 334,932.57
Jun 2023	$ 5,595.41	0.02%	30	$ 2,001.18	$ 7,596.59	$ 292,045.54	$ 50,483.62	$ 342,529.16
Jul 2023	$ 5,781.93	0.02%	31	$ 2,115.15	$ 7,897.08	$ 297,827.47	$ 52,598.77	$ 350,426.24
Aug 2023	$ 5,781.93	0.02%	31	$ 2,163.11	$ 7,945.04	$ 303,609.40	$ 54,761.88	$ 358,371.28
Sep 2023	$ 5,595.41	0.02%	30	$ 2,138.93	$ 7,734.34	$ 309,204.81	$ 56,900.81	$ 366,105.62
Oct 1-18, 2023	$ 3,357.25	0.02%	18	$ 1,302.74	$ 4,659.99	$ 312,562.06	$ 58,203.55	$ 370,765.61
Oct 19-31, 2023	$ -	0.02%	13	$ 995.68	$ 995.68	$ 312,562.06	$ 59,199.23	$ 371,761.29
Nov 2023	$ -	0.02%	30	$ 2,303.90	$ 2,303.90	$ 312,562.06	$ 61,503.13	$ 374,065.19
Dec 2023	$ -	0.02%	31	$ 2,395.45	$ 2,395.45	$ 312,562.06	$ 63,898.58	$ 376,460.64
Jan 2024	$ -	0.02%	15.5	$ 1,205.40	$ 1,205.40	$ 312,562.06	$ 65,103.98	$ 377,666.04
Total	$ 312,562.06			$ 65,103.98	$ 377,666.04			

THE POTOMAC EDISON COMPANY - MARYLAND
Illustrative Customer Refund Calculation

Schedule	2019 Distribution[1] Revenue	2019 Distribution[1] %-to-Total	Regulatory Liability with Interest	January 2024 Forecast[2] Customers	January 2024 Forecast[2] kWh	Estimated January 2024[2] Credit/Cust	Estimated January 2024[2] Credit/kWh
R	$ 73,832,904	62.4%	$ (1,041,572)	256,466		$ (4.06)	
G	$ 19,374,083	16.4%	$ (273,313)	27,759		$ (9.85)	
C	$ 2,940,608	2.5%	$ (41,484)	3,924		$ (10.57)	
C-A & CSH	$ 471,049	0.4%	$ (6,645)	324		$ (20.51)	
PH	$ 15,586,131	13.2%	$ (219,876)	1,747		$ (125.86)	
AGS	$ 7,283	0.0%	$ (103)	1		$ (102.74)	
PP	$ 1,178,518	1.0%	$ (16,626)		see below	see below	
Hag & Fred	$ 21,747	0.0%	$ (307)		107,950		$ (0.00284)
Street Lighting	$ 4,857,261	4.1%	$ (68,522)		2,174,073		$ (0.03152)
Total	$ 118,269,584	100.0%	$ (1,668,447)				

Schedule PP Customer	Estimated Jan '24 Credit/Customer[3]
1	$ (1,245.62)
2	$ (711.85)
3	$ (1,790.14)
4	$ (626.39)
5	$ (516.25)
6	$ (3,507.14)
7	$ (6,766.71)
8	$ (308.55)
9	$ (958.95)
10	$ (193.95)
Total	$ (16,625.54)

[1]Per Potomac Edison Tariff Compliance filing dated March 25, 2019 in Case No. 9490 (Maillog #224435)

[2]Forecast to be updated for November 2023 filing for credits effective during January 2024

[3]Schedule PP credits allocated from billed kWh for 12 months ended September 2023; currently based upon forecasted kWh which will be updated with actual kWh during November 2023 filing for credits effective during January 2024