

- eo I - A - 1 Provide corporate history including dates of original incorporation, subsequent mergers and/or acquisitions. Indicate all counties and cities and other governmental subdivisions to which service is provided and total population in area served.
- A. I - A - 1 Refer to Attachment I - A -1.

**ATTACHMENT  
I-A-1**

Pursuant to 52 Pa Code Section 53.53(a)(1), PECO Energy Company (hereinafter "PECO" or "the Company") submits the following corporate history (section A below) and listing of counties and cities and other governmental subdivisions to which service is provided with the total population in the area served (Section B below).

## **A. CORPORATE HISTORY**

PECO Energy Company results from a series of corporate mergers and acquisitions and operational transformation. As those transactions relate to PECO's current natural gas distribution operations, that history follows.

### **i. Corporate Ownership**

On October 27, 1902, The Philadelphia Electric Company, Inc. was incorporated. At the time, The Philadelphia Electric Company's gas distribution business was the result of the acquisition and the consolidation of a number of gas distribution businesses located in southeastern Pennsylvania counties surrounding the City of Philadelphia.

On February 24, 1928, PECO became a wholly owned subsidiary of the United Gas Improvement Company (now known as "UGI Corporation" or "UGI"). Upon acquisition, PECO became a wholly owned subsidiary of UGI Corporation and maintained that status until its divestiture from UGI in 1943.

PECO Energy Company was incorporated on October 31, 1929, in connection with the merger of The Philadelphia Electric Company, Philadelphia Suburban Gas and Electric Company and Counties Gas and Electric Company.

PECO became a wholly owned subsidiary of the United Gas Improvement Company (now known as "UGI Corporation" or "UGI"). Upon acquisition, PECO became a wholly owned subsidiary of UGI Corporation and maintained that status until its divestiture from UGI in 1943.

During the period from 1943 through November 22, 2000, PECO did not undergo any significant corporate activities affecting its gas distribution operations.

On October 20, 2000, in accordance with the final order of the Pennsylvania Public Utility Commission ("Commission") at Docket No. A-110550F0147, entered June 22, 2000, PECO Energy Company became an indirect, wholly owned subsidiary of Exelon Corporation ("Exelon") by operation of the merger between PECO Energy Company and Unicom Corporation. Exelon is an electric holding company whose primary lines of business are electric and gas distribution, electric distribution, electric generation and wholesale electric transactions.

Effective January 1, 2001, as part of a corporate restructuring, and in accordance with the Commission's final order at Docket No. A-110550F0147, PECO transferred all of its electric generation business and related assets and liabilities to Exelon Generation, LLC. At that time, Exelon Business Services Company (EBSC), a shared services provider, was also created and PECO commenced taking shared services from EBSC through a Commission-approved General Services Agreement and cost-based, negotiated service level arrangements. A corporate organization chart showing PECO's corporate relationship to Exelon and its other subsidiaries may be found in response to defined filing requirement II-A-24.

## 2. Gas Operations

PECO's predecessor gas and electric companies held letters patent and other rights to provide gas service issued by the Commonwealth of Pennsylvania that have been transferred by operation of law ultimately to PECO Energy. Upon passage of the Public Service Corporation law and the later, superceding Public Utility Code and amendments thereto, PECO's gas service territory rights were grandfathered or acquired through the issuance of certificates of public convenience by the Commission.

Up until the 1950s, the primary source of gas for PECO's gas distribution operations was a number of manufactured gas plants that derived gas from a process that used coal as a feedstock.

During the 1950s, the primary source of gas became natural gas produced or stored in the Appalachians and natural gas producing states such as Texas and Louisiana, or produced in the Gulf of Mexico. During this period, PECO commenced purchasing natural gas for delivery directly to PECO's service territory through interconnections with major interstate natural gas pipelines that had been built originally to transport oil for the World War II industrial expansion and subsequently converted to transport natural gas to customers located in the northeastern United States. As a result, the manufactured gas plants were removed from service through a series of retirements and dismantled.

In 1972, and in 1984, respectively, PECO placed into service the West Conshohocken Liquefied Natural Gas (LNG) plant and the Chester propane-air facility. These two important peaker facilities are used to store liquefied natural gas and propane to be available to serve a substantial portion of the winter peaking requirements of the Company's customers.

On January 16, 1988, PECO implemented its most recent general rate increase. This rate increase was implemented in accordance with the Commission's January 15, 1988 order entered at Docket No. R-870629 and was designed to recover an increase of \$7.7 million in base operating revenues, for a total of \$293.12 million.

The period from 1988 through the 1990s also reflected considerable changes in the operation of PECO's gas business. During this period, in response to Commission

regulations encouraging customers to purchase their own natural gas supplies, hundreds of PECO's larger industrial and commercial customers commenced purchasing natural gas directly from producers and marketers and using PECO's gas distribution system to transport and balance their end use requirement. Today, these customers represent more than 33.8% of PECO's total gas throughput, while in 1988 transportation volumes represented only 10.5% of throughput. PECO today bears the responsibility to providing default service to all of its firm customers in the event supplies purchased by those customers are not delivered by their competitive natural gas supplier.

During this same period, through a Federal Energy Regulatory Commission-mandated restructuring of the services provided by interstate natural gas pipelines, PECO acquired the ability to purchase natural gas directly from marketers and producers for subsequent shipment. Interstate natural gas pipelines were relieved of their merchant function and are now solely natural gas transportation and storage service providers.

The period since PECO's last gas base rate case in 1988 also reflects a substantial increase in the PECO customer count, increasing from approximately 324,000 in 1988 to more than 480,000 as of December 31, 2007. During the same time period, PECO's plant in service increased from \$0.6 billion to \$1.6 billion as of December 31, 2007.

In the year 2000, in connection with state natural gas restructuring legislation, PECO's entire offering of natural gas services were been unbundled to provide its smaller retail customers the option to purchase natural gas directly from natural gas suppliers licensed by the Commission. PECO today bears the responsibility to providing default service to firm, non-interruptible customers in the event a supplier fails to deliver gas for its customer.

u<sub>o</sub>      **LISTING OF GOVERNMENTAL SUBDIVISIONS  
AND TOTAL POPULATION SERVED**

PECO's natural gas service is supplied in an area of approximately 1,900 square miles in southeastern Pennsylvania adjacent to the City of Philadelphia, with a population of approximately 2.4 million, as follows:

**Bucks County**

**Boroughs:**

Bristol	9,771
Chalfont	4,199
Doylestown	8,211
Dublin	2,171
Hulmeville	875
Ivyland	818

Langhorne	1,967
Langhorne Manor	1,076
Morrisville	9,746 <sup>1</sup>
New Britain	2,300 <sup>1</sup>
New Hope	2,291
Newtown	2,25 <sup>-</sup>
Penndel	2,453
Tel ford	2,19,5
Tullytown	1,987
Yardley	2,528

**First Class Township:**

Bristol	54,279
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**Second Class Township:**

Bedminster	5,561
Bensalem	58,751
Bridgeton	1,42()
Buckingham	18,923
Doylestown	18,791
Falls	34,13()
Hilltown	13,041
Lower Makefield	32,571
Lower Southampton	19,201
Middletown	47,259
New Britain	10,784
Newtown	19,112
Northampton	41,072
Plumstead	11,912
Solebury	8,846
Tinicum	4,259
Upper Makefield	8,484
Upper Southampton	15,45()
Warminster	33,467
Warrington	22,468
Warwick	14,681
West Rockhill	4,596
Wrightstown	2,767

**Population Served - Bucks**                      **556,668**

**Chester County**

c|ty

Coatesville	11,631
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**Boroughs:**

Atglen	1,357
Avondale	1,093
Downingtown	7,885
Elverson	1,180
Honey Brook	1,439
Kennett Square	5,292
Malvern	3,108
Modena	602
Oxford	4,686
Parkesburg	3,445
Phoenixville	15,811
South Coatesville	1,065
Spring City	3,397
West Chester	18,224
West Grove	2,705

**First Class Townships**

Cain	12,240
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**Second Class Townships**

Birmingham	4,268
Charlestown	6,221
East Bradford	10,213
East Brandywine	6,485
East Cain	4,324
East Coventry	5,996
East Fallowfield	7,028
East Goshen	17,884
East Marlborough	7,955
East Nantmeal	1,891
East Nottingham	7,975
East Pikeland	6,817
Easttown	10,477
East Vincent	6,451
East Whiteland	10,466
Elk	1,501
Franklin	4,415
Highland	1,200

Honey Brook	7,030
Kennett	7,403
London Britain	3,092
Londonderry	1,859
London Grove	6,487
Lower Oxford	5,047
New Garden	11,348
Newlin	1,262
New London	5,622
North Coventry	7,662
Penn	5,254
Pennsbury	3,910
Pocopson	3,371
Sadsbury	3,321
Schuylkill	7,682
South Coventry	2,524
Thornbury	2,939
Tredyffrin	29,014
Upper Oxford	2,386,
Upper Uwchlan	9,549~
Uwchlan	18,430
Valley	6,265
Wallace	3,433
Warwick	2,719
West Bradford	12,146
West Brandywine	7,683
West Cain	8,085
West Fallowfield	2,599
West Goshen	21,168
West Marlborough	869
West Nantmeal	2,222
West Nottingham	2,780
West Pikeland	4,042
West Sadsbury	2,504
Westtown	10,649
West Vincent	4,040
West Whiteland	18,235
Willistown	10,754
<b>Population Served - Chester</b>	<b>482,112</b>

**Delaware County**

## City:

Chester	36,801
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**Boroughs:**

Aldan	4,282
Brookhaven	7,827
Chester Heights	2,490
Clifton Heights	6,60~
Collingdale	8,467
Colwyn	2,384
Darby	10,007
East Lansdowne	2,50E
Eddystone	2,371
Folcroft	6,89(;
Glenolden	7,287
Lansdowne	10,75~
Marcus Hook	2,25~]
Media	5,45i~
Millbourne	915
Morton	2,657
Norwood	<b>5,834</b>
Parkside	2,204
Prospect Park	6,425
Ridley Park	7,04S
Rose Valley	925
Rutledge	834
Sharon Hill	5,343
Swarthmore	6,15C
Trainer	1,853
Upland	2,976
Yeadon	11,47~

**First Class Townships:**

Aston	16,75~
Darby	9,621
Lower Chichester	3,472
Marple	23,599
Nether Providence	13,282
Ridley	30,143
Springfield	23,024
Tinicum	4,241
Upper Chichester	17,519
Upper Darby	79,35E

**Second Class Townships:**

Bethel	10,062
Chadds Ford	3,223
Chester	4,610
Concord	15,611
Edgmont	4,182
Haverford	48,576
Middletown	16,131
Newtown	11,870
Radnor	31,070
Thornbury	7,462
Upper Providence	11,147

**Population Served - Delaware**                      **555,996**

**Lancaster County****Borough:**

Christiana	1,088
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**Second Class Townships:**

Sadsbury	3,352
Salisbury	10,416

**Population Served - Lancaster**                      **14,856**

**Montgomery County****Boroughs:**

Ambler	6,270
Bridgeport	4,401
Bryn Athyn	1,333
Collegeville	5,008
Conshohocken	8,488
East Greenville	3,050
Green Lane	578
Hatboro	7,204
Hatfield	2,847
Jenkintown	4,350
Lansdale	15,720
Narberth	4,098
Norristown	30,337
North Wales	3,260
Pennsburg	3,335
Pottstown	21,409
Red Hill	2,330
Rockledge	2,507
Royersford	4,307
Schwenksville	1,342
Souderton	6,637
Telford	2,440
Trappe	3,382
West Conshohocken	1,497

**First Class Townships**

Abington	54,608
Cheltenham	36,475
Hatfield	17,284
Lower Merion	57,825
Lower Moreland	11,818
Lower Pottsgrove	12,115
Plymouth	16,234
Springfield	19,069
Upper Dublin	26,117
Upper Gwynedd	15,656
Upper Moreland	24,474
Upper Pottsgrove	5,021
West Norriton	14,676
West Pottsgrove	3,803

**Second Class Townships**

East Norriton	13,453
Franconia	12,488
Horsham	24,868
Limerick	16,624
Lower Frederick	4,852
Lower Gwynedd	11,248
Lower Providence	25,572
Lower Salford	14,234
Marlborough	3,258
Montgomery	24,126
Perkiomen	8,260
Salford	2,536
Skippack	12,927
Towamencin	17,787
Upper Frederick	3,644
Upper Hanover	5,802
Upper Merion	26,706
Upper Providence	18,851
Upper Salford	3,083
Whitmarsh	17,332
Whitpain	18,773
Worcester	8,78(]

<b>Population Served - Montgomery</b>	<b>756,50g</b>
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Q. I-A-2 Measures of value at original cost and trended original cost at spot, 3 year and 5 year average price levels

I - A - 2 Refer to PECO Statement No. 3, the Direct Testimony of Robert L. O'Brien, and Exhibits RLO-1, Schedule A-1 and RLO-2, Schedule A-I, for original cost information.

The Company has not prepared any trended original cost calculations and therefore none are being provided, in accordance with 52 Pa. Code Section 53.51(c).

- eo **I - A - 3** Provide a description of depreciation methods utilized in calculating annual depreciation amounts and depreciation reserves, together with discussion of all factors which were considered in arriving at estimates of service life and dispersion by account. Provide dates of all field inspections and facilities visited.
- AO **I - A - 3** Refer to Exhibit MRG-3, which represents the 2004 Electric, Gas, and Common Plant Service Life Study that was submitted to the Pennsylvania Public Utility Commission in August 2005. Refer to the Depreciation Methods, Discussion of Factors Considered in Arriving at Life Estimates, and Gas- Production, Storage, Distribution and General Plant sections of the Study for the information requested.

eo I - A - 4

Set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.

ao If any utility plant was excluded from the measures of value because it was deemed not to be "used and useful" in the public service, supply a detailed description of each item of property.

b. Provide surviving original cost at test year end by vintage by account and include applicable depreciation reserves and annuities.

(i) These calculations should be provided for plant in service as well as other categories of plant, including, but not limited, to contributions in aid of construction, customers' advances for construction, and anticipated retirements associated with any construction work in progress claims (if applicable).

A. I -A - 4

Refer to Exhibit MRG-3.

Q. I-A-5 Provide a comparison of respondent's calculated depreciation reserve v. book reserve by account at end of test year.

I - A - 5 The Company's test year claim is based on a book depreciation reserve and therefore analysis of a calculated, theoretical depreciation reserve is not available.

I - A - 6            Supply a schedule by account and depreciable group showing the survivor curve and annual accrual rate estimated to be appropriate:

- a. For the purposes of this filing.
- b. b. For the purposes of the most recent rate increase filing prior to the current proceedings.

(l) Supply a comprehensive statement of any changes made in method of depreciation and in selection of average service lives and dispersion.

I - A - 6            Refer to Attachment I- A -6 -1999 Electric, Gas, and Common Plant Service Life Study.

Refer to Exhibit MRG-3 - 2004 PECO Electric, Gas, and Common Plant Service Life Study.

The referenced documents were submitted to the Pennsylvania Public Utility Commission in August 2000 and 2005, respectively. The average service lives and dispersion curves that were submitted with the 2004 Service Life Study are still in effect. The survivor graphs referenced above were also included in the 2004 Service Life Study and include a discussion of the methods used in the study and the selection of the average service lives and dispersion.

**ATTACHMENT  
I-A-6**

PECO Energy Company  
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PO Box 8699  
Ph~)ade)ph-a. PA 19101-869~

Telephone 215 841 4000  
www.pecoenergy.com

**PECO**  
AF) Exelon Company

October 30, 2000

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Post Office Box 3265  
Harrisburg, PA 17105

In accordance with Section 73.5 of the Public Utility Code, attached are an original and three copies of PECO Energy Company's Service Life Study Report for electric, gas and common facilities.

Please acknowledge receipt of the foregoing on the enclosed copy of this letter. A business reply envelope is enclosed for your convenience.

If you have any questions, please call me at (215) 841-5769.

Sincerely,

Alan B. Cohn  
Manager  
*Rate Analysis and Regulatory Policy*  
Regulatory & Governmental Affairs

Attachment  
copies:  
Office of Consumer Advocate  
Office of Small Business Advocate  
Office of Special Assistants (including diskette)  
R, A, Rosenthal-Bureau of Fixed Utility Services

1999 Electric, Gas and Common Plant Life Study

*PECO Energy Company*

*October 2000*



# 1999 ELECTRIC, GAS AND COMMON PLANT DEPRECIATION STUDY

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**PECO ENERGY COMPANY**  
**1999 Electric, Gas and Common Plant Life Study** /

Introduction

The purpose of this study is to develop life estimates for electric transmission and distribution plant, gas plant and common plant to be used to determine annual depreciation expense. Depreciation expense recovers the net plant investment over the estimated remaining life of the plant. The objective of this recovery is to recognize the consumption of physical plant on the Company's books.

The 1999 Electric, Gas and Common Plant Life Study (1999 Study) updates the Company's previous 1995 Study for electric and common plant and the 1994 Study for gas plant. Since the earlier 1995 Study for electric and common plant, five additional years of recorded retirement experience (1995 through 1999) have become *available* and are incorporated in the data in the current life analysis. Since the earlier 1994 study for gas plant, three additional years of recorded retirement experience (1994 through 1996) have become available and are incorporated in the current life analysis. This update provides 35 years of retirement experience for electric *and* common (1965-99) and 32 years for gas plant (1965-96).

Table A (pages 5 and 6) shows a comparison of the average service life and survivor curves from the 1995 Study and the 1999 Study for electric transmission, distribution and general plant and common plant. Table B (page 7) shows a comparison of the *average* service life and survivor curves from the 1994 Study and the 1999 Study for gas plant. Based on the analysis performed, the proposed service lives and survivor curves *are* the same for the electric transmission, distribution, general and common accounts as for the previous study. The proposed service lives and survivor curves are also the *same* for gas production, distribution and general accounts as the previous study. However, for gas storage plant and Account 1379-City Gate Station, new terminal years are proposed. The survivor curve charts supporting the life estimates are found in Appendix A. The underlying survivor tables are found in Appendix B.

The electric transmission, distribution, general and common plant accruals did not change because no changes in service lives and survivor curves have been proposed. Based on plant balances on January 1, 2000 the annual accrual for electric transmission, distribution and general plant is \$75,276,537 from page C-1 and for common plant is \$9,856,151 from page C-2.

For gas operations, the annual accruals based on January 1, 2000 plant balances for gas production, storage, distribution and *general plant* decreased from \$26,903,587 (page C-3) to \$24,299,812 (page C-4) as a result of *changes* to the life span *terminal* dates. However, in practice, the accruals will change much less because *the accruals for the* facilities with terminal dates are close to fully depreciated. Any effects will be on their additions. Note that the accruals for the accounts whose service lives and survivor curves did not change are slightly different in the development of the old and new accruals. This is due to the procedure used in the computer program that calculates them.

Description of Depreciation Method,~

There have been no changes in the basic life analysis techniques or methods since the last study. The methods and techniques used in this study are consistent with accepted PA Public Utility Commission practices since they were reviewed and found acceptable by the Commission in past rate filings.

The remaining life method which uses all retirement experience, is applied to the transmission, distribution, general and common properties by accounts using the broad group procedure.

The life-span method of analysis uses interim retirement experience, along with a terminal *date*, for gas plant production and storage facilities.

### **Salvage and Removal Cost**

For electric *and* common plant, the life estimates developed in the study do not reflect any allowance for salvage or removal costs as the remaining life depreciation methodology handles salvage and removal costs without any additional adjustments.

For gas plant, salvage and removal costs are created separately based on a five year average of experienced costs without adjustment. Accordingly, life estimates developed in the study do not reflect any allowance for these costs.

### **Discussion of Factors Considered in Arriving at Life Estimate,~**

The life estimates developed in this study are based on an *actuarial* type analysis of retirement experience. The analysis is made at the primary account level or in some instances at an account subdivision level. Survivor *data* developed by the actuarial analysis are charted and compared visually and statistically with the complete family of Iowa Curves.<sup>1</sup>

The actuarial data may produce a complete life cycle of experience, i.e. survivors range from 100% to 0% as age *increases*, or any incomplete survivor curve, or stub, if retirement experience is limited. When a substantially complete life cycle of uniform experience is available, the Iowa life which best conforms to this data is generally selected as the appropriate life for the account. In cases where available data produces an incomplete life cycle or stub survivor curve, the Iowa life selected for the account is based on conformance with the available data as well as other factors. The other factors considered include uniformity of the retirement data, life estimates for functionally related facilities, engineering opinions, the prior life estimate, the amount of meaningful retirement experience available, and the age distribution of the surviving balance of the account analyzed.

As in the 1995 and 1994 Studies, a least square statistical method of curve fitting has been used for the current study. The statistical process consists of comparing each actual survivor data point with an Iowa Curve survivor value. The deviations are squared and summed up. The square root of the sum of these differences squared is used as a measure of the quality of conformance of the actual data and the Iowa curve. The comparison, which is computerized, is *made* for *each* Iowa Curve type to find *the* Iowa Curve with the minimum deviations or best conformance along with other factors previously mentioned.

## **Electric Transmission, „Distribution and General Plant**

### **Transmission Plant**

The life estimates recommended for this group of accounts are based on the current actuarial analysis, prior life estimates, forecast retirements and engineering opinion. The 1999 Study, which includes five years of additional data, indicates that retirements are occurring at

1999 Study are the same as the 1995 Study. The results of the actuarial analysis for Accounts 352 through 359, provided in Table A, show that the life estimates range from 40 to 60 years. "

### Distribution Plant

The actuarial analysis for distribution plant produced results similar to transmission plant. With the additional five years of data we find that the retirements are occurring at approximately the same pace as the previous study. As a result, the proposed lives from the 1999 Study are the same as the 1995 Study. The results of the actuarial analysis for Accounts 361 through 373, provided in Table A, show that the life estimates for distribution plant accounts range from 9 to 65 years.

### General Plant

The recommended life estimate for these accounts are generally based on the actuarial analysis of retirement experience similar to that for the transmission and distribution plant. With the additional five years of data we find that the retirements are occurring at approximately the same pace as the previous study. As a result, the proposed lives from the 1999 Study are the same as the 1995 Study. The results for Accounts 389 through 399 are provided in Table A and show that the life estimates for general plant accounts range from 8 to 50 years.

### Common Plant

The life estimates selected for the common plant accounts are generally based on the actuarial study for all accounts for which adequate retirement experience was available. With the additional five years of data we find that the retirements are occurring at approximately the same pace as the previous study. As a result, the proposed lives from the 1999 Study are the same as the 1995 Study. The results for Accounts 4390 through 4398 are provided in Table A.

### Gas Plant

#### Production Plant

The facilities at Tilghman Street Gas Plant are depreciated using intedm retirement experience, along with a terminal date. The life estimates recommended for this group of accounts are based on the current actuarial analysis, pdor life estimates, forecast retirements and engineering opinion. The same life is used as the previous study, with a terminal year of 2009.

#### Storage Plant

Gas holders, purification, liquefaction, vaporizing and other equipment are depreciated using interim retirement experience, along with a terminal date. The life estimates recommended for this group of accounts are based on the current actuarial analysis, prior life estimates, forecast retirements and engineering opinion. The same life is used as the previous study, with a new terminal year of 2010 The new terminal year is a result of updated engineering op=nion.

## **Distribution Plant**

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The life estimates recommended for this group of accounts are based on the current actuarial analysis, prior life estimates, forecast retirements and engineering opinion. The 1999 Study, which includes three years of additional data, indicates that retirements are occurring at approximately the same pace as the previous study. As a result, the proposed lives from the 1999 Study are the same as the 1994 Study. The results of the actuarial analysis for Accounts 1375 through 1387, exclusive of Account 1379 City Gate Station, provided in Table B, show that the life estimates range from 15 to 64 years.

For Account 1379, City Gate Station, the depreciation method uses intended retirement experience, along with a terminal date. The life *estimates* recommended for this account is based on the current *actuarial* analysis, prior life estimates, forecast retirements and engineering opinion. The same life is used as the previous study, with a new terminal year of 2015. The new terminal year is a result of updated engineering opinion.

## **General Plant**

The recommended life estimate for these accounts are generally based on the actuarial analysis of retirement experience similar to that for the transmission and distribution plant. With the additional three years of data we find that the retirements are occurring at approximately the same pace as the previous study. As a result, the proposed lives from the 1999 Study are the *same* as the 1994 Study. The results for Accounts 1390 through 1399 are provided in Table B and show that the life estimates for general plant accounts range from 24 to 40 years.

## **Dates of Field Inspections and Facilities Visited**

The Company's system is large and complex. The specific training and experience of specialists is required to perform more than a superficial inspection in the field. This study relies principally on the results of our actuarial analysis and opinions and assessments of these specialists as to the physical condition, operation and future expectations for the properties.

**PECO Energy Company**  
**Depreciation Study Life Estimates by Primary Account**  
**Electric Plant**

<u>Account Number &amp; Description</u>	<b>1999</b> Life Estimates Average Life <u>Iowa Curve</u>	<b>1995</b> Life Estimates Average Life <u>Iowa Curve</u>
<b><u>TRANSMISSION PLANT</u></b>		
352 Structures & Improvements	50R 5	50R 5
353 Station Plant	55S 1	55S 1
354 Towers & Fixtures	60R 2.5	60R 2.5
355 Poles & Fixtures	45L 2	45L 2
356 Overhead Conductors & Devices	55R 3	55R 3
357 Underground Conduit	60R 2	60R 2
358 Underground Conductors & Devices	60R 2	60R 2
<b>359 Roads &amp; Trails</b>	<b>40S 3</b>	40S 3
<b><u>DISTRIBUTION PLANT</u></b>		
361 Structures & Improvements	45L 2	45L 2
362 Station Equipment	45L 2	45L 2
364 Poles, Towers, Fixtures	50R 1	50R 1
365 Overhead Conductors & Devices	50L 1	50L 1
366 Underground Conduit	60R 4	60R 4
367 Underground Conductors & Devices	60R 1.5	60R 1.5
368 Line Transformers	40R 0.5	40R 0.5
369.1 Aerial Services	45L 2	45L 2
369.2 Underground Services	65L 1	65L 1
370 Meters	31R 1.5	31R 1.5
370.2 Meter Installations	55L 5	55L 5
371 Installations on Customer Premises	450 4	450 4
373 St. Lighting & Sig. Sys - Luminaires	17L 1	17L 1
373.1 St. Lighting & Sig. Sys - Aerial Conduct	90 3	90 3
373.2 St. Lighting & Sig. Sys - Underground Cond	15L 0.5	15L 0.5
373.3 St. Lighting & Sig. Sys - Priv Outd. Light	23L 0.5	23L 0.5
<b><u>GENERAL PLANT</u></b>		
390 Structures & Improvements	50L 1.5	50L 1.5
391.1 Office Machines	20L 0.5	20L 0.5
391.2 Office Furniture & Equip	20L 0.5	20L 0.5
391.3 Computers	8R 1	8R 1
393 Stores Equipment	22L 2	22L 2
394 Tools, Shop, Garage Equip	45R 1	45R 1
395.1 Lab Eq - Testing Div	32R 4	32R 4
395.2 Lab Eq - Meter Div	35S 2	35S 2
395.3 Lab Eq - Chemical Div	47S 6	47S 6
397 Communication Equipment	35R 3	35R 3
398 Misc Equipment	22R 3	22R 3

**PECO Energy Company**  
**Depreciation Study Life Estimates by Primary Account**  
**Common Plant**

<u>Account Number &amp; Description</u>	<u>1999</u> Life Estimates Average Life <u>Iowa Curve</u>	<u>1995</u> Life Estimates Average Life <u>Iowa Curve</u>
<b><u>COMMON PLANT - GENERAL</u></b>		
4390.0 Structure & Improvements	46L 2	46 L2
4391.1 Office Machines	20 L0.5	20L 0.5
4391.2 Furniture and Equipment	20L 0.5	20L0.5
4391.3 Computers	6R 4	6R 4
4393.0 Stores Equipment	28R 2	28R 2
4394.1 Construction Tools	21L 1.5	21L 1.5
4394.2 T&T/D&U Tools (Pdor to 1991)	21L 1.5	21L1.5
4396.0 Power Oper. Equipment	10L 1	10L 1
4397.0 Communication Equipment	26L3	26L 3
4398 Miscellaneous Equipment	17R 1	17R 1
 <b><u>COMMON PLANT - TRANSPORTATION</u></b>		
~92.0 Transportation Equipment	11L2	11L2
u394.3 Garage Equipment	21L 1.5	21L 1.5
5396.1 Power Oper. Veh.	10L1	10L 1

PECO Energy Company - Depreciation Study - Life Estimates by Primary Account - Gas Plant Table B

Plant Account	Description	Interim Retirement Iowa Curve	1996 Life Estimates		1994 Life Estimates		Average Life
			Estimated Terminal Year	Average Life	Interim Retirement Iowa Curve	Estimated Terminal Year	
<b>Production Plant</b>							
1305	Structures and Improvements	100 SO *	2009		100 SO *	2009	
1311	Liquid Petroleum Gas Equipment	100 SO *	2009		100 SO *	2009	
<b>Storage Plant</b>							
1361	Structures and Improvements	100 SO *	2010		100 SO *	2010	
1362	Gas Holders	100 SO *	2010		100 SO *	2000	
1363.0	Purification Equipment	50 L1 *	2010		50 L1	2000	
1363.1	Liquefaction Equipment	50 L1 *	2010		50 L1	2000	
1363.2	Vaporizing Equipment	50 L1 *	2010		50 L1 *	2000	
1363.3	Comparison Equipment	50 L1 *	2010		50 L1 *	2000	
1363.5	Other Equipment	50 L1 *	2010		50 L1 *	2000	
<b>Distribution Plant</b>							
1375	Structures and Improvements						
1376.0	Mains			45 L5			45 L5
1376.1	Mains - Steel			55R 2.5			55R 2.5
1376.2	Mains - Cast Iron			55R 2.5			55R 2.5
1376.3	Mains - Plastic			64L 0.5			64L 0.5
1377	Compressor Station Equipment			53L 2			53L 2
1378	Measuring & Regulating Equip.			15L 4			15L 4
1379	City Gate Station	85 R1	2015"	45 \$1.5	85 R1	2002*	45S 1.5
1380	Services			32S 0			32S 0
1380.1	Steel Services			32S 0			32S 0
1380.2	Plastic Services			44R 1.5			44R 1.5
1381	Meters			39S 1.5			39S 1.5
1382	Meter Installations			39L 0.5			39L 0.5
1384	House Regulator Installations			23S 0			23S 0
1387	Other Equipment			25S 1.5			25S 1.5
<b>General Plant</b>							
1390	Structures and Improvements			40R 4			40R 4
1394	Tools and Garage Equipment			30S 0			30S 0
1395	Laboratory Equipment			40R 4			40R 4
1398	Miscellaneous Equipment			24S 6			24S 6
1399	Other Tangible Property			40S 2			40S 2

\*Life Estimate is based on judgment primarily due to the lack of sufficient retirement experience.

7

eo I - A - 7

Provide a table, showing the cumulative depreciated original cost by year of installation for utility plant in service at the end of the test year (depreciable plant only) as claimed in the measures of value, in the following form:

- a. Year installed.
- b. Original cost--the total surviving cost associated with each installation year from all plant accounts.
- c. Calculated depreciation reserve--the calculated depreciation reserve associated with each installation year from all plant accounts.
- d. Depreciated original costm(Column B minus Column C).
- e. Total--cumulation year by year of the figures from Column D.
- f. Column E divided by the total of the figure in Column D.

A. I - A - 7

Refer to Attachment I-A-7.

**ATTACHMENT**  
**I-A-7**

Presentation Basis - Depreciable Gas Plant including Allocation of Common

Vintage Year	Gross Plant Costs	Allocated Reserve	Depreciable Plant Net Book Value	Cumulative Amount	Cumulative Percentage
1856	8,169.94	8,169.94			0.0000%
1860	5,804.08	5,804.08			0.0000%
1865	2,358.66	2,358.66			0.0000%
1868	5,984.37	5,984.37			0.0000%
1870	6,887.64	6,887.64			0.0000%
1871	1,411.54	1,411.54			0.0000%
1875	3,407.74	3,407.74			0.0000%
1880	5,913.78	5,912.29	1.49	1.49	0.0000%
1881	7,929.29	7,924.21	5.08	6.58	0.0000%
1885	3,765.02	3,754.37	10.65	17.23	0.0000%
1888	2,809.00	2,793.80	15.20	32.43	0.0000%
1890	11,215.00	11,140.09	74.91	107.34	0.0000%
1891	6,928.01	6,888.49	39.52	146.86	0.0000%
1892	2,848.85	2,822.19	26.66	173.52	0.0000%
1893	2,380.06	2,353.20	26.86	200.38	0.0000%
1895	6,690.95	6,596.25	94.70	295.08	0.0000%
1896	14,698.08	14,467.38	230.70	525.78	0.0000%
1897	15,542.05	15,272.99	269.06	794.85	0.0001%
1898	32,711.19	32,089.54	621.65	1,416.50	0.0001%
1899	43,554.69	42,776.76	777.93	2,194.43	0.0002%
1900	29,533.12	29,016.67	516.45	2,710.89	0.0002%
1901	54,758.09	53,424.79	1,333.30	4,044.19	0.0004%
1902	63,566.61	62,009.39	1,557.22	5,601.41	0.0005%
1903	40,968.21	39,808.75	1,159.46	6,760.87	0.0006%
1904	3,304.59	3,203.78	100.81	6,861.68	0.0006%
1905	38,722.75	37,447.58	1,275.17	8,136.85	0.0007%
1906	56,359.54	54,450.95	1,908.59	10,045.44	0.0009%
1907	14,382.26	13,861.77	520.49	10,565.93	0.0009%
1908	7,750.64	7,497.96	252.68	10,818.61	0.0010%
1909	21,113.88	20,279.22	834.66	11,653.27	0.0010%
1910	38,278.96	36,694.76	1,584.20	13,237.47	0.0012%
1911	121,282.97	116,481.23	4,801.74	18,039.21	0.0016%
1912	87,204.61	83,007.52	4,197.09	22,236.30	0.0020%
1913	70,528.42	68,033.85	2,494.57	24,730.87	0.0022%
1914	124,648.12	102,552.47	22,095.65	46,826.52	0.0042%
1915	65,533.48	62,243.49	3,289.99	50,116.51	0.0044%
1916	86,011.94	82,226.32	3,785.62	53,902.14	0.0048%
1917	62,527.43	59,019.35	3,508.08	57,410.22	<b>0.0051%</b>
1918	49,791.26	46,330.87	3,460.39	60,870.61	<b>0.0054%</b>
1919	43,714.09	42,396.08	1,318.01	62,188.62	<b>0.0055%</b>
1920	90,372.87	87,625.67	2,747.20	64,935.82	0.0058%
1921	69,429.60	66,035.36	3,394.24	68,330.06	0.0061%
1922	175,209.67	162,170.53	13,039.15	81,369.21	0.0072%
1923	259,647.24	243,774.08	15,873.16	97,242.37	0.0086%
1924	315,044.65	289,558.41	25,486.24	122,728.61	0.0109%
1925	419,871.38	383,630.73	36,240.65	158,969.26	0.0141%
1926	586,443.59	543,349.07	43,094.52	202,063.77	0.0179%
1927	536,198.75	500,772.60	35,426.15	237,489.92	0.0211%
1928	674,733.65	625,878.37	48,855.28	286,345.21	0.0254%
1929	656,394.47	605,269.78	51,124.69	337,469.90	0.0299%
1930	1,145,908.51	1,079,115.65	66,792.86	404,262.76	0.0359%
1931	426,938.66	401,172.76	25,765.90	430,028.66	0.0382%
1932	106,394.24	96,786.05	9,608.19	439,636.85	0.0390%
1933	58,917.24	54,219.73	4,697.51	444,334.35	0.0394%
1934	50,695.58	47,040.90	3,654.68	447,989.03	0.0397%
1935	51,538.28	45,822.32	5,715.96	453,704.99	0.0403%
1936	40,970.55	35,665.77	5,304.78	459,009.77	0.0407%
1937	73,678.52	65,713.72	7,964.80	466,974.57	0.0414%
1938	180,839.11	159,530.06	21,309.05	488,283.63	0.0433%
1939	169,387.55	147,241.34	22,146.21	510,429.84	0.0453%
1940	159,702.03	139,817.39	19,884.64	530,314.48	0.0470%
1941	153,657.81	134,116.84	19,540.97	549,855.44	0.0488%

1942	183,358.46	162,488.06	20,870.39	570,725.84	0.0506%
1943	207,948.89	175,754.38	32,194.51	602,920.35	0.0535%
1944	385,243.32	336,496.03	48,747.29	651,667.64	0.0578%
1945	298,043.32	255,390.17	42,653.15	694,320.79	0.0616%
1946	833,790.53	728,053.62	105,736.91	800,057.70	0.0710%
1947	1,269,573.32	1,087,411.21	182,162.11	982,219.82	0.0871%
1948	1,065,153.31	884,947.58	180,205.72	1,162,425.54	0.1031%
1949	1,505,404.24	1,247,265.03	258,139.21	1,420,564.75	0.1260%
1950	-046,934.87	1,647,366.45	399,568.42	1,820,133.17	0.1615%
1951	3,779,778.18	3,197,814.36	581,963.81	2,402,096.98	0.2131%
1952	2,579,107.56	2,153,915.60	425,191.96	2,827,288.94	0.2508%
1953	3,060,901.42	2,463,439.19	597,462.22	3,424,751.17	0.3038%
1954	3,599,906.93	2,895,655.63	704,251.30	4,129,002.47	0.3663%
1955	4,208,074.06	3,318,940.32	889,133.74	5,018,136.22	0.4452%
1956	3,992,406.65	3,116,755.72	875,650.94	5,893,787.15	0.5229%
1957	7,514,618.94	5,918,618.78	1,596,000.16	7,489,787.31	0.6645%
1958	3,642,673.28	2,770,498.14	872,175.14	8,361,962.45	0.7418%
1959	4,070,118A3	3,035,221.52	1,034,896.91	9,396,859.36	0.8336%
1960	4,566,058.53	3,403,087.68	1,162,970.86	10,559,830.21	0.9368%
1961	4,420,507.47	3,164,458.61	1,256,048.85	11,815,879.07	1.6482%
1962	7,462,297.77	5,389,664.37	2,072,633.40	13,888,512.47	1.2321%
1963	5,981,687.42	4,338,834.25	1,642,853.17	15,531,385.64	1.3779%
1964	7,448,465.64	5,284,662.30	2,163,803.35	17,695,168.98	1.5698%
1965	7,334,603.45	5,207,918.57	2,126,684.88	19,821,853.86	1.7585%
1966	9,203,032.14	6,349,481.25	2,853,550.89	22,675,404.75	2.0117%
1967	8,433,498.05	5,703,312.68	2,730,185.37	25,405,590.12	2.2539%
1968	9,872,694.93	6,619,114.89	3,253,580.04	28,659,170.16	2.5425%
1969	11,847,131.90	8,097,372.59	3,749,759.31	32,408,929.46	2.8752%
1970	12,355,956.42	8,553,687.62	3,802,268.60	36,211,198.06	3.2125%
1971	12,748,071.99	9,023,823.13	3,724,248.86	39,935,446.92	3.5429%
1972	33,259,879.45	25,752,521.39	7,507,358.07	47,442,804.98	4.2089%
1973	7,960,447.54	5,151,001.16	2,809,446.38	50,252,251.36	4.4581%
1974	6,530,547.08	4,118,655.00	2,411,892.08	52,654,143.44	4.6721%
1975	5,402,998.21	3,703,774.41	1,699,223.81	54,363,367.24	4.8229%
1976	5,718,334.80	3,734,191.33	1,984,143.48	56,347,510.72	4.9989%
1977	5,464,217.66	3,478,582.52	1,985,635.15	58,333,145.87	5.1750%
1978	9,583,524.68	5,987,667.59	3,595,857.10	61,929,002.96	5.4941%
1979	18,503,425.39	11,334,026.59	7,169,398.80	69,098,401.76	6.1301%
1980	35,491,199.86	20,361,863.63	15,129,336.23	84,227,737.99	7.4723%
1981	38,798,730.58	20,754,338.50	18,044,392.08	102,272,130.07	9.0731%
1982	22,959,673.95	12,494,382.91	10,465,291.04	112,737,421.11	10.0015%
1983	22,656,501.97	11,627,941.85	11,028,560.13	123,765,981.24	10.9799%
1984	27,044,353.74	15,905,546.64	11,138,807.10	134,904,788.34	11.9681%
1985	32,387,700.24	16,080,561.28	16,307,138.96	151,211,927.29	13.4148%
1986	30,968,002.28	13,910,860.12	17,057,142.16	168,269,069.45	14.9281%
1987	39,189,637.90	16,636,496.63	22,553,141.27	190,822,210.72	16.9289%
1988	39,564,052.72	15,903,891.44	23,660,161.28	214,482,372.00	19.0279%
1989	44,962,280.76	17,098,443.99	27,863,836.77	242,346,208.76	21.4998%
1990	49,521,900.05	17,316,064.58	32,205,835.47	274,552,044.23	24.3570%
1991	62,513,544.27	21,323,666.24	41,189,878.03	315,741,922.26	28.0112%
1992	67,719,552.63	21,218,079.36	46,501,473.28	362,243,395.54	32.1366%
1993	56,696,429.27	20,212,481.01	36,483,948.26	398,727,343.79	35.3732%
1994	54,696,533.81	18,460,039.18	36,236,494.63	434,963,838.43	38.5880%
1995	11,193,132.51	3,094,520.63	8,098,611.88	443,062,450.31	39.3064%
1996	9,276,326.86	3,630,642.36	5,645,684.50	448,708,134.81	39.8073%
1997	31,405,830.23	14,580,953.76	16,824,876.47	465,533,011.28	41.2999%
1998	27,414,137.30	5,887,792.12	21,526,345.18	487,059,356.46	43.2096%
1999	242,174,835.63	36,825,083.83	205,349,751.80	692,409,108.26	61.4273%
2000	17,034,410.80	3,196,239.98	13,838,170.82	706,247,279.08	62.6550%
2001	118,415,692.53	17,725,921.48	100,689,771.04	806,937,050.12	71.5877%
2002	60,376,056.96	7,443,411.68	52,932,645.29	859,869,695.41	76.2836%
2003	56,976,810.26	7,635,384.90	49,341,425.35	909,211,120.77	80.6610%
2004	56,513,952.63	4,175,052.00	52,338,900.63	961,550,021.39	85.3043%
2005	57,371,835.27	3,668,301.17	53,703,534.10	1,015,253,555.49	90.0686%
2006	66,741,416.87	4,081,134.40	62,660,282.46	1,077,913,837.95	95.6275%
2007	49,880,037.75	593,308.82	49,286,728.93	1,127,200,566.89	100.0000%
Total	1,675,957,950.72	548,757,383.83	1,127,200,566.89		

- eo I - A - 8 Provide a description of the trending methodology which was utilized. Identify all indexes which were used (include all backup workpapers) and the reasons particular indexes were chosen. If indexes were spliced, indicate which years were utilized in any splices. If indexes were composited, show all supporting calculations. Include any analysis made to "test" the applicability of any indexes.
- a. Supply a comprehensive statement of any changes made in the selection of trend factors or in the methodology used in the current rate filing compared to the most recent previous rate filing.
- I - A - 8 Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

**I - A - 9** Provide an exhibit indicating the spot trended original cost at test year end by vintage by account and include applicable depreciation reserves. Include totals by account for all other trended measures of value.

<sup>As</sup> **I - A - 9** Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

- Q. I-A-10            Supply an exhibit indicating the percentages of undepreciated original cost which were trended with the following indexes:
- a. Boeckh
  - b. Handy-Whitman'
  - c. Indexes developed from suppliers' prices.
  - d. Indexes developed from company records and company price histories.
  - e. Construction equipment.
  - f. Government statistical releases.
- A. I-A-10            Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

- I-A-11 Provide a table, showing the cumulative trended depreciated original cost (at the spot price level) by year of installation for utility plant in service at the end of the test year (depreciable plant only) as claimed in the measures of value, in the following form:
- a. Year installed.
  - b. Trended original cost (at the spot price level) the total surviving cost associated with each installation year from all plant accounts.
  - c. Trended calculated depreciation reserve--the calculated depreciation reserve associated with each installation year from all plant accounts.
  - d. Depreciated trended original cost (Column B minus Column C).
  - e. Total-cumulation year by year of the figures from Column D.
  - f. Column E divided by the total of the figures in Column D.

<sup>AO</sup> I-A-11 Not applicable. Trended original cost data are omitted in accordance with 52 Pa. Code Section 53.51(c).

**I oA-12** If a claim is made for construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the test year and anticipated in-sewice dates. Indicate if any of the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include final completion date and estimated total amounts to be spent on each project.

[These exhibits should be updated at the conclusion of these proceedings.]

**I -A-12** Not applicable. The Company is not making a claim for construction work in progress.

eo **I-A-13** If a claim is made for non-revenue producing construction work in progress, include, in the form of an exhibit, the summary page from all work orders, amount expended at the end of the test year and anticipated in-service dates. Indicate if any of the construction work in progress will result in insurance recoveries, reimbursements, or retirements of existing facilities. Describe in exact detail the necessity of each project claimed if not detailed on the summary page from the work order. Include final completion date and estimated total amounts to be spent on each project.

[These exhibits should be updated at the conclusion of these proceedings.]

AO **I-A -13** Not applicable. The Company is not making a claim for non-revenue producing construction work in progress.

- Q. I-A-14      If a claim is made for plant held for future use, supply the following:
- a. A brief description of the plant or land site and its cost.
  - b. Expected date of use for each item claimed.
  - c. Explanation as to why it is necessary to acquire each item in advance of its date of use.
  - d. Date when each item was acquired.
  - e. Date when each item was placed in plant held for future use.
- A. I-A-14      Not applicable. The Company is not making a claim for plant held for future use.

I-A-15            If materials and supplies comprise part of the cash working capital claim, attach an exhibit showing the actual book balances for materials and supplies by month for the thirteen months prior to the end of the test year. Explain any abrupt changes in monthly balances.

[Explain method of determining claim if other than that described above.]

Ao    I-A -15            Materials and supplies is not included in the cash working capital claim. Materials and supplies is included as part of the measures of value. Refer to Exhibit RLO-1, Schedule C-10.

eo **I -A -16** If fuel stocks comprise part of the cash working capital claim, provide an exhibit showing the actual book balances (quantity and price) for the fuel inventories by type of fuel for the thirteen months prior to the end of the test year by location, station, etc.

[Explain the method of determining claim if other than that described above.]

I-A-16 Refer to Attachment I - A -16, for schedules showing the monthly actual book balances for the fuel inventories by type of fuel (underground storage, LNG, propane) for the 13 months ending December 31, 2007.

Refer also to Exhibit RLO-1, Schedule C-5.

ATTACHMENT  
I- A-16

Attachment 1-A-1b  
10/13

.Underground Storage Balances

**GMS Inventory- Adjustment~ (volumes in DTH except where noted)**  
~ooked In D-cember 06

Storage File_d	Pipeline Balance 12/31/06	GMS Balance 12/31/2006	Wacog	Value	Diffemnce " Injection (+)
SS-1	5,216,626	5,209,983	\$ 8.1525	\$ 42,528,543.47	6,643 Adjusted in GasStar
S-2	2,582,412	2,583,362	\$ 7.8229	\$ 20,201,950.83	(950) Adjusted in Gasstar
GSS-TC	2,325,723	2,325,723	\$ 8.5463	\$ 19,876,326.47	Adjusted =n Gasstar
WSS	3,325,081	3,325,081	\$ 6.2644	\$ 20,829,637.42	Adjusted in Gasstar
ESS	347,735	347,735	\$ 2.9478	\$ 1,025,053.23	No Adjustment
PEPL	2,717,860	2,678,985	\$ 7.4001	\$ 19,824,756.90	<b>38,875</b> No Adjustment in Gasstar, booked as AR/AP
SS-3	1,299,802	1,299,802	\$ 7.4668	\$ 9,705,361.57	Adj, tn GASTAR
<b>CNGIGSS</b>	3,242,024	3,280,504	\$ 7.6571	\$ 25,119,147.18	<b>(38,480)</b> No Adjustment in Gasstar, booked as a AR/AP
LNG (Mcf)	1,166,148	1,165,877	\$ 9.3674	\$ 10,923,774.78	<b>271</b> To adlust to CPO storage levels.
Propane (Gals)	1,659,438	1,657,352	\$ 0.7887	\$ 1,307,153.52	<b>185</b> To adjust to CPO storage levels.
Propane (Dth)	147,039	146,854	\$ 8.9015	\$ 1,307,224.99	<b>16</b>

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	DTH	Value	Per Dth
Total Underground storage	21,056,868	\$ 159,110,777.07	\$ 7.56
Asset Management		\$ 287,678.89	\$ 7.40
Asset Management		\$ (294,645.21)	\$ 7.66
Gas choice		\$ 1,377,879.63	\$ 7.56
		<u>\$ 160,481,690.39</u>	

Attachment 1-A-16  
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Underground Storage Balances

GMS Inventory. Adjustments (volumes in DTH except where noted)  
Booked in January 07

Storage Field	Pipeline Balance 01131107	GMS Balance 113112007	Wacog	Value	Difference Injection (+)	
	4,466,142	4,439,97(-)	\$ 8.1399	\$ 36,353,949.27	26,166	Adjusted in GasStar
S-2	1,988,445	1,966,232	\$ 7.8229	\$ 15,555,406.39	22,213	Adjusted in Gasstar
GSS-TC	1,568,012	1,568,012	\$ 8.5324	\$ 13,378,995.59		Adjusted in Gasstar
WSS	2,905,402	2,905,402	\$ 6.2956	18,291,248.83		Adjusted in Gasstar
*-SS	325,646	325,646	\$ 2.9478	959,939.28		No Adjustment
<b>PEPL</b>	2,160,541:	2,092,64Q	\$ 7.4001	15,485,745.26	67,801	No Adjustment in Gasstar, booked as AR/AP
SS-3	1,117,142	1,117,142	\$ 7.4877	8,364,824.15		Adj. In GASTAR
<b>CNG/GSS</b>	2,625,214	2,664,092	\$ 7.6712	20,436,782.55	<b>(38,878)</b>	No Adjustment in Gasstar, booked as a AR/AP
LNG (Mcf)	995,949	992,716	\$ 9.3674	9,329,452.66	<b>3,233</b>	~'o adjust to CPO storage levels.
Propane (Gats)	1,610,631	1,622,095	\$ 0.7887	1,279,346.33	,018)	To adjust to CPO storage levels.
Propane (Dth)	142.715	143,730	\$ 8.9015	1,279,412.60	<b>(90)</b>	

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	DTH	Value	Per Dth
Total Underground storage*	17,127,521	\$ 128,826,801.32	\$ 7.52
Asset Management		\$ 502,474.19	\$ 7.40
Asset Management		\$ (298,240.91)	\$ 7.67
Gas choice		\$ 1,400,381.28	\$ 7.52
154100 Error		~\$5 088 00)	
		<u>~ 130,426 327.88</u>	

Asset Management uses GMS, others use P)pehne\*

Underground Storage Balances

**GMS Inventory- Adjustments (volumes in DTH except where noted)  
Booked in February 07**

Storage Field	Pipeline Balance 02128107	GMS Balance	Wacog	Value	Difference Injection (+)
SS-1	2,927,932	2,855,774	\$ 8.1404	\$ 23,834,537.65	72,158 ~,djusted =n GasSlar
S-2	1,162,682	1,162,682	\$ 7.8229	\$ 9,095,545.02	~,djusted in Gastar
GSS-TC	461,556	459,739	\$ 8.5324	\$ 3,938,180.41	1,817 ~,djusted in Gastar
WSS	2,057,794	2,057,794	\$ 6.2956	\$ 12,955,047.91	~,djusted in Gastar
ESS	0		\$		No Adjustment
pl=pL	1,289,517	1,221,616	\$ 7.4001	9,040,080.56	<b>67,901</b> No Adjustment in Gastar, booked as APJAP
SS-3	767,282	767,282	\$ 7.8877	5,745,177.43	~,dj. In GASTAR
<b>CNGIGSS</b>	1,775,971	1,814,846	\$ 7.6712	13,922,069.65	<b>(38,878)</b> ~1o Adjustment in Gastar, booked as a APJAP
LNG (Mcf)	453,551	470,691	\$ 9.3674	4,248,593.64	(17,145) l'o adjust to CPO storage levels
Propane (Gals)	521,730	477,803	<b>\$ 0.7887</b>	376,843.23	3,893 To adjust to CPO storage levels.
Propane (Dth)	46,226	42,336	<b>\$ 8.9015</b>	376,857.50	345

WCO\GST A&P\GST A&P\ Short Term Planning\Storage008\13 Month End Storage Balances XLS\Feb 07

	DTH	Value	Per Dth
Total Underground storage*	10,413,711	\$ 78,530,638.63	\$ 7.54
Asset Management		\$ 502,474.19	\$ 7.40
Asset Management		\$ (298,240.91)	\$ 7.67
Gas choice		\$ 1,533,244.08	\$ 7.54
Storage Wacog Issue		\$ 959,939.28	
		<u>\$ 81,228,055.27</u>	

Asset Management uses GMS. others use P=peline\*

Attachment I A-11  
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Underground Storage Balances

GM- Inventory- Adjustments (volumes in DTH except where noted)  
Booked in March 07

Storage Field	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (+)
SS-1	2,267,342	2,237,906	\$ 8.1717	\$ 18,528,038.62	29,436 ~,djusted in GasStar
S-2	854,999	859,110	\$ 7.8229	\$ 6,688,571.68	(4,111) ~,djusted in Gastar
GSS-TC	511,342	518,786	\$ 8.8274	\$ 4,513,820.37	(7,444) /kdjusted in Gastar
WSS	1,710,306	1,710,306	\$ 6.3998	\$ 10,945,616.34	No Adjustment
Old ESS	8,905	8,905	\$ 8.6485	\$ 77,014.89	~1o Adjustment
New ESS	10,516	10,516	\$ 8.6485	\$ 90,947.63	~1o Adjustment
PEPL	772,466	777,516	\$ 7.4001	\$ 5,716,340.45	(8,046) ~,djusted in Gastar
SS-3	547,472	547,472	\$ 7.5000	\$ 4,106,040.00	No Adjustment
<b>CNGIGSS</b>	1,351,048	1,358,406	\$ 7.7014	\$ 10,404,961.07	(7,358) /kdjusted in Gastar
LNG (Mcf)	357,313	358,956	\$ 8.9213	\$ 3,187,696.47	(1,843) To adjust to CPO storage levels
!Propane (Gals)	521,00G	481,696	\$ 0.7887	\$ 410,912.70	39,304 To adjust to CPO storage levels.
Propane (Dth)	46,164	42,682	\$ 8.9015	\$ 410,929.06	3,482

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	DTH	Value	Per Dth
Total Underground storage"	8,046,804	\$ 61,071,351.04	\$ 7.59
Asset Management		\$	\$ 7.40
Gas choice		\$ 1,204,109.05	\$ 7.59
		<u>\$ 62,275,460.09</u>	

Asset Management uses GMS, others use Pipeline\*

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Underground Storage Balances

6,MS Inventory- Adjustments (volumes in DTH except where noted)  
Booked in April 07

Storage	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (+)
SS-1	2,055,839	2,055,830	\$ 8.2093	\$ 16,876,999.10	Adjusted in GasStar
	858,339	859,264	\$ 7.8748	\$ 6,759,247.96	(925 Adjusted -n Gasstar
GSS-TC	621,873	624,265	\$ 8.7921	\$ 5,467,569.60	(2,392 Adjusted =n Gasstar
WSS	1,733,007	1,733,007	\$ 6.5482	\$ 11,348,076.44	No Adjustment
31d ESS	45,865	45,865	\$ 8.5123	\$ 390,416.64	No Adjustment
INew FSS	56,470	56,470	\$ 8.5113	\$ 480,633.11	No Adjustment
<b>PEPL</b>	1,070,070	1,054,378	\$ 5.4452	\$ 5,741,299.09	<b>15,692</b> No Adjustment in Gasstar, booked as ARIAP
S\$ 3	301,247	301,247	\$ 7.5000	\$ 2,259,352.50	No Adjustment
<b>CNGIGSS</b>	1,489,526	1,469,526	\$ 7.8631	\$ 11,712,291.89	No Adjustment
I-NG (Mcf)	397,965	396,526	\$ 9.6482	\$ 3,839,645.91	1,439 Adjusted in Gasstar to CPO storage levels
Propane (Gals)	521,000	521,005	\$ 0.7887	\$ 410,912.70	Adjusted in Gasstar to CPO storage levels.
Propane (Dth)	46,165	46,165	\$ 8.9015	\$ 410,937.97	(0~

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	DTH	Value	Per Dth
Total Underground storage*	8,216,544	\$ 61,035,886.33	\$ 7.43
Asset Management		\$ 85,446.08	\$ 5.45
Adjustment		\$ 31,120.58	
Gas choice		\$ 216,467.39	\$ 7.43
		<u>\$ 61,368,920.37</u>	

Asset Management uses GM8, others use Pipeline"

Underground Storage B; -lp, nces

GM Inventory- Adjustments (volumes in DTH except where noted)

Booked in May 07

Storage	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (+)
SS-1	2,570,922	2,572,638	\$ 8 2440	\$ 21,194,680.97	(1,716) Adjusted in GasStar
S-2	1,232,467	1,229,678	\$ 8.0293	\$ 9,895,847.28	2,789 Adjusted in GasStar
GSS-TC	990,688	994,678	\$ 8.7363	\$ 8,654,947.57	(3,990) Adjusted in GasStar
WSS	2,014,155	2,018,017	\$ 6.7691	\$ 13,634,016.61	(3,862) No Adjustment
Old ESS	117,121	117,121	\$ 8.3137	\$ 973,708.86	o No Adjustment
New ESS	141,410	141,410	\$ 8.3156	\$ 1,175,909.00	No Adjustment
PEPL	1,465,850	1,336,323	\$ 4.3154	\$ 5,766,768.27	<b>129,527</b> No Adjustment =n GasStar, booked as AR/AP
SS-3	440,747	440,747	\$ 7 9538	\$ 3,505,613.49	No Adjustment
<b>CNGIGSS</b>	1,805,222	1,805,222	\$ 8.0029	\$ 14,447,011.14	No Adjustment
LNG (Mcf)	593,100	593,101	\$ 10.2840	\$ 6,099,440.40	(1) Adjusted ~n GasStar to CPO storage levels.
Propane (Gais)	521,005	521,005	\$ 0,7887	\$ 410,916.64	Adjusted in GasStar to CPO storage levels
Propane (Dth)	46,165	46,165	\$ 8 9015	\$ 410,941.91	

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	DTH	Value	Per Dth
Total Underground storage*	10,649,055	\$ 79,248,503.20	\$ 7.44
Asset Management		\$ 558,960.82	\$ 4.32
Gas choice		\$ 229,777.28	\$ 7.44
		<u>\$ 80,037,241.29</u>	

Asset Management uses GMS, others use Pipeline\*

**Underground Storage Balances**

**GMS Inventory. Adjustments (volumes in DTH except where noted)**

Storage Field	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (+)	
SS-1	3,019,00~	3,025,541	\$ 8 3233	\$ 25,128,092.64	(6,535)	Adjusted in GasStar
	1,642,19~	1,643,178	\$ 8.1646	\$ 13,407,889.79	(980)	Adjusted in GasStar
SSS-TC	1,358,954	1,358,954	\$ 8.6950 1	\$ 11,816,105 03		Adjusted in GasStar
WSS	2,223,001	2,223,001	\$ 6.9433	\$ 15,434,962,84		No Adjustment
iOld ESS	186,421	186,421	\$ 8 4576	\$ 1,576,674.25		No Adjustment
INew ESS	223,61C	223,61(~	\$ 8 4568	\$ 1,891,025 05		~o Adjustment
PEPL	<b>1,792,051</b>	<b>1,618,263</b>	<b>\$ 7.9054</b>	<b>\$ 12,793,016.32</b>	<b>173,788</b>	~1o Adjustment in GasStar, booked as AR/AP
SS-3	599,747	599,747	\$ 8.4987	\$ 5,097,069.83		No Adjustment
CNG/GSS	2,105,222	2,105,22~	\$ 8.2456	\$ 17,358,818.52		~1o Adjustment
LNG (Mcf)	726,464	726,276!	\$ 10.5899	\$ 7,693,181.11	<b>188</b>	Adjusted in GasStar to CPO storage levels
LNG (Dth)	762,788	762,59C	\$ 10.0856	\$ 7,693,176.67	<b>198</b>	Adjusted in GasStar to CPO storage levels.
Propane (Gals)	1,279,35C	1,279,350	\$ 1,0355	\$ 1,324,766.93		Adjusted in GasStar to CPO storage levels.
Propane (Dth)	113,361	113,361	\$ 11.6865	\$ 1,324,796.53		

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	DTH	Value	Per Dth
Total Underground storage*	12,976,422	\$ 104,503,654.27	\$ 8 05
Asset Management		\$ 1,854,324.65	\$ 7 91
Gas choice		\$ 168,719 95)	\$ 8 05
		<u>\$ 106,289,258 97</u>	

Asset Management uses GMS, others use Pipeline

Underground Storage Balances

GMS Inventory- Adjustments (volumes in DYH except where noted)

Booked in July 07

Storage Field	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (±)
SS-1	3,399,886	3,399,841	\$ 8.2602	\$ 28,083,738.34	45 Adjusted in GasStar
S-2	1,996,472	1,997,084	\$ 8.0930	\$ 16,157,447.90	(612) Adjusted in GasStar
GSS-TC	1,675,871	1,675,871	\$ 8.5564	\$ 14,339,422.62	Adjusted in GasStar
WSS	2,451,967	2,451,967	\$ 7.0232	\$ 17,220,654.63	No Adjustment
Old ESS	258,031	258,031	\$ 8.2914	\$ 2,139,438.23	No Adjustment
New ESS	308,550	308,550	\$ 8.2920	\$ 2,558,496.60	No Adjustment
PEPL	<b>2,098,019</b>	<b>1,900,208</b>	<b>\$ 7.8683</b>	<b>\$ 14,951,406.61</b>	<b>197,811</b> No Adjustment in GasStar, booked as APJAP
SS-3	770,247	770,247	\$ 8.4956	\$ 6,543,710.41	No Adjustment
ONG/GSS	2,430,722	2,430,722	\$ 8.3123	\$ 20,204,890.48	No Adjustment
LNG (Mcf)	911,552	912,051	\$ 10.6177	\$ 9,678,585.67	(499) Adjusted in GasStar to CPO storage levels.
LNG (Dth)	957,130	957,654	\$ 10.1121	\$ 9,678,590.23	(524) Adjusted in GasStar to CPO storage levels.
Propane (Gale)	1,689,300	1,661,234	\$ 1.0759	\$ 1,817,517.87	<b>28,066</b> Adjusted in GasStar to CPO storage levels
Propane (Oth)	149,685	147,198	\$ 12.1419	\$ 1,817,460.82	<b>2,487</b>

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	DiH	Value	Per Dth
Total Underground storage*	15,191,954	\$ 122,199,205.83	\$ 8.04
Asset Management		\$ 1,556,436.29	\$ 7.87
Adjustment		\$ 33,964.15	
Gas choice		\$ 188,059.22	\$ 8.04
		<u>\$ 123,701,547.04</u>	

Asset Management uses GMS, others use Pipeline\*

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Underground Storage Balances

GMS Inventory- Adjustments (volumes in DTH except where noted)  
Booked in August 07

Storage Field	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (+)
SS-1	3,879,980	3,893,090	\$ 8.1303	\$ 31,545,583.75	(13,110 Adjusted in GasStar
S-2	2,355,567	2,357,177	\$ 7.9618	\$ 18,754,499.16	(1,610] Adjusted in Gastar
GSS-TC	2,009,993	2,009,993	\$ 8.3738	\$ 16,831,351.74	Adjusted =n Gastar
WSS	2,714,111	2,714,111	\$ 7.0480	19,129,029.90	No Adjustment
Old ESS	329,641	329,641	\$ 8.0839	2,664,794.11	No Adjustment
New ESS	393,490	393,490	\$ 8.0857	3,181,644.85	No Adjustment
<b>PEPL"</b>	<b>2,259,359</b>	<b>2,182,153</b>	<b>\$ 7.7228,</b>	<b>17,448,596.76</b>	<b>77,206</b> No Adjustment in Gastar, booked as AR/AP*
SS-3	956,247	956,247	\$ 8.6768 <sub>1</sub>	8,297,134.33	No Adjustment
CNG/GSS	2,740,722	2,740,722	\$ 8.1258	22,270,476.61	No Adjustment
LNG (Mcf)	1,083,810	1,081,326	\$ 10.5167	11,398,092.71	2,484 Adjusted in Gastar to CPO storage levels.
LNG (Dth)	1,138,001	1,135,393	\$ 10.0159	11,398,092.38	2,607 Adjusted in Gastar to CPO storage levels.
Propane (Gals)	1,689,302	1,689,302	\$ 1.0759	\$ 1,817,460.90	Adjusted in Gastar to CPO storage levels.
Propane (Dth)	149,685	149,685	\$ 12.1419	\$ 1,817,460.90	

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	DTH	Value	Per Dth
Total Underground storage*	17,561,904	\$ 140,123,110.21	\$ 7.98
Asset Management		\$ 613,015.50	\$ 7.72
Gas choice		\$ 128,324.86	\$ 7.98
		<u>\$ 140,707,800.85</u>	

Asset Management uses GMS, others use P=pipeline\*

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**Underground Storage Balances**

**GM-; Inventory- Adjustments (volume<sub>s</sub> in DTH except where noted)  
Booked In September 07**

Storage	Pipeline Balance	GMS Balance 913012007	Wacog	Value	Difference Injection (+)
SS-1	4,478,546	4,478,610	\$ 8.0107	\$ 35,876,104.82	Adjusted ~n GasStar
GSS-TC	2,339,317	2,339,317	\$ 8.2451	\$ 19,287,830.08	Adjusted in Gasstar
S-2	2,595,491	2,696,585	iS 7.8701	\$ 21,213,673.20	(1,0941 Adjusted in Gasstar
WSS	2,950,451	2,950,451	\$ 7.0353	\$ 20,757,178.10	No Adjustment
Old ESS	723,131	723,131	\$ 8.0849	\$ 5,846,438.93	No Adjustment
New ESS	0	0	\$ 8.0857		No Adjustment
<b>PEPL'</b>	<b>2,534,373</b>	<b>2,464,093</b>	<b>\$ 7.5299</b>	<b>\$ 18,554,287.64</b>	<b>70,280</b> No Adjustment in Gasstar, booked as AR/AP*
SS-3	1,136,247	1,136,247	\$ 8.6170	\$ 9,791,038.13	No Adjustment
CNGIGSS	3,040,722	3,040,722	\$ 8.0466	iS 24,467,573.99	No Adjustment
LNG (Mcf)	1,202,369	1,201,120	\$ 10.5167	\$ 12,644,940.84	<b>1,249</b> Adjusted in Gaslar to CPO storage levels
LNG (Dth)	1,252,487	1,261,177	\$ 10.0159	\$ 12,644,940.48	1,312 Adjusted in Gasstar to CPO storage levels.
Propane (Gals)	1,689,302	1,689,302	\$ 1.0759	\$ 1,817,460.90	Adjusted in Gasstar to CPO storage levels.
Propane (Dutch)	149,685	149,665	\$ 12.1419	\$ 1,817,460.90	

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	DUTCH	Value	Per Dutch
Total Underground storage"	19,827,998	\$ 155,794,124.89	\$ 7.86
Asset Management		\$ 552,399.37	\$ 7.53
Gas choice		\$ (27,422.85)	\$ 7.86
		\$ 156,319,101.41	

Asset Management uses GMS, others use Pipeline\*

Underground Storage Balances

Inventory- Adjustments (volumes in DTH except where noted)  
Booked in October 07

Storage	Pipeline Balance	GM6 Balance	Wacog	Value	Difference Injection (±)
I-RANSCO ESS	738,281	738,281	\$ 8.0729	\$ 5,960,084.93	No Adjustment
DOMINION GSS	3,297,834	3,297,826	\$ 8.0275	\$ 26,473,494.35	<b>8</b> Adjusted in Gastar due to rounding
<b>PEPL*</b>	2,745,990	2,746,038	<b>\$ 7.4831</b>	<b>\$ 20,548,413.42</b>	<b>(48) Adjusted In Gastar</b>
"I'ETCO SS-1	4,767,374	4,762,517	\$ 7.9431	\$ 37,867,947.72	<b>4,857</b> Adjusted in Gastar
F-QUITRANS SS-3	1,301,502	1,301,502	\$ 8.6137	\$ 11,210,747.78	No Adjustment
TRANSCO GSS	2,298,449	2,298,449	\$ 8.2503	\$ 18,962,799.55	No Adjustment
"I'RANSCO S-2	2,799,327	2,800,046	\$ 7.8464	\$ 21,964,675.76	<b>(7-9)</b> Adjusted in Gastar
iTRANSCO WSS	3,320,441	3,320,441	\$ 7.0526	\$ 23,417,835.17	No Adjustment
LNG (Mcf)	1,190,139	1,189,097	\$ 10.4632	\$ 12,452,714.75	1,042 Adjusted in Gastar to CPO storage levels
LNG (D h)	1,249,646	1,248,552	\$ 9.9650	\$ 12,452,714.39	1,096 Adjusted in Gastar to CPO storage levels.
Propane (Gals)	1,689,302	1,689,302	<b>\$ 1.0759</b>	\$ 1,817,460.90	
Propane (Dth)	149,685	149,685	<b>\$ 12.1419</b>	\$ 1,817,460.90	

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	DTH	Value	Per Dth
3oral Underground storage*	21,269,246	\$ 166,405,998.67	\$ 7.82
Assel Management		\$	\$ 7.48
Gas chmce		\$ (27~290.30)	\$ 7.82
		<u>\$ 166,378,708.37</u>	

Asset Management uses GMS, others use Pipeline\*

Underground Storage Balances

GMS Inventory- Adjustments (volumes in DTH except where noted)  
Booked In November 07

Storage	Pipeline Balance	GMS Balance	Wacog	Value	Difference Injection (+)
TRANSCO ESS	535,501	535,501	\$ 8.0729	\$ 4,323,057.80	No Adjustment
DOMINION GSS	2,601,087	2,601,087	8.0275	\$ 20,880,329.94	Adjusted in Gastar due to rounding
<b>PEPL*</b>	<b>2,641,941</b>	<b>2,372,266</b>	<b>7.4831</b>	<b>\$ 17,751,826.52</b>	<b>269,673 No Adjustment In Gaetar, booked as ARIAP'</b>
TETCO SS-1	3,804,030	3,787,680	7.9431	30,215,965.68	16,350 Adjusted in Gastar
EQUITRANS SS-3	1,104,447	1,104,447	8.6137	9,513,375.12	No Adjustment
TRANSCO S-2	2,433,782	2,436,963	7.8464=	19,096,458.72	(3,181) Adjusted in Gastar
TRANSCO WSS	2,939,543	2,933,792	\$ 7.0526:	20,690,943.61	5,751 Adjusted in Gastar
LNG (Mcf)	1,158,740	1,159,700	\$ 10.46321	12,124,179.35	(960) Adjusted in Gastar to CPO storage levels
LNG (Dth)	1,216,677	1,217,685	\$ 9.9650	12,124,179.00	<b>(1,008)</b> Adjusted in Gastar to CPO storage levels
Propane (Gale)	1,689,302	1,689,302	\$ 1.0759	1,817,460.90	
Propane (Dth)	149,685	149,685	\$ 12.1419	1,817,460.90	

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	DTH	Value	Per Dth
Total Underground storage*	17,305,787	\$ 135,023,061.91	\$ 7.80
Asset Management		\$ 2,017,990.03	\$ 7.48
Gas choice		\$ (51,753.11)	\$ 7.80
		<u>\$ 136,989,298.83</u>	

Asset Management uses GMS, others use Pipeline\*

**Underground Storage Balances**

**GMS Inventory- Adjustments (volumes in DTH except where noted)**  
**Booked in December 07**

<b>Storage Field</b>	<b>Pipeline Balance 12/31/11</b>	<b>GMS Balance 12/31/12</b>	<b>Wacog</b>	<b>Value</b>	<b>Difference Injection (+) Withdr.</b>	
TRANSCO ESS	371,817	371,817	8.0729	3,001,641.46		No Adjustment
DOMINION GSS	1,977,031	1,977,031	8.0275	15,870,616.35		No Adjustment
<b>PEPL*</b>	<b>2,123,249</b>	<b>1,853,576</b>	<b>7.4831</b>	<b>13,870,494.57</b>	<b>269,673</b>	<b>No Adjustment in Gastar, booked as AR/AP'</b>
TETCO SS-1	3,371,967	3,374,501	7.9386	26,768,697.23	(2,534)	Adjusted in Gastar
EQUITRANS SS-3	825,517	825,517	8.6137	7,110,755.78		No Adjustment
TRANSCO GSS	1,337,487	1,337,487	8.2287	11,005,779.28		No Adjustment
TRANSCO S-2	1,893,664	1,893,664	7.8464	14,858,445.21		No Adjustment
IRANSCO WSS	2,538,634	2,538,634	7.0526	17,903,970.151		No Adjustment
LNG (Mcf)	1,140,553	1,139,464	10.4632	11,933,834.15	<b>1,088</b>	=,djusted in Gastar to CPO storage levels.
LNG (Dth)	1,197,581	1,196,437	9.9650	11,933,894.67	1,143	-djusted in Gastar to CPO storage levels.
Propane (Gals)	1,689,302	1,689,302	1.0759	1,817,520.02		
Propane (Dth)	149,685	149,685	12.1419	1,817,460.30		

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	<b>DTH</b>	<b>Value</b>	<b>Per Dth</b>
Total Underground storage*	14,169,693	\$110,390,400.02	\$ 7.79
Asset Management		\$ 2,138,506.03	\$ 7.48
Gas choice		\$ 554,500.17	\$ 7.79
		<u>\$113,083,406.22</u>	

Asset Management uses GMS, others use Pipeline\*

**I-A-17**            Regardless of whether a claim for net negative or positive salvage is made, attach an exhibit showing gross salvage, cost of removal, and net salvage for the test year and four previous years by account.

AO    **I -A -17**            Refer to Attachment I - A -17, which shows the 2004-2008 net salvage (net of cost of removal) that is closed to the Accumulated Reserve. The 2008 net salvage amounts are based on a three-year average from 2005-2007.

**ATTACHMENT  
I-A-17**

Net Plant - (Increase) / Decrease

PECO Gas 3110 PA	COR I Salvage Sum of Cost of Removal	125,000 00				0 00
	Sum of Salvage	750,000 00				0 00
	Sum of Net Salvage	875,000 00				0 00
PIECO Gas 3611 PA	Sum of Cost of Removal		(18,165 26)	(3,858 09)		(7,341 12)
	Sum of Salvage		0 00	0 00		0 00
	Sum of Net Salvage		(18,165 26)	-3,858 09)		(7,341 17)
PECO Gas 3620 PA	Sum of Cost of Removal				(30,217 01)	(10,072 34)
	Sum of Salvage				0 00	0 00
	Sum of Net Salvage				(30,217 01)	(10,072 34)
PECO Gas 3630 PA	Sum of Cost of Removal				(16,008 33)	(5,336 11)
	Sum of Salvage				0 60	0 00
	Sum of Net Salvage					0 00
PECO Gas 3631 PA	Sum of Cost of Removal	(160,413 84)	(9,168 08)	(123,044 21)		(44,070 76)
	Sum of Salvage	0 00	0 00	0 00		0 00
	Sum of Net Salvage	1160,413 84)	19,168 08)	(123,044 21)		(44,070 76)
PECO Gas 3632 PA	Sum of Cost of Removal			(17,090 43)	(24,056 56)	(13,715 66)
	Sum of Salvage			0 00	0 00	0 56
	Sum of Net Salvage			(17,090 43)	(24,056 56)	(13,715 66)
PECO Gas 3633 PA	Sum of Cost of Removal			(7,446 65)		(2,482 22)
	Sum of Salvage			0 00		0 00
	Sum of Net Salvage			(7,446 65)		(2,482 22)
PF(-O Gas 3635 PA	Sum of Cost of Removal			(33,194 71)	(23,470 78)	(18,888 50)
	Sum of Salvage			0 00	0 00	0 00
	Sum of Net Salvage			(33,194 71)	(23,470 78)	(18,888 50)
PECO Gas 3741 PA	Sum of Cost of Removal	28,571 43				0 00
	Sum of Salvage	85,714 29				0 00
	Sum of Net Salvage	114 285 72				0 00
PECO Gas 3751 PA	Sum of Cost of Removal					0 00
	Sum of Salvage					0 00
	Sum of Net Salvage					0 00
PECO Gas 3752 PA	Sum of Cost of Removal			(3,310 95)		(1,103 00)
	Sum of Salvage			0 00		0 00
	Sum of Net Salvage			(3,310 95)		(1,103 65)
PECO Gas 3753 PA	Sum of Cost of Removal		(32,567 04)	(6,345 61)	(12,034 90)	(16,982 52)
	Sum of Salvage		0 00	0 00	0 00	0 00
	Sum of Net Salvage		(32,567 04)	(6,345 61)	(12,034 90)	(16,982 52)
PECO Gas 3761 PA	Sum of Cost of Removal	(211,202 04)	(1,362,035 15)	(221,154 55)	(275,771 07)	(619,653 59)
	Sum of Salvage	0 00	0 00	402,882 70	0 00	134,294 23
	Sum of Net Salvage	(211,202 04)	(1,362,035 15)	(181,728 15)	(275,771 07)	(485,359 36)
PE(-O Gas 3762 PA	Sum of Cost of Removal	(151,816 96)	(191,821 56)	(298,385 22)	(217,767 99)	(235,991 59)
	Sum of Salvage	0 00	0 00	0 00	0 00	0 00
	Sum of Net Salvage	(151,816 96)	(191,821 56)	(298,385 22)	(217,767 99)	(235,991 59)
PE(-O Gas 3763 PA	Sum of Cost of Removal	(32,520 49)	(14,434 83)	(18,304 84)	(13,441 19)	(15,393 62)
	Sum of Salvage	0 00	0 00	0 00	0 60	0 00
	Sum of Net Salvage	(32,520 49)	(14,434 83)	(18,304 84)	(13,441 19)	(15,393 62)
PECO Gas 3770 PA	Sum of Cost of Removal			(36,522 32)		(12,174 11)
	Sum of Salvage			0 00		0 00
	Sum of Net Salvage			(36,522 32)		(12,174 11)
PECO Gas 3780 PA	Sum of Cost of Removal	(2,302 56)	(2 07)	(3,204 52)	(7,770 54)	(3,659 04)
	Sum of Salvage	0 00	0 00	0 00	0 00	0 00
	Sum of Net Salvage	(2,302 56)	(2 07)	(3,204 52)	(7,770 54)	(3,659 04)
PECO Gas 3790 PA	Sum of Cost of Removal	(20,736 68)		(109,214 39)	(46,090 00)	(51,768 13)
	Sum of Salvage	0 00		0 00	0 00	0 00
	Sum of Net Salvage	(20,736 68)		(109,214 39)	(46,090 00)	(51,768 13)
PECO Gas 3801 PA	Sum of Cost of Removal	(481,373 87)	(2,852,455 56)	(1,614,468 34)	(1,212,103 79)	(1,893,009 23)
	Sum of Salvage	0 00	0 00	0 00	0 00	0 00
	Sum of Net Salvage	(481,373 87)	(2,852,455 56)	(1,614,468 34)	(1,212,103 79)	(1,893,009 23)
PECO Gas 3802 PA	Sum of Cost of Removal	(7,839 55)	(139,336 84)	(55,047 70)	(66,713 30)	(87,032 55)
	Sum of Salvage	0 00	0 00	0 00	0 00	0 00
	Sum of Net Salvage	(7,839 55)	(139,336 84)	(55,047 70)	(66,713 30)	(87,032 55)
PECO Gas 3820 PA	Sum of Cost of Removal	(329,651 42)	(208,375 72)	(166,618 48)	(125,602 72)	(166,865 64)
	Sum of Salvage	0 00	0 00	0 00	0 00	0 00
	Sum of Net Salvage	(329,651 42)	(208,375 72)	(166,618 48)	(125,602 72)	(166,865 64)
PECO Gas 3870 PA	Sum of Cost of Removal	(7,460 73)	(17,758 96)	(18,238 35)	(117,011 87)	(51,003 06)
	Sum of Salvage	0 00	0 00	0 00	0 00	0 00
	Sum of Net Salvage	(7,460 73)	(17,758 96)	(18,238 35)	(117,011 87)	(51,003 06)
PECO Gas 3901 PA	Sum of Cost of Removal		(17,758 96)	(18,238 35)	(117,011 87)	(32,392 05)
	Sum of Salvage		(34,856 33)	(1,125 00)	(61,194 83)	0 00
	Sum of Net Salvage		(34,856 33)	(1,125 00)	(61,194 83)	(32,392 05)
PECO Gas 3940 PA	Sum of Cost of Removal		(13,879 73)	(25 63)	(279 23)	(4,728 20)
	Sum of Salvage		0 00	0 00	0 00	0 00
	Sum of Net Salvage		(13,879 73)	(25 63)	(279 23)	(4,728 20)
Common Plant Allocated to Gas	Sum of Cost of Removal	(244,160 26)	(152,439 29)	(156,270 35)	(67,100 52)	(1 -4,832 32)
	Sum of Salvage	0 00	930,180 44	24,175 13	26,677 33	427,268 03
	Sum of Net Salvage	(244,160 26)	777,741 14	1132,095 22	140,423 19)	262,435 71
rotal Sum of Salvage		835-714-9	930,1 56.44	427,057.83	26,677.33	5611562.26
rotal Sum of Net Salvage						

**NOTE:** For the year ended 12/31/04, in utility accounts 311 1 & 374 0, the amounts shown as removal are salvage amounts that were applied to removal instead of salvage.

**I -A-18**

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Robert O'Brien

Q. I-A-18 Explain in detail by statement or exhibit the appropriateness of claiming any additional items, not previously mentioned, in the measures of value.

A. I-A-18 Refer to PECO Statement No. 3, the Direct Testimony of Robert L. O'Brien and Exhibits RLO-1 and RLO-2.

Schedules C-6, C-7, C-8 and C-9 of each exhibit include measure of value items for accumulated deferred income taxes, customer deposits, common plant, and customer advances for construction, respectively.