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June 3, 2011

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

Re: *Potomac-Appalachian Transmission Highline, LLC*  
Electronic Informational Filing of Formula Rate Annual Update  
Docket No. ER08-386-\_\_\_\_

Dear Secretary Bose:

Potomac-Appalachian Transmission Highline, LLC (“PATH LLC”), on behalf of its operating companies PATH West Virginia Transmission Company, LLC (“PATH-WV”) and PATH Allegheny Transmission Company, LLC (“PATH-Allegheny”), hereby submits for informational purposes its Annual Update to recalculate its annual transmission revenue requirement (“Annual Update”). This Annual Update is submitted pursuant to the Formula Rate Implementation Protocols (“Protocols”) set forth in Attachment H-19B of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff.<sup>1</sup>

Section III.B.1 of the Protocols states that:

[o]n June 1 of each year subsequent to calendar year 2008, PATH shall submit its Annual Update as an informational filing to FERC and shall post the same on the PJM website. The Annual Update shall calculate PATH’s Actual Transmission Revenue Requirement for the preceding Rate Year in accordance with the terms of the Formula Rate and these Protocols, as well as a True-up Adjustment for the preceding Rate Year.<sup>2</sup>

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<sup>1</sup> PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1.

<sup>2</sup> PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1, Original Sheet No. 314TT.02 and Original Sheet No. 314TT.03, Attachment H-19B, Section III.B.1.

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Consistent with the Protocols, the Annual Update attached hereto includes the following materials:

<b>Appendix</b>	<b>Description</b>
<b>A</b>	True-up Adjustment: Comparison of Actual Revenue Requirement to the Projected Transmission Revenue Requirement for Year Ended December 31, 2010
<b>B</b>	PATH LLC Formula (Attachment H-19A) populated with 2010 Actual Transmission Revenue Requirement
<b>C</b>	PATH-WV Historic Operations and Maintenance Report for year ended December 31, 2010 <sup>3</sup>
<b>D</b>	PATH-Allegheny Historic Operations and Maintenance Report for year ended December 31, 2010 <sup>4</sup>
<b>E</b>	PATH-WV Historic Capital Investment for 2010 <sup>5</sup>
<b>F</b>	PATH-Allegheny Historic Capital Investment for 2010 <sup>6</sup>
<b>G</b>	2010 Annual Report on Construction Work in Progress Pursuant to Section V.B of Implementation Protocols (Attachment H-19B)

Pursuant to Section III.B.(3)(g) of the Protocols, PATH LLC states that the major factor causing a change in the Actual Transmission Revenue Requirement between the Annual Update and the prior year's Annual Update is the change in the average 13-month balance for Construction Work In Progress ("CWIP"). Pursuant to Section III.B.(3)(h) of the Protocols, PATH LLC states that it has made no material changes in its accounting policies and practices from those in effect during the previous Rate Year<sup>7</sup> and upon which the current rate is based.

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<sup>3</sup> In accordance with Section III. B.(3)(e).

<sup>4</sup> In accordance with Section III. B.(3)(e).

<sup>5</sup> In accordance with Section III. B.(3)(f).

<sup>6</sup> In accordance with Section III. B.(3)(f).

<sup>7</sup> The Rate Year begins on June 1 of a given calendar year and continues through May 31 of the subsequent calendar year.

Ms. Kimberly D. Bose, Secretary

June 3, 2011

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The Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

The Annual Update has been submitted to PJM for posting on its website. PJM will post a copy of this filing to the transmission service formula rates section of its internet site, located at [http://www.pjm.com/markets-and-operations/transmission-service/formula-rates.aspx?sc\\_lang=en#jan2010dec2010](http://www.pjm.com/markets-and-operations/transmission-service/formula-rates.aspx?sc_lang=en#jan2010dec2010) 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 visiting the website provided above.

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

Respectfully submitted,

/s/ Randall B. Palmer

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/s/ Hector Garcia

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*Counsel for Potomac-Appalachian Transmission Highline, LLC*

Enclosures

## **Appendix A**

**Comparison of Projected Transmission Revenue Requirement to the Actual Transmission Revenue Requirement  
For Year Ended December 31, 2010**

	<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>
2010 Actual ATRR	\$ 13,348,098.59	\$ 11,262,217.22	\$	24,610,315.81
2010 Projected ATRR	18,125,034.67	11,385,061.56		29,510,096.23
<b>2010 True-Up</b>	\$ (4,776,936.08)	\$ (122,844.34)	\$	<b>(4,899,780.42)</b>

## **Appendix B**

For the 12 months ended 12/31/2010

## 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	\$13,348,099 (A)	\$11,262,217 (B)	\$24,610,316
2 PJM Project No.			
3 b0490 & b0491	\$13,348,099 (C)		\$13,348,099
4 b0492 & b0560		\$11,262,217 (D)	\$11,262,217
5			
6 Total (Sum lines 3 to 5)	<u>\$13,348,099</u>	<u>\$11,262,217</u>	<u>\$24,610,316</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

PATH West Virginia Transmission Company, LLC

For the 12 months ended 12/31/2010

Line No.	(1)	(2)	(3)
			Allocated Amount
<u>1</u>	GROSS REVENUE REQUIREMENT (line 86)	12 months	<u>\$ 13,348,099</u>
REVENUE CREDITS			
2	Total Revenue Credits	<u>Total</u> 0	
3	True-up Adjustment with Interest	TP 1.00000	-
4	Accelerated True-up Adjustment with Interest	DA 1.00000	-
5	NET REVENUE REQUIREMENT (Lines 1 minus line 2 plus line 3 plus line 4)	DA 1.00000	<u>\$ 13,348,099</u>

Formula Rate - Non-Levelized		Attachment A Rate Formula Template Utilizing FERC Form 1 Data			For the 12 months ended 12/31/2010	
Line No.	(1)	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		
<b>RATE BASE:</b>						
GROSS PLANT IN SERVICE						
6	Production	(Attachment 4)	-	NA	0.00000	-
7	Transmission	(Attachment 4)	-	TP	1.00000	-
8	Distribution	(Attachment 4)	-	NA	0.00000	-
9	General & Intangible	(Attachment 4)	-	W/S	1.00000	-
10	Common	(Attachment 4)	-	CE	1.00000	-
11	TOTAL GROSS PLANT (sum lines 6-10)	(GP=1 if plant =0)	-	GP=	1.00000	-
ACCUMULATED DEPRECIATION						
12	Production	(Attachment 4)	-	NA	0.00000	-
13	Transmission	(Attachment 4)	-	TP	1.00000	-
14	Distribution	(Attachment 4)	-	NA	0.00000	-
15	General & Intangible	(Attachment 4)	-	W/S	1.00000	-
16	Common	(Attachment 4)	-	CE	1.00000	-
17	TOTAL ACCUM. DEPRECIATION (sum lines 13-17)		-			-
NET PLANT IN SERVICE						
19	Production	(line 6- line 13)	-			-
20	Transmission	(line 7- line 14)	-			-
21	Distribution	(line 8- line 15)	-			-
22	General & Intangible	(line 9- line 16)	-			-
23	Common	(line 10- line 17)	-			-
24	TOTAL NET PLANT (sum lines 20-24)	(NP=1 if plant =0)	-	NP=	1.0000	-
ADJUSTMENTS TO RATE BASE (Note A)						
26	Account No. 281 (enter negative)	(Attachment 4)	-	NA	0.00000	-
27	Account No. 282 (enter negative)	(Attachment 4)	(364)	NP	1.00000	(364)
28	Account No. 283 (enter negative)	(Attachment 4)	(33,769)	NP	1.00000	(33,769)
29	Account No. 190	(Attachment 4)	4,464,248	NP	1.00000	4,464,248
30	Account No. 255 (enter negative)	(Attachment 4)	-	NP	1.00000	-
31	CWIP	(Attachment 4)	33,811,586	DA	1.00000	33,811,586
32	Unamortized Regulatory Asset	(Attachment 4)	3,297,694	DA	1.00000	3,297,694
33	Unamortized Abandoned Plant	(Attachment 4)	-	DA	1.00000	-
34	TOTAL ADJUSTMENTS (sum lines 27-34)		41,539,395			41,539,395
35	LAND HELD FOR FUTURE USE	(Attachment 4)	9,806,427	TP	1.00000	9,806,427
WORKING CAPITAL (Note C)						
37	CWC	calculated	645,570			645,570
38	Materials & Supplies (Note B)	(Attachment 4)	-	TE	1.00000	-
39	Prepayments (Account 165 - Note C)	(Attachment 4)	89,477	GP	1.00000	89,477
40	TOTAL WORKING CAPITAL (sum lines 38-40)		735,047			735,047
41	RATE BASE (sum lines 25, 35, 36, & 41)		<u>52,080,868</u>			<u>52,080,868</u>

Formula Rate - Non-Levelized		Attachment A Rate Formula Template Utilizing FERC Form 1 Data			For the 12 months ended 12/31/2010	
(1)	(2)	(3)	(4)	(5)		
PATH West Virginia Transmission Company, LLC						
	Form No. 1 Page, Line, Col.	Company Total	Allocator		Transmission (Col 3 times Col 4)	
43	O&M					
44	Transmission	321.112.b	1,452,762	TE	1.00000	1,452,762
45	Less Account 565	321.96.b	-	TE	1.00000	-
46	Less Account 566 (Misc Trans Expense)	Line 56	1,263,023	DA	1.00000	1,263,023
47	A&G	323.197.b	3,687,390	W/S	1.00000	3,687,390
48	Less EPRI & Reg. Comm. Exp. & Other Ac	(Note D & Attach 4)	-	DA	1.00000	-
49	Plus Transmission Related Reg. Comm. E:	(Note D & Attach 4)	-	TE	1.00000	-
50	PBOP Expense adjustment	(Attachment 4)	24,406			24,406
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	1,239,445	DA	1.00000	1,239,445
55	Miscellaneous Transmission Expense	Attachment 4	23,578	DA	1.00000	23,578
56	Total Account 566		1,263,023			1,263,023
57	TOTAL O&M (sum lines 44, 47, 49, 50, 51, 52, 56 less lines 45, 46 & 48)		5,164,558			5,164,558
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	-	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	192,141	GP	1.00000	192,141
72	Payments in lieu of taxes		-	GP	1.00000	-
73	TOTAL OTHER TAXES (sum lines 66-72)		192,141			192,141
74	INCOME TAXES (Note F)					
75	$T = 1 - \frac{((1 - SIT) * (1 - FIT))}{(1 - SIT * FIT * p)}$		40.53%			
76	$CIT = (T/1-T) * (1 - (WCLTD/R))$		46.52%			
77	where WCLTD=(line 118) and R=(line 121)					
78	and FIT, SIT & p are as given in footnote F.					
79	$1 / (1 - T) = (T \text{ from line 75})$		1.6814			
80	Amortized Investment Tax Credit (266.8f) (enter negative)		0			
81	Income Tax Calculation = line 76 * line 85		2,537,306	NA		2,537,306
82	ITC adjustment (line 79 * line 80)		0	NP	1.00000	-
83	Total Income Taxes (line 81 plus line 82)		2,537,306			2,537,306
84	RETURN					
85	[ Rate Base (line 42) * Rate of Return (line 121)]		5,454,094	NA		5,454,094
86	REV. REQUIREMENT (sum lines 57, 63, 73, 83, 85)		13,348,099			13,348,099

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2010

**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)						<u>0</u>	
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)						1,452,762	
96	Less transmission expenses included in OATT Ancillary Services (Note G)						<u>0</u>	
97	Included transmission expenses (line 95 less line 96)						1,452,762	
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	152,833	1.00	152,833			
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]		152,833		152,833	=	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)	
111	Gas	201.3.d	0		1.00000	x	1.00000	= CE
112	Water	201.3.e	0					1.00000
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**

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data**PATH West Virginia Transmission Company, LLC**

For the 12 months ended 12/31/2010

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

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

Note  
Letter

- A 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=  | 8.50%  | (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

PATH Allegheny Transmission Company, LLC

For the 12 months ended 12/31/2010

Line No.		(1)	(2)	(3)
1	GROSS REVENUE REQUIREMENT (line 86)		12 months	\$ 11,274,217
REVENUE CREDITS				
		<u>Total</u>	<u>Allocator</u>	
2	Total Revenue Credits	12,000	TP 1.00000	12,000
3	True-up Adjustment with Interest Protocols	0	DA 1.00000	-
4	Accelerated True-up Adjustment with Interest	0	DA 1.00000	-
5	NET REVENUE REQUIREMENT (Lines 1 minus line 2 plus line 3 plus line 4)			\$ 11,262,217

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2010

## PATH Allegheny Transmission Company, LLC

Line No.	(1)	(2) Form No. 1 Page, Line, Col.	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
	<b>RATE BASE:</b>				
	<b>GROSS PLANT IN SERVICE</b>				
6	Production	(Attachment 4)	-	NA 0.00000	-
7	Transmission	(Attachment 4)	19,698,630	TP 1.00000	19,698,630
8	Distribution	(Attachment 4)	-	NA 0.00000	-
9	General & Intangible	(Attachment 4)	55,132	W/S 1.00000	55,132
10	Common	(Attachment 4)	-	CE 1.00000	-
11	TOTAL GROSS PLANT (sum lines 6-10)	(GP=1 if plant =0)	<u>19,753,762</u>	GP= 1.00000	<u>19,753,762</u>
	<b>ACCUMULATED DEPRECIATION</b>				
12	Production	(Attachment 4)	-	NA 0.00000	-
13	Transmission	(Attachment 4)	4,852	TP 1.00000	4,852
14	Distribution	(Attachment 4)	-	NA 0.00000	-
15	General & Intangible	(Attachment 4)	2,551	W/S 1.00000	2,551
16	Common	(Attachment 4)	-	CE 1.00000	-
17	TOTAL ACCUM. DEPRECIATION (sum lines 13-17)		<u>7,403</u>		<u>7,403</u>
	<b>NET PLANT IN SERVICE</b>				
19	Production	(line 6- line 13)	-		-
20	Transmission	(line 7- line 14)	19,693,778		19,693,778
21	Distribution	(line 8- line 15)	-		-
22	General & Intangible	(line 9- line 16)	52,581		52,581
23	Common	(line 10- line 17)	-		-
24	TOTAL NET PLANT (sum lines 20-24)	(NP=1 if plant =0)	<u>19,746,359</u>	NP= 1.0000	<u>19,746,359</u>
	<b>ADJUSTMENTS TO RATE BASE (Note A)</b>				
26	Account No. 281 (enter negative)	(Attachment 4)	-	NA 0.00000	-
27	Account No. 282 (enter negative)	(Attachment 4)	(244,981)	NP 1.00000	(244,981)
28	Account No. 283 (enter negative)	(Attachment 4)	(453,943)	NP 1.00000	(453,943)
29	Account No. 190	(Attachment 4)	1,080,763	NP 1.00000	1,080,763
30	Account No. 255 (enter negative)	(Attachment 4)	-	NP 1.00000	-
31	CWIP	(Attachment 4)	33,526,825	DA 1.00000	33,526,825
32	Unamortized Regulatory Asset	(Attachment 4)	499,371	DA 1.00000	499,371
33	Unamortized Abandoned Plant	(Attachment 4)	-	DA 1.00000	-
34	TOTAL ADJUSTMENTS (sum lines 27-34)		<u>34,408,035</u>		<u>34,408,035</u>
35	LAND HELD FOR FUTURE USE	(Attachment 4)	-	TP 1.00000	-
	<b>WORKING CAPITAL (Note C)</b>				
37	CWC	calculated	339,400		339,400
38	Materials & Supplies (Note B)	(Attachment 4)	-	TE 1.00000	-
39	Prepayments (Account 165 - Note C)	(Attachment 4)	19,781	GP 1.00000	19,781
40	TOTAL WORKING CAPITAL (sum lines 38-40)		<u>359,181</u>		<u>359,181</u>
41	RATE BASE (sum lines 25, 35, 36, & 41)		<u>54,513,575</u>		<u>54,513,575</u>

Formula Rate - Non-Levelized		Attachment A Rate Formula Template Utilizing FERC Form 1 Data			For the 12 months ended 12/31/2010	
(1)	(2)	(3)	(4)	(5)		
PATH Allegheny Transmission Company, LLC						
	Form No. 1 Page, Line, Col.	Company Total	Allocator		Transmission (Col 3 times Col 4)	
43	O&M					
44	Transmission	321.112.b	202,368	TE	1.00000	202,368
45	Less Account 565	321.96.b	-	TE	1.00000	-
46	Less Account 566	Line 56	184,040	DA	1.00000	184,040
47	A&G	323.197.b	2,511,878	W/S	1.00000	2,511,878
48	Less EPRI & Reg. Comm. Exp. & Other Ad.	(Note D & Attach 4)	30,756	DA	1.00000	30,756
49	Plus Transmission Related Reg. Comm. Exp.	(Note D & Attach 4)	30,756	TE	1.00000	30,756
50	PBOP Expense adjustment	(Attachment 4)	955			955
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	187,264	DA	1.00000	187,264
55	Miscellaneous Transmission Expense	Attachment 4	(3,224)	DA	1.00000	(3,224)
56	Total Account 566		184,040			184,040
57	TOTAL O&M (sum lines 44, 47, 49, 50, 51, 52, 56 less lines 45,46, 48)		2,715,201			2,715,201
58	DEPRECIATION EXPENSE					
59	Transmission	336.7.b & c	8,318	TP	1.00000	8,318
60	General and Intangible	336.1.d&e + 336.10.b.c.d&e	3,350	W/S	1.00000	3,350
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)		11,668			11,668
64	TAXES OTHER THAN INCOME TAXES (Note E)					
65	LABOR RELATED					
66	Payroll	263i	116,432	W/S	1.00000	116,432
67	Highway and vehicle	263i	-	W/S	1.00000	-
68	PLANT RELATED					
69	Property	263i	60,316	GP	1.00000	60,316
70	Gross Receipts	263i	-	NA	0.00000	-
71	Other	263i	4,759	GP	1.00000	4,759
72	Payments in lieu of taxes		-	GP	1.00000	-
73	TOTAL OTHER TAXES (sum lines 66-72)		181,507			181,507
74	INCOME TAXES	(Note F)				
75	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		40.26%			
76	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		45.76%			
77	where WCLTD=(line 118) and R=(line 121)					
78	and FIT, SIT & p are as given in footnote F.					
79	$1 / (1 - T) = (T \text{ from line 75})$		1.6738			
80	Amortized Investment Tax Credit	(266.8f) (enter negative)	0			
81	Income Tax Calculation = line 76 * line 85		2,626,426	NA		2,626,426
82	ITC adjustment (line 79 * line 80)		0	NP	1.00000	-
83	Total Income Taxes	(line 81 plus line 82)	2,626,426			2,626,426
84	RETURN					
85	[Rate Base (line 42) * Rate of Return (line 121)]		5,739,415	NA		5,739,415
86	REV. REQUIREMENT (sum lines 57, 63, 73, 83, 85)		11,274,217			11,274,217

Formula Rate - Non-Levelized

Attachment A  
Rate Formula Template  
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2010

**PATH Allegheny Transmission Company, LLC**  
**SUPPORTING CALCULATIONS AND NOTES**

87 TRANSMISSION PLANT INCLUDED IN ISO RATES

88	Total transmission plant (line 7, column 3)	19,698,630
89	Less transmission plant excluded from ISO rates (Note H)	0
90	<u>Less transmission plant included in OATT Ancillary Services (Note H)</u>	<u>0</u>
91	Transmission plant included in ISO rates (line 88 less lines 89 & 90)	19,698,630

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)	202,368
96	<u>Less transmission expenses included in OATT Ancillary Services (Note G)</u>	<u>0</u>
97	Included transmission expenses (line 95 less line 96)	202,368

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)

	Form 1 Reference	\$	TP	Allocation		
103	Production	354.20.b	0			
104	Transmission	354.21.b	4,800	1.00	4,800	
105	Distribution	354.23.b	0			
106	Other	354.24,25,26.b	0	1.00	0	W&S Allocator (\$ / Allocation)
107	Total (sum lines 103-106) [TP equals 1 if there are no wages & salaries]		4,800		4,800	= 1.00000 = WS

108 COMMON PLANT ALLOCATOR (CE) (Note I)

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

1.00000 x 1.00000 = CE 1.00000

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 12/31/2010

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

Note  
Letter

- A 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=  | 8.09% (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		12,000
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	12,000
11 Less line 20	less line 18	-
12 Total Revenue Credits	line 10 + line 11	12,000
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	12,000
Customer commitment services	Include	-
xxxx		
xxxx		
Total		12,000
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		12,000
Payments by PJM of the revenue requirement calculated on Rate Formula Template	Exclude	10,572,847
Total Account 454 and 456 included and excluded		10,584,847

**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)	19,551,345
3	Transmission Plant @ End of Period	(Attachment 4)	<u>19,853,686</u>
4	Sum	(sum lines 2 & 3)	39,405,032
5	Average Balance of Transmission Investment	(line 4/2)	19,702,516
6	Depreciation Expense	Rate Formula Template	<u>8,318</u>
7	Composite Depreciation Rate	(line 6/ line 5)	0.04%
8	Depreciable Life for Composite Depreciation Rate	(1/line 7)	2,368.66
9	Round line 8 to nearest whole year		2,369

**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**

Line #	Description	Source	Year	Balance
1	<b>Calculation of Transmission Plant In Service</b>	Source		
2	December	p206.58.b	2008	-
3	January	company records	2009	-
4	February	company records	2009	-
5	March	company records	2009	-
6	April	company records	2009	-
7	May	company records	2009	-
8	June	company records	2009	-
9	July	company records	2009	-
10	August	company records	2009	-
11	September	company records	2009	-
12	October	company records	2009	-
13	November	company records	2009	-
14	December	p207.58.g	2009	-
15	<b>Transmission Plant In Service</b>	(sum lines 2-14) /13		-
16	<b>Calculation of Distribution Plant In Service</b>	Source		
17	December	p206.75.b	2008	-
18	January	company records	2009	-
19	February	company records	2009	-
20	March	company records	2009	-
21	April	company records	2009	-
22	May	company records	2009	-
23	June	company records	2009	-
24	July	company records	2009	-
25	August	company records	2009	-
26	September	company records	2009	-
27	October	company records	2009	-
28	November	company records	2009	-
29	December	p207.75.g	2009	-
30	<b>Distribution Plant In Service</b>	(sum lines 17-29) /13		-
31	<b>Calculation of Intangible Plant In Service</b>	Source		
32	December	p204.5.b	2008	-
33	December	p205.5.g	2009	-
34	<b>Intangible Plant In Service</b>	(sum lines 32 & 33) /2		-
35	<b>Calculation of General Plant In Service</b>	Source		
36	December	p206.99.b	2008	-
37	December	p207.99.g	2009	-
38	<b>General Plant In Service</b>	(sum lines 36 & 37) /2		-
39	<b>Calculation of Production Plant In Service</b>	Source		
40	December	p204.46b	2008	-
41	January	company records	2009	-
42	February	company records	2009	-
43	March	company records	2009	-
44	April	company records	2009	-
45	May	company records	2009	-
46	March	Attachment 6	2009	-
47	April	company records	2009	-
48	August	company records	2009	-
49	September	company records	2009	-
50	October	company records	2009	-
51	November	company records	2009	-
52	December	p205.46.g	2009	-
53	<b>Production Plant In Service</b>	(sum lines 40-52) /13		-

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

54	<b>Calculation of Common Plant In Service</b>	Source	Year	Balance
55	December (Electric Portion)	p356	2008	-
56	December (Electric Portion)	p356	2009	-
57	<b>Common Plant In Service</b>	(sum lines 55 & 56) /2		-
58	<b>Total Plant In Service</b>	(sum lines 15, 30, 34, 38, 53, & 57)		-

**Accumulated Depreciation Worksheet**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Details
59	<b>Calculation of Transmission Accumulated Depreciation</b>	Source	Year	Balance	
60	December	Prior year p219.25	2008	-	
61	January	company records	2009	-	
62	February	company records	2009	-	
63	March	company records	2009	-	
64	April	company records	2009	-	
65	May	company records	2009	-	
66	June	company records	2009	-	
67	July	company records	2009	-	
68	August	company records	2009	-	
69	September	company records	2009	-	
70	October	company records	2009	-	
71	November	company records	2009	-	
72	December	p219.25	2009	-	
73	<b>Transmission Accumulated Depreciation</b>	(sum lines 60-72) /13		-	
74	<b>Calculation of Distribution Accumulated Depreciation</b>	Source	Year	Balance	
75	December	Prior year p219.26	2008	-	
76	January	company records	2009	-	
77	February	company records	2009	-	
78	March	company records	2009	-	
79	April	company records	2009	-	
80	May	company records	2009	-	
81	June	company records	2009	-	
82	July	company records	2009	-	
83	August	company records	2009	-	
84	September	company records	2009	-	
85	October	company records	2009	-	
86	November	company records	2009	-	
87	December	p219.26	2009	-	
88	<b>Distribution Accumulated Depreciation</b>	(sum lines 75-87) /13		-	
89	<b>Calculation of Intangible Accumulated Depreciation</b>	Source	Year	Balance	
90	December	Prior year p200.21.c	2008	-	
91	December	p200.21c	2009	-	
92	<b>Accumulated Intangible Depreciation</b>	(sum lines 90 & 91) /2		-	
93	<b>Calculation of General Accumulated Depreciation</b>	Source	Year	Balance	
94	December	Prior year p219.28	2008	-	
95	December	p219.28	2009	-	
96	<b>Accumulated General Depreciation</b>	(sum lines 94 & 95) /2		-	

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

97	<u>Calculation of Production Accumulated Depreciation</u>	Source	Year	Balance
98	December	Prior year p219	2008	-
99	January	company records	2009	-
100	February	company records	2009	-
101	March	company records	2009	-
102	April	company records	2009	-
103	May	company records	2009	-
104	June	company records	2009	-
105	July	company records	2009	-
106	August	company records	2009	-
107	September	company records	2009	-
108	October	company records	2009	-
109	November	company records	2009	-
110	December	p219.20 thru 219.24	2009	-
111	<b>Production Accumulated Depreciation</b>	(sum lines 98-110) /13		-
112	<u>Calculation of Common Accumulated Depreciation</u>	Source		
113	December (Electric Portion)	p356	2008	-
114	December (Electric Portion)	p356	2009	-
115	<b>Common Plant Accumulated Depreciation (Electric Only)</b>	(sum lines 113 & 114) /2		-
116	<b>Total Accumulated Depreciation</b>	(sum lines 73, 88, 92, 96, 111, & 115)		-

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

<b>Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions</b>				<b>Details</b>
		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)	-364
119	Account No. 283 (enter negative)	277.9.k	1,004,269	(1,071,807)
120	Account No. 190	234.8.c	3,721,824	5,206,672
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	87,535	91,419

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

	Source			Amos Substation Upgrade	Amos to Midpoint Line	Midpoint Substation and SVC	Midpoint to Interconnection with PATH Allegheny	Total	
124	<b>Calculation of Transmission CWIP</b>								
125	December	216.b	2009	\$ 26,383,626	890,930.03	12,242,480.10	9,619,047.74	3,631,168.46	26,383,626.33
126	January	company records	2010	27,593,378	899,410.48	13,268,259.20	9,636,102.28	3,789,606.40	27,593,378.36
127	February	company records	2010	28,428,585	909,528.19	13,930,148.84	9,664,103.89	3,924,804.52	28,428,585.44
128	March	company records	2010	29,191,646	923,597.00	14,575,141.84	9,684,042.09	4,008,864.63	29,191,645.56
129	April	company records	2010	30,289,665	924,739.87	15,514,051.11	9,694,005.68	4,156,868.43	30,289,665.09
130	May	company records	2010	31,137,532	926,582.48	16,244,021.09	9,713,665.11	4,253,263.21	31,137,531.89
131	June	company records	2010	32,657,232	928,797.55	17,547,754.82	9,729,960.77	4,450,718.89	32,657,232.03
132	July	company records	2010	33,721,230	930,689.91	18,201,711.32	9,753,904.18	4,834,924.72	33,721,230.13
133	August	company records	2010	36,712,699	934,413.56	20,888,160.14	9,788,794.02	5,101,331.21	36,712,698.93
134	September	company records	2010	37,882,305	949,105.75	21,630,470.32	9,828,334.79	5,474,394.25	37,882,305.11
135	October	company records	2010	39,853,625	954,940.87	23,257,547.16	9,870,974.79	5,770,161.73	39,853,624.55
136	November	company records	2010	41,586,380	961,754.59	24,638,605.95	9,897,350.21	6,088,668.82	41,586,379.57
137	December	216.b	2010	44,112,712	968,657.13	26,703,153.91	9,918,310.75	6,522,589.91	44,112,711.70
138	<b>Transmission CWIP</b>	(sum lines 125-137) /13		33,811,586	931,011.34	18,357,038.91	9,753,738.18	4,769,797.32	33,811,585.75

**LAND HELD FOR FUTURE USE**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Beg of year	End of Year	Average	Details
139	LAND HELD FOR FUTURE USE	p214	Total	9,393,949	10,218,905	9,806,427	
			Non-transmission Related	-	-		
			Transmission Related	9,393,949	10,218,905	9,806,427	

**EPRI Dues Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				EPRI Dues	Common Expenses	Details
<b>Allocated General &amp; Common Expenses</b>						
140	EPRI Dues & Common Expenses	p352-353	p356	-	-	

**Regulatory Expense Related to Transmission Cost Support**

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

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

**Safety Related Advertising, Education and Out Reach Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety, Education, Siting & Outreach Related	Other	Details
<b>Directly Assigned A&amp;G</b>							
142	General Advertising Exp Account 930.1	p323.191.b		462,547	462,547	-	None

**Multi-state Workpaper**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions							
Income Tax Rates		State 1	State 2	State 3	State 4	State 5	Weighed Average
143	SIT=State Income Tax Rate or Composite		WV 8.500%				8.50%

**Excluded Plant Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Excluded Transmission Facilities	Description of the Facilities
144	<b>Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities</b> Excluded Transmission Facilities	-	<b>General Description of the Facilities</b>
	Instructions:	<b>Enter \$</b>	None
1	Remove all investment below 69 kV facilities, including the investment allocated to distribution of a dual function substation, generator, interconnection and local and direct assigned facilities for which separate costs are charged and step-up generation substation included in transmission plant in service.	-	
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:	<b>Or</b>	
	<b>Example</b>	<b>Enter \$</b>	
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))	-	

Add more lines if necessary

**Materials & Supplies**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			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				Reference FERC Form 1 page 232 for details. Uncapitalized costs as of date the rates become effective As approved by FERC
149	Beginning Balance of Regulatory Asset	p111.72.d (and notes)	3,915,822	Number of months rates are in effect during the calendar year
150	Months Remaining in Amortization Period		38	
151	Monthly Amortization	(line 149 - line 153) / 152	103,021	
152	Months in Year to be amortized		12	
153	Ending Balance of Regulatory Asset	p111.72.c	2,679,566	
154	Average Balance of Regulatory Asset	(line 149 + line 153)/2	3,297,694	



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

**Capital Structure**

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

155	Monthly Balances for Capital Structure				
156	Year	Debt	Preferred Stock	Common Stock	
157	January	2009	0	-	0
158	February	2009	-	-	-
159	March	2009	-	-	-
160	April	2009	-	-	-
161	May	2009	-	-	-
162	June	2009	-	-	-
163	July	2009	-	-	-
164	August	2009	-	-	-
165	September	2009	-	-	-
166	October	2009	-	-	-
167	November	2009	-	-	-
168	December	2009	-	-	-
169	Average		0	-	0

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

**Detail of Account 566 Miscellaneous Transmission Expenses**

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

170			Total
170	Amortization Expense on Regulatory Asset		1,239,445
171	Miscellaneous Transmission Expense		23,578
172	Total Account 566	Footnote Data: Schedule Page 320 b. 97	1,263,023

**PBOPs**

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

**Details**

173	<u>Calculation of PBOP Expenses</u>	
174	<b><u>PATH-WV - AEP Employees</u></b>	
175	Total PBOP expenses	\$117,254,159
176	Amount relating to retired personnel	\$0
177	Amount allocated on Labor	\$117,254,159
178	Labor dollars	1,151,954,661
179	Cost per labor dollar	\$0.102
180	PATH WV labor (labor not capitalized) current year	436,419
181	PATH WV PBOP Expense for current year	\$44,422
182	PATH WV PBOP Expense in Account 926 for current year	\$19,880
183	PBOP Adjustment for Appendix A, Line 50	\$24,542
184	Lines 175-179 cannot change absent approval or acceptance by FERC in a separate proceeding.	
184	<b><u>PATH-WV - Allegheny Employees</u></b>	
185	Total PBOP expenses	\$22,856,433
186	Amount relating to retired personnel	\$8,786,372
187	Amount allocated on FTEs	\$14,070,061
188	Number of FTEs	4,474
189	Cost per FTE	\$3,145
190	PATH WV FTEs (labor not capitalized) current year	1,805
191	PATH WV PBOP Expense for current year	\$5,676
192	PATH WV PBOP Expense in Account 926 for current year	\$5,812
193	PBOP Adjustment for Appendix A, Line 50	-\$136
194	Lines 185-189 cannot change absent approval or acceptance by FERC in a separate proceeding.	

195	PBOP Expense adjustment	(sum lines 183 & 193)	\$24,406
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**Attachment 4 - Cost Support  
PATH Allegheny Transmission Company, LLC**

**Plant in Service Worksheet**

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

Line #	Description	Source	Year	Balance
1	<b>Calculation of Transmission Plant In Service</b>	Source		
2	December	p206.58.b	2009	19,551,345
3	January	company records	2010	19,551,345
4	February	company records	2010	19,637,987
5	March	company records	2010	19,637,987
6	April	company records	2010	19,690,404
7	May	company records	2010	19,690,413
8	June	company records	2010	19,690,413
9	July	company records	2010	19,690,413
10	August	company records	2010	19,690,413
11	September	company records	2010	19,690,413
12	October	company records	2010	19,853,686
13	November	company records	2010	19,853,686
14	December	p207.58.g	2010	19,853,686
15	<b>Transmission Plant In Service</b>	(sum lines 2-14) /13		19,698,630.21
16	<b>Calculation of Distribution Plant In Service</b>	Source		
17	December	p206.75.b	2009	-
18	January	company records	2010	-
19	February	company records	2010	-
20	March	company records	2010	-
21	April	company records	2010	-
22	May	company records	2010	-
23	June	company records	2010	-
24	July	company records	2010	-
25	August	company records	2010	-
26	September	company records	2010	-
27	October	company records	2010	-
28	November	company records	2010	-
29	December	p207.75.g	2010	-
30	<b>Distribution Plant In Service</b>	(sum lines 17-29) /13		-
31	<b>Calculation of Intangible Plant In Service</b>	Source		
32	December	p204.5b	2009	-
33	December	p205.5.g	2010	-
34	<b>Intangible Plant In Service</b>	(sum lines 32 & 33) /2		-
35	<b>Calculation of General Plant In Service</b>	Source		
36	December	p206.99.b	2009	58,135
37	December	p207.99.g	2010	52,128
38	<b>General Plant In Service</b>	(sum lines 36 & 37) /2		55,132
39	<b>Calculation of Production Plant In Service</b>	Source		
40	December	p204.46b	2009	-
41	January	company records	2010	-
42	February	company records	2010	-
43	March	company records	2010	-
44	April	company records	2010	-
45	May	company records	2010	-
46	March	Attachment 6	2010	-
47	April	company records	2010	-
48	August	company records	2010	-
49	September	company records	2010	-
50	October	company records	2010	-
51	November	company records	2010	-
52	December	p205.46.g	2010	-



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

54	<u>Calculation of Common Plant In Service</u>	Source	Year	Balance
55	December (Electric Portion)	p356	2009	-
56	December (Electric Portion)	p356	2010	-
57	<b>Common Plant In Service</b>	(sum lines 55 & 56) /2		-
58	<b>Total Plant In Service</b>	(sum lines 15, 30, 34, 38, 53, & 57)		19,753,762

**Accumulated Depreciation Worksheet**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					Details
59	<u>Calculation of Transmission Accumulated Depreciation</u>	Source	Year	Balance	
60	December	Prior year p219.25	2009	693	
61	January	company records	2010	1,386	
62	February	company records	2010	2,080	
63	March	company records	2010	2,773	
64	April	company records	2010	3,466	
65	May	company records	2010	4,159	
66	June	company records	2010	4,852	
67	July	company records	2010	5,546	
68	August	company records	2010	6,239	
69	September	company records	2010	6,932	
70	October	company records	2010	7,625	
71	November	company records	2010	8,318	
72	December	p219.25	2010	9,012	
73	<b>Transmission Accumulated Depreciation</b>	(sum lines 60-72) /13		4,852	
74	<u>Calculation of Distribution Accumulated Depreciation</u>	Source	Year	Balance	
75	December	Prior year p219.26	2009	-	
76	January	company records	2010	-	
77	February	company records	2010	-	
78	March	company records	2010	-	
79	April	company records	2010	-	
80	May	company records	2010	-	
81	June	company records	2010	-	
82	July	company records	2010	-	
83	August	company records	2010	-	
84	September	company records	2010	-	
85	October	company records	2010	-	
86	November	company records	2010	-	
87	December	p219.26	2010	-	
88	<b>Distribution Accumulated Depreciation</b>	(sum lines 75-87) /13		-	
89	<u>Calculation of Intangible Accumulated Depreciation</u>	Source	Year	Balance	
90	December	Prior year p200.21.c	2009	876	
91	December	p200.21c	2010	1,262	
92	<b>Accumulated Intangible Depreciation</b>	(sum lines 90 & 91) /2		1,069	
93	<u>Calculation of General Accumulated Depreciation</u>	Source	Year	Balance	
94	December	Prior year p219.28	2009	-	
95	December	p219.28	2010	2,963	
96	<b>Accumulated General Depreciation</b>	(sum lines 94 & 95) /2		1,482	

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

97	<u>Calculation of Production Accumulated Depreciation</u>	Source	Year	Balance
98	December	Prior year p219	2009	-
99	January	company records	2010	-
100	February	company records	2010	-
101	March	company records	2010	-
102	April	company records	2010	-
103	May	company records	2010	-
104	June	company records	2010	-
105	July	company records	2010	-
106	August	company records	2010	-
107	September	company records	2010	-
108	October	company records	2010	-
109	November	company records	2010	-
110	December	p219.20 thru 219.24	2010	-
111	<b>Production Accumulated Depreciation</b>	(sum lines 98-110) /13		-
112	<u>Calculation of Common Accumulated Depreciation</u>	Source		
113	December (Electric Portion)	p356	2009	-
114	December (Electric Portion)	p356	2010	-
115	<b>Common Plant Accumulated Depreciation (Electric Only)</b>	(sum lines 113 & 114) /2		-
116	<b>Total Accumulated Depreciation</b>	(sum lines 73, 88, 92, 96, 111, & 115)		7,403

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

<b>Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions</b>			<b>Details</b>		
			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	(379,025)	(110,936)	(244,981) Adjust year ending balance to exclude FAS 109 regulated liability
119	Account No. 283 (enter negative)	277.9.k	(305,117)	(602,768)	(453,943)
120	Account No. 190	234.8.c	601,155	1,560,370	1,080,763 Adjust year ending balance to exclude FAS 109 regulated asset
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	13,268	26,293	19,781

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

124	<b>Calculation of Transmission CWIP</b>	Source			Kemptown Substation	Kemptown to Interconnection with PATH West		Welton Spring Substation and	Total
						Virginia	SVC		
125	December	216.b	2009	25,815,936	4,289,899	18,812,890	2,713,146	25,815,936	
126	January	company records	2010	27,433,045	4,588,389	20,041,237	2,803,418	27,433,045	
127	February	company records	2010	28,730,761	4,873,485	20,973,036	2,884,240	28,730,761	
128	March	company records	2010	29,991,804	5,002,680	22,039,325	2,949,799	29,991,804	
129	April	company records	2010	30,989,070	5,132,811	22,843,411	3,012,848	30,989,070	
130	May	company records	2010	31,900,193	5,323,662	23,404,021	3,172,510	31,900,193	
131	June	company records	2010	32,985,715	5,502,219	24,288,969	3,194,526	32,985,715	
132	July	company records	2010	33,831,929	5,660,302	24,952,609	3,219,018	33,831,929	
133	August	company records	2010	35,718,856	5,902,873	26,492,023	3,323,959	35,718,856	
134	September	company records	2010	37,159,889	6,344,304	27,444,211	3,371,375	37,159,889	
135	October	company records	2010	38,778,279	6,687,668	28,641,659	3,448,952	38,778,279	
136	November	company records	2010	40,461,680	6,871,642	29,893,333	3,696,704	40,461,680	
137	December	216.b	2010	42,051,569	7,106,068.15	31,195,686.36	3,749,814.33	42,051,569	
138	<b>Transmission CWIP</b>	(sum lines 125-137) /13		33,526,825	5,637,385	24,694,032	3,195,408	33,526,825	

**LAND HELD FOR FUTURE USE**

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

**EPRI Dues Cost Support**

<b>Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions</b>				<b>Details</b>	
<b>Allocated General &amp; Common Expenses</b>				<b>EPRI Dues</b>	<b>Common Expenses</b>
140	EPRI Dues & Common Expenses	p352-353	p356	-	-

**Regulatory Expense Related to Transmission Cost Support**

<b>Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions</b>				<b>Form 1 Amount</b>	<b>Transmission Related</b>	<b>Non-transmission</b>	<b>Details</b>
141	<b>Directly Assigned A&amp;G</b>						
	Regulatory Commission Exp Account 928		p323.189.b	30,756	30,756	-	

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

**Safety Related Advertising, Education and Out Reach Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety, Education, Siting & Outreach Related	Other	Details
<b>Directly Assigned A&amp;G</b>							
142	General Advertising Exp Account 930.1		p323.191.b	151,268	151,268	-	None

**Multi-state Workpaper**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Weighed Average
<b>Income Tax Rates</b>									
143	SIT=State Income Tax Rate or Composite			MD 8.250%	WV 8.500%	VA 6.000%			8.088%

**Excluded Plant Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
144	<b>Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities</b>			-	General Description of the Facilities
	Excluded Transmission Facilities			Enter \$	None
	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:			Or	
		<b>Example</b>		Enter \$	
	A Total investment in substation	1,000,000		-	
	B Identifiable investment in Transmission (provide workpapers)	500,000		-	
	C Identifiable investment in Distribution (provide workpapers)	400,000		-	
	D Amount to be excluded (A x (C / (B + C)))	444,444		-	

Add more lines if necessary

**Materials & Supplies**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				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				
149	Beginning Balance of Regulatory Asset	p111.72.d (and notes)	593,003	Reference FERC Form 1 page 232 for details. Uncapitalized costs as of date the rates become effective As approved by FERC  Number of months rates are in effect during the calendar year
150	Months Remaining in Amortization Period		38	
151	Monthly Amortization	(line 149 - line 153) / 152	15,605	
152	Months in Year to be Amortized		12	
153	Ending Balance of Regulatory Asset	p111.72.c	405,739	
154	Average Balance of Regulatory Asset	(line 149 + line 153)/2	499,371	

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

**Capital Structure**

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

155	Monthly Balances for Capital Structure				
156	Year	Debt	Preferred Stock	Common Stock	
157	January	2010	0	-	0
158	February	2010	-	-	-
159	March	2010	-	-	-
160	April	2010	-	-	-
161	May	2010	-	-	-
162	June	2010	-	-	-
163	July	2010	-	-	-
164	August	2010	-	-	-
165	September	2010	-	-	-
166	October	2010	-	-	-
167	November	2010	-	-	-
168	December	2010	-	-	-
169	Average		0	-	0

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

**Detail of Account 566 Miscellaneous Transmission Expenses**

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

		Total
170	Amortization Expense on Regulatory Asset	187,264
171	Miscellaneous Transmission Expense	(3,224)
172	Total Account 566	184,040

Footnote Data: Schedule Page 320 b. 97

**PBOPs**

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

Details

173	<b>Calculation of PBOP Expenses</b>	
174	<b>PATH - Allegheny - Allegheny Employees</b>	
175	Total PBOP expenses	\$22,856,433
176	Amount relating to retired personnel	\$8,786,372
177	Amount allocated on FTEs	\$14,070,061
178	Number of FTEs	4,475
179	Cost per FTE	\$3,144
180	PATH Allegheny FTEs (labor not capitalized) current year	2.02
181	PATH Allegheny PBOP Expense for current year	\$6,358
182	PATH Allegheny PBOP Expense in Account 926 for current year	\$5,403
183	PBOP Adjustment for Appendix A, Line 50	955
184	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

1 New Plant Carrying Charge

Formula Line	Item	
5	NET REVENUE REQUIREMENT	13,348,099
21	NET TRANSMISSION PLANT IN SERVICE	-
32	CWIP	33,811,586
<b>Carrying charge (line 3/sum of lines 4 and 5)</b>		<b>0.39478</b>

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

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

		PJM Upgrade ID: b0490 & b0491					
Details		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	Totals
9	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Yes	Yes	Yes		Yes	
10	Schedule 12 FCR for This Project	39.5%	39.5%	39.5%	39.5%	39.5%	
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	Investment	931,011	18,357,039	9,753,738	4,769,797	-	33,811,586
	<b>Revenue Requirement</b>	367,543.58	7,246,970.52	3,850,569.44	1,883,015.05	-	13,348,099

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

1  
2  
3  
4  
5  
6

New Plant Carrying Charge

Formula Line	Item	
5	NET REVENUE REQUIREMENT	11,262,217
21	NET TRANSMISSION PLANT IN SERVICE	19,693,778
32	CWIP	33,526,825
<b>Carrying charge (line 3/sum of lines 4 and 5)</b>		<b>0.21161</b>

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

7  
8

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 year:

9  
10  
11  
12

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

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.

PJM Upgrade ID: b0492 & b0560					
Details	Kempton Substation - CWIP	Kempton to Interconnection with PATH West Virginia - CWIP	Welton Spring Substation and SVC - CWIP	Transmission Plant In Service	Totals
Schedule 12 (Yes or No)	Yes	Yes	Yes	Yes	
FCR for This Project	21.2%	21.2%	21.2%	21.2%	
Investment	5,637,385	24,694,032	3,195,408	19,693,778	53,220,603
<b>Revenue Requirement</b>	1,192,948.79	5,225,599.36	676,192.72	4,167,476.35	11,262,217.22

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

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.

<b>Total Loan Amount</b>	<b>\$ 600,000,000</b>
--------------------------	-----------------------

**Internal Rate of Return<sup>1</sup>** 6.64%

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

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

<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>
<b>Annual Rating Agency Fee</b>	<b>200,000</b>
<b>Annual Bank Agency Fee</b>	<b>75,000</b>
<b>Revolving Credit Commitment Fee</b>	<b>0.375%</b>

	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%
<b>Interest Rate</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.94%</b>	<b>5.94%</b>

(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.

<b>Total Loan Amount</b>	<b>\$ 300,000,000</b>
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<b>Internal Rate of Return<sup>1</sup></b>	<b>6.76%</b>
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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	1,000,000
Upfront Fee	2,200,000
Rating Agency Fee	200,000
Legal Fees	750,000
Total Issuance Expense	<b>4,150,000</b>
<b>Annual Rating Agency Fee</b>	
Annual Rating Agency Fee	200,000
Annual Bank Agency Fee	75,000
<b>Revolving Credit Commitment Fee</b>	<b>0.375%</b>

	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).

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

**Attachment 7**  
**PATH West Virginia Transmission Company, LLC**

**(HYPOTHETICAL EXAMPLE)**

	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
<b>Debt:</b>							
<u>First Mortgage Bonds:</u>							
	\$ 300,000,000	\$2,900,000	(\$2,320,000)	\$0	\$294,780,000	#N/A	#N/A
<u>Other Long Term Debt:</u>							
6.600% Series Medium Term Notes Due 2021	\$ 200,000,000	\$1,800,000		-	\$198,200,000	#N/A	#N/A
Total Debt	<u>\$ 500,000,000</u>	<u>\$ 4,700,000</u>	<u>\$ (2,320,000)</u>	<u>\$ -</u>	<u>\$ 492,980,000</u>	<u>#N/A</u>	<u>#N/A</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:**

	Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance	Issuance Expense	Loss on Reacquired Debt	Net Proceeds	Net Proceeds Ratio	Coupon Rate	Effective Cost Rate	Annual Interest
<u>First Mortgage Bonds</u>											
7.090% Series Due 2041	1/1/2014	6/30/2044	\$ 300,000,000	\$ (2,400,000)	\$ 3,000,000	-	\$ 294,600,000	98.2000	0.07090	#N/A	\$ 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	#N/A	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.

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

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

	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
<b>Debt:</b>							
<u>First Mortgage Bonds:</u>	\$ 300,000,000	\$2,900,000	(\$2,320,000)	\$0	\$294,780,000	#N/A	#N/A
<u>Other Long Term Debt:</u>							
6.600% Series Medium Term Notes Due 2021	\$ 200,000,000	\$1,800,000		-	\$198,200,000	#N/A	#N/A
Total Debt	<u>\$ 500,000,000</u>	<u>\$ 4,700,000</u>	<u>\$ (2,320,000)</u>	<u>\$ -</u>	<u>\$ 492,980,000</u>	<u>#N/A</u>	<u>#N/A</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:**

	Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance	Issuance Expense	Loss on Reacquired Debt	Net Proceeds	Net Proceeds Ratio	Coupon Rate	Effective Cost Rate	Annual Interest
<u>First Mortgage Bonds</u>											
7.090% Series Due 2041	1/1/2014	6/30/2044	\$ 300,000,000	\$ (2,400,000)	\$ 3,000,000	-	\$ 294,600,000	98.2000	0.07090	#N/A	\$ 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	#N/A	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 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 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>					<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
					35,750	1,035,750
January through December	Year 2010	1,035,750	0.5500%	12	68,360	1,104,110
<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	1,014,851
February	Year 2011	(1,014,851)	0.5500%		5,582	925,101
March	Year 2011	(925,101)	0.5500%		5,088	834,857
April	Year 2011	(834,857)	0.5500%		4,592	744,117
May	Year 2011	(744,117)	0.5500%		4,093	652,879
June	Year 2011	(652,879)	0.5500%		3,591	561,138
July	Year 2011	(561,138)	0.5500%		3,086	468,893
August	Year 2011	(468,893)	0.5500%		2,579	376,140
September	Year 2011	(376,140)	0.5500%		2,069	282,877
October	Year 2011	(282,877)	0.5500%		1,556	189,102
November	Year 2011	(189,102)	0.5500%		1,040	94,810
December	Year 2011	(94,810)	0.5500%		521	0
					39,869	
True-Up Adjustment with Interest					\$	1,143,978
Less Over (Under) Recovery					\$	(1,000,000)
Total Interest					\$	143,978

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

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
		0.5500%				

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

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

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

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

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

SUMMARY							
YEAR	Estimated Effective cost of debt used in forecast/true up	Final Effective cost of debt for the construction loan:	Hypothetical Revenue Requirement			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)	0.560%	\$ 209,670.43
2010	7.2%	7.00%	\$8,300,000.00	\$8,200,000.00	\$ 100,000.00	0.540%	\$ (131,109.09)
2011	7.3%	7.00%	\$12,300,000.00	\$12,000,000.00	\$ 300,000.00	0.580%	\$ (368,656.73)
2012*	7.1%	6.83%	\$18,000,000.00	\$17,900,000.00	\$ 100,000.00	0.570%	\$ (114,946.28)
2013**	6.50%	6.50%	\$25,000,000.00	\$25,000,000.00	\$ -		
2014**	6.50%	6.50%					\$ (553,329.99)

\* Assumes that the construction loan is retired on Sept 1, 2012  
 \*\* Assumes permanent debt structure is put in place on Sept 1, 2012 with effective rate of 6.5%  
 Note: True-Up period is 2008 - 2012, with the true-up amount included in 2014 forecasted ATRR. Final effective cost of debt for 2012 is computed as follows: ((7%\*243days)+(6.5%\*122days))/365days

**Calculation of Applicable Interest Expense for each ATRR period**

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

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

				Monthly		
Month	Year	Over (Under) Recovery Plus Interest	Interest Rate	Months	Calculated Interest	Surcharge (Refund) Owed
January	Year 2008	-	0.5500%	12.00	-	-
February	Year 2008	-	0.5500%	11.00	-	-
March	Year 2008	10,000	0.5500%	10.00	(550)	(10,550)
April	Year 2008	10,000	0.5500%	9.00	(495)	(10,495)
May	Year 2008	10,000	0.5500%	8.00	(440)	(10,440)
June	Year 2008	10,000	0.5500%	7.00	(385)	(10,385)
July	Year 2008	10,000	0.5500%	6.00	(330)	(10,330)
August	Year 2008	10,000	0.5500%	5.00	(275)	(10,275)
September	Year 2008	10,000	0.5500%	4.00	(220)	(10,220)
October	Year 2008	10,000	0.5500%	3.00	(165)	(10,165)
November	Year 2008	10,000	0.5500%	2.00	(110)	(10,110)
December	Year 2008	10,000	0.5500%	1.00	(55)	(10,055)
					(3,025)	(103,025)
				Annual		
January through December	Year 2009	(103,025)	0.5600%	12.00	(6,923)	(109,948)
January through December	Year 2010	(109,948)	0.5400%	12.00	(7,125)	(117,073)
January through December	Year 2011	(117,073)	0.5800%	12.00	(8,148)	(125,221)
January through December	Year 2012	(125,221)	0.5700%	12.00	(8,565)	(133,786)
January through December	Year 2013	(133,786)	0.5700%	12.00	(9,151)	(142,937)
				Monthly		
January	Year 2014	142,937	0.5700%		(815)	(131,395)
February	Year 2014	131,395	0.5700%		(749)	(119,786)
March	Year 2014	119,786	0.5700%		(683)	(108,112)
April	Year 2014	108,112	0.5700%		(616)	(96,371)
May	Year 2014	96,371	0.5700%		(549)	(84,563)
June	Year 2014	84,563	0.5700%		(482)	(72,687)
July	Year 2014	72,687	0.5700%		(414)	(60,744)
August	Year 2014	60,744	0.5700%		(346)	(48,733)
September	Year 2014	48,733	0.5700%		(278)	(36,653)
October	Year 2014	36,653	0.5700%		(209)	(24,505)
November	Year 2014	24,505	0.5700%		(140)	(12,287)
December	Year 2014	12,287	0.5700%		(70)	0
					(5,351)	
Total Amount of True-Up Adjustment for 2008 ATRR					\$	(148,288)
Less Over (Under) Recovery					\$	100,000
Total Interest					\$	(48,288)

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

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

<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	169,370
March	Year 2014	(169,370)	0.5700%		965	152,863
April	Year 2014	(152,863)	0.5700%		871	136,262
May	Year 2014	(136,262)	0.5700%		777	119,566
June	Year 2014	(119,566)	0.5700%		682	102,775
July	Year 2014	(102,775)	0.5700%		586	85,888
August	Year 2014	(85,888)	0.5700%		490	68,905
September	Year 2014	(68,905)	0.5700%		393	51,826
October	Year 2014	(51,826)	0.5700%		295	34,649
November	Year 2014	(34,649)	0.5700%		197	17,374
December	Year 2014	(17,374)	0.5700%		99	(0)
					7,566	
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)	(85,206)
May	Year 2014	85,206	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 prorata over 2011, held for 2012, 2013 and returned prorata over 2014							
						Monthly	
January	Year 2011	25,000	0.5800%	12.00	(1,740)	(26,740)	
February	Year 2011	25,000	0.5800%	11.00	(1,595)	(26,595)	
March	Year 2011	25,000	0.5800%	10.00	(1,450)	(26,450)	
April	Year 2011	25,000	0.5800%	9.00	(1,305)	(26,305)	
May	Year 2011	25,000	0.5800%	8.00	(1,160)	(26,160)	
June	Year 2011	25,000	0.5800%	7.00	(1,015)	(26,015)	
July	Year 2011	25,000	0.5800%	6.00	(870)	(25,870)	
August	Year 2011	25,000	0.5800%	5.00	(725)	(25,725)	
September	Year 2011	25,000	0.5800%	4.00	(580)	(25,580)	
October	Year 2011	25,000	0.5800%	3.00	(435)	(25,435)	
November	Year 2011	25,000	0.5800%	2.00	(290)	(25,290)	
December	Year 2011	25,000	0.5800%	1.00	(145)	(25,145)	
					(11,310)	<b>(311,310)</b>	
						Annual	
January through December	Year 2012		0.5700%	12.00	(21,294)	(332,604)	
January through December	Year 2013	(311,310)	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)	(297,798)
March	Year 2014	297,798	0.5700%		(1,697)	(30,721)	(268,774)
April	Year 2014	268,774	0.5700%		(1,532)	(30,721)	(239,585)
May	Year 2014	239,585	0.5700%		(1,366)	(30,721)	(210,229)
June	Year 2014	210,229	0.5700%		(1,198)	(30,721)	(180,706)
July	Year 2014	180,706	0.5700%		(1,030)	(30,721)	(151,015)
August	Year 2014	151,015	0.5700%		(861)	(30,721)	(121,154)
September	Year 2014	121,154	0.5700%		(691)	(30,721)	(91,123)
October	Year 2014	91,123	0.5700%		(519)	(30,721)	(60,921)
November	Year 2014	60,921	0.5700%		(347)	(30,721)	(30,547)
December	Year 2014	30,547	0.5700%		(174)	(30,721)	0
					(13,303)		
Total Amount of True-Up Adjustment for 2011 ATRR					\$	(368,657)	
Less Over (Under) Recovery					\$	300,000	
Total Interest					\$	(68,657)	

<b>Calculation of Interest for 2012 True-Up Period</b>							
An over or under collection will be recovered prorata over 2012, held for 2013 and returned prorata 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)	<b>(103,705)</b>	
						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)	(9,525)
December	Year 2014	9,525	0.5700%		(54)	(9,579)	0
					(4,146)		
Total Amount of True-Up Adjustment for 2012 ATRR					\$	(114,946)	
Less Over (Under) Recovery					\$	100,000	
Total Interest					\$	(14,946)	

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

Applicable to PATH West Virginia Transmission Company, LLC

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

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

Applicable to PATH Allegheny 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	8,318
Total Transmission Plant Depreciation			8,318
Total Transmission Depreciation Expense (must tie to p336.7.b & c)			8,318
<b>GENERAL PLANT</b>			
390	Structures & Improvements	2.00	980
391	Office Furniture & Equipment	5.00	2,371
	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			3,350
Total General Plant Depreciation Expense (must tie to p336.10.b.c.d&e)			3,350
<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.			

## **Appendix C**

**PATH WEST VIRGINIA TRANSMISSION COMPANY, LLC (PATH WV)**  
**EXHIBIT 5 - HISTORIC OPERATIONS & MAINTENANCE REPORT**  
for year ended December 31, 2010

	Siting and right-of-way services	CPCN Permitting services	Engineering, Design and Construction Management services	Business services	Risk Management Services	Tax Compliance services	Administrative services
<b>Labor by Dept (includes labor dollars &amp; labor overheads)</b>							
Finance, Accounting & Strategic Planning	-	1,009	-	162,022	4,589	5,142	252,536
Shared Services	2,775	2,548	-	36	-	-	489,496
Legal	-	-	-	8,317	18	358	56,640
Transmission	-	-	-	52,470	1,488	-	75,026
Regulatory Services	-	1,896	-	0	-	-	174,466
Utility Operations	-	-	-	474	-	-	-
Environmental & Safety	-	-	-	-	-	-	-
RTO, Government & Public Policy	-	-	-	-	-	-	-
Strategic Analysis	-	-	-	-	-	-	-
Transmission & Interconnection Svcs	-	-	-	-	-	-	-
<b>Total Labor</b>	<b>2,775</b>	<b>5,453</b>	<b>-</b>	<b>223,319</b>	<b>6,095</b>	<b>5,500</b>	<b>1,048,165</b>
<b>Overheads</b>							
Finance, Accounting & Strategic Planning	-	27	-	194,242	15,278	5,558	75,578
Shared Services	3	(71)	-	2,978	7	-	158,753
Legal	-	-	-	37,269	45	542	72,950
Transmission	-	-	-	43,138	1,128	-	72,588
Regulatory Services	-	5,312	-	3,973	-	-	88,901
Utility Operations	-	-	-	1,202	-	-	(3)
Environmental & Safety	-	-	-	-	-	-	-
RTO, Government & Public Policy	-	-	-	-	-	-	-
Strategic Analysis	-	-	-	-	-	-	-
Transmission & Interconnection Svcs	-	-	-	-	-	-	-
PJM Bill	-	-	-	-	-	-	-
Reorganization	-	-	-	114,242	-	-	-
Miscellaneous allocated billings	-	-	-	11,530	-	164	-
<b>Total Overheads</b>	<b>3</b>	<b>5,268</b>	<b>-</b>	<b>408,575</b>	<b>16,459</b>	<b>6,264</b>	<b>468,767</b>

**PATH WEST VIRGINIA TRANSMISSION COMPANY, LLC (PATH WV)**  
**EXHIBIT 5 - HISTORIC OPERATIONS & MAINTENANCE REPORT**  
for year ended December 31, 2010

	Siting and right-of-way services	CPCN Permitting services	Engineering, Design and Construction Management services	Business services	Risk Management Services	Tax Compliance services	Administrative services
<b>Outside Services</b>							
Professional Services	-	9	-	246,601	93,126	10	262,282
Legal	-	-	-	-	-	-	36,753
Tax and Accounting	-	21	-	161	-	768	23,265
Temporary labor	-	5	-	123	-	273	994,519
Miscellaneous allocated billings	84	2,923	65,431	14,898	-	5	41,136
Payment to FERC	-	-	-	-	-	-	-
Total Outside Services	84	2,958	65,431	261,783	93,126	1,057	1,357,954
<b>Materials</b>							
Miscellaneous allocated billings	12	254	-	-	-	-	9,374
Total Materials	12	254	-	-	-	-	9,374
<b>Employee Expenses</b>							
Meals	33	40	-	68	0	4	2,366
Other Travel (Lodging, Airfare, Mileage)	73	599	-	405	155	20	22,601
Total Employee Expenses	106	639	-	473	156	25	24,966
<b>Other</b>							
PJM Bill	-	-	-	-	-	-	(3,986)
Utility Operations & Transmission	-	-	-	-	-	-	-
Miscellaneous allocated billings	12	67	97	14,654	20	(14,673)	6,844
Total Other	12	67	97	14,654	20	(14,673)	2,858
<hr/>							
Amortization of Regulatory Assets		1,239,445					
Amortization of Prepaid Insurance		(117,365)					
Audit Adjustment		-					
Total Amortization		1,122,080					

**PATH WEST VIRGINIA TRANSMISSION COMPANY, LLC (PATH WV)**  
**EXHIBIT 5 - HISTORIC OPERATIONS & MAINTENANCE REPORT**  
**for year ended December 31, 2010**

Siting and right-of-way services	CPCN Permitting services	Engineering, Design and Construction Management services	Business services	Risk Management Services	Tax Compliance services	Administrative services
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**PATH WEST VIRGINIA TRANSMISSION COMPANY, LLC (PATH WV)**  
**EXHIBIT 5 - HISTORIC OPERATIONS & MAINTENANCE REPORT**  
**for year ended December 31, 2010**

		Siting and right-of-way services	CPCN Permitting services	Engineering, Design and Construction Management services	Business services	Risk Management Services	Tax Compliance services	Administrative services
Total PATH -WV	1,122,080	2,992	14,639	65,527	908,803	115,855	(1,828)	2,912,084

## **Appendix D**

**PATH - ALLEGHENY  
HISTORIC O&M REPORT  
for year to date December 31, 2010**

	GRAND TOTAL
Labor & Overheads	\$ 1,337,324
Outside Services	1,066,592
Employee Expenses	81,174
PJM Invoice	(3,728)
Amortization	187,264
Corporate Allocations	45,619
Other	-
<b>Total</b>	<b>\$ 2,714,246</b>

**Labor by Dept (includes labor dollars & labor overheads)**

Description of department providing labor:	
Audit Services	\$ 15,046
Controller	107,364
Corporate Communications	51,721
Corporate Services	164,421
Environmental Safety	5,096
Executive	14,490
External Affairs	222,972
Finance	11,580
Human Resources	605,251
Information Tech	16,696
Legal	28,096
Rates	44,624
Risk management	7,970
Strategic Planning	1,746
Supply Chain	11,200
System Security	4,335
Transmission	13,236
Treasury	11,482
<b>Total Labor</b>	<b>\$ 1,337,324</b>

**Corporate Allocations**

Description of department or overhead item:	
Taxes	\$ -
Insurance	25,811
Other - Regulatory Services	14,014
Rent	82,180
Utilities	36,802
IT	6,004
Communications & Public Relations	290,126
Payroll Overhead Credits	(492,163)
Other	82,845
<b>Total Corporate Allocations</b>	<b>\$ 45,619</b>

**PATH - ALLEGHENY  
HISTORIC O&M REPORT  
for year to date December 31, 2010**

		GRAND TOTAL
<b>Outside Services</b>		
Description of service provided		
Audit	\$	24,955
Expert Testimony		-
Legal		87,309
IT		123,096
Communications & Public Relations		804,640
Miscellaneous allocated billings		26,592
 Total Outside Services	 \$	 1,066,592
<b>Employee Expenses</b>		
Type of expense		
Meals & Lodging	\$	37,741
Transportation		25,130
Other		18,303
 Total Employee Expenses	 \$	 81,174
Carrying Charges, Amort, PJM Bill & Other	\$	183,536
 Total	 \$	 2,714,246

## **Appendix E**

**PATH West Virginia Transmission Company, LLC  
Historic Capital Investment for 2010  
January 1, 2010 - December 31, 2010  
(in dollars)**

2010 - Total PATH Project - All Service Agreements													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Allegheny Capital	\$ 106,560	\$ 108,128	\$ 132,195	\$ 155,743	\$ 140,187	\$ 156,484	\$ 111,417	\$ 189,604	\$ 245,442	\$ 226,831	\$ 169,091	\$ 83,904	\$ 1,825,587
Total AEP Capital	264,002	249,631	258,401	213,018	242,825	239,647	320,985	311,874	7,318	425,108	359,822	961,388	3,854,018
Total Direct Costs and Accruals	839,190	477,447	372,464	729,259	464,855	1,123,569	1,456,552	2,489,991	916,846	1,319,380	1,203,842	1,481,040	12,874,436
<b>Total 2010 - PATH Project</b>	<b>\$ 1,209,752</b>	<b>\$ 835,207</b>	<b>\$ 763,060</b>	<b>\$ 1,098,020</b>	<b>\$ 847,867</b>	<b>\$ 1,519,700</b>	<b>\$ 1,888,954</b>	<b>\$ 2,991,469</b>	<b>\$ 1,169,606</b>	<b>\$ 1,971,319</b>	<b>\$ 1,732,755</b>	<b>\$ 2,526,332</b>	<b>\$ 18,554,041</b>

2010 - Siting and ROW Services													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Allegheny Capital	\$ 29,212	\$ 34,321	\$ 54,150	\$ 51,677	\$ 37,029	\$ 53,621	\$ 29,574	\$ 30,844	\$ 41,269	\$ 35,667	\$ 30,780	\$ 28,742	\$ 456,884
AEP Capital	\$ 32,327	\$ 27,674	\$ 19,854	\$ 27,689	\$ 31,914	\$ 31,114	\$ 27,984	\$ 27,653	\$ 38,945	\$ 42,438	\$ 29,356	\$ 37,017	\$ 373,965
Total Direct Costs and Accruals	\$ 792,796	\$ 440,293	\$ 210,566	\$ 566,803	\$ 402,711	\$ (441,706)	\$ 533,247	\$ 597,176	\$ 590,751	\$ 847,033	\$ 831,993	\$ 749,791	\$ 6,121,453
<b>Total Siting &amp; ROW</b>	<b>\$ 854,335</b>	<b>\$ 502,287</b>	<b>\$ 284,570</b>	<b>\$ 646,168</b>	<b>\$ 471,654</b>	<b>\$ (356,972)</b>	<b>\$ 590,805</b>	<b>\$ 655,672</b>	<b>\$ 670,965</b>	<b>\$ 925,137</b>	<b>\$ 892,129</b>	<b>\$ 815,551</b>	<b>\$ 6,952,301</b>

2010 - CPCN Permitting Services													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Allegheny Capital	9,554	5,860	3,845	10,573	11,823	17,607	20,179	34,217	32,004	24,774	20,134	22,011	212,579
AEP Capital	18,018	9,580	9,134	6,540	6,490	13,806	21,179	17,290	(133,340)	87,215	11,077	5,469	72,458
Total Direct Costs and Accruals	79,583	25,248	13,864	99,230	29,000	77,060	106,952	70,315	51,050	27,732	16,682	35,718	632,435
<b>Total Permitting</b>	<b>107,155</b>	<b>40,688</b>	<b>26,842</b>	<b>116,343</b>	<b>47,313</b>	<b>108,473</b>	<b>148,309</b>	<b>121,823</b>	<b>(50,287)</b>	<b>139,721</b>	<b>47,893</b>	<b>63,198</b>	<b>917,471</b>

2010 - Engineering, Design & Construction Services													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
AEP Capital	\$ 212,755	\$ 212,227	\$ 228,571	\$ 177,884	\$ 203,575	\$ 194,725	\$ 270,114	\$ 266,914	\$ 101,713	\$ 292,992	\$ 319,389	\$ 914,938	\$ 3,395,797
Total Direct Costs and Accruals	\$ (33,190)	\$ 11,907	\$ 148,035	\$ 63,226	\$ 33,145	\$ 1,488,215	\$ 816,354	\$ 1,822,500	\$ 275,045	\$ 444,615	\$ 355,167	\$ 695,530	\$ 6,120,549
<b>Tot. Eng, Design &amp; Constr</b>	<b>\$ 179,566</b>	<b>\$ 224,134</b>	<b>\$ 376,606</b>	<b>\$ 241,110</b>	<b>\$ 236,720</b>	<b>\$ 1,682,940</b>	<b>\$ 1,086,468</b>	<b>\$ 2,089,414</b>	<b>\$ 376,759</b>	<b>\$ 737,607</b>	<b>\$ 674,555</b>	<b>\$ 1,610,468</b>	<b>\$ 9,516,345</b>

2010 - Administrative Services													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Allegheny Capital	\$ 67,795	\$ 67,948	\$ 74,200	\$ 93,494	\$ 91,335	\$ 85,257	\$ 61,664	\$ 124,543	\$ 172,170	\$ 166,391	\$ 118,177	\$ 33,151	\$ 1,156,125
AEP Capital	\$ 901	\$ 150	\$ 842	\$ 905	\$ 846	\$ 2	\$ 1,709	\$ 17	\$ -	\$ 2,463	\$ 0	\$ 3,965	\$ 11,799
<b>Total Admin. Svcs.</b>	<b>\$ 68,696</b>	<b>\$ 68,098</b>	<b>\$ 75,042</b>	<b>\$ 94,399</b>	<b>\$ 92,181</b>	<b>\$ 85,259</b>	<b>\$ 63,373</b>	<b>\$ 124,560</b>	<b>\$ 172,170</b>	<b>\$ 168,854</b>	<b>\$ 118,177</b>	<b>\$ 37,116</b>	<b>\$ 1,167,924</b>

## **Appendix F**

**PATH-Allegheny Transmission Company, LLC**  
**Historic Capital Investment for 2010**  
**January 1, 2010 - December 31, 2010**  
**(in dollars)**

	January	February	March	April	May	June	July	August	September	October	November	December	<i>Total Year 2010</i>
<b>Total Capital Expenditures - PATH-AYE</b>	\$ 1,616,000	\$ 1,385,893	\$ 1,264,779	\$ 1,051,152	\$ 911,868	\$ 1,087,052	\$ 845,030	\$ 1,880,329	\$ 1,430,142	\$ 1,800,990	\$ 1,677,070	\$ 1,587,668	\$ 16,537,974
Internal Labor and O/H	103,514	101,520	140,976	113,636	111,287	119,447	88,864	133,381	258,155	174,947	140,335	123,922	1,609,986
Employee Expense	5,242	3,596	2,251	3,948	1,683	3,460	1,474	5,720	9,799	15,444	12,825	8,807	74,250
Professional Outside Services	1,405,247	1,249,672	615,655	621,718	715,146	880,015	735,550	1,440,299	1,032,201	1,144,034	1,452,811	1,195,749	12,488,098
Owner-Procured Material													-
ROW	84,852	13,580	488,777	294,668	68,739	73,695	7,871	291,498	125,749	425,801	66,038	280,374	2,221,641
Outside Services - Construction													-
Other (Miscellaneous)	17,145	17,525	17,119	17,181	15,014	10,435	11,271	9,430	4,237	40,764	5,060	(21,183)	143,998

## **Appendix G**

Annual Report on Construction Work in Progress  
Pursuant to Section V.B. of Implementation Protocols

PATH-WV

1. The actual amount of CWIP recorded at December 31, 2010 for PATH-WV is \$44,112,711.
2. No AFUDC has been included in the CWIP balance relating to year 2010.
3. The resulting effect of AFUDC on the CWIP revenue requirement is zero.
4. Please see 5 below for the current status of the PATH-WV project.
5. On February 28, 2011, PJM Interconnection, L.L.C. (PJM) announced that it had decided to hold this project in abeyance in its 2011 Regional Transmission Expansion Plan (RTEP) and directed First Energy and AEP to suspend current development efforts on the project, subject to those activities necessary to maintain the project in its current state, while PJM conducts more rigorous analysis of the potential need for the project as part of its continuing RTEP process. PJM further stated that its action did not constitute a directive to First Energy and AEP to cancel or abandon the project. Following the PJM announcement, the West Virginia Public Service Commission granted a motion by PATH-WV and PATH-Allegheny to withdraw their application for authorization to construct the PATH Project in West Virginia.

PATH-Allegheny

1. The actual amount of CWIP recorded at December 31, 2010 for PATH-Allegheny is \$42,051,569.
2. No AFUDC has been included in the CWIP balance relating to year 2010.
3. The resulting effect of AFUDC on the CWIP revenue requirement is zero.
4. Please see 5 below for the current status of the PATH-Allegheny project.
5. On February 28, 2011, PJM Interconnection, L.L.C. (PJM) announced that it had decided to hold this project in abeyance in its 2011 Regional Transmission Expansion Plan (RTEP) and directed First Energy and AEP to suspend current development efforts on the project, subject to those activities necessary to maintain the project in its current state, while PJM conducts more rigorous analysis of the potential need for the project as part of its continuing RTEP process. PJM further stated that its action did not constitute a directive to First Energy and AEP to cancel or abandon the project. Following the PJM announcement, the West Virginia Public Service Commission granted a motion by PATH-WV and PATH-Allegheny to withdraw their application for authorization to construct the PATH Project in West Virginia. In addition, The Potomac Edison Company filed a notice of withdrawal of its application for authorization to construct the PATH Project in Maryland with the Maryland Public Service Commission. The notice was effective upon filing. In Virginia, the Virginia State Corporation Commission has granted the motion of PATH Allegheny Virginia Transmission Corporation to withdraw its application for authorization to construct the PATH Project in Virginia.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing documents upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Greensburg, PA this 3rd day of June 2011.

/s/ Randall B. Palmer  
Randall B. Palmer  
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FirstEnergy Corp.  
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