

R-00974104
Duquesne Ex. No. DDMM-1
Pittsburgh 12-15-97
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility)
Commission)
v.) Docket No.
) R-00974104
Duquesne Light Company)
Application to approve)
restructuring plan pursuant)
to 66 Pa. C.S. S 2806(d))

- - -

DEPOSITION OF
STEPHEN J. BARON
November 18, 1997
10:00 a.m.

J. Kennedy and Associates, Inc.
35 Glenlake Parkway
Suite 435
Atlanta, GA 30328

Wanda L. Robinson, RMR, CRR-B-1973

023310

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Q. Would it be fair to say then that you believe that that methodology is superior to the valuation produced by the sale of the assets?

A. I would say that the accuracy of the valuation, the precision in the valuation, the best valuation would be achieved by a divestiture and a sale of the assets.

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Q. Would an auction of Duquesne's fossil units provide an accurate valuation of Duquesne's nuclear units?

A. It's possible that one could derive an accurate valuation of the nuclear units from the auction of the fossil units. It wouldn't necessarily be the case.

PENNSYLVANIA PUBLIC UTILITY COMMISSION

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 In re :
 :
 :
 DUQUESNE LIGHT COMPANY : Docket No. R-00974104
 Application to approve :
 restructuring plan pursuant :
 to 66 Pa. C.S. Section 2806. :
 -----x

Washington, D.C.

Friday, November 21, 1997

Deposition of

MATTHEW KAHAL

a witness, called for examination by counsel
 for Applicant pursuant to notice and agreement
 of counsel, beginning at approximately
 11:08 a.m. at the law offices of Skadden Arps
 Slate Meagher & Flom, L.L.P., 1440 New York
 Avenue, Northwest, Washington, D.C., before
 Shari R. Broussard, notary public in and for
 the District of Columbia, when were present on
 behalf of the respective parties:



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Q Is there any better way to determine the market value of Duquesne's generating assets than the kind of price and cost forecast that the OCA has presented?

A Yes, I think there is.

Q Could you elaborate?

A I think a divestiture would probably produce a more reliable estimate, although I -- even I would have to concede, though, that a divestiture at the present time of nuclear assets is very problematic.

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Q And as I understand the caveat, the general proposition would be that if Duquesne's fossil units were sold, that sale price wouldn't necessarily be a good valuation for the nuclear --

A That's right. To put it another way, I'm want sure that there is much of a market right now for nuclear assets. That is, the -- my comments about the divestiture process were really predicated on the notion that there is a broad competitive market for generation assets. I think that there are so few buyers in the nuclear asset field right now that I wouldn't be confident that that would produce an efficient market price.

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Q Have you made any calculations of

1 what you would expect Duquesne's earnings to be
2 were the OCA proposal to be accepted?

3 A I have not done that, no.

4 Q Any calculations regarding the
5 financial impact of those proposals on the
6 company?

7 A No.

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Q Does your testimony make any representations or claims with regard to the prudence of the company in incurring any investments?

A No.

PENNSYLVANIA UTILITY COMMISSION

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PENNSYLVANIA PUBLIC :
UTILITY COMMISSION, :
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: :
v. : Docket No. R-00974104
: :
DUQUESNE LIGHT COMPANY :
Application for approval :
of restructuring plan :
pursuant to 66 Pa. C.S. :
Section 2806(d). :
-----X

Washington, D.C.

Monday, November 17, 1997

Deposition of

WHITFIELD RUSSELL

a witness, called for examination by counsel
for Duquesne, pursuant to notice and agreement
of counsel, beginning at approximately
2:20 p.m., at the offices of Skadden Arps Slate
Meagher & Flom, L.L.P., 1440 New York Avenue,
Northwest, Washington, D.C., before Shari R.
Broussard, notary public in and for the
District of Columbia, when were present on
behalf of the respective parties:



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Q Would the auction of Duquesne's fossil units provide an accurate valuation of the value of its nuclear units?

A No.

Q Would the auction of one of Duquesne's fossil units provide an accurate valuation for all of its fossil units?

A Probably not.

PENNSYLVANIA UTILITY COMMISSION

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PENNSYLVANIA PUBLIC :
UTILITY COMMISSION, :
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v. : Docket No. R-00974104
: :
DUQUESNE LIGHT COMPANY :
Application for approval :
of restructuring plan :
pursuant to 66 Pa. C.S. :
Section 2806(d). :
-----X

Washington, D.C.

Monday, November 17, 1997

Deposition of

DAVID SCHOENGOLD

a witness, called for examination by counsel
for Duquesne, pursuant to notice and agreement
of counsel, beginning at approximately
2:20 p.m., at the offices of Skadden Arps Slate
Meagher & Flom, L.L.P., 1440 New York Avenue,
Northwest, Washington, D.C., before Shari R.
Broussard, notary public in and for the
District of Columbia, when were present on
behalf of the respective parties:

BETA

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Q Well, let's take it step by step.

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Would an auction of all the

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generating assets be a reasonable procedure for

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a true-up valuation of the assets?

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A There is -- it's a good approach with

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one problem to it. The problem being the

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question of when the auction takes place.

BETA REPORTING

(202) 638-2400

1-800-522-2382

(703) 684-2382

1 If the auction were to take place --
2 and, here again, we're referring to all of the
3 generating assets. If the auction were to take
4 place at this moment, we don't have an open
5 competitive market for generation, so there --
6 it's not clear that a price that would be
7 determined at such an auction would really
8 reflect the value of those facilities in the
9 same way it would if we had in place an open
10 competitive market. And so I would say if the
11 auction were taking place a few years down the
12 road, when we do have a competitive market in
13 place or when it's presumed that there will be
14 a competitive market, I would say that would be
15 a good way of doing it. If it's done now,
16 it's -- there are some potential problems with
17 that approach.
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THE PENNSYLVANIA UTILITY COMMISSION

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PENNSYLVANIA PUBLIC UTILITY :
COMMISSION, :
: :
v. : Docket No.
: R-00974104
DUQUESNE LIGHT COMPANY :
Application to approve :
restructuring plan pursuant :
to 66 Pa. C.S. Section 2806(d) :
-----X

Washington, D.C.

Wednesday, November 19, 1997

Deposition of

ROBERT B. WEISENMILLER, PH.D.

a witness, called for examination by counsel
for Duquesne, pursuant to notice and
agreement of counsel, beginning at
approximately 11:25 a.m., at the Law Firm of
Skadden, Arps, Slate, Meagher & Flom, L.L.P.,
1440 New York Avenue, Northwest, Washington,
D.C., before Shari R. Broussard, notary
public in and for the District of Columbia,
when were present on behalf of the respective
parties:

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Q Would an auction of Duquesne's fossil
assets provide an accurate valuation of the
nuclear assets?

A No, an auction of the fossil assets

1 should provide, if done properly, should
2 provide a valuation of the fossil assets.

3 Q Would an auction of one fossil asset
4 provide an accurate valuation of the remaining
5 fossil assets?

6 A Depending upon how representative
7 that one asset was, it might at least give you
8 a data point, but it would not be as indicative
9 as an auction of all of those assets.

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A-00974174
Duquesne Exhibit Nos. DJC-1 - DJC-25
Pittsburgh 12-15-97
G.S.

CURRICULUM VITAE

DONALD J. CLAYTON
Duquesne Light Company
411 Seventh Avenue
P. O. Box 1930
Pittsburgh, PA 15230-1930
(412) 393-6230
(412) 393-6571 - FAX

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Employment History

- 1995 - Present Treasurer, Duquesne Light Company
- 1990 - 1994 Assistant Treasurer, Duquesne Light Company
- 1985 - 1990 Manager, Valuation and Property Records, Duquesne Light Company
- 1983 - 1985 Manager, Public Utility Industry Specialty Group, PriceWaterhouse
- 1977 - 1983 Analyst and Supervisor, Depreciation and Cost Allocation Studies, Gannett Fleming Valuation and Rate Consultants, Inc.
- 1974 - 1976 Fellows, Read & Weber, Inc., Assistant Engineer (Co-op Student)

Education

- 1977 MBA - Rensselaer Polytechnic Institute
- 1976 BS, Civil Engineering - Rensselaer Polytechnic Institute

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Experience

As Treasurer of Duquesne Light Company, manage 50+ person staff including six direct reports and 20 professionals. responsible for Corporate Finance, Financial Planning, Cash Management, Corporate Budgeting, Shareholder Relations and Electronic Commerce.

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Experience (cont.)

As Assistant Treasurer of Duquesne Light Company, responsible for Financial Planning and Corporate Budgeting. Activities in this position included the direction and development of financial models and financial forecasts for the Company and affiliates, economic and investment analysis for the Company and affiliates, preparation of credit rating agency reports, reports and filings for the Pennsylvania Public Utility Commission (PAPUC) and merger and acquisition analysis.

As Manager, Valuation and Property Records, responsible for the Company's construction cost accounting system and continuing Property Record. Also, directed the preparation of economic analysis, tax reports and information for regulatory filing before the PAPUC and the Federal Energy Regulatory Commission.

As a consultant to the utility industry, performed numerous depreciation, valuation, cost-of-service, rate design and other economic and statistical studies for electric, gas, water, sewer, telephone and railroad companies as well as municipalities and municipal agencies.

Prior experience includes community planning and infrastructure design, traffic studies and hydraulics analysis.

Clients Served

Depreciation and Valuation Studies

Duquesne Light Company
The Peoples Natural Gas Company
Dauphin Consolidated Water Supply Company
Northern Telephone Limited
The Penn Central Corporation
The Bloomburg Water Company
Columbia Gas of Pennsylvania
Union Pacific Railroad Company
Philadelphia Suburban Water Company
T. W. Phillips Gas and Oil Company
Atlanta Gas Light Company
The Elizabethtown Water Company
The Roaring Creek Water Company
Burlington Northern
United Telephone System - Eastern Group
Anchorage Water and Waste Water Utility

Clients Served (cont.)

Cost of Service and Rate Design Studies

Latrobe Municipal Authority
Greater Johnstown Water Authority
T.W. Phillips Gas and Oil Company
Peoples Gas System, Inc.
The City of Myrtle Beach (Water and Sewer)
The Metropolitan Government of Nashville (Water and Sewer)
Morenci Water and Electric Company
AJO Improvement Company
International Flavors and Fragrances, Inc.

Economic and Statistical Studies

City of Phoenix Arizona (street lighting study)
City of Pittsburgh (street lighting study)
New Jersey Telephone Company
The Penn Central Corporation
Duquesne Light Company

Expert Testimony

Pennsylvania Public Utility Commission:

P-00951001 - Sale of Ft. Martin Power Station
G-00940392 - Affiliated Interest Filing - Headquarters Building Lease
G-00940376 - Affiliated Interest Filing - Wood Run Facility Lease
P-900485 - Accounting and ratemaking petition related to the GPU/DQE power sale
and transmission line project
R-870651 - Duquesne Light Company base rate case
R-870378 - Duquesne Light Company base rate case

Superior Court of Monmouth County New Jersey - Cost of service testimony (L-040293-84)

City Council of Phoenix - Testimony related to acquisition of street lighting system

Formal Papers and Presentations

"Regulatory Concerns Associated with Implementing FAS No. 96", EEI Depreciation Committee, 1986

"Capital recovery concerns in the Electric Utility Industry and the Duquesne Plan", Iowa State Regulatory Conference, 1987

"Duquesne Light Company's Past and Future Stranded Cost Mitigation Strategies", IBC Industry Forum - Stranded Cost Recovery, 1997

Professional Certification

Registered Professional Engineer - Pennsylvania

Other Activities

Treasurer - FEDUPAC and PENNDUPAC (the Company's Federal and State political action committees)

Board Member - Juvenile Diabetes Foundation of Pittsburgh

Duquesne Light Company
Historic Mitigation Efforts
Reductions to Stranded Cost

	<u>1989-1996</u>	<u>1997-1998</u>	<u>1999-2005</u>	<u>Total</u>
Increase in Nuclear Depreciation <u>Ft. Martin Plan Extended through 2005</u>	50	50	175	275
Increase in Depreciation and Amortization	25	125	525	675
Gain on Sale of Ft. Martin Plant	130	-	-	130
Increase in Decommissioning	5	5	60	70
Early Window Amortization	<u>2</u>	<u>8</u>	<u>30</u>	<u>40</u>
Total Ft. Martin Plan	212	188	790	1,190
Tax Planning	20	50	200	270
Interest Cost Savings	<u>45</u>	<u>15</u>	<u>50</u>	<u>110</u>
Total Pre-Tax Reduction	277	253	1,040	1,570
Tax Effect	<u>107</u>	<u>84</u>	<u>349</u>	<u>540</u>
Total Stranded Cost Reduction	<u>170</u>	<u>169</u>	<u>691</u>	<u>1,030</u>

DUQUESNE LIGHT COMPANY
Actual - Per Books Income Statements

	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
Operating Revenues	\$1,177	1,180	\$1,169	\$1,161	\$1,150	\$1,173	\$1,115	\$1,119
Fuel and purchased power	237	232	244	238	239	251	220	215
Operating and maintenance	331	332	349	368	348	346	350	356
Depreciation and amortization	216	191	163	151	128	119	122	120
Taxes other than income	85	86	86	70	85	95	81	93
Interest and other charges	<u>101</u>	<u>103</u>	<u>107</u>	<u>120</u>	<u>132</u>	<u>143</u>	<u>158</u>	<u>165</u>
Income before taxes	207	236	220	214	218	219	184	170
Income taxes	84	93	84	77	108	101	84	75
Net income - operations	<u>\$123</u>	<u>\$143</u>	<u>\$136</u>	<u>\$137</u>	<u>\$110</u>	<u>\$118</u>	<u>\$100</u>	<u>\$95</u>
Return on average common equity	11.6%	12.7%	12.3%	12.4%	10.1%	11.2%	9.7%	9.2%

**DLC MITIGATION STRATEGIES IMPLEMENTED
1989-1996**

Mitigation Strategies:

- Aggressive Fuel Cost Reductions (13%)
- Capital & O&M Targeted Reduction Program
- Work force Reduction (1,000 Employees)
- Sale/leaseback of Beaver Valley Unit No. 2
- Debt Refinancing - \$60 million annual reduction in interest expense
- Equity Buyback \$270 million
- Replacement of restrictive mortgage indenture
- Aggressively pursued long-term power contracts...Sale of Ft. Martin Plant
- Write-down of nuclear with \$130 million gain on sale of plant
- Five-year rate freeze
- Capped ECR at 14.7 cents
- Agreed to increase depreciation of nuclear plants investment
- Increased funding of nuclear decommissioning costs by \$5.0 million annually
- Wrote-off \$9.0 million of regulatory assets associated with "Early Window"
- Began amortizing regulatory asset associated with "Early Window"
- Instituted a \$500,000 credit for low-income customers
- Invested in tax mitigating investments

DUQUESNE LIGHT COMPANY
No Mitigation - Pro-forma Income Statements

	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
Operating Revenues	\$1,177	\$1,180	\$1,169	1,161	\$1,150	\$1,173	\$1,115	\$1,119
Fuel and purchased power	273	265	257	249	241	234	227	220
Operating and maintenance	377	364	352	340	321	310	299	288
Depreciation and amortization	140	140	140	140	140	140	140	140
Taxes other than income	117	113	109	105	102	99	96	93
Interest and other charges	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>
Income before taxes	105	133	146	162	181	225	188	213
Income taxes	<u>47</u>	<u>53</u>	<u>64</u>	<u>64</u>	<u>89</u>	<u>100</u>	<u>79</u>	<u>89</u>
Net income - operations	<u>\$58</u>	<u>\$80</u>	<u>\$82</u>	<u>\$98</u>	<u>\$92</u>	<u>\$125</u>	<u>\$109</u>	<u>\$124</u>
Return on average common equity	4.2%	5.8%	5.9%	7.1%	6.8%	9.3%	8.3%	9.4%
Annual revenue increase avoided	\$216	\$176	\$172	\$141				
<u>% Annual revenue increase</u>	<u>18.3%</u>	<u>14.9%</u>	<u>14.7%</u>	<u>12.2%</u>				
Cumulative revenue increase avoided for 12.87% ROE	\$705	\$490	\$313	\$141				
<u>% Cumulative revenue increase</u>	<u>15.1%</u>	<u>13.9%</u>	<u>13.4%</u>	<u>12.2%</u>				

Duquesne Light Company
Summary of
Net Book and Range of
Market Values at
12/31/2005

Net Book Value of Generating Plant Assets	\$535 million
Market Value of Generation Portfolio	
Low	(\$47) million
High	\$527 million
Stranded Cost	
Low - Market Value	\$582 million
High - Market Value	\$8 million

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Total Duquesne Light									
Revenue from Customers	1081.7	1107.4	1,125.2	1,141.8	1,159.7	1,178.2	1,197.4	1,217.7	1,238.6
Deferred Revenue	0.0	0.0	38.9	(25.8)	(13.1)	0.0	0.0	0.0	0.0
Off-system Sales	16.9	18.9	42.5	45.0	48.7	47.9	45.2	45.6	13.7
Other Revenues	<u>34.3</u>	<u>32.8</u>	<u>35.9</u>	<u>36.0</u>	<u>36.1</u>	<u>36.2</u>	<u>36.3</u>	<u>36.3</u>	<u>32.2</u>
Total Revenue	1132.9	1159.0	1,242.5	1,197.1	1,231.4	1,262.3	1,278.9	1,299.6	1,284.4
Operating Expenses									
Fuel & Purchased Power	201.5	214.5	246.0	223.5	235.5	247.1	256.2	263.9	295.8
Non Fuel O&M (production)	122.0	113.6	138.2	122.1	119.4	135.1	134.6	139.4	128.6
Outage Accounting	3.1	1.8	(6.9)	(1.8)	7.8	(0.6)	(2.4)	1.6	(4.5)
Non-production Expenses	220.4	233.1	238.7	238.9	251.8	258.9	264.7	270.8	261.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Book Depreciation	172.5	177.7	180.6	179.7	190.2	212.3	211.5	193.5	183.6
Amortization	64.4	93.6	90.9	91.8	92.8	93.4	94.0	94.3	94.7
Operating Revenue Tax	48.4	49.6	53.2	51.2	52.6	48.1	49.0	49.7	49.0
Property Taxes	20.6	21.1	21.2	21.2	21.1	21.2	21.2	21.1	20.4
Other Taxes	12.4	15.1	19.8	19.9	20.1	20.3	20.5	20.7	20.2
Current Tax	100.2	103.2	96.3	121.2	122.8	119.5	130.7	144.2	134.8
Deferred Tax	(59.1)	(85.5)	(48.9)	(76.0)	(78.7)	(77.8)	(75.2)	(66.8)	(58.0)
ITC Amortization	(8.4)	(8.7)	(8.7)	(8.4)	(8.3)	(8.3)	(8.3)	(8.4)	(5.7)
Total Operating Expenses	906.9	938.0	1,029.0	992.1	1,035.9	1,077.9	1,105.2	1,132.6	1,128.9
Operating Income	226.0	221.1	213.5	205.0	195.5	184.3	173.7	167.0	155.5
Interest Expense	100.6	98.4	95.0	91.2	87.0	82.0	77.3	74.3	69.2
Net Income	125.4	122.7	118.5	113.8	108.5	102.3	96.4	92.7	86.3
Preferred Return	17.0	16.6	16.0	15.4	14.7	13.9	13.1	12.5	11.7
Income Available for Equity Return	108.5	106.1	102.4	98.4	93.8	88.5	83.3	80.2	74.6
Operating Income	226.0	221.1	213.5	205.0	195.5	184.3	173.7	167.0	155.5
Rate Base	2,353.3	2,301.3	2,222.8	2,133.7	2,035.1	1,919.2	1,808.2	1,738.4	1,618.9
Return on Rate Base	9.60%	9.61%	9.60%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	943.2	922.3	890.9	855.2	815.7	769.2	724.7	696.7	648.9
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Generation									
Revenue from Customers	807.8	816.8	866.9	815.3	837.0	860.4	871.8	885.0	893.1
Off-system Sales	16.9	18.9	42.5	45.0	48.7	47.9	45.2	45.6	13.7
Other Revenues	15.3	13.9	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Total Revenue	840.0	849.6	923.4	874.4	899.7	922.3	931.0	944.6	920.8
Operating Expenses									
Fuel & Purchased Power	200.3	214.3	226.8	203.1	210.3	219.1	227.4	235.8	269.1
Emissions	1.2	0.3	19.1	20.4	25.2	28.0	28.9	28.1	26.6
Non Fuel O&M (production)	122.0	113.6	138.2	122.1	119.4	135.1	134.6	139.4	128.6
Outage Accounting	3.1	1.8	(6.9)	(1.8)	7.8	(0.6)	(2.4)	1.6	(4.5)
Non-production Expenses	110.5	113.5	115.2	117.6	127.3	131.3	133.8	136.5	123.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Book Depreciation	135.9	139.6	141.1	138.9	148.1	168.9	166.8	147.4	136.1
Amortization	65.6	94.6	91.2	91.2	91.2	91.2	91.2	91.2	91.2
Operating Revenue Tax	35.5	36.0	39.2	37.0	38.0	33.1	33.7	34.1	33.0
Property Taxes	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.1	16.4
Other Taxes	4.3	7.0	11.6	11.6	11.7	11.8	11.9	11.9	10.7
Current Taxes	69.0	69.7	77.2	73.3	78.4	79.7	90.3	103.7	94.2
Deferred Tax	(61.6)	(87.3)	(66.3)	(66.1)	(73.5)	(78.4)	(76.5)	(68.7)	(60.3)
ITC Amortization	(6.4)	(6.7)	(6.7)	(6.5)	(6.4)	(6.4)	(6.4)	(6.4)	(3.7)
Total Operating Expenses	705.4	722.3	805.5	766.9	803.5	838.6	859.1	880.5	869.2
Operating Income	134.7	127.3	117.9	107.5	96.3	83.7	71.9	64.1	51.6
Interest Expense	59.9	56.6	52.5	47.8	42.8	37.3	32.0	28.5	23.0
Net Income	74.7	70.7	65.4	59.7	53.4	46.5	39.9	35.6	28.6
Preferred Return	10.1	9.6	8.9	8.1	7.2	6.3	5.4	4.8	3.9
Income Available for Equity Return	64.6	61.1	56.6	51.6	46.2	40.2	34.5	30.8	24.8
Operating Income	134.7	127.3	117.9	107.5	96.3	83.7	71.9	64.1	51.6
Rate Base	1,402.0	1,325.3	1,227.7	1,118.8	1,001.8	871.9	748.3	667.4	537.0
Return on Rate Base	9.60%	9.61%	9.60%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	561.9	531.2	492.1	448.4	401.5	349.5	299.9	267.5	215.2
Return on Equity	11.50%	11.50%	11.49%	11.51%	11.51%	11.50%	11.50%	11.51%	11.51%

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Nuclear Generation									
Revenue from Customers	357.0	339.9	330.3	314.5	315.5	312.4	306.1	289.9	298.0
Off-system Sales	5.4	6.1	12.8	14.0	15.4	14.4	13.5	14.7	4.8
Other Revenues	<u>15.3</u>	<u>13.9</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>
Total Revenue	377.7	359.9	357.1	342.5	344.9	340.8	333.7	318.7	316.8
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel	29.9	32.9	29.7	30.7	32.0	31.0	31.2	34.1	32.0
Non Fuel O&M (production)	70.8	49.8	77.9	65.0	61.8	76.6	75.7	68.8	84.7
Outage Accounting	(0.6)	10.8	(8.1)	0.1	5.7	(3.1)	(3.5)	10.1	(7.3)
Non-production Expenses	68.7	64.7	68.5	67.9	75.7	78.9	79.1	76.8	81.8
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Book Depreciation	94.6	95.0	95.2	92.4	89.7	89.9	90.3	74.4	71.2
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	15.2	14.5	14.2	13.6	13.6	7.5	7.4	6.5	6.5
Property Taxes	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8
Other Taxes	6.9	6.7	6.8	6.8	6.8	6.9	6.9	7.0	7.0
Current Taxes	52.0	55.2	43.9	44.3	43.8	38.3	36.4	33.8	25.8
Deferred Taxes	(33.6)	(38.7)	(30.9)	(33.2)	(34.5)	(30.9)	(30.8)	(29.8)	(21.2)
ITC Amortization	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(2.4)
Total Operating Expenses	321.5	308.5	314.7	305.1	312.1	312.7	310.2	299.1	300.7
Operating Income	56.2	51.4	42.4	37.4	32.8	28.1	23.5	19.6	16.1
Interest Expense	25.0	22.9	18.9	16.7	14.6	12.5	10.4	8.7	7.2
Net Income	31.2	28.5	23.5	20.8	18.2	15.6	13.0	10.9	8.9
Preferred Return	4.2	3.9	3.2	2.8	2.5	2.1	1.8	1.5	1.2
Income Available for Equity Return	27.0	24.7	20.3	18.0	15.7	13.5	11.3	9.4	7.7
Operating Income	56.2	51.4	42.4	37.4	32.8	28.1	23.5	19.6	16.1
Rate Base	585.1	535.3	441.2	389.9	341.3	292.4	244.3	203.6	167.4
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	234.5	214.6	176.8	156.3	136.8	117.2	97.9	81.6	67.1
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Nuclear Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Perry									
Off-system Sales Revenue	1.3	1.5	3.2	3.7	3.5	3.9	3.3	3.7	1.2
Revenue from Customers	<u>145.7</u>	<u>138.9</u>	<u>132.0</u>	<u>125.4</u>	<u>121.4</u>	<u>121.3</u>	<u>114.4</u>	<u>98.6</u>	<u>96.7</u>
Total Revenue	147.0	140.4	135.2	129.1	124.9	125.2	117.7	102.3	97.8
Operating Expenses									
Fuel	8.1	9.1	8.6	9.2	8.9	9.6	9.1	9.8	9.1
Non Fuel O&M (production)	17.0	12.2	18.9	15.9	20.0	20.9	21.3	22.3	22.8
Outage Accounting	0.0	2.8	-1.5	1.7	-1.6	1.8	-1.7	2.0	-1.8
Non-Production Expenses	7.6	6.5	7.5	7.2	8.4	8.1	8.4	8.0	9.1
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Book Depreciation	58.0	58.1	58.2	56.5	55.0	55.0	55.1	38.7	34.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	5.0	4.8	4.5	4.2	3.9	3.7	3.5	2.7	2.6
Property Taxes	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3
Other Taxes	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Current Taxes	30.7	30.9	27.1	26.5	23.5	23.7	21.0	14.9	12.9
Deferred Taxes	-21.6	-23.0	-21.4	-22.1	-20.3	-21.7	-20.2	-14.9	-11.7
ITC Amortization	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-0.1
Total Operating Expenses	118.8	115.3	115.7	112.8	111.6	115.0	110.4	97.3	94.6
Operating Income	28.3	25.2	19.5	16.3	13.3	10.2	7.3	5.1	3.3
Interest Expense	12.6	11.2	8.7	7.2	5.9	4.6	3.2	2.3	1.5
Net Income	15.7	14.0	10.8	9.0	7.4	5.7	4.0	2.8	1.8
Preferred Return	2.1	1.9	1.5	1.2	1.0	0.8	0.5	0.4	0.2
Income Available for Equity Return	13.6	12.1	9.4	7.8	6.4	4.9	3.5	2.4	1.6
Operating Income	28.3	25.2	19.5	16.3	13.3	10.2	7.3	5.1	3.3
Rate Base	294.3	262.0	202.9	169.3	138.6	106.5	75.7	53.1	34.1
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	118.0	105.0	81.3	67.9	55.6	42.7	30.3	21.3	13.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Nuclear Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Beaver Valley									
Off-system Sales Revenue	4.1	4.6	9.6	10.3	11.8	10.5	10.2	11.0	3.6
Revenue from Customers	211.3	201.0	198.3	189.1	194.1	191.1	191.8	191.3	201.4
Other Revenues	15.3	13.9	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Total Revenue	230.7	219.5	222.0	213.4	220.0	215.6	216.1	216.4	219.0
Operating Expenses									
Fuel	21.8	23.8	21.1	21.5	23.1	21.4	22.1	24.3	22.9
Non Fuel O&M (production)	53.8	37.6	58.9	49.1	41.8	55.8	54.4	46.5	61.8
Outage Accounting	-0.6	8.0	-6.6	-1.6	7.3	-4.9	-1.8	8.1	-5.5
Non-Production Expenses	61.2	58.2	61.0	60.7	67.3	70.7	70.7	68.7	72.7
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Book Depreciation	36.6	36.9	37.0	35.9	34.7	34.9	35.3	35.7	36.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	10.1	9.7	9.8	9.4	9.7	3.9	3.9	3.9	3.9
Property Taxes	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Other Taxes	4.4	4.4	4.4	4.4	4.5	4.5	4.6	4.6	4.6
Current Taxes	21.3	24.4	16.9	17.8	20.3	14.6	15.4	18.9	12.9
Deferred Taxes	-12.0	-15.7	-9.5	-11.1	-14.3	-9.2	-10.6	-14.9	-9.5
ITC Amortization	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.3	-2.3
Total Operating Expenses	202.7	193.2	199.1	192.2	200.5	197.8	199.9	201.9	206.2
Operating Income	27.9	26.3	22.9	21.2	19.5	17.9	16.2	14.5	12.8
Interest Expense	12.4	11.7	10.2	9.4	8.7	7.9	7.2	6.4	5.7
Net Income	15.5	14.6	12.7	11.8	10.8	9.9	9.0	8.0	7.1
Preferred Return	2.1	2.0	1.7	1.6	1.5	1.3	1.2	1.1	1.0
Income Available for Equity Return	13.4	12.6	11.0	10.2	9.3	8.6	7.8	6.9	6.1
Operating Income	27.9	26.3	22.9	21.2	19.5	17.9	16.2	14.5	12.8
Rate Base	290.7	273.3	238.3	220.5	202.6	185.9	168.6	150.5	133.3
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	116.5	109.5	95.5	88.4	81.2	74.5	67.6	60.3	53.4
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Nuclear Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Beaver Valley I									
Off-system Sales Revenue	3.0	3.6	7.5	7.7	9.4	8.1	7.7	8.8	2.8
Revenue from Customers	135.9	127.1	124.4	116.4	113.1	108.6	109.0	107.7	116.0
Other Revenues	11.9	10.8	10.9	10.9	10.9	10.9	10.9	10.9	10.9
Total Revenue	150.9	141.5	142.7	135.0	133.4	127.6	127.5	127.3	129.7
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel	16.9	19.3	16.6	16.2	18.3	16.7	16.6	19.3	17.9
Non Fuel O&M (production)	45.1	26.5	46.4	40.8	30.0	43.5	45.1	33.4	48.3
Outage Accounting	-3.8	9.1	-5.6	-3.7	8.3	-3.9	-4.1	9.2	-4.3
Non-Production Expenses	11.9	8.6	11.2	11.3	9.7	11.8	12.3	9.7	13.6
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Book Depreciation	33.3	33.4	33.6	32.5	31.4	31.7	32.0	32.4	32.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	6.6	6.2	6.3	5.9	5.9	0.0	0.0	0.0	0.0
Property Taxes	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Other Taxes	3.6	3.5	3.6	3.6	3.6	3.7	3.7	3.7	3.8
Current Taxes	17.7	22.6	15.5	15.3	19.2	13.6	13.0	18.0	12.0
Deferred Taxes	-9.3	-14.9	-9.0	-9.4	-13.9	-8.9	-8.9	-14.6	-9.2
ITC Amortization	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6
Total Operating Expenses	126.7	119.1	123.3	117.2	117.2	112.9	114.3	115.8	119.7
Operating Income	24.1	22.4	19.4	17.8	16.2	14.7	13.2	11.5	10.0
Interest Expense	10.7	10.0	8.6	7.9	7.2	6.5	5.9	5.1	4.5
Net Income	13.4	12.4	10.8	9.9	9.0	8.2	7.3	6.4	5.6
Preferred Return	1.8	1.7	1.5	1.3	1.2	1.1	1.0	0.9	0.8
Income Available for Equity Return	11.6	10.8	9.3	8.5	7.8	7.0	6.3	5.5	4.8
Operating Income	24.1	22.4	19.4	17.8	16.2	14.7	13.2	11.5	10.0
Rate Base	251.3	233.3	201.7	185.5	168.5	152.9	137.3	120.0	104.1
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	100.7	93.5	80.8	74.3	67.5	61.3	55.0	48.1	41.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Nuclear Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Beaver Valley 2									
Off-system Sales Revenue	1.0	0.9	2.2	2.6	2.4	2.4	2.6	2.3	0.8
Revenue from Customers	75.4	74.0	73.9	72.7	81.0	82.5	82.8	83.6	85.4
Other Revenues	3.4	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Total Revenue	79.8	78.0	79.3	78.4	86.5	88.0	88.5	89.0	89.4
Operating Expenses									
Fuel	4.9	4.5	4.5	5.3	4.8	4.7	5.5	5.0	5.0
Non Fuel O&M (production)	8.7	11.1	12.5	8.4	11.8	12.2	9.3	13.1	13.5
Outage Accounting	3.2	-1.1	-1.0	2.1	-1.0	-1.0	2.3	-1.1	-1.1
Non-Production Expenses	49.3	49.7	49.8	49.4	57.6	58.9	58.4	59.0	59.1
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Book Depreciation	3.3	3.4	3.4	3.4	3.3	3.2	3.2	3.3	3.4
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	3.5	3.4	3.5	3.5	3.8	3.9	3.9	3.9	3.9
Property Taxes	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Other Taxes	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9
Current Taxes	3.6	1.8	1.3	2.5	1.1	1.0	2.4	0.9	0.9
Deferred Taxes	-2.7	-0.8	-0.4	-1.7	-0.3	-0.3	-1.7	-0.3	-0.3
ITC Amortization	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7
Total Operating Expenses	76.0	74.2	75.7	75.1	83.2	84.8	85.5	86.1	86.6
Operating Income	3.8	3.8	3.5	3.4	3.3	3.2	3.0	2.9	2.8
Interest Expense	1.7	1.7	1.6	1.5	1.5	1.4	1.3	1.3	1.2
Net Income	2.1	2.1	1.9	1.9	1.8	1.8	1.7	1.6	1.6
Preferred Return	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2
Income Available for Equity Return	1.8	1.8	1.7	1.6	1.6	1.5	1.4	1.4	1.3
Operating Income	3.8	3.8	3.5	3.4	3.3	3.2	3.0	2.9	2.8
Rate Base	39.5	40.0	36.6	35.1	34.1	33.0	31.3	30.5	29.2
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	15.8	16.0	14.7	14.1	13.7	13.2	12.6	12.2	11.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Fossil Generation									
Revenue from Customers	392.7	393.7	436.4	407.4	434.9	468.4	475.1	484.6	491.5
Off-system Sales	11.5	12.8	29.6	31.0	33.3	33.5	31.7	30.8	8.9
Other Revenues									
Total Revenue	404.2	406.4	466.0	438.4	468.3	502.0	506.8	515.4	500.4
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel & Purchased Power	170.3	181.3	197.1	172.4	178.2	188.1	196.2	201.7	237.1
Emissions	1.2	0.3	19.1	20.4	25.2	28.0	28.9	28.1	26.6
Non Fuel O&M (production)	51.2	63.8	60.3	57.1	57.7	58.5	58.9	70.7	44.0
Outage Accounting	3.7	(9.0)	1.1	(1.8)	2.1	2.5	1.1	(8.5)	2.8
Non-production Expenses	41.8	48.8	46.7	49.7	51.7	52.4	54.7	59.7	41.2
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fossil Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	41.2	44.6	45.9	46.6	58.4	79.0	76.4	73.0	64.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	17.8	17.9	20.5	19.3	20.6	22.1	22.3	22.7	22.0
Property Taxes	3.4	3.4	3.4	3.4	3.3	3.4	3.3	3.3	2.6
Other Taxes	(2.6)	0.2	4.8	4.8	4.9	4.9	4.9	5.0	3.7
Current Taxes	34.6	21.6	33.7	31.3	38.7	47.4	44.7	36.9	37.2
Deferred Tax	(4.7)	(12.9)	(12.2)	(9.7)	(15.8)	(24.4)	(22.5)	(15.7)	(16.0)
ITC Amortization	(1.3)	(1.6)	(1.6)	(1.4)	(1.3)	(1.3)	(1.3)	(1.3)	(1.4)
Total Operating Expenses	356.6	358.3	418.9	392.0	423.8	460.5	467.8	475.6	464.9
Operating Income	47.5	48.1	47.1	46.4	44.5	41.5	38.9	39.8	35.5
Interest Expense	21.2	21.4	21.0	20.6	19.8	18.5	17.3	17.7	15.8
Net Income	26.4	26.7	26.2	25.7	24.7	23.0	21.6	22.1	19.7
Preferred Return	3.6	3.6	3.5	3.5	3.3	3.1	2.9	3.0	2.7
Income Available for Equity Return	22.8	23.1	22.6	22.2	21.4	19.9	18.7	19.1	17.0
Operating Income	47.5	48.1	47.1	46.4	44.5	41.5	38.9	39.8	35.5
Rate Base	495.0	500.8	490.8	482.5	463.4	431.6	405.5	414.5	369.5
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	198.4	200.7	196.7	193.4	185.7	173.0	162.5	166.1	148.1
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Elrama									
Off-system Sales Revenue	2.24	2.88	6.76	6.88	7.58	7.82	6.58	7.06	0.00
Revenue from Customers	95.76	105.15	103.48	104.12	106.13	108.66	103.52	107.12	12.48
Total Revenue	98.00	108.02	110.24	111.00	113.71	116.48	110.09	114.18	12.48
Operating Expenses									
Fuel	34.83	41.14	38.38	37.15	39.28	42.10	39.08	42.64	0.00
Emissions	0.00	0.00	6.59	6.93	6.46	7.35	6.05	7.26	0.00
Non Fuel O&M (production)	17.84	16.72	19.99	18.19	17.71	17.64	20.69	18.21	0.00
Outage Accounting	(0.66)	1.72	(2.81)	(1.03)	0.47	0.47	(2.91)	0.00	0.00
Non-production Expenses	11.74	12.29	11.99	13.14	13.23	12.95	12.61	12.21	0.00
Major Maintenance Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Book Depreciation	14.64	16.16	17.06	18.10	19.00	19.84	20.52	21.50	12.49
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Revenue Tax	4.31	4.75	4.85	4.88	5.00	5.13	4.84	5.02	0.55
Property Taxes	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.00
Other Taxes	1.23	1.24	1.18	1.25	1.25	1.25	1.27	1.27	0.00
Current Taxes	7.24	8.38	6.63	7.63	8.29	8.30	6.74	7.86	2.46
Deferred Taxes	(3.50)	(4.66)	(3.19)	(4.36)	(5.32)	(5.78)	(4.72)	(6.38)	(2.69)
ITC Amortization	(0.24)	(0.24)	(0.24)	(0.24)	(0.24)	(0.24)	(0.24)	(0.24)	(0.33)
Total Operating Expenses	88.07	98.13	101.07	102.27	105.76	109.64	104.56	109.98	12.48
Operating Income	9.93	9.90	9.17	8.73	7.95	6.84	5.54	4.19	0.00
Interest Expense	4.42	4.40	4.08	3.88	3.54	3.05	2.46	1.87	0.00
Net Income	5.51	5.49	5.09	4.84	4.41	3.80	3.07	2.33	0.00
Preferred Return	0.75	0.74	0.69	0.66	0.60	0.51	0.42	0.31	0.00
Income Available for Equity Return	4.77	4.75	4.40	4.19	3.82	3.28	2.66	2.01	0.00
Operating Income	9.9	9.9	9.2	8.7	8.0	6.8	5.5	4.2	0.0
Rate Base	103.4	103.1	95.5	90.9	82.8	71.3	57.6	43.6	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	41.4	41.3	38.3	36.4	33.2	28.6	23.1	17.5	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Cheswick									
Off-system Sales Revenue	4.2	3.7	9.6	10.1	10.5	11.1	10.3	9.1	3.6
Revenue from Customers	90.3	92.8	105.6	111.1	116.6	125.1	130.5	137.3	153.2
Total Revenue	94.5	96.5	115.2	121.1	127.0	136.2	140.7	146.4	156.9
Operating Expenses									
Fuel	39.9	36.8	45.8	48.0	47.8	52.9	52.6	48.7	55.4
Emissions	0.7	0.2	5.9	6.2	8.9	10.8	11.0	9.1	11.7
Non Fuel O&M (production)	11.0	24.6	12.6	12.2	14.0	13.8	12.5	25.4	14.7
Outage Accounting	2.7	-10.9	2.2	2.2	2.2	2.2	2.2	-10.4	2.1
Non-production Expenses	10.7	14.3	12.1	14.6	14.5	15.3	18.0	22.4	17.4
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.6	9.6	9.9	10.1	10.0	10.3	11.8	15.5	15.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.2	4.2	5.1	5.3	5.6	6.0	6.2	6.4	6.9
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.3	1.3	1.3	1.3	1.4	1.3	1.3	1.3	1.4
Current Taxes	7.3	1.5	10.8	11.2	13.1	14.5	15.3	10.3	17.2
Deferred Taxes	-2.9	2.9	-2.3	-2.3	-2.4	-2.6	-2.9	2.0	-2.6
ITC Amortization	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Total Operating Expenses	84.2	85.2	103.9	109.4	115.7	125.2	128.7	131.4	140.6
Operating Income	10.3	11.3	11.3	11.7	11.3	11.0	12.0	15.0	16.3
Interest Expense	4.6	5.0	5.0	5.2	5.0	4.9	5.3	6.7	7.2
Net Income	5.7	6.3	6.3	6.5	6.3	6.1	6.7	8.3	9.0
Preferred Return	0.8	0.8	0.8	0.9	0.9	0.8	0.9	1.1	1.2
Income Available for Equity Return	4.9	5.4	5.4	5.6	5.4	5.3	5.8	7.2	7.8
Operating Income	10.3	11.3	11.3	11.7	11.3	11.0	12.0	15.0	16.3
Rate Base	106.9	117.7	117.5	121.7	117.9	114.5	125.0	156.5	169.3
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	42.8	47.2	47.1	48.8	47.2	45.9	50.1	62.7	67.9
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Mansfield									
Off-system Sales Revenue	2.4	3.3	7.8	7.1	8.6	7.9	8.2	8.0	3.0
Revenue from Customers	91.1	98.8	109.3	84.3	88.0	87.7	91.7	96.4	105.8
Total Revenue	93.5	102.1	117.1	91.5	96.7	95.6	99.9	104.4	108.8
Operating Expenses									
Fuel	40.5	46.7	52.0	33.3	37.3	35.9	40.0	40.1	42.9
Emissions	0.0	0.0	6.0	5.3	6.2	5.8	6.9	6.9	7.6
Non Fuel O&M (production)	12.6	12.8	14.7	16.1	13.3	14.6	12.2	14.8	14.1
Outage Accounting	1.2	1.2	1.3	-3.6	0.0	0.0	1.1	1.1	1.1
Non-production Expenses	10.0	11.7	12.9	11.6	11.6	11.3	11.7	12.5	13.7
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.1	8.4	8.5	8.3	7.9	8.2	8.3	8.9	9.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.1	4.5	5.2	4.0	4.3	4.2	4.4	4.6	4.8
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.4	1.3	1.4	1.3	1.3	1.3	1.3	1.4	1.3
Current Taxes	5.7	6.2	6.5	4.3	5.5	5.5	5.8	6.0	5.8
Deferred Taxes	-1.6	-2.1	-2.5	-0.4	-1.7	-1.7	-2.2	-2.3	-2.2
ITC Amortization	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3
Total Operating Expenses	82.5	91.2	106.4	80.8	86.3	85.5	90.1	94.5	99.1
Operating Income	11.0	11.0	10.7	10.6	10.4	10.1	9.8	9.9	9.7
Interest Expense	4.9	4.9	4.8	4.7	4.6	4.5	4.4	4.4	4.3
Net Income	6.1	6.1	5.9	5.9	5.8	5.6	5.4	5.5	5.4
Preferred Return	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7
Income Available for Equity Return	5.3	5.3	5.1	5.1	5.0	4.9	4.7	4.8	4.7
Operating Income	11.0	11.0	10.7	10.6	10.4	10.1	9.8	9.9	9.7
Rate Base	114.7	114.3	111.4	110.7	108.2	105.5	102.0	103.4	101.4
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	46.0	45.8	44.6	44.4	43.4	42.3	40.9	41.4	40.6
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Sammit's									
Off-system Sales Revenue	1.3	1.6	3.3	3.7	3.6	3.6	3.4	3.8	1.3
Revenue from Customers	33.1	36.3	35.2	35.5	37.9	39.7	42.9	42.2	48.6
Total Revenue	34.4	37.8	38.4	39.2	41.5	43.3	46.3	45.9	49.8
Operating Expenses									
Fuel	13.6	17.3	16.1	18.7	17.9	18.5	19.5	21.6	20.8
Emissions	0.2	0.0	-0.7	-0.6	0.4	0.5	0.5	0.7	2.3
Non Fuel O&M (production)	4.4	3.9	5.7	4.3	5.8	5.4	6.7	4.8	7.0
Outage Accounting	0.3	0.3	0.3	0.3	-0.8	-0.4	0.5	0.5	0.5
Non-production Expenses	3.8	4.2	4.5	4.5	5.8	5.9	5.6	5.2	6.3
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	4.2	4.3	4.6	4.5	4.7	5.3	5.5	5.6	5.7
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	1.5	1.7	1.7	1.7	1.8	1.9	2.0	2.0	2.2
Property Taxes	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3
Other Taxes	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Current Taxes	2.0	2.5	2.6	2.5	2.2	2.5	2.7	2.6	2.6
Deferred Taxes	-0.5	-1.1	-1.2	-1.2	-0.7	-1.0	-1.3	-1.4	-1.4
ITC Amortization	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Total Operating Expenses	30.3	33.9	34.4	35.4	37.6	39.2	42.5	42.4	46.6
Operating Income	4.1	3.9	4.0	3.8	3.9	4.1	3.9	3.6	3.2
Interest Expense	1.8	1.8	1.8	1.7	1.7	1.8	1.7	1.6	1.4
Net Income	2.3	2.2	2.2	2.1	2.2	2.3	2.1	2.0	1.8
Preferred Return	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2
Income Available for Equity Return	2.0	1.9	1.9	1.8	1.9	2.0	1.9	1.7	1.5
Operating Income	4.1	3.9	4.0	3.8	3.9	4.1	3.9	3.6	3.2
Rate Base	42.7	40.9	41.8	39.5	40.7	42.7	40.3	37.2	33.6
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	17.1	16.4	16.8	15.8	16.3	17.1	16.1	14.9	13.5
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Eastlake									
Off-system Sales Revenue	1.4	1.3	2.2	3.2	3.1	3.1	3.2	2.9	1.0
Revenue from Customers	29.6	28.0	29.3	33.7	35.5	37.7	39.8	39.4	42.6
Total Revenue	30.9	29.2	31.5	36.9	38.6	40.7	43.1	42.4	43.6
Operating Expenses									
Fuel	12.3	11.2	9.5	13.8	12.7	13.2	15.2	14.1	13.7
Emissions	0.3	0.1	1.4	2.7	3.3	3.6	4.4	4.2	5.1
Non Fuel O&M (production)	4.7	5.4	6.8	5.7	6.2	6.4	6.2	6.8	7.5
Outage Accounting	0.1	-1.4	0.2	0.3	0.3	0.3	0.3	0.3	-0.8
Non-production Expenses	3.6	3.8	3.5	4.4	5.5	5.6	5.3	5.1	6.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	3.2	3.4	3.5	3.4	3.7	4.2	4.3	4.7	5.1
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	1.4	1.3	1.4	1.6	1.7	1.8	1.9	1.9	1.9
Property Taxes	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other Taxes	0.4	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Current Taxes	1.8	1.3	1.9	1.8	2.0	2.1	2.3	2.4	1.9
Deferred Taxes	-0.6	0.0	-0.6	-0.6	-0.7	-0.8	-1.0	-1.1	-0.7
ITC Amortization	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Total Operating Expenses	27.5	25.8	28.2	33.8	35.3	37.1	39.6	39.0	40.3
Operating Income	3.4	3.4	3.3	3.2	3.4	3.6	3.5	3.4	3.3
Interest Expense	1.5	1.5	1.5	1.4	1.5	1.6	1.5	1.5	1.5
Net Income	1.9	1.9	1.8	1.8	1.9	2.0	1.9	1.9	1.8
Preferred Return	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.2
Income Available for Equity Return	1.6	1.6	1.6	1.5	1.6	1.7	1.7	1.6	1.6
Operating Income	3.4	3.4	3.3	3.2	3.4	3.6	3.5	3.4	3.3
Rate Base	35.5	35.8	34.7	32.9	35.1	37.6	36.0	35.3	34.6
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	14.2	14.3	13.9	13.2	14.1	15.1	14.4	14.1	13.9
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Brunot Island									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	6.0	5.7	7.4	6.2	5.9	5.7	5.6	7.1	6.2
Total Revenue	6.0	5.7	7.4	6.2	5.9	5.7	5.6	7.1	6.2
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.7	0.4	0.6	0.6	0.6	0.6	0.7	0.7	0.7
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.5	0.4	1.1	0.2	0.2	0.2	0.2	1.0	0.3
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	1.9	2.0	2.3	2.2	2.1	2.1	2.1	2.5	2.5
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.2	0.3	0.3	0.3	0.3	0.2	0.3	0.3
Property Taxes	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.3	1.2	1.4	1.2	1.2	1.1	1.1	1.3	1.2
Deferred Taxes	-0.7	-0.6	-0.6	-0.5	-0.5	-0.5	-0.6	-0.7	-0.6
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	4.4	4.0	5.4	4.3	4.2	4.1	4.1	5.4	4.7
Operating Income	1.7	1.7	2.0	1.9	1.7	1.6	1.5	1.7	1.5
Interest Expense	0.8	0.7	0.9	0.8	0.8	0.7	0.7	0.8	0.7
Net Income	0.9	0.9	1.1	1.1	1.0	0.9	0.8	0.9	0.8
Preferred Return	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Income Available for Equity Return	0.8	0.8	1.0	0.9	0.8	0.8	0.7	0.8	0.7
Operating Income	1.7	1.7	2.0	1.9	1.7	1.6	1.5	1.7	1.5
Rate Base	17.6	17.5	21.3	19.7	18.2	16.7	15.2	17.6	15.8
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	7.1	7.0	8.5	7.9	7.3	6.7	6.1	7.1	6.3
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Phillips									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	7.2	7.5	6.7	6.6	17.2	33.7	26.3	15.2	-0.3
Total Revenue	7.2	7.5	6.7	6.6	17.2	33.7	26.3	15.2	-0.3
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.5	0.8	0.0	0.0	11.0	29.1	23.9	14.4	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.3	0.3	0.8	1.5	1.2	0.7	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.7	1.8	1.5	1.6	5.9	12.8	10.1	5.9	-0.2
Deferred Taxes	0.1	-0.1	0.2	0.2	-4.4	-12.0	-9.8	-5.9	0.1
ITC Amortization	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
Total Operating Expenses	2.4	2.7	1.9	1.9	13.1	31.2	25.2	14.9	-0.3
Operating Income	4.8	4.8	4.8	4.8	4.1	2.5	1.1	0.3	0.0
Interest Expense	2.1	2.1	2.1	2.1	1.8	1.1	0.5	0.1	0.0
Net Income	2.7	2.7	2.7	2.7	2.3	1.4	0.6	-0.2	0.0
Preferred Return	0.4	0.4	0.4	0.4	0.3	0.2	0.1	0.0	0.0
Income Available for Equity Return	2.3	2.3	2.3	2.3	2.0	1.2	0.6	0.2	0.0
Operating Income	4.8	4.8	4.8	4.8	4.1	2.5	1.1	0.3	0.0
Rate Base	50.1	50.1	49.9	49.7	43.2	26.0	11.9	3.4	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	20.1	20.1	20.0	18.9	17.3	10.4	4.8	1.4	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
B.I. Cold Reserve									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	16.5
Total Revenue	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	16.5
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.7
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	6.3
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5.8
ITC Amortization	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Total Operating Expenses	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	15.1
Operating Income	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.4
Interest Expense	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6
Net Income	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8
Preferred Return	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Income Available for Equity Return	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7
Operating Income	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.4
Rate Base	17.5	17.5	17.5	17.4	17.4	17.4	17.4	17.4	14.9
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Purchases & Other									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	21.9	2.0	22.2	20.0	25.2	27.8	32.4	37.5	106.3
Total Revenue	21.9	2.0	22.2	20.0	25.2	27.8	32.4	37.5	106.3
Operating Expenses									
Fuel	14.8	13.6	20.7	18.0	23.3	25.4	29.7	34.6	104.2
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	1.4	2.0	0.5	1.1	0.8	1.1	1.3	1.3	-2.6
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	1.0	0.1	1.0	0.9	1.1	1.2	1.4	1.7	4.7
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	-7.4	-4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	5.0	-3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	6.8	-5.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	21.9	2.0	22.2	20.0	25.2	27.8	32.4	37.5	106.3
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Revenue Requirements Forecast
Fossil Generation**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Warwick									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	15.4	15.1	14.9	3.5	0.0	0.0	0.0	0.0	0.0
Total Revenue	15.4	15.1	14.9	3.5	0.0	0.0	0.0	0.0	0.0
Operating Expenses									
Fuel	14.4	14.5	14.7	3.5	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.7	0.7	0.7	0.2	0.0	0.0	0.0	0.0	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.9	1.8	1.7	0.4	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	(1.9)	(1.9)	(1.9)	(0.5)	0.0	0.0	0.0	0.0	0.0
ITC Amortization	(0.4)	(0.4)	(0.4)	(0.1)	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	14.7	14.7	14.8	3.5	0.0	0.0	0.0	0.0	0.0
Operating Income	0.6	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	0.4	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.6	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	6.6	3.9	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	2.7	1.8	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Generation Related Regulatory Assets									
Revenue	58.1	83.3	100.3	93.5	86.5	79.6	90.6	110.5	103.6
Operating Expenses									
Warwick Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	65.6	94.6	91.2	91.2	91.2	91.2	91.2	91.2	91.2
Operating Revenue Tax	2.6	3.7	4.4	4.1	3.8	3.5	4.0	4.9	4.6
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(17.7)	(7.1)	(0.5)	(2.3)	(4.2)	(6.0)	9.2	33.0	31.1
Deferred Taxes	(23.3)	(35.7)	(23.2)	(23.2)	(23.2)	(23.2)	(23.2)	(23.2)	(23.2)
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	27.2	55.5	71.9	69.8	67.6	65.4	81.1	105.8	103.6
Operating Income	30.9	27.8	28.4	23.7	19.0	14.2	9.5	4.8	0.0
Interest Expense	13.8	12.4	12.6	10.5	8.4	6.3	4.2	2.1	0.0
Net Income	17.1	15.4	15.7	13.2	10.5	7.9	5.3	2.7	0.0
Preferred Return	2.3	2.1	2.1	1.8	1.4	1.1	0.7	0.4	0.0
Income Available for Equity Return	14.8	13.4	13.6	11.4	9.1	6.8	4.5	2.3	0.0
Operating Income	30.9	27.8	28.4	23.7	19.0	14.2	9.5	4.8	0.0
Rate Base	321.9	289.1	295.7	246.4	197.1	147.8	98.6	49.3	0.0
Return on Operating Income	9.60%	9.61%	9.60%	9.62%	9.62%	9.60%	9.60%	9.66%	0.00%
Rate Base - Equity	129.0	115.9	118.5	98.8	79.0	59.3	39.5	19.8	0.0
Return on Equity	11.49%	11.52%	11.48%	11.54%	11.53%	11.49%	11.49%	11.64%	0.00%

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Transmission									
Revenue from Customers	33.2	35.4	36.8	37.3	38.3	39.8	40.7	40.9	41.5
Other Revenues	6.3	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1
Total Revenues	39.5	41.5	42.8	43.4	44.4	45.9	46.7	47.0	47.5
Operating Expenses									
Non-production Expenses	12.6	13.8	14.2	13.9	14.2	14.6	14.9	15.3	15.7
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	4.8	4.9	5.0	5.0	5.0	5.1	5.2	5.2	5.3
Amortization	(1.2)	(1.2)	(1.0)	(0.8)	(0.6)	(0.4)	(0.2)	(0.1)	(0.0)
Operating Revenue Tax	1.7	1.8	1.9	1.9	2.0	2.0	2.1	2.1	2.1
Property Taxes	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Other Taxes	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.7
Current Taxes	5.1	5.5	5.9	6.4	6.7	7.2	7.4	7.4	7.4
Deferred Taxes	(1.2)	(1.0)	(0.8)	(0.6)	(0.4)	(0.1)	0.3	0.3	0.5
ITC Amortization	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Total Operating Expenses	23.6	25.6	26.9	27.6	28.7	30.2	31.4	32.0	32.8
Operating Income	15.8	15.9	15.9	15.7	15.6	15.7	15.3	15.0	14.7
Interest Expense	7.1	7.1	7.1	7.0	6.9	7.0	6.8	6.7	6.5
Net Income	8.8	8.8	8.8	8.7	8.7	8.7	8.5	8.3	8.2
Preferred Return	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.1	1.1
Income Available for Equity Return	7.6	7.6	7.6	7.5	7.5	7.5	7.4	7.2	7.1
Operating Income	15.8	15.9	15.9	15.7	15.6	15.7	15.3	15.0	14.7
Rate Base	165.0	165.3	165.4	163.7	162.6	163.1	159.7	156.3	153.1
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	66.1	66.3	66.3	65.6	65.2	65.4	64.0	62.6	61.4
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Distribution									
Revenue from Customers	240.7	255.2	260.4	263.4	271.3	278.0	285.0	291.8	304.0
Other Revenues	12.7	12.8	15.9	16.0	16.0	16.1	16.2	16.3	12.1
Total Revenues	253.4	267.9	276.2	279.3	287.4	294.1	301.2	308.0	316.0
Operating Expenses									
Non-production Expenses	97.3	105.9	109.3	107.4	110.3	113.1	116.0	119.0	122.4
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	31.8	33.2	34.5	35.7	37.0	38.3	39.5	40.8	42.2
Amortization	0.1	0.2	0.7	1.4	2.2	2.7	3.1	3.3	3.6
Operating Revenue Tax	11.2	11.8	12.2	12.3	12.6	12.9	13.3	13.6	13.9
Property Taxes	2.7	3.2	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Other Taxes	6.6	6.6	6.7	6.8	6.9	7.0	7.1	7.2	7.8
Current Taxes	26.2	28.0	29.3	30.8	32.3	32.7	33.0	33.1	33.2
Deferred Taxes	3.7	2.8	2.0	1.4	0.6	0.8	1.0	1.5	1.9
ITC Amortization	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
Total Operating Expenses	177.9	190.1	196.5	197.6	203.7	209.1	214.7	220.2	226.8
Operating Income	75.5	77.9	79.7	81.8	83.6	84.9	86.5	87.9	89.2
Interest Expense	33.6	34.7	35.5	36.4	37.2	37.8	38.5	39.1	39.7
Net Income	41.9	43.2	44.2	45.4	46.4	47.1	48.0	48.8	49.5
Preferred Return	5.7	5.9	6.0	6.1	6.3	6.4	6.5	6.6	6.7
Income Available for Equity Return	36.2	37.4	38.2	39.2	40.1	40.8	41.5	42.2	42.8
Operating Income	75.5	77.9	79.7	81.8	83.6	84.9	86.5	87.9	89.2
Rate Base	786.3	810.7	829.8	851.2	870.7	884.2	900.1	914.7	928.8
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	315.2	324.9	332.6	341.2	349.0	354.4	360.8	366.6	372.3
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Rate Base Summary										
Generation	1,101.07	1,080.06	1,036.11	931.99	872.40	804.71	724.05	649.75	618.08	536.98
Regulatory Assets	346.43	322.08	289.14	295.70	246.42	197.13	147.85	98.57	49.28	0.00
Transmission	165.12	164.99	165.34	165.38	163.68	162.59	163.09	159.72	156.27	153.14
Distribution	<u>755.58</u>	<u>786.17</u>	<u>810.67</u>	<u>829.78</u>	<u>851.23</u>	<u>870.65</u>	<u>884.20</u>	<u>900.14</u>	<u>914.74</u>	<u>928.80</u>
Total	2,368.20	2,353.30	2,301.27	2,222.85	2,133.72	2,035.08	1,919.20	1,808.18	1,738.38	1,618.92
Net Book Value Summary										
Generation	959.60	945.65	908.85	812.48	760.34	699.03	624.76	556.83	531.57	465.20
Regulatory Assets Included in Rate Base	346.43	322.08	289.14	295.70	246.42	197.13	147.85	98.57	49.28	0.00
Regulatory Assets Excluded from Rate Base	284.40	264.07	229.10	197.33	176.14	154.95	133.77	112.58	91.39	70.21
Transmission	158.13	158.43	159.19	159.63	158.34	157.66	158.57	155.62	152.58	149.86
Distribution	<u>727.90</u>	<u>760.13</u>	<u>786.19</u>	<u>806.86</u>	<u>829.86</u>	<u>850.84</u>	<u>865.95</u>	<u>883.44</u>	<u>899.61</u>	<u>915.22</u>
Total	2,476.46	2,450.36	2,372.47	2,272.00	2,171.10	2,059.62	1,930.90	1,807.04	1,724.43	1,600.48

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net Plant										
Nuclear	906.88	836.72	753.87	609.00	525.50	444.76	363.73	283.35	217.07	156.76
Fossil	608.54	614.93	609.49	587.77	569.36	535.33	480.24	432.08	421.88	373.12
Transmission	198.76	196.37	194.65	192.99	190.08	188.14	188.23	185.03	181.85	179.27
Distribution	<u>914.16</u>	<u>947.56</u>	<u>974.02</u>	<u>995.15</u>	<u>1,018.61</u>	<u>1,040.06</u>	<u>1,056.30</u>	<u>1,075.60</u>	<u>1,094.23</u>	<u>1,113.07</u>
	2,628.34	2,595.57	2,532.03	2,384.92	2,303.55	2,208.28	2,088.50	1,976.06	1,915.04	1,822.22
Regulatory Assets										
Generation Regulatory Assets	455.26	420.67	370.73	387.23	322.69	258.15	193.62	129.08	64.54	(0.00)
Nuclear	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fossil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transmission	32.68	33.92	35.09	36.13	36.89	37.49	37.90	38.11	38.26	38.30
Distribution	<u>56.85</u>	<u>58.08</u>	<u>59.21</u>	<u>59.76</u>	<u>59.67</u>	<u>58.76</u>	<u>57.38</u>	<u>55.60</u>	<u>53.64</u>	<u>51.30</u>
	544.79	512.67	465.03	483.12	419.25	354.41	288.89	222.79	156.44	89.60
Deferred Income Taxes										
Generation Regulatory Assets	(109.18)	(98.77)	(81.59)	(91.53)	(76.28)	(61.02)	(45.77)	(30.51)	(15.26)	0.00
Nuclear	(306.92)	(273.16)	(238.98)	(187.20)	(154.06)	(121.90)	(89.74)	(57.51)	(31.93)	(7.74)
Fossil	(171.03)	(161.03)	(149.79)	(138.09)	(127.93)	(113.01)	(89.71)	(67.70)	(48.47)	(33.69)
Transmission	(67.54)	(66.50)	(65.62)	(64.96)	(64.52)	(64.26)	(64.26)	(64.64)	(65.06)	(65.65)
Distribution	<u>(220.21)</u>	<u>(224.33)</u>	<u>(227.58)</u>	<u>(230.16)</u>	<u>(232.08)</u>	<u>(233.20)</u>	<u>(234.50)</u>	<u>(236.09)</u>	<u>(238.16)</u>	<u>(240.60)</u>
	(874.88)	(823.79)	(763.56)	(711.94)	(654.86)	(593.39)	(523.98)	(456.45)	(398.88)	(347.67)
Working Capital										
Nuclear	21.84	21.50	20.42	19.40	18.43	18.43	18.43	18.43	18.43	18.43
Fossil	41.76	41.10	41.10	41.10	41.10	41.10	41.10	41.10	41.10	30.10
Transmission	1.24	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Distribution	<u>5.11</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>
	69.94	68.85	67.77	66.75	65.78	65.78	65.78	65.78	65.78	54.78
Investment Tax Credit										
Nuclear	(56.98)	(52.54)	(48.11)	(43.01)	(37.91)	(32.80)	(27.70)	(22.60)	(17.47)	(15.12)
Fossil	(20.90)	(19.27)	(17.63)	(16.00)	(14.63)	(13.35)	(12.06)	(10.78)	(9.50)	(8.13)
Transmission	(5.75)	(5.34)	(4.93)	(4.52)	(4.11)	(3.70)	(3.29)	(2.89)	(2.48)	(2.07)
Distribution	<u>(22.57)</u>	<u>(21.01)</u>	<u>(19.45)</u>	<u>(17.89)</u>	<u>(16.34)</u>	<u>(14.78)</u>	<u>(13.22)</u>	<u>(11.67)</u>	<u>(10.11)</u>	<u>(8.55)</u>
	(106.20)	(98.16)	(90.13)	(81.42)	(72.98)	(64.63)	(56.28)	(47.93)	(39.56)	(33.87)

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Generation Summary										
Original Cost	2,804.81	2,881.51	2,937.42	2,916.60	2,955.03	2,988.39	3,021.17	3,059.41	3,130.39	3,157.46
Accumulated Depreciation	<u>(1,289.38)</u>	<u>(1,429.87)</u>	<u>(1,574.06)</u>	<u>(1,719.82)</u>	<u>(1,860.17)</u>	<u>(2,008.31)</u>	<u>(2,177.20)</u>	<u>(2,343.98)</u>	<u>(2,491.43)</u>	<u>(2,627.58)</u>
Net Plant	1,515.43	1,451.65	1,363.37	1,196.77	1,094.86	980.09	843.97	715.43	638.95	529.88
Accumulated Deferred Taxes	<u>(477.95)</u>	<u>(434.19)</u>	<u>(388.77)</u>	<u>(325.29)</u>	<u>(281.99)</u>	<u>(234.91)</u>	<u>(179.45)</u>	<u>(125.21)</u>	<u>(80.41)</u>	<u>(41.42)</u>
Net Plant Less Accum. Deferred Taxes	1,037.48	1,017.46	974.59	871.49	812.87	745.18	664.52	590.22	558.55	488.45
Working Capital	<u>63.59</u>	<u>62.60</u>	<u>61.52</u>	<u>60.50</u>	<u>59.53</u>	<u>59.53</u>	<u>59.53</u>	<u>59.53</u>	<u>59.53</u>	<u>48.53</u>
Rate Base	1,101.07	1,080.06	1,036.11	931.99	872.40	804.71	724.05	649.75	618.08	536.98
Net Plant Less Accum. Deferred Taxes	1,037.48	1,017.46	974.59	871.49	812.87	745.18	664.52	590.22	558.55	488.45
Less: Accumulated ITC	<u>(77.88)</u>	<u>(71.81)</u>	<u>(65.74)</u>	<u>(59.01)</u>	<u>(52.53)</u>	<u>(46.15)</u>	<u>(39.77)</u>	<u>(33.38)</u>	<u>(26.97)</u>	<u>(23.25)</u>
Net Book Value	959.60	945.65	908.85	812.48	760.34	699.03	624.76	556.83	531.57	465.20

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Regulatory Assets Summary										
Book Cost	544.79	544.79	544.79	625.83	625.83	625.83	625.83	625.83	625.83	625.83
Accumulated Amortization	<u>0.00</u>	<u>(32.12)</u>	<u>(79.76)</u>	<u>(142.71)</u>	<u>(206.58)</u>	<u>(271.42)</u>	<u>(336.94)</u>	<u>(403.04)</u>	<u>(469.39)</u>	<u>(536.23)</u>
Net Book Cost	544.79	512.67	465.03	483.12	419.25	354.41	288.89	222.79	156.44	89.60
Accumulated Deferred Taxes	<u>(198.36)</u>	<u>(190.59)</u>	<u>(175.88)</u>	<u>(187.42)</u>	<u>(172.84)</u>	<u>(157.27)</u>	<u>(141.04)</u>	<u>(124.22)</u>	<u>(107.15)</u>	<u>(89.60)</u>
Net Plant Less Accum. Deferred Taxes	346.43	322.08	289.14	295.70	246.42	197.13	147.85	98.57	49.28	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	346.43	322.08	289.14	295.70	246.42	197.13	147.85	98.57	49.28	0.00
Regulatory Assets Excluded from Rate Base (Generation)										
Book Cost	449.13	449.13	449.13	431.03	431.03	431.03	431.03	431.03	431.03	431.03
Accumulated Amortization	<u>0.00</u>	<u>(34.76)</u>	<u>(94.52)</u>	<u>(125.45)</u>	<u>(156.38)</u>	<u>(187.31)</u>	<u>(218.24)</u>	<u>(249.17)</u>	<u>(280.10)</u>	<u>(311.03)</u>
Net Book Cost	449.13	414.37	354.61	305.58	274.65	243.72	212.79	181.86	150.93	120.00
Accumulated Deferred Taxes	<u>(164.73)</u>	<u>(150.30)</u>	<u>(125.51)</u>	<u>(108.25)</u>	<u>(98.51)</u>	<u>(88.77)</u>	<u>(79.02)</u>	<u>(69.28)</u>	<u>(59.54)</u>	<u>(49.79)</u>
Net Book Value	284.40	264.07	229.10	197.33	176.14	154.95	133.77	112.58	91.39	70.21

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Transmission Summary										
Original Cost	319.05	321.50	324.68	327.98	330.08	333.18	338.40	340.40	342.45	345.13
Accumulated Depreciation	<u>(120.29)</u>	<u>(125.14)</u>	<u>(130.03)</u>	<u>(134.99)</u>	<u>(139.99)</u>	<u>(145.04)</u>	<u>(150.17)</u>	<u>(155.37)</u>	<u>(160.60)</u>	<u>(165.86)</u>
Net Plant	198.76	196.37	194.65	192.99	190.08	188.14	188.23	185.03	181.85	179.27
Accumulated Deferred Taxes	<u>(34.88)</u>	<u>(32.60)</u>	<u>(30.52)</u>	<u>(28.83)</u>	<u>(27.63)</u>	<u>(26.77)</u>	<u>(26.36)</u>	<u>(26.53)</u>	<u>(26.80)</u>	<u>(27.34)</u>
Net Plant Less Accum. Deferred Taxes	163.88	163.77	164.12	164.16	162.46	161.37	161.87	158.50	155.05	151.92
Working Capital	<u>1.24</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>
Rate Base	165.12	164.99	165.34	165.38	163.68	162.59	163.09	159.72	156.27	153.14
Net Plant Less Accum. Deferred Taxes	163.88	163.77	164.12	164.16	162.46	161.37	161.87	158.50	155.05	151.92
Less: Accumulated ITC	<u>(5.75)</u>	<u>(5.34)</u>	<u>(4.93)</u>	<u>(4.52)</u>	<u>(4.11)</u>	<u>(3.70)</u>	<u>(3.29)</u>	<u>(2.89)</u>	<u>(2.48)</u>	<u>(2.07)</u>
Net Book Value	158.13	158.43	159.19	159.63	158.34	157.66	158.57	155.62	152.58	149.86

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Distribution Summary										
Original Cost	1,341.65	1,406.88	1,466.56	1,522.18	1,581.37	1,639.87	1,694.39	1,753.21	1,812.68	1,873.69
Accumulated Depreciation	<u>(427.49)</u>	<u>(459.32)</u>	<u>(492.54)</u>	<u>(527.02)</u>	<u>(562.77)</u>	<u>(599.81)</u>	<u>(638.09)</u>	<u>(677.61)</u>	<u>(718.45)</u>	<u>(760.62)</u>
Net Plant	914.16	947.56	974.02	995.15	1,018.61	1,040.06	1,056.30	1,075.60	1,094.23	1,113.07
Accumulated Deferred Taxes	<u>(163.69)</u>	<u>(166.42)</u>	<u>(168.38)</u>	<u>(170.40)</u>	<u>(172.41)</u>	<u>(174.44)</u>	<u>(177.13)</u>	<u>(180.49)</u>	<u>(184.52)</u>	<u>(189.31)</u>
Net Plant Less Accum. Deferred Taxes	750.46	781.14	805.64	824.75	846.20	865.62	879.17	895.11	909.71	923.77
Working Capital	<u>5.11</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>
Rate Base	755.58	786.17	810.67	829.78	851.23	870.65	884.20	900.14	914.74	928.80
Net Plant Less Accum. Deferred Taxes	750.46	781.14	805.64	824.75	846.20	865.62	879.17	895.11	909.71	923.77
Less: Accumulated ITC	<u>(22.57)</u>	<u>(21.01)</u>	<u>(19.45)</u>	<u>(17.89)</u>	<u>(16.34)</u>	<u>(14.78)</u>	<u>(13.22)</u>	<u>(11.67)</u>	<u>(10.11)</u>	<u>(8.55)</u>
Net Book Value	727.90	760.13	786.19	806.86	829.86	850.84	865.95	883.44	899.61	915.22

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nuclear Generation										
Perry										
Original Cost	868.19	879.05	883.57	847.37	849.39	852.78	854.74	858.05	860.12	863.60
Accumulated Depreciation	<u>(394.20)</u>	<u>(452.23)</u>	<u>(510.32)</u>	<u>(568.54)</u>	<u>(625.00)</u>	<u>(679.97)</u>	<u>(734.95)</u>	<u>(790.02)</u>	<u>(828.74)</u>	<u>(863.61)</u>
Net Plant	473.99	426.83	373.25	278.83	224.39	172.81	119.78	68.04	31.39	(0.00)
Accumulated Deferred Taxes	<u>(165.73)</u>	<u>(144.14)</u>	<u>(122.29)</u>	<u>(86.36)</u>	<u>(64.97)</u>	<u>(44.05)</u>	<u>(23.14)</u>	<u>(2.22)</u>	<u>11.87</u>	<u>24.32</u>
Net Plant Less Accum. Deferred Taxes	308.26	282.69	250.96	192.47	159.42	128.76	96.65	65.81	43.25	24.32
Working Capital	<u>11.82</u>	<u>11.64</u>	<u>11.03</u>	<u>10.46</u>	<u>9.91</u>	<u>9.89</u>	<u>9.86</u>	<u>9.84</u>	<u>9.82</u>	<u>9.79</u>
Rate Base	320.08	294.33	261.99	202.93	169.33	138.65	106.51	75.65	53.07	34.11
Net Plant Less Accum. Deferred Taxes	308.26	282.69	250.96	192.47	159.42	128.76	96.65	65.81	43.25	24.32
Less: Accumulated ITC	<u>(24.25)</u>	<u>(21.40)</u>	<u>(18.54)</u>	<u>(15.68)</u>	<u>(12.83)</u>	<u>(9.97)</u>	<u>(7.11)</u>	<u>(4.25)</u>	<u>(1.40)</u>	<u>(1.35)</u>
Net Book Value	284.01	261.30	232.42	176.79	146.59	118.79	89.53	61.56	41.85	22.97

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nuclear Generation										
Beaver Valley 1										
Original Cost	653.69	663.74	668.54	654.30	659.98	663.94	669.48	675.25	679.59	685.62
Accumulated Depreciation	<u>(275.30)</u>	<u>(308.62)</u>	<u>(342.06)</u>	<u>(375.68)</u>	<u>(408.18)</u>	<u>(439.61)</u>	<u>(471.31)</u>	<u>(503.34)</u>	<u>(535.73)</u>	<u>(568.67)</u>
Net Plant	378.39	355.12	326.48	278.62	251.80	224.33	198.16	171.90	143.86	116.95
Accumulated Deferred Taxes	<u>(123.51)</u>	<u>(112.63)</u>	<u>(101.53)</u>	<u>(84.85)</u>	<u>(73.89)</u>	<u>(63.39)</u>	<u>(52.84)</u>	<u>(42.22)</u>	<u>(31.45)</u>	<u>(20.46)</u>
Net Plant Less Accum. Deferred Taxes	254.88	242.49	224.96	193.77	177.91	160.94	145.33	129.69	112.41	96.49
Working Capital	<u>8.93</u>	<u>8.79</u>	<u>8.34</u>	<u>7.93</u>	<u>7.56</u>	<u>7.56</u>	<u>7.58</u>	<u>7.60</u>	<u>7.61</u>	<u>7.63</u>
Rate Base	263.80	251.28	233.30	201.70	185.47	168.50	152.91	137.28	120.02	104.12
Net Plant Less Accum. Deferred Taxes	254.88	242.49	224.96	193.77	177.91	160.94	145.33	129.69	112.41	96.49
Less: Accumulated ITC	<u>(19.49)</u>	<u>(17.92)</u>	<u>(16.35)</u>	<u>(14.78)</u>	<u>(13.20)</u>	<u>(11.63)</u>	<u>(10.06)</u>	<u>(8.49)</u>	<u>(6.89)</u>	<u>(5.29)</u>
Net Book Value	235.39	224.57	208.61	178.99	164.71	149.31	135.27	121.20	105.52	91.21

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nuclear Generation										
Beaver Valley 2										
Original Cost	77.52	81.08	83.90	84.68	85.85	87.47	88.84	89.72	91.45	92.83
Accumulated Depreciation	<u>(23.02)</u>	<u>(26.32)</u>	<u>(29.76)</u>	<u>(33.13)</u>	<u>(36.54)</u>	<u>(39.85)</u>	<u>(43.06)</u>	<u>(46.31)</u>	<u>(49.62)</u>	<u>(53.02)</u>
Net Plant	54.50	54.77	54.14	51.55	49.31	47.62	45.78	43.41	41.83	39.81
Accumulated Deferred Taxes	<u>(17.67)</u>	<u>(16.39)</u>	<u>(15.16)</u>	<u>(15.99)</u>	<u>(15.19)</u>	<u>(14.45)</u>	<u>(13.76)</u>	<u>(13.06)</u>	<u>(12.35)</u>	<u>(11.60)</u>
Net Plant Less Accum. Deferred Taxes	36.82	38.38	38.98	35.56	34.12	33.17	32.02	30.35	29.48	28.21
Working Capital	<u>1.09</u>	<u>1.07</u>	<u>1.05</u>	<u>1.01</u>	<u>0.96</u>	<u>0.98</u>	<u>0.99</u>	<u>0.99</u>	<u>1.00</u>	<u>1.01</u>
Rate Base	37.91	39.45	40.02	36.57	35.08	34.14	33.01	31.33	30.48	29.22
Net Plant Less Accum. Deferred Taxes	36.82	38.38	38.98	35.56	34.12	33.17	32.02	30.35	29.48	28.21
Less: Accumulated ITC	<u>(13.24)</u>	<u>(13.23)</u>	<u>(13.22)</u>	<u>(12.55)</u>	<u>(11.88)</u>	<u>(11.20)</u>	<u>(10.53)</u>	<u>(9.86)</u>	<u>(9.19)</u>	<u>(8.49)</u>
Net Book Value	23.59	25.15	25.76	23.02	22.24	21.96	21.49	20.49	20.29	19.72

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Elrama										
Original Cost	237.66	259.95	271.43	277.56	286.10	291.76	294.49	296.00	297.05	297.05
Accumulated Depreciation	<u>(137.74)</u>	<u>(152.38)</u>	<u>(168.54)</u>	<u>(185.59)</u>	<u>(203.70)</u>	<u>(222.70)</u>	<u>(242.54)</u>	<u>(263.06)</u>	<u>(284.56)</u>	<u>(297.05)</u>
Net Plant	99.93	107.57	102.89	91.96	82.40	69.06	51.95	32.94	12.49	0.00
Accumulated Deferred Taxes	<u>(18.75)</u>	<u>(14.98)</u>	<u>(11.03)</u>	<u>(6.68)</u>	<u>(1.90)</u>	<u>3.23</u>	<u>8.82</u>	<u>14.75</u>	<u>21.13</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	81.17	92.59	91.86	85.28	80.51	72.29	60.76	47.69	33.62	0.00
Working Capital	<u>10.98</u>	<u>10.81</u>	<u>11.19</u>	<u>10.24</u>	<u>10.36</u>	<u>10.49</u>	<u>10.49</u>	<u>9.95</u>	<u>10.02</u>	<u>0.00</u>
Rate Base	92.16	103.40	103.05	95.52	90.87	82.78	71.25	57.64	43.63	0.00
Net Plant Less Accum. Deferred Taxes	81.17	92.59	91.86	85.28	80.51	72.29	60.76	47.69	33.62	0.00
Less: Accumulated ITC	<u>(2.22)</u>	<u>(1.98)</u>	<u>(1.74)</u>	<u>(1.51)</u>	<u>(1.27)</u>	<u>(1.03)</u>	<u>(0.80)</u>	<u>(0.56)</u>	<u>(0.33)</u>	<u>0.00</u>
Net Book Value	78.96	90.61	90.12	83.77	79.23	71.26	59.97	47.12	33.29	0.00

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Cheswick										
Original Cost	215.90	233.80	253.13	260.30	272.50	277.30	282.23	302.44	347.00	352.40
Accumulated Depreciation	<u>(96.02)</u>	<u>(104.60)</u>	<u>(114.19)</u>	<u>(124.11)</u>	<u>(134.24)</u>	<u>(144.24)</u>	<u>(154.54)</u>	<u>(166.35)</u>	<u>(181.83)</u>	<u>(197.75)</u>
Net Plant	119.88	129.20	138.93	136.19	138.26	133.06	127.69	136.08	165.17	154.65
Accumulated Deferred Taxes	<u>(34.85)</u>	<u>(33.11)</u>	<u>(31.54)</u>	<u>(30.10)</u>	<u>(28.69)</u>	<u>(27.18)</u>	<u>(25.48)</u>	<u>(23.48)</u>	<u>(21.12)</u>	<u>2.22</u>
Net Plant Less Accum. Deferred Taxes	85.03	96.08	107.39	106.09	109.57	105.88	102.21	112.61	144.06	156.88
Working Capital	<u>10.96</u>	<u>10.79</u>	<u>10.26</u>	<u>11.39</u>	<u>12.18</u>	<u>11.99</u>	<u>12.27</u>	<u>12.37</u>	<u>12.48</u>	<u>12.45</u>
Rate Base	95.99	106.87	117.65	117.48	121.75	117.88	114.48	124.98	156.54	169.32
Net Plant Less Accum. Deferred Taxes	85.03	96.08	107.39	106.09	109.57	105.88	102.21	112.61	144.06	156.88
Less: Accumulated ITC	<u>(2.91)</u>	<u>(2.75)</u>	<u>(2.60)</u>	<u>(2.44)</u>	<u>(2.28)</u>	<u>(2.13)</u>	<u>(1.97)</u>	<u>(1.82)</u>	<u>(1.66)</u>	<u>(1.51)</u>
Net Book Value	82.13	93.33	104.80	103.65	107.29	103.75	100.24	110.79	142.40	155.37

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Mansfield										
Original Cost	269.35	273.68	279.82	283.33	290.92	294.50	298.60	301.47	310.05	315.92
Accumulated Depreciation	(124.63)	(132.74)	(141.10)	(149.58)	(157.87)	(165.82)	(173.97)	(182.27)	(191.13)	(200.39)
Net Plant	144.72	140.93	138.72	133.75	133.05	128.68	124.63	119.20	118.92	115.53
Accumulated Deferred Taxes	(39.17)	(38.04)	(36.40)	(34.40)	(32.52)	(30.85)	(29.12)	(27.41)	(25.62)	(23.88)
Net Plant Less Accum. Deferred Taxes	105.54	102.89	102.32	99.35	100.53	97.84	95.50	91.79	93.30	91.65
Working Capital	12.04	11.86	12.02	12.05	10.13	10.38	9.99	10.21	10.07	9.74
Rate Base	117.59	114.74	114.35	111.40	110.66	108.22	105.50	102.00	103.36	101.39
Net Plant Less Accum. Deferred Taxes	105.54	102.89	102.32	99.35	100.53	97.84	95.50	91.79	93.30	91.65
Less: Accumulated ITC	(6.80)	(6.48)	(6.17)	(5.86)	(5.55)	(5.24)	(4.93)	(4.62)	(4.30)	(3.99)
Net Book Value	98.75	96.40	96.15	93.49	94.98	92.60	90.57	87.18	88.99	87.66

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Sammis										
Original Cost	93.56	96.18	97.59	102.13	102.74	107.66	113.74	115.68	116.89	118.11
Accumulated Depreciation	<u>(40.17)</u>	<u>(44.41)</u>	<u>(48.72)</u>	<u>(53.35)</u>	<u>(57.80)</u>	<u>(62.50)</u>	<u>(67.79)</u>	<u>(73.26)</u>	<u>(78.86)</u>	<u>(84.61)</u>
Net Plant	53.39	51.76	48.87	48.79	44.94	45.16	45.95	42.42	38.03	33.51
Accumulated Deferred Taxes	<u>(13.56)</u>	<u>(13.18)</u>	<u>(12.24)</u>	<u>(11.23)</u>	<u>(10.19)</u>	<u>(9.10)</u>	<u>(7.95)</u>	<u>(6.83)</u>	<u>(5.65)</u>	<u>(4.40)</u>
Net Plant Less Accum. Deferred Taxes	39.84	38.59	36.64	37.56	34.75	36.05	38.00	35.59	32.38	29.11
Working Capital	<u>4.16</u>	<u>4.09</u>	<u>4.31</u>	<u>4.28</u>	<u>4.71</u>	<u>4.61</u>	<u>4.66</u>	<u>4.70</u>	<u>4.84</u>	<u>4.45</u>
Rate Base	43.99	42.68	40.95	41.85	39.45	40.66	42.66	40.29	37.23	33.56
Net Plant Less Accum. Deferred Taxes	39.84	38.59	36.64	37.56	34.75	36.05	38.00	35.59	32.38	29.11
Less: Accumulated ITC	<u>(2.84)</u>	<u>(2.65)</u>	<u>(2.46)</u>	<u>(2.27)</u>	<u>(2.08)</u>	<u>(1.89)</u>	<u>(1.70)</u>	<u>(1.51)</u>	<u>(1.33)</u>	<u>(1.14)</u>
Net Book Value	37.00	35.94	34.18	35.29	32.67	34.16	36.29	34.08	31.06	27.97

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Eastlake										
Original Cost	78.87	81.38	84.71	86.74	87.29	92.67	98.67	100.35	103.51	107.11
Accumulated Depreciation	<u>(36.20)</u>	<u>(39.42)</u>	<u>(42.83)</u>	<u>(46.36)</u>	<u>(49.75)</u>	<u>(53.42)</u>	<u>(57.62)</u>	<u>(61.97)</u>	<u>(66.65)</u>	<u>(71.76)</u>
Net Plant	42.66	41.97	41.89	40.38	37.54	39.25	41.04	38.38	36.86	35.35
Accumulated Deferred Taxes	<u>(10.52)</u>	<u>(10.00)</u>	<u>(9.44)</u>	<u>(8.86)</u>	<u>(8.34)</u>	<u>(7.76)</u>	<u>(7.11)</u>	<u>(6.25)</u>	<u>(5.28)</u>	<u>(4.21)</u>
Net Plant Less Accum. Deferred Taxes	32.15	31.96	32.44	31.52	29.20	31.49	33.93	32.13	31.58	31.14
Working Capital	<u>3.61</u>	<u>3.55</u>	<u>3.31</u>	<u>3.14</u>	<u>3.73</u>	<u>3.63</u>	<u>3.69</u>	<u>3.86</u>	<u>3.70</u>	<u>3.47</u>
Rate Base	35.76	35.52	35.75	34.66	32.93	35.11	37.62	35.99	35.28	34.60
Net Plant Less Accum. Deferred Taxes	32.15	31.96	32.44	31.52	29.20	31.49	33.93	32.13	31.58	31.14
Less: Accumulated ITC	<u>(1.70)</u>	<u>(1.59)</u>	<u>(1.49)</u>	<u>(1.38)</u>	<u>(1.27)</u>	<u>(1.17)</u>	<u>(1.06)</u>	<u>(0.96)</u>	<u>(0.85)</u>	<u>(0.74)</u>
Net Book Value	30.45	30.37	30.96	30.14	27.93	30.32	32.87	31.17	30.73	30.40

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Brunot Island In-Service										
Original Cost	45.72	47.82	49.09	54.55	54.62	54.68	54.75	54.82	59.10	59.17
Accumulated Depreciation	<u>(20.20)</u>	<u>(22.14)</u>	<u>(24.11)</u>	<u>(26.41)</u>	<u>(28.61)</u>	<u>(30.72)</u>	<u>(32.82)</u>	<u>(34.92)</u>	<u>(37.44)</u>	<u>(39.96)</u>
Net Plant	25.52	25.68	24.98	28.14	26.00	23.96	21.93	19.90	21.66	19.22
Accumulated Deferred Taxes	<u>(8.73)</u>	<u>(8.07)</u>	<u>(7.46)</u>	<u>(6.82)</u>	<u>(6.30)</u>	<u>(5.78)</u>	<u>(5.24)</u>	<u>(4.68)</u>	<u>(4.02)</u>	<u>(3.42)</u>
Net Plant Less Accum. Deferred Taxes	16.79	17.60	17.52	21.32	19.71	18.18	16.69	15.22	17.64	15.80
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	16.79	17.60	17.52	21.32	19.71	18.18	16.69	15.22	17.64	15.80
Net Plant Less Accum. Deferred Taxes	16.79	17.60	17.52	21.32	19.71	18.18	16.69	15.22	17.64	15.80
Less: Accumulated ITC	<u>(0.73)</u>	<u>(0.69)</u>	<u>(0.64)</u>	<u>(0.60)</u>	<u>(0.55)</u>	<u>(0.51)</u>	<u>(0.47)</u>	<u>(0.42)</u>	<u>(0.38)</u>	<u>(0.33)</u>
Net Book Value	16.06	16.92	16.88	20.73	19.15	17.67	16.22	14.80	17.26	15.46

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Phillips										
Original Cost	147.02	147.51	148.31	148.31	148.31	148.31	148.31	148.31	148.31	148.31
Accumulated Depreciation	<u>(68.63)</u>	<u>(69.12)</u>	<u>(69.92)</u>	<u>(69.92)</u>	<u>(69.92)</u>	<u>(80.92)</u>	<u>(110.02)</u>	<u>(133.92)</u>	<u>(148.32)</u>	<u>(148.32)</u>
Net Plant	78.40	78.40	78.40	78.40	78.40	67.40	38.30	14.40	(0.00)	(0.00)
Accumulated Deferred Taxes	<u>(28.26)</u>	<u>(28.34)</u>	<u>(28.27)</u>	<u>(28.51)</u>	<u>(28.69)</u>	<u>(24.25)</u>	<u>(12.28)</u>	<u>(2.45)</u>	<u>3.44</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	50.14	50.06	50.12	49.89	49.71	43.15	26.02	11.95	3.44	(0.00)
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	50.14	50.06	50.12	49.89	49.71	43.15	26.02	11.95	3.44	(0.00)
Net Plant Less Accum. Deferred Taxes	50.14	50.06	50.12	49.89	49.71	43.15	26.02	11.95	3.44	(0.00)
Less: Accumulated ITC	<u>(1.68)</u>	<u>(1.49)</u>	<u>(1.31)</u>	<u>(1.12)</u>	<u>(0.93)</u>	<u>(0.75)</u>	<u>(0.56)</u>	<u>(0.37)</u>	<u>(0.19)</u>	<u>0.00</u>
Net Book Value	48.46	48.57	48.82	48.77	48.78	42.40	25.46	11.57	3.26	(0.00)

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Brunot Island Cold Reserve										
Original Cost	44.83	44.83	44.83	44.83	44.83	44.83	44.83	44.83	44.83	44.83
Accumulated Depreciation	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(29.97)</u>
Net Plant	28.76	28.76	28.76	28.76	28.76	28.76	28.76	28.76	28.76	14.86
Accumulated Deferred Taxes	<u>(11.25)</u>	<u>(11.26)</u>	<u>(11.28)</u>	<u>(11.30)</u>	<u>(11.31)</u>	<u>(11.33)</u>	<u>(11.34)</u>	<u>(11.36)</u>	<u>(11.37)</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	17.51	17.49	17.48	17.46	17.45	17.43	17.42	17.40	17.39	14.86
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	17.51	17.49	17.48	17.46	17.45	17.43	17.42	17.40	17.39	14.86
Net Plant Less Accum. Deferred Taxes	17.51	17.49	17.48	17.46	17.45	17.43	17.42	17.40	17.39	14.86
Less: Accumulated ITC	<u>(0.89)</u>	<u>(0.84)</u>	<u>(0.78)</u>	<u>(0.73)</u>	<u>(0.68)</u>	<u>(0.63)</u>	<u>(0.57)</u>	<u>(0.52)</u>	<u>(0.47)</u>	<u>(0.42)</u>
Net Book Value	16.62	16.66	16.69	16.73	16.77	16.80	16.84	16.88	16.92	14.44

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Warwick										
Original Cost	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50
Accumulated Depreciation	<u>(57.20)</u>	<u>(61.83)</u>	<u>(66.46)</u>	<u>(71.09)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>
Net Plant	15.29	10.67	6.04	1.41	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Deferred Taxes	<u>(5.96)</u>	<u>(4.04)</u>	<u>(2.12)</u>	<u>(0.20)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	9.33	6.63	3.92	1.21	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	9.33	6.63	3.92	1.21	0.00	0.00	0.00	0.00	0.00	0.00
Net Plant Less Accum. Deferred Taxes	9.33	6.63	3.92	1.21	0.00	0.00	0.00	0.00	0.00	0.00
Less: Accumulated ITC	<u>(1.15)</u>	<u>(0.79)</u>	<u>(0.44)</u>	<u>(0.09)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Book Value	8.19	5.83	3.48	1.12	0.00	0.00	0.00	0.00	0.00	0.00

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Generation-Related Regulatory Assets										
Book Cost	455.26	455.26	455.26	536.30	536.30	536.30	536.30	536.30	536.30	536.30
Accumulated Amortization	<u>0.00</u>	<u>(34.59)</u>	<u>(84.53)</u>	<u>(149.07)</u>	<u>(213.61)</u>	<u>(278.15)</u>	<u>(342.68)</u>	<u>(407.22)</u>	<u>(471.76)</u>	<u>(536.30)</u>
Net Book Cost	455.26	420.67	370.73	387.23	322.69	258.15	193.62	129.08	64.54	0.00
Accumulated Deferred Taxes	<u>(109.18)</u>	<u>(98.77)</u>	<u>(81.59)</u>	<u>(91.53)</u>	<u>(76.28)</u>	<u>(61.02)</u>	<u>(45.77)</u>	<u>(30.51)</u>	<u>(15.26)</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	346.08	321.90	289.14	295.70	246.42	197.13	147.85	98.57	49.28	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	346.08	321.90	289.14	295.70	246.42	197.13	147.85	98.57	49.28	0.00

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Transmission-Related Regulatory Assets										
Book Cost	32.68	32.68	32.68	32.68	32.68	32.68	32.68	32.68	32.68	32.68
Accumulated Amortization	<u>0.00</u>	<u>1.23</u>	<u>2.41</u>	<u>3.45</u>	<u>4.21</u>	<u>4.81</u>	<u>5.22</u>	<u>5.43</u>	<u>5.58</u>	<u>5.62</u>
Net Book Cost	32.68	33.92	35.09	36.13	36.89	37.49	37.90	38.11	38.26	38.30
Accumulated Deferred Taxes	<u>(32.66)</u>	<u>(33.91)</u>	<u>(35.09)</u>	<u>(36.13)</u>	<u>(36.89)</u>	<u>(37.49)</u>	<u>(37.90)</u>	<u>(38.11)</u>	<u>(38.26)</u>	<u>(38.30)</u>
Net Plant Less Accum. Deferred Taxes	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Rate Base and Net Book Value Forecast

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Distribution-Related Regulatory Assets										
Book Cost	56.85	56.85	56.85	56.85	56.85	56.85	56.85	56.85	56.85	56.85
Accumulated Amortization	<u>0.00</u>	<u>1.23</u>	<u>2.36</u>	<u>2.91</u>	<u>2.82</u>	<u>1.92</u>	<u>0.53</u>	<u>(1.25)</u>	<u>(3.21)</u>	<u>(5.55)</u>
Net Book Cost	56.85	58.08	59.21	59.76	59.67	58.76	57.38	55.60	53.64	51.30
Accumulated Deferred Taxes	<u>(56.52)</u>	<u>(57.92)</u>	<u>(59.21)</u>	<u>(59.76)</u>	<u>(59.67)</u>	<u>(58.76)</u>	<u>(57.38)</u>	<u>(55.60)</u>	<u>(53.64)</u>	<u>(51.30)</u>
Net Plant Less Accum. Deferred Taxes	0.33	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	0.33	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DUQUESNE LIGHT COMPANY

Net Present Value of Generating Plant Assets

as of 12/31/05

\$ in Millions

Combined Cycle

@ \$33.8/mwh in 2006 with escalations @ 2.5%

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	0.0	(23.6)	(23.6)
Sammis	9.6	(27.8)	(18.2)
Eastlake	0.0	(22.5)	(22.5)
EIrama	0.0	(35.0)	(35.0)
Mansfield 1	14.7	(43.0)	(28.3)
Mansfield 2	4.6	(11.1)	(6.5)
Mansfield 3	10.6	(16.9)	(6.3)
Brunot Island	11.5	(13.9)	(2.4)
Phillips	0	(9.5)	(9.5)
Total Fossil	50.9	(203.4)	(152.4)
<u>Nuclear Plants:</u>			
Beaver Valley 1	38.5	(0.1)	38.5
Beaver Valley 2	69.3	(0.1)	69.2
Perry	0.0	(1.9)	(1.9)
Total Nuclear	107.8	(2.0)	105.8
TOTAL PLANTS	\$158.7	(\$205.4)	(\$46.6)

DUQUESNE LIGHT

PV of Fossil Plants

\$ in Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%

CHESWICK	2006	2007	2008	2009	2010	2011	2012	2013	2014
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12
Unit Output (gwh)	4,197	4,032	3,876	4,195	3,528	3,865	4,211	4,032	3,828
Delivered Output (gwh)	3,946	3,790	3,644	3,943	3,316	3,633	3,959	3,790	3,599
Revenues	133.46	131.39	129.49	143.63	123.82	139.05	155.29	152.38	148.31
<u>Fuel-Related Expenses</u>									
Fuel Costs	64.40	63.33	63.44	73.77	65.30	73.86	82.77	82.20	81.49
Fuel Related ECR Costs	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32
NOx Emissions	8.65	8.69	8.31	9.92	7.52	9.32	11.41	11.12	10.42
SO2 Emissions	<u>6.53</u>	<u>6.65</u>	<u>6.71</u>	<u>8.18</u>	<u>6.63</u>	<u>8.31</u>	<u>10.27</u>	<u>10.36</u>	<u>10.24</u>
Total Fuel	80.66	79.78	79.60	93.04	80.64	92.72	105.71	104.97	103.48
<u>Non-fuel O&M Expenses</u>									
Variable O&M	3.93	3.88	3.83	4.25	3.67	4.13	4.61	4.54	4.42
Fixed O&M	9.56	11.72	11.87	10.13	11.03	12.40	10.53	12.83	12.98
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>12.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	13.49	15.60	15.70	14.38	27.20	16.52	15.14	17.37	17.40
Carbon Injection Costs	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07
FICA	0.48	0.51	0.51	0.46	0.48	0.54	0.56	0.59	0.57
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Total Non-fuel	18.70	20.63	20.73	19.65	31.91	21.72	20.75	22.80	22.76
Capital Expenditures	5.19	5.34	5.50	5.67	15.05	4.53	3.14	1.66	1.06
Direct Expenses	104.55	105.75	105.83	118.36	127.60	118.96	129.59	129.44	127.30
Direct Margin	28.91	25.64	23.67	25.27	(3.78)	20.09	25.69	22.94	21.01
Overhead Allocation	17.70	19.98	19.63	21.63	23.77	22.25	25.16	26.54	25.43
Expenses Incl. Corp O/H	122.25	125.73	125.46	139.99	151.37	141.21	154.76	155.98	152.73
Margin after Corp O/H	11.21	5.66	4.04	3.64	(27.55)	(2.16)	0.53	(3.60)	(4.42)
<u>Costs per kwh (cents)</u>									
Fuel	2.04	2.11	2.18	2.36	2.43	2.55	2.67	2.77	2.88
Non-fuel	0.47	0.54	0.57	0.50	0.96	0.60	0.52	0.60	0.63
Capital Expenditures	<u>0.13</u>	<u>0.14</u>	<u>0.15</u>	<u>0.14</u>	<u>0.45</u>	<u>0.12</u>	<u>0.08</u>	<u>0.04</u>	<u>0.03</u>
Direct Expenses	2.65	2.79	2.90	3.00	3.85	3.27	3.27	3.42	3.54
Direct Margin	0.73	0.68	0.65	0.64	(0.11)	0.55	0.65	0.61	0.58
Overhead Allocation	0.45	0.53	0.54	0.55	0.72	0.61	0.64	0.70	0.71
Expenses Incl. Corp O/H	3.10	3.32	3.44	3.55	4.56	3.89	3.91	4.12	4.24
Margin after Corp O/H	0.28	0.15	0.11	0.09	(0.83)	(0.06)	0.01	(0.09)	(0.12)
NPV of Margin after O/H	(1.8)								
NPV of Decommissioning	23.6								
NPV OF NET MARGIN	(25.4)								

DUQUESNE LIGHT

PV of Fossil Plants

\$ In Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%

SAMMIS	2006	2007	2008	2009	2010
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73
Unit Output (gwh)	1,493	1,236	1,498	1,378	1,474
Delivered Output (gwh)	1,404	1,162	1,408	1,295	1,385
Revenues	47.48	40.29	50.05	47.18	51.72
<u>Fuel-Related Expenses</u>					
Fuel Costs	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.03	0.03	0.03	0.03	0.03
NOx Emissions	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	<u>0.98</u>	<u>0.66</u>	<u>1.14</u>	<u>1.02</u>	<u>1.27</u>
Total Fuel	26.83	22.80	29.08	27.75	31.03
<u>Non-fuel O&M Expenses</u>					
Variable O&M	1.94	1.65	2.05	1.93	2.12
Fixed O&M	3.14	3.82	3.32	6.01	3.44
Overhaul	<u>0.00</u>	<u>2.28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	5.08	7.74	5.36	7.94	5.55
FICA	0.18	0.18	0.17	0.26	0.18
Property Tax	1.49	1.49	1.49	1.49	1.49
Cap Stock Tax	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	7.05	9.71	7.33	9.99	7.53
Capital Expenditures	0.58	3.02	0.14	0.43	0.14
Direct Expenses	34.46	35.53	36.55	38.17	38.70
Direct Margin	13.02	4.76	13.50	9.00	13.02
Overhead Allocation	5.83	6.71	6.78	6.97	7.21
Expenses incl. Corp O/H	40.29	42.24	43.33	45.15	45.91
Margin after Corp O/H	7.19	(1.96)	6.72	2.03	5.81
<u>Costs per kwh (cents)</u>					
Fuel	1.91	1.96	2.06	2.14	2.24
Non-fuel	0.50	0.84	0.52	0.77	0.54
Capital Expenditures	<u>0.04</u>	<u>0.26</u>	<u>0.01</u>	<u>0.03</u>	<u>0.01</u>
Direct Expenses	2.45	3.06	2.60	2.95	2.79
Direct Margin	0.93	0.41	0.96	0.70	0.94
Overhead Allocation	0.42	0.58	0.48	0.54	0.52
Expenses incl. Corp O/H	2.87	3.64	3.08	3.49	3.31
Margin after Corp O/H	0.51	(0.17)	0.48	0.16	-0.42
NPV of Margin after O/H	9.6				
NPV of Decommissioning	27.8				
NPV OF NET MARGIN	(18.2)				

DUQUESNE LIGHT
PV of Fossil Plants
\$ In Millions

	@ \$33.8/mwh in 2006 with escalations @ 2.5%					
	2006	2007	2008	2009	2010	2011
EASTLAKE						
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83
Unit Output (gwh)	1,120	1,149	1,166	1,286	1,149	1,178
Delivered Output (gwh)	1,053	1,080	1,096	1,209	1,080	1,108
Revenues	35.62	37.45	38.94	44.03	40.33	42.39
<u>Fuel-Related Expenses</u>						
Fuel Costs	15.56	16.42	17.16	19.52	17.95	18.94
Fuel Related ECR Costs	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	1.02	1.09	1.16	1.33	1.24	1.32
SO2 Emissions	5.11	5.67	6.21	7.51	7.08	7.86
Total Fuel	21.80	23.31	24.65	28.49	26.40	28.25
<u>Non-fuel O&M Expenses</u>						
Variable O&M	1.56	1.64	1.71	1.94	1.78	1.87
Fixed O&M	5.27	5.89	5.98	5.57	6.37	5.93
Overhaul	0.80	0.00	0.00	0.00	0.00	0.52
Subtotal	7.63	7.54	7.69	7.50	8.14	8.32
FICA	0.24	0.25	0.25	0.24	0.27	0.26
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	9.41	9.32	9.48	9.28	9.95	10.12
Capital Expenditures	2.26	0.53	0.77	0.76	0.91	0.62
Direct Expenses	33.47	33.15	34.90	38.53	37.25	38.99
Direct Margin	2.15	4.30	4.04	5.50	3.08	3.40
Overhead Allocation	5.67	6.26	6.47	7.04	6.94	7.29
Expenses incl. Corp O/H	39.14	39.42	41.37	45.57	44.19	46.28
Margin after Corp O/H	(3.52)	(1.96)	(2.43)	(1.55)	(3.86)	(3.90)
<u>Costs per kwh (cents)</u>						
Fuel	2.07	2.16	2.25	2.36	2.44	2.55
Non-fuel	0.89	0.86	0.87	0.77	0.92	0.91
Capital Expenditures	0.21	0.05	0.07	0.06	0.08	0.06
Direct Expenses	3.18	3.07	3.19	3.19	3.45	3.52
Direct Margin	0.20	0.40	0.37	0.45	0.29	0.31
Overhead Allocation	0.54	0.58	0.59	0.58	0.64	0.66
Expenses incl. Corp O/H	3.72	3.65	3.78	3.77	4.09	4.18
Margin after Corp O/H	(0.33)	(0.18)	(0.22)	(0.13)	(0.36)	(0.35)
NPV of Margin after O/H	(8.0)					
NPV of Decommissioning	22.5					
NPV OF NET MARGIN	(30.5)					

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%
2006

ELRAMA
kwh Market Price (cents)
Unit Output (gwh)
Delivered Output (gwh)

Revenues

Fuel-Related Expenses

Fuel Costs
Fuel Related ECR Costs
NOx Emissions
SO2 Emissions
Total Fuel

Non-fuel O&M Expenses

Variable O&M
Fixed O&M
Overhaul
Subtotal
FICA
Property Tax
Cap Stock Tax
Total Non-fuel

Capital Expenditures

Direct Expenses
Direct Margin

Overhead Allocation

Expenses incl. Corp O/H
Margin after Corp O/H

Costs per kwh (cents)

Fuel
Non-fuel
Capital Expenditures
Direct Expenses
Direct Margin

Overhead Allocation

Expenses incl. Corp O/H
Margin after Corp O/H

NPV of Margin after O/H	0.0
NPV of Decommissioning	35.0
NPV OF NET MARGIN	(35.0)

Exhibit DJC-3
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DUQUESNE LIGHT

PV of Fossil Plants

\$ In Millions

	@ \$33.8/mwh in 2006 with escalations @ 2.5%									
MANSFIELD 1	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22
Unit Output (gwh)	1,376	1,789	1,657	1,787	1,652	1,789	1,382	1,789	1,652	1,769
Delivered Output (gwh)	1,293	1,682	1,557	1,679	1,553	1,682	1,299	1,682	1,553	1,663
Revenues	43.75	58.30	55.34	61.17	57.97	64.35	50.96	67.61	63.98	70.25
<u>Fuel-Related Expenses</u>										
Fuel Costs	16.85	22.55	21.48	23.84	22.66	25.26	20.06	26.74	25.38	27.99
Fuel Related ECR Costs	3.48	4.58	4.37	4.82	4.59	5.08	4.09	5.36	5.11	5.59
NOx Emissions	3.25	5.02	4.67	5.43	5.06	5.92	4.21	6.44	5.97	6.87
SO2 Emissions	(0.39)	(0.31)	(0.37)	(0.36)	(0.44)	(0.43)	(0.61)	(0.49)	(0.59)	(0.58)
Total Fuel	23.20	31.84	30.15	33.72	31.87	35.84	27.74	38.04	35.86	39.86
<u>Non-fuel O&M Expenses</u>										
Variable O&M	1.92	2.56	2.43	2.69	2.55	2.84	2.25	2.99	2.84	3.12
Fixed O&M	5.76	5.84	6.82	6.42	7.54	6.79	6.83	6.94	8.15	8.62
Overhaul	3.96	0.00	0.00	0.00	0.00	0.00	4.73	0.00	0.00	0.00
Subtotal	11.64	8.40	9.25	9.11	10.09	9.63	13.81	9.94	10.99	11.74
FICA	0.27	0.28	0.30	0.29	0.33	0.32	0.34	0.34	0.36	0.36
Property Tax	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Cap Stock Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Non-fuel	12.89	9.65	10.52	10.38	11.40	10.92	15.13	11.25	12.32	13.09
Capital Expenditures	6.38	1.03	0.83	0.99	2.20	2.14	5.71	0.62	0.25	0.18
Direct Expenses	42.47	42.52	41.50	45.09	45.47	48.90	48.58	49.91	48.44	53.13
Direct Margin	1.28	15.78	13.84	16.08	12.49	15.45	2.38	17.70	15.55	17.12
Overhead Allocation	7.19	8.03	7.70	8.24	8.47	9.14	9.43	10.23	9.68	11.66
Expenses incl. Corp O/H	49.66	50.55	49.19	53.33	53.95	58.05	58.02	60.14	58.11	64.79
Margin after Corp O/H	(5.91)	7.75	6.14	7.84	4.02	6.31	(7.06)	7.46	5.87	5.46
<u>Costs per kwh (cents)</u>										
Fuel	1.79	1.89	1.94	2.01	2.05	2.13	2.14	2.26	2.31	2.40
Non-fuel	1.00	0.57	0.68	0.62	0.73	0.65	1.16	0.67	0.79	0.79
Capital Expenditures	0.49	0.06	0.05	0.06	0.14	0.13	0.44	0.04	0.02	0.01
Direct Expenses	3.28	2.53	2.66	2.68	2.93	2.91	3.74	2.97	3.12	3.19
Direct Margin	0.10	0.94	0.89	0.96	0.80	0.92	0.18	1.05	1.00	1.03
Overhead Allocation	0.56	0.48	0.49	0.49	0.55	0.54	0.73	0.61	0.62	0.70
Expenses incl. Corp O/H	3.84	3.01	3.16	3.18	3.47	3.45	4.47	3.58	3.74	3.90
Margin after Corp O/H	(0.46)	0.46	0.39	0.47	0.26	0.38	(0.54)	0.44	0.38	0.33
NPV of Margin after O/H	14.7									
NPV of Decommissioning	43.0									
NPV OF NET MARGIN	(28.3)									

DUQUESNE LIGHT
PV of Fossil Plants
\$ In Millions

	@ \$33.8/mwh in 2006 with escalations @ 2.5%										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
MANSFIELD 2											
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33
Unit Output (gwh)	404	481	463	499	461	500	404	482	461	500	455
Delivered Output (gwh)	379	452	435	469	434	470	380	453	434	470	427
Revenues	12.83	15.66	15.46	17.09	16.19	17.98	14.89	18.21	17.87	19.84	18.50
<u>Fuel-Related Expenses</u>											
Fuel Costs	4.86	5.96	5.91	6.56	6.23	6.95	5.77	7.09	6.98	7.78	7.28
Fuel Related ECR Costs	1.01	1.23	1.21	1.34	1.28	1.41	1.19	1.44	1.42	1.57	1.47
NOx Emissions	1.00	1.36	1.37	1.56	1.44	1.70	1.28	1.75	1.75	2.00	1.81
SO2 Emissions	(0.12)	(0.11)	(0.13)	(0.12)	(0.15)	(0.15)	(0.19)	(0.18)	(0.20)	(0.20)	(0.23)
Total Fuel	6.75	8.44	8.36	9.33	8.80	9.91	8.04	10.11	9.95	11.16	10.33
<u>Non-fuel O&M Expenses</u>											
Variable O&M	0.56	0.68	0.67	0.75	0.71	0.79	0.65	0.80	0.79	0.87	0.82
Fixed O&M	1.52	1.59	1.83	1.72	2.03	1.83	1.82	1.90	2.20	2.35	2.53
Overhaul	1.00	0.20	0.00	0.00	0.00	0.00	1.21	0.22	0.00	0.00	0.00
Subtotal	3.07	2.47	2.50	2.47	2.74	2.62	3.67	2.92	2.99	3.23	3.35
FICA	0.07	0.07	0.08	0.08	0.09	0.09	0.09	0.09	0.10	0.10	0.14
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	3.41	2.81	2.85	2.81	3.09	2.97	4.03	3.28	3.35	3.59	3.75
Capital Expenditures	0.91	1.83	0.41	0.27	0.60	0.36	1.09	1.63	0.24	0.08	0.11
Direct Expenses	11.07	13.07	11.62	12.41	12.50	13.24	13.16	15.02	13.54	14.83	14.18
Direct Margin	1.76	2.59	3.84	4.68	3.70	4.74	1.73	3.20	4.33	5.01	4.32
Overhead Allocation	1.87	2.47	2.16	2.27	2.33	2.48	2.56	3.08	2.71	3.26	2.51
Expenses incl. Corp O/H	12.94	15.54	13.78	14.68	14.82	15.72	15.71	18.10	16.25	18.09	16.70
Margin after Corp O/H	(0.11)	0.12	1.68	2.41	1.37	2.26	(0.82)	0.12	1.62	1.75	1.80
<u>Costs per kwh (cents)</u>											
Fuel	1.78	1.87	1.92	1.99	2.03	2.11	2.12	2.23	2.29	2.38	2.42
Non-fuel	0.90	0.62	0.65	0.60	0.71	0.63	1.06	0.72	0.77	0.77	0.88
Capital Expenditures	0.24	0.40	0.09	0.06	0.14	0.08	0.29	0.36	0.06	0.02	0.03
Direct Expenses	2.92	2.89	2.67	2.65	2.88	2.82	3.47	3.32	3.12	3.16	3.32
Direct Margin	0.46	0.57	0.88	1.00	0.85	1.01	0.46	0.71	1.00	1.07	1.01
Overhead Allocation	0.49	0.55	0.50	0.48	0.54	0.53	0.67	0.68	0.62	0.69	0.59
Expenses incl. Corp O/H	3.41	3.44	3.17	3.13	3.42	3.35	4.14	4.00	3.75	3.85	3.91
Margin after Corp O/H	(0.03)	0.03	0.39	0.51	0.32	0.48	(0.22)	0.03	0.37	0.37	0.42
NPV of Margin after O/H	4.6										
NPV of Decommissioning	11.1										
NPV OF NET MARGIN	(6.5)										

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
MANSFIELD 3														
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44	4.55	4.66
Unit Output (gwh)	874	839	712	807	875	808	877	719	829	808	877	808	875	870
Delivered Output (gwh)	822	788	669	758	822	759	824	676	779	759	824	759	822	818
Revenues	27.80	27.34	23.78	27.63	30.70	29.05	32.34	27.17	32.12	32.06	35.70	33.69	37.40	38.13
Fuel-Related Expenses														
Fuel Costs	10.33	10.20	8.91	10.39	11.58	11.01	12.28	10.37	12.30	12.33	13.78	13.02	14.49	14.80
Fuel Related ECR Costs	2.18	2.16	1.90	2.19	2.42	2.31	2.56	2.18	2.56	2.57	2.85	2.71	3.00	3.06
NOx Emissions	2.82	2.79	2.32	2.87	3.33	3.16	3.64	2.89	3.67	3.69	4.30	4.06	4.66	4.81
SO2 Emissions	(0.18)	(0.20)	(0.25)	(0.25)	(0.25)	(0.29)	(0.29)	(0.37)	(0.35)	(0.39)	(0.38)	(0.45)	(0.45)	(0.49)
Total Fuel	15.16	14.94	12.87	15.20	17.09	16.18	18.20	15.07	18.17	18.20	20.54	19.34	21.69	22.18
Non-fuel O&M Expenses														
Variable O&M	1.05	1.03	0.90	1.05	1.17	1.11	1.23	1.04	1.23	1.23	1.37	1.30	1.44	1.47
Fixed O&M	2.65	3.01	3.56	3.35	3.71	3.54	3.15	3.76	4.08	4.50	4.67	4.78	4.91	5.01
Overhaul	0.00	0.28	1.22	0.00	0.00	0.00	1.45	0.42	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	3.70	4.32	5.75	4.39	4.88	4.64	4.39	6.24	5.73	5.73	6.04	6.07	6.35	6.48
FICA	0.13	0.13	0.14	0.14	0.16	0.15	0.16	0.16	0.17	0.18	0.25	0.25	0.26	0.26
Property Tax	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Cap Stock Tax	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Total Non-fuel	4.31	4.93	6.37	5.01	5.51	5.27	5.02	6.87	6.37	6.38	6.76	6.80	7.08	7.22
Capital Expenditures	0.43	0.69	2.69	0.48	1.07	0.40	0.51	0.82	3.21	0.57	0.96	0.64	0.32	0.19
Direct Expenses	19.90	20.56	21.92	20.69	23.67	21.85	23.74	22.77	27.76	25.15	28.25	26.77	29.09	29.59
Direct Margin	7.90	6.78	1.85	6.94	7.03	7.20	8.61	4.40	4.36	6.91	7.45	6.92	8.32	8.54
Overhead Allocation	3.37	3.88	4.07	3.78	4.41	4.09	4.61	4.67	5.55	5.52	5.00	4.70	5.61	5.18
Expenses incl. Corp O/H	23.27	24.44	25.99	24.47	28.07	25.94	28.35	27.44	33.30	30.67	33.25	31.47	34.70	34.77
Margin after Corp O/H	4.53	2.89	(2.21)	3.16	2.63	3.11	4.00	(0.27)	(1.18)	1.39	2.45	2.22	2.71	3.36
Costs per kwh (cents)														
Fuel	1.84	1.90	1.92	2.00	2.08	2.13	2.21	2.23	2.33	2.40	2.49	2.55	2.64	2.71
Non-fuel	0.52	0.63	0.95	0.66	0.67	0.69	0.61	1.02	0.82	0.84	0.82	0.90	0.86	0.88
Capital Expenditures	0.05	0.09	0.40	0.06	0.13	0.05	0.06	0.12	0.41	0.08	0.12	0.08	0.04	0.02
Direct Expenses	2.42	2.61	3.28	2.73	2.88	2.88	2.88	3.37	3.56	3.31	3.43	3.53	3.54	3.62
Direct Margin	0.96	0.86	0.28	0.91	0.86	0.95	1.04	0.65	0.56	0.91	0.90	0.91	1.01	1.04
Overhead Allocation	0.41	0.49	0.61	0.50	0.54	0.54	0.56	0.69	0.71	0.73	0.61	0.62	0.61	0.61
Expenses incl. Corp O/H	2.83	3.10	3.88	3.23	3.41	3.42	3.44	4.06	4.27	4.04	4.03	4.15	4.2	4.2
Margin after Corp O/H	0.55	0.37	(0.33)	0.42	0.32	0.41	0.48	(0.04)	(0.15)	0.18	0.30	0.29	0.3	0.3
NPV of Margin after O/H	10.6													
NPV of Decommissioning	16.9													
NPV OF NET MARGIN	(6.3)													

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DUQUESNE LIGHT
PV of Fossil Plants
\$ In Millions

@ \$33.8/mwh In 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
BRUNOT ISLAND							
kwh Market Price (cents)	16.91	17.34	17.77	18.21	18.67	19.13	19.61
Unit Output (gwh)	406	111	111	111	111	111	0
Delivered Output (gwh)	382	104	104	104	104	104	0
Revenues	64.58	18.09	18.54	19.00	19.48	19.97	0.00
<u>Fuel-Related Expenses</u>							
Fuel Costs	40.31	12.52	12.86	13.21	13.56	13.93	0.00
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Fuel	40.31	12.52	12.86	13.21	13.56	13.93	0.00
<u>Non-fuel O&M Expenses</u>							
Variable O&M	0.53	0.15	0.15	0.16	0.16	0.17	0.00
Fixed O&M	0.71	0.73	0.75	0.77	0.79	0.81	0.00
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	1.23	0.88	0.90	0.92	0.95	0.98	0.00
FICA	0.04	0.03	0.03	0.03	0.03	0.03	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.94	1.57	1.59	1.62	1.65	1.67	0.67
Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Expenses	42.26	14.09	14.45	14.83	15.21	15.60	0.67
Direct Margin	22.32	4.00	4.09	4.18	4.27	4.36	(0.67)
Overhead Allocation	7.15	2.66	2.68	2.71	2.83	2.92	0.13
Expenses Incl. Corp O/H	49.41	16.75	17.13	17.53	18.04	18.52	0.79
Margin after Corp O/H	15.17	1.33	1.41	1.47	1.44	1.45	(0.79)
<u>Costs per kwh (cents)</u>							
Fuel	10.56	12.00	12.32	12.66	13.00	13.35	#DIV/0!
Non-fuel	0.51	1.51	1.53	1.55	1.58	1.60	#DIV/0!
Capital Expenditures	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	#DIV/0!
Direct Expenses	11.07	13.51	13.85	14.21	14.58	14.95	#DIV/0!
Direct Margin	5.85	3.83	3.92	4.00	4.09	4.18	#DIV/0!
Overhead Allocation	1.87	2.55	2.57	2.60	2.72	2.80	#DIV/0!
Expenses Incl. Corp O/H	12.94	16.06	16.42	16.81	17.29	17.75	#DIV/0!
Margin after Corp O/H	3.97	1.28	1.35	1.41	1.38	1.39	#DIV/0!
NPV of Margin after O/H	11.5						
NPV of Decommissioning	13.9						
NPV OF NET MARGIN	(2.4)						

DUQUESNE LIGHT
PV of Nuclear Plants
 \$ in Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
BEAVER VALLEY 1										
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22
Unit Output (gwh)	2,781	3,172	2,790	2,781	3,172	2,781	2,790	3,172	2,781	3,137
Delivered Output (gwh)	2,614	2,982	2,622	2,614	2,982	2,614	2,622	2,982	2,614	2,949
Revenues	88.42	103.37	93.19	95.22	111.32	100.04	102.86	119.88	107.73	124.57
<u>Fuel-Related Expenses</u>										
Fuel Costs	15.18	17.99	16.47	17.07	20.28	18.54	19.32	22.84	20.81	24.39
Fuel Related ECR Costs	<u>2.78</u>	<u>3.17</u>	<u>2.79</u>	<u>2.78</u>	<u>3.17</u>	<u>2.78</u>	<u>2.79</u>	<u>3.17</u>	<u>2.78</u>	<u>3.14</u>
Total Fuel	17.96	21.16	19.26	19.85	23.45	21.32	22.11	26.01	23.59	27.53
<u>Non-fuel O&M Expenses</u>										
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	35.65	36.91	38.31	39.55	40.93	42.37	43.95	45.37	46.96	48.06
CAPCO Billing	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)
Overhaul	<u>14.31</u>	<u>0.00</u>	<u>15.33</u>	<u>15.86</u>	<u>0.00</u>	<u>16.99</u>	<u>17.59</u>	<u>0.00</u>	<u>18.84</u>	<u>0.00</u>
Subtotal	44.66	31.61	48.34	50.11	35.64	54.06	56.24	40.07	60.50	42.76
FICA	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88	1.92	1.95
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	50.51	37.48	54.25	56.05	41.61	60.08	62.29	46.16	66.63	48.93
Capital Expenditures	5.25	3.54	5.35	5.70	3.84	5.80	6.10	4.14	6.25	6.60
Direct Expenses	73.72	62.19	78.86	81.60	68.91	87.19	90.50	76.31	96.46	83.05
Direct Margin	14.70	41.18	14.33	13.62	42.42	12.84	12.36	43.57	11.27	41.52
Overhead Allocation	12.48	11.75	14.63	14.91	12.84	16.30	17.57	15.65	19.27	18.23
Expenses incl. Corp O/H	86.20	73.94	93.48	96.51	81.74	103.50	108.07	91.96	115.73	101.27
Margin after Corp O/H	2.22	29.43	(0.30)	(1.29)	29.58	(3.46)	(5.21)	27.92	(8.00)	23.30
<u>Costs per kwh (cents)</u>										
Fuel	0.69	0.71	0.73	0.76	0.79	0.82	0.84	0.87	0.90	0.93
Non-fuel	1.93	1.26	2.07	2.14	1.40	2.30	2.38	1.55	2.55	1.66
Capital Expenditures	<u>0.20</u>	<u>0.12</u>	<u>0.20</u>	<u>0.22</u>	<u>0.13</u>	<u>0.22</u>	<u>0.23</u>	<u>0.14</u>	<u>0.24</u>	<u>0.22</u>
Direct Expenses	2.82	2.09	3.01	3.12	2.31	3.34	3.45	2.56	3.69	2.82
Direct Margin	0.56	1.38	0.55	0.52	1.42	0.49	0.47	1.46	0.43	1.41
Overhead Allocation	0.48	0.39	0.56	0.57	0.43	0.62	0.67	0.52	0.74	0.62
Expenses incl. Corp O/H	3.30	2.48	3.57	3.69	2.74	3.96	4.12	3.08	4.43	3.43
Margin after Corp O/H	0.09	0.99	(0.01)	(0.05)	0.99	(0.13)	(0.20)	0.94	(0.31)	0.79
NPV of Margin after O/H	38.5									
Overfunded Decomm.	0.1									
NPV OF NET MARGIN	38.5									

DUQUESNE LIGHT
PV of Nuclear Plants
 \$ In Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
BEAVER VALLEY 2																						
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44	4.55	4.66	4.78	4.90	5.02	5.15	5.28	5.41	5.54	
Unit Output (gwh)	931	816	819	931	816	816	934	816	816	921	816	816	921	816	816	921	816	816	921	816	921	
Delivered Output (gwh)	875	767	770	875	767	767	878	767	767	866	767	767	866	767	767	866	767	767	866	767	866	
Revenue	29.60	26.60	27.35	31.88	28.65	29.36	34.42	30.85	31.62	36.56	33.22	34.05	39.37	35.77	36.67	42.40	38.53	39.49	45.66	41.49	47.97	
Fuel-Related Expenses																						
Fuel Costs	4.88	4.47	4.68	5.54	5.06	5.26	6.26	5.69	5.92	6.95	6.41	6.66	7.71	7.22	7.50	8.56	8.13	8.45	9.51	9.15	9.51	
Fuel Related ECR Costs	0.91	0.82	0.82	0.93	0.82	0.82	0.93	0.82	0.82	0.92	0.82	0.82	0.92	0.82	0.82	0.92	0.82	0.82	0.92	0.82	0.82	
Total Fuel	5.82	5.29	5.50	6.47	5.87	6.07	7.19	6.51	6.74	7.87	7.23	7.48	8.63	8.03	8.32	9.48	8.94	9.26	10.43	9.97	10.33	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	10.30	10.66	11.06	11.42	11.82	12.24	12.69	13.10	13.56	13.88	14.52	15.03	15.18	16.09	16.66	16.60	17.84	18.47	18.15	19.77	20.47	
CAPCO Billing	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	
Overhaul	0.00	2.82	2.28	0.00	4.26	4.41	0.00	4.72	4.89	0.00	2.24	2.42	0.00	5.81	6.02	0.00	6.45	6.67	0.00	7.15	7.40	
Subtotal	1.39	5.80	6.34	2.72	7.38	7.94	3.99	9.13	9.75	5.17	11.06	11.75	6.47	13.20	13.97	7.89	15.58	16.43	9.44	18.22	19.16	
FICA	0.46	0.47	0.48	0.49	0.50	0.51	0.52	0.53	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71	
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	
Total Non-fuel	2.91	7.12	7.67	4.06	8.73	9.31	5.36	10.51	11.15	6.58	12.50	13.20	7.94	14.68	15.46	9.39	17.09	17.96	10.98	19.77	20.73	
Capital Expenditures	0.85	1.76	1.35	0.90	1.86	1.60	0.90	2.06	1.65	1.00	3.70	2.60	2.00	3.90	3.00	2.00	4.30	3.20	2.20	4.80	1.30	
Direct Expenses	9.58	14.17	14.53	11.43	16.47	16.99	13.46	19.08	19.54	15.45	23.43	23.28	18.57	26.61	26.78	20.88	30.34	30.42	23.61	34.54	32.35	
Direct Margin	20.02	12.43	12.82	20.44	12.18	12.38	20.97	11.77	12.08	21.11	9.79	10.77	20.81	9.16	9.89	21.53	8.19	9.07	22.05	6.95	15.62	
Overhead Allocation	1.62	2.68	2.69	2.09	3.07	3.18	2.61	3.91	3.90	3.39	4.15	4.09	3.58	4.66	5.08	4.11	5.99	5.87	5.39	6.90	7.28	
Expenses Incl. Corp O/H	11.20	16.85	17.22	13.52	19.53	20.16	16.07	22.99	23.44	18.84	27.57	27.37	22.15	31.28	31.86	24.98	36.33	36.29	29.01	41.44	39.63	
Margin after Corp O/H	18.40	9.75	10.13	18.35	9.11	9.20	18.35	7.86	8.18	17.72	5.65	6.68	17.23	4.50	4.81	17.42	2.20	3.20	16.66	0.05	8.34	
Costs per kwh (cents)																						
Fuel	0.66	0.69	0.71	0.74	0.77	0.79	0.82	0.85	0.88	0.91	0.94	0.97	1.00	1.05	1.08	1.10	1.17	1.21	1.20	1.30	1.19	
Non-fuel	0.33	0.93	1.00	0.46	1.14	1.21	0.61	1.37	1.45	0.76	1.63	1.72	0.92	1.91	2.01	1.09	2.23	2.34	1.27	2.58	2.39	
Capital Expenditures	0.10	0.23	0.18	0.10	0.24	0.21	0.10	0.22	0.22	0.12	0.48	0.34	0.22	0.31	0.32	0.23	0.56	0.42	0.22	0.63	0.15	
Direct Expenses	1.09	1.85	1.89	1.31	2.15	2.21	1.53	2.49	2.55	1.79	3.05	3.03	2.15	3.47	3.49	2.41	3.95	3.97	2.73	4.50	3.74	
Direct Margin	2.29	1.62	1.67	2.34	1.59	1.61	2.39	1.53	1.58	2.44	1.28	1.40	2.40	1.19	1.29	2.49	1.07	1.18	2.55	0.91	1.80	
Overhead Allocation	0.19	0.35	0.35	0.24	0.40	0.41	0.30	0.51	0.51	0.39	0.54	0.53	0.41	0.61	0.66	0.47	0.78	0.77	0.62	0.90	0.84	
Expenses Incl. Corp O/H	1.28	2.20	2.24	1.55	2.55	2.63	1.83	3.00	3.05	2.18	3.59	3.57	2.56	4.08	4.15	2.89	4.74	4.73	3.35	5.40	4.58	
Margin after Corp O/H	2.10	1.27	1.32	2.10	1.19	1.20	2.09	1.02	1.07	2.05	0.74	0.87	1.99	0.59	0.63	2.01	0.29	0.42	1.92	0.01	0.96	
NPV of Margin after O/H	69.3																					
Underfunded Decomm.	0.1																					
NPV OF NET MARGIN	69.2																					

DUQUESNE LIGHT
PV of Nuclear Plants
 \$ in Millions

@ \$33.8/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
PERRY																						
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44	4.55	4.66	4.78	4.90	5.02	5.15	5.28	5.41	5.54	
Unit Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347	
Delivered Output (gwh)	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,266	
Revenues	42.70	38.93	44.98	40.91	47.12	42.98	49.65	45.16	52.02	47.44	54.80	49.84	57.42	52.37	60.50	55.01	63.38	57.80	66.78	60.73	70.16	
Fuel-Related Expenses																						
Fuel Costs	8.55	8.08	9.43	8.68	10.08	9.30	10.84	9.96	11.61	10.69	12.47	11.44	13.20	12.07	13.97	12.39	13.93	12.39	13.97	12.39	13.97	
Fuel Related ECR Costs	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.35	
Total Fuel	9.89	9.28	10.77	9.87	11.43	10.50	12.19	11.16	12.95	11.88	13.82	12.64	14.55	13.26	15.31	13.59	15.27	13.59	15.31	13.59	15.31	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	23.84	20.13	25.44	21.54	27.16	23.04	29.08	24.54	31.07	26.25	33.28	34.33	35.53	36.78	38.16	38.06	38.06	38.06	38.16	38.20	38.25	
Overhaul	0.00	4.12	0.00	4.48	0.00	4.80	0.00	5.14	0.00	5.51	0.00	5.90	0.00	6.32	0.00	6.75	0.00	6.55	0.00	6.65	0.00	
Subtotal	23.84	24.31	25.44	26.02	27.16	27.84	29.08	29.68	31.07	31.76	33.28	40.23	35.53	43.10	38.16	44.61	38.06	44.61	38.16	44.85	38.25	
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	
Total Non-fuel	37.54	38.01	39.14	39.72	40.87	41.54	42.79	43.38	44.77	45.47	46.98	53.93	49.23	56.81	51.87	58.31	51.76	58.31	51.87	58.55	51.95	
Capital Expenditures	0.73	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	
Direct Expenses	48.16	49.29	50.66	51.59	53.04	54.04	55.72	56.54	58.47	59.35	61.55	68.57	64.53	72.07	67.93	73.89	67.78	73.90	67.93	74.14	68.02	
Direct Margin	(5.46)	(10.35)	(5.69)	(10.68)	(5.92)	(11.06)	(6.08)	(11.38)	(6.45)	(11.91)	(6.75)	(18.72)	(7.12)	(19.70)	(7.43)	(18.88)	(4.41)	(16.09)	(1.15)	(13.41)	2.14	
Overhead Allocation	8.15	9.31	9.40	9.43	9.88	10.10	10.82	11.59	11.68	13.03	10.90	12.04	12.44	12.62	12.88	14.54	13.39	14.26	15.52	14.82	15.29	
Expenses incl. Corp O/H	56.32	58.60	60.06	61.02	62.92	64.14	66.54	68.13	70.15	72.37	72.44	80.60	76.97	84.69	80.81	88.44	81.17	88.15	83.45	88.96	83.31	
Margin after Corp O/H	(13.62)	(19.67)	(15.08)	(20.11)	(15.80)	(21.17)	(16.90)	(22.98)	(18.13)	(24.93)	(17.64)	(30.76)	(19.56)	(32.33)	(20.31)	(33.43)	(17.79)	(30.35)	(16.67)	(28.23)	(13.15)	
Costs per kwh (cents)																						
Fuel	0.78	0.83	0.85	0.88	0.91	0.93	0.96	0.99	1.03	1.06	1.09	1.13	1.15	1.18	1.21	1.21	1.21	1.21	1.21	1.21	1.21	
Non-fuel	2.97	3.39	3.09	3.54	3.24	3.70	3.38	3.86	3.55	4.05	3.71	4.80	3.90	5.06	4.10	5.19	4.10	5.19	4.10	5.21	4.10	
Capital Expenditures	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	
Direct Expenses	3.82	4.39	4.00	4.59	4.20	4.81	4.40	5.03	4.63	5.28	4.86	6.11	5.21	6.42	5.37	6.58	5.37	6.58	5.37	6.60	5.37	
Direct Margin	(0.43)	(0.92)	(0.45)	(0.95)	(0.47)	(0.99)	(0.48)	(1.01)	(0.51)	(1.06)	(0.53)	(1.67)	(0.56)	(1.75)	(0.59)	(1.68)	(0.35)	(1.43)	(0.09)	(1.19)	0.17	
Overhead Allocation	0.65	0.83	0.74	0.84	0.78	0.90	0.85	1.03	0.93	1.16	0.86	1.07	0.99	1.12	1.02	1.30	1.06	1.27	1.23	1.32	1.21	
Expenses incl. Corp O/H	4.46	5.22	4.75	5.43	4.99	5.71	5.26	6.07	5.56	6.44	5.72	7.18	6.10	7.54	6.38	7.88	6.43	7.85	6.59	7.92	6.58	
Margin after Corp O/H	(1.08)	(1.75)	(1.19)	(1.79)	(1.25)	(1.89)	(1.33)	(2.05)	(1.44)	(2.22)	(1.39)	(2.74)	(1.55)	(2.88)	(1.60)	(2.98)	(1.41)	(2.70)	(1.32)	(2.51)	(1.04)	
NPV of Margin after O/H	(124.8)																					
Underfunded Decomm.	1.9																					
NPV OF NET MARGIN	(126.7)																					

DUQUESNE LIGHT COMPANY

Net Present Value of Generating Plant Assets

as of 12/31/05

\$ in Millions

Combined Cycle

@ \$44.1/mwh in 2006 with escalations @ 2.5%

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	158.4	(23.6)	134.9
Sammis	44.4	(27.8)	16.7
Eastlake	25.8	(22.5)	3.3
Elrama	0.0	(35.0)	(35.0)
Mansfield 1	87.1	(43.0)	44.1
Mansfield 2	26.3	(11.1)	15.2
Mansfield 3	56.7	(16.9)	39.8
Brunot Island	35.5	(13.9)	21.6
Phillips	0	(9.5)	(9.5)
Total Fossil	434.3	(203.4)	231.0
<u>Nuclear Plants:</u>			
Beaver Valley 1	166.6	(0.1)	166.6
Beaver Valley 2	131.0	(0.1)	131.0
Perry	0.0	(1.9)	(1.9)
Total Nuclear	297.7	(2.0)	295.6
TOTAL PLANTS	\$732.0	(\$205.4)	\$526.6

DUQUESNE LIGHT
PV of Fossil Plants
 \$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014
CHESWICK									
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37
Unit Output (gwh)	4,197	4,032	3,876	4,195	3,528	3,865	4,211	4,032	3,828
Delivered Output (gwh)	3,946	3,790	3,644	3,943	3,316	3,633	3,959	3,790	3,599
Revenues	173.90	171.21	168.74	187.16	161.34	181.19	202.34	198.56	193.25
Fuel-Related Expenses									
Fuel Costs	64.40	63.33	63.44	73.77	65.30	73.86	82.77	82.20	81.49
Fuel Related ECR Costs	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32
NOx Emissions	8.65	8.69	8.31	9.92	7.52	9.32	11.41	11.12	10.42
SO2 Emissions	<u>6.52</u>	<u>6.65</u>	<u>6.71</u>	<u>8.18</u>	<u>6.63</u>	<u>8.31</u>	<u>10.27</u>	<u>10.36</u>	<u>10.24</u>
Total Fuel	80.66	79.78	79.60	93.04	80.64	92.72	105.71	104.97	103.48
Non-fuel O&M Expenses									
Variable O&M	3.93	3.88	3.83	4.25	3.67	4.13	4.61	4.54	4.42
Fixed O&M	9.56	11.72	11.87	10.13	11.03	12.40	10.53	12.83	12.98
Overhaul	0.00	0.00	0.00	0.00	<u>12.50</u>	0.00	0.00	0.00	0.00
Subtotal	13.49	15.60	15.70	14.38	27.20	16.52	15.14	17.37	17.40
Carbon Injection Costs	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07
FICA	0.48	0.51	0.51	0.46	0.48	0.54	0.56	0.59	0.57
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Total Non-fuel	18.70	20.63	20.73	19.65	31.91	21.72	20.75	22.80	22.76
Capital Expenditures	5.19	5.34	5.50	5.67	15.05	4.53	3.14	1.66	1.06
Direct Expenses	104.55	105.75	105.83	118.36	127.60	118.96	129.59	129.44	127.30
Direct Margin	69.35	65.45	62.91	68.79	33.74	62.22	72.75	69.12	65.95
Overhead Allocation	17.70	19.98	19.63	21.63	23.77	22.25	25.16	26.54	25.43
Expenses Incl. Corp O/H	122.25	125.73	125.46	139.99	151.37	141.21	154.76	155.98	152.73
Margin after Corp O/H	51.65	45.47	43.28	47.17	9.97	39.98	47.59	42.58	40.52
Costs per kwh (cents)									
Fuel	2.04	2.11	2.18	2.36	2.43	2.55	2.67	2.77	2.88
Non-fuel	0.47	0.54	0.57	0.50	0.96	0.60	0.52	0.60	0.63
Capital Expenditures	<u>0.13</u>	<u>0.14</u>	<u>0.15</u>	<u>0.14</u>	<u>0.45</u>	<u>0.12</u>	<u>0.08</u>	<u>0.04</u>	<u>0.03</u>
Direct Expenses	2.65	2.79	2.90	3.00	3.85	3.27	3.27	3.42	3.54
Direct Margin	1.76	1.73	1.73	1.74	1.02	1.71	1.84	1.82	1.83
Overhead Allocation	0.45	0.53	0.54	0.55	0.72	0.61	0.64	0.70	0.71
Expenses Incl. Corp O/H	3.10	3.32	3.44	3.55	4.56	3.89	3.91	4.12	4.24
Margin after Corp O/H	1.31	1.20	1.19	1.20	0.30	1.10	1.20	1.12	1.13
NPV of Margin after O/H	158.4								
NPV of Decommissioning	23.6								
NPV OF NET MARGIN	134.9								

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

SAMMIS	2006	2007	2008	2009	2010
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87
Unit Output (gwh)	1,493	1,236	1,498	1,378	1,474
Delivered Output (gwh)	1,404	1,162	1,408	1,295	1,385
Revenues	61.87	52.50	65.21	61.47	67.39
<u>Fuel-Related Expenses</u>					
Fuel Costs	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.03	0.03	0.03	0.03	0.03
NOx Emissions	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	0.98	0.66	1.14	1.02	1.27
Total Fuel	26.83	22.80	29.08	27.75	31.03
<u>Non-fuel O&M Expenses</u>					
Variable O&M	1.94	1.65	2.05	1.93	2.12
Fixed O&M	3.14	3.82	3.32	6.01	3.44
Overhaul	0.00	2.28	0.00	0.00	0.00
Subtotal	5.08	7.74	5.36	7.94	5.55
FICA	0.18	0.18	0.17	0.26	0.18
Property Tax	1.49	1.49	1.49	1.49	1.49
Cap Stock Tax	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	7.05	9.71	7.33	9.99	7.53
Capital Expenditures	0.58	3.02	0.14	0.43	0.14
Direct Expenses	34.46	35.53	36.55	38.17	38.70
Direct Margin	27.41	16.97	28.66	23.30	28.69
Overhead Allocation	5.83	6.71	6.78	6.97	7.21
Expenses Incl. Corp O/H	40.29	42.24	43.33	45.15	45.91
Margin after Corp O/H	21.57	10.25	21.88	16.33	21.48
<u>Costs per kwh (cents)</u>					
Fuel	1.91	1.96	2.06	2.14	2.24
Non-fuel	0.50	0.84	0.52	0.77	0.54
Capital Expenditures	0.04	0.26	0.01	0.03	0.01
Direct Expenses	2.45	3.06	2.60	2.95	2.79
Direct Margin	1.95	1.46	2.04	1.80	2.07
Overhead Allocation	0.42	0.58	0.48	0.54	0.52
Expenses Incl. Corp O/H	2.87	3.64	3.08	3.49	3.31
Margin after Corp O/H	1.54	0.88	1.55	1.26	1.55
NPV of Margin after O/H	44.4				
NPV of Decommissioning	27.8				
NPV OF NET MARGIN	16.7				

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

	@ \$44.1/mwh in 2006 with escalations @ 2.5%					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
EASTLAKE						
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99
Unit Output (gwh)	1,120	1,149	1,166	1,286	1,149	1,178
Delivered Output (gwh)	1,053	1,080	1,096	1,209	1,080	1,108
Revenues	46.41	48.80	50.73	57.37	52.55	55.23
<u>Fuel-Related Expenses</u>						
Fuel Costs	15.56	16.42	17.16	19.52	17.95	18.94
Fuel Related ECR Costs	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	1.02	1.09	1.16	1.33	1.24	1.32
SO2 Emissions	<u>5.11</u>	<u>5.67</u>	<u>6.21</u>	<u>7.51</u>	<u>7.08</u>	<u>7.86</u>
Total Fuel	21.80	23.31	24.65	28.49	26.40	28.25
<u>Non-fuel O&M Expenses</u>						
Variable O&M	1.56	1.64	1.71	1.94	1.78	1.87
Fixed O&M	5.27	5.89	5.98	5.57	6.37	5.93
Overhaul	<u>0.80</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.52</u>
Subtotal	7.63	7.54	7.69	7.50	8.14	8.32
FICA	0.24	0.25	0.25	0.24	0.27	0.26
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	9.41	9.32	9.48	9.28	9.95	10.12
Capital Expenditures	2.26	0.53	0.77	0.76	0.91	0.62
Direct Expenses	33.47	33.15	34.90	38.53	37.25	38.99
Direct Margin	12.94	15.65	15.84	18.84	15.31	16.24
Overhead Allocation	5.67	6.26	6.47	7.04	6.94	7.29
Expenses incl. Corp O/H	39.14	39.42	41.37	45.57	44.19	46.28
Margin after Corp O/H	7.27	9.39	9.37	11.80	8.37	8.95
<u>Costs per kwh (cents)</u>						
Fuel	2.07	2.16	2.25	2.36	2.44	2.55
Non-fuel	0.89	0.86	0.87	0.77	0.92	0.91
Capital Expenditures	<u>0.21</u>	<u>0.05</u>	<u>0.07</u>	<u>0.06</u>	<u>0.08</u>	<u>0.06</u>
Direct Expenses	3.18	3.07	3.19	3.19	3.45	3.52
Direct Margin	1.23	1.45	1.45	1.56	1.42	1.47
Overhead Allocation	0.54	0.58	0.59	0.58	0.64	0.66
Expenses incl. Corp O/H	3.72	3.65	3.78	3.77	4.09	4.18
Margin after Corp O/H	0.69	0.87	0.85	0.98	0.77	0.81
NPV of Margin after O/H	25.8					
NPV of Decommissioning	22.5					
NPV OF NET MARGIN	3.3					

**DUQUESNE LIGHT
PV of Fossil Plants**

\$ In Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%
2006

ELRAMA
kwh Market Price (cents)
Unit Output (gwh)
Delivered Output (gwh)

Revenues

Fuel-Related Expenses

Fuel Costs
Fuel Related ECR Costs
NOx Emissions
SO2 Emissions
Total Fuel

Non-fuel O&M Expenses

Variable O&M
Fixed O&M
Overhaul
Subtotal
FICA
Property Tax
Cap Stock Tax
Total Non-fuel

Capital Expenditures

Direct Expenses
Direct Margin

Overhead Allocation

Expenses incl. Corp O/H
Margin after Corp O/H

Costs per kwh (cents)

Fuel
Non-fuel
Capital Expenditures
Direct Expenses
Direct Margin

Overhead Allocation

Expenses incl. Corp O/H
Margin after Corp O/H

NPV of Margin after O/H	0.0
NPV of Decommissioning	35.0
NPV OF NET MARGIN	(35.0)

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DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

	@ \$44.1/mwh in 2006 with escalations @ 2.5%									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
MANSFIELD 1										
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50
Unit Output (gwh)	1,376	1,789	1,657	1,787	1,652	1,789	1,382	1,789	1,652	1,769
Delivered Output (gwh)	1,293	1,682	1,557	1,679	1,553	1,682	1,299	1,682	1,553	1,663
Revenues	57.01	75.96	72.10	79.71	75.53	83.85	66.40	88.10	83.37	91.53
<u>Fuel-Related Expenses</u>										
Fuel Costs	16.85	22.55	21.48	23.84	22.66	25.26	20.06	26.74	25.38	27.99
Fuel Related ECR Costs	3.48	4.58	4.37	4.82	4.59	5.08	4.09	5.36	5.11	5.59
NOx Emissions	3.25	5.02	4.67	5.43	5.06	5.92	4.21	6.44	5.97	6.87
SO2 Emissions	<u>(0.39)</u>	<u>(0.31)</u>	<u>(0.37)</u>	<u>(0.36)</u>	<u>(0.44)</u>	<u>(0.43)</u>	<u>(0.61)</u>	<u>(0.49)</u>	<u>(0.59)</u>	<u>(0.58)</u>
Total Fuel	23.20	31.84	30.15	33.72	31.87	35.84	27.74	38.04	35.86	39.86
<u>Non-fuel O&M Expenses</u>										
Variable O&M	1.92	2.56	2.43	2.69	2.55	2.84	2.25	2.99	2.84	3.12
Fixed O&M	5.76	5.84	6.82	6.42	7.54	6.79	6.83	6.94	8.15	8.62
Overhaul	<u>3.96</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4.73</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	11.64	8.40	9.25	9.11	10.09	9.63	13.81	9.94	10.99	11.74
FICA	0.27	0.28	0.30	0.29	0.33	0.32	0.34	0.34	0.36	0.36
Property Tax	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Cap Stock Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Non-fuel	12.89	9.65	10.52	10.38	11.40	10.92	15.13	11.25	12.32	13.09
Capital Expenditures	6.38	1.03	0.83	0.99	2.20	2.14	5.71	0.62	0.25	0.18
Direct Expenses	42.47	42.52	41.50	45.09	45.47	48.90	48.58	49.91	48.44	53.13
Direct Margin	14.54	33.44	30.61	34.62	30.06	34.95	17.82	38.19	34.93	38.41
Overhead Allocation	7.19	8.03	7.70	8.24	8.47	9.14	9.43	10.23	9.68	11.66
Expenses incl. Corp O/H	49.66	50.55	49.19	53.33	53.95	58.05	58.02	60.14	58.11	64.79
Margin after Corp O/H	7.35	25.41	22.91	26.38	21.58	25.81	8.39	27.95	25.26	26.75
<u>Costs per kwh (cents)</u>										
Fuel	1.79	1.89	1.94	2.01	2.05	2.13	2.14	2.26	2.31	2.40
Non-fuel	1.00	0.57	0.68	0.62	0.73	0.65	1.16	0.67	0.79	0.79
Capital Expenditures	<u>0.49</u>	<u>0.06</u>	<u>0.05</u>	<u>0.06</u>	<u>0.14</u>	<u>0.13</u>	<u>0.44</u>	<u>0.04</u>	<u>0.02</u>	<u>0.01</u>
Direct Expenses	3.28	2.53	2.66	2.68	2.93	2.91	3.74	2.97	3.12	3.19
Direct Margin	1.12	1.99	1.97	2.06	1.94	2.08	1.37	2.27	2.25	2.31
Overhead Allocation	0.56	0.48	0.49	0.49	0.55	0.54	0.73	0.61	0.62	0.70
Expenses incl. Corp O/H	3.84	3.01	3.16	3.18	3.47	3.45	4.47	3.58	3.74	3.90
Margin after Corp O/H	0.57	1.51	1.47	1.57	1.39	1.53	0.65	1.66	1.63	1.61
NPV of Margin after O/H	87.1									
NPV of Decommissioning	43.0									
NPV OF NET MARGIN	44.1									

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

@ \$44.1/mwh In 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
MANSFIELD 2											
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64
Unit Output (gwh)	404	481	463	499	461	500	404	482	461	500	455
Delivered Output (gwh)	379	452	435	469	434	470	380	453	434	470	427
Revenues	16.72	20.41	20.14	22.27	21.10	23.42	19.41	23.73	23.29	25.85	24.11
<u>Fuel-Related Expenses</u>											
Fuel Costs	4.86	5.96	5.91	6.56	6.23	6.95	5.77	7.09	6.98	7.78	7.28
Fuel Related ECR Costs	1.01	1.23	1.21	1.34	1.28	1.41	1.19	1.44	1.42	1.57	1.47
NOx Emissions	1.00	1.36	1.37	1.56	1.44	1.70	1.28	1.75	1.75	2.00	1.81
SO2 Emissions	<u>(0.12)</u>	<u>(0.11)</u>	<u>(0.13)</u>	<u>(0.12)</u>	<u>(0.15)</u>	<u>(0.15)</u>	<u>(0.19)</u>	<u>(0.18)</u>	<u>(0.20)</u>	<u>(0.20)</u>	<u>(0.23)</u>
Total Fuel	6.75	8.44	8.36	9.33	8.80	9.91	8.04	10.11	9.95	11.16	10.33
<u>Non-fuel O&M Expenses</u>											
Variable O&M	0.56	0.68	0.67	0.75	0.71	0.79	0.65	0.80	0.79	0.87	0.82
Fixed O&M	1.52	1.59	1.83	1.72	2.03	1.83	1.82	1.90	2.20	2.35	2.53
Overhaul	<u>1.00</u>	<u>0.20</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.21</u>	<u>0.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	3.07	2.47	2.50	2.47	2.74	2.62	3.67	2.92	2.99	3.23	3.35
FICA	0.07	0.07	0.08	0.08	0.09	0.09	0.09	0.09	0.10	0.10	0.14
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	3.41	2.81	2.85	2.81	3.09	2.97	4.03	3.28	3.35	3.59	3.75
Capital Expenditures	0.91	1.83	0.41	0.27	0.60	0.36	1.09	1.63	0.24	0.08	0.11
Direct Expenses	11.07	13.07	11.62	12.41	12.50	13.24	13.16	15.02	13.54	14.83	14.18
Direct Margin	5.65	7.34	8.52	9.86	8.60	10.18	6.25	8.72	9.75	11.02	9.92
Overhead Allocation	1.87	2.47	2.16	2.27	2.33	2.48	2.56	3.08	2.71	3.26	2.51
Expenses incl. Corp O/H	12.94	15.54	13.78	14.68	14.82	15.72	15.71	18.10	16.25	18.09	16.70
Margin after Corp O/H	3.78	4.87	6.36	7.59	6.28	7.71	3.69	5.64	7.04	7.77	7.41
<u>Costs per kwh (cents)</u>											
Fuel	1.78	1.87	1.92	1.99	2.03	2.11	2.12	2.23	2.29	2.38	2.42
Non-fuel	0.90	0.62	0.65	0.60	0.71	0.63	1.06	0.72	0.77	0.77	0.88
Capital Expenditures	<u>0.24</u>	<u>0.40</u>	<u>0.09</u>	<u>0.06</u>	<u>0.14</u>	<u>0.08</u>	<u>0.22</u>	<u>0.36</u>	<u>0.06</u>	<u>0.02</u>	<u>0.03</u>
Direct Expenses	2.92	2.89	2.67	2.65	2.88	2.82	3.47	3.32	3.12	3.16	3.32
Direct Margin	1.49	1.62	1.96	2.10	1.98	2.17	1.65	1.92	2.25	2.35	2.32
Overhead Allocation	0.49	0.55	0.50	0.48	0.54	0.53	0.67	0.68	0.62	0.69	0.59
Expenses incl. Corp O/H	3.41	3.44	3.17	3.13	3.42	3.35	4.14	4.00	3.75	3.85	3.91
Margin after Corp O/H	1.00	1.08	1.46	1.62	1.45	1.64	0.97	1.24	1.62	1.65	1.73
NPV of Margin after O/H	26.3										
NPV of Decommissioning	11.1										
NPV OF NET MARGIN	15.2										

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

MANSFIELD 3	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	5.93	6.08
Unit Output (gwh)	874	839	712	807	875	808	877	719	829	808	877	808	875	870
Delivered Output (gwh)	822	788	669	758	822	759	824	676	779	759	824	759	822	818
Revenues	36.23	35.62	30.98	36.00	40.00	37.86	42.14	35.41	41.86	41.78	46.52	43.90	48.74	49.68
Fuel-Related Expenses														
Fuel Costs	10.33	10.20	8.91	10.39	11.58	11.01	12.28	10.37	12.30	12.33	13.78	13.02	14.49	14.80
Fuel Related ECR Costs	2.18	2.16	1.90	2.19	2.42	2.31	2.56	2.18	2.56	2.57	2.85	2.71	3.00	3.06
NOx Emissions	2.82	2.79	2.32	2.87	3.33	3.16	3.64	2.89	3.67	3.69	4.30	4.06	4.66	4.81
SO2 Emissions	(0.18)	(0.20)	(0.25)	(0.25)	(0.25)	(0.29)	(0.29)	(0.37)	(0.35)	(0.39)	(0.38)	(0.45)	(0.45)	(0.49)
Total Fuel	15.16	14.94	12.87	15.20	17.09	16.18	18.20	15.07	18.17	18.20	20.54	19.34	21.69	22.18
Non-fuel O&M Expenses														
Variable O&M	1.05	1.03	0.90	1.05	1.17	1.11	1.23	1.04	1.23	1.23	1.37	1.30	1.44	1.47
Fixed O&M	2.65	3.01	3.56	3.35	3.71	3.54	3.15	3.76	4.08	4.50	4.67	4.78	4.91	5.01
Overhaul	0.00	0.28	1.29	0.00	0.00	0.00	0.00	1.45	0.42	0.00	0.00	0.00	0.00	0.00
Subtotal	3.70	4.32	5.75	4.39	4.88	4.64	4.39	6.24	5.73	5.73	6.04	6.07	6.35	6.48
FICA	0.13	0.13	0.14	0.14	0.16	0.15	0.16	0.16	0.17	0.18	0.25	0.25	0.26	0.26
Property Tax	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Cap Stock Tax	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Total Non-fuel	4.31	4.93	6.37	5.01	5.51	5.27	5.02	6.87	6.37	6.38	6.76	6.80	7.08	7.22
Capital Expenditures	0.43	0.69	2.69	0.48	1.07	0.40	0.51	0.82	3.21	0.57	0.96	0.64	0.32	0.19
Direct Expenses	19.90	20.56	21.92	20.69	23.67	21.85	23.74	22.77	27.76	25.15	28.25	26.77	29.09	29.59
Direct Margin	16.33	15.06	9.06	15.31	16.34	16.00	18.41	12.64	14.10	16.63	18.27	17.13	19.65	20.09
Overhead Allocation	3.37	3.88	4.07	3.78	4.41	4.09	4.61	4.67	5.55	5.52	5.00	4.70	5.61	5.18
Expenses incl. Corp O/H	23.27	24.44	25.99	24.47	28.07	25.94	28.35	27.44	33.30	30.67	33.25	31.47	34.70	34.77
Margin after Corp O/H	12.96	11.18	4.99	11.53	11.93	11.92	13.80	7.97	8.55	11.11	13.27	12.43	14.04	14.91
Costs per kwh (cents)														
Fuel	1.84	1.90	1.92	2.00	2.08	2.13	2.21	2.23	2.33	2.40	2.49	2.55	2.64	2.71
Non-fuel	0.52	0.63	0.95	0.66	0.67	0.69	0.61	1.02	0.82	0.84	0.82	0.90	0.86	0.88
Capital Expenditures	0.05	0.09	0.40	0.06	0.13	0.05	0.06	0.12	0.41	0.08	0.12	0.08	0.04	0.02
Direct Expenses	2.42	2.61	3.28	2.73	2.88	2.88	2.88	3.37	3.56	3.31	3.43	3.53	3.54	3.62
Direct Margin	1.99	1.91	1.35	2.02	1.99	2.11	2.23	1.87	1.81	2.19	2.22	2.26	2.39	2.46
Overhead Allocation	0.41	0.49	0.61	0.50	0.54	0.54	0.56	0.69	0.71	0.73	0.61	0.62	0.68	0.63
Expenses incl. Corp O/H	2.83	3.10	3.88	3.23	3.41	3.42	3.44	4.06	4.27	4.04	4.03	4.15	4.22	4.22
Margin after Corp O/H	1.58	1.42	0.75	1.52	1.45	1.57	1.67	1.18	1.10	1.46	1.61	1.64	1.71	1.71
NPV of Margin after O/H	56.7													
NPV of Decommissioning	16.9													
NPV OF NET MARGIN	39.8													

DUQUESNE LIGHT
PV of Fossil Plants
\$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

BRUNOT ISLAND	2006	2007	2008	2009	2010	2011	2012
kwh Market Price (cents)	22.04	22.59	23.15	23.73	24.33	24.93	25.56
Unit Output (gwh)	406	111	111	111	111	111	0
Delivered Output (gwh)	382	104	104	104	104	104	0
Revenues	84.15	23.57	24.16	24.76	25.38	26.02	0.00
<u>Fuel-Related Expenses</u>							
Fuel Costs	40.31	12.52	12.86	13.21	13.56	13.93	0.00
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fuel	40.31	12.52	12.86	13.21	13.56	13.93	0.00
<u>Non-fuel O&M Expenses</u>							
Variable O&M	0.53	0.15	0.15	0.16	0.16	0.17	0.00
Fixed O&M	0.71	0.73	0.75	0.77	0.79	0.81	0.00
Overhaul	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	1.23	0.88	0.90	0.92	0.95	0.98	0.00
FICA	0.04	0.03	0.03	0.03	0.03	0.03	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.94	1.57	1.59	1.62	1.65	1.67	0.67
Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Expenses	42.26	14.09	14.45	14.83	15.21	15.60	0.67
Direct Margin	41.89	9.48	9.70	9.94	10.17	10.41	(0.67)
Overhead Allocation	7.15	2.66	2.68	2.71	2.83	2.92	0.13
Expenses Incl. Corp O/H	49.41	16.75	17.13	17.53	18.04	18.52	0.79
Margin after Corp O/H	34.74	6.82	7.02	7.23	7.34	7.50	(0.79)
<u>Costs per kwh (cents)</u>							
Fuel	10.56	12.00	12.32	12.66	13.00	13.35	#DIV/0!
Non-fuel	0.51	1.51	1.53	1.55	1.58	1.60	#DIV/0!
Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!
Direct Expenses	11.07	13.51	13.85	14.21	14.58	14.95	#DIV/0!
Direct Margin	10.97	9.08	9.30	9.52	9.75	9.98	#DIV/0!
Overhead Allocation	1.87	2.55	2.57	2.60	2.72	2.80	#DIV/0!
Expenses Incl. Corp O/H	12.94	16.06	16.42	16.81	17.29	17.75	#DIV/0!
Margin after Corp O/H	9.10	6.53	6.73	6.93	7.03	7.19	#DIV/0!
NPV of Margin after O/H	35.5						
NPV of Decommissioning	13.9						
NPV OF NET MARGIN	21.6						

**DUQUESNE LIGHT
PV of Nuclear Plants**
\$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
BEAVER VALLEY 1										
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50
Unit Output (gwh)	2,781	3,172	2,790	2,781	3,172	2,781	2,790	3,172	2,781	3,137
Delivered Output (gwh)	2,614	2,982	2,622	2,614	2,982	2,614	2,622	2,982	2,614	2,949
Revenues	115.21	134.70	121.42	124.07	145.06	130.35	134.03	156.21	140.38	162.32
<u>Fuel-Related Expenses</u>										
Fuel Costs	15.18	17.99	16.47	17.07	20.28	18.54	19.32	22.84	20.81	24.39
Fuel Related ECR Costs	<u>2.78</u>	<u>3.17</u>	<u>2.79</u>	<u>2.78</u>	<u>3.17</u>	<u>2.78</u>	<u>2.79</u>	<u>3.17</u>	<u>2.78</u>	<u>3.14</u>
Total Fuel	17.96	21.16	19.26	19.85	23.45	21.32	22.11	26.01	23.59	27.53
<u>Non-fuel O&M Expenses</u>										
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	35.65	36.91	38.31	39.55	40.93	42.37	43.95	45.37	46.96	48.06
CAPCO Billing	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)	(5.30)
Overhaul	<u>14.31</u>	<u>0.00</u>	<u>15.33</u>	<u>15.86</u>	<u>0.00</u>	<u>16.99</u>	<u>17.59</u>	<u>0.00</u>	<u>18.84</u>	<u>0.00</u>
Subtotal	44.66	31.61	48.34	50.11	35.64	54.06	56.24	40.07	60.50	42.76
FICA	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88	1.92	1.95
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	50.51	37.48	54.25	56.05	41.61	60.08	62.29	46.16	66.63	48.93
Capital Expenditures	5.25	3.54	5.35	5.70	3.84	5.80	6.10	4.14	6.25	6.60
Direct Expenses	73.72	62.19	78.86	81.60	68.91	87.19	90.50	76.31	96.46	83.05
Direct Margin	41.50	72.51	42.57	42.47	76.15	43.16	43.53	79.90	43.91	79.27
Overhead Allocation	12.48	11.75	14.63	14.91	12.84	16.30	17.57	15.65	19.27	18.23
Expenses incl. Corp O/H	86.20	73.94	93.48	96.51	81.74	103.50	108.07	91.96	115.73	101.27
Margin after Corp O/H	29.02	60.76	27.94	27.56	63.32	26.85	25.96	64.25	24.64	61.05
<u>Costs per kwh (cents)</u>										
Fuel	0.69	0.71	0.73	0.76	0.79	0.82	0.84	0.87	0.90	0.93
Non-fuel	1.93	1.26	2.07	2.14	1.40	2.30	2.38	1.55	2.55	1.66
Capital Expenditures	<u>0.20</u>	<u>0.12</u>	<u>0.20</u>	<u>0.22</u>	<u>0.13</u>	<u>0.22</u>	<u>0.23</u>	<u>0.14</u>	<u>0.24</u>	<u>0.22</u>
Direct Expenses	2.82	2.09	3.01	3.12	2.31	3.34	3.45	2.56	3.69	2.82
Direct Margin	1.59	2.43	1.62	1.62	2.55	1.65	1.66	2.68	1.68	2.69
Overhead Allocation	0.48	0.39	0.56	0.57	0.43	0.62	0.67	0.52	0.74	0.62
Expenses incl. Corp O/H	3.30	2.48	3.57	3.69	2.74	3.96	4.12	3.08	4.43	3.43
Margin after Corp O/H	1.11	2.04	1.07	1.05	2.12	1.03	0.99	2.15	0.94	2.07
NPV of Margin after O/H	166.6									
Overfunded Decomm.	0.1									
NPV OF NET MARGIN	166.6									

DUQUESNE LIGHT
PV of Nuclear Plants
 \$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
BEAVER VALLEY 2																						
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22	
Unit Output (gwh)	931	816	819	931	816	816	934	816	816	921	816	816	921	816	816	921	816	816	921	816	921	
Delivered Output (gwh)	875	767	770	875	767	767	878	767	767	866	767	767	866	767	767	866	767	767	866	767	866	
Revenues	38.57	34.66	35.64	41.54	37.33	38.26	44.85	40.20	41.20	47.64	43.29	44.37	51.31	46.62	47.78	55.25	50.20	51.45	59.50	54.06	62.51	
Fuel-Related Expenses																						
Fuel Costs	4.88	4.47	4.68	5.54	5.06	5.26	6.26	5.69	5.92	6.95	6.41	6.66	7.71	7.22	7.50	8.56	8.13	8.45	9.51	9.15	9.51	
Fuel Related ECR Costs	0.21	0.82	0.82	0.21	0.82	0.82	0.21	0.82	0.82	0.21	0.82	0.82	0.21	0.82	0.82	0.21	0.82	0.82	0.21	0.82	0.82	
Total Fuel	5.82	5.29	5.50	6.47	5.87	6.07	7.19	6.51	6.74	7.87	7.23	7.48	8.63	8.03	8.32	9.48	8.94	9.26	10.43	9.97	10.33	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	10.30	10.66	11.06	11.42	11.82	12.24	12.69	13.10	13.56	13.88	14.52	15.03	15.18	16.09	16.66	16.60	17.84	18.47	18.15	19.77	20.47	
CAPCO Billing	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	(8.70)	
Overhaul	0.00	2.81	2.98	0.00	4.26	4.41	0.00	4.71	4.89	0.00	2.24	2.41	0.00	5.81	6.02	0.00	6.45	6.67	0.00	7.15	7.40	
Subtotal	1.59	3.80	6.34	2.72	7.38	7.94	3.99	9.13	9.75	5.17	11.06	11.75	6.47	13.20	13.97	7.89	15.58	16.43	9.44	18.22	19.16	
FICA	0.46	0.47	0.48	0.49	0.50	0.51	0.52	0.53	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71	
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	
Total Non-fuel	2.91	7.12	7.67	4.06	8.73	9.31	5.36	10.51	11.15	6.58	12.50	13.20	7.94	14.68	15.46	9.39	17.09	17.96	10.98	19.77	20.73	
Capital Expenditures	0.85	1.76	1.35	0.90	1.86	1.60	0.90	2.06	1.65	1.00	3.70	2.60	2.00	3.90	3.00	2.00	4.30	3.20	2.20	4.80	1.30	
Direct Expenses	9.58	14.17	14.53	11.43	16.47	16.99	13.46	19.08	19.54	15.45	23.43	23.28	18.57	26.61	26.78	20.88	30.34	30.42	23.61	34.54	32.35	
Direct Margin	28.99	20.49	21.11	30.10	20.86	21.27	31.40	21.12	21.67	32.19	19.86	21.09	32.74	20.00	21.00	34.37	19.86	21.03	35.89	19.52	30.16	
Overhead Allocation	1.62	2.68	2.69	2.09	3.07	3.18	2.61	3.91	3.90	3.39	4.15	4.09	3.58	4.66	5.08	4.11	5.99	5.87	5.39	6.90	7.28	
Expenses Incl. Corp O/H	11.20	16.85	17.22	13.52	19.53	20.16	16.07	22.99	23.44	18.84	27.57	27.37	22.15	31.28	31.86	24.98	36.33	36.29	29.01	41.44	39.63	
Margin after Corp O/H	27.37	17.81	18.42	28.01	17.79	18.10	28.78	17.21	17.76	28.80	15.71	17.00	29.16	15.34	15.93	30.27	13.87	15.16	30.49	12.62	22.88	
Costs per kwh (cents)																						
Fuel	0.66	0.69	0.71	0.74	0.77	0.79	0.82	0.85	0.88	0.91	0.94	0.97	1.00	1.05	1.08	1.10	1.17	1.21	1.20	1.30	1.19	
Non-fuel	0.33	0.93	1.00	0.46	1.14	1.21	0.61	1.37	1.45	0.76	1.63	1.72	0.92	1.91	2.01	1.09	2.23	2.34	1.27	2.58	2.39	
Capital Expenditures	0.10	0.22	0.18	0.10	0.24	0.21	0.10	0.22	0.22	0.12	0.48	0.34	0.22	0.31	0.29	0.22	0.56	0.42	0.23	0.63	0.11	
Direct Expenses	1.09	1.85	1.89	1.31	2.15	2.21	1.53	2.49	2.55	1.79	3.05	3.03	2.15	3.47	3.49	2.41	3.95	3.97	2.73	4.50	3.74	
Direct Margin	3.31	2.67	2.74	3.44	2.72	2.77	3.58	2.75	2.82	3.72	2.59	2.75	3.78	2.61	2.74	3.97	2.59	2.74	4.15	2.54	3.48	
Overhead Allocation	0.19	0.35	0.35	0.24	0.40	0.41	0.30	0.51	0.51	0.39	0.54	0.53	0.41	0.61	0.66	0.47	0.78	0.77	0.62	0.90	0.84	
Expenses Incl. Corp O/H	1.28	2.20	2.24	1.55	2.55	2.63	1.83	3.00	3.05	2.18	3.59	3.57	2.56	4.08	4.15	2.89	4.74	4.73	3.35	5.40	4.58	
Margin after Corp O/H	3.13	2.32	2.39	3.20	2.32	2.36	3.28	2.24	2.32	3.33	2.05	2.22	3.37	2.00	2.08	3.50	1.81	1.98	3.52	1.64	2.64	
NPV of Margin after O/H	131.0																					
Underfunded Decomm.	0.1																					
NPV OF NET MARGIN	131.0																					

DUQUESNE LIGHT
PV of Nuclear Plants
 \$ in Millions

@ \$44.1/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
PERRY																						
kwh Market Price (cents)	4.41	4.32	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22	
Unit Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347	
Delivered Output (gwh)	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,262	1,123	1,266	1,123	1,266	
Revenues	55.64	50.73	58.61	53.31	61.40	56.00	64.69	58.84	67.78	61.82	71.41	64.95	74.81	68.24	78.83	71.68	82.58	75.32	87.01	79.13	91.42	
Fuel-Related Expenses																						
Fuel Costs	8.55	8.08	9.43	8.68	10.08	9.30	10.84	9.96	11.61	10.69	12.47	11.44	13.20	12.07	13.97	12.39	13.93	12.39	13.97	12.39	13.97	
Fuel Related ECR Costs	1.34	1.20	1.32	1.20	1.34	1.20	1.32	1.20	1.34	1.20	1.32	1.20	1.34	1.20	1.32	1.20	1.34	1.20	1.32	1.20	1.32	
Total Fuel	9.89	9.28	10.77	9.87	11.43	10.50	12.19	11.16	12.95	11.88	13.82	12.64	14.55	13.26	15.31	13.59	15.27	13.59	15.31	13.59	15.31	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	23.84	20.13	25.44	21.34	27.16	23.04	29.08	24.34	31.07	26.25	33.28	24.33	33.33	26.78	38.16	38.06	38.06	38.06	38.16	38.20	38.23	
Overhaul	0.00	4.12	0.00	4.48	0.00	4.80	0.00	5.14	0.00	5.31	0.00	5.20	0.00	6.32	0.00	6.22	0.00	6.22	0.00	6.63	0.00	
Subtotal	23.84	24.31	25.44	26.02	27.16	27.84	29.08	29.68	31.07	31.76	33.28	40.23	35.53	43.10	38.16	44.61	38.06	44.61	38.16	44.83	38.23	
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	
Total Non-fuel	37.54	38.01	39.14	39.72	40.87	41.54	42.79	43.38	44.77	45.47	46.98	53.93	49.23	56.81	51.87	58.31	51.76	58.31	51.87	58.55	51.95	
Capital Expenditures	0.73	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	2.00	0.75	
Direct Expenses	48.16	49.29	50.66	51.59	53.04	54.04	55.72	56.34	58.47	59.35	61.55	68.57	64.53	72.07	67.93	73.89	67.78	73.90	67.93	74.14	68.02	
Direct Margin	7.47	1.44	7.94	1.71	8.36	1.96	8.97	2.30	9.31	2.47	9.86	(3.62)	10.28	(3.83)	10.90	(2.21)	14.80	1.42	19.08	4.99	23.40	
Overhead Allocation	8.15	9.31	9.40	9.43	9.88	10.10	10.82	11.59	11.68	13.03	10.90	12.04	12.44	12.62	12.88	14.54	13.39	14.26	15.52	14.82	15.29	
Expenses Incl. Corp O/H	56.32	58.60	60.06	61.02	62.92	64.14	66.54	68.13	70.15	72.37	72.44	80.60	76.97	84.69	80.81	88.44	81.17	88.15	83.45	88.96	83.31	
Margin after Corp O/H	(0.68)	(7.87)	(1.46)	(7.71)	(1.52)	(8.15)	(1.85)	(9.29)	(2.37)	(10.56)	(1.04)	(15.66)	(2.16)	(16.46)	(1.98)	(16.76)	1.41	(12.83)	3.56	(9.83)	8.11	
Costs per kwh (cents)																						
Fuel	0.78	0.83	0.85	0.88	0.91	0.93	0.96	0.99	1.03	1.06	1.09	1.13	1.15	1.18	1.21	1.21	1.21	1.21	1.21	1.21	1.21	
Non-fuel	2.97	3.39	3.09	3.54	3.24	3.70	3.38	3.86	3.55	4.05	3.71	4.80	3.90	5.06	4.10	5.19	4.10	5.19	4.10	5.21	4.10	
Capital Expenditures	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	0.18	0.06	
Direct Expenses	3.82	4.39	4.90	4.59	4.20	4.81	4.40	5.03	4.63	5.28	4.86	6.11	5.11	6.43	5.31	6.58	5.37	6.58	5.37	6.60	5.37	
Direct Margin	0.59	0.13	0.63	0.15	0.66	0.17	0.71	0.20	0.74	0.23	0.78	(0.32)	0.81	(0.34)	0.86	(0.20)	1.17	0.13	1.51	0.44	1.85	
Overhead Allocation	0.65	0.83	0.74	0.84	0.78	0.90	0.85	1.03	0.93	1.16	0.86	1.07	0.99	1.12	1.02	1.30	1.06	1.27	1.23	1.32	1.21	
Expenses Incl. Corp O/H	4.46	5.22	4.75	5.43	4.99	5.71	5.26	6.07	5.56	6.44	5.72	7.18	6.10	7.54	6.38	7.88	6.43	7.85	6.59	7.92	6.51	
Margin after Corp O/H	(0.05)	(0.70)	(0.11)	(0.69)	(0.12)	(0.73)	(0.15)	(0.83)	(0.19)	(0.94)	(0.08)	(1.39)	(0.17)	(1.47)	(0.16)	(1.49)	0.11	(1.14)	0.28	(0.88)	0.61	
NPV of Margin after O/H		(33.1)																				
Underfunded Decomm.		1.9																				
NPV OF NET MARGIN		(35.0)																				

Exhibit DJC-3
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Regulatory Assets @ 12/31/96

	Trans.	Distr.	Generation (1)		Generation (2)			Total	Total Duquesne Light
			Fossil	Nuclear	Nuclear	Fossil	Other		
10-K Regulatory Assets									
Regulatory Tax Receivable	32.66	56.52			172.66	132.29		304.94	394.12
Unamortized Debt Premium/Discount (3)	6.46	27.18	9.68	16.45	15.95	9.39		25.34	85.11
Beaver Valley 2 Lease Premium				<u>3.68</u>	<u>4.50</u>			<u>4.50</u>	<u>8.19</u>
Total Unamortized Debt Cost	6.46	27.18	9.68	20.13	20.46	9.39	0.00	29.84	93.30
Deferred Rate Synch. Costs					41.45			41.45	41.45
BV2 Sale/Leaseback Premium				9.05	21.01			21.01	30.06
Deferred Employee Costs (4)	0.70	11.09			10.51	7.29		17.80	29.59
Deferred Nuclear Maintenance					13.46			13.46	13.46
DOE Decom & Decon					9.78			9.78	9.78
Deferred Coal Costs						12.19		12.19	12.19
Other									
Deferred Caretaker Costs						6.77		6.77	6.77
BV2 Training Costs					2.62			2.62	2.62
Low Level Rad. Waste					2.27			2.27	2.27
Coal Cost Equalization						0.32		0.32	0.32
Deferred Oxford Centre Costs	0.00	0.07			0.07	0.05		0.12	0.20
PA Deregulation Expenses	0.01	0.09			0.08	0.06		0.14	0.23
Demand Side Management	0.00	0.06			0.06	0.04		0.10	0.16
Corporate Development Project	0.00	0.04			0.04	0.03		0.07	0.11
Section 211	0.00	0.04			0.04	0.03		0.06	0.10
1996 Management Audit	0.00	0.02			0.02	0.01		0.03	0.05
Administrative & General	<u>0.00</u>	<u>0.01</u>			<u>0.01</u>	<u>0.01</u>		<u>0.01</u>	<u>0.02</u>
Total Other	<u>0.02</u>	<u>0.33</u>	<u>0.00</u>	<u>0.00</u>	<u>5.20</u>	<u>7.31</u>	<u>0.00</u>	<u>12.51</u>	<u>12.86</u>
Total Regulatory Assets per 10-K	39.85	95.12	9.68	29.18	294.52	168.46	0.00	462.99	636.81
Adjustments									
PV Beaver Valley Lease					291.44			291.44	291.44
Nuclear Decommissioning					0.00			0.00	0.00
Pre-Accrue Nuclear Outages					16.64			16.64	16.64
Gain on Sale/Leaseback (5)					61.13			61.13	61.13
Deferred Rate Synch. Costs (5)					0.27			0.27	0.27
Beaver Valley 2 (5)					0.17			0.17	0.17
Fossil Decommissioning						0.00		0.00	0.00
Deferred Fuel Cost						14.81		14.81	14.81
Transition Costs							<u>18.10</u>	<u>18.10</u>	<u>18.10</u>
Total Adjustments	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>369.64</u>	<u>14.81</u>	<u>18.10</u>	<u>402.55</u>	<u>402.55</u>
Adjusted Regulatory Assets	39.85	95.12	9.68	29.18	664.16	183.27	18.10	865.54	1,039.35

(1) Recovered through interest and lease expense.

(2) Recovered through amortization.

(3) Allocation based on gross plant balances.

(4) Allocation based on labor costs.

(5) Shown as deferred tax assets in 1996 Form 10-K.

Allocation Percentages	Trans.	Distr.	Fossil	Nuclear	Total
Labor Costs	237%	37.47%	24.65%	35.51%	100.00%
Gross Plant	7.59%	31.94%	22.40%	38.07%	100.00%

**Amortization Schedule
Regulatory Assets
Generation**

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Total Regulatory Assets												
10-K Regulatory Assets												
Regulatory Tax Receivable	304.84	(32.26)	(38.87)	235.72	(33.67)	(33.67)	(33.67)	(33.67)	(33.67)	(33.67)	(33.67)	(0.00)
Unamortized Debt Costs (1)	28.84	0.00	0.00	28.84	(4.26)	(4.26)	(4.26)	(4.26)	(4.26)	(4.26)	(4.26)	(0.00)
Deferred Rate Synch. Costs	41.45	(4.14)	(4.14)	33.16	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(0.00)
BV2 Sale/Leaseback Premium	21.01	0.00	0.00	21.01	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	0.00
Deferred Employee Costs (2)	17.80	0.00	0.00	17.80	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	0.00
Deferred Nuclear Maintenance	13.48	0.58	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom & Decon	8.78	(1.30)	(1.30)	7.18	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	0.53	0.00	0.00	0.53	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)	0.00
Total Other	12.51	(0.20)	(0.20)	12.11	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	0.00
Total Regulatory Assets per 10-K	462.88	(37.03)	(52.39)	373.57	(53.37)	(53.37)	(53.37)	(53.37)	(53.37)	(53.37)	(53.37)	(0.00)
Adjustments												
FV Beaver Valley Lease	281.44	(25.00)	(50.00)	216.44	(13.78)	(13.78)	(13.78)	(13.78)	(13.78)	(13.78)	(13.78)	120.00
Pro-Accrue Nuclear Outages	18.64	0.00	0.00	18.64	(2.38)	(2.38)	(2.38)	(2.38)	(2.38)	(2.38)	(2.38)	0.00
Gain on Sale/Leaseback (3)	81.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
Deferred Fuel Cost	14.81	0.00	0.00	14.81	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	0.00
Transition Costs	18.10	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
Total Adjustments	402.55	(28.00)	(53.00)	321.55	(28.78)	(28.78)	(28.78)	(28.78)	(28.78)	(28.78)	(28.78)	120.00
Adjusted Regulatory Assets	865.54	(65.03)	(105.39)	695.12	(82.16)	(82.16)	(82.16)	(82.16)	(82.16)	(82.16)	(82.16)	120.00
Remove outage accounting (4)		(0.58)	10.77									0.00
FAS 109 Plant (5)	0.00	0.00	0.00	62.94	(8.99)	(8.99)	(8.99)	(8.99)	(8.99)	(8.99)	(8.99)	(0.00)
Total	865.54	(65.58)	(94.61)	758.06	(91.15)	(91.15)	(91.15)	(91.15)	(91.15)	(91.15)	(91.15)	120.00
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	26.13	(2.90)	(2.90)	20.32	(2.90)	(2.90)	(2.90)	(2.90)	(2.90)	(2.90)	(2.90)	0.00
BV2 Sale/Leaseback Premium	12.73	(1.41)	(1.41)	9.90	(1.41)	(1.41)	(1.41)	(1.41)	(1.41)	(1.41)	(1.41)	(0.00)
Total	38.86	(4.32)	(4.32)	30.22	(4.32)	(4.32)	(4.32)	(4.32)	(4.32)	(4.32)	(4.32)	(0.00)
Total Generation	904.39	(68.81)	(98.93)	788.28	(95.47)	(95.47)	(95.47)	(95.47)	(95.47)	(95.47)	(95.47)	120.00

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Regulatory Assets												
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	172.66	(22.76)	(26.73)	123.17	(17.60)	(17.60)	(17.60)	(17.60)	(17.60)	(17.60)	(17.60)	0.00
Unamortized Debt Premium/Discount (1)	15.95	0.00	0.00	15.95	(2.28)	(2.28)	(2.28)	(2.28)	(2.28)	(2.28)	(2.28)	(0.00)
Beaver Valley 2 Lease Premium	4.50	0.00	0.00	4.50	(0.64)	(0.64)	(0.64)	(0.64)	(0.64)	(0.64)	(0.64)	0.00
Total Unamortized Debt Cost	20.46	0.00	0.00	20.46	(2.92)	(2.92)	(2.92)	(2.92)	(2.92)	(2.92)	(2.92)	0.00
Deferred Rate Synch. Costs	41.45	(4.14)	(4.14)	33.16	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(0.00)
BV2 Sale/Leaseback Premium	21.01	0.00	0.00	21.01	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	0.00
Deferred Employee Costs (2)	10.51	0.00	0.00	10.51	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	0.00
Deferred Nuclear Maintenance	13.48	0.58	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom & Decon	8.78	(1.30)	(1.30)	7.18	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	0.00
Other												
BV2 Training Costs	2.82	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Other Regulatory Assets	0.31	0.00	0.00	0.31	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Total Other	5.20	(0.10)	(0.10)	5.00	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.00)
Total Regulatory Assets per 10-K	284.52	(27.75)	(43.05)	223.73	(31.86)	(31.86)	(31.86)	(31.86)	(31.86)	(31.86)	(31.86)	(0.00)
Adjustments												
PV Beaver Valley Lease	281.44	(25.00)	(50.00)	216.44	(13.78)	(13.78)	(13.78)	(13.78)	(13.78)	(13.78)	(13.78)	120.00
Pre-Accrue Nuclear Outages	16.64	0.00	0.00	16.64	(2.38)	(2.38)	(2.38)	(2.38)	(2.38)	(2.38)	(2.38)	0.00
Gain on Sale/Leaseback (3)	81.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
Total Adjustments	369.64	(28.00)	(53.00)	288.64	(24.09)	(24.09)	(24.09)	(24.09)	(24.09)	(24.09)	(24.09)	120.00
Adjusted Regulatory Assets	664.16	(55.75)	(86.05)	512.37	(56.05)	(56.05)	(56.05)	(56.05)	(56.05)	(56.05)	(56.05)	120.00
Remove outage accounting (4)		(0.58)	10.77									
FAS 109 Plant (5)	0.00	0.00	0.00	62.84	(8.89)	(8.89)	(8.89)	(8.89)	(8.89)	(8.89)	(8.89)	(0.00)
Total	664.16	(56.31)	(85.27)	575.31	(65.04)	(65.04)	(65.04)	(65.04)	(65.04)	(65.04)	(65.04)	120.00
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Premium/Discount	16.45	(1.83)	(1.83)	12.79	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(0.00)
BV2 Sale/Leaseback Premium	12.73	(1.41)	(1.41)	9.90	(1.41)	(1.41)	(1.41)	(1.41)	(1.41)	(1.41)	(1.41)	(0.00)
Total	28.18	(3.24)	(3.24)	22.69	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(0.00)
Total Nuclear Generation	693.34	(59.55)	(88.52)	598.00	(68.28)	(68.28)	(68.28)	(68.28)	(68.28)	(68.28)	(68.28)	120.00

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End 1998	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Regulatory Assets												
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	132.29	(9.49)	(10.24)	112.55	(16.08)	(16.08)	(16.08)	(16.08)	(16.08)	(16.08)	(16.08)	0.00
Unamortized Debt Costs (1)	8.39	0.00	0.00	8.39	(1.34)	(1.34)	(1.34)	(1.34)	(1.34)	(1.34)	(1.34)	(0.00)
Deferred Employee Costs (2)	7.29	0.00	0.00	7.29	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	0.22	0.00	0.00	0.22	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.00)
Total Other	7.31	(0.10)	(0.10)	7.11	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	0.00
Total Regulatory Assets per 10-K	168.46	(9.28)	(9.34)	149.84	(21.41)	(21.41)	(21.41)	(21.41)	(21.41)	(21.41)	(21.41)	0.00
Adjustments												
Deferred Fuel Cost	14.81	0.00	0.00	14.81	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	0.00
Total Adjustments	14.81	0.00	0.00	14.81	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	0.00
Total	183.27	(9.28)	(9.34)	164.65	(23.52)	(23.52)	(23.52)	(23.52)	(23.52)	(23.52)	(23.52)	0.00
Regulatory Assets Recovered through Interest Expense												
Unamortized Debt Premium/Discount	9.68	(1.08)	(1.08)	7.53	(1.08)	(1.08)	(1.08)	(1.08)	(1.08)	(1.08)	(1.08)	(0.00)
Total Fossil Generation	192.95	(10.36)	(10.42)	172.17	(24.60)	(24.60)	(24.60)	(24.60)	(24.60)	(24.60)	(24.60)	0.00

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

**Amortization Schedule
Regulatory Assets
Generation**

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Regulatory Assets												
Other												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	18.12	0.00	0.00	18.10	(2.59)	(2.59)	(2.56)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
Total Adjustments	18.10	0.00	0.00	18.10	(2.59)	(2.59)	(2.56)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
Total Other Regulatory Assets	18.10	0.00	0.00	18.10	(2.59)	(2.59)	(2.56)	(2.59)	(2.59)	(2.59)	(2.59)	0.00

Net Regulatory Assets @ 12/31/96
Tax Effect

	Trans.	Distr.	Generation (1)		Generation (2)			Total	Total Duquesne Light
			Fossil	Nuclear	Nuclear	Fossil	Other		
10-K Regulatory Assets									
Regulatory Tax Receivable	(32.66)	(56.52)			(34.22)	(46.22)		(80.44)	(169.61)
Unamortized Debt Premium/Discount (3)	(2.68)	(11.28)	(4.02)	(6.83)	(5.70)	(3.35)		(9.05)	(33.85)
Beaver Valley 2 Lease Premium				(1.53)	(1.61)			(1.61)	(3.14)
Total Unamortized Debt Cost	(2.68)	(11.28)	(4.02)	(8.35)	(7.31)	(3.35)		(10.66)	(36.99)
Deferred Rate Synch. Costs					(3.05)			(3.05)	(3.05)
BV2 Sale/Leaseback Premium				(3.75)	(8.72)			(8.72)	(12.47)
Deferred Employee Costs (4)	(0.29)	(4.60)			0.00	0.00		0.00	(4.89)
Deferred Nuclear Maintenance					(5.59)			(5.59)	(5.59)
DOE Decom & Decon					(4.07)			(4.07)	(4.07)
Deferred Coal Costs						0.00		0.00	0.00
Other									
Deferred Caretaker Costs						(2.86)		(2.86)	(2.86)
BV2 Training Costs					(0.92)			(0.92)	(0.92)
Low Level Rad. Waste					0.00			0.00	0.00
Coal Cost Equalization						0.00		0.00	0.00
Deferred Oxford Centre Costs	0.00	0.00			0.00	0.00		0.00	0.00
PA Deregulation Expenses	0.00	0.00			0.00	0.00		0.00	0.00
Demand Side Management	0.00	0.00			0.00	0.00		0.00	0.00
Corporate Development Project	0.00	0.00			0.00	0.00		0.00	0.00
Section 211	0.00	0.00			0.00	0.00		0.00	0.00
1996 Management Audit	0.00	0.00			0.00	0.00		0.00	0.00
Administrative & General	0.00	0.00			0.00	0.00		0.00	0.00
Total Other	0.00	0.00			(0.92)	(2.86)	0.00	(3.77)	(3.77)
Total Regulatory Assets per 10-K	(35.63)	(72.40)	(4.02)	(12.11)	(63.87)	(52.43)	0.00	(116.30)	(240.45)
Adjustments									
PV Beaver Valley Lease					(120.93)			(120.93)	(120.93)
Nuclear Decommissioning					0.00			0.00	0.00
Pre-Accrue Nuclear Outages					(6.90)			(6.90)	(6.90)
Gain on Sale/Leaseback (5)					0.00			0.00	0.00
Deferred Rate Synch. Costs (5)					0.00			0.00	0.00
Beaver Valley 2 (5)					0.00			0.00	0.00
Fossil Decommissioning						0.00		0.00	0.00
Deferred Fuel Cost						(6.14)		(6.14)	(6.14)
Transition Costs							(7.51)	(7.51)	(7.51)
Total Adjustments	0.00	0.00	0.00	0.00	(127.83)	(6.14)	(7.51)	(141.49)	(141.49)
Adjusted Regulatory Assets	(35.63)	(72.40)	(4.02)	(12.11)	(191.70)	(58.57)	(7.51)	(257.78)	(381.93)

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1999</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Total Tax Effect												
10-K Regulatory Assets												
Regulatory Tax Receivable	(80.44)	10.60	12.67	(57.17)	8.17	8.17	8.17	8.17	8.17	8.17	8.17	0.00
Unamortized Debt Costs (1)	(10.66)	0.00	0.00	(10.66)	1.52	1.52	1.52	1.52	1.52	1.52	1.52	0.00
Deferred Rate Synch. Costs	(3.05)	1.72	1.72	0.39	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.00)
BV2 Sale/Leaseback Premium	(8.72)	0.00	0.00	(8.72)	1.25	1.25	1.25	1.25	1.25	1.25	1.25	(0.00)
Deferred Employes Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	(5.59)	(0.23)	4.47	(1.35)	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.00
DOE Decom & Decon	(4.07)	0.54	0.54	(2.89)	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.00
Deferred Coal Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other												
Deferred Caretaker Costs	(2.86)	0.00	0.00	(2.86)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	(0.00)
BV2 Training Costs	(0.92)	0.04	0.04	(0.84)	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.00
Low Level Rad. Waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Coal Cost Equalization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Regulatory Assets	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.13)</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	(0.00)
Total Other	(3.77)	0.04	0.04	(3.82)	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.00
Total Regulatory Assets per 10-K	(116.30)	12.67	18.44	(84.32)	12.05	12.05	12.05	12.05	12.05	12.05	12.05	0.00
Adjustments												
PV Beaver Valley Lease	(120.93)	10.37	20.75	(89.81)	5.72	5.72	5.72	5.72	5.72	5.72	5.72	(49.78)
Pre-Accrus Nuclear Outages	(6.90)	0.00	0.00	(6.90)	0.99	0.99	0.99	0.99	0.99	0.99	0.99	(0.00)
Gain on Sale/Leaseback (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Fuel Cost	(6.14)	0.00	0.00	(6.14)	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.00
Transition Costs	<u>(7.51)</u>	<u>0.00</u>	<u>0.00</u>	<u>(7.51)</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	0.00
Total Adjustments	(141.49)	10.37	20.75	(110.37)	8.65	8.65	8.65	8.65	8.65	8.65	8.65	(49.78)
Adjusted Regulatory Assets	(257.78)	23.04	40.19	(184.68)	20.70	20.70	20.70	20.70	20.70	20.70	20.70	(49.78)
Remove outage accounting (4)		0.23	(4.47)									(49.78)
FAS 109 Plant	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(17.56)</u>	<u>2.51</u>	<u>2.51</u>	<u>2.51</u>	<u>2.51</u>	<u>2.51</u>	<u>2.51</u>	<u>2.51</u>	(0.00)
Total Amortization Tax Effect	(257.78)	23.28	35.71	(212.24)	23.21	23.21	23.21	23.21	23.21	23.21	23.21	(49.78)
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	(10.84)	1.20	1.20	(8.43)	1.20	1.20	1.20	1.20	1.20	1.20	1.20	0.00
BV2 Sale/Leaseback Premium	<u>(5.28)</u>	<u>0.59</u>	<u>0.59</u>	<u>(4.11)</u>	<u>0.59</u>	<u>0.59</u>	<u>0.59</u>	<u>0.59</u>	<u>0.59</u>	<u>0.59</u>	<u>0.59</u>	0.00
Total	(16.12)	1.79	1.79	(12.54)	1.79	1.79	1.79	1.79	1.79	1.79	1.79	0.00
Total Generation	(273.81)	25.07	37.51	(224.78)	25.00	25.00	25.00	25.00	25.00	25.00	25.00	(49.78)

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1998</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1998</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	Net Balance <u>12/31/2005</u>
Tax Effect												
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	(34.22)	7.33	8.97	(17.92)	2.56	2.56	2.56	2.56	2.56	2.56	2.56	0.00
Unamortized Debt Premium/Discount (1)	(5.70)	0.00	0.00	(5.70)	0.81	0.81	0.81	0.81	0.81	0.81	0.81	(0.00)
Beaver Valley 2 Lease Premium	(1.61)	0.00	0.00	(1.61)	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.00
Total Unamortized Debt Cost	(7.31)	0.00	0.00	(7.31)	1.04	1.04	1.04	1.04	1.04	1.04	1.04	(0.00)
Deferred Rate Synch. Costs	(3.05)	1.72	1.72	0.39	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.00)
BV2 Sale/Leaseback Premium	(8.72)	0.00	0.00	(8.72)	1.25	1.25	1.25	1.25	1.25	1.25	1.25	(0.00)
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	(5.59)	(0.23)	4.47	(1.35)	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.00
DOE Decom & Decon	(4.07)	0.54	0.54	(2.99)	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.00
Other												
BV2 Training Costs	(0.82)	0.04	0.04	(0.84)	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.00
Low Level Rad. Waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Regulatory Assets	0.00	0.00	0.00	(0.13)	0.02	0.02	0.02	0.02	0.02	0.02	0.02	(0.00)
Total Other	(0.82)	0.04	0.04	(0.96)	0.14	0.14	0.14	0.14	0.14	0.14	0.14	(0.00)
Total Regulatory Assets per 10-K	(63.87)	9.40	15.74	(38.86)	5.55	5.55	5.55	5.55	5.55	5.55	5.55	0.00
Adjustments												
PV Beaver Valley Lease	(120.93)	10.37	20.75	(89.81)	5.72	5.72	5.72	5.72	5.72	5.72	5.72	(49.79)
Pre-Accrue Nuclear Outages	(8.90)	0.00	0.00	(8.90)	0.99	0.99	0.99	0.99	0.99	0.99	0.99	(0.00)
Gain on Sale/Leaseback (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Adjustments	(127.83)	10.37	20.75	(96.71)	6.70	6.70	6.70	6.70	6.70	6.70	6.70	(49.79)
Adjusted Regulatory Assets	(191.70)	19.77	36.49	(135.57)	12.25	12.25	12.25	12.25	12.25	12.25	12.25	(49.79)
Remove outage accounting		0.23	(4.47)									
FAS 109 Plant	0.00	0.00	0.00	(17.56)	2.51	2.51	2.51	2.51	2.51	2.51	2.51	(0.00)
Total	(191.70)	20.00	32.02	(153.13)	14.76	14.76	14.76	14.76	14.76	14.76	14.76	(49.79)
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	(6.83)	0.76	0.76	(5.31)	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.00
BV2 Sale/Leaseback Premium	(5.28)	0.59	0.59	(4.11)	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.00
Total	(12.11)	1.35	1.35	(9.42)	1.35	1.35	1.35	1.35	1.35	1.35	1.35	0.00
Total Nuclear Generation	(203.81)	21.35	33.37	(162.55)	16.11	16.11	16.11	16.11	16.11	16.11	16.11	(49.79)

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

**Amortization Schedule
Regulatory Assets
Generation**

	<u>Actual Year - End 1996</u>	<u>Estimated Change 1997</u>	<u>Estimated Change 1998</u>	<u>Estimated Year - End 1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Tax Effect												
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	(48.22)	3.27	3.69	(39.25)	5.61	5.61	5.61	5.61	5.61	5.61	5.61	(0.00)
Unamortized Debt Costs (1)	(3.35)	0.00	0.00	(3.35)	0.48	0.48	0.48	0.48	0.48	0.48	0.48	(0.00)
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Coal Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other												
Deferred Caretaker Costs	(2.86)	0.00	0.00	(2.86)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	(0.00)
Coal Cost Equalization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Regulatory Assets	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other	(2.86)	0.00	0.00	(2.86)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	(0.00)
Total Regulatory Assets per 10-K	(52.43)	3.27	3.69	(45.46)	6.49	6.49	6.49	6.49	6.49	6.49	6.49	(0.00)
Adjustments												
Deferred Fuel Cost	<u>(6.14)</u>	<u>0.00</u>	<u>0.00</u>	<u>(6.14)</u>	<u>0.88</u>	<u>0.88</u>	<u>0.88</u>	<u>0.88</u>	<u>0.88</u>	<u>0.88</u>	<u>0.88</u>	<u>0.00</u>
Total Adjustments	(6.14)	0.00	0.00	(6.14)	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.00
Total	(58.57)	3.27	3.69	(51.60)	7.37	7.37	7.37	7.37	7.37	7.37	7.37	(0.00)
Regulatory Assets Recovered through Interest Expense												
Unamortized Debt Cost	(4.02)	0.45	0.45	(3.12)	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.00
Total Fossil Generation	(62.59)	3.72	4.14	(54.73)	7.82	7.82	7.82	7.82	7.82	7.82	7.82	(0.00)

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
<u>Tax Effect</u>												
<u>Other</u>												
10-K Regulatory Assets												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	(7.51)	0.00	0.00	(7.51)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	0.00
Total Adjustments	(7.51)	0.00	0.00	(7.51)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	0.00
Total Other Regulatory Assets	(7.51)	0.00	0.00	(7.51)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	0.00

Net Regulatory Assets @ 12/31/96

	<u>Trans.</u>	<u>Distr.</u>	<u>Generation (1)</u>		<u>Generation (2)</u>			<u>Total</u>	<u>Total Duquesne Light</u>
			<u>Fossil</u>	<u>Nuclear</u>	<u>Nuclear</u>	<u>Fossil</u>	<u>Other</u>		
10-K Regulatory Assets									
Regulatory Tax Receivable	0.00	0.00			138.44	86.07		224.51	224.51
Unamortized Debt Premium/Discount (3)	3.78	15.90	5.66	9.62	10.25	6.03		16.29	51.26
Beaver Valley 2 Lease Premium				<u>2.16</u>	<u>2.89</u>			<u>2.89</u>	<u>5.05</u>
Total Unamortized Debt Cost	3.78	15.90	5.66	11.78	13.15	6.03		19.18	56.31
Deferred Rate Synch. Costs					38.39			38.39	38.39
BV2 Sale/Leaseback Premium				5.29	12.30			12.30	17.59
Deferred Employee Costs (4)	0.41	6.49			10.51	7.29		17.80	24.70
Deferred Nuclear Maintenance					7.87			7.87	7.87
DOE Decom & Decon					5.71			5.71	5.71
Deferred Coal Costs						12.19		12.19	12.19
Other									
Deferred Caretaker Costs						3.92		3.92	3.92
BV2 Training Costs					1.70			1.70	1.70
Low Level Rad. Waste					2.27			2.27	2.27
Coal Cost Equalization						0.32		0.32	0.32
Deferred Oxford Centre Costs	0.00	0.07			0.07	0.05		0.12	0.20
PA Deregulation Expenses	0.01	0.09			0.08	0.06		0.14	0.23
Demand Side Management	0.00	0.06			0.06	0.04		0.10	0.16
Corporate Development Project	0.00	0.04			0.04	0.03		0.07	0.11
Section 211	0.00	0.04			0.04	0.03		0.06	0.10
1996 Management Audit	0.00	0.02			0.02	0.01		0.03	0.05
Administrative & General	<u>0.00</u>	<u>0.01</u>			<u>0.01</u>	<u>0.01</u>		<u>0.01</u>	<u>0.02</u>
Total Other	<u>0.02</u>	<u>0.33</u>			<u>4.29</u>	<u>4.45</u>	<u>0.00</u>	<u>8.73</u>	<u>9.09</u>
Total Regulatory Assets per 10-K.	4.21	22.72	5.66	17.07	230.65	116.04	0.00	346.69	396.36
Adjustments									
PV Beaver Valley Lease					170.51			170.51	170.51
Nuclear Decommissioning					0.00			0.00	0.00
Pre-Accrue Nuclear Outages					9.73			9.73	9.73
Gain on Sale/Leaseback (5)					61.13			61.13	61.13
Deferred Rate Synch. Costs (5)					0.27			0.27	0.27
Beaver Valley 2 (5)					0.17			0.17	0.17
Fossil Decommissioning						0.00		0.00	0.00
Deferred Fuel Cost						8.66		8.66	8.66
Transition Costs							10.59	10.59	10.59
Total Adjustments	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>241.81</u>	<u>8.66</u>	<u>10.59</u>	<u>261.06</u>	<u>261.06</u>
Adjusted Regulatory Assets	4.21	22.72	5.66	17.07	472.46	124.70	10.59	607.75	657.42

- (1) Recovered through interest and lease expense.
(2) Recovered through amortization.
(3) Allocation based on gross plant balances.
(4) Allocation based on labor costs.
(5) Shown as deferred tax assets in 1996 Form 10-K.

Allocation Percentages	<u>Trans.</u>	<u>Distr.</u>	<u>Fossil</u>	<u>Nuclear</u>	<u>Total</u>
Labor Costs	2.37%	37.47%	24.65%	35.51%	100.00%
Gross Plant	7.59%	31.94%	22.40%	38.07%	100.00%
Effective Tax Rate	41.49%				

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Total Net Regulatory Assets												
10-K Regulatory Assets												
Regulatory Tax Receivable	224.51	(21.65)	(24.30)	178.55	(25.51)	(25.51)	(25.51)	(25.51)	(25.51)	(25.51)	(25.51)	0.00
Unamortized Debt Costs (1)	19.18	0.00	0.00	19.18	(2.74)	(2.74)	(2.74)	(2.74)	(2.74)	(2.74)	(2.74)	0.00
Deferred Rate Synch. Costs	38.39	(2.42)	(2.42)	33.54	(4.78)	(4.78)	(4.78)	(4.78)	(4.78)	(4.78)	(4.78)	(0.00)
BV2 Sale/Leaseback Premium	12.30	0.00	0.00	12.30	(1.76)	(1.76)	(1.76)	(1.76)	(1.76)	(1.76)	(1.76)	(0.00)
Deferred Employee Costs (2)	17.80	0.00	0.00	17.80	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	0.00
Deferred Nuclear Maintenance	7.87	0.33	(6.30)	1.90	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	0.00
DOE Decom & Decon	5.71	(0.76)	(0.76)	4.19	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.00)
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	3.82	0.00	0.00	3.82	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	0.00
BV2 Training Costs	1.70	(0.06)	(0.06)	1.58	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.40</u>	<u>(0.06)</u>	<u>(0.06)</u>	<u>(0.06)</u>	<u>(0.06)</u>	<u>(0.06)</u>	<u>(0.06)</u>	<u>(0.06)</u>	(0.00)
Total Other	8.73	(0.16)	(0.16)	8.29	(1.18)	(1.18)	(1.18)	(1.18)	(1.18)	(1.18)	(1.18)	0.00
Total Regulatory Assets per 10-K	348.69	(24.36)	(32.85)	289.25	(41.32)	(41.32)	(41.32)	(41.32)	(41.32)	(41.32)	(41.32)	(0.00)
Adjustments												
PV Beaver Valley Lease	170.51	(14.63)	(29.25)	126.63	(8.06)	(8.06)	(8.06)	(8.06)	(8.06)	(8.06)	(8.06)	70.21
Pre-Accrue Nuclear Outages	9.73	0.00	0.00	9.73	(1.39)	(1.39)	(1.39)	(1.39)	(1.39)	(1.39)	(1.39)	0.00
Gain on Sale/Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
Deferred Fuel Cost	8.68	0.00	0.00	8.68	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(0.00)
Transition Costs	<u>10.59</u>	<u>0.00</u>	<u>0.00</u>	<u>10.59</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>0.00</u>
Total Adjustments	261.08	(17.63)	(32.25)	211.18	(20.14)	(20.14)	(20.14)	(20.14)	(20.14)	(20.14)	(20.14)	70.21
Adjusted Regulatory Assets	607.75	(41.99)	(65.20)	500.43	(61.46)	(61.46)	(61.46)	(61.46)	(61.46)	(61.46)	(61.46)	70.21
Remove outage accounting (4)		(0.33)	6.30									
FAS 109 Plant (5)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45.38</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(0.00)</u>
Total	607.75	(42.31)	(58.90)	545.81	(67.94)	(67.94)	(67.94)	(67.94)	(67.94)	(67.94)	(67.94)	70.21
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	15.29	(1.70)	(1.70)	11.89	(1.70)	(1.70)	(1.70)	(1.70)	(1.70)	(1.70)	(1.70)	0.00
BV2 Sale/Leaseback Premium	<u>7.45</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>5.79</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>(0.83)</u>	<u>(0.00)</u>
Total	22.73	(2.53)	(2.53)	17.68	(2.53)	(2.53)	(2.53)	(2.53)	(2.53)	(2.53)	(2.53)	0.00
Total Generation	630.49	(44.84)	(61.42)	563.50	(70.47)	(70.47)	(70.47)	(70.47)	(70.47)	(70.47)	(70.47)	70.21

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1999	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Net Regulatory Assets												
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	138.44	(15.43)	(17.75)	105.25	(15.04)	(15.04)	(15.04)	(15.04)	(15.04)	(15.04)	(15.04)	(0.00)
Unamortized Debt Premium/Discount (1)	10.25	0.00	0.00	10.25	(1.46)	(1.46)	(1.46)	(1.46)	(1.46)	(1.46)	(1.46)	0.00
Beaver Valley 2 Lease Premium	2.88	0.00	0.00	2.88	(0.41)	(0.41)	(0.41)	(0.41)	(0.41)	(0.41)	(0.41)	0.00
Total Unamortized Debt Cost	13.15	0.00	0.00	13.15	(1.88)	(1.88)	(1.88)	(1.88)	(1.88)	(1.88)	(1.88)	0.00
Deferred Rate Synch. Costs	38.39	(2.42)	(2.42)	33.54	(4.78)	(4.78)	(4.78)	(4.78)	(4.78)	(4.78)	(4.78)	(0.00)
BV2 Sale/Leaseback Premium	12.30	0.00	0.00	12.30	(1.76)	(1.76)	(1.76)	(1.76)	(1.76)	(1.76)	(1.76)	(0.00)
Deferred Employee Costs (2)	10.51	0.00	0.00	10.51	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	0.00
Deferred Nuclear Maintenance	7.87	0.33	(6.30)	1.90	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	0.00
DOE Decont & Decon	5.71	(0.78)	(0.78)	4.19	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.00)
Other												
BV2 Training Costs	1.70	(0.06)	(0.06)	1.58	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Other Regulatory Assets	0.21	0.00	0.00	0.18	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	0.00
Total Other	4.28	(0.06)	(0.06)	4.04	(0.58)	(0.58)	(0.58)	(0.58)	(0.58)	(0.58)	(0.58)	0.00
Total Regulatory Assets per 10-K	230.65	(18.35)	(27.30)	184.87	(26.41)	(26.41)	(26.41)	(26.41)	(26.41)	(26.41)	(26.41)	0.00
Adjustments												
FV Beaver Valley Lease	170.51	(14.63)	(29.25)	126.63	(8.06)	(8.06)	(8.06)	(8.06)	(8.06)	(8.06)	(8.06)	70.21
Pre-Accrue Nuclear Outages	9.73	0.00	0.00	9.73	(1.39)	(1.39)	(1.39)	(1.39)	(1.39)	(1.39)	(1.39)	0.00
Gain on Sale/Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.86)	(7.86)	(7.86)	(7.86)	(7.86)	(7.86)	(7.86)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Total Adjustments	241.81	(17.63)	(32.25)	191.93	(17.39)	(17.39)	(17.39)	(17.39)	(17.39)	(17.39)	(17.39)	70.21
Adjusted Regulatory Assets	472.46	(35.98)	(59.55)	376.80	(43.80)	(43.80)	(43.80)	(43.80)	(43.80)	(43.80)	(43.80)	70.21
Remove outage accounting (4)		(0.33)	6.30									
FAS 109 Plant (5)	0.00	0.00	0.00	45.38	(6.48)	(6.48)	(6.48)	(6.48)	(6.48)	(6.48)	(6.48)	(0.00)
Total	472.46	(36.30)	(53.25)	422.18	(50.28)	(50.28)	(50.28)	(50.28)	(50.28)	(50.28)	(50.28)	70.21
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	9.62	(1.07)	(1.07)	7.48	(1.07)	(1.07)	(1.07)	(1.07)	(1.07)	(1.07)	(1.07)	0.00
BV2 Sale/Leaseback Premium	7.45	(0.83)	(0.83)	5.79	(0.83)	(0.83)	(0.83)	(0.83)	(0.83)	(0.83)	(0.83)	(0.00)
Total	17.07	(1.90)	(1.90)	13.28	(1.90)	(1.90)	(1.90)	(1.90)	(1.90)	(1.90)	(1.90)	0.00
Total Nuclear Generation	489.53	(38.20)	(55.15)	435.46	(52.18)	(52.18)	(52.18)	(52.18)	(52.18)	(52.18)	(52.18)	70.21

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balances through 12/31/99

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Net Regulatory Assets												
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	88.07	(6.22)	(6.55)	73.30	(10.47)	(10.47)	(10.47)	(10.47)	(10.47)	(10.47)	(10.47)	0.00
Unamortized Debt Costs (1)	6.03	0.00	0.00	6.03	(0.86)	(0.86)	(0.86)	(0.86)	(0.86)	(0.86)	(0.86)	(0.00)
Deferred Employee Costs (2)	7.29	0.00	0.00	7.29	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	3.92	0.00	0.00	3.92	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.00)</u>
Total Other	4.45	(0.10)	(0.10)	4.25	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	0.00
Total Regulatory Assets per 10-K	116.04	(6.01)	(5.65)	104.38	(14.91)	(14.91)	(14.91)	(14.91)	(14.91)	(14.91)	(14.91)	0.00
Adjustments												
Deferred Fuel Cost	<u>8.66</u>	<u>0.00</u>	<u>0.00</u>	<u>8.66</u>	<u>(1.24)</u>	<u>(1.24)</u>	<u>(1.24)</u>	<u>(1.24)</u>	<u>(1.24)</u>	<u>(1.24)</u>	<u>(1.24)</u>	<u>(0.00)</u>
Total Adjustments	8.66	0.00	0.00	8.66	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(0.00)
Total	124.70	(6.01)	(5.65)	113.04	(16.15)	(16.15)	(16.15)	(16.15)	(16.15)	(16.15)	(16.15)	0.00
Regulatory Assets Recovered through Interest Expense												
Unamortized Debt Cost	5.68	(0.63)	(0.63)	4.40	(0.63)	(0.63)	(0.63)	(0.63)	(0.63)	(0.63)	(0.63)	(0.00)
Total Fossil Generation	130.38	(6.64)	(6.28)	117.45	(16.78)	(16.78)	(16.78)	(16.78)	(16.78)	(16.78)	(16.78)	(0.00)

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
<u>Net Regulatory Assets</u>												
Other												
10-K Regulatory Assets												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	<u>10.59</u>	<u>0.00</u>	<u>0.00</u>	<u>10.59</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>0.00</u>
Total Adjustments	10.59	0.00	0.00	10.59	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	0.00
Total Other Regulatory Assets	10.59	0.00	0.00	10.59	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	0.00

Regulatory Assets @ 12/31/96
Included in Rate Base

	Trans.	Distr.	Generation (1)		Generation (2)			Total Duquesne Light	
			Fossil	Nuclear	Nuclear	Fossil	Other		Total
10-K Regulatory Assets									
Regulatory Tax Receivable	32.66	56.52			172.66	132.29		304.94	394.12
Unamortized Debt Premium/Discount (3)	0.00	0.00	0.00	0.00	15.95	9.39		25.34	25.34
Beaver Valley 2 Lease Premium				0.00	4.50			4.50	4.50
Total Unamortized Debt Cost	0.00	0.00	0.00	0.00	20.46	9.39		29.84	29.84
Deferred Rate Synch. Costs					0.00			0.00	0.00
BV2 Sale/Leaseback Premium				0.00	21.01			21.01	21.01
Deferred Employee Costs (4)	0.00	0.00			0.00	0.00		0.00	0.00
Deferred Nuclear Maintenance					13.46			13.46	13.46
DOE Decom & Decon					0.00			0.00	0.00
Deferred Coal Costs						12.19		12.19	12.19
Other									
Deferred Caretaker Costs						6.77		6.77	6.77
BV2 Training Costs					2.62			2.62	2.62
Low Level Rad. Waste					2.27			2.27	2.27
Coal Cost Equalization						0.32		0.32	0.32
Deferred Oxford Centre Costs	0.00	0.07			0.07	0.05		0.12	0.20
PA Deregulation Expenses	0.01	0.09			0.08	0.06		0.14	0.23
Demand Side Management	0.00	0.06			0.06	0.04		0.10	0.16
Corporate Development Project	0.00	0.04			0.04	0.03		0.07	0.11
Section 211	0.00	0.04			0.04	0.03		0.06	0.10
1996 Management Audit	0.00	0.02			0.02	0.01		0.03	0.05
Administrative & General	0.00	0.01			0.01	0.01		0.01	0.02
Total Other	0.02	0.33	0.00	0.00	5.20	7.31	0.00	12.51	12.86
Total Regulatory Assets per 10-K	32.68	56.85	0.00	0.00	232.79	161.17	0.00	393.96	483.49
Adjustments									
PV Beaver Valley Lease					0.00			0.00	0.00
Nuclear Decommissioning					0.00			0.00	0.00
Pre-Accrue Nuclear Outages					0.00			0.00	0.00
Gain on Sale/Leaseback (5)					61.13			61.13	61.13
Deferred Rate Synch. Costs (5)					0.00			0.00	0.00
Beaver Valley 2 (5)					0.17			0.17	0.17
Fossil Decommissioning						0.00		0.00	0.00
Deferred Fuel Cost						0.00		0.00	0.00
Transition Costs (6)							0.00	0.00	0.00
Total Adjustments	0.00	0.00	0.00	0.00	61.30	0.00	0.00	61.30	61.30
Adjusted Regulatory Assets	32.68	56.85	0.00	0.00	294.09	161.17	0.00	455.26	544.79

(1) Recovered through interest and lease expense.

(2) Recovered through amortization.

(3) Allocation based on gross plant balances, 8/17 included in rate base.

(4) Allocation based on labor costs.

(5) Shown as deferred tax assets in 1996 Form 10-K.

(6) Item is included in rate base beginning 1/1/99.

Allocation Percentages	Trans.	Distr.	Fossil	Nuclear	Total
Labor Costs	2.37%	37.47%	24.65%	35.51%	100.00%
Gross Plant	7.59%	31.94%	22.40%	38.07%	100.00%

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Total Generation												
10-K Regulatory Assets												
Regulatory Tax Receivable	304.84	(32.26)	(36.87)	235.72	(33.67)	(33.67)	(33.67)	(33.67)	(33.67)	(33.67)	(33.67)	(0.00)
Unamortized Debt Costs (1)	29.84	0.00	0.00	29.84	(4.26)	(4.26)	(4.26)	(4.26)	(4.26)	(4.26)	(4.26)	(0.00)
Deferred Rate Synch. Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BV2 Sale/Leaseback Premium	21.01	0.00	0.00	21.01	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	13.46	0.56	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom & Decom	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	(1.83)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.53</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>0.00</u>
Total Other	12.51	(0.20)	(0.20)	12.11	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	0.00
Total Regulatory Assets per 10-K	393.86	(31.59)	(46.84)	315.43	(45.06)	(45.06)	(45.06)	(45.06)	(45.06)	(45.06)	(45.06)	(0.00)
Adjustments												
PV Beaver Valley Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nuclear Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pro-Accrue Nuclear Outages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Sale/Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
Fossil Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Fuel Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transition Costs (4)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>18.10</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>0.00</u>
Total Adjustments	61.30	(3.00)	(3.00)	73.40	(10.49)	(10.49)	(10.49)	(10.49)	(10.49)	(10.49)	(10.49)	0.00
Adjusted Regulatory Assets	455.26	(34.59)	(49.84)	388.83	(55.55)	(55.55)	(55.55)	(55.55)	(55.55)	(55.55)	(55.55)	(0.00)
FAS 109 Plant (5)	0	0.00	0.00	62.94	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	62.67
Total Generation	455.26	(34.59)	(49.84)	451.77	(55.59)	(55.59)	(55.59)	(55.59)	(55.59)	(55.59)	(55.59)	62.67

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) Included in rate base beginning 1/1/99

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	172.68	(22.76)	(26.73)	123.17	(17.60)	(17.60)	(17.60)	(17.60)	(17.60)	(17.60)	(17.60)	0.00
Unamortized Debt Premium/Discount (1)	15.95	0.00	0.00	15.95	(2.28)	(2.28)	(2.28)	(2.28)	(2.28)	(2.28)	(2.28)	(0.00)
Beaver Valley 2 Lease Premium	4.50	0.00	0.00	4.50	(0.64)	(0.64)	(0.64)	(0.64)	(0.64)	(0.64)	(0.64)	0.00
Total Unamortized Debt Cost	20.48	0.00	0.00	20.48	(2.92)	(2.92)	(2.92)	(2.92)	(2.92)	(2.92)	(2.92)	0.00
Deferred Rate Synch. Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BV2 Sale/Leaseback Premium	21.01	0.00	0.00	21.01	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	(3.00)	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	13.48	0.56	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom & Decon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other												
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Other Regulatory Assets	0.31	0.00	0.00	0.31	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Total Other	5.20	(0.10)	(0.10)	5.00	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.00)
Total Regulatory Assets per 10-K	232.79	(22.30)	(37.60)	172.89	(24.70)	(24.70)	(24.70)	(24.70)	(24.70)	(24.70)	(24.70)	0.00
Adjustments												
PV Beaver Valley Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nuclear Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre-Accrue Nuclear Outages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Sale/Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
Total Adjustments	61.30	(3.00)	(3.00)	55.30	(7.90)	(7.90)	(7.90)	(7.90)	(7.90)	(7.90)	(7.90)	(0.00)
Adjusted Regulatory Assets	294.09	(25.30)	(40.60)	228.18	(32.60)	(32.60)	(32.60)	(32.60)	(32.60)	(32.60)	(32.60)	0.00
FAS 109 Plant (4)	0.00	0.00	0.00	62.84	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	62.67
Total Nuclear Generation	294.09	(25.30)	(40.60)	291.12	(32.64)	(32.64)	(32.64)	(32.64)	(32.64)	(32.64)	(32.64)	62.67

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

(3) Shown as deferred tax assets in 1996 Form 10-K.

(4) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	132.29	(9.49)	(10.24)	112.55	(16.08)	(16.08)	(16.08)	(16.08)	(16.08)	(16.08)	(16.08)	0.00
Unamortized Debt Costs (1)	9.39	0.00	0.00	9.39	(1.34)	(1.34)	(1.34)	(1.34)	(1.34)	(1.34)	(1.34)	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>0.00</u>
Total Other	7.31	(0.10)	(0.10)	7.11	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	0.00
Total Regulatory Assets per 10-K	161.17	(9.28)	(9.34)	142.55	(20.36)	(20.36)	(20.36)	(20.36)	(20.36)	(20.36)	(20.36)	(0.00)
Adjustments												
Fossil Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Fuel Cost	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.00)</u>
Total Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.00)
Total Fossil Generation	161.17	(9.28)	(9.34)	142.55	(20.36)	(20.36)	(20.36)	(20.36)	(20.36)	(20.36)	(20.36)	(0.00)

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
<u>Other</u>												
10-K Regulatory Assets												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Adjustments</u>												
Transition Costs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>18.10</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>0.00</u>
Total Adjustments	0.00	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
Total Other	0.00	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00

Duquesne Light Company

Transition Cost Summary
(\$ millions)

Pilot Program Implementation Expense	\$2.5
Customer Education	2.0
Restructuring Filing Expense	1.0
Restructuring Implementation Expense	8.3
Deferred Pilot Program Cost	<u>4.4</u>
Total Transition Cost	<u>\$18.2</u>

Duquesne Light Company

Committed Generation Related Depreciation and Amortization
1999 - 2005
(\$ Millions)

1999	202.2
2000	264.7
2001	261.2
2002	268.9
2003	266.8
2004	247.4
2005	<u>236.1</u>
	<u>1,747.3</u>

DUQUESNE LIGHT COMPANY
Fossil and Nuclear Plant Decommissioning Estimates

\$ in Millions

	Decomm. Cost	NPV @ 12/31/05	Funding Level	(Under)/Over Funding
Elrama	43.41	35.05	0.00	(35.05)
Cheswick	59.39	23.59	0.00	(23.59)
Eastlake	45.22	22.54	0.00	(22.54)
Sammis	51.83	27.78	0.00	(27.78)
Brunot Island	28.63	13.87	0.00	(13.87)
Phillips	11.76	9.49	0.00	(9.49)
Mansfield 1	114.06	43.00	0.00	(43.00)
Mansfield 2	31.79	11.11	0.00	(11.11)
Mansfield 3	60.74	16.94	0.00	(16.94)
Total Fossil	\$446.82	\$203.36	\$0.00	(\$203.36)
Beaver Valley 1	587.68	106.53	106.46	(0.06)
Beaver Valley 2	198.74	30.06	30.01	(0.06)
Perry	342.64	51.83	49.93	(1.90)
Total Nuclear	\$1,129.06	\$188.42	\$186.40	(\$2.02)
Total Generation	\$1,575.87	\$391.78	\$186.40	(\$205.38)

DUQUESNE LIGHT COMPANY

Detail of Fossil Decommissioning

\$ in Millions

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total	NPV @ 2006	
Elrama - Year 1	4.918	4.918	4.918	4.918	4.918																		24.589	20.496
Elrama - Year 2		3.765	3.765	3.765	3.765	3.765																	18.824	14.551
Elrama - Year 3			0.000	0.000	0.000	0.000	0.000																0.000	0.000
Total Elrama	4.918	8.683	8.683	8.683	8.683	3.765	0.000																45.414	35.048
Cheswick - Year 1									4.504	4.504	4.504	4.504	4.504										22.322	9.323
Cheswick - Year 2										4.608	4.608	4.608	4.608	4.608									23.041	9.037
Cheswick - Year 3											2.764	2.764	2.764	2.764	2.764	2.764							13.822	5.028
Total Cheswick									4.504	9.113	11.877	11.877	11.877	11.877	7.573	2.764							59.385	23.390
Eastlake - Year 1							3.190	3.190	3.190	3.190	3.190												15.949	8.457
Eastlake - Year 2								4.135	4.135	4.135	4.135	4.135											20.673	10.166
Eastlake - Year 3									1.719	1.719	1.719	1.719	1.719	1.719									8.594	3.919
Total Eastlake							3.190	7.324	9.043	9.043	9.043	5.853	1.719										45.216	22.542
Sammis - Year 1						3.772	3.772	3.772	3.772	3.772													18.859	10.783
Sammis - Year 2							4.046	4.046	4.046	4.046	4.046												20.229	10.727
Sammis - Year 3								2.548	2.548	2.548	2.548	2.548	2.548										12.741	6.265
Total Sammis						3.772	7.818	10.366	10.366	10.366	6.594	2.548											51.819	27.775
Brunot Island - Year 1								4.569	4.569	4.569	4.569	4.569											22.843	11.233
Brunot Island - Year 2									1.157	1.157	1.157	1.157	1.157										5.786	2.639
Brunot Island - Year 3										0.000	0.000	0.000	0.000	0.000	0.000								0.000	0.000
Total Brunot Island								4.569	5.726	5.726	5.726	5.726	1.157	0.000	0.000								28.629	13.872
Phillips - Year 1	1.332	1.332	1.332	1.332	1.332																		6.659	5.551
Phillips - Year 2		1.020	1.020	1.020	1.020	1.020																	5.098	3.941
Phillips - Year 3			0.000	0.000	0.000	0.000	0.000																0.000	0.000
Total Phillips	1.332	2.351	2.351	2.351	2.351	1.020	0.000																11.757	9.492
Mansfield 1 - Year 1										10.595	10.595	10.595	10.595	10.595									52.975	20.778
Mansfield 1 - Year 2											12.216	12.216	12.216	12.216	12.216	12.216							61.081	22.217
Mansfield 1 - Year 3												0.000	0.000	0.000	0.000	0.000	0.000						0.000	0.000
Total Mansfield 1										10.595	22.811	22.811	22.811	22.811	22.811	12.216	0.000						114.056	42.995
Mansfield 2 - Year 1											2.953	2.953	2.953	2.953	2.953								14.766	5.371
Mansfield 2 - Year 2												3.405	3.405	3.405	3.405	3.405							17.023	5.743
Mansfield 2 - Year 3													0.000	0.000	0.000	0.000	0.000						0.000	0.000
Total Mansfield 2											2.953	6.358	6.358	6.358	6.358	3.405	0.000						31.791	11.114
Mansfield 3 - Year 1															5.642	5.642	5.642	5.642	5.642				28.211	8.183
Mansfield 3 - Year 2																6.506	6.506	6.506	6.506	6.506			32.528	8.752
Mansfield 3 - Year 3																0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Mansfield 3															5.642	12.148	12.148	12.148	12.148	12.148	6.506	0.000	60.740	16.936

\$446.816

\$763.364

Exhibit DUC-1
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DUQUESNE LIGHT COMPANY

Detail of Projected Nuclear Decommissioning Trust Fund Activity

\$ in Millions

	1997	1998	1999	2000	2001	2002	2003	2004	2005	Required	Funding
	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	(Over)/ Under
After-Tax Interest Rate	7.5%										
Beaver Valley 1											
Trust Fund Beginning Balance	27.667	34.110	41.037	48.482	56.486	65.090	74.340	84.284	94.973		
Interest on Balance	2.075	2.558	3.078	3.636	4.236	4.882	5.576	6.321	7.123		
Contribution	4.210	4.210	4.210	4.210	4.210	4.210	4.210	4.210	4.210		
Interest on Contribution	0.158	0.158	0.158	0.158	0.158	0.158	0.158	0.158	0.158		
End of Year Fund Balance	34.110	41.037	48.482	56.486	65.090	74.340	84.284	94.973	106.464	106.527	0.064
Beaver Valley 2											
Trust Fund Beginning Balance	5.326	7.344	9.513	11.845	14.352	17.047	19.944	23.058	26.406		
Interest on Balance	0.399	0.551	0.713	0.888	1.076	1.279	1.496	1.729	1.980		
Contribution	1.560	1.560	1.560	1.560	1.560	1.560	1.560	1.560	1.560		
Interest on Contribution	0.059	0.059	0.059	0.059	0.059	0.059	0.059	0.059	0.059		
End of Year Fund Balance	7.344	9.513	11.845	14.352	17.047	19.944	23.058	26.406	30.005	30.063	0.057
Perry											
Trust Fund Beginning Balance	6.244	9.816	13.656	17.785	22.223	26.994	32.122	37.636	43.563		
Interest on Balance	0.468	0.736	1.024	1.334	1.667	2.025	2.409	2.823	3.267		
Contribution	2.992	2.992	2.992	2.992	2.992	2.992	2.992	2.992	2.992		
Interest on Contribution	0.112	0.112	0.112	0.112	0.112	0.112	0.112	0.112	0.112		
End of Year Fund Balance	9.816	13.656	17.785	22.223	26.994	32.122	37.636	43.563	49.934	51.831	1.897
Total											
Trust Fund Beginning Balance	39.237	51.270	64.206	78.112	93.061	109.131	126.407	144.978	164.942		
Interest on Balance	2.943	3.845	4.815	5.858	6.980	8.185	9.481	10.873	12.371		
Contribution	8.762	8.762	8.762	8.762	8.762	8.762	8.762	8.762	8.762		
Interest on Contribution	0.329	0.329	0.329	0.329	0.329	0.329	0.329	0.329	0.329		
End of Year Fund Balance	51.270	64.206	78.112	93.061	109.131	126.407	144.978	164.942	186.403	\$188.421	\$2.018

DUQUESNE LIGHT COMPANY

Detail of Nuclear Decommissioning Costs

\$ in Millions

		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Beaver Valley 1 (1997 CAPCO\$)		27.464	18.673	3.813	3.813	3.823	3.813	3.813	3.813	3.823	3.813	3.813	3.206	2.810	18.691
Beaver Valley 1 (1997 DLCS)	47.50%	13.045	8.869	1.811	1.811	1.816	1.811	1.811	1.811	1.816	1.811	1.811	1.523	1.335	8.878
Inflation factor		2.107	2.191	2.279	2.370	2.465	2.563	2.666	2.772	2.883	2.999	3.119	3.243	3.373	3.508
Cash Expenditures		27.485	19.434	4.127	4.292	4.476	4.642	4.828	5.021	5.236	5.431	5.648	4.940	4.502	31.145
Discount factor (to year 2005)		2.216	2.382	2.560	2.752	2.959	3.181	3.419	3.676	3.951	4.248	4.566	4.909	5.277	5.673
Amt Required (2005 DLCS)		12.405	8.159	1.612	1.559	1.513	1.459	1.412	1.366	1.325	1.278	1.237	1.006	0.853	5.490
<hr/>															
Beaver Valley 2 (1997 CAPCO\$)	47.50%	377.009											25.489	48.963	56.753
Beaver Valley 2 (1997 DLCS)	13.74%												3.502	6.728	7.798
Inflation factor													3.243	3.373	3.508
Cash Expenditures													11.359	22.693	27.355
Discount factor (to year 2005)													4.909	5.277	5.673
Amt Required (2005 DLCS)													2.314	4.300	4.822
<hr/>															
Perry (1997 CAPCO\$)		650											43.946	84.417	97.847
Perry (1997 DLCS)	13.74%												6.038	11.599	13.444
Inflation factor													3.243	3.373	3.508
Cash Expenditures													19.584	39.125	47.163
Discount factor (to year 2005)													4.909	5.277	5.673
Amt Required (2005 DLCS)													3.989	7.414	8.314

DUQUESNE LIGHT

Detail of Nuclear Dec

\$ in Millions

	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	
Beaver Valley 1 (1997 CAPCOS)	42.688	65.805	65.718	52.785	14.326	4.160									
Beaver Valley 1 (1997 DLCS)	20.277	31.257	31.216	25.073	6.805	1.976									
Inflation factor	3.648	3.794	3.946	4.104	4.268	4.439									
Cash Expenditures	73.978	118.600	123.182	102.897	29.044	8.772									587.679
Discount factor (to year 2005)	6.098	6.556	7.047	7.576	8.144	8.755									
Amt Required (2005 DLCS)	12.131	18.091	17.479	13.582	3.566	1.002									106.527
Beaver Valley 2 (1997 CAPCOS)	53.143	49.267	51.701	30.167	25.320	16.805	1.598	1.593	1.593	1.593	1.598	1.593	1.593	8.238	
Beaver Valley 2 (1997 DLCS)	7.302	6.769	7.104	4.145	3.479	2.309	0.220	0.219	0.219	0.219	0.220	0.219	0.219	1.132	
Inflation factor	3.648	3.794	3.946	4.104	4.268	4.439	4.616	4.801	4.993	5.193	5.400	5.617	5.841	6.075	
Cash Expenditures	26.640	25.685	28.032	17.010	14.849	10.249	1.013	1.051	1.093	1.137	1.186	1.230	1.279	6.876	198.737
Discount factor (to year 2005)	6.098	6.556	7.047	7.576	8.144	8.755	9.412	10.117	10.876	11.692	12.569	13.512	14.525	15.614	
Amt Required (2005 DLCS)	4.368	3.918	3.978	2.245	1.823	1.171	0.108	0.104	0.101	0.097	0.094	0.091	0.088	0.440	30.063
Perry (1997 CAPCOS)	91.624	84.942	89.137	52.010	43.655	28.973	2.755	2.747	2.747	2.747	2.755	2.747	2.747	14.203	
Perry (1997 DLCS)	12.589	11.671	12.247	7.146	5.998	3.981	0.378	0.377	0.377	0.377	0.378	0.377	0.377	1.952	
Inflation factor	3.648	3.794	3.946	4.104	4.268	4.439	4.616	4.801	4.993	5.193	5.400	5.617	5.841	6.075	
Cash Expenditures	45.930	44.283	48.330	29.328	25.601	17.670	1.747	1.812	1.885	1.960	2.044	2.120	2.205	11.855	342.642
Discount factor (to year 2005)	6.098	6.556	7.047	7.576	8.144	8.755	9.412	10.117	10.876	11.692	12.569	13.512	14.525	15.614	
Amt Required (2005 DLCS)	7.532	6.755	6.858	3.871	3.143	2.018	0.186	0.179	0.173	0.168	0.163	0.157	0.152	0.759	51.831

Duquesne Light Company
Feasibility of Financing Plan

	RATEBASE (\$BILLIONS)	DEBT (\$MILLIONS)	% CAP	PREFERRED (\$MILLIONS)	% CAP	COMMON (\$MILLIONS)	% CAP	TOTAL CAP (\$MILLIONS)
12/31/96	\$2.47	\$1,241	50%	\$239	10%	\$990	40%	\$2,470
<u>1997 REFINANCINGS</u>								
FMB MATURED 6.3%		(\$15)						
FMB MATURED 6.0%		(\$30)						
FMB MATURED 5.9%		(\$5)						
ISSUE NEW DEBT		\$47						
DEBENTURE BT 5.0%		(\$2)						
PREFERRED TENDER				(\$65)				
COMMON EQUITY						(\$50)		
12/31/97	2.35	\$1,236	53%	\$174	7%	\$940	40%	\$2,350
<u>1998 REFINANCINGS</u>								
FMB MATURED 5.85%		(\$35)						
FMB MATURED 6.15%		(\$35)						
FMB MATURED 6.55%		(\$5)						
ISSUE NEW DEBT		\$43						
DEBENTURE BT 5.0%		(\$3)						
COMMON EQUITY						(\$15)		
12/31/98	2.30	\$1,201	52%	\$174	8%	\$925	40%	\$2,300
<u>1999 REFINANCINGS</u>								
FMB MATURED 5.90%		(\$75)						
ISSUE NEW DEBT		\$41						
COMMON EQUITY						(\$46)		
12/31/99	2.22	\$1,167	53%	\$174	8%	\$879	40%	\$2,220
<u>2000 REFINANCINGS</u>								
FMB MATURED 6.45%		(\$45)						
FMB MATURED 6.10%		(\$55)						
ISSUE NEW DEBT		\$40						
COMMON EQUITY						(\$30)		
12/31/2000	2.13	\$1,107	52%	\$174	8%	\$849	40%	\$2,130
<u>2001 REFINANCINGS</u>								
PARTIAL CALL 8.75%		(\$65)						
COMMON EQUITY						(\$25)		
12/31/2001	2.04	\$1,042	51%	\$174	9%	\$824	40%	\$2,040
<u>2002 REFINANCINGS</u>								
PARTIAL CALL 8.75%		(\$35)						
PARTIAL CALL 7.625%		(\$35)						
COMMON EQUITY						(\$45)		
12/31/2002	1.93	\$972	50%	\$174	9%	\$779	40%	\$1,925
<u>2003 REFINANCINGS</u>								
FMB MATURED 6.70%		(\$55)						
FMB MATURED 6.65%		(\$45)						
ISSUE NEW DEBT		\$45						
COMMON EQUITY						(\$50)		
12/31/2003	1.82	\$917	50%	\$174	10%	\$729	40%	\$1,820
<u>2004 REFINANCINGS</u>								
FMB MATURED 6.625%		(\$100)						
ISSUE NEW DEBT		\$65						
COMMON EQUITY						(\$35)		
12/31/2004	1.75	\$882	50%	\$174	10%	\$694	40%	\$1,750
<u>2005 REFINANCINGS *</u>								
FMB MATURED 5.90%		(\$75)						
ISSUE NEW DEBT		\$20						
RETIRE ESOP PREFERENCE STK				(\$24)				
COMMON EQUITY						(\$31)		
12/31/2005	1.64	\$827	50%	\$150	9%	\$663	40%	\$1,640

* Duquesne reserves the right to exclude equity (and associated earnings) from calculations for ratemaking purposes if financial covenants require maintenance of equity above indicated levels.

PENNSYLVANIA ELECTRIC COMPANIES
WEIGHTED COST OF CAPITAL
As of 12/31/96

PP & L Resources	<u>Ratio</u>	<u>Cost Rate</u>	<u>Wtd Cost Rate</u>	
				from 1997 transition filing
Common Equity	45.20%	11.50%	5.20%	
Preferred & Preference	7.80%	7.10%	0.55%	
Long-Term Debt	<u>47.00%</u>	7.89%	<u>3.71%</u>	
	100.00%		9.46%	
			7.92%	Wtd. after-tax
PECO	<u>Ratio</u>	<u>Cost Rate</u>	<u>Wtd Cost Rate</u>	
				from 1997 transition filing
Common Equity	50.60%	11.60%	5.87%	
Preferred & Preference	3.00%	7.70%	0.23%	
Long-Term Debt	<u>46.40%</u>	8.51%	<u>3.95%</u>	
	100.0%		10.05%	
			8.41%	Wtd. after-tax
Metropolitan Edison	<u>Ratio</u>	<u>Cost Rate</u>	<u>Wtd Cost Rate</u>	
				from 1997 transition filing
Common Stock	49.97%	12.20%	6.10%	
Preferred Stock	7.74%	8.76%	0.68%	
Long-Term Debt	<u>42.29%</u>	7.59%	<u>3.21%</u>	
	100.00%		9.98%	
Pennsylvania Electric	<u>Ratio</u>	<u>Cost Rate</u>	<u>Wtd Cost Rate</u>	
				from 1997 transition filing
Common Equity	48.79%	12.00%	5.85%	
Preferred & Preference	7.63%	8.38%	0.64%	
Long-Term Debt	<u>43.58%</u>	7.24%	<u>3.16%</u>	
	100.00%		9.65%	
West Penn Power	<u>Ratio</u>	<u>After tax Cost Rate</u>	<u>Wtd Cost Rate</u>	
				from proposed 1997 transition filing
Common Equity	46.80%	11.50%	5.38%	
Preferred & Preference	4.30%	4.15%	0.18%	
Long-Term Debt	<u>48.90%</u>	7.46%	<u>3.65%</u>	
	100.00%		9.21%	
			7.71%	Wtd. after-tax



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Duquesne Light Company

Summary of Stranded Cost Estimates
As of December 31, 1998
(\$ Millions)

	DLCc	OCA	OTS	DII	HSS/ARI
Generating Plant					
Net Book Value of Gen. Plant	\$917.61	\$913.02	\$852.03	\$917.61	N/A
Working Capital	0.00	61.53 (5)	0.00	61.53 (5)	N/A
M&S and Fuel-Related Sunk Costs	41.11	0.00	0.00	0	N/A
PV of BV2 Lease Expense (1)	278.24 (1)	300.35 (6)	287.19 (8)	278.24	N/A
Net Book Value	1,236.96	1,274.90	1,139.22	1,257.38	N/A
P V of Decommissioning	123.90	44.47	45.10	42.96	N/A
PV of Costs Independent of Operation	208.23	0.00	N/A	0.00	0.00
Estimated Market Value	(27.40)	(392.05) (10)	N/A	(128.23)	N/A
Stranded Generating Plant	1,541.69	927.32	N/A	1,172.11	0.00
Regulatory Assets					
	(2)	(7)	(7)	(7)	(7)
SFAS 109	\$179.00	\$179.00	\$179.00	\$179.00	\$0.00
Post-2005 - Unamortized Debt Cost	19.04	18.67	19.04	0.00	0.00
Pre-2006 - Unamortized Debt Cost	9.80	9.61	9.80	0.00	9.80
Deferred Rate Sync. Costs	30.26 (3)	24.57	30.26	22.79	0.00
Deferred Employee Costs	17.80	14.24	17.80	0.00	0.00
Deferred Nuclear Maintenance	1.90	1.90	1.90	1.90	1.90 (9)
DOE Decom and Decon.	4.19	3.35	4.19	4.19	4.19 (9)
Deferred Coal Costs	13.50	0.00	13.50	0.00	0.00
Deferred Caretaker Costs	3.92	0.00	0.00	0.00	0.00
BV2 Training Costs	1.58	1.58	1.58	1.58	1.58 (9)
Low Level Rad. Waste	2.27	2.27	2.27	2.27	2.27 (9)
Coal Cost Equalization	0.12	0.12	0.12	0.12	0.12 (9)
Other	0.53	0.53	0.53	0.74	0.53 (9)
Pre-Accrue Nuclear Outages	13.25	0.00	13.25	0.00	0.00
Gain on Sale/Leaseback	55.13	55.13	55.13	55.13	55.13 (9)
Deferred Rate Sych. Costs (Tax)	0.27	0.22	0.27	0.27	0.00
BV-2 (Tax)	0.17	0.17	0.17	0.17	0.17 (9)
Deferred Fuel Cost	8.66	6.92	8.66	8.66	8.66 (9)
Transition Costs	10.59	10.59	10.59	5.73	0.00
SFAS 106	2.47	1.97	2.47	0.00	0.00
SFAS 109 Plant	0.00 (4)	0.00	0.00	0.00	0.00
Total Regulatory Assets	374.45	330.84	370.53	282.55	84.35
Total Stranded Cost	\$1,916.13	\$1,258.16	N/A	\$1,454.66	\$84.35
Percent of Company Claim	100.00%	65.66%	N/A	75.92%	4.40%

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- 1) Includes premiums and unamortized debt costs.
2) Duquesne's Regulatory Assets are shown net of deferred taxes.
3) Reflects adjustment based on DII proposal.
4) Included in plant as of 12/31/98.
5) Item not claimed by the Company.
6) Net of tax amount based on OCA gross amount of \$513.36 million.
7) Regulatory assets adjusted to reflect net of deferred tax amounts.
8) PV is based on OTS recommended cost of capital.
9) Not specifically addressed by HSS/ARI.
10) Includes OCA's proposed productivity (\$25.32) and life extension benefits (\$170.72).

Duquesne Light Company

Impact of Intervenors' Proposals Regarding Stranded Cost Recovery on Revenue Requirements (\$ Millions)

<u>Party</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Total</u>	<u>% of Company Rate Cap*</u>
DLC	440.7	429.9	418.2	407.2	402.1	395.8	407.2	2,901.0	100%
OCA	311.3	308.4	311.7	278.6	184.9	171.6	141.7	1,708.3	59%
OTS	398.5	385.9	373.3	362.2	355.6	344.5	357.5	2,577.5	89%
DII	440.7	429.9	418.2	318.1	-	-	-	1,606.8	55%
HSS / ARI	19.9	19.1	18.4	17.6	16.9	16.1	15.3	123.3	4%

*Note: Duquesne does not believe that it is likely that it will fully recover its stranded cost prior to 12/31/2005.

Duquesne Light Company
Stranded Cost "Sharing" Analysis
(\$ 000)

DII Estimated Stranded Plant	995,872
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No Equity return					
Year	Unamortized Stranded Plant Balance	Pre-Tax Return @ 5.51%	Annual Amortization	Total Annual Rev. Req.	PV of Annual Rev. Req. @ 7.84%
Beg. Bal	995,872				
1999	853,605	51,280	142,267	193,547	185,621
2000	711,337	43,441	142,267	185,708	164,717
2001	569,070	35,602	142,267	177,869	145,907
2002	426,802	27,763	142,267	170,030	128,994
2003	284,535	19,924	142,267	162,191	113,799
2004	142,267	12,085	142,267	154,352	100,160
2005	(0)	4,246	142,267	146,514	87,928
Total		194,340	995,872	1,190,212	927,125

Full Equity return					
Year	Unamortized Stranded Plant Balance	Pre-Tax Return @ 13.39%	Annual Amortization	Total Annual Rev. Req.	PV of Annual Rev. Req. @ 7.84%
Beg. Bal	995,872				
1999	853,605	124,616	142,267	266,884	256,005
2000	711,337	105,567	142,267	247,834	219,870
2001	569,070	86,517	142,267	228,784	187,720
2002	426,802	67,467	142,267	209,735	159,162
2003	284,535	48,418	142,267	190,685	133,836
2004	142,267	29,368	142,267	171,636	111,418
2005	(0)	10,319	142,267	152,586	91,614
Total		472,272	995,872	1,468,144	1,159,625

"Sharing" = 232,500

Duquesne Light Company
Stranded Cost "Sharing" Analysis
(\$ 000)

DII Estimated Stranded Plant	995,872
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<u>DII Amortization Calculation</u>		
Year	Annual Amortization	PV of Annual Rev. Req. @ 7.84%
1999	142,267	136,441
2000	142,267	126,186
2001	142,267	116,702
2002	142,267	107,931
2003	142,267	99,820
2004	142,267	92,318
2005	142,267	85,380
Total	995,872	764,779

<u>Full Revenue Requirement Calculation</u>					
Year	Net Plant Plus W.C.	Amortization	FAS 109 Related Deferred Taxes	Net Amortization	PV of Annual Rev. Req. @ 7.84%
Beg. Bal	1,448,792				
1999	1,241,822	206,970	33,783	173,187	166,095
2000	1,034,851	206,970	33,783	173,187	153,611
2001	827,881	206,970	33,783	173,187	142,066
2002	620,911	206,970	33,783	173,187	131,389
2003	413,941	206,970	33,783	173,187	121,514
2004	206,970	206,970	33,783	173,187	112,382
2005	(0)	206,970	33,783	173,187	103,936
Total		1,448,792	236,480	1,212,312	930,994

"Sharing" = 166,215

**Duquesne Light Company
Stranded Cost "Sharing" Analysis
(\$ 000)**

OCA Estimated Stranded Plant	1,139,190
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No Equity return					
Year	Unamortized Stranded Plant Balance	Pre-Tax Return @ 0%	Annual Amortization	Total Annual Rev. Req.	PV of Annual Rev. Req. @ 6.88%
Beg. Bal	1,139,190				
1999	976,449	0	162,741	162,741	156,835
2000	813,707	0	162,741	162,741	146,437
2001	650,966	0	162,741	162,741	136,728
2002	488,224	0	162,741	162,741	127,662
2003	325,483	0	162,741	162,741	119,198
2004	162,741	0	162,741	162,741	111,294
2005	(0)	0	162,741	162,741	103,915
Total		0	1,139,190	1,139,190	902,069

Full Equity return					
Year	Unamortized Stranded Plant Balance	Pre-Tax Return @ 11.76%	Annual Amortization	Total Annual Rev. Req.	PV of Annual Rev. Req. @ 6.88%
Beg. Bal	1,139,190				
1999	976,449	141,003	162,741	303,744	292,793
2000	813,707	120,759	162,741	283,500	255,208
2001	650,966	98,968	162,741	261,709	219,979
2002	488,224	77,177	162,741	239,918	188,300
2003	325,483	55,386	162,741	218,127	159,855
2004	162,741	33,595	162,741	196,336	134,353
2005	(0)	11,804	162,741	174,545	111,531
Total		538,690	1,139,190	1,677,880	1,362,020

"Sharing" = 459,951

Duquesne Light Company
Stranded Cost "Sharing" Analysis
(\$ 000)

OCA Estimated Stranded Plant	1,139,190
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<u>DII Amortization Calculation</u>		
<u>Year</u>	<u>Annual Amortization</u>	<u>PV of Annual Rev. Req. @ 6.88%</u>
1999	162,741	156,077
2000	162,741	144,346
2001	162,741	133,497
2002	162,741	123,464
2003	162,741	114,185
2004	162,741	105,603
2005	162,741	97,667
Total	1,139,190	874,840

<u>Full Revenue Requirement Calculation</u>					
<u>Year</u>	<u>Net Plant Plus W.C.</u>	<u>Amortization</u>	<u>FAS 109 Related Deferred Taxes</u>	<u>Net Amortization</u>	<u>PV of Annual Rev. Req. @ 6.88%</u>
Beg. Bal	1,430,559				
1999	1,226,193	204,366	33,783	170,583	163,597
2000	1,021,828	204,366	33,783	170,583	151,301
2001	817,462	204,366	33,783	170,583	139,930
2002	613,097	204,366	33,783	170,583	129,413
2003	408,731	204,366	33,783	170,583	119,687
2004	204,366	204,366	33,783	170,583	110,692
2005	(0)	204,366	33,783	170,583	102,373
Total		1,430,559	236,480	1,194,079	916,991

"Sharing" = 42,152

Duquesne Light Company
Calculation of Unavoidable Costs
(\$Millions)

	<u>PV as of 12/31/98</u>			
	Perry	BV_2	Cheswick	Elrama
PV of Margin using Avoidable and Unavoidable Costs	(91.8)	(3.8)	(67.1)	(86.7)
PV of Unavoidable Costs				
Fixed O& M	4.6	2.5	5.3	6.7
Overhead Allocation	40.3	21.1	71.9	25.9
Property Taxes	43.3	0.0	0.0	0.0
FICA Taxes	0.0	0.0	0.2	0.2
Capital Stock Taxes	9.7	1.8	2.9	1.1
Employee Severance	4.1	4.1	3.6	4.7
Take-or Pay Contracts	0.0	0.0	6.7	2.0
Accelerated Decimmissioning Costs	24.6	14.1	10.5	4.9
Accelerated Shutdown Costs	6.7	6.1	0.0	0.0
Total Unavoidable Costs	133.2	49.6	101.0	45.5
PV of Margin using Avoidable Costs	41.4	45.8	33.9	(41.1)
Sunk Costs not included in Net Plant Values				
M&S Inventories	3.8	3.8	4.1	3.6
Unamortized Fuel Costs	13.5	12.3	0.0	0.0
Total M&S and Fuel-Related Sunk Costs	17.3	16.1	4.1	3.6

Duquesne Light Company
Adjustment to Deferred Rate Synchronization Costs
(\$ Millions)

Def. Rate Synch. Costs =	33.16	
Remaining life=	7.417	7.000
Discount Rate =	7.83%	

Amortization

	Company		DII	
	Nominal	PV	Nominal	PV
1999	4.666	4.493	4.471	4.306
2000	4.666	4.167	4.471	3.993
2001	4.666	3.864	4.471	3.703
2002	4.666	3.584	4.471	3.434
2003	4.666	3.323	4.471	3.185
2004	4.666	3.082	4.471	2.954
2005	4.666	2.858	4.471	2.739
2006	0.000	0.000	1.863	1.058
Revised Claim	32.659	25.371	33.160	25.371
Adjustment	0.5015			
Original Claim	33.160			

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate	41.4935%
Gross Receipts Tax Rate	0.0000%
Discount Rate	7.8320%
Return on Rate Base	9.6057%
Revenue Requirement for Return	13.3886%

	Balance 12/31/98	Net Balance 12/31/98	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
10-K Regulatory Assets																
(Allocated to Generation & Recovered Through Transition Plan)																
Unamortized Debt Premium/Discount	34.23	21.82														
Transition Plan Revenue Requirement																
Amortization			4.89	4.89	4.89	4.89	4.89	4.89	4.89							
Rate Base			21.82	18.71	15.59	12.47	9.36	6.24	3.12							
Revenue Requirement - Return on Rate Base			2.92	2.50	2.09	1.67	1.25	0.84	0.42							
Revenue Requirement - Amortization			4.89	4.89	4.89	4.89	4.89	4.89	4.89							
Total Revenue Requirement			7.81	7.39	6.98	6.56	6.14	5.73	5.31							
PV @ 1/1/99			35.01													
Traditional Ratemaking Revenue Requirement										3.25	3.25	3.25	3.25	3.09	3.08	3.07
Total amortization Unamortized Debt			0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.25	3.25	3.25	3.25	3.09	3.08	3.07
Percent allocated to generation (gross plant)			60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%	60.47%
Amortization Allocated to generation			0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.97	1.97	1.97	1.96	1.87	1.88	1.88
Unamortized Debt - BV2			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.43	0.43	0.43	0.43	0.43	0.43	0.43
Total Generation amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.39	2.39	2.39	2.39	2.30	2.29	2.28
Net of Tax			0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.40	1.40	1.40	1.40	1.34	1.34	1.34
Rate Base			21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	20.30	18.77	17.24	15.72	14.28	12.80
Revenue Requirement - Return on Rate Base			2.92	2.92	2.92	2.92	2.92	2.92	2.92	2.92	2.72	2.51	2.31	2.10	1.91	1.71
Revenue Requirement - Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.39	2.39	2.39	2.39	2.30	2.29	2.28
Total Revenue Requirement			2.92	2.92	2.92	2.92	2.92	2.92	2.92	5.32	5.11	4.91	4.70	4.40	4.20	4.00
PV @ 1/1/99			36.28													
PV Difference			(1.27)													
Beaver Valley 2 Sale/Leaseback Premium	16.51	9.66														
Transition Plan Revenue Requirement																
Amortization			2.36	2.36	2.36	2.36	2.36	2.36	2.36							
Rate Base			9.66	8.28	6.90	5.52	4.14	2.76	1.38							
Revenue Requirement - Return on Rate Base			1.29	1.11	0.92	0.74	0.55	0.37	0.18							
Revenue Requirement - Amortization			2.36	2.36	2.36	2.36	2.36	2.36	2.36							
Total Revenue Requirement			3.65	3.47	3.28	3.10	2.91	2.73	2.54							
PV @ 1/1/99			16.51													
Traditional Ratemaking Revenue Requirement										1.51	1.51	1.51	1.51	1.51	1.51	1.51
Amortization schedule			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Net of Tax			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Rate Base			9.66	9.66	9.66	9.66	9.66	9.66	9.66	9.66	8.78	7.90	7.02	6.14	5.26	4.38
Revenue Requirement - Return on Rate Base			1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.18	1.08	0.94	0.82	0.70	0.59
Revenue Requirement - Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.51	1.51	1.51	1.51	1.51	1.51	1.51
Total Revenue Requirement			1.29	1.29	1.29	1.29	1.29	1.29	1.29	2.80	2.88	2.56	2.44	2.33	2.21	2.09
PV @ 1/1/99			16.51													
PV Difference			0.00													
Deferred Rate Synch. Costs	32.66	30.26														
Transition Plan Revenue Requirement																
Amortization			4.67	4.67	4.67	4.67	4.67	4.67	4.67							
Revenue Requirement			4.67	4.67	4.67	4.67	4.67	4.67	4.67							
PV @ 1/1/99			24.43													
Traditional Ratemaking Revenue Requirement										1.83						
Amortization			4.40	4.40	4.40	4.40	4.40	4.40	4.40	1.83						
Revenue Requirement			4.40	4.40	4.40	4.40	4.40	4.40	4.40							
PV @ 1/1/99			24.06													
PV Difference			0.37													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate
 Gross Receipts Tax Rate
 Discount Rate
 Return on Rate Base
 Revenue Requirement for Return

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
10-K Regulatory Assets																	
(Allocated to Generation & Recovered Through Transition Plan)																	
Unamortized Debt Premium/Discount																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Total amortization Unamortized Debt	2.92	2.58	2.57	2.49	2.49	2.43	2.30	2.30	2.29	1.88	1.28	0.79	0.32	0.18	0.17	0.14	0.11
Percent allocated to generation (gross plant)	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%	80.47%
Amortization Allocated to generation	1.76	1.58	1.55	1.51	1.51	1.47	1.39	1.39	1.39	1.12	0.77	0.47	0.20	0.11	0.10	0.09	0.07
Unamortized Debt - BV?	0.43	0.43	0.43	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Generation amortization	2.19	1.99	1.98	1.55	1.51	1.47	1.39	1.39	1.39	1.12	0.77	0.47	0.20	0.11	0.10	0.09	0.07
Net of Tax	1.28	1.16	1.16	0.91	0.88	0.88	0.81	0.81	0.81	0.66	0.45	0.28	0.11	0.08	0.08	0.05	0.04
Rate Base	11.34	9.94	8.88	7.42	6.43	5.47	4.53	3.65	2.78	1.88	1.18	0.87	0.38	0.24	0.17	0.10	0.05
Revenue Requirement - Return on Rate Base	1.52	1.33	1.16	0.99	0.88	0.73	0.61	0.49	0.37	0.25	0.16	0.09	0.05	0.03	0.02	0.01	0.01
Revenue Requirement - Amortization	2.19	1.99	1.98	1.55	1.51	1.47	1.39	1.39	1.39	1.12	0.77	0.47	0.20	0.11	0.10	0.09	0.07
Total Revenue Requirement	3.71	3.32	3.14	2.54	2.37	2.20	2.00	1.88	1.76	1.37	0.93	0.56	0.24	0.14	0.13	0.10	0.07
PV @ 1/1/99																	
PV Difference																	
Beaver Valley 2 Sale/Leaseback Premium																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization schedule	1.51	1.51	1.51	1.48	0.00												
Net of Tax	0.88	0.88	0.88	0.88	0.00												
Rate Base	3.50	2.62	1.74	0.86	0.00												
Revenue Requirement - Return on Rate Base	0.47	0.35	0.23	0.11	0.00												
Revenue Requirement - Amortization	1.51	1.51	1.51	1.48	0.00												
Total Revenue Requirement	1.97	1.86	1.74	1.58	0.00												
PV @ 1/1/99																	
PV Difference																	
Deferred Rate Synch. Costs																	
Transition Plan Revenue Requirement																	
Amortization																	
Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization																	
Revenue Requirement																	
PV @ 1/1/99																	
PV Difference																	

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate	41.4935%
Gross Receipts Tax Rate	0.0000%
Discount Rate	7.8320%
Return on Rate Base	9.6057%
Revenue Requirement for Return	13.3866%

	Net		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Balance 12/31/98	Balance 12/31/98														
Deferred Employee Costs	17.80	17.80	(no deferred tax, item will reduce current tax during period amortized)													
Transition Plan Revenue Requirement																
Amortization			2.54	2.54	2.54	2.54	2.54	2.54	2.54							
Revenue Requirement			2.54	2.54	2.54	2.54	2.54	2.54	2.54							
PV @ 1/1/99			13.32													
Traditional Ratemaking Revenue Requirement																
Amortization			17.80													
Revenue Requirement			17.80													
PV @ 1/1/99			16.51													
PV Difference			(3.19)													
Deferred Nuclear Maintenance	3.25	1.90														
Transition Plan Revenue Requirement																
Amortization			0.48	0.48	0.48	0.48	0.48	0.48	0.48							
Rate Base			1.90	1.83	1.35	1.08	0.81	0.54	0.27							
Revenue Requirement - Return on Rate Base			0.25	0.22	0.18	0.15	0.11	0.07	0.04							
Revenue Requirement - Amortization			0.48	0.46	0.46	0.48	0.48	0.48	0.46							
Total Revenue Requirement			0.72	0.68	0.64	0.61	0.57	0.54	0.50							
PV @ 1/1/99			3.24													
Traditional Ratemaking Revenue Requirement																
Amortization			2.16	1.08												
Rate Base			1.90	0.63												
Revenue Requirement - Return on Rate Base			0.25	0.08												
Revenue Requirement - Amortization			2.16	1.08												
Total Revenue Requirement			2.42	1.17												
PV @ 1/1/99			3.24													
PV Difference			0.00													
DOE Decom & Decon	7.18	4.19														
Transition Plan Revenue Requirement																
Amortization			1.03	1.03	1.03	1.03	1.03	1.03	1.03							
Revenue Requirement			1.03	1.03	1.03	1.03	1.03	1.03	1.03							
PV @ 1/1/99			5.37													
Traditional Ratemaking Revenue Requirement																
Amortization			1.31	1.31	1.31	1.31	1.31	0.65								
Revenue Requirement			1.31	1.31	1.31	1.31	1.31	0.65								
PV @ 1/1/99			5.65													
PV Difference			(0.28)													
Deferred Coal Costs	13.50	13.50	(no deferred tax, item will reduce current tax during period amortized)													
Transition Plan Revenue Requirement																
Amortization			1.93	1.93	1.93	1.93	1.93	1.93	1.93							
Rate Base			7.90	6.77	5.84	4.51	3.39	2.26	1.13							
Revenue Requirement - Return on Rate Base			1.06	0.91	0.78	0.60	0.45	0.30	0.15							
Revenue Requirement - Amortization			1.93	1.93	1.93	1.93	1.93	1.93	1.93							
Total Revenue Requirement			2.99	2.83	2.68	2.53	2.38	2.23	2.06							
PV @ 1/1/99			13.50													
Traditional Ratemaking Revenue Requirement																
Amortization			6.75	6.75												
Rate Base			7.90	3.95												
Revenue Requirement - Return on Rate Base			1.06	0.53												
Revenue Requirement - Amortization			6.75	6.75												
Total Revenue Requirement			7.81	7.28												
PV @ 1/1/99			13.50													
PV Difference			0.00													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

	Effective Federal/State Tax Rate	41.4935%														
	Gross Receipts Tax Rate	0.0000%														
	Discount Rate	7.8320%														
	Return on Rate Base	9.6057%														
	Revenue Requirement for Return	13.3866%														
	Balance	Net Balance	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	12/31/98	12/31/98														
Deferred Caretaker Costs	6.77	3.92														
Transition Plan Revenue Requirement																
Amortization			0.97	0.97	0.97	0.97	0.97	0.97	0.97							
Rate Base			3.92	3.38	2.80	2.24	1.68	1.12	0.58							
Revenue Requirement - Return on Rate Base			0.52	0.45	0.37	0.30	0.22	0.15	0.07							
Revenue Requirement - Amortization			0.97	0.97	0.97	0.97	0.97	0.97	0.97							
Total Revenue Requirement			1.49	1.42	1.34	1.27	1.19	1.12	1.04							
PV @ 1/1/99			6.75													
Traditional Ratemaking Revenue Requirement																
Amortization			0.97	0.97	0.97	0.97	0.97	0.97	0.97							
Rate Base			3.92	3.38	2.80	2.24	1.68	1.12	0.58							
Revenue Requirement - Return on Rate Base			0.52	0.45	0.37	0.30	0.22	0.15	0.07							
Revenue Requirement - Amortization			0.97	0.97	0.97	0.97	0.97	0.97	0.97							
Total Revenue Requirement			1.49	1.42	1.34	1.27	1.19	1.12	1.04							
PV @ 1/1/99			6.75													
PV Difference			0.00													
BV2 Training Costs	2.42	1.58														
Transition Plan Revenue Requirement																
Amortization			0.35	0.35	0.35	0.35	0.35	0.35	0.35							
Rate Base			1.58	1.38	1.13	0.90	0.68	0.45	0.23							
Revenue Requirement - Return on Rate Base			0.21	0.18	0.15	0.12	0.09	0.06	0.03							
Revenue Requirement - Amortization			0.35	0.35	0.35	0.35	0.35	0.35	0.35							
Total Revenue Requirement			0.56	0.53	0.50	0.47	0.44	0.41	0.38							
PV @ 1/1/99			2.49													
Traditional Ratemaking Revenue Requirement																
Amortization			0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Rate Base			1.58	1.52	1.46	1.41	1.35	1.29	1.23	1.17	1.11	1.05	1.00	0.94	0.88	0.82
Revenue Requirement - Return on Rate Base			0.21	0.20	0.20	0.19	0.18	0.17	0.16	0.16	0.15	0.14	0.13	0.13	0.12	0.11
Revenue Requirement - Amortization			0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Total Revenue Requirement			0.30	0.29	0.29	0.28	0.27	0.26	0.25	0.25	0.24	0.23	0.22	0.21	0.21	0.20
PV @ 1/1/99			2.58													
PV Difference			(0.10)													
Low Level Rad. Waste	2.27	2.27 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.32	0.32	0.32	0.32	0.32	0.32	0.32							
Rate Base			1.33	1.14	0.95	0.76	0.57	0.38	0.19							
Revenue Requirement - Return on Rate Base			0.18	0.15	0.13	0.10	0.08	0.05	0.03							
Revenue Requirement - Amortization			0.32	0.32	0.32	0.32	0.32	0.32	0.32							
Total Revenue Requirement			0.50	0.48	0.45	0.43	0.40	0.38	0.35							
PV @ 1/1/99			2.27													
Traditional Ratemaking Revenue Requirement																
Amortization			0.32	0.32	0.32	0.32	0.32	0.32	0.32							
Rate Base			1.33	1.14	0.95	0.76	0.57	0.38	0.19							
Revenue Requirement - Return on Rate Base			0.18	0.15	0.13	0.10	0.08	0.05	0.03							
Revenue Requirement - Amortization			0.32	0.32	0.32	0.32	0.32	0.32	0.32							
Total Revenue Requirement			0.50	0.48	0.45	0.43	0.40	0.38	0.35							
PV @ 1/1/99			2.27													
PV Difference			0.00													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate
 Gross Receipts Tax Rate
 Discount Rate
 Return on Rate Base
 Revenue Requirement for Return

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Deferred Caretaker Costs																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
PV Difference																	
BV2 Training Costs																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Rate Base	0.76	0.70	0.84	0.59	0.53	0.47	0.41	0.35	0.29	0.23	0.18	0.12	0.08				
Revenue Requirement - Return on Rate Base	0.10	0.09	0.09	0.08	0.07	0.06	0.05	0.05	0.04	0.03	0.02	0.02	0.01				
Revenue Requirement - Amortization	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09				
Total Revenue Requirement	0.19	0.18	0.18	0.17	0.16	0.15	0.14	0.14	0.13	0.12	0.11	0.11	0.10				
PV @ 1/1/99																	
PV Difference																	
Low Level Rad. Waste																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
PV Difference																	

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate	41.4935%
Gross Receipts Tax Rate	0.0000%
Discount Rate	7.8320%
Return on Rate Base	9.6057%
Revenue Requirement for Return	13.3866%

	Balance 12/31/98	Net														
		Balance 12/31/98	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Coal Cost Equalization	0.12	0.12 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Rate Base			0.07	0.08	0.05	0.04	0.03	0.02	0.01							
Revenue Requirement - Return on Rate Base			0.01	0.01	0.01	0.01	0.00	0.00	0.00							
Revenue Requirement - Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Total Revenue Requirement			0.03	0.02	0.02	0.02	0.02	0.02	0.02							
PV @ 1/1/99			0.12													
Traditional Ratemaking Revenue Requirement																
Amortization			0.08	0.04												
Rate Base			0.07	0.02												
Revenue Requirement - Return on Rate Base			0.01	0.00												
Revenue Requirement - Amortization			0.08	0.04												
Total Revenue Requirement			0.09	0.04												
PV @ 1/1/99			0.12													
PV Difference			0.00													
Deferred Oxford Centre Costs	0.12	0.12 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Rate Base			0.07	0.08	0.05	0.04	0.03	0.02	0.01							
Revenue Requirement - Return on Rate Base			0.01	0.01	0.01	0.01	0.00	0.00	0.00							
Revenue Requirement - Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Total Revenue Requirement			0.03	0.03	0.02	0.02	0.02	0.02	0.02							
PV @ 1/1/99			0.12													
Traditional Ratemaking Revenue Requirement																
Amortization			0.03	0.03	0.03	0.03										
Rate Base			0.07	0.05	0.03	0.02										
Revenue Requirement - Return on Rate Base			0.01	0.01	0.00	0.00										
Revenue Requirement - Amortization			0.03	0.03	0.03	0.03										
Total Revenue Requirement			0.04	0.04	0.03	0.03										
PV @ 1/1/99			0.12													
PV Difference			(0.00)													
PA Deregulation Expenses	0.14	0.14 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Rate Base			0.08	0.07	0.06	0.05	0.04	0.02	0.01							
Revenue Requirement - Return on Rate Base			0.01	0.01	0.01	0.01	0.00	0.00	0.00							
Revenue Requirement - Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Total Revenue Requirement			0.03	0.03	0.03	0.03	0.02	0.02	0.02							
PV @ 1/1/99			0.14													
Traditional Ratemaking Revenue Requirement																
Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Rate Base			0.08	0.07	0.06	0.05	0.04	0.02	0.01							
Revenue Requirement - Return on Rate Base			0.01	0.01	0.01	0.01	0.00	0.00	0.00							
Revenue Requirement - Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Total Revenue Requirement			0.03	0.03	0.03	0.03	0.02	0.02	0.02							
PV @ 1/1/99			0.14													
PV Difference			0.00													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate	41.4935%
Gross Receipts Tax Rate	0.0000%
Discount Rate	7.8320%
Return on Rate Base	9.8057%
Revenue Requirement for Return	13.3866%

	Balance 12/31/98	Net														
		12/31/98	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Demand Side Management	0.10	0.10 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.08	0.05	0.04	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Revenue Requirement - Return on Rate Base			0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
PV @ 1/1/99			0.10													
Traditional Ratemaking Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.06	0.05	0.04	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Revenue Requirement - Return on Rate Base			0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
PV @ 1/1/99			0.10													
PV Difference			0.00													
Corporate Development Project	0.07	0.07 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.04	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Revenue Requirement - Return on Rate Base			0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
PV @ 1/1/99			0.07													
Traditional Ratemaking Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.04	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Revenue Requirement - Return on Rate Base			0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
PV @ 1/1/99			0.07													
PV Difference			0.00													
Section 211	0.06	0.06 (no deferred tax, item will reduce current tax during period amortized)														
Transition Plan Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.04	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Revenue Requirement - Return on Rate Base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
PV @ 1/1/99			0.06													
Traditional Ratemaking Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.04	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Revenue Requirement - Return on Rate Base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
PV @ 1/1/99			0.06													
PV Difference			0.00													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate	41.4935%
Gross Receipts Tax Rate	0.0000%
Discount Rate	7.8320%
Return on Rate Base	9.6057%
Revenue Requirement for Return	13.3866%

	Net															
	Balance 12/31/98	Balance 12/31/98	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1996 Management Audit	0.03		0.03 (no deferred tax, item will reduce current tax during period amortized)													
Transition Plan Revenue Requirement																
Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00							
Rate Base			0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.00						
Revenue Requirement - Return on Rate Base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Revenue Requirement - Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Total Revenue Requirement			0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.00						
PV @ 1/1/99			0.03													
Traditional Ratemaking Revenue Requirement																
Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Rate Base			0.02	0.01	0.01	0.01	0.01	0.01	0.00	0.00						
Revenue Requirement - Return on Rate Base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Revenue Requirement - Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Total Revenue Requirement			0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.00						
PV @ 1/1/99			0.03													
PV Difference			0.00													
Administrative & General	0.01		0.01 (no deferred tax, item will reduce current tax during period amortized)													
Transition Plan Revenue Requirement																
Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Rate Base			0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00						
Revenue Requirement - Return on Rate Base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Revenue Requirement - Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Total Revenue Requirement			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
PV @ 1/1/99			0.01													
Traditional Ratemaking Revenue Requirement																
Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Rate Base			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01						
Revenue Requirement - Return on Rate Base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Revenue Requirement - Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
Total Revenue Requirement			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
PV @ 1/1/99			0.01													
PV Difference			(0.00)													
Pre-Accrue Nuclear Outages	22.65	13.25														
Transition Plan Revenue Requirement																
Amortization			3.24	3.24	3.24	3.24	3.24	3.24	3.24	3.24						
Revenue Requirement			3.24	3.24	3.24	3.24	3.24	3.24	3.24	3.24						
PV @ 1/1/99			16.95													
Traditional Ratemaking Revenue Requirement																
Amortization			15.10	7.55												
Revenue Requirement			15.10	7.55												
PV @ 1/1/99			20.50													
PV Difference			(3.55)													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate 41.4935%
 Gross Receipts Tax Rate 0.0000%
 Discount Rate 7.8320%
 Return on Rate Base 9.6057%
 Revenue Requirement for Return 13.3866%

	Balance	Net Balance	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	12/31/98	12/31/98														
Gain on Sale/Leaseback	55.13	55.13														
Transition Plan Revenue Requirement																
Amortization			7.88	7.88	7.88	7.88	7.88	7.88	7.88							
Rate Base			55.13	47.28	39.38	31.50	23.63	15.75	7.88							
Revenue Requirement - Return on Rate Base			7.38	6.33	5.27	4.22	3.16	2.11	1.05							
Revenue Requirement - Amortization			13.46	13.46	13.46	13.46	13.46	13.46	13.46							
Total Revenue Requirement			20.84	19.79	18.73	17.68	16.62	15.57	14.52							
PV @ 1/1/99			94.23													
Traditional Ratemaking Revenue Requirement																
Amortization			3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Rate Base			55.13	52.13	49.13	46.13	43.13	40.13	37.13	34.13	31.13	28.13	25.13	22.13	19.13	16.13
Revenue Requirement - Return on Rate Base			7.38	6.98	6.58	6.18	5.77	5.37	4.97	4.57	4.17	3.77	3.38	2.98	2.58	2.18
Revenue Requirement - Amortization			5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13	5.13
Total Revenue Requirement			12.51	12.11	11.70	11.30	10.90	10.50	10.10	9.70	9.30	8.89	8.49	8.09	7.69	7.29
PV @ 1/1/99			94.23													
PV Difference			0.00													
Deferred Rate Synch. Costs	0.27	0.27														
Transition Plan Revenue Requirement																
Amortization			0.04	0.04	0.04	0.04	0.04	0.04	0.04							
Revenue Requirement			0.04	0.04	0.04	0.04	0.04	0.04	0.04							
PV @ 1/1/99			0.20													
Traditional Ratemaking Revenue Requirement																
Amortization			0.04	0.04	0.04	0.04	0.04	0.04	0.04							
Revenue Requirement			0.04	0.04	0.04	0.04	0.04	0.04	0.04							
PV @ 1/1/99			0.20													
PV Difference			0.00													
Beaver Valley 2	0.17	0.17														
Transition Plan Revenue Requirement																
Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Rate Base			0.17	0.14	0.12	0.09	0.07	0.05	0.02							
Revenue Requirement - Return on Rate Base			0.02	0.02	0.02	0.01	0.01	0.01	0.00							
Revenue Requirement - Amortization			0.02	0.02	0.02	0.02	0.02	0.02	0.02							
Total Revenue Requirement			0.05	0.04	0.04	0.04	0.03	0.03	0.03							
PV @ 1/1/99			0.20													
Traditional Ratemaking Revenue Requirement																
Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Rate Base			0.17	0.16	0.15	0.14	0.13	0.12	0.11	0.10	0.09	0.08	0.07	0.06	0.06	0.05
Revenue Requirement - Return on Rate Base			0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Revenue Requirement - Amortization			0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total Revenue Requirement			0.03	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
PV @ 1/1/99			0.22													
PV Difference			(0.03)													
Deferred Fuel Cost	14.81	8.66														
Transition Plan Revenue Requirement																
Amortization			2.12	2.12	2.12	2.12	2.12	2.12	2.12							
Revenue Requirement			2.12	2.12	2.12	2.12	2.12	2.12	2.12							
PV @ 1/1/99			11.08													
Traditional Ratemaking Revenue Requirement																
Amortization			14.81													
Revenue Requirement			14.81													
PV @ 1/1/99			13.73													
PV Difference			(2.65)													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate
 Gross Receipts Tax Rate
 Discount Rate
 Return on Rate Base
 Revenue Requirement for Return

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Gain on Sale/Leaseback																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization	3.00	3.00	3.00	3.00	1.13												
Rate Base	13.13	10.13	7.13	4.13	1.13												
Revenue Requirement - Return on Rate Base	1.76	1.36	0.95	0.55	0.15												
Revenue Requirement - Amortization	5.13	5.13	5.13	5.13	1.93												
Total Revenue Requirement	6.89	6.48	6.08	5.68	2.08												
PV @ 1/1/99																	
PV Difference																	
Deferred Rate Synch. Costs																	
Transition Plan Revenue Requirement																	
Amortization																	
Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization																	
Revenue Requirement																	
PV @ 1/1/99																	
PV Difference																	
Heaver Valley 2																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization	0.01	0.01	0.01	0.01													
Rate Base	0.04	0.03	0.02	0.01													
Revenue Requirement - Return on Rate Base	0.00	0.00	0.00	0.00	0.00												
Revenue Requirement - Amortization	0.01	0.01	0.01	0.01													
Total Revenue Requirement	0.01	0.01	0.01	0.01													
PV @ 1/1/99																	
PV Difference																	
Deferred Fuel Cost																	
Transition Plan Revenue Requirement																	
Amortization																	
Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization																	
Revenue Requirement																	
PV @ 1/1/99																	
PV Difference																	

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate 41.4935%
 Gross Receipts Tax Rate 0.0000%
 Discount Rate 7.8320%
 Return on Rate Base 9.8057%
 Revenue Requirement for Return 13.3886%

	Balance	Net Balance														
	<u>12/31/98</u>	<u>12/31/98</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Transition Costs	18.10	10.59														
Transition Plan Revenue Requirement																
Amortization			2.59	2.59	2.59	2.59	2.59	2.59	2.59							
Rate Base			10.59	9.08	7.58	6.05	4.54	3.03	1.51							
Revenue Requirement - Return on Rate Base			1.42	1.22	1.01	0.81	0.61	0.41	0.20							
Revenue Requirement - Amortization			2.59	2.59	2.59	2.59	2.59	2.59	2.59							
Total Revenue Requirement			4.00	3.80	3.60	3.40	3.19	2.99	2.79							
PV @ 1/1/99			18.10													
Traditional Ratemaking Revenue Requirement																
Amortization			18.10													
Rate Base			10.59													
Revenue Requirement - Return on Rate Base			1.42													
Revenue Requirement - Amortization			18.10													
Total Revenue Requirement			19.52													
PV @ 1/1/99			18.10													
PV Difference			(0.00)													
FAS 106 (amortized through 2013)	4.22	2.47														
Transition Plan Revenue Requirement																
Amortization			0.60	0.60	0.60	0.60	0.60	0.60	0.60							
Revenue Requirement			0.60	0.60	0.60	0.60	0.60	0.60	0.60							
PV @ 1/1/99			3.16													
Traditional Ratemaking Revenue Requirement																
Amortization			0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Revenue Requirement			0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.02	1.02	1.02	1.02	1.02	1.02	1.02
PV @ 1/1/99			3.16													
PV Difference			(0.00)													
Pre-2006 Unamortized Debt Cost	16.76	9.80														
Transition Plan Revenue Requirement																
Amortization			2.39	2.39	2.39	2.39	2.39	2.39	2.39							
Rate Base			9.80	8.40	7.00	5.60	4.20	2.80	1.40							
Revenue Requirement - Return on Rate Base			1.31	1.12	0.94	0.75	0.58	0.37	0.19							
Revenue Requirement - Amortization			2.39	2.39	2.39	2.39	2.39	2.39	2.39							
Total Revenue Requirement			3.71	3.52	3.33	3.14	2.98	2.77	2.58							
PV @ 1/1/99			16.76													
Traditional Ratemaking Revenue Requirement																
Amortization			2.39	2.39	2.39	2.39	2.39	2.39	2.39							
Rate Base			9.80	8.40	7.00	5.60	4.20	2.80	1.40							
Revenue Requirement - Return on Rate Base			1.31	1.12	0.94	0.75	0.58	0.37	0.19							
Revenue Requirement - Amortization			2.39	2.39	2.39	2.39	2.39	2.39	2.39							
Total Revenue Requirement			3.71	3.52	3.33	3.14	2.98	2.77	2.58							
PV @ 1/1/99			16.76													
PV Difference			0.00													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate	41.4835%
Gross Receipts Tax Rate	0.0000%
Discount Rate	7.8320%
Return on Rate Base	9.6057%
Revenue Requirement for Return	13.3866%

	Net		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Balance 12/31/98	Balance 12/31/99														
Pre-2006 BV2 Unamortized Debt Cost	3.02	1.77														
Transition Plan Revenue Requirement																
Amortization			0.43	0.43	0.43	0.43	0.43	0.43	0.43							
Rate Base			1.77	1.52	1.28	1.01	0.78	0.51	0.25							
Revenue Requirement - Return on Rate Base			0.24	0.20	0.17	0.14	0.10	0.07	0.03							
Revenue Requirement - Amortization			0.43	0.43	0.43	0.43	0.43	0.43	0.43							
Total Revenue Requirement			0.67	0.63	0.60	0.57	0.53	0.50	0.47							
PV @ 1/1/99			3.02													
Traditional Ratemaking Revenue Requirement																
Amortization			0.43	0.43	0.43	0.43	0.43	0.43	0.43							
Rate Base			1.77	1.52	1.28	1.01	0.78	0.51	0.25							
Revenue Requirement - Return on Rate Base			0.24	0.20	0.17	0.14	0.10	0.07	0.03							
Revenue Requirement - Amortization			0.43	0.43	0.43	0.43	0.43	0.43	0.43							
Total Revenue Requirement			0.67	0.63	0.60	0.57	0.53	0.50	0.47							
PV @ 1/1/99			3.02													
PV Difference			0.00													
Pre-2006 BV2 Sale Leaseback Premium	10.53	6.16														
Transition Plan Revenue Requirement																
Amortization			1.50	1.50	1.50	1.50	1.50	1.50	1.50							
Rate Base			6.16	5.28	4.40	3.52	2.64	1.76	0.88							
Revenue Requirement - Return on Rate Base			0.82	0.71	0.59	0.47	0.35	0.24	0.12							
Revenue Requirement - Amortization			1.50	1.50	1.50	1.50	1.50	1.50	1.50							
Total Revenue Requirement			2.33	2.21	2.09	1.98	1.86	1.74	1.62							
PV @ 1/1/99			10.53													
Traditional Ratemaking Revenue Requirement																
Amortization			1.50	1.50	1.50	1.50	1.50	1.50	1.50							
Rate Base			6.16	5.28	4.40	3.52	2.64	1.76	0.88							
Revenue Requirement - Return on Rate Base			0.82	0.71	0.59	0.47	0.35	0.24	0.12							
Revenue Requirement - Amortization			1.50	1.50	1.50	1.50	1.50	1.50	1.50							
Total Revenue Requirement			2.33	2.21	2.09	1.98	1.86	1.74	1.62							
PV @ 1/1/99			10.53													
PV Difference			0.00													

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

	Effective Federal/State Tax Rate	41.4935%														
	Gross Receipts Tax Rate	0.0000%														
	Discount Rate	7.8320%														
	Return on Rate Base	9.6057%														
	Revenue Requirement for Return	13.3866%														
	Balance	Net Balance														
	12/31/98	12/31/98	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
SFAS 109																
Transition Plan Revenue Requirement	236.48	179.00														
Amortization			33.78	33.78	33.78	33.78	33.78	33.78	33.78							
Rate Base			179.00	153.43	127.86	102.29	76.71	51.14	25.57							
Revenue Requirement - Return on Rate Base			23.96	20.54	17.12	13.69	10.27	6.85	3.42							
Revenue Requirement - Amortization			43.71	43.71	43.71	43.71	43.71	43.71	43.71							
Total Revenue Requirement			87.87	64.25	60.82	57.40	53.98	50.55	47.13							
PV @ 1/1/99			305.95													
Traditional Ratemaking Revenue Requirement																
Amortization			27.58	26.47	25.65	25.78	32.06	34.21	16.21	9.98	10.23	7.61	2.99	3.09	3.28	2.30
Rate Base			179.00	158.14	138.10	118.89	99.17	74.91	49.01	36.74	29.19	21.44	15.68	13.42	11.08	8.60
Revenue Requirement - Return on Rate Base			23.96	21.17	18.49	15.89	13.28	10.03	6.56	4.92	3.81	2.87	2.10	1.80	1.48	1.15
Revenue Requirement - Amortization			35.86	34.25	33.19	33.35	41.48	44.28	20.87	12.91	13.24	9.85	3.87	4.00	4.24	2.98
Total Revenue Requirement			59.62	55.42	51.67	49.24	54.75	54.29	27.53	17.83	17.14	12.72	5.97	5.79	5.73	4.13
PV @ 1/1/99			305.85													
PV Difference			0.00													
Total - All Regulatory Assets Itemized Above	519.37	394.82														
Add: Present Value Beaver Valley 2 Lease	<u>441.20</u>	<u>257.87</u>														
Total Regulatory Assets	960.58	652.68														
Total Net Present Value Difference	(10.70)															
Reconciliation with DJC-4 Regulatory Assets																
Total Regulatory Assets at 12/31/98 per DJC-4	810.59	573.92														
(1) Remove FAS 109 Plant	(62.94)	(45.38)														
(2) Add: Difference PV BV2 Lease																
PV BV2 Lease per revised schedule	441.20	257.87														
PV BV2 Lease per DJC-4	<u>227.78</u>	<u>133.27</u>														
Difference	213.42	124.60														
(3) Deduct: Difference Deferred Rate Synch. Costs																
Costs per revised schedule	32.86	30.28														
Costs per DJC-4	<u>33.18</u>	<u>30.72</u>														
Difference	(0.50)	(0.48)														
Total Adjustments to DJC-4 (1)+(2)+(3)	149.99	78.78														
Adjusted DJC-4	960.58	652.68														

Analysis of Regulatory Asset Recovery
 Transition Plan vs. Traditional Ratemaking
 Excludes effect of Gross Receipts Tax

Effective Federal/State Tax Rate
 Gross Receipts Tax Rate
 Discount Rate
 Return on Rate Base
 Revenue Requirement for Return

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
SFAS 109																	
Transition Plan Revenue Requirement																	
Amortization																	
Rate Base																	
Revenue Requirement - Return on Rate Base																	
Revenue Requirement - Amortization																	
Total Revenue Requirement																	
PV @ 1/1/99																	
Traditional Ratemaking Revenue Requirement																	
Amortization	1.79	1.66	(0.52)	1.29	1.54	0.15	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.38	0.46
Rate Base	6.88	5.50	4.25	4.64	3.66	2.50	2.38	2.10	1.81	1.52	1.23	0.95	0.66	0.37			
Revenue Requirement - Return on Rate Base	0.92	0.74	0.57	0.62	0.49	0.33	0.32	0.28	0.24	0.20	0.17	0.13	0.09	0.05			
Revenue Requirement - Amortization	2.32	2.15	(0.67)	1.87	1.99	0.19	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.83
Total Revenue Requirement	3.23	2.88	(0.10)	2.29	2.48	0.53	0.81	0.77	0.73	0.70	0.66	0.62	0.58	0.68			
PV @ 1/1/99																	
PV Difference																	

Total - All Regulatory Assets Itemized Above
 Add: Present Value Beaver Valley 2 Lease
 Total Regulatory Assets

Reconciliation with DJC-4 Regulatory Assets
 Total Regulatory Assets at 12/31/98 per DJC-4
 (1) Remove FAS 109 Plant
 (2) Add: Difference PV BV2 Lease
 PV BV2 Lease per revised schedule
 PV BV2 Lease per DJC-4
 Difference
 (3) Deduct: Difference Deferred Rate Synch. Costs
 Costs per revised schedule
 Costs per DJC-4
 Difference
 Total Adjustments to DJC-4 (1)+(2)+(3)
 Adjusted DJC-4

Duquesne Light Company

Beaver Valley Unit No . Lease Payments
(\$ Millions)

Year	Rent	Cash Exp.	Amortization		Total Lease_exp	0.0783	PV Factors @ 7.83%	Lease Pmt. Check	Total Lease Rev. Req.	Amortization Amount	Future Value Check
			Original Premium	Refinancing Premium		PV 1999 to 2017 @ 7.83%					
1997	44.0	2.0	0.4	1.5	47.9						
1998	44.1	2.0	0.5	1.5	48.1						
1997 to 1998	88.1	4.0	0.9	3.0	96.0						
1999	44.0	2.0	0.4	1.5	47.9	46.1	0.9630	47.9	95.6	47.7	77.9
2000	44.3	2.0	0.4	1.5	48.2	43.0	0.8931	48.2	95.9	47.7	72.2
2001	44.3	2.0	0.4	1.5	48.2	39.9	0.8282	48.2	95.9	47.7	67.0
2002	45.9	2.0	0.4	1.5	49.8	38.3	0.7681	49.8	97.5	47.7	62.1
2003	51.8	2.0	0.4	1.5	55.7	39.7	0.7123	55.7	103.4	47.7	57.6
2004	53.3	2.0	0.4	1.5	57.2	37.8	0.6606	57.2	104.9	47.7	53.4
2005	53.3	2.0	0.4	1.5	57.2	35.0	0.6126	57.2	104.9	47.7	49.5
1999 to 2005	336.9	14.0	2.8	10.5	364.2	279.8	5.4379	51.5			439.7
									2005 PV of Future Pmts		
2006	53.3	2.0	0.4	1.5	57.2	32.5	0.5681		55.1		
2007	53.3	2.0	0.4	1.5	57.2	30.1	0.5269		51.1		
2008	53.3	2.0	0.4	1.5	57.2	27.9	0.4886		47.4		
2009	53.3	2.0	0.4	1.5	57.2	25.9	0.4531		43.9		
2010	53.3	2.0	0.4	1.5	57.2	24.0	0.4202		40.7		
2011	53.3	2.0	0.4	1.5	57.2	22.3	0.3897		37.8		
2012	53.3	2.0	0.4	1.5	57.2	20.7	0.3614		35.0		
2013	53.3	2.0	0.4	1.5	57.2	19.2	0.3352		32.5		
2014	53.3	2.0	0.4	1.5	57.2	17.8	0.3108		30.1		
2015	53.3	2.0	0.4	1.5	57.2	16.5	0.2883		27.9		
2016	53.3	2.0	0.4	1.5	57.2	15.3	0.2673		25.9		
2017	26.7	2.0	0	0.1	28.8	7.1	0.2479		12.1		
2006 to 2016	613.0	24.0	4.4	16.6	658.0	259.4	Levelized Fut Pmts.	47.7	439.7		
Total	1,038.0	42.0	8.1	30.1	1,118.2	539.2					

Duquesne Light Company

Duquesne Light Security Ratings

	<u>S&P</u> <u>3/94</u>	<u>Moody's</u> <u>5/95</u>	<u>D&P</u> <u>7/95</u>	<u>Fitch</u> <u>10/95</u>
First Mortgage Bonds	BBB+	Baa1	A-	A-
Debentures	BBB	Baa2	BBB+	BBB+
Preferred	BBB	baa3	BBB	BBB+
MIPS	BBB	baa3	BBB	BBB+
Commercial Paper	A-2	P2	D-1-	F-1
Penn Fuel CP	A-2	P2	D-1-	N/R
DQU II Funding SLOBS	BBB	Baa3	BBB	N/R

Duquesne Light Company

Effect of Intervenors' Direct Case on Revenue, Earnings & Cash Flow, ROE

(Variance from Duquesne Direct Case in Millions of Dollars)

REVENUES

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
DLC	-	-	-	-	-	-	-
OCA	(141.7)	(142.0)	(126.1)	(147.1)	(234.7)	(240.9)	(271.3)
OTS	(46.8)	(57.0)	(57.1)	(56.2)	(56.9)	(61.1)	(48.6)
DII	(12.6)	(19.6)	(19.9)	(109.1)	(421.9)	(415.6)	(416.0)
HSS	(438.5)	(436.7)	(424.7)	(413.2)	(407.7)	(401.3)	(402.5)

EARNINGS AVAILABLE TO COMMON

DLC	-	-	-	-	-	-	-
OCA	(103.5)	(100.1)	(92.9)	(105.5)	(153.0)	(158.2)	(168.7)
OTS	(13.1)	(14.2)	(14.9)	(14.9)	(15.9)	(19.1)	(18.2)
DII	(224.9)	(220.1)	(215.8)	(199.3)	(155.8)	(151.8)	(142.1)
HSS	(124.0)	(116.8)	(108.9)	(100.2)	(92.7)	(87.5)	(78.2)

CASH FLOW (Funds from operations)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
DLC	-	-	-	-	-	-	-
OCA	(79.3)	(79.4)	(70.5)	(82.3)	(131.3)	(134.7)	(151.7)
OTS	(26.2)	(31.9)	(31.9)	(31.4)	(31.8)	(34.2)	(27.2)
DII	(7.0)	(11.0)	(11.1)	(61.0)	(236.0)	(232.5)	(232.7)
HSS	(245.3)	(244.3)	(237.5)	(231.1)	(228.0)	(224.5)	(225.1)

Duquesne Light Company

Effects of Intervenor's Direct Case on Financial Ratios

FUNDS FROM OPERATIONS TO TOTAL DEBT

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
DLC Rating	21.4% BBB	19.6% BBB	20.4% BBB	22.9% A	23.1% A	23.6% A	23.7% A
OCA Rating	16.1% BBB	14.2% BB	15.3% BB	16.8% BBB	13.3% BB	13.2% BB	11.7% BB
OTS Rating	19.6% BBB	17.4% BBB	18.1% BBB	20.5% BBB	20.6% BBB	20.8% BBB	21.4% BBB
DII Rating	21.0% BBB	18.9% BBB	19.7% BBB	18.7% BBB	6.1% B	6.3% B	5.8% B
HSS Rating	9.5% B	3.9% CCC	4.6% B	6.9% B	6.7% B	6.9% B	6.4% B

FUNDS FROM OPERATIONS INTEREST COVERAGE

DLC Rating	3.50 A	3.29 BBB	3.37 BBB	3.67 A	3.69 A	3.73 A	3.75 A
OCA Rating	2.87 BBB	2.64 BBB	2.78 BBB	2.96 BBB	2.55 BBB	2.53 BBB	2.37 BB
OTS Rating	3.25 BBB	2.99 BBB	3.07 BBB	3.36 BBB	3.36 BBB	3.37 BBB	3.46 BBB
DII Rating	3.39 BBB	3.14 BBB	3.23 BBB	3.12 BBB	1.69 BB	1.71 BB	1.67 BB
HSS Rating	1.70 BB	1.44 B	1.52 BB	1.78 BB	1.76 BB	1.78 BB	1.73 BB

Duquesne Light Company

Effects of Intervenor's Direct Case on Financial Ratios

PRE TAX INTEREST COVERAGE

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
DLC	2.08	2.06	2.05	2.03	2.14	2.32	2.36
Rating	BB	BB	BB	BB	BBB	BBB	BBB
OCA	0.99	0.92	0.97	0.73	0.13	0.18	(0.02)
Rating	B	B	B	B	CCC	CCC	CCC
OTS	1.98	1.89	1.87	1.85	1.94	2.08	2.14
Rating	BB	BB	BB	BB	BB	BB	BBB
DII	(0.39)	(0.45)	(0.46)	(0.32)	0.42	0.62	0.73
Rating	CC	CC	CC	CC	CCC	CCC	B
HSS	0.79	0.76	0.81	0.85	1.01	1.24	1.37
Rating	B	B	B	B	B	B	B

NET CASH FLOW TO CAPITAL EXPENDITURES

DLC	217.0%	189.2%	201.9%	245.8%	212.8%	166.7%	233.5%
Rating	AA	AA	AA	AA	AA	AA	AA
OCA	198.2%	165.6%	179.9%	219.6%	191.3%	161.4%	210.1%
Rating	AA	AA	AA	AA	AA	AA	AA
OTS	163.7%	129.3%	141.4%	178.7%	157.2%	134.0%	183.7%
Rating	AA	AA	AA	AA	AA	AA	AA
DII	377.4%	343.5%	357.5%	338.1%	98.9%	87.5%	100.9%
Rating	AA	AA	AA	AA	AA	A	AA
HSS	75.8%	42.2%	52.3%	88.5%	72.5%	57.0%	73.4%
Rating	A	BB	BBB	A	A	BBB	A

Duquesne Light Company

Effects of Intervenor's Direct Case on Financial Ratios

TOTAL DEBT TO TOTAL CAPITALIZATION

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
DLC Rating	59.1% BBB	59.3% BBB	59.5% BBB	59.8% BBB	60.1% BBB	60.3% BBB	60.6% BBB
OCA Rating	78.8% CCC	80.1% CCC	81.5% CC	83.2% CC	85.0% CC	86.1% CC	88.1% C
OTS Rating	63.6% BB	64.0% BB	64.5% BB	65.0% BB	65.6% BB	65.9% BB	66.5% BB
DII Rating	71.4% B	72.2% B	73.2% B	74.3% B	75.4% CCC	76.2% CCC	77.4% CCC
HSS Rating	88.1% C	88.2% C	88.3% C	88.4% C	88.6% C	88.6% C	88.7% C

COMPOSITE PROJECTED RATING

DLC	BBB	BBB	BBB	BBB	A	A	A
OCA	BB	BB	BB	BB	B	B	B
OTS	BBB	BBB	BBB	BBB	BBB	BBB	BBB
DII	BB	BB	BB	BB	B	B	BB
HSS	B	CCC	B	B	B	B	B

S & P Rating Benchmarks*

	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>BB</u>
Funds From Operations to Total Debt	32.0%	25.0%	19.0%	13.0%
Funds From Operations Interest Coverage	4.50	4.00	3.00	2.00
Pre Tax interest Coverage	4.00	3.50	2.50	1.75
Net Cash Flow to Capital Expenditures	110.0%	85.0%	60.0%	40.0%
Total Debt to Total Capitalization	42.0%	47.0%	54.0%	60.0%

*Benchmarks listed for average business position

Duquesne Light Company

Relative Cost Changes Due To Credit Rating

	<u>Credit Rating</u>	<u>Coupon Rate</u>	<u>.Increased Cost Due To Credit Quality</u>
	AA+/AA	6.72%	-
	AA-	6.75%	+ .03
Investment Grade	A+	6.81%	+ .06
	A	6.84%	+ .03
	A-	6.97%	+ .13
	BBB+	7.04%	+ .07
	BBB	7.16%	+ .12
	BBB-	7.23%	+ .07
<hr/>			
"Junk"	BB+	7.48%	+ .25
	BB	8.05%	+ .57
	BB-	8.64%	+ .59

Duquesne Light Company
Summary of
Net Book Value and Range of
Market Values at
12/31/1998
\$ Millions

Net Book Value

Generating Plant Assets	\$918
M&S and Fuel Related Sunk Costs	\$41
PV of Beaver Valley 2 Lease Expense	\$278
Regulatory Assets	\$374
Total Net Book Value	\$1,611

Costs Independent of Operation

Low	\$208
High	\$80
Delayed Entry	\$104

Market Value of Generation Portfolio

Low	
Decommissioning	(\$124)
Plant Margin	\$27
Total Low	(\$97)

High	
Decommissioning	(\$124)
Plant Margin	\$278
Total High	\$154

Delayed Entry	
Decommissioning	(\$124)
Plant Margin	\$159
Total Delayed Entry	\$35

Stranded Cost

Low	\$1,916
High	\$1,537
Delayed Entry	\$1,680

DUQUESNE LIGHT COMPANY

Plant Present Values

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

MARGIN STREAM BEGINNING 1/1/99

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	0.0	(13.9)	(13.9)
Sammis	0.0	(4.7)	(4.7)
Eastlake	0.0	(4.1)	(4.1)
Elrama	0.0	(20.7)	(20.7)
Mansfield 1	8.2	(7.4)	0.7
Mansfield 2	4.1	(0.5)	3.6
Mansfield 3	7.9	(1.4)	6.5
Brunot Island	0.0	(8.2)	(8.2)
Phillips	0.0	(5.6)	(5.6)
Total Fossil	20.2	(66.5)	(46.3)
<u>Nuclear Plants:</u>			
Beaver Valley 1	7.2	(25.5)	(18.3)
Beaver Valley 2	0.0	(10.3)	(10.3)
Perry	0.0	(21.6)	(21.6)
Total Nuclear	7.2	(57.4)	(50.2)
TOTAL PLANTS	\$27.4	(\$123.9)	(\$96.5)

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
CHESWICK																
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12
Unit Output (gwh)	3,791	3,837	3,662	4,017	3,922	3,471	4,147	4,235	4,062	4,425	4,231	3,707	4,413	4,249	4,062	4,374
Delivered Output (gwh)	3,608	3,652	3,485	3,823	3,733	3,303	3,947	4,030	3,866	4,211	4,027	3,528	4,200	4,044	3,866	4,163
Revenues	69.28	74.18	74.65	86.08	88.41	82.99	103.34	136.32	134.03	149.66	146.69	131.73	160.72	158.62	155.44	171.57
Fuel-Related Expenses																
Fuel Costs	44.97	47.14	46.27	51.78	51.87	47.65	58.41	61.67	60.69	68.62	70.81	65.11	79.74	79.21	78.70	88.19
Fuel Related ECR Costs	0.90	0.92	0.95	0.97	1.00	1.03	1.05	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32
NOx Emissions	5.27	5.46	5.41	6.56	6.59	5.42	7.82	8.24	8.17	9.60	9.34	7.63	10.85	10.87	10.49	12.08
SO2 Emissions	0.63	0.73	3.41	4.27	4.42	3.86	5.59	6.16	6.23	7.64	7.69	6.64	9.49	9.68	9.71	11.70
Total Fuel	51.77	54.25	56.04	63.58	63.88	57.95	72.86	77.14	76.21	87.00	89.01	80.58	101.32	101.03	100.20	113.29
Non-fuel O&M Expenses																
Variable O&M	2.78	2.89	2.83	3.18	3.19	2.90	3.56	3.73	3.67	4.11	4.03	3.62	4.43	4.38	4.30	4.75
Fixed O&M	13.05	12.06	14.00	13.66	12.42	9.88	14.56	13.15	15.38	15.33	14.11	9.12	16.38	15.26	17.69	17.55
Overhaul	0.00	0.00	0.00	0.00	0.00	15.86	0.00	0.00	0.00	0.00	0.00	18.56	0.00	0.00	0.00	0.00
Subtotal	15.83	14.95	16.83	16.84	15.61	28.64	18.12	16.88	19.06	19.43	18.14	31.30	20.81	19.63	21.98	22.30
Carbon Injection Costs							2.68	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07
FICA	0.47	0.50	0.53	0.53	0.48	0.42	0.52	0.53	0.57	0.58	0.52	0.43	0.58	0.60	0.67	0.68
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Total Non-fuel	18.02	17.16	19.08	19.09	17.82	30.79	23.05	22.14	24.14	24.54	23.47	35.96	26.04	25.28	27.50	27.76
Capital Expenditures	7.17	12.20	4.79	4.93	20.21	44.57	5.40	5.56	5.72	5.89	6.08	15.46	4.96	3.58	2.12	1.53
Direct Expenses	76.95	83.62	79.91	87.61	101.90	133.30	101.31	104.83	106.07	117.43	118.55	132.01	132.31	129.89	129.82	142.58
Direct Margin	(7.68)	(9.44)	(5.26)	(1.52)	(13.49)	(50.32)	2.03	31.48	27.95	32.22	28.14	(0.28)	28.41	28.73	25.63	28.98
Overhead Allocation	10.47	12.69	12.42	13.43	15.53	19.24	15.93	16.73	17.26	18.61	19.02	21.48	20.99	21.40	22.63	23.68
Expenses incl. Corp O/H	87.42	96.31	92.33	101.04	117.43	152.54	117.24	121.57	123.33	136.04	137.57	153.49	153.30	151.29	152.45	166.27
Margin after Corp O/H	(18.15)	(22.12)	(17.68)	(14.96)	(29.02)	(69.56)	(13.91)	14.75	10.69	13.62	9.12	(21.76)	7.42	7.33	2.99	5.30
Costs per kwh (cents)																
Fuel	1.51	1.56	1.69	1.75	1.80	1.84	1.94	2.01	2.07	2.16	2.31	2.39	2.52	2.61	2.70	2.84
Non-fuel	0.50	0.47	0.55	0.50	0.48	0.93	0.58	0.55	0.62	0.58	0.58	1.02	0.62	0.63	0.71	0.67
Capital Expenditures	0.20	0.33	0.14	0.13	0.54	1.35	0.14	0.14	0.15	0.14	0.15	0.44	0.12	0.09	0.05	0.04
Direct Expenses	2.21	2.37	2.37	2.37	2.82	4.12	2.66	2.69	2.84	2.89	3.04	3.84	3.26	3.32	3.47	3.54
Direct Margin	(0.34)	(0.40)	(0.29)	(0.18)	(0.51)	(1.69)	(0.10)	0.69	0.63	0.67	0.60	(0.11)	0.57	0.60	0.55	0.58
Overhead Allocation	0.29	0.35	0.36	0.35	0.42	0.58	0.40	0.42	0.45	0.44	0.47	0.61	0.50	0.53	0.59	0.57
Expenses incl. Corp O/H	2.50	2.72	2.73	2.73	3.23	4.71	3.06	3.11	3.29	3.33	3.52	4.45	3.76	3.85	4.05	4.11
Margin after Corp O/H	(0.63)	(0.75)	(0.65)	(0.54)	(0.92)	(2.28)	(0.50)	0.27	0.18	0.23	0.13	(0.72)	0.07	0.07	(0.03)	0.01
NPV of Margin after O/H	(67.1)							23.6								
NPV of Decommissioning	13.9							23.6								
NPV OF NET MARGIN	(81.0)							0.1								

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

SAMMIS	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73
Unit Output (gwh)	1,258	1,381	1,167	1,389	1,304	1,418	1,315	1,558	1,290	1,563	1,437	1,537
Delivered Output (gwh)	1,206	1,324	1,119	1,331	1,250	1,359	1,261	1,493	1,236	1,498	1,378	1,474
Revenues	23.35	26.97	23.87	30.12	29.80	34.11	33.33	50.51	42.86	53.24	50.19	55.02
Fuel-Related Expenses												
Fuel Costs	15.94	18.62	16.46	19.99	19.48	21.51	20.63	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	1.67	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	(0.70)	(0.65)	0.32	0.57	0.52	0.69	0.61	0.98	0.66	1.14	1.02	1.27
Total Fuel	15.26	18.00	16.80	20.59	20.02	22.23	22.94	26.83	22.80	29.08	27.75	31.03
Non-fuel O&M Expenses												
Variable O&M	1.68	1.83	1.51	1.84	1.78	1.97	1.88	2.29	1.93	2.40	2.26	2.48
Fixed O&M	5.72	3.68	3.33	3.71	5.00	4.01	5.22	4.29	3.75	4.80	4.63	4.71
Overhaul	0.00	0.00	3.45	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00
Subtotal	7.39	5.51	8.29	5.54	6.78	5.98	7.10	6.58	9.68	7.19	6.89	7.18
FICA	0.22	0.18	0.15	0.18	0.21	0.20	0.21	0.21	0.17	0.21	0.20	0.24
Property Tax	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49
Cap Stock Tax	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	9.41	7.48	10.24	7.51	8.78	7.97	9.10	8.58	11.64	9.20	8.88	9.22
Capital Expenditures	1.33	0.19	3.59	1.11	1.36	0.44	1.43	0.22	4.16	0.49	1.59	0.52
Direct Expenses	25.99	25.67	30.63	29.21	30.17	30.65	33.47	35.63	38.60	38.77	38.21	40.76
Direct Margin	(2.64)	1.30	(6.76)	0.92	(0.37)	3.46	(0.14)	14.88	4.26	14.47	11.98	14.26
Overhead Allocation	3.54	3.89	4.76	4.48	4.60	4.42	5.26	5.69	6.28	6.14	6.13	6.63
Expenses incl. Corp O/H	29.53	29.57	35.39	33.69	34.77	35.07	38.74	41.32	44.89	44.91	44.34	47.39
Margin after Corp O/H	(6.18)	(2.60)	(11.52)	(3.56)	(4.97)	(0.96)	(5.40)	9.19	(2.03)	8.33	5.85	7.62
Costs per kwh (cents)												
Fuel	1.40	1.50	1.64	1.68	1.74	1.78	1.97	1.95	2.00	2.10	2.18	2.27
Non-fuel	0.78	0.57	0.91	0.56	0.70	0.59	0.72	0.57	0.94	0.61	0.64	0.63
Capital Expenditures	0.11	0.01	0.32	0.08	0.11	0.03	0.11	0.01	0.34	0.03	0.12	0.04
Direct Expenses	2.29	2.08	2.87	2.33	2.56	2.40	2.80	2.54	3.28	2.75	2.94	2.93
Direct Margin	(0.42)	(0.11)	(0.79)	(0.14)	(0.25)	0.03	(0.24)	0.84	0.19	0.81	0.71	0.80
Overhead Allocation	0.29	0.29	0.43	0.34	0.37	0.33	0.42	0.38	0.51	0.41	0.44	0.45
Expenses incl. Corp O/H	2.59	2.37	3.30	2.67	2.92	2.73	3.22	2.92	3.79	3.16	3.38	3.38
Margin after Corp O/H	(0.72)	(0.40)	(1.22)	(0.48)	(0.61)	(0.30)	(0.66)	0.46	(0.32)	0.40	0.26	0.35
NPV of Margin after O/H	(8.2)							14.0				
NPV of Decommissioning	4.7							8.0				
NPV OF NET MARGIN	(12.9)							6.0				

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
EASTLAKE													
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83
Unit Output (gwh)	1,216	1,097	1,230	1,078	1,105	1,187	1,004	1,206	1,367	1,208	1,205	1,267	1,123
Delivered Output (gwh)	1,158	1,045	1,172	1,027	1,053	1,131	956	1,149	1,302	1,151	1,148	1,207	1,069
Revenues	22.32	21.06	25.08	23.20	24.87	28.08	25.27	38.85	45.13	40.91	41.82	45.08	40.92
Fuel-Related Expenses													
Fuel Costs	13.25	12.29	14.20	12.83	13.52	14.93	13.05	15.96	18.60	16.95	17.43	18.85	17.19
Fuel Related ECR Costs	0.10	0.10	0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.85	1.05	1.24	1.14	1.19	1.30	1.20
SO2 Emissions	2.44	2.22	3.77	3.47	3.84	4.50	3.97	5.26	6.57	6.12	6.57	7.51	7.00
Total Fuel	15.79	14.62	18.07	16.40	17.46	19.54	17.98	22.38	26.52	24.33	25.31	27.78	25.52
Non-fuel O&M Expenses													
Variable O&M	1.40	1.30	1.49	1.34	1.41	1.56	1.35	1.67	1.94	1.76	1.80	1.95	1.77
Fixed O&M	3.93	4.11	4.51	4.86	4.49	4.99	4.75	4.73	5.17	5.54	5.14	5.76	5.37
Overhaul	0.05	0.00	0.00	0.00	0.00	0.41	1.39	0.00	0.00	0.00	0.00	0.64	1.43
Subtotal	5.39	5.41	6.00	6.20	5.90	6.96	7.50	6.40	7.11	7.30	6.94	8.35	8.57
FICA	0.16	0.18	0.19	0.20	0.18	0.22	0.18	0.20	0.21	0.22	0.20	0.26	0.20
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	7.08	7.12	7.73	7.94	7.62	8.71	9.21	8.14	8.86	9.05	8.68	10.14	10.31
Capital Expenditures	2.02	0.55	5.38	6.00	1.68	3.16	3.60	2.39	0.66	0.91	0.91	1.06	0.78
Direct Expenses	24.90	22.29	31.17	30.34	26.76	31.42	30.80	32.91	36.05	34.30	34.90	38.98	36.61
Direct Margin	(2.59)	(1.23)	(6.09)	(7.14)	(1.89)	(3.34)	(5.52)	5.94	9.08	6.61	6.91	6.09	4.31
Overhead Allocation	3.39	3.38	4.84	4.65	4.08	4.54	4.84	5.25	5.87	5.43	5.60	6.34	5.81
Expenses incl. Corp O/H	28.29	25.68	36.02	34.99	30.84	35.95	35.64	38.16	41.91	39.73	40.50	45.33	42.42
Margin after Corp O/H	(5.98)	(4.61)	(10.93)	(11.80)	(5.97)	(7.87)	(10.37)	0.69	3.21	1.17	1.31	(0.25)	(1.49)
Costs per kwh (cents)													
Fuel	1.48	1.52	1.67	1.73	1.79	1.87	2.02	2.09	2.19	2.27	2.36	2.46	2.55
Non-fuel	0.61	0.68	0.66	0.77	0.72	0.77	0.96	0.71	0.68	0.79	0.76	0.84	0.96
Capital Expenditures	0.17	0.05	0.46	0.58	0.16	0.28	0.38	0.21	0.05	0.08	0.08	0.09	0.07
Direct Expenses	2.27	2.26	2.79	3.09	2.68	2.92	3.36	3.01	2.92	3.13	3.20	3.39	3.59
Direct Margin	(0.40)	(0.29)	(0.71)	(0.90)	(0.37)	(0.49)	(0.80)	0.37	0.55	0.42	0.44	0.34	0.24
Overhead Allocation	0.29	0.32	0.41	0.45	0.39	0.40	0.51	0.46	0.45	0.47	0.49	0.53	0.54
Expenses incl. Corp O/H	2.56	2.58	3.20	3.54	3.06	3.32	3.87	3.47	3.37	3.61	3.69	3.92	4.13
Margin after Corp O/H	(0.69)	(0.61)	(1.12)	(1.35)	(0.75)	(0.89)	(1.31)	(0.09)	0.10	(0.05)	(0.04)	(0.18)	(0.30)
NPV of Margin after O/H	(24.1)							2.5					
NPV of Decommissioning	4.1							7.0					
NPV OF NET MARGIN	(28.3)							(4.5)					

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

ELRAMA	1999	2000	2001	2002	2003	2004	2005	2006
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43		
Unit Output (gwh)	2,789	2,801	2,810	2,986	2,662	3,040		
Delivered Output (gwh)	2,502	2,513	2,521	2,679	2,388	2,728		
Revenues	47.74	50.32	53.43	59.76	56.26	67.31	0.00	
Fuel-Related Expenses								
Fuel Costs	31.50	30.75	31.73	34.55	31.94	37.27		
Fuel Related ECR Costs	6.63	6.81	7.00	7.45	7.15	7.90		
NOx Emissions	5.99	6.33	6.60	7.55	6.46	8.41		
SO2 Emissions	0.55	0.62	(0.31)	(0.29)	(0.40)	(0.32)		
Total Fuel	44.67	44.51	45.02	49.26	45.15	53.27		
Non-fuel O&M Expenses								
Variable O&M	2.80	2.89	2.98	3.24	2.97	3.48		
Fixed O&M	16.16	16.23	17.28	17.11	17.62	17.78		
Overhaul	3.80	1.70	0.00	0.00	3.00	0.00		
Subtotal	22.76	20.82	20.26	20.35	23.59	21.26		
FICA	0.56	0.63	0.64	0.65	0.64	0.70		
Property Tax	0.62	0.62	0.62	0.62	0.62	0.62		
Cap Stock Tax	0.65	0.65	0.65	0.65	0.65	0.65		
Total Non-fuel	24.60	22.72	22.17	22.27	25.50	23.24		
Capital Expenditures	6.13	8.54	5.66	2.73	1.51	1.05		
Direct Expenses	75.39	75.78	72.85	74.26	72.16	77.56		
Direct Margin	(27.66)	(25.46)	(19.42)	(14.50)	(15.90)	(10.25)		
Overhead Allocation	10.26	11.50	11.32	11.39	11.00	11.20		
Expenses incl. Corp O/H	85.65	87.27	84.17	85.65	83.15	88.75		
Margin after Corp O/H	(37.92)	(36.95)	(30.73)	(25.88)	(26.90)	(21.44)		
Costs per kwh (cents)								
Fuel	1.90	1.89	1.90	1.96	2.01	2.08		
Non-fuel	0.98	0.90	0.88	0.83	1.07	0.85		
Capital Expenditures	0.24	0.34	0.22	0.10	0.06	0.04		
Direct Expenses	3.13	3.13	3.01	2.89	3.15	2.97		
Direct Margin	(1.26)	(1.16)	(0.93)	(0.70)	(0.84)	(0.54)		
Overhead Allocation	0.41	0.46	0.45	0.43	0.46	0.41		
Expenses incl. Corp O/H	3.54	3.59	3.46	3.32	3.61	3.38		
Margin after Corp O/H	(1.67)	(1.62)	(1.38)	(1.13)	(1.30)	(0.95)		
NPV of Margin after O/H	(86.7)						0.0	
NPV of Decommissioning	20.7						35.0	
NPV OF NET MARGIN	(107.4)						(35.0)	

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MANSFIELD 1																	
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22
Unit Output (gwh)	1,721	1,378	1,860	1,869	1,693	1,885	1,886	1,519	1,973	1,978	1,781	1,973	1,973	1,632	1,865	1,973	1,951
Delivered Output (gwh)	1,561	1,249	1,687	1,695	1,535	1,709	1,710	1,377	1,789	1,794	1,615	1,789	1,789	1,480	1,691	1,789	1,769
Revenues	30.36	25.36	35.66	37.70	35.93	42.28	44.52	46.58	62.01	63.74	58.83	66.79	68.46	58.06	67.98	73.72	74.72
Fuel-Related Expenses																	
Fuel Costs	25.23	13.65	18.12	18.64	17.38	19.89	20.47	16.86	22.55	23.25	21.55	24.55	25.26	21.48	25.28	27.49	27.98
Fuel Related ECR Costs	3.27	2.72	3.70	3.81	3.57	4.05	4.16	3.49	4.58	4.71	4.38	4.95	5.08	4.36	5.08	5.51	5.59
NOx Emissions	3.04	2.31	3.67	3.84	3.55	4.21	4.40	3.36	5.02	5.23	4.76	5.67	5.92	4.68	5.94	6.70	6.86
SO2 Emissions	(0.13)	(0.19)	(0.21)	(0.23)	(0.28)	(0.26)	(0.28)	(0.39)	(0.31)	(0.33)	(0.41)	(0.39)	(0.43)	(0.58)	(0.53)	(0.53)	(0.58)
Total Fuel	31.41	18.49	25.28	26.06	24.21	27.88	28.75	23.32	31.84	32.87	30.28	34.77	35.84	29.95	35.76	39.16	39.85
Non-fuel O&M Expenses																	
Variable O&M	2.92	2.19	2.94	3.04	2.83	3.21	3.30	2.73	3.63	3.73	3.44	3.90	4.01	3.39	3.97	4.31	4.37
Fixed O&M	4.41	3.10	3.34	3.22	4.77	4.06	4.28	3.52	3.88	3.37	5.83	4.45	4.71	4.74	3.68	3.74	7.33
Overhaul	0.00	2.76	0.00	0.00	0.00	0.00	0.00	2.93	0.00	0.00	0.00	0.00	0.00	2.59	0.81	0.00	0.00
Subtotal	7.33	8.04	6.28	6.26	7.60	7.28	7.58	9.18	7.51	7.10	9.27	8.35	8.72	10.71	8.46	8.06	11.70
FICA	0.22	0.18	0.20	0.20	0.23	0.24	0.22	0.20	0.22	0.21	0.27	0.28	0.24	0.25	0.23	0.24	0.24
Property Tax	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Cap Stock Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Non-fuel	8.52	9.20	7.45	7.43	8.81	8.50	8.78	10.35	8.71	8.29	10.51	9.61	9.94	11.94	9.67	9.28	12.92
Capital Expenditures	0.92	3.41	0.45	0.84	2.97	1.97	0.70	3.20	0.40	0.75	3.45	0.43	0.82	3.72	0.47	0.89	0.86
Direct Expenses	40.86	31.10	33.18	34.34	35.99	38.34	38.22	36.88	40.95	41.91	44.24	44.81	46.59	45.61	45.91	49.33	53.63
Direct Margin	(10.49)	(5.74)	2.48	3.36	(0.06)	3.93	6.29	9.70	21.07	21.83	14.58	21.98	21.87	12.45	22.08	24.40	21.09
Overhead Allocation	5.56	4.72	5.16	5.27	5.48	5.54	6.01	5.89	6.66	6.64	7.10	7.29	7.39	7.51	8.00	8.19	9.42
Expenses incl. Corp O/H	46.42	35.81	38.34	39.61	41.47	43.88	44.23	42.77	47.61	48.55	51.34	52.10	53.98	53.12	53.91	57.52	63.05
Margin after Corp O/H	(16.05)	(10.45)	(2.68)	(1.91)	(5.55)	(1.60)	0.28	3.81	14.41	15.19	7.49	14.69	14.48	4.94	14.07	16.20	11.67
Costs per kwh (cents)																	
Fuel	2.20	1.65	1.67	1.72	1.76	1.82	1.87	1.89	1.98	2.04	2.09	2.16	2.23	2.25	2.35	2.43	2.50
Non-fuel	0.55	0.74	0.44	0.44	0.57	0.50	0.51	0.75	0.49	0.46	0.65	0.54	0.56	0.81	0.57	0.52	0.73
Capital Expenditures	0.06	0.27	0.03	0.05	0.19	0.11	0.04	0.23	0.02	0.04	0.21	0.02	0.05	0.25	0.03	0.05	0.05
Direct Expenses	2.80	2.66	2.14	2.21	2.53	2.43	2.43	2.88	2.49	2.54	2.95	2.72	2.83	3.31	2.95	3.00	3.28
Direct Margin	(0.93)	(0.69)	(0.06)	(0.02)	(0.22)	(0.00)	0.13	0.51	0.97	1.01	0.69	1.01	1.00	0.61	1.07	1.12	0.95
Overhead Allocation	0.36	0.38	0.31	0.31	0.36	0.32	0.35	0.43	0.37	0.37	0.44	0.41	0.41	0.51	0.47	0.46	0.53
Expenses incl. Corp O/H	3.16	3.04	2.45	2.52	2.89	2.76	2.78	3.30	2.86	2.91	3.39	3.13	3.24	3.82	3.42	3.46	3.81
Margin after Corp O/H	(1.29)	(1.07)	(0.37)	(0.33)	(0.58)	(0.33)	(0.22)	0.08	0.60	0.64	0.25	0.60	0.59	0.10	0.60	0.66	0.41
NPV of Margin after O/H	8.2							46.9									
NPV of Decommissioning	7.4							12.6									
NPV OF NET MARGIN	0.7							34.3									

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
MANSFIELD 2																		
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33
Unit Output (gwh)	475	509	393	518	520	483	524	549	423	550	548	496	549	550	423	549	549	541
Delivered Output (gwh)	432	463	358	472	473	440	477	500	385	501	499	452	500	501	385	500	500	493
Revenues	8.43	9.32	7.59	10.51	11.11	10.87	12.42	16.90	13.34	17.81	18.18	16.87	19.12	19.66	15.47	20.60	21.11	21.34
Fuel-Related Expenses																		
Fuel Costs	6.89	4.97	3.79	5.11	5.27	5.04	5.62	6.02	4.77	6.39	6.55	6.10	6.95	7.16	5.66	7.56	7.78	7.89
Fuel Related ECR Costs	0.90	0.98	0.79	1.06	1.09	1.04	1.16	1.24	0.99	1.31	1.34	1.25	1.41	1.45	1.16	1.53	1.57	1.59
NOx Emissions	0.87	0.99	0.72	1.10	1.15	1.10	1.26	1.38	1.00	1.50	1.56	1.43	1.70	1.78	1.29	1.92	2.00	2.05
SO2 Emissions	(0.04)	(0.04)	(0.09)	(0.08)	(0.08)	(0.10)	(0.10)	(0.10)	(0.14)	(0.11)	(0.12)	(0.13)	(0.15)	(0.16)	(0.22)	(0.18)	(0.20)	(0.22)
Total Fuel	8.61	6.90	5.21	7.19	7.43	7.08	7.95	8.55	6.64	9.09	9.33	8.63	9.91	10.24	7.90	10.83	11.16	11.31
Non-fuel O&M Expenses																		
Variable O&M	0.81	0.81	0.62	0.85	0.87	0.79	0.92	0.99	0.78	1.04	1.06	0.99	1.12	1.15	0.90	1.21	1.23	1.25
Fixed O&M	1.20	0.84	0.91	0.88	1.30	1.11	1.16	0.96	1.05	0.92	1.58	1.21	1.28	1.29	1.00	1.02	2.01	1.59
Overhaul	0.00	0.00	0.22	0.00	0.00	0.00	0.00	0.00	0.82	0.00	0.00	0.00	0.00	0.00	0.95	0.00	0.00	0.00
Subtotal	2.01	1.65	2.45	1.72	2.17	1.90	2.08	1.95	2.65	1.96	2.65	2.20	2.40	2.44	2.85	2.22	3.24	2.83
FICA	0.06	0.05	0.05	0.05	0.07	0.06	0.06	0.06	0.05	0.06	0.08	0.07	0.07	0.07	0.06	0.07	0.07	0.10
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	2.33	1.97	2.76	2.04	2.50	2.23	2.41	2.27	2.98	2.28	2.99	2.53	2.73	2.78	3.18	2.56	3.58	3.20
Capital Expenditures	0.22	0.25	0.71	0.12	0.15	1.30	0.07	0.17	0.87	0.08	0.18	0.93	0.09	0.19	1.01	0.09	0.21	0.17
Direct Expenses	11.16	9.12	8.68	9.36	10.08	10.61	10.43	10.99	10.48	11.45	12.49	12.10	12.73	13.21	12.08	13.48	14.94	14.68
Direct Margin	(2.72)	0.20	(1.10)	1.15	1.03	0.25	1.99	5.91	2.86	6.36	5.68	4.77	6.39	6.45	3.39	7.12	6.16	6.66
Overhead Allocation	1.52	1.38	1.35	1.43	1.54	1.53	1.64	1.75	1.71	1.81	2.00	1.97	2.02	2.18	2.11	2.24	2.62	2.16
Expenses incl. Corp O/H	12.68	10.51	10.03	10.79	11.62	12.14	12.07	12.74	12.18	13.27	14.50	14.07	14.75	15.38	14.19	15.72	17.57	16.84
Margin after Corp O/H	(4.24)	(1.18)	(2.45)	(0.28)	(0.51)	(1.28)	0.35	4.16	1.16	4.54	3.68	2.80	4.37	4.27	1.28	4.88	3.54	4.50
Costs per kwh (cents)																		
Fuel	2.18	1.67	1.63	1.70	1.75	1.79	1.86	1.91	1.93	2.02	2.08	2.13	2.21	2.27	2.29	2.41	2.48	2.55
Non-fuel	0.54	0.43	0.77	0.43	0.53	0.51	0.51	0.46	0.77	0.46	0.60	0.56	0.55	0.55	0.83	0.51	0.72	0.65
Capital Expenditures	0.05	0.05	0.20	0.03	0.03	0.30	0.02	0.03	0.23	0.02	0.04	0.21	0.02	0.04	0.26	0.02	0.04	0.03
Direct Expenses	2.77	2.15	2.60	2.16	2.31	2.59	2.38	2.40	2.93	2.49	2.72	2.90	2.77	2.86	3.38	2.94	3.24	3.23
Direct Margin	(0.90)	(0.18)	(0.52)	0.03	(0.00)	(0.16)	0.18	0.99	0.54	1.06	0.93	0.84	1.05	1.06	0.65	1.18	0.99	1.10
Overhead Allocation	0.35	0.30	0.38	0.30	0.32	0.35	0.34	0.35	0.44	0.36	0.40	0.44	0.40	0.43	0.55	0.45	0.53	0.44
Expenses incl. Corp O/H	3.12	2.44	2.98	2.47	2.64	2.94	2.72	2.75	3.37	2.86	3.12	3.33	3.18	3.30	3.92	3.39	3.76	3.67
Margin after Corp O/H	(1.25)	(0.47)	(0.90)	(0.28)	(0.33)	(0.51)	(0.16)	0.63	0.10	0.70	0.52	0.40	0.65	0.62	0.10	0.73	0.46	0.66
NPV of Margin after O/H	4.1							15.3										
NPV of Decommissioning	0.5							0.9										
NPV OF NET MARGIN	3.6							14.4										

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
MANSFIELD 3																			
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44
Unit Output (gwh)	778	897	910	697	913	917	826	945	945	749	945	945	855	948	945	738	935	948	855
Delivered Output (gwh)	720	830	842	645	845	848	764	875	875	693	874	875	791	877	875	683	865	877	791
Revenues	13.79	16.59	17.69	14.28	19.72	20.88	19.81	29.59	30.33	24.61	31.83	32.66	30.27	34.41	35.17	28.15	36.54	37.98	35.10
Fuel-Related Expenses																			
Fuel Costs	11.15	8.69	8.71	6.83	9.20	9.50	8.81	10.34	10.64	8.67	11.25	11.58	10.78	12.28	12.62	10.13	13.21	13.78	12.75
Fuel Related ECR Costs	1.52	1.77	1.85	1.48	1.95	2.01	1.87	2.18	2.24	1.85	2.36	2.42	2.26	2.56	2.62	2.14	2.74	2.85	2.65
NOx Emissions	1.67	2.07	2.20	1.61	2.40	2.51	2.30	2.83	2.95	2.25	3.19	3.33	3.04	3.64	3.78	2.80	4.04	4.30	3.91
SO2 Emissions	0.10	0.12	(0.13)	(0.17)	(0.15)	(0.16)	(0.19)	(0.18)	(0.19)	(0.26)	(0.23)	(0.25)	(0.29)	(0.29)	(0.31)	(0.41)	(0.36)	(0.38)	(0.46)
Total Fuel	14.43	12.66	12.62	9.75	13.40	13.86	12.79	15.17	15.64	12.50	16.58	17.09	15.79	18.20	18.71	14.65	19.63	20.54	18.85
Non-fuel O&M Expenses																			
Variable O&M	1.35	1.45	1.47	1.16	1.56	1.60	1.48	1.73	1.78	1.44	1.86	1.91	1.77	2.01	2.06	1.65	2.14	2.22	2.00
Fixed O&M	2.13	1.50	1.61	1.55	2.30	1.96	2.06	1.70	1.87	1.62	2.81	2.15	2.27	2.28	1.78	1.81	3.57	2.86	2.83
Overhaul	0.00	0.00	0.00	1.24	0.00	0.00	0.00	0.00	0.00	1.32	0.00	0.00	0.00	0.00	0.00	1.59	0.08	0.00	0.00
Subtotal	3.47	2.95	3.08	3.95	3.86	3.56	3.54	3.43	3.65	4.39	4.67	4.05	4.04	4.29	3.83	5.04	5.78	5.08	4.89
FICA	0.10	0.10	0.10	0.09	0.12	0.12	0.10	0.11	0.11	0.09	0.13	0.14	0.11	0.13	0.12	0.10	0.12	0.18	0.19
Property Tax	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Cap Stock Tax	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Total Non-fuel	4.05	3.52	3.65	4.51	4.45	4.15	4.11	4.01	4.23	4.95	5.28	4.66	4.63	4.90	4.42	5.62	6.37	5.74	5.55
Capital Expenditures	1.20	0.36	0.22	1.46	0.17	1.13	1.47	0.19	0.35	1.59	0.21	0.38	1.71	0.22	0.41	1.85	0.25	0.45	1.99
Direct Expenses	19.69	16.54	16.49	15.72	18.02	19.13	18.37	19.37	20.22	19.04	22.06	22.14	22.13	23.32	23.55	22.12	26.25	26.72	26.39
Direct Margin	(5.89)	0.05	1.21	(1.44)	1.69	1.75	1.44	10.22	10.11	5.57	9.77	10.52	8.14	11.08	11.62	6.03	10.29	11.26	8.71
Overhead Allocation	2.68	2.51	2.56	2.41	2.75	2.76	2.89	3.09	3.29	3.02	3.54	3.60	3.51	3.84	4.11	3.67	4.61	3.93	3.82
Expenses incl. Corp O/H	22.37	19.04	19.05	18.13	20.77	21.90	21.26	22.46	23.51	22.06	25.60	25.74	25.64	27.16	27.65	25.79	30.85	30.65	30.21
Margin after Corp O/H	(8.57)	(2.46)	(1.36)	(3.85)	(1.05)	(1.01)	(1.45)	7.13	6.82	2.55	6.23	6.92	4.63	7.24	7.52	2.35	5.68	7.33	4.89
Costs per kwh (cents)																			
Fuel	2.19	1.70	1.67	1.69	1.77	1.82	1.87	1.93	1.99	2.01	2.11	2.17	2.22	2.30	2.37	2.39	2.52	2.59	2.60
Non-fuel	0.56	0.42	0.43	0.70	0.53	0.49	0.54	0.46	0.48	0.71	0.60	0.53	0.59	0.56	0.51	0.82	0.74	0.65	0.70
Capital Expenditures	0.17	0.04	0.03	0.23	0.02	0.13	0.19	0.02	0.04	0.23	0.02	0.04	0.22	0.03	0.05	0.27	0.03	0.05	0.25
Direct Expenses	2.92	2.17	2.13	2.62	2.32	2.44	2.60	2.41	2.51	2.96	2.74	2.75	3.02	2.89	2.93	3.48	3.28	3.30	3.60
Direct Margin	(1.05)	(0.20)	(0.05)	(0.43)	(0.01)	(0.01)	(0.04)	0.97	0.95	0.60	0.90	0.98	0.80	1.03	1.09	0.64	0.94	1.03	0.84
Overhead Allocation	0.37	0.30	0.30	0.37	0.33	0.33	0.38	0.35	0.38	0.44	0.41	0.41	0.44	0.44	0.47	0.54	0.53	0.45	0.48
Expenses incl. Corp O/H	3.29	2.47	2.44	2.99	2.64	2.77	2.98	2.77	2.89	3.39	3.14	3.16	3.47	3.33	3.40	4.02	3.81	3.75	4.08
Margin after Corp O/H	(1.42)	(0.50)	(0.36)	(0.80)	(0.33)	(0.34)	(0.42)	0.62	0.58	0.16	0.50	0.57	0.36	0.60	0.62	0.10	0.41	0.58	0.36
NPV of Margin after O/H	7.9																		
NPV of Decommissioning	1.4																		
NPV OF NET MARGIN	6.5																		
								30.1											
								2.3											
								27.7											

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

MANSFIELD 3	2018	2019
kwh Market Price (cents)	4.55	4.66
Unit Output (gwh)	945	940
Delivered Output (gwh)	875	870
Revenues	39.79	40.56
Fuel-Related Expenses		
Fuel Costs	14.49	14.80
Fuel Related ECR Costs	3.00	3.06
NOx Emissions	4.66	4.81
SO2 Emissions	(0.45)	(0.49)
Total Fuel	21.69	22.18
Non-fuel O&M Expenses		
Variable O&M	2.34	2.38
Fixed O&M	3.21	3.28
Overhaul	0.00	0.00
Subtotal	5.55	5.66
FICA	0.19	0.20
Property Tax	0.23	0.23
Cap Stock Tax	0.24	0.24
Total Non-fuel	6.21	6.33
Capital Expenditures	0.27	0.49
Direct Expenses	28.17	29.00
Direct Margin	11.62	11.56
Overhead Allocation	4.43	4.30
Expenses incl. Corp O/H	32.60	33.30
Margin after Corp O/H	7.19	7.26
Costs per kwh (cents)		
Fuel	2.75	2.82
Non-fuel	0.71	0.73
Capital Expenditures	0.03	0.06
Direct Expenses	3.49	3.61
Direct Margin	1.06	1.06
Overhead Allocation	0.51	0.49
Expenses incl. Corp O/H	3.99	4.10
Margin after Corp O/H	0.55	0.56

NPV of Margin after O/H

NPV of Decommissioning

NPV OF NET MARGIN

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BRUNOT ISLAND														
kwh Market Price (cents)	9.35	9.85	10.40	10.95	11.55	12.15	12.80	16.91	17.34	17.77	18.21	18.67	19.13	19.61
Unit Output (gwh)	0	0	0	0	0	0	0	27	27	27	27	27	27	27
Delivered Output (gwh)	0	0	0	0	0	0	0	25.40	25.40	25.40	25.40	25.40	25.40	25.40
Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30	4.40	4.51	4.63	4.74	4.86	4.98
Fuel-Related Expenses														
Fuel Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Non-fuel O&M Expenses														
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Fixed O&M	0.59	0.61	0.62	0.64	0.65	0.67	0.69	0.71	0.73	0.75	0.77	0.79	0.79	0.00
Overhaul	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0.59	0.61	0.62	0.64	0.65	0.67	0.69	0.74	0.76	0.78	0.80	0.82	0.83	0.03
FICA	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.02	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.27	1.29	1.30	1.32	1.34	1.36	1.38	1.43	1.44	1.47	1.48	1.51	1.51	0.70
Capital Expenditures	1.61	0.17	0.17	0.17	0.18	4.38	0.19	0.20	0.20	0.21	0.19	0.19	0.20	0.11
Direct Expenses	2.88	1.46	1.47	1.50	1.52	5.74	1.57	4.09	4.18	4.27	4.34	4.45	4.53	3.71
Direct Margin	(2.88)	(1.46)	(1.47)	(1.50)	(1.52)	(5.74)	(1.57)	0.21	0.23	0.24	0.28	0.29	0.33	1.28
Overhead Allocation	0.39	0.22	0.23	0.23	0.23	0.83	0.25	0.65	0.68	0.68	0.70	0.72	0.72	0.61
Expenses incl. Corp O/H	3.27	1.68	1.70	1.73	1.75	6.57	1.81	4.74	4.86	4.95	5.04	5.17	5.25	4.32
Margin after Corp O/H	(3.27)	(1.68)	(1.70)	(1.73)	(1.75)	(6.57)	(1.81)	(0.44)	(0.45)	(0.44)	(0.41)	(0.43)	(0.39)	0.67
Costs per kwh (cents)														
Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.82	10.09	10.36	10.64	10.93	11.22	11.52
Non-fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.61	5.68	5.77	5.84	5.95	5.96	0.00
Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.79	0.81	0.75	0.77	0.79	0.00
Direct Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.20	16.56	16.94	17.23	17.64	17.97	11.52
Direct Margin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.78	0.83	0.99	1.03	1.17	0.00
Overhead Allocation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.57	2.68	2.66	2.74	2.85	2.83	0.00
Expenses incl. Corp O/H	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.77	19.23	19.60	19.97	20.49	20.80	11.52
Margin after Corp O/H	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1.85)	(1.90)	(1.83)	(1.76)	(1.82)	(1.66)	0.00
NPV of Margin after O/H	(8.8)							(1.0)						
NPV of Decommissioning	8.2							13.9						
NPV OF NET MARGIN	(17.0)							(14.8)						

DUQUESNE LIGHT

Costs of Nuclear Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BEAVER VALLEY 1															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02
Unit Output (gwh)	2,726	2,874	3,373	2,864	2,864	3,382	2,864	2,864	3,373	2,874	2,864	3,373	2,864	2,874	3,373
Delivered Output (gwh)	2,564	2,703	3,172	2,694	2,694	3,181	2,694	2,694	3,172	2,703	2,694	3,172	2,694	2,703	3,172
Revenues	48.26	53.21	65.93	59.40	62.30	77.57	69.71	91.12	109.97	96.05	98.13	118.43	103.10	106.02	127.53
Fuel-Related Expenses															
Fuel Costs	11.11	11.27	13.25	11.59	11.49	13.94	12.30	12.50	15.20	13.39	13.75	16.73	14.67	15.17	18.38
Fuel Related ECR Costs	2.56	2.70	3.17	2.62	2.62	3.18	2.69	2.69	3.17	2.70	2.69	3.17	2.69	2.70	3.17
Total Fuel	13.68	13.97	16.42	14.29	14.19	17.12	14.99	15.20	18.37	16.09	16.45	19.91	17.37	17.88	21.55
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	30.76	24.97	25.62	26.29	27.00	27.73	28.48	29.19	29.92	30.67	31.44	32.22	33.03	33.85	34.70
Overhaul	16.39	13.68	0.00	14.40	14.79	0.00	15.60	16.02	0.00	16.88	17.32	0.00	18.25	18.74	0.00
Subtotal	47.15	38.65	25.62	40.69	41.79	27.73	44.08	45.21	29.92	47.55	48.76	32.22	51.28	52.60	34.70
FICA	1.42	1.45	1.48	1.51	1.54	1.57	1.60	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	52.78	44.31	31.31	46.41	47.53	33.51	49.89	51.06	35.80	53.46	54.70	38.20	57.29	58.65	40.79
Capital Expenditures	6.76	5.69	5.84	5.99	6.16	6.33	6.50	6.68	6.86	7.04	7.23	7.43	7.63	7.84	8.06
	18.49														
Direct Expenses	73.21	63.96	53.56	66.68	67.88	56.96	71.38	72.93	61.03	76.59	78.37	65.53	82.29	84.36	70.39
Direct Margin	(24.95)	(10.75)	12.36	(7.29)	(5.58)	20.61	(1.67)	18.19	48.94	19.45	19.76	52.89	20.81	21.65	57.14
Overhead Allocation	9.96	9.70	8.32	10.23	10.35	8.22	11.23	11.64	9.93	12.14	12.57	10.66	13.05	13.90	12.27
Expenses incl. Corp O/H	83.18	73.67	61.89	76.91	78.22	65.18	82.61	84.57	70.96	88.73	90.95	76.20	95.34	98.26	82.67
Margin after Corp O/H	(34.91)	(20.45)	4.04	(17.52)	(15.93)	12.39	(12.90)	6.55	39.01	7.32	7.18	42.23	7.76	7.75	44.87
Costs per kwh (cents)															
Fuel	0.53	0.52	0.52	0.53	0.53	0.54	0.56	0.56	0.58	0.60	0.61	0.63	0.64	0.66	0.68
Non-fuel	2.06	1.64	0.99	1.72	1.76	1.05	1.85	1.90	1.13	1.98	2.03	1.20	2.13	2.17	1.29
Capital Expenditures	0.26	0.21	0.18	0.22	0.23	0.20	0.24	0.25	0.22	0.26	0.27	0.23	0.28	0.29	0.25
Direct Expenses	2.86	2.37	1.69	2.48	2.52	1.79	2.65	2.71	1.92	2.83	2.91	2.07	3.05	3.12	2.22
Direct Margin	(0.99)	(0.40)	0.39	(0.29)	(0.21)	0.64	(0.09)	0.68	1.54	0.72	0.73	1.67	0.77	0.80	1.80
Overhead Allocation	0.39	0.36	0.26	0.38	0.38	0.26	0.42	0.43	0.31	0.45	0.47	0.34	0.48	0.51	0.39
Expenses incl. Corp O/H	3.24	2.73	1.95	2.85	2.90	2.05	3.07	3.14	2.24	3.28	3.38	2.40	3.54	3.64	2.61
Margin after Corp O/H	(1.37)	(0.76)	0.13	(0.66)	(0.59)	0.38	(0.51)	0.24	1.23	0.27	0.27	1.33	0.29	0.29	1.41
NPV of Margin after O/H	7.2							84.7							
Overfunded Decomm.	0.0							0.0							
NPV OF NET MARGIN	7.2							84.7							

DUQUESNE LIGHT
Costs of Nuclear Plants
 \$ in Millions

BEAVER VALLEY 1	2014	2015
kwh Market Price (cents)	4.12	4.22
Unit Output (gwh)	2,864	3,336
Delivered Output (gwh)	2,694	3,137
Revenues	111.03	132.52
Fuel-Related Expenses		
Fuel Costs	16.10	19.31
Fuel Related ECR Costs	<u>2.69</u>	<u>3.14</u>
Total Fuel	18.79	22.44
Non-fuel O&M Expenses		
Variable O&M	0.00	0.00
Fixed O&M	35.57	36.46
Overhaul	<u>19.77</u>	<u>0.00</u>
Subtotal	55.33	36.46
FICA	1.92	1.95
Property Tax	2.06	2.06
Cap Stock Tax	2.15	2.15
Total Non-fuel	61.46	42.62
Capital Expenditures	8.28	8.51
Direct Expenses	88.53	73.57
Direct Margin	22.50	58.95
Overhead Allocation	14.71	12.92
Expenses incl. Corp O/H	103.23	86.49
Margin after Corp O/H	7.79	46.04
Costs per kwh (cents)		
Fuel	0.70	0.72
Non-fuel	2.28	1.36
Capital Expenditures	<u>0.31</u>	<u>0.27</u>
Direct Expenses	3.29	2.35
Direct Margin	0.84	1.88
Overhead Allocation	0.55	0.41
Expenses incl. Corp O/H	3.83	2.76
Margin after Corp O/H	0.29	1.47
NPV of Margin after O/H		
Overfunded Decomm.		
NPV OF NET MARGIN		

DUQUESNE LIGHT

Costs of Nuclear Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BEAVER VALLEY 2															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02
Unit Output (gwh)	883	994	883	883	991	885	883	991	883	885	991	883	883	994	883
Delivered Output (gwh)	829	934	829	829	931	832	829	931	829	832	931	829	829	934	829
Revenues	15.47	18.37	17.32	18.11	21.52	20.28	21.26	31.49	28.74	29.55	33.91	30.95	31.72	36.62	33.33
Fuel-Related Expenses															
Fuel Costs	3.38	3.96	3.61	3.54	3.93	3.58	3.53	4.04	3.72	3.84	4.44	4.09	4.22	4.90	4.50
Fuel Related ECR Costs	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83
Total Fuel	4.21	4.90	4.44	4.36	4.86	4.41	4.36	4.97	4.54	4.68	5.38	4.92	5.05	5.84	5.32
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	8.88	7.22	7.41	7.61	7.81	8.02	8.24	8.45	8.66	8.87	9.10	9.32	9.56	9.79	10.04
Overhaul	3.02	0.00	3.10	3.18	0.00	3.36	3.45	0.00	3.64	3.73	0.00	3.93	4.03	0.00	4.25
Subtotal	11.90	7.22	10.51	10.79	7.81	11.38	11.69	8.45	12.29	12.60	9.10	13.25	13.59	9.79	14.29
FICA	0.40	0.41	0.42	0.43	0.43	0.44	0.45	0.46	0.47	0.48	0.49	0.50	0.51	0.52	0.53
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Total Non-fuel	13.15	8.49	11.78	12.07	9.10	12.68	12.99	9.76	13.62	13.94	10.44	14.60	14.95	11.17	15.68
Capital Expenditures	6.65	4.86	4.99	5.12	5.26	5.40	5.54	5.70	5.84	6.00	6.15	6.32	6.49	6.67	6.85
Direct Expenses	24.01	18.24	21.21	21.55	19.22	22.49	22.90	20.42	24.00	24.61	21.97	25.84	26.49	23.67	27.85
Direct Margin	(8.54)	0.13	(3.89)	(3.44)	2.30	(2.20)	(1.64)	11.07	4.74	4.94	11.94	5.11	5.23	12.95	5.48
Overhead Allocation	3.27	2.77	3.30	3.30	2.93	3.25	3.60	3.26	3.91	3.90	3.52	4.20	4.20	3.90	4.85
Expenses incl. Corp O/H	27.28	21.01	24.51	24.85	22.14	25.73	26.50	23.68	27.91	28.51	25.49	30.04	30.70	27.57	32.70
Margin after Corp O/H	(11.81)	(2.64)	(7.19)	(6.74)	(0.63)	(5.45)	(5.24)	7.81	0.83	1.04	8.42	0.91	1.03	9.05	0.63
Costs per kwh (cents)															
Fuel	0.51	0.52	0.54	0.53	0.52	0.53	0.53	0.53	0.55	0.56	0.58	0.59	0.61	0.63	0.64
Non-fuel	1.59	0.91	1.42	1.46	0.98	1.52	1.57	1.05	1.64	1.68	1.12	1.76	1.80	1.20	1.89
Capital Expenditures	0.80	0.52	0.60	0.62	0.56	0.65	0.67	0.61	0.70	0.72	0.66	0.76	0.78	0.71	0.83
Direct Expenses	2.90	1.95	2.56	2.60	2.06	2.70	2.76	2.19	2.90	2.96	2.36	3.12	3.20	2.54	3.36
Direct Margin	(1.03)	0.02	(0.48)	(0.41)	0.25	(0.27)	(0.20)	1.19	0.57	0.59	1.28	0.62	0.63	1.39	0.66
Overhead Allocation	0.39	0.30	0.40	0.40	0.31	0.39	0.43	0.35	0.47	0.47	0.38	0.51	0.51	0.42	0.59
Expenses incl. Corp O/H	3.29	2.25	2.96	3.00	2.38	3.09	3.20	2.54	3.37	3.43	2.74	3.62	3.70	2.95	3.94
Margin after Corp O/H	(1.42)	(0.28)	(0.88)	(0.81)	(0.07)	(0.66)	(0.64)	0.84	0.10	0.13	0.90	0.11	0.12	0.97	0.08
NPV of Margin after O/H	(3.8)							25.4							
Underfunded Decomm.	5.0							8.5							
NPV OF NET MARGIN	(8.8)							16.9							

DUQUESNE LIGHT
Costs of Nuclear Plants

\$ in Millions

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BEAVER VALLEY 2													
kwh Market Price (cents)	4.12	4.22	4.33	4.44	4.55	4.66	4.78	4.90	5.02	5.15	5.28	5.41	5.54
Unit Output (gwh)	883	991	883	883	991	883	883	991	883	883	991	883	991
Delivered Output (gwh)	829	931	829	829	931	829	829	931	829	829	931	829	931
Revenues	34.16	39.33	35.89	36.79	42.35	38.65	39.62	45.61	41.62	42.67	49.11	44.83	51.60
Fuel-Related Expenses													
Fuel Costs	4.64	5.38	4.94	5.09	5.89	5.43	5.59	6.46	5.97	6.13	7.09	6.56	6.73
Fuel Related ECR Costs	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>
Total Fuel	5.47	6.31	5.77	5.92	6.82	6.26	6.42	7.39	6.80	6.96	8.02	7.39	7.56
Non-fuel O&M Expenses													
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	10.29	10.55	10.81	11.08	11.36	11.64	11.93	12.23	12.54	12.85	13.17	13.50	13.84
Overhaul	<u>4.37</u>	<u>0.00</u>	<u>4.61</u>	<u>4.73</u>	<u>0.00</u>	<u>4.99</u>	<u>5.13</u>	<u>0.00</u>	<u>5.41</u>	<u>5.55</u>	<u>0.00</u>	<u>5.86</u>	<u>6.02</u>
Subtotal	14.66	10.55	15.42	15.81	11.36	16.63	17.06	12.23	17.94	18.41	13.17	19.36	19.86
FICA	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Total Non-fuel	16.05	11.95	16.86	17.26	12.82	18.11	18.55	13.73	19.46	19.93	14.71	20.91	21.42
Capital Expenditures	7.03	7.22	7.24	7.42	7.61	7.80	7.99	8.19	8.40	8.61	8.82	9.04	9.27
Direct Expenses	28.55	25.48	29.87	30.60	27.25	32.16	32.95	29.32	34.65	35.50	31.55	37.34	38.25
Direct Margin	5.61	13.85	6.03	6.19	15.10	6.49	6.66	16.29	6.98	7.17	17.56	7.49	13.35
Overhead Allocation	4.74	4.47	4.39	4.42	4.28	4.77	5.20	4.72	5.71	5.69	5.72	6.26	7.51
Expenses incl. Corp O/H	33.29	29.96	34.25	35.03	31.54	36.93	38.15	34.03	40.36	41.19	37.27	43.60	45.76
Margin after Corp O/H	0.87	9.37	1.64	1.76	10.81	1.72	1.47	11.57	1.27	1.47	11.85	1.23	5.84
Costs per kwh (cents)													
Fuel	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.82	0.84	0.86	0.89	0.81
Non-fuel	1.94	1.28	2.03	2.08	1.38	2.18	2.24	1.48	2.35	2.40	1.58	2.52	2.30
Capital Expenditures	<u>0.85</u>	<u>0.78</u>	<u>0.87</u>	<u>0.90</u>	<u>0.82</u>	<u>0.94</u>	<u>0.96</u>	<u>0.88</u>	<u>1.01</u>	<u>1.04</u>	<u>0.95</u>	<u>1.09</u>	<u>1.00</u>
Direct Expenses	3.44	2.74	3.60	3.69	2.93	3.88	3.98	3.15	4.18	4.28	3.39	4.50	4.11
Direct Margin	0.68	1.49	0.73	0.75	1.62	0.78	0.80	1.75	0.84	0.86	1.89	0.90	1.43
Overhead Allocation	0.57	0.48	0.53	0.53	0.46	0.58	0.63	0.51	0.69	0.69	0.61	0.76	0.81
Expenses incl. Corp O/H	4.02	3.22	4.13	4.23	3.39	4.46	4.60	3.66	4.87	4.97	4.00	5.26	4.92
Margin after Corp O/H	0.11	1.01	0.20	0.21	1.16	0.21	0.18	1.24	0.15	0.18	1.27	0.15	0.63
NPV of Margin after O/H													
Underfunded Decomm.													
NPV OF NET MARGIN													

DUQUESNE LIGHT
Costs of Nuclear Plants

\$ in Millions

533.8/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PERRY															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02
Unit Output (gwh)	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256
Delivered Output (gwh)	1,195	1,347	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195
Revenues	22.43	26.50	24.96	29.40	27.76	32.83	30.85	45.42	41.42	47.85	43.52	50.13	45.72	52.81	48.04
Fuel-Related Expenses															
Fuel Costs	5.25	5.80	5.27	5.95	5.36	6.10	5.69	6.42	5.91	6.87	6.29	7.30	6.70	7.79	7.13
Fuel Related ECR Costs	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20
Total Fuel	6.44	7.15	6.46	7.30	6.55	7.44	6.89	7.77	7.10	8.22	7.49	8.64	7.89	9.13	8.32
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	16.25	15.25	16.29	16.33	16.75	17.23	17.67	18.11	18.56	19.03	19.50	19.99	20.49	21.00	21.53
Overhaul	3.29	0.00	3.38	0.00	3.56	0.00	3.75	0.00	3.96	0.00	4.16	0.00	4.32	0.00	4.63
Subtotal	19.54	15.25	19.67	16.33	20.30	17.23	21.42	18.11	22.52	19.03	23.67	19.99	24.88	21.00	26.15
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Total Non-fuel	33.25	28.95	33.37	30.04	34.00	30.94	35.12	31.81	36.22	32.73	37.37	33.69	38.58	34.70	39.86
Capital Expenditures	5.09	2.35	2.98	2.48	3.15	3.04	3.33	3.22	3.52	3.40	3.72	3.59	3.93	3.80	4.16
Direct Expenses	44.78	38.44	42.81	39.81	43.70	41.42	45.34	42.80	46.84	44.34	48.57	45.92	50.41	47.63	52.34
Direct Margin	(22.35)	(11.94)	(17.85)	(10.41)	(15.95)	(8.58)	(14.50)	2.63	(5.43)	3.50	(5.05)	4.21	(4.69)	5.18	(4.30)
Overhead Allocation	6.09	5.83	6.65	6.11	6.66	5.98	7.13	6.83	7.62	7.03	7.79	7.47	7.99	7.85	9.12
Expenses incl. Corp O/H	50.87	44.27	49.47	45.91	50.37	47.40	52.47	49.63	54.47	51.37	56.37	53.40	58.40	55.48	61.46
Margin after Corp O/H	(28.44)	(17.78)	(24.50)	(16.51)	(22.61)	(14.56)	(21.63)	(4.20)	(13.05)	(3.52)	(12.84)	(3.26)	(12.68)	(2.67)	(13.47)
Costs per kwh (cents)															
Fuel	0.54	0.53	0.54	0.54	0.55	0.55	0.58	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70
Non-fuel	2.78	2.15	2.79	2.24	2.85	2.30	2.94	2.37	3.03	2.43	3.13	2.51	3.23	2.58	3.34
Capital Expenditures	0.43	0.17	0.25	0.18	0.26	0.23	0.28	0.24	0.29	0.25	0.31	0.27	0.33	0.28	0.35
Direct Expenses	3.75	2.85	3.58	2.96	3.66	3.08	3.80	3.19	3.92	3.29	4.07	3.42	4.22	3.54	4.38
Direct Margin	(1.88)	(0.88)	(1.50)	(0.77)	(1.35)	(0.65)	(1.24)	0.20	(0.45)	0.26	(0.42)	0.31	(0.39)	0.38	(0.36)
Overhead Allocation	0.51	0.43	0.56	0.45	0.56	0.44	0.60	0.51	0.64	0.52	0.65	0.56	0.67	0.58	0.76
Expenses incl. Corp O/H	4.26	3.29	4.14	3.42	4.22	3.52	4.39	3.70	4.56	3.82	4.72	3.98	4.89	4.12	5.14
Margin after Corp O/H	(2.39)	(1.32)	(2.06)	(1.23)	(1.91)	(1.09)	(1.83)	(0.31)	(1.09)	(0.26)	(1.08)	(0.24)	(1.06)	(0.20)	(1.12)
NPV of Margin after O/H	(91.8)							(41.4)							
Underfunded Decomm.	6.5							11.0							
NPV OF NET MARGIN	(98.3)							(52.4)							

DUQUESNE LIGHT
Costs of Nuclear Plants
\$ in Millions

PERRY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
kwh Market Price (cents)	4.12	4.22	4.33	4.44	4.55	4.66	4.78	4.90	5.02	5.15	5.28	5.41	5.54
Unit Output (gwh)	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,416
Delivered Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347
Revenues	55.34	50.47	58.30	53.03	61.08	55.71	64.36	58.52	67.42	61.49	71.04	64.61	74.63
Fuel-Related Expenses													
Fuel Costs	8.25	7.58	8.80	8.04	9.29	8.49	9.82	8.71	9.79	8.71	9.82	8.71	2.43
Fuel Related ECR Costs	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	0.33
Total Fuel	9.59	8.78	10.15	9.24	10.63	9.68	11.17	9.91	11.14	9.91	11.17	9.91	2.76
Non-fuel O&M Expenses													
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	22.06	22.62	23.18	23.76	24.35	24.96	25.59	26.23	26.88	27.55	28.24	28.95	29.67
Overhaul	0.00	4.88	0.00	5.15	0.00	5.43	0.00	5.58	0.00	5.58	0.00	5.58	0.00
Subtotal	22.06	27.50	23.18	28.91	24.35	30.39	25.59	31.80	26.88	33.13	28.24	34.53	29.67
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Total Non-fuel	35.77	41.20	36.88	42.61	38.06	44.10	39.29	45.51	40.59	46.83	41.95	48.23	43.38
Capital Expenditures	4.02	4.40	4.25	4.64	4.48	4.90	4.73	5.17	5.00	5.45	5.27	5.75	5.56
Direct Expenses	49.38	54.37	51.28	56.49	53.17	58.67	55.19	60.58	56.72	62.19	58.38	63.89	51.70
Direct Margin	5.96	(3.90)	7.02	(3.46)	7.91	(2.96)	9.17	(2.06)	10.71	(0.70)	12.65	0.72	22.93
Overhead Allocation	8.20	9.55	7.53	8.17	8.36	8.70	8.70	9.75	9.35	9.97	10.58	10.71	10.15
Expenses incl. Corp O/H	57.58	63.92	58.81	64.66	61.53	67.37	63.89	70.33	66.06	72.17	68.97	74.60	61.85
Margin after Corp O/H	(2.24)	(13.45)	(0.51)	(11.63)	(0.45)	(11.66)	0.46	(11.81)	1.36	(10.67)	2.07	(9.99)	12.79
Costs per kwh (cents)													
Fuel	0.71	0.73	0.75	0.77	0.79	0.81	0.83	0.83	0.83	0.83	0.83	0.83	0.21
Non-fuel	2.66	3.45	2.74	3.57	2.83	3.69	2.92	3.81	3.02	3.92	3.12	4.04	3.22
Capital Expenditures	0.30	0.37	0.32	0.39	0.33	0.41	0.35	0.43	0.37	0.46	0.39	0.48	0.41
Direct Expenses	3.68	4.55	3.81	4.73	3.96	4.91	4.10	5.07	4.22	5.21	4.34	5.35	3.84
Direct Margin	0.44	(0.33)	0.52	(0.29)	0.59	(0.25)	0.68	(0.17)	0.80	(0.06)	0.94	0.06	1.70
Overhead Allocation	0.61	0.80	0.56	0.68	0.62	0.73	0.65	0.82	0.70	0.83	0.79	0.90	0.75
Expenses incl. Corp O/H	4.29	5.35	4.37	5.41	4.58	5.64	4.74	5.89	4.92	6.04	5.12	6.24	4.59
Margin after Corp O/H	(0.17)	(1.13)	(0.04)	(0.97)	(0.03)	(0.98)	0.03	(0.99)	0.10	(0.89)	0.15	(0.84)	0.95
NPV of Margin after O/H													
Underfunded Decomm.													
NPV OF NET MARGIN													

DUQUESNE LIGHT COMPANY**Plant Present Values**

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%**MARGIN STREAM BEGINNING 1/1/99**

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	33.7	(13.9)	19.8
Sammis	13.7	(4.7)	9.0
Eastlake	0.0	(4.1)	(4.1)
Elrama	0.0	(20.7)	(20.7)
Mansfield 1	54.3	(7.4)	46.8
Mansfield 2	18.1	(0.5)	17.5
Mansfield 3	37.1	(1.4)	35.7
Brunot Island	0.0	(8.2)	(8.2)
Phillips	0.0	(5.6)	(5.6)
Total Fossil	156.8	(66.5)	90.3
<u>Nuclear Plants:</u>			
Beaver Valley 1	86.1	(25.5)	60.6
Beaver Valley 2	35.4	(10.3)	25.1
Perry	0.0	(21.6)	(21.6)
Total Nuclear	121.5	(57.4)	64.1
TOTAL PLANTS	\$278.3	(\$123.9)	\$154.4

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
CHESWICK																
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37
Unit Output (gwh)	3,791	3,837	3,662	4,017	3,922	3,471	4,147	4,235	4,062	4,425	4,231	3,707	4,413	4,249	4,062	4,374
Delivered Output (gwh)	3,608	3,652	3,485	3,823	3,733	3,303	3,947	4,030	3,866	4,211	4,027	3,528	4,200	4,044	3,866	4,163
Revenues	69.28	74.18	74.65	86.08	88.41	82.99	103.34	177.62	174.64	195.01	191.14	171.65	209.42	206.68	202.54	223.56
Fuel-Related Expenses																
Fuel Costs	44.97	47.14	46.27	51.78	51.87	47.65	58.41	61.67	60.69	68.62	70.81	65.11	79.74	79.21	78.70	88.19
Fuel Related ECR Costs	0.90	0.92	0.95	0.97	1.00	1.03	1.05	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32
NOx Emissions	5.27	5.46	5.41	6.56	6.59	5.42	7.82	8.24	8.17	9.60	9.34	7.63	10.85	10.87	10.49	12.08
SO2 Emissions	0.63	0.73	3.41	4.27	4.42	3.86	5.59	6.16	6.23	7.64	7.69	6.64	9.49	9.68	9.71	11.70
Total Fuel	51.77	54.25	56.04	63.58	63.88	57.95	72.86	77.14	76.21	87.00	89.01	80.58	101.32	101.03	100.20	113.29
Non-fuel O&M Expenses																
Variable O&M	2.78	2.89	2.83	3.18	3.19	2.90	3.56	3.73	3.67	4.11	4.03	3.62	4.43	4.38	4.30	4.75
Fixed O&M	13.05	12.06	14.00	13.66	12.42	9.88	14.56	13.15	15.38	15.33	14.11	9.12	16.38	15.26	17.69	17.55
Overhaul	0.00	0.00	0.00	0.00	0.00	15.86	0.00	0.00	0.00	0.00	0.00	18.56	0.00	0.00	0.00	0.00
Subtotal	15.83	14.95	16.83	16.84	15.61	28.64	18.12	16.88	19.06	19.43	18.14	31.30	20.81	19.63	21.98	22.30
Carbon Injection Costs							2.68	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07
FICA	0.47	0.50	0.53	0.53	0.48	0.42	0.52	0.53	0.57	0.58	0.52	0.43	0.58	0.60	0.67	0.68
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Total Non-fuel	18.02	17.16	19.08	19.09	17.82	30.79	23.05	22.14	24.14	24.54	23.47	35.96	26.04	25.28	27.50	27.76
Capital Expenditures	7.17	12.20	4.79	4.93	20.21	44.57	5.40	5.56	5.72	5.89	6.08	15.46	4.96	3.58	2.12	1.53
Direct Expenses	76.95	83.62	79.91	87.61	101.90	133.30	101.31	104.83	106.07	117.43	118.55	132.01	132.31	129.89	129.82	142.58
Direct Margin	(7.68)	(9.44)	(5.26)	(1.52)	(13.49)	(50.32)	2.03	72.79	68.57	77.57	72.59	39.64	77.11	76.80	72.73	80.98
Overhead Allocation	10.47	12.69	12.42	13.43	15.53	19.24	15.93	16.73	17.26	18.61	19.02	21.48	20.99	21.40	22.63	23.68
Expenses incl. Corp O/H	87.42	96.31	92.33	101.04	117.43	152.54	117.24	121.57	123.33	136.04	137.57	153.49	153.30	151.29	152.45	166.27
Margin after Corp O/H	(18.15)	(22.12)	(17.68)	(14.96)	(29.02)	(69.56)	(13.91)	56.06	51.30	58.97	53.57	18.16	56.12	55.39	50.10	57.29
Costs per kwh (cents)																
Fuel	1.51	1.56	1.69	1.75	1.80	1.84	1.94	2.01	2.07	2.16	2.31	2.39	2.52	2.61	2.70	2.84
Non-fuel	0.50	0.47	0.55	0.50	0.48	0.93	0.58	0.55	0.62	0.58	0.58	1.02	0.62	0.63	0.71	0.67
Capital Expenditures	0.20	0.33	0.14	0.13	0.54	1.35	0.14	0.14	0.15	0.14	0.15	0.44	0.12	0.09	0.05	0.04
Direct Expenses	2.21	2.37	2.37	2.37	2.82	4.12	2.66	2.69	2.84	2.89	3.04	3.84	3.26	3.32	3.47	3.54
Direct Margin	(0.34)	(0.40)	(0.29)	(0.18)	(0.51)	(1.69)	(0.10)	1.71	1.68	1.74	1.70	1.02	1.73	1.79	1.77	1.83
Overhead Allocation	0.29	0.35	0.36	0.35	0.42	0.58	0.40	0.42	0.45	0.44	0.47	0.61	0.50	0.53	0.59	0.57
Expenses incl. Corp O/H	2.50	2.72	2.73	2.73	3.23	4.71	3.06	3.11	3.29	3.33	3.52	4.45	3.76	3.85	4.05	4.11
Margin after Corp O/H	(0.63)	(0.75)	(0.65)	(0.54)	(0.92)	(2.28)	(0.50)	1.30	1.23	1.30	1.23	0.41	1.23	1.26	1.18	1.26
NPV of Margin after O/H	33.7							194.5								
NPV of Decommissioning	13.9							23.6								
NPV OF NET MARGIN	19.8							170.9								

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

SAMMIS	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87
Unit Output (gwh)	1,258	1,381	1,167	1,389	1,304	1,418	1,315	1,558	1,290	1,563	1,437	1,537
Delivered Output (gwh)	1,206	1,324	1,119	1,331	1,250	1,359	1,261	1,493	1,236	1,498	1,378	1,474
Revenues	23.35	26.97	23.87	30.12	29.80	34.11	33.33	65.82	55.85	69.37	65.40	71.69
Fuel-Related Expenses												
Fuel Costs	15.94	18.62	16.46	19.99	19.48	21.51	20.63	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	1.67	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	(0.70)	(0.65)	0.32	0.57	0.52	0.69	0.61	0.98	0.66	1.14	1.02	1.27
Total Fuel	15.26	18.00	16.80	20.59	20.02	22.23	22.94	26.83	22.80	29.08	27.75	31.03
Non-fuel O&M Expenses												
Variable O&M	1.68	1.83	1.51	1.84	1.78	1.97	1.88	2.29	1.93	2.40	2.26	2.48
Fixed O&M	5.72	3.68	3.33	3.71	5.00	4.01	5.22	4.29	3.75	4.80	4.63	4.71
Overhaul	0.00	0.00	3.45	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00
Subtotal	7.39	5.51	8.29	5.54	6.78	5.98	7.10	6.58	9.68	7.19	6.89	7.18
FICA	0.22	0.18	0.15	0.18	0.21	0.20	0.21	0.21	0.17	0.21	0.20	0.24
Property Tax	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49
Cap Stock Tax	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	9.41	7.48	10.24	7.51	8.78	7.97	9.10	8.58	11.64	9.20	8.88	9.22
Capital Expenditures	1.33	0.19	3.59	1.11	1.36	0.44	1.43	0.22	4.16	0.49	1.59	0.52
Direct Expenses	25.99	25.67	30.63	29.21	30.17	30.65	33.47	35.63	38.60	38.77	38.21	40.76
Direct Margin	(2.64)	1.30	(6.76)	0.92	(0.37)	3.46	(0.14)	30.18	17.24	30.60	27.18	30.93
Overhead Allocation	3.54	3.89	4.76	4.48	4.60	4.42	5.26	5.69	6.28	6.14	6.13	6.63
Expenses incl. Corp O/H	29.53	29.57	35.39	33.69	34.77	35.07	38.74	41.32	44.89	44.91	44.34	47.39
Margin after Corp O/H	(6.18)	(2.60)	(11.52)	(3.56)	(4.97)	(0.96)	(5.40)	24.50	10.96	24.46	21.05	24.30
Costs per kwh (cents)												
Fuel	1.40	1.50	1.64	1.68	1.74	1.78	1.97	1.95	2.00	2.10	2.18	2.27
Non-fuel	0.78	0.57	0.91	0.56	0.70	0.59	0.72	0.57	0.94	0.61	0.64	0.63
Capital Expenditures	0.11	0.01	0.32	0.08	0.11	0.03	0.11	0.01	0.34	0.03	0.12	0.04
Direct Expenses	2.29	2.08	2.87	2.33	2.56	2.40	2.80	2.54	3.28	2.75	2.94	2.93
Direct Margin	(0.42)	(0.11)	(0.79)	(0.14)	(0.25)	0.03	(0.24)	1.87	1.24	1.88	1.81	1.93
Overhead Allocation	0.29	0.29	0.43	0.34	0.37	0.33	0.42	0.38	0.51	0.41	0.44	0.45
Expenses incl. Corp O/H	2.59	2.37	3.30	2.67	2.92	2.73	3.22	2.92	3.79	3.16	3.38	3.38
Margin after Corp O/H	(0.72)	(0.40)	(1.22)	(0.48)	(0.61)	(0.30)	(0.66)	1.49	0.73	1.47	1.36	1.48
NPV of Margin after O/H	13.7											
NPV of Decommissioning	4.7											
NPV OF NET MARGIN	9.0											
							51.0					
							8.0					
							43.0					

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
EASTLAKE													
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99
Unit Output (gwh)	1,216	1,097	1,230	1,078	1,105	1,187	1,004	1,206	1,367	1,208	1,205	1,267	1,123
Delivered Output (gwh)	1,158	1,045	1,172	1,027	1,053	1,131	956	1,149	1,302	1,151	1,148	1,207	1,069
Revenues	22.32	21.06	25.08	23.20	24.87	28.08	25.27	50.62	58.80	53.30	54.49	58.73	53.33
Fuel-Related Expenses													
Fuel Costs	13.25	12.29	14.20	12.83	13.52	14.93	13.05	15.96	18.60	16.95	17.43	18.85	17.19
Fuel Related ECR Costs	0.10	0.10	0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.85	1.05	1.24	1.14	1.19	1.30	1.20
SO2 Emissions	2.44	2.23	3.77	3.47	3.84	4.50	3.97	5.26	6.57	6.12	6.57	7.51	7.00
Total Fuel	15.79	14.62	18.07	16.40	17.46	19.54	17.98	22.38	26.52	24.33	25.31	27.78	25.52
Non-fuel O&M Expenses													
Variable O&M	1.40	1.30	1.49	1.34	1.41	1.56	1.35	1.67	1.94	1.76	1.80	1.95	1.77
Fixed O&M	3.93	4.11	4.51	4.86	4.49	4.99	4.75	4.73	5.17	5.54	5.14	5.76	5.37
Overhaul	0.05	0.00	0.00	0.00	0.00	0.41	1.39	0.00	0.00	0.00	0.00	0.64	1.43
Subtotal	5.39	5.41	6.00	6.20	5.90	6.96	7.50	6.40	7.11	7.30	6.94	8.35	8.57
FICA	0.16	0.18	0.19	0.20	0.18	0.22	0.18	0.20	0.21	0.22	0.20	0.26	0.20
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	7.08	7.12	7.73	7.94	7.62	8.71	9.21	8.14	8.86	9.05	8.68	10.14	10.31
Capital Expenditures	2.02	0.55	5.38	6.00	1.68	3.16	3.60	2.39	0.66	0.91	0.91	1.06	0.78
Direct Expenses	24.90	22.29	31.17	30.34	26.76	31.42	30.80	32.91	36.05	34.30	34.90	38.98	36.61
Direct Margin	(2.59)	(1.23)	(6.09)	(7.14)	(1.89)	(3.34)	(5.52)	17.71	22.76	19.00	19.58	19.75	16.72
Overhead Allocation	3.39	3.38	4.84	4.65	4.08	4.54	4.84	5.25	5.87	5.43	5.60	6.34	5.81
Expenses incl. Corp O/H	28.29	25.68	36.02	34.99	30.84	35.95	35.64	38.16	41.91	39.73	40.50	45.33	42.42
Margin after Corp O/H	(5.98)	(4.61)	(10.93)	(11.80)	(5.97)	(7.87)	(10.37)	12.46	16.89	13.57	13.98	13.41	10.91
Costs per kwh (cents)													
Fuel	1.48	1.52	1.67	1.73	1.79	1.87	2.02	2.09	2.19	2.27	2.36	2.46	2.55
Non-fuel	0.61	0.68	0.66	0.77	0.72	0.77	0.96	0.71	0.68	0.79	0.76	0.84	0.96
Capital Expenditures	0.17	0.05	0.46	0.58	0.16	0.28	0.38	0.21	0.05	0.08	0.08	0.09	0.07
Direct Expenses	2.27	2.26	2.79	3.09	2.68	2.92	3.36	3.01	2.92	3.13	3.20	3.39	3.59
Direct Margin	(0.40)	(0.29)	(0.71)	(0.90)	(0.37)	(0.49)	(0.80)	1.40	1.60	1.50	1.55	1.47	1.40
Overhead Allocation	0.29	0.32	0.41	0.45	0.39	0.40	0.51	0.46	0.45	0.47	0.49	0.53	0.54
Expenses incl. Corp O/H	2.56	2.58	3.20	3.54	3.06	3.32	3.87	3.47	3.37	3.61	3.69	3.92	4.13
Margin after Corp O/H	(0.69)	(0.61)	(1.12)	(1.35)	(0.75)	(0.89)	(1.31)	0.94	1.15	1.03	1.06	0.95	0.85
NPV of Margin after O/H	(2.9)							38.5					
NPV of Decommissioning	4.1							7.0					
NPV OF NET MARGIN	(7.1)							31.5					

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006
ELRAMA								
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43		
Unit Output (gwh)	2,789	2,801	2,810	2,986	2,662	3,040		
Delivered Output (gwh)	2,502	2,513	2,521	2,679	2,388	2,728		
Revenues	47.74	50.32	53.43	59.76	56.26	67.31	0.00	
Fuel-Related Expenses								
Fuel Costs	31.50	30.75	31.73	34.55	31.94	37.27		
Fuel Related ECR Costs	6.63	6.81	7.00	7.45	7.15	7.90		
NOx Emissions	5.99	6.33	6.60	7.55	6.46	8.41		
SO2 Emissions	0.55	0.62	(0.31)	(0.29)	(0.40)	(0.32)		
Total Fuel	44.67	44.51	45.02	49.26	45.15	53.27		
Non-fuel O&M Expenses								
Variable O&M	2.80	2.89	2.98	3.24	2.97	3.48		
Fixed O&M	16.16	16.23	17.28	17.11	17.62	17.78		
Overhaul	3.80	1.70	0.00	0.00	3.00	0.00		
Subtotal	22.76	20.82	20.26	20.35	23.59	21.26		
FICA	0.56	0.63	0.64	0.65	0.64	0.70		
Property Tax	0.62	0.62	0.62	0.62	0.62	0.62		
Cap Stock Tax	0.65	0.65	0.65	0.65	0.65	0.65		
Total Non-fuel	24.60	22.72	22.17	22.27	25.50	23.24		
Capital Expenditures	6.13	8.54	5.66	2.73	1.51	1.05		
Direct Expenses	75.39	75.78	72.85	74.26	72.16	77.56		
Direct Margin	(27.66)	(25.46)	(19.42)	(14.50)	(15.90)	(10.25)		
Overhead Allocation	10.26	11.50	11.32	11.39	11.00	11.20		
Expenses incl. Corp O/H	85.65	87.27	84.17	85.65	83.15	88.75		
Margin after Corp O/H	(37.92)	(36.95)	(30.73)	(25.88)	(26.90)	(21.44)		
Costs per kwh (cents)								
Fuel	1.90	1.89	1.90	1.96	2.01	2.08		
Non-fuel	0.98	0.90	0.88	0.83	1.07	0.85		
Capital Expenditures	0.24	0.34	0.22	0.10	0.06	0.04		
Direct Expenses	3.13	3.13	3.01	2.89	3.15	2.97		
Direct Margin	(1.26)	(1.16)	(0.93)	(0.70)	(0.84)	(0.54)		
Overhead Allocation	0.41	0.46	0.45	0.43	0.46	0.41		
Expenses incl. Corp O/H	3.54	3.59	3.46	3.32	3.61	3.38		
Margin after Corp O/H	(1.67)	(1.62)	(1.38)	(1.13)	(1.30)	(0.95)		
NPV of Margin after O/H	(86.7)						0.0	
NPV of Decommissioning	20.7						35.0	
NPV OF NET MARGIN	(107.4)						(35.0)	

DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

544.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
MANSFIELD 1																		
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	
Unit Output (gwh)	1,721	1,378	1,860	1,869	1,693	1,885	1,886	1,519	1,973	1,978	1,781	1,973	1,973	1,632	1,865	1,973	1,951	
Delivered Output (gwh)	1,561	1,249	1,687	1,695	1,535	1,709	1,710	1,377	1,789	1,794	1,615	1,789	1,789	1,480	1,691	1,789	1,769	
Revenues	30.36	25.36	35.66	37.70	35.93	42.28	44.52	60.70	80.81	83.06	76.65	87.03	89.20	75.65	88.58	96.06	97.36	
Fuel-Related Expenses																		
Fuel Costs	25.23	13.65	18.12	18.64	17.38	19.89	20.47	16.86	22.55	23.25	21.55	24.55	25.26	21.48	25.28	27.49	27.98	
Fuel Related ECR Costs	3.27	2.72	3.70	3.81	3.57	4.05	4.16	3.49	4.58	4.71	4.38	4.95	5.08	4.36	5.08	5.51	5.59	
NOx Emissions	3.04	2.31	3.67	3.84	3.55	4.21	4.40	3.36	5.02	5.23	4.76	5.67	5.92	4.68	5.94	6.70	6.86	
SO2 Emissions	(0.13)	(0.19)	(0.21)	(0.23)	(0.28)	(0.26)	(0.28)	(0.39)	(0.31)	(0.33)	(0.41)	(0.39)	(0.43)	(0.58)	(0.53)	(0.53)	(0.58)	
Total Fuel	31.41	18.49	25.28	26.06	24.21	27.88	28.75	23.32	31.84	32.87	30.28	34.77	35.84	29.95	35.76	39.16	39.85	
Non-fuel O&M Expenses																		
Variable O&M	2.92	2.19	2.94	3.04	2.83	3.21	3.30	2.73	3.63	3.73	3.44	3.90	4.01	3.39	3.97	4.31	4.37	
Fixed O&M	4.41	3.10	3.34	3.22	4.77	4.06	4.28	3.52	3.88	3.37	5.83	4.45	4.71	4.74	3.68	3.74	7.33	
Overhaul	0.00	2.76	0.00	0.00	0.00	0.00	0.00	2.93	0.00	0.00	0.00	0.00	0.00	2.59	0.81	0.00	0.00	
Subtotal	7.33	8.04	6.28	6.26	7.60	7.28	7.58	9.18	7.51	7.10	9.27	8.35	8.72	10.71	8.46	8.06	11.70	
FICA	0.22	0.18	0.20	0.20	0.23	0.24	0.22	0.20	0.22	0.21	0.27	0.28	0.24	0.25	0.23	0.24	0.24	
Property Tax	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	
Cap Stock Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	
Total Non-fuel	8.52	9.20	7.45	7.43	8.81	8.50	8.78	10.35	8.71	8.29	10.51	9.61	9.94	11.94	9.67	9.28	12.92	
Capital Expenditures	0.92	3.41	0.45	0.84	2.97	1.97	0.70	3.20	0.40	0.75	3.45	0.43	0.82	3.72	0.47	0.89	0.86	
Direct Expenses	40.86	31.10	33.18	34.34	35.99	38.34	38.22	36.88	40.95	41.91	44.24	44.81	46.59	45.61	45.91	49.33	53.63	
Direct Margin	(10.49)	(5.74)	2.48	3.36	(0.06)	3.93	6.29	23.82	39.87	41.15	32.41	42.22	42.61	30.04	42.68	46.74	43.73	
Overhead Allocation	5.56	4.72	5.16	5.27	5.48	5.54	6.01	5.89	6.66	6.64	7.10	7.29	7.39	7.51	8.00	8.19	9.42	
Expenses incl. Corp O/H	46.42	35.81	38.34	39.61	41.47	43.88	44.23	42.77	47.61	48.55	51.34	52.10	53.98	53.12	53.91	57.52	63.05	
Margin after Corp O/H	(16.05)	(10.45)	(2.68)	(1.91)	(5.55)	(1.60)	0.28	17.93	33.20	34.51	25.31	34.93	35.22	22.53	34.68	38.54	34.31	
Costs per kwh (cents)																		
Fuel	2.20	1.65	1.67	1.72	1.76	1.82	1.87	1.89	1.98	2.04	2.09	2.16	2.23	2.25	2.35	2.43	2.50	
Non-fuel	0.55	0.74	0.44	0.44	0.57	0.50	0.51	0.75	0.49	0.46	0.65	0.54	0.56	0.81	0.57	0.52	0.73	
Capital Expenditures	0.06	0.27	0.03	0.05	0.19	0.11	0.04	0.23	0.02	0.04	0.21	0.02	0.05	0.25	0.03	0.05	0.05	
Direct Expenses	2.80	2.66	2.14	2.21	2.53	2.43	2.43	2.88	2.49	2.54	2.95	2.72	2.83	3.31	2.95	3.00	3.28	
Direct Margin	(0.93)	(0.69)	(0.06)	(0.02)	(0.22)	(0.00)	0.13	1.53	2.03	2.09	1.79	2.14	2.16	1.80	2.29	2.37	2.23	
Overhead Allocation	0.36	0.38	0.31	0.31	0.36	0.32	0.35	0.43	0.37	0.37	0.44	0.41	0.41	0.51	0.47	0.46	0.53	
Expenses incl. Corp O/H	3.16	3.04	2.45	2.52	2.89	2.76	2.78	3.30	2.86	2.91	3.39	3.13	3.24	3.82	3.42	3.46	3.81	
Margin after Corp O/H	(1.29)	(1.07)	(0.37)	(0.33)	(0.58)	(0.33)	(0.22)	1.10	1.65	1.72	1.35	1.73	1.75	1.29	1.82	1.91	1.69	
NPV of Margin after O/H	54.3								125.0									
NPV of Decommissioning	7.4								12.6									
NPV OF NET MARGIN	46.8								112.4									

DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
MANSFIELD 2																		
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64
Unit Output (gwh)	475	509	393	518	520	483	524	549	423	550	548	496	549	550	423	549	549	541
Delivered Output (gwh)	432	463	358	472	473	440	477	500	385	501	499	452	500	501	385	500	500	493
Revenues	8.43	9.32	7.59	10.51	11.11	10.87	12.42	22.03	17.38	23.20	23.69	21.98	24.92	25.61	20.16	26.84	27.50	27.81
Fuel-Related Expenses																		
Fuel Costs	6.89	4.97	3.79	5.11	5.27	5.04	5.62	6.02	4.77	6.39	6.55	6.10	6.95	7.16	5.66	7.56	7.78	7.89
Fuel Related ECR Costs	0.90	0.98	0.79	1.06	1.09	1.04	1.16	1.24	0.99	1.31	1.34	1.25	1.41	1.45	1.16	1.53	1.57	1.59
NOx Emissions	0.87	0.99	0.72	1.10	1.15	1.10	1.26	1.38	1.00	1.50	1.56	1.43	1.70	1.78	1.29	1.92	2.00	2.05
SO2 Emissions	(0.04)	(0.04)	(0.09)	(0.08)	(0.08)	(0.10)	(0.10)	(0.10)	(0.14)	(0.11)	(0.12)	(0.15)	(0.15)	(0.16)	(0.22)	(0.18)	(0.20)	(0.22)
Total Fuel	8.61	6.90	5.21	7.19	7.43	7.08	7.95	8.55	6.64	9.09	9.33	8.63	9.91	10.24	7.90	10.83	11.16	11.31
Non-fuel O&M Expenses																		
Variable O&M	0.81	0.81	0.62	0.85	0.87	0.79	0.92	0.99	0.78	1.04	1.06	0.99	1.12	1.15	0.90	1.21	1.23	1.25
Fixed O&M	1.20	0.84	0.91	0.88	1.30	1.11	1.16	0.96	1.05	0.92	1.58	1.21	1.28	1.29	1.00	1.02	2.01	1.59
Overhaul	0.00	0.00	0.92	0.00	0.00	0.00	0.00	0.00	0.82	0.00	0.00	0.00	0.00	0.00	0.95	0.00	0.00	0.00
Subtotal	2.01	1.65	2.45	1.72	2.17	1.90	2.08	1.95	2.65	1.96	2.65	2.20	2.40	2.44	2.85	2.22	3.24	2.83
FICA	0.06	0.05	0.05	0.05	0.07	0.06	0.06	0.06	0.05	0.06	0.08	0.07	0.07	0.07	0.06	0.07	0.07	0.10
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	2.33	1.97	2.76	2.04	2.50	2.23	2.41	2.27	2.98	2.28	2.99	2.53	2.73	2.78	3.18	2.56	3.58	3.20
Capital Expenditures	0.22	0.25	0.71	0.12	0.15	1.30	0.07	0.17	0.87	0.08	0.18	0.93	0.09	0.19	1.01	0.09	0.21	0.17
Direct Expenses	11.16	9.12	8.68	9.36	10.08	10.61	10.43	10.99	10.48	11.45	12.49	12.10	12.73	13.21	12.08	13.48	14.94	14.68
Direct Margin	(2.72)	0.20	(1.10)	1.15	1.03	0.25	1.99	11.04	6.90	11.75	11.19	9.88	12.19	12.40	8.07	13.36	12.56	13.12
Overhead Allocation	1.52	1.38	1.35	1.43	1.54	1.53	1.64	1.75	1.71	1.81	2.00	1.97	2.02	2.18	2.11	2.24	2.62	2.16
Expenses incl. Corp O/H	12.68	10.51	10.03	10.79	11.62	12.14	12.07	12.74	12.18	13.27	14.50	14.07	14.75	15.38	14.19	15.72	17.57	16.84
Margin after Corp O/H	(4.24)	(1.18)	(2.45)	(0.28)	(0.51)	(1.28)	0.35	9.28	5.20	9.94	9.19	7.91	10.17	10.23	5.97	11.12	9.93	10.97
Costs per kwh (cents)																		
Fuel	2.18	1.67	1.63	1.70	1.75	1.79	1.86	1.91	1.93	2.02	2.08	2.13	2.21	2.27	2.29	2.41	2.48	2.55
Non-fuel	0.54	0.43	0.77	0.43	0.53	0.51	0.51	0.46	0.77	0.46	0.60	0.56	0.55	0.55	0.83	0.51	0.72	0.65
Capital Expenditures	0.05	0.05	0.20	0.03	0.03	0.30	0.02	0.03	0.23	0.02	0.04	0.21	0.02	0.04	0.26	0.02	0.04	0.03
Direct Expenses	2.77	2.15	2.60	2.16	2.31	2.59	2.38	2.40	2.93	2.49	2.72	2.90	2.77	2.86	3.38	2.94	3.24	3.23
Direct Margin	(0.90)	(0.18)	(0.52)	0.03	(0.00)	(0.16)	0.18	2.01	1.59	2.14	2.03	1.97	2.21	2.25	1.86	2.43	2.27	2.41
Overhead Allocation	0.35	0.30	0.38	0.30	0.32	0.35	0.34	0.35	0.44	0.36	0.40	0.44	0.40	0.43	0.55	0.45	0.53	0.44
Expenses incl. Corp O/H	3.12	2.44	2.98	2.47	2.64	2.94	2.72	2.75	3.37	2.86	3.12	3.33	3.18	3.30	3.92	3.39	3.76	3.67
Margin after Corp O/H	(1.25)	(0.47)	(0.90)	(0.28)	(0.33)	(0.51)	(0.16)	1.66	1.15	1.78	1.63	1.53	1.81	1.81	1.32	1.98	1.74	1.97
NPV of Margin after O/H	18.1							38.9										
NPV of Decommissioning	0.5							0.9										
NPV OF NET MARGIN	17.5							38.1										

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
MANSFIELD 3																				
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	
Unit Output (gwh)	778	897	910	697	913	917	826	945	945	749	945	945	855	948	945	738	935	948	855	
Delivered Output (gwh)	720	830	842	645	845	848	764	875	875	693	874	875	791	877	875	683	865	877	791	
Revenues	13.79	16.59	17.69	14.28	19.72	20.88	19.81	38.55	39.52	32.07	41.48	42.56	39.44	44.83	45.83	36.68	47.61	49.49	45.74	
Fuel-Related Expenses																				
Fuel Costs	11.15	8.69	8.71	6.83	9.20	9.50	8.81	10.34	10.64	8.67	11.25	11.58	10.78	12.28	12.62	10.13	13.21	13.78	12.75	
Fuel Related ECR Costs	1.52	1.77	1.85	1.48	1.95	2.01	1.87	2.18	2.24	1.85	2.36	2.42	2.26	2.56	2.62	2.14	2.74	2.85	2.65	
NOx Emissions	1.67	2.07	2.20	1.61	2.40	2.51	2.30	2.83	2.95	2.25	3.19	3.33	3.04	3.64	3.78	2.80	4.04	4.30	3.91	
SO2 Emissions	0.10	0.12	(0.13)	(0.17)	(0.15)	(0.16)	(0.19)	(0.18)	(0.19)	(0.26)	(0.23)	(0.25)	(0.29)	(0.29)	(0.31)	(0.41)	(0.36)	(0.38)	(0.46)	
Total Fuel	14.43	12.66	12.62	9.75	13.40	13.86	12.79	15.17	15.64	12.50	16.58	17.09	15.79	18.20	18.71	14.65	19.63	20.54	18.85	
Non-fuel O&M Expenses																				
Variable O&M	1.35	1.45	1.47	1.16	1.56	1.60	1.48	1.73	1.78	1.44	1.86	1.91	1.77	2.01	2.06	1.65	2.14	2.22	2.05	
Fixed O&M	2.13	1.50	1.61	1.55	2.30	1.96	2.06	1.70	1.87	1.62	2.81	2.15	2.27	2.28	1.78	1.81	3.57	2.86	2.83	
Overhaul	0.00	0.00	0.00	1.24	0.00	0.00	0.00	0.00	0.00	1.32	0.00	0.00	0.00	0.00	0.00	1.59	0.08	0.00	0.00	
Subtotal	3.47	2.95	3.08	3.95	3.86	3.56	3.54	3.43	3.65	4.39	4.67	4.05	4.04	4.29	3.83	5.04	5.78	5.08	4.89	
FICA	0.10	0.10	0.10	0.09	0.12	0.12	0.10	0.11	0.11	0.09	0.13	0.14	0.11	0.13	0.12	0.10	0.12	0.18	0.19	
Property Tax	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	
Cap Stock Tax	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	
Total Non-fuel	4.05	3.52	3.65	4.51	4.45	4.15	4.11	4.01	4.23	4.95	5.28	4.66	4.63	4.90	4.42	5.62	6.37	5.74	5.55	
Capital Expenditures	1.20	0.36	0.22	1.46	0.17	1.13	1.47	0.19	0.35	1.59	0.21	0.38	1.71	0.22	0.41	1.85	0.25	0.45	1.99	
Direct Expenses	19.69	16.54	16.49	15.72	18.02	19.13	18.37	19.37	20.22	19.04	22.06	22.14	22.13	23.32	23.55	22.12	26.25	26.72	26.39	
Direct Margin	(5.89)	0.05	1.21	(1.44)	1.69	1.75	1.44	19.18	19.30	13.03	19.42	20.42	17.31	21.51	22.28	14.56	21.36	22.76	19.34	
Overhead Allocation	2.68	2.51	2.56	2.41	2.75	2.76	2.89	3.09	3.29	3.02	3.54	3.60	3.51	3.84	4.11	3.67	4.61	3.93	3.82	
Expenses incl. Corp O/H	22.37	19.04	19.05	18.13	20.77	21.90	21.26	22.46	23.51	22.06	25.60	25.74	25.64	27.16	27.65	25.79	30.85	30.65	30.21	
Margin after Corp O/H	(8.57)	(2.46)	(1.36)	(3.85)	(1.05)	(1.01)	(1.45)	16.09	16.01	10.01	15.88	16.82	13.80	17.67	18.18	10.88	16.75	18.84	15.53	
Costs per kwh (cents)																				
Fuel	2.19	1.70	1.67	1.69	1.77	1.82	1.87	1.93	1.99	2.01	2.11	2.17	2.22	2.30	2.37	2.39	2.52	2.59	2.05	
Non-fuel	0.56	0.42	0.43	0.70	0.53	0.49	0.54	0.46	0.48	0.71	0.60	0.53	0.59	0.56	0.51	0.82	0.74	0.65	0.70	
Capital Expenditures	0.17	0.04	0.03	0.23	0.02	0.13	0.19	0.02	0.04	0.23	0.02	0.04	0.22	0.03	0.05	0.27	0.03	0.05	0.25	
Direct Expenses	2.92	2.17	2.13	2.62	2.32	2.44	2.60	2.41	2.51	2.96	2.74	2.75	3.02	2.89	2.93	3.48	3.28	3.30	3.60	
Direct Margin	(1.05)	(0.20)	(0.05)	(0.43)	(0.01)	(0.01)	(0.04)	2.00	2.00	1.67	2.01	2.12	1.96	2.22	2.31	1.89	2.22	2.34	2.19	
Overhead Allocation	0.37	0.30	0.30	0.37	0.33	0.33	0.38	0.35	0.38	0.44	0.41	0.41	0.44	0.44	0.47	0.54	0.53	0.45	0.48	
Expenses incl. Corp O/H	3.29	2.47	2.44	2.99	2.64	2.77	2.98	2.77	2.89	3.39	3.14	3.16	3.47	3.33	3.40	4.02	3.81	3.75	4.08	
Margin after Corp O/H	(1.42)	(0.50)	(0.36)	(0.80)	(0.33)	(0.34)	(0.42)	1.64	1.63	1.24	1.60	1.70	1.52	1.79	1.84	1.35	1.69	1.89	1.70	
NPV of Margin after O/H	37.1							79.6												
NPV of Decommissioning	1.4							2.3												
NPV OF NET MARGIN	35.7							77.3												

DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

MANSFIELD 3	2018	2012
kwh-Market Price (cents)	5.93	6.08
Unit Output (gwh)	945	940
Delivered Output (gwh)	875	870
Revenues	51.85	52.86
<u>Fuel-Related Expenses</u>		
Fuel Costs	14.49	14.80
Fuel Related ECR Costs	3.00	3.06
NOx Emissions	4.66	4.81
SO2 Emissions	(0.45)	(0.42)
Total Fuel	21.69	22.18
<u>Non-fuel O&M Expenses</u>		
Variable O&M	2.34	2.38
Fixed O&M	3.21	3.28
Overhaul	0.00	0.00
Subtotal	5.55	5.66
FICA	0.19	0.20
Property Tax	0.23	0.23
Cap Stock Tax	0.24	0.24
Total Non-fuel	6.21	6.33
Capital Expenditures	0.27	0.49
Direct Expenses	28.17	29.00
Direct Margin	23.68	23.85
Overhead Allocation	4.43	4.30
Expenses incl. Corp O/H	32.60	33.30
Margin after Corp O/H	19.25	19.55
<u>Costs per kwh (cents)</u>		
Fuel	2.75	2.82
Non-fuel	0.71	0.73
Capital Expenditures	0.03	0.06
Direct Expenses	3.49	3.61
Direct Margin	2.44	2.47
Overhead Allocation	0.51	0.49
Expenses incl. Corp O/H	3.99	4.10
Margin after Corp O/H	1.93	1.97
NPV of Margin after O/H		
NPV of Decommissioning		
NPV OF NET MARGIN		

DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
BRUNOT ISLAND														
kwh Market Price (cents)	9.35	9.85	10.40	10.95	11.55	12.15	12.80	22.04	22.59	23.15	23.73	24.33	24.93	25.56
Unit Output (gwh)	0	0	0	0	0	0	0	27	27	27	27	27	27	27
Delivered Output (gwh)	0	0	0	0	0	0	0	25.40	25.40	25.40	25.40	25.40	25.40	25.40
Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.60	5.74	5.88	6.03	6.18	6.33	6.49
Fuel-Related Expenses														
Fuel Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Non-fuel O&M Expenses														
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Fixed O&M	0.59	0.61	0.62	0.64	0.65	0.67	0.69	0.71	0.73	0.75	0.77	0.79	0.79	0.00
Overhaul	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0.59	0.61	0.62	0.64	0.65	0.67	0.69	0.74	0.76	0.78	0.80	0.82	0.83	0.03
FICA	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.02	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.27	1.29	1.30	1.32	1.34	1.36	1.38	1.43	1.44	1.47	1.48	1.51	1.51	0.70
Capital Expenditures	1.61	0.17	0.17	0.17	0.18	4.38	0.19	0.20	0.20	0.21	0.19	0.19	0.20	0.11
Direct Expenses	2.88	1.46	1.47	1.50	1.52	5.74	1.57	4.09	4.18	4.27	4.34	4.45	4.53	3.71
Direct Margin	(2.88)	(1.46)	(1.47)	(1.50)	(1.52)	(5.74)	(1.57)	1.51	1.56	1.61	1.68	1.73	1.80	2.79
Overhead Allocation	0.39	0.22	0.23	0.23	0.23	0.83	0.25	0.65	0.68	0.68	0.70	0.72	0.72	0.61
Expenses incl. Corp O/H	3.27	1.68	1.70	1.73	1.75	6.57	1.81	4.74	4.86	4.95	5.04	5.17	5.25	4.32
Margin after Corp O/H	(3.27)	(1.68)	(1.70)	(1.73)	(1.75)	(6.57)	(1.81)	0.86	0.88	0.93	0.99	1.01	1.08	2.18
Costs per kwh (cents)														
Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.82	10.09	10.36	10.64	10.93	11.22	11.52
Non-fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.61	5.68	5.77	5.84	5.95	5.96	0.00
Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.79	0.81	0.75	0.77	0.79	0.00
Direct Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.20	16.56	16.94	17.23	17.64	17.97	11.52
Direct Margin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.84	6.03	6.21	6.51	6.69	6.97	0.00
Overhead Allocation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.57	2.68	2.66	2.74	2.85	2.83	0.00
Expenses incl. Corp O/H	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.77	19.23	19.60	19.97	20.49	20.80	11.52
Margin after Corp O/H	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.27	3.36	3.55	3.76	3.84	4.14	0.00
NPV of Margin after O/H									3.5					
NPV of Decommissioning									13.9					
NPV OF NET MARGIN									(10.4)					

DUQUESNE LIGHT
Costs of Nuclear Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BEAVER VALLEY I															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24
Unit Output (gwh)	2,726	2,874	3,373	2,864	2,864	3,382	2,864	2,864	3,373	2,874	2,864	3,373	2,864	2,874	3,373
Delivered Output (gwh)	2,564	2,703	3,172	2,694	2,694	3,181	2,694	2,694	3,172	2,703	2,694	3,172	2,694	2,703	3,172
Revenues	48.26	53.21	65.93	59.40	62.30	77.57	69.71	118.74	143.30	125.15	127.87	154.32	134.34	138.14	166.18
Fuel-Related Expenses															
Fuel Costs	11.11	11.27	13.25	11.59	11.49	13.94	12.30	12.50	15.20	13.39	13.75	16.73	14.67	15.17	18.38
Fuel Related ECR Costs	2.56	2.70	3.17	2.69	2.69	3.18	2.69	2.69	3.17	2.70	2.69	3.17	2.69	2.70	3.17
Total Fuel	13.68	13.97	16.42	14.29	14.19	17.12	14.99	15.20	18.37	16.09	16.45	19.91	17.37	17.88	21.55
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	30.76	24.97	25.62	26.29	27.00	27.73	28.48	29.19	29.92	30.67	31.44	32.22	33.03	33.85	34.70
Overhaul	16.39	13.68	0.00	14.40	14.79	0.00	15.60	16.02	0.00	16.88	17.32	0.00	18.25	18.74	0.00
Subtotal	47.15	38.65	25.62	40.69	41.79	27.73	44.08	45.21	29.92	47.55	48.76	32.22	51.28	52.60	34.70
FICA	1.42	1.45	1.48	1.51	1.54	1.57	1.60	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	52.78	44.31	31.31	46.41	47.53	33.51	49.89	51.06	35.80	53.46	54.70	38.20	57.29	58.65	40.79
Capital Expenditures	6.76	5.69	5.84	5.99	6.16	6.33	6.50	6.68	6.86	7.04	7.23	7.43	7.63	7.84	8.06
	18.49														
Direct Expenses	73.21	63.96	53.56	66.68	67.88	56.96	71.38	72.93	61.03	76.59	78.37	65.53	82.29	84.36	70.39
Direct Margin	(24.95)	(10.75)	12.36	(7.29)	(5.58)	20.61	(1.67)	45.80	82.27	48.56	49.49	88.78	52.05	53.78	95.79
Overhead Allocation	9.96	9.70	8.32	10.23	10.35	8.22	11.23	11.64	9.93	12.14	12.57	10.66	13.05	13.90	12.27
Expenses incl. Corp O/H	83.18	73.67	61.89	76.91	78.22	65.18	82.61	84.57	70.96	88.73	90.95	76.20	95.34	98.26	82.67
Margin after Corp O/H	(34.91)	(20.45)	4.04	(17.52)	(15.93)	12.39	(12.90)	34.16	72.34	36.42	36.92	78.12	39.00	39.88	83.52
Costs per kwh (cents)															
Fuel	0.53	0.52	0.52	0.53	0.53	0.54	0.56	0.56	0.58	0.60	0.61	0.63	0.64	0.66	0.68
Non-fuel	2.06	1.64	0.99	1.72	1.76	1.05	1.85	1.90	1.13	1.98	2.03	1.20	2.13	2.17	1.29
Capital Expenditures	0.26	0.21	0.18	0.22	0.23	0.20	0.24	0.25	0.22	0.26	0.27	0.23	0.28	0.29	0.25
Direct Expenses	2.86	2.37	1.69	2.48	2.52	1.79	2.65	2.71	1.92	2.83	2.91	2.07	3.05	3.12	2.22
Direct Margin	(0.99)	(0.40)	0.39	(0.29)	(0.21)	0.64	(0.09)	1.70	2.59	1.80	1.84	2.80	1.93	1.99	3.02
Overhead Allocation	0.39	0.36	0.26	0.38	0.38	0.26	0.42	0.43	0.31	0.45	0.47	0.34	0.48	0.51	0.39
Expenses incl. Corp O/H	3.24	2.73	1.95	2.85	2.90	2.05	3.07	3.14	2.24	3.28	3.38	2.40	3.54	3.64	2.61
Margin after Corp O/H	(1.37)	(0.76)	0.13	(0.66)	(0.59)	0.38	(0.51)	1.27	2.28	1.35	1.37	2.46	1.45	1.48	2.63
NPV of Margin after O/H	86.1							218.4							
Overfunded Decomm.	0.0							0.0							
NPV OF NET MARGIN	86.1							218.4							

DUQUESNE LIGHT**Costs of Nuclear Plants**

\$ in Millions

BEAVER VALLEY 1	2014	2015
kwh Market Price (cents)	5.37	5.50
Unit Output (gwh)	2,864	3,336
Delivered Output (gwh)	2,694	3,137

Revenues	144.67	172.68
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Fuel-Related Expenses

Fuel Costs	16.10	19.31
Fuel Related ECR Costs	<u>2.69</u>	<u>3.14</u>
Total Fuel	18.79	22.44

Non-fuel O&M Expenses

Variable O&M	0.00	0.00
Fixed O&M	35.57	36.46
Overhaul	<u>19.77</u>	<u>0.00</u>
Subtotal	55.33	36.46
FICA	1.92	1.95
Property Tax	2.06	2.06
Cap Stock Tax	2.15	2.15
Total Non-fuel	61.46	42.62

Capital Expenditures	8.28	8.51
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Direct Expenses	88.53	73.57
Direct Margin	56.14	99.11

Overhead Allocation	14.71	12.92
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Expenses incl. Corp O/H	103.23	86.49
Margin after Corp O/H	41.44	86.19

Costs per kwh (cents)

Fuel	0.70	0.72
Non-fuel	2.28	1.36
Capital Expenditures	<u>0.31</u>	<u>0.27</u>
Direct Expenses	3.29	2.35
Direct Margin	2.08	3.16
Overhead Allocation	0.55	0.41

Expenses incl. Corp O/H	3.83	2.76
Margin after Corp O/H	1.54	2.75

NPV of Margin after O/H

Overfunded Decomm.

NPV OF NET MARGIN

DUQUESNE LIGHT

Costs of Nuclear Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
BEAVER VALLEY 2															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24
Unit Output (gwh)	883	994	883	883	991	885	883	991	883	885	991	883	883	994	883
Delivered Output (gwh)	829	934	829	829	931	832	829	931	829	832	931	829	829	934	829
Revenues	15.47	18.37	17.32	18.11	21.52	20.28	21.26	41.03	37.45	38.50	44.19	40.33	41.34	47.72	43.43
Fuel-Related Expenses															
Fuel Costs	3.38	3.96	3.61	3.54	3.93	3.58	3.53	4.04	3.72	3.84	4.44	4.09	4.22	4.90	4.50
Fuel Related ECR Costs	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>
Total Fuel	4.21	4.90	4.44	4.36	4.86	4.41	4.36	4.97	4.54	4.68	5.38	4.92	5.05	5.84	5.32
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	8.88	7.22	7.41	7.61	7.81	8.02	8.24	8.45	8.66	8.87	9.10	9.32	9.56	9.79	10.04
Overhaul	<u>3.02</u>	<u>0.00</u>	<u>3.10</u>	<u>3.18</u>	<u>0.00</u>	<u>3.36</u>	<u>3.45</u>	<u>0.00</u>	<u>3.64</u>	<u>3.73</u>	<u>0.00</u>	<u>3.93</u>	<u>4.03</u>	<u>0.00</u>	<u>4.25</u>
Subtotal	11.90	7.22	10.51	10.79	7.81	11.38	11.69	8.45	12.29	12.60	9.10	13.25	13.59	9.79	14.29
FICA	0.40	0.41	0.42	0.43	0.43	0.44	0.45	0.46	0.47	0.48	0.49	0.50	0.51	0.52	0.53
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Total Non-fuel	13.15	8.49	11.78	12.07	9.10	12.68	12.99	9.76	13.62	13.94	10.44	14.60	14.95	11.17	15.68
Capital Expenditures	6.65	4.86	4.99	5.12	5.26	5.40	5.54	5.70	5.84	6.00	6.15	6.32	6.49	6.67	6.85
Direct Expenses	24.01	18.24	21.21	21.55	19.22	22.49	22.90	20.42	24.00	24.61	21.97	25.84	26.49	23.67	27.85
Direct Margin	(8.54)	0.13	(3.89)	(3.44)	2.30	(2.20)	(1.64)	20.61	13.45	13.89	22.22	14.49	14.84	24.05	15.58
Overhead Allocation	3.27	2.77	3.30	3.30	2.93	3.25	3.60	3.26	3.91	3.90	3.52	4.20	4.20	3.90	4.85
Expenses incl. Corp O/H	27.28	21.01	24.51	24.85	22.14	25.73	26.50	23.68	27.91	28.51	25.49	30.04	30.70	27.57	32.70
Margin after Corp O/H	(11.81)	(2.64)	(7.19)	(6.74)	(0.63)	(5.45)	(5.24)	17.35	9.54	9.99	18.70	10.28	10.64	20.15	10.73
Costs per kwh (cents)															
Fuel	0.51	0.52	0.54	0.53	0.52	0.53	0.53	0.53	0.55	0.56	0.58	0.59	0.61	0.63	0.64
Non-fuel	1.59	0.91	1.42	1.46	0.98	1.52	1.57	1.05	1.64	1.68	1.12	1.76	1.80	1.20	1.89
Capital Expenditures	<u>0.80</u>	<u>0.52</u>	<u>0.60</u>	<u>0.62</u>	<u>0.56</u>	<u>0.65</u>	<u>0.67</u>	<u>0.61</u>	<u>0.70</u>	<u>0.72</u>	<u>0.66</u>	<u>0.76</u>	<u>0.78</u>	<u>0.71</u>	<u>0.83</u>
Direct Expenses	2.90	1.95	2.56	2.60	2.06	2.70	2.76	2.19	2.90	2.96	2.36	3.12	3.20	2.54	3.36
Direct Margin	(1.03)	0.02	(0.48)	(0.41)	0.25	(0.27)	(0.20)	2.21	1.62	1.67	2.39	1.75	1.79	2.58	1.88
Overhead Allocation	0.39	0.30	0.40	0.40	0.31	0.39	0.43	0.35	0.47	0.47	0.38	0.51	0.51	0.42	0.59
Expenses incl. Corp O/H	3.29	2.25	2.96	3.00	2.38	3.09	3.20	2.54	3.37	3.43	2.74	3.62	3.70	2.95	3.94
Margin after Corp O/H	(1.42)	(0.28)	(0.88)	(0.81)	(0.07)	(0.66)	(0.64)	1.86	1.15	1.20	2.01	1.24	1.28	2.16	1.29
NPV of Margin after O/H	35.4							91.9							
Underfunded Decomm.	5.0							8.5							
NPV OF NET MARGIN	30.4							83.3							

DUQUESNE LIGHT
Costs of Nuclear Plants

\$ in Millions

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BEAVER VALLEY 2													
kwh Market Price (cents)	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22
Unit Output (gwh)	883	991	883	883	991	883	883	991	883	883	991	883	991
Delivered Output (gwh)	829	931	829	829	931	829	829	931	829	829	931	829	931
Revenues	44.52	51.24	46.77	47.94	55.18	50.37	51.62	59.43	54.24	55.59	64.00	58.41	67.24
Fuel-Related Expenses													
Fuel Costs	4.64	5.38	4.94	5.09	5.89	5.43	5.59	6.46	5.97	6.13	7.09	6.56	6.73
Fuel Related ECR Costs	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>
Total Fuel	5.47	6.31	5.77	5.92	6.82	6.26	6.42	7.39	6.80	6.96	8.02	7.39	7.56
Non-fuel O&M Expenses													
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	10.29	10.55	10.81	11.08	11.36	11.64	11.93	12.23	12.54	12.85	13.17	13.50	13.84
Overhaul	<u>4.37</u>	<u>0.00</u>	<u>4.61</u>	<u>4.73</u>	<u>0.00</u>	<u>4.99</u>	<u>5.13</u>	<u>0.00</u>	<u>5.41</u>	<u>5.55</u>	<u>0.00</u>	<u>5.86</u>	<u>6.02</u>
Subtotal	14.66	10.55	15.42	15.81	11.36	16.63	17.06	12.23	17.94	18.41	13.17	19.36	19.86
FICA	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Total Non-fuel	16.05	11.95	16.86	17.26	12.82	18.11	18.55	13.73	19.46	19.93	14.71	20.91	21.42
Capital Expenditures	7.03	7.22	7.24	7.42	7.61	7.80	7.99	8.19	8.40	8.61	8.82	9.04	9.27
Direct Expenses	28.55	25.48	29.87	30.60	27.25	32.16	32.95	29.32	34.65	35.50	31.55	37.34	38.25
Direct Margin	15.97	25.76	16.90	17.34	27.93	18.20	18.67	30.11	19.59	20.10	32.45	21.07	28.98
Overhead Allocation	4.74	4.47	4.39	4.42	4.28	4.77	5.20	4.72	5.71	5.69	5.72	6.26	7.51
Expenses incl. Corp O/H	33.29	29.96	34.25	35.03	31.54	36.93	38.15	34.03	40.36	41.19	37.27	43.60	45.76
Margin after Corp O/H	11.22	21.29	12.52	12.91	23.65	13.43	13.47	25.39	13.88	14.40	26.73	14.81	21.48
Costs per kwh (cents)													
Fuel	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.82	0.84	0.86	0.89	0.81
Non-fuel	1.94	1.28	2.03	2.08	1.38	2.18	2.24	1.48	2.35	2.40	1.58	2.52	2.30
Capital Expenditures	<u>0.85</u>	<u>0.78</u>	<u>0.87</u>	<u>0.90</u>	<u>0.82</u>	<u>0.94</u>	<u>0.96</u>	<u>0.88</u>	<u>1.01</u>	<u>1.04</u>	<u>0.95</u>	<u>1.09</u>	<u>1.00</u>
Direct Expenses	3.44	2.74	3.60	3.69	2.93	3.88	3.98	3.15	4.18	4.28	3.39	4.50	4.11
Direct Margin	1.93	2.77	2.04	2.09	3.00	2.20	2.25	3.23	2.36	2.42	3.49	2.54	3.11
Overhead Allocation	0.57	0.48	0.53	0.53	0.46	0.58	0.63	0.51	0.69	0.69	0.61	0.76	0.81
Expenses incl. Corp O/H	4.02	3.22	4.13	4.23	3.39	4.46	4.60	3.66	4.87	4.97	4.00	5.26	4.92
Margin after Corp O/H	1.35	2.29	1.51	1.56	2.54	1.62	1.63	2.73	1.67	1.74	2.87	1.79	2.31
NPV of Margin after O/H													
Underfunded Decomm.													
NPV OF NET MARGIN													

DUQUESNE LIGHT
Costs of Nuclear Plants

\$ in Millions

\$44.1/mwh in 2006 with escalations @ 2.5%

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PERRY															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24
Unit Output (gwh)	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256
Delivered Output (gwh)	1,195	1,347	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195
Revenues	22.43	26.50	24.96	29.40	27.76	32.83	30.85	59.19	53.97	62.35	56.71	65.32	59.57	68.82	62.60
Fuel-Related Expenses															
Fuel Costs	5.25	5.80	5.27	5.95	5.36	6.10	5.69	6.42	5.91	6.87	6.29	7.30	6.70	7.79	7.13
Fuel Related ECR Costs	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20	1.34	1.20	1.35	1.20
Total Fuel	6.44	7.15	6.46	7.30	6.55	7.44	6.89	7.77	7.10	8.22	7.49	8.64	7.89	9.13	8.32
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	16.25	15.25	16.29	16.33	16.75	17.23	17.67	18.11	18.56	19.03	19.50	19.99	20.49	21.00	21.53
Overhaul	3.29	0.00	3.38	0.00	3.56	0.00	3.75	0.00	3.96	0.00	4.16	0.00	4.39	0.00	4.63
Subtotal	19.54	15.25	19.67	16.33	20.30	17.23	21.42	18.11	22.52	19.03	23.67	19.99	24.88	21.00	26.15
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Total Non-fuel	33.25	28.95	33.37	30.04	34.00	30.94	35.12	31.81	36.22	32.73	37.37	33.69	38.58	34.70	39.86
Capital Expenditures	5.09	2.35	2.98	2.48	3.15	3.04	3.33	3.22	3.52	3.40	3.72	3.59	3.93	3.80	4.16
Direct Expenses	44.78	38.44	42.81	39.81	43.70	41.42	45.34	42.80	46.84	44.34	48.57	45.92	50.41	47.63	52.34
Direct Margin	(22.35)	(11.94)	(17.85)	(10.41)	(15.95)	(8.58)	(14.50)	16.39	7.13	18.00	8.14	19.40	9.17	21.18	10.26
Overhead Allocation	6.09	5.83	6.65	6.11	6.66	5.98	7.13	6.83	7.62	7.03	7.79	7.47	7.99	7.85	9.12
Expenses incl. Corp O/H	50.87	44.27	49.47	45.91	50.37	47.40	52.47	49.63	54.47	51.37	56.37	53.40	58.40	55.48	61.46
Margin after Corp O/H	(28.44)	(17.78)	(24.50)	(16.51)	(22.61)	(14.56)	(21.63)	9.56	(0.50)	10.98	0.34	11.93	1.17	13.34	1.14
Costs per kwh (cents)															
Fuel	0.54	0.53	0.54	0.54	0.55	0.55	0.58	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70
Non-fuel	2.78	2.15	2.79	2.24	2.85	2.30	2.94	2.37	3.03	2.43	3.13	2.51	3.23	2.58	3.34
Capital Expenditures	0.43	0.17	0.25	0.18	0.26	0.23	0.28	0.24	0.29	0.25	0.31	0.27	0.33	0.28	0.35
Direct Expenses	3.75	2.85	3.58	2.96	3.66	3.08	3.80	3.19	3.92	3.29	4.07	3.42	4.22	3.54	4.38
Direct Margin	(1.88)	(0.88)	(1.50)	(0.77)	(1.35)	(0.65)	(1.24)	1.22	0.60	1.34	0.68	1.44	0.77	1.57	0.86
Overhead Allocation	0.51	0.43	0.56	0.45	0.56	0.44	0.60	0.51	0.64	0.52	0.65	0.56	0.67	0.58	0.76
Expenses incl. Corp O/H	4.26	3.29	4.14	3.42	4.22	3.52	4.39	3.70	4.56	3.82	4.72	3.98	4.89	4.12	5.14
Margin after Corp O/H	(2.39)	(1.32)	(2.06)	(1.23)	(1.91)	(1.09)	(1.83)	0.71	(0.04)	0.82	0.03	0.89	0.10	0.99	0.10
NPV of Margin after O/H	(34.3)							56.1							
Underfunded Decomm.	6.5							11.0							
NPV OF NET MARGIN	(40.8)							45.1							

DUQUESNE LIGHT
Costs of Nuclear Plants
 \$ in Millions

PERRY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
kwh Market Price (cents)	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22
Unit Output (gwh)	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,416
Delivered Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347
Revenues	72.10	65.77	75.96	69.09	79.59	72.59	83.86	76.26	87.85	80.13	92.57	84.18	97.25
Fuel-Related Expenses													
Fuel Costs	8.25	7.58	8.80	8.04	9.29	8.49	9.82	8.71	9.79	8.71	9.82	8.71	2.43
Fuel Related ECR Costs	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>0.33</u>
Total Fuel	9.59	8.78	10.15	9.24	10.63	9.68	11.17	9.91	11.14	9.91	11.17	9.91	2.76
Non-fuel O&M Expenses													
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	22.06	22.62	23.18	23.76	24.35	24.96	25.59	26.23	26.88	27.55	28.24	28.95	29.67
Overhaul	<u>0.00</u>	<u>4.88</u>	<u>0.00</u>	<u>5.15</u>	<u>0.00</u>	<u>5.43</u>	<u>0.00</u>	<u>5.58</u>	<u>0.00</u>	<u>5.58</u>	<u>0.00</u>	<u>5.58</u>	<u>0.00</u>
Subtotal	22.06	27.50	23.18	28.91	24.35	30.39	25.59	31.80	26.88	33.13	28.24	34.53	29.67
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Total Non-fuel	35.77	41.20	36.88	42.61	38.06	44.10	39.29	45.51	40.59	46.83	41.95	48.23	43.38
Capital Expenditures	4.02	4.40	4.25	4.64	4.48	4.90	4.73	5.17	5.00	5.45	5.27	5.75	5.56
Direct Expenses	49.38	54.37	51.28	56.49	53.17	58.67	55.19	60.58	56.72	62.19	58.38	63.89	51.70
Direct Margin	22.73	11.39	24.68	12.60	26.42	13.92	28.67	15.68	31.14	17.93	34.18	20.30	45.55
Overhead Allocation	8.20	9.55	7.53	8.17	8.36	8.70	8.70	9.75	9.35	9.97	10.58	10.71	10.15
Expenses incl. Corp O/H	57.58	63.92	58.81	64.66	61.53	67.37	63.89	70.33	66.06	72.17	68.97	74.60	61.85
Margin after Corp O/H	14.53	1.84	17.15	4.44	18.06	5.22	19.97	5.93	21.79	7.96	23.60	9.59	35.40
Costs per kwh (cents)													
Fuel	0.71	0.73	0.75	0.77	0.79	0.81	0.83	0.83	0.83	0.83	0.83	0.83	0.21
Non-fuel	2.66	3.45	2.74	3.57	2.83	3.69	2.92	3.81	3.02	3.92	3.12	4.04	3.22
Capital Expenditures	<u>0.30</u>	<u>0.37</u>	<u>0.32</u>	<u>0.39</u>	<u>0.33</u>	<u>0.41</u>	<u>0.35</u>	<u>0.43</u>	<u>0.37</u>	<u>0.46</u>	<u>0.39</u>	<u>0.48</u>	<u>0.41</u>
Direct Expenses	3.68	4.55	3.81	4.73	3.96	4.91	4.10	5.07	4.22	5.21	4.34	5.35	3.84
Direct Margin	1.69	0.95	1.83	1.05	1.97	1.17	2.13	1.31	2.32	1.50	2.54	1.70	3.38
Overhead Allocation	0.61	0.80	0.56	0.68	0.62	0.73	0.65	0.82	0.70	0.83	0.79	0.90	0.75
Expenses incl. Corp O/H	4.29	5.35	4.37	5.41	4.58	5.64	4.74	5.89	4.92	6.04	5.12	6.24	4.59
Margin after Corp O/H	1.08	0.15	1.27	0.37	1.35	0.44	1.48	0.50	1.62	0.67	1.75	0.80	2.63
NPV of Margin after O/H Underfunded Decomm.													
NPV OF NET MARGIN													

DUQUESNE LIGHT COMPANY

Plant Present Values

\$ in Millions

DELAYED ENTRY

MARGIN STREAM BEGINNING 1/1/99

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	0.0	(13.9)	(13.9)
Sammis	0.0	(4.7)	(4.7)
Eastlake	0.0	(4.1)	(4.1)
Elrama	0.0	(20.7)	(20.7)
Mansfield 1	36.9	(7.4)	29.4
Mansfield 2	13.0	(0.5)	12.5
Mansfield 3	28.0	(1.4)	26.6
Brunot Island	0.0	(8.2)	(8.2)
Phillips	0.0	(5.6)	(5.6)
Total Fossil	77.9	(66.5)	11.4
 <u>Nuclear Plants:</u>			
Beaver Valley 1	55.3	(25.5)	29.8
Beaver Valley 2	25.8	(10.3)	15.5
Perry	0.0	(21.6)	(21.6)
Total Nuclear	81.1	(57.4)	23.7
 TOTAL PLANTS	 \$159.0	 (\$123.9)	 \$35.1

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

DELAYED ENTRY

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
CHESWICK																
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.05	3.44	3.88	4.37	4.93	4.99	5.11	5.24	5.37
Unit Output (gwh)	3,791	3,837	3,662	4,017	3,922	3,471	4,147	4,235	4,062	4,425	4,231	3,707	4,413	4,249	4,062	4,374
Delivered Output (gwh)	3,608	3,652	3,485	3,823	3,733	3,303	3,947	4,030	3,866	4,211	4,027	3,528	4,200	4,044	3,866	4,163
Revenues	69.28	74.18	74.65	86.08	88.41	82.99	103.34	122.74	132.80	163.19	176.03	173.96	209.42	206.68	202.54	223.56
Fuel-Related Expenses																
Fuel Costs	44.97	47.14	46.27	51.78	51.87	47.65	58.41	61.67	60.69	68.62	70.81	65.11	79.74	79.21	78.70	88.19
Fuel Related ECR Costs	0.90	0.92	0.95	0.97	1.00	1.03	1.05	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32
NOx Emissions	5.27	5.46	5.41	6.56	6.59	5.42	7.82	8.24	8.17	9.60	9.34	7.63	10.85	10.87	10.49	12.08
SO2 Emissions	0.63	0.73	2.41	4.27	4.42	3.86	5.52	6.16	6.23	7.64	7.62	6.64	9.49	9.68	9.71	11.70
Total Fuel	51.77	54.25	56.04	63.58	63.88	57.95	72.86	77.14	76.21	87.00	89.01	80.58	101.32	101.03	100.20	113.29
Non-fuel O&M Expenses																
Variable O&M	2.78	2.89	2.83	3.18	3.19	2.90	3.56	3.73	3.67	4.11	4.03	3.62	4.43	4.38	4.30	4.75
Fixed O&M	13.05	12.06	14.00	13.66	12.42	9.88	14.56	13.15	15.38	15.33	14.11	9.12	16.38	15.26	17.69	17.55
Overhaul	0.00	0.00	0.00	0.00	0.00	15.86	0.00	0.00	0.00	0.00	18.56	0.00	0.00	0.00	0.00	0.00
Subtotal	15.83	14.95	16.83	16.84	15.61	28.64	18.12	16.88	19.06	19.43	18.14	31.30	20.81	19.63	21.98	22.30
Carbon Injection Costs							2.68	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07
FICA	0.47	0.50	0.53	0.53	0.48	0.42	0.52	0.53	0.57	0.58	0.52	0.43	0.58	0.60	0.67	0.68
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Total Non-fuel	18.02	17.16	19.08	19.09	17.82	30.79	23.05	22.14	24.14	24.54	23.47	35.96	26.04	25.28	27.50	27.76
Capital Expenditures	7.17	12.20	4.79	4.93	20.21	44.57	5.40	5.56	5.72	5.89	6.08	15.46	4.96	3.58	2.12	1.53
Direct Expenses	76.95	83.62	79.91	87.61	101.90	133.30	101.31	104.83	106.07	117.43	118.55	132.01	132.31	129.89	129.82	142.58
Direct Margin	(7.68)	(9.44)	(5.26)	(1.52)	(13.49)	(50.32)	2.03	17.90	26.73	45.76	57.48	41.95	77.11	76.80	72.73	80.98
Overhead Allocation	10.47	12.69	12.42	13.43	15.53	19.24	15.93	16.73	17.26	18.61	19.02	21.48	20.99	21.40	22.63	23.68
Expenses incl. Corp O/H	87.42	96.31	92.33	101.04	117.43	152.54	117.24	121.57	123.33	136.04	137.57	153.49	153.30	151.29	152.45	166.27
Margin after Corp O/H	(18.15)	(22.12)	(17.68)	(14.96)	(29.02)	(69.56)	(13.91)	1.17	9.47	27.16	38.46	20.48	56.12	55.39	50.10	57.29
Costs per kwh (cents)																
Fuel	1.51	1.56	1.69	1.75	1.80	1.84	1.94	2.01	2.07	2.16	2.31	2.39	2.52	2.61	2.70	2.84
Non-fuel	0.50	0.47	0.55	0.50	0.48	0.93	0.58	0.55	0.62	0.58	0.58	1.02	0.62	0.63	0.71	0.67
Capital Expenditures	0.20	0.33	0.14	0.13	0.54	1.35	0.14	0.14	0.15	0.14	0.15	0.44	0.12	0.09	0.05	0.04
Direct Expenses	2.21	2.37	2.37	2.37	2.82	4.12	2.66	2.69	2.84	2.89	3.04	3.84	3.26	3.32	3.47	3.54
Direct Margin	(0.34)	(0.40)	(0.29)	(0.18)	(0.51)	(1.69)	(0.10)	0.35	0.60	0.99	1.33	1.09	1.73	1.79	1.77	1.83
Overhead Allocation	0.29	0.35	0.36	0.35	0.42	0.58	0.40	0.42	0.45	0.44	0.47	0.61	0.50	0.53	0.59	0.57
Expenses incl. Corp O/H	2.50	2.72	2.73	2.73	3.23	4.71	3.06	3.11	3.29	3.33	3.52	4.45	3.76	3.85	4.05	4.11
Margin after Corp O/H	(0.63)	(0.75)	(0.65)	(0.54)	(0.92)	(2.28)	(0.50)	(0.06)	0.15	0.55	0.86	0.48	1.23	1.26	1.18	1.26
NPV of Margin after O/H	(10.0)							120.4								
NPV of Decommissioning	13.9							23.6								
NPV OF NET MARGIN	(23.9)							96.9								

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

DELAYED ENTRY

SAMMIS	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.05	3.44	3.88	4.37	4.93
Unit Output (gwh)	1,258	1,381	1,167	1,389	1,304	1,418	1,315	1,558	1,290	1,563	1,437	1,537
Delivered Output (gwh)	1,206	1,324	1,119	1,331	1,250	1,359	1,261	1,493	1,236	1,498	1,378	1,474
Revenues	23.35	26.97	23.87	30.12	29.80	34.11	33.33	45.48	42.47	58.06	60.23	72.66
Fuel-Related Expenses												
Fuel Costs	15.94	18.62	16.46	19.99	19.48	21.51	20.63	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	1.67	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	(0.70)	(0.65)	0.32	0.57	0.52	0.69	0.61	0.98	0.66	1.14	1.02	1.27
Total Fuel	15.26	18.00	16.80	20.59	20.02	22.23	22.94	26.83	22.80	29.08	27.75	31.03
Non-fuel O&M Expenses												
Variable O&M	1.68	1.83	1.51	1.84	1.78	1.97	1.88	2.29	1.93	2.40	2.26	2.48
Fixed O&M	5.72	3.68	3.33	3.71	5.00	4.01	5.22	4.29	3.75	4.80	4.63	4.71
Overhaul	0.00	0.00	3.45	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00
Subtotal	7.39	5.51	8.29	5.54	6.78	5.98	7.10	6.58	9.68	7.19	6.89	7.18
FICA	0.22	0.18	0.15	0.18	0.21	0.20	0.21	0.21	0.17	0.21	0.20	0.24
Property Tax	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49	1.49
Cap Stock Tax	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	9.41	7.48	10.24	7.51	8.78	7.97	9.10	8.58	11.64	9.20	8.88	9.22
Capital Expenditures	1.33	0.19	3.59	1.11	1.36	0.44	1.43	0.22	4.16	0.49	1.59	0.52
Direct Expenses	25.99	25.67	30.63	29.21	30.17	30.65	33.47	35.63	38.60	38.77	38.21	40.76
Direct Margin	(2.64)	1.30	(6.76)	0.92	(0.37)	3.46	(0.14)	9.85	3.86	19.29	22.01	31.90
Overhead Allocation	3.54	3.89	4.76	4.48	4.60	4.42	5.26	5.69	6.28	6.14	6.13	6.63
Expenses incl. Corp O/H	29.53	29.57	35.39	33.69	34.77	35.07	38.74	41.32	44.89	44.91	44.34	47.39
Margin after Corp O/H	(6.18)	(2.60)	(11.52)	(3.56)	(4.97)	(0.96)	(5.40)	4.16	(2.42)	13.14	15.88	25.26
Costs per kwh (cents)												
Fuel	1.40	1.50	1.64	1.68	1.74	1.78	1.97	1.95	2.00	2.10	2.18	2.27
Non-fuel	0.78	0.57	0.91	0.56	0.70	0.59	0.72	0.57	0.94	0.61	0.64	0.63
Capital Expenditures	0.11	0.01	0.32	0.08	0.11	0.03	0.11	0.01	0.34	0.03	0.12	0.04
Direct Expenses	2.29	2.08	2.87	2.33	2.56	2.40	2.80	2.54	3.28	2.75	2.94	2.93
Direct Margin	(0.42)	(0.11)	(0.79)	(0.14)	(0.25)	0.03	(0.24)	0.51	0.16	1.13	1.43	2.00
Overhead Allocation	0.29	0.29	0.43	0.34	0.37	0.33	0.42	0.38	0.51	0.41	0.44	0.45
Expenses incl. Corp O/H	2.59	2.37	3.30	2.67	2.92	2.73	3.22	2.92	3.79	3.16	3.38	3.38
Margin after Corp O/H	(0.72)	(0.40)	(1.22)	(0.48)	(0.61)	(0.30)	(0.66)	0.13	(0.35)	0.72	0.99	1.55
NPV of Margin after O/H	(1.6)							25.1				
NPV of Decommissioning	4.7							8.0				
NPV OF NET MARGIN	(6.3)							17.1				

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

DELAYED ENTRY

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
EASTLAKE													
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.05	3.44	3.88	4.37	4.93	4.99
Unit Output (gwh)	1,216	1,097	1,230	1,078	1,105	1,187	1,004	1,206	1,367	1,208	1,205	1,267	1,123
Delivered Output (gwh)	1,158	1,045	1,172	1,027	1,053	1,131	956	1,149	1,302	1,151	1,148	1,207	1,069
Revenues	22.32	21.06	25.08	23.20	24.87	28.08	25.27	34.98	44.72	44.61	50.18	59.53	53.33
Fuel-Related Expenses													
Fuel Costs	13.25	12.29	14.20	12.83	13.52	14.93	13.05	15.96	18.60	16.95	17.43	18.85	17.19
Fuel Related ECR Costs	0.10	0.10	0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.85	1.05	1.24	1.14	1.19	1.30	1.20
SO2 Emissions	2.44	2.23	3.77	3.47	3.84	4.50	3.97	5.26	6.57	6.12	6.57	7.51	7.00
Total Fuel	15.79	14.62	18.07	16.40	17.46	19.54	17.98	22.38	26.52	24.33	25.31	27.78	25.52
Non-fuel O&M Expenses													
Variable O&M	1.40	1.30	1.49	1.34	1.41	1.56	1.35	1.67	1.94	1.76	1.80	1.95	1.77
Fixed O&M	3.93	4.11	4.51	4.86	4.49	4.99	4.75	4.73	5.17	5.54	5.14	5.76	5.37
Overhaul	0.05	0.00	0.00	0.00	0.00	0.41	1.39	0.00	0.00	0.00	0.00	0.64	1.43
Subtotal	5.39	5.41	6.00	6.20	5.90	6.96	7.50	6.40	7.11	7.30	6.94	8.35	8.57
FICA	0.16	0.18	0.19	0.20	0.18	0.22	0.18	0.20	0.21	0.22	0.20	0.26	0.20
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	7.08	7.12	7.73	7.94	7.62	8.71	9.21	8.14	8.86	9.05	8.68	10.14	10.31
Capital Expenditures	2.02	0.55	5.38	6.00	1.68	3.16	3.60	2.39	0.66	0.91	0.91	1.06	0.78
Direct Expenses	24.90	22.29	31.17	30.34	26.76	31.42	30.80	32.91	36.05	34.30	34.90	38.98	36.61
Direct Margin	(2.59)	(1.23)	(6.09)	(7.14)	(1.89)	(3.34)	(5.52)	2.07	8.67	10.31	15.27	20.54	16.72
Overhead Allocation	3.39	3.38	4.84	4.65	4.08	4.54	4.84	5.25	5.87	5.43	5.60	6.34	5.81
Expenses incl. Corp O/H	28.29	25.68	36.02	34.99	30.84	35.95	35.64	38.16	41.91	39.73	40.50	45.33	42.42
Margin after Corp O/H	(5.98)	(4.61)	(10.93)	(11.80)	(5.97)	(7.87)	(10.37)	(3.18)	2.80	4.87	9.67	14.20	10.91
Costs per kwh (cents)													
Fuel	1.48	1.52	1.67	1.73	1.79	1.87	2.02	2.09	2.19	2.27	2.36	2.46	2.55
Non-fuel	0.61	0.68	0.66	0.77	0.72	0.77	0.96	0.71	0.68	0.79	0.76	0.84	0.96
Capital Expenditures	0.17	0.05	0.46	0.58	0.16	0.28	0.38	0.21	0.05	0.08	0.08	0.09	0.07
Direct Expenses	2.27	2.26	2.79	3.09	2.68	2.92	3.36	3.01	2.92	3.13	3.20	3.39	3.59
Direct Margin	(0.40)	(0.29)	(0.71)	(0.90)	(0.37)	(0.49)	(0.80)	0.04	0.52	0.74	1.17	1.54	1.40
Overhead Allocation	0.29	0.32	0.41	0.45	0.39	0.40	0.51	0.46	0.45	0.47	0.49	0.53	0.54
Expenses incl. Corp O/H	2.56	2.58	3.20	3.54	3.06	3.32	3.87	3.47	3.37	3.61	3.69	3.92	4.13
Margin after Corp O/H	(0.69)	(0.61)	(1.12)	(1.35)	(0.75)	(0.89)	(1.31)	(0.42)	0.07	0.27	0.69	1.02	0.85
NPV of Margin after O/H	(15.9)							16.5					
NPV of Decommissioning	4.1							7.0					
NPV OF NET MARGIN	(20.0)							9.5					

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

DELAYED ENTRY

ELRAMA	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43		
Unit Output (gwh)	2,789	2,801	2,810	2,986	2,662	3,040		
Delivered Output (gwh)	2,502	2,513	2,521	2,679	2,388	2,728		
Revenues	47.74	50.32	53.43	59.76	56.26	67.31	0.00	
Fuel-Related Expenses								
Fuel Costs	31.50	30.75	31.73	34.55	31.94	37.27		
Fuel Related ECR Costs	6.63	6.81	7.00	7.45	7.15	7.90		
NOx Emissions	5.99	6.33	6.60	7.55	6.46	8.41		
SO2 Emissions	<u>0.55</u>	<u>0.62</u>	<u>(0.31)</u>	<u>(0.29)</u>	<u>(0.40)</u>	<u>(0.32)</u>		
Total Fuel	44.67	44.51	45.02	49.26	45.15	53.27		
Non-fuel O&M Expenses								
Variable O&M	2.80	2.89	2.98	3.24	2.97	3.48		
Fixed O&M	16.16	16.23	17.28	17.11	17.62	17.78		
Overhaul	<u>3.80</u>	<u>1.70</u>	<u>0.00</u>	<u>0.00</u>	<u>3.00</u>	<u>0.00</u>		
Subtotal	22.76	20.82	20.26	20.35	23.59	21.26		
FICA	0.56	0.63	0.64	0.65	0.64	0.70		
Property Tax	0.62	0.62	0.62	0.62	0.62	0.62		
Cap Stock Tax	0.65	0.65	0.65	0.65	0.65	0.65		
Total Non-fuel	24.60	22.72	22.17	22.27	25.50	23.24		
Capital Expenditures	6.13	8.54	5.66	2.73	1.51	1.05		
Direct Expenses	75.39	75.78	72.85	74.26	72.16	77.56		
Direct Margin	(27.66)	(25.46)	(19.42)	(14.50)	(15.90)	(10.25)		
Overhead Allocation	10.26	11.50	11.32	11.39	11.00	11.20		
Expenses incl. Corp O/H	85.65	87.27	84.17	85.65	83.15	88.75		
Margin after Corp O/H	(37.92)	(36.95)	(30.73)	(25.88)	(26.90)	(21.44)		
Costs per kwh (cents)								
Fuel	1.90	1.89	1.90	1.96	2.01	2.08		
Non-fuel	0.98	0.90	0.88	0.83	1.07	0.85		
Capital Expenditures	<u>0.24</u>	<u>0.34</u>	<u>0.22</u>	<u>0.10</u>	<u>0.06</u>	<u>0.04</u>		
Direct Expenses	3.13	3.13	3.01	2.89	3.15	2.97		
Direct Margin	(1.26)	(1.16)	(0.93)	(0.70)	(0.84)	(0.54)		
Overhead Allocation	0.41	0.46	0.45	0.43	0.46	0.41		
Expenses incl. Corp O/H	3.54	3.59	3.46	3.32	3.61	3.38		
Margin after Corp O/H	(1.67)	(1.62)	(1.38)	(1.13)	(1.30)	(0.95)		
NPV of Margin after O/H	(86.7)						0.0	
NPV of Decommissioning	20.7						35.0	
NPV OF NET MARGIN	(107.4)						(35.0)	

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

DELAYED ENTRY

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
MANSFIELD 2																		
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.05	3.44	3.88	4.37	4.93	4.99	5.11	5.24	5.37	5.50	5.64
Unit Output (gwh)	475	509	393	518	520	483	524	549	423	550	548	496	549	550	423	549	549	541
Delivered Output (gwh)	432	463	358	472	473	440	477	500	385	501	499	452	500	501	385	500	500	493
Revenues	8.43	9.32	7.59	10.51	11.11	10.87	12.42	15.22	13.22	19.42	21.81	22.28	24.92	25.61	20.16	26.84	27.50	27.81
Fuel-Related Expenses																		
Fuel Costs	6.89	4.97	3.79	5.11	5.27	5.04	5.62	6.02	4.77	6.39	6.55	6.10	6.95	7.16	5.66	7.56	7.78	7.89
Fuel Related ECR Costs	0.90	0.98	0.79	1.06	1.09	1.04	1.16	1.24	0.99	1.31	1.34	1.25	1.41	1.45	1.16	1.53	1.57	1.59
NOx Emissions	0.87	0.99	0.72	1.10	1.15	1.10	1.26	1.38	1.00	1.50	1.56	1.43	1.70	1.78	1.29	1.92	2.00	2.05
SO2 Emissions	(0.04)	(0.04)	(0.09)	(0.08)	(0.08)	(0.10)	(0.10)	(0.10)	(0.14)	(0.11)	(0.12)	(0.15)	(0.15)	(0.16)	(0.22)	(0.18)	(0.20)	(0.22)
Total Fuel	8.61	6.90	5.21	7.19	7.43	7.08	7.95	8.55	6.64	9.09	9.33	8.63	9.91	10.24	7.90	10.83	11.16	11.31
Non-fuel O&M Expenses																		
Variable O&M	0.81	0.81	0.62	0.85	0.87	0.79	0.92	0.99	0.78	1.04	1.06	0.99	1.12	1.15	0.90	1.21	1.23	1.25
Fixed O&M	1.20	0.84	0.91	0.88	1.30	1.11	1.16	0.96	1.05	0.92	1.58	1.21	1.28	1.29	1.00	1.02	2.01	1.59
Overhaul	0.00	0.00	0.92	0.00	0.00	0.00	0.00	0.00	0.82	0.00	0.00	0.00	0.00	0.00	0.95	0.00	0.00	0.00
Subtotal	2.01	1.65	2.45	1.72	2.17	1.90	2.08	1.95	2.65	1.96	2.65	2.20	2.40	2.44	2.85	2.22	3.24	2.83
FICA	0.06	0.05	0.05	0.05	0.07	0.06	0.06	0.06	0.05	0.06	0.08	0.07	0.07	0.07	0.06	0.07	0.07	0.10
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	2.33	1.97	2.76	2.04	2.50	2.23	2.41	2.27	2.98	2.28	2.99	2.53	2.73	2.78	3.18	2.56	3.58	3.20
Capital Expenditures	0.22	0.25	0.71	0.12	0.15	1.30	0.07	0.17	0.87	0.08	0.18	0.93	0.09	0.19	1.01	0.09	0.21	0.17
Direct Expenses	11.16	9.12	8.68	9.36	10.08	10.61	10.43	10.99	10.48	11.45	12.49	12.10	12.73	13.21	12.08	13.48	14.94	14.68
Direct Margin	(2.72)	0.20	(1.10)	1.15	1.03	0.25	1.99	4.23	2.74	7.97	9.32	10.18	12.19	12.40	8.07	13.36	12.56	13.12
Overhead Allocation	1.52	1.38	1.35	1.43	1.54	1.53	1.64	1.75	1.71	1.81	2.00	1.97	2.02	2.18	2.11	2.24	2.62	2.16
Expenses incl. Corp O/H	12.68	10.51	10.03	10.79	11.62	12.14	12.07	12.74	12.18	13.27	14.50	14.07	14.75	15.38	14.19	15.72	17.57	16.84
Margin after Corp O/H	(4.24)	(1.18)	(2.45)	(0.28)	(0.51)	(1.28)	0.35	2.48	1.03	6.15	7.31	8.21	10.17	10.23	5.97	11.12	9.93	10.97
Costs per kwh (cents)																		
Fuel	2.18	1.67	1.63	1.70	1.75	1.79	1.86	1.91	1.93	2.02	2.08	2.13	2.21	2.27	2.29	2.41	2.48	2.55
Non-fuel	0.54	0.43	0.77	0.43	0.53	0.51	0.51	0.46	0.77	0.46	0.60	0.56	0.55	0.55	0.83	0.51	0.72	0.65
Capital Expenditures	0.05	0.05	0.20	0.03	0.03	0.30	0.02	0.03	0.23	0.02	0.04	0.21	0.02	0.04	0.26	0.02	0.04	0.03
Direct Expenses	2.77	2.15	2.60	2.16	2.31	2.59	2.38	2.40	2.93	2.49	2.72	2.90	2.77	2.86	3.38	2.94	3.24	3.23
Direct Margin	(0.90)	(0.18)	(0.52)	0.03	(0.00)	(0.16)	0.18	0.65	0.51	1.38	1.65	2.03	2.21	2.25	1.86	2.43	2.27	2.41
Overhead Allocation	0.35	0.30	0.38	0.30	0.32	0.35	0.34	0.35	0.44	0.36	0.40	0.44	0.40	0.43	0.55	0.45	0.53	0.44
Expenses incl. Corp O/H	3.12	2.44	2.98	2.47	2.64	2.94	2.72	2.75	3.37	2.86	3.12	3.33	3.18	3.30	3.92	3.39	3.76	3.67
Margin after Corp O/H	(1.25)	(0.47)	(0.90)	(0.28)	(0.33)	(0.51)	(0.16)	0.30	0.07	1.02	1.25	1.60	1.81	1.81	1.32	1.98	1.74	1.97
NPV of Margin after O/H	13.0							30.4										
NPV of Decommissioning	0.5							0.9										
NPV OF NET MARGIN	12.5							29.5										

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

MANSFIELD 3	2018	2019
kwh Market Price (cents)	5.93	6.08
Unit Output (gwh)	945	940
Delivered Output (gwh)	875	870
Revenues	51.85	52.86
<u>Fuel-Related Expenses</u>		
Fuel Costs	14.49	14.80
Fuel Related ECR Costs	3.00	3.06
NOx Emissions	4.66	4.81
SO2 Emissions	(0.45)	(0.49)
Total Fuel	21.69	22.18
<u>Non-fuel O&M Expenses</u>		
Variable O&M	2.34	2.38
Fixed O&M	3.21	3.28
Overhaul	0.00	0.00
Subtotal	5.55	5.66
FICA	0.19	0.20
Property Tax	0.23	0.23
Cap Stock Tax	0.24	0.24
Total Non-fuel	6.21	6.33
Capital Expenditures	0.27	0.49
Direct Expenses	28.17	29.00
Direct Margin	23.68	23.85
Overhead Allocation	4.43	4.30
Expenses incl. Corp O/H	32.60	33.30
Margin after Corp O/H	19.25	19.55
<u>Costs per kwh (cents)</u>		
Fuel	2.75	2.82
Non-fuel	0.71	0.73
Capital Expenditures	0.03	0.06
Direct Expenses	3.49	3.61
Direct Margin	2.44	2.47
Overhead Allocation	0.51	0.49
Expenses incl. Corp O/H	3.99	4.10
Margin after Corp O/H	1.93	1.97

NPV of Margin after O/H

NPV of Decommissioning

NPV OF NET MARGIN

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

DELAYED ENTRY

BRUNOT ISLAND	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
kwh Market Price (cents)	9.35	9.85	10.40	10.95	11.55	12.15	12.80	15.23	17.18	19.38	21.86	24.65	24.93	25.56
Unit Output (gwh)	0	0	0	0	0	0	0	27	27	27	27	27	27	27
Delivered Output (gwh)	0	0	0	0	0	0	0	25.40	25.40	25.40	25.40	25.40	25.40	25.40
Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.87	4.36	4.92	5.55	6.26	6.33	6.49
Fuel-Related Expenses														
Fuel Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Non-fuel O&M Expenses														
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Fixed O&M	0.59	0.61	0.62	0.64	0.65	0.67	0.69	0.71	0.73	0.75	0.77	0.79	0.79	0.00
Overhaul	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0.59	0.61	0.62	0.64	0.65	0.67	0.69	0.74	0.76	0.78	0.80	0.82	0.83	0.03
FICA	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.02	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.27	1.29	1.30	1.32	1.34	1.36	1.38	1.43	1.44	1.47	1.48	1.51	1.51	0.70
Capital Expenditures	1.61	0.17	0.17	0.17	0.18	4.38	0.19	0.20	0.20	0.21	0.19	0.19	0.20	0.11
Direct Expenses	2.88	1.46	1.47	1.50	1.52	5.74	1.57	4.09	4.18	4.27	4.34	4.45	4.53	3.71
Direct Margin	(2.88)	(1.46)	(1.47)	(1.50)	(1.52)	(5.74)	(1.57)	(0.22)	0.19	0.65	1.21	1.81	1.80	2.79
Overhead Allocation	0.39	0.22	0.23	0.23	0.23	0.83	0.25	0.65	0.68	0.68	0.70	0.72	0.72	0.61
Expenses incl. Corp O/H	3.27	1.68	1.70	1.73	1.75	6.57	1.81	4.74	4.86	4.95	5.04	5.17	5.25	4.32
Margin after Corp O/H	(3.27)	(1.68)	(1.70)	(1.73)	(1.75)	(6.57)	(1.81)	(0.87)	(0.49)	(0.03)	0.51	1.09	1.08	2.18
Costs per kwh (cents)														
Fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.82	10.09	10.36	10.64	10.93	11.22	11.52
Non-fuel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.61	5.68	5.77	5.84	5.95	5.96	0.00
Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.77	0.79	0.81	0.75	0.77	0.79	0.00
Direct Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.20	16.56	16.94	17.23	17.64	17.97	11.52
Direct Margin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.97)	0.62	2.44	4.63	7.01	6.97	0.00
Overhead Allocation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.57	2.68	2.66	2.74	2.85	2.83	0.00
Expenses incl. Corp O/H	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.77	19.23	19.60	19.97	20.49	20.80	11.52
Margin after Corp O/H	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(3.54)	(2.06)	(0.23)	1.89	4.16	4.14	0.00
NPV of Margin after O/H	(7.6)							1.1						
NPV of Decommissioning	8.2							13.9						
NPV OF NET MARGIN	(15.8)							(12.7)						

DUQUESNE LIGHT
Costs of Nuclear Plants

\$ in Millions

DELAYED ENTRY

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
BEAVER VALLEY 1															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.05	3.44	3.88	4.37	4.93	4.99	5.11	5.24
Unit Output (gwh)	2,726	2,874	3,373	2,864	2,864	3,382	2,864	2,864	3,373	2,874	2,864	3,373	2,864	2,874	3,373
Delivered Output (gwh)	2,564	2,703	3,172	2,694	2,694	3,181	2,694	2,694	3,172	2,703	2,694	3,172	2,694	2,703	3,172
Revenues	48.26	53.21	65.93	59.40	62.30	77.57	69.71	82.05	108.97	104.73	117.76	156.40	134.34	138.14	166.18
Fuel-Related Expenses															
Fuel Costs	11.11	11.27	13.25	11.59	11.49	13.94	12.30	12.50	15.20	13.39	13.75	16.73	14.67	15.17	18.38
Fuel Related ECR Costs	<u>2.56</u>	<u>2.70</u>	<u>3.17</u>	<u>2.69</u>	<u>2.69</u>	<u>3.18</u>	<u>2.69</u>	<u>2.69</u>	<u>3.17</u>	<u>2.70</u>	<u>2.69</u>	<u>3.17</u>	<u>2.69</u>	<u>2.70</u>	<u>3.17</u>
Total Fuel	13.68	13.97	16.42	14.29	14.19	17.12	14.99	15.20	18.37	16.09	16.45	19.91	17.37	17.88	21.55
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	30.76	24.97	25.62	26.29	27.00	27.73	28.48	29.19	29.92	30.67	31.44	32.22	33.03	33.85	34.70
Overhaul	<u>16.39</u>	<u>13.68</u>	<u>0.00</u>	<u>14.40</u>	<u>14.79</u>	<u>0.00</u>	<u>15.60</u>	<u>16.02</u>	<u>0.00</u>	<u>16.88</u>	<u>17.32</u>	<u>0.00</u>	<u>18.25</u>	<u>18.74</u>	<u>0.00</u>
Subtotal	47.15	38.65	25.62	40.69	41.79	27.73	44.08	45.21	29.92	47.55	48.76	32.22	51.28	52.60	34.70
FICA	1.42	1.45	1.48	1.51	1.54	1.57	1.60	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	52.78	44.31	31.31	46.41	47.53	33.51	49.89	51.06	35.80	53.46	54.70	38.20	57.29	58.65	40.79
Capital Expenditures	6.76	5.69	5.84	5.99	6.16	6.33	6.50	6.68	6.86	7.04	7.23	7.43	7.63	7.84	8.06
	18.49														
Direct Expenses	73.21	63.96	53.56	66.68	67.88	56.96	71.38	72.93	61.03	76.59	78.37	65.53	82.29	84.36	70.39
Direct Margin	(24.95)	(10.75)	12.36	(7.29)	(5.58)	20.61	(1.67)	9.12	47.94	28.14	39.38	90.86	52.05	53.78	95.79
Overhead Allocation	9.96	9.70	8.32	10.23	10.35	8.22	11.23	11.64	9.93	12.14	12.57	10.66	13.05	13.90	12.27
Expenses incl. Corp O/H	83.18	73.67	61.89	76.91	78.22	65.18	82.61	84.57	70.96	88.73	90.95	76.20	95.34	98.26	82.67
Margin after Corp O/H	(34.91)	(20.45)	4.04	(17.52)	(15.93)	12.39	(12.90)	(2.53)	38.01	16.00	26.81	80.20	39.00	39.88	83.52
Costs per kwh (cents)															
Fuel	0.53	0.52	0.52	0.53	0.53	0.54	0.56	0.56	0.58	0.60	0.61	0.63	0.64	0.66	0.68
Non-fuel	2.06	1.64	0.99	1.72	1.76	1.05	1.85	1.90	1.13	1.98	2.03	1.20	2.13	2.17	1.29
Capital Expenditures	<u>0.26</u>	<u>0.21</u>	<u>0.18</u>	<u>0.22</u>	<u>0.23</u>	<u>0.20</u>	<u>0.24</u>	<u>0.25</u>	<u>0.22</u>	<u>0.26</u>	<u>0.27</u>	<u>0.23</u>	<u>0.28</u>	<u>0.29</u>	<u>0.25</u>
Direct Expenses	2.86	2.37	1.69	2.48	2.52	1.79	2.65	2.71	1.92	2.83	2.91	2.07	3.05	3.12	2.22
Direct Margin	(0.99)	(0.40)	0.39	(0.29)	(0.21)	0.64	(0.09)	0.34	1.51	1.04	1.46	2.86	1.93	1.99	3.02
Overhead Allocation	0.39	0.36	0.26	0.38	0.38	0.26	0.42	0.43	0.31	0.45	0.47	0.34	0.48	0.51	0.39
Expenses incl. Corp O/H	3.24	2.73	1.95	2.85	2.90	2.05	3.07	3.14	2.24	3.28	3.38	2.40	3.54	3.64	2.61
Margin after Corp O/H	(1.37)	(0.76)	0.13	(0.66)	(0.59)	0.38	(0.51)	(0.09)	1.20	0.59	1.00	2.53	1.45	1.48	2.63
NPV of Margin after O/H	55.3							166.2							
Overfunded Decomm.	0.0							0.0							
NPV OF NET MARGIN	55.3							166.2							

DUQUESNE LIGHT**Costs of Nuclear Plants**

\$ in Millions

BEAVER VALLEY 1	2014	2015
kwh Market Price (cents)	5.37	5.50
Unit Output (gwh)	2,864	3,336
Delivered Output (gwh)	2,694	3,137
Revenues	144.67	172.68
<u>Fuel-Related Expenses</u>		
Fuel Costs	16.10	19.31
Fuel Related ECR Costs	<u>2.62</u>	<u>3.14</u>
Total Fuel	18.79	22.44
<u>Non-fuel O&M Expenses</u>		
Variable O&M	0.00	0.00
Fixed O&M	35.57	36.46
Overhaul	<u>19.72</u>	<u>0.00</u>
Subtotal	55.33	36.46
FICA	1.92	1.95
Property Tax	2.06	2.06
Cap Stock Tax	2.15	2.15
Total Non-fuel	61.46	42.62
Capital Expenditures	8.28	8.51
Direct Expenses	88.53	73.57
Direct Margin	56.14	99.11
Overhead Allocation	14.71	12.92
Expenses incl. Corp O/H	103.23	86.49
Margin after Corp O/H	41.44	86.19
<u>Costs per kwh (cents)</u>		
Fuel	0.70	0.72
Non-fuel	2.28	1.36
Capital Expenditures	<u>0.31</u>	<u>0.27</u>
Direct Expenses	3.29	2.35
Direct Margin	2.08	3.16
Overhead Allocation	0.55	0.41
Expenses incl. Corp O/H	3.83	2.76
Margin after Corp O/H	1.54	2.75

NPV of Margin after O/H

Overfunded Decomm.

NPV OF NET MARGIN

DUQUESNE LIGHT
Costs of Nuclear Plants
\$ in Millions

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BEAVER VALLEY 2													
kwh Market Price (cents)	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22
Unit Output (gwh)	883	991	883	883	991	883	883	991	883	883	991	883	991
Delivered Output (gwh)	829	931	829	829	931	829	829	931	829	829	931	829	931
Revenues	44.52	51.24	46.77	47.94	55.18	50.37	51.62	59.43	54.24	55.59	64.00	58.41	67.24
Fuel-Related Expenses													
Fuel Costs	4.64	5.38	4.94	5.09	5.89	5.43	5.59	6.46	5.97	6.13	7.09	6.56	6.73
Fuel Related ECR Costs	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>	<u>0.93</u>	<u>0.83</u>	<u>0.83</u>
Total Fuel	5.47	6.31	5.77	5.92	6.82	6.26	6.42	7.39	6.80	6.96	8.02	7.39	7.56
Non-fuel O&M Expenses													
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	10.29	10.55	10.81	11.08	11.36	11.64	11.93	12.23	12.54	12.85	13.17	13.50	13.84
Overhaul	<u>4.37</u>	<u>0.00</u>	<u>4.61</u>	<u>4.73</u>	<u>0.00</u>	<u>4.99</u>	<u>5.13</u>	<u>0.00</u>	<u>5.41</u>	<u>5.55</u>	<u>0.00</u>	<u>5.86</u>	<u>6.02</u>
Subtotal	14.66	10.55	15.42	15.81	11.36	16.63	17.06	12.23	17.94	18.41	13.17	19.36	19.86
FICA	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Total Non-fuel	16.05	11.95	16.86	17.26	12.82	18.11	18.55	13.73	19.46	19.93	14.71	20.91	21.42
Capital Expenditures	7.03	7.22	7.24	7.42	7.61	7.80	7.99	8.19	8.40	8.61	8.82	9.04	9.27
Direct Expenses	28.55	25.48	29.87	30.60	27.25	32.16	32.95	29.32	34.65	35.50	31.55	37.34	38.25
Direct Margin	15.97	25.76	16.90	17.34	27.93	18.20	18.67	30.11	19.59	20.10	32.45	21.07	28.98
Overhead Allocation	4.74	4.47	4.39	4.42	4.28	4.77	5.20	4.72	5.71	5.69	5.72	6.26	7.51
Expenses incl. Corp O/H	33.29	29.96	34.25	35.03	31.54	36.93	38.15	34.03	40.36	41.19	37.27	43.60	45.76
Margin after Corp O/H	11.22	21.29	12.52	12.91	23.65	13.43	13.47	25.39	13.88	14.40	26.73	14.81	21.48
Costs per kwh (cents)													
Fuel	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.82	0.84	0.86	0.89	0.81
Non-fuel	1.94	1.28	2.03	2.08	1.38	2.18	2.24	1.48	2.35	2.40	1.58	2.52	2.30
Capital Expenditures	<u>0.85</u>	<u>0.78</u>	<u>0.87</u>	<u>0.90</u>	<u>0.82</u>	<u>0.94</u>	<u>0.96</u>	<u>0.88</u>	<u>1.01</u>	<u>1.04</u>	<u>0.95</u>	<u>1.09</u>	<u>1.00</u>
Direct Expenses	3.44	2.74	3.60	3.69	2.93	3.88	3.98	3.15	4.18	4.28	3.39	4.50	4.11
Direct Margin	1.93	2.77	2.04	2.09	3.00	2.20	2.25	3.23	2.36	2.42	3.49	2.54	3.11
Overhead Allocation	0.57	0.48	0.53	0.53	0.46	0.58	0.63	0.51	0.69	0.69	0.61	0.76	0.81
Expenses incl. Corp O/H	4.02	3.22	4.13	4.23	3.39	4.46	4.60	3.66	4.87	4.97	4.00	5.26	4.92
Margin after Corp O/H	1.35	2.29	1.51	1.56	2.54	1.62	1.63	2.73	1.67	1.74	2.87	1.79	2.31
NPV of Margin after O/H													
Underfunded Decomm.													
NPV OF NET MARGIN													

DUQUESNE LIGHT
Costs of Nuclear Plants
 \$ in Millions

DELAYED ENTRY

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
PERRY															
kwh Market Price (cents)	1.87	1.97	2.08	2.19	2.31	2.43	2.56	3.05	3.44	3.88	4.37	4.93	4.99	5.11	5.24
Unit Output (gwh)	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256
Delivered Output (gwh)	1,195	1,347	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195
Revenues	22.43	26.50	24.96	29.40	27.76	32.83	30.85	40.90	41.04	52.18	52.23	66.20	59.57	68.82	62.60
Fuel-Related Expenses															
Fuel Costs	5.25	5.80	5.27	5.95	5.36	6.10	5.69	6.42	5.91	6.87	6.29	7.30	6.70	7.79	7.13
Fuel Related ECR Costs	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>
Total Fuel	6.44	7.15	6.46	7.30	6.55	7.44	6.89	7.77	7.10	8.22	7.49	8.64	7.89	9.13	8.32
Non-fuel O&M Expenses															
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	16.25	15.25	16.29	16.33	16.75	17.23	17.67	18.11	18.56	19.03	19.50	19.99	20.49	21.00	21.53
Overhaul	<u>3.29</u>	<u>0.00</u>	<u>3.38</u>	<u>0.00</u>	<u>3.56</u>	<u>0.00</u>	<u>3.75</u>	<u>0.00</u>	<u>3.96</u>	<u>0.00</u>	<u>4.16</u>	<u>0.00</u>	<u>4.32</u>	<u>0.00</u>	<u>4.63</u>
Subtotal	19.54	15.25	19.67	16.33	20.30	17.23	21.42	18.11	22.52	19.03	23.67	19.99	24.88	21.00	26.15
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Total Non-fuel	33.25	28.95	33.37	30.04	34.00	30.94	35.12	31.81	36.22	32.73	37.37	33.69	38.58	34.70	39.86
Capital Expenditures	5.09	2.35	2.98	2.48	3.15	3.04	3.33	3.22	3.52	3.40	3.72	3.59	3.93	3.80	4.16
Direct Expenses	44.78	38.44	42.81	39.81	43.70	41.42	45.34	42.80	46.84	44.34	48.57	45.92	50.41	47.63	52.34
Direct Margin	(22.35)	(11.94)	(17.85)	(10.41)	(15.95)	(8.58)	(14.50)	(1.90)	(5.80)	7.83	3.65	20.28	9.17	21.18	10.26
Overhead Allocation	6.09	5.83	6.65	6.11	6.66	5.98	7.13	6.83	7.62	7.03	7.79	7.47	7.99	7.85	9.12
Expenses incl. Corp O/H	50.87	44.27	49.47	45.91	50.37	47.40	52.47	49.63	54.47	51.37	56.37	53.40	58.40	55.48	61.46
Margin after Corp O/H	(28.44)	(17.78)	(24.50)	(16.51)	(22.61)	(14.56)	(21.63)	(8.73)	(13.43)	0.80	(4.14)	12.81	1.17	13.34	1.14
Costs per kwh (cents)															
Fuel	0.54	0.53	0.54	0.54	0.55	0.55	0.58	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70
Non-fuel	2.78	2.15	2.79	2.24	2.85	2.30	2.94	2.37	3.03	2.43	3.13	2.51	3.23	2.58	3.34
Capital Expenditures	<u>0.43</u>	<u>0.17</u>	<u>0.25</u>	<u>0.18</u>	<u>0.26</u>	<u>0.23</u>	<u>0.28</u>	<u>0.24</u>	<u>0.29</u>	<u>0.25</u>	<u>0.31</u>	<u>0.27</u>	<u>0.33</u>	<u>0.28</u>	<u>0.35</u>
Direct Expenses	3.75	2.85	3.58	2.96	3.66	3.08	3.80	3.19	3.92	3.29	4.07	3.42	4.22	3.54	4.38
Direct Margin	(1.88)	(0.88)	(1.50)	(0.77)	(1.35)	(0.65)	(1.24)	(0.14)	(0.49)	0.58	0.31	1.51	0.77	1.57	0.86
Overhead Allocation	0.51	0.43	0.56	0.45	0.56	0.44	0.60	0.51	0.64	0.52	0.65	0.56	0.67	0.58	0.76
Expenses incl. Corp O/H	4.26	3.29	4.14	3.42	4.22	3.52	4.39	3.70	4.56	3.82	4.72	3.98	4.89	4.12	5.14
Margin after Corp O/H	(2.39)	(1.32)	(2.06)	(1.23)	(1.91)	(1.09)	(1.83)	(0.65)	(1.12)	0.06	(0.35)	0.95	0.10	0.99	0.10
NPV of Margin after O/H	(48.3)							32.5							
Underfunded Decomm.	6.5							11.0							
NPV OF NET MARGIN	(54.8)							21.4							

DUQUESNE LIGHT
Costs of Nuclear Plants
\$ in Millions

PERRY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
kwh Market Price (cents)	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22
Unit Output (gwh)	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,416
Delivered Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347
Revenues	72.10	65.77	75.96	69.09	79.59	72.59	83.86	76.26	87.85	80.13	92.57	84.18	97.25
Fuel-Related Expenses													
Fuel Costs	8.25	7.58	8.80	8.04	9.29	8.49	9.82	8.71	9.79	8.71	9.82	8.71	2.43
Fuel Related ECR Costs	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>1.34</u>	<u>1.20</u>	<u>1.35</u>	<u>1.20</u>	<u>0.33</u>
Total Fuel	9.59	8.78	10.15	9.24	10.63	9.68	11.17	9.91	11.14	9.91	11.17	9.91	2.76
Non-fuel O&M Expenses													
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	22.06	22.62	23.18	23.76	24.35	24.96	25.59	26.23	26.88	27.55	28.24	28.95	29.67
Overhaul	<u>0.00</u>	<u>4.88</u>	<u>0.00</u>	<u>5.15</u>	<u>0.00</u>	<u>5.43</u>	<u>0.00</u>	<u>5.58</u>	<u>0.00</u>	<u>5.58</u>	<u>0.00</u>	<u>5.58</u>	<u>0.00</u>
Subtotal	22.06	27.50	23.18	28.91	24.35	30.39	25.59	31.80	26.88	33.13	28.24	34.53	29.67
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Property Tax	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Total Non-fuel	35.77	41.20	36.88	42.61	38.06	44.10	39.29	45.51	40.59	46.83	41.95	48.23	43.38
Capital Expenditures	4.02	4.40	4.25	4.64	4.48	4.90	4.73	5.17	5.00	5.45	5.27	5.75	5.56
Direct Expenses	49.38	54.37	51.28	56.49	53.17	58.67	55.19	60.58	56.72	62.19	58.38	63.89	51.70
Direct Margin	22.73	11.39	24.68	12.60	26.42	13.92	28.67	15.68	31.14	17.93	34.18	20.30	45.55
Overhead Allocation	8.20	9.55	7.53	8.17	8.36	8.70	8.70	9.75	9.35	9.97	10.58	10.71	10.15
Expenses incl. Corp O/H	57.58	63.92	58.81	64.66	61.53	67.37	63.89	70.33	66.06	72.17	68.97	74.60	61.85
Margin after Corp O/H	14.53	1.84	17.15	4.44	18.06	5.22	19.97	5.93	21.79	7.96	23.60	9.59	35.40
Costs per kwh (cents)													
Fuel	0.71	0.73	0.75	0.77	0.79	0.81	0.83	0.83	0.83	0.83	0.83	0.83	0.21
Non-fuel	2.66	3.45	2.74	3.57	2.83	3.69	2.92	3.81	3.02	3.92	3.12	4.04	3.22
Capital Expenditures	<u>0.30</u>	<u>0.37</u>	<u>0.32</u>	<u>0.39</u>	<u>0.33</u>	<u>0.41</u>	<u>0.35</u>	<u>0.43</u>	<u>0.37</u>	<u>0.46</u>	<u>0.39</u>	<u>0.48</u>	<u>0.41</u>
Direct Expenses	3.68	4.55	3.81	4.73	3.96	4.91	4.10	5.07	4.22	5.21	4.34	5.35	3.84
Direct Margin	1.69	0.95	1.83	1.05	1.97	1.17	2.13	1.31	2.32	1.50	2.54	1.70	3.38
Overhead Allocation	0.61	0.80	0.56	0.68	0.62	0.73	0.65	0.82	0.70	0.83	0.79	0.90	0.75
Expenses incl. Corp O/H	4.29	5.35	4.37	5.41	4.58	5.64	4.74	5.89	4.92	6.04	5.12	6.24	4.59
Margin after Corp O/H	1.08	0.15	1.27	0.37	1.35	0.44	1.48	0.50	1.62	0.67	1.75	0.80	2.63
NPV of Margin after O/H													
Underfunded Decomm.													
NPV OF NET MARGIN													

Item Nos.: HSS-1-001, 21 (Supp.); HSS-2-22
OCA-1-8, 13, 21-23, 27, 43-45, 50, 53 (Supp.)
OCA-3-3, 5, 21, 22, 27, 29, 31, 50 (Supp.)
Env-3-149
OSBA-1-14 (Supp.)

Witnesses: Clayton, Schnitzer, Karl, Nelson, Duckworth

DUQUESNE LIGHT COMPANY

Supplemental Response:

1. Overview.

Duquesne has received several hundred discovery requests to date. Several of those requests have identified errors in the calculations contained in Duquesne's case-in-chief. Duquesne agrees that these errors should be corrected and is supplying the necessary corrections in the attached documents. Duquesne also is submitting corrections to reflect new information contained in the October 1, 1997 restructuring filing of Pennsylvania Power Company. In that filing, Penn Power presents updated projections regarding the costs and operation of the Perry, Sammis and Mansfield plants. (Duquesne has an ownership interest in these plants, but the plants are operated by Ohio Edison and Cleveland Electric.)

The enclosed supplemental discovery response explains and itemizes the foregoing corrections and discusses the impact of such corrections on Duquesne's restructuring proposal. Duquesne is supplying the corrections at this time (rather than reflecting them in rebuttal testimony or making the corrections on the witness stand) to provide intervenors the opportunity to review the corrections prior to the date for filing intervenor testimony. Duquesne anticipates that this may minimize or eliminate certain unnecessary disputes. Duquesne emphasizes that the corrections relate only to arithmetic errors or updates and do not modify the fundamental elements of Duquesne's Customer Choice Plan.

2. Description of corrections.

The corrections fall into two main categories. The first are corrections for which Duquesne has provided a separate estimate of the impact of the correction on Attachment A.¹ These corrections relate to the following errors: (i) fossil decommissioning costs were overstated because they included the full cost of decommissioning the jointly-owned units, rather than only Duquesne's share of the decommissioning expense for such units, (ii) the output of Duquesne's generating units was understated by assuming that the output was net of transmission and distribution losses, rather than reflecting the output of the units at the generator busbar, and (iii) Brunot Island's output was overstated by modeling the dispatch as a combined cycle unit, rather than as a peaking unit. The cost/revenue impact of these corrections is summarized below:

- The correction related to decommissioning increases the estimated value of the Company's generating plants (and reduces estimated stranded costs) at the end of 2005 by \$73 million in both the high market price case and the low market price case. The \$73 million is net of an offsetting increase in nuclear decommissioning of \$18 million.
- The correction related to plant output increases the estimated value of the Company's generating plants (and reduces estimated stranded costs) at the end of 2005 by \$109 million in the high market price case and by \$62 million in the low market price case.

¹ The impacts shown in Attachment A and the revised exhibits were calculated as follows. In making these corrections, Duquesne has rerun its Promod simulation and the spreadsheet financial models used to produce the Exhibits to Mr. Clayton's testimony. All these corrections have been made simultaneously to produce a single set of updated Exhibits and the effects are cumulative and presented on pages 44 and 56 of the revised Exhibit DJC-3. The identified impacts of the specific changes described herein and presented in Attachment A have been approximated in the financial models; these identified impacts are not based on a separate Promod analysis of differences for each correction. The Other category in Attachment A includes netted corrections that, when added to the specifically identified impacts, result in the cumulative changes to estimated net plant value and stranded cost.

- The correction related to the output of Brunot Island decreases the estimated value of the Company's generating plants (and increases stranded costs) at the end of 2005 by \$32 million in the high market price case and by \$12 million in the low market price case.

The second main category of corrections relates to (i) new information received from Pennsylvania Power Company regarding projections of cost and operating levels of the Sammis, Mansfield and Perry plants, and (ii) new operating and capital estimates for Duquesne's other plants. Both sets of information have become available within the last two weeks. The nature and effect of these corrections is as follows:

- The new information regarding the Sammis, Mansfield and Perry plants is taken from the restructuring filing of Penn Power (dated Oct. 1, 1997). In that filing, Penn Power provides updated projections regarding (i) operation and maintenance expense, (ii) the capital additions, and (iii) plant outages and operating levels. The revised exhibits submitted herewith reflect the Penn Power projections with the exception of the items identified in the attachment workpaper entitled "Adjustments to Ohio Edison Data."
- The new information regarding Duquesne's other plants is taken from operating plans approved this month by Duquesne. These plans contain updated O&M and capital projections.
- The foregoing corrections have the net effect of increasing the estimated book value of the Company's generation plant at December 31, 2005 by \$14 million. These corrections also increase the estimated value of the Company's generating plants at the end of 2005 by \$81 million in the high market price case and by \$33 million in the low market price case. The combined effect of these corrections is to decrease stranded costs by \$67 million in the high market price case and by \$19 million in the low market price case.

In addition to these two main categories, additional updates and changes to the margin analysis have been made and identified in the Other category of Attachment A. These corrections include (i) corrections to Company A&G allocations to eliminate a double-counting of A&G expense and to correct omitted A&G capital expenditures post-2005, (ii) revisions to the allocation of the regulatory asset related to debt premiums between interest and amortization to reflect the

correct amounts to be recovered before 2006 as interest expense and the correct amounts to be recovered after 2005 as amortization, (iii) revisions to the nuclear trust fund balances to reflect actual rather than estimated balances and funding amounts, (iv) revisions to Mr. Clayton's Exhibits to capital expenditures to conform to Mr. Nelson's capital expenditure projections, (v) corrections to gross receipts tax calculations to reflect a 4.4% gross receipts tax rate, and (vi) corrections to CAPCO administrative and billing credits. The net effect of the changes grouped in Other is to decrease the estimated book value of the Company's generation plant at December 31, 2005 by \$16 million. These corrections also increase the estimated value of the Company's generating plants at the end of 2005 by \$8 million in the high market price case and by \$1 million in the low market price case. The combined effect of these corrections on stranded costs is to decrease stranded costs by \$24 million in the high market price case and by \$17 million in the low market price case.

As the result of a combination of all the foregoing corrections, the Company's minimum commitment for generation-related depreciation and amortization will increase by \$35 million from \$1,747 million to \$1,782 million.

3. Potential early termination of CTC.

After factoring in the effect of the foregoing corrections, Mr. Clayton's revised exhibits show a stranded "benefit" at the end of the year 2005 if rates are maintained at current levels throughout the transition period and market prices rise to the "high market price" estimate contained in Mr. Schnitzer's testimony. As stated in the testimony of Messrs. Marshall, Clayton and Schnitzer, however, Duquesne's restructuring plan includes commitments to ensure that the Company does not over-recover its stranded costs. Pertinent here, Duquesne has proposed an "early valuation procedure" under which an independent board of experts will perform a valuation of the Company's generation assets prior to the year 2003 if market prices have risen to specified levels (75% of the "high market price" scenario). If that valuation concludes that the transition period (and associated CTCs) can be terminated early, the Company will terminate the collection of a CTC to ensure that it does not over-recover its stranded costs.

Duquesne's initial projections showed that, even under the "high market price" scenario, Duquesne would need to maintain rates at current levels throughout the transition period, consistent with Customer Choice Act § 2804(4)(v). Duquesne nevertheless included a commitment to refer the valuation issue to an independent board if market prices rose to 75% of the high market price estimate. (This was a conservative approach designed to preclude any over-recovery of

stranded costs.) Given that Mr. Clayton's revised exhibits now show a stranded benefit under the high market price estimate, Duquesne must consider whether to adjust the 75% market price trigger downward to maintain the conservatism reflected in Duquesne's case-in-chief. Duquesne believes that it may be appropriate to do so; however, Duquesne intends to make any such adjustment in rebuttal testimony at the same time that it responds to intervenor comments regarding this and other aspects of the early valuation procedure. While Duquesne continues to believe that the "high market price" scenario is unlikely to occur, Duquesne also remains committed to a conservative approach to ensure that Duquesne does not overcollect its stranded costs. Duquesne looks forward to constructive intervenor comments on the valuation procedure that would further this goal.

4. Enclosed documents. The foregoing corrections are reflected in the following documents, which are being provided to each party to this proceeding (unless otherwise specified):

- Clayton -- Attached are and corrected Exhibits DJC-3; DJC-4; DJC-6; DJC-7 and Item No. L-5, pp. 3 to 35 and a corrected response to OCA-1-13, P. 2, and OCA-3-21, pp 2-12. Mr. Clayton also has enclosed revised workpapers. Computer diskettes have been provided to the parties that submitted the discovery requests identified in the first page of this document.
- Schnitzer -- Attached is a revision to the delayed entry calculation by Mr. Schnitzer that pertains to page 36 of his testimony. The workpapers associated with these corrections are attached.
- Karl -- Attached are revised exhibits MGK-3, MGK-6, MGK-7A, and MGK-7B. Mr. Karl's workpapers consist of Promod input data, which is voluminous and will be made available for review upon request. Computer diskettes have been provided to the parties that submitted discovery identified in the first page of this document.
- Nelson -- Attached are revised exhibits RLN-1, RLN-2, RLN-5, RLN-6. Mr. Nelson's workpapers are attached.
- Duckworth -- Attached are revised exhibits of Mr. Duckworth. Mr. Duckworth's workpapers, if any, will be provided promptly.

Duquesne also recognizes that the narrative contained in the testimony of the foregoing witnesses regarding these matters also will need to be corrected. This will be accomplished through a correction on the witness stand or through rebuttal testimony.

Attachment A

Duquesne Light Company

**Summary of Corrections
(\$ Millions)**

Item	Net Book Value @ 12/31/05	Estimated Market Value @ 12/31/05		Estimated Stranded Costs @ 12/31/05		Minimum Depreciation and Amortization Commitment
		High	Low	High	Low	
As Filed Exhibits DJC-3 & DJC-6	535	527	(47)	8	582	1,747
Decommissioning	0	73	73	(73)	(73)	0
Increase Plant Output	0	109	62	(109)	(62)	0
Brunot Island	0	(32)	(12)	32	12	0
Updated Information for Mansfield, Sammis, Perry and Beaver Valley	14	81	33	(67)	(19)	(2)
Other	(16)	8	1	(24)	(17)	37
Revised Exhibit DJC-3 & DJC-6	533	766	110	(233)	423	1,782

Revised Clayton Exhibits

Duquesne Light Company
Summary of
Net Book and Range of
Market Values at
12/31/2005

Net Book Value of Generating Plant Assets	\$533 million
Market Value of Generation Portfolio	
Low	\$110 million
High	\$766 million
Stranded Cost	
Low - Market Value	\$423 million
High - Market Value	(\$233) million

**Revenue Requirements Forecast
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Total Duquesne Light									
Revenue from Customers	1081.7	1096.0	1,125.2	1,141.8	1,159.7	1,178.2	1,197.4	1,217.7	1,238.6
Deferred Revenue	0.0	0.0	45.7	(26.7)	(19.0)	0.0	0.0	0.0	0.0
Off-system Sales	16.9	18.9	42.9	44.7	47.9	49.4	41.5	52.4	13.5
Other Revenues	<u>34.3</u>	<u>32.8</u>	<u>35.9</u>	<u>36.0</u>	<u>36.1</u>	<u>36.2</u>	<u>36.3</u>	<u>36.3</u>	<u>32.2</u>
Total Revenue	1132.9	1147.7	1,249.8	1,195.9	1,224.7	1,263.7	1,275.3	1,306.4	1,284.2
Operating Expenses									
Fuel & Purchased Power	201.5	214.5	241.3	222.7	229.7	243.6	251.4	263.9	288.5
Non Fuel O&M (production)	123.4	115.7	143.9	122.2	120.4	130.4	137.3	133.9	121.2
Outage Accounting	3.1	1.8	(8.4)	(1.7)	7.8	(1.2)	(3.1)	(0.3)	(4.4)
Non-production Expenses	219.0	231.1	237.5	237.1	250.4	257.3	264.3	270.2	263.6
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Book Depreciation	184.0	188.6	188.9	184.2	196.1	225.6	212.1	209.9	168.3
Amortization	71.0	89.1	99.9	98.3	97.1	97.7	98.3	98.5	123.6
Operating Revenue Tax	47.6	48.2	51.5	49.1	50.2	51.8	52.7	53.6	54.5
Property Taxes	20.6	21.1	21.1	21.1	21.0	21.0	21.0	21.0	20.3
Other Taxes	12.4	15.1	19.8	19.9	20.1	20.3	20.5	20.7	20.2
Current Tax	100.0	99.3	96.3	122.4	125.5	122.5	128.2	147.9	138.2
Deferred Tax	(75.3)	(96.6)	(53.3)	(81.9)	(86.6)	(86.0)	(78.1)	(76.1)	(65.4)
ITC Amortization	(8.4)	(8.7)	(8.7)	(8.4)	(8.3)	(8.3)	(8.3)	(8.4)	(5.7)
Total Operating Expenses	907.6	927.9	1,038.6	993.6	1,032.1	1,083.2	1,105.0	1,143.6	1,131.8
Operating Income	225.3	219.8	211.2	202.2	192.6	180.5	170.3	162.9	152.4
Interest Expense	100.2	97.8	94.0	90.0	85.7	80.3	75.8	72.5	67.8
Net Income	125.0	122.0	117.2	112.2	106.9	100.2	94.5	90.4	84.6
Preferred Return	16.9	16.5	15.9	15.2	14.5	13.6	12.8	12.2	11.5
Income Available for Equity Return	108.1	105.5	101.3	97.0	92.4	86.6	81.7	78.1	73.1
Operating Income	225.3	219.8	211.2	202.2	192.6	180.5	170.3	162.9	152.4
Rate Base	2,345.2	2,287.9	2,198.5	2,105.4	2,004.7	1,879.3	1,772.6	1,695.4	1,586.7
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	940.0	917.0	881.2	843.8	803.5	753.2	710.5	679.5	636.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Generation									
Revenue from Customers	790.9	791.1	863.6	811.5	834.2	863.9	875.6	889.1	897.3
Off-system Sales	16.9	18.9	42.9	44.7	47.9	49.4	41.5	52.4	13.5
Other Revenues	15.3	13.9	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Total Revenue	823.1	823.9	920.6	870.2	896.1	927.3	931.1	955.5	924.8
Operating Expenses									
Fuel & Purchased Power	200.3	214.3	221.6	202.7	204.4	215.4	223.4	234.1	260.6
Emissions	1.2	0.3	19.7	20.0	25.4	28.2	28.0	29.9	27.9
Non Fuel O&M (production)	123.4	115.7	143.9	122.2	120.4	130.4	137.3	133.9	121.2
Outage Accounting	3.1	1.8	(8.4)	(1.7)	7.8	(1.2)	(3.1)	(0.3)	(4.4)
Non-production Expenses	109.1	111.5	114.0	115.8	125.8	129.6	133.4	135.9	125.5
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Book Depreciation	136.8	140.6	141.1	138.7	152.4	180.5	165.8	162.3	119.4
Amortization	64.9	83.2	94.3	94.3	94.3	94.3	94.3	94.3	118.9
Operating Revenue Tax	34.8	34.8	38.0	35.7	36.7	38.0	38.5	39.1	39.5
Property Taxes	17.2	17.2	17.2	17.1	17.1	17.1	17.1	17.0	16.4
Other Taxes	4.3	7.0	11.6	11.6	11.7	11.8	11.9	11.9	10.7
Current Taxes	61.6	59.4	75.0	71.9	78.7	82.6	88.2	107.9	98.1
Deferred Tax	(71.0)	(91.9)	(68.0)	(68.5)	(77.8)	(85.5)	(78.4)	(76.9)	(66.7)
ITC Amortization	(6.4)	(6.7)	(6.7)	(6.5)	(6.4)	(6.4)	(6.4)	(6.4)	(3.7)
Total Operating Expenses	688.1	695.8	802.1	762.1	799.3	843.7	858.8	891.6	872.2
Operating Income	134.9	128.1	118.5	108.1	96.8	83.6	72.3	64.0	52.6
Interest Expense	60.0	57.0	52.7	48.1	43.1	37.2	32.2	28.5	23.4
Net Income	74.9	71.1	65.7	60.0	53.8	46.4	40.1	35.5	29.2
Preferred Return	10.1	9.6	8.9	8.1	7.3	6.3	5.4	4.8	4.0
Income Available for Equity Return	64.8	61.4	56.8	51.9	46.5	40.1	34.7	30.7	25.2
Operating Income	134.9	128.1	118.5	108.1	96.8	83.6	72.3	64.0	52.6
Rate Base	1,404.8	1,333.1	1,233.2	1,125.3	1,008.0	870.2	752.6	665.8	547.7
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	563.0	534.3	494.3	451.0	404.0	348.8	301.6	266.9	219.5
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Nuclear Generation									
Revenue from Customers	361.2	345.6	329.3	309.7	326.0	347.3	301.3	256.0	264.6
Off-system Sales	5.0	6.1	12.5	13.9	15.2	14.5	12.4	16.6	4.6
Other Revenues	<u>15.3</u>	<u>13.9</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>
Total Revenue	381.5	365.6	355.8	337.6	355.2	375.9	327.8	286.7	283.3
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel	29.9	32.9	24.3	26.0	27.3	25.9	25.6	29.0	26.2
Non Fuel O&M (production)	70.8	49.8	78.6	61.1	55.8	67.8	69.9	56.3	77.2
Outage Accounting	(0.6)	10.8	(9.5)	(0.6)	7.0	(3.8)	(4.2)	11.2	(7.9)
Non-production Expenses	70.9	67.8	70.5	69.4	76.9	79.8	80.1	77.1	82.1
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Book Depreciation	95.3	95.7	95.9	93.0	106.1	132.4	90.7	52.3	41.7
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	15.9	15.2	14.5	13.6	14.3	15.3	13.3	11.3	11.6
Property Taxes	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8
Other Taxes	6.9	6.7	6.8	6.8	6.8	6.9	6.9	7.0	7.0
Current Taxes	51.5	55.2	43.6	44.2	50.8	54.3	35.0	24.3	13.3
Deferred Taxes	(33.0)	(38.3)	(30.0)	(32.5)	(41.1)	(47.3)	(29.6)	(19.9)	(7.4)
FFC Amortization	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)	(2.4)
Total Operating Expenses	325.1	313.4	312.1	298.6	321.4	348.8	305.0	266.0	264.2
Operating Income	56.4	52.3	43.6	39.0	33.8	27.1	22.8	20.6	19.1
Interest Expense	25.1	23.3	19.4	17.4	15.0	12.0	10.1	9.2	8.5
Net Income	31.3	29.0	24.2	21.6	18.8	15.0	12.6	11.5	10.6
Preferred Return	4.2	3.9	3.3	2.9	2.5	2.0	1.7	1.6	1.4
Income Available for Equity Return	27.1	25.1	20.9	18.7	16.2	13.0	10.9	9.9	9.2
Operating Income	56.4	52.3	43.6	39.0	33.8	27.1	22.8	20.6	19.1
Rate Base	587.5	544.2	454.3	405.9	351.8	281.9	237.1	214.9	199.2
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	235.5	218.1	182.1	162.7	141.0	113.0	95.0	86.1	79.8
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Nuclear Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Perry									
Off-system Sales Revenue	1.3	1.5	3.3	3.7	3.5	4.0	3.1	4.2	1.2
Revenue from Customers	<u>146.6</u>	<u>139.6</u>	<u>130.3</u>	<u>122.6</u>	<u>133.3</u>	<u>152.2</u>	<u>105.1</u>	<u>66.0</u>	<u>65.7</u>
Total Revenue	147.9	141.2	133.6	126.4	136.8	156.2	108.1	70.2	66.9
Operating Expenses									
Fuel	8.1	9.1	6.4	7.1	6.5	7.3	6.6	7.4	6.9
Non Fuel O&M (production)	17.0	12.2	19.5	15.2	19.7	16.3	20.3	17.2	21.4
Outage Accounting	0.0	2.8	(1.5)	1.7	(1.6)	1.8	(1.7)	1.9	(1.8)
Non-Production Expenses	7.4	6.5	7.1	6.8	7.7	7.1	7.7	6.9	8.2
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	2.2	2.2	2.2	2.2	2.2	2.2	2.2	5.6	7.7
Book Depreciation	58.3	58.3	58.2	56.5	70.4	96.2	53.9	14.7	3.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	6.4	6.1	5.7	5.4	5.9	6.7	4.6	2.9	2.9
Property Taxes	1.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3
Other Taxes	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Current Taxes	30.8	30.9	27.0	26.4	29.5	39.5	19.3	4.2	(0.2)
Deferred Taxes	(21.7)	(23.0)	(21.4)	(22.1)	(26.7)	(38.8)	(19.7)	(4.9)	1.4
ITC Amortization	(2.9)	(2.9)	(2.9)	(2.9)	(2.9)	(2.9)	(2.9)	(2.9)	(0.1)
Total Operating Expenses	119.6	116.0	114.2	110.2	124.5	149.2	104.1	66.8	63.6
Operating Income	28.3	25.2	19.4	16.2	12.3	7.0	4.1	3.3	3.3
Interest Expense	12.6	11.2	8.6	7.2	5.5	3.1	1.8	1.5	1.5
Net Income	15.7	14.0	10.8	9.0	6.8	3.9	2.3	1.8	1.8
Preferred Return	2.1	1.9	1.5	1.2	0.9	0.5	0.3	0.3	0.2
Income Available for Equity Return	13.6	12.1	9.3	7.8	5.9	3.3	1.9	1.6	1.6

Operating Income	28.3	25.2	19.4	16.2	12.3	7.0	4.1	3.3	3.3
Rate Base	294.3	261.8	201.8	168.6	128.4	72.7	42.3	34.7	34.0
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	118.0	104.9	80.9	67.6	51.5	29.1	17.0	13.9	13.6
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Nuclear Generation
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Beaver Valley									
Off-system Sales Revenue	3.7	4.6	9.2	10.1	11.7	10.5	9.4	12.4	3.4
Revenue from Customers	214.6	206.0	198.9	187.1	192.7	195.1	196.3	190.0	198.9
Other Revenues	<u>15.3</u>	<u>13.9</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>	<u>14.0</u>
Total Revenue	233.6	224.5	222.2	211.3	218.4	219.7	219.7	216.5	216.4
Operating Expenses									
Fuel	21.8	23.8	17.9	18.9	20.9	18.7	19.0	21.5	19.3
Non Fuel O&M (production)	53.8	37.6	59.0	45.9	36.1	51.5	49.6	39.1	55.8
Outage Accounting	(0.6)	8.0	(8.0)	(2.3)	8.6	(5.6)	(2.5)	9.3	(6.1)
Non-Production Expenses	63.5	61.3	63.4	62.6	69.1	72.7	72.3	70.2	73.9
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	6.5	6.5	6.5	6.5	6.5	6.5	6.5	3.2	1.0
Book Depreciation	36.9	37.4	37.7	36.6	35.7	36.2	36.8	37.5	38.4
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	9.4	9.1	8.8	8.2	8.5	8.6	8.6	8.4	8.8
Property Taxes	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Other Taxes	4.4	4.4	4.4	4.4	4.5	4.5	4.6	4.6	4.6
Current Taxes	20.8	24.3	16.6	17.8	21.3	14.8	15.6	20.2	13.4
Deferred Taxes	(11.3)	(15.3)	(8.6)	(10.4)	(14.4)	(8.5)	(9.9)	(15.0)	(8.8)
ITC Amortization	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.3)	(2.3)
Total Operating Expenses	205.5	197.4	197.9	188.5	197.0	199.6	200.9	199.2	200.5
Operating Income	28.2	27.1	24.3	22.8	21.5	20.1	18.7	17.3	15.9
Interest Expense	12.5	12.1	10.8	10.1	9.5	8.9	8.3	7.7	7.1
Net Income	15.6	15.1	13.5	12.7	11.9	11.2	10.4	9.6	8.8
Preferred Return	2.1	2.0	1.8	1.7	1.6	1.5	1.4	1.3	1.2
Income Available for Equity Return	13.5	13.0	11.6	10.9	10.3	9.6	9.0	8.3	7.6
Operating Income	28.2	27.1	24.3	22.8	21.5	20.1	18.7	17.3	15.9
Rate Base	293.2	282.3	252.5	237.4	223.4	209.2	194.8	180.2	165.2
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	117.5	113.2	101.2	95.1	89.5	83.9	78.1	72.2	66.2
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
Nuclear Generation
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Beaver Valley 1									
Off-system Sales Revenue	2.7	3.6	7.0	7.5	9.3	8.0	7.0	9.9	2.6
Revenue from Customers	137.8	129.8	123.0	112.7	109.6	110.1	110.4	103.8	109.9
Other Revenues	<u>11.9</u>	<u>10.8</u>	<u>10.9</u>	<u>10.9</u>	<u>10.9</u>	<u>10.9</u>	<u>10.9</u>	<u>10.9</u>	<u>10.9</u>
Total Revenue	152.4	144.2	140.8	131.1	129.8	129.0	128.2	124.5	123.4
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel	16.9	19.3	13.7	14.0	16.4	14.3	14.2	17.1	15.0
Non Fuel O&M (production)	45.1	26.5	47.1	38.6	25.6	40.7	41.8	27.7	44.1
Outage Accounting	(3.8)	9.1	(7.0)	(4.4)	9.6	(4.6)	(4.7)	10.4	(5.0)
Non-Production Expenses	12.4	9.7	11.6	11.3	9.7	11.9	12.0	9.5	13.0
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	5.5	5.5	5.5	5.5	5.5	5.5	5.5	2.2	0.0
Book Depreciation	33.6	33.8	33.9	32.8	31.8	32.2	32.5	33.0	33.6
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	6.3	5.7	5.4	5.0	4.8	4.8	4.9	4.6	4.8
Property Taxes	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Other Taxes	3.6	3.5	3.6	3.6	3.6	3.7	3.7	3.7	3.8
Current Taxes	17.8	22.8	15.1	15.1	19.9	13.5	12.9	18.7	12.0
Deferred Taxes	(9.4)	(14.9)	(8.4)	(9.1)	(14.4)	(8.6)	(8.6)	(15.1)	(8.9)
ITC Amortization	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
Total Operating Expenses	128.2	121.5	121.0	112.9	113.1	113.8	114.6	112.4	112.8
Operating Income	24.2	22.7	19.8	18.2	16.7	15.2	13.7	12.1	10.6
Interest Expense	10.8	10.1	8.8	8.1	7.4	6.8	6.1	5.4	4.7
Net Income	13.4	12.6	11.0	10.1	9.3	8.4	7.6	6.7	5.9
Preferred Return	1.8	1.7	1.5	1.4	1.3	1.1	1.0	0.9	0.8
Income Available for Equity Return	11.6	10.9	9.5	8.7	8.0	7.3	6.6	5.8	5.1
Operating Income	24.2	22.7	19.8	18.2	16.7	15.2	13.7	12.1	10.6
Rate Base	251.9	236.8	205.9	189.3	173.8	158.1	142.4	126.5	110.3
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	101.0	94.9	82.5	75.9	69.7	63.4	57.1	50.7	44.2
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Nuclear Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Beaver Valley 2									
Off-system Sales Revenue	1.0	0.9	2.3	2.6	2.4	2.5	2.4	2.6	0.8
Revenue from Customers	76.8	76.2	76.0	74.4	83.1	85.1	85.9	86.3	89.0
Other Revenues	<u>3.4</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>
Total Revenue	81.2	80.2	81.4	80.1	88.7	90.7	91.4	92.0	93.0
Operating Expenses									
Fuel	4.9	4.5	4.2	4.9	4.4	4.4	4.9	4.4	4.4
Non Fuel O&M (production)	8.7	11.1	11.9	7.2	10.5	10.8	7.8	11.4	11.7
Outage Accounting	3.2	(1.1)	(1.0)	2.1	(1.0)	(1.0)	2.2	(1.1)	(1.1)
Non-Production Expenses	51.1	51.7	51.8	51.3	59.4	60.8	60.3	60.6	60.9
Major Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Book Depreciation	3.3	3.6	3.8	3.8	3.8	4.0	4.3	4.5	4.8
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	3.4	3.4	3.3	3.3	3.7	3.7	3.8	3.8	3.9
Property Taxes	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Other Taxes	0.8	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9
Current Taxes	3.0	1.6	1.5	2.6	1.3	1.4	2.8	1.4	1.4
Deferred Taxes	(2.0)	(0.4)	(0.2)	(1.3)	0.1	0.1	(1.3)	0.1	0.1
FTC Amortization	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)
Total Operating Expenses	77.2	75.9	76.9	75.5	83.9	85.8	86.4	86.8	87.7
Operating Income	4.0	4.4	4.5	4.6	4.8	4.9	5.0	5.2	5.3
Interest Expense	1.8	1.9	2.0	2.1	2.1	2.2	2.2	2.3	2.3
Net Income	2.2	2.4	2.5	2.6	2.6	2.7	2.8	2.9	2.9
Preferred Return	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4
Income Available for Equity Return	1.9	2.1	2.1	2.2	2.3	2.4	2.4	2.5	2.5
Operating Income	4.0	4.4	4.5	4.6	4.8	4.9	5.0	5.2	5.3
Rate Base	41.3	45.5	46.5	48.0	49.6	51.1	52.4	53.7	54.9
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	16.6	18.2	18.7	19.3	19.9	20.5	21.0	21.5	22.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Fossil Generation									
Revenue from Customers	369.7	371.6	434.9	409.3	422.6	437.9	484.6	523.6	504.3
Off-system Sales	11.9	12.8	30.5	30.8	32.7	34.8	29.1	35.7	8.9
Other Revenues									
Total Revenue	381.6	384.4	465.4	440.1	455.3	472.7	513.7	559.3	513.2
Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel & Purchased Power	170.3	181.3	197.3	176.7	177.0	189.4	197.8	205.1	234.4
Emissions	1.2	0.3	19.7	20.0	25.4	28.2	28.0	29.9	27.9
Non Fuel O&M (production)	52.6	65.9	65.3	61.1	64.6	62.6	67.4	77.6	44.0
Outage Accounting	3.7	(9.0)	1.1	(1.0)	0.8	2.6	1.1	(11.5)	3.5
Non-production Expenses	38.3	43.7	43.5	46.3	49.0	49.9	53.3	58.8	43.4
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fossil Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	41.6	44.9	45.2	45.7	46.3	48.1	75.1	110.1	77.7
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	16.3	16.4	19.1	18.0	18.6	19.3	21.3	23.0	22.2
Property Taxes	3.4	3.4	3.4	3.3	3.3	3.3	3.3	3.2	2.6
Other Taxes	(2.6)	0.2	4.8	4.8	4.9	4.9	4.9	5.0	3.7
Current Taxes	27.0	15.0	34.3	32.4	34.5	36.8	46.5	53.0	45.9
Deferred Tax	(16.4)	(24.0)	(13.0)	(11.1)	(11.8)	(13.3)	(23.8)	(32.2)	(24.2)
ITC Amortization	(1.3)	(1.6)	(1.6)	(1.4)	(1.3)	(1.3)	(1.3)	(1.3)	(1.4)
Total Operating Expenses	334.0	336.4	419.0	394.7	411.3	430.4	473.7	520.7	479.7
Operating Income	47.5	48.0	46.4	45.4	44.1	42.3	40.0	38.6	33.5
Interest Expense	21.2	21.3	20.6	20.2	19.6	18.8	17.8	17.2	14.9
Net Income	26.4	26.6	25.7	25.2	24.5	23.5	22.2	21.4	18.6
Preferred Return	3.6	3.6	3.5	3.4	3.3	3.2	3.0	2.9	2.5
Income Available for Equity Return	22.8	23.0	22.2	21.8	21.1	20.3	19.2	18.5	16.1
Operating Income	47.5	48.0	46.4	45.4	44.1	42.3	40.0	38.6	33.5
Rate Base	495.0	499.4	482.7	472.6	458.7	440.2	416.7	401.6	348.5
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	198.4	200.2	193.5	189.4	183.9	176.4	167.0	161.0	139.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Elrama									
Off-system Sales Revenue	2.7	2.9	6.8	7.0	7.4	8.0	6.2	8.5	0.0
Revenue from Customers	94.6	104.4	105.8	107.3	108.0	111.3	107.1	113.2	12.3
Total Revenue	97.3	107.3	112.6	114.3	115.4	119.3	113.3	121.7	12.3
Operating Expenses									
Fuel	34.8	41.1	38.1	37.6	38.7	42.0	39.1	45.2	0.0
Emissions	0.0	0.0	6.5	7.0	6.3	7.3	6.1	8.1	0.0
Non Fuel O&M (production)	17.8	16.7	22.8	20.8	20.3	20.4	23.6	21.3	0.0
Outage Accounting	(0.7)	1.7	(2.8)	(1.0)	0.5	0.5	(2.9)	0.0	0.0
Non-production Expenses	11.1	11.6	12.0	13.4	13.2	13.2	12.8	13.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	14.7	16.2	17.1	18.1	19.0	19.8	20.5	21.5	12.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.2	4.6	4.7	4.7	4.8	4.9	4.7	5.0	0.5
Property Taxes	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.0
Other Taxes	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	0.0
Current Taxes	7.4	8.7	7.0	8.0	8.7	8.7	7.1	8.3	2.7
Deferred Taxes	(3.6)	(4.9)	(3.5)	(4.7)	(5.7)	(6.1)	(5.0)	(6.7)	(3.0)
ITC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)
Total Operating Expenses	87.4	97.3	103.3	105.5	107.3	112.3	107.6	117.2	12.3
Operating Income	9.9	9.9	9.2	8.8	8.1	7.0	5.7	4.4	0.0
Interest Expense	4.4	4.4	4.1	3.9	3.6	3.1	2.6	2.0	0.0
Net Income	5.5	5.5	5.1	4.9	4.5	3.9	3.2	2.5	0.0
Preferred Return	0.7	0.7	0.7	0.7	0.6	0.5	0.4	0.3	0.0
Income Available for Equity Return	4.8	4.8	4.4	4.2	3.9	3.4	2.8	2.1	0.0
Operating Income	9.9	9.9	9.2	8.8	8.1	7.0	5.7	4.4	0.0
Rate Base	103.5	103.3	96.1	91.9	84.1	72.9	59.7	46.1	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	41.5	41.4	38.5	36.8	33.7	29.2	23.9	18.5	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Cheswick									
Off-system Sales Revenue	3.5	3.7	9.8	10.2	10.2	11.4	9.6	10.2	3.9
Revenue from Customers	90.3	91.8	108.7	113.9	118.7	127.9	134.5	137.0	167.8
Total Revenue	93.8	95.6	118.5	124.0	128.9	139.3	144.2	147.2	171.7
Operating Expenses									
Fuel	39.9	36.8	45.9	48.1	47.2	52.8	52.9	48.7	59.5
Emissions	0.7	0.2	5.9	6.2	8.8	10.8	11.0	9.3	13.4
Non Fuel O&M (production)	11.0	24.6	15.8	14.9	16.8	16.8	15.6	28.6	18.1
Outage Accounting	2.7	(10.9)	2.2	2.2	2.2	2.2	2.2	(13.0)	3.1
Non-production Expenses	10.1	13.5	12.2	14.8	14.5	15.6	18.0	22.3	18.4
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.7	9.7	9.9	10.1	10.0	10.3	11.8	15.5	15.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.0	4.0	4.8	5.0	5.2	5.6	5.9	6.0	7.4
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.3	1.3	1.3	1.3	1.4	1.3	1.3	1.3	1.4
Current Taxes	7.4	1.8	11.2	11.6	13.5	14.9	15.9	10.2	20.3
Deferred Taxes	(3.0)	2.7	(2.7)	(2.7)	(2.8)	(3.0)	(3.3)	2.3	(4.0)
ITC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total Operating Expenses	83.5	84.2	107.2	112.2	117.4	128.1	131.9	131.9	154.2
Operating Income	10.3	11.3	11.3	11.8	11.5	11.2	12.2	15.3	17.6
Interest Expense	4.6	5.0	5.0	5.3	5.1	5.0	5.4	6.8	7.8
Net Income	5.7	6.3	6.3	6.6	6.4	6.2	6.8	8.5	9.7
Preferred Return	0.8	0.9	0.9	0.9	0.9	0.8	0.9	1.2	1.3
Income Available for Equity Return	4.9	5.4	5.4	5.7	5.5	5.4	5.9	7.4	8.4
Operating Income	10.3	11.3	11.3	11.8	11.5	11.2	12.2	15.3	17.6
Rate Base	106.9	117.9	118.1	122.9	119.3	116.3	127.5	159.6	182.7
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	42.8	47.3	47.3	49.3	47.8	46.6	51.1	64.0	73.2
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Mansfield									
Off-system Sales Revenue	3.1	3.3	7.4	7.1	8.4	8.4	7.4	9.3	2.9
Revenue from Customers	89.9	97.6	101.6	78.0	82.9	82.0	89.6	90.7	98.9
Total Revenue	92.9	100.9	109.0	85.1	91.4	90.4	96.9	100.0	101.8
Operating Expenses									
Fuel	40.5	46.7	48.9	32.8	37.0	36.9	38.5	41.5	42.1
Emissions	0.0	0.0	5.5	5.3	6.2	6.1	6.6	7.3	7.4
Non Fuel O&M (production)	12.6	12.8	12.8	12.6	11.8	11.9	13.6	12.7	13.2
Outage Accounting	1.2	1.2	1.3	(2.7)	(0.4)	(1.1)	0.9	0.9	0.9
Non-production Expenses	9.5	10.8	11.4	10.0	10.6	10.6	11.3	11.4	12.2
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.2	8.4	8.4	8.0	7.5	7.6	7.8	8.0	8.2
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.0	4.3	4.5	3.4	3.6	3.6	3.9	4.0	4.4
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.4	1.3	1.4	1.3	1.3	1.3	1.3	1.4	1.3
Current Taxes	5.8	6.3	6.5	4.6	5.3	5.0	5.7	5.6	5.5
Deferred Taxes	(1.7)	(2.2)	(2.7)	(0.9)	(1.7)	(1.5)	(2.3)	(2.3)	(2.3)
FTC Amortization	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Total Operating Expenses	81.9	90.0	98.5	75.0	81.6	81.0	87.8	91.1	93.3
Operating Income	11.0	10.9	10.4	10.1	9.7	9.4	9.1	9.0	8.5
Interest Expense	4.9	4.8	4.6	4.5	4.3	4.2	4.1	4.0	3.8
Net Income	6.1	6.0	5.8	5.6	5.4	5.2	5.1	5.0	4.7
Preferred Return	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6
Income Available for Equity Return	5.3	5.2	5.0	4.8	4.7	4.5	4.4	4.3	4.1
Operating Income	11.0	10.9	10.4	10.1	9.7	9.4	9.1	9.0	8.5
Rate Base	114.7	113.0	108.8	105.2	101.2	97.6	95.2	93.4	89.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	46.0	45.3	43.6	42.2	40.6	39.1	38.2	37.5	35.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Sammis									
Off-system Sales Revenue	1.5	1.6	3.3	3.7	3.3	4.0	3.2	4.2	1.2
Revenue from Customers	32.7	35.6	35.4	35.7	36.9	39.2	40.7	40.5	46.4
Total Revenue	34.2	37.2	38.6	39.3	40.1	43.2	44.0	44.7	47.7
Operating Expenses									
Fuel	13.6	17.3	16.0	18.6	16.5	20.0	19.5	21.5	20.7
Emissions	0.2	0.0	(0.7)	(0.6)	0.3	0.6	0.5	0.7	2.3
Non Fuel O&M (production)	-4.4	3.9	7.4	5.5	8.3	5.5	6.8	6.0	7.1
Outage Accounting	0.3	0.3	0.3	0.3	(1.6)	0.8	0.8	0.8	0.8
Non-production Expenses	3.6	3.8	4.1	4.5	5.5	5.2	5.3	5.1	6.1
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	-4.3	-4.3	-4.3	-4.1	-4.2	-4.3	-4.4	-4.5	-4.7
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4	1.6	1.6	1.6	1.6	1.7	1.8	1.8	2.0
Property Taxes	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2
Other Taxes	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Current Taxes	2.0	2.5	2.5	2.4	1.7	2.6	2.6	2.5	2.4
Deferred Taxes	(0.5)	(1.1)	(1.2)	(1.2)	(0.5)	(1.4)	(1.5)	(1.5)	(1.6)
ITC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total Operating Expenses	30.1	33.3	35.0	35.9	36.7	39.9	40.9	41.9	45.1
Operating Income	4.1	3.8	3.6	3.4	3.4	3.3	3.1	2.8	2.6
Interest Expense	1.8	1.7	1.6	1.5	1.5	1.5	1.4	1.2	1.1
Net Income	2.3	2.1	2.0	1.9	1.9	1.8	1.7	1.6	1.4
Preferred Return	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
Income Available for Equity Return	2.0	1.8	1.8	1.6	1.7	1.6	1.5	1.3	1.2
Operating Income	4.1	3.8	3.6	3.4	3.4	3.3	3.1	2.8	2.6
Rate Base	42.7	40.1	38.0	35.6	35.8	34.0	32.0	29.1	26.8
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	17.1	16.1	15.2	14.3	14.4	13.6	12.8	11.7	10.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Eastlake									
Off-system Sales Revenue	1.2	1.3	3.2	2.9	3.4	3.1	2.7	3.5	0.9
Revenue from Customers	29.5	27.7	32.4	31.1	37.2	36.7	37.1	40.0	41.1
Total Revenue	30.7	29.0	35.5	34.0	40.6	39.8	39.8	43.5	42.1
Operating Expenses									
Fuel	12.3	11.2	13.4	12.4	14.3	12.9	13.6	15.0	13.2
Emissions	0.3	0.1	2.4	2.2	3.8	3.5	3.8	4.5	4.8
Non Fuel O&M (production)	4.7	5.4	5.4	5.4	6.0	6.2	5.9	7.0	7.5
Outage Accounting	0.1	(1.4)	0.1	0.2	0.2	0.2	0.2	(0.2)	(1.3)
Non-production Expenses	3.4	3.5	4.0	3.9	5.6	5.4	4.7	5.3	5.6
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	3.2	3.4	3.5	3.4	3.7	4.2	4.3	4.7	5.1
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	1.3	1.2	1.4	1.4	1.6	1.6	1.6	1.8	1.8
Property Taxes	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other Taxes	0.4	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Current Taxes	1.8	1.3	1.9	1.9	2.0	2.2	2.4	2.3	2.0
Deferred Taxes	(0.6)	(0.0)	(0.7)	(0.7)	(0.8)	(0.9)	(1.1)	(1.1)	(0.7)
ITC Amortization	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Total Operating Expenses	27.3	25.5	32.1	30.8	37.2	36.1	36.3	40.0	38.7
Operating Income	3.4	3.4	3.4	3.2	3.4	3.6	3.5	3.5	3.4
Interest Expense	1.5	1.5	1.5	1.4	1.5	1.6	1.6	1.5	1.5
Net Income	1.9	1.9	1.9	1.8	1.9	2.0	1.9	1.9	1.9
Preferred Return	0.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.3
Income Available for Equity Return	1.6	1.6	1.6	1.5	1.6	1.7	1.7	1.7	1.6
Operating Income	3.4	3.4	3.4	3.2	3.4	3.6	3.5	3.5	3.4
Rate Base	35.5	35.8	35.2	32.9	35.6	38.0	36.4	36.0	35.4
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	14.2	14.3	14.1	13.2	14.3	15.2	14.6	14.4	14.2
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Brunot Island									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	6.0	5.7	6.0	5.6	5.4	5.2	5.1	6.7	5.8
Total Revenue	6.1	5.7	6.0	5.6	5.4	5.2	5.1	6.7	5.8
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.7	0.4	0.6	0.6	0.6	0.6	0.7	0.7	0.7
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.5	0.4	0.5	0.3	0.3	0.3	0.3	1.0	0.3
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	2.0	2.0	2.1	2.0	1.9	1.9	1.9	2.3	2.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.3
Property Taxes	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.3	1.3	1.3	1.2	1.1	1.1	1.1	1.3	1.2
Deferred Taxes	(0.7)	(0.6)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)
ITC Amortization	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total Operating Expenses	4.4	4.0	4.3	4.0	3.9	3.8	3.8	5.1	4.4
Operating Income	1.7	1.7	1.7	1.6	1.5	1.4	1.3	1.5	1.4
Interest Expense	0.8	0.8	0.8	0.7	0.7	0.6	0.6	0.7	0.6
Net Income	0.9	0.9	1.0	0.9	0.8	0.8	0.7	0.9	0.8
Preferred Return	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Income Available for Equity Return	0.8	0.8	0.8	0.8	0.7	0.7	0.6	0.7	0.7
Operating Income	1.7	1.7	1.7	1.6	1.5	1.4	1.3	1.5	1.4
Rate Base	17.6	17.7	17.9	16.7	15.6	14.5	13.4	16.1	14.7
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	7.1	7.1	7.2	6.7	6.2	5.8	5.4	6.5	5.9
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Phillips									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	7.2	7.7	6.7	6.6	6.6	6.6	30.1	56.3	0.1
Total Revenue	7.2	7.7	6.7	6.6	6.6	6.6	30.1	56.3	0.1
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.5	1.0	0.0	0.0	0.0	0.0	24.4	53.6	0.4
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.3	0.3	0.3	0.3	1.3	2.5	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.7	1.9	1.5	1.6	1.6	1.6	11.2	22.2	(0.0)
Deferred Taxes	0.1	(0.1)	0.2	0.2	0.1	0.1	(10.0)	(22.2)	(0.1)
PTC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total Operating Expenses	2.4	2.9	1.9	1.9	1.9	1.8	26.7	55.9	0.1
Operating Income	4.8	4.8	4.8	4.8	4.8	4.8	3.4	0.4	(0.0)
Interest Expense	2.1	2.1	2.1	2.1	2.1	2.1	1.5	0.2	(0.0)
Net Income	2.7	2.7	2.7	2.7	2.6	2.6	1.9	0.2	(0.0)
Preferred Return	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.0	(0.0)
Income Available for Equity Return	2.3	2.3	2.3	2.3	2.3	2.3	1.6	0.2	(0.0)
Operating Income	4.8	4.8	4.8	4.8	4.8	4.8	3.4	0.4	0.0
Rate Base	50.1	50.2	50.0	49.8	49.7	49.6	35.2	3.8	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	20.1	20.1	20.0	20.0	19.9	19.9	14.1	1.5	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
B.1. Cold Reserve									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	30.0
Total Revenue	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	30.0
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28.8
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.3
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	11.9
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(11.9)
ITC Amortization	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Total Operating Expenses	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	30.0
Operating Income	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	(0.0)
Interest Expense	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	(0.0)
Net Income	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	(0.0)
Preferred Return	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	(0.0)
Income Available for Equity Return	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	(0.0)
Operating Income	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	0.0
Rate Base	17.5	17.5	17.5	17.4	17.4	17.4	17.4	17.4	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Purchases & Other									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	1.7	(16.4)	21.2	25.3	24.6	26.6	38.0	36.9	101.7
Total Revenue	1.7	(16.4)	21.2	25.3	24.6	26.6	38.0	36.9	101.7
Operating Expenses									
Fuel	14.8	13.6	20.4	23.7	23.4	24.8	34.3	33.1	99.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	1.4	2.0	0.5	1.1	0.8	1.1	1.3	1.3	(2.6)
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	(0.6)	(0.6)	(0.6)	(0.5)	0.8	0.8	0.8
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.1	(0.7)	0.9	1.1	1.1	1.2	1.7	1.6	4.5
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	(7.4)	(4.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(3.0)	(11.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	(4.5)	(15.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	1.7	(16.4)	21.2	25.3	24.6	26.6	38.0	36.9	101.7
Operating Income	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Warwick									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	15.4	15.1	14.9	3.5	0.0	0.0	0.0	0.0	0.0
Total Revenue	15.4	15.1	14.9	3.5	0.0	0.0	0.0	0.0	0.0
Operating Expenses									
Fuel	14.4	14.5	14.7	3.5	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.7	0.7	0.7	0.2	0.0	0.0	0.0	0.0	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.9	1.8	1.7	0.4	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	(1.9)	(1.9)	(1.9)	(0.5)	0.0	0.0	0.0	0.0	0.0
FTC Amortization	(0.4)	(0.4)	(0.4)	(0.1)	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	14.7	14.7	14.8	3.5	0.0	0.0	0.0	0.0	0.0
Operating Income	0.6	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	0.4	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	0.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.6	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	6.6	3.9	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	2.7	1.6	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Generation Related Regulatory Assets									
Revenue	60.0	73.9	99.4	92.5	85.6	78.7	89.6	109.5	128.4
Operating Expenses									
Warwick Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	64.9	83.2	94.3	94.3	94.3	94.3	94.3	94.3	118.9
Operating Revenue Tax	2.6	3.3	4.4	4.1	3.8	3.5	3.9	4.8	5.6
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(16.9)	(10.8)	(2.9)	(4.7)	(6.6)	(8.4)	6.8	30.5	38.9
Deferred Taxes	(21.6)	(29.6)	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)	(35.1)
FIC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	29.0	46.1	70.9	68.8	66.6	64.4	80.1	104.8	128.4
Operating Income	31.0	27.8	28.5	23.7	19.0	14.2	9.5	4.7	(0.0)
Interest Expense	13.8	12.4	12.7	10.6	8.4	6.3	4.2	2.1	0.0
Net Income	17.2	15.4	15.8	13.2	10.5	7.9	5.3	2.6	(0.0)
Preferred Return	2.3	2.1	2.1	1.8	1.4	1.1	0.7	0.4	0.0
Income Available for Equity Return	14.9	13.4	13.7	11.4	9.1	6.8	4.6	2.3	(0.0)
Operating Income	31.0	27.8	28.5	23.7	19.0	14.2	9.5	4.7	(0.0)
Rate Base	322.3	289.6	296.2	246.8	197.5	148.1	98.7	49.4	0.0
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.60%	0.00%
Rate Base - Equity	129.2	116.1	118.7	98.9	79.1	59.4	39.6	19.8	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.52%	11.51%	11.50%	11.49%	0.00%

Revenue Requirements Forecast
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Transmission									
Revenue from Customers	34.6	36.6	37.6	37.4	37.8	39.3	40.2	40.3	40.9
Other Revenues	<u>6.3</u>	<u>6.1</u>	<u>6.1</u>	<u>6.1</u>	<u>6.1</u>	<u>6.1</u>	<u>6.1</u>	<u>6.1</u>	<u>6.1</u>
Total Revenues	40.9	42.7	43.6	43.5	43.9	45.4	46.2	46.4	46.9
Operating Expenses									
Non-production Expenses	12.6	13.8	14.2	13.9	14.2	14.6	14.9	15.3	15.7
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	5.5	5.5	5.4	5.3	5.1	5.2	5.3	5.3	5.4
Amortization	(0.8)	(0.8)	(0.7)	(0.6)	(0.5)	(0.3)	(0.1)	(0.1)	0.0
Operating Revenue Tax	1.5	1.6	1.7	1.6	1.7	1.7	1.8	1.8	1.8
Property Taxes	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Other Taxes	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.7
Current Taxes	5.8	6.1	6.4	6.6	6.7	7.2	7.3	7.4	7.4
Deferred Taxes	(1.2)	(1.0)	(0.8)	(0.6)	(0.4)	(0.1)	0.3	0.3	0.5
ITC Amortization	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Total Operating Expenses	25.2	27.0	28.0	28.1	28.6	30.1	31.2	31.8	32.6
Operating Income	15.7	15.7	15.6	15.4	15.3	15.3	15.0	14.6	14.3
Interest Expense	7.0	7.0	6.9	6.9	6.8	6.8	6.7	6.5	6.4
Net Income	8.7	8.7	8.7	8.5	8.5	8.5	8.3	8.1	7.9
Preferred Return	1.2	1.2	1.2	1.2	1.1	1.2	1.1	1.1	1.1
Income Available for Equity Return	7.6	7.5	7.5	7.4	7.3	7.3	7.2	7.0	6.9
Operating Income	15.7	15.7	15.6	15.4	15.3	15.3	15.0	14.6	14.3
Rate Base	163.9	163.3	162.5	160.3	159.0	159.4	155.9	152.2	149.0
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	65.7	65.4	65.1	64.2	63.7	63.9	62.5	61.0	59.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Revenue Requirements Forecast
(Revised)**

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Distribution									
Revenue from Customers	256.2	268.3	269.7	266.2	268.7	275.0	281.7	288.3	300.4
Other Revenues	12.7	12.8	15.9	16.0	16.0	16.1	16.2	16.3	12.1
Total Revenues	268.9	281.1	285.6	282.1	284.7	291.1	297.9	304.5	312.5
Operating Expenses									
Non-production Expenses	97.3	105.9	109.3	107.4	110.3	113.1	116.0	119.0	122.4
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	41.7	42.5	42.3	40.2	38.6	39.8	41.0	42.3	43.6
Amortization	6.9	6.6	6.3	4.6	3.3	3.7	4.1	4.3	4.6
Operating Revenue Tax	11.3	11.8	11.9	11.7	11.8	12.1	12.4	12.7	13.2
Property Taxes	2.7	3.2	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Other Taxes	6.6	6.6	6.7	6.8	6.9	6.9	7.0	7.1	7.8
Current Taxes	32.6	33.7	33.8	32.8	32.2	32.4	32.7	32.7	32.7
Deferred Taxes	(3.2)	(3.7)	(3.5)	(1.8)	(0.5)	(0.3)	0.0	0.5	0.9
ETC Amortization	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
Total Operating Expenses	194.3	205.1	208.5	203.4	204.2	209.5	214.9	220.2	227.0
Operating Income	74.6	76.0	77.1	78.7	80.5	81.6	83.0	84.3	85.5
Interest Expense	33.2	33.8	34.3	35.0	35.8	36.3	36.9	37.5	38.0
Net Income	41.4	42.2	42.8	43.7	44.7	45.3	46.1	46.8	47.4
Preferred Return	5.6	5.7	5.8	5.9	6.0	6.1	6.2	6.3	6.4
Income Available for Equity Return	35.8	36.5	37.0	37.8	38.6	39.2	39.8	40.4	41.0
Operating Income	74.6	76.0	77.1	78.7	80.5	81.6	83.0	84.3	85.5
Rate Base	776.5	791.5	802.8	819.8	837.7	849.7	864.2	877.4	890.0
Return on Operating Income	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	311.2	317.2	321.8	328.6	335.7	340.6	346.4	351.7	356.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

**Rate Base and Net Book Value Forecast
(Revised)**

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Rate Base Summary										
Generation	1,101.07	1,082.48	1,043.54	937.01	878.49	810.55	722.12	653.85	616.44	547.71
Regulatory Assets	346.43	322.49	289.59	296.19	246.83	197.46	148.10	98.73	49.37	0.00
Transmission	165.12	163.94	163.29	162.48	160.29	159.04	159.38	155.85	152.25	148.97
Distribution	<u>755.58</u>	<u>776.31</u>	<u>791.53</u>	<u>802.83</u>	<u>819.79</u>	<u>837.67</u>	<u>849.72</u>	<u>864.19</u>	<u>877.37</u>	<u>890.03</u>
Total	2,368.20	2,345.22	2,287.94	2,198.52	2,105.40	2,004.72	1,879.31	1,772.63	1,695.43	1,586.71
Net Book Value Summary										
Generation	959.60	948.74	917.61	818.84	767.76	706.20	624.15	562.27	531.27	477.26
Regulatory Assets Included in Rate Base	346.43	322.49	289.59	296.19	246.83	197.46	148.10	98.73	49.37	0.00
Regulatory Assets Excluded from Rate Base	290.46	268.70	238.95	205.77	183.17	160.58	137.99	115.39	92.80	55.80
Transmission	158.13	157.37	157.14	156.74	154.96	154.11	154.86	151.75	148.55	145.68
Distribution	<u>727.90</u>	<u>750.27</u>	<u>767.04</u>	<u>779.91</u>	<u>798.42</u>	<u>817.86</u>	<u>831.47</u>	<u>847.50</u>	<u>862.24</u>	<u>876.45</u>
Total	2,482.52	2,447.58	2,370.33	2,257.45	2,151.14	2,036.22	1,896.57	1,775.64	1,684.22	1,555.20

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net Plant										
Nuclear	906.88	839.70	763.62	623.27	543.12	450.83	332.01	255.91	218.42	192.08
Fossil	608.54	614.59	606.91	577.66	556.27	530.96	500.19	453.31	401.22	336.40
Transmission	198.76	195.74	193.43	191.28	188.09	186.05	186.05	182.76	179.49	176.81
Distribution	<u>914.16</u>	<u>937.69</u>	<u>954.87</u>	<u>968.21</u>	<u>987.16</u>	<u>1,007.07</u>	<u>1,021.81</u>	<u>1,039.65</u>	<u>1,056.85</u>	<u>1,074.30</u>
	2,628.34	2,587.73	2,518.83	2,360.42	2,274.65	2,174.91	2,040.06	1,931.61	1,855.97	1,779.58
Regulatory Assets										
Generation Regulatory Assets	455.14	421.26	371.37	387.78	323.15	258.52	193.89	129.26	64.63	0.00
Nuclear	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fossil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transmission	32.68	33.48	34.25	34.94	35.50	36.03	36.37	36.52	36.60	36.58
Distribution	<u>56.85</u>	<u>51.27</u>	<u>45.93</u>	<u>40.96</u>	<u>37.69</u>	<u>35.69</u>	<u>33.23</u>	<u>30.42</u>	<u>27.45</u>	<u>24.11</u>
	544.67	506.01	451.56	463.68	396.34	330.24	263.49	196.19	128.68	60.69
Deferred Income Taxes										
Generation Regulatory Assets	(109.06)	(98.94)	(81.78)	(91.59)	(76.33)	(61.06)	(45.79)	(30.53)	(15.26)	0.00
Nuclear	(306.92)	(273.72)	(239.89)	(188.37)	(155.62)	(117.44)	(68.55)	(37.20)	(21.99)	(11.34)
Fossil	(171.03)	(160.68)	(148.62)	(136.05)	(124.81)	(113.32)	(101.06)	(77.68)	(40.74)	(17.95)
Transmission	(67.54)	(66.50)	(65.62)	(64.96)	(64.52)	(64.26)	(64.26)	(64.64)	(65.06)	(65.64)
Distribution	<u>(220.21)</u>	<u>(217.52)</u>	<u>(214.31)</u>	<u>(211.36)</u>	<u>(210.09)</u>	<u>(210.12)</u>	<u>(210.36)</u>	<u>(210.90)</u>	<u>(211.95)</u>	<u>(213.41)</u>
	(874.76)	(817.37)	(750.22)	(692.33)	(631.37)	(566.20)	(490.02)	(420.95)	(355.01)	(308.34)
Working Capital										
Nuclear	21.84	21.50	20.42	19.40	18.43	18.43	18.43	18.43	18.43	18.43
Fossil	41.76	41.10	41.10	41.10	41.10	41.10	41.10	41.10	41.10	30.10
Transmission	1.24	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Distribution	<u>5.11</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>
	69.94	68.85	67.77	66.75	65.78	65.78	65.78	65.78	65.78	54.78
Investment Tax Credit										
Nuclear	(56.98)	(51.88)	(46.78)	(41.68)	(36.57)	(31.47)	(26.37)	(21.27)	(16.14)	(13.79)
Fossil	(20.90)	(19.27)	(17.63)	(16.00)	(14.63)	(13.35)	(12.06)	(10.78)	(9.50)	(8.13)
Transmission	(5.75)	(5.34)	(4.93)	(4.52)	(4.11)	(3.70)	(3.29)	(2.89)	(2.48)	(2.07)
Distribution	<u>(22.57)</u>	<u>(21.01)</u>	<u>(19.45)</u>	<u>(17.89)</u>	<u>(16.34)</u>	<u>(14.78)</u>	<u>(13.22)</u>	<u>(11.67)</u>	<u>(10.11)</u>	<u>(8.55)</u>
	(106.20)	(97.50)	(88.79)	(80.09)	(71.65)	(63.30)	(54.95)	(46.60)	(38.23)	(32.54)

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Generation Summary										
Original Cost	2,804.81	2,885.14	2,946.62	2,922.78	2,961.34	2,996.12	3,027.08	3,069.88	3,142.65	3,170.89
Accumulated Depreciation	<u>(1,289.38)</u>	<u>(1,430.85)</u>	<u>(1,576.10)</u>	<u>(1,721.85)</u>	<u>(1,861.95)</u>	<u>(2,014.34)</u>	<u>(2,194.88)</u>	<u>(2,360.67)</u>	<u>(2,523.01)</u>	<u>(2,642.42)</u>
Net Plant	1,515.43	1,454.29	1,370.53	1,200.93	1,099.39	981.78	832.20	709.21	619.64	528.47
Accumulated Deferred Taxes	<u>(477.95)</u>	<u>(434.41)</u>	<u>(388.51)</u>	<u>(324.42)</u>	<u>(280.43)</u>	<u>(230.76)</u>	<u>(169.61)</u>	<u>(114.89)</u>	<u>(62.73)</u>	<u>(29.29)</u>
Net Plant Less Accum. Deferred Taxes	1,037.48	1,019.89	982.02	876.51	818.96	751.02	662.59	594.32	556.91	499.18
Working Capital	<u>63.59</u>	<u>62.60</u>	<u>61.52</u>	<u>60.50</u>	<u>59.53</u>	<u>59.53</u>	<u>59.53</u>	<u>59.53</u>	<u>59.53</u>	<u>48.53</u>
Rate Base	1,101.07	1,082.48	1,043.54	937.01	878.49	810.55	722.12	653.85	616.44	547.71
Net Plant Less Accum. Deferred Taxes	1,037.48	1,019.89	982.02	876.51	818.96	751.02	662.59	594.32	556.91	499.18
Less: Accumulated ITC	<u>(77.88)</u>	<u>(71.15)</u>	<u>(64.41)</u>	<u>(57.67)</u>	<u>(51.20)</u>	<u>(44.82)</u>	<u>(38.44)</u>	<u>(32.05)</u>	<u>(25.64)</u>	<u>(21.92)</u>
Net Book Value	959.60	948.74	917.61	818.84	767.76	706.20	624.15	562.27	531.27	477.26

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Regulatory Assets Summary										
Book Cost	544.67	544.67	544.67	625.71	625.71	625.71	625.71	625.71	625.71	625.71
Accumulated Amortization	<u>0.00</u>	<u>(38.66)</u>	<u>(93.11)</u>	<u>(162.03)</u>	<u>(229.37)</u>	<u>(295.47)</u>	<u>(362.22)</u>	<u>(429.52)</u>	<u>(497.03)</u>	<u>(565.02)</u>
Net Book Cost	544.67	506.01	451.56	463.68	396.34	330.24	263.49	196.19	128.68	60.69
Accumulated Deferred Taxes	<u>(198.24)</u>	<u>(183.52)</u>	<u>(161.97)</u>	<u>(167.49)</u>	<u>(149.51)</u>	<u>(132.78)</u>	<u>(115.40)</u>	<u>(97.46)</u>	<u>(79.31)</u>	<u>(60.69)</u>
Net Plant Less Accum. Deferred Taxes	346.43	322.49	289.59	296.19	246.83	197.46	148.10	98.73	49.37	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	346.43	322.49	289.59	296.19	246.83	197.46	148.10	98.73	49.37	0.00
Regulatory Assets Excluded from Rate Base (Generation)										
Book Cost	459.49	459.49	459.49	441.39	441.39	441.39	441.39	441.39	441.39	441.39
Accumulated Amortization	<u>0.00</u>	<u>(34.77)</u>	<u>(83.21)</u>	<u>(117.24)</u>	<u>(151.26)</u>	<u>(185.29)</u>	<u>(219.31)</u>	<u>(253.34)</u>	<u>(287.36)</u>	<u>(346.01)</u>
Net Book Cost	459.49	424.71	376.28	324.15	290.13	256.10	222.08	188.05	154.03	95.38
Accumulated Deferred Taxes	<u>(169.02)</u>	<u>(156.01)</u>	<u>(137.33)</u>	<u>(118.38)</u>	<u>(106.95)</u>	<u>(95.52)</u>	<u>(84.09)</u>	<u>(72.66)</u>	<u>(61.22)</u>	<u>(39.58)</u>
Net Book Value	290.46	268.70	238.95	205.77	183.17	160.58	137.99	115.39	92.80	55.80

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Transmission Summary										
Original Cost	319.05	321.50	324.68	327.98	330.08	333.18	338.40	340.40	342.45	345.13
Accumulated Depreciation	<u>(120.29)</u>	<u>(125.76)</u>	<u>(131.25)</u>	<u>(136.70)</u>	<u>(141.98)</u>	<u>(147.13)</u>	<u>(152.35)</u>	<u>(157.64)</u>	<u>(162.96)</u>	<u>(168.32)</u>
Net Plant	198.76	195.74	193.43	191.28	188.09	186.05	186.05	182.76	179.49	176.81
Accumulated Deferred Taxes	<u>(34.88)</u>	<u>(33.03)</u>	<u>(31.36)</u>	<u>(30.02)</u>	<u>(29.02)</u>	<u>(28.23)</u>	<u>(27.89)</u>	<u>(28.12)</u>	<u>(28.46)</u>	<u>(29.06)</u>
Net Plant Less Accum. Deferred Taxes	163.88	162.72	162.07	161.26	159.07	157.82	158.16	154.63	151.03	147.75
Working Capital	<u>1.24</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>	<u>1.22</u>
Rate Base	165.12	163.94	163.29	162.48	160.29	159.04	159.38	155.85	152.25	148.97
Net Plant Less Accum. Deferred Taxes	163.88	162.72	162.07	161.26	159.07	157.82	158.16	154.63	151.03	147.75
Less Accumulated ITC	<u>(5.75)</u>	<u>(5.34)</u>	<u>(4.93)</u>	<u>(4.52)</u>	<u>(4.11)</u>	<u>(3.70)</u>	<u>(3.29)</u>	<u>(2.89)</u>	<u>(2.48)</u>	<u>(2.07)</u>
Net Book Value	158.13	157.37	157.14	156.74	154.96	154.11	154.86	151.75	148.55	145.68

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Distribution Summary										
Original Cost	1,341.65	1,406.88	1,466.56	1,522.18	1,581.37	1,639.87	1,694.39	1,753.21	1,812.68	1,873.69
Accumulated Depreciation	<u>(427.49)</u>	<u>(469.19)</u>	<u>(511.68)</u>	<u>(553.97)</u>	<u>(594.21)</u>	<u>(632.79)</u>	<u>(672.58)</u>	<u>(713.57)</u>	<u>(755.83)</u>	<u>(799.39)</u>
Net Plant	914.16	937.69	954.87	968.21	987.16	1,007.07	1,021.81	1,039.65	1,056.85	1,074.30
Accumulated Deferred Taxes	<u>(163.69)</u>	<u>(166.42)</u>	<u>(168.38)</u>	<u>(170.40)</u>	<u>(172.41)</u>	<u>(174.43)</u>	<u>(177.12)</u>	<u>(180.48)</u>	<u>(184.51)</u>	<u>(189.30)</u>
Net Plant Less Accum. Deferred Taxes	750.46	771.28	786.50	797.80	814.76	832.64	844.69	859.16	872.34	885.00
Working Capital	<u>5.11</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>	<u>5.03</u>
Rate Base	755.58	776.31	791.53	802.83	819.79	837.67	849.72	864.19	877.37	890.03
Net Plant Less Accum. Deferred Taxes	750.46	771.28	786.50	797.80	814.76	832.64	844.69	859.16	872.34	885.00
Less: Accumulated TTC	<u>(22.57)</u>	<u>(21.01)</u>	<u>(19.45)</u>	<u>(17.82)</u>	<u>(16.34)</u>	<u>(14.78)</u>	<u>(13.22)</u>	<u>(11.67)</u>	<u>(10.11)</u>	<u>(8.55)</u>
Net Book Value	727.90	750.27	767.04	779.91	798.42	817.86	831.47	847.50	862.24	876.45

**Rate Base and Net Book Value Forecast
(Revised)**

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nuclear Generation										
Perry										
Original Cost	868.19	879.29	883.92	846.79	849.14	852.12	854.60	857.75	860.79	864.13
Accumulated Depreciation	<u>(394.20)</u>	<u>(452.54)</u>	<u>(510.87)</u>	<u>(569.07)</u>	<u>(625.52)</u>	<u>(695.94)</u>	<u>(792.16)</u>	<u>(846.06)</u>	<u>(860.79)</u>	<u>(864.13)</u>
Net Plant	473.99	426.75	373.05	277.72	223.61	156.18	62.44	11.69	(0.00)	(0.00)
Accumulated Deferred Taxes	<u>(165.73)</u>	<u>(144.07)</u>	<u>(122.17)</u>	<u>(86.25)</u>	<u>(64.85)</u>	<u>(37.50)</u>	<u>0.54</u>	<u>20.97</u>	<u>25.10</u>	<u>24.44</u>
Net Plant Less Accum. Deferred Taxes	308.26	282.68	250.88	191.47	158.77	118.68	62.98	32.66	25.10	24.44
Working Capital	<u>11.80</u>	<u>11.61</u>	<u>10.96</u>	<u>10.35</u>	<u>9.79</u>	<u>9.74</u>	<u>9.69</u>	<u>9.64</u>	<u>9.59</u>	<u>9.54</u>
Rate Base	320.06	294.30	261.84	201.83	168.55	128.42	72.67	42.30	34.69	33.98
Net Plant Less Accum. Deferred Taxes	308.26	282.68	250.88	191.47	158.77	118.68	62.98	32.66	25.10	24.44
Less: Accumulated ITC	<u>(24.25)</u>	<u>(31.40)</u>	<u>(18.54)</u>	<u>(15.68)</u>	<u>(12.83)</u>	<u>(9.97)</u>	<u>(7.11)</u>	<u>(4.25)</u>	<u>(1.40)</u>	<u>(1.35)</u>
Net Book Value	284.01	251.29	232.34	175.79	145.94	108.71	55.87	28.41	23.70	23.09

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nuclear Generation										
Beaver Valley 1										
Original Cost	653.69	664.58	672.66	659.50	665.19	671.02	677.02	683.17	689.50	696.00
Accumulated Depreciation	<u>(275.30)</u>	<u>(308.90)</u>	<u>(342.74)</u>	<u>(376.65)</u>	<u>(409.44)</u>	<u>(441.28)</u>	<u>(473.44)</u>	<u>(505.94)</u>	<u>(538.98)</u>	<u>(572.60)</u>
Net Plant	378.39	355.69	329.92	282.85	255.75	229.74	203.58	177.23	150.52	123.40
Accumulated Deferred Taxes	<u>(123.51)</u>	<u>(112.58)</u>	<u>(101.44)</u>	<u>(84.83)</u>	<u>(73.93)</u>	<u>(63.47)</u>	<u>(52.96)</u>	<u>(42.37)</u>	<u>(31.60)</u>	<u>(20.62)</u>
Net Plant Less Accum. Deferred Taxes	254.88	243.11	228.48	198.03	181.82	166.27	150.62	134.86	118.92	102.78
Working Capital	<u>8.92</u>	<u>8.78</u>	<u>8.34</u>	<u>7.91</u>	<u>7.52</u>	<u>7.52</u>	<u>7.53</u>	<u>7.53</u>	<u>7.53</u>	<u>7.54</u>
Rate Base	263.80	251.89	236.82	205.94	189.34	173.80	158.15	142.39	126.46	110.32
Net Plant Less Accum. Deferred Taxes	254.88	243.11	228.48	198.03	181.82	166.27	150.62	134.86	118.92	102.78
Less: Accumulated ITC	<u>(19.49)</u>	<u>(17.92)</u>	<u>(16.35)</u>	<u>(14.78)</u>	<u>(13.20)</u>	<u>(11.63)</u>	<u>(10.06)</u>	<u>(8.49)</u>	<u>(6.89)</u>	<u>(5.29)</u>
Net Book Value	235.39	225.19	212.14	183.25	168.61	154.64	140.56	126.37	112.03	97.49

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nuclear Generation										
Beaver Valley 2										
Original Cost	77.52	83.64	90.58	96.42	101.28	106.27	111.39	116.65	122.05	127.59
Accumulated Depreciation	<u>(23.02)</u>	<u>(26.37)</u>	<u>(29.94)</u>	<u>(33.73)</u>	<u>(37.52)</u>	<u>(41.37)</u>	<u>(45.41)</u>	<u>(49.66)</u>	<u>(54.15)</u>	<u>(58.91)</u>
Net Plant	54.50	57.27	60.64	62.70	63.76	64.91	65.98	66.98	67.90	68.68
Accumulated Deferred Taxes	<u>(17.67)</u>	<u>(17.07)</u>	<u>(16.27)</u>	<u>(17.29)</u>	<u>(16.84)</u>	<u>(16.48)</u>	<u>(16.13)</u>	<u>(15.80)</u>	<u>(15.49)</u>	<u>(15.16)</u>
Net Plant Less Accum. Deferred Taxes	36.82	40.19	44.37	45.41	46.92	48.43	49.86	51.18	52.41	53.52
Working Capital	<u>1.12</u>	<u>1.10</u>	<u>1.12</u>	<u>1.13</u>	<u>1.12</u>	<u>1.17</u>	<u>1.21</u>	<u>1.26</u>	<u>1.30</u>	<u>1.35</u>
Rate Base	37.95	41.30	45.49	46.54	48.05	49.60	51.07	52.44	53.71	54.87
Net Plant Less Accum. Deferred Taxes	36.82	40.19	44.37	45.41	46.92	48.43	49.86	51.18	52.41	53.52
Less: Accumulated PTC	<u>(13.24)</u>	<u>(12.56)</u>	<u>(11.89)</u>	<u>(11.22)</u>	<u>(10.54)</u>	<u>(9.87)</u>	<u>(9.20)</u>	<u>(8.53)</u>	<u>(7.85)</u>	<u>(7.15)</u>
Net Book Value	23.59	27.63	32.48	34.19	36.38	38.56	40.66	42.65	44.55	46.36

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Etrama										
Original Cost	237.66	259.95	271.43	277.56	286.10	291.76	294.49	296.00	297.05	297.05
Accumulated Depreciation	<u>(137.74)</u>	<u>(152.46)</u>	<u>(168.68)</u>	<u>(185.74)</u>	<u>(203.84)</u>	<u>(222.85)</u>	<u>(242.69)</u>	<u>(263.21)</u>	<u>(284.71)</u>	<u>(297.04)</u>
Net Plant	99.93	107.48	102.75	91.81	82.25	68.91	51.80	32.79	12.34	0.00
Accumulated Deferred Taxes	<u>(18.75)</u>	<u>(14.84)</u>	<u>(10.61)</u>	<u>(5.95)</u>	<u>(0.83)</u>	<u>4.64</u>	<u>10.54</u>	<u>16.78</u>	<u>23.48</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	81.17	92.64	92.13	85.86	81.42	73.55	62.34	49.57	35.82	0.00
Working Capital	<u>10.98</u>	<u>10.81</u>	<u>11.21</u>	<u>10.23</u>	<u>10.52</u>	<u>10.55</u>	<u>10.55</u>	<u>10.14</u>	<u>10.29</u>	<u>0.00</u>
Rate Base	92.16	103.45	103.34	96.09	91.94	84.10	72.89	59.71	46.11	0.00
Net Plant Less Accum. Deferred Taxes	81.17	92.64	92.13	85.86	81.42	73.55	62.34	49.57	35.82	0.00
Less: Accumulated TTC	<u>(2.22)</u>	<u>(1.98)</u>	<u>(1.74)</u>	<u>(1.51)</u>	<u>(1.27)</u>	<u>(1.03)</u>	<u>(0.80)</u>	<u>(0.56)</u>	<u>(0.33)</u>	<u>0.00</u>
Net Book Value	78.96	90.66	90.39	84.36	80.15	72.52	61.54	49.00	35.49	0.00

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Cheswick										
Original Cost	215.90	233.80	253.13	260.30	272.50	277.30	282.23	302.44	347.00	352.40
Accumulated Depreciation	<u>(96.02)</u>	<u>(104.68)</u>	<u>(114.33)</u>	<u>(124.24)</u>	<u>(134.37)</u>	<u>(144.37)</u>	<u>(154.68)</u>	<u>(166.49)</u>	<u>(181.96)</u>	<u>(197.88)</u>
Net Plant	119.88	129.12	138.80	136.05	138.13	132.92	127.55	135.95	165.04	154.52
Accumulated Deferred Taxes	<u>(34.85)</u>	<u>(33.00)</u>	<u>(31.15)</u>	<u>(29.35)</u>	<u>(27.54)</u>	<u>(25.62)</u>	<u>(23.54)</u>	<u>(21.09)</u>	<u>(17.96)</u>	<u>15.21</u>
Net Plant Less Accum. Deferred Taxes	85.03	96.11	107.65	106.70	110.59	107.30	104.01	114.86	147.08	169.73
Working Capital	<u>10.96</u>	<u>10.79</u>	<u>10.28</u>	<u>11.41</u>	<u>12.31</u>	<u>12.05</u>	<u>12.29</u>	<u>12.62</u>	<u>12.48</u>	<u>12.98</u>
Rate Base	95.99	106.90	117.93	118.11	122.90	119.35	116.30	127.48	159.56	182.71
Net Plant Less Accum. Deferred Taxes	85.03	96.11	107.65	106.70	110.59	107.30	104.01	114.86	147.08	169.73
Less: Accumulated ITC	<u>(2.91)</u>	<u>(2.75)</u>	<u>(2.60)</u>	<u>(2.44)</u>	<u>(2.28)</u>	<u>(2.13)</u>	<u>(1.97)</u>	<u>(1.82)</u>	<u>(1.66)</u>	<u>(1.51)</u>
Net Book Value	82.13	93.36	105.06	104.26	108.30	105.17	102.04	113.04	145.41	168.23

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Mansfield										
Original Cost	269.35	273.68	278.45	280.80	284.82	286.19	288.62	291.92	296.32	298.56
Accumulated Depreciation	<u>(124.63)</u>	<u>(132.84)</u>	<u>(141.20)</u>	<u>(149.55)</u>	<u>(157.51)</u>	<u>(165.00)</u>	<u>(172.60)</u>	<u>(180.36)</u>	<u>(188.39)</u>	<u>(196.54)</u>
Net Plant	144.72	140.84	137.25	131.25	127.30	121.19	116.03	111.56	107.93	102.02
Accumulated Deferred Taxes	<u>(39.17)</u>	<u>(38.00)</u>	<u>(36.27)</u>	<u>(34.16)</u>	<u>(32.14)</u>	<u>(30.27)</u>	<u>(28.34)</u>	<u>(26.41)</u>	<u>(24.44)</u>	<u>(22.48)</u>
Net Plant Less Accum. Deferred Taxes	105.54	102.84	100.98	97.09	95.17	90.92	87.68	85.15	83.49	79.54
Working Capital	<u>12.04</u>	<u>11.86</u>	<u>12.01</u>	<u>11.69</u>	<u>10.04</u>	<u>10.28</u>	<u>9.96</u>	<u>10.04</u>	<u>9.96</u>	<u>9.45</u>
Rate Base	(17.59)	114.69	112.99	108.78	105.21	101.20	97.64	95.20	93.45	88.99
Net Plant Less Accum. Deferred Taxes	105.54	102.84	100.98	97.09	95.17	90.92	87.68	85.15	83.49	79.54
Less: Accumulated ITC	<u>(6.80)</u>	<u>(6.48)</u>	<u>(6.17)</u>	<u>(5.86)</u>	<u>(5.55)</u>	<u>(5.24)</u>	<u>(4.93)</u>	<u>(4.62)</u>	<u>(4.30)</u>	<u>(3.99)</u>
Net Book Value	98.75	96.35	94.81	91.23	89.62	85.68	82.76	80.54	79.19	75.55

**Rate Base and Net Book Value Forecast
(Revised)**

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Sammis										
Original Cost	93.56	96.18	96.67	98.00	98.19	101.77	102.88	104.25	104.69	106.12
Accumulated Depreciation	<u>(40.17)</u>	<u>(44.44)</u>	<u>(48.71)</u>	<u>(53.02)</u>	<u>(57.13)</u>	<u>(61.37)</u>	<u>(65.68)</u>	<u>(70.13)</u>	<u>(74.60)</u>	<u>(79.25)</u>
Net Plant	53.39	51.73	47.96	44.97	41.05	40.41	37.20	34.12	30.09	26.87
Accumulated Deferred Taxes	<u>(13.56)</u>	<u>(13.16)</u>	<u>(12.19)</u>	<u>(11.17)</u>	<u>(10.08)</u>	<u>(8.95)</u>	<u>(7.84)</u>	<u>(6.69)</u>	<u>(5.54)</u>	<u>(4.32)</u>
Net Plant Less Accum. Deferred Taxes	39.84	38.58	35.77	33.80	30.97	31.45	29.36	27.43	24.55	22.56
Working Capital	<u>4.16</u>	<u>4.09</u>	<u>4.30</u>	<u>4.18</u>	<u>4.65</u>	<u>4.36</u>	<u>4.61</u>	<u>4.54</u>	<u>4.57</u>	<u>4.23</u>
Rate Base	43.99	42.67	40.06	37.98	35.62	35.81	33.97	31.97	29.12	26.79
Net Plant Less Accum. Deferred Taxes	39.84	38.58	35.77	33.80	30.97	31.45	29.36	27.43	24.55	22.56
Less: Accumulated ITC	<u>(2.84)</u>	<u>(2.65)</u>	<u>(2.46)</u>	<u>(2.27)</u>	<u>(2.08)</u>	<u>(1.89)</u>	<u>(1.70)</u>	<u>(1.51)</u>	<u>(1.33)</u>	<u>(1.14)</u>
Net Book Value	37.00	35.93	33.31	31.53	28.89	29.56	27.65	25.91	23.23	21.42

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Eastlake										
Original Cost	78.87	81.38	84.71	86.74	87.29	92.67	98.67	100.35	103.51	107.11
Accumulated Depreciation	<u>(36.20)</u>	<u>(39.44)</u>	<u>(42.88)</u>	<u>(46.41)</u>	<u>(49.80)</u>	<u>(53.47)</u>	<u>(57.67)</u>	<u>(62.02)</u>	<u>(66.70)</u>	<u>(71.80)</u>
Net Plant	42.66	41.94	41.84	40.33	37.49	39.20	41.00	38.33	36.81	35.30
Accumulated Deferred Taxes	<u>(10.52)</u>	<u>(9.98)</u>	<u>(9.38)</u>	<u>(8.73)</u>	<u>(8.15)</u>	<u>(7.49)</u>	<u>(6.71)</u>	<u>(5.71)</u>	<u>(4.58)</u>	<u>(3.35)</u>
Net Plant Less Accum. Deferred Taxes	32.15	31.96	32.46	31.60	29.34	31.71	34.28	32.62	32.23	31.96
Working Capital	<u>3.61</u>	<u>3.55</u>	<u>3.31</u>	<u>3.60</u>	<u>3.58</u>	<u>3.87</u>	<u>3.68</u>	<u>3.75</u>	<u>3.80</u>	<u>3.44</u>
Rate Base	35.76	35.51	35.77	35.19	32.93	35.58	37.97	36.38	36.03	35.40
Net Plant Less Accum. Deferred Taxes	32.15	31.96	32.46	31.60	29.34	31.71	34.28	32.62	32.23	31.96
Less: Accumulated ITC	<u>(1.70)</u>	<u>(1.59)</u>	<u>(1.49)</u>	<u>(1.38)</u>	<u>(1.27)</u>	<u>(1.17)</u>	<u>(1.06)</u>	<u>(0.96)</u>	<u>(0.85)</u>	<u>(0.74)</u>
Net Book Value	30.45	30.36	30.97	30.22	28.07	30.54	33.22	31.67	31.38	31.21

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Brunot Island In-Service										
Original Cost	45.72	47.82	49.26	50.87	51.04	51.21	51.38	51.56	55.95	56.14
Accumulated Depreciation	<u>(20.20)</u>	<u>(22.16)</u>	<u>(24.15)</u>	<u>(26.20)</u>	<u>(28.17)</u>	<u>(30.04)</u>	<u>(31.93)</u>	<u>(33.82)</u>	<u>(36.13)</u>	<u>(38.46)</u>
Net Plant	25.52	25.66	25.12	24.67	22.87	21.17	19.46	17.75	19.82	17.68
Accumulated Deferred Taxes	<u>(8.73)</u>	<u>(8.06)</u>	<u>(7.41)</u>	<u>(6.76)</u>	<u>(6.16)</u>	<u>(5.58)</u>	<u>(4.99)</u>	<u>(4.40)</u>	<u>(3.69)</u>	<u>(3.03)</u>
Net Plant Less Accum. Deferred Taxes	16.79	17.60	17.71	17.91	16.72	15.59	14.47	13.35	16.13	14.66
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	16.79	17.60	17.71	17.91	16.72	15.59	14.47	13.35	16.13	14.66
Net Plant Less Accum. Deferred Taxes	16.79	17.60	17.71	17.91	16.72	15.59	14.47	13.35	16.13	14.66
Less: Accumulated ITC	<u>(0.73)</u>	<u>(0.69)</u>	<u>(0.64)</u>	<u>(0.60)</u>	<u>(0.55)</u>	<u>(0.51)</u>	<u>(0.47)</u>	<u>(0.42)</u>	<u>(0.38)</u>	<u>(0.33)</u>
Net Book Value	16.06	6.92	17.06	17.31	16.16	15.08	14.00	12.93	15.75	14.32

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Phillips										
Original Cost	147.02	147.51	148.47	148.47	148.47	148.47	148.47	148.47	148.47	148.47
Accumulated Depreciation	<u>(68.63)</u>	<u>(69.12)</u>	<u>(70.08)</u>	<u>(70.08)</u>	<u>(70.08)</u>	<u>(70.08)</u>	<u>(70.08)</u>	<u>(94.43)</u>	<u>(148.05)</u>	<u>(148.48)</u>
Net Plant	78.40	78.40	78.40	78.40	78.40	78.40	78.40	54.05	0.43	(0.00)
Accumulated Deferred Taxes	<u>(28.26)</u>	<u>(28.34)</u>	<u>(28.20)</u>	<u>(28.43)</u>	<u>(28.60)</u>	<u>(28.73)</u>	<u>(28.83)</u>	<u>(18.81)</u>	<u>3.36</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	50.14	50.06	50.20	49.97	49.80	49.67	49.57	35.24	3.79	(0.00)
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	50.14	50.06	50.20	49.97	49.80	49.67	49.57	35.24	3.79	(0.00)
Net Plant Less Accum. Deferred Taxes	50.14	50.06	50.20	49.97	49.80	49.67	49.57	35.24	3.79	(0.00)
Less: Accumulated ITC	<u>(1.68)</u>	<u>(1.49)</u>	<u>(1.31)</u>	<u>(1.12)</u>	<u>(0.93)</u>	<u>(0.75)</u>	<u>(0.56)</u>	<u>(0.37)</u>	<u>(0.19)</u>	<u>0.00</u>
Net Book Value	48.46	48.57	48.89	48.85	48.86	48.93	49.01	34.86	3.60	(0.00)

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Brunot Island Cold Reserve										
Original Cost	44.83	44.83	44.83	44.83	44.83	44.83	44.83	44.83	44.83	44.83
Accumulated Depreciation	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(16.07)</u>	<u>(44.83)</u>
Net Plant	28.76	28.76	28.76	28.76	28.76	28.76	28.76	28.76	28.76	(0.00)
Accumulated Deferred Taxes	<u>(11.25)</u>	<u>(11.26)</u>	<u>(11.28)</u>	<u>(11.30)</u>	<u>(11.31)</u>	<u>(11.33)</u>	<u>(11.34)</u>	<u>(11.36)</u>	<u>(11.37)</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	17.51	17.49	17.48	17.46	17.45	17.43	17.42	17.40	17.39	(0.00)
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	17.51	17.49	17.48	17.46	17.45	17.43	17.42	17.40	17.39	(0.00)
Net Plant Less Accum. Deferred Taxes	17.51	17.49	17.48	17.46	17.45	17.43	17.42	17.40	17.39	(0.00)
Less: Accumulated ITC	<u>(0.89)</u>	<u>(0.84)</u>	<u>(0.78)</u>	<u>(0.73)</u>	<u>(0.68)</u>	<u>(0.63)</u>	<u>(0.57)</u>	<u>(0.52)</u>	<u>(0.47)</u>	<u>(0.42)</u>
Net Book Value	16.62	16.66	16.69	16.73	16.77	16.80	16.84	16.88	16.92	(0.42)

**Rate Base and Net Book Value Forecast
(Revised)**

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Fossil Generation										
Warwick										
Original Cost	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50	72.50
Accumulated Depreciation	<u>(57.20)</u>	<u>(61.83)</u>	<u>(66.46)</u>	<u>(71.09)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>	<u>(72.49)</u>
Net Plant	15.29	10.67	6.04	1.41	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Deferred Taxes	<u>(5.96)</u>	<u>(4.04)</u>	<u>(2.12)</u>	<u>(0.20)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	9.33	6.63	3.92	1.21	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	9.33	6.63	3.92	1.21	0.00	0.00	0.00	0.00	0.00	0.00
Net Plant Less Accum. Deferred Taxes	9.33	6.63	3.92	1.21	0.00	0.00	0.00	0.00	0.00	0.00
Less: Accumulated ITC	<u>(1.15)</u>	<u>(0.79)</u>	<u>(0.41)</u>	<u>(0.09)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Book Value	8.19	5.83	3.48	1.12	0.00	0.00	0.00	0.00	0.00	0.00

FILE

CONTINUED