Vinson&Elkins

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May 15, 2008

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

Re: Trans-Allegheny Interstate Line Company
PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1
Docket No. ER08-_____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act[1] and Part 35 of regulations of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. Part 35 (2007), Trans-Allegheny Interstate Line Company ("TrAILCo") hereby submits an original and six copies of proposed revisions to the following sheets of the Open Access Transmission Tariff of PJM Interconnection, L.L.C. ("PJM"), FERC Electric Tariff, Sixth Revised Volume No. 1 ("PJM Tariff"):

First Revised Sheet No. 314I.01
First Revised Sheet No. 314I.02
First Revised Sheet No. 314I.03
First Revised Sheet No. 314I.06
First Revised Sheet No. 314I.07
First Revised Sheet No. 314I.08
First Revised Sheet No. 314I.12
First Revised Sheet No. 314I.23

The revisions correct (i) line references to the FERC Form No. 1, (ii) a mislabeled Financial Accounting Standards Board ("FASB") statement number, (iii) an incorrect instruction and (iv) an incorrect line reference to Appendix A, which appear on those tariff sheets and are ministerial in nature. TrAILCo requests that the Commission waive the sixty day notice requirement set forth in Section 205 of the FPA and permit the revised tariff sheets to become effective on May 15, 2008.

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[1] 16 U.S.C. § 824d ("FPA").

I. BACKGROUND

On February 21, 2007, TrAILCo filed its transmission cost of service formula rate schedule ("Formula Rate") for inclusion in Attachment H-18 to the PJM Tariff pursuant to Section 205 of the FPA. On March 14, 2008, TrAILCo filed a Settlement Agreement and Offer of Settlement ("Settlement") in Docket No. ER07-562-004. The Settlement has been certified to the Commission as uncontested[2] and, when it is approved by the Commission, will resolve the issues related to TrAILCo's Formula Rate, which were set for hearing in that proceeding. Pursuant to Section 1 of Attachment H-18B of the PJM Tariff, TrAILCo is required to recalculate its annual transmission revenue requirement for the upcoming year and produce an "Annual Update" on or before May 15, 2008. TrAILCo is required to post the Annual Update on PJM's website and provide a copy to the Commission in an informational filing.

II. STATEMENT OF NATURE, BASIS AND REASONS FOR REVISED TARIFF SHEETS

In preparing the Annual Update for this year, TrAILCo has discovered that certain line references to the FERC Form No. 1 are incorrect and a reference to a FASB statement is incorrectly numbered. The sole purpose of this filing is to correct those references. Section 35.13(a)(2)(iii) provides for abbreviated filing requirements if the proposed rate schedule change does not provide for a rate increase. Since the filing of the ministerial revisions to correct (i) references to the FERC Form No. 1 and (ii) references to FASB 106 will have no effect on the design of the Formula Rate or the rates determined thereby, TrAILCo submits the attached revisions to the PJM Tariff in accordance with Section 35.13(a)(2)(iii) of the Commission's regulations.

TrAILCo proposes to correct the FERC Form No. 1 line references for lines 1, 2, 3 and 76 on Appendix A to Attachment H-18A, as shown on First Revised Sheet No. 314I.01 and First Revised Sheet No. 314I.02. The references are being revised to reflect additional lines being added to the FERC Form No. 1 to detail salaries and wages. The revised tariff sheets also include a revision to the instruction on line 142 on Appendix A to correctly describe the calculation of that line, as shown on First Revised Sheet No. 314I.03. In addition, TrAILCo proposes to revise the FERC Form No. 1 line reference for the December "Calculation of Transmission Plant In Service" on Attachment 5 to reflect the filing of supplemental pages to the FERC Form No. 1 in 2007, as shown on First Revised Sheet No. 314I.12. TrAILCo proposes to revise Attachment 1 for Accumulated Deferred Income Taxes account nos. 190, 282 and 283 to (i) revise duplicate references to "FASB 109" to correctly

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2 *Trans-Allegheny Interstate Line Company*, 123 FERC ¶ 63,009 (2008).

refer to "FASB 106" and (ii) delete incorrect FERC Form No. 1 line references, as shown on First Revised Sheet No. 314I.06, First Revised Sheet No. 314I.07 and First Revised Sheet No. 314I.08. Finally, a reference to line 167 of Appendix A on Attachment 7 is being revised to refer to line 148 of Appendix A and a duplicate reference is being removed, as shown on First Revised Sheet No. 314I.23.

III. PROPOSED EFFECTIVE DATE

TrAILCo respectfully requests a waiver of the Commission's sixty day notice requirement to permit these revised tariff sheets to become effective on May 15, 2008. The Annual Update to the Formula Rate must be posted by PJM and filed with the Commission for informational purposes by May 15, 2008. TrAILCo requests a waiver of the notice requirement so that the Annual Update will accurately reference the FERC Form No. 1 and to facilitate review of the Annual Update by the Commission and interested persons. TrAILCo submits that the necessity of having the correct references in place prior to filing its Annual Update presents good cause for waiver of the Commission's notice requirement.

IV. CONTENTS OF FILING

TrAILCo encloses the original and six copies of each of the following:

1. This transmittal letter;
2. Revised PJM Tariff sheets (Attachment 1); and
3. Revised PJM Tariff sheets in red-line format (Attachment 2).

V. REQUEST FOR WAIVER OF SECTION 35.13(c)

Pursuant to Rule 207 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.207, TrAILCo requests a waiver of the filing requirements of Section 35.13(c) of the Commission's regulations, 18 C.F.R. § 35.13(c). TrAILCo submits that good cause exists to waive the requirements of Section 35.13(c). As discussed above, the proposed ministerial revisions do not change the Formula Rate design or the rates to be collected under the Formula Rate. Therefore the filing requirements in Section 35.13(c) requiring TrAILCo to file (i) a table comparing sales and services and revenues from sales and services between the revised and superseded schedules, and (ii) a comparison of the rate schedule change and the utility's other rates, would be irrelevant. For this reason, a waiver of the requirements of Section 35.13(c) is appropriate.

VI. LIST OF PERSONS ON WHOM THIS FILING IS BEING SERVED

Pursuant to Section 35.2(d) of the Commission's regulations, TrAILCo will serve a copy of this filing on all state utility regulatory commissions in the PJM Region and on all PJM Members (which include all affected transmission customers) by requesting PJM to post this filing on its website (www.PJM.com) and providing a link to such posting via e-mail. TrAILCo requests a waiver of the requirement to serve by mailing paper copies. Waiver of paper service is consistent with the Commission's decision to establish electronic service as the default method of service on service lists maintained by the Commission Secretary.[3]

VII. COMMUNICATIONS

TrAILCo requests that all Commission orders and correspondence as well as pleadings from other persons concerning this filing be served on each of the following:

Kathryn L. Patton
Deputy General Counsel
Allegheny Energy, Inc.
800 Cabin Hill Drive
Greensburg, PA 15601-1689
724.838.6603
724.838.6797 FAX
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VIII. MISCELLANEOUS

No agreement is required by contract for the filing of this rate filing. There are no costs included within this filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense of cost been demonstrated to be the product of discriminatory employment practices, within the meaning of Section 35.13(d)(3) of the Commission's Regulations.

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[3] *See Electronic Notification of Commission Issuances,* Order No. 653, 70 Fed. Reg. 8,720 (Feb. 23, 2005), FERC Stats. & Regs. ¶ 31,176 (2005).

IX. COMMUNICATION TO PARTIES IN DOCKET NO. ER07-562-000

TrAILCo provided a draft of this filing to all parties who intervened in Docket No. ER07-562-000 on May 12, 2008 and a final version of this filing, including the revisions to Attachment 7, on May 14, 2008.

X. CONCLUSION

TrAILCo respectfully requests that the Commission accept the revised tariff sheets attached hereto as Attachment 1 for filing with an effective date of May 15, 2008.

Respectfully submitted,

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Greensburg, PA 15601-1689

Attorneys for Trans-Allegheny Interstate Line Company

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2007), and the posting requirements of 18 C.F.R. § 35.2(d), I hereby certify that I have, this 15th day of May, 2008, served the foregoing document upon each of the state commissions in the PJM region and on all PJM members by requesting PJM to post this filing electronically and providing the link to such posting via email.

Andrew N. Beach
Attorney for Trans-Allegheny Interstate
Line Company

ATTACHMENT 1

Revised PJM Tariff Sheets

ATTACHMENT H-18A

Trans-Allegheny Interstate Line Company

Formula Rate – Appendix A	Notes	FERC Form 1 Page # or Instruction	TrAILCo
Shaded cells are input cells			2007
Allocators			
Wages & Salary Allocation Factor			
1 Transmission Wages Expense		p354.21.b	0
2 Total Wages Expense		p354.28.b	0
3 Less A&G Wages Expense		p354.27.b	0
4 Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	0
5 **Wages & Salary Allocator**		(Line 1 / Line 4), if line 2 = 0, then 100%	100.0000%
Plant Allocation Factors			
6 Electric Plant in Service	(Note B)	Attachment 5	0
7 Total Plant In Service		(Line 6)	0
8 Accumulated Depreciation (Total Electric Plant)		Attachment 5	0
9 Total Accumulated Depreciation		(Line 8)	0
10 Net Plant		(Line 7 - Line 9)	0
11 Transmission Gross Plant		(Line 15 + Line 21)	0
12 **Gross Plant Allocator**		(Line 11 / Line 7, if Line 7=0, enter 100%)	100.0000%
13 Transmission Net Plant		(Line 11 - Line 29)	0
14 **Net Plant Allocator**		(Line 13 / Line 10, if line 10=0, enter 100%)	100.0000%
Plant Calculations			
Transmission Plant			
15 Transmission Plant In Service	(Note B)	Attachment 6	0
16 New Trans. Plant Adds. for Current Calendar Year (13 average balance)	(Note B)	Attachment 6	0
17 **Total Transmission Plant**		(Line 15 + Line 16)	0
18 General & Intangible		Attachment 5	0
19 Total General & Intangible		(Line 18)	0
20 Wage & Salary Allocator		(Line 5)	100.0000%
21 **Transmission Related General and Intangible Plant**		(Line 19 * Line 20)	0
22 **Transmission Related Plant**		(Line 17 + Line 21)	0
Accumulated Depreciation			
23 Transmission Accumulated Depreciation	(Note B)	Attachment 5	0
24 Accumulated General Depreciation		Attachment 5	0
25 Accumulated Intangible Amortization		Attachment 5	0
26 Total Accumulated General and Intangible Depreciation		(Sum Lines 24 to 25)	0
27 Wage & Salary Allocator		(Line 5)	100.00000%
28 **Transmission Related General & Intangible Accumulated Depreciation**		(Line 26 * Line 27)	0
29 **Total Transmission Related Accumulated Depreciation**		(Line 23 + Line 28)	0
30 **Total Transmission Related Net Property, Plant & Equipment**		(Line 22 - Line 29)	0
Adjustment To Rate Base			
Accumulated Deferred Income Taxes			
31 ADIT net of FASB 106 and 109 Enter Negative		Attachment 1	0
32 **Transmission Related Accumulated Deferred Income Taxes**		(Line 31)	0
33 **Transmission Related CWIP (Current Year 13 Month weighted average balances)**	(Note B)	p216.b.43 as shown on Attachment 6	0
34 **Transmission Related Land Held for Future Use**	(Note C)	Attachment 5	0
Transmission Related Pre-Commercial Costs Capitalized			
35 Unamortized Capitalized Pre-Commercial Costs		Attachment 5	0
Prepayments			
36 **Transmission Related Prepayments**	(Note A)	Attachment 5	0
Materials and Supplies			
37 Undistributed Stores Expense	(Note A)	Attachment 5	0
38 Wage & Salary Allocator		(Line 5)	100.0000%
39 Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)	0
40 Transmission Materials & Supplies		Attachment 5	0
41 **Transmission Related Materials & Supplies**		(Line 39 + Line 40)	0
Cash Working Capital			
42 Operation & Maintenance Expense		(Line 74)	0
43 1/8th Rule		1/8	12.5%
44 **Transmission Related Cash Working Capital**		(Line 42 * Line 43)	0
45 **Total Adjustment to Rate Base**		(Lines 32 + 33 + 34 + 35+ 36 + 41 + 44)	0
46 **Rate Base**		(Line 30 + Line 45)	0

O&M

	Transmission O&M			
47	Transmission O&M		p321.112.b	-
48	Less Account 566 Misc Trans Exp listed on line 73 below.)		(line 73)	0.00
49	Less Account 565		p321.96.b	0
50	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note M)	PJM Data	0
51	Plus Payments Under Property Under Capital Leases		p200.4.c	0
52	**Transmission O&M**		(Lines 47 - 48 - 49 + 50 + 51)	0
	A&G Expenses			
53	Total A&G		p323.197.b	
54	Less Property Insurance Account 924		p323.185.b	0
55	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	0
56	Less General Advertising Exp Account 930.1		p323.191.b	0
57	Less PBOP Adjustment		Attachment 5	0
58	Less EPRI Dues	(Note D)	p352 & 353	0
59	**A&G Expenses**		(Line 53) - Sum (Lines 54 to 58)	0
60	Wage & Salary Allocator		(Line 5)	100.0000%
61	**Transmission Related A&G Expenses**		(Line 59 * Line 60)	0
	Directly Assigned A&G			
62	Regulatory Commission Exp Account 928	(Note G)	Attachment 5	0
63	General Advertising Exp Account 930.1	(Note J)	Attachment 5	0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related		(Line 62 + Line 63)	0
65	Property Insurance Account 924		p323.185.b	0
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5	0
67	Total Accounts 928 and 930.1 - General		(Line 65 + Line 66)	0
68	Net Plant Allocator		(Line 14)	100.0000%
69	**A&G Directly Assigned to Transmission**		(Line 67 * Line 68)	0
	Account 566 Miscellaneous Transmission Expense			
70	Amortization Expense on Pre-Commercial Cost	Account 566	Attachment 5	-
71	Pre-Commercial Expense	Account 566	Attachment 5	0
72	Miscellaneous Transmission Expense	Account 566	Attachment 5	0

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT- 282	Beg of Year Balance p274.9.b	End of Year Balance p275.9.k	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related Related	Only Transmission Related Related	Plant Related Related	Labor Related Related	JUSTIFICATION
Property Related									Allowance for borrowed funds used during construction (AIBFUDC)
Subtotal			-					-	
Less FASB 109 Included above									
Less FASB 106 Included above									
Total			-					-	
								13,935	
								(13,935)	

Instructions for Account 282:

1. ADIT items related only to Retail Related Operations are directly assigned to Column C.
2. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
3. ADIT items related only to Transmission are directly assigned to Column E.
4. ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
5. ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
6. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Insurance Company								
ADIT-283	Beg of Year Balance	End of Year Balance	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
None Reported	p278.18.b	p277.19.k	-						
	-	-	-						
	-	-	-						
	-	-	-						
Subtotal	-	-	-		-	-	-	-	
Less FASB 109 Included above									
Less FASB 106 Included above									
Total	-	-	-		-	-	-	-	

Instructions for Account 283:

1. ADIT items related only to Retail Related Operations are directly assigned to Column C.
2. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
3. ADIT items related only to Transmission are directly assigned to Column E.
4. ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
5. ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
6. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT

Trans-Allegheny Interstate Line Company

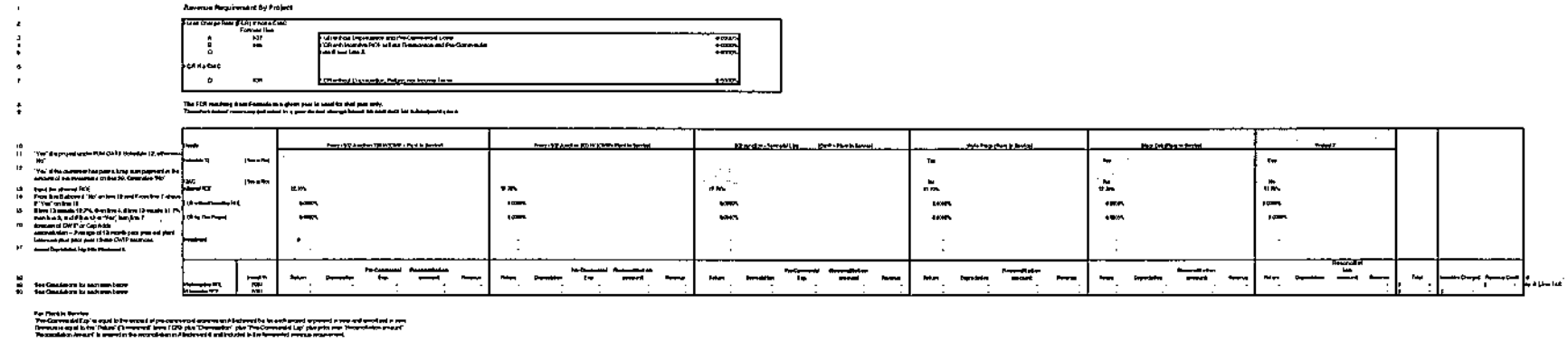
Attachment 5 - Cost Support

Plant In Service Worksheet

	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			13 Month Balance For reconciliation	EOY Balance for Estimate	Details: 13 Month Plant Balance For reconciliation						
						Black Oak	Wylie Ridge	502 Junction - Territorial Line	500 kV Perry - 502 Junction	138 kV Perry - 502 Junction	Project X	Total
	Calculation of Transmission Plant in Service	Source		Total	Total							
	December	p206.58.b	For 2005	-								-
	January	company records	For 2006	-								-
	February	company records	For 2006	-								-
	March	company records	For 2006	-								-
	April	company records	For 2006	-								-
	May	company records	For 2006	-								-
	June	company records	For 2006	-								-
	July	company records	For 2006	-								-
	August	company records	For 2006	-								-
	September	company records	For 2006	-								-
	October	company records	For 2006	-								-
	November	company records	For 2006	-								-
	December	p207.58.g (and Notes)	For 2006	-	-							-
15	**Transmission Plant in Service**			-	-	-	-	-	-	-	-	-
				Link to Appendix A, line 15	Link to Appendix A, line 15							
	Calculation of Distribution Plant in Service	Source										
	December	p206.75.b	For 2005	-								
	January	company records	For 2006	-								
	February	company records	For 2006	-								
	March	company records	For 2006	-								
	April	company records	For 2006	-								
	May	company records	For 2006	-								
	June	company records	For 2006	-								
	July	company records	For 2006	-								
	August	company records	For 2006	-								
	September	company records	For 2006	-								
	October	company records	For 2006	-								
	November	company records	For 2006	-								
	December	p207.75.g	For 2006	-	-							
	Distribution Plant in Service			-	-							
	Calculation of Intangible Plant in Service	Source										
	December	p204.5.b	For 2005	-								
	December	p205.5.g	For 2006	-	-							
18	**Intangible Plant in Service**			-	-							
				Link to Appendix A, line 18	Link to Appendix A, line 18							
	Calculation of General Plant in Service	Source										
	December	p206.99.b	For 2005	-								
	December	p207.99.g	For 2006	-	-							
18	**General Plant in Service**			-	-							
				Link to Appendix A, line 18	Link to Appendix A, line 18							
	Calculation of Production Plant in Service	Source										
	December	p204.46b	For 2005	-								
	January	company records	For 2006	-								
	February	company records	For 2006	-								
	March	company records	For 2006	-								
	April	company records	For 2006	-								
	May	company records	For 2006	-								
	June	company records	For 2006	-								
	July	company records	For 2006	-								
	August	company records	For 2006	-								
	September	company records	For 2006	-								
	October	company records	For 2006	-								
	November	company records	For 2006	-								
	December	p205.46.g	For 2006	-	-							
	Production Plant in Service			-	-							
6	**Total Plant in Service**	Sum of averages above		-	-							
				Link to Appendix A, line 6	Link to Appendix A, line 6							

Trans-Allegheny Interstate Line Company

Attachment 7 - Transmission Enhancement Charge Worksheet



ATTACHMENT 2

Revised PJM Tariff Sheets in Red-Line Format

ATTACHMENT H-18A

Trans-Allegheny Interstate Line Company

Formula Rate – Appendix A | Notes | FERC Form 1, Page # or Instruction | TrAll.Co

Shaded cells are input cells

				2007
Allocators				
	Wages & Salary Allocation Factor			
1	Transmission Wages Expense		~~p354.10.b~~ p354.21.b	0
2	Total Wages Expense		~~p354.25.b~~ p354.28.b	0
3	Less A&G Wages Expense		~~p354.24.b~~ p354.27.b	0
4	Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	0
5	**Wages & Salary Allocator**		(Line 1 / Line 4), if line 2 = 0, then 100%	100.0000%
	Plant Allocation Factors			
6	Electric Plant in Service	(Note B)	Attachment 5	0
7	Total Plant In Service		(Line 6)	0
8	Accumulated Depreciation (Total Electric Plant)		Attachment 5	0
9	Total Accumulated Depreciation		(Line 8)	0
10	Net Plant		(Line 7 - Line 9)	0
11	Transmission Gross Plant		(Line 16 + Line 21)	0
12	**Gross Plant Allocator**		(Line 11 / Line 7, if Line 7=0, enter 100%)	100.0000%
13	Transmission Net Plant		(Line 11 - Line 29)	0
14	**Net Plant Allocator**		(Line 13 / Line 10, if line 10=0, enter 100%)	100.0000%
Plant Calculations				
	Transmission Plant			
15	Transmission Plant In Service	(Note B)	Attachment 5	0
16	New Trans. Plant Adds. for Current Calendar Year (13 average balance)	(Note B)	Attachment 6	0
17	**Total Transmission Plant**		(Line 15 + Line 16)	0
18	General & Intangible		Attachment 5	0
19	Total General & Intangible		(Line 18)	0
20	Wage & Salary Allocator		(Line 5)	100.0000%
21	**Transmission Related General and Intangible Plant**		(Line 19 * Line 20)	0
22	**Transmission Related Plant**		(Line 17 + Line 21)	0
	Accumulated Depreciation			
23	Transmission Accumulated Depreciation	(Note B)	Attachment 5	0
24	Accumulated General Depreciation		Attachment 5	0
25	Accumulated Intangible Amortization		Attachment 5	0
26	Total Accumulated General and Intangible Depreciation		(Sum Lines 24 to 25)	0
27	Wage & Salary Allocator		(Line 5)	100.00000%
28	**Transmission Related General & Intangible Accumulated Depreciation**		(Line 26 * Line 27)	0
29	**Total Transmission Related Accumulated Depreciation**		(Line 23 + Line 28)	0
30	**Total Transmission Related Net Property, Plant & Equipment**		(Line 22 - Line 29)	0
Adjustment To Rate Base				
	Accumulated Deferred Income Taxes			
31	ADIT net of FASB 106 and 109 Enter Negative		Attachment 1	0
32	**Transmission Related Accumulated Deferred Income Taxes**		(Line 31)	0
33	**Transmission Related CWIP (Current Year 13 Month weighted average balances)**	(Note B)	p216.b.43 as shown on Attachment 6	0
34	**Transmission Related Land Held for Future Use**	(Note C)	Attachment 5	0
	Transmission Related Pre-Commercial Costs Capitalized			
35	Unamortized Capitalized Pre-Commercial Costs		Attachment 5	0
	Prepayments			
36	**Transmission Related Prepayments**	(Note A)	Attachment 5	0
	Materials and Supplies			
37	Undistributed Stores Expense	(Note A)	Attachment 5	0
38	Wage & Salary Allocator		(Line 5)	100.0000%
39	Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)	0
40	Transmission Materials & Supplies		Attachment 5	0
41	**Transmission Related Materials & Supplies**		(Line 39 + Line 40)	0
	Cash Working Capital			
42	Operation & Maintenance Expense		(Line 74)	0
43	1/8th Rule		1/8	12.5%
44	**Transmission Related Cash Working Capital**		(Line 42 * Line 43)	0
45	**Total Adjustment to Rate Base**		(Lines 32 + 33 + 34 + 35+ 36 + 41 + 44)	0
46	**Rate Base**		(Line 30 + Line 45)	0

O&M

	Transmission O&M				
47	Transmission O&M			p321.112.b	-
48	Less Account 566 Misc Trans Exp listed on line 73 below.)			(line 73)	0.00
49	Less Account 565			p321.96.b	0
50	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565		(Note M)	PJM Data	0
51	Plus Payments Under Property Under Capital Leases			p200.4.c	0
52	**Transmission O&M**			(Lines 47 - 48 - 49 + 50 + 51)	0
	A&G Expenses				
53	Total A&G			p323.197.b	
54	Less Property Insurance Account 924			p323.185.b	0
55	Less Regulatory Commission Exp Account 928		(Note E)	p323.189.b	0
56	Less General Advertising Exp Account 930.1			p323.191.b	0
57	Less PBOP Adjustment			Attachment 5	0
58	Less EPRI Dues		(Note D)	p352 & 353	0
59	**A&G Expenses**			(Line 53) - Sum (Lines 54 to 58)	0
60	Wage & Salary Allocator			(Line 5)	100.0000%
61	**Transmission Related A&G Expenses**			(Line 59 * Line 60)	0
	Directly Assigned A&G				
62	Regulatory Commission Exp Account 928		(Note G)	Attachment 5	0
63	General Advertising Exp Account 930.1		(Note J)	Attachment 5	0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related			(Line 62 + Line 63)	0
65	Property Insurance Account 924			p323.185.b	0
66	General Advertising Exp Account 930.1		(Note F)	Attachment 5	0
67	Total Accounts 928 and 930.1 - General			(Line 65 + Line 66)	0
68	Net Plant Allocator			(Line 14)	100.0000%
69	**A&G Directly Assigned to Transmission**			(Line 67 * Line 68)	0
	Account 566 Miscellaneous Transmission Expense				
70	Amortization Expense on Pre-Commercial Cost		Account 566	Attachment 5	-
71	Pre-Commercial Expense		Account 566	Attachment 5	0
72	Miscellaneous Transmission Expense		Account 566	Attachment 5	0
73	Total Account 566			Sum (Lines 70 to 72)	-
74	**Total Transmission O&M**			(Lines 52 + 61 + 64 + 69 + 73)	0

Depreciation & Amortization Expense

	Depreciation Expense				
75	Transmission Depreciation Expense			Attachment 5	0
76	General Depreciation			~~p336.9.b&e~~ p336.10.b&c	0
77	Intangible Amortization		(Note A)	p336.1.d&e	0
78	Total			(Line 76 + Line 77)	0
79	Wage & Salary Allocator			(Line 5)	100.0000%
80	**Transmission Related General Depreciation and Intangible Amortization**			(Line 78 * Line 79)	0
81	**Total Transmission Depreciation & Amortization**			(Lines 75 + 80)	0

Taxes Other than Income

82	**Transmission Related Taxes Other than Income**			Attachment 2	-
83	**Total Taxes Other than Income**			(Line 82)	0

Return / Capitalization Calculations

84	**Preferred Dividends**		enter positive	p118.29.c	
	Common Stock				
85	Proprietary Capital			p112.16.c	
86	Less Accumulated Other Comprehensive Income Account 219			p112.15.c	0
87	Less Preferred Stock			(Line 95)	0
88	Less Account 216.1			p112.12.c	0
89	**Common Stock**			(Line 85 - 86 - 87 - 88)	0
	Capitalization				
90	Long Term Debt		(Note N)	Attachment 8	0
91	Less Unamortized Loss on Reacquired Debt			p111.81.c	0
92	Plus Unamortized Gain on Reacquired Debt			p113.61.c	0
93	Less ADIT associated with Gain or Loss			Attachment 1	0
94	Total Long Term Debt			(Line 90 - 91 + 92 - 93)	0
95	Preferred Stock			p112.3.c	0
96	Common Stock			(Line 89)	0
97	**Total Capitalization**			(Sum Lines 94 to 96)	0
98	Debt %	Total Long Term Debt	(Note N)	(Line 94 /Line 97)	50.0%
99	Preferred %	Preferred Stock	(Note N)	(Line 95 /Line 97)	0.0%
100	Common %	Common Stock	(Note N)	(Line 96 /Line 97)	50.0%
101	Debt Cost	Total Long Term Debt		Attachment 8	0.079
102	Preferred Cost	Preferred Stock		(Line 84 / Line 95)	0.0000
103	Common Cost	Common Stock	(Note I)	The most recent FERC approved ROE	0.1170
104	Weighted Cost of Debt	Total Long Term Debt (WCLTD)		(Line 98 * Line 101)	0.03950
105	Weighted Cost of Preferred	Preferred Stock		(Line 99 * Line 102)	0.0000
106	Weighted Cost of Common	Common Stock		(Line 100 * Line 103)	0.0585
107	**Rate of Return on Rate Base (ROR)**			(Sum Lines 104 to 106)	0.09800
108	**Investment Return = Rate Base * Rate of Return**			(Line 46 * Line 107)	0

Composite Income Taxes

	Income Tax Rates			
109	FIT=Federal Income Tax Rate	(Note H)		-
110	SIT=State Income Tax Rate or Composite			-
111	p	(percent of federal income tax deductible for state purpo	Per State Tax Code	-
112	T	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		0.00%
113	T/ (1-T)			0.00%
114	**Income Tax Component =**	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	[Line 113 * Line 108 * (1- (Line 104 / Line 107))]	-
115	**Total Income Taxes**		(Line 114)	-

REVENUE REQUIREMENT

	Summary			
116	Net Property, Plant & Equipment		(Line 30)	0
117	Total Adjustment to Rate Base		(Line 45)	0
118	**Rate Base**		(Line 46)	0
119	Total Transmission O&M		(Line 74)	0
120	Total Transmission Depreciation & Amortization		(Line 81)	0
121	Taxes Other than Income		(Line 83)	-
122	Investment Return		(Line 108)	0
123	Income Taxes		(Line 115)	0
124	**Gross Revenue Requirement**		(Sum Lines 119 to 123)	0
	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
125	Transmission Plant In Service		(Line 22)	0
126	Excluded Transmission Facilities	(Note L)	Attachment 5	-
127	Included Transmission Facilities		(Line 125 - Line 126)	0
128	Inclusion Ratio		(Line 127 / Line 125)	100.00%
129	Gross Revenue Requirement		(Line 124)	0
130	**Adjusted Gross Revenue Requirement**		(Line 128 * Line 129)	0
	Revenue Credits			
131	**Revenue Credits**		Attachment 3	-
132	**Net Revenue Requirement**		(Line 130 - Line 131)	0
	Net Plant Carrying Charge			
133	Gross Revenue Requirement		(Line 129)	-
134	Net Transmission Plant + CWIP		(Line 17 - Line 23 + Line 33)	-
135	FCR		(Line 133 / Line 134)	0.0000%
136	FCR without Depreciation		(Line 133 - Line 75) / Line 134	0.0000%
137	FCR without Depreciation and Pre-Commercial Costs		(Line 133 - Line 70 - Line 71 - Line 75) / Line 134	0.0000%
138	FCR without Depreciation, Return, nor Income Taxes		(Line 133 - Line 75 - Line 108 - Line 115) / Line 134	0.0000%
	Net Plant Carrying Charge Calculation with Incentive ROE			
139	Gross Revenue Requirement Less Return and Taxes		(Line 129 - Line 122 - Line 123)	-
140	Increased Return and Taxes		Attachment 4	-
141	Net Revenue Requirement with Incentive ROE		(Line 139 + Line 140)	-
142	Net Transmission Plant + CWIP		(Line 17 - Line 23 - + Line 33)	-
143	FCR with Incentive ROE		(Line 141 / Line 142)	0.0000%
144	FCR with Incentive ROE without Depreciation		(Line 141 - Line 75) / Line 142	0.0000%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial		(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	0.0000%
146	**Net Revenue Requirement**		(Line 132)	-
147	Reconciliation amount		Attachment 6	-
148	Plus any increased ROE calculated on Attach 7 other than PJM Sch. 12 projects not paid by other PJM trans zones		Attachment 7	-
149	Facility Credits under Section 30.9 of the PJM OATT		Attachment 5	-
150	**Net Zonal Revenue Requirement**		(Line 146 + 147 + 148 + 149)	-
	Network Zonal Service Rate			
151	1 CP Peak	(Note K)	PJM Data	N/A
152	Rate ($/MW-Year)		(Line 150 / 151)	N/A
153	**Network Service Rate ($/MW/Year)**		(Line 152)	N/A

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT-190	Beg of Year Balance p234.18.b	End of Year Balance p234.18.c	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
Note Reported	-	-	-			-	-	-	
	-	-	-						
	-	-	-						
	-	-	-						
	-	-	-						
Subtotal	-	-	-	-	-	-	-	-	
Less FASB 109 Included above									
Less FASB 106/112 Included above									
Total	-	-	-	-	-	-	-	-	
~~Total rate B1 & B2 must tie to 261.b & c~~								-	
								-	

Instructions for Account 190:

1. ADIT items related only to Retail Related Operations are directly assigned to Column C.
2. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
3. ADIT items related only to Transmission are directly assigned to Column E.
4. ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
5. ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
6. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT- 282	Beg of Year Balance p274.9.b	End of Year Balance p275.9.k	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related Related	Only Transmission Related Related	Plant Related Related	Labor Related Related	JUSTIFICATION
Property Related	-	-	-	-	-	-	-	-	Allowance for borrowed funds used during construction (ABFUDC)
Subtotal	-	-	-	-	-	-	-	-	
Less FASB 109 Included above	-	-	-	-	-	-	-	-	
Less FASB 106/109 Included above	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	
~~Total tie to B1 & B2 must tie to 275.9.b & k~~								-	
								13,935	
								(13,935)	

Instructions for Account 282:

1. ADIT items related only to Retail Related Operations are directly assigned to Column C.
2. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
3. ADIT items related only to Transmission are directly assigned to Column E.
4. ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
5. ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
6. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT-283	Beg of Year Balance p276.19.b	End of Year Balance p277.19.k	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
None Reported									
Subtotal									
Less FASB 109 Included above									
Less FASB 106/106 Included above									
Total	-	-	-		-	-	-	-	

~~Total only, B1 & B2 must tie to 277.2b & k~~

Instructions for Account 283:

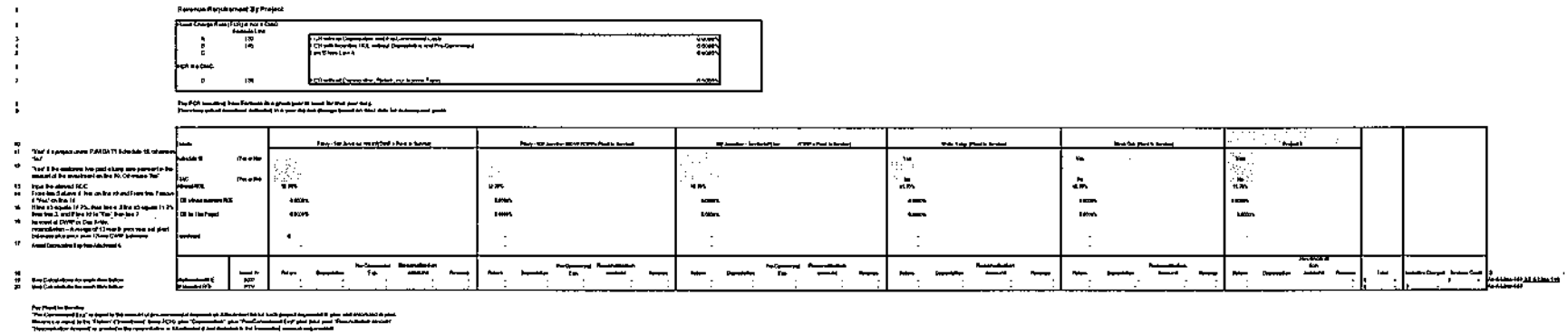
1. ADIT items related only to Retail Related Operations are directly assigned to Column C.
2. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
3. ADIT items related only to Transmission are directly assigned to Column E.
4. ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
5. ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
6. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

Plant In Service Worksheet

	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			13 Month Balance For reconciliation	EOY Balance for Estimate	Details						
						13 Month Plant Balance For reconciliation						
						Black Oak	Wylie Ridge	502 Junction - Territorial Line	500 kV Pratty - 502 Junction	138 kV Pratty - 502 Junction	Project X	Total
	Calculation of Transmission Plant In Service	Source		Total	Total							
	December	p206.58.b	For 2005	-		-	-	-	-	-	-	-
	January	company records	For 2006	-		-	-	-	-	-	-	-
	February	company records	For 2006	-		-	-	-	-	-	-	-
	March\	company records	For 2006	-		-	-	-	-	-	-	-
	April	company records	For 2006	-		-	-	-	-	-	-	-
	May	company records	For 2006	-		-	-	-	-	-	-	-
	June	company records	For 2006	-		-	-	-	-	-	-	-
	July	company records	For 2006	-		-	-	-	-	-	-	-
	August	company records	For 2006	-		-	-	-	-	-	-	-
	September	company records	For 2006	-		-	-	-	-	-	-	-
	October	company records	For 2006	-		-	-	-	-	-	-	-
	November	company records	For 2006	-		-	-	-	-	-	-	-
	December	p207.58.g (and Notes)	For 2006	-	-	-	-	-	-	-	-	-
15	Transmission Plant In Service			-	-	-	-	-	-	-	-	-
				Link to Appendix A, line 15	Link to Appendix A, line 15							
	Calculation of Distribution Plant In Service	Source										
	December	p206.75.b	For 2005	-								
	January	company records	For 2006	-								
	February	company records	For 2006	-								
	March\	company records	For 2006	-								
	April	company records	For 2006	-								
	May	company records	For 2006	-								
	June	company records	For 2006	-								
	July	company records	For 2006	-								
	August	company records	For 2006	-								
	September	company records	For 2006	-								
	October	company records	For 2006	-								
	November	company records	For 2006	-								
	December	p207.75.g	For 2006	-	-							
	Distribution Plant In Service			-	-							
	Calculation of Intangible Plant In Service	Source										
	December	p204.5.b	For 2005	-								
	December	p205.5.g	For 2006	-	-							
18	Intangible Plant In Service			-	-							
				Link to Appendix A, line 18	Link to Appendix A, line 18							
	Calculation of General Plant In Service	Source										
	December	p205.99.b	For 2005	-								
	December	p207.99.g	For 2006	-	-							
19	General Plant In Service			-	-							
				Link to Appendix A, line 19	Link to Appendix A, line 19							
	Calculation of Production Plant In Service	Source										
	December	p204.46b	For 2005	-								
	January	company records	For 2006	-								
	February	company records	For 2006	-								
	March\	company records	For 2006	-								
	April	company records	For 2006	-								
	May	company records	For 2006	-								
	June	company records	For 2006	-								
	July	company records	For 2006	-								
	August	company records	For 2006	-								
	September	company records	For 2006	-								
	October	company records	For 2006	-								
	November	company records	For 2006	-								
	December	p205.46.g	For 2006	-	-							
	Production Plant In Service			-	-							
6	Total Plant In Service	Sum of averages above		-	-							
				Link to Appendix A, line 6	Link to Appendix A, line 6							

Trans-Allegheny Interstate Line Company

Attachment 7 - Transmission Enhancement Charge Worksheet