

ATTACHMENT H-3D

Delmarva Power & Light Company				2005
Formula Rate - Appendix A			Notes	FERC Form 1 Page # or Instruction
Shaded cells are input cells				
Allocators				
Wages & Salary Allocation Factor				
1	Transmission Wages Expense		p354.19.b	2,239,214
2	Total Wages Expense		p354.25b	25,312,924
3	Less A&G Wages Expense		p354.24b	1,550,465
4	Total		(Line 2 - 3)	23,762,459
5	Wages & Salary Allocator		(Line 1 / 4)	9.4233%
Plant Allocation Factors				
6	Electric Plant in Service	(Note B)	p207.95g	1,856,881,025
7	Common Plant In Service - Electric		(Line 24)	80,729,133
8	Total Plant In Service		(Sum Lines 6 & 7)	1,937,610,158
9	Accumulated Depreciation (Total Electric Plant)		p219.28c	751,302,430
10	Accumulated Intangible Amortization	(Note A)	p200.21c	24,559,103
11	Accumulated Common Amortization - Electric	(Note A)	p356	0
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	36,024,061
13	Total Accumulated Depreciation		(Sum Lines 9 to 12)	811,885,594
14	Net Plant		(Line 8 - 13)	1,125,724,564
15	Transmission Gross Plant		(Line 29 - Line 28)	589,477,699
16	Gross Plant Allocator		(Line 15 / 8)	30.4229%
17	Transmission Net Plant		(Line 39 - Line 28)	351,198,175
18	Net Plant Allocator		(Line 17 / 14)	31.1975%
Plant Calculations				
Plant In Service				
19	Transmission Plant In Service	(Note B)	p207.58.g	524,145,707
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6 - Enter Negative	
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)		Attachment 6	48,313,050
22	Total Transmission Plant In Service		(Line 19 - 20 + 21)	572,458,757
23	General & Intangible		p205.5.g & p207.90.g	99,875,267
24	Common Plant (Electric Only)	(Notes A & B)	p356	80,729,133
25	Total General & Common		(Line 23 + 24)	180,604,400
26	Wage & Salary Allocation Factor		(Line 5)	9.42333%
27	General & Common Plant Allocated to Transmission		(Line 25 * 26)	17,018,942
28	Plant Held for Future Use (Including Land)	(Note C)	p214	0
29	TOTAL Plant In Service		(Line 22 + 27 + 28)	589,477,699
Accumulated Depreciation				
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	229,669,850
31	Accumulated General Depreciation		p219.27.c	30,782,390
32	Accumulated Intangible Amortization		(Line 10)	24,559,103
33	Accumulated Common Amortization - Electric		(Line 11)	0
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12)	36,024,061
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)	91,365,554
36	Wage & Salary Allocation Factor		(Line 5)	9.42333%
37	General & Common Allocated to Transmission		(Line 35 * 36)	8,609,674
38	TOTAL Accumulated Depreciation		(Line 30 + 37)	238,279,524
39	TOTAL Net Property, Plant & Equipment		(Line 29 - 38)	351,198,175

Adjustment To Rate Base

Accumulated Deferred Income Taxes				
40	ADIT net of FASB 106 and 109		Attachment 1	-95,935,306
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative	p266.h	-7,802,516
42	Net Plant Allocation Factor	(Notes A & I)	(Line 18)	31.20%
43	Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * 42) + Line 40	-98,369,497
Transmission O&M Reserves				
44	Total Balance Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	-1,485,065
Prepayments				
45	Prepayments	(Note A)	Attachment 5	17,296,534
46	Total Prepayments Allocated to Transmission		(Line 45)	17,296,534
Materials and Supplies				
47	Undistributed Stores Exp	(Note A)	p227.6c & 15.c	1,446,739
48	Wage & Salary Allocation Factor		(Line 5)	9.42%
49	Total Transmission Allocated		(Line 47 * 48)	136,331
50	Transmission Materials & Supplies		p227.8c	3,200,000
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)	3,336,331
Cash Working Capital				
52	Operation & Maintenance Expense		(Line 85)	13,202,987
53	1/8th Rule		x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)	1,650,373
Network Credits				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	TOTAL Adjustment to Rate Base		(Line 43 + 44 + 46 + 51 + 54 - 57)	-77,571,324
59	Rate Base		(Line 39 + 58)	273,626,851

O&M

Transmission O&M				
60	Transmission O&M		p321.100.b	9,510,694
61	Less extraordinary property loss		Attachment 5	0
62	Plus amortized extraordinary property loss		Attachment 5	0
63	Less Account 565		p321.88.b	0
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	0
65	Plus Transmission Lease Payments	(Note A)	p200.3.c	0
66	Transmission O&M		(Lines 60 - 63 + 64 + 65)	9,510,694
Allocated General & Common Expenses				
67	Common Plant O&M	(Note A)	p356	0
68	Total A&G		p323.168.b	43,927,720
69	Less Property Insurance Account 924		p323.156b	1,560,735
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.160b	3,493,886
71	Less General Advertising Exp Account 930.1		p323.162b	2,340
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b	4,855,361
73	Less EPRI Dues	(Note D)	p352-353	0
74	General & Common Expenses		(Lines 67 + 68) - Sum (69 to 73)	34,015,398
75	Wage & Salary Allocation Factor		(Line 5)	9.4233%
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)	3,205,382
Directly Assigned A&G				
77	Regulatory Commission Exp Account 928	(Note G)	p323.160b	0
78	General Advertising Exp Account 930.1	(Note K)	p323.162b	0
79	Subtotal - Transmission Related		(Line 77 + 78)	0
80	Property Insurance Account 924		p323.156b	1,560,735
81	General Advertising Exp Account 930.1	(Note F)	p323.162b	0
82	Total		(Line 80 + 81)	1,560,735
83	Net Plant Allocation Factor		(Line 18)	31.20%
84	A&G Directly Assigned to Transmission		(Line 82 * 83)	486,911
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)	13,202,987

Depreciation & Amortization Expense

Depreciation Expense				
86	Transmission Depreciation Expense		p336.7b&c	12,067,533
87	General Depreciation		p336.9b&c	3,534,438
88	Intangible Amortization	(Note A)	p336.1d&e	1,685,776
89	Total		(Line 87 + 88)	5,220,214
90	Wage & Salary Allocation Factor		(Line 5)	9.4233%
91	General Depreciation Allocated to Transmission		(Line 89 * 90)	491,918
92	Common Depreciation - Electric Only	(Note A)	p336.10.b	2,381,787
93	Common Amortization - Electric Only	(Note A)	p356 or p336.10d	1,466,443
94	Total		(Line 92 + 93)	3,848,230
95	Wage & Salary Allocation Factor		(Line 5)	9.4233%
96	Common Depreciation - Electric Only Allocated to Transmission		(Line 94 * 95)	362,631
97	Total Transmission Depreciation & Amortization		(Line 86 + 91 + 96)	12,922,082

Taxes Other than Income

98	Taxes Other than Income		Attachment 2	4,440,244
99	Total Taxes Other than Income		(Line 98)	4,440,244

Return / Capitalization Calculations

Long Term Interest				
100	Long Term Interest		p117.62c through 67c	35,984,457
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	35,984,457
103	Preferred Dividends	enter positive	p118.29c	1,004,648
Common Stock				
104	Proprietary Capital		p112.16c	638,065,604
105	Less Preferred Stock	enter negative	(Line 114)	-18,169,800
106	Less Account 216.1	enter negative	p112.12c	2,177,779
107	Common Stock		(Sum Lines 104 to 106)	622,073,583
Capitalization				
108	Long Term Debt		p112.17c through 21c	645,170,600
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-20,635,407
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	5,428,310
112	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0
113	Total Long Term Debt		(Sum Lines Lines 108 to 112)	629,963,503
114	Preferred Stock		p112.3c	18,169,800
115	Common Stock		(Line 107)	622,073,583
116	Total Capitalization		(Sum Lines 113 to 115)	1,270,206,886
117	Debt %	Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Line 114 / 116)	1%
119	Common %	Common Stock	(Line 115 / 116)	49%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0571
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0553
122	Common Cost	Common Stock	(Note J) Fixed	0.1080
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0283
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0008
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0529
126	Total Return (R)		(Sum Lines 123 to 125)	0.0820
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	22,440,867

Composite Income Taxes

Income Tax Rates			
128	FIT=Federal Income Tax Rate		35.00%
129	SIT=State Income Tax Rate or Composite	(Note I)	8.04%
130	p	(percent of federal income tax deductible for state purposes)	0.00%
131	T	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$	40.23%
132	T / (1-T)		67.30%
ITC Adjustment			
133	Amortized Investment Tax Credit	(Note I)	
134	T/(1-T)	enter negative	-318,754
135	Net Plant Allocation Factor		31.1975%
136	ITC Adjustment Allocated to Transmission		-166,364
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))] 9,885,075
138	Total Income Taxes		(Line 136 + 137) 9,718,711

REVENUE REQUIREMENT

Summary			
139	Net Property, Plant & Equipment	(Line 39)	351,198,175
140	Adjustment to Rate Base	(Line 58)	-77,571,324
141	Rate Base	(Line 59)	273,626,851
142	O&M	(Line 85)	13,202,987
143	Depreciation & Amortization	(Line 97)	12,922,082
144	Taxes Other than Income	(Line 99)	4,440,244
145	Investment Return	(Line 127)	22,440,867
146	Income Taxes	(Line 138)	9,718,711
147	Gross Revenue Requirement	(Sum Lines 142 to 146)	62,724,891
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
148	Transmission Plant In Service	(Line 19)	524,145,707
149	Excluded Transmission Facilities	(Note M) Attachment 5	0
150	Included Transmission Facilities	(Line 148 - 149)	524,145,707
151	Inclusion Ratio	(Line 150 / 148)	100.00%
152	Gross Revenue Requirement	(Line 147)	62,724,891
153	Adjusted Gross Revenue Requirement	(Line 151 * 152)	62,724,891
Revenue Credits & Interest on Network Credits			
154	Revenue Credits	(Note N) Attachment 3	8,891,180
155	Interest on Network Credits	PJM Data	-
156	Net Revenue Requirement	(Line 153 - 154 + 155)	53,833,711
Net Plant Carrying Charge			
157	Net Revenue Requirement	(Line 156)	53,833,711
158	Net Transmission Plant	(Line 19 - 30)	294,475,857
159	Net Plant Carrying Charge	(Line 157 / 158)	18.2812%
160	Net Plant Carrying Charge without Depreciation	(Line 157 - 86) / 158	14.1832%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 157 - 86 - 127 - 138) / 158	3.2623%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE			
162	Net Revenue Requirement Less Return and Taxes	(Line 156 - 145 - 146)	21,674,133
163	Increased Return and Taxes	Attachment 4	34,401,443
164	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 162 + 163)	56,075,576
165	Net Transmission Plant	(Line 19 - 30)	294,475,857
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 164 / 165)	19.0425%
167	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation	(Line 163 - 86) / 165	14.9445%
168	Net Revenue Requirement	(Line 156)	53,833,711
169	True-up amount	Attachment 6	(12,021,624)
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects	Attachment 7	70,232
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515	Attachment 5	-
172	Net Zonal Revenue Requirement	(Line 168 - 169 + 171)	41,882,319
Network Zonal Service Rate			
173	1 CP Peak	(Note L) PJM Data	4,174
174	Rate (\$/MW-Year)	(Line 172 / 173)	10,034
175	Network Service Rate (\$/MW/Year)	(Line 174)	10,034

Notes

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p = \frac{\text{percentage of federal income tax deductible for state income taxes}}{\text{FIT} + \text{SIT}}$. If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by $(1/1-T)$. A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J ROE is determined initially to be 10.80% on facilities in service prior to 1-1-06 and 11.30% on facilities in service on or after 1-1-06 per settlement in ER05-515.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.

END

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet Tax Detail

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	0	(276,390,834)	0	
ADIT-283	0	(20,051,864)	(82,431,246)	
ADIT-190	0	4,878,463	5,675,597	
Subtotal	0	(291,564,235)	(76,755,649)	(368,319,884)
Wages & Salary Allocator			9.42333%	
Gross Plant Allocator		30.4229%		
ADIT	0	(88,702,371)	(7,232,935)	(95,935,306)

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111 Amount (5,428,310)

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

ADIT-190	A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
Merrill Creek Excess Capacity		8,406,620	8,406,620				This represents deferred tax generated as a result of an extraordinary charge deducted for books relating to impaired assets due to the effects of deregulation. For tax purposes, the impairment did not give rise to a tax deduction. Deductions for tax are amortized over future periods. Generation related.
Above Market Sales Contracts		4,618,115	4,618,115				This represents deferred tax generated as a result of a book expense related to Energy Trading. For tax purposes, this item did not give rise to a tax deduction. Deductions for tax will be amortized over future periods. Generation related.
Below Market Sales Contracts		(391,896)	(391,896)				This represents deferred tax generated as a result of a book reserve related to Energy Trading. For tax purposes, this item did not give rise to a tax deduction as it did not meet the "all events" test. Generation related.
Deferred Restructuring Costs		(199,144)	(199,144)				These deferred taxes are the result of books deferring costs associated with the deregulation of the Energy Business. For tax, these costs were deducted as ordinary and necessary expenses under IRC section 162. Retail related.
Allowance for Doubtful Accounts		3,922,760	3,922,760				Under the Tax Reform Act of 1986, taxpayers were required to switch from the reserve method for bad debts to the specific write-off method. The amounts previously accumulated in a reserve were required to be included in taxable income over a four year period. The reserve method is used for book purposes. Retail Related
Excess Property Reserve		201,148	201,148				This represents deferred tax generated as a result of a book reserve related to deregulation of the Energy Business. For tax purposes, this item did not give rise to a tax deduction as it did not meet the "all events" test. Generation related.
Environmental Expense		1,295,546	1,295,546				aside a reserve for environmental site clean-up expenses. For tax no deduction is
Merger Costs		(6,068,791)	(6,068,791)				Reflects deferred taxes generated on Delmarva Power & Light Company /Atlantic City Electric Company merger costs deducted for tax purposes. For books these costs were capitalized. Tax amortization of organizational costs related to the ACE/DPL merger.
Claims Reserve		1,210,513			1,210,513		These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for General and Auto liability claims. For Tax no deduction is permitted until the "all events" test is met typically when payment is made. Includes items related to all functions.
Emissions Allowances		(50,559)	(50,559)				Proceeds from the sale of emissions allowances are deferred, pending future rate treatment. The income for tax purposes is recognized when received. These deferred taxes are the result of this book/tax difference.
Preliminary Survey & Investigation Costs		0	0				immaterial
Building Maintenance Accrual		88,495	88,495				Acct 242650 immaterial
Merrill Creek - Rent		4,086,319	4,086,319				These deferred taxes are the result of rent being recorded ratably over the life of the lease for book purposes. For tax, rent is deductible when economic performance occurs. This asset is Generation related
Wilmington Coal Gas Site Cleanup		(1,127,009)	(1,127,009)				Timing differences related to Gas operations.
Merger Costs		1,357,219				1,357,219	Reflects deferred taxes generated on Delmarva Power & Light Company /Atlantic City Electric Company merger costs deducted for tax purposes. For books these costs were capitalized. Pension related and therefore labor related.
Miscellaneous		458,586	458,586				Timing differences related to Gas operations.
Deferred Fuel		7,715,087	7,715,087				To help utilities cope with price fluctuations, many regulators have approved rate tariffs that allow rates to be adjusted through fuel adjustment clauses that pass through actual fuel expense increases/decreases to rate payers by means of surcharges or refunds to customer billings in future periods. Difference between actual fuel expense as compared to the fuel expense computed in accordance with fuel adjustment clause formulas as deferred on books. In accordance with Section 162 Ordinary and Necessary Business Expenses and Section 461 Rules for Taxable year of Deduction, tax return reflects actual fuel expense/income. Assuming that the All-Events test and the economic performance requirements are met, fuel costs are deductible in the year incurred for federal tax purposes. Rate surcharges are includable in the taxable year the underlying monthly bill is adjusted. Refunds are deductible in the taxable year that the liability is fixed and economic performance has occurred. These deferred taxes are the result of this book/tax difference. Retail related.
Summit Land Transfer		398,013	398,013				Transfer of land related to generation to subsidiaries for book. For tax the transaction was disregarded resulting in deferred taxes. Tax liability is recognized as land is sold.
Venture Capital Invest/Partnership Inc		388,323	388,323				Investment attributable to non-utility operations
Gain on Sale of Microwave Systems		(234,579)			(234,579)		The deferred tax balance reflects the difference between the book gain and tax gain on the disposition assets. Involves both T & D facilities.
MD DSM Deferred Interest		(344,100)	(344,100)				For books, Demand Side Management Costs are deferred. Interest accrues on the deferred costs balance. For tax these costs are expensed when paid. These deferred taxes are the result of this book/tax difference which is retail in nature.

Deferred ITC	6,792,548	0		6,792,548		Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Involves all plant functions.
Plant Related	83,664,226	83,664,226				Life and method differences related to all plant
Pension And Other Labor Related	4,318,378				4,318,378	Affects company personnel across all functions.
OPEB	(3,868,858)				(3,868,858)	Book accruals of OPEB expenses are reversed. A tax deduction results only when OPEB contributions are made to the trust. These deferred taxes are the result of this book/tax difference. Affects company personnel across all functions.
Subtotal - p234	116,636,961	107,061,741	0	7,768,482	1,806,739	
Less FASB 109 Above if not separately removed	2,890,019			2,890,019	0	
Less FASB 106 Above if not separately removed	(3,868,858)				(3,868,858)	
Total	117,615,801	107,061,741	0	4,878,463	5,675,597	0

Instructions for Account 190:
 1. ADIT Items related only to Non-Electric Operations (e.g., Gas,
 2. ADIT Items related only to Transmission are directly assigned to Column D
 3. ADIT Items related to Plant and not in Columns C & D are included in Column E
 4. ADIT Items related to labor and not in Columns C & D are included in Column F
 5. Deferred income taxes arise when items are included in taxable
 6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

ADIT- 282

A	B	C	D	E	F	G
	Total	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Recoverable Income Tax	(72,868,200)			(72,868,200)		FASB 109 gross up, removed below
Plant Related	(337,006,487)	(60,615,653)		(276,390,834)		Plant
Subtotal - p275	(409,874,687)	(60,615,653)	0	(349,259,034)	0	
Less FASB 109 Above if not separately removed	(72,868,200)			(72,868,200)		
Less FASB 106 Above if not separately removed						
Total	(337,006,487)	(60,615,653)	0	(276,390,834)	0	

Instructions for Account 282:

- ADIT items related only to Non-Electric Operations (e.g., Gas,
- ADIT items related only to Transmission are directly assigned to Column D.
- ADIT items related to Plant and not in Columns C & D are included in Column E.
- ADIT items related to labor and not in Columns C & D are included in Column F.
- Deferred income taxes arise when items are included in taxable.
- Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

ADIT-283

A	B	C	D	E	F	G
	Total	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Merger Costs	(328,585)				(328,585)	Reflects deferred taxes generated on Delmarva Power & Light Company /Atlantic City Electric Company merger costs deducted for tax purposes. For books these costs were capitalized. Pension related and therefore labor related.
Materials Reserve	(74,067)	(74,067)				This represents deferred tax generated as a result of a deduction taken for amounts set aside in a reserve for book purposes. For tax, no deduction is permitted until economic performance takes place. These reserves are related to deregulation of Energy Business
Charitable Contributions	(25,689)			(25,689)		PHI's consolidated return is in an NOL situation, therefore, DPL's charitable contributions are carried forward until such time as PHI is in a taxable income position. For book purposes, the contributions are expensed when incurred. Involves all functions.
DSM Costs	81	81				For books, Demand Side Management Costs are deferred. For tax these costs are expensed when paid. These deferred taxes are the result of this book/tax difference which is retail in nature. Retail related
Deferred Fuel	(14,811,409)	(14,811,409)				To help utilities cope with price fluctuations, many regulators have approved rate tariffs that allow rates to be adjusted through fuel adjustment clauses that pass through actual fuel expense increases or decreases to rate payers by means of surcharges or refunds to customer billings in future periods. Difference between actual fuel expense as compared to the fuel expense computed in accordance with fuel adjustment clause formulas as deferred on books. In accordance with Section 162 Ordinary and Necessary Business Expenses and Section 461 Rules for Taxable year of Deduction, tax return reflects actual fuel expense/income. Assuming that the All-Events test and the economic performance requirements are met, fuel costs are deductible in the year incurred for federal tax purposes. Rate surcharges are includible in the taxable year the underlying monthly bill is adjusted. Refunds are deductible in the taxable year that the liability is fixed and economic performance has occurred. These deferred taxes are the result of this book/tax difference. Retail related.
Deferred Fuel Interest	(123,007)	(123,007)				This represents deferred tax generated as a result of interest income and/or expense accrued on the deferred fuel balance for book purposes. For tax purposes, interest income is recognized when received. Interest expense is deducted for tax when paid. Retail related.
Reacquired Debt	(5,428,310)	(5,428,310)				Reflects the deferred taxes generated as a result of the tax deductions taken for the cost to reacquire debt. For book purposes, these amounts were recorded as an asset in account 189 and are amortized over future periods. The reacquired debt item is related to construction activities and should be included with plant related items in Attachment 1.
Mark to Market Adj	340,823	340,823				For tax, DPL elected to be a dealer in securities and marks their section 475 trade receivables to market value by means of schedule m adjustments. For book purposes, the change in market value of securities is generally not recognized. These are the deferred taxes associated with this book/tax difference.
Property Taxes	402	402				For book purposes, certain real estate taxes were expensed. For tax purposes, those taxes were capitalized and are being depreciated. Unregulated related
Copco Deferred Fuel	(892,292)	(892,292)				Deferred tax relates to fuel costs for retail customers
Reg Liab - MD SOS Energy	(4,944,365)	(4,944,365)				Retail SOS, Other
Reg Liab - MD SOS Transmission	360,454	360,454				Retail SOS, Other
Gas Environmental surcharge	216,255	216,255				Gas related
Miscellaneous	(39,148)	(39,148)				Miscellaneous temporary differences that are less than \$100,000 for each item.
Copco Carrying Charge	(1,450,583)	(1,450,583)				These deferred taxes are the result of fuel associated costs that are amortized for book purposes. For tax these cost were deducted when paid. Retail related.
Copco DSM Costs	(208,244)	(208,244)				For books, Demand Side Management Costs are deferred. Interest accrues on the deferred costs balance. For tax these costs are expensed when paid. These deferred taxes are the result of this book/tax difference which is retail in nature.
MD DSM Deferred Interest	346,833	346,833				For books, Demand Side Management Costs are deferred. Interest accrues on the deferred costs balance. For tax these costs are expensed when paid. These deferred taxes are the result of this book/tax difference which is retail in nature.
Capitalized Interest	393,048			393,048		The Tax Reform Act of 1986 eliminated the current deduction for interest incurred during construction and required that it be capitalized and depreciated over the tax life of the asset. This deferred tax is due to the differences in the way AFUDC-debt is calculated versus the way interest must be calculated for tax purposes and is related to all plant
AFUDC Debt	(248,914)			(248,914)		For book purposes, AFUDC is capitalized and depreciated. For tax purposes, AFUDC is not recognized. Related to all plant.
Repair Allowance	(3,970,730)			(3,970,730)		Deferred tax represents the difference between tax deductible repairs and book capitalization of repair costs related to all plant
Reserve Adjustment	(167,000)			(167,000)		Depreciation adjustment related to all plant
Plant Related	(967,884)			(967,884)		Life and method differences related to all plant
Pension/OPEB AND Other Labor Related	(82,102,661)				(82,102,661)	Affects company personnel across all functions.
Subtotal - p277 (Form 1-F filer: see note 6, below)	(114,124,991)	(26,706,577)	-	(4,987,169)	(82,431,246)	
Less FASB 109 Above if not separately removed	15,064,695			15,064,695		
Less FASB 106 Above if not separately removed	0					
Total	(129,189,686)	(26,706,577)	-	(20,051,864)	(82,431,246)	

Instructions for Account 283:
 1. ADIT Items related only to Non-Electric Operations (e.g., Gas,
 2. ADIT Items related only to Transmission are directly assigned to Column B
 3. ADIT Items related to Plant and not in Columns C & D are included in Column E
 4. ADIT Items related to labor and not in Columns C & D are included in Column F
 5. Deferred income taxes arise when items are included in taxable
 6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

ADITC-255

	Item	Balance	Amortization	
Rate Base Treatment				
Balance to line 41 of Appendix A	Total	7,802,516	542,534	
Amortization				
Amortization to line 133 of Appendix A	Total	2,058,169	318,754	Excludes \$69,732 related to gas function amortization
				Excludes \$885,562 related to gas function balance
Total		9,860,685	861,288	
Total Form No. 1 (p 266 & 267)		9,860,685	861,288	
Difference /1		(0)	-	

/1 Difference must be zero

Delmarva Power & Light Company

Attachment 2 - Taxes Other Than Income Worksheet

<i>Other Taxes</i>	<i>Page 263 Col (i)</i>	<i>Allocator</i>	<i>Allocated Amount</i>
Plant Related			
Gross Plant Allocator			
1 Real property (State, Municipal or Local)	12,187,550		
2 Personal property			
3 Federal/State Excise	364		
4			
5			
6			
Total Plant Related	12,187,914	30.4229%	3,707,920
Labor Related			
Wages & Salary Allocator			
7 Federal FICA & Unemployment	7,426,108		
8 Unemployment	212,789		
9			
10			
11			
Total Labor Related	7,638,897	9.4233%	719,838
Other Included			
Gross Plant Allocator			
12 Miscellaneous	41,042		
13			
14			
Total Other Included	41,042	30.4229%	12,486
Total Included	19,867,853		4,440,244
Excluded			
15 State Franchise Tax	106,843		
16 Gross Receipts	6,150,787		
17 Sales and Use	288,626		
18 Utility Tax for Delmarva	10,232,417		
19 City License	3,996		
20			
21 Total "Other" Taxes (included on p. 263)	36,650,522		
22 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	36,650,522		
23 Difference	-		

Criteria for Allocation:

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

Delmarva Power & Light Company

Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property		
1 Rent from Electric Property - Transmission Related (Note 3)		1,210,095
2 Total Rent Revenues	(Sum Line 1)	1,210,095
Account 456 - Other Electric Revenues (Note 1)		
3 Schedule 1A		\$ 1,505,176
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		2,587,849
6 PJM Transitional Revenue Neutrality (Note 1)		-
7 PJM Transitional Market Expansion (Note 1)		-
8 Professional Services (Note 3)		-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		4,425,845
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		35,631
11 Gross Revenue Credits	(Sum Lines 2-10)	9,764,596
12 Less line 17g		(873,416)
13 Total Revenue Credits		8,891,180
<u>Revenue Adjustment to determine Revenue Credit</u>		
14	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.	
15	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
16	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).	
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.	1,245,726
17b	Costs associated with revenues in line 17a	501,106
17c	Net Revenues (17a - 17b)	744,620
17d	50% Share of Net Revenues (17c / 2)	372,310
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	-
17f	Net Revenue Credit (17d + 17e)	372,310
17g	Line 17f less line 17a	(873,416)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	4,315,654
19	Amount offset in line 4 above	
20	Total Account 454 and 456	14,080,250
21	Note 4: SECA revenues booked in Account 447.	

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE		
	100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	34,401,443
B	100 Basis Point increase in ROE		1.00%

Return Calculation

59	Rate Base		(Line 39 + 58)	273,626,851
Long Term Interest				
100	Long Term Interest		p117.62c through 67c	35,984,457
101	Less LTD Interest on Securitization Bonds		Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	35,984,457
103	Preferred Dividends	enter positive	p118.29c	1,004,648
Common Stock				
104	Proprietary Capital		p112.16c	638,065,604
105	Less Preferred Stock	enter negative	(Line 114)	-18,169,800
106	Less Account 216.1	enter negative	p112.12c	2,177,779
107	Common Stock		(Sum Lines 104 to 106)	622,073,583
Capitalization				
108	Long Term Debt		p112.17c through 21c	645,170,600
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-20,635,407
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	5,428,310
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	Total Long Term Debt		(Sum Lines 108 to 112)	629,963,503
114	Preferred Stock		p112.3c	18,169,800
115	Common Stock		(Line 107)	622,073,583
116	Total Capitalization		(Sum Lines 113 to 115)	1,270,206,886
117	Debt %	Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Line 114 / 116)	1%
119	Common %	Common Stock	(Line 115 / 116)	49%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0571
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0553
122	Common Cost	Common Stock	(Note J from Appendix A) Appendix A % plus 100 Basis Pts	0.1180
123	Weighted Cost of Total Long Term Debt (WCLTD)		(Line 117 * 120)	0.0283
124	Weighted Cost of Preferred Stock		(Line 118 * 121)	0.0008
125	Weighted Cost of Common Stock		(Line 119 * 122)	0.0578
126	Total Return (R)		(Sum Lines 123 to 125)	0.0869
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	23,780,933

Composite Income Taxes

Income Tax Rates				
128	FIT=Federal Income Tax Rate			35.00%
129	SIT=State Income Tax Rate or Composite			8.04%
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		40.23%
132	T / (1-T)			67.30%
ITC Adjustment				
133	Amortized Investment Tax Credit	enter negative	Attachment 1	(318,754)
134	T/(1-T)		(Line 132)	67%
135	Net Plant Allocation Factor		(Line 18)	31.1975%
136	ITC Adjustment Allocated to Transmission	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	-166,364
137	Income Tax Component =		$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$	10,786,874
138	Total Income Taxes		(Line 136 + 137)	10,620,510

Delmarva Power & Light Company

Attachment 5 - Cost Support

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c	46,341,701	24,559,103	21,782,598	See Form 1
11	Accumulated Common Amortization - Electric	(Note A)	p356	0	0	0	
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	42,885,787	36,024,061	6,861,726	See Form 1
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356	96,106,111	80,729,133	15,376,978	See Form 1
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	10,746,246	9,860,684	885,562	See Form 1
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 15.c	1,446,739	1,384,240	62,499	95.68% Electric, 4.32% Non-Electric
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3.c				
67	Common Plant O&M	(Note A)	p356	0	0	0	
Depreciation Expense							
88	Intangible Amortization	(Note A)	p336.1d&e	1,710,626	1,685,776	24,850	See FERC Form 2, Page 337, Line 1, Column h for non-electric portion.
92	Common Depreciation - Electric Only	(Note A)	p336.10.b	2,381,787	2,381,787	0	See Form 1, electric only.
93	Common Amortization - Electric Only	(Note A)	p356 or p336.10d	1,466,443	1,466,443	0	See Form 1, electric only.

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	652,402	0	652,402	Specific identification based on plant records: The following plant investments are included: 1 2 3 4 5

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.95g	1,856,881,025	0	0	See Form 1
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	524,145,707	0	0	See Form 1
24	Common Plant (Electric Only)	(Notes A & B)	p356	96,106,111	0	0	
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	229,669,850	0	0	See Form 1

EPRI Dues Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details	
Allocated General & Common Expenses							
73	Less EPRI Dues	(Note D)	p352-353	0	0	See Form 1	

Delmarva Power & Light Company

Attachment 5 - Cost Support

Regulatory Expense Related to Transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.160b	3,493,886	0	3,493,886	FERC related.
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.160b	3,493,886	0	3,493,886	FERC related

Safety Related Advertising Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.162b	2,340	0	2,340	None

MultiState Workpaper

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	0	MD 7.00%	PA 9.990%	VA 6%	DE 8.7%	OH 5.10%	Enter Calculation Apportioned: PA 0.0089%, VA 0.1758%, DE 5.8801%, MD 1.9718%, OH 0.0014%, NY 0

Education and Out Reach Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.162b	2,340	0	2,340	None

Excluded Plant Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	0	General Description of the Facilities
Instructions:				Enter \$	None
1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process					
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:				Or	
Example				Enter \$	
A	Total investment in substation		1,000,000		
B	Identifiable investment in Transmission (provide workpapers)		500,000		
C	Identifiable investment in Distribution (provide workpapers)		400,000		
D	Amount to be excluded (A x (C / (B + C)))		444,444		
Add more lines if necessary					

Delmarva Power & Light Company

Attachment 5 - Cost Support

Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Outstanding Network Credits	Description of the Credits
Network Credits					
55	Outstanding Network Credits	(Note N)	From PJM	Enter \$ 0	General Description of the Credits None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0	None
<i>Add more lines if necessary</i>					

Transmission Related Account 242 Reserves

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Total	Allocation	Transmission Related	Details
				Enter \$		Amount	
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)			-	100%	-	
	Directly Assignable to Transmission			8,373,148	9.42%	789,029	
	Labor Related, General plant related or Common Plant related			2,287,866	30.42%	696,036	
	Plant Related				0.00%	-	
	Other					-	
	Total Transmission Related Reserves			10,661,014		1,485,065	

Prepayments

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Description of the Prepayments			
45 Prepayments							
		Allocator	To Line 45				
	Pension Liabilities, if any, in Account 242	-	7.916%	-			
	Prepayments	5,242,308	7.916%	414,960			
	Prepaid Pensions if not included in Prepayments	213,269,838	7.916%	16,881,574			
		218,512,146	7.92%	17,296,534			
5	Wages & Salary Allocator	9.423%					
	Electric vs Gas	84% Based on Modified Wisconsin Method					
	Modified Wages & Salaries Allocator	7.916%					
<i>Add more lines if necessary</i>							

Extraordinary Property Loss

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss		Attachment 5	\$ -			
62	Plus amortized extraordinary property loss		Attachment 5		5	\$ -	\$ -

Delmarva Power & Light Company

Attachment 5 - Cost Support

Interest on Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits	(Note N)	PJM Data	0	General Description of the Credits
				Enter \$	None
<i>Add more lines if necessary</i>					

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

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515		Attachment 5	-	

PJM Load Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	4,174	See Form 1

Statements BG/BH (Present and Proposed Revenues)

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

Delmarva Power & Light Company

Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	non-regulated	Total
Energy Delivery Services	10,610,353	9,043,604	8,496,135	-	28150091.92
Procurement & Supply Services	593,265	421,300	823,258	313,284	2151106.29
Facilities Services	675118.06	565112.02	191913.81	556451.92	1988595.81
Real Estate Services	25,276	22,187	-	16,476	63,940
Security Services	1,226,225	710,357	-	377,233	2,313,814
Controller	760,905	657,433	1,024,881	751,402	3,194,621
General Accounting Services	340,397	388,780	707,853	529,677	1,966,707
Accounts Payable Services	451,315	440,252	419,181	138,495	1,449,243
Asset Management	198,978	165,897	433,735	224,940	1,023,549
Risk Management	697,465	812,416	1,765,297	1,189,258	4,464,435
Insurance & Claims	2,476,260	2,116,777	4,371,557	4,237,475	13,202,069
External Reporting	851,680	993,325	2,137,830	1,450,036	5,432,871
Corporate Planning	428,667	439,816	865,639	557,896	2,292,018
Regulatory Affairs	2,141,570	1,653,198	3,024,093	819	6,819,680
Treasury Services	467,271	322,015	1,243,759	845,435	2,878,481
Tax Services	427,024	493,796	139,268	474,332	1,534,421
Investor Relations	453,048	406,104	1,100,390	574,818	2,534,360
Human Resource Services	2,227,958	1,550,471	3,092,372	1,300,965	8,171,767
Compensation & Benefits	(224,699)	(150,504)	(184,859)	(95,754)	(655,817)
Employee Relations	454,173	273,343	630,379	-	1,357,895
Payroll Services	(175,826)	(124,688)	(245,208)	(69,115)	(614,837)
Legal Services	1,945,906	1,505,956	5,353,556	1,346,874	10,152,291
Corporate Secretary Services	466,595	544,196	1,182,256	796,766	2,989,813
Internal Audit	640,221	558,105	1,194,617	735,764	3,128,707
Marketing Services	32,773	38,037	67,998	53,568	192,376
IS Management & Administration	38,854	28,964	63,290	23,815	154,924
Desktop/Network Support	79,838	57,952	241,644	-	379,434
Operations Management	243,062	181,746	436,282	126,866	987,956
Information Strategy	199,648	167,656	416,321	-	783,625
Communications Services	509,712	465,374	803,317	606,953	2,385,356
Government Relations	202,475	167,057	592,091	483,681	1,445,304
Environmental & Safety	456,865	345,197	756,017	382,266	1,940,346
Executive Management	4,904,431	5,184,232	9,322,592	7,003,795	26,415,050
Total	34,826,805	30,445,464	50,467,451	24,934,472	140,674,193

Delmarva Power & Light Company

Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 for Year 1 (e.g., 2004)
- 2 April Year 2 TO estimates all transmission Cap Adds for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the rate Year 1 (e.g., June 1, 2005 - May 31, 2006)

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7 April Year 3 TO estimates Cap Adds during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 8 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 8 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 for Year 1 (e.g., 2004)
Rev Req based on Year 1 data Must run Appendix A to get this number (without any cap adds in line 21 of Appendix A)

- 2 April Year 2 TO estimates all transmission Cap Adds for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

	Est. In Service Date	Weighting	Amount	One 12th
Jan		11.5	-	-
Feb		10.5	-	-
Mar		9.5	-	-
Apr	6,387,556	8.5	54,294,226	4,524,519
May	3,301,187	7.5	24,758,903	2,063,242
Jun	1,881,659	6.5	12,230,784	1,019,232
Jul		5.5	-	-
Aug		4.5	-	-
Sep		3.5	-	-
Oct		2.5	-	-
Nov		1.5	-	-
Dec	500,000	0.5	250,000	20,833
Total	12,070,402		91,533,912	7,627,826
New Transmission Plant Additions for Year 2 (weighted by months in service)				7,627,826

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
\$ 7,627,826 Input to Formula Line 21

- 4 May Year 2 Post results of Step 3 on PJM web site
\$ 59,230,905 Must run Appendix A to get this number (with prospective weighted cap adds in line 21)

- 5 June Year 2 Results of Step 3 go into effect for the rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
\$ 59,230,905

6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
 \$ 48,681,224 Rev Req based on Prior Year data **Must run Appendix A to get this number (without any cap adds in line 21 of Appendix A)**

7 April Year 3 TO estimates Cap Adds during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	Est. In Service Date	Weighting	Amount	One 12th
Jan		11.5	-	-
Feb		10.5	-	-
Mar	4,224,630	9.5	40,133,985	3,344,499
Apr		8.5	-	-
May	15,259,566	7.5	114,446,745	9,537,229
Jun	64,871,792	6.5	421,666,648	35,138,887
Jul		5.5	-	-
Aug		4.5	-	-
Sep		3.5	-	-
Oct		2.5	-	-
Nov		1.5	-	-
Dec	7,018,448	0.5	3,509,224	292,435
Total	91,374,436		579,756,602	48,313,050

New Transmission Plant Additions for Year 3 (weighted by months in service) 48,313,050 Input to Formula Line 21
 53833711

8 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds in Reconciliation
(adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2
 For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 **13,363,827** Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	Actual In Service Date	Weighting	Amount	One 12th
Jan	1,998,219	11.5	22,979,519	1,914,960
Feb	958,179	10.5	10,060,880	838,407
Mar	2,625,313	9.5	24,940,474	2,078,373
Apr	392,510	8.5	3,336,335	278,028
May	2,113,245	7.5	15,849,338	1,320,778
Jun	231,140	6.5	1,502,410	125,201
Jul	1,017,077	5.5	5,593,924	466,160
Aug	29,101	4.5	130,955	10,913
Sep	368,319	3.5	1,289,117	107,426
Oct	239,616	2.5	599,040	49,920
Nov	230,937	1.5	346,406	28,867
Dec	3,160,171	0.5	1,580,086	131,674
Total	13,363,827		88,208,480	7,350,707

New Transmission Plant Additions for Year 2 (weighted by months in service) 7,350,707 Input to Formula Line 21

48,039,937 Result of Formula for Reconciliation **Must run Appendix A with cap adds in line 21 & line 20**
 (Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)

9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 8 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 8		The forecast in Prior Year		=	
48,039,937	-	59,230,905			(11,190,968)

Interest on Amount of Refunds or Surcharges

Interest rate pursuant to 35.19a for March o 0.5800%

Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	(932,581)	0.5800%	11.5	(62,203)	(994,784)
Jul	Year 1	(932,581)	0.5800%	10.5	(56,794)	(989,375)
Aug	Year 1	(932,581)	0.5800%	9.5	(51,385)	(983,966)
Sep	Year 1	(932,581)	0.5800%	8.5	(45,976)	(978,557)
Oct	Year 1	(932,581)	0.5800%	7.5	(40,567)	(973,148)
Nov	Year 1	(932,581)	0.5800%	6.5	(35,158)	(967,739)
Dec	Year 1	(932,581)	0.5800%	5.5	(29,749)	(962,330)
Jan	Year 2	(932,581)	0.5800%	4.5	(24,340)	(956,921)
Feb	Year 2	(932,581)	0.5800%	3.5	(18,931)	(951,512)
Mar	Year 2	(932,581)	0.5800%	2.5	(13,522)	(946,103)
Apr	Year 2	(932,581)	0.5800%	1.5	(8,113)	(940,694)
May	Year 2	(932,581)	0.5800%	0.5	(2,704)	(935,285)
Total		(11,190,968)				(11,580,414)

		Balance	Interest from above	Amortization over Rate Year	Balance
Jun	Year 2	(11,580,414)	0.5800%	(1,001,802)	(10,645,778)
Jul	Year 2	(10,645,778)	0.5800%	(1,001,802)	(9,705,722)
Aug	Year 2	(9,705,722)	0.5800%	(1,001,802)	(8,760,213)
Sep	Year 2	(8,760,213)	0.5800%	(1,001,802)	(7,809,220)
Oct	Year 2	(7,809,220)	0.5800%	(1,001,802)	(6,852,712)
Nov	Year 2	(6,852,712)	0.5800%	(1,001,802)	(5,890,655)
Dec	Year 2	(5,890,655)	0.5800%	(1,001,802)	(4,923,019)
Jan	Year 3	(4,923,019)	0.5800%	(1,001,802)	(3,949,771)
Feb	Year 3	(3,949,771)	0.5800%	(1,001,802)	(2,970,877)
Mar	Year 3	(2,970,877)	0.5800%	(1,001,802)	(1,986,306)
Apr	Year 3	(1,986,306)	0.5800%	(1,001,802)	(996,025)
May	Year 3	(996,025)	0.5800%	(1,001,802)	(0)
Total with interest				(12,021,624)	

The difference between the Reconciliation in Step 8 and the forecast in Prior Year with interest (12,021,624)
 Rev Req based on Year 2 data with estimated Cap Adds for Year 3 \$ 53,833,711 *Must run Appendix A to get this number (with prospective weighted cap adds in line 21)*
 Revenue Requirement for Year 3 41,812,087

10 May Year 3 Post results of Step 9 on PJM web site
 \$ 41,812,087 Post results of Step 3 on PJM web site

11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)
 \$ 41,812,087

Delmarva Power & Light Company
Attachment 8 - Company Exhibit - Securitization Workpaper

Line #	Long Term Interest		
101	Less LTD Interest on Securitization Bonds	<input type="text" value="0"/>	0
	Capitalization		
112	Less LTD on Securitization Bonds	<input type="text" value="0"/>	0

Calculation of the above Securitization Adjustments

