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June 23, 2009

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

Re: *Potomac-Appalachian Transmission Highline, LLC*  
Correction to June 1, 2009 Informational Filing of 2009 Formula Rate Annual Update  
Docket No. ER09-1256-000 and ER08-386-000

Dear Secretary Bose:

On June 1, 2009, Potomac-Appalachian Transmission Highline, LLC (PATH), on behalf of its operating companies PATH West Virginia Transmission Company, L.L.C. (PATH WV) and PATH Allegheny Transmission Company, L.L.C. (PATH Allegheny), submitted its 2009 annual update to recalculate its annual transmission revenue requirements (“Annual Update”) pursuant to the revised version of PATH’s formula rate and implementation protocols (“Formula Rate”).<sup>1</sup> The Commission assigned Docket No. ER09-1256-000 to the Annual Update.

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<sup>1</sup> The Annual Update was submitted pursuant to the Commission’s order dated February 29, 2008, *Potomac-Appalachian Transmission Highline LLC*, 122 FERC ¶ 61,188 (2008), and the Settlement Agreement and Offer of Settlement reached among the active parties in Docket No. ER08-386-000, filed on December 10, 2008 and certified to the Commission on January 16, 2009. *Potomac-Appalachian Transmission Highline LLC*, 126 FERC ¶ 63,004 (2009). The Commission has not acted on the Settlement Agreement. Exhibit No. 1 of the Settlement Agreement contains the revised version of PATH’s Formula Rate.

Due to an inadvertent error in PATH WV's FERC Form 1,<sup>2</sup> which is used as a basis for inputs to the Formula Rate, portions of the Annual Update were incorrect. In particular, the True-Up amount for PATH WV listed in Appendix A should be (\$5,092,536) rather than (\$5,327,679), the amount listed in Appendix A of the June 1 filing. Accordingly, PATH hereby submits the following revised and corrected materials:

Appendix	Description
A	<b>Corrected Version:</b> True-up Adjustment: Comparison of Actual Revenue Requirement to the Projected Transmission Revenue Requirement for Year Ended December 31, 2008
B	<b>Corrected Version:</b> PATH Formula (Attachment H-19A) populated with 2008 Actual Transmission Revenue Requirement

Please replace the versions of Appendix A and Appendix B that were included with the June 1 filing with the corrected versions attached hereto. The remainder of the Appendices included with the June 1 filing, *i.e.* Appendix C to Appendix G, were not affected by the error in PATH WV's FERC Form 1 and are therefore not being re-submitted with the instant filing.

The corrected Annual Update documents included herein have been submitted to PJM Interconnection, L.L.C. for posting on its website. PJM will post a copy of this filing to the FERC filings section of its internet site, located at <http://www.pjm.com/documents/ferc.html>, with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region alerting them that this filing has been made today and is available by following such link. The updated version of the PATH Formula (Attachment H-19A) populated with 2008 Actual Transmission Revenue Requirement will be posted on the formula rates page of the PJM website at <http://www.pjm.com/markets-and-operations/transmission-service/formula-rates.aspx>.

Thank you for your attention to the corrections in this informational filing. Please contact the undersigned if you have any questions concerning this filing.

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<sup>2</sup> As originally filed on April 17, 2009, PATH WV did not include \$235,143 of Taxes Other Than Income Taxes on pages 262 and 263 of its FERC Form 1. PATH WV re-filed a corrected version of its FERC Form 1 on June 9, 2009.

Ms. Kimberly D. Bose, Secretary  
June 23, 2009  
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Respectfully submitted,

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*Counsel for Potomac-Appalachian Transmission Highline, LLC*

Enclosures

## **Appendix A**

### **Corrected Version**

True-up Adjustment: Comparison of Actual Revenue Requirement to the  
Projected Transmission Revenue Requirement for Year Ended December 31, 2008

**Comparison of Projected Transmission Revenue Requirement to the Actual Transmission  
Revenue Requirement For Year Ended December 31, 2008**

	<b>PATH West Virginia Transmission Company, LLC (PATH-WV) (1)</b>	<b>PATH Allegheny Transmission Company, LLC (PATH- Allegheny) (2)</b>		<b>Potomac-Appalachian Transmission Highline, LLC (3) = (1) + (2)</b>
2008 Actual ATRR	\$ 6,483,058.62	\$ 2,131,721.77	\$	8,614,780.39
2008 Projected ATRR	\$ 11,575,594.83	\$ 2,864,459.89	\$	14,440,054.71
<b>2008 True-Up</b>	\$ (5,092,536.20)	\$ (732,738.12)	\$	<b>(5,825,274.32)</b>

## **Appendix B**

### **Corrected Version**

PATH Formula (Attachment H-19A) populated with  
2008 Actual Transmission Revenue Requirement

For the 12 months ended 12/31/2008

## SUMMARY

	PATH West Virginia Transmission Company, LLC (PATH-WV) (1)	PATH Allegheny Transmission Company, LLC (PATH- Allegheny) (2)	Potomac-Appalachian Transmission Highline, LLC (3) = (1) + (2)
1 NET REVENUE REQUIREMENT	\$6,483,059 (A)	\$2,131,722 (B)	\$8,614,780
2 PJM Project No.			
3 b0490 & b0491	\$6,483,059 (C)		\$6,483,059
4 b0492 & b0560		\$2,131,722 (D)	\$2,131,722
5			
6 Total (Sum lines 3 to 5)	<u>\$6,483,059</u>	<u>\$2,131,722</u>	<u>\$8,614,780</u>

## Sources:

- (A) Rate Formula Template, page 2, line 5, col. (3)  
(B) Rate Formula Template, page 7, line 5, col. (3)  
(C) Rate Formula Template - Attachment 5, page 30 col., (6)  
(D) Rate Formula Template - Attachment 5, page 31 col., (5)

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

PATH West Virginia Transmission Company, LLC

Line No.	(1)	(2)	(3)
			Allocated Amount
<u>1</u>	GROSS REVENUE REQUIREMENT (line 86)	12 months	\$ 6,483,059
<b>REVENUE CREDITS</b>			
2	Total Revenue Credits	<u>Total</u> 0	
3	True-up Adjustment with Interest	Attachment 1, line 12 0	TP 1.00000 -
4	Accelerated True-up Adjustment with Interest	Protocols 0	DA 1.00000 -
		0	DA 1.00000 -
5	NET REVENUE REQUIREMENT (Lines 1 minus line 2 plus line 3 plus line 4)		<u>\$ 6,483,059</u>

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

Line No.	(1) RATE BASE:	PATH West Virginia Transmission Company, LLC				(5) Transmission (Col 3 times Col 4)
		(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator		
6	GROSS PLANT IN SERVICE					
6	Production	(Attachment 4)	-	NA	0.00000	-
7	Transmission	(Attachment 4)	-	TP	1.00000	-
8	Distribution	(Attachment 4)	-	NA	0.00000	-
9	General & Intangible	(Attachment 4)	-	W/S	1.00000	-
10	Common	(Attachment 4)	-	CE	1.00000	-
11	TOTAL GROSS PLANT (sum lines 6-10)	(GP=1 if plant =0)	-	GP=	1.00000	-
12	ACCUMULATED DEPRECIATION					
13	Production	(Attachment 4)	-	NA	0.00000	-
14	Transmission	(Attachment 4)	-	TP	1.00000	-
15	Distribution	(Attachment 4)	-	NA	0.00000	-
16	General & Intangible	(Attachment 4)	-	W/S	1.00000	-
17	Common	(Attachment 4)	-	CE	1.00000	-
18	TOTAL ACCUM. DEPRECIATION (sum lines 13-17)		-			-
19	NET PLANT IN SERVICE					
20	Production	(line 6- line 13)	-			-
21	Transmission	(line 7- line 14)	-			-
22	Distribution	(line 8- line 15)	-			-
23	General & Intangible	(line 9- line 16)	-			-
24	Common	(line 10- line 17)	-			-
25	TOTAL NET PLANT (sum lines 20-24)	(NP=1 if plant =0)	-	NP=	1.0000	-
26	ADJUSTMENTS TO RATE BASE (Note A)					
27	Account No. 281 (enter negative)	(Attachment 4)	-	NA	0.00000	-
28	Account No. 282 (enter negative)	(Attachment 4)	(182)	NP	1.00000	(182)
29	Account No. 283 (enter negative)	(Attachment 4)	267,583	NP	1.00000	267,583
30	Account No. 190	(Attachment 4)	977,184	NP	1.00000	977,184
31	Account No. 255 (enter negative)	(Attachment 4)	-	NP	1.00000	-
32	CWIP	(Attachment 4)	2,840,820	DA	1.00000	2,840,820
33	Unamortized Regulatory Asset	(Attachment 4)	5,680,791	DA	1.00000	5,680,791
34	Unamortized Abandoned Plant	(Attachment 4)	-	DA	1.00000	-
35	TOTAL ADJUSTMENTS (sum lines 27-34)		9,766,195			9,766,195
36	LAND HELD FOR FUTURE USE	(Attachment 4)	-	TP	1.00000	-
37	WORKING CAPITAL (Note C)					
38	CWC	calculated	581,249			581,249
39	Materials & Supplies (Note B)	(Attachment 4)	-	TE	1.00000	-
40	Prepayments (Account 165 - Note C)	(Attachment 4)	44,076	GP	1.00000	44,076
41	TOTAL WORKING CAPITAL (sum lines 38-40)		625,325			625,325
42	RATE BASE (sum lines 25, 35, 36, & 41)		10,391,520			10,391,520

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

	(1)	(2)	(3)	(4)	(5)
		Form No. 1 Page, Line, Col.	Company Total	Allocator	Transmission (Col 3 times Col 4)
43	O&M				
44	Transmission	321.112.b	1,381,904	TE	1,381,904
45	Less Account 566	321.96.b	-	TE	-
46	Less Account 566 (Misc Trans Expense)	Line 56	1,036,721	DA	1,036,721
47	A&G	323.197.b	3,224,236	W/S	3,224,236
48	Less EPRI & Reg. Comm. Exp. & Other Ad.	(Note D & Attach 4)	-	DA	-
49	Plus Transmission Related Reg. Comm. Exp	(Note D & Attach 4)	-	TE	-
50	PBOP Expense adjustment	(Attachment 4)	43,856		43,856
51	Common	(Attachment 4)	-	CE	-
52	Transmission Lease Payments	200.4.c	-	DA	-
53	Account 566				
54	Amortization of Regulatory Asset	Attachment 4	1,032,871	DA	1,032,871
55	Miscellaneous Transmission Expense	Attachment 4	3,850	DA	3,850
56	Total Account 566		1,036,721		1,036,721
57	TOTAL O&M (sum lines 44, 47, 49, 50, 51, 52, 56 less lines 45, 46 & 48)		4,649,996		4,649,996
58	DEPRECIATION EXPENSE				
59	Transmission	336.7.b & c	-	TP	-
60	General and Intangible	336.1.d&e + 336.10.b&c	-	W/S	-
61	Common	336.11.b&c	-	CE	-
62	Amortization of Abandoned Plant	(Attachment 4)	-	DA	-
63	TOTAL DEPRECIATION (Sum lines 59-62)		-		-
64	TAXES OTHER THAN INCOME TAXES (Note E)				
65	LABOR RELATED				
66	Payroll	263i	-	W/S	-
67	Highway and vehicle	263i	-	W/S	-
68	PLANT RELATED				
69	Property	263i	234,868	GP	234,868
70	Gross Receipts	263i	-	NA	-
71	Other	263i	275	GP	275
72	Payments in lieu of taxes		-	GP	-
73	TOTAL OTHER TAXES (sum lines 66-72)		235,143		235,143
74	INCOME TAXES (Note F)				
75	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		40.69%		
76	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		46.84%		
77	where WCLTD=(line 118) and R= (line 121)				
78	and FIT, SIT & p are as given in footnote F.				
79	$1 / (1 - T) = (T \text{ from line } 75)$		1.6860		
80	Amortized Investment Tax Credit (266.8f) (enter negative)		0		
81	Income Tax Calculation = line 76 * line 85		509,683	NA	509,683
82	ITC adjustment (line 79 * line 80)		0	NP	-
83	Total Income Taxes (line 81 plus line 82)		509,683		509,683
84	RETURN				
85	[Rate Base (line 42) * Rate of Return (line 121)]		1,088,237	NA	1,088,237
86	REV. REQUIREMENT (sum lines 57, 63, 73, 83, 85)		6,483,059		6,483,059

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

PATH West Virginia Transmission Company, LLC  
SUPPORTING CALCULATIONS AND NOTES

87	TRANSMISSION PLANT INCLUDED IN ISO RATES							
88	Total transmission plant (line 7, column 3)						0	
89	Less transmission plant excluded from ISO rates (Note H)						0	
90	Less transmission plant included in OATT Ancillary Services (Note H)						0	
91	Transmission plant included in ISO rates (line 88 less lines 89 & 90)						0	
92	Percentage of transmission plant included in ISO Rates (line 91 divided by line 88) [If line 88 equal zero, enter 1]				TP=		1.0000	
93	TRANSMISSION EXPENSES							
94								
95	Total transmission expenses (line 44, column 3)						1,381,904	
96	Less transmission expenses included in OATT Ancillary Services (Note G)						0	
97	Included transmission expenses (line 95 less line 96)						1,381,904	
98	Percentage of transmission expenses after adjustment (line 97 divided by line 95) [If line 95 equal zero, enter 1]						1.00000	
99	Percentage of transmission plant included in ISO Rates (line 92)				TP		1.00000	
100	Percentage of transmission expenses included in ISO Rates (line 98 times line 99)				TE=		1.00000	
101	WAGES & SALARY ALLOCATOR (W&S)							
102		Form 1 Reference	\$	TP	Allocation			
103	Production	354.20.b	0					
104	Transmission	354.21.b	431,862	1.00	431,862			
105	Distribution	354.23.b	0					
106	Other	354.24,25,26.b	0					
107	Total (sum lines 103-106) [TP equals 1 if there are no wages & salaries]		431,862		431,862	=	1.00000	= WS
108	COMMON PLANT ALLOCATOR (CE) (Note I)							
109			\$		% Electric		W&S Allocator	
110	Electric	200.3.c	0		(line 110 / line 113)		(line 107)	CE
111	Gas	201.3.d	0		1.00000	x	1.00000	= 1.00000
112	Water	201.3.e	0					
113	Total (sum lines 110 - 112)		0					
114	RETURN (R)						\$	
115								
116								
117			\$	%	Cost		Weighted	
118	Long Term Debt (Note K)	(Attachment 4)	0	50%	6.64%		0.0332	=WCLTD
119	Preferred Stock	(Attachment 4)	0	0%	0.00%		0.0000	
120	Common Stock (Note J)	(Attachment 4)	0	50%	14.30%		0.0715	
121	Total (sum lines 118-120)		0				0.1047	=R

## SUPPORTING CALCULATIONS AND NOTES

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

Formula Rate - Non-Levelized

For the 12 months ended 12/31/2008

PATH West Virginia Transmission Company, LLC

General Note: References to pages in this formula rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note  
Letter

- A The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note F. Account 281 is not allocated.
- B Identified in Form 1 as being only transmission related.
- C Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission  
Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 110-111 line 57 in the Form 1.
- D EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, except safety, education and out-reach related advertising included in Account 930.1. Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- E Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.  
Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- F The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize 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) (page 4, line 79).
- |                  |       |   |
|------------------|-------|---|
| Inputs Required: | FIT = | 35.00%  |
|                  | SIT = | 8.75% (State Income Tax Rate or Composite SIT from Attachment 4)    |
|                  | p =   | 0.00% (percent of federal income tax deductible for state purposes) |
- G Removes dollar amount of transmission expenses included in the OATT ancillary services rates, if any.
- H Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- I Enter dollar amounts
- J ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
- K The percentage shown for Long Term Debt is subject to the Annual Update and Attachment 6 and Attachment 9.

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

PATH Allegheny Transmission Company, LLC

Line No.	(1)	(2)	(3)
1	GROSS REVENUE REQUIREMENT (line 86)	12 months	\$ 2,131,722
REVENUE CREDITS			
2	Total Revenue Credits	<u>Total</u> 0	
3	True-up Adjustment with Interest	Attachment 1, line 12 0	TP 1.00000 -
4	Accelerated True-up Adjustment with Interest	Protocols 0	DA 1.00000 -
5	NET REVENUE REQUIREMENT (Lines 1 minus line 2 plus line 3 plus line 4)		<u>\$ 2,131,722</u>

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

Line No.	(1) RATE BASE:	PATH Allegheny Transmission Company, LLC			
		(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
6	GROSS PLANT IN SERVICE				
6	Production	(Attachment 4)	-	NA	0.00000
7	Transmission	(Attachment 4)	-	TP	1.00000
8	Distribution	(Attachment 4)	-	NA	0.00000
9	General & Intangible	(Attachment 4)	-	W/S	1.00000
10	Common	(Attachment 4)	-	CE	1.00000
11	TOTAL GROSS PLANT (sum lines 6-10)	(GP=1 if plant=0)	-	GP=	1.00000
12	ACCUMULATED DEPRECIATION				
13	Production	(Attachment 4)	-	NA	0.00000
14	Transmission	(Attachment 4)	-	TP	1.00000
15	Distribution	(Attachment 4)	-	NA	0.00000
16	General & Intangible	(Attachment 4)	-	W/S	1.00000
17	Common	(Attachment 4)	-	CE	1.00000
18	TOTAL ACCUM. DEPRECIATION (sum lines 13-17)		-		-
19	NET PLANT IN SERVICE				
20	Production	(line 6- line 13)	-		-
21	Transmission	(line 7- line 14)	-		-
22	Distribution	(line 8- line 15)	-		-
23	General & Intangible	(line 9- line 16)	-		-
24	Common	(line 10- line 17)	-		-
25	TOTAL NET PLANT (sum lines 20-24)	(NP=1 if plant=0)	-	NP=	1.0000
26	ADJUSTMENTS TO RATE BASE (Note A)				
27	Account No. 281 (enter negative)	(Attachment 4)	-	NA	0.00000
28	Account No. 282 (enter negative)	(Attachment 4)	(2,718)	NP	1.00000
29	Account No. 283 (enter negative)	(Attachment 4)	-	NP	1.00000
30	Account No. 190	(Attachment 4)	163,006	NP	1.00000
31	Account No. 255 (enter negative)	(Attachment 4)	-	NP	1.00000
32	CWIP	(Attachment 4)	3,236,143	DA	1.00000
33	Unamortized Regulatory Asset	(Attachment 4)	858,293	DA	1.00000
34	Unamortized Abandoned Plant	(Attachment 4)	-	DA	1.00000
35	TOTAL ADJUSTMENTS (sum lines 27-34)		4,254,724		4,254,724
36	LAND HELD FOR FUTURE USE	(Attachment 4)	-	TP	1.00000
37	WORKING CAPITAL (Note C)				
38	CVC	calculated	182,890		182,890
39	Materials & Supplies (Note B)	(Attachment 4)	-	TE	1.00000
40	Prepayments (Account 185 - Note C)	(Attachment 4)	4,007	GP	1.00000
41	TOTAL WORKING CAPITAL (sum lines 38-40)		186,897		186,897
42	RATE BASE (sum lines 25, 35, 36, & 41)		4,441,621		4,441,621

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

	(1)	(2)	(3)	(4)	(5)
		Form No. 1 Page, Line, Col.	Company Total	Allocator	Transmission (Col 3 times Col 4)
43	O&M				
44	Transmission	321.112.b	197,170	TE	1.00000
45	Less Account 565	321.96.b	-	TE	1.00000
46	Less Account 566	Line 56	181,647	DA	1.00000
47	A&G	323.197.b	1,264,746	W/S	1.00000
48	Less EPRI & Reg. Comm. Exp. & Other Ad.	(Note D & Attach 4)	24,410	DA	1.00000
49	Plus Transmission Related Reg. Comm. Exp.	(Note D & Attach 4)	24,410	TE	1.00000
50	PBOP Expense adjustment	(Attachment 4)	1,207		
51	Common	(Attachment 4)	-	CE	1.00000
52	Transmission Lease Payments	200.4.c	-	DA	1.00000
53	Account 566				
54	Amortization of Regulatory Asset	Attachment 4	156,053	DA	1.00000
55	Miscellaneous Transmission Expense	Attachment 4	5,594	DA	1.00000
56	Total Account 566		161,647		
57	TOTAL O&M (sum lines 44, 47, 49, 50, 51, 52, 56 less lines 45,46, 48)		1,463,123		
58	DEPRECIATION EXPENSE				
59	Transmission	336.7.b & c	-	TP	1.00000
60	General and Intangible	336.1.d&e + 336.10.b&c	-	W/S	1.00000
61	Common	336.11.b & c	-	CE	1.00000
62	Amortization of Abandoned Plant	(Attachment 4)	-	DA	1.00000
63	TOTAL DEPRECIATION (Sum lines 59-62)		-		
64	TAXES OTHER THAN INCOME TAXES (Note E)				
65	LABOR RELATED				
66	Payroll	263i	(19,366)	W/S	1.00000
67	Highway and vehicle	263i	-	W/S	1.00000
68	PLANT RELATED				
69	Property	263i	-	GP	1.00000
70	Gross Receipts	263i	-	NA	0.00000
71	Other	263i	2,932	GP	1.00000
72	Payments in lieu of taxes		-	GP	1.00000
73	TOTAL OTHER TAXES (sum lines 66-72)		(16,434)		
74	INCOME TAXES	(Note F)			
75	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		40.64%		
76	$\text{CIT} = (T / (1 - T)) * (1 - (\text{WCLTD} / \text{R})) =$		46.49%		
77	where WCLTD=(line 118) and R=(line 121)				
78	and FIT, SIT & p are as given in footnote F.				
79	$1 / (1 - T) = (T \text{ from line 75})$		1.6846		
80	Amortized Investment Tax Credit	(266.8f) (enter negative)	0		
81	Income Tax Calculation = line 76 * line 85		217,400	NA	
82	ITC adjustment (line 79 * line 80)		0	NP	1.00000
83	Total Income Taxes	(line 81 plus line 82)	217,400		
84	RETURN				
85	[Rate Base (line 42) * Rate of Return (line 121)]		467,632	NA	
86	REV. REQUIREMENT (sum lines 57, 63, 73, 83, 85)		2,131,722		

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2008

PATH Allegheny Transmission Company, LLC  
SUPPORTING CALCULATIONS AND NOTES

87 TRANSMISSION PLANT INCLUDED IN ISO RATES

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

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

93 TRANSMISSION EXPENSES

94			
95	Total transmission expenses (line 44, column 3)		197,170
96	Less transmission expenses included in OATT Ancillary Services (Note G)		0
97	Included transmission expenses (line 95 less line 96)		197,170

98 Percentage of transmission expenses after adjustment (line 97 divided by line 95) [If line 95 equal zero, enter 1] 1.00000

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

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

101 WAGES & SALARY ALLOCATOR (W&S)

102	Form 1 Reference	\$	TP	Allocation		
103	Production	354.20.b	0			
104	Transmission	354.21.b	903	1.00	903	
105	Distribution	354.23.b	0			
106	Other	354.24,25,26.b	332,721	1.00	332,721	W&S Allocator (\$ / Allocation)
107	Total (sum lines 103-106) [TP equals 1 if there are no wages & salaries]		333,624		333,624	= 1.00000 = WS

108 COMMON PLANT ALLOCATOR (CE) (Note I)

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

114 RETURN (R)

\$

115

116

117

		\$	%	Cost	Weighted	
118	Long Term Debt (Note K)	(Attachment 4)	0	50%	6.76%	0.0338 =WCLTD
119	Preferred Stock	(Attachment 4)	0	0%	0.00%	0.0000
120	Common Stock (Note J)	(Attachment 4)	0	50%	14.30%	0.0715
121	Total (sum lines 118-120)		0			0.1053 =R

## SUPPORTING CALCULATIONS AND NOTES

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

PATH Allegheny Transmission Company, LLC

For the 12 months ended 12/31/2008

General Note: References to pages in this formula rate are indicated as: (page#, line#, col.)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note  
Letter

- A The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note F. Account 281 is not allocated.
- B Identified in Form 1 as being only transmission related.
- C Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission  
Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 110-111 line 57 in the Form 1.
- D EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, except safety, education, siting and out-reach related advertising included in Account 930.1. Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- E Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.  
Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- F The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p =$  "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize 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  $(1/1-T)$  (page 9, line 79).
- |                  |       |   |
|------------------|-------|---|
| Inputs Required: | FIT = | 35.00%  |
|                  | SIT = | 8.67% (State Income Tax Rate or Composite SIT from Attachment 4)    |
|                  | p =   | 0.00% (percent of federal income tax deductible for state purposes) |
- G Removes dollar amount of transmission expenses included in the OATT ancillary services rates, if any.
- H Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- I Enter dollar amounts
- J ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
- K The percentage shown for Long Term Debt is subject to the Annual Update and Attachment 6 and Attachment 9.

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

**Account 454 - Rent from Electric Property**

1 Rent from FERC Form No. 1 - Note 6

2 Other Electric Revenues

See

3 Schedule 1A

4 PTP Serv revs for which the load is not included in the divisor received by TO

5 PJM Transitional Revenue Neutrality (Note 1)

6 PJM Transitional Market Expansion (Note 1)

7 Professional Services (Note 3)

8 Revenues from Directly Assigned Transmission Facility Charges (Note 2)

9 Rent or Attachment Fees associated with Transmission Facilities (Note 3)

10 Gross Revenue Credits

Sum lines 2-9 + line 1

11 Less line 20

less line 18

12 Total Revenue Credits

line 10 + line 11

13 Revenues associated with lines 13 thru 18 are to be included in lines 1-9 and total of those revenues entered here

14 Income Taxes associated with revenues in line 15

15 One half margin (line 13 - line 14)/2

16

All expenses (other than income taxes) associated with revenues in line 13 that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.

17 Line 15 plus line 16

18 Line 13 less line 17

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

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

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

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

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

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

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

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

**Attachment 1 - Revenue Credit Workpaper  
PATH Allegheny Transmission Company, LLC**

**Account 454 - Rent from Electric Property**

1 Rent from FERC Form No. 1 - Note 6

2 Other Electric Revenues	See Note 5	-
3 Schedule 1A		-
4 PTP Serv revs for which the load is not included in the divisor received by TO		-
5 PJM Transitional Revenue Neutrality (Note 1)		-
6 PJM Transitional Market Expansion (Note 1)		-
7 Professional Services (Note 3)		-
8 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		-
9 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
10 Gross Revenue Credits	Sum lines 2-9 + line 1	-
11 Less line 20	less line 18	-
12 Total Revenue Credits	line 10 + line 11	-

13 Revenues associated with lines 13 thru 18 are to be included in lines 1-9 and total of those revenues entered here

14 Income Taxes associated with revenues in line 15

15 One half margin (line 13 - line 14)/2

16 All expenses (other than income taxes) associated with revenues in line 13 that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.

17 Line 15 plus line 16

18 Line 13 less line 17

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

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

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

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

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

**Attachment 1 - Revenue Credit Workpaper  
PATH Allegheny Transmission Company, LLC**

Note 6	All Account 454 and 456 Revenues must be itemized below		
	Account 454	Include	\$
	Joint pole attachments - telephone	Include	-
	Joint pole attachments - cable	Include	-
	Underground rentals	Include	-
	Transmission tower wireless rentals	Include	-
	Other rentals	Include	-
	Corporate headquarters sublease	Include	-
	Misc non-transmission rentals	Include	-
	Customer commitment services	Include	-
	xxxx		-
	xxxx		-
	Total		-
	Account 456	Include	-
	Other electric revenues	Include	-
	Transmission Revenue - Firm	Include	-
	Transmission Revenue - Non-Firm	Include	-
	xxxx		-
	xxxx		-
	xxxx		-
	xxxx		-
	xxxx		-
	xxxx		-
	xxxx		-
	Total		-
	Total Account 454 and 456 included		-
	Payments by PJM of the revenue requirement calculated on Rate Formula Template	Exclude	-
	Total Account 454 and 456 included and excluded		-

**Attachment 3 - Calculation of Carrying Charges**  
**PATH West Virginia Transmission Company, LLC**

**1 Calculation of Composite Depreciation Rate**

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

**Attachment 3 - Calculation of Carrying Charges**  
**PATH Allegheny Transmission Company, LLC**

**1 Calculation of Composite Depreciation Rate**

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

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

Plant In Service Worksheet	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	Source	Year	Balance
1	Calculation of Transmission Plant In Service			
2	December	p206.58.b	2007	-
3	January	company records	2008	-
4	February	company records	2008	-
5	March	company records	2008	-
6	April	company records	2008	-
7	May	company records	2008	-
8	June	company records	2008	-
9	July	company records	2008	-
10	August	company records	2008	-
11	September	company records	2008	-
12	October	company records	2008	-
13	November	company records	2008	-
14	December	p207.58.g	2008	-
15	Transmission Plant In Service	(sum lines 2-14) /13		-
16	Calculation of Distribution Plant In Service			
17	December	Source	2007	-
18	January	p206.75.b	2008	-
19	February	company records	2008	-
20	March	company records	2008	-
21	April	company records	2008	-
22	May	company records	2008	-
23	June	company records	2008	-
24	July	company records	2008	-
25	August	company records	2008	-
26	September	company records	2008	-
27	October	company records	2008	-
28	November	company records	2008	-
29	December	p207.75.g	2008	-
30	Distribution Plant In Service	(sum lines 17-29) /13		-
31	Calculation of Intangible Plant In Service			
32	December	Source	2007	-
33	December	p204.5.b	2008	-
34	Intangible Plant In Service	(sum lines 32 & 33) /2		-
35	Calculation of General Plant In Service			
36	December	Source	2007	-
37	December	p206.99.b	2008	-
38	General Plant In Service	(sum lines 36 & 37) /2		-
39	Calculation of Production Plant In Service			
40	December	Source	2007	-
41	January	p204.46b	2008	-
42	February	company records	2008	-
43	March	company records	2008	-
44	April	company records	2008	-
45	May	company records	2008	-
46	June	Attachment 6	2008	-
47	July	company records	2008	-
48	August	company records	2008	-
49	September	company records	2008	-
50	October	company records	2008	-
51	November	company records	2008	-
52	December	p205.46.g	2008	-
53	Production Plant In Service	(sum lines 40-52) /13		-

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

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

**Accumulated Depreciation Worksheet**

59	Calculation of Transmission Accumulated Depreciation	Source	Year	Balance
60	December	Prior year p219.25	2007	-
61	January	company records	2008	-
62	February	company records	2008	-
63	March	company records	2008	-
64	April	company records	2008	-
65	May	company records	2008	-
66	June	company records	2008	-
67	July	company records	2008	-
68	August	company records	2008	-
69	September	company records	2008	-
70	October	company records	2008	-
71	November	company records	2008	-
72	December	p219.25	2008	-
73	<u>Transmission Accumulated Depreciation</u>	(sum lines 60-72) /13		-
74	Calculation of Distribution Accumulated Depreciation	Source		
75	December	Prior year p219.26	2007	-
76	January	company records	2008	-
77	February	company records	2008	-
78	March	company records	2008	-
79	April	company records	2008	-
80	May	company records	2008	-
81	June	company records	2008	-
82	July	company records	2008	-
83	August	company records	2008	-
84	September	company records	2008	-
85	October	company records	2008	-
86	November	company records	2008	-
87	December	p219.26	2008	-
88	<u>Distribution Accumulated Depreciation</u>	(sum lines 75-87) /13		-
89	Calculation of Intangible Accumulated Depreciation	Source		
90	December	Prior year p200.21 c	2007	-
91	December	p200.21c	2008	-
92	<u>Accumulated Intangible Depreciation</u>	(sum lines 90 & 91) /2		-
93	Calculation of General Accumulated Depreciation	Source		
94	December	Prior year p219.28	2007	-
95	December	p219.28	2008	-
96	<u>Accumulated General Depreciation</u>	(sum lines 94 & 95) /2		-

Details

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

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

ADJUSTMENTS TO RATE BASE (Note A)		Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Details	
		Beginning of Year	End of Year	Average Balance	
117	Account No. 281 (enter negative)	273.8.k	-	0	
118	Account No. 282 (enter negative)	275.2.k	(364)	-182	
119	Account No. 283 (enter negative)	277.9.k	535,165	267,583	
120	Account No. 190	234.8.c	1,954,367	977,184	
121	Account No. 255 (enter negative)	267.8.h	-	0	
122	Unamortized Abandoned Plant	Per FERC Order	-	0	
123	Prepayments (Account 165)	111.57.c	88,152	44,076	



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

Safety Related Advertising, Education and Out Reach Cost Support		Safety, Education, Siting & Outreach Related	Other	Details
Form 1 Amount	Form 1 Amount	Form 1 Amount	Form 1 Amount	Form 1 Amount
142	Directly Assigned A&G General Advertising Exp Account 930.1	p323.191.b 406,155	406,155	None
<b>Multi-state Workpaper</b>				
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				
143	Income Tax Rates SIT-State Income Tax Rate or Composite	State 1	State 2	State 3
		State 4	State 5	Weighted Average
		WV 8.750%		8.75%

Excluded Plant Cost Support	Excluded Transmission Facilities	Description of the Facilities
144	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	General Description of the Facilities
	Instructions: 1 Remove all investment below 69 kV facilities, including the investment allocated to distribution of a dual function substation, generator, interconnection and local and direct assigned facilities for which separate costs are charged and step-up generation substation included in transmission plant in service. 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: A Total investment in substation B Identifiable investment in Transmission (provide workpapers) C Identifiable investment in Distribution (provide workpapers) D Amount to be excluded (A x C / (B + C))	None
	Example 1,000,000 500,000 400,000 444,444	
	Enter \$	
	Or	
	Enter \$	
		Add more lines if necessary

Materials & Supplies	Beg of year	End of Year	Average
145	Assigned to O&M	p227.6	
146	Stores Expense Undistributed	p227.16	
147	Undistributed Stores Exp		
148	Transmission Materials & Supplies	p227.8	

Regulatory Asset	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	Beginning Balance of Regulatory Asset	Months Remaining in Amortization Period	Monthly Amortization	Months in Year to be amortized	Ending Balance of Regulatory Asset	Average Balance of Regulatory Asset
149		6,197,226		60			
150	p111.72.d (and notes)						
151	(line 149 - line 153) / 152	103,287		10			
152	p111.72.c	5,164,355					
153	(line 149 + line 153)/2	5,680,791					
154							

Uncapitalized costs as of date the rates become effective  
 As approved by FERC  
 Number of months rates are in effect during the calendar year

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

**Capital Structure**

**Attachment A Line #s, Descriptions, Notes, Form 1 Page #s, and Instructions**

Line #	Description	Year	Debt	Preferred Stock	Common Stock
155	Monthly Balances for Capital Structure				
156	January 2008	2008		0	0
157	February 2008	2008			
158	March 2008	2008			
159	April 2008	2008			
160	May 2008	2008			
161	June 2008	2008			
162	July 2008	2008			
163	August 2008	2008			
164	September 2008	2008			
165	October 2008	2008			
166	November 2008	2008			
167	December 2008	2008			
168	Average	2008	0	0	0
169	Note: the amount outstanding for debt retired during the year is the outstanding amount as of the last month it was outstanding, the equity is less Account 216.1, Preferred Stock, and Account 219; and the capital structure is fixed at 50/50 until the first two lines are placed in service				

**Detail of Account 566 Miscellaneous Transmission Expenses**

**Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions**

170	Amortization Expense on Regulatory Asset	Total	1,032,871.00
171	Miscellaneous Transmission Expense		3,850.00
172	Total Account 566		1,036,721.00

Footnote Data: Schedule  
Page 320 b. 97

**PBOPs**

**Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions**

173	Calculation of PBOP Expenses		
174	PATH-WV - AEP Employees		\$117,254,159
175	Total PBOP expenses		\$0
176	Amount relating to retired personnel		\$117,254,159
177	Amount allocated on Labor		1,151,954,661
178	Labor dollars		\$0.102
179	Cost per labor dollar		681,794
180	PATH WV labor (labor not capitalized) current year		\$69,398
181	PATH WV PBOP Expense for current year		\$30,639
182	PATH WV PBOP Expense in Account 926 for current year		\$38,759
183	PBOP Adjustment for Appendix A, Line 50		
184	Lines 175-179 cannot change absent approval or acceptance by FERC in a separate proceeding.		
184	PATH-WV - Allegany Employees		\$22,856,433
185	Total PBOP expenses		\$8,786,372
186	Amount relating to retired personnel		\$14,070,061
187	Amount allocated on FTEs		4,474
188	Number of FTEs		\$3,145
189	Cost per FTE		10.92
190	PATH WV FTEs (labor not capitalized) current year		\$34,345
191	PATH WV PBOP Expense for current year		\$29,248
192	PATH WV PBOP Expense in Account 926 for current year		\$5,097
193	PBOP Adjustment for Appendix A, Line 50		
194	Lines 185-189 cannot change absent approval or acceptance by FERC in a separate proceeding.		
195	PBOP Expense adjustment	(sum lines 183 & 193)	\$43,856

A	B	C	D	E	F	G	H	I	J	K	L	M
1												
2												
3												
4												
5												
6												
7	1	Plant in Service Worksheet										
8	2	Calculation of Transmission Plant In Service										
9	3	December	Source	Year	Balance							
10	4	January	p206.58.b	2007	-							
11	5	February	company records	2008	-							
12	6	March	company records	2008	-							
13	7	April	company records	2008	-							
14	8	May	company records	2008	-							
15	9	June	company records	2008	-							
16	10	July	company records	2008	-							
17	11	August	company records	2008	-							
18	12	September	company records	2008	-							
19	13	October	company records	2008	-							
20	14	November	company records	2008	-							
21	15	December	p207.58.g	2008	-							
22	16	Transmission Plant In Service	(sum lines 2-14) /13		-							
23	17	Calculation of Distribution Plant In Service										
24	18	December	Source	Year	Balance							
25	19	January	p206.75.b	2007	-							
26	20	February	company records	2008	-							
27	21	March	company records	2008	-							
28	22	April	company records	2008	-							
29	23	May	company records	2008	-							
30	24	June	company records	2008	-							
31	25	July	company records	2008	-							
32	26	August	company records	2008	-							
33	27	September	company records	2008	-							
34	28	October	company records	2008	-							
35	29	November	company records	2008	-							
36	30	December	p207.75.g	2008	-							
37	31	Distribution Plant In Service	(sum lines 17-29) /13		-							
38	32	Calculation of Intangible Plant In Service										
39	33	December	Source	Year	Balance							
40	34	January	p204.5b	2007	-							
41	35	February	p205.5.g	2008	-							
42	36	March	(sum lines 32 & 33) /2		-							
43	37	April	Source	Year	Balance							
44	38	May	p206.99.b	2007	-							
45	39	June	p207.99.g	2008	-							
46	40	July	(sum lines 36 & 37) /2		-							
47	41	August	Source	Year	Balance							
48	42	September	p204.46b	2007	-							
49	43	October	company records	2008	-							
50	44	November	company records	2008	-							
51	45	December	company records	2008	-							
52	46	January	company records	2008	-							
53	47	February	company records	2008	-							
54	48	March	company records	2008	-							
55	49	April	company records	2008	-							
56	50	May	Attachment 6	2008	-							
57	51	June	company records	2008	-							
58	52	July	company records	2008	-							
59	53	August	company records	2008	-							
60	54	September	company records	2008	-							
61	55	October	company records	2008	-							
62	56	November	company records	2008	-							
63	57	December	p205.46.g	2008	-							
64	58	Production Plant In Service	(sum lines 40-52) /13		-							

Attachment 4 - Cost Support  
PATH Allegheny Transmission Company, LLC

A	B	C	D	E	F	G	H	I	J	K	L	M
<b>Attachment 4 - Cost Support</b> <b>PATH Allegheny Transmission Company, LLC</b>												
54		Calculation of Common Plant In Service	Source	Year	Balance							
55		December (Electric Portion)	p356	2007	-							
56		December (Electric Portion)	p356	2008	-							
57		Common Plant In Service	(sum lines 55 & 56) / 2		-							
58		Total Plant In Service	(sum lines 15, 30, 34, 38, 53, & 57)		-							
79		<b>Accumulated Depreciation Worksheet</b>										
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions												
80		Calculation of Transmission Accumulated Depreciation	Source	Year	Balance							
81		December	Prior year p219.25	2007	-							
82		January	company records	2008	-							
83		February	company records	2008	-							
84		March	company records	2008	-							
85		April	company records	2008	-							
86		May	company records	2008	-							
87		June	company records	2008	-							
88		July	company records	2008	-							
89		August	company records	2008	-							
90		September	company records	2008	-							
91		October	company records	2008	-							
92		November	company records	2008	-							
93		December	p219.25	2008	-							
94		Transmission Accumulated Depreciation	(sum lines 60-72) / 13		-							
95		Calculation of Distribution Accumulated Depreciation	Source	Year	Balance							
96		December	Prior year p219.26	2007	-							
97		January	company records	2008	-							
98		February	company records	2008	-							
99		March	company records	2008	-							
100		April	company records	2008	-							
101		May	company records	2008	-							
102		June	company records	2008	-							
103		July	company records	2008	-							
104		August	company records	2008	-							
105		September	company records	2008	-							
106		October	company records	2008	-							
107		November	company records	2008	-							
108		December	p219.26	2008	-							
109		Distribution Accumulated Depreciation	(sum lines 75-87) / 13		-							
110		Calculation of Intangible Accumulated Depreciation	Source	Year	Balance							
111		December	Prior year p200.21.c	2007	-							
112		December	p200.21c	2008	-							
113		Accumulated Intangible Depreciation	(sum lines 90 & 91) / 2		-							
114		Calculation of General Accumulated Depreciation	Source	Year	Balance							
115		December	Prior year p219.28	2007	-							
116		December	p219.28	2008	-							
117		Accumulated General Depreciation	(sum lines 94 & 95) / 2		-							
118		Calculation of Distribution Accumulated Depreciation	Source	Year	Balance							
119		December	Prior year p219.26	2007	-							
120		December	p219.26	2008	-							
121		Accumulated General Depreciation	(sum lines 94 & 95) / 2		-							
122					-							

A	B	C	D	E	F	G	H	I	J	K	L	M
<b>Attachment 4 - Cost Support</b> <b>PATH Allegheny Transmission Company, LLC</b>												
123												
124												
125												
126												
127												
128												
129	97	Calculation of Production Accumulated Depreciation										
130	98	December	Prior year p219	2007								
131	99	January	company records	2008								
132	100	February	company records	2008								
133	101	March	company records	2008								
134	102	April	company records	2008								
135	103	May	company records	2008								
136	104	June	company records	2008								
137	105	July	company records	2008								
138	106	August	company records	2008								
139	107	September	company records	2008								
140	108	October	company records	2008								
141	109	November	company records	2008								
142	110	December	p219.20 thru 219.24	2008								
143	111	Production Accumulated Depreciation	(sum lines 98-110) / 13									
144	112	Calculation of Common Accumulated Depreciation										
145	113	December (Electric Portion)	Source	2007								
146	114	December (Electric Portion)	p356	2008								
147	115	Common Plant Accumulated Depreciation (Electric Only)	(sum lines 113 & 114) / 2									
148	116	Total Accumulated Depreciation	(sum lines 73, 88, 92, 96, 111, & 115)									
149												
150												
151												
152		ADJUSTMENTS TO RATE BASE (Note A)										
153												
154												
155	117	Account No. 281 (enter negative)	273.8.k									
156	118	Account No. 282 (enter negative)	275.2.k									
157	119	Account No. 283 (enter negative)	277.9.k									
158	120	Account No. 190	284.8.c									
159	121	Account No. 255 (enter negative)	267.8.h									
160												
161												
162	122	Unamortized Abandoned Plant	Per FERC Order									
163	123	Prepayments (Account 165)	111.57.c									
164												
165												

Details

Account No.	Beginning of Year	End of Year	Average Balance
Account No. 281 (enter negative)	0	0	0
Account No. 282 (enter negative)	(1,934)	(3,502)	(2,718)
Account No. 283 (enter negative)	0	0	0
Account No. 190	3,954	322,057	163,006
Account No. 255 (enter negative)	0	0	0
Unamortized Abandoned Plant	0	0	0
Prepayments (Account 165)	2,300	5,714	4,007

	A	B	C	D	E	F	G	H	I	J	K	L	M
	<b>Attachment 4 - Cost Support</b> <b>PATH Allegheny Transmission Company, LLC</b>												
166													
167													
168													
169													
170													
171	124		Calculation of Transmission CWIP.	Source	2007	\$ -							
172	125		December	company records	2008	-	15,642	-	-	-	-	-	-
173	126		January	company records	2008	121,585	27,457	76,833	29,121	121,585			
174	127		February	company records	2008	214,139	78,719	135,045	51,637	214,139			
175	128		March	company records	2008	620,434	183,132	388,792	152,923	620,434			
176	129		April	company records	2008	1,396,008	272,229	892,567	320,308	1,396,008			
177	130		May	company records	2008	2,042,449	488,893	1,318,570	451,650	2,042,449			
178	131		June	company records	2008	3,057,458	581,135	1,896,896	671,669	3,057,458			
179	132		July	company records	2008	3,809,490	678,732	2,447,839	800,516	3,809,490			
180	133		August	company records	2008	4,709,392	777,154	3,037,677	992,962	4,709,392			
181	134		September	company records	2008	5,632,550	875,592	3,681,499	1,173,897	5,632,550			
182	135		October	company records	2008	6,460,391	7,752,160	4,248,675	1,336,124	6,460,391			
183	136		November	company records	2008	14,005,951	900,834	4,796,428	1,457,373	14,005,951			
184	137		December		2008	3,236,143		1,763,140	572,469	3,236,143			
185	138		Transmission CWIP	(sum lines 125-137)/13									
186													
187													
188													
189													
190	LAND HELD FOR FUTURE USE												
191	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions p214												
192	139		LAND HELD FOR FUTURE USE			Total							
193						Non-transmission Related							
194						Transmission Related							
195													
196													
197	EPRI Dues Cost Support												
198	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions												
199			Allocated General & Common Expenses			EPRI Dues							
200						Common Expenses							
201	140		EPRI Dues & Common Expenses			p352-353							
202	Regulatory Expense Related to Transmission Cost Support												
203	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions												
204			Directly Assigned A&G			Form 1 Amount	24,410						
205	206		Regulatory Commission Exp Account 928			Transmission Related							
207						Non-transmission Related							



A B C D E F G H I J K L M

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

Line #	Description	Year	Debt	Preferred Stock	Common Stock
265	Capital Structure				
266	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				
267					
268					
269					
270					
271					
272					
273	155 Monthly Balances for Capital Structure				
274	156	20008	0		0
275	157	20008			
276	158	20008			
277	159	20008			
278	160	20008			
279	161	20008			
280	162	20008			
281	163	20008			
282	164	20008			
283	165	20008			
284	166	20008			
285	167	20008			
286	168	20008			
287	169	20008			
288	170	20008			
289	171	20008			
290	172	20008			
291	173	20008			
292	174	20008			
293	175	20008			
294	176	20008			
295	177	20008			
296	178	20008			
297	179	20008			
298	180	20008			
299	181	20008			
300	182	20008			
301	183	20008			
302	184	20008			
303	185	20008			
304	186	20008			
305	187	20008			
306	188	20008			
307	189	20008			
308	190	20008			
309	191	20008			
310	192	20008			
311	193	20008			
312	194	20008			
313	195	20008			
314	196	20008			
315	197	20008			

Note: the amount outstanding for debt retired during the year is the outstanding amount as of the last month it was outstanding; the equity is less Account 216.1, Preferred Stock, and Account 219; and the capital structure is fixed at 50/50 until the first two lines are placed in service

Line #	Description	Total
290	Detail of Account 566 Miscellaneous Transmission Expenses	
291	291	
292	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	
293		
294	170 Amortization Expense on Regulatory Asset	156,053.00
295	171 Miscellaneous Transmission Expense	5,594
296	172 Total Account 566	161,647.00
297		
298		
299		
300		
301		
302		
303		
304		
305		
306		
307		
308		
309		
310		
311		
312		
313		
314		
315		

Footnote Data: Schedule Page 320 b. 97

Line #	Description	Amount
300	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	
301		
302		
303		
304		
305		
306		
307		
308		
309		
310		
311		
312		
313		
314		
315		

Calculation of PBOP Expenses

PATH - Allegheny - Allegheny Employees

Total PBOP expenses \$22,856,433

Amount relating to retired personnel \$8,786,372

Amount allocated on FTEs \$14,070,061

Number of FTEs 4,475

Cost per FTE \$3,144

PATH Allegheny FTEs (labor not capitalized) current year 0.54

PATH Allegheny PBOP Expense for current year \$1,711

PATH Allegheny PBOP Expense in Account 926 for current year \$504

PBOP Adjustment for Appendix A, Line 50 1,207

Lines 175-179 cannot change absent approval or acceptance by FERC in a separate proceeding.

**Attachment 5 - Transmission Enhancement Charge Worksheet**  
**PATH West Virginia Transmission Company, LLC**

New Plant Carrying Charge

Formula Line	Item	
5	NET REVENUE REQUIREMENT	6,483,059
21	NET TRANSMISSION PLANT IN SERVICE	-
32	CWIP	2,840,820
Carrying charge (line 3/sum of lines 4 and 5)		2,282,11

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

The FCR resulting from Formula in a given year is used for that year only.  
 Therefore actual revenues collected in a year do not change based on cost data for subsequent years

		PJM Upgrade ID: b0490 & b0491					Totals
Details	(Yes or No)	Amos Substation Upgrade - CWIP	Amos to Midpoint Line - CWIP	Midpoint Substation and SVC - CWIP	Midpoint to Interconnection with PATH Allegheny - CWIP	Transmission Plant in Service	
Schedule 12	(Yes or No)	Yes	Yes	Yes		Yes	
FCR for This Project		228.2%	228.2%	228.2%	228.2%	228.2%	
Investment Revenue Requirement		220,748	2,620,072			-	2,840,820
		503,771.90	5,979,286.72			-	6,483,059

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

10 Forecast – Forecast of average 13 month current year net transmission plant plus 13-mo CWIP balances.

11 Reconciliation – Average of 13 month prior year net transmission plant balances plus prior year 13-mo CWIP balances.

12

**Attachment 5 - Transmission Enhancement Charge Worksheet**  
**PATH Allegheny Transmission Company, LLC**

New Plant Carrying Charge

Formula Line	Item	
5	NET REVENUE REQUIREMENT	2,131,722
21	NET TRANSMISSION PLANT IN SERVICE	-
32	CWIP	3,236,143
<b>Carrying charge (line 3/sum of lines 4 and 5)</b>		<b>0.65872</b>

1  
2  
3  
4  
5  
6

(1)                      (2)                      (3)                      (4)                      (5)

The FCR resulting from Formula in a given year is used for that year only.  
 Therefore actual revenues collected in a year do not change based on cost data for subsequent years

7  
8

		PJM Upgrade ID: b0492 & b0560				
Details		Kemptown Substation - CWIP	Kemptown to Interconnection with PATH West Virginia - CWIP	Welton Spring Substation and SVC - CWIP	Transmission Plant In Service	Totals
Schedule 12 FCR for This Project	(Yes or No)	Yes	Yes	Yes	Yes	
		65.9%	65.9%	65.9%	65.9%	
		900,834	1,763,140	572,169	-	3,236,143
Investment Revenue Requirement		583,399.77	1,161,420.97	376,901.02	-	2,131,722

9

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

10  
11

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

12

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

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

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

Internal Rate of Return<sup>1</sup> 6.64%  
Based on following Financial Formula<sup>2</sup>:

$$NPV = 0 = \sum_{t=1}^N C_t / (1 + IRR)^{pwr(t)}$$

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

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

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

<sup>1</sup> The IRR is the Debt Cost shown on Page 5, Line 118 of Rate Formula Template.

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

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

## HYPOTHETICAL EXAMPLE

PATH anticipates its financing will be a 7 year loan, where by PATH pays Origination Fees of \$4.2 million and a Commitments Fee of 0.375% on the undrawn principle. Consistent with GAAP, PATH will amortize the Origination Fees and Commitments Fees using the standard Internal Rate of Return formula below. Each year, PATH will true up the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount on this attachment.

Total Loan Amount	\$ 300,000,000
-------------------	----------------

Internal Rate of Return<sup>1</sup> 6.76%

Based on following Financial Formula<sup>2</sup>:

$$NPV = 0 = \sum_{t=1}^N C_t / (1 + IRR)^{pwr(t)}$$

Origination Fees	-
Underwriting Discount	-
Arrangement Fee	1,000,000
Upfront Fee	2,200,000
Rating Agency Fee	200,000
Legal Fees	750,000
Total Issuance Expense	4,150,000

Annual Rating Agency Fee	200,000
Annual Bank Agency Fee	75,000
Revolving Credit Commitment Fee	0.375%

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

(A) Year	(B)	(C) Capital Expenditures (\$000's)	(D) Principle Drawn In Quarter (\$000's)	(E) Principle Drawn To Date (\$000's)	(F) Interest Expense (\$000's)	(G) Origination Fees (\$000's)	(H) Commitment & Utilization Fee (\$000's)	(I) Net Cash Flows (\$000's) (D-F-G-H)
Prior to 11/2008		8,672						
11/15/2008	Q4	13,079						
2/15/2009	Q1	18,143	19,947	19,947	-	75		19,872
5/15/2009	Q2	17,756	8,878	28,825	296			8,582
8/15/2009	Q3	24,818	12,409	41,234	428			11,981
11/15/2009	Q4	33,644	16,822	58,056	612			16,210
2/15/2010	Q1	33,686	16,843	74,899	862	4,075	296	11,611
5/15/2010	Q2	30,717	15,359	90,258	1,112		280	13,967
8/15/2010	Q3	39,142	19,571	109,829	1,339		265	17,966
11/15/2010	Q4	41,965	20,983	130,811	1,630		247	19,106
2/15/2011	Q1	52,638	26,319	157,130	1,941		227	24,150
5/15/2011	Q2	47,999	24,000	181,130	2,332		203	21,465
8/15/2011	Q3	61,165	30,583	211,712	2,688		180	27,714
11/15/2011	Q4	65,576	32,788	244,500	3,142		152	29,495
2/15/2012	Q1	29,076	14,538	259,038	3,628		121	10,789
5/15/2012	Q2	26,514	13,257	272,295	3,844		107	9,306
8/15/2012	Q3	33,786	16,893	289,188	4,041		95	12,757
11/15/2012	Q4	21,624	10,812	300,000	4,292		79	6,442
2/15/2013	Q1			300,000	4,452		69	(4,521)
5/15/2013	Q2			300,000	4,452		69	(4,521)
8/15/2013	Q3			300,000	4,452		69	(4,521)
11/15/2013	Q4			300,000	4,452		69	(4,521)
2/15/2014	Q1			300,000	4,452		69	(4,521)
5/15/2014	Q2			300,000	4,452		69	(4,521)
8/15/2014	Q3			300,000	4,452		69	(4,521)
11/15/2014	Q4			300,000	4,452		69	(4,521)
2/15/2015	Q1			300,000	4,452		-	(304,452)

<sup>1</sup> The IRR is the Debt Cost shown on Page 10, Line 118 of Rate Formula Template.

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

**Attachment 7**  
**PATh West Virginia Transmission Company, LLC**  
**(HYPOTHETICAL EXAMPLE)**

**Potomac-Appalachian Transmission Highline, LLC**  
**CALCULATION OF COST OF DEBT AFTER CONSTRUCTION PHASE**  
**YEAR ENDED 12/31/2014**

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

**Development of Effective Cost Rates:**

First Mortgage Bonds	Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance	Issuance Expense	Loss on Reacquired Debt	Net Proceeds	Net Proceeds Ratio	Coupon Rate	Effective Cost Rate	Annual Interest
7.090% Series Due 2041	1/1/2014	6/30/2044	\$ 300,000,000	\$ (2,400,000)	\$ 3,000,000	-	\$ 294,600,000	98.2000	0.07090	7.237%	\$ 21,270,000
<u>Other Long Term Debt:</u>											
6.600% Series Medium Term Notes Due 2021	01/01/2014	06/30/2024	200,000,000		2,000,000		\$ 198,000,000	99.0000	0.06600	6.734%	13,200,000
			<u>\$ 500,000,000</u>	<u>(2,400,000)</u>	<u>\$ 5,000,000</u>	<u>-</u>	<u>\$ 492,600,000</u>				<u>\$ 34,470,000</u>

<sup>1</sup> The Effective Cost Rate is the Debt Cost shown on Page 5, Line 118 of Rate Formula Template.

**Attachment 7**  
**PATH Allegheny Transmission Company, LLC**  
 (HYPOTHETICAL EXAMPLE)

**Potomac-Appalachian Transmission Highline, LLC**  
 CALCULATION OF COST OF DEBT AFTER CONSTRUCTION PHASE  
 YEAR ENDED 12/31/2014

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

**Development of Effective Cost Rates:**

<u>First Mortgage Bonds</u>	Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance	Issuance Expense	Loss on Reacquired Debt	Net Proceeds	Coupon Rate	Effective Cost Rate	Annual Interest
7.090% Series Due 2041	1/1/2014	6/30/2044	\$ 300,000,000	\$ (2,400,000)	\$ 3,000,000	-	\$ 294,600,000	0.07090	7.237%	\$ 21,270,000
<u>Other Long Term Debt:</u>	01/01/2014	06/30/2024	200,000,000		2,000,000		\$ 198,000,000	0.06600	6.734%	13,200,000
6.600% Series Medium Term Notes Due 2021			<u>\$ 500,000,000</u>	<u>(2,400,000)</u>	<u>\$ 5,000,000</u>	<u>-</u>	<u>\$ 492,600,000</u>			<u>\$ 34,470,000</u>

<sup>1</sup> The Effective Cost Rate is the Debt Cost shown on Page 10, Line 118 of Rate Formula Template.

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

Hypothetical Actual Revenue Requirement For Year 2009 Available <span style="float:right">May</span> 31, 2010
\$16,000,000

Hypothetical 2009 Revenue Requirement Forecast by Sept 1, 2008
\$15,000,000

=

True-up Adjustment - Over (Under) Recovery
(\$1,000,000)

Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Hypothetical Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
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An over or under collection will be recovered prorata over 2009, held for 2010 and returned prorata over 2011

<u>Calculation of Interest</u>					<u>Monthly</u>	
January	Year 2009	(83,333)	0.5500%	12	5,500	88,833
February	Year 2009	(83,333)	0.5500%	11	5,042	88,375
March	Year 2009	(83,333)	0.5500%	10	4,583	87,917
April	Year 2009	(83,333)	0.5500%	9	4,125	87,458
May	Year 2009	(83,333)	0.5500%	8	3,667	87,000
June	Year 2009	(83,333)	0.5500%	7	3,208	86,542
July	Year 2009	(83,333)	0.5500%	6	2,750	86,083
August	Year 2009	(83,333)	0.5500%	5	2,292	85,625
September	Year 2009	(83,333)	0.5500%	4	1,833	85,167
October	Year 2009	(83,333)	0.5500%	3	1,375	84,708
November	Year 2009	(83,333)	0.5500%	2	917	84,250
December	Year 2009	(83,333)	0.5500%	1	458	83,792
					<u>35,750</u>	1,035,750
January through December	Year 2010	1,035,750	0.5500%	12	<u>68,360</u>	1,104,110
					<u>Annual</u>	
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>					<u>Monthly</u>	
January	Year 2011	(1,104,110)	0.5500%		6,073	(95,332) 1,014,851
February	Year 2011	(1,014,851)	0.5500%		5,582	(95,332) 925,101
March	Year 2011	(925,101)	0.5500%		5,088	(95,332) 834,857
April	Year 2011	(834,857)	0.5500%		4,592	(95,332) 744,117
May	Year 2011	(744,117)	0.5500%		4,093	(95,332) 652,879
June	Year 2011	(652,879)	0.5500%		3,591	(95,332) 561,138
July	Year 2011	(561,138)	0.5500%		3,086	(95,332) 468,893
August	Year 2011	(468,893)	0.5500%		2,579	(95,332) 376,140
September	Year 2011	(376,140)	0.5500%		2,069	(95,332) 282,877
October	Year 2011	(282,877)	0.5500%		1,556	(95,332) 189,102
November	Year 2011	(189,102)	0.5500%		1,040	(95,332) 94,810
December	Year 2011	(94,810)	0.5500%		521	(95,332) 0
					<u>39,869</u>	
True-Up Adjustment with Interest					\$	1,143,978
Less Over (Under) Recovery					\$	(1,000,000)
Total Interest					\$	143,978

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

Hypothetical Actual Revenue Requirement For Year 2009 Available May 31, 2010  \$16,000,000	-	Hypothetical 2009 Revenue Requirement Forecast by Sept 1, 2008  \$15,000,000	=	True-up Adjustment - Over (Under) Recovery  (\$1,000,000)
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Interest Rate on Amount of Refunds or Surcharges from 35.19a	Over (Under) Recovery Plus Interest	Hypothetical Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
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An over or under collection will be recovered prorata over 2009, held for 2010 and returned prorata over 2011

<u>Calculation of Interest</u>							
				<b>Monthly</b>			
January	Year 2009	(83,333)	0.5500%	12	5,500	88,833	
February	Year 2009	(83,333)	0.5500%	11	5,042	88,375	
March	Year 2009	(83,333)	0.5500%	10	4,583	87,917	
April	Year 2009	(83,333)	0.5500%	9	4,125	87,458	
May	Year 2009	(83,333)	0.5500%	8	3,667	87,000	
June	Year 2009	(83,333)	0.5500%	7	3,208	86,542	
July	Year 2009	(83,333)	0.5500%	6	2,750	86,083	
August	Year 2009	(83,333)	0.5500%	5	2,292	85,625	
September	Year 2009	(83,333)	0.5500%	4	1,833	85,167	
October	Year 2009	(83,333)	0.5500%	3	1,375	84,708	
November	Year 2009	(83,333)	0.5500%	2	917	84,250	
December	Year 2009	(83,333)	0.5500%	1	458	83,792	
					35,750	1,035,750	
					<b>Annual</b>		
January through December	Year 2010	1,035,750	0.5500%	12	68,360	1,104,110	
					<b>Monthly</b>		
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>							
January	Year 2011	(1,104,110)	0.5500%		6,073	(95,332)	1,014,851
February	Year 2011	(1,014,851)	0.5500%		5,582	(95,332)	925,101
March	Year 2011	(925,101)	0.5500%		5,088	(95,332)	834,857
April	Year 2011	(834,857)	0.5500%		4,592	(95,332)	744,117
May	Year 2011	(744,117)	0.5500%		4,093	(95,332)	652,879
June	Year 2011	(652,879)	0.5500%		3,591	(95,332)	561,138
July	Year 2011	(561,138)	0.5500%		3,086	(95,332)	468,893
August	Year 2011	(468,893)	0.5500%		2,579	(95,332)	376,140
September	Year 2011	(376,140)	0.5500%		2,069	(95,332)	282,877
October	Year 2011	(282,877)	0.5500%		1,556	(95,332)	189,102
November	Year 2011	(189,102)	0.5500%		1,040	(95,332)	94,810
December	Year 2011	(94,810)	0.5500%		521	(95,332)	0
					39,869		
True-Up Adjustment with Interest					\$	1,143,978	
Less Over (Under) Recovery					\$	(1,000,000)	
Total Interest					\$	143,978	

Potomac-Appalachian Transmission Highline, LLC  
Attachment 9 - Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan

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

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

YEAR	Estimated Effective cost of debt used in forecast/true up	Final Effective cost of debt for the construction loan:	Hypothetical Revenue Requirement			Hypothetical Monthly Interest Rate applicable over the ATRR period	Total Amount of Construction Loan Related True-Up included in rates effective Jan 2014 (Refund)/Owed
			Based on Estimated Effective cost of debt	Based on Actual Effective cost of debt	Over (Under) Recovery		
2008	7.18%	7.00%	\$ 2,500,000.00	\$ 2,400,000.00	\$ 100,000.00	0.550%	\$ (148,288.33)
2009	6.8%	7.00%	\$5,000,000.00	\$5,150,000.00	\$ (150,000.00)	0.580%	\$ 209,670.43
2010	7.2%	7.00%	\$8,300,000.00	\$8,200,000.00	\$ 100,000.00	0.540%	\$ (131,109.09)
2011	7.3%	7.00%	\$12,300,000.00	\$12,000,000.00	\$ 300,000.00	0.580%	\$ (368,656.73)
2012*	7.1%	6.83%	\$18,000,000.00	\$17,900,000.00	\$ 100,000.00	0.570%	\$ (114,946.28)
2013**	6.50%	6.50%	\$25,000,000.00	\$25,000,000.00	\$ -		
2014**	6.50%	6.50%					\$ (553,329.99)

\* Assumes that the construction loan is retired on Sept 1, 2012

\*\* Assumes permanent debt structure is put in place on Sept 1, 2012 with effective rate of 6.5%

Note: True-up period is 2008 - 2012, with the true-up amount included in 2014 forecasted ATRR. Final effective cost of debt for 2012 is computed as follows:  $((7\% * 243 \text{ days}) + (6.5\% * 122 \text{ days})) / 365 \text{ days}$

Calculation of Applicable Interest Expense for each ATRR period

Interest Rate on Amount of Refunds or Surcharges from 35.18a	Over (Under) Recovery Plus Interest	Hypothetical Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
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Calculation of Interest for 2008 True-Up Period

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

				Monthly			
January	Year 2008	-	0.5500%	12.00	-	-	-
February	Year 2008	-	0.5800%	11.00	-	-	-
March	Year 2008	10,000	0.5800%	10.00	(550)	(10,550)	
April	Year 2008	10,000	0.5500%	9.00	(495)	(10,495)	
May	Year 2008	10,000	0.5500%	8.00	(440)	(10,440)	
June	Year 2008	10,000	0.5500%	7.00	(385)	(10,385)	
July	Year 2008	10,000	0.5500%	6.00	(330)	(10,330)	
August	Year 2008	10,000	0.5500%	5.00	(275)	(10,275)	
September	Year 2008	10,000	0.5500%	4.00	(220)	(10,220)	
October	Year 2008	10,000	0.5500%	3.00	(165)	(10,165)	
November	Year 2008	10,000	0.5500%	2.00	(110)	(10,110)	
December	Year 2008	10,000	0.5500%	1.00	(55)	(10,055)	
					(3,025)		(103,025)
					Annual		
January through December	Year 2009	(103,025)	0.5800%	12.00	(6,923)		(109,948)
January through December	Year 2010	(109,948)	0.5400%	12.00	(7,125)		(117,073)
January through December	Year 2011	(117,073)	0.5800%	12.00	(8,148)		(125,221)
January through December	Year 2012	(125,221)	0.5700%	12.00	(8,565)		(133,786)
January through December	Year 2013	(133,786)	0.5700%	12.00	(9,151)		(142,937)
					Monthly		
January	Year 2014	142,937	0.5700%		(815)	(12,357)	(131,395)
February	Year 2014	131,395	0.5700%		(749)	(12,357)	(119,786)
March	Year 2014	119,786	0.5700%		(683)	(12,357)	(108,112)
April	Year 2014	108,112	0.5700%		(616)	(12,357)	(96,371)
May	Year 2014	96,371	0.5700%		(549)	(12,357)	(84,563)
June	Year 2014	84,563	0.5700%		(482)	(12,357)	(72,687)
July	Year 2014	72,687	0.5700%		(414)	(12,357)	(60,744)
August	Year 2014	60,744	0.5700%		(346)	(12,357)	(48,733)
September	Year 2014	48,733	0.5700%		(278)	(12,357)	(36,653)
October	Year 2014	36,653	0.5700%		(209)	(12,357)	(24,505)
November	Year 2014	24,505	0.5700%		(140)	(12,357)	(12,287)
December	Year 2014	12,287	0.5700%		(70)	(12,357)	0
					(5,351)		
Total Amount of True-Up Adjustment for 2008 ATRR						\$	(148,288)
Less Over (Under) Recovery						\$	100,000
Total Interest						\$	(48,288)

**Potomac-Appalachian Transmission Highline, LLC**  
**Attachment 9 - Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan**

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

<b>Calculation of Interest for 2009 True-Up Period</b>						
An over or under collection will be recovered prorata over 2009, held for 2010, 2011, 2012, 2013 and returned prorata over 2014						
						Monthly
January	Year 2009	(12,500)	0.5600%	12.00	840	13,340
February	Year 2009	(12,500)	0.5600%	11.00	770	13,270
March	Year 2009	(12,500)	0.5600%	10.00	700	13,200
April	Year 2009	(12,500)	0.5600%	9.00	630	13,130
May	Year 2009	(12,500)	0.5600%	8.00	560	13,060
June	Year 2009	(12,500)	0.5600%	7.00	490	12,990
July	Year 2009	(12,500)	0.5600%	6.00	420	12,920
August	Year 2009	(12,500)	0.5600%	5.00	350	12,850
September	Year 2009	(12,500)	0.5600%	4.00	280	12,780
October	Year 2009	(12,500)	0.5600%	3.00	210	12,710
November	Year 2009	(12,500)	0.5600%	2.00	140	12,640
December	Year 2009	(12,500)	0.5600%	1.00	70	12,570
					5,460	155,460
						Annual
January through December	Year 2010	155,460	0.5400%	12.00	10,074	165,534
January through December	Year 2011	165,534	0.5800%	12.00	11,521	177,055
January through December	Year 2012	177,055	0.5700%	12.00	12,111	189,166
January through December	Year 2013	189,166	0.5700%	12.00	12,939	202,104
<b>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</b>						
						Monthly
January	Year 2014	(202,104)	0.5700%		1,152	185,784
February	Year 2014	(185,784)	0.5700%		1,059	189,370
March	Year 2014	(169,370)	0.5700%		965	192,863
April	Year 2014	(152,863)	0.5700%		871	196,262
May	Year 2014	(136,262)	0.5700%		777	199,566
June	Year 2014	(119,566)	0.5700%		682	202,775
July	Year 2014	(102,775)	0.5700%		586	205,888
August	Year 2014	(85,888)	0.5700%		490	208,905
September	Year 2014	(68,905)	0.5700%		393	211,826
October	Year 2014	(51,826)	0.5700%		295	214,649
November	Year 2014	(34,649)	0.5700%		197	217,374
December	Year 2014	(17,374)	0.5700%		99	220,000
					7,566	(0)
Total Amount of True-Up Adjustment for 2009 ATRR					\$	209,670
Less Over (Under) Recovery					\$	(150,000)
Total Interest					\$	59,670

<b>Calculation of Interest for 2010 True-Up Period</b>						
An over or under collection will be recovered prorata over 2010, held for 2011, 2012, 2013 and returned prorata over 2014						
						Monthly
January	Year 2010	8,333	0.5400%	12.00	(540)	(8,873)
February	Year 2010	8,333	0.5400%	11.00	(495)	(8,828)
March	Year 2010	8,333	0.5400%	10.00	(450)	(8,783)
April	Year 2010	8,333	0.5400%	9.00	(405)	(8,738)
May	Year 2010	8,333	0.5400%	8.00	(360)	(8,693)
June	Year 2010	8,333	0.5400%	7.00	(315)	(8,648)
July	Year 2010	8,333	0.5400%	6.00	(270)	(8,603)
August	Year 2010	8,333	0.5400%	5.00	(225)	(8,558)
September	Year 2010	8,333	0.5400%	4.00	(180)	(8,513)
October	Year 2010	8,333	0.5400%	3.00	(135)	(8,468)
November	Year 2010	8,333	0.5400%	2.00	(90)	(8,423)
December	Year 2010	8,333	0.5400%	1.00	(45)	(8,378)
					(3,510)	(103,510)
						Annual
January through December	Year 2011	(103,510)	0.5800%	12.00	(7,204)	(110,714)
January through December	Year 2012	(110,714)	0.5700%	12.00	(7,573)	(118,287)
January through December	Year 2013	(118,287)	0.5700%	12.00	(8,091)	(126,378)
<b>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</b>						
						Monthly
January	Year 2014	126,378	0.5700%		(720)	(116,173)
February	Year 2014	116,173	0.5700%		(662)	(105,909)
March	Year 2014	105,909	0.5700%		(604)	(95,587)
April	Year 2014	95,587	0.5700%		(545)	(85,205)
May	Year 2014	85,205	0.5700%		(486)	(74,766)
June	Year 2014	74,766	0.5700%		(426)	(64,266)
July	Year 2014	64,266	0.5700%		(366)	(53,707)
August	Year 2014	53,707	0.5700%		(306)	(43,087)
September	Year 2014	43,087	0.5700%		(246)	(32,407)
October	Year 2014	32,407	0.5700%		(185)	(21,666)
November	Year 2014	21,666	0.5700%		(123)	(10,864)
December	Year 2014	10,864	0.5700%		(62)	0
					(4,731)	
Total Amount of True-Up Adjustment for 2010 ATRR					\$	(131,109)
Less Over (Under) Recovery					\$	100,000
Total Interest					\$	(31,109)

**Potomac-Appalachian Transmission Highline, LLC**  
**Attachment 9 - Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan**

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

<b>Calculation of Interest for 2011 True-Up Period</b>							
An over or under collection will be recovered prorate over 2011, held for 2012, 2013 and returned prorate over 2014							
				Monthly			
January	Year 2011	25,000	0.5800%	12.00	(1,740)		(26,740)
February	Year 2011	25,000	0.5800%	11.00	(1,595)		(26,595)
March	Year 2011	25,000	0.5800%	10.00	(1,450)		(26,450)
April	Year 2011	25,000	0.5800%	9.00	(1,305)		(26,305)
May	Year 2011	25,000	0.5800%	8.00	(1,160)		(26,160)
June	Year 2011	25,000	0.5800%	7.00	(1,015)		(26,015)
July	Year 2011	25,000	0.5800%	6.00	(870)		(25,870)
August	Year 2011	25,000	0.5800%	5.00	(725)		(25,725)
September	Year 2011	25,000	0.5800%	4.00	(580)		(25,580)
October	Year 2011	25,000	0.5800%	3.00	(435)		(25,435)
November	Year 2011	25,000	0.5800%	2.00	(290)		(25,290)
December	Year 2011	25,000	0.5800%	1.00	(145)		(25,145)
					(11,310)		(311,310)
				Annual			
January through December	Year 2012	(311,310)	0.5700%	12.00	(21,294)		(332,604)
January through December	Year 2013	(332,604)	0.5700%	12.00	(22,750)		(355,354)
<b>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</b>							
				Monthly			
January	Year 2014	355,354	0.5700%		(2,026)	(30,721)	(326,658)
February	Year 2014	326,658	0.5700%		(1,862)	(30,721)	(297,799)
March	Year 2014	297,798	0.5700%		(1,697)	(30,721)	(268,774)
April	Year 2014	268,774	0.5700%		(1,532)	(30,721)	(239,585)
May	Year 2014	239,585	0.5700%		(1,366)	(30,721)	(210,229)
June	Year 2014	210,229	0.5700%		(1,198)	(30,721)	(180,706)
July	Year 2014	180,706	0.5700%		(1,030)	(30,721)	(151,015)
August	Year 2014	151,015	0.5700%		(861)	(30,721)	(121,154)
September	Year 2014	121,154	0.5700%		(691)	(30,721)	(91,123)
October	Year 2014	91,123	0.5700%		(519)	(30,721)	(60,921)
November	Year 2014	60,921	0.5700%		(347)	(30,721)	(30,547)
December	Year 2014	30,547	0.5700%		(174)	(30,721)	0
					(13,303)		
Total Amount of True-Up Adjustment for 2011 ATRR						\$	(368,657)
Less Over (Under) Recovery						\$	300,000
Total Interest						\$	(68,657)

<b>Calculation of Interest for 2012 True-Up Period</b>							
An over or under collection will be recovered prorate over 2012, held for 2013 and returned prorate over 2014							
				Monthly			
January	Year 2012	8,333	0.5700%	12.00	(570)		(8,903)
February	Year 2012	8,333	0.5700%	11.00	(523)		(8,856)
March	Year 2012	8,333	0.5700%	10.00	(475)		(8,808)
April	Year 2012	8,333	0.5700%	9.00	(428)		(8,761)
May	Year 2012	8,333	0.5700%	8.00	(380)		(8,713)
June	Year 2012	8,333	0.5700%	7.00	(333)		(8,666)
July	Year 2012	8,333	0.5700%	6.00	(285)		(8,618)
August	Year 2012	8,333	0.5700%	5.00	(238)		(8,571)
September	Year 2012	8,333	0.5700%	4.00	(190)		(8,523)
October	Year 2012	8,333	0.5700%	3.00	(143)		(8,476)
November	Year 2012	8,333	0.5700%	2.00	(95)		(8,428)
December	Year 2012	8,333	0.5700%	1.00	(48)		(8,381)
					(3,705)		(103,705)
				Annual			
January through December	Year 2013	(103,705)	0.5700%	12.00	(7,093)		(110,798)
<b>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</b>							
				Monthly			
January	Year 2014	110,798	0.5700%		(632)	(9,579)	(101,851)
February	Year 2014	101,851	0.5700%		(581)	(9,579)	(92,853)
March	Year 2014	92,853	0.5700%		(529)	(9,579)	(83,803)
April	Year 2014	83,803	0.5700%		(478)	(9,579)	(74,702)
May	Year 2014	74,702	0.5700%		(426)	(9,579)	(65,549)
June	Year 2014	65,549	0.5700%		(374)	(9,579)	(56,344)
July	Year 2014	56,344	0.5700%		(321)	(9,579)	(47,086)
August	Year 2014	47,086	0.5700%		(268)	(9,579)	(37,776)
September	Year 2014	37,776	0.5700%		(215)	(9,579)	(28,412)
October	Year 2014	28,412	0.5700%		(162)	(9,579)	(18,995)
November	Year 2014	18,995	0.5700%		(108)	(9,579)	(9,529)
December	Year 2014	9,525	0.5700%		(54)	(9,579)	0
					(4,148)		
Total Amount of True-Up Adjustment for 2012 ATRR						\$	(114,046)
Less Over (Under) Recovery						\$	100,000
Total Interest						\$	(14,046)

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

Applicable to PATH West Virginia Transmission Company, LLC

		Accrual Rate (Annual) Percent	Annual Depreciation Expense
<b>TRANSMISSION PLANT</b>			
350.2	Land & Land Rights - Easements	1.43	-
352	Structures & Improvements	1.82	-
353	Station Equipment		
	Other	2.43	-
	SVC Dynamic Control Equipment	4.09	-
354	Towers & Fixtures	1.26	-
355	Poles & Fixtures	3.11	-
356	Overhead Conductors & Devices	1.13	-
Total Transmission Plant Depreciation			-
Total Transmission Depreciation Expense (must tie to p336.7.b & c)			-
<b>GENERAL PLANT</b>			
390	Structures & Improvements	2.00	-
391	Office Furniture & Equipment	5.00	-
	Information Systems	10.00	-
	Data Handling	10.00	-
392	Transportation Equipment		
	Other	5.33	-
	Autos	11.43	-
	Light Trucks	6.96	-
	Medium Trucks	6.96	-
	Trailers	4.44	-
	ATV	5.33	-
393	Stores Equipment	5.00	-
394	Tools, Shop & Garage Equipment	5.00	-
395	Laboratory Equipment	5.00	-
396	Power Operated Equipment	4.17	-
397	Communication Equipment	6.67	-
398	Miscellaneous Equipment	6.67	-
Total General Plant			-
Total General Plant Depreciation Expense (must tie to p336.10.b & c)			-
<b>INTANGIBLE PLANT</b>			
303	Miscellaneous Intangible Plant	20.00	-
Total Intangible Plant			-
Total Intangible Plant Amortization (must tie to p336.1 d & e)			-

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

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

Applicable to PATH Allegheny Transmission Company, LLC

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

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

INTANGIBLE PLANT		Accrual Rate (Annual) Percent	Annual Depreciation Expense
303	Miscellaneous Intangible Plant	20.00	-
Total Intangible Plant			-
Total Intangible Plant Amortization (must tie to p336.1 d & e)			-

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

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service lists in Docket Nos. ER08-386 and ER09-1256, and caused the foregoing document to be e-mailed to all Members of PJM Interconnection, L.L.C. (“PJM”) and all state utility regulatory commissions in the PJM Region.

Dated at Washington, DC this 23rd day of June, 2009.

/s/ Tom Orvald  
Tom Orvald  
Pillsbury Winthrop Shaw Pittman, LLC  
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Washington, DC 20036  
202-663-9158