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The 3 attached disks contain the compressed archive file PECO0497.zip which is the "electronic" version of PECO Energy Company's April 1, 1997 Application for Approval of its Restructuring Plan. The decompression software PKUNZIP is required to extract the individual files in order to open them with the appropriate application. The table below indexes the individual compressed files according to their section in the "hardcopy" filing. Sections which have an associated "electronic" version have those files shown in parentheses. All file names contain a three letter extension which designate its application of origin: *.doc = Microsoft Word 7.0, *.wpd = Word Perfect 6.0, *.xls = Microsoft Excel 7.0 and *.dgn = Intergraph.

EXHIBIT 1

R-00 97 3 953

VOLUME I

Application

Application (Applicat.doc)
Cover Letter (CoverLet.doc)
Certificate of Service (CertServ.doc)

Statement No. 1 - Thomas P. Hill, Jr.

Direct Testimony of Thomas P. Hill, Jr. (TPH_Test.doc)
Exhibit TPH-1 Accounting Exhibit (TPH_01.xls & TPH_01a.doc)
Exhibit TPH-2 Description of SI Model (TPH_02.doc)
Exhibit TPH-3 EDS Market Analysis (TPH_03.xls)
Exhibit TPH-4 ICF Market Analysis (TPH_04.xls)
Exhibit TPH-5 PHB Market Analysis (TPH_05.xls)
Exhibit TPH-6 Levelized Market Prices (TPH_06.xls)
Exhibit TPH-7 Development of Stranded Investment (TPH_07.xls)
Exhibit TPH-8 PUC Order on Accelerated Depreciation
Exhibit TPH-9 Capital Additions 1992-1996 (TPH_09.xls)
Exhibit TPH-10 Calculation of EPS Impact of CTC (TPH_07.xls)
Exhibit TPH-11 Decline of O&M 1990-1997 (TPH_09.xls)
Exhibit TPH-12 History of Limerick Generating Station
Exhibit TPH-13 Impact of Dividend Cut (TPH_09.xls)
Exhibit TPH-14 Notice

Statement No. 2 - Alfred A. Miller

Direct Testimony of Alfred A. Miller (AAM_Test.doc)
Exhibit AAM-1 Unbundled Tariff
Exhibit AAM-2 Current Bundled Tariff

VOLUME II

Statement No. 3 - Alan B. Cohn

Direct Testimony of Alan B. Cohn (ABC_Test.doc)
Exhibit ABC-1 CTC Calculation Schedules (ABC_01.xls & ABC_01a.doc)
Exhibit ABC-2 Depreciation Study

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VOLUME III

Statement No. 4 - John F. Bustard

Direct Testimony of John F. Bustard (JFB_Test.doc)
Exhibit JFB-1 Weighted Market Prices (JFB_01.xls)
Exhibit JFB-2 Market Revenues (JFB_01.xls)
Exhibit JFB-3 Market Value (JFB_01.xls)
Exhibit JFB-4 Average Market Prices (JFB_01.xls)
Exhibit JFB-5 DRI Fossil Estimates (JFB_01.xls)
Exhibit JFB-6 Load Growth Projections (JFB_01.xls)
Exhibit JFB-7 MAAC Reserve Margin (JFB_01.xls)
Exhibit JFB-8 Price Projection Factors (JFB_01.xls)
Exhibit JFB-9 PMDAM Description (JFB_09.xls)
Exhibit JFB-10 Energy Only Prices (JFB_01.xls)

Statement No. 5 - Bangalore S. Venkateshwara

Direct Testimony of Bangalore S. Venkateshwara (BSV_Test.doc)
Exhibit BSV-1 Summary of Results (BSV_Test.doc)
Exhibit BSV-2 Key Projections (BSV_Test.doc)

Statement No. 6 - William H. Hieronymus

Direct Testimony of William H. Hieronymus (WHH_Test.doc)
Exhibit WHH-1 Resume (WHH_01.doc)
Exhibit WHH-2 PECO Summary (WHH_02.xls)
Exhibit WHH-3 Various (WHH_03.doc)
Exhibit WHH-4 Unit By Unit Data (WHH_02.xls)
Exhibit WHH-5 GE MAPS Description (WHH_05.doc)

Statement No. 7 - John Doering, Jr.

Direct Testimony of John Doering, Jr. (JD_Test.doc)
Exhibit JD-1 Actual O&M
Exhibit JD-2 Constant Dollar O&M
Exhibit JD-3 Actual Cap Ex
Exhibit JD-4 Constant Dollar Cap Ex
Exhibit JD-5 Historic Nuclear Capacity Factors

VOLUME IV

Statement No. 8 - Thomas S. LaGuardia

Direct Testimony of Thomas S. LaGuardia (TLG_Test.doc)
Exhibit TLG-1 LGS Decommissioning Study
Exhibit TLG-2 Salem Decommissioning Study
Exhibit TLG-3 PBAPS Units 2&3 Decommissioning Study
Exhibit TLG-4 PBAPS Unit 1 Decommissioning Study
Exhibit TLG-5 Fossil Units Decommissioning Study

VOLUME V

Statement No. 9 - James I. Warren

Direct Testimony of James I. Warren (JIW_Test.doc)

Exhibit JIW-1 Resume (JIW_01.doc)

Exhibit JIW-2 IRS Ruling

Statement No. 10 - J. Gregory Sidak

Direct Testimony of J. Gregory Sidak (JGS_Test.doc)

Statement No. 11 - Joseph F. Brennan

Direct Testimony of Joseph F. Brennan

Exhibit JFB-1 Development of Rates of Return and Discount Rates

VOLUME VI

Statement No. 12 - Robert A. Clemmer

Direct Testimony of Robert A. Clemmer (RAC_Test.doc)

Exhibit RAC-1 Cost of Service Study (RAC_01.xls)

Exhibit RAC-2 CTC & Transmission Allocation (RAC_01.xls)

Statement No. 13 - William F. Sundermeir

Direct Testimony of William F. Sundermeir (WFS_Test.doc)

Exhibit WFS-1 Rate R Unbundling (WFS_01.doc)

Exhibit WFS-2 Rate HT Unbundling (WFS_01.doc)

Exhibit WFS-3 Proof of Revenue (WFS_03.xls)

Exhibit WFS-4 Bill Comparison (WFS_04.xls)

Statement No. 14 - Stephen R. Xander

Direct Testimony of Stephen R. Xander (SRX_Test.doc)

Exhibit SRX-1 USFC Figures (SRX_01.xls)

Exhibit SRX-2 USFC Calculation (SRX_01.xls)

Exhibit SRX-3 USFC Tariff

Exhibit SRX-4 CAP Bill (SRX_01.xls)

Exhibit SRX-5 ASR Tariff (SRX_Test.doc)

VOLUME VII

Statement No. 15 - Gregory A. Cucchi

Direct Testimony of Gregory A. Cucchi (GAC_Test.doc)

Exhibit GAC-1 Pilot

Exhibit GAC-2 Code of Conduct (GAC_Test.doc)

Exhibit GAC-3 Load/Capacity Projections (GAC_03.xls)

Exhibit GAC-4 PUC letter regarding PJM as ISO

Exhibit GAC-5 Gray Book

VOLUME VIII

Statement No. 16 - Marilyn C. Kray

Direct Testimony of Marilyn C. Kray (MCK_Test.doc)
Exhibit MCK-1 Federal Poverty Level Guidelines
Exhibit MCK-2 PECO CAP Filing
Exhibit MCK-3 Joint Stipulation
Exhibit MCK-4 Utility/Supplier/Residential Interactions (MCK_04.doc)
Exhibit MCK-5 Universal Service Consumer Education Plan (MCK_05.doc)
Exhibit MCK-6 Low Income Assistance Cost Detail (MCK_06.doc)

Statement No. 17 - Gwendolyn S. King

Direct Testimony of Gwendolyn S. King (GSK_Test.doc)
Exhibit GSK-1 Consumer Education Program (GSK_01.doc)
Exhibit GSK-2 Energy News Bill Insert
Exhibit GSK-3 Brochure
Exhibit GSK-4 Consumer Education Program Budget (GSK_04.doc)

EXHIBIT 2

Response to Filing Requirements

Responses (Response.doc)
Attachment E-1a (E_01a.doc)
Attachment E-1b (E_01b.xls)
Attachment E-1c (E_01c.xls)
Attachment G-2 (G_02.dgn)
Attachment I-3a (I_03a.xls)
Attachment I-3b (I_03a.xls)
Attachment I-3c (I_03c.xls)
Attachment I-3d (I_03a.xls)
Attachment L-1 (L_01.xls)

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COPY**

R-00 973 953

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**APPLICATION OF PECO ENERGY COMPANY
FOR APPROVAL OF ITS RESTRUCTURING PLAN
UNDER SECTION 2806 OF THE PUBLIC UTILITY CODE**

VOLUME I

Contents:

**Application For Approval of Restructuring Plan
Certificate of Service**

Statement No. 1 - Direct Testimony & Exhibits of Thomas P. Hill, Jr.

Statement No. 2 - Direct Testimony & Exhibits of Alfred A. Miller

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Alfred A. Miller
Director
Rates & Regulatory Affairs

PECO ENERGY

PECO Energy Company
2301 Market Street
PO Box 8699
Philadelphia, PA 19101-8699
215 841 5760

Hand Delivery

April 1, 1997

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APR 01 1997

Mr. James McNulty
Office of the Prothonotary
Pennsylvania Public Utility Commission
North Office Building - P. O. Box 3265
Harrisburg, PA 17105-3265

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

Subject: Application of PECO Energy Company for Approval of its Restructuring Plan under Section 2806 of the Public Utility Code, Docket No. R-00973953

Dear Mr. McNulty:

In conformance with Section 2806 of the Pennsylvania Public Utility Code, PECO Energy Company submits an original and eight copies of the following:

1. Application of PECO Energy Company for Approval of its Restructuring Plan under Section 2806 of the Public Utility Code, including a proposed litigation schedule.
2. Exhibit 1-Testimony and Exhibits are Listed Below:

| | |
|-------------|---|
| Volume I | Statement No. 1 - Thomas P. Hill, Jr. Statement No. 2 - Alfred A. Miller |
| Volume II | Statement No. 3 - Alan B. Cohn |
| Volume III | Statement No. 4 - John F. Bustard Statement No. 5 - Bangalore S. Venkateshwara Statement No. 6 - William H. Hieronymus Statement No. 7 - John Doering, Jr. |
| Volume IV | Statement No. 8 - Thomas S. LaGuardia |
| Volume V | Statement No. 9 - James I. Warren Statement No. 10 - J. Gregory Sidak Statement No. 11 - Joseph F. Brennan |
| Volume VI | Statement No. 12 - Robert A. Clemmer Statement No. 13 - William F. Sundermeir Statement No. 14 - Stephen R. Xander |
| Volume VII | Statement No. 15 - Gregory A. Cucchi |
| Volume VIII | Statement No. 16 - Marilyn C. Kray Statement No. 17 - Gwendolyn S. King |

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3. Exhibit 2 - Responses to Filing Requirements

4. Form of Notice included as Exhibit TPH - 14 in the Direct Testimony of Thomas P. Hill, Jr. (Statement No. 1)

Also, attached to this letter is a Certificate of Service providing a listing of the parties which have been served with copies of this filing or notice thereof on this date.

Would you please acknowledge receipt of the above on the enclosed copy of this letter.

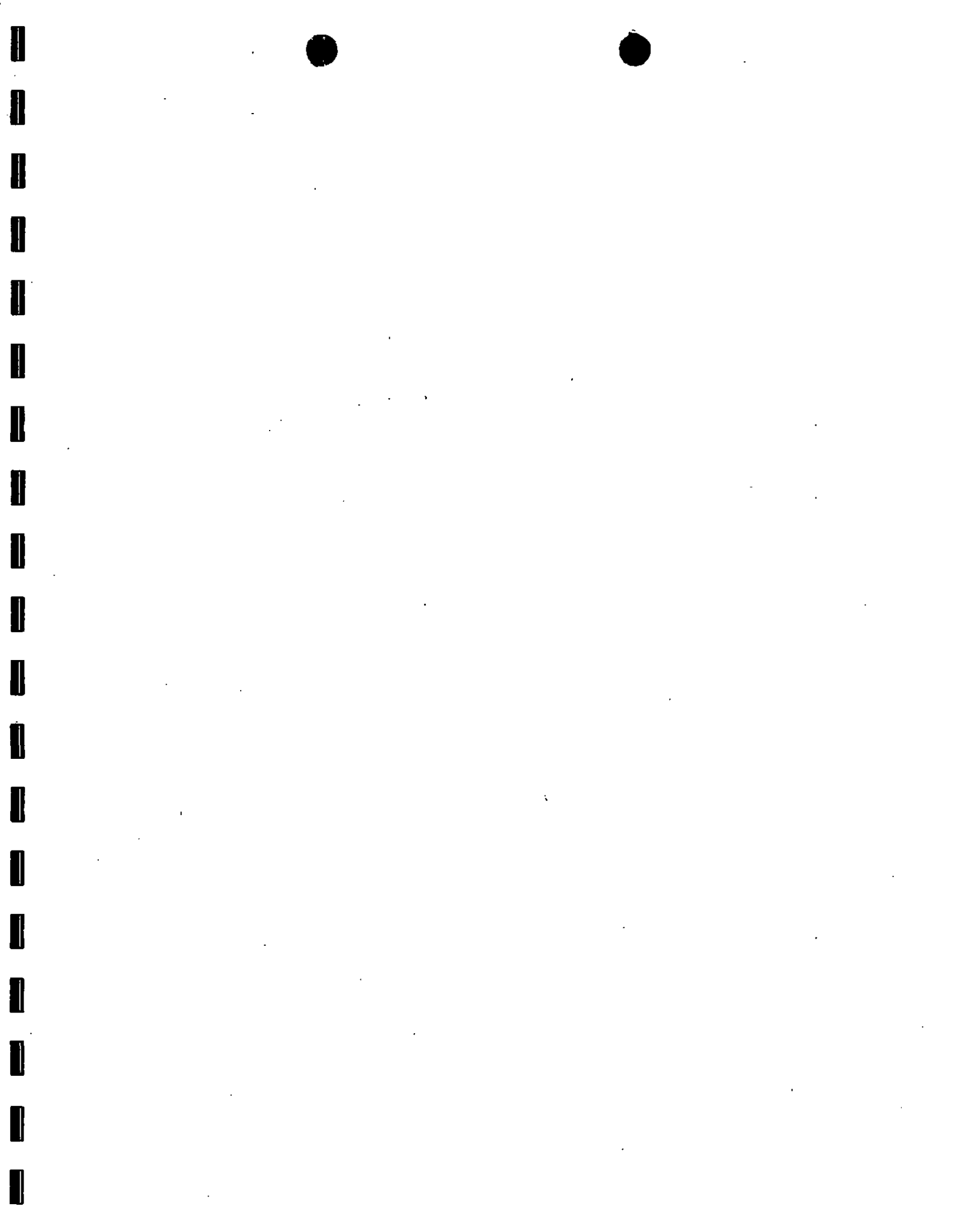
Sincerely,

A handwritten signature in black ink, appearing to read "A Hill", with a long, sweeping underline.

Enclosures

cc: Commissioner John M. Quain, Chairman
Commissioner Lisa Crutchfield, Vice Chairman
Commissioner Robert K. Bloom
Commissioner John Hanger
Commissioner David W. Rolka
Office of Consumer Advocate
Office of the Small Business Advocate
Office of Special Assistants
Office of Trial Staff

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

APR 01 1997

PA PUBLIC UTILITY COMMISSION
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| APPLICATION OF PECO ENERGY | : | |
| COMPANY FOR APPROVAL OF ITS | : | |
| RESTRUCTURING PLAN UNDER | : | APPLICATION |
| SECTION 2806 OF THE | : | DOCKET NO. R-00973953 |
| PUBLIC UTILITY CODE | : | |

**APPLICATION OF
PECO ENERGY COMPANY**

PECO Energy Company ("PECO" or the "Company"), pursuant to the recently enacted Electricity Generation Competition and Customer Choice Act (the "Competition Act"), which may be found at Chapter 28 of the Pennsylvania Public Utility Code (the "Code") (66 Pa. C.S. §§ 2801 et seq.), hereby requests that the Pennsylvania Public Utility Commission (the "Commission") issue an Order approving the comprehensive restructuring plan (the "Restructuring Plan") set forth herein. More specifically, PECO requests that the Commission authorize: (1) the recovery of \$6.805 billion of Transition and Stranded Costs, (2) the imposition of unbundled rates, Competitive Transition Charges ("CTCs"), a universal service and energy conservation cost recovery mechanism, and certain specific tariff provisions attached as exhibits to the testimony presented by PECO's witnesses, (3) the implementation of the procedures to ensure direct access proposed herein, (4) the implementation of the Consumer Education Program described herein, and (5) the implementation of PECO's initial plan to meet its universal service and energy conservation obligations.

IDENTITY AND DESCRIPTION OF THE APPLICANT

1. The name and address of the Applicant are as follows:

PECO Energy Company
2301 Market Street
P. O. Box 8699
Philadelphia, PA 19101-8699

2. The names and address of the Applicant's attorneys are as follows:

James W. Durham, Esquire
Senior Vice President and General Counsel

Paul R. Bonney, Esquire
Noel H. Trask, Esquire
Assistant General Counsel

PECO Energy Company
2301 Market Street
P.O. Box 8699
Philadelphia, PA 19101-8699

(215) 841-4252
(215) 568-3389 (FAX)

3. PECO is a Pennsylvania public utility corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania and is engaged in the business of supplying and distributing electricity and natural gas. Electric service is furnished in all or substantially all of Bucks, Chester, Delaware, Montgomery and Philadelphia Counties and a portion of York County. Gas service is provided in substantial portions of Bucks, Chester, Delaware and Montgomery Counties and a small section of Lancaster County.

4. As of December 31, 1996, PECO furnished electric service to 1,471,229 retail customers, broken down as follows:

| | |
|-------------|-----------|
| Residential | 1,324,448 |
| Commercial | 142,431 |
| Industrial | 3,299 |
| Other | 1,051 |

BACKGROUND INFORMATION

5. All annual reports, tariffs, certificates of public convenience, applications, securities certificates and similar documents filed by PECO and its predecessor, constituent and affiliated companies are made a part hereof by reference.

PURPOSE OF THIS FILING

6. Section 2806(D) of the Code requires all Pennsylvania electric utilities to file, pursuant to a schedule to be determined by the Commission, "a restructuring plan to implement direct access to a competitive market for the generation of electricity." Section 2806(E), in turn, specifies that such restructuring plans contain:

Unbundled prices or rates for generation, jurisdictional transmission, distribution and other services;

A proposed Competitive Transition Charge ("CTC");

A proposed universal service and energy conservation cost recovery mechanism;

Procedures for ensuring direct access to all licensed electric generation suppliers;

A discussion of the impacts of the proposed plan on the utility's employees; and

Revised tariffs and rate schedules implementing the foregoing.

In addition, Section 2807(D)(3) of the Code mandates that, prior to the implementation of a restructuring plan under Section 2806, a utility must implement a consumer education program informing customers of the changes in the electric utility industry. Also, Section 2804(15) requires that with its restructuring plan filing, a utility must submit an "initial plan that sets forth how it shall meet its universal service and energy conservation obligations."

7. By Order entered January 24, 1997 at Docket No. M-00960890.F005, the Commission directed PECO to file its restructuring plan on April 1, 1997. This filing is made in accordance with that Order.

8. As set forth below, PECO's Restructuring Plan is grounded in the following fundamental principles: (a) to furnish customers with the information and procedures they need to exercise their statutory right to choose generation suppliers; (b) to provide qualified alternative suppliers direct access to such customers on a non-discriminatory basis; (c) to maintain the reliability and quality of service to customers regardless of whom they select as their generation supplier; (d) to ensure that existing universal service and energy conservation programs for low-income customers are not adversely affected in the process; and (e) to ensure that the transition to direct access is fair to all stakeholders and consistent with constitutional protections. PECO believes that its comprehensive proposals are fully consistent with the General Assembly's intent when it enacted Chapter 28 of the Code and should, therefore, be approved.

**INTERRELATIONSHIP OF THIS FILING
TO OTHER PENDING PROCEEDINGS**

9. The Commission has recognized that the transition to competition will require the resolution of many complex issues. To that end, the Commission has initiated rulemakings and has established numerous working groups to address such disparate matters as phase-in procedures, consumer education, competitive safeguards and service reliability, amongst others. PECO is actively participating in these collateral efforts and, depending upon their outcome, may find it necessary or appropriate to modify certain aspects of its proposed Restructuring Plan, Consumer Education Program, and/or its initial universal service plan as this proceeding progresses.

10. In addition, as the Commission is well aware, PECO, on January 22, 1997, filed an Application for a Qualified Rate Order under Sections 2808 and 2812 of the Code, which was subsequently docketed at No. R-00973877. In that proceeding, PECO has asked to securitize approximately \$3.6 billion of its estimated stranded costs. A final Commission Order in that case is expected to be issued on or about May 22, 1997 and will, in all likelihood, also necessitate revisions to PECO's proposals herein.¹

DATA TO BE FILED IN COMPLIANCE WITH SECTION 2806(E)

11. **Unbundled Rates.** To unbundle PECO's existing retail rates, it was first necessary to conduct a detailed cost-of-service allocation and unit-cost study. That study,

¹ Because that case is still pending, PECO has not included a request for a Qualified Rate Order in this filing.

which was performed by Robert A. Clemmer, a Senior Analyst in the Company's Corporate Budget and Planning Division, enabled PECO to segregate costs by function (i.e., generation, transmission and distribution), by classification (i.e., demand, energy or customer-related) and by rate class.² As Mr. Clemmer explains in his direct testimony, his analysis was based primarily on pro forma data for the year ended December 31, 1996 and utilized the same customer class allocation factors that PECO has employed in the past, thereby assuring, to the extent possible, that existing inter-class cost relationships are left undisturbed.

Armed with Mr. Clemmer's findings with regard to distribution costs, and with the revenue requirement for transmission that has been approved by the Federal Energy Regulatory Commission ("FERC") (grossed up for Pennsylvania Gross Receipts Tax), William F. Sundermeir, who held various positions in PECO's Rate Division before his retirement in 1994, developed separate customer class rates and unit prices for transmission and distribution service.³ Once those rates were calculated, Mr. Sundermeir computed unbundled electric generation charges, which include a regulated unbundled price for generation to be paid by customers that do not obtain their supply from a competitive supplier ("Electric Generation Charge"), and a Competitive Transition Charge ("CTC") designed to recover the revenue requirement associated with PECO's Transition

² Mr. Clemmer's testimony and exhibits may be found in PECO Statement No. 12, which is included with Exhibit 1 to this Application. Exhibit 1 contains all of the direct written testimony and supporting exhibits of all of the Company's witnesses, and is comprised of eight separately bound volumes.

³ PECO has attached rate sheets containing these unbundled distribution and transmission rates, as well as unbundled CTC and regulated Electric Generation Charges, to the testimony of Alfred A. Miller (PECO Statement No. 2). PECO has included the transmission rates for informational purposes only, however, since FERC has exclusive jurisdiction over such rates.

or Stranded Costs (as defined in the Competition Act). To develop unit CTC prices for each rate class, Mr. Sundermeir used a level annual revenue requirement calculated by Alan B. Cohn, Manager of the Business Analysis and Support Section of PECO's Rates and Regulatory Affairs Division, and allocated by Mr. Clemmer to rate classes.⁴ As demonstrated in Mr. Sundermeir's Exhibit WFS-3, the unbundled charges have been designed to produce revenue levels which approach, but do not exceed, the revenues generated under PECO's existing bundled rates, thereby complying with the rate cap provisions of the Competition Act (Section 2804(4)).

12. **CTC And Stranded Costs.** The derivation of the specific customer class CTCs is, as noted above, discussed by Mr. Sundermeir in his testimony. In terms of quantification, PECO has determined that its net stranded costs, following mitigation, will be \$6.805 billion. This amount was derived by (a) quantifying PECO's net electric generation-related costs as estimated at December 31, 1998, and (b) deducting the market value of the Company's investment in electric generating plants and facilities, as expressed in present value terms as of that same date.

As explained by Mr. Cohn, the Company's net electric generation-related costs at December 31, 1998 are estimated to approximate \$9.7 billion and may be summarized as follows:

⁴ Mr. Cohn's testimony and supporting exhibits may be found in PECO Statement No. 3.

| <u>Category</u> | <u>\$ In Millions</u> |
|---|-----------------------|
| Net Investments In Existing Generating Plants And Facilities | \$6,688 |
| Regulatory Assets and Other Deferred Charges | 2,584 |
| Other Transition Costs | 32 |
| Underfunded Nuclear Decommissioning Costs | 237 |
| Costs Of Retiring Fossil Generating Plants | <u>127</u> |
| | \$9,668 |

Extensive supporting detail for each of the foregoing categories is set forth in Mr. Cohn's direct testimony and related exhibits. As he explains, PECO's projected nuclear decommissioning and fossil plant retirement costs are based on site-specific studies prepared by Thomas S. LaGuardia.⁵ In addition, James I. Warren, a partner with the law firm of Reid & Priest, provides independent support for PECO's recovery of certain deferred tax items, particularly those recorded pursuant to Statement of Financial Accounting Standards No. 109.⁶

The quantification of the market value of PECO's existing generating facilities at December 31, 1998 is described by Thomas P. Hill, Jr., Vice President and Controller of the Company. As Mr. Hill points out, PECO developed a model that calculates the net margin that each generating unit could reasonably be expected to contribute over its remaining life. In summary, the model starts with the market price, calculated on an hourly basis, which PECO's facilities would likely command in a competitive market.

⁵ Mr. LaGuardia is President of TLG Services, Inc. and is a nationally recognized expert in the area of decommissioning electric generating facilities. His testimony with supporting exhibits is PECO Statement No. 8.

⁶ Mr. Warren's testimony with supporting exhibits is PECO Statement No. 9.

Those values are then multiplied by the generation produced in each hour by each unit to develop an estimate of projected revenues per unit. The costs of producing the power are then subtracted to establish an after-tax income stream for each unit for each year over its remaining service life. The resulting income streams, in turn, were restated on a present value basis as of December 31, 1998, by discounting the streams at PECO's after-tax cost of capital (8.41%).

PECO has submitted the results of three different market clearing price studies. John F. Bustard, a Senior Engineer in PECO's Bulk Power Enterprises group, summarizes those studies, while Bangalore S. Venkateshwara and William H. Hieronymous discuss the results of the specific analyses which they performed.⁷ For the reasons explained by Mr. Hill, PECO has elected to utilize Dr. Hieronymous' market price projections for purposes of calculating its stranded costs.

Other important inputs to Mr. Hill's market valuation model include (a) future capital additions and generating facility life-extension costs, (b) ongoing operating expense levels, and (c) PECO's cost of capital. Data with respect to the first two items were provided by John Doering, Jr., Vice President of PECO's Power Generation Group.⁸ The Company's cost of capital, from which its proposed discount rate was derived, was determined by Joseph F. Brennan, Chairman of AUS Consultants, an independent consulting firm headquartered in Moorestown, New Jersey.⁹

⁷ Mr. Bustard's testimony with supporting exhibits is PECO Statement No. 4. Dr. Venkateshwara is a Vice President at ICF Resources Incorporated, and his testimony with supporting exhibits is PECO Statement No. 5. Dr. Hieronymous is a Managing Director of Putnam, Hayes & Bartlett, and his testimony with supporting exhibits is PECO Statement No. 6.

⁸ Mr. Doering's testimony with supporting exhibits is PECO Statement No. 7.

⁹ Mr. Brennan's testimony with supporting exhibits is PECO Statement No. 11.

Based on the foregoing, PECO derived an estimate of the market value of its facilities at December 31, 1998 of \$2.863 billion. This figure, when subtracted from PECO's net generation-related costs of approximately \$9.7 billion, yields net stranded costs of \$6.805 billion. As noted elsewhere, PECO has sought to securitize approximately \$3.6 billion of this amount in the proceeding now pending at Docket No. R-00973877.

13. **Universal Service And Energy Conservation.** In its declaration of policy in the Competition Act (Section 2802), the General Assembly makes clear that universal service and energy conservation programs, which presently are supported by utilities' bundled rates, should continue to be promoted and their costs recovered through a non-bypassable rate mechanism. Section 2804(15) also requires that PECO submit with its Restructuring Plan an initial plan setting forth how it shall meet its universal service and energy conservation obligations. The Competition Act defines universal service and energy conservation in terms of "policies, protections and services that help low-income customers to maintain electric service" (Section 2803).

PECO has by far the largest and most comprehensive set of customer assistance programs of any utility in the Commonwealth, with approximately 40,000 customers already enrolled. As explained by Marilyn C. Kray, a Manager in PECO's Customer Services Department, the Company's initial plan regarding universal service and energy conservation is to build upon its existing programs.¹⁰ These include its successful Customer Assistance Program pilot (the "CAP Rate"),¹¹ its Low Income Usage Reduction

¹⁰ Marilyn C. Kray's testimony with supporting exhibits is PECO Statement No. 16.

¹¹ By Order entered March 28, 1996, the Commission approved the implementation of the CAP Rate on an experimental basis. The program is now under review in a separate proceeding at

Program (“LIURP”), its Low Income Heating Energy Assistance Program outreach efforts (“LIHEAP Outreach”) and its Matching Energy Assistance Fund (“MEAF”). In addition, PECO plans to institute a consumer education program specifically targeted to low income customers.

The estimated ongoing annual cost of PECO’s universal service and energy conservation programs is \$35.7 million, which represents about one percent of the Company’s current annual total electric retail revenue. As described by Stephen R. Xander, Manager of Tariff Administration and Policy in the Company’s Rates & Regulatory Affairs Division, PECO proposes to recover the costs of its universal service and energy conservation programs through a Universal Service Fund Charge (“USFC”).¹² The USFC will be expressed as a cents per kilowatt-hour (“kWh”) charge and will be embedded in the cents per kWh variable distribution service charge that will appear on residential customers’ bills for distribution service. The USFC will be reconciled on an annual basis in a manner described by Mr. Xander.

14. **Procedures For Ensuring Direct Access.** The transition to retail competition will require the implementation of various procedures and systems to ensure direct access by suppliers and customers to the Company’s transmission and distribution system. As Gregory A. Cucchi, PECO’s Vice President of Power Delivery, explains, it is PECO’s objective to enable alternative suppliers to obtain direct access to customers in a way that is fair to all participants and that maximizes the development of a robust,

Docket No. R-00953515, where PECO is working with the Office of Consumer Advocate and other parties to resolve certain issues raised by the initial operation of the pilot.

¹² Mr. Xander’s testimony with supporting exhibits is PECO Statement No. 14.

competitive market for electric generation in PECO's service territory.¹³ The principal components of PECO's proposed procedures may be summarized as follows:

A. **Phase-In Procedures.** As mandated by the Competition Act, the Company would phase in direct access in three steps: (1) as of January 1, 1999, 33% of the peak load of each customer class would have the opportunity for direct access; (2) as of January 1, 2000, 66% of the peak load of each customer class would have that opportunity; and finally (3) as of January 1, 2001, all customers would have the opportunity.

In determining which customers within each customer class would be eligible to participate in the first two steps of the Phase-In, PECO recommends that commercial and industrial customers be selected on a "first-come-first-served" basis, and that residential customers be randomly selected by a neutral third party.¹⁴ PECO believes that its proposal best complies with the Competition Act's dual requirements that direct access be made available on a first-come-first-served basis (unless otherwise determined by the Commission through regulation) and in a way that prevents unfair or "competitive disadvantage among similarly situated customers within a customer class." (Section 2806(B(4))).

B. **Supplier Licensing And Reciprocity.** PECO proposes that the Commission's interim licensing requirements be adopted for general use during the Phase-

¹³ Mr. Cucchi's testimony with supporting exhibits is PECO Statement No. 15.

¹⁴ Customers who participate in the Company's Retail Access Pilot Program ("Pilot") would automatically qualify to participate in the first step of the Phase-In. For those pilot customers whose loads were split between PECO and a competitive supplier, if any, only the load served by the competitive supplier would be automatically eligible to participate in the first step of the Phase-In.

In and beyond. In addition, the Company will implement procedures to ensure that an affiliate or competitive generation marketing group or division of a Pennsylvania jurisdictional utility will be able to sell generation to a customer in PECO's territory if any such PECO marketing group or division or generation affiliate has comparable access to customers of that Pennsylvania jurisdictional utility.

C. **Metering and Load Balancing.** Under its proposal, PECO will continue to own, maintain and read customers' billing meters. Those activities will remain subject to and continue to be governed by the Commission's existing regulations at 52 Pa. Code §§57.20-57.25, which set forth requirements for testing meters, testing conditions, facilities for testing meters and the adjustment of bills for meter error.

PECO must balance, on a moment-to-moment basis, the energy generated with customer usage, and will have to reconcile deliveries with consumption after-the-fact. One potential complication that affects the reconciliation process is the fact that the meters used by PECO's residential and small commercial customers are incapable of measuring and recording demands at regular intervals (i.e., hourly or half-hourly). As a consequence, it will not be possible to compare with exact precision, as to those customers, the amount of energy delivered by a supplier and the amount of energy used by the customer in any given hour. The short-term solution, and the one proposed by PECO in its Pilot, is to use "load profiling" to develop estimates of hourly loads. These estimates will be used to reconcile deliveries with consumption after-the-fact. Longer term, the Company may have to replace monthly metering with continuous hourly metering equipment. In any event, customers who wish to upgrade their existing meters with more sophisticated equipment

in the near future will be permitted to do so at their expense as contemplated by Section 2807(A).

D. **Billing.** PECO will be responsible for billing customers for all unbundled services unless the customer chooses to have its generation supplier bill separately for energy furnished. If PECO bills for all services, including generation, it will charge the supplier an amount reflective of the cost of providing that particular billing service.¹⁵ The format of the bill will be determined by the Commission in its pending rulemaking on Standard Bill Content. PECO will be responsible for handling disputes regarding all services for which it bills customers, but will not become directly involved in disputes that arise solely between customers and suppliers where the supplier bills separately.

E. **Transmission Service And Related Ancillary Services.**

Customers will directly or indirectly obtain unbundled transmission service and related ancillary service in accordance with the rates, terms and conditions in the regional Pennsylvania-New Jersey-Maryland (“PJM”) pool-wide tariff that has recently replaced PECO’s Open Access Transmission Service Tariff (the “Regional Tariff”). Customers that have demand metering may obtain their transmission service directly under the Regional Tariff. In the case of customers that lack demand metering, during the 54-month period in which PECO’s transmission and distribution charges will be capped, PECO proposes to procure network transmission service under the Regional Tariff as the Designated Agent for such customers and to recover the associated costs through

¹⁵ PECO has included a charge of 90 cents per bill for supplier billing in its Pilot and hopes to be in a better position to calculate the actual cost of this service once it gains a few months of experience under the Pilot.

unbundled charges designed by Mr. Sundermeir in accordance with tradition retail cost allocation and rate design methods.¹⁶ In his testimony, Mr. Alfred A. Miller, PECO's Director of Rates & Regulatory Affairs, explains why active Commission support at FERC for PECO's Designated Agent method of procuring Transmission Service is necessary, and articulates the important interests of the Commission and the Commonwealth of Pennsylvania that the Designated Agent method would serve.¹⁷

F. **Reliability And Obligation To Serve.** PECO believes that the North American Electric Reliability Council ("NERC"), in general, and its regional reliability councils, in particular, should continue to bear primary responsibility for adopting and implementing standards of reliability. The Commission should support and reinforce those activities by requiring that, as a condition of their being licensed in Pennsylvania, all suppliers belong to one of the regional reliability councils and agree to abide by the reliability standards established by that council. Existing Commission complaint procedures could then be used to monitor, investigate and/or enforce claims of non-compliance.

PECO also observes that a wide variety of future market participants agree that an independent system operator ("ISO") should be created and that the ISO should be responsible for reliable operation of the transmission system as well as other functions, such as scheduling, and real-time balancing of generation to load. PECO is actively working with all such market participants in proceedings pending before the FERC to create an ISO - - indeed, a proposal has already been filed with FERC to transfer the

¹⁶ PECO has advanced this same proposal in its Pilot filing.

¹⁷ Mr. Miller's testimony with supporting exhibits is PECO Statement No. 2.

management of the PJM power pool from the traditional Interconnection Office to an independent corporation. For reasons Mr. Cucchi explains in his testimony, however, the beginning of the Phase-In to full direct access, which is scheduled for January 1, 1999, need not be delayed if an ISO has not been established as of that date. PECO and PJM will be able to operate the transmission system reliably in advance of the creation of an ISO.

As required by the Competition Act, PECO will retain its obligation to serve as the "supplier of last resort" during the period in which it charges customers a CTC or an Intangible Transition Charge ("ITC"). Consistent with that obligation, the Company will offer unbundled Electric Generation Charges that ensure that customers' total charges do not exceed the rate cap imposed by the Competition Act. To prevent "gaming," however, PECO will require any customer that remains with PECO or voluntarily switches to or defaults back to PECO to remain under contract for at least one consecutive twelve-month period.

G. **Standards Of Conduct.** PECO recommends that a Code of Conduct be adopted to govern its relationship with affiliated generation suppliers or competitive marketing groups. The proposed Code of Conduct, which is Exhibit GAC-2 to Mr. Cucchi's testimony, would prevent PECO from using competitively helpful information obtained in its role as the local distribution utility to unfairly advantage its competitive generation business.

15. **Employee Impacts.** As noted by Mr. Hill in his testimony, PECO, in recent years, has implemented substantial workforce reductions such that its present employee complement is now some 37% less than it was in 1990. Indeed, the Company's

nuclear employee levels have declined by 28% while fossil generation staffing levels have dropped by 67%. A significant portion of those workforce reductions were accomplished through extensive process reengineering programs that enabled PECO to increase the productivity of its generating facilities while, at the same time, reducing operating and maintenance costs.

Because of its past efforts to streamline operations, PECO does not presently expect to incur any further severance or retraining costs through the transition period and is therefore not claiming such costs as part of this filing. What impact the transition to competition will have on PECO's employees, however, will be a function of future market conditions, and of the amount of Transition and Stranded Costs that PECO will ultimately be able to recover.

16. **Revised Tariffs And Rate Schedules.** PECO has included sample rate schedules setting forth the unbundled rates to retail customers for unbundled services subject to state regulation, for transmission service to those customers for whom it will act as Designated Agent, and for the recovery of its Transition and Stranded Costs. These sample rate schedules are attached as an exhibit to Mr. Miller's testimony.

In addition, and as explained by Mr. Miller, the Company will prepare separate tariffs embodying the terms and conditions of its relationships with customers (the Customer Distribution Services Tariff) and suppliers (the Supplier Services Tariff) as part of a compliance filing to be made following the issuance of a final Commission Order in this proceeding. These tariffs will contain the applicable rules and regulations associated with the procedures proposed by Mr. Cucchi, as well as any additional requirements adopted by the Commission in its ongoing rulemaking and working group initiatives. As

further discussed by Mr. Miller, PECO anticipates that it will need to file a service agreement with FERC to obtain its approval to charge customers without demand metering the unbundled transmission rates developed by Mr. Sundermeir in lieu of the rates contained in the Regional Tariff.

DATA TO BE FILED IN RESPONSE TO THE COMMISSION'S RESTRUCTURING PLAN INFORMATION REQUIREMENTS

17. By Order entered February 13, 1997 at Docket No. M-00960890 (Folder 0003), the Commission directed that each jurisdictional electric utility filing a restructuring plan include responses to an extensive list of data requirements. That information is set forth in Exhibit 2 to this Application and, to the extent necessary, can be supplemented if the Commission concludes that additional data would be helpful.

LEGAL STANDARDS

18. Section 2804 of the Code enumerates the standards that the Commission must apply in restructuring the electric utility industry in Pennsylvania and, in particular, provides that unbundled transmission and distribution rates, including CTCs for the recovery of stranded costs, must be just and reasonable. Moreover, and as discussed by J. Gregory Sidak, the Commission's actions in this case must be guided by the fundamental constitutional protections afforded all citizens.¹⁸

¹⁸ Mr. Sidak is the F. K. Weyerhauser Fellow in Law and Economics at the American Enterprise Institute and a Senior Lecturer at the Yale School of Management, and has written extensively on

Recovery of the stranded costs identified in this filing is not only just and reasonable, but is also required if PECO is to be treated fairly for the investments it has made, and costs it has incurred, in furtherance of its past and ongoing statutory obligation to serve. As explained by Mr. Hill, PECO's stranded costs represent either expenditures that it unquestionably would be allowed to recover absent the introduction of competition or prudent investments in electric generating facilities that were constructed to meet the current and future needs of the customers in its franchised service territory. In addition, and as pointed out by Mr. Cucchi, those facilities were planned and installed to satisfy retail customer demands throughout the transition period in accordance with sound and well established system planning principles.

In evaluating PECO's requested relief in this proceeding, the Commission should also take into consideration the substantial steps taken by the Company to mitigate its stranded costs and to moderate rate levels. For example, PECO has significantly accelerated the depreciation and amortization of various generation facilities and regulatory assets, and has reduced its overall employee complement by approximately 37% in the past seven years. These and other initiatives, which are summarized by Mr. Hill in his testimony, have enabled PECO to substantially reduce its stranded costs.

Finally, and as demonstrated by Mr. Brennan, there is no credible basis for concluding that PECO's shareholders somehow have already been compensated for the risk that the Company might be denied recovery of stranded costs. To the contrary, the objective evidence confirms that the returns they have achieved over the past twenty-five

the constitutional implications of stranded cost recovery. His testimony is PECO Statement No. 10.

years have been substandard when measured against contemporaneous investments in other electric utilities or the industrial sector.

CONSUMER EDUCATION PROGRAM

19. The Competition Act requires that, before the implementation of their restructuring plans, utilities obtain Commission approval of a Consumer Education Program. PECO's proposed plan, and the measures which the Company has already taken to educate the public of the coming changes in the electric industry, are described in detail by Gwendolyn S. King, PECO's Senior Vice President, Corporate and Public Affairs.¹⁹

As Ms. King explains, PECO's plan is a broad-based, multi-media approach that will make use of direct mailings, television and radio announcements, newspaper notices, meetings with larger customers, and a toll free 800 number service to answer questions. PECO's communications efforts will emphasize plain language and will be thoroughly evaluated on a continuing basis to ensure their effectiveness in educating consumers as to the choices available to them.

¹⁹ Ms. King's testimony with supporting exhibits is PECO Statement No. 17.

PROPOSED LITIGATION SCHEDULE

20. For consideration by the Administrative Law Judges and the parties, PECO proposes the following litigation schedule*:

| Day | Date | Activity |
|---------|--|---|
| 1 | April 1, 1997 | Filing |
| 22 | April 22, 1997 | First Prehearing Conference and First Technical Conference (Informal Discovery) |
| 36 | May 6, 1997 | Technical Conference (Informal Discovery) |
| 50 | May 20, 1997 | Second Prehearing and Settlement Conference |
| 67 | June 6, 1997 | Opposing Party Testimony |
| 94 | July 3, 1997 | Rebuttal and Cross Rebuttal Testimony |
| 108 | July 17, 1997 | Surrebuttal Testimony |
| 112-130 | July 21-25, July 28-August 1, August 4-8, 1997 | Evidentiary Hearings |
| 161 | Sept. 8, 1997 | Initial Briefs |
| 176 | Sept. 23, 1997 | Reply Briefs |
| 214 | October 31, 1997 | Recommended Decision |
| 228 | Nov. 14, 1997 | Exceptions |
| 235 | Nov. 21, 1997 | Replies to Exceptions |
| 248 | Dec. 4, 1997 | PUC Polling |

262

Dec. 18, 1997

PUC Order

275

Dec. 31, 1997

End of Nine-Month Period

*Public Input Hearings, as needed, within PECO's service territory

As indicated, PECO believes that holding Prehearing, Technical, and Settlement Conferences early in the process will assist the parties and the presiding Administrative Law Judges in identifying and resolving the issues that will need to be addressed. The Company is willing to explore with the parties and the Commission alternative methods, such as mediation, for considering and resolving issues, for example, in the area of procedures to ensure direct access.

NOTICE

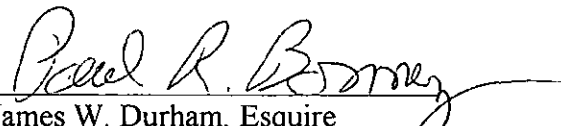
24. In his testimony, Mr. Hill sets forth the form and nature of the notice that PECO will provide to customers of its filing. PECO will begin sending bill inserts to its customers describing the filing promptly, and will issue a press release and publish notice of this Application in newspapers of general circulation in its service territory. PECO also proposes that notice be published in the Pennsylvania Bulletin as soon as possible. PECO is also serving copies of this filing on the Offices of Trial Staff, Consumer Advocate and Small Business Advocate and the Philadelphia Area Industrial Energy Users Group, all of the parties in PECO's pending securitization proceeding, and on all of the other parties

that actively participated in the Limerick 2 base rate case. Finally, PECO is providing notice of the filing to all persons listed on the Commission's Stakeholder List.

CONCLUSION

WHEREFORE, for the reasons set forth above, PECO Energy Company requests that the Pennsylvania Public Utility Commission approve this Application and grant the relief requested herein.

Respectfully submitted,



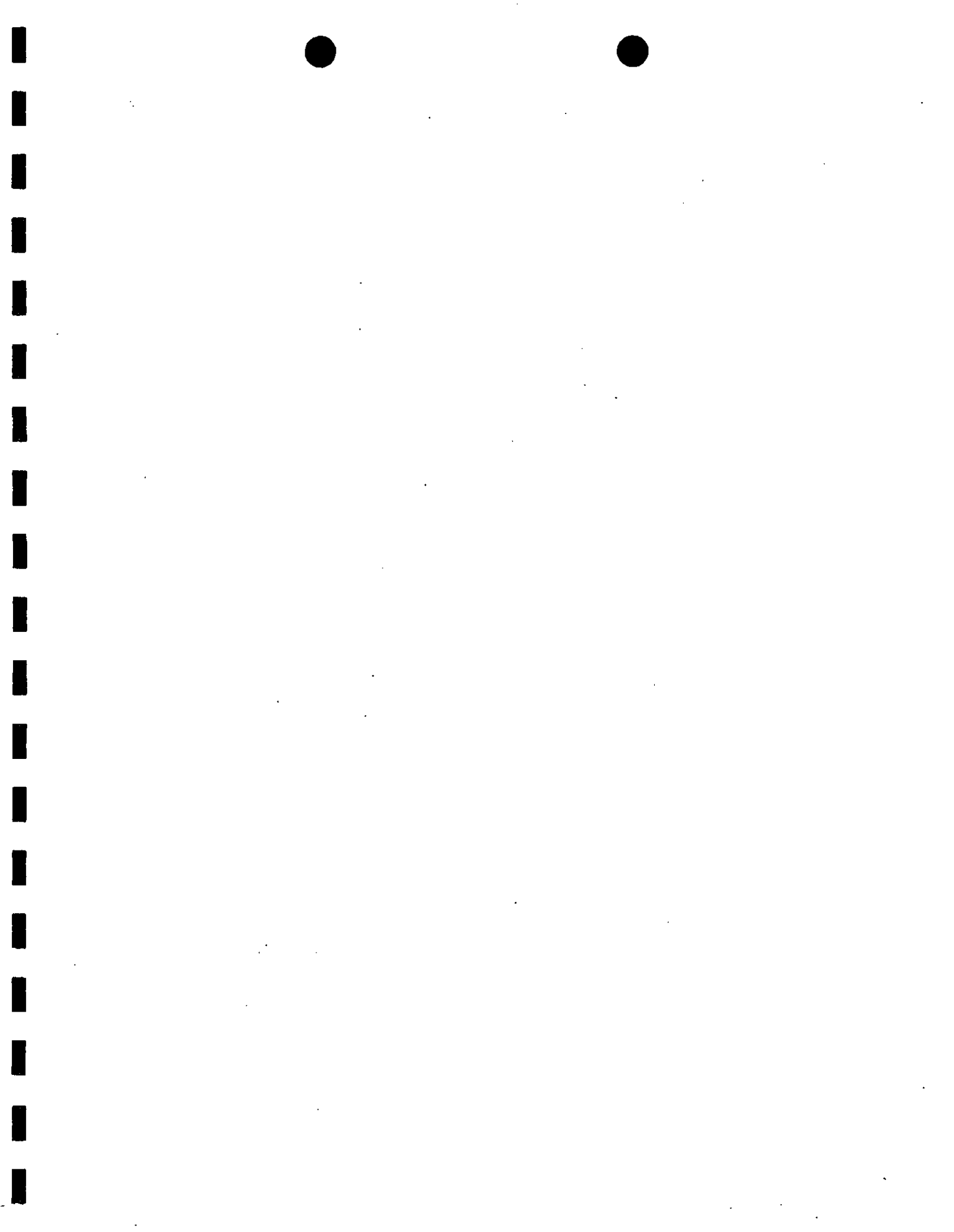
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April 1, 1997



Certificate of Service

I hereby certify that I am serving the foregoing, Application Of PECO Energy Company For Approval Of Its Restructuring Plan Under Section 2806 Of The Public Utility Code, dated April 1, 1997, at Docket No. R-00973953, by hand delivery or by first class, upon the persons addressed below:

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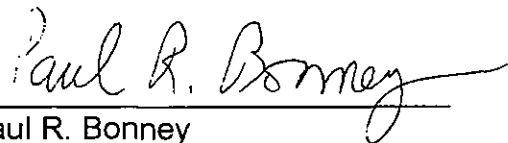
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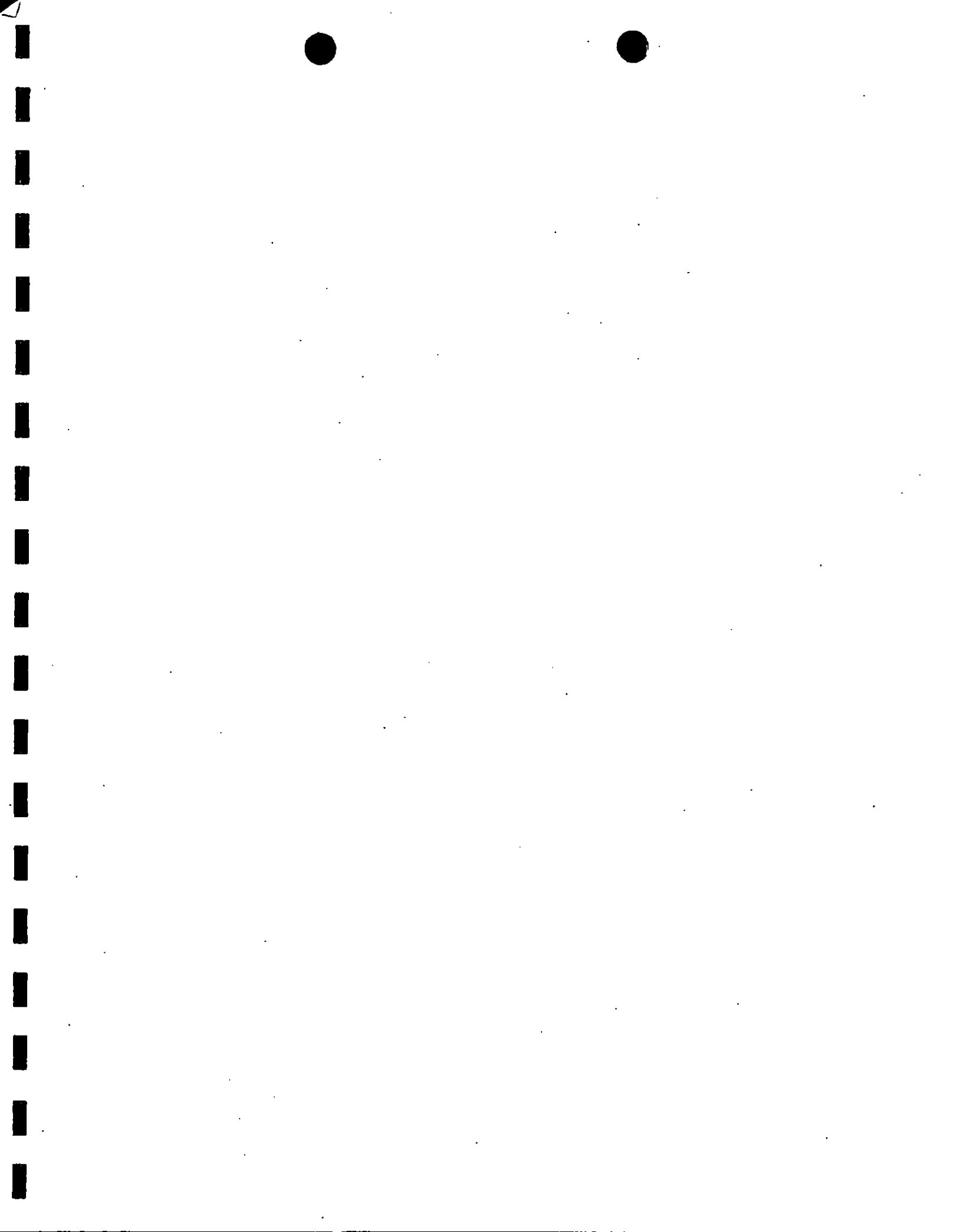
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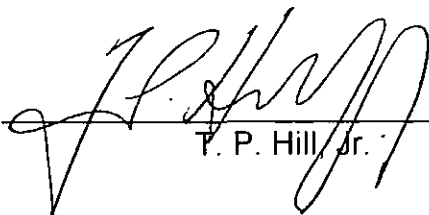
Dated: April 1, 1997



VERIFICATION

I, T. P. Hill, Jr., hereby declare that I am Vice President and Controller of PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Application are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. §4904 pertaining to false statements to authorities.

Date: April 1, 1997



T. P. Hill, Jr.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

APPLICATION OF PECO ENERGY COMPANY
FOR APPROVAL OF ITS RESTRUCTURING PLAN
UNDER SECTION 2806 OF THE PUBLIC UTILITY CODE

DIRECT TESTIMONY

OF

THOMAS P. HILL, JR.

**Regarding Overview Of The Restructuring
Filing, Quantification of PECO Energy's Stranded
Costs, Pro Forma Financial Data And Impact Of
The Restructuring On PECO's Employees**

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DIRECT TESTIMONY OF THOMAS P. HILL, JR.

I. QUALIFICATIONS

1

2 Q. **Please state your name and business address.**

3 A. Thomas P. Hill, Jr., PECO Energy Company ("PECO" or the "Company"), 2301 Market
4 Street, Philadelphia, PA 19103.

5 Q. **What is your current position at PECO?**

6 A. I am Vice President and Controller.

7 Q. **Please describe your educational background.**

8 A. I graduated from Lehigh University in 1970 with a B.S. in Industrial Engineering. I
9 received my Master of Business Administration from Lehigh University in 1974. In
10 1986, I completed the Executive Development Program at Cornell University's Johnson
11 Graduate School of Management.

12 Q. **Please outline your experience with PECO.**

13 A. Following my graduation from college in 1970, I joined PECO as an Engineer in the Rate
14 Division. I held this position until 1978 when I was appointed Supervisor of Tariff and
15 Special Projects within the Rate Division. In March of 1982, I was appointed Assistant
16 Manager of the Rate Division and in March of 1986 Manager of the Rate Division. In
17 1990, I was appointed Controller and in 1991 I was elected to my current position as Vice
18 President and Controller.

19 Q. **Please describe your responsibilities in your current position at PECO.**

1 A. As Vice President and Controller, I am the Chief Accounting Officer of the Company and
2 am responsible for all the accounting, tax and regulatory functions. This includes
3 development of policy in the above areas as well as assuring compliance with any
4 governing regulations. Among those regulations are those issued by the Pennsylvania
5 Public Utility Commission ("PUC" or the "Commission") and the Federal Energy
6 Regulatory Commission ("FERC"), as well as agencies such as the Securities and
7 Exchange Commission, the Financial Accounting Standards Board and all state and
8 federal taxing authorities. Included within the regulatory function are all rate-related
9 matters, whether at the PUC or the FERC.

10 Q. **Have you previously testified before the Commission?**

11 A. Yes. I have presented testimony in over 25 cases. A list of my prior appearances is set
12 forth in Appendix A.

13 **II. INTRODUCTION AND SUMMARY**

14 Q. **Please describe the background and nature of this filing.**

15 A. On December 3, 1996, Governor Ridge signed into law the Electricity Generation
16 Customer Choice and Competition Act (the "Competition Act"). The Competition Act
17 fundamentally restructures the provision of retail electric service in Pennsylvania by
18 mandating the phase-in of customer choice of generation supplier commencing January 1,
19 1999. Section 2806 of the Act requires that Pennsylvania's jurisdictional electric utilities
20 file restructuring plans for Commission approval between April 1, 1997 and September

1 30, 1997. By Order entered January 24, 1997 at Docket No. M-00960890.F005, the
2 Commission directed PECO to file its restructuring plan on April 1, 1997.

3 Q. **Does the Competition Act require any additional approvals prior to the**
4 **implementation of a utility's restructuring plan?**

5 A. Yes. Section 2807(D) mandates that utilities develop and obtain Commission approval of
6 Consumer Education Programs to be utilized in educating customers in advance of the
7 implementation of customer choice. In addition, Section 2804(15) requires that, with its
8 Restructuring Plan filing, a utility must submit an "initial plan that sets forth how it shall
9 meet its universal service and energy conservation obligations."

10 Q. **What is PECO requesting in this proceeding?**

11 A. PECO is requesting that the Commission issue an Order approving its Restructuring Plan
12 and, more specifically, authorizing (1) the recovery of \$6.8 billion of transition and
13 stranded costs, (2) the imposition of the unbundled rates, Competitive Transition Charges
14 ("CTCs") and specific tariff revisions as set forth in Exhibit AAM-1, (3) the
15 implementation of PECO's initial plan to meet its universal service and energy
16 conservation obligations and the mechanism to recover the costs of those obligations, as
17 set forth in PECO Statements 16 and 14, respectively, and (4) the implementation of the
18 Consumer Education Program described in PECO Statement 17.

1 Q. **Has PECO made any prior filings under the Competition Act?**

2 A. Yes. On January 22, 1997, PECO filed an Application for a Qualified Rate Order under
3 Section 2812 of the Act, which was subsequently docketed at No. R-00973877
4 (the "Securitization Filing"). In that filing, the Company has sought to securitize
5 approximately \$3.6 billion of its stranded costs and to reduce its existing rates by
6 \$111.0 million, or 3.4%, on an annual basis. Because a Commission Order in that case is
7 not expected until mid-May, PECO has reflected its entire stranded cost claim in this
8 filing. When the outcome of the proceeding at Docket No. R-00973877 is known, this
9 filing will be revised to the extent necessary -- for example, to carve out the stranded
10 costs which are approved for recovery in that case.

11 Q. **Is the Company requesting further securitization of its stranded costs in this filing?**

12 A. Not at this time. The Company may, however, propose further securitization of stranded
13 costs in the future.

14 Q. **What is the purpose of your direct testimony?**

15 A. I will first introduce the other witnesses who will appear on behalf of PECO. I will then
16 describe the model utilized by PECO to calculate its stranded costs, identify the principal
17 components of those costs, discuss PECO's efforts to mitigate them and explain why
18 recovery of the Company's stranded costs is just and reasonable. Next, I will discuss the
19 pro forma financial data utilized by PECO to unbundle its rates, which data are set forth
20 in Exhibit TPH-1, and the Company's responses to the Commission's restructuring plan
21 filing requirements. Finally, I will briefly comment upon the anticipated impact of

1 electric utility restructuring on PECO's employees and outline the means by which the
2 Company will notify its customers of this filing.

3 **III. INTRODUCTION OF OTHER WITNESSES**

4 **Q. Please identify the other witnesses providing direct testimony on behalf of PECO in**
5 **this proceeding.**

6 **A.** In addition to myself, the following witnesses will be responsible for presenting PECO's
7 case-in-chief:

8 **Alfred A. Miller** is the Director of PECO's Rates and Regulatory Affairs Division.

9 Mr. Miller sponsors PECO's current Tariff for Electric Service, explains how PECO

10 plans to comply with the Commission's Order approving the Restructuring Plan,

11 identifies those aspects of PECO's plan that will require FERC approval, explains the

12 timing, nature and requirements of the FERC filing that PECO will make following

13 approval of its Restructuring Plan and describes PECO's proposed treatment of customers

14 served under special contracts and under the Large Interruptible Load Rider.

15 **Alan B. Cohn** is Manager of the Business Analysis and Support Section of PECO's

16 Rates and Regulatory Affairs Division. Mr. Cohn quantifies the individual components

17 of PECO's stranded costs. He also identifies the estimated useful lives and terminal dates

18 for PECO's generating units, explains how the revenue requirement associated with the

19 proposed CTCs was determined and provides a calculation for shifting depreciation

20 reserve from transmission and distribution plant to generation plant.

1 **John F. Bustard** is a Senior Engineer in PECO's Bulk Power Enterprises Group.

2 Mr. Bustard presents the results of an analysis performed by the EDS Utilities Division
3 and discusses analyses conducted by two other outside consultants to determine the
4 prospective market price for power from each of the generating units in which PECO has
5 an ownership interest.

6 **Bangalore S. Venkateshwara** is a Vice President of ICF Resources Incorporated.

7 Dr. Venkateshwara presents the results of an independent market clearing price analysis
8 that he conducted at PECO's request.

9 **William H. Hieronymus** is a Managing Director of Putnam, Hayes & Bartlett Inc., an
10 economic and management consulting firm based in Cambridge, Massachusetts. Like
11 Dr. Venkateshwara, Dr. Hieronymus presents the results of an independent market
12 clearing price analysis that he conducted at PECO's request.

13 **John Doering, Jr.** is Vice President of PECO's Power Generation Group. Mr. Doering
14 testifies as to the reasonableness of the projected levels of operation and maintenance
15 expenses and the necessity for forecasted capital additions to PECO's fossil, hydro and
16 nuclear generating stations which have been reflected in the Company's market valuation
17 analyses.

18 **Thomas P. LaGuardia** is President of TLG Services, Inc. Mr. LaGuardia presents the
19 results of site-specific nuclear decommissioning cost studies that he performed for the

1 Limerick, Salem and Peach Bottom generating stations and dismantling cost studies for
2 several of the Company's fossil-fueled power plants. Mr. Cohn uses the results of
3 Mr. LaGuardia's studies in his determination of PECO's stranded costs.

4 **James E. Warren** is a partner in the law firm of Reid & Priest. Mr. Warren provides
5 independent support for PECO's recovery of certain deferred tax items, including costs
6 recorded pursuant to Statement of Financial Standards No. 109.

7 **J. Gregory Sidak** is the F. K. Weyerhauser Fellow in Law and Economics at the
8 American Enterprise Institute and a Senior Lecturer at the Yale School of Management.
9 Mr. Sidak presents an extensive analysis of the justness and reasonableness of PECO's
10 request for full recovery of stranded costs and explains why denial of such recovery
11 would violate fundamental constitutional protections.

12 **Joseph F. Brennan** is Chairman of AUS Consultants. Mr. Brennan supports the cost of
13 capital used by PECO to calculate its stranded costs and proposed CTCs and
14 demonstrates that PECO's shareholders have fared poorly in the past in comparison with
15 the returns achieved by investors in other electric companies and the industrial sector.

16 **Robert A. Clemmer** is a Senior Analyst in PECO's Corporate Budget and Planning
17 Division. Mr. Clemmer presents the Company's cost of service allocation and unit cost
18 study. The results of Mr. Clemmer's study are used by Mr. Sundermeir to unbundle
19 PECO's rates.

1 **William F. Sundermeir** retired from PECO on December 31, 1994 after 38 years of
2 Company service, principally in the areas of rate design and the development of class
3 load characteristic studies. Mr. Sundermeir describes the method PECO used to
4 unbundle its existing rates, calculates the resulting unbundled prices for each applicable
5 rate schedule and rider, and presents a proof of revenue that shows that the unbundled
6 prices will generate total revenues which approach, but do not exceed, current bundled
7 rate levels.

8 **Stephen R. Xander** is Manager of Tariff Administration and Policy in PECO's Rates
9 and Regulatory Affairs Division. Mr. Xander describes the Company's proposed
10 mechanism to recover universal service and energy conservation costs and the operation
11 of CTCs and anticipated Intangible Transition Charges ("ITCs").

12 **Gregory A. Cucchi** is PECO's Vice President, Power Delivery, and acting head of
13 PECO's Consumer Energy Services Group, of which Power Delivery is one component.
14 Mr. Cucchi describes the procedures and systems that PECO will develop and implement
15 to promote electric generation competition. Mr. Cucchi will explain the reasonableness
16 of the loads and resources used by Mr. Cohn to develop his estimate of stranded costs to
17 be recovered from retail customers and explains how PECO intends to maintain system
18 reliability.

19 **Marilyn C. Kray** is the Manager of Reengineering and Performance in the Customer
20 Services Department of PECO's Consumer Energy Services Group. Ms. Kray describes

1 PECO's current low income energy assistance programs and explains how PECO will
2 build on those programs to satisfy the universal service obligations of the Competition
3 Act. Ms. Kray also identifies the costs that PECO currently incurs to fund these
4 programs and to provide assistance to low-income customers.

5 **Gwendolyn S. King** is PECO's Senior Vice President, Corporate and Public Affairs.
6 Ms. King describes PECO's proposed Consumer Education Plan.

7 **IV. CALCULATION OF NET STRANDED COSTS**

8 **Q. You previously testified that PECO has determined that its net stranded costs,**
9 **following mitigation, will approximate \$6.8 billion. How was that amount**
10 **determined?**

11 **A.** The determination of PECO's net stranded costs, following mitigation, involves two
12 components -- (1) the quantification of PECO's net electric generation-related costs, as
13 estimated at December 31, 1998, and (2) the calculation of the market value of its
14 investment in electric generating plants and facilities, as expressed in present value terms
15 as of that same date.

16 Mr. Cohn, in his testimony, describes how PECO quantified its net electric generation-
17 related costs at December 31, 1998. As he explains, the starting point was PECO's
18 depreciated investment in generation plant (including construction work in progress) at
19 December 31, 1996, plus certain generation-related regulatory assets (net of generation-
20 related regulatory liabilities). The resulting figure was then projected forward to

1 December 31, 1998, by factoring in the capital additions anticipated during the 1997-98
2 period discussed by Mr. Doering, as well as additional depreciation accruals and
3 regulatory asset amortizations.

4 The foregoing steps yielded a sum of \$9.272 billion. To this amount were added (1) the
5 underfunded portion of PECO's projected nuclear generating plant decommissioning
6 costs at December 31, 1998 (\$236.9 million), (2) the underfunded costs at December 31,
7 1998 of retiring PECO's fossil fuel generating units (\$126.6 million) and (3) certain other
8 transition costs (\$32.7 million). As summarized in Mr. Cohn's Exhibit ABC-1, Schedule
9 1, PECO's net generation-related costs at December 31, 1998 are expected to be at least
10 \$9.668 billion.

11 Section 2808 also provides for the recovery of (1) existing purchase power obligations
12 under contracts with non-utility generators; (2) nuclear spent fuel disposal costs; and
13 (3) employee severance and retraining costs. These categories were treated as follows.

- 14 • **Existing Purchased Power Obligations Under Contracts with Non-**
15 **Utility Generators.** As explained by Mr. Cohn in his testimony, the
16 pricing of PECO's outstanding NUG contracts essentially tracks market
17 price expectations. Accordingly, no stranded costs or stranded benefits
18 relative to these contracts are anticipated.

- 19 • **Spent Fuel.** Unlike decommissioning expense, there is no known current
20 underrecovery of spent nuclear fuel disposal costs. However, since these
21 costs will continue to be incurred, they have been reflected in the
22 calculation of the market value of PECO's nuclear units.

- 23 • **Employee Severance and Retraining Costs.** At this time, PECO does
24 not project to incur any severance or retraining costs through the transition

1 period and is therefore not claiming such costs as part of this filing. Based
2 on the expenses incurred in connection with the Company's two most
3 recent employee separation programs in 1990 and 1994, these costs can
4 average as high as \$102,000 to \$130,000 per employee.

5 **Q. Please explain how PECO calculated the market value of its existing generating**
6 **facilities.**

7 A. To estimate the value of its facilities in a competitive generation market commencing in
8 1999, PECO calculated the net margin which each generating unit could reasonably be
9 expected to contribute over its remaining service life. A description of that analysis is set
10 forth in Exhibit TPH-2.

11 In summary, the analysis starts with the market price which PECO's facilities would
12 likely command in a competitive market. The market price projections for each unit for
13 each hour and each year in question were derived from the studies discussed by
14 Mr. Bustard and Drs. Venkateshwara and Hieronymus. Those values were then
15 multiplied by the anticipated generation produced in each hour by each unit to develop an
16 estimate of projected revenues per unit. Those market revenues were then reduced to
17 reflect the costs of producing the power to yield a projected after-tax income stream for
18 each unit for each year over its remaining service life.^{1/} Those individual income streams,
19 in turn, were restated on a present value basis as of December 31, 1998, by discounting
20 the streams at PECO's after-tax cost of capital of 8.41% developed by Mr. Brennan. The

1/ PECO's production costs include, amongst other items, the ongoing nuclear and fossil decommissioning costs quantified by Mr. LaGuardia (i.e. those that will accrue on or after January 1, 1999) and the capital costs and operating and maintenance expenses supported by Mr. Doering.

1 foregoing process was followed to produce three separate market value projections -- one
2 using the study presented by Mr. Bustard, one employing Dr. Venkateshwara's market
3 price findings and one utilizing Dr. Hieronymus' figures.

4 The results of PECO's analyses using those three market value scenarios are set forth in
5 Exhibits TPH-3 through TPH-5. Each of these Exhibits contains a presentation of the
6 market value of each of PECO's generating stations, on a present value basis and for each
7 year that the unit would remain in base rates, and a list of the major assumptions used by
8 each of PECO's consultants. In addition, the supporting information used in each such
9 analysis is provided for each station for each year. As previously mentioned, Exhibit
10 TPH-2 contains a description of how these data are utilized to produce the present market
11 values. The average of those three present market values equals \$3.3 billion.

12 **Q. How do the present value market estimates set forth in Exhibits TPH-3 through**
13 **TPH-5 compare to the projections submitted by PECO's witnesses during the**
14 **rebuttal phase of the Company's Securitization Filing?**

15 A. They are substantially higher. However, it is important to note that the differences are
16 attributable to changes (principally updates) in the input data utilized by PECO and not
17 the actual contribution margin developed by the Company's consultants.

18 **Q. Please describe the nature of the changes and/or inputs which caused PECO's**
19 **estimates of the market value of its generating units to increase.**

1 A. There are essentially three factors which explain the increase in PECO's market value
2 estimates. First, PECO has reduced its proposed discount rate from 8.88%, as used in the
3 Securitization Filing, to 8.41%, as calculated by Mr. Brennan in his direct testimony.
4 This accounts for approximately \$120 to \$140 million of the increase in the Company's
5 market value projections.

6 Second, in determining the projected costs of production, PECO has updated its estimated
7 administrative and general expenses and other taxes to reflect an appropriate allocation of
8 costs based on 1996, as opposed to 1995, data. This update accounts for approximately
9 \$195 million of the difference in the current estimates from prior projections.

10 Finally, the deferred income tax credit shown on Exhibits TPH-3 through TPH-5 is, in
11 large measure, a function of the underlying market value of PECO's generating facilities.
12 Consequently, as the Company's market value projections have increased, so too have the
13 deferred income taxes that are properly credited to them. This accounts for a difference
14 ranging from (\$40 million) to \$200 million depending upon the market analysis.

15 The point to be made is simply that the increase in PECO's market value estimates is
16 intrinsic to the Company's valuation model and not attributable to changes in the market
17 price projections calculated by Mr. Bustard and Drs. Venkateshwara and Hieronymus.

18 **Q. Have you determined what the foregoing analyses imply in terms of a levelized price**
19 **per kilowatthour ("kWh") over the initial ten-year period (1999-2008) of electric**
20 **generation competition?**

1 A. Yes. As shown on Exhibit TPH-6, on a levelized basis, Dr. Hieronymus' analysis
2 equates to a 3.46¢ per kWh market-based charge; Dr. Venkateshwara's findings produce
3 a 3.71¢ charge; and the EDS projections sponsored by Mr. Bustard yield a 3.85¢ charge.

4 Q. **What market valuation analysis does PECO propose be used for purposes of**
5 **determining its stranded costs?**

6 A. PECO has developed its claim in this proceeding on the basis of the results which flow
7 from Dr. Hieronymus' analysis of future market prices. That market value, as set forth in
8 Exhibit TPH-5, approximates \$2.863 billion.

9 Q. **Why has PECO selected Dr. Hieronymus' figures for purposes of calculating its**
10 **stranded cost claim?**

11 A. Principally for two reasons. First, Dr. Hieronymus' 3.46¢ levelized rate seems more in
12 keeping with many of the market price projections that were presented to the Commission
13 during the restructuring debate that culminated in the passage of the Competition Act.
14 Second, and perhaps more importantly, the Competition Act, while striving to equitably
15 balance the interests of customers and shareholders, tips the scales decidedly in favor of
16 the former. This is because the uncertainty regarding future market prices works to the
17 benefit of customers. If market prices turn out to be higher than PECO has estimated,
18 customers can continue to receive service from the Company and their generation rates
19 will be capped at what, in effect, will be below-market levels. In contrast, if market
20 prices turn out to be lower than projected, customers will be free to take advantage of

1 those lower prices but PECO would be unable to recover the revenues which its market
2 valuation analyses assume will be produced.

3 **Q. Based on Dr. Hieronymus' analysis, what are PECO's estimated stranded costs**

4 A. As I noted previously, the indicated market value of the Company's generating facilities
5 using Dr. Hieronymus' estimated market prices is \$2.863 billion, which when subtracted
6 from PECO's depreciated investment in generation plant of \$6.688 billion, produces a
7 stranded cost of generation plant of \$3.825 billion. As set forth in Exhibit TPH-7, this
8 figure, when combined with the other categories of PECO's stranded costs, results in a
9 total stranded cost figure of approximately \$6.8 billion.

10 **Q. Does the \$6.8 billion net stranded cost figure developed in Exhibit TPH-7 encompass**
11 **all of PECO's stranded costs?**

12 A. I believe that it is a reasonable estimate of the known and measurable generation-related
13 costs that would be recoverable in a regulated environment but may not be recoverable in
14 a competitive electric generation market. The \$6.8 billion figure, however, may be
15 subject to further revision, either upwards or downwards, as additional information is
16 developed during the course of this proceeding.

17 **Q. What portion of the \$6.8 billion of stranded costs is properly recoverable from**
18 **Pennsylvania jurisdictional customers?**

19 A. All of it. As indicated on Mr. Cucchi's Schedule GAC-3, PECO will require all of its
20 generating capacity to satisfy retail loads over the course of the transition period.

1 Moreover, I would note that PECO's existing generating facilities were essentially sized
2 and designed to meet retail load requirements.

3 V. MITIGATION AND COST CONTAINMENT

4 Q. **What steps has PECO taken to mitigate its stranded costs and/or to moderate its**
5 **retail rate levels?**

6 A. PECO has taken a number of significant steps to mitigate its stranded costs and to
7 moderate rate levels. Specific mitigation initiatives may be summarized as follows:

8 **Accelerated Depreciation Of Limerick Station.** In a Petition filed on October 27, 1995
9 at Docket No. P-00950982, PECO proposed that the terminal (i.e. retirement) date of the
10 Limerick Station be advanced by ten years for accounting purposes and that the
11 additional annual depreciation accruals be deemed subsumed in its existing base rates.
12 This acceleration of cost recovery, which was approved by the Commission in an Order
13 entered February 23, 1996 (a copy of the Commission's Order has been attached to my
14 testimony as Exhibit TPH-8), serves to reduce PECO's investment in the Limerick
15 Station by approximately \$71.8 million per year and by a total of \$161.6 million by
16 December 31, 1998.

17 **Accelerated Amortization Of Deferred Limerick Station Common Plant Costs.**

18 When the Commission established rates in PECO's Limerick 1 rate proceeding, it
19 excluded, as a matter of Pennsylvania regulatory policy, 50% of Limerick common plant
20 pending the completion of Limerick 2. At the same time, the Commission permitted

1 PECO to continue to accrue an Allowance For Funds Used During Construction
2 (“AFUDC”) on and to defer depreciation with respect to the excluded portion of common
3 plant. Subsequently, in PECO’s Limerick 2 rate proceeding, the additional AFUDC
4 accruals and deferred depreciation, which had been booked to FERC Account 186 as
5 regulatory assets, were amortized over the 40-year licensed life of the Limerick 2 Station.

6 In the October 27, 1995 Petition referenced earlier, PECO proposed to accelerate, for
7 accounting purposes, the recovery of these assets by amortizing the balance over a nine-
8 year period commencing October 1, 1996. As in the case of the accelerated depreciation
9 of the Limerick Station, PECO further requested that the additional annual amortization
10 totaling \$18.2 million be deemed recoverable through existing rates. This proposal,
11 which was also approved by the Commission in its February 23, 1996 Order, will serve to
12 reduce the costs which otherwise would have been stranded by \$40.9 million by
13 December 31, 1998.

14 **Accelerated Amortization Of Limerick 2 “Early Window” Costs.** By Order entered
15 May 3, 1989 at Docket No. P-890349, the Commission authorized PECO to defer
16 recognition of the net costs (carrying charges, operating and maintenance expenses and
17 related taxes, less fuel savings) that it would incur in the “early window” period between
18 the placement in service of Limerick 2 and the inclusion of the costs of that facility in
19 retail rates. The Commission further noted that the ratemaking treatment of such early
20 window costs would be adjudicated in an appropriate proceeding subsequent to PECO’s
21 Limerick 2 rate case. Limerick 2 was declared to be in commercial operation on

1 January 8, 1990; the rates established in the Limerick 2 rate case became effective on
2 April 20, 1990.

3 In the October 27, 1995 Petition, PECO proposed to amortize its Limerick 2 early
4 window costs, which approximated \$90.6 million, over a nine-year period commencing
5 October 1, 1996. As with the other items discussed previously, PECO requested, and the
6 Commission agreed, that the annual amortized amount of \$10.1 million be considered
7 subsumed in existing rates. This additional amortization will reduce PECO's stranded
8 costs by \$22.7 million by December 31, 1998.

9 **Minimization Of New Capital Spending For Existing Rate Base Generation Assets.**

10 During the 1990s, PECO has significantly cut back its spending on existing generating
11 facilities. As shown in Exhibit TPH-9, PECO managed to curtail annual generation-
12 related capital additions for the period 1992-1996 by \$218 million from the levels
13 projected only eight years ago. To some extent, this may be viewed as a natural response
14 to the Company's commitment, made subsequent to the Limerick 2 rate case, to maintain
15 existing rate levels through at least 1999. More recently, however, the moderation in
16 capital spending can be traced to a strategic decision to mitigate costs in anticipation of
17 competition. In fact, PECO has established even more aggressive goals for capital
18 spending in 1997, which are almost 60% lower than 1995 actual levels. The aggressive
19 1997 figures have been used as the basis for future capital projections in the Company's
20 stranded investment analysis, thereby resulting in lower stranded costs. To the extent that
21 these aggressive targets are not achieved, the impact will be borne by shareholders.

1 **Reallocation Of Depreciation Reserves.** As discussed by Mr. Cohn in his testimony,
2 PECO has determined that its distribution plant depreciation reserve is overaccrued by
3 approximately \$176 million and that its generation plant depreciation reserve is
4 underaccrued based on the new service lives being utilized to depreciate the Limerick
5 plant. If the Commission wishes to reduce PECO's stranded costs, it could direct the
6 Company to reallocate the \$176 million from the distribution side to the generation side.
7 This, of course, would also mean that regulated distribution rates would be higher in the
8 future than they would otherwise be absent the reallocation. However, the Commission
9 may wish to seriously consider this option as the reallocation would serve to reduce
10 PECO's proposed CTC by approximately 1.25 mills per kWh but only increase
11 distribution charges by approximately 0.9 mills per kWh.

12 **Maximization Of Market Revenues From Existing Generating Assets.** PECO has
13 sought to maximize the value of its existing generating facilities, and thereby mitigate its
14 potential stranded costs, by substantially improving the efficiency of the units which it
15 operates. In particular, PECO has reduced dramatically the outage time, both scheduled
16 and unscheduled, at its Limerick and Peach Bottom Stations and has successfully
17 converted all of the nuclear facilities which it operates to a twenty-four month refueling
18 cycle. In fact, PECO currently holds the world record for the shortest, most efficient
19 refueling outage of a General Electric designed boiling water reactor (Peach Bottom Unit
20 2, 19 days). As a consequence, the capacity factors achieved by the Limerick and Peach
21 Bottom units in recent years have been exemplary.

1 The same may be said for PECO's fossil steam units. PECO managed to increase
2 availability factors from 79% in 1992 to 84% in 1996. Also, PECO has increased the
3 capacity factors of its coal units from 40% to 70% over the same period.

4 As I discussed previously, the market value of PECO's generating facilities is, in part, a
5 function of how well they run. Stated simply, the more kilowatt-hours they are capable
6 of producing, the greater their value in a competitive generation market. By enhancing
7 their market value through increased efficiencies, PECO has, in turn, mitigated costs that
8 might otherwise have been stranded. In addition, it should be noted that PECO has been
9 able to add over 400 megawatts of generating capacity through extremely cost-effective
10 unit uprates.

11 **Issuance Of Securitized Debt.** In its filing at Docket No. R-00973877, PECO has
12 sought to reduce its stranded costs by \$3.6 billion, while reducing rates to customers by
13 approximately 3.4%. Moreover, through the issuance of debt which must be paid off in
14 ten years (i.e., the Transition Bonds), approval of PECO's proposal in that proceeding
15 would effectively accelerate the depreciation/amortization of its stranded assets, some of
16 which have remaining lives of twenty years or more.

17 **Q. Would PECO's proposals in this case serve to further mitigate its stranded costs in**
18 **the future?**

19 **A.** Yes. The recovery of stranded costs over a seven year period is itself a form of
20 mitigation. As noted in the Competition Act, accelerated depreciation is a form of

1 mitigation. As indicated previously, the Company recently increased its depreciation
2 accrual on Limerick by \$72 million per year by reducing the recovery period for its
3 investment by 10 years from an average of about 33 years to 23 years.

4 In a similar fashion, through the CTC, the Company has effectively accelerated the period
5 of recovery from 23 years to 7 years. When looking at the full generation plant stranded
6 cost, the current depreciation accrual is about \$243 million per year. Reducing the
7 recovery period to only 7 years increases the accrual to over \$546 million per year or by
8 over \$303 million per year. As shown in Exhibit TPH-10, the potential impact of this
9 additional mitigation measure is to reduce earnings per share by approximately \$1.16.

10 Q. **Did PECO take any other action prior to the enactment of the Electric Competition**
11 **Act to moderate retail rate levels?**

12 A Yes. In fact, PECO has been extremely vigilant over the past several years in seeking out
13 ways to contain and, where possible, reduce costs, while maintaining safe and efficient
14 operations. The following examples should suffice to illustrate the point:

- 15 • **Workforce Reductions.** PECO has initiated substantial workforce reductions
16 such that its present employee complement is now some 37% less than it was in
17 1990. PECO's nuclear employee levels have declined by 28% while fossil
18 generation staffing levels have dropped by 67%. A significant portion of those
19 workforce reductions were accomplished through extensive process reengineering
20 programs which enable PECO to increase the productivity of its generating
21 facilities while, at the same time, reducing operating and maintenance costs.

22 In addition, PECO has set aggressive operating and maintenance expense targets
23 for 1997 which are approximately 10% lower than 1996 levels in real terms
24 (inflation is expected to be 4% over this period). As in the case of capital

1 additions, these targets were utilized in PECO's stranded cost analysis and, if not
2 achieved, the impact will be borne by shareholders.

- 3 • **Healthcare/Post-Retirement Benefit Costs.** PECO has engaged in substantial
4 efforts to control benefit levels and health care costs since 1990, including the
5 implementation of employee and retiree cost-sharing for medical insurance and
6 the renegotiation of insurance contracts.

- 7 • **Fuel Costs.** PECO has significantly reduced its fuel costs by renegotiating
8 delivered coal and uranium contracts, acquiring nuclear fuel from the Shoreham
9 plant, maximizing spot market purchases and converting its Cromby and
10 Eddystone units so that they can utilize either oil or natural gas as their primary
11 fuel. In fact, PECO reduced its average cost of fuel from 1.58 cents per kilowatt-
12 hour in 1990 to 1.16 cents per kilowatt-hour in 1996, a reduction of approximately
13 27%. These benefits were passed on to customers through periodic adjustments to
14 PECO's Energy Cost Adjustment mechanism.

- 15 • **Inventory Reductions.** Since the Company's last general base rate case, PECO
16 has reduced materials and supplies inventories by 23% in real terms (inflation
17 approximated 17.4% over this period). This was accomplished through the
18 elimination of obsolete and excess materials and changes in stocking levels.

- 19 • **Refinancing Of Higher Cost Debt.** PECO has taken full advantage of declining
20 interest rates by refinancing over \$6.2 billion of long-term debt since 1990,
21 producing annualized interest cost savings of approximately \$252 million.

- 22 • **Retention Of Customer Load.** PECO has been innovative in developing flexible
23 rate offerings designed to retain existing industrial load and to promote economic
24 development. These flexible rates have resulted in revenue retention in excess of
25 \$60 million on an annualized basis.

26 Q. **How have these initiatives served to moderate retail rate levels?**

27 A. PECO has been able to use the savings generated in certain areas of its operations to
28 offset the unavoidable rise in expenses in other areas, including the effects of inflation on
29 labor and materials costs. As a result, and as shown in Exhibit TPH-11, PECO's
30 operating expenses (exclusive of fuel) have significantly declined in real terms on a per

1 kilowatt-hour basis over the past seven years. Because of this, PECO has not filed for a
2 general rate increase since 1989 and, indeed, agreed in 1994 that it would not file for such
3 an increase until April 1, 1999 at the earliest. This extended rate moratorium is a tribute
4 to PECO's determined efforts to contain costs and to stabilize or reduce costs to
5 customers.

6 **VI. STATUTORY STANDARDS REGARDING**
7 **STRANDED INVESTMENT RECOVERY**

8 **Q. Section 2804 of the Competition Act requires that the Commission find that the**
9 **recovery of stranded costs is "just and reasonable". Why, in your view, does**
10 **PECO's claim satisfy that standard?**

11 **A.** Because denial of PECO's request in this proceeding would be demonstrably unjust and
12 unreasonable. In this regard, there can be no doubt that the specific costs which PECO is
13 seeking to securitize at this time would be recoverable in a regulated environment. The
14 various regulatory assets encompassed by PECO's stranded cost claim either are
15 currently being amortized through existing rates or have been recognized by the
16 Commission for future recovery. In addition, the Company's nuclear and fossil
17 decommissioning expense claims are fully supported by Mr. LaGuardia's studies and
18 represent the types of costs for which rate recovery is well-established.

1 Q. **Does the same hold true for PECO's investment in electric generating facilities?**

2 A. Most certainly. All of PECO's existing generating facilities were constructed in
3 furtherance of its statutory obligation to serve the current and future needs of its
4 customers in its service territory. Moreover, as long as that obligation to serve remains in
5 place, those facilities will continue to be required to satisfy customer demands.

6 Under what is commonly referred to as the "regulatory compact", utilities, like PECO,
7 have made substantial investments in facilities and infrastructure necessary to satisfy their
8 statutory obligations and have further agreed to accept governmentally-imposed
9 limitations on the prices they can charge. In return, they were granted a protected and
10 essentially exclusive franchise and the assurance of an opportunity to recover their
11 prudent investments together with a reasonable return on them over periods of time
12 established by the Commission in its prior rate orders. The symmetry of these
13 corresponding rights and obligations would obviously be destroyed if, under the banner
14 of promoting competition, the Commission were to deny recovery of PECO's prudent
15 investments. Such a result would not only constitute a fundamentally inequitable change
16 in the rules of the game, but, as discussed in detail by Mr. Sidak in his testimony, would
17 be confiscatory.

18 Q. **Has the Commission previously ruled on the prudence of PECO's investment in its
19 existing generating facilities?**

20 A. Yes, it has. Between 1968 and 1990, PECO filed 13 separate requests for base rate relief.
21 In each of those cases, the Commission was called upon to determine the level of

1 investment on which PECO would be allowed to earn a return. For example, with respect
2 to the Limerick Station, PECO's actions were reviewed in detail by multiple parties and
3 by the Commission on no less than five separate occasions. Indeed, I am aware of no
4 other construction project that has experienced the level of regulatory scrutiny that the
5 Limerick project endured over the years.

6 **Q. In the Company's Securitization Filing, some suggested that PECO's shareholders**
7 **may already have been compensated for the risk of future losses as would occur if**
8 **PECO were denied recovery of stranded costs. Is there any basis for this assertion?**

9 A. No, there certainly is not. As Mr. Brennan discusses in his testimony, the returns
10 achieved by PECO's shareholders have clearly been substandard when measured against
11 the comparable return levels experienced by investors in other electric utilities or the
12 industrial sector. Indeed, and as noted in the summary of the Company's prior Limerick
13 proceedings, which may be found in Exhibit TPH-12, PECO shareholders have already
14 been required to absorb nearly \$600 million of the costs of constructing Limerick.

15 **Q. Is there any other evidence that PECO's shareholders have fared poorly in the past?**

16 A. Yes. Following its last general base rate proceeding in 1990, PECO cut its annual
17 dividend from \$2.20 to \$1.20 per share. In the ensuing years, PECO has been able to
18 gradually build that dividend back up to its current level of \$1.80 per share. However, as
19 shown in Exhibit TPH-13, the dividend cut cost PECO's shareholders approximately
20 \$1.7 billion in present value terms. This dividend cut directly impacted over 65,000
21 Pennsylvania residents who are PECO shareholders. Thus, in response to those who may

1 suggest that PECO's shareholders should "share" the costs of the transition to
2 competition, I would simply note that such shareholders have, in effect, already suffered
3 approximately \$2.3 billion in investment losses.

4 **Q. Please summarize your position with respect to the justness and reasonableness of**
5 **PECO's claim for recovery of stranded costs in this proceeding.**

6 **A. The stranded costs that PECO has identified represent either expenditures that it**
7 **unquestionably would be allowed to recover absent the introduction of competition or**
8 **prudent investments in electric generating facilities that are used and useful in satisfying**
9 **its statutory obligation to serve. In addition, and as noted previously, PECO has taken**
10 **substantial steps to mitigate its stranded costs and to moderate rate levels. PECO's claim**
11 **should, therefore, be approved.**

12 **VII. PRO FORMA FINANCIAL DATA**

13 **Q. Why is the Company submitting pro forma financial data for a 1996 base year?**

14 **A. The Commission's recent restructuring filing requirements direct utilities to file data for a**
15 **pro forma 1996 base period to enable them to unbundle rates into generation,**
16 **transmission and distribution components. In compliance with that directive, PECO is**
17 **submitting Exhibit TPH-1, which sets forth the 1996 data and the adjustments necessary**
18 **to establish normalized conditions.**

19 **Q. What is contained in Exhibit TPH-1?**

1 A. Exhibit TPH-1 contains four sections, which essentially mirror accounting data provided
2 by PECO in prior rate applications:

- 3 • **Section A** presents summary tables of income available for return, measures of
4 value, adjustments to income available for return and MWH sales and revenue by
5 tariff classification.
- 6 • **Section B** presents basic accounting information from the Company's books of
7 account.
- 8 • **Section C** contains data relating to PECO's original cost measure of value, or rate
9 base.
- 10 • **Section D** identifies necessary adjustments to revenues and expenses.

11 The discussion which follows focuses on Sections C and D of Exhibit TPH-1.

12 **Q. Please describe the components of PECO's net plant at December 31, 1996.**

13 A. The pro forma 1996 net plant is comprised of the original cost of plant in FERC Accounts
14 302, 303 and 310 through 399, less associated accrued depreciation for the same
15 accounts. Common plant and associated depreciation reserve have also been reflected.
16 The foregoing data are set forth in Section C of Exhibit TPH-1 and summarized on Page
17 C-1.

18 **Q. Do any adjustments need to be made to the year-end 1996 data?**

19 A. Yes. First, in accordance with the Commission's Order in PECO's last general base rate
20 proceeding at Docket No. R-891364, there are certain generating stations that have
21 exceeded their depreciable life. The Company's depreciation program and its books of

1 account, however, assume that all capital expenditures made subsequent to a generating
2 plant's estimated retirement date are written-off in the year incurred. An adjustment is
3 therefore necessary to restate the accrual for depreciation associated with such capital
4 additions to the correct level. Page C-1f of Exhibit TPH-1 contains the necessary
5 adjustments for the Delaware, Richmond and Cromby stations.

6 Second, certain adjustments are necessary to reflect additional AFUDC accrued on Peach
7 Bottom, Salem and Eddystone common plant between the service dates of the individual
8 units. These amounts are set forth on Page C-1 of Exhibit TPH-1. The balances have
9 been and continue to be depreciated over the remaining lives of the units in question.
10 Unlike similar costs for Limerick common plant, these costs are not reflected on the
11 Company's books of account.

12 A third adjustment is to accumulated depreciation reserve for certain distribution plant
13 regarding excess salvage. This adjustment was approved by the Commission in Docket
14 No. R-842590 when the Company switched to the book reserve method and is shown on
15 Page C-1 of Exhibit TPH-1.

16 As shown on Page A-2 of Exhibit TPH-1, the total original cost plant in service claim at
17 December 31, 1996 is \$14.085 billion. The depreciation reserve balance, at that same
18 date, is \$4.542 billion. The net plant claim, therefore, is \$9.543 billion.

19 **Q. Is the Company's Plant-in-Service balance audited?**

1 A. Yes. Both this Commission and the FERC periodically audit the Company's plant
2 records. In fact, the FERC has recently completed an audit of the Company's books. The
3 Commission's last audit of PECO's property records was conducted in 1994.
4 Additionally, the Commission's Bureau of Audits is currently reviewing the Company's
5 property records and regulatory assets.

6 Q. **Please describe the methodology used to develop the Company's working capital
7 balance.**

8 A. The Company's cash working capital balance consists of four components:

- 9 (1) operating and maintenance expense;
10 (2) taxes working capital;
11 (3) interest paid in comparison to receipt of revenue; and
12 (4) preferred dividends paid in comparison to receipt of revenue.

13 The working capital requirement for each of the above components was calculated using
14 the lead-lag methodology, which determines cash working capital based upon the time
15 difference between the collection of revenue and the payment of expense. To the extent it
16 takes longer to collect revenue than it does to pay expenses, on average, there is a
17 working capital requirement. As shown in Exhibit TPH-1, Page C-6, PECO's total
18 working capital requirement is \$115 million.

19 Q. **How were the lag days for expenses determined?**

1 A. The Company has used the expense lag days approved at Docket No. R-891364 because
2 there have been no material changes in PECO's payment patterns. These lag days are
3 shown on Page C-6a of Exhibit TPH-1.

4 Q. **How were lag days for taxes determined?**

5 A. The lag days for taxes are based on the 1996 payment schedule for Federal and
6 Pennsylvania taxes. The tax lag days are shown on Page C-6b of Exhibit TPH-1.

7 Q. **How was the revenue lag determined?**

8 A. Separate lag days were developed for each customer class based on a review of actual
9 billings and collections during 1995, the last year for which complete data were available.
10 An additional adjustment was made to reflect Special Payment Agreements for residential
11 customers under forty-eight months. The revenue lag days are shown on Page C-6a of
12 Exhibit TPH-1.

13 Q. **How are the claims for interest working capital and preferred dividend working
14 capital calculated?**

15 A. Pages C-6c and C-6d of Exhibit TPH-1 reflect the reduction in the cash working capital
16 claim due to the lag between when revenues are received and interest and preferred
17 dividends are paid. This calculation takes into account the lag days between revenues
18 and interest/preferred dividend payments. This difference is then multiplied by the
19 average daily interest and preferred costs on the rate base shown on Page A-2 of Exhibit
20 TPH-1.

1 Q. **How was the pro forma level of materials and supplies determined?**

2 A. The Company has used a 13-month average balance ending December 1996 for materials
3 and supplies. The materials and supplies balances are comprised of several components,
4 including electric specific materials, an allocation of common materials such as tools and
5 related equipment, and undistributed stores expenses. Undistributed expenses are also
6 provided for Limerick, Peach Bottom and Eddystone. The 13-month average balance of
7 such items, as shown on Page C-4 of Exhibit TPH-1, is \$123.4 million.

8 Q. **How were the pro forma fuel inventory balances determined?**

9 A. The fuel inventory balances were based on 13-month average inventory balances for the
10 period ended December 1996. The balances reflected on Page C-4 of Exhibit TPH-1 total
11 \$37.9 million.

12 Q. **Please describe the Company's rate base claim for nuclear fuel.**

13 A. Page C-5 of Exhibit TPH-1 presents the Company's nuclear fuel claim, which was
14 determined by taking a twenty-four month average of the cost of nuclear fuel less burnup
15 during 1995 and 1996 for Limerick Units 1 and 2. The total claim amounts to \$144.6
16 million.

17 Q. **Please describe the Company's claim regarding unrecovered plant and regulatory
18 study costs.**

19 A. Page C-7 of Exhibit TPH-1 reflects unrecovered costs for a single source map for all
20 nuclear design-based information in order to streamline engineering and

1 operating/inspection activities in cases where familiarity with the underlying basis of
2 system design is required. At Docket No. AC-92-170-000, the FERC determined that the
3 cost associated with this project was appropriately deferred and amortized over the lives
4 of the specific stations in question. The current balance of \$31.9 million on Page C-7 of
5 Exhibit TPH-1 is an addition to rate base.

6 **Q. Please describe PECO's accumulated deferred tax balance.**

7 A. The accumulated deferred tax balance consists of two components: (1) the traditional
8 deferred taxes associated with accelerated depreciation and (2) deferred federal and state
9 taxes associated with the Company's use of a gross AFUDC rate.

10 **Q. Please elaborate upon the second component.**

11 A Starting in 1991 the Company switched from a net tax AFUDC rate to a gross rate.
12 Under the net rate, the tax savings associated with the debt component of the rate were
13 netted against the cost of capital when accruing AFUDC, i.e. AFUDC was capitalized at
14 the after-tax cost of capital. Under the gross rate methodology, the tax benefit is not
15 netted against the AFUDC rate, but is accrued as a future liability. Since, in theory, this
16 deferred tax liability is funded, the balance appropriately reduces rate base. The
17 Company's claim for accumulated deferred taxes for electric operations including
18 common plant is found in Exhibit TPH-1, Page B-19 and amounts to \$1.395 billion.

19 **Q. Please describe the Salem 2 Tax Benefit Transfer adjustment to rate base.**

1 A. This adjustment to rate base reflects the unamortized deferred credit associated with the
2 Salem Tax Benefit Transfer. This treatment is consistent with the Commission's Order at
3 Docket No. R-891364 and reduces rate base by \$1.5 million as shown on Page C-3 of
4 Exhibit TPH-1.

5 Q. **Please describe the Company's rate base claim for deferred taxes on contributions**
6 **in aid of construction.**

7 A. When the Company receives a contribution in aid of construction, the appropriate plant
8 account is reduced by the contribution, with the accompanying effects on plant in-service
9 and book depreciation. At the same time, the Company is taxed on the contribution and a
10 deferred tax is created. The deferred tax is reversed through adjustment to the tax
11 depreciation of the facility over the tax life of the facility. Meanwhile, there is a cost
12 associated with the initial tax payment by the Company upon receipt of the contribution.
13 The addition of \$1.9 million for accumulated deferred taxes on contributions in aid of
14 construction on Page A-2 of Exhibit TPH-1 allows the Company to earn a return on this
15 tax payment for the deferred tax on the contribution in aid of construction less any
16 deferred tax reversal over the facility's tax life.

17 Q. **How has the Company reflected customer deposits and customer advances?**

18 A. Page A-2 of Exhibit TPH-1 reflects these items and their balances as of December 31,
19 1996. The net effect of these items is a \$13.5 million reduction to rate base.

1 Q. **Please describe the pro forma adjustments that were made to base year (1996)**
2 **operating and maintenance expense.**

3 A. Two types of pro forma adjustments have been made to the Company's base year data:
4 (1) annualizing adjustments to reflect a full year's impact of known changes and
5 (2) normalizing adjustments to eliminate extraordinary items and to reflect normal
6 conditions.

7 Q. **Please elaborate on each of the annualization adjustments included in Exhibit**
8 **TPH-1.**

9 A. There were nine annualizing adjustments made to the 1996 base year data, each of which
10 is discussed below:

11 **Full Year Effect Of The Present State Tax Adjustment Clause ("STAC").** The
12 purpose of this adjustment is to eliminate the effect of a 0.23% credit that was in effect
13 until September 23, 1996 to refund prior year over-collections. This adjustment is
14 reflected on Page D-2 of Exhibit TPH-1. In addition, \$723,000 was added to PURTA
15 expense as the result of a reassessment, as also shown on Page D-2.

16 **Annualization For Growth And Customers.** The purpose of this adjustment is to
17 reflect the 1996 year-end level of customers and usage per customer and has two
18 components: (1) the annualization of growth in usage of existing customers and (2) the
19 annualization of usage by new customers added during the base year. These adjustments
20 are shown on Page D-3 of Exhibit TPH-1.

1 The first adjustment is calculated by starting with the existing customers for a rate class at
2 the beginning of the base year and multiplying by half of the three year average annual
3 growth in usage per customer for that class. The change in usage, as expressed in
4 kilowatthours ("kWh"), is then multiplied by the average revenue per kWh for the
5 specific rate class to determine the revenue change for that rate class.

6 The second adjustment annualizes usage by customers added during the base year. For
7 purposes of this calculation, it is assumed that the new customer additions were
8 distributed evenly throughout the year. Thus, half of the new additions are multiplied by
9 the average kWh usage during the base year to determine the usage by new customers in
10 the base year for a rate class. The kWh usage is multiplied by the rate class' average
11 revenue per kWh and the customer charge is multiplied by the number of new customers
12 to determine the additional revenues.

13 The total revenue associated with this adjustment is reduced by gross receipts tax and fuel
14 to determine a pre-income effect. The fuel used in the calculation is the marginal cost of
15 fuel since the Company no longer has an Energy Cost Adjustment. The effect of this
16 adjustment is to increase after tax income by \$10 million.

17 **Annualization Of Energy Cost Adjustment ("ECA") Revenue.** The Company's ECA
18 was rolled into base rates effective December 31, 1996. The purpose of this adjustment is
19 to reflect the revenue associated with a full year at the level rolled into base rates.

1 Expenses have been adjusted accordingly. This adjustment is shown on Page D-4 of
2 Exhibit TPH-1.

3 **Wages-Benefits Increase.** The purpose of this adjustment, which is set forth on Page
4 D-5 of Exhibit TPH-1, is to reflect the full year impact of year-end 1996 wage and benefit
5 levels, as well as a 3.5% wage increase granted on January 1, 1997. The SFAS 106 cost
6 is based on year-end estimated data. The effect of this adjustment is to reduce income for
7 return by \$11.6 million.

8 **Annualization Of Depreciation.** The amortization of the depreciation accrual consists
9 of three components: (1) the amortization of the book accrual, (2) the full year effect on
10 tax depreciation, and (3) the impact on deferred taxes. The book depreciation is
11 annualized by applying the current accrual rates to the year-end plant balance.
12 Effectively, the annualized 1996 accrual is equal to 1997 depreciation without any capital
13 additions. The tax depreciation is amortized in a similar manner. The base year is
14 adjusted to reflect a full year of tax depreciation on year-end plant. Finally since the
15 Company normalizes federal taxes associated with depreciation, the deferred taxes in the
16 test year must also be adjusted to reflect the new book and tax depreciation. Also,
17 deferred taxes on deferred fuel are adjusted. These adjustments are developed on Pages
18 D-6, 7 and 8 of Exhibit TPH-1.

1 **Tax Savings On Interest.** The purpose of this adjustment is to reflect the tax impact of
2 interest due to year-end rate base and year-end debt cost and is developed on Page D-9 of
3 Exhibit TPH-1.

4 **Full Year Effect Of Increase In FICA Base.** The purpose of this adjustment is to
5 annualize the Company's FICA tax expense to reflect the level payable based upon year-
6 end salaries and any changes in the FICA wage base effective January 1, 1997. This
7 adjustment is set forth on Page D-12 of Exhibit TPH-1 and increases expenses by
8 \$843,000.

9 Q. **Please describe the Company's normalizing adjustments.**

10 A. Each of the Company's normalizing adjustments is discussed below.

11 **Weather Normalization.** The purpose of this adjustment is to reflect the impact of
12 normal weather on the base year data. The adjustment is made for each class of service
13 and is based upon the relationship between sales and degree days in the winter and degree
14 hours in the summer. Once the impact on customer consumption is determined, it is
15 multiplied by the average unit revenue for the rate class. In addition to adjusting
16 revenues, expenses equal to the sales change multiplied by the marginal energy cost are
17 deducted, resulting in the pre-tax income impact. This adjustment appears on Page D-13
18 of Exhibit TPH-1 and serves to increase income for return by \$18.6 million.

19 **Salem Shutdown Adjustment.** The purpose of this adjustment is to remove the
20 additional O&M expense associated with the extended outages at the Salem generating

1 station from the base year data. This adjustment, which removes both nonfuel O&M
2 expenses as well as replacement power associated with the outage, is set forth on Page
3 D-14 of Exhibit TPH-1 and reduces expenses by \$149.5 million. Income for return is
4 increased by \$87.5 million.

5 Q. **Are there any other adjustments to the base year data?**

6 A. Yes. As described below, there are seven other adjustments to the base year data.

7 **Uncollectible Accounts.** The Company's uncollectible accounts expense totaled \$87.5
8 million in 1996. The Company believes that a more representative level for uncollectible
9 accounts expense is \$65.4 million as shown on Page D-17a of Exhibit TPH-1. The
10 components of the \$65.4 million are based on normalized data. This adjustment reduces
11 expense by \$22.1 million, and increases income for return by \$13.0 million, as shown on
12 Page D-17 of Exhibit TPH-1.

13 **Purchase For Resale Transactions.** The Company through its wholesale power
14 marketing division currently engages in purchases and sales of energy in electric power
15 pools and with other utilities and municipalities throughout the country. These
16 transactions do not use the Company's facilities and are appropriately excluded when
17 establishing the revenue requirement for unbundled rates. This adjustment removes
18 \$113.9 million of revenue from these transactions and \$94.6 million in associated
19 expense, resulting in a reduction in pre-tax income of \$19.3 million. This adjustment,

1 which is shown on Page D-18 of Exhibit TPH-1, is consistent with the ECA treatment
2 that had been accorded these sales.

3 **Consolidated Tax Savings.** This adjustment allocates the tax benefits associated with
4 losses on nonutility operations among PECO's regulated operations. As a result of this
5 adjustment, base year taxes are reduced by \$1.8 million, as shown on Page D-16 of
6 Exhibit TPH-1.

7 **ITC Amortization.** This adjustment, which is shown on Page D-15 of Exhibit TPH-1,
8 amortizes the ITC based upon year-end conditions. The primary driver for the change
9 was the acceleration of Limerick depreciation.

10 **Interest On Customer Deposits.** Customer deposits serve to reduce rate base under
11 current ratemaking practice. Since the Company thereby is crediting customers for the
12 use of their funds, it is appropriate to include as expenses the cost of the funds. This
13 adjustment, which approximates \$741,000, is set forth on Page D-11 of Exhibit TPH-1.

14 **Eliminate Deferred Taxes On the Premium On Reacquired Debt.** Page D-1 of
15 Exhibit TPH-1 eliminates the deferred tax credits on reacquired debt. This adjustment
16 increases deferred taxes by approximately \$9.0 million. Customers pay for the
17 amortization of the premium on reacquired debt through a higher cost of debt as shown
18 on the debt sheets on Page B-23 of Exhibit TPH-1. Customers receive the tax savings
19 due to the tax deductibility of the interest on the debt on Page D-9 of Exhibit TPH-1.

1 **Miscellaneous Adjustment.** The base year data reflects only three months of
2 amortization of PECO's Limerick 2 Declaratory Order costs because the amortization did
3 not commence until October 1, 1996 consistent with the Commission's Order at Docket
4 No. P-00950982. This adjustment, which is shown on Page D-10 of Exhibit TPH-1,
5 reflects a full year's impact of the amortization by adjusting expenses upward by \$7.6
6 million.

7 VIII. RESTRUCTURING FILING REQUIREMENTS

8 Q. **Is the Company providing any additional data in support of this filing?**

9 A. Yes. By Order entered February 13, 1997 at Docket No. M-00960890 (Folder 0003), the
10 Commission directed that each jurisdictional electric utility filing a restructuring plan
11 include responses to an extensive list of data requirements. That information, which
12 comprises numerous separately bound volumes, has been provided as Exhibit 2 to the
13 Application.

14 Q. **Please describe the contents of Exhibit 2 to the Company's Application.**

15 A. As I noted previously, Exhibit 2 provides PECO's responses to the Commission's
16 restructuring plan filing requirements. Answers are contained therein or direct the reader
17 to various testimony and exhibits submitted with this filing. I am generally responsible
18 for the assembly and submission of all data set forth in Exhibit 2, but many such answers
19 were prepared by other respondents and are so identified.

1 **IX. IMPACT OF RESTRUCTURING ON EMPLOYEES**

2 **Q. Section 2806(E) of the Competition Act directs each utility to include in its**
3 **Restructuring Plan filing, a discussion of the impacts of the Plan on the utility's**
4 **employees. Does PECO anticipate the need to reduce employee levels as the result**
5 **of the move to a competitive market?**

6 **A.** Not at this time. As I testified in the Securitization Filing, PECO, in its efforts to contain
7 costs while maintaining safe operations, has already reduced its workforce by some 37%
8 since 1990. Because of its past efforts to streamline operations, PECO has no current
9 plans for additional reductions, aside from the continuing implementation of the 1996
10 reengineering of the Company's Human Resources Division. Although some sixty
11 positions in Human Resources may be eliminated by the end of 1998, PECO does not
12 presently anticipate that any lay-offs will be necessary -- to date, staffing levels have been
13 reduced through attrition and transfers within the Company. I should note, however, that
14 the foregoing assumes PECO will be allowed to recover its just and reasonable stranded
15 costs. If it is not, the Company may have to reconsider workforce changes.

16 **X. CUSTOMER NOTICE**

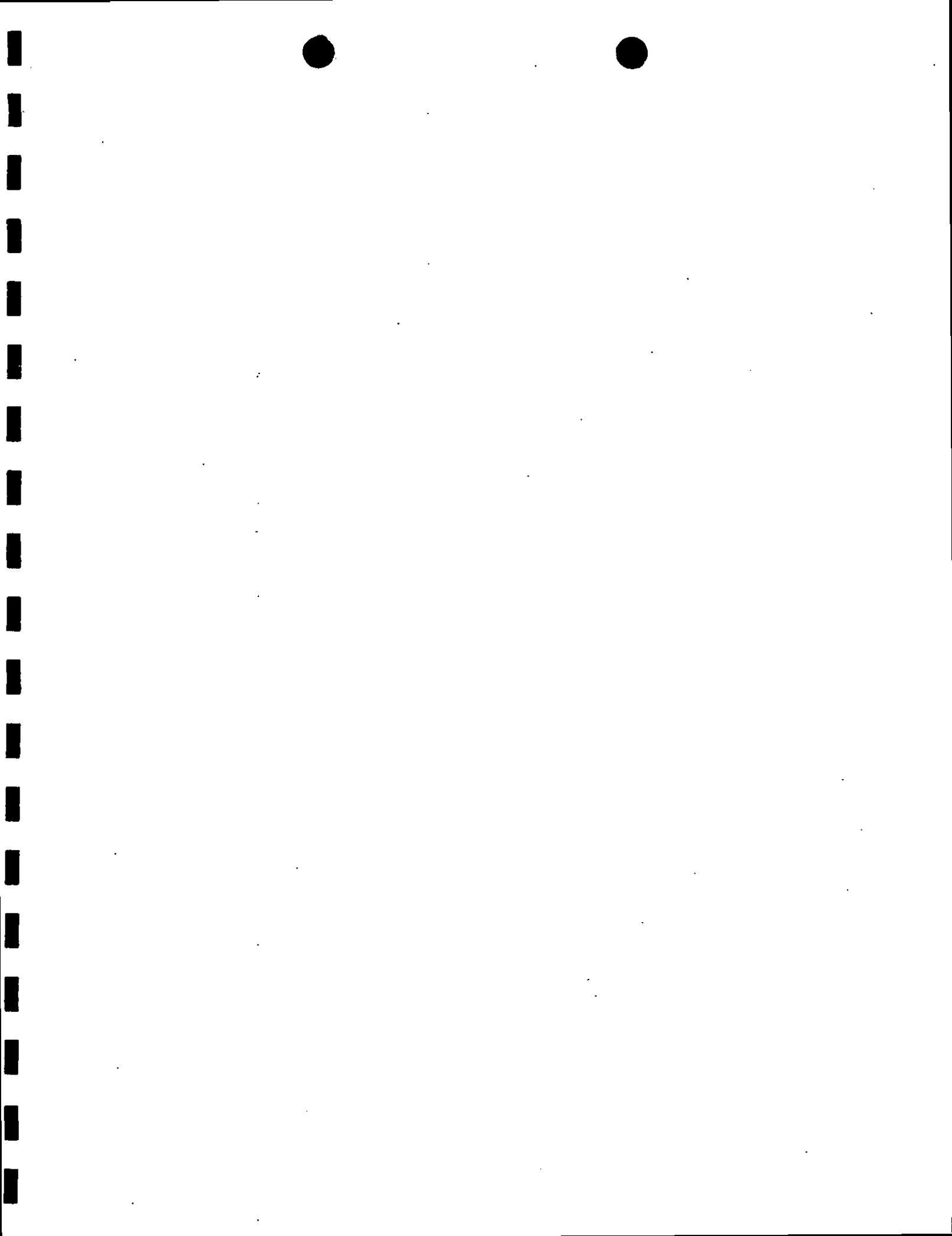
17 **Q. How is PECO advising its customers of this filing?**

18 **A.** PECO intends to include bill inserts, in the form attached as Exhibit TPH-14,
19 commencing with all bills issued shortly after this filing is made. In addition, PECO
20 plans to issue a press release and to publish notice of its Application in newspapers of

1 general circulation in its service territory and proposes that notice also be published in the
2 Pennsylvania Bulletin as soon as possible. PECO is also serving copies of this filing on
3 the Offices of Trial Staff, Consumer Advocate and Small Business Advocate and
4 Philadelphia Area Industrial Energy Users Group, entities that have requested a copy of
5 the filing and parties that actively participated in the Company's last general base rate
6 case. Furthermore, PECO will provide letter notice of its filing to all parties listed on the
7 Commission Executive Director's Restructuring Stakeholder List. Finally, the Company
8 will post its filing on its Internet Web Site at WWW.PECO-ENERGY.COM.

9 Q. **Does this conclude your direct testimony?**

10 A. Yes, it does.



PECO Energy Company-Electric Operations
Revenues, Expenses, Income & Measure of Value
Twelve Months Ended December 31, 1996

March 1997

PECO Energy Company-Electric Operations
 INCOME AVAILABLE FOR RETURN
 12 MONTHS ENDED DECEMBER 31, 1996
 (Thousand\$)

| | Actual <u>(B-12)</u> | Adj. <u>(A-3)</u> | Proforma Present <u>Rates</u> |
|--------------------------------------|-------------------------|----------------------|-------------------------------------|
| Operating Revenue | 3,853,316 | (40,465) | 3,812,851 |
| Operating Expenses | | | |
| O&M Expenses | 1,986,126 | (222,494) | 1,763,632 |
| Depreciation and Amort(incl Salvage) | 460,603 | 66,755 | 527,358 |
| Provision for Taxes | | | |
| Taxes Other Than Income | 270,055 | 4,541 | 274,596 |
| Income Taxes | 166,896 | 105,054 | 271,950 |
| Prov. for Deferred Taxes | 168,423 | (23,867) | 144,556 |
| Income Taxes Def-Other | (9,439) | 8971 | (468) |
| ITC Adj (net) | (15,423) | (2,087) | (17,510) |
| Total Taxes | 580,512 | 92,612 | 673,124 |
| Loss on Disposition of Plant | (76) | | (76) |
| Total Operating Expenses | 3,027,165 | (63,127) | 2,964,038 |
| Operating Income for Return | 826,151 | 22,662 | 848,813 |
| Original Cost Measure of Value (A-2) | 8,587,584 | | 8,587,584 |
| Return on Original Cost | 9.62% | | 9.88% |
| Return on Equity | 10.75% | | 11.26% |

PECO Energy Company-Electric Operations
 MEASURE OF VALUE
 AT DECEMBER 31, 1996
 (Thousand\$)

| | <u>Reference</u> | <u>Original Cost</u> |
|---|------------------|--------------------------|
| Utility Plant in Service | | |
| Electric | C-1 | 13,808,498 |
| Allocated Common | C-1 | <u>276,678</u> |
| Total Plant in Service | | 14,085,176 |
| Less: Book Reserve | C-1 | 4,541,989 |
| Plus: Def. Taxes on Contrib. in Aid of Construction | | 1,909 |
| Materials and Supplies | C-4 | 161,329 |
| Nuclear Fuel in Ratebase | C-5 | 144,567 |
| Cash Working Capital | C-6 | 115,039 |
| Unrecovered Plant and Regulatory Studies | C-7 | 31,899 |
| Total Additions | | 454,743 |
| Less: Accumulated Def. Inc. Taxes | | |
| Liberalized Depreciation | B-19 | 1,395,340 |
| Customer Deposits | B-2 | 13,266 |
| Customer Advances | B-2 | 222 |
| Salem 2 Tax Benefit Transfer | C-3 | 1,518 |
| Total Deductions | | 1,410,346 |
| Measure of Value | | 8,587,584 |

PECO Energy Company-Electric Operations A-3
 ADJUSTMENTS TO INCOME AVAILABLE FOR RETURN
 12 MONTHS ENDED DECEMBER 31, 1996
 (Thousand\$)

| <u>Test Year Adjustments</u> | Section <u>Page</u> | Operating <u>Revenues</u> | Oper. Exp <u>Exc. Taxes</u> | Taxes | | Effect on Income for <u>Return</u> | |
|--|------------------------|------------------------------|--------------------------------|-----------------------------|----------------------------|--|-----------------------------|
| | | | | Other Than <u>Income</u> | State <u>Inc. Taxes</u> | | Federal <u>Inc Taxes</u> |
| Adjustment to Eliminate Def Taxes on Reacquired Debt | D-1 | | | | 2,135 | 6,836 | (8,971) |
| Full Year Effect of Present STAC | D-2 | 5,842 | | 723 | 511 | 1,613 | 2,995 |
| Annualization for Growth and Customers | D-3 | 19,088 | 1,096 | 840 | 1,714 | 5,404 | 10,034 |
| Annualization of ECA Revenues and Expenses | D-4 | 6,507 | 6,221 | 286 | - | - | - |
| Wage and Benefit Increases Incl. FAS 106 | D-5 | | 19,788 | | (1,977) | (6,234) | (11,577) |
| Book Depreciation at Year End Including Salvage | D-6 | | 66,755 | | - | - | (66,755) |
| Tax Depreciation and Amortization at Year End | D-7 | | | | 3,596 | 11,341 | (14,937) |
| Normalization of Tax Deferrals | D-8 | | | | 103 | (23,970) | 23,867 |
| Tax Savings on Proforma Interest | D-9 | | | | 3,639 | 11,477 | (15,116) |
| Miscellaneous Adjustments and Amortizations | D-10 | | 7,554 | | - | - | (7,554) |
| Interest on Customer Deposits | D-11 | | 741 | | (74) | (233) | (434) |
| Full Year Effect of Increase in Federal Old Age Benefits | D-12 | | | 843 | (84) | (266) | (493) |
| Adj. to Rev and Exp to Reflect Weather Normalization | D-13 | 42,020 | 8,430 | 1,849 | 3,171 | 10,000 | 18,570 |
| Adjustment to Eliminate Salem Shutdown O&M | D-14 | | (149,537) | | 14,939 | 47,110 | 87,488 |
| ITC Annualization | D-15 | | | | - | (2,087) | 2,087 |
| Consolidated Tax Savings | D-16 | | - | | | (1,782) | 1,782 |
| Adjustment to Reflect Normalized Level of Uncollectibles | D-17 | | (22,134) | | 2,211 | 6,973 | 12,950 |
| Adjustment to Exclude Purchases for Resale | D-18 | (113,922) | (94,653) | | (1,925) | (6,070) | (11,274) |
| Total | | (40,465) | (155,739) | 4,541 | 27,959 | 60,112 | 22,662 |

summarya

PECO Energy Company-Electric Operations
 MEGAWATT HOUR SALES AND REVENUE BY
 TARIFF SUBDIVISIONS
 Twelve Months Ended December 31, 1996
 (Thousand\$)

| | mwh sales & unbilled year ended <u>12/31/96</u> (1) | Number of customers <u>12/31/96</u> (2) | Total <u>Revenue</u> (3) | Plus Revenue from Weather <u>Adj</u> (4) | Plus Revenue from Growth <u>Adj</u> (5) | Plus ECA <u>Roll-in</u> (6) | Plus STAC <u>Roll-in</u> (7) | Buy For <u>Resale</u> (8) | Proforma Total <u>Revenue</u> (9)=(3)+(4)+(5) +(6)+(7)+(8) |
|--------------------------------------|---|--|--------------------------------|--|--|--------------------------------------|---------------------------------------|------------------------------------|--|
| R | 7474224 | 1169654 | 1059589 | 30080 | 3996 | 1424 | 1895 | | 1096984 |
| RH | 2807279 | 154794 | 280930 | 2930 | 3691 | 827 | 508 | | 288886 |
| OP (a) | 375823 | 98781 | 25879 | | | 87 | 47 | | 26013 |
| POL (a) | 9002 | 3173 | 1855 | | | 2 | 3 | | 1860 |
| CMT | 178 | | 8 | | | | | | 8 |
| GS (Incl Riders) | 6400442 | 142431 | 738789 | 4070 | 16018 | 1309 | 1322 | | 761508 |
| PD (Incl Riders) | 1113363 | 1047 | 106657 | | -3072 | 221 | 193 | | 103999 |
| HT (Incl Riders) | 13862653 | 2252 | 977370 | 4940 | -1545 | 2442 | 1731 | | 984938 |
| EP | 638800 | 3 | 46979 | | | 157 | 86 | | 47222 |
| SLP | 88820 | 10 | 13685 | | | 19 | 25 | | 13729 |
| SLE | 47017 | 319 | 9494 | | | 9 | 16 | | 9519 |
| SLS | 16908 | 442 | 5116 | | | 4 | 9 | | 5129 |
| TL | 39681 | 216 | 4520 | | | 6 | 7 | | 4533 |
| BLI | 235 | 5 | 35 | | | | | | 35 |
| Trans Rent Rider | | | 119 | | | | | | 119 |
| Total Electric | 32874425 | 1471173 | \$ 3,271,025 | \$ 42,020 | \$ 19,088 | \$ 6,507 | \$ 5,842 | \$ - | \$ 3,344,482 |
| Other Electric Operations | 21238941 | 58 | \$ 582,291 | | | | | \$(113,922) | \$ 468,369 |
| Total | 54113366 | 1471231 | \$ 3,853,316 | \$ 42,020 | \$ 19,088 | \$ 6,507 | \$ 5,842 | \$(113,922) | \$ 3,812,851 |

(a) Duplicate customers
not included in totals

Consolidated Balance Sheets

B-1

At December 31,

1996

1995

Thousands of Dollars

Assets

Utility Plant, at Original Cost

| | | |
|---|-------------------|-------------------|
| Electric | \$ 13,622,380 | \$ 13,441,880 |
| Gas | 1,005,507 | 954,180 |
| Common | 317,065 | 299,899 |
| | <u>14,944,952</u> | <u>14,695,959</u> |
| Less Accumulated Provision for Depreciation | 5,046,950 | 4,623,707 |
| | <u>9,898,002</u> | <u>10,072,252</u> |
| Nuclear Fuel, net | 199,579 | 191,084 |
| Construction Work in Progress | 661,871 | 494,194 |
| Leased Property, net | 182,088 | 180,425 |
| Net Utility Plant | <u>10,941,540</u> | <u>10,937,955</u> |

Current Assets

| | | |
|-------------------------------------|----------------|----------------|
| Cash and Temporary Cash Investments | 29,235 | 20,602 |
| Accounts Receivable, net | | |
| Customers | 19,159 | 75,220 |
| Other | 74,377 | 71,997 |
| Inventories, at average cost | | |
| Fossil Fuel | 84,633 | 78,260 |
| Materials and Supplies | 119,743 | 123,387 |
| Deferred Energy Costs-Gas | 30,013 | (3,722) |
| Other | 63,234 | 60,868 |
| Total Current Assets | <u>420,394</u> | <u>426,612</u> |

Deferred Debits and Other Assets

| | | |
|--|------------------|------------------|
| Recoverable Deferred Income Taxes | 2,325,721 | 2,425,311 |
| Deferred Limerick Costs | 361,762 | 390,433 |
| Deferred Non-Pension Postretirement Benefits Costs | 233,492 | 248,085 |
| Deferred Energy Costs-Electric | 92,021 | 59,605 |
| Investments | 432,574 | 318,448 |
| Loss on Reacquired Debt | 283,853 | 308,577 |
| Other | 169,262 | 193,479 |
| Total Deferred Debits and Other Assets | <u>3,898,685</u> | <u>3,943,938</u> |

| | | |
|---------------------|----------------------|----------------------|
| Total Assets | \$ 15,260,619 | \$ 15,308,505 |
|---------------------|----------------------|----------------------|

See Notes to Consolidated Financial Statements.

B-2

Consolidated Balance Sheets (Continued)

| At December 31, | 1996 | 1995 |
|---|-----------------------------|----------------------|
| | <i>Thousands of Dollars</i> | |
| Capitalization and Liabilities | | |
| Capitalization | | |
| Common Shareholders' Equity | | |
| Common Stock | \$ 3,517,614 | \$ 3,506,313 |
| Other Paid-In Capital | 1,326 | 1,326 |
| Retained Earnings | 1,127,041 | 1,023,708 |
| | <u>4,645,981</u> | <u>4,531,347</u> |
| Preferred and Preference Stock | | |
| Without Mandatory Redemption | 199,367 | 199,367 |
| With Mandatory Redemption | 92,700 | 92,700 |
| Company Obligated Mandatorily Redeemable Preferred Securities of a Partnership, which holds Solely Subordinated Debentures of the Company | 302,182 | 302,282 |
| Long-Term Debt | 3,935,514 | 4,198,283 |
| Total Capitalization | <u>9,175,744</u> | <u>9,323,979</u> |
| Current Liabilities | | |
| Notes Payable, Bank | 287,500 | - |
| Long-Term Debt Due Within One Year | 283,303 | 401,003 |
| Capital Lease Obligations Due Within One Year | 49,347 | 60,320 |
| Accounts Payable | 212,966 | 299,731 |
| Taxes Accrued | 71,482 | 107,621 |
| Interest Accrued | 82,006 | 88,047 |
| Dividends Payable | 22,407 | 20,722 |
| Other | 94,353 | 74,847 |
| Total Current Liabilities | <u>1,103,364</u> | <u>1,052,291</u> |
| Deferred Credits and Other Liabilities | | |
| Capital Lease Obligations | 132,741 | 120,105 |
| Deferred Income Taxes | 3,745,242 | 3,685,534 |
| Unamortized Investment Tax Credits | 336,132 | 351,569 |
| Pension Obligation | 224,454 | 216,283 |
| Non-Pension Postretirement Benefits Obligation | 315,058 | 326,251 |
| Other | 227,884 | 232,493 |
| Total Deferred Credits and Other Liabilities | <u>4,981,511</u> | <u>4,932,235</u> |
| Commitments and Contingencies (Notes 3 and 4) | | |
| Total Capitalization and Liabilities | \$ 15,260,619 | \$ 15,308,505 |

See Notes to Consolidated Financial Statements.

planta

B-3

PECO Energy Company-Electric Operations
ELECTRIC PLANT
At December 31, 1996
(Thousand\$)

Electric Plant in Service

Intangible Plant

| | | |
|------------------------------|----|--------|
| 302. Franchises and Consents | \$ | 163 |
| 303. Misc. Intangible Plant | | 98,337 |

| | | |
|------------------------|----|--------|
| Total Intangible Plant | \$ | 98,500 |
|------------------------|----|--------|

Production Plant

Steam Production Plant

| | | |
|-----------------------------------|----|---------|
| 310. Land and Land Rights | \$ | 5,507 |
| 311. Structures and Improvements | | 220,898 |
| 312. Boiler Plant Equipment | | 791,908 |
| 314. Turbogenerator Units | | 219,613 |
| 315. Accessory Electric Equipment | | 91,680 |
| 316. Misc. Power Plant Equipment | | 18,774 |

| | | |
|------------------------------|----|-----------|
| Total Steam Production Plant | \$ | 1,348,380 |
|------------------------------|----|-----------|

Nuclear Production

| | | |
|-----------------------------------|----|-----------|
| 320. Land and Land Rights | \$ | 15,007 |
| 321. Structures and Improvements | | 1,940,934 |
| 322. Reactor Plant Equipment | | 4,468,060 |
| 323. Turbogenerator Units | | 864,515 |
| 324. Accessory Electric Equipment | | 1,105,725 |

PECO Energy Company-Electric Operations
 ELECTRIC PLANT
 At December 31, 1996
 (Thousand\$)

| | |
|----------------------------------|---------|
| 325. Misc. Power Plant Equipment | 400,018 |
|----------------------------------|---------|

| | |
|--------------------------------|--------------|
| Total Nuclear Production Plant | \$ 8,794,259 |
|--------------------------------|--------------|

Hydraulic Production

| | |
|--|----------|
| 330. Land and Land Rights | \$ 1,421 |
| 331. Structures and Improvements | 17,537 |
| 332. Reservoirs, Dams and Waterways | 34,440 |
| 333. Water Wheels, Turbines and Generators | 27,351 |
| 334. Accessory Electric Equipment | 10,593 |
| 335. Misc. Power Plant Equipment | 2,204 |
| 336. Roads, Railroads and Bridges | 998 |

| | |
|----------------------------------|-----------|
| Total Hydraulic Production Plant | \$ 94,544 |
|----------------------------------|-----------|

Other Production Plant

| | |
|---|--------|
| 340. Land and Land Rights | \$ 841 |
| 341. Structures and Improvements | 5,108 |
| 342. Fuel Holders, Products and Accessories | 23,924 |
| 344. Generators | 94,549 |
| 345. Accessory Electric Equipment | 12,926 |

PECO Energy Company-Electric Operations
ELECTRIC PLANT
At December 31, 1996
(Thousand\$)

| | |
|----------------------------------|---------------|
| 346. Misc. Power Plant Equipment | 2,443 |
| Total Other Production Plant | \$ 139,791 |
| Total Production Plant | \$ 10,376,974 |

Transmission Plant

| | |
|---|------------|
| 350. Land and Land Rights | \$ 58,788 |
| 352. Structures and Improvements | 21,024 |
| 353. Station Equipment | 320,901 |
| 354. Towers and Fixtures | 227,952 |
| 355. Poles and Fixtures | 3,146 |
| 356. Overhead Conductors and Devices | 115,595 |
| 357. Underground Conduit | 5,997 |
| 358. Underground Conductors and Devices | 63,063 |
| 359. Roads and Trails | 2,054 |
| Total Transmission Plant | \$ 818,520 |

PECO Energy Company-Electric Operations
ELECTRIC PLANT
At December 31, 1996
(Thousand\$)

Distribution Plant

| | | |
|---|----|---------|
| 360. Land and Land Rights | \$ | 33,523 |
| 361. Structures and Improvements | | 47,453 |
| 362. Station Equipment | | 489,070 |
| 364. Poles, Towers and Fixtures | | 267,043 |
| 365. Overhead Conductors and Devices | | 420,698 |
| 366. Underground Conduit | | 202,819 |
| 367. Underground Conductors and Devices | | 436,116 |
| 368. Line Transformers | | 288,055 |
| 369. Services | | 230,911 |
| 370. Meters | | 192,889 |
| 371. Installations on Customers' Premises | | 350 |
| 373. Street Lighting and Signal Systems | | 18,873 |

Total Distribution Plant \$ 2,627,800

General Plant

| | | |
|--------------------------------------|----|--------|
| 389. Land and Land Rights | \$ | 2,484 |
| 390. Structures and Improvements | | 36,039 |
| 391. Office Furniture and Equipment | | 16,370 |
| 392. Transportation Equipment | | - |
| 393. Stores Equipment | | 64 |
| 394. Tool, Shop and Garage Equipment | | 8,786 |
| 395. Laboratory Equipment | | 19,617 |

PECO Energy Company-Electric Operations
ELECTRIC PLANT
At December 31, 1996
(Thousand\$)

| | |
|---|---------------|
| 397. Communication Equipment | 9,070 |
| 398. Miscellaneous Equipment | 1,515 |
| Subtotal | \$ 93,945 |
| 399. Other Tangible Property Includes Limerick PUC Adjustments | (527,420) |
| Total General Plant | \$ (433,475) |
| Total Electric Plant in Service | \$ 13,488,319 |

PECO Energy Company-Electric Operations
ELECTRIC PLANT
At December 31, 1996
(Thousand\$)

B-8

| | |
|---------------------------------|---------------|
| Total Electric Plant in Service | \$ 13,488,319 |
| Construction Work in Progress | 494,820 |
| Plant Held for Future Use | |
| Land and Land Rights | 5,614 |
| Other Than Land and Land Rights | 450 |
| Total | \$ 6,064 |
| Total Electric Plant | \$ 13,989,203 |

PECO Energy Company-Electric Operations
COMMON UTILITY PLANT
At December 31, 1996
(Thousand\$)

Intangible Plant

| | | |
|-------------------|----|--------|
| 301. Organization | \$ | 677 |
| 303. Other | | 52,324 |

| | | |
|------------------------|----|--------|
| Total Intangible Plant | \$ | 53,001 |
|------------------------|----|--------|

General Plant

| | | |
|-------------------------------------|----|---------|
| 389. Land and Land Rights | \$ | 8,441 |
| 390. Structures and Improvements | | 161,185 |
| 391. Office Furniture and Equipment | | 26,527 |
| 392. Transportation Equipment | | 26,416 |
| 393. Stores Equipment | | 1,734 |
| 394. Tools, Shop and Garage Equip. | | 13,835 |
| 396. Power Operated Equipment | | 56 |
| 397. Communication Equipment | | 7,963 |
| 398. Miscellaneous Equipment | | 1,817 |
| 399. Other Tangible Property | | 15,793 |

| | | |
|---------------------|----|---------|
| Total General Plant | \$ | 263,767 |
|---------------------|----|---------|

| | | |
|---------------------------------------|----|---------|
| Total Common Utility Plant in Service | \$ | 316,768 |
|---------------------------------------|----|---------|

PECO Energy Company-Electric Operations
COMMON UTILITY PLANT
At December 31, 1996
(Thousand\$)

| | | |
|---------------------------------|----|---------|
| Total Common Plant in Service | \$ | 316,768 |
| Construction Work in Progress | | 141,264 |
| Plant Held for Future Use | | |
| Land and Land Rights | | 297 |
| Other Than Land and Land Rights | | 0 |
| Total | \$ | 297 |
| Total Common Plant | \$ | 458,329 |

PECO Energy Company and Subsidiary Companies
CONSOLIDATED STATEMENT OF INCOME
12 MONTHS ENDING DECEMBER 31, 1996
(Thousand \$)

B-11

| | |
|---|--------------------|
| Operating Revenue | |
| Electric _____ | \$3,854,836 |
| Gas _____ | 428,814 |
| Total Operating Revenue _____ | <u>\$4,283,650</u> |
| Operating Expenses | |
| Total Operation and Maintenance _____ | 2,246,602 |
| Provision for Depreciation and Amortization _____ | 489,001 |
| Provision for Taxes _____ | |
| Federal Income Taxes _____ | 126,702 |
| State and Local Income Taxes _____ | 63,447 |
| Investment Tax Credit Adjustments - Net _____ | (15,979) |
| Deferred Income Taxes _____ | 168,935 |
| Taxes Other Than Income _____ | 299,546 |
| Total Provision for Taxes _____ | <u>642,651</u> |
| (Gain) Loss on Disp of Util Assets _____ | (131) |
| Total Operating Expenses _____ | <u>\$3,378,123</u> |
| Operating Income _____ | \$905,527 |
| Other Income | |
| Allowance for Other Funds Used During Construction _____ | 10,222 |
| Other Income and Deductions _____ | (2,107) |
| Income Taxes _____ | 3,004 |
| Total Other Income _____ | <u>\$ 11,119</u> |
| Income Before Interest Charges _____ | \$916,646 |
| Interest Charges | |
| Interest on Long-Term Debt _____ | 328,557 |
| Other Interest _____ | 53,886 |
| Pref Sec Div Obl of Subsidiary _____ | (9,725) |
| Allowance for Borrowed Funds - Credit _____ | <u>26,723</u> |
| Net Interest Charges _____ | \$399,441 |
| Net Income _____ | \$517,205 |
| Dividends on Preferred Stocks _____ | 18,036 |
| Earnings Available for Common Stock _____ | <u>\$499,169</u> |
| Common Stock Outstanding | |
| End of Period (1000) _____ | 222,542 |
| Average (1000) _____ | 222,490 |
| Earnings per average share (dollars) _____ | \$2.244 |

PECO Energy Company - Electric Operations
 STATEMENT OF ELECTRIC OPERATING INCOME
 12 MONTHS ENDING DECEMBER 31, 1996
 (Thousand \$)

B-12

OPERATING REVENUE

| | | |
|-----|--|--------------------|
| | Sales of Electricity: | |
| 440 | Residential _____ | \$1,366,398 |
| 442 | Commercial & Industrial _____ | 1,824,678 |
| 444 | Public Street and Highway Lighting _____ | 32,815 |
| 446 | Sales to Railroads and Railways _____ | 46,979 |
| 447 | Sales for Resale _____ | 522,952 |
| 448 | Interdepartmental Sales _____ | 5,865 |
| | Total Sales of Electricity _____ | <u>\$3,799,687</u> |
| | Other Operating Revenues: | |
| 450 | Forfeited Discounts _____ | \$10,536 |
| 451 | Miscellaneous Service Revenues _____ | 2,574 |
| 454 | Rent from Electric Property _____ | 16,988 |
| 456 | Other Electric Revenues _____ | 23,531 |
| | Total Other Operating Revenues _____ | <u>\$53,629</u> |
| | Total Electric Operating Revenues _____ | <u>\$3,853,316</u> |

OPERATING EXPENSES

| | | |
|---------|---|--------------------|
| 401 | Operation and Maintenance Expense: | |
| | Power Production _____ | \$1,338,258 |
| | Transmission _____ | 39,534 |
| | Distribution _____ | 132,635 |
| | Customer Accounts _____ | 137,488 |
| | Customer Service & Information _____ | 24,844 |
| | Sales _____ | 12,269 |
| | Administrative and General Expense _____ | 301,098 |
| | Total Operation and Maintenance Expense _____ | <u>\$1,986,126</u> |
| 403 | Depreciation Expense _____ | \$416,791 |
| 404 | Amortization of Limited-Term Electric Plant _____ | 11,992 |
| 405 | Amortization of Other Electric Plant _____ | 29,945 |
| 407 | Amortization of Prop Losses, Unrec Plant _____ | 1,875 |
| | Total Depreciation and Amortization _____ | <u>\$460,603</u> |
| | Taxes | |
| 408.1 | Taxes Other Than Income Taxes _____ | \$270,055 |
| 409.1 | Income Taxes _____ | 166,896 |
| 410.1 | Provision for Deferred Income Taxes _____ | 168,423 |
| 411.1 | Inc. Taxes Deferred - Other _____ | (9,439) |
| 411.4 | Investment Tax Credit Adjustments _____ | (15,423) |
| | Total Taxes _____ | <u>\$580,512</u> |
| 411.6&7 | Gain or Loss from Disposition of Util Plant _____ | (2) |
| 411.8 | Gains from Disposition of Allowances _____ | (74) |
| | Total Operating Expenses _____ | <u>\$3,027,165</u> |
| | Operating Income _____ | <u>\$826,151</u> |

PECO Energy Company - Electric Operations
 OPERATING EXPENSES
 12 MONTHS ENDING DECEMBER 31, 1996
 (Thousand \$)

B-13

I. POWER PRODUCTION EXPENSES
 STEAM POWER GENERATION

OPERATION

| | | |
|-----|--------------------------------------|-----------|
| 500 | Operation Supervision _____ | \$15,320 |
| 501 | Fuel _____ | 207,621 |
| 502 | Steam Expenses _____ | 14,156 |
| 505 | Electric Expenses _____ | 1,090 |
| 506 | Miscellaneous Steam Power Expenses _ | 15,369 |
| 507 | Rents _____ | 1,480 |
| 509 | Emission Allowance _____ | 32 |
| | Total Operation _____ | \$255,068 |

MAINTENANCE

| | | |
|-----|---------------------------------------|---------|
| 510 | Maintenance Supervision & Engineering | \$6,201 |
| 511 | Maintenance of Structures _____ | 2,124 |
| 512 | Maintenance of Boiler Plant _____ | 31,648 |
| 513 | Maintenance of Electric Plant _____ | 7,476 |
| 514 | Maintenance of Misc Steam Plant _____ | 1,938 |

Total Maintenance _____ \$49,387

Total Power Production Exp - Steam Power \$304,455

NUCLEAR POWER GENERATION

OPERATION

| | | |
|-----|---|----------|
| 517 | Operation Supervision and Engineering _ | \$79,930 |
| 518 | Fuel _____ | 128,991 |
| 519 | Coolants and Water _____ | 7,714 |
| 520 | Steam Expenses _____ | 29,879 |
| 523 | Electric Expenses _____ | 48 |
| 524 | Miscellaneous Nuclear Power Expenses _ | 135,627 |
| 525 | Rents _____ | 17,928 |

Total Operation _____ \$400,117

MAINTENANCE

| | | |
|-----|---|----------|
| 528 | Maintenance Supervision and Engineering | \$53,328 |
| 529 | Maintenance of Structures _____ | 5,094 |
| 530 | Maintenance of Reactor Plant Equipment | 50,902 |
| 531 | Maintenance of Electric Plant _____ | 33,329 |
| 532 | Maintenance of Misc Nuclear Plant _____ | 12,498 |

Total Maintenance _____ \$155,151

Total Power Production Exp - Nuclear \$555,268

PECO Energy Company - Electric Operations
 OPERATING EXPENSES
 12 MONTHS ENDING DECEMBER 31, 1996
 (Thousand \$)

B-14

HYDRAULIC POWER GENERATION

OPERATION

| | | |
|-----|---|----------------|
| 535 | Operation Supervision and Engineering ___ | \$1,222 |
| 536 | Water and Power _____ | 1,331 |
| 537 | Hydraulic Expenses _____ | 1,543 |
| 538 | Electric Expenses _____ | - |
| 539 | Miscellaneous Hydraulic Power Gen Exp _____ | 79 |
| 540 | Rents _____ | (643) |
| | Total Operation _____ | \$3,532 |

MAINTENANCE

| | | |
|-----|---|----------------|
| 541 | Maintenance Supervision and Engineering _____ | \$324 |
| 542 | Maintenance of Structures _____ | 41 |
| 543 | Maint Reservoirs, Dams & Waterways _____ | 193 |
| 544 | Maintenance of Electric Plant _____ | 1,878 |
| 545 | Maintenance of Misc Hydraulic Plant _____ | 538 |
| | Total Maintenance _____ | \$2,974 |

Total Power Production Exp - Hydraulic

\$6,506

OTHER POWER GENERATION

OPERATION

| | | |
|-----|---|-----------------|
| 546 | Operation Supervision and Engineering ___ | \$790 |
| 547 | Fuel _____ | 14,392 |
| 548 | Generation Expenses _____ | 487 |
| 549 | Miscellaneous Other Power Gen Exp _____ | 811 |
| 550 | Rents _____ | - |
| | Total Operation _____ | \$16,480 |

MAINTENANCE

| | | |
|-----|--|----------------|
| 551 | Maintenance Supervision & Engineering _____ | \$879 |
| 552 | Maintenance of Structures _____ | 131 |
| 553 | Maint of Generating and Electric Plant _____ | 3,466 |
| 554 | Maint of Miscellaneous Other Power _____ | 129 |
| | Total Maintenance _____ | \$4,605 |

Total Power Production Exp - Other Pwr

\$21,085

OTHER POWER SUPPLY EXPENSES

| | | |
|-----|--|------------------|
| 555 | Purchased Power _____ | \$476,318 |
| 556 | System Control and Load Dispatching _____ | 6,828 |
| 557 | Other Expenses _____ | (32,202) |
| | Total Other Power Supply Expenses _____ | \$450,944 |

Total Power Production Expenses _____

\$1,338,258

PECO Energy Company - Electric Operations
 OPERATING EXPENSES
 12 MONTHS ENDING DECEMBER 31, 1996
 (Thousand \$)

B-15

TRANSMISSION EXPENSES

OPERATION

| | | |
|-----|---|-----------------|
| 560 | Operation Supervision and Engineering _____ | \$3,113 |
| 561 | Load Dispatching _____ | 5,027 |
| 562 | Station Expenses _____ | (64) |
| 563 | Overhead Line Expenses _____ | 1,309 |
| 564 | Underground Line Expenses _____ | 146 |
| 566 | Miscellaneous Transmission Expenses _____ | 10,516 |
| 567 | Rents _____ | 5,113 |
| | Total Operation _____ | <u>\$25,160</u> |

MAINTENANCE

| | | |
|-----|---|-----------------|
| 568 | Maintenance Supervision and Engineering _____ | \$0 |
| 569 | Maintenance of Structures _____ | 855 |
| 570 | Maintenance of Station Equipment _____ | 4,745 |
| 571 | Maintenance of Overhead Lines _____ | 5,690 |
| 572 | Maintenance of Underground Lines _____ | 1,042 |
| 573 | Maintenance of Misc Transmission Plant _____ | 2,042 |
| | Total Maintenance _____ | <u>\$14,374</u> |

Total Transmission Expenses _____ \$39,534

DISTRIBUTION EXPENSES

OPERATION

| | | |
|-----|---|-----------------|
| 580 | Operation Supervision and Engineering _____ | \$7,637 |
| 581 | Load Dispatching _____ | 6,028 |
| 582 | Station Expenses _____ | 2,857 |
| 583 | Overhead Line Expenses _____ | 11,222 |
| 584 | Underground Line Expenses _____ | 4,510 |
| 585 | Street Lighting and Signal System Exp _____ | 124 |
| 586 | Meter Expenses _____ | 112 |
| 587 | Customer Installation Expenses _____ | 2,432 |
| 588 | Miscellaneous Distribution Expenses _____ | 11,906 |
| 589 | Rents _____ | 6,013 |
| | Total Operation _____ | <u>\$52,841</u> |

MAINTENANCE

| | | |
|-----|--|------------------|
| 590 | Maintenance Supervision and Engineering _____ | \$441 |
| 591 | Maintenance of Structures _____ | 686 |
| 592 | Maintenance of Station Equipment _____ | 9,691 |
| 593 | Maintenance of Overhead Lines _____ | 44,984 |
| 594 | Maintenance of Underground Lines _____ | 20,152 |
| 595 | Maintenance of Line Transformers _____ | 1,131 |
| 596 | Maint of Street Lighting & Signal System _____ | 1,365 |
| 597 | Maintenance of Meters _____ | 90 |
| 598 | Maintenance of Misc Distribution Plant _____ | 1,254 |
| | Total Maintenance _____ | <u>\$79,794</u> |
| | Total Distribution Expenses _____ | <u>\$132,635</u> |

PECO Energy Company - Electric Operations
OPERATING EXPENSES
 12 MONTHS ENDING DECEMBER 31, 1996
 (Thousand \$)

B-16

IV CUSTOMER ACCOUNTS EXPENSES

OPERATION

| | | |
|-----|--|------------------|
| 901 | Supervision _____ | \$253 |
| 902 | Meter Reading Expenses _____ | 8,299 |
| 903 | Customer Records and Collection _____ | 41,171 |
| 904 | Uncollectible Accounts _____ | 87,534 |
| 905 | Misc Customer Accounts Expenses _____ | 231 |
| | Total Customer Accounts Expenses _____ | <u>\$137,488</u> |

V CUSTOMER SERVICE & INFO EXP

OPERATION

| | | |
|-----|---|-----------------|
| 907 | Supervision _____ | \$28 |
| 908 | Customer Assistance Expenses _____ | 7,221 |
| 909 | Info & Instructional Advertising Expenses _____ | 1,917 |
| 910 | Misc Cust Serv & Information Expenses _____ | 15,678 |
| | Total Cust Serv & Information Expenses _____ | <u>\$24,844</u> |

VI SALES EXPENSES

OPERATION

| | | |
|-----|--|-----------------|
| 911 | Supervision _____ | \$72 |
| 912 | Demonstrating and Selling Expenses _____ | 11,994 |
| 913 | Advertising Expenses _____ | 93 |
| 916 | Miscellaneous Sales Expenses _____ | 110 |
| | Total Sales Expenses _____ | <u>\$12,269</u> |

VII ADMINISTRATIVE & GENERAL EXP

OPERATION

| | | |
|-----|---|------------------|
| 920 | Administrative and General Salaries _____ | \$72,808 |
| 921 | Office Supplies and Expenses _____ | 84,562 |
| 922 | Administrative Expenses Transferred _____ | (511) |
| 923 | Outside Services Employed _____ | 17,673 |
| 924 | Property Insurance _____ | 6,968 |
| 925 | Injuries and Damages _____ | 16,906 |
| 926 | Employee Pensions and Benefits _____ | 91,240 |
| 928 | Regulatory Commission Expenses _____ | 6,492 |
| 929 | Duplicate Charges - Credit _____ | (3,433) |
| 930 | General Advertising and Miscellaneous _____ | 7,514 |
| 931 | Rents _____ | 4 |
| | Total Operation _____ | <u>\$300,223</u> |

MAINTENANCE

| | | |
|-----|---|------------------|
| 932 | Maintenance of General Plant _____ | - |
| 935 | Maintenance of General Plant _____ | 875 |
| | Total Administrative and General Expenses _____ | <u>\$301,098</u> |

VIII TOTAL OPERATION AND MAINT EXP \$1,986,126

IX DEPRECIATION AND AMORTIZATION

| | | |
|-----|--|------------------|
| 940 | Depreciation _____ | \$416,791 |
| 943 | Amortization of Other Electric Plant _____ | 43,812 |
| | Total Depreciation and Amortization _____ | <u>\$460,603</u> |

PECO Energy Company - Electric Operations
 OPERATING EXPENSES
 12 Months Ending December 31, 1996
 (Thousand \$)

X TAXES

B-17

TAXES OTHER THAN INCOME TAXES

State and Local

| | |
|-------------------------------|-----------|
| Gross Receipts | \$140,017 |
| Capital Stock - Pennsylvania | 38,724 |
| Real Estate - State | 59,650 |
| Real Estate - Local | 5,651 |
| Unemployment Compensation | 2,143 |
| Philadelphia Realty Occupancy | 1,140 |
| Other | (249) |

Total State and Local \$247,076

Federal

| | |
|---------------------------|----------|
| Old Age Benefits | \$21,550 |
| Superfund Tax | 878 |
| Unemployment Compensation | 371 |
| Telephone and Telegraph | 80 |
| Other | 100 |

Total Federal \$22,979

Total Taxes Other Than Income \$270,055

INCOME TAXES

Current

| | |
|--------------|-----------|
| Federal | \$104,836 |
| Pennsylvania | 60,402 |
| New Jersey | 1,640 |
| Maryland | 18 |

Total Current Income Taxes \$166,896

Deferred

| | |
|---------------------------------------|----------|
| Fuel | \$13,473 |
| Liberalized Depreciation | 22,433 |
| Other Deferred Debits | 132,057 |
| Other Deferred Credits | (8,979) |
| Investment Tax Credit Utilized | 0 |
| Amortization of Investment Tax Credit | (15,423) |

Total Deferred Income Taxes \$143,561

Total Income Taxes \$310,457

TOTAL ALL TAXES \$580,512

| | |
|--|---------|
| Gain or Loss from Disposition of Utility Plant | \$ (2) |
| Gains from Disposition of Allowances | \$ (74) |

PECO Energy Company -Electric Operations Federal Income Tax Computation 12 Months Ended December 31, 1996
 (Thousands \$)

B-18

| | | |
|--|-----------|-----------|
| Operating Revenue | | 3,853,316 |
| Less: Operating Expenses | | |
| Operating and Maintenance Expense | 1,985,996 | |
| Depreciation and Amortization | 460,458 | |
| State and Local Income Taxes | 62,060 | |
| Taxes Other Than Income | 270,055 | |
| Balance | | 1,074,747 |
| <i>Adjustments for Additional Items Affecting Taxable Income</i> | | |
| Deductions | | |
| Gross Interest Charges Allocated to Electric Operations | (375,920) | |
| Nuclear Outage Costs | (5,891) | |
| Pensions Expense Net | (31,262) | |
| Deferred Fuel | (32,416) | |
| FAS 106 Curtailment | (17,332) | |
| Obsolete Inventory | (9,157) | |
| 95 FAS 106 Payment in 1996 | (8,305) | |
| Nuclear Fuel Tax/Burn | (16,077) | |
| Repair Allowance | (19,934) | |
| Salem 2 Lease Rent Expense | (15,063) | |
| Tax/Plant Retirement Loss | (10,131) | |
| Miscellaneous | (17,215) | |
| Additions | | |
| Amortization of Premium on Reacquired Bonds | 25,400 | |
| Limerick #1 and #2 Declaratory Order Writeoff | 29,944 | |
| Uncollectibles | 8,617 | |
| Clearing Accounts | 5,811 | |
| Avoided Interest | 7,846 | |
| Decommissioning Capital Gains | 5,231 | |
| Plant Expense Tax/Book | 7,100 | |
| Miscellaneous | 15,283 | |
| Sub-Total Net Deductions | | (453,471) |
| Federal Income Tax Base - Operations | | 621,276 |
| Federal Income Tax @ 35% - Operations | | 217,447 |
| - AMT Credit | | (85,325) |
| Federal Income Tax Charged to Operations | | 132,122 |

PECO Energy Company - Electric Operations
 ACCUMULATED DEFERRED TAXES
 AS OF DECEMBER 31, 1996
 (Thousand \$)

The balance as of 12/31/96 in Accumulated Deferred Income Taxes including allocated common which amounts to \$1,395,340 for electric operations as developed below, is deducted from the Company's investment in developing the rate base measures of value (A-2). The Direct Testimony of Thomas P. Hill, Jr. provides further discussion of this item.

Combined Operations

| | <u>Total Per Balance Sheet</u> | <u>Accumulated Deferred Taxes</u> | |
|----------|------------------------------------|-----------------------------------|---------------------------------------|
| | | <u>Common Allocated (a)</u> | <u>Including Allocated Common</u> |
| Electric | \$1,374,494 | \$20,846 | \$1,395,340 |
| Gas | 84,205 | 3,021 | 87,226 |
| Common | <u>23,867</u> | (23,867) | <u>-</u> |
| Total | \$1,482,566 | | \$1,482,566 |

| | |
|--------------|---------------|
| (a) Per B-20 | |
| Electric | 87.344% |
| Gas | <u>12.656</u> |
| Total | 100.000% |

**

B-20

PECO ENERGY COMPANY-COMBINED OPERATIONS
DEVELOPMENT OF FACTORS FOR ALLOCATING COMMON
TO ELECTRIC AND GAS OPERATIONS
AS OF DECEMBER 31, 1996

| | <u>By Total Plant Investment</u> (1) | <u>By Total Revenue</u> (2) | <u>By Total Customers</u> (3) | <u>Average</u> (4)=(1)+(2)+(3) divided by 3 |
|-------------------------------|---|------------------------------------|--------------------------------------|---|
| <u>Basic Rate</u> | <u>(Thousand \$)</u> | <u>(Thousand \$)</u> | <u>(Number)</u> | |
| Electric | \$13,773,396 | \$3,853,316 | 1,471,231 | |
| Gas | 1,005,505 | 428,814 | 394,659 | |
| Total | \$14,778,901 | \$4,282,130 | 1,865,890 | |
| <u>Allocation Factors</u> | | | | |
| Electric | 93.196% | 89.986% | 78.849% | 87.344% |
| Gas | 6.804% | 10.014% | 21.151% | 12.656% |
| Total | 100.000% | 100.000% | 100.000% | 100.000% |

PECO ENERGY COMPANY-Combined Operations
CALCULATION OF EFFECTIVE INCOME TAX RATE

The effective income tax rate developed below combines into a single rate the effect of the federal income tax rate of 35% effective January 1, 1993, and the current effective Pennsylvania state income tax rate of 9.99%.

This effective income tax rate intended for application to incremental changes in the taxable income which result from 1) changes in revenue, less gross receipts taxes, associated with ratemaking adjustments, 2) changes in tax deductible expenses associated with ratemaking adjustments and 3) additional revenues yielded by proposed rates. Because the effective income tax rate is applied to incremental changes in taxable income, it is independent of the overall average income tax rate experienced during the test year.

Federal Effective Income Tax Rate, f:

$$f = 0.35 \times (\text{taxable income} - s), \quad s = \text{Pennsylvania Income Tax Rate}$$

$$f = (0.35 \times \text{taxable income}) - (0.35 \times 0.0999 \times \text{taxable income})$$

$$f = (0.35000 - 0.034965) \times \text{taxable income}$$

$$f = 0.31504 \times \text{taxable income}$$

Summary:

| | <u>Statutory</u> | <u>Effective</u> | <u>Effective as % of Total</u> |
|--------------|------------------|------------------|------------------------------------|
| Pennsylvania | 9.99% | 9.990% | 24.076% |
| Federal | 35.00% | 31.504% | 75.924% |
| Total | 41.99% | 41.494% | 100.000% |

Cost of Debt and Preferred Stock as Adjusted
for the Twelve Months Ended December 31, 1996
(In Thousands\$)

| Item/Description | Issue Date (a) | Maturity Date (b) | Interest Rate (c) | Outstanding Balance (d) | Premium or (Discount) (e) | Issue Expense (f) | Cost of Money | | Yield to Maturity (i) | Weighted Interest (j)=(d)x(i) |
|------------------|-------------------|----------------------|----------------------|----------------------------|------------------------------|----------------------|----------------------------|------------------|--------------------------|----------------------------------|
| | | | | | | | Net Proceeds Amount (g) | Per \$100 (h) | | |
| Long Term Debt | | | | | | | | | | |
| Mortgage Bonds | | | | | | | | | | |
| 6.125% due 1997 | 10/1/67 | 1997 | 6.125% | 75000 | -270 | 115 | 74615 | 99.49 | 6.16% | 4,620 |
| 7.375% due 2001 | 12/15/71 | 2001 | 7.375% | 80000 | 49 | 132 | 79917 | 99.90 | 7.38% | 5,904 |
| 7.50% due 2022 | 7/22/92 | 2022 | 7.500% | 100000 | -239 | 506 | 99255 | 99.26 | 8.32% | 8,320 |
| 10.25SF due 2007 | 8/20/87 | 2007 | 10.250% | 65000 | | 433 | 64567 | 99.33 | 10.35% | 6,728 |
| 7.125% due 2022 | 9/1/92 | 2022 | 7.125% | 200000 | -1844 | 953 | 197203 | 98.60 | 8.54% | 17,080 |
| 8.25% due 2022 | 9/1/92 | 2022 | 8.250% | 250000 | -3287 | 1228 | 245485 | 98.19 | 9.26% | 23,150 |
| 9.25% due 2019 | 10/1/89 | 2019 | 9.250% | 75000 | -150 | 461 | 74389 | 99.19 | 9.38% | 7,035 |
| 7.5% due 1999 | 1/8/92 | 1999 | 7.500% | 250000 | -1250 | 1153 | 247597 | 99.04 | 8.05% | 20,125 |
| 8% due 2002 | 4/23/92 | 2002 | 8.000% | 200000 | -422 | 866 | 198712 | 99.36 | 9.47% | 18,940 |
| 8.75% due 2022 | 4/23/92 | 2022 | 8.750% | 150000 | -803 | 1201 | 147996 | 98.66 | 9.79% | 14,685 |
| 8.625% due 2022 | 6/11/92 | 2022 | 8.625% | 125000 | -1500 | 674 | 122826 | 98.26 | 8.79% | 10,988 |
| 7.375PC due 2021 | 4/1/91 | 2021 | 7.375% | 90000 | | 2350 | 87650 | 97.39 | 7.60% | 6,840 |
| 7.6%PC due 2021 | 4/1/91 | 2021 | 7.600% | 27030 | | 710 | 26320 | 97.37 | 7.83% | 2,116 |
| 6.7% due 2021 | 12/1/91 | 2021 | 6.700% | 160560 | -2609 | 2971 | 154980 | 96.52 | 6.98% | 11,207 |
| 6.625% due 2022 | 6/9/92 | 2022 | 6.625% | 29540 | -96 | 2114 | 27330 | 92.52 | 7.12% | 2,103 |
| 6.625% due 2003 | 3/1/93 | 2003 | 6.625% | 250000 | -708 | 272 | 249020 | 99.61 | 7.23% | 18,075 |
| 7.75% due 2023 | 3/1/93 | 2023 | 7.750% | 100000 | -272 | 195 | 99533 | 99.53 | 8.69% | 8,690 |
| 7.75% due 2023 | 5/12/93 | 2023 | 7.750% | 250000 | -1250 | 255 | 248495 | 99.40 | 8.55% | 21,375 |
| 6.50% due 2003 | 5/12/93 | 2003 | 6.500% | 200000 | -558 | 235 | 199207 | 99.60 | 7.03% | 14,060 |
| 7.125% due 2003 | 8/24/93 | 2003 | 7.125% | 200000 | -800 | 250 | 198950 | 99.48 | 7.18% | 14,360 |
| 6.375% due 2005 | 8/24/93 | 2005 | 6.375% | 75000 | -186 | 170 | 74644 | 99.53 | 6.98% | 5,235 |
| 5.375% due 1998 | 8/24/93 | 1998 | 5.375% | 225000 | -396 | 260 | 224344 | 99.71 | 5.67% | 12,758 |
| 5.625% due 2001 | 11/2/93 | 2001 | 5.625% | 250000 | -858 | 220 | 248922 | 99.57 | 6.57% | 16,425 |
| 7.250% due 2024 | 11/2/93 | 2024 | 7.250% | 225000 | -801 | 235 | 223964 | 99.54 | 8.46% | 19,035 |

| Item/Description | Issue Date (a) | Maturity Date (b) | Interest Rate (c) | Outstanding Balance (d) | Premium or (Discount) (e) | Issue Expense (f) | Net Proceeds | | Cost of Money | | Weighted Interest (j)=(d)x(i) |
|--|-------------------|----------------------|----------------------|----------------------------|------------------------------|----------------------|---------------|------------------|--------------------------|-----------|----------------------------------|
| | | | | | | | Amount (g) | Per \$100 (h) | Yield to Maturity (i) | | |
| Cumul. Reacq. S.F. 10.25%SF due 2007 Collateralized Med. Term Notes | 8/20/87 | 2007 | 10.25% | -20312 | | -135 | -20177 | 99.34 | 10.35% | (2,102) | |
| 7.41% due 1998 | 7/11/94 | 1998 | 7.410% | 12400 | -56 | 71 | 12273 | 98.98 | 8.60% | 1,066 | |
| 6.96% due 1997 | 7/7/94 | 1997 | 6.960% | 10000 | -25 | 37 | 9938 | 99.38 | 8.33% | 833 | |
| 7.00% due 1997 | 7/11/94 | 1997 | 7.000% | 2000 | -7 | 9 | 1984 | 99.20 | 8.45% | 169 | |
| 9.10% due 2005 | 12/20/89 | 2005 | 9.100% | 10000 | | 64 | 9936 | 99.36 | 9.18% | 918 | |
| 9.09% due 2005 | 12/20/89 | 2005 | 9.090% | 10000 | | 67 | 9933 | 99.33 | 9.18% | 918 | |
| 9.00% Preferred Securities | 7/11/94 | | 9.000% | 221250 | -7494 | | 213756 | 96.61 | 9.32% | 20,621 | |
| 8.72% Preferred Securities | 12/15/95 | | 8.720% | 80932 | | | 80932 | 100.00 | 8.91% | 7,211 | |
| Fuji | | 1997 | | 87500 | | | 87500 | 100.00 | 5.86% | 5,128 | |
| Fuji | | 1997 | | 87500 | | | 87500 | 100.00 | 5.93% | 5,189 | |
| INCO | 11/19/96 | 1997 | | 9075 | | 0 | 9075 | 100.00 | 4.73% | 429 | |
| MONTCO | 3/27/96 | 2034 | | 34000 | | 162 | 33838 | 99.52 | 3.56% | 1,210 | |
| INCO | 9/13/96 | 1997 | | 8165 | | | 8165 | 100.00 | 5.15% | 420 | |
| Pollution Control | | | | | | | | | | | |
| CP Bonds Ser A due 2012 | 7/21/88 | 2012 | | 50000 | | 281 | 49719 | 99.44 | 3.54% | 1,770 | |
| CP Bonds Ser B due 2012 | 7/21/88 | 2012 | | 50000 | | 281 | 49719 | 99.44 | 3.53% | 1,765 | |
| CP Bonds Ser C due 2012 | 7/21/88 | 2012 | | 50000 | | 281 | 49719 | 99.44 | 3.53% | 1,765 | |
| CP Salem A | 7/21/88 | 2012 | | 4200 | | 57 | 4143 | 98.64 | 3.41% | 143 | |
| MontcoA due 2029 | 6/30/94 | 2029 | | 82560 | -2477 | 484 | 79599 | 96.41 | 3.51% | 2,898 | |
| MontcoB due 2029 | 6/30/94 | 2029 | | 13340 | -400 | 78 | 12862 | 96.42 | 3.50% | 467 | |
| Delco | 8/24/93 | 2016 | | 24125 | | | 24125 | 100.00 | 3.49% | 842 | |
| Yorkco | 8/24/93 | 2016 | | 18440 | | | 18440 | 100.00 | 3.49% | 644 | |
| Salemco | 9/9/93 | 2025 | | 23000 | | | 23000 | 100.00 | 3.41% | 784 | |
| Total Long Term Debt | | | | \$4,520,305 | (\$28,709) | \$19,696 | \$4,471,900 | | | \$342,942 | |
| Adjustment for Tenders and Calls | | | | (\$265,491) | | | \$ (265,491) | | | \$ 19,702 | |
| Total Long Term Debt and Adjustment for Tenders and Calls | | | | \$4,254,814 | (\$28,709) | \$19,696 | \$4,206,409 | | | \$362,644 | 8.52% |

PECO Energy Company
 Cost of Debt and Preferred Stock as Adjusted
 for the Twelve Months Ended December 31, 1996
 (in Thousands\$)

B-24

| Item/Description | Issue Date (a) | Maturity Date (b) | Interest Rate (c) | Outstanding Balance (d) | Total Discount and Expense (e) | Net Proceeds Amount (f) | Per \$100 (g) | Effective | |
|---|-------------------|----------------------|----------------------|----------------------------|-----------------------------------|----------------------------|------------------|------------------|------------------------------|
| | | | | | | | | Cost Rate (h) | Weighted Cost (i)=(h)x(d) |
| Preferred Stock | | | | | | | | | |
| 4.400% Cumul | Dec 1941 | | 4.400% | \$22,650 | 50 | \$22,650 | 100.00 | 4.40% | 997 |
| 4.400% | Mar 1942 | | 4.400% | 4822 | 449 | \$5,271 | 109.31 | 4.02% | 194 |
| 3.800% Cumul | 12/5/46 | | 3.800% | 30000 | -30 | \$29,970 | 99.90 | 3.80% | 1,140 |
| 4.300% Cumul | 2/5/48 | | 4.300% | 15000 | -468 | \$14,532 | 96.88 | 4.44% | 666 |
| 4.680% Cumul | 5/14/53 | | 4.680% | 15000 | -244 | \$14,756 | 98.37 | 4.76% | 714 |
| 7.48% Cumul | 3/30/93 | | 7.480% | 50000 | -588 | \$49,412 | 98.82 | 7.57% | 3,785 |
| 7.960% Cumul | 10/13/92 | | 7.960% | 140000 | -4410 | \$135,590 | 96.85 | 8.22% | 11,508 |
| 6.12%SF | 6/18/93 | | 6.120% | 92700 | -981 | \$91,719 | 98.94 | 6.48% | 6,007 |
| 7.960% Cumul | 10/13/92 | | 7.960% | -78105 | 2461 | (\$75,644) | 96.85 | 8.22% | (6,420) |
| Total Preferred | | | | \$292,067 | (\$3,811) | \$288,256 | | | \$18,591 |
| Adjustment for Calls and Tenders* | | | | (\$20,497) | | (\$20,497) | | | \$ 2,324 |
| Total Preferred Incl. Adj. for Calls | | | | \$271,570 | (\$3,811) | \$267,759 | | | \$20,915 7.70% |

PECO Energy Company-Electric Operations
SUMMARY OF RATE BASE ADJUSTMENTS
As of December 31, 1996
(Thousand \$)

Original Cost

| | <u>Depreciation Plant</u> | <u>Reserve</u> | <u>Net</u> | <u>Remaining Life Annual Accrual</u> |
|---|-------------------------------|----------------|-------------|--|
| Total Electric Plant in Service per Books(a) | \$13,773,396 | \$4,445,874 | \$9,327,522 | \$491,912 |

Book Reserve Adjustments

| | | | | |
|--------------------------------------|----------------|---------------|----------------|---------------|
| Addl AFUDC for Ratemaking | 35,102 | 15,844 | 19,258 | 936 |
| Excess Salvage | - | (9,644) | 9,644 | 356 |
| Adjusted Plant and Reserve | \$13,808,498 | \$4,452,074 | \$9,356,424 | \$493,204 |
| Allocated Common | <u>276,678</u> | <u>89,915</u> | <u>186,763</u> | <u>11,353</u> |
| Total Electric & Allocated Common | \$14,085,176 | \$4,541,989 | \$9,543,187 | \$504,557 |

| | | | | |
|-------------------------------------|--------------------------------------|-----------------|-------------------|----------------|
| (a)Electric Plant from Page C-1e | \$13,488,319 | \$4,375,081 | \$9,113,238 | \$459,304 |
| Def Charges on Limerick 2 Common | \$285,077 | \$57,173 | \$227,904 | \$26,046 |
| Amortization of Intangible Plant | (reflected on) <u>(page C-1a)</u> | <u>\$13,620</u> | <u>\$(13,620)</u> | <u>\$6,562</u> |
| Total | \$13,773,396 | \$4,445,874 | \$9,327,522 | \$491,912 |

PECC ENERGY COMPANY
PROVISION FOR DEPRECIATION
CLASS OF SERVICE: ELECTRIC
1/ 1/97 - 12/31/97

REVISED 2/10/97

1/ 1/97 ACCRUAL RB-25
02/06/97 08:34:23

| | | ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE | | | | | | NEW96 | | |
|-------------------------|--------------------------|---|--------------|-------------|----------------------|-----------------------------|--------------------|--------------------|-------------|------|
| DES ACCT. | PLANT BALANCE 1/ 1/97 | RESERVE 1/ 1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/ 1/97 ACCRUAL | AVG. LIFE(TERM) | EST. (YEAR) | |
| INTANGIBLE PLANT | | | | | | | | | | |
| -SALEM CF | | | | | | | | | | |
| 43 3039 | 13566726.47 | 0.0 | 0.0 | 0.0 | 63 | 0.0 | 0.0 | 0 | 0 | 01 |
| 43 TOTAL | 13566726.47 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| INTANGIBLE PLANT | | | | | | | | | | |
| -PEACH BOTTOM 2 + 3 | | | | | | | | | | |
| 66 3030 | 785177.95 | 0.0 | 0.0 | 0.0 | 66 | 0.0 | 0.0 | 0 | 0 | 01 |
| 66 3031 | 26345130.83 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| 66 TOTAL | 27130308.78 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| INTANGIBLE PLANT | | | | | | | | | | |
| -PEACH BOTTOM CF | | | | | | | | | | |
| 68 3030 | 22557733.31 | 0.0 | 0.0 | 0.0 | 68 | 0.0 | 0.0 | 0 | 0 | 01 |
| 68 TOTAL | 22557733.31 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| INTANGIBLE PLANT | | | | | | | | | | |
| -LIMERICK # 1 | | | | | | | | | | |
| 91 3030 | 15699506.83 | 0.0 | 0.0 | 0.0 | 91 | 0.0 | 0.0 | 0 | 0 | 01 |
| 91 TOTAL | 15699506.83 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| INTANGIBLE PLANT | | | | | | | | | | |
| -LIMERICK 100% COM | | | | | | | | | | |
| 99 3030 | 19382461.15 | 0.0 | 0.0 | 0.0 | 99 | 0.0 | 0.0 | 0 | 0 | 01 |
| 99 TOTAL | 19382461.15 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| INTANGIBLE PLANT | | | | | | | | | | |
| -601 | | | | | | | | | | |
| 601 3020 | 162934.12 | 0.0 | 0.0 | 0.0 | 601 | 0.0 | 0.0 | 0 | 0 | 01 |
| 601 TOTAL | 162934.12 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| INTANGIBLE PLANT | | | | | | | | | | |
| - TOTAL OF ALL STATIONS | | | | | | | | | | |
| FUN. 3020 | 162934.12 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| FUN. 3030 | 71991625.71 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| FUN. 3031 | 26345130.83 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| FUN. TOTAL | 98499690.66 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| STEAM PRODUCTION | | | | | | | | | | |
| -SCHUYKILL (1,3) | | | | | | | | | | |
| 1 3101 | 295740.65 | 0.0 | 0.0 | 0.0 | 1 | 0.0 | 0.0 | 0 | 0 | 01 |
| 1 3101 | 7000322.35 | 7000322.35 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 0 | 75R3 | 1992 |
| 1 3120 | 20324407.80 | 20324407.80 | -11831.00 | 100.000 | -11831.00 | 0.0 | -11831.00 | 45RC | 1992 | |
| 1 3140 | 8619191.20 | 8619191.20 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 50R3 | 1992 | |
| 1 3150 | 5960720.77 | 5960720.77 | -1157.21 | 100.000 | -1157.21 | 0.0 | -1157.21 | 75LA | 1992 | |
| 1 3160 | 728653.41 | 728653.41 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 70R1 | 1992 | |
| 1 TOTAL | 42937215.18 | 42654462.74 | -12988.21 | 100.000 | -12988.21 | 0.0 | -12988.21 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -EDDYSTONE 1 + 2 | | | | | | | | | | |
| 6 3101 | 2408255.54 | 0.0 | 0.0 | 0.0 | 6 | 0.0 | 0.0 | 0 | 0 | 01 |
| 6 3102 | 5126.40 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 01 |
| 6 3110 | 73128669.17 | 48073001.75 | 25054867.42 | 7.545 | 1291141.39 | 0.0 | 1291141.39 | 75R3 | 2010 | |
| 6 3120 | 269291165.95 | 150521499.91 | 118809666.04 | 8.042 | 9554673.34 | 0.0 | 9554673.34 | 45RC | 2010 | |
| 6 3140 | 73231907.11 | 36670252.95 | 36661074.16 | 7.937 | 2909789.46 | 0.0 | 2909789.46 | 50R3 | 2010 | |
| 6 3150 | 27242183.55 | 19382726.03 | 7860487.53 | 7.831 | 615552.43 | 0.0 | 615552.43 | 75LA | 2010 | |
| 6 3160 | 482312.89 | 3135806.04 | 1748506.85 | 7.744 | 135249.49 | 0.0 | 135249.49 | 70R1 | 2010 | |
| 6 TOTAL | 450396620.61 | 257844666.68 | 190132571.99 | 7.945 | 15106406.11 | 0.0 | 15106406.11 | | | |

C-1a

PECC ENERGY COMPANY
PROVISION FOR DEPRECIATION
CLASS OF SERVICE: ELECTRIC
1/ 1/97 - 12/31/97

1/ 1/97 ACCRUAL RB-26
02/06/97 08:34:23

| | | ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE | | | | | | NEW96 | | |
|-------------------------|--------------------------|---|--------------|-------------|----------------------|-----------------------------|--------------------|--------------------|-------------|----|
| DES ACCT. | PLANT BALANCE 1/ 1/97 | RESERVE 1/ 1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/ 1/97 ACCRUAL | AVG. LIFE(TERM) | EST. (YEAR) | |
| STEAM PRODUCTION | | | | | | | | | | |
| -DELAWARE (7,8) | | | | | | | | | | |
| 9 3101 | 1353562.64 | 0.0 | 0.0 | 0.0 | 9 | 0.0 | 0.0 | 0 | 0 | 01 |
| 9 3110 | 16312070.33 | 16323921.71 | -11851.38 | 100.000 | -11851.38 | 0.0 | -11851.38 | 75R3 | 1990 | |
| 9 3120 | 27959980.83 | 26799672.61 | 1159305.22 | 100.000 | 1159305.22 | 0.0 | 1159305.22 | 45RC | 1990 | |
| 9 3140 | 11673660.39 | 11645153.30 | 28507.09 | 100.000 | 28507.09 | 0.0 | 28507.09 | 50R3 | 1990 | |
| 9 3150 | 10256073.16 | 10253620.99 | 2452.17 | 100.000 | 2452.17 | 0.0 | 2452.17 | 75LA | 1990 | |
| 9 3160 | 2263382.90 | 2157767.02 | 107615.88 | 100.000 | 107615.88 | 0.0 | 107615.88 | 70R1 | 1990 | |
| 9 TOTAL | 69819730.45 | 67180135.63 | 1286031.98 | 100.000 | 1286031.98 | 0.0 | 1286031.98 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -RICHMOND (9) | | | | | | | | | | |
| 10 3120 | 0.0 | 256994.76 | -256994.76 | 100.000 | -256994.76 | 0.0 | -256994.76 | 45RC | 1985 | |
| 10 TOTAL | 0.0 | 256994.76 | -256994.76 | 100.000 | -256994.76 | 0.0 | -256994.76 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -CONEMAUGH (1,2) | | | | | | | | | | |
| 15 3101 | 494481.77 | 0.0 | 0.0 | 0.0 | 15 | 0.0 | 0.0 | 0 | 0 | 01 |
| 15 3110 | 16996722.23 | 9064233.64 | 7930495.59 | 10.508 | 839680.13 | 0.0 | 839680.13 | 75R3 | 2006 | |
| 15 3120 | 120610769.63 | 40721531.14 | 79889258.49 | 10.765 | 8600076.52 | 0.0 | 8600076.52 | 45RC | 2006 | |
| 15 3140 | 22043109.87 | 13247607.05 | 8795502.82 | 10.827 | 952289.09 | 0.0 | 952289.09 | 50R3 | 2006 | |
| 15 3150 | 4271133.19 | 2995457.60 | 1275875.59 | 10.956 | 139763.02 | 0.0 | 139763.02 | 75LA | 2006 | |
| 15 3160 | 1092713.04 | 823753.98 | 268959.06 | 10.806 | 29063.72 | 0.0 | 29063.72 | 70R1 | 2006 | |
| 15 TOTAL | 16550929.73 | 66854585.41 | 98159864.55 | 10.759 | 10560872.48 | 0.0 | 10560872.48 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -KEYSTONE (1,2) | | | | | | | | | | |
| 17 3101 | 894387.86 | 0.0 | 0.0 | 0.0 | 17 | 0.0 | 0.0 | 0 | 0 | 01 |
| 17 3110 | 15561550.49 | 9513015.60 | 6048534.89 | 15.450 | 934498.64 | 0.0 | 934498.64 | 75R3 | 2003 | |
| 17 3120 | 44038452.96 | 34345828.25 | 3169424.71 | 15.729 | 4985058.77 | 0.0 | 4985058.77 | 45RC | 2003 | |
| 17 3140 | 2113851.60 | 11489434.23 | 9448717.37 | 15.628 | 1476445.55 | 0.0 | 1476445.55 | 50R3 | 2003 | |
| 17 3150 | 3706505.51 | 2794518.21 | 911995.30 | 15.788 | 143985.82 | 0.0 | 143985.82 | 75LA | 2003 | |
| 17 3160 | 507560.60 | 148412.74 | 435127.86 | 15.652 | 68732.29 | 0.0 | 68732.29 | 70R1 | 2003 | |
| 17 TOTAL | 107926729.02 | 58490601.03 | 48541800.13 | 15.675 | 7608921.07 | 0.0 | 7608921.07 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -EDDYSTONE 3 | | | | | | | | | | |
| 71 3120 | 50295582.69 | 31711264.11 | 18584318.58 | 8.589 | 1596207.12 | 0.0 | 1596207.12 | 45RC | 2009 | |
| 71 3140 | 22722323.59 | 11280776.08 | 11441547.51 | 8.281 | 947474.55 | 0.0 | 947474.55 | 50R3 | 2009 | |
| 71 3150 | 2198629.70 | 1423797.41 | 774832.29 | 8.437 | 45372.60 | 0.0 | 45372.60 | 75LA | 2009 | |
| 71 TOTAL | 75216535.98 | 44415237.60 | 30800698.38 | 8.471 | 2609054.27 | 0.0 | 2609054.27 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -EDDYSTONE 4 | | | | | | | | | | |
| 72 3120 | 52142134.47 | 30695576.95 | 21446557.52 | 7.437 | 1594980.48 | 0.0 | 1594980.48 | 45RC | 2011 | |
| 72 3140 | 24290152.36 | 11309337.01 | 12980215.35 | 7.170 | 930724.46 | 0.0 | 930724.46 | 50R3 | 2011 | |
| 72 3150 | 2233491.48 | 1817133.56 | 416357.92 | 7.309 | 30431.80 | 0.0 | 30431.80 | 75LA | 2011 | |
| 72 TOTAL | 78665778.31 | 43822947.52 | 34843730.79 | 7.334 | 2556136.54 | 0.0 | 2556136.54 | | | |
| STEAM PRODUCTION | | | | | | | | | | |
| -EDDYSTONE CF | | | | | | | | | | |
| 73 3110 | 53456805.15 | 31064429.63 | 22392375.52 | 7.000 | 1567466.29 | 0.0 | 1567466.29 | 75R3 | 2011 | |
| 73 3120 | 49343263.86 | 28217685.98 | 41045457.18 | 7.287 | 2990997.04 | 0.0 | 2990997.04 | 45RC | 2011 | |
| 73 3140 | 10518016.53 | 6256984.56 | 4261021.97 | 7.290 | 310629.23 | 0.0 | 310629.23 | 50R3 | 2011 | |
| 73 3150 | 22952159.00 | 13444200.18 | 9507958.82 | 7.313 | 495317.03 | 0.0 | 495317.03 | 75LA | 2011 | |
| 73 3160 | 5612915.26 | 2225553.09 | 3387362.17 | 7.172 | 242941.61 | 0.0 | 242941.61 | 70R1 | 2011 | |
| 73 TOTAL | 161903159.02 | 81308773.36 | 80594385.66 | 7.206 | 5807351.20 | 0.0 | 5807351.20 | | | |

PECO ENERGY COMPANY
PROVISION FOR DEPRECIATION
CLASS OF SERVICE: ELECTRIC
1/1/97 - 12/31/97

1/1/97 ACCRUAL RB-27
02/06/97 08:34:23

| | | ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE | | | | | NEW96 | |
|--|-------------------------|---|--------------|-------------|----------------------|-----------------------------|-------------------|-----------------------------|
| DES ACCT. | PLANT BALANCE 1/1/97 | RESERVE 1/1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/1/97 ACCRUAL | AVG. LIFE TERM EST. YEAR |
| STEAM PRODUCTION - CROMBY 1 - COAL UNIT 81 | | | | | | | | |
| 81 3110 | 16372631.59 | 14121149.50 | 4251682.09 | 13.413 | 574278.12 | 0.0 | 574278.12 | 75R3 2004 |
| 81 3120 | 7428551.39 | 50750065.30 | 23488464.09 | 13.924 | 3270534.02 | 0.0 | 3270534.02 | 45RC 2004 |
| 81 3140 | 11450692.77 | 639423.16 | 5054269.61 | 14.892 | 712247.67 | 0.0 | 712247.67 | 50R3 2004 |
| 81 3150 | 7490270.54 | 5965164.53 | 1525106.01 | 13.710 | 209092.03 | 0.0 | 209092.03 | 75LA 2004 |
| 81 3160 | 781703.69 | 587322.25 | 194381.44 | 13.444 | 26521.40 | 0.0 | 26521.40 | 70R1 2004 |
| 81 TOTAL | 112334029.98 | 77820124.74 | 34513905.24 | 13.875 | 4788673.24 | 0.0 | 4788673.24 | |
| STEAM PRODUCTION - CROMBY 2 - OIL UNIT 82 | | | | | | | | |
| 82 3110 | 75537.51 | 75537.51 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 75R3 1990 |
| 82 3120 | 34949771.70 | 20387836.06 | 14561935.64 | 100.000 | 14561935.64 | 0.0 | 14561935.64 | 45RC 1990 |
| 82 3140 | 12655276.03 | 10839672.72 | 1815603.31 | 100.000 | 1815603.31 | 0.0 | 1815603.31 | 50R3 1990 |
| 82 3150 | 2252107.75 | 2252173.21 | 26934.54 | 100.000 | 26934.54 | 0.0 | 26934.54 | 75LA 1990 |
| 82 3160 | 561241.15 | 430148.60 | 131100.55 | 100.000 | 131100.55 | 0.0 | 131100.55 | 70R1 1990 |
| 82 TOTAL | 50493934.14 | 33958360.10 | 1633574.04 | 100.000 | 1633574.04 | 0.0 | 1633574.04 | |
| STEAM PRODUCTION - CROMBY CF 83 | | | | | | | | |
| 83 3101 | 55349.54 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 83 3110 | 19992951.91 | 17472134.74 | 2520817.17 | 13.517 | 340738.86 | 0.0 | 340738.86 | 75R3 2004 |
| 83 3120 | 5797451.73 | 3748815.39 | 2048436.34 | 13.793 | 282568.41 | 0.0 | 282568.41 | 45RC 2004 |
| 83 3140 | 1170182.75 | 871222.69 | 298960.06 | 14.185 | 42407.48 | 0.0 | 42407.48 | 50R3 2004 |
| 83 3150 | 2635996.95 | 1847645.27 | 788551.68 | 13.751 | 108248.57 | 0.0 | 108248.57 | 75LA 2004 |
| 83 3160 | 2261431.81 | 1317382.24 | 944049.57 | 13.645 | 128815.56 | 0.0 | 128815.56 | 70R1 2004 |
| 83 TOTAL | 31913364.69 | 25257200.33 | 6600814.82 | 13.677 | 902778.89 | 0.0 | 902778.89 | |
| STEAM PRODUCTION - ALLIED CHEMICAL 305 | | | | | | | | |
| 305 3101 | 0.0 | -102761.97 | 102761.97 | 7.460 | 7666.04 | 0.0 | 7666.04 | 75R3 2010 |
| 305 3150 | 0.0 | -156957.45 | 156957.45 | 7.716 | 12110.84 | 0.0 | 12110.84 | 75LA 2010 |
| 305 TOTAL | 0.0 | -259719.42 | 259719.42 | 7.615 | 19776.88 | 0.0 | 19776.88 | |
| STEAM PRODUCTION - ESSEX CHEMICAL 306 | | | | | | | | |
| 306 3110 | 0.0 | -1196338.04 | 1196338.04 | 7.460 | 89246.82 | 0.0 | 89246.82 | 75R3 2010 |
| 306 3150 | 0.0 | -403340.86 | 403340.86 | 7.716 | 31121.78 | 0.0 | 31121.78 | 75LA 2010 |
| 306 TOTAL | 0.0 | -1599678.90 | 1599678.90 | 7.525 | 120368.60 | 0.0 | 120368.60 | |
| STEAM PRODUCTION - TOOLS & WORK EQUIPMENT 372 | | | | | | | | |
| 372 3120 | 609718.01 | 695395.62 | 114332.39 | 14.624 | 16719.97 | 0.0 | 16719.97 | 21LB 01 |
| 372 TOTAL | 609718.01 | 695395.62 | 114332.39 | 14.624 | 16719.97 | 0.0 | 16719.97 | |
| STEAM PRODUCTION - SAMAC 503 | | | | | | | | |
| 503 3150 | 459887.52 | 193136.14 | 264751.38 | 100.000 | 266751.38 | 0.0 | 266751.38 | 56SB 1992 |
| 503 TOTAL | 459887.52 | 193136.14 | 264751.38 | 100.000 | 266751.38 | 0.0 | 266751.38 | |
| STEAM PRODUCTION - TOTAL OF ALL STATIONS | | | | | | | | |
| FUN. 3101 | 5501778.20 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| FUN. 3102 | 5126.40 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| FUN. 3110 | 220897470.73 | 151411456.42 | 69486014.31 | 8.964 | 6228864.91 | 0.0 | 6228864.91 | |
| FUN. 3120 | 791908399.24 | 439356683.80 | 552572716.44 | 13.712 | 48364233.77 | 0.0 | 48364233.77 | |
| FUN. 3140 | 219612864.20 | 12982834.95 | 90786029.25 | 11.156 | 10126317.89 | 0.0 | 10126317.89 | |
| FUN. 3150 | 91680159.12 | 67764144.80 | 23916014.32 | 9.809 | 2345976.60 | 0.0 | 2345976.60 | |
| FUN. 3160 | 18773894.75 | 11554791.37 | 7219103.38 | 12.052 | 870040.50 | 0.0 | 870040.50 | |

C-1b

PECO ENERGY COMPANY
PROVISION FOR DEPRECIATION
CLASS OF SERVICE: ELECTRIC
1/1/97 - 12/31/97

1/1/97 ACCRUAL RB-28
02/06/97 08:34:23

| | | ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE | | | | | NEW96 | |
|---|-------------------------|---|--------------|-------------|----------------------|-----------------------------|-------------------|-----------------------------|
| DES ACCT. | PLANT BALANCE 1/1/97 | RESERVE 1/1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/1/97 ACCRUAL | AVG. LIFE TERM EST. YEAR |
| FUN. TOTAL 1348579692.64 | | | | | | | | |
| NUCLEAR PRODUCTION - MERRILL CREEK 2 | | | | | | | | |
| 2 3201 | 95360.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 2 3210 | 904363.09 | 131938.58 | 772444.51 | 3.026 | 23374.17 | 0.0 | 23374.17 | 80S2 2050 |
| 2 3250 | 4154.20 | 180.97 | 3973.23 | 3.150 | 125.16 | 0.0 | 125.16 | 88S0 2030 |
| 2 TOTAL | 100897.29 | 132119.55 | 776417.74 | 3.027 | 23499.33 | 0.0 | 23499.33 | |
| NUCLEAR PRODUCTION - BRADSHAW RESERVOIR 4 | | | | | | | | |
| 4 3201 | 1659385.87 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 4 3202 | 679183.10 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 4 3210 | 84921918.20 | 4609407.41 | 80312510.79 | 3.124 | 2508962.84 | 0.0 | 2508962.84 | 80S2 2029 |
| 4 TOTAL | 87260487.17 | 4609407.41 | 80312510.79 | 3.124 | 2508962.84 | 0.0 | 2508962.84 | |
| NUCLEAR PRODUCTION - SALEM 1 61 | | | | | | | | |
| 61 3210 | 41390969.92 | 25134516.56 | 36254453.36 | 5.193 | 1882797.62 | 0.0 | 1882797.62 | 80S2 2016 |
| 61 3220 | 189856812.32 | 82890556.34 | 106964255.98 | 5.912 | 6323845.05 | 0.0 | 6323845.05 | 41SB 2016 |
| 61 3230 | 54632188.93 | 20745677.09 | 33885511.84 | 7.580 | 256597.60 | 0.0 | 256597.60 | 29S3 2016 |
| 61 3240 | 49172957.44 | 27502500.26 | 41470357.18 | 5.259 | 2191446.88 | 0.0 | 2191446.88 | 75SB 2016 |
| 61 3250 | 7917445.10 | 4174191.20 | 3743253.90 | 5.375 | 201199.90 | 0.0 | 201199.90 | 88S0 2016 |
| 61 TOTAL | 382970273.71 | 160447441.45 | 222522832.26 | 5.918 | 13167884.25 | 0.0 | 13167884.25 | |
| NUCLEAR PRODUCTION - SALEM 2 62 | | | | | | | | |
| 62 3210 | 68262635.44 | 22154685.89 | 46107949.55 | 4.312 | 1988174.78 | 0.0 | 1988174.78 | 80S2 2020 |
| 62 3220 | 222491147.71 | 74444133.69 | 146047014.02 | 4.995 | 7295048.35 | 0.0 | 7295048.35 | 41SB 2020 |
| 62 3230 | 56350700.61 | 3553110.46 | 52777582.15 | 6.278 | 3313376.61 | 0.0 | 3313376.61 | 29S3 2020 |
| 62 3240 | 84170855.33 | 25664595.80 | 50506189.45 | 4.375 | 2559558.29 | 0.0 | 2559558.29 | 75SB 2020 |
| 62 3250 | 6071411.32 | 2790647.25 | 3280744.07 | 4.492 | 147371.92 | 0.0 | 147371.92 | 88S0 2020 |
| 62 TOTAL | 437326600.41 | 130609181.17 | 304717499.24 | 4.989 | 15303529.95 | 0.0 | 15303529.95 | |
| NUCLEAR PRODUCTION - SALEM CF 63 | | | | | | | | |
| 63 3201 | 3676037.61 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 63 3210 | 133339780.40 | 54950700.33 | 78889080.07 | 4.328 | 3414319.39 | 0.0 | 3414319.39 | 80S2 2020 |
| 63 3220 | 56494531.92 | 24133395.61 | 32561136.31 | 5.154 | 1678200.97 | 0.0 | 1678200.97 | 41SB 2020 |
| 63 3230 | 46442276.58 | 19768828.42 | 26873448.14 | 7.771 | 2088335.65 | 0.0 | 2088335.65 | 29S3 2020 |
| 63 3240 | 100181058.60 | 18324248.96 | 83554809.44 | 4.324 | 3625881.97 | 0.0 | 3625881.97 | 75SB 2020 |
| 63 3250 | 28262915.89 | 7266714.34 | 20996201.55 | 4.445 | 933281.16 | 0.0 | 933281.16 | 88S0 2020 |
| 63 TOTAL | 369296400.98 | 122445887.66 | 243174625.71 | 4.828 | 11740019.14 | 0.0 | 11740019.14 | |
| NUCLEAR PRODUCTION - PEACH BOTTOM 2 - 3 66 | | | | | | | | |
| 66 3201 | 244878.92 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 66 3202 | 48366.28 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 66 3210 | 141174789.50 | 73060021.02 | 48114768.54 | 5.805 | 3954062.31 | 0.0 | 3954062.31 | 80S2 2014 |
| 66 3220 | 581013144.79 | 163107591.68 | 217905575.11 | 6.411 | 13969926.29 | 0.0 | 13969926.29 | 41SB 2014 |
| 66 3230 | 110956335.37 | 45344058.51 | 65412276.86 | 7.773 | 510042.28 | 0.0 | 510042.28 | 29S3 2014 |
| 66 3240 | 57039090.65 | 26422745.74 | 30616344.91 | 5.859 | 1802996.55 | 0.0 | 1802996.55 | 75SB 2014 |
| 66 3250 | 36744919.28 | 13575252.41 | 2319666.67 | 5.942 | 1376741.61 | 0.0 | 1376741.61 | 88S0 2014 |
| 66 TOTAL | 727261544.87 | 321509669.36 | 405418630.31 | 6.463 | 26203769.04 | 0.0 | 26203769.04 | |
| NUCLEAR PRODUCTION - LIMERICK # 1 91 | | | | | | | | |
| 91 3210 | 477849238.04 | 134574371.67 | 343274866.37 | 5.581 | 19158170.29 | 0.0 | 19158170.29 | 80S2 2014 |

ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE

| DES ACCT. | PLANT BALANCE 1/ 1/97 | RESERVE 1/ 1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/ 1/97 ACCRUAL | NEW96 AVG. LIFE (TERM) EST. (YEAR) |
|--|--------------------------|--------------------|---------------|-------------|----------------------|-----------------------------|--------------------|---|
| 91 3220 | 1529017281.75 | 442080137.78 | 1086937143.97 | 6.004 | 65259706.12 | 0.0 | 65259706.12 | 41SB 2014 |
| 91 3250 | 254618751.53 | 76051005.31 | 175567726.22 | 6.550 | 11656186.07 | 0.0 | 11656186.07 | 24SS 2014 |
| 91 3240 | 303684201.16 | 85447520.32 | 218236680.84 | 5.630 | 12286725.15 | 0.0 | 12286725.15 | 75SE 2014 |
| 91 3250 | 111445192.30 | 3183192.82 | 79752000.56 | 5.740 | 4577764.25 | 0.0 | 4577764.25 | 88SO 2014 |
| 91 TOTAL | 2676614645.86 | 769846227.90 | 1906768417.96 | 5.925 | 112978552.44 | 0.0 | 112978552.44 | |
| NUCLEAR PRODUCTION -LIMERICK # 2 | | | | | | | | |
| 92 3210 | 436673446.18 | 73629714.72 | 361043733.46 | 4.462 | 16109771.39 | 0.0 | 16109771.39 | 80S2 2019 |
| 92 3220 | 170368999.99 | 53024458.88 | 1373445140.10 | 4.775 | 6563943.25 | 0.0 | 6563943.25 | 41SB 2019 |
| 92 3230 | 304067127.03 | 68008198.57 | 23605828.46 | 5.900 | 12015399.46 | 0.0 | 12015399.46 | 29SS 2019 |
| 92 3240 | 307988667.82 | 54214625.41 | 253774022.41 | 4.500 | 11419831.01 | 0.0 | 11419831.01 | 75SB 2019 |
| 92 3250 | 89329371.49 | 17774241.95 | 71555109.54 | 4.605 | 3295112.79 | 0.0 | 3295112.79 | 88SO 2019 |
| 92 TOTAL | 2639748593.50 | 543871659.53 | 2295876933.97 | 4.725 | 108477057.90 | 0.0 | 108477057.90 | |
| NUCLEAR PRODUCTION -LIMERICK 1002 COM | | | | | | | | |
| 99 3201 | 7894356.44 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 99 3202 | 9147.40 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 99 3210 | 526453732.89 | 121972199.23 | 404481533.06 | 4.382 | 17724380.70 | 0.0 | 17724380.70 | 80S2 2019 |
| 99 3220 | 345296678.39 | 104631536.96 | 280665139.43 | 4.913 | 13789078.30 | 0.0 | 13789078.30 | 41SB 2019 |
| 99 3230 | 37267411.27 | 10462672.30 | 26805338.97 | 5.854 | 1563823.48 | 0.0 | 1563823.48 | 29SS 2019 |
| 99 3240 | 163488523.64 | 47018957.04 | 136469566.60 | 4.440 | 6059246.76 | 0.0 | 6059246.76 | 75SB 2019 |
| 99 3250 | 113497104.48 | 25653885.78 | 87843215.70 | 4.537 | 3955446.70 | 0.0 | 3955446.70 | 88SO 2019 |
| 99 TOTAL | 1253906954.91 | 309738656.91 | 936264793.76 | 4.606 | 43121978.02 | 0.0 | 43121978.02 | |
| NUCLEAR PRODUCTION -CHESTERBROOK | | | | | | | | |
| 301 3210 | 3545612.65 | 287015.58 | 3258597.07 | 3.114 | 101472.71 | 0.0 | 101472.71 | 80S2 2029 |
| 301 3250 | 3684559.03 | 274281.92 | 3410177.11 | 3.229 | 110114.62 | 0.0 | 110114.62 | 88SO 2029 |
| 301 TOTAL | 7230071.68 | 561297.50 | 6668774.18 | 3.173 | 211587.33 | 0.0 | 211587.33 | |
| NUCLEAR PRODUCTION -NUCLEAR EOF/NC | | | | | | | | |
| 307 3210 | 189412.01 | 270572.25 | 1588939.78 | 5.110 | 49412.92 | 0.0 | 49412.92 | 80S2 2029 |
| 307 3250 | 440947.24 | 54359.89 | 386587.35 | 3.248 | 12556.36 | 0.0 | 12556.36 | 88SO 2029 |
| 307 TOTAL | 230059.25 | 324932.12 | 1975427.13 | 3.157 | 61969.28 | 0.0 | 61969.28 | |
| NUCLEAR PRODUCTION -NE COAL STORAGE | | | | | | | | |
| 320 3250 | 520297.25 | 19302.02 | 508995.23 | 3.245 | 16257.30 | 0.0 | 16257.30 | 88SO 2029 |
| 320 TOTAL | 520297.25 | 19302.02 | 508995.23 | 3.245 | 16257.30 | 0.0 | 16257.30 | |
| NUCLEAR PRODUCTION -OREGON SHOPS - NUCLEAR TOOLS | | | | | | | | |
| 331 3250 | 540198.50 | 35995.31 | 504199.19 | 3.261 | 16441.94 | 0.0 | 16441.94 | 88SO 2029 |
| 331 TOTAL | 540198.50 | 35995.31 | 504199.19 | 3.261 | 16441.94 | 0.0 | 16441.94 | |
| NUCLEAR PRODUCTION -PEACH BOTTOM TRAINING CENTER | | | | | | | | |
| 363 3210 | 470963.19 | 96407.20 | 374555.99 | 5.849 | 21907.78 | 0.0 | 21907.78 | 80S2 2014 |
| 363 3250 | 8104.45 | 1949.28 | 6155.17 | 5.879 | 361.46 | 0.0 | 361.46 | 88SO 2014 |
| 363 TOTAL | 479067.64 | 98356.48 | 380711.16 | 5.849 | 22269.64 | 0.0 | 22269.64 | |
| NUCLEAR PRODUCTION -NUCLEAR INFORMATION CENTER | | | | | | | | |
| 365 3201 | 278944.69 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 365 3210 | 572042.01 | 104790.80 | 467251.21 | 3.157 | 14751.12 | 0.0 | 14751.12 | 80S2 2029 |
| 365 3250 | 569968.34 | 83395.19 | 486573.15 | 3.272 | 15920.67 | 0.0 | 15920.67 | 88SO 2029 |

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ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE

| DES ACCT. | PLANT BALANCE 1/ 1/97 | RESERVE 1/ 1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/ 1/97 ACCRUAL | NEW96 AVG. LIFE (TERM) EST. (YEAR) |
|---|--------------------------|--------------------|---------------|-------------|----------------------|-----------------------------|--------------------|---|
| 365 TOTAL | 1420955.04 | 188185.99 | 953824.36 | 3.216 | 30671.79 | 0.0 | 30671.79 | |
| NUCLEAR PRODUCTION -NUCLEAR TRAINING CENTER | | | | | | | | |
| 385 3201 | 400911.51 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 385 3210 | 5015177.22 | 927814.03 | 4087363.19 | 3.125 | 127730.10 | 0.0 | 127730.10 | 80S2 2029 |
| 385 3250 | 951304.54 | 171895.21 | 809935.33 | 3.252 | 26339.10 | 0.0 | 26339.10 | 88SO 2029 |
| 385 TOTAL | 639719.27 | 1099709.24 | 4897298.52 | 3.146 | 154069.20 | 0.0 | 154069.20 | |
| NUCLEAR PRODUCTION - TOTAL OF ALL STATIONS | | | | | | | | |
| FUN. 3201 | 14269875.24 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| FUN. 3202 | 756496.98 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| FUN. 3210 | 1940934182.82 | 511904155.85 | 1429829946.92 | 4.894 | 67079288.20 | 0.0 | 67079288.20 | |
| FUN. 3220 | 4468059615.86 | 1223532212.94 | 3244527402.92 | 5.361 | 173952748.33 | 0.0 | 173952748.33 | |
| FUN. 3230 | 864514771.30 | 243932958.66 | 620581812.64 | 6.179 | 58345761.15 | 0.0 | 58345761.15 | |
| FUN. 3240 | 1105725164.64 | 282599193.81 | 823125971.03 | 4.853 | 39945685.79 | 0.0 | 39945685.79 | |
| FUN. 3250 | 400018320.49 | 103569512.54 | 296448807.35 | 4.964 | 14715035.92 | 0.0 | 14715035.92 | |
| FUN. TOTAL | 8794258547.33 | 2365538033.60 | 6413713941.51 | 5.208 | 334038519.39 | 0.0 | 334038519.39 | |
| HYDRAULIC PRODUCTION -MUDDY RUN (1,2,3,4,5,6,7,8) | | | | | | | | |
| 19 3301 | 812413.61 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 19 3302 | 9364.51 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 19 3304 | 599044.51 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 19 3311 | 14003279.57 | 6063143.86 | 7940135.71 | 6.092 | 483715.07 | 0.0 | 483715.07 | 57R4 2014 |
| 19 3312 | 128175.89 | 61395.32 | 66780.57 | 6.098 | 4072.28 | 0.0 | 4072.28 | 57R4 2014 |
| 19 3313 | 3405701.49 | 1841790.57 | 1543911.12 | 5.843 | 91379.33 | 0.0 | 91379.33 | 57R4 2014 |
| 19 3321 | 32579533.36 | 15079271.81 | 18496661.55 | 5.943 | 1099256.60 | 0.0 | 1099256.60 | 73L3 2014 |
| 19 3323 | 864028.70 | 380467.42 | 483561.28 | 5.944 | 28742.88 | 0.0 | 28742.88 | 73L3 2014 |
| 19 3330 | 27250885.16 | 12467759.97 | 14883145.19 | 6.038 | 897452.65 | 0.0 | 897452.65 | 83RA 2014 |
| 19 3340 | 10593500.28 | 5089002.87 | 552497.41 | 6.412 | 354230.77 | 0.0 | 354230.77 | 55L2 2014 |
| 19 3351 | 2038143.58 | 1129142.30 | 909001.28 | 5.802 | 52794.79 | 0.0 | 52794.79 | 90R3 2014 |
| 19 3353 | 165466.43 | 98337.64 | 67128.99 | 5.790 | 3556.77 | 0.0 | 3556.77 | 90R3 2014 |
| 19 3360 | 997675.58 | 682733.87 | 314941.69 | 5.794 | 18247.72 | 0.0 | 18247.72 | 100R3 2014 |
| 19 TOTAL | 94543612.05 | 42873025.43 | 50249764.79 | 6.037 | 3033777.86 | 0.0 | 3033777.86 | |
| OTHER PRODUCTION -SOUTHMARK G. T. (3,4,5,6) | | | | | | | | |
| 304 3401 | 166147.74 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 304 3410 | 104420.54 | 91088.13 | 15332.21 | 100.000 | 15332.21 | 0.0 | 15332.21 | 40L3 1992 |
| 304 3420 | 388256.08 | 375874.75 | 12379.33 | 100.000 | 12379.33 | 0.0 | 12379.33 | 100S1 1992 |
| 304 3440 | 6143618.21 | 5877141.44 | 266476.77 | 100.000 | 266476.77 | 0.0 | 266476.77 | 100LA 1992 |
| 304 3450 | 1077058.72 | 1039272.97 | 37785.75 | 100.000 | 37785.75 | 0.0 | 37785.75 | 91R3 1992 |
| 304 TOTAL | 7881501.09 | 7383379.29 | 331974.06 | 100.000 | 331974.06 | 0.0 | 331974.06 | |
| OTHER PRODUCTION -EDDYSTONE G. T. (10,20,30,40) | | | | | | | | |
| 306 3401 | 61469.25 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 0 0 |
| 306 3410 | 185966.47 | 125966.47 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 40L3 1994 |
| 306 3420 | 589785.20 | 589785.20 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 100S1 1994 |
| 306 3440 | 6781884.03 | 6781884.03 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 100LA 1994 |
| 306 3450 | 497109.90 | 497109.90 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 91R3 1994 |
| 306 TOTAL | 8316214.83 | 8254745.60 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |

ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE

| DES ACCT. | PLANT BALANCE 1/1/97 | RESERVE 1/1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/1/97 ACCRUAL | NEW96 AVG. LIFE (TERM) EST. (YEAR) |
|---------------------------|-------------------------|-------------------|---------------|-------------|----------------------|-----------------------------|-------------------|---|
| FUN. 3410 | 5108488.83 | 4539922.90 | 568565.93 | 54.212 | 308229.48 | 0.0 | 308229.48 | |
| FUN. 3420 | 23924084.96 | 21317499.36 | 2604584.78 | 42.504 | 1107914.53 | 0.0 | 1107914.53 | |
| FUN. 3440 | 94548627.21 | 84532090.15 | 10016537.06 | 45.087 | 4516113.63 | 0.0 | 4516113.63 | |
| FUN. 3450 | 12925444.58 | 12203750.75 | 721715.43 | 53.734 | 366156.32 | 0.0 | 366156.32 | |
| FUN. 3460 | 2442208.48 | 2094267.02 | 348941.46 | 44.960 | 156833.66 | 0.0 | 156833.66 | |
| FUN. TOTAL | 139791094.20 | 124687530.10 | 14262344.78 | 45.261 | 6455297.62 | 0.0 | 6455297.62 | |
| TRANSMISSION PLANT | | | | | | | | |
| 601 3501 | 35052692.16 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 3502 | 23735299.84 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 3520 | 21023661.00 | 11079626.57 | 9944036.43 | 3.681 | 366039.98 | 0.0 | 366039.98 | 50R5 |
| 601 3530 | 320900572.77 | 139524173.16 | 181376399.61 | 2.572 | 4665001.00 | 0.0 | 4665001.00 | 55S1 |
| 601 3540 | 227952513.61 | 94943460.07 | 133009053.54 | 2.399 | 3177586.29 | 0.0 | 3177586.29 | 60RC |
| 601 3550 | 3145700.89 | 335210.86 | 2810490.05 | 2.581 | 72538.75 | 0.0 | 72538.75 | 45L2 |
| 601 3560 | 115595444.10 | 50566890.45 | 65028553.65 | 2.727 | 1773328.66 | 0.0 | 1773328.66 | 55R3 |
| 601 3570 | 5997111.54 | 3355436.72 | 2641474.82 | 2.935 | 77474.46 | 0.0 | 77474.46 | 60R2 |
| 601 3580 | 43062669.51 | 31250625.61 | 31212043.90 | 2.455 | 766255.68 | 0.0 | 766255.68 | 60R2 |
| 601 3590 | 2054412.11 | 1670907.89 | 383704.22 | 6.191 | 23755.13 | 0.0 | 23755.13 | 40S3 |
| 601 TOTAL | 81520277.53 | 833326529.31 | 426405756.22 | 2.561 | 10921979.95 | 0.0 | 10921979.95 | |
| DISTRIBUTION PLANT | | | | | | | | |
| 601 3601 | 13861205.18 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 3602 | 9662135.79 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 3610 | 1945204.73 | 24602106.84 | 22850419.89 | 3.492 | 843637.50 | 0.0 | 843637.50 | 45L2 |
| 601 3620 | 489069685.86 | 218343767.33 | 270725918.53 | 3.240 | 8771519.76 | 0.0 | 8771519.76 | 45L2 |
| 601 3640 | 22704331.38 | 71114593.09 | 19528718.29 | 2.499 | 4896258.67 | 0.0 | 4896258.67 | 50R1 |
| 601 3650 | 420647828.97 | 120491201.62 | 300206627.35 | 2.501 | 7508167.75 | 0.0 | 7508167.75 | 50L1 |
| 601 3660 | 202819556.51 | 85953329.07 | 116866227.44 | 2.729 | 3189279.35 | 0.0 | 3189279.35 | 60R4 |
| 601 3670 | 436116578.71 | 109234924.21 | 326781654.50 | 2.094 | 6642807.85 | 0.0 | 6642807.85 | 60R2 |
| 601 3680 | 228055112.99 | 86024949.50 | 202030163.49 | 3.219 | 6503350.96 | 0.0 | 6503350.96 | 60R4 |
| 601 3691 | 57229831.63 | 26043279.83 | 31186551.80 | 3.099 | 966471.24 | 0.0 | 966471.24 | 45L2 |
| 601 3692 | 173661491.68 | 41006390.86 | 132675100.82 | 1.801 | 2389478.57 | 0.0 | 2389478.57 | 45L1 |
| 601 3700 | 192777161.15 | 48856650.21 | 143890310.96 | 4.652 | 6693777.26 | 0.0 | 6693777.26 | 31R8 |
| 601 3702 | 112168.50 | 40329.67 | 71238.83 | 3.255 | 2338.35 | 0.0 | 2338.35 | 55L5 |
| 601 3710 | 350214.69 | 251958.06 | 98256.63 | 1.806 | 1774.51 | 0.0 | 1774.51 | 4504 |
| 601 3730 | 14624699.61 | 3564592.54 | 11060107.07 | 8.378 | 926615.77 | 0.0 | 926615.77 | 17L1 |
| 601 3731 | 23308.36 | -123704.64 | 147513.02 | 11.395 | 16794.36 | 0.0 | 16794.36 | 90S1 |
| 601 3732 | 982121.65 | -6548876.43 | 7530999.11 | 8.739 | 658058.61 | 0.0 | 658058.61 | 15L4 |
| 601 3733 | 3241729.09 | 2025930.89 | 1215798.20 | 5.991 | 72838.47 | 0.0 | 72838.47 | 23L4 |
| 601 TOTAL | 2627801246.53 | 831011700.65 | 1763266204.91 | 2.852 | 50283168.98 | 0.0 | 50283168.98 | |
| GENERAL PLANT | | | | | | | | |
| 601 3911 | 2484431.89 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 3900 | 3603863.57 | 11909849.05 | 24128214.52 | 2.584 | 625482.57 | 0.0 | 625482.57 | 50L8 |
| 601 3910 | 2764667.37 | 1083095.19 | 2681552.18 | 6.436 | 177947.80 | 0.0 | 177947.80 | 20L4 |
| 601 3912 | 486105.63 | 1523783.66 | 3343321.97 | 7.218 | 241395.16 | 0.0 | 241395.16 | 20L4 |
| 601 3913 | 7737449.75 | 3825445.62 | 391764.13 | 21.468 | 83977.52 | 0.0 | 83977.52 | 8R1 |
| 601 3920 | 0.0 | 11613.63 | -11613.63 | 100.000 | -11613.63 | 0.0 | -11613.63 | 0 |
| 601 3930 | 64263.95 | -19425.66 | 83667.61 | 10.533 | 8854.54 | 0.0 | 8854.54 | 22L2 |
| 601 3940 | 8783302.50 | 2372989.89 | 6412512.61 | 2.861 | 182185.01 | 0.0 | 182185.01 | 45R1 |
| 601 3951 | 17934441.40 | 4440141.12 | 13494500.28 | 4.337 | 585256.48 | 0.0 | 585256.48 | 32R4 |

C-1e

ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE

| DES ACCT. | PLANT BALANCE 1/1/97 | RESERVE 1/1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/1/97 ACCRUAL | NEW96 AVG. LIFE (TERM) EST. (YEAR) |
|----------------------|-------------------------|-------------------|---------------|-------------|----------------------|-----------------------------|-------------------|---|
| 601 3952 | 1129576.72 | 432466.21 | 697110.51 | 4.489 | 31295.29 | 0.0 | 31295.29 | 35S2 |
| 601 3953 | 551830.17 | 266217.23 | 285612.94 | 3.883 | 11090.35 | 0.0 | 11090.35 | 47S6 |
| 601 3970 | 9070366.42 | 1884282.45 | 7186083.97 | 3.592 | 258124.14 | 0.0 | 258124.14 | 35R3 |
| 601 3980 | 1514780.40 | 682437.98 | 912342.42 | 7.069 | 64493.49 | 0.0 | 64493.49 | 22R3 |
| 601 3991 | -364429501.18 | -107200964.18 | -257228557.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 TOTAL | -270484981.41 | -78867805.81 | -194101587.49 | -1.552 | 3012293.72 | 0.0 | 3012293.72 | |
| GENERAL PLANT | | | | | | | | |
| 601 3992 | -162990205.51 | -42300758.51 | -120609447.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| 601 TOTAL | -162990205.51 | -42300758.51 | -120609447.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0 |
| ELECTRIC | 13488318995.02 | 4375081166.39 | 8997166854.42 | 5.366 | 475660471.19 | 0.0 | 475660471.19 | |

NOTE: See attached spreadsheet for adjustments.

PECO Energy Company-Electric Operations
Adjusted Depreciation for Stations Beyond Terminal Dates
1/1/97 Accrual

| | (Thousand\$) |
|----------------|--------------|
| 1/1/97 Accrual | \$475,660 |
| Delaware | (691) |
| Richmond | 257 |
| Cromby 2 | (15,896) |
| Cromby Diesel | <u>(26)</u> |
| Subtotal | (\$16,356) |
| Total | \$459,304 |

PECO ENERGY COMPANY-COMMON
SUMMARY OF ORIGINAL COST
AND RELATED DEPRECIATION RESERVE
FOR COMMON PLANT IN SERVICE AT DECEMBER 31, 1996

ORIGINAL COST

| | <u>Plant</u> | <u>Depreciation Reserve</u> | <u>Net</u> |
|---------------------------------------|--------------|---------------------------------|------------|
| Total Depreciable Common Plant | \$255,326 | \$83,668 | \$171,658 |
| NONDEPRECIABLE ACCOUNTS | | | |
| General Plant | | | |
| 301,303 Organization (Intangible) | 53,001 | \$19,276 | 33,725 |
| 389 Land and Land Rights (General) | 8,441 | | 8,441 |
| TOTAL | 61,442 | 19,276 | 42,166 |
| Total Common Plant in Service | \$316,768 | \$102,944 | \$213,824 |
| Total Common Plant Allocated | | | |
| Electric 87.344% | \$276,678 | \$89,915 | \$186,763 |
| Gas 12.656% | \$40,090 | \$13,029 | \$27,061 |
| Total 100.000% | \$316,768 | \$102,944 | \$213,824 |

**

C-2a

PECO ENERGY COMPANY-COMMON
BOOK DEPRECIATION ACCRUAL
FOR COMMON PLANT IN SERVICE AT DECEMBER 31, 1996

ORIGINAL COST

| | <u>Total</u> | <u>Nondepreciable</u> | <u>Depreciable</u> | <u>Rate</u> | <u>Annual Accrual</u> |
|--|----------------|-----------------------|--------------------|-------------|---------------------------|
| Subtotal Common Plant | \$255,326 | | \$255,326 | 3.20% | \$8,159 |
| Add: | | | | | |
| 301. 303 Organization, Intang. | 53,001 | | 53,001 | 14.26% | \$7,558 |
| Nondepreciable Accounts | | | | | |
| 389 Land and Land Rights (General) | 8,441 | 8,441 | | | |
| Total Nondepreciable | 8,441 | 8,441 | | | |
| Total Common Plant | \$316,768 | \$8,441 | \$308,327 | 5.09% | \$15,717 |
| Less: Transportation Cleared to Operating Expense | | | | | |
| 392 Transportation | \$26,416 | | \$26,416 | | \$2,394 |
| 394.3 Garage Equip. | 6,826 | | 6,826 | | 324 |
| 396.1 Vehicles | 55 | | 55 | | 1 |
| Total Transportation | \$33,297 | | \$33,297 | | \$2,719 |
| Total Common Less Transportation | \$283,471 | \$8,441 | \$275,030 | 2.45% | \$12,998 |
| Allocation of Common Less Transportation | | | | | |
| Electric | 87.344% | | \$240,222 | | \$11,353 |
| Gas | <u>12.656%</u> | | <u>34,808</u> | | <u>1,645</u> |
| Total | 100.000% | | \$275,030 | | \$12,998 |

ACCRUAL - NET PLANT, 5-YEAR NET SALVAGE

C-2b

| DES ACCT. | PLANT BALANCE 1/ 1/97 | RESERVE 1/ 1/97 | NET PLANT | R/L RATE | NET PLANT ACCRUAL | 5-YR NET SALV. ALLOCATED | 1/ 1/97 ACCRUAL | NEW96 AVG. LIFE | TERM EST. YEAR |
|----------------|--------------------------|--------------------|---------------|-------------|----------------------|-----------------------------|--------------------|-----------------------|-------------------|
| GENERAL PLANT | | -601 | | | 601 | | | | |
| 601 430101 | 477135.891 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 01 |
| 601 430301 | 52323791.551 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 01 |
| 601 430901 | 4467.231 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 01 |
| 601 430911 | 6428434.641 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 01 |
| 601 430921 | 5473.481 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 01 |
| 601 430901 | 181184904.101 | 40953619.841 | 100231294.241 | 2.901 | 2987894.581 | 0.0 | 2987894.581 | 44L2 | 01 |
| 601 430911 | 4270175.431 | 1292953.541 | 2977222.291 | 4.761 | 201290.001 | 0.0 | 201290.001 | 20LA | 01 |
| 601 430912 | 20512422.741 | 7121011.501 | 13391411.441 | 4.447 | 846022.581 | 0.0 | 846022.581 | 20LA | 01 |
| 601 430913 | 1744453.171 | -331399.271 | 2074052.441 | 23.883 | 495023.601 | 0.0 | 495023.601 | 484 | 01 |
| 601 430930 | 1734506.851 | 443494.771 | 1271090.081 | 5.841 | 74244.371 | 0.0 | 74244.371 | 28R2 | 01 |
| 601 430941 | 542243.021 | 146033.471 | 396210.351 | 6.742 | 26712.501 | 0.0 | 26712.501 | 21LB | 01 |
| 601 430942 | 4447443.351 | 1792248.221 | 4475215.131 | 7.285 | 340589.421 | 0.0 | 340589.421 | 21LB | 01 |
| 601 430943 | 937.911 | 0.0 | 0.0 | 100.000 | 0.0 | 0.0 | 0.0 | 10L1 | 01 |
| 601 430970 | 7962597.801 | 1977630.641 | 5904967.141 | 5.266 | 315168.371 | 0.0 | 315168.371 | 24L3 | 01 |
| 601 430981 | 1793382.501 | 437428.131 | 1155754.451 | 11.071 | 127953.501 | 0.0 | 127953.501 | 17R1 | 01 |
| 601 430982 | 23267.771 | 8433.401 | 14834.371 | 31.979 | 4743.881 | 0.0 | 4743.881 | 17R1 | 01 |
| 601 430991 | 15792408.781 | 1047040.681 | 14725548.101 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 01 |
| 601 TOTAL | 283470945.291 | 75129652.471 | 146899590.031 | 3.704 | 5440442.881 | 0.0 | 5440442.881 | | |
| COMMON | 283470945.291 | 75129652.471 | 146899590.031 | 3.704 | 5440442.881 | 0.0 | 5440442.881 | | |
| TRANSPORTATION | | -601 | | | 601 | | | | |
| 601 530201 | 26415916.451 | 7087907.951 | 19328008.521 | 12.386 | 2393967.141 | 0.0 | 2393967.141 | 11L2 | 01 |
| 601 530431 | 6825939.291 | 1396189.891 | 5429749.401 | 5.980 | 324699.011 | 0.0 | 324699.011 | 21LB | 01 |
| 601 530611 | 55285.641 | 54715.801 | 549.841 | 44.243 | 252.121 | 0.0 | 252.121 | 10C1 | 01 |
| 601 TOTAL | 33297141.401 | 8538813.621 | 24758327.781 | 10.902 | 2718918.271 | 0.0 | 2718918.271 | | |
| TRANSPORT | 33297141.401 | 8538813.621 | 24758327.781 | 10.902 | 2718918.271 | 0.0 | 2718918.271 | | |

PECO Energy Company - Electric Operations
UNAMORTIZED MISCELLANEOUS DEFERRED CREDIT
ASSOCIATED WITH SALEM 2 TAX BENEFIT TRANSFER LEASE
AS OF DECEMBER 31, 1996
(Thousand \$)

The adjustment to rate base for the unamortized Miscellaneous Deferred Credit associated with the Salem Tax Benefit Transfer (TBT) is shown below. This treatment is consistent with the Commission Order at Docket No. R-891364. The Direct Testimony of Thomas P. Hill, Jr. provides additional discussion of this item.

| | |
|--|------------|
| Balance of Unamortized Miscellaneous Deferred Credit for Salem 2 TBT at 12/31/95 | \$1,470 |
| Less: Amortization from 1/1/96 through 12/31/96 | 64 |
| Add: Reversal of amortization due to life change: (Original lease life 33 yrs.; Revised life of 38 yrs. To comply with Terminal Date of 2020). | <u>112</u> |
| Unamortized Balance at 12/31/96 | \$1,518 |

PECO Energy Company - Electric Operations
 MATERIALS AND SUPPLIES
 DECEMBER 31, 1996
 (Thousand \$)

The adjustment to rate base for materials and supplies is shown below. A thirteen month average from December 1995 to December 1996 is used. The Direct Testimony of Thomas P. Hill, Jr. provides additional discussion of this item.

(See Page C-4a for development of data)

Electric Fuel Inventory

| | |
|------|----------|
| Coal | \$14,789 |
| Oil | 21,153 |
| MGO | 1,929 |

Plant Materials and Supplies
 Electric operating

117,315

Tools and related equipment

| | |
|--------------------------|-------|
| Electric | 1,073 |
| Common \$1,698 x 87.344% | 1,483 |

Stores Expense Undistributed

| | |
|---|--------------|
| \$ (1,084) x 87.344% | (947) |
| Limerick, Peach Bottom and Eddystone Portions of Stores Expense | <u>4,534</u> |

Total Electric Materials and Supplies

\$161,329

mandse

PECO Energy Company-Electric Operations
 Average Electric Materials and Supplies, Tools, and Related Equipment
 (Thousand\$)

| | Fuel Inventory Coal | Fuel Inventory Oil | Fuel Inventory MGO | Materials and Supplies | Tools and Related Equipment | Common Tools and Related Equipment | EG | | | Eddystone |
|---------------------------|---------------------------|--------------------------|--------------------------|---------------------------|-----------------------------------|---|---------|----------|--------------|-----------|
| | | | | | | | Undisl. | Limerick | Peach Bottom | |
| Dec-95 | 18896 | 27208 | 1923 | 131841 | 1194 | 1879 | 144 | -23 | 3627 | 3830 |
| Jan-96 | 9727 | 8640 | 1229 | 127841 | 1157 | 1800 | -39 | -410 | 3764 | 3485 |
| Feb | 13846 | 38500 | 910 | 126583 | 1167 | 1833 | -207 | -672 | 3587 | 2951 |
| Mar | 21410 | 42808 | 931 | 119994 | 1215 | 1901 | -658 | -725 | 3715 | 2673 |
| Apr | 16604 | 17922 | 935 | 115441 | 1179 | 1906 | -1152 | -617 | 3493 | 2165 |
| May | 16180 | 18696 | 1073 | 114900 | 1088 | 1850 | -955 | -726 | 3335 | 1664 |
| Jun | 17203 | 16976 | 2361 | 113398 | 1042 | 1055 | -561 | -251 | 3487 | 2736 |
| Jul | 10506 | 16775 | 1964 | 112567 | 995 | 1759 | -1633 | -506 | 3387 | 1373 |
| Aug | 11001 | 15346 | 1509 | 112009 | 933 | 1664 | -1898 | -443 | 3396 | 1236 |
| Sep | 10309 | 16855 | 3624 | 110515 | 871 | 1513 | -2077 | -336 | 3266 | 1132 |
| Oct | 16198 | 16431 | 3279 | 111360 | 946 | 1578 | -2432 | -351 | 3335 | 890 |
| Nov | 17126 | 18076 | 2854 | 114967 | 1007 | 1593 | -2187 | -299 | 907 | -1359 |
| Dec | 13253 | 20759 | 2488 | 113679 | 1158 | 1740 | -431 | 0 | 1295 | 917 |
| 13 Month Total | 192259 | 274992 | 25080 | 1525095 | 13952 | 22071 | -14086 | -5359 | 40594 | 23693 |
| 13 Month Avg. | 14789 | 21153 | 1929 | 117315 | 1073 | 1698 | -1084 | -412 | 3123 | 1823 |
| Applicable to Electric% | | | | | | 87.344% | 87.344% | | | |
| Applicable to Electric \$ | | | | | | 1483 | -947 | | | |
| Total | \$ 161,329 | | | | | | | | | |

PECO Energy Company - Electric Operations
ADDITIONAL CAPITAL REQUIREMENTS
ASSOCIATED WITH UNAMORTIZED NUCLEAR FUEL
FOR LIMERICK STATION
(Thousand \$)

The purpose of this adjustment is to reflect in the Company's measure of value for the unamortized nuclear fuel stored at Limerick Station. The claim is based on the average level of nuclear fuel contained in the two reactors during the last two calendar years. The Direct Testimony of Thomas P. Hill, Jr. provides additional discussion of this item.

| <u>Description</u> | <u>Amount</u> |
|---|---------------|
| Average Unamortized Capital for Limerick 1 Nuclear Fuel in the Reactor (See Page C-5a) | \$65,564 |
| Average Unamortized Capital for Limerick 2 Nuclear Fuel in the Reactor (See Page C-5b) | <u>79,003</u> |
| Total | \$144,567 |

PECO Energy Company- Electric Operations
 Average Unamortized Capital of
 Limerick Unit 1

| | Cumulative Burn-Up Cost | Cost of Nuclear Fuel | Worth of Fuel in Reactor |
|---------|----------------------------|-------------------------|-----------------------------|
| 1995 | | | |
| Jan | \$ 371,362,359 | \$ 399,677,341 | \$ 28,314,982 |
| Feb | 373,802,627 | 399,677,341 | 25,874,714 |
| Mar | 376,575,895 | 443,502,830 | 66,926,935 |
| Apr | 379,237,593 | 443,502,830 | 64,265,237 |
| May | 381,610,469 | 443,502,830 | 61,892,361 |
| Jun | 384,284,654 | 443,502,830 | 59,218,176 |
| Jul | 386,938,462 | 443,502,830 | 56,564,368 |
| Aug | 388,656,250 | 443,502,830 | 54,846,580 |
| Sep | 389,754,714 | 443,502,830 | 53,748,116 |
| Oct | 392,517,832 | 443,502,830 | 50,984,998 |
| Nov | 395,192,621 | 443,502,830 | 48,310,209 |
| Dec | 397,449,810 | 443,502,830 | 46,053,020 |
| 1996 | | | |
| Jan | 400,421,686 | 443,502,830 | 43,081,144 |
| Feb | 400,670,677 | 443,502,830 | 42,832,153 |
| Mar | 401,759,562 | 443,502,830 | 41,743,268 |
| Apr | 403,101,141 | 507,194,283 | 104,093,142 |
| May | 407,804,684 | 507,209,099 | 99,404,415 |
| Jun | 410,466,168 | 507,544,804 | 97,078,636 |
| Jul | 412,385,086 | 507,358,262 | 94,973,176 |
| Aug | 415,198,674 | 507,334,114 | 92,135,440 |
| Sep | 417,928,490 | 507,334,114 | 89,405,624 |
| Oct | 420,745,116 | 507,339,303 | 86,594,187 |
| Nov | 423,336,379 | 507,334,114 | 83,997,735 |
| Dec | 426,139,979 | 507,334,114 | 81,194,135 |
| Total | \$9,557,340,928 | \$11,130,873,679 | \$ 1,573,532,751 |
| Average | \$ 398,222,539 | \$ 463,786,403 | \$ 65,563,865 |

PECO Energy Company- Electric Operations
 Average Unamortized Capital of
 Limerick Unit 2

| | Cumulative Burn-Up Cost | Cost of Nuclear Fuel | Worth of Fuel in Reactor |
|---------|----------------------------|-------------------------|-----------------------------|
| 1995 | | | |
| Jan | \$ 188,327,011 | \$ 267,141,414 | \$ 78,814,403 |
| Feb | 179,840,730 | 330,467,074 | 150,626,344 |
| Mar | 182,665,893 | 286,641,584 | 103,975,691 |
| Apr | 185,355,994 | 286,641,584 | 101,285,590 |
| May | 188,176,570 | 286,709,634 | 98,533,064 |
| Jun | 190,779,122 | 286,709,634 | 95,930,512 |
| Jul | 193,568,336 | 286,709,634 | 93,141,298 |
| Aug | 195,923,322 | 286,709,634 | 90,786,312 |
| Sep | 198,632,225 | 286,709,634 | 88,077,409 |
| Oct | 201,457,776 | 286,740,792 | 85,283,016 |
| Nov | 204,120,985 | 286,740,781 | 82,619,796 |
| Dec | 206,917,869 | 286,744,284 | 79,826,415 |
| 1996 | | | |
| Jan | 209,662,231 | 286,744,284 | 77,082,053 |
| Feb | 212,305,985 | 286,744,284 | 74,438,299 |
| Mar | 216,092,059 | 286,744,284 | 70,652,225 |
| Apr | 219,924,535 | 286,744,284 | 66,819,749 |
| May | 220,377,800 | 286,744,284 | 66,366,484 |
| Jun | 223,062,449 | 287,074,804 | 64,012,355 |
| Jul | 225,880,946 | 287,074,804 | 61,193,858 |
| Aug | 228,701,868 | 287,074,804 | 58,372,936 |
| Sep | 231,427,884 | 287,074,804 | 55,646,920 |
| Oct | 234,085,964 | 287,074,804 | 52,988,840 |
| Nov | 236,759,555 | 287,074,804 | 50,315,249 |
| Dec | 237,795,478 | 287,074,804 | 49,279,326 |
| Total | \$ 5,011,842,587 | \$ 6,907,910,731 | \$ 1,896,068,144 |
| Average | \$ 208,826,774 | \$ 287,829,614 | \$ 79,002,839 |

PECO Energy Company-Electric Operations
CASH WORKING CAPITAL
AT DECEMBER 31, 1996
(Thousand\$)

C-6

This adjustment is made to provide for the Company's cash working capital claim for expenses (C-6a), taxes (C-6b), interest (C-6c), and preferred dividends (C-6d). The lead-lag method is used to compare receipt of revenues and disbursements of these other items. The Direct Testimony of Thomas P. Hill, Jr. provides further discussion of this adjustment.

| | | |
|------------------------------------|------|-------------|
| Operating and Maintenance Expenses | C-6a | 73,617 |
| Taxes | C-6b | 74,774 |
| Interest Payments | C-6c | (33,298) |
| Preferred Dividend Payment | C-6d | <u>(54)</u> |
| Total (to A-2) | | 115,039 |

PECO Energy Company-Electric Operations
 CASH WORKING CAPITAL REQUIRED FOR
 OPERATING AND MAINTENANCE EXPENSES
 AT DECEMBER 31, 1996
 (Thousands\$)

| | |
|--|-----------|
| Average Lag in Receipt of Revenue | 44.0 (a) |
| Average Lag in Payment of O&M | 28.1 (b) |
| Average Lag in Days Between Receipt of Revenue and Payment of Expense | 15.9 |
| Proforma Test Year O&M Expenses | 1,689,937 |
| Average Daily Expenses | 4,630.0 |
| Working Capital Requirement | 73,617 |

| (a) Class of Service | Dollars | Lag Days | Lag \$ | |
|--------------------------|------------------|----------|-------------------|-----------|
| Residential | 1,370,156 | 47.9 | 65,630,472 | |
| Small Comm. & Industrial | 748,560 | 45.4 | 33,984,624 | |
| Large Comm. & Industrial | <u>1,098,307</u> | 38.1 | <u>41,845,497</u> | |
| Weighted Average | 3,217,023 | | 141,460,593 | 44.0 Days |

(b) Average Lag in Payment of Expenses

| | Actual | Pro Forma Adj. | Pro Forma Expenses | Lag Days | Lag Dollars |
|--------------------|----------------|-------------------|-----------------------|-------------|------------------|
| Payroll | 343,460 | 15,319 (c) | 358,779 | 11.5 | 4,125,959 |
| Net Interchange | 444,116 | (171,006) (d) | 273,110 | 35.0 | 9,558,850 |
| Nuclear Fuel | 128,991 | | 128,991 | 45.0 | 5,804,595 |
| Coal | 102,258 | | 102,258 | 41.9 | 4,284,610 |
| Coal Freight Bills | 30,029 | | 30,029 | 28.5 | 855,827 |
| Oil | 58,456 | | 58,456 | 15.9 | 929,450 |
| Benefits | 92,100 | 4,469 (c) | 96,569 | 62.5 | 6,035,563 |
| Pensions | (860) | | (860) | 15.0 | (12,900) |
| Other Invoices | 620,999 | (144,971) (e) | 476,028 | 24.7 | 11,757,892 |
| A&G Expenses | <u>166,577</u> | | <u>166,577</u> | 24.7 | <u>4,114,452</u> |
| Total O&M Expense | 1,986,126 | (296,189) | 1,689,937 | | 47,454,298 |
| | | | | | 28.1 days |

| | |
|----------|---------------|
| (c) D-5 | <u>19788</u> |
| Subtotal | 19788 |
| (d) D-13 | 8430 |
| D-3 | 1096 |
| D-4 | 6221 |
| D-14 | -92100 |
| D-18 | <u>-94653</u> |
| Subtotal | -171006 |

| | |
|----------|----------------------------|
| (e) D-14 | -57437 |
| B-16 | <u>-87534</u> uncoll accts |
| Subtotal | -144971 |

PECO Energy Company-Electric Operations
 CASH WORKING CAPITAL REQUIRED FOR
 PAYMENT OF TAXES
 AT DECEMBER 31, 1996
 (Thousand\$)

| | |
|--|----------|
| Average Lag in Receipt of Revenue | 44.0 (a) |
| Average Lag in Payment of Taxes | -6.1 (b) |
| Average Lag in Days Between Receipt of Revenue and Payment of Taxes | 50.1 |
| Proforma Test Year Taxes | 544,766 |
| Average Daily Taxes | 1,492.5 |
| Working Capital Requirement | 74,774 |

Note (a) From Page C-6a for Revenue Lag Days

Note (b) Average Lag in Payment of Taxes

| | Actual | Pro Forma Adj. | Pro Forma Taxes | Lag Days | Lag Dollars |
|-------------------------------|---------|-------------------|--------------------|-------------|----------------|
| Ad Valorum-Capital Stock Tax | 38,724 | - (c) | 38,724 | 37.5 | 1,452,150 |
| Other Taxes Other Than Income | 164,890 | 3,818 (d) | 168,708 | -69.0 | (11,640,852) |
| State Income Taxes | 62,060 | 25,795 (e) | 87,855 | 30.0 | 2,635,650 |
| Federal Income Taxes | 104,836 | 77,479 (e) | 182,315 | 37.5 | 6,836,813 |
| Ad Valorum-Realty Tax | 66,441 | 723 (f) | 67,164 | -39.0 | (2,619,396) |
| Total Taxes | 436,951 | 107,815 | 544,766 | | (3,335,635) |

-6.1 days

Note (c) Ad Valorum Taxes-Cap Stock

Note (d) Taxes Other Than Income

| | |
|------------------|-------|
| D-3(GRT at 4.4%) | 840 |
| D-12 | 843 |
| D-13 | 1,849 |
| D-4 | 286 |
| Subtotal | 3,818 |

Note (f) Ad Valorum Taxes-Realty

D-2 723

Note (e) Income Taxes

| | State | Federal |
|-------|---------|---------|
| D-2 | 511 | 1,613 |
| D-3 | 1,714 | 5,404 |
| D-5 | (1,977) | (6,234) |
| D-7 | 3,596 | 11,341 |
| D-9 | 3,639 | 11,477 |
| D-17 | 2,211 | 6,973 |
| D-12 | (84) | (266) |
| D-13 | 3,171 | 10,000 |
| D-14 | 14,939 | 47,110 |
| D-15 | - | (2,087) |
| D-16 | - | (1,782) |
| D-18 | (1,925) | (6,070) |
| Total | 25,795 | 77,479 |

C-6c

PECO Energy Company-Electric Operations
CASH WORKING CAPITAL REQUIRED FOR
INTEREST PAYMENT OFFSET
AT DECEMBER 31, 1996
(Thousand\$)

| | |
|----------------------------------|-----------|
| Rate Base (A-2) at 12/31/96 | 8,587,584 |
| % Financed by Debt | 46.4% |
| Rate Base Financed by Debt | 3,984,639 |
| Cost of Debt | 8.52% |
| Interest Allocated to Rate Base | 339,491 |
| Average Daily Interest | 930.1 |
| Net Lag Days | 35.8 |
| Decrease in Cash Working Capital | 33,298 |

Lag Day Interest = 79.8, Revenue = 44.0 (from Page C-6a, revenue lag day)

C-6d

PECO Energy Company-Electric Operations
CASH WORKING CAPITAL REQUIRED FOR
PREFERRED DIVIDEND PAYMENT OFFSET
AT DECEMBER 31, 1996
(Thousand\$)

| | |
|--|-----------|
| Rate Base (A-2) at 12/31/96 | 8,587,584 |
| % Financed by Preferred | 3.0% |
| Rate Base Financed by Preferred | 257,628 |
| Cost of Preferred | 7.70% |
| Dividends Allocated to Rate Base | 19,837 |
| Average Daily Dividends | 54.3 |
| Net Lag Days | 1.0 |
| Increase in Cash Working Capital | (54) |
| Lag Day Dividend = 45.0 , Revenue = 44.0 (from Page C-6a, revenue lag day) | |

PECO Energy Company - Electric Operations
UNRECOVERED PLANT AND REGULATORY STUDY COSTS
NUCLEAR DESIGN BASIS DOCUMENTATION

December 31, 1996

(Thousand \$)

This adjustment reflects unrecovered costs for a single source map for all nuclear design-basis information in order to streamline engineering and other related activities where familiarity with the underlying basis of system design is required. In an Order dated November 23, 1992, at Docket AC-92-170-000, the FERC determined that the cost associated with this project was appropriately deferred and amortized over the life of the nuclear plants. Additional discussion is provided in the Direct Testimony of Thomas P. Hill, Jr. for this item.

Balance at 12/31/96

\$31,899

**

D-1

PECO Energy Company-Electric Operations
ADJUSTMENTS TO ELIMINATE DEFERRED TAXES ON
THE PREMIUM ON REACQUIRED DEBT
Twelve Months Ending December 31, 1996
(Thousand \$)

The purpose of this adjustment is to eliminate the effects on income of the deferred taxes on the premium on reacquired debt. Customers pay for the amortization of the premium on reacquired debt through a higher cost of debt on Page B-23 . Customers receive the associated tax savings on Page D-9 of Exhibit TPH - 1. The Direct Testimony of Thomas P. Hill, Jr. provides additional discussion of this item.

| | |
|-------------------------------|---------|
| Elimination of Deferred Taxes | \$8,971 |
| Increase in Deferred Taxes | \$8,971 |
| Decrease in Income for Return | \$8,971 |

PECO Energy Company - Electric Operations
ADJUSTMENT TO REFLECT THE FULL YEAR EFFECT
OF THE STAC ON REVENUES AND EXPENSES
Twelve Months Ended December 31, 1996
(Thousand \$)

The purpose of this adjustment is to reflect the full year effect of the elimination of the STAC credit value of 0.23%. The credit ended on September 23, 1996. Additionally, this adjustment reflects an increase in PURTA tax due to a reassessment. Further discussion is contained in the Direct Testimony of Thomas P. Hill, Jr.

| | |
|-------------------------------|---------|
| Increase in Revenues | \$5,842 |
| Increase in PURTA Expense | 723 |
| Increase in Taxable Income | 5,119 |
| Increase in Taxes at 41.494% | 2,124 |
| Increase in Income for Return | 2,995 |

elre1296

PECO Energy Company-Electric Operations
 Summary of Annualization of Revenues, Expenses, and Taxes
 Twelve Months Ended December 31, 1996
 (Thousand \$)

D-3

The purpose of this adjustment is to annualize revenues, expenses, and taxes in order to reflect the level of customers and period end usage per customer. The Direct Testimony of Thomas P. Hill, Jr. provides further discussion of this item.

| | | | |
|--|--------------------|---------------------|---------|
| Increase in Base Revenue (D-3a) | | \$ | 19,088 |
| Less: Gross Receipts Tax at 4.4% | | | 840 |
| Increase in Revenue After Gross Receipts Tax | | \$ | 18,248 |
| Less Change in Operating Expenses: | | | |
| (Excl. Supplem) | 256508428 kwh(a)x | 2.4737 cents/kwh(b) | 6,345 |
| (Supplemental) | -178386805 kwh(a)x | 2.9426 cents/kwh(c) | (5,249) |
| Increase in Taxable Income | | \$ | 17,152 |
| Less: Income Taxes at 41.494% | | | 7,117 |
| Increase in Income for Return | | \$ | 10,035 |

(a) From D-3a

| | | | |
|--|-------|--|------------|
| <u>Rate Classes Except Supplemental Energy</u> | | | |
| Increase in Usage of Existing Customers | (kwh) | | 300365441 |
| Increase in Usage from New Customers | (kwh) | | -43857013 |
| Total | (kwh) | | 256508428 |
| <u>Supplemental Energy</u> | | | |
| Increase in Usage of Existing Customers | (kwh) | | -55961680 |
| Increase in Usage from New Customers | (kwh) | | -122425125 |
| Total | (kwh) | | -178386805 |

(b) Reflects marginal fuel cost calculated in the Nuclear Performance Clause of the former Energy Cost Adjustment.

(c) Based on the actual peak marginal cost billed to customers.

PECO Energy Company-Electric Operations
 Growth in Usage of Existing Customers and
 Annualization of New Customer Usage
 Twelve Months Ended December 31, 1998

| Growth in Usage of Existing Customers and Additional Revenue | Resid. | House Heating | Small C&I | Rate PD | Rate HT | Supplem. Energy | Total |
|--|-----------------|---------------------------|-----------------------|------------------|------------------|-----------------------------|----------------|
| Annual Growth in kwh, 3 yr. avg. (D-3b,c) | 41 | 338 | 1751 | 21193 | 100559 | -5596187 | |
| 1/2 of Annual Growth in kwh | 21 | 169 | 876 | 10597 | 50280 | -2798084 | |
| No. Of Customers Beginning of Test Year (D-3b,c) | 1187888 | 153513 | 141653 | 1130 | 2264 | 20 | |
| Increase in Usage | 24525188 | 25943697 | 124088028 | 11974610 | 113833920 | -55961680 | 244403761 |
| Revenue, cents per kwh (b) | 12.89 | 9.75 | 11.25 | 9.36 | 7.18 | 4.01 | |
| Increased Revenue, Thousand \$ | \$ 3,181 | \$ 2,530 | \$ 13,960 | \$ 1,121 | \$ 8,173 | \$ (2,244) | \$ 26,701 |
| Annualization of New Customer Usage and Additional Revenue | | | | | | | |
| Customers Added During Year, (D-3b,c) | 1788 | 1281 | 778 | -83 | -12 | -6 | |
| 1/2 of Customers Added During Year | 894 | 641 | 389 | -42 | -6 | -3 | |
| Average Use per Customer in kwh (D-3b,c) | 8771 | 17852 | 45745 | 1040047 | 5921725 | 40808375 | |
| Increased Sales in kwh | 8053274 | 11507232 | 17794805 | -43681974 | -35530350 | -122425125 | -166282138 |
| Revenue, cents per kwh (b) | 12.89 | 9.75 | 11.25 | 9.36 | 7.18 | 4.01 | |
| Increased Revenue, Thousand \$ | \$ 780 | \$ 1,122 | \$ 2,002 | \$ (4,089) | \$ (2,551) | \$ (4,909) | \$ (7,645) |
| Customer Charge-Annual | \$ 81.20 | \$ 81.20 | \$ 143.36 | \$ 2,479.44 | \$ 2,317.88 | \$ - | |
| Revenue from Customer Charge, Thousand \$ | \$ 55 | \$ 39 | \$ 58 | \$ (104) | \$ (14) | \$ - | \$ 32 |
| Total Additional Revenue | \$ 3,998 | \$ 3,691 | \$ 16,018 | \$ (3,072) | \$ 5,808 | \$ (7,153) | \$ 19,088 |

(a) Residential is total of Rates R and OP. House Heating is Rate RH.

Small Commercial and Industrial is total of Rate GS.

(b) Revenue in cents per kwh is the average unit base revenue excluding customer charge revenue.

PECO Energy Company-Electric Operations
 Development of Average Annual Growth in kwh
 per Customer

D-3b

| | 12 months ended Dec 1993 | 12 months ended Dec 1996 | 3 year average |
|---|-----------------------------------|-----------------------------------|-------------------|
| Residential | | | |
| mwh sales | 7681877 | 7906046 | |
| Number of Customers | | | |
| Beginning of Period | 1153672 | 1167866 | |
| End of Period | 1158750 | 1169654 | |
| Monthly Average | 1155284 | 1167582 | |
| kwh per Average Customer | 6649 | 6771 | |
| Growth in kwh per Average Customer ***** | | 122 | 41 |
| House Heating | | | |
| mwh sales | 2532675 | 2765279 | |
| Number of Customers | | | |
| Beginning of Period | 148554 | 153513 | |
| End of Period | 150468 | 154794 | |
| Monthly Average | 149521 | 154041 | |
| kwh per Average Customer | 16939 | 17952 | |
| Growth in kwh per Average Customer ***** | | 1013 | 338 |
| Small Commercial and Industrial | | | |
| mwh sales | 5608752 | 6481439 | |
| Number of Customers | | | |
| Beginning of Period | 138018 | 141653 | |
| End of Period | 139067 | 142431 | |
| Monthly Average | 138510 | 141687 | |
| kwh per Average Customer | 40493 | 45745 | |
| Growth in kwh per Average Customer | | 5252 | 1751 |

PECO Energy Company-Electric Operations
 Development of Average Annual Growth in kwh
 per Customer

D-3c

| | 12 months ended Dec 1993 | 12 months ended Dec 1996 | 3 year average |
|---|-----------------------------------|-----------------------------------|-------------------|
| Rate PD | | | |
| mwh sales | 1347527 | 1130531 | |
| Number of Customers | | | |
| Beginning of Period | 1456 | 1130 | |
| End of Period | 1313 | 1047 | |
| Monthly Average | 1380 | 1087 | |
| kwh per Average Customer | 976469 | 1040047 | |
| Growth in kwh per Average Customer ***** | | 63578 | 21193 |
| Rate HT | | | |
| mwh sales | 13465634 | 13424551 | |
| Number of Customers | | | |
| Beginning of Period | 2440 | 2264 | |
| End of Period | 2355 | 2252 | |
| Monthly Average | 2396 | 2267 | |
| kwh per Average Customer | 5620048 | 5921725 | |
| Growth in kwh per Average Customer ***** | | 301677 | 100559 |
| Supplemental | | | |
| mwh sales | 921550 | 652934 | |
| Number of Customers | | | |
| Beginning of Period | 14 | 20 | |
| End of Period | 19 | 14 | |
| Monthly Average | 16 | 16 | |
| kwh per Average Customer | 57596875 | 40808375 | |
| Growth in kwh per Average Customer | | -16788500 | -5596167 |

PECO Energy Company - Electric Operations
 ADJUSTMENT TO REFLECT THE FULL YEAR EFFECT OF YEAR END FUEL
 ADJUSTMENT REVENUES AND EXPENSES
 Twelve Months Ended December 31, 1996
 (Thousand \$)

The purpose of this adjustment is to reflect the full year effect on revenues and expenses of the year end Energy Cost Adjustment Number 7 value of (0.4424) cents/kWh that was rolled into base rates. The Direct Testimony of Thomas P. Hill, Jr. provides further discussion of this item.

| | |
|--|---------|
| Increase in Revenues | \$6,507 |
| Increase in Expenses | \$6,221 |
| Increase in Gross Receipts Tax .044 x \$6,507 | \$286 |
| Increase in revenues less expenses and taxes | - |
| Change in Income Taxes at 41.494% | - |
| Change in income for return | - |

PECO Energy Company-Electric Operations
ANNUALIZATION OF WAGE RATES, BENEFITS,
AND NUMBER OF EMPLOYEES
for the Twelve Months Ended December 31, 1996
(Thousand \$)

This adjustment develops the increases in wages effective 1/1/97 for period end level of employees. Also included in this adjustment is Post Retirement Benefit Costs or FAS 106 Costs. The result is to annualize wages and benefits. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this item.

Wages-Total Company

| | |
|--|----------------|
| December 1996 Regular Payroll (Page D-5a) | \$32,590 |
| Paid Days-December 1996 | 22 |
| Average Payroll Per Paid Day | \$1,481.4 |
| Annualized Regular Payroll \$1,481.4 x 262 paid days/year x 1.035(a) | \$401,711 |
| Less: 12 Months Regular Payroll (page D-5a) | \$384,563 |
| Increase in Regular Payroll Expense | \$17,148 |
| Plus: Overtime @ 11.4% (Page D-5a) | \$1,955 |
| Increase in Total Payroll Expense | \$19,103 |
| Total Allocated to Electric Operations \$19,103 x 80.19% (b) | \$15,319 |
| Associated Net FAS 106 Costs (c) | <u>\$4,469</u> |
| Net Expense | \$19,788 |
| Decrease in Income Tax at 41.494% | \$8,211 |
| Decrease in Income for Return | \$11,577 |
| <hr/> | |
| a. Reflects wage increase of 3.5% effective 1/1/97. | |
| b. Portion of Payroll for Electric Operations for the Twelve Months Ended December 31, 1996. | |
| c. Annual estimated cost (\$42,739) less estimated cost in reporting period (\$38,270) | \$4,469 |

payrolle

D-5a

PECO Energy Company
 Payroll Data
 Twelve Months Ended December 31, 1996

| | Total PECO Company Payroll (1) | Less: Overtime (2) | Regular Payroll (3)=(1)-(2) | PECO Electric Operations (4) | Electric Operations As a % of Total Payroll (5)=(4)/(1) | Overtime As a % of Regular Payroll (6)=(2)/(3) |
|--------|--|--------------------------|-----------------------------------|---------------------------------------|--|--|
| Jan-96 | \$ 38,944,661 | \$ 5,596,683 | \$ 33,347,978 | \$ 32,338,379 | 83.04% | 16.78% |
| Feb-96 | 36,512,942 | 6,264,672 | 30,248,270 | 31,393,010 | 85.98% | 20.71% |
| Mar-96 | 33,961,547 | 3,305,167 | 30,656,380 | 26,731,163 | 78.71% | 10.78% |
| Apr-96 | 34,881,712 | 2,699,548 | 32,182,164 | 29,640,850 | 84.98% | 8.39% |
| May-96 | 36,467,673 | 2,751,192 | 33,716,481 | 28,124,264 | 77.12% | 8.16% |
| Jun-96 | 32,818,259 | 3,180,609 | 29,637,650 | 26,407,743 | 80.47% | 10.73% |
| Jul-96 | 36,988,546 | 3,109,729 | 33,878,817 | 32,082,452 | 86.74% | 9.18% |
| Aug-96 | 35,226,561 | 2,894,112 | 32,332,449 | 27,610,316 | 78.38% | 8.95% |
| Sep-96 | 36,593,271 | 5,441,190 | 31,152,081 | 31,712,622 | 86.66% | 17.47% |
| Oct-96 | 34,002,995 | 2,832,898 | 31,170,097 | 27,210,201 | 80.02% | 9.09% |
| Nov-96 | 36,484,208 | 2,833,387 | 33,650,821 | 23,050,119 | 63.18% | 8.42% |
| Dec-96 | 35,439,052 | 2,849,315 | 32,589,737 | 27,158,771 | 76.64% | 8.74% |
| Total | \$ 428,321,427 | \$ 43,758,502 | \$ 384,562,925 | \$ 343,459,890 | 80.19% | 11.38% |

PECO Energy Company-Electric Operations
ADJUST BOOK DEPRECIATION ACCRUAL TO REFLECT
YEAR END PLANT AS OF DECEMBER 31, 1996
(Thousand \$)

This adjustment is necessary to present the book depreciation claim on a year end plant basis. Additional discussion is provided in the Direct Testimony of Thomas P. Hill, Jr.

| | |
|---|-----------|
| Total Depreciation Accrual Associated with Plant for Ratemaking Purposes | \$504,557 |
| Elimination of Depreciation on Limerick 1 and 2 PUC Adjustment | (19,534) |
| Book Depreciation Accrual | \$485,023 |
| Actual Book Depreciation Excluding Decommissioning | \$418,268 |
| Increase in Depreciation Accrual | \$66,755 |
| Decrease in Income for Return | \$66,755 |

PECO Energy Company-Electric Operations
 INCREASE IN INCOME TAX BY COMPUTING TAX DEPRECIATION
 AND AMORTIZATION ON A YEAR-END BASE AS OF DECEMBER 31, 1996
 (Thousand \$)

The purpose of this adjustment is to annualize tax depreciation on year end plant. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this adjustment.

| | | | |
|--|----------------|--------------|------------|
| Tax Depreciation and Amortization for year ended 12/31/96. | | | |
| Electric (D-7a) | | | \$342,474 |
| Allocated Common (D-7b) | | | |
| Electric | 87.344% | \$10,669 | \$10,669 |
| Gas | <u>12.656%</u> | <u>1,546</u> | |
| Total | 100.000% | 12,215 | |
| Electric Including Allocated Common | | | \$353,143 |
| Less: Amortization of Anti Trust Settlement for Tax Purposes | | | 10 |
| Total Allowable Tax Depreciation & Amortization on Year End Basis at December 31, 1996 | | | \$353,133 |
| Less: Tax Depreciation Accrued per Books for 12 Months Ending December 31, 1996 Including Allocated Common | | | |
| Book Depreciation | | | \$393,842 |
| Add: Transportation Depreciation Charged to Clearing | | | |
| Electric | 87.344% | \$2,390 | 2,390 |
| Gas | <u>12.656%</u> | <u>346</u> | |
| Total | 100.000% | \$2,736 | |
| Excess of Tax Depreciation and Amortization over Book Depreciation | | | (7,100) |
| Total Accrued Tax Depreciation and Amortization for 12 months Ended 12/31/96 | | | \$389,132 |
| Total Increase (Decrease) in Tax Depreciation and Amortization | | | \$(35,999) |
| Total Increase in Income Taxes @ 41.494% | | | \$ 14,937 |
| Decrease in Income for Return | | | \$14,937 |

PECO Energy Company - Electric Operations
 Depreciable Tax Basis and Resulting Depreciation
 As of December 31, 1996

| VINTAGE | TAX BASIS | TAX RESERVE | NET COST | 1997 TAX DEPR |
|-----------------|-------------------|------------------|------------------|----------------|
| ELECTRIC | | | | |
| V1953 | \$ 193,626,027 | \$ 193,626,027 | \$ - | \$ - |
| V1969 | 797,553,495 | 763,644,475 | 33,909,020 | 11,170,086 |
| V1970 | 117,679,596 | 115,045,194 | 2,634,402 | 901,980 |
| V1971 | 164,091,888 | 163,479,132 | 612,756 | 30,818 |
| V1972 | 83,786,685 | 83,465,075 | 321,610 | 13,583 |
| V1973 | 114,565,799 | 114,077,112 | 488,687 | 61,228 |
| V1974 | 551,457,550 | 549,013,880 | 2,443,669 | 354,414 |
| V1975 | 92,677,358 | 90,339,962 | 2,337,396 | 756,832 |
| V1976 | 399,371,044 | 396,379,896 | 2,991,148 | 986,505 |
| V1977 | 61,279,449 | 59,184,669 | 2,094,780 | 778,416 |
| V1978 | 63,629,047 | 60,041,173 | 3,587,874 | 1,007,618 |
| V1979 | 76,654,708 | 71,847,047 | 4,807,661 | 1,199,361 |
| V1980 | 68,254,448 | 62,407,247 | 5,847,200 | 1,048,754 |
| V1981 | 90,523,007 | 90,523,003 | 4 | 4 |
| V1982 | 260,501,642 | 260,468,469 | 33,173 | 33,168 |
| V1983 | 144,812,923 | 138,156,655 | 6,656,268 | 6,402,910 |
| V1984 | 133,372,198 | 120,782,528 | 12,589,670 | 6,121,408 |
| V1985 | 2,373,929,983 | 2,346,420,869 | 27,509,114 | 7,975,876 |
| V1986 | 141,455,992 | 120,331,687 | 21,124,305 | 5,160,522 |
| V1987A | 73,326,478 | 62,226,576 | 11,099,902 | 2,219,981 |
| V1987 | 195,051,080 | 113,826,281 | 81,224,799 | 9,524,671 |
| V1988A | 37,568,012 | 33,085,071 | 4,482,941 | 3,252,928 |
| V1988 | 200,877,023 | 105,806,332 | 95,070,691 | 9,533,098 |
| V1989A | 1,641,811,484 | 1,345,484,341 | 296,327,143 | 147,704,696 |
| V1989 | 240,933,015 | 114,571,907 | 126,361,108 | 11,578,377 |
| V1990A | 5,948,546 | 4,051,907 | 1,896,639 | 493,865 |
| V1990 | 376,773,400 | 158,087,830 | 218,685,570 | 18,515,826 |
| V1991 | 188,149,859 | 72,907,595 | 115,242,264 | 10,572,229 |
| V1992 | 359,308,527 | 116,858,015 | 242,450,512 | 20,736,762 |
| V1993 | 287,588,587 | 75,949,365 | 211,639,222 | 17,963,131 |
| V1994 | 256,881,739 | 50,362,292 | 206,519,447 | 17,205,846 |
| V1995 | 235,148,148 | 28,941,693 | 206,206,455 | 17,243,511 |
| V1996 | 152,773,858 | 6,238,921 | 146,534,937 | 11,925,969 |
| | \$ 10,181,362,595 | \$ 8,087,632,225 | \$ 2,093,730,369 | \$ 342,474,372 |

PECO Energy Company - Electric Operations
 Depreciable Tax Basis and Resulting Depreciation
 As of December 31, 1996

| VINTAGE | TAX BASIS | TAX RESERVE | NET COST | 1997 TAX DEPR |
|---------------|-----------------------|-----------------------|-----------------------|----------------------|
| COMMON | | | | |
| V1953 | \$ 3,992,105 | \$ 3,992,105 | \$ - | \$ - |
| V1969 | 11,901,325 | 9,127,690 | 2,773,635 | 207,944 |
| V1970 | 1,519,784 | 1,088,719 | 431,064 | 34,698 |
| V1971 | 6,165,848 | 6,095,556 | 70,292 | 5,784 |
| V1972 | 45,294,825 | 30,640,598 | 14,654,227 | 720,025 |
| V1973 | 6,860,074 | 6,388,678 | 471,396 | 22,693 |
| V1974 | 1,067,882 | 1,067,514 | 368 | 12 |
| V1975 | 1,882,062 | 1,793,451 | 88,611 | 5,110 |
| V1976 | 1,793,099 | 1,749,302 | 43,798 | 5,138 |
| V1977 | 1,290,404 | 991,189 | 299,215 | 13,309 |
| V1978 | 2,338,542 | 1,951,696 | 386,847 | 19,054 |
| V1979 | 3,057,646 | 2,074,555 | 983,091 | 46,300 |
| V1980 | 1,775,887 | 1,150,077 | 625,810 | 34,126 |
| V1981 | 4,432,048 | 4,431,284 | 764 | 764 |
| V1982 | 3,307,939 | 3,271,119 | 36,820 | 36,816 |
| V1983 | 4,239,435 | 4,064,133 | 175,302 | 127,543 |
| V1984 | 4,295,388 | 3,923,380 | 372,009 | 152,970 |
| V1985 | 4,187,977 | 3,912,736 | 275,241 | 65,229 |
| V1986 | 4,445,351 | 3,682,214 | 763,137 | 101,661 |
| V1987A | 289,614 | 289,614 | 0 | 0 |
| V1987 | 15,849,066 | 6,855,550 | 8,993,517 | 475,595 |
| V1988A | 0 | 0 | 0 | 0 |
| V1988 | 5,623,830 | 3,087,803 | 2,536,027 | 135,540 |
| V1989A | 0 | 0 | 0 | 0 |
| V1989 | 2,036,755 | 1,549,893 | 486,863 | 20,274 |
| V1990A | 0 | 0 | 0 | 0 |
| V1990 | 5,294,244 | 2,521,503 | 2,772,741 | 356,827 |
| V1991 | 7,077,026 | 2,830,954 | 4,246,072 | 591,049 |
| V1992 | 9,855,093 | 4,859,704 | 4,995,389 | 773,312 |
| V1993 | 23,961,944 | 11,124,472 | 12,837,472 | 1,904,812 |
| V1994 | 12,761,003 | 5,905,224 | 6,855,779 | 1,417,301 |
| V1995 | 48,018,275 | 8,916,494 | 39,101,781 | 3,868,933 |
| V1996 | 5,182,887 | 647,314 | 4,535,573 | 1,072,324 |
| | <u>\$ 249,797,362</u> | <u>\$ 139,984,522</u> | <u>\$ 109,812,840</u> | <u>\$ 12,215,145</u> |

PECO Energy Company - Electric Operations
 Tax Deferral on Year - End Plant
 Twelve Months Ended December 31, 1996
 (Thousand \$)

The purpose of this adjustment is to normalize tax deferrals on plant and nuclear fuel on a year end basis. Taxes on deferred fuel expense are also reconciled. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this item.

Plant

Deferred Taxes and Amortization

Electric Plant (D-8a)

| | |
|--|--------------|
| Deferred Taxes Associated with Depreciation | \$ (237) |
| Deferred Taxes Associated with Amortization of Basis Differences | <u>2,635</u> |
| Total Deferred Taxes on Electric Plant | \$ 2,398 |

Common Plant (D-8b)

| | |
|--|-----------|
| Deferred Taxes Associated with Depreciation | \$ 1,392 |
| Deferred Taxes Associated with Amortization of Basis Differences | <u>37</u> |
| Total Deferred Taxes on Common Plant | \$1,429 |

| | |
|----------------------------|--------------|
| Common Allocated @ 87.344% | <u>1,248</u> |
|----------------------------|--------------|

| | |
|--------------------------------|----------|
| Tax Deferral on 12/31/96 Plant | \$ 3,646 |
|--------------------------------|----------|

| | |
|---------------------------------|---------------|
| Tax Deferral on Plant Per Books | <u>18,863</u> |
| Change in Tax Deferral on Plant | \$(15,217) |

Nuclear Fuel

| | |
|---|--------------|
| Deferred Taxes Associated with Depreciation | \$ (1,764) |
| Total Deferred Taxes on Nuclear Fuel | <u>6,864</u> |
| Change in Tax Deferral on Nuclear Fuel | \$ (8,628) |

Fuel

| | |
|--|---------------|
| Fuel Expense Deferred 12 Months Ended 12/31/96 | \$(32,416) |
| Tax Deferral on Fuel @ 41.494% | 13,451 |
| Tax Deferral on Fuel per books | <u>13,473</u> |
| Change in Tax Deferral on Fuel | (22) |

| | |
|-------------------------------|-----------|
| Change in Tax Deferrals | (23,867) |
| Increase in Income for Return | \$ 23,867 |

PECO Energy Company
Electric Deferred Tax Report
Plant at 12/31/96

| Vintage | Federal Depreciation | S/L Book Life Depreciation | Difference | Net Deferred Tax | Deferred Tax Balance |
|--|-------------------------|-------------------------------|------------------|---------------------|-------------------------|
| Total Deferred Taxes Associated with Plant | | | | | |
| V1969 | \$ 11,170,086 | \$ 1,639,453 | \$ 9,530,633 | \$ - | \$ - |
| V1970 | 901,980 | 2,680,158 | -1,778,178 | -796,017 | 4,394,431 |
| V1971 | 30,818 | 5,539,972 | -5,509,155 | -2,459,867 | 5,982,189 |
| V1972 | 13,583 | 2,610,600 | -2,597,017 | -1,044,829 | 3,701,688 |
| V1973 | 61,228 | 3,842,204 | -3,780,977 | -1,483,767 | 6,969,688 |
| V1974 | 354,414 | 9,779,981 | -9,425,567 | -4,306,250 | 14,436,054 |
| V1975 | 756,832 | 2,928,779 | -2,171,947 | -916,798 | 6,036,411 |
| V1976 | 986,505 | 4,713,199 | -3,726,694 | -1,682,938 | 7,551,443 |
| V1977 | 778,416 | 2,081,866 | -1,303,450 | -492,927 | 4,823,353 |
| V1978 | 1,007,618 | 2,319,711 | -1,312,093 | -525,247 | 5,340,442 |
| V1979 | 1,199,361 | 2,964,120 | -1,764,759 | -739,166 | 5,854,229 |
| V1980 | 1,048,754 | 2,655,447 | -1,606,693 | -675,508 | 5,556,325 |
| V1981 | 4 | 2,568,089 | -2,568,085 | -1,019,799 | 16,697,493 |
| V1982 | 33,168 | 9,270,821 | -9,237,652 | -3,269,156 | 27,245,811 |
| V1983 | 6,402,910 | 4,330,415 | 2,072,495 | 685,742 | 30,251,567 |
| V1984 | 6,121,408 | 4,056,225 | 2,065,183 | 682,363 | 22,980,026 |
| V1985 | 8,016,463 | 77,667,902 | -69,651,438 | -25,292,340 | 516,413,928 |
| V1986 | 5,160,522 | 5,620,358 | -459,836 | -151,714 | 24,226,866 |
| V1987A | 2,249,028 | 2,640,454 | -391,426 | -97,869 | 13,257,587 |
| V1987 | 9,632,967 | 6,926,561 | 2,706,406 | 913,907 | 19,093,173 |
| V1988A | 3,299,638 | 1,443,908 | 1,855,730 | 691,779 | 8,109,797 |
| V1988 | 9,789,234 | 7,303,220 | 2,486,014 | 880,865 | 15,761,035 |
| V1989A | 147,709,524 | 57,613,672 | 90,095,853 | 31,556,531 | 374,590,683 |
| V1989 | 12,037,059 | 7,703,658 | 4,333,401 | 1,469,141 | 20,525,042 |
| V1990A | 493,865 | 336,309 | 157,555 | 57,139 | 749,742 |
| V1990 | 19,446,423 | 15,531,824 | 3,914,599 | 1,523,451 | 20,577,255 |
| V1991 | 11,054,204 | 7,197,643 | 3,856,561 | 1,413,119 | 12,429,811 |
| V1992 | 21,816,827 | 17,431,582 | 4,385,245 | 1,629,876 | 12,904,018 |
| V1993 | 19,416,222 | 15,695,369 | 3,720,853 | 1,233,822 | 7,261,656 |
| V1994 | 18,390,837 | 16,641,372 | 1,749,465 | 566,211 | 3,412,821 |
| V1995 | 18,287,392 | 13,765,597 | 4,521,795 | 1,440,321 | 1,855,611 |
| V1996 | <u>12,779,982</u> | <u>4,856,978</u> | <u>7,923,004</u> | <u>2,608,545</u> | <u>1,306,908</u> |
| | \$ 350,447,272 | \$ 322,357,447 | \$ 28,089,825 | \$ 2,398,620 | \$ 1,220,297,083 |

PECO Energy Company
Common Deferred Tax Report --
Plant at 12/31/96

| Vintage | Federal Depreciation | S/L Book Life Depreciation | Difference | Net Deferred Tax | Deferred Tax Balance |
|---|-------------------------|-------------------------------|--------------|---------------------|-------------------------|
| Total Deferred Taxes Associated with Plant - 1997 | | | | | |
| V1969 | 207,944 | 261,370 | -53,426 | 0 | 0 |
| V1970 | 34,698 | 33,198 | 1,500 | 285 | 211,428 |
| V1971 | 5,784 | 7,442 | -1,657 | 0 | 0 |
| V1972 | 720,025 | 989,400 | -269,375 | -107,884 | 2,079,976 |
| V1973 | 22,693 | 33,814 | -11,121 | -3,991 | 80,593 |
| V1974 | 12 | 1,716 | -1,703 | 4 | 129,639 |
| V1975 | 5,110 | 13,409 | -8,298 | -3,043 | 51,550 |
| V1976 | 5,138 | 8,084 | -2,946 | -1,087 | 12,798 |
| V1977 | 13,309 | 23,866 | -10,558 | -4,119 | 47,105 |
| V1978 | 19,054 | 21,837 | -2,783 | -1,009 | 44,300 |
| V1979 | 46,300 | 53,569 | -7,269 | -2,898 | 117,562 |
| V1980 | 34,126 | 36,409 | -2,283 | -1,165 | 110,413 |
| V1981 | 764 | 191,676 | -190,912 | -68,532 | 276,380 |
| V1982 | 36,816 | 94,468 | -57,652 | -20,958 | 470,247 |
| V1983 | 127,543 | 105,362 | 22,181 | 7,763 | 550,365 |
| V1984 | 152,970 | 112,978 | 39,992 | 13,840 | 614,820 |
| V1985 | 65,229 | 65,353 | -125 | -48 | 275,332 |
| V1986 | 101,661 | 126,298 | -24,637 | -8,654 | 613,092 |
| V1987A | 0 | 7,971 | -7,971 | -2,644 | 74,751 |
| V1987 | 495,715 | 529,125 | -33,409 | -5,763 | 388,570 |
| V1988 | 138,859 | 242,109 | -103,251 | -44,999 | 354,547 |
| V1989 | 20,332 | 61,197 | -40,865 | -15,560 | 366,863 |
| V1990 | 368,107 | 166,605 | 201,502 | 58,819 | 527,979 |
| V1991 | 601,843 | 241,219 | 360,624 | 119,883 | 657,113 |
| V1992 | 792,655 | 461,550 | 331,105 | 105,725 | 1,159,475 |
| V1993 | 1,929,773 | 1,481,239 | 448,534 | 154,304 | 2,259,346 |
| V1994 | 1,423,894 | 764,417 | 659,477 | 225,140 | 1,632,430 |
| V1995 | 4,044,797 | 1,934,907 | 2,109,890 | 706,803 | 2,311,978 |
| V1996 | 1,080,256 | 136,598 | 943,658 | 328,432 | 521,877 |
| | \$ 12,495,407 | \$ 8,207,186 | \$ 4,288,222 | \$ 1,428,644 | \$ 15,940,529 |

PECO Energy Company-Electric Operations
 ADJUSTMENT TO INCOME TAXES TO REFLECT
 PRO FORMA INTEREST CHARGES BASED ON
 YEAR-END PLANT AND EMBEDDED COST OF DEBT
 12 MONTHS ENDED DECEMBER 31, 1996
 (Thousand\$)

The Company adopted income tax allocation effective October 1, 1973 under which electric operating income is credited with the tax savings on interest charges associated with debt issued to finance plant actually in service.

The purpose of this adjustment is to reflect the proforma interest charges on the Company's measure of value as of December 31, 1996. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this adjustment.

| | | |
|--|-------|-------------|
| Actual Test Year Interest Charges Allocated To Electric in Developing Operating Taxes | | \$ 375,920 |
| Pro Forma Interest Charges Allocable to Electric Based on Rate Base Claim | | |
| O. C. Measure of Value at 12/31/96 (A-2) | | 8,587,584 |
| Percent Financed by Debt | | 46.4% |
| Amount Financed With Debt | | 3,984,639 |
| Proforma Interest Charges at | 8.52% | 339,491 |
| Increase in Allocated Interest Charges | | (36,429) |
| Change in Income Taxes | | 15,116 |
| Increase in Income for Return | | \$ (15,116) |

PECO Energy Company - Electric Operations
 AMORTIZATION OF ADJUSTMENTS ORDERED
 IN PRIOR CASES AND PROPOSED AMORTIZATION
 OF CURRENT EXPENSES
 12 MONTHS ENDED DECEMBER 31, 1996
 (Thousand \$)

In prior proceedings the Commission, for ratemaking purposes, provided for the amortization of certain expense items. Developed below is the adjustment to book expense to reflect these prior period items. Further discussion of this item is contained in the Direct Testimony of Thomas P. Hill, Jr.

| | Amount Booked In <u>Test Year</u> (1) | Ratemaking <u>Claim (a)</u> (2) | <u>Adjustment</u> (3)=(2)-(1) |
|-------------------------------------|--|---------------------------------------|----------------------------------|
| 1. Limerick 2 Declaratory Order | 2,518 | 10,072 | 7,554 |
| Total Decrease in Income for Return | | | \$7,554 |

(a) For detail, see below.

| | <u>Case Authorizing Amortization</u> | <u>Original Amount to be Amortized</u> | <u>Amortized as of 12/31/96</u> | <u>Unamortized as of 12/31/96</u> | <u>Current Year's Claimed Amortization</u> |
|---------------------------------|--|--|---|---|--|
| Limerick 2 Declaratory Order | P-00950982 | \$90,647 | \$2,518 | \$88,129 | \$10,072(1) |

(1) Reflects amortization from P-00950982.

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D-11

PECO Energy Company-Electric Operations
INTEREST ON COMPANY DEPOSITS
Twelve Months Ending December 31, 1996
(Thousand \$)

The purpose of this adjustment is to include the cost of interest accrued to the Company on its customer deposits. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this adjustment.

| | |
|------------------------------------|-------|
| Interest on Customer Deposits | \$741 |
| Decrease in Income Taxes @ 41.494% | \$307 |
| Decrease in Income for Return | \$434 |

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D-12

PECO Energy Company-Electric Operations
FEDERAL OLD AGE BENEFITS
For the Year Ended December 31, 1996
(Thousand \$)

Effective 1/1/97, the wage base subject to federal old age benefits tax was increased to \$65,400 from \$62,700 and the rate of tax remains at 6.2%. Developed below is the increase in expense due to these changes. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this adjustment.

Total Company

| | |
|---|-----------------|
| 1/1/96 to 12/31/96 Full Year Effect of Increase in Base and Rate | \$25,460 |
| 1/1/96 to 12/31/96 Expense Included in Actual Data | <u>\$24,409</u> |
| Increase | \$1,051 |
| Allocation to Electric Operations \$1,051 x 80.19% (a) | \$843 |
| Total Increase in Federal Old Age Benefit Taxes | \$843 |
| Decrease in Income Taxes at 41.494% | <u>\$350</u> |
| Decrease in Income for Return | \$493 |

(a)Based on Estimated Electric Portion of Payroll for the 12 months ended December 31, 1996.

PECO Energy Company - Electric Operations
 ADJUSTMENT TO REVENUES AND EXPENSES
 TO REFLECT WEATHER NORMALIZED SALES
 Twelve Months Ended December 31, 1996
 (Thousand \$)

The purpose of this adjustment is to reflect the effect of weather normalization on revenues and expenses. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this adjustment.

| | | |
|--|--------------|----------|
| <u>Increase in Revenues</u> | | |
| Residential | \$30,080 | |
| Residential Heating | 2,930 | |
| Small Commercial and Industrial | 4,070 | |
| Large Commercial and Industrial | <u>4,940</u> | |
| <u>Less: Increase in Expenses</u> | | \$42,020 |
| Fuel Expenses | | |
| Residential | 4,800 | |
| Residential Heating | (710) | |
| Small Commercial and Industrial | 1,370 | |
| Large Commercial and Industrial | <u>2,970</u> | |
| | | 8,430 |
| Gross Receipts Tax | | 1,849 |
| Increase in Revenue Net of Fuel and Gross Receipts Tax | | 31,741 |
| Increase in Income Taxes at 41.494% | | 13,171 |
| Increase in Income for Return | | 18,570 |

PECO Energy Company - Electric Operations
ADJUSTMENT TO ELIMINATE SALEM STATION
SHUTDOWN O&M EXPENSES FROM THE TEST YEAR
Twelve Months Ended December 31, 1996
(Thousand \$)

The purpose of this adjustment is to eliminate all fuel and nonfuel expense attributable to the shutdown of Salem Station during the test year. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this adjustment.

| | | |
|-------------------------------|---------------|-----------|
| Replacement Power | \$92,100 | |
| Outage Expenses | <u>57,437</u> | |
| Reduction in Expenses | | \$149,537 |
| Increase in Taxes @ 41.494% | | \$62,049 |
| Increase in Income for Return | | \$87,488 |

PECO Energy Company - Electric Operations
ADJUSTMENT TO REFLECT FULL YEAR AMORTIZATION OF
INVESTMENT TAX CREDIT UNDER PROFORMA PROPOSED RATE CONDITIONS
12 Months Ended December 31, 1996
(Thousand \$)

This adjustment reflects a full year amortization of investment tax credit on qualifying plant in service during the test year assuming proforma proposed rates were in effect during this period. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this item.

| | |
|--|----------|
| Proforma Investment Tax Credit Amortization | \$17,510 |
| Less: Amortization reflected on B-17 | 15,423 |
| Increase in ITC Amortization | \$2,087 |
| Increase in Income for Return | \$2,087 |

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D-16

PECO Energy Company-Electric Operations
CONSOLIDATED TAX SAVINGS
Twelve Months Ending December 31, 1996
(Thousand \$)

The purpose of this adjustment is to reflect consolidated tax savings associated with nonregulated subsidiary companies. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this item.

| | |
|-------------------------------|---------|
| Tax Savings | \$1,782 |
| Increase in Income for Return | \$1,782 |

PECO Energy Company-Electric Operations
ADJUSTMENT TO REFLECT NORMALIZED LEVEL
OF UNCOLLECTIBLE ACCOUNTS EXPENSE
Twelve Months Ended December 31, 1996
(Thousand \$)

The purpose of this adjustment is to reflect a normalized level of uncollectible accounts expense for the 1996 base year. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this item.

| | |
|--|-----------------|
| Normalized Level of Uncollectible Accounts Expense (a) | \$65,400 |
| Actual 1996 Uncollectible Accounts Expense | <u>\$87,534</u> |
| Decrease in Uncollectible Accounts Expense | \$22,134 |
| Increase in Income Taxes @ 41.494% | \$9,184 |
| Increase in Income for Return | \$12,950 |

(a) See page D-17a

PECO Energy Company-Electric Operations
ADJUSTMENT TO REFLECT NORMALIZED LEVEL
OF UNCOLLECTIBLE ACCOUNTS EXPENSE
Twelve Months Ended December 31, 1996
(Thousand \$)

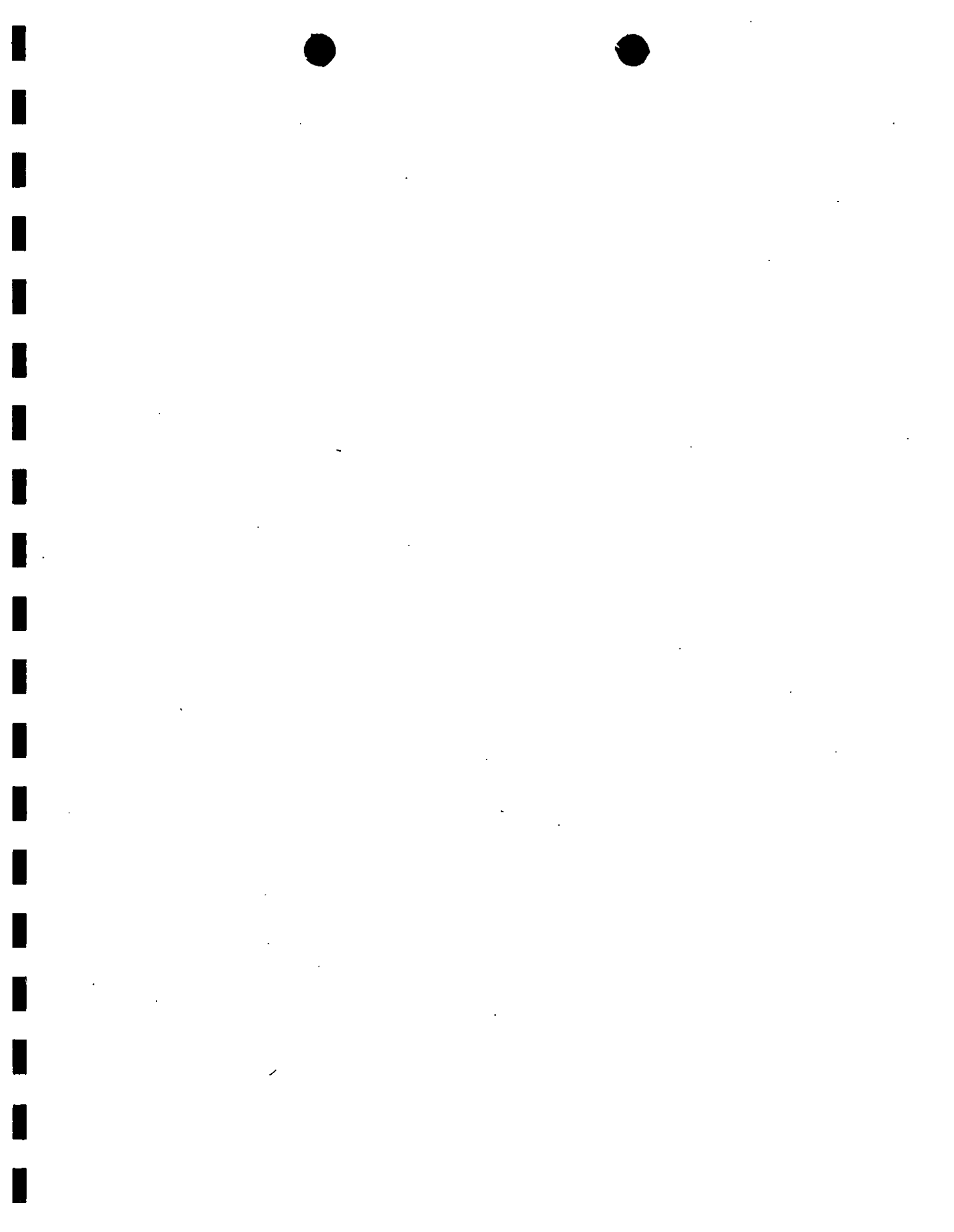
The Company's uncollectible accounts expense estimate is developed from three components. They are 1) accounts in arrears over 90 days, 2) CAP customer balances, and 3) Special Payment Agreements over 48 months. The normalized level of uncollectible accounts expense is comprised of the following amounts:

| | |
|---|-----------------|
| Accounts in arrears over 90 days | \$34,700 |
| CAP Customers | \$22,600 |
| Special Payment Agreements greater than 48 months | <u>\$ 8,100</u> |
| Total Proforma Uncollectible Accounts Expense | \$65,400 |

PECO Energy Company-Electric Operations
ADJUSTMENT TO EXCLUDE PURCHASES FOR RESALE THAT
OCCUR OUTSIDE THE COMPANY'S SERVICE TERRITORY
Twelve Months Ended December 31, 1996
(Thousand \$)

The purpose of this adjustment is to remove revenues and associated costs for purchases and sales of electricity that occur outside the Company's service territory. Refer to the Direct Testimony of Thomas P. Hill, Jr. for further discussion of this item.

| | |
|-----------------------------------|-----------|
| Revenue to be Removed | \$113,922 |
| Costs to be Removed | \$94,653 |
| Reduction in Revenues Net of Cost | \$19,269 |
| Decrease in Taxes @ 41.494% | \$7,995 |
| Decrease in Income for Return | \$11,274 |



Summary

Stranded Investment is calculated by subtracting the present value of the after-tax contribution margin for PECO Energy's generating units at December 31, 1998 from the net book value of electric generation-related assets as of that date. The model identifies the various operating cost and generation characteristics for each of PECO's generating units. By calculating the operating cost for each unit and comparing this to the projected operating revenue of the unit, one is able to determine which units are able to run and recover their costs and those that will not. The excess of generating assets over the discounted margin stream will not be recoverable in a competitive environment and is, therefore, stranded investment.

Generating Assets Subject to Stranded Investment

The generation-related assets subject to stranded investment include net generation plant, construction work in process and net regulatory assets, but exclude that portion of the Limerick plant that was previously disallowed from rate base. The asset values are based on year end 1996 book figures projected to December 31, 1998.

Net Present Value of After-Tax Contribution Margin

The after-tax contribution margin is defined as operating revenue less fuel cost, including spent fuel disposal costs, operating and maintenance expense, ongoing capital expenditures, administrative and general expense, other taxes, decommissioning costs, and required life extension costs. A margin is calculated for each station in the portfolio on a year-by-year basis and multiplied by one minus the tax rate to arrive at an after-tax income stream. However, if the calculated after-tax margin for a station unit in any year is less than zero, then the model performs a second calculation to determine if the plant should operate. Although a plant may not run, it may still incur certain costs such as other taxes and decommissioning costs. To maximize the value of the station in the net present value calculation, the margin used for a station in any year is the greater of these two calculations. The margin is further adjusted to reflect the present value of the carrying charges of working capital and inventory as well as future tax depreciation benefits of the capital additions, the value of accumulated deferred investment tax credits and the value of accumulated deferred income taxes.

The margin stream is discounted to December 31, 1998 using a discount rate of 8.41% which is PECO's after tax weighted average cost of capital. The tax rate used in the analysis is 41.493% which is PECO's current and projected composite federal and state income tax rate.

The analysis assumes that PECO's nuclear units will continue to operate (assuming they are economic) through the end of their license lives. All other units are assumed to operate through the end of their service lives but may receive a life extension of 15 years if it is economic to do so.

Revenue Projection

Operating revenue is calculated for each generating station in the Company's portfolio. The revenue is derived by multiplying the projected generation for that station during each hour by the projected market price for that hour. The generation and the market price projections were derived from analyses conducted by outside consultants engaged by PECO. The market prices provided are in 1996 dollars and are inflated using the GDP deflator published by DRI/McGraw-Hill World Energy Service, U.S. Outlook, Fall/Winter 1996-97, October 1996. The DRI data is based on US Macroeconomic Service Trend25yr0896.

Fuel Cost Projection

Fuel costs for the fossil stations are based on projections of unit fuel costs provided by the consultants engaged by PECO. Fuel costs for the nuclear units are based on projections made by PECO Nuclear and include spent fuel disposal costs. Fuel expense is derived by multiplying projected generation in megawatt hours against a projected unit fuel cost for each station in the portfolio. The fossil station fuel costs are in 1996 dollars inflated using the DRI/McGraw-Hill GDP deflator. The nuclear unit fuel costs are in 1997 dollars inflated using the DRI GDP deflator.

Operating and Maintenance Expense

Operating and Maintenance expense (O&M) is based on PECO's internal projections on a station by station basis. O&M expenses are in 1997 dollars inflated using the DRI/McGraw-Hill GDP deflator.

Ongoing Capital Expenditures

Ongoing capital expenditures are based on PECO's internal projections on a station by station basis and are in 1997 dollars inflated using the DRI/McGraw-

Hill GDP deflator. Capital expenditures for Limerick reflects the carrying charges of nuclear fuel inventory.

Administrative and General Expenses

Administrative and General (A&G) expenses are based on 1996 actual results. A&G is composed of two accounts -- Employee Pension and Benefits and Property Insurance. Employee Pension and Benefits is allocated to generation based on labor expense. Property insurance is allocated to generation based on net plant. A&G expenses are then allocated to each station based on estimated 1997 O&M expense. The Conemaugh, Keystone and Salem O&M figures already include allocated A&G expense and therefore do not receive any additional allocation. A&G expenses are in 1996 dollars inflated using the DRI/McGraw-Hill GDP deflator.

Other Taxes

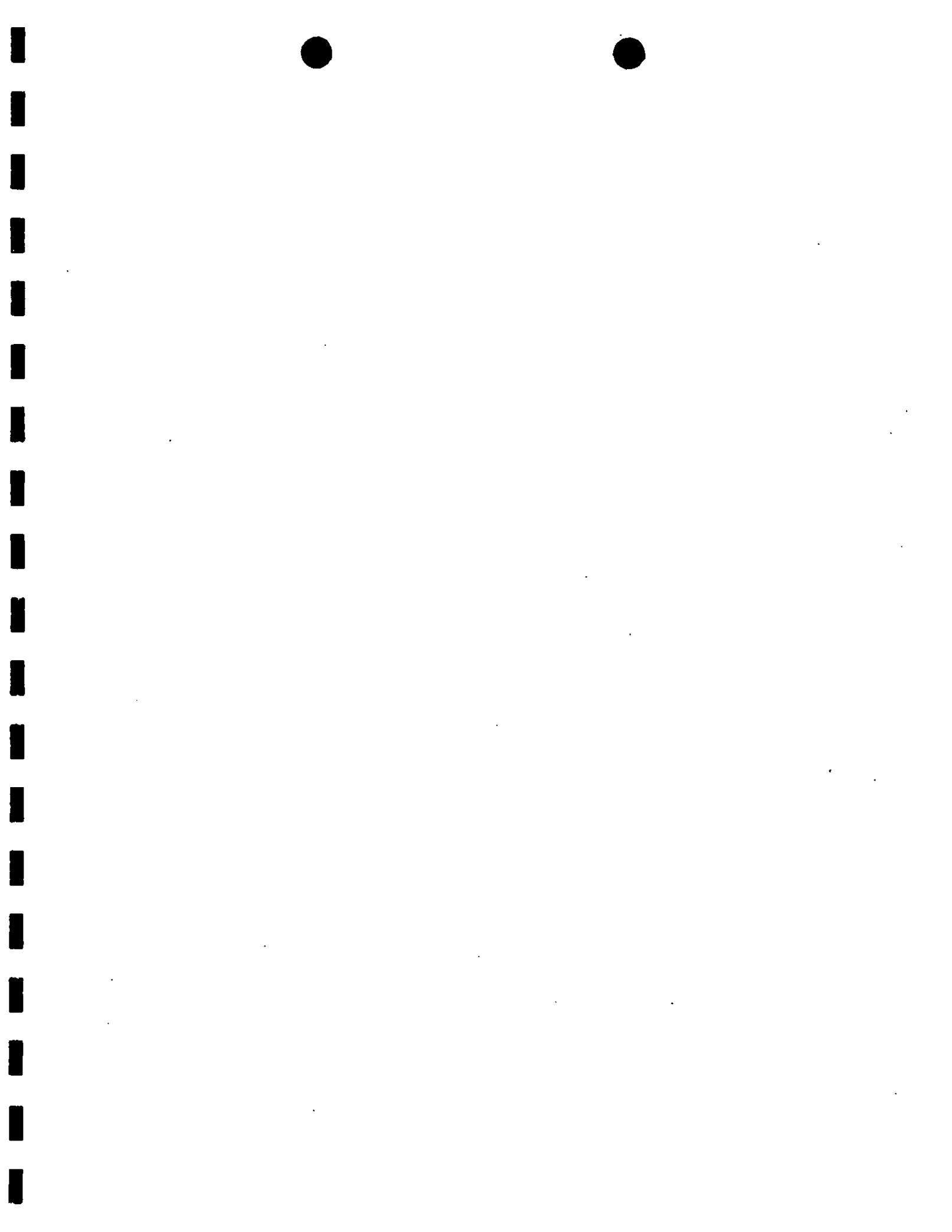
Other taxes are based on 1996 actual results and include taxes other than income taxes adjusted to exclude gross receipts tax. A portion of other taxes is allocated to generation based upon plant, the remainder is allocated based upon labor. Other taxes are allocated to each station based on estimated 1997 O&M expense. Similar to A&G costs, the Conemaugh, Keystone and Salem units do not receive an additional allocation as these costs are already included in their base O&M. Other taxes are in 1996 dollars and continue at fixed levels for the remaining lives of the units.

Decommissioning

Decommissioning costs for the nuclear units are based on site specific decommissioning studies as described in the testimony of A. B. Cohn and continue at fixed levels for the remaining lives of the units. Decommissioning costs for the fossil units are based on site specific studies and continue at fixed levels for the remaining lives of the units.

Required Life Extension Costs

Required life extension costs for the non-nuclear units are based on site specific estimates as made by PECO. These estimates are in 1997 dollars inflated using the DRI/McGraw-Hill GDP deflator. Life extension costs are incurred only if it is economic to do so.



Net Present Value of Contribution Margin

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates

| <u>Plant Name</u> | (000) Net Present Value |
|---|----------------------------|
| Conemaugh | \$ 295,780 |
| Conowingo | 586,489 |
| Cromby 1 | (7,103) |
| Cromby 2 | (538) |
| Delaware | (671) |
| Eddystone 1 | (6,587) |
| Eddystone 2 | 23,305 |
| Eddystone3&4 | 112,304 |
| Keystone | 207,696 |
| Limerick 1 | 463,927 |
| Limerick 2 | 448,907 |
| Muddy Run | 234,639 |
| P. Bottom 2 | 90,350 |
| P. Bottom 3 | 90,610 |
| Salem 1 | 34,962 |
| Salem 2 | 38,389 |
| Schuylkill | (380) |
| C. Turbines | 97,462 |
| Total NPV of Contribution Margin | \$ 2,709,541 |
| Total NPV excluding Negative Values | \$ 2,724,819 |
| Inventory and Working Capital Carrying Charges | (173,611) |
| Future Tax Depreciation Benefits | 305,947 |
| Accumulated Deferred Investment Tax Credit Benefits | 137,345 |
| Deferred Income Tax | 655,690 |
| Total Adjusted NPV excluding Negative Values | \$ 3,650,190 |

Exhibit TPH-3

Market Value of Generating Units by Year

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------|-------------|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Net Present Value | \$2,709,541 | \$295,780 | \$586,489 | (\$7,103) | (\$538) | (\$671) | (\$6,587) | \$23,305 | \$112,304 | \$207,696 |

(Market Value Revenue - Est. Fuel Cost - Est. O&M - Est. Capital* - A&G - Taxes - Decomm. - Required Life Extension*) x (1-T)

After-Tax Cash Contribution Margin**

| Year | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------|------------|-------------|------------|------------|----------|----------|-------------|-------------|--------------|-------------|
| 1999 | \$ 28,379 | \$ 15,923 | \$ 22,888 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,382 | \$ 10,951 |
| 2000 | \$ 88,651 | \$ 18,957 | \$ 27,108 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,378 | \$ 13,878 |
| 2001 | \$ 174,073 | \$ 23,831 | \$ 33,898 | \$ - | \$ - | \$ - | \$ (2,436) | \$ 242 | \$ 10,399 | \$ 18,736 |
| 2002 | \$ 193,678 | \$ 25,382 | \$ 35,414 | \$ (1,379) | \$ - | \$ - | \$ (1,709) | \$ 1,097 | \$ 11,333 | \$ 20,228 |
| 2003 | \$ 167,346 | \$ 27,169 | \$ 37,722 | \$ - | \$ - | \$ - | \$ (1,286) | \$ 1,326 | \$ 12,150 | \$ (29,576) |
| 2004 | \$ 243,301 | \$ 29,004 | \$ 41,463 | \$ (1,423) | \$ - | \$ - | \$ (384) | \$ 2,335 | \$ 12,654 | \$ 23,663 |
| 2005 | \$ 258,262 | \$ 30,295 | \$ 43,937 | \$ - | \$ - | \$ - | \$ 115 | \$ 2,967 | \$ 12,940 | \$ 24,914 |
| 2006 | \$ 207,654 | \$ (25,675) | \$ 45,061 | \$ - | \$ - | \$ - | \$ 188 | \$ 3,125 | \$ 12,967 | \$ 25,743 |
| 2007 | \$ 284,907 | \$ 32,806 | \$ 50,064 | \$ - | \$ - | \$ - | \$ 725 | \$ 3,741 | \$ 13,112 | \$ 27,107 |
| 2008 | \$ 305,526 | \$ 34,896 | \$ 53,493 | \$ - | \$ - | \$ - | \$ 1,551 | \$ 4,751 | \$ 12,539 | \$ 29,043 |
| 2009 | \$ 322,070 | \$ 36,252 | \$ 54,640 | \$ - | \$ - | \$ - | \$ 1,833 | \$ 5,090 | \$ 13,709 | \$ 30,235 |
| 2010 | \$ 252,718 | \$ 38,464 | \$ 58,616 | \$ - | \$ - | \$ - | \$ 2,584 | \$ (38,483) | \$ (34,816) | \$ 32,304 |
| 2011 | \$ 360,944 | \$ 39,870 | \$ 61,809 | \$ - | \$ - | \$ - | \$ - | \$ 6,382 | \$ 14,802 | \$ 33,536 |
| 2012 | \$ 375,528 | \$ 41,712 | \$ 68,994 | \$ - | \$ - | \$ - | \$ - | \$ 6,994 | \$ 13,272 | \$ 35,199 |
| 2013 | \$ 391,291 | \$ 43,166 | \$ 70,100 | \$ - | \$ - | \$ - | \$ - | \$ 7,328 | \$ 14,551 | \$ 36,473 |
| 2014 | \$ 364,717 | \$ 45,490 | \$ 62,018 | \$ - | \$ - | \$ - | \$ - | \$ 8,129 | \$ 15,600 | \$ 38,643 |
| 2015 | \$ 377,057 | \$ 47,667 | \$ 75,709 | \$ - | \$ - | \$ - | \$ - | \$ 8,846 | \$ 16,755 | \$ 40,654 |
| 2016 | \$ 393,667 | \$ 49,494 | \$ 78,648 | \$ - | \$ - | \$ - | \$ - | \$ 9,278 | \$ 17,461 | \$ 42,215 |
| 2017 | \$ 398,444 | \$ 51,321 | \$ 81,587 | \$ - | \$ - | \$ - | \$ - | \$ 9,711 | \$ 18,167 | \$ 43,775 |
| 2018 | \$ 414,563 | \$ 53,148 | \$ 84,526 | \$ - | \$ - | \$ - | \$ - | \$ 10,143 | \$ 18,872 | \$ 45,336 |
| 2019 | \$ 385,865 | \$ 55,236 | \$ 87,885 | \$ - | \$ - | \$ - | \$ - | \$ 10,637 | \$ 19,679 | \$ - |
| 2020 | \$ 402,503 | \$ 57,325 | \$ 91,244 | \$ - | \$ - | \$ - | \$ - | \$ 11,132 | \$ 20,485 | \$ - |
| 2021 | \$ 407,031 | \$ 59,491 | \$ 94,729 | \$ - | \$ - | \$ - | \$ - | \$ 11,644 | \$ 21,322 | \$ - |
| 2022 | \$ 362,644 | \$ - | \$ 98,345 | \$ - | \$ - | \$ - | \$ - | \$ 12,176 | \$ 22,191 | \$ - |
| 2023 | \$ 378,315 | \$ - | \$ 102,096 | \$ - | \$ - | \$ - | \$ - | \$ 12,728 | \$ 23,092 | \$ - |
| 2024 | \$ 394,575 | \$ - | \$ 105,989 | \$ - | \$ - | \$ - | \$ - | \$ 13,301 | \$ 24,026 | \$ - |
| 2025 | \$ 294,682 | \$ - | \$ 110,028 | \$ - | \$ - | \$ - | \$ - | \$ 13,896 | \$ 24,996 | \$ - |
| 2026 | \$ 266,415 | \$ - | \$ 114,218 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 277,440 | \$ - | \$ 118,566 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 288,878 | \$ - | \$ 123,078 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 300,745 | \$ - | \$ 127,758 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Notes:

* Assumes all capital additions are currently tax deductible. Capital also includes required life extension costs.

** If contribution margin is negative then plant does not operate, but incurs taxes and decommissioning costs.

*** Shaded areas indicate plant does not operate.

Market Value of Generating Units by Year

*EDS - Restructuring Filing - Utilizing J. Bust
(000)*

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|--------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Net Present Value | \$463,927 | \$448,907 | \$234,639 | \$90,350 | \$90,610 | \$34,962 | \$38,389 | (\$380) | \$97,462 |

After-Tax Cash Contribution Margin**

| 1999 | \$ 1,380 | \$ (3,042) | \$ 6,384 | \$ (2,080) | \$ (2,800) | *** | *** | *** | \$ (9,561) |
|------|------------|------------|-----------|------------|------------|-----------|-----------|------|------------|
| 2000 | \$ 10,794 | \$ 5,975 | \$ 10,068 | \$ 1,762 | \$ 1,042 | *** | *** | \$ - | \$ 6,012 |
| 2001 | \$ 25,268 | \$ 19,891 | \$ 17,452 | \$ 7,678 | \$ 6,957 | \$ 774 | \$ 361 | \$ - | \$ 12,643 |
| 2002 | \$ 28,452 | \$ 22,870 | \$ 18,555 | \$ 8,944 | \$ 8,223 | \$ 1,617 | \$ 1,119 | \$ - | \$ 13,532 |
| 2003 | \$ 33,389 | \$ 27,569 | \$ 19,657 | \$ 10,910 | \$ 10,190 | \$ 3,258 | \$ 2,669 | \$ - | \$ 13,818 |
| 2004 | \$ 37,417 | \$ 31,366 | \$ 20,559 | \$ 12,428 | \$ 11,707 | \$ 4,340 | \$ 3,698 | \$ - | \$ 14,473 |
| 2005 | \$ 39,480 | \$ 33,270 | \$ 21,342 | \$ 13,121 | \$ 12,400 | \$ 4,594 | \$ 3,955 | \$ - | \$ 14,932 |
| 2006 | \$ 40,794 | \$ 34,433 | \$ 21,569 | \$ 13,542 | \$ 12,821 | \$ 4,452 | \$ 3,728 | \$ - | \$ 14,906 |
| 2007 | \$ 44,155 | \$ 37,586 | \$ 21,984 | \$ 14,787 | \$ 14,067 | \$ 5,260 | \$ 4,444 | \$ - | \$ 15,067 |
| 2008 | \$ 48,280 | \$ 41,455 | \$ 21,388 | \$ 16,319 | \$ 15,599 | \$ 6,250 | \$ 5,522 | \$ - | \$ 14,440 |
| 2009 | \$ 51,082 | \$ 44,053 | \$ 23,097 | \$ 17,291 | \$ 16,571 | \$ 6,668 | \$ 5,821 | \$ - | \$ 15,728 |
| 2010 | \$ 55,282 | \$ 47,974 | \$ 23,563 | \$ 18,796 | \$ 18,075 | \$ 7,529 | \$ 6,762 | \$ - | \$ 16,068 |
| 2011 | \$ 58,164 | \$ 50,643 | \$ 24,748 | \$ 19,803 | \$ 19,082 | \$ 7,979 | \$ 7,189 | \$ - | \$ 16,936 |
| 2012 | \$ 61,077 | \$ 53,322 | \$ 22,963 | \$ 20,791 | \$ 20,071 | \$ 8,300 | \$ 7,574 | \$ - | \$ 15,257 |
| 2013 | \$ 63,744 | \$ 55,764 | \$ 24,642 | \$ 21,679 | \$ 20,959 | \$ 8,519 | \$ 7,698 | \$ - | \$ 16,667 |
| 2014 | \$ 68,875 | \$ 60,582 | \$ 6,158 | \$ - | \$ 22,838 | \$ 9,743 | \$ 8,820 | \$ - | \$ 17,822 |
| 2015 | \$ 73,716 | \$ 65,129 | \$ 27,936 | \$ - | \$ - | \$ 10,852 | \$ 9,793 | \$ - | \$ - |
| 2016 | \$ 77,403 | \$ 68,533 | \$ 29,046 | \$ - | \$ - | \$ 11,343 | \$ 10,247 | \$ - | \$ - |
| 2017 | \$ 81,089 | \$ 71,937 | \$ 30,155 | \$ - | \$ - | \$ - | \$ 10,702 | \$ - | \$ - |
| 2018 | \$ 84,776 | \$ 75,341 | \$ 31,264 | \$ - | \$ - | \$ - | \$ 11,157 | \$ - | \$ - |
| 2019 | \$ 88,989 | \$ 79,231 | \$ 32,531 | \$ - | \$ - | \$ - | \$ 11,676 | \$ - | \$ - |
| 2020 | \$ 93,202 | \$ 83,121 | \$ 33,799 | \$ - | \$ - | \$ - | \$ 12,196 | \$ - | \$ - |
| 2021 | \$ 97,573 | \$ 87,157 | \$ 35,114 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 102,109 | \$ 91,344 | \$ 36,479 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 106,815 | \$ 95,689 | \$ 37,895 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 111,697 | \$ 100,197 | \$ 39,364 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 104,875 | \$ 40,888 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 109,728 | \$ 42,469 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 114,763 | \$ 44,110 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 119,988 | \$ 45,812 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 125,408 | \$ 47,579 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

** If contribution margin is negative then plant does not operate, but incurs taxes and decommissioning costs.

*** Shaded areas indicate plant does not operate.

Operating Assumptions

Data Inputs

| Plant Name | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------|--|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Capacity (MW) | 9,186 | 352 | 512 | 144 | 201 | 250 | 279 | 302 | 760 | 357 |
| Case Description: | EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates | | | | | | | | | |
| Plant Type | | Coal | Water | Coal | Gas | Oil | Coal | Coal | Gas | Coal |

Decommissioning:

| | | | | | | | | | | |
|----------------------------------|---------|------------|-----------|-----------|--------|------|--------|-----------|-----------|--------|
| Decommissioning Year - Adjusted | | 2021 | 2029 | 2004 | 1999 | 1999 | 2010 | 2025 | 2025 | 2018 |
| Decommissioning Year - Nameplate | | 2006 | 2014 | 2004 | 1999 | 1999 | 2010 | 2010 | 2010 | 2003 |
| Life Extension Years | | 15 | 15 | 0 | 0 | 0 | 0 | 15 | 15 | 15 |
| Required Life Extension Costs | 1997 \$ | 307,000 \$ | 75,000 \$ | 10,000 \$ | - \$ | - \$ | - \$ | 51,000 \$ | 56,000 \$ | 75,000 |
| Decommissioning Exp. | Flat \$ | 39,504 \$ | 618 \$ | - \$ | 192 \$ | - \$ | 319 \$ | 319 \$ | 710 \$ | 639 |

O&M Buildup:

| | | | | | | | | | | | |
|---------------------------------------|---------|------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|--------|
| Fixed Charge - \$/000 | 1997 \$ | 444,432 \$ | 7,677 \$ | 8,950 \$ | 6,762 \$ | 3,842 \$ | 4,789 \$ | 11,582 \$ | 9,528 \$ | 9,093 \$ | 6,811 |
| Incremental Charge - \$/MWhr | 1997 | \$ | - \$ | 0.69 \$ | 3.38 \$ | 0.51 \$ | 1.68 \$ | 4.07 \$ | 3.24 \$ | 0.48 \$ | - |
| NOX 1999-2002 \$/MWhr | 1997 | \$ | - \$ | - \$ | 1.09 \$ | 1.43 \$ | 0.20 \$ | 0.64 \$ | 1.69 \$ | 0.79 \$ | - |
| NOX 2003&Thereafter \$/MWhr | 1997 | \$ | - \$ | - \$ | 2.52 \$ | 3.10 \$ | 0.76 \$ | 1.06 \$ | 2.34 \$ | 1.81 \$ | - |
| Merrill Creek | Flat \$ | 16,400 \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - |
| 1997 Operating & Maintenance - Base | \$ | 478,257 \$ | 7,677 \$ | 10,172 \$ | 9,931 \$ | 3,842 \$ | 4,789 \$ | 18,392 \$ | 15,375 \$ | 9,093 \$ | 6,811 |
| 1996 Operating & Maintenance -Actual | \$ | 532,216 \$ | 12,139 \$ | 8,474 \$ | 10,002 \$ | 4,211 \$ | 6,463 \$ | 18,298 \$ | 15,090 \$ | 9,223 \$ | 10,486 |
| 1995 Operating & Maintenance - Actual | \$ | 508,878 \$ | 12,520 \$ | 10,596 \$ | 12,655 \$ | 5,280 \$ | 7,373 \$ | 19,734 \$ | 19,787 \$ | 11,645 \$ | 12,338 |
| 1994 Operating & Maintenance - Actual | \$ | 529,628 \$ | 12,720 \$ | 10,912 \$ | 14,303 \$ | 6,835 \$ | 9,721 \$ | 29,492 \$ | 25,750 \$ | 14,980 \$ | 13,135 |

Capital Expenditures:

| | | | | | | | | | | | |
|----------------------------------|--|------------|-----------|-----------|-----------|----------|----------|----------|----------|-----------|--------|
| 1997 Capital Expenditures Base | | 90,736 \$ | 1,960 \$ | 1,400 \$ | 1,500 \$ | 900 \$ | 1,600 \$ | 1,800 \$ | 1,800 \$ | 1,800 \$ | 2,760 |
| 1996 Capital Expenditures Actual | | 205,286 \$ | 5,196 \$ | 13,723 \$ | 70 \$ | 88 \$ | - \$ | 650 \$ | 420 \$ | 855 \$ | 3,760 |
| 1995 Capital Expenditures Actual | | 169,437 \$ | 8,752 \$ | 6,100 \$ | 429 \$ | 3,334 \$ | 136 \$ | 8,415 \$ | 5,141 \$ | 3,573 \$ | 7,274 |
| 1994 Capital Expenditures Actual | | 198,806 \$ | 27,638 \$ | 943 \$ | 10,217 \$ | 827 \$ | 1,617 \$ | 5,895 \$ | 4,393 \$ | 13,223 \$ | 11,156 |

Other Costs:

| | | | | | | | | | | | |
|----------------------|---------|-----------|------|----------|----------|--------|----------|----------|----------|----------|---|
| Admin & General Exp. | 1996 \$ | 45,679 \$ | - \$ | 1,377 \$ | 1,345 \$ | 520 \$ | 648 \$ | 2,490 \$ | 2,082 \$ | 1,231 \$ | - |
| Other Taxes | 1996 \$ | 87,573 \$ | - \$ | 2,640 \$ | 2,578 \$ | 997 \$ | 1,243 \$ | 4,774 \$ | 3,991 \$ | 2,360 \$ | - |

Allocation Factors:

| | | | | | | | | | | | |
|--------------------------------------|--|------------|------|-----------|----------|----------|----------|-----------|-----------|----------|------|
| 1997 O&M ex Salem,Keystone&Conemaugh | | 337,381 \$ | - \$ | 10,172 \$ | 9,931 \$ | 3,842 \$ | 4,789 \$ | 18,392 \$ | 15,375 \$ | 9,093 \$ | - |
| | | | 0.0% | 3.0% | 2.9% | 1.1% | 1.4% | 5.5% | 4.6% | 2.7% | 0.0% |

Operating Assumptions

Data Inputs

| Plant Name | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuylkill | C. Turbines |
|-------------------|------------|------------|-----------|-------------|-------------|---------|---------|------------|-------------|
| Capacity (MW) | 1,155 | 1,115 | 880 | 464 | 464 | 471 | 479 | 166 | 835 |
| Case Description: | | | | | | | | | |
| Plant Type | Nuc | Nuc | Water | Nuc | Nuc | Nuc | Nuc | Oil | Oil |

Decommissioning:

| | | | | | | | | | |
|----------------------------------|---------------|-----------|-----------|----------|----------|----------|----------|------|-----------|
| Decommissioning Year - Adjusted | 2024 | 2029 | 2029 | 2013 | 2014 | 2016 | 2020 | 1999 | 2014 |
| Decommissioning Year - Nameplate | 2024 | 2029 | 2014 | 2013 | 2014 | 2016 | 2020 | 1999 | 1999 |
| Life Extension Years | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 0 | 15 |
| Required Life Extension Costs | 1997 \$ - | \$ - | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,000 |
| Decommissioning Exp. | Flat \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |

O&M Buildup:

| | | | | | | | | | |
|---------------------------------------|----------------|-----------|----------|-----------|-----------|-----------|-----------|----------|-----------|
| Fixed Charge - \$000 | 1997 \$ 79,053 | \$ 79,053 | \$ 7,639 | \$ 35,711 | \$ 35,711 | \$ 63,194 | \$ 63,194 | \$ 2,713 | \$ 9,131 |
| Incremental Charge - \$/MWhr | 1997 \$ - | \$ - | \$ 0.45 | \$ - | \$ - | \$ - | \$ - | \$ 0.43 | \$ 2.22 |
| NOX 1999-2002 \$/MWhr | 1997 \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,080 |
| NOX 2003&Thereafter \$/MWhr | 1997 \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.31 | \$ 1,960 |
| Merrill Creek | Flat \$ 8,200 | \$ 8,200 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1997 Operating & Maintenance - Base | \$ 87,253 | \$ 87,253 | \$ 8,017 | \$ 35,711 | \$ 35,711 | \$ 63,194 | \$ 63,194 | \$ 2,713 | \$ 9,131 |
| 1996 Operating & Maintenance - Actual | \$ 95,778 | \$ 71,579 | \$ 8,525 | \$ 48,153 | \$ 24,217 | \$ 80,685 | \$ 93,883 | \$ 3,474 | \$ 11,536 |
| 1995 Operating & Maintenance - Actual | \$ 76,363 | \$ 91,678 | \$ 7,474 | \$ 28,482 | \$ 47,870 | \$ 73,035 | \$ 58,183 | \$ 3,697 | \$ 10,168 |
| 1994 Operating & Maintenance - Actual | \$ 98,484 | \$ 74,749 | \$ 6,318 | \$ 53,885 | \$ 25,631 | \$ 60,924 | \$ 55,692 | \$ 4,701 | \$ 11,396 |

Capital Expenditures:

| | | | | | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|
| 1997 Capital Expenditures Base | \$ 22,736 | \$ 22,736 | \$ 1,100 | \$ 7,542 | \$ 7,542 | \$ 5,930 | \$ 5,930 | \$ 800 | \$ 900 |
| 1996 Capital Expenditures Actual | \$ 19,128 | \$ 8,716 | \$ 14,569 | \$ 10,201 | \$ 6,331 | \$ 73,724 | \$ 47,051 | \$ - | \$ 804 |
| 1995 Capital Expenditures Actual | \$ 16,445 | \$ 23,350 | \$ 3,936 | \$ 9,449 | \$ 12,511 | \$ 30,773 | \$ 29,433 | \$ 104 | \$ 282 |
| 1994 Capital Expenditures Actual | \$ 22,183 | \$ 23,474 | \$ 3,830 | \$ 23,061 | \$ 5,891 | \$ 20,218 | \$ 20,800 | \$ 1,509 | \$ 1,931 |

** includes Carrying Charges on Limerick fuel inventory

Other Costs:

| | | | | | | | | | |
|----------------------|----------------|-----------|----------|----------|----------|------|------|--------|----------|
| Admin & General Exp. | 1996 \$ 11,813 | \$ 11,813 | \$ 1,085 | \$ 4,835 | \$ 4,835 | \$ - | \$ - | \$ 367 | \$ 1,236 |
| Other Taxes | 1996 \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ 704 | \$ 2,370 |

Allocation Factors:

| | | | | | | | | | |
|--------------------------------------|-----------|-----------|----------|-----------|-----------|------|------|----------|----------|
| 1997 O&M ex Salem,Keystone&Conemaugh | \$ 87,253 | \$ 87,253 | \$ 8,017 | \$ 35,711 | \$ 35,711 | \$ - | \$ - | \$ 2,713 | \$ 9,131 |
| | 25.9% | 25.9% | 2.4% | 10.6% | 10.6% | 0.0% | 0.0% | 0.8% | 2.7% |

General and Growth Assumptions

| |
|---------------------------|
| General Assumption |
|---------------------------|

| | |
|-----------------|---------|
| Discount Rate | 8.41% |
| Income Tax Rate | 41.493% |

| Growth Assumptions | | |
|---------------------------|----------------------------|--------------------------------|
| <u>Year</u> | <u>Annual GDP Deflator</u> | <u>Cumulative GDP Deflator</u> |
| 1995 | 1.0000 | 1.0000 |
| 1996 | 1.0200 | 1.0200 |
| 1997 | 1.0196 | 1.0400 |
| 1998 | 1.0288 | 1.0700 |
| 1999 | 1.0187 | 1.0900 |
| 2000 | 1.0275 | 1.1200 |
| 2001 | 1.0268 | 1.1500 |
| 2002 | 1.0348 | 1.1900 |
| 2003 | 1.0252 | 1.2200 |
| 2004 | 1.0328 | 1.2600 |
| 2005 | 1.0317 | 1.3000 |
| 2006 | 1.0385 | 1.3500 |
| 2007 | 1.0296 | 1.3900 |
| 2008 | 1.0360 | 1.4400 |
| 2009 | 1.0347 | 1.4900 |
| 2010 | 1.0403 | 1.5500 |
| 2011 | 1.0323 | 1.6000 |
| 2012 | 1.0375 | 1.6600 |
| 2013 | 1.0361 | 1.7200 |
| 2014 | 1.0349 | 1.7800 |
| 2015 | 1.0337 | 1.8400 |
| 2016 | 1.0380 | 1.9100 |
| 2017 | 1.0366 | 1.9800 |
| 2018 | 1.0354 | 2.0500 |
| 2019 | 1.0390 | 2.1300 |
| 2020 | 1.0376 | 2.2100 |
| 2021 | 1.0376 | 2.2930 |
| 2022 | 1.0376 | 2.3791 |
| 2023 | 1.0376 | 2.4685 |
| 2024 | 1.0376 | 2.5612 |
| 2025 | 1.0376 | 2.6574 |
| 2026 | 1.0376 | 2.7572 |
| 2027 | 1.0376 | 2.8608 |
| 2028 | 1.0376 | 2.9682 |
| 2029 | 1.0376 | 3.0797 |

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--------------------------------------|------------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|-----------|
| Generation Projection (MWhrs) | | | | | | | | | | |
| 1999 | 39,591,594 | 2,718,978 | 1,771,000 | 937,320 | - | - | 1,673,160 | 1,804,560 | 1 | 2,651,440 |
| 2000 | 39,663,946 | 2,718,978 | 1,771,000 | 946,080 | - | - | 1,699,440 | 1,830,840 | 1 | 2,662,472 |
| 2001 | 39,403,645 | 2,718,978 | 1,771,000 | 954,840 | - | - | 1,725,720 | 1,857,120 | 1 | 2,673,505 |
| 2002 | 39,665,871 | 2,718,978 | 1,771,000 | 954,840 | - | - | 1,725,720 | 1,857,120 | 105,120 | 2,666,150 |
| 2003 | 39,869,156 | 2,718,978 | 1,771,000 | 954,840 | - | - | 1,725,720 | 1,857,120 | 140,160 | 2,662,472 |
| 2004 | 39,895,436 | 2,718,978 | 1,771,000 | 954,840 | - | - | 1,725,720 | 1,865,880 | 140,160 | 2,662,472 |
| 2005 | 38,749,802 | 2,718,978 | 1,771,000 | - | - | - | 1,734,480 | 1,865,880 | 122,640 | 2,666,150 |
| 2006 | 38,609,643 | 2,718,978 | 1,771,000 | - | - | - | 1,725,720 | 1,857,120 | 1 | 2,666,150 |
| 2007 | 38,618,403 | 2,718,978 | 1,771,000 | - | - | - | 1,725,720 | 1,865,880 | 1 | 2,666,150 |
| 2008 | 38,963,493 | 2,718,978 | 1,771,000 | - | - | - | 1,734,480 | 1,865,880 | 1 | 2,669,827 |
| 2009 | 39,000,859 | 2,718,978 | 1,771,000 | - | - | - | 1,743,240 | 1,883,400 | 1 | 2,677,182 |
| 2010 | 39,228,912 | 2,718,978 | 1,771,000 | - | - | - | 1,769,520 | 1,909,680 | 1 | 2,688,214 |
| 2011 | 37,475,507 | 2,718,978 | 1,771,000 | - | - | - | - | 1,918,440 | 1 | 2,695,569 |
| 2012 | 37,820,598 | 2,718,978 | 1,771,000 | - | - | - | - | 1,927,200 | 1 | 2,699,247 |
| 2013 | 37,836,766 | 2,718,978 | 1,771,000 | - | - | - | - | 1,935,960 | 1 | 2,702,924 |
| 2014 | 34,860,155 | 2,718,978 | 1,771,000 | - | - | - | - | 1,988,520 | 1 | 2,721,312 |
| 2015 | 31,702,913 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | 2,736,021 |
| 2016 | 31,702,913 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | 2,736,021 |
| 2017 | 28,610,010 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | 2,736,021 |
| 2018 | 28,610,010 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | 2,736,021 |
| 2019 | 25,873,989 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2020 | 25,873,989 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2021 | 22,777,355 | 2,718,978 | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2022 | 20,058,377 | - | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2023 | 20,058,377 | - | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2024 | 20,058,377 | - | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2025 | 12,472,217 | - | 1,771,000 | - | - | - | - | 2,032,320 | 1 | - |
| 2026 | 10,439,896 | - | 1,771,000 | - | - | - | - | - | - | - |
| 2027 | 10,439,896 | - | 1,771,000 | - | - | - | - | - | - | - |
| 2028 | 10,439,896 | - | 1,771,000 | - | - | - | - | - | - | - |
| 2029 | 10,439,896 | - | 1,771,000 | - | - | - | - | - | - | - |

(1) indicates capacity payment

EDS - Restructuring Filing - Utilizing J. Bust
(000)

Generation Projection (MWhrs)

| | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuykill | C. Turbines |
|------|------------|------------|-----------|-------------|-------------|-----------|-----------|-----------|-------------|
| | | | | | | | | | (1) |
| 1999 | 7,586,160 | 7,323,360 | 840,960 | 3,047,559 | 3,047,559 | 3,092,903 | 3,096,634 | - | 1 |
| 2000 | 7,586,160 | 7,323,360 | 840,960 | 3,047,559 | 3,047,559 | 3,096,634 | 3,092,903 | - | 1 |
| 2001 | 7,586,160 | 7,323,360 | 504,576 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2002 | 7,586,160 | 7,323,360 | 672,768 | 3,047,559 | 3,047,559 | 3,092,903 | 3,096,634 | - | 1 |
| 2003 | 7,586,160 | 7,323,360 | 840,960 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2004 | 7,594,920 | 7,332,120 | 840,960 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2005 | 7,586,160 | 7,323,360 | 672,768 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2006 | 7,586,160 | 7,323,360 | 672,768 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2007 | 7,586,160 | 7,323,360 | 672,768 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2008 | 7,586,160 | 7,323,360 | 1,009,152 | 3,047,559 | 3,047,559 | 3,096,634 | 3,092,903 | - | 1 |
| 2009 | 7,586,160 | 7,323,360 | 1,009,152 | 3,047,559 | 3,047,559 | 3,096,634 | 3,096,634 | - | 1 |
| 2010 | 7,586,160 | 7,323,360 | 1,177,344 | 3,047,559 | 3,047,559 | 3,092,903 | 3,096,634 | - | 1 |
| 2011 | 7,586,160 | 7,323,360 | 1,177,344 | 3,047,559 | 3,047,559 | 3,092,903 | 3,096,634 | - | 1 |
| 2012 | 7,586,160 | 7,323,360 | 1,513,728 | 3,047,559 | 3,047,559 | 3,092,903 | 3,092,903 | - | 1 |
| 2013 | 7,586,160 | 7,323,360 | 1,513,728 | 3,047,559 | 3,047,559 | 3,092,903 | 3,096,634 | - | 1 |
| 2014 | 7,586,160 | 7,323,360 | 1,513,728 | - | 3,047,559 | 3,092,903 | 3,096,634 | - | 1 |
| 2015 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | 3,092,903 | 3,096,634 | - | - |
| 2016 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | 3,092,903 | 3,096,634 | - | - |
| 2017 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | 3,096,634 | - | - |
| 2018 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | 3,096,634 | - | - |
| 2019 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | 3,096,634 | - | - |
| 2020 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | 3,096,634 | - | - |
| 2021 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2022 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2023 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2024 | 7,586,160 | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2025 | - | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2026 | - | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2027 | - | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2028 | - | 7,323,360 | 1,345,536 | - | - | - | - | - | - |
| 2029 | - | 7,323,360 | 1,345,536 | - | - | - | - | - | - |

(1) indicates capacity payment

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Market Price Rate (\$/MWhr) | | | | | | | | | | |
| Energy & Capacity | | | | | | | | | | |
| 1999 | \$ 28.40 | \$ 25.12 | \$ 31.26 | \$ 26.77 | \$ - | \$ - | \$ 27.62 | \$ 27.62 | ##### | \$ 25.55 |
| 2000 | \$ 31.50 | \$ 27.47 | \$ 35.54 | \$ 29.36 | \$ - | \$ - | \$ 30.21 | \$ 30.26 | ##### | \$ 27.91 |
| 2001 | \$ 36.63 | \$ 30.83 | \$ 42.31 | \$ 33.13 | \$ - | \$ - | \$ 34.10 | \$ 34.19 | ##### | \$ 31.30 |
| 2002 | \$ 38.15 | \$ 32.12 | \$ 44.05 | \$ 34.59 | \$ - | \$ - | \$ 35.65 | \$ 35.74 | \$ 392.24 | \$ 32.69 |
| 2003 | \$ 39.90 | \$ 33.64 | \$ 46.49 | \$ 36.25 | \$ - | \$ - | \$ 37.41 | \$ 37.51 | \$ 324.08 | \$ 34.27 |
| 2004 | \$ 41.74 | \$ 35.12 | \$ 50.38 | \$ 37.93 | \$ - | \$ - | \$ 39.20 | \$ 39.11 | \$ 337.50 | \$ 35.79 |
| 2005 | \$ 43.43 | \$ 36.20 | \$ 53.05 | \$ - | \$ - | \$ - | \$ 40.33 | \$ 40.44 | \$ 387.98 | \$ 36.86 |
| 2006 | \$ 44.78 | \$ 37.37 | \$ 54.49 | \$ - | \$ - | \$ - | \$ 41.78 | \$ 41.88 | ##### | \$ 38.04 |
| 2007 | \$ 46.64 | \$ 38.85 | \$ 59.60 | \$ - | \$ - | \$ - | \$ 43.50 | \$ 43.40 | ##### | \$ 39.56 |
| 2008 | \$ 48.19 | \$ 40.73 | \$ 63.26 | \$ - | \$ - | \$ - | \$ 45.48 | \$ 45.61 | ##### | \$ 41.45 |
| 2009 | \$ 50.08 | \$ 42.17 | \$ 64.72 | \$ - | \$ - | \$ - | \$ 47.02 | \$ 46.95 | ##### | \$ 42.84 |
| 2010 | \$ 52.07 | \$ 44.18 | \$ 68.98 | \$ - | \$ - | \$ - | \$ 48.87 | \$ 48.85 | ##### | \$ 44.81 |
| 2011 | \$ 54.11 | \$ 45.67 | \$ 72.41 | \$ - | \$ - | \$ - | \$ - | \$ 50.41 | ##### | \$ 46.24 |
| 2012 | \$ 55.43 | \$ 47.48 | \$ 79.77 | \$ - | \$ - | \$ - | \$ - | \$ 52.22 | ##### | \$ 48.03 |
| 2013 | \$ 57.33 | \$ 49.06 | \$ 81.26 | \$ - | \$ - | \$ - | \$ - | \$ 53.90 | ##### | \$ 49.60 |
| 2014 | \$ 60.41 | \$ 51.20 | \$ 83.55 | \$ - | \$ - | \$ - | \$ - | \$ 55.37 | ##### | \$ 51.58 |
| 2015 | \$ 62.20 | \$ 53.27 | \$ 87.52 | \$ - | \$ - | \$ - | \$ - | \$ 56.92 | ##### | \$ 53.49 |
| 2016 | \$ 64.57 | \$ 55.29 | \$ 90.85 | \$ - | \$ - | \$ - | \$ - | \$ 59.08 | ##### | \$ 55.53 |
| 2017 | \$ 67.76 | \$ 57.32 | \$ 94.18 | \$ - | \$ - | \$ - | \$ - | \$ 61.25 | ##### | \$ 57.56 |
| 2018 | \$ 70.15 | \$ 59.35 | \$ 97.51 | \$ - | \$ - | \$ - | \$ - | \$ 63.41 | ##### | \$ 59.59 |
| 2019 | \$ 74.05 | \$ 61.66 | \$ 101.31 | \$ - | \$ - | \$ - | \$ - | \$ 65.89 | ##### | \$ - |
| 2020 | \$ 76.83 | \$ 63.98 | \$ 105.12 | \$ - | \$ - | \$ - | \$ - | \$ 68.36 | ##### | \$ - |
| 2021 | \$ 81.32 | \$ 66.38 | \$ 109.07 | \$ - | \$ - | \$ - | \$ - | \$ 70.93 | ##### | \$ - |
| 2022 | \$ 86.47 | \$ - | \$ 113.16 | \$ - | \$ - | \$ - | \$ - | \$ 73.59 | ##### | \$ - |
| 2023 | \$ 89.72 | \$ - | \$ 117.42 | \$ - | \$ - | \$ - | \$ - | \$ 76.36 | ##### | \$ - |
| 2024 | \$ 93.09 | \$ - | \$ 121.83 | \$ - | \$ - | \$ - | \$ - | \$ 79.22 | ##### | \$ - |
| 2025 | \$ 106.93 | \$ - | \$ 126.40 | \$ - | \$ - | \$ - | \$ - | \$ 82.20 | ##### | \$ - |
| 2026 | \$ 108.30 | \$ - | \$ 131.15 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 112.37 | \$ - | \$ 136.07 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 116.59 | \$ - | \$ 141.18 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 120.97 | \$ - | \$ 146.49 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

(1) ### indicates capacity payment not rate

EDS - Restructuring Filing - Utilizing J. Bust
(000)

| | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuykill | C. Turbines |
|------------------------------------|------------|------------|-----------|-------------|-------------|----------|----------|-----------|-------------|
| Market Price Rate (\$/MWhr) | | | | | | | | | |
| Energy & Capacity | | | | | | | | | |
| 1999 | \$ 25.72 | \$ 25.72 | \$ 88.65 | \$ 25.72 | \$ 25.72 | \$ 25.73 | \$ 25.60 | - | (1) ##### |
| 2000 | \$ 28.23 | \$ 28.23 | \$ 102.27 | \$ 28.23 | \$ 28.23 | \$ 28.21 | \$ 28.13 | - | ##### |
| 2001 | \$ 31.94 | \$ 31.94 | \$ 211.84 | \$ 31.94 | \$ 31.94 | \$ 31.91 | \$ 31.75 | - | ##### |
| 2002 | \$ 33.30 | \$ 33.30 | \$ 169.61 | \$ 33.30 | \$ 33.30 | \$ 33.31 | \$ 33.07 | - | ##### |
| 2003 | \$ 34.90 | \$ 34.90 | \$ 144.80 | \$ 34.90 | \$ 34.90 | \$ 34.87 | \$ 34.60 | - | ##### |
| 2004 | \$ 36.40 | \$ 36.40 | \$ 152.07 | \$ 36.44 | \$ 36.44 | \$ 36.40 | \$ 36.11 | - | ##### |
| 2005 | \$ 37.56 | \$ 37.56 | \$ 200.20 | \$ 37.55 | \$ 37.55 | \$ 37.52 | \$ 37.23 | - | ##### |
| 2006 | \$ 38.76 | \$ 38.76 | \$ 208.62 | \$ 38.76 | \$ 38.76 | \$ 38.73 | \$ 38.39 | - | ##### |
| 2007 | \$ 40.29 | \$ 40.29 | \$ 217.94 | \$ 40.29 | \$ 40.29 | \$ 40.25 | \$ 39.86 | - | ##### |
| 2008 | \$ 42.14 | \$ 42.14 | \$ 147.54 | \$ 42.14 | \$ 42.14 | \$ 42.10 | \$ 41.80 | - | ##### |
| 2009 | \$ 43.67 | \$ 43.67 | \$ 158.90 | \$ 43.67 | \$ 43.67 | \$ 43.63 | \$ 43.23 | - | ##### |
| 2010 | \$ 45.70 | \$ 45.71 | \$ 138.90 | \$ 45.70 | \$ 45.70 | \$ 45.72 | \$ 45.31 | - | ##### |
| 2011 | \$ 47.26 | \$ 47.26 | \$ 145.69 | \$ 47.26 | \$ 47.26 | \$ 47.27 | \$ 46.85 | - | ##### |
| 2012 | \$ 49.00 | \$ 49.00 | \$ 111.96 | \$ 49.00 | \$ 49.00 | \$ 49.01 | \$ 48.67 | - | ##### |
| 2013 | \$ 50.69 | \$ 50.69 | \$ 115.91 | \$ 50.68 | \$ 50.68 | \$ 50.70 | \$ 50.26 | - | ##### |
| 2014 | \$ 52.93 | \$ 52.93 | \$ 122.57 | - | \$ 52.93 | \$ 52.94 | \$ 52.44 | - | ##### |
| 2015 | \$ 55.10 | \$ 55.10 | \$ 145.67 | - | - | \$ 55.12 | \$ 54.54 | \$ - | - |
| 2016 | \$ 57.20 | \$ 57.20 | \$ 151.21 | - | - | \$ 57.22 | \$ 56.61 | \$ - | - |
| 2017 | \$ 59.29 | \$ 59.30 | \$ 156.75 | - | - | - | \$ 58.69 | \$ - | - |
| 2018 | \$ 61.39 | \$ 61.39 | \$ 162.29 | - | - | - | \$ 60.76 | \$ - | - |
| 2019 | \$ 63.79 | \$ 63.79 | \$ 168.63 | - | - | - | \$ 63.13 | \$ - | - |
| 2020 | \$ 66.18 | \$ 66.18 | \$ 174.96 | - | - | - | \$ 65.51 | \$ - | - |
| 2021 | \$ 68.67 | \$ 68.67 | \$ 181.53 | - | - | - | \$ - | \$ - | - |
| 2022 | \$ 71.25 | \$ 71.25 | \$ 188.35 | - | - | - | \$ - | \$ - | - |
| 2023 | \$ 73.92 | \$ 73.92 | \$ 195.42 | - | - | - | \$ - | \$ - | - |
| 2024 | \$ 76.70 | \$ 76.70 | \$ 202.76 | - | - | - | \$ - | \$ - | - |
| 2025 | \$ - | \$ 79.58 | \$ 210.38 | - | - | - | \$ - | \$ - | - |
| 2026 | \$ - | \$ 82.57 | \$ 218.28 | - | - | - | \$ - | \$ - | - |
| 2027 | \$ - | \$ 85.67 | \$ 226.48 | - | - | - | \$ - | \$ - | - |
| 2028 | \$ - | \$ 88.89 | \$ 234.98 | - | - | - | \$ - | \$ - | - |
| 2029 | \$ - | \$ 92.23 | \$ 243.81 | - | - | - | \$ - | \$ - | - |

(1) ### indicates capacity payment not rate

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------------|---|------------|------------|-----------|----------|----------|-------------|-------------|--------------|------------|
| Market Price Revenues | <i>(generation x market rate) (000's)</i> | | | | | | | | | |
| Energy & Capacity | | | | | | | | | | |
| 1999 | \$ 1,124,279 | \$ 68,302 | \$ 55,361 | \$ 25,092 | \$ - | \$ - | \$ 46,218 | \$ 49,848 | \$ 18,164 | \$ 67,741 |
| 2000 | \$ 1,249,443 | \$ 74,682 | \$ 62,948 | \$ 27,778 | \$ - | \$ - | \$ 51,347 | \$ 55,392 | \$ 23,636 | \$ 74,299 |
| 2001 | \$ 1,443,338 | \$ 83,837 | \$ 74,927 | \$ 31,634 | \$ - | \$ - | \$ 58,853 | \$ 63,490 | \$ 34,276 | \$ 83,684 |
| 2002 | \$ 1,513,360 | \$ 87,326 | \$ 78,017 | \$ 33,029 | \$ - | \$ - | \$ 61,530 | \$ 66,382 | \$ 41,232 | \$ 87,144 |
| 2003 | \$ 1,590,721 | \$ 91,454 | \$ 82,337 | \$ 34,613 | \$ - | \$ - | \$ 64,557 | \$ 69,651 | \$ 45,422 | \$ 91,231 |
| 2004 | \$ 1,665,099 | \$ 95,489 | \$ 89,229 | \$ 36,213 | \$ - | \$ - | \$ 67,642 | \$ 72,980 | \$ 47,304 | \$ 95,281 |
| 2005 | \$ 1,683,092 | \$ 98,434 | \$ 93,958 | \$ - | \$ - | \$ - | \$ 69,944 | \$ 75,458 | \$ 47,582 | \$ 98,269 |
| 2006 | \$ 1,728,839 | \$ 101,613 | \$ 96,501 | \$ - | \$ - | \$ - | \$ 72,102 | \$ 77,783 | \$ 41,002 | \$ 101,428 |
| 2007 | \$ 1,801,190 | \$ 105,637 | \$ 105,552 | \$ - | \$ - | \$ - | \$ 75,064 | \$ 80,987 | \$ 41,716 | \$ 105,483 |
| 2008 | \$ 1,877,794 | \$ 110,754 | \$ 112,038 | \$ - | \$ - | \$ - | \$ 78,889 | \$ 85,110 | \$ 41,321 | \$ 110,662 |
| 2009 | \$ 1,953,167 | \$ 114,648 | \$ 114,622 | \$ - | \$ - | \$ - | \$ 81,968 | \$ 88,427 | \$ 43,905 | \$ 114,693 |
| 2010 | \$ 2,042,473 | \$ 120,134 | \$ 122,165 | \$ - | \$ - | \$ - | \$ 86,477 | \$ 93,283 | \$ 45,129 | \$ 120,460 |
| 2011 | \$ 2,027,971 | \$ 124,182 | \$ 128,247 | \$ - | \$ - | \$ - | \$ - | \$ 96,700 | \$ 47,059 | \$ 124,642 |
| 2012 | \$ 2,096,216 | \$ 129,096 | \$ 141,277 | \$ - | \$ - | \$ - | \$ - | \$ 100,639 | \$ 45,144 | \$ 129,644 |
| 2013 | \$ 2,169,040 | \$ 133,393 | \$ 143,916 | \$ - | \$ - | \$ - | \$ - | \$ 104,346 | \$ 48,032 | \$ 134,074 |
| 2014 | \$ 2,105,741 | \$ 139,213 | \$ 147,965 | \$ - | \$ - | \$ - | \$ - | \$ 110,107 | \$ 50,525 | \$ 140,362 |
| 2015 | \$ 1,971,961 | \$ 144,828 | \$ 154,999 | \$ - | \$ - | \$ - | \$ - | \$ 115,670 | \$ 53,200 | \$ 146,350 |
| 2016 | \$ 2,046,982 | \$ 150,338 | \$ 160,896 | \$ - | \$ - | \$ - | \$ - | \$ 120,070 | \$ 55,224 | \$ 151,918 |
| 2017 | \$ 1,938,555 | \$ 155,848 | \$ 166,793 | \$ - | \$ - | \$ - | \$ - | \$ 124,471 | \$ 57,248 | \$ 157,485 |
| 2018 | \$ 2,007,090 | \$ 161,358 | \$ 172,689 | \$ - | \$ - | \$ - | \$ - | \$ 128,871 | \$ 59,272 | \$ 163,053 |
| 2019 | \$ 1,915,999 | \$ 167,655 | \$ 179,429 | \$ - | \$ - | \$ - | \$ - | \$ 133,901 | \$ 61,585 | \$ - |
| 2020 | \$ 1,987,961 | \$ 173,952 | \$ 186,168 | \$ - | \$ - | \$ - | \$ - | \$ 138,930 | \$ 63,898 | \$ - |
| 2021 | \$ 1,852,159 | \$ 180,485 | \$ 193,160 | \$ - | \$ - | \$ - | \$ - | \$ 144,148 | \$ 66,298 | \$ - |
| 2022 | \$ 1,734,460 | \$ - | \$ 200,415 | \$ - | \$ - | \$ - | \$ - | \$ 149,562 | \$ 68,788 | \$ - |
| 2023 | \$ 1,799,604 | \$ - | \$ 207,942 | \$ - | \$ - | \$ - | \$ - | \$ 155,179 | \$ 71,371 | \$ - |
| 2024 | \$ 1,867,195 | \$ - | \$ 215,752 | \$ - | \$ - | \$ - | \$ - | \$ 161,007 | \$ 74,052 | \$ - |
| 2025 | \$ 1,333,620 | \$ - | \$ 223,855 | \$ - | \$ - | \$ - | \$ - | \$ 167,055 | \$ 76,833 | \$ - |
| 2026 | \$ 1,130,661 | \$ - | \$ 232,263 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 1,173,127 | \$ - | \$ 240,987 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 1,217,188 | \$ - | \$ 250,038 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 1,262,904 | \$ - | \$ 259,429 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bust
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Market Price Revenues | | | | | | | | | |
| Energy & Capacity | | | | | | | | | |
| 1999 | \$ 195,105 | \$ 188,349 | \$ 74,552 | \$ 78,376 | \$ 78,376 | \$ 79,571 | \$ 79,269 | \$ - | \$ 19,957 |
| 2000 | \$ 214,191 | \$ 206,767 | \$ 86,008 | \$ 86,037 | \$ 86,037 | \$ 87,349 | \$ 87,004 | \$ - | \$ 25,969 |
| 2001 | \$ 242,321 | \$ 233,937 | \$ 106,888 | \$ 97,345 | \$ 97,345 | \$ 98,828 | \$ 98,313 | \$ - | \$ 37,659 |
| 2002 | \$ 252,641 | \$ 243,891 | \$ 114,111 | \$ 101,487 | \$ 101,487 | \$ 103,033 | \$ 102,394 | \$ - | \$ 39,654 |
| 2003 | \$ 264,750 | \$ 255,580 | \$ 121,771 | \$ 106,351 | \$ 106,351 | \$ 107,969 | \$ 107,151 | \$ - | \$ 41,533 |
| 2004 | \$ 276,432 | \$ 266,854 | \$ 127,887 | \$ 111,042 | \$ 111,042 | \$ 112,724 | \$ 111,817 | \$ - | \$ 43,161 |
| 2005 | \$ 284,902 | \$ 275,033 | \$ 134,691 | \$ 114,445 | \$ 114,445 | \$ 116,189 | \$ 115,286 | \$ - | \$ 44,455 |
| 2006 | \$ 294,062 | \$ 283,884 | \$ 140,356 | \$ 118,127 | \$ 118,127 | \$ 119,926 | \$ 118,878 | \$ - | \$ 45,048 |
| 2007 | \$ 305,628 | \$ 295,042 | \$ 146,623 | \$ 122,774 | \$ 122,774 | \$ 124,641 | \$ 123,435 | \$ - | \$ 45,833 |
| 2008 | \$ 319,667 | \$ 308,593 | \$ 148,886 | \$ 128,410 | \$ 128,410 | \$ 130,367 | \$ 129,289 | \$ - | \$ 45,399 |
| 2009 | \$ 331,314 | \$ 319,844 | \$ 160,358 | \$ 133,088 | \$ 133,088 | \$ 135,116 | \$ 133,859 | \$ - | \$ 48,238 |
| 2010 | \$ 346,724 | \$ 334,719 | \$ 163,534 | \$ 139,278 | \$ 139,278 | \$ 141,402 | \$ 140,308 | \$ - | \$ 49,582 |
| 2011 | \$ 358,508 | \$ 346,091 | \$ 171,530 | \$ 144,016 | \$ 144,016 | \$ 146,206 | \$ 145,073 | \$ - | \$ 51,703 |
| 2012 | \$ 371,717 | \$ 358,841 | \$ 169,472 | \$ 149,325 | \$ 149,325 | \$ 151,595 | \$ 150,543 | \$ - | \$ 49,599 |
| 2013 | \$ 384,506 | \$ 371,188 | \$ 175,456 | \$ 154,462 | \$ 154,462 | \$ 156,809 | \$ 155,625 | \$ - | \$ 52,772 |
| 2014 | \$ 401,504 | \$ 387,595 | \$ 185,542 | \$ - | \$ 161,293 | \$ 163,741 | \$ 162,383 | \$ - | \$ 55,511 |
| 2015 | \$ 418,010 | \$ 403,540 | \$ 196,000 | \$ - | \$ - | \$ 170,476 | \$ 168,887 | \$ - | \$ - |
| 2016 | \$ 433,913 | \$ 418,892 | \$ 203,457 | \$ - | \$ - | \$ 176,962 | \$ 175,313 | \$ - | \$ - |
| 2017 | \$ 449,815 | \$ 434,244 | \$ 210,913 | \$ - | \$ - | \$ - | \$ 181,738 | \$ - | \$ - |
| 2018 | \$ 465,718 | \$ 449,596 | \$ 218,370 | \$ - | \$ - | \$ - | \$ 188,163 | \$ - | \$ - |
| 2019 | \$ 483,892 | \$ 467,141 | \$ 226,891 | \$ - | \$ - | \$ - | \$ 195,506 | \$ - | \$ - |
| 2020 | \$ 502,066 | \$ 484,687 | \$ 235,413 | \$ - | \$ - | \$ - | \$ 202,849 | \$ - | \$ - |
| 2021 | \$ 520,923 | \$ 502,891 | \$ 244,255 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 540,489 | \$ 521,779 | \$ 253,429 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 560,789 | \$ 541,376 | \$ 262,947 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 581,851 | \$ 561,709 | \$ 272,823 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 582,807 | \$ 283,070 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 604,696 | \$ 293,702 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 627,408 | \$ 304,733 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 650,972 | \$ 316,178 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 675,422 | \$ 328,053 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates

(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|----------------------------|----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Fuel Rate (\$/MWhr) | | | | | | | | | | |
| 1999 | \$ 8.43 | \$ 11.17 | \$ - | \$ 16.40 | \$ - | \$ - | \$ 17.42 | \$ 17.41 | \$ - | \$ 14.46 |
| 2000 | \$ 8.63 | \$ 11.51 | \$ - | \$ 16.91 | \$ - | \$ - | \$ 17.88 | \$ 17.89 | \$ - | \$ 14.89 |
| 2001 | \$ 8.97 | \$ 11.71 | \$ - | \$ 17.23 | \$ - | \$ - | \$ 18.15 | \$ 18.18 | \$ - | \$ 15.13 |
| 2002 | \$ 9.25 | \$ 11.88 | \$ - | \$ 17.50 | \$ - | \$ - | \$ 18.45 | \$ 18.49 | \$ 45.09 | \$ 15.37 |
| 2003 | \$ 9.52 | \$ 12.17 | \$ - | \$ 17.90 | \$ - | \$ - | \$ 18.89 | \$ 18.92 | \$ 49.66 | \$ 15.75 |
| 2004 | \$ 9.74 | \$ 12.37 | \$ - | \$ 18.20 | \$ - | \$ - | \$ 19.23 | \$ 19.17 | \$ 53.51 | \$ 16.00 |
| 2005 | \$ 9.81 | \$ 12.50 | \$ - | \$ - | \$ - | \$ - | \$ 19.39 | \$ 19.43 | \$ 55.94 | \$ 16.16 |
| 2006 | \$ 10.04 | \$ 12.88 | \$ - | \$ - | \$ - | \$ - | \$ 20.01 | \$ 20.04 | \$ - | \$ 16.64 |
| 2007 | \$ 10.44 | \$ 13.26 | \$ - | \$ - | \$ - | \$ - | \$ 20.64 | \$ 20.57 | \$ - | \$ 17.15 |
| 2008 | \$ 10.69 | \$ 13.66 | \$ - | \$ - | \$ - | \$ - | \$ 21.21 | \$ 21.24 | \$ - | \$ 17.65 |
| 2009 | \$ 11.16 | \$ 14.07 | \$ - | \$ - | \$ - | \$ - | \$ 21.87 | \$ 21.82 | \$ - | \$ 18.18 |
| 2010 | \$ 11.47 | \$ 14.49 | \$ - | \$ - | \$ - | \$ - | \$ 22.44 | \$ 22.42 | \$ - | \$ 18.73 |
| 2011 | \$ 11.35 | \$ 14.93 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 23.10 | \$ - | \$ 19.28 |
| 2012 | \$ 11.54 | \$ 15.37 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 23.73 | \$ - | \$ 19.84 |
| 2013 | \$ 11.90 | \$ 15.84 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24.48 | \$ - | \$ 20.45 |
| 2014 | \$ 12.76 | \$ 16.31 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25.09 | \$ - | \$ 21.05 |
| 2015 | \$ 13.80 | \$ 16.80 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25.77 | \$ - | \$ 21.67 |
| 2016 | \$ 14.33 | \$ 17.44 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 26.75 | \$ - | \$ 22.50 |
| 2017 | \$ 15.47 | \$ 18.08 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 27.73 | \$ - | \$ 23.32 |
| 2018 | \$ 16.02 | \$ 18.72 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 28.72 | \$ - | \$ 24.14 |
| 2019 | \$ 15.75 | \$ 19.45 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 29.84 | \$ - | \$ - |
| 2020 | \$ 16.35 | \$ 20.18 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 30.96 | \$ - | \$ - |
| 2021 | \$ 17.83 | \$ 20.94 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 32.12 | \$ - | \$ - |
| 2022 | \$ 18.07 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 33.33 | \$ - | \$ - |
| 2023 | \$ 18.75 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 34.58 | \$ - | \$ - |
| 2024 | \$ 19.45 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 35.88 | \$ - | \$ - |
| 2025 | \$ 26.55 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 37.22 | \$ - | \$ - |
| 2026 | \$ 25.39 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 26.34 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 27.33 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 28.36 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bust
(000)

| | | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|----------------------------|----|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Fuel Rate (\$/MWhr) | | | | | | | | | | |
| 1999 | \$ | 4.46 | \$ 4.46 | \$ 60.46 | \$ 5.84 | \$ 5.84 | \$ 5.84 | \$ 5.84 | \$ - | \$ - |
| 2000 | \$ | 4.42 | \$ 4.42 | \$ 66.24 | \$ 5.74 | \$ 5.74 | \$ 5.74 | \$ 5.74 | \$ - | \$ - |
| 2001 | \$ | 4.43 | \$ 4.43 | \$ 126.52 | \$ 5.68 | \$ 5.68 | \$ 5.68 | \$ 5.68 | \$ - | \$ - |
| 2002 | \$ | 4.50 | \$ 4.50 | \$ 102.12 | \$ 5.72 | \$ 5.72 | \$ 5.72 | \$ 5.72 | \$ - | \$ - |
| 2003 | \$ | 4.55 | \$ 4.55 | \$ 88.11 | \$ 5.75 | \$ 5.75 | \$ 5.75 | \$ 5.75 | \$ - | \$ - |
| 2004 | \$ | 4.60 | \$ 4.60 | \$ 93.08 | \$ 5.83 | \$ 5.83 | \$ 5.83 | \$ 5.83 | \$ - | \$ - |
| 2005 | \$ | 4.68 | \$ 4.68 | \$ 124.04 | \$ 5.95 | \$ 5.95 | \$ 5.95 | \$ 5.95 | \$ - | \$ - |
| 2006 | \$ | 4.87 | \$ 4.87 | \$ 131.15 | \$ 6.17 | \$ 6.17 | \$ 6.17 | \$ 6.17 | \$ - | \$ - |
| 2007 | \$ | 5.06 | \$ 5.06 | \$ 138.84 | \$ 6.38 | \$ 6.38 | \$ 6.38 | \$ 6.38 | \$ - | \$ - |
| 2008 | \$ | 5.26 | \$ 5.26 | \$ 95.12 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ - | \$ - |
| 2009 | \$ | 5.44 | \$ 5.44 | \$ 103.10 | \$ 6.84 | \$ 6.84 | \$ 6.84 | \$ 6.84 | \$ - | \$ - |
| 2010 | \$ | 5.66 | \$ 5.66 | \$ 89.79 | \$ 7.12 | \$ 7.12 | \$ 7.12 | \$ 7.12 | \$ - | \$ - |
| 2011 | \$ | 5.84 | \$ 5.84 | \$ 94.44 | \$ 7.35 | \$ 7.35 | \$ 7.35 | \$ 7.35 | \$ - | \$ - |
| 2012 | \$ | 6.06 | \$ 6.06 | \$ 73.55 | \$ 7.62 | \$ 7.62 | \$ 7.62 | \$ 7.62 | \$ - | \$ - |
| 2013 | \$ | 6.28 | \$ 6.28 | \$ 75.21 | \$ 7.90 | \$ 7.90 | \$ 7.90 | \$ 7.90 | \$ - | \$ - |
| 2014 | \$ | 6.50 | \$ 6.50 | \$ 79.73 | \$ - | \$ 8.17 | \$ 8.17 | \$ 8.17 | \$ - | \$ - |
| 2015 | \$ | 6.72 | \$ 6.72 | \$ 94.89 | \$ - | \$ - | \$ 8.45 | \$ 8.45 | \$ - | \$ - |
| 2016 | \$ | 6.98 | \$ 6.98 | \$ 98.50 | \$ - | \$ - | \$ 8.77 | \$ 8.77 | \$ - | \$ - |
| 2017 | \$ | 7.23 | \$ 7.23 | \$ 102.11 | \$ - | \$ - | \$ - | \$ 9.09 | \$ - | \$ - |
| 2018 | \$ | 7.49 | \$ 7.49 | \$ 105.72 | \$ - | \$ - | \$ - | \$ 9.41 | \$ - | \$ - |
| 2019 | \$ | 7.78 | \$ 7.78 | \$ 109.85 | \$ - | \$ - | \$ - | \$ 9.78 | \$ - | \$ - |
| 2020 | \$ | 8.07 | \$ 8.07 | \$ 113.97 | \$ - | \$ - | \$ - | \$ 10.15 | \$ - | \$ - |
| 2021 | \$ | 8.38 | \$ 8.38 | \$ 118.25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ | 8.69 | \$ 8.69 | \$ 122.70 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ | 9.02 | \$ 9.02 | \$ 127.30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ | 9.36 | \$ 9.36 | \$ 132.08 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ | - | \$ 9.71 | \$ 137.05 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ | - | \$ 10.07 | \$ 142.19 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ | - | \$ 10.45 | \$ 147.53 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ | - | \$ 10.84 | \$ 153.07 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ | - | \$ 11.25 | \$ 158.82 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------|--|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Fuel Cost | <i>(generation x fuel rate) (000's)</i> | | | | | | | | | |
| 1999 | \$ 333,617 | \$ 30,367 | \$ - | \$ 15,370 | \$ - | \$ - | \$ 29,140 | \$ 31,410 | \$ - | \$ 38,353 |
| 2000 | \$ 342,149 | \$ 31,283 | \$ - | \$ 16,000 | \$ - | \$ - | \$ 30,390 | \$ 32,760 | \$ - | \$ 39,633 |
| 2001 | \$ 353,490 | \$ 31,830 | \$ - | \$ 16,450 | \$ - | \$ - | \$ 31,330 | \$ 33,770 | \$ - | \$ 40,439 |
| 2002 | \$ 366,900 | \$ 32,298 | \$ - | \$ 16,710 | \$ - | \$ - | \$ 31,840 | \$ 34,330 | \$ 4,740 | \$ 40,981 |
| 2003 | \$ 379,451 | \$ 33,094 | \$ - | \$ 17,090 | \$ - | \$ - | \$ 32,600 | \$ 35,140 | \$ 6,960 | \$ 41,934 |
| 2004 | \$ 388,684 | \$ 33,620 | \$ - | \$ 17,380 | \$ - | \$ - | \$ 33,190 | \$ 35,770 | \$ 7,500 | \$ 42,601 |
| 2005 | \$ 380,190 | \$ 33,989 | \$ - | \$ - | \$ - | \$ - | \$ 33,630 | \$ 36,250 | \$ 6,860 | \$ 43,084 |
| 2006 | \$ 387,730 | \$ 35,013 | \$ - | \$ - | \$ - | \$ - | \$ 34,530 | \$ 37,220 | \$ - | \$ 44,364 |
| 2007 | \$ 403,079 | \$ 36,065 | \$ - | \$ - | \$ - | \$ - | \$ 35,620 | \$ 38,390 | \$ - | \$ 45,720 |
| 2008 | \$ 416,348 | \$ 37,147 | \$ - | \$ - | \$ - | \$ - | \$ 36,780 | \$ 39,640 | \$ - | \$ 47,131 |
| 2009 | \$ 435,411 | \$ 38,262 | \$ - | \$ - | \$ - | \$ - | \$ 38,120 | \$ 41,090 | \$ - | \$ 48,663 |
| 2010 | \$ 449,847 | \$ 39,409 | \$ - | \$ - | \$ - | \$ - | \$ 39,710 | \$ 42,810 | \$ - | \$ 50,342 |
| 2011 | \$ 425,460 | \$ 40,590 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 44,320 | \$ - | \$ 51,959 |
| 2012 | \$ 436,474 | \$ 41,801 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 45,740 | \$ - | \$ 53,566 |
| 2013 | \$ 450,279 | \$ 43,056 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 47,400 | \$ - | \$ 55,267 |
| 2014 | \$ 444,670 | \$ 44,349 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 49,890 | \$ - | \$ 57,294 |
| 2015 | \$ 437,550 | \$ 45,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 52,380 | \$ - | \$ 59,293 |
| 2016 | \$ 454,196 | \$ 47,426 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 54,373 | \$ - | \$ 61,548 |
| 2017 | \$ 442,718 | \$ 49,164 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 56,365 | \$ - | \$ 63,804 |
| 2018 | \$ 458,370 | \$ 50,902 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 58,358 | \$ - | \$ 66,060 |
| 2019 | \$ 407,620 | \$ 52,888 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 60,636 | \$ - | \$ - |
| 2020 | \$ 422,930 | \$ 54,875 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 62,913 | \$ - | \$ - |
| 2021 | \$ 406,206 | \$ 56,936 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 65,276 | \$ - | \$ - |
| 2022 | \$ 362,388 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 67,728 | \$ - | \$ - |
| 2023 | \$ 375,999 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 70,271 | \$ - | \$ - |
| 2024 | \$ 390,121 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 72,911 | \$ - | \$ - |
| 2025 | \$ 331,136 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 75,649 | \$ - | \$ - |
| 2026 | \$ 265,082 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 275,039 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 285,369 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 296,087 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bust
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Fuel Cost | | | | | | | | | |
| 1999 | \$ 33,812 | \$ 32,640 | \$ 50,844 | \$ 17,783 | \$ 17,783 | \$ 18,047 | \$ 18,069 | \$ - | \$ - |
| 2000 | \$ 33,523 | \$ 32,362 | \$ 55,708 | \$ 17,487 | \$ 17,487 | \$ 17,768 | \$ 17,747 | \$ - | \$ - |
| 2001 | \$ 33,629 | \$ 32,464 | \$ 63,840 | \$ 17,295 | \$ 17,295 | \$ 17,573 | \$ 17,573 | \$ - | \$ - |
| 2002 | \$ 34,130 | \$ 32,948 | \$ 68,704 | \$ 17,420 | \$ 17,420 | \$ 17,679 | \$ 17,700 | \$ - | \$ - |
| 2003 | \$ 34,517 | \$ 33,321 | \$ 74,100 | \$ 17,533 | \$ 17,533 | \$ 17,815 | \$ 17,815 | \$ - | \$ - |
| 2004 | \$ 34,937 | \$ 33,728 | \$ 78,280 | \$ 17,776 | \$ 17,776 | \$ 18,063 | \$ 18,063 | \$ - | \$ - |
| 2005 | \$ 35,503 | \$ 34,273 | \$ 83,448 | \$ 18,142 | \$ 18,142 | \$ 18,434 | \$ 18,434 | \$ - | \$ - |
| 2006 | \$ 36,945 | \$ 35,665 | \$ 88,236 | \$ 18,788 | \$ 18,788 | \$ 19,091 | \$ 19,091 | \$ - | \$ - |
| 2007 | \$ 38,386 | \$ 37,056 | \$ 93,404 | \$ 19,453 | \$ 19,453 | \$ 19,766 | \$ 19,766 | \$ - | \$ - |
| 2008 | \$ 39,903 | \$ 38,521 | \$ 95,988 | \$ 20,154 | \$ 20,154 | \$ 20,478 | \$ 20,453 | \$ - | \$ - |
| 2009 | \$ 41,289 | \$ 39,858 | \$ 104,044 | \$ 20,853 | \$ 20,853 | \$ 21,189 | \$ 21,189 | \$ - | \$ - |
| 2010 | \$ 42,951 | \$ 41,463 | \$ 105,716 | \$ 21,693 | \$ 21,693 | \$ 22,016 | \$ 22,042 | \$ - | \$ - |
| 2011 | \$ 44,337 | \$ 42,801 | \$ 111,188 | \$ 22,393 | \$ 22,393 | \$ 22,726 | \$ 22,753 | \$ - | \$ - |
| 2012 | \$ 46,000 | \$ 44,406 | \$ 111,340 | \$ 23,233 | \$ 23,233 | \$ 23,578 | \$ 23,578 | \$ - | \$ - |
| 2013 | \$ 47,662 | \$ 46,011 | \$ 113,848 | \$ 24,072 | \$ 24,072 | \$ 24,430 | \$ 24,460 | \$ - | \$ - |
| 2014 | \$ 49,325 | \$ 47,616 | \$ 120,688 | \$ - | \$ 24,912 | \$ 25,283 | \$ 25,313 | \$ - | \$ - |
| 2015 | \$ 50,987 | \$ 49,221 | \$ 127,680 | \$ - | \$ - | \$ 26,135 | \$ 26,166 | \$ - | \$ - |
| 2016 | \$ 52,927 | \$ 51,094 | \$ 132,537 | \$ - | \$ - | \$ 27,129 | \$ 27,162 | \$ - | \$ - |
| 2017 | \$ 54,867 | \$ 52,966 | \$ 137,395 | \$ - | \$ - | \$ - | \$ 28,157 | \$ - | \$ - |
| 2018 | \$ 56,807 | \$ 54,839 | \$ 142,252 | \$ - | \$ - | \$ - | \$ 29,153 | \$ - | \$ - |
| 2019 | \$ 59,023 | \$ 56,979 | \$ 147,803 | \$ - | \$ - | \$ - | \$ 30,290 | \$ - | \$ - |
| 2020 | \$ 61,240 | \$ 59,119 | \$ 153,355 | \$ - | \$ - | \$ - | \$ 31,428 | \$ - | \$ - |
| 2021 | \$ 63,540 | \$ 61,339 | \$ 159,115 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 65,927 | \$ 63,643 | \$ 165,091 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 68,403 | \$ 66,033 | \$ 171,291 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 70,972 | \$ 68,514 | \$ 177,725 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 71,087 | \$ 184,400 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 73,757 | \$ 191,326 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 76,527 | \$ 198,512 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 79,401 | \$ 205,967 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 82,383 | \$ 213,703 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates

(000)

Total Conemaugh Conowingo Cromby 1 Cromby 2 Delaware Eddystone 1 Eddystone 2 Eddystone3&4 Keystone

Operating & Maintenance Projection

| | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|
| 1999 | \$ 506,983 | \$ 8,047 | \$ 10,661 | \$ 11,479 | \$ 4,026 | \$ 5,019 | \$ 20,398 | \$ 19,310 | \$ 9,530 | \$ 7,138 |
| 2000 | \$ 508,585 | \$ 8,268 | \$ 10,954 | \$ 11,837 | \$ - | \$ - | \$ 21,093 | \$ 19,981 | \$ 9,792 | \$ 7,335 |
| 2001 | \$ 521,924 | \$ 8,490 | \$ 11,248 | \$ 12,197 | \$ - | \$ - | \$ 21,795 | \$ 20,660 | \$ 10,054 | \$ 7,531 |
| 2002 | \$ 539,746 | \$ 8,785 | \$ 11,639 | \$ 12,622 | \$ - | \$ - | \$ 22,553 | \$ 21,379 | \$ 10,556 | \$ 7,793 |
| 2003 | \$ 558,149 | \$ 9,006 | \$ 11,932 | \$ 14,541 | \$ - | \$ - | \$ 23,972 | \$ 23,334 | \$ 11,042 | \$ 7,990 |
| 2004 | \$ 575,970 | \$ 9,302 | \$ 12,323 | \$ 15,018 | \$ - | \$ - | \$ 24,758 | \$ 24,158 | \$ 11,404 | \$ 8,252 |
| 2005 | \$ 578,151 | \$ 9,597 | \$ 12,715 | \$ - | \$ - | \$ - | \$ 25,600 | \$ 24,925 | \$ 11,716 | \$ 8,514 |
| 2006 | \$ 599,271 | \$ 9,966 | \$ 13,204 | \$ - | \$ - | \$ - | \$ 26,526 | \$ 25,820 | \$ 11,803 | \$ 8,841 |
| 2007 | \$ 616,607 | \$ 10,261 | \$ 13,595 | \$ - | \$ - | \$ - | \$ 27,312 | \$ 26,650 | \$ 12,153 | \$ 9,103 |
| 2008 | \$ 638,469 | \$ 10,630 | \$ 14,084 | \$ - | \$ - | \$ - | \$ 28,357 | \$ 27,609 | \$ 12,590 | \$ 9,430 |
| 2009 | \$ 660,273 | \$ 10,999 | \$ 14,573 | \$ - | \$ - | \$ - | \$ 29,406 | \$ 28,708 | \$ 13,027 | \$ 9,758 |
| 2010 | \$ 686,733 | \$ 11,442 | \$ 15,160 | \$ - | \$ - | \$ - | \$ 30,791 | \$ 30,082 | \$ 13,551 | \$ 10,151 |
| 2011 | \$ 676,648 | \$ 11,812 | \$ 15,649 | \$ - | \$ - | \$ - | \$ - | \$ 31,128 | \$ 13,989 | \$ 10,478 |
| 2012 | \$ 701,727 | \$ 12,254 | \$ 16,236 | \$ - | \$ - | \$ - | \$ - | \$ 32,373 | \$ 14,513 | \$ 10,871 |
| 2013 | \$ 726,578 | \$ 12,697 | \$ 16,822 | \$ - | \$ - | \$ - | \$ - | \$ 33,624 | \$ 15,038 | \$ 11,264 |
| 2014 | \$ 690,733 | \$ 13,140 | \$ 17,409 | \$ - | \$ - | \$ - | \$ - | \$ 35,299 | \$ 15,562 | \$ 11,657 |
| 2015 | \$ 650,581 | \$ 13,583 | \$ 17,996 | \$ - | \$ - | \$ - | \$ - | \$ 36,921 | \$ 16,087 | \$ 12,050 |
| 2016 | \$ 674,707 | \$ 14,100 | \$ 18,681 | \$ - | \$ - | \$ - | \$ - | \$ 38,326 | \$ 16,699 | \$ 12,508 |
| 2017 | \$ 578,522 | \$ 14,617 | \$ 19,365 | \$ - | \$ - | \$ - | \$ - | \$ 39,730 | \$ 17,311 | \$ 12,967 |
| 2018 | \$ 598,395 | \$ 15,134 | \$ 20,050 | \$ - | \$ - | \$ - | \$ - | \$ 41,135 | \$ 17,923 | \$ 13,425 |
| 2019 | \$ 607,158 | \$ 15,724 | \$ 20,832 | \$ - | \$ - | \$ - | \$ - | \$ 42,740 | \$ 18,622 | \$ - |
| 2020 | \$ 629,346 | \$ 16,315 | \$ 21,615 | \$ - | \$ - | \$ - | \$ - | \$ 44,346 | \$ 19,322 | \$ - |
| 2021 | \$ 513,037 | \$ 16,927 | \$ 22,427 | \$ - | \$ - | \$ - | \$ - | \$ 46,011 | \$ 20,047 | \$ - |
| 2022 | \$ 488,755 | \$ - | \$ 23,269 | \$ - | \$ - | \$ - | \$ - | \$ 47,739 | \$ 20,800 | \$ - |
| 2023 | \$ 506,496 | \$ - | \$ 24,143 | \$ - | \$ - | \$ - | \$ - | \$ 49,532 | \$ 21,582 | \$ - |
| 2024 | \$ 524,903 | \$ - | \$ 25,050 | \$ - | \$ - | \$ - | \$ - | \$ 51,393 | \$ 22,392 | \$ - |
| 2025 | \$ 333,807 | \$ - | \$ 25,991 | \$ - | \$ - | \$ - | \$ - | \$ 53,323 | \$ 23,233 | \$ - |
| 2026 | \$ 266,605 | \$ - | \$ 26,967 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 276,310 | \$ - | \$ 27,980 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 286,380 | \$ - | \$ 29,031 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 296,828 | \$ - | \$ 30,121 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustar
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Operating & Maintenance Projection

| | | | | | | | | | |
|------|------------|------------|-----------|-----------|-----------|------------|------------|----------|-----------|
| 1999 | \$ 91,054 | \$ 91,054 | \$ 8,403 | \$ 37,428 | \$ 37,428 | \$ 66,232 | \$ 66,232 | \$ 2,844 | \$ 10,702 |
| 2000 | \$ 93,334 | \$ 93,334 | \$ 8,634 | \$ 38,458 | \$ 38,458 | \$ 68,055 | \$ 68,055 | \$ - | \$ 10,996 |
| 2001 | \$ 95,614 | \$ 95,614 | \$ 8,698 | \$ 39,488 | \$ 39,488 | \$ 69,878 | \$ 69,878 | \$ - | \$ 11,291 |
| 2002 | \$ 98,655 | \$ 98,655 | \$ 9,087 | \$ 40,862 | \$ 40,862 | \$ 72,309 | \$ 72,309 | \$ - | \$ 11,683 |
| 2003 | \$ 100,935 | \$ 100,935 | \$ 9,405 | \$ 41,892 | \$ 41,892 | \$ 74,131 | \$ 74,131 | \$ - | \$ 13,010 |
| 2004 | \$ 103,976 | \$ 103,976 | \$ 9,713 | \$ 43,265 | \$ 43,265 | \$ 76,562 | \$ 76,562 | \$ - | \$ 13,437 |
| 2005 | \$ 107,016 | \$ 107,016 | \$ 9,927 | \$ 44,639 | \$ 44,639 | \$ 78,993 | \$ 78,993 | \$ - | \$ 13,863 |
| 2006 | \$ 110,817 | \$ 110,817 | \$ 10,309 | \$ 46,356 | \$ 46,356 | \$ 82,031 | \$ 82,031 | \$ - | \$ 14,397 |
| 2007 | \$ 113,857 | \$ 113,857 | \$ 10,614 | \$ 47,729 | \$ 47,729 | \$ 84,461 | \$ 84,461 | \$ - | \$ 14,823 |
| 2008 | \$ 117,658 | \$ 117,658 | \$ 11,205 | \$ 49,446 | \$ 49,446 | \$ 87,499 | \$ 87,499 | \$ - | \$ 15,356 |
| 2009 | \$ 121,459 | \$ 121,459 | \$ 11,594 | \$ 51,163 | \$ 51,163 | \$ 90,538 | \$ 90,538 | \$ - | \$ 15,890 |
| 2010 | \$ 126,019 | \$ 126,019 | \$ 12,174 | \$ 53,223 | \$ 53,223 | \$ 94,183 | \$ 94,183 | \$ - | \$ 16,529 |
| 2011 | \$ 129,820 | \$ 129,820 | \$ 12,567 | \$ 54,940 | \$ 54,940 | \$ 97,222 | \$ 97,222 | \$ - | \$ 17,063 |
| 2012 | \$ 134,381 | \$ 134,381 | \$ 13,280 | \$ 57,000 | \$ 57,000 | \$ 100,867 | \$ 100,867 | \$ - | \$ 17,703 |
| 2013 | \$ 138,942 | \$ 138,942 | \$ 13,760 | \$ 59,061 | \$ 59,061 | \$ 104,513 | \$ 104,513 | \$ - | \$ 18,342 |
| 2014 | \$ 143,502 | \$ 143,502 | \$ 14,240 | \$ - | \$ 61,121 | \$ 108,159 | \$ 108,159 | \$ - | \$ 18,982 |
| 2015 | \$ 148,063 | \$ 148,063 | \$ 14,586 | \$ - | \$ - | \$ 111,805 | \$ 111,805 | \$ - | \$ 19,622 |
| 2016 | \$ 153,384 | \$ 153,384 | \$ 15,141 | \$ - | \$ - | \$ 116,058 | \$ 116,058 | \$ - | \$ 20,369 |
| 2017 | \$ 158,705 | \$ 158,705 | \$ 15,696 | \$ - | \$ - | \$ - | \$ 120,312 | \$ - | \$ 21,115 |
| 2018 | \$ 164,026 | \$ 164,026 | \$ 16,250 | \$ - | \$ - | \$ - | \$ 124,565 | \$ - | \$ 21,862 |
| 2019 | \$ 170,107 | \$ 170,107 | \$ 16,885 | \$ - | \$ - | \$ - | \$ 129,426 | \$ - | \$ 22,715 |
| 2020 | \$ 176,188 | \$ 176,188 | \$ 17,519 | \$ - | \$ - | \$ - | \$ 134,287 | \$ - | \$ 23,568 |
| 2021 | \$ 182,497 | \$ 182,497 | \$ 18,177 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24,453 |
| 2022 | \$ 189,043 | \$ 189,043 | \$ 18,860 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 195,836 | \$ 195,836 | \$ 19,568 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 202,883 | \$ 202,883 | \$ 20,303 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 210,195 | \$ 21,065 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 217,782 | \$ 21,857 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 225,653 | \$ 22,677 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 233,821 | \$ 23,529 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 242,295 | \$ 24,413 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates

(000)

Total Conemaugh Conowingo Cromby 1 Cromby 2 Delaware Eddystone 1 Eddystone 2 Eddystone3&4 Keystone

Capital Expenditure Projection

| | | | | | | | | | | |
|------|------------|----------|----------|----------|--------|----------|----------|----------|----------|----------|
| 1999 | \$ 95,098 | \$ 2,054 | \$ 1,467 | \$ 1,572 | \$ 943 | \$ 1,677 | \$ 1,887 | \$ 1,887 | \$ 1,887 | \$ 2,893 |
| 2000 | \$ 94,162 | \$ 2,111 | \$ 1,508 | \$ 1,615 | \$ - | \$ - | \$ 1,938 | \$ 1,938 | \$ 1,938 | \$ 2,972 |
| 2001 | \$ 96,684 | \$ 2,167 | \$ 1,548 | \$ 1,659 | \$ - | \$ - | \$ 1,990 | \$ 1,990 | \$ 1,990 | \$ 3,052 |
| 2002 | \$ 100,047 | \$ 2,243 | \$ 1,602 | \$ 1,716 | \$ - | \$ - | \$ 2,060 | \$ 2,060 | \$ 2,060 | \$ 3,158 |
| 2003 | \$ 102,569 | \$ 2,299 | \$ 1,642 | \$ 1,760 | \$ - | \$ - | \$ 2,112 | \$ 2,112 | \$ 2,112 | \$ 3,238 |
| 2004 | \$ 105,932 | \$ 2,375 | \$ 1,696 | \$ 1,817 | \$ - | \$ - | \$ 2,181 | \$ 2,181 | \$ 2,181 | \$ 3,344 |
| 2005 | \$ 107,420 | \$ 2,450 | \$ 1,750 | \$ - | \$ - | \$ - | \$ 2,250 | \$ 2,250 | \$ 2,250 | \$ 3,450 |
| 2006 | \$ 111,552 | \$ 2,544 | \$ 1,817 | \$ - | \$ - | \$ - | \$ 2,337 | \$ 2,337 | \$ 2,337 | \$ 3,583 |
| 2007 | \$ 114,857 | \$ 2,620 | \$ 1,871 | \$ - | \$ - | \$ - | \$ 2,406 | \$ 2,406 | \$ 2,406 | \$ 3,689 |
| 2008 | \$ 118,988 | \$ 2,714 | \$ 1,938 | \$ - | \$ - | \$ - | \$ 2,492 | \$ 2,492 | \$ 2,492 | \$ 3,822 |
| 2009 | \$ 123,120 | \$ 2,808 | \$ 2,006 | \$ - | \$ - | \$ - | \$ 2,579 | \$ 2,579 | \$ 2,579 | \$ 3,954 |
| 2010 | \$ 128,078 | \$ 2,921 | \$ 2,087 | \$ - | \$ - | \$ - | \$ 2,683 | \$ 2,683 | \$ 2,683 | \$ 4,113 |
| 2011 | \$ 129,440 | \$ 3,015 | \$ 2,154 | \$ - | \$ - | \$ - | \$ - | \$ 2,769 | \$ 2,769 | \$ 4,246 |
| 2012 | \$ 134,294 | \$ 3,128 | \$ 2,235 | \$ - | \$ - | \$ - | \$ - | \$ 2,873 | \$ 2,873 | \$ 4,405 |
| 2013 | \$ 139,148 | \$ 3,242 | \$ 2,315 | \$ - | \$ - | \$ - | \$ - | \$ 2,977 | \$ 2,977 | \$ 4,565 |
| 2014 | \$ 131,094 | \$ 3,355 | \$ 2,396 | \$ - | \$ - | \$ - | \$ - | \$ 3,081 | \$ 3,081 | \$ 4,724 |
| 2015 | \$ 120,577 | \$ 3,468 | \$ 2,477 | \$ - | \$ - | \$ - | \$ - | \$ 3,185 | \$ 3,185 | \$ 4,883 |
| 2016 | \$ 125,164 | \$ 3,600 | \$ 2,571 | \$ - | \$ - | \$ - | \$ - | \$ 3,306 | \$ 3,306 | \$ 5,069 |
| 2017 | \$ 118,461 | \$ 3,732 | \$ 2,665 | \$ - | \$ - | \$ - | \$ - | \$ 3,427 | \$ 3,427 | \$ 5,255 |
| 2018 | \$ 122,649 | \$ 3,863 | \$ 2,760 | \$ - | \$ - | \$ - | \$ - | \$ 3,548 | \$ 3,548 | \$ 5,440 |
| 2019 | \$ 121,783 | \$ 4,014 | \$ 2,867 | \$ - | \$ - | \$ - | \$ - | \$ 3,687 | \$ 3,687 | \$ - |
| 2020 | \$ 126,357 | \$ 4,165 | \$ 2,975 | \$ - | \$ - | \$ - | \$ - | \$ 3,825 | \$ 3,825 | \$ - |
| 2021 | \$ 118,028 | \$ 4,321 | \$ 3,087 | \$ - | \$ - | \$ - | \$ - | \$ 3,969 | \$ 3,969 | \$ - |
| 2022 | \$ 117,977 | \$ - | \$ 3,203 | \$ - | \$ - | \$ - | \$ - | \$ 4,118 | \$ 4,118 | \$ - |
| 2023 | \$ 122,408 | \$ - | \$ 3,323 | \$ - | \$ - | \$ - | \$ - | \$ 4,272 | \$ 4,272 | \$ - |
| 2024 | \$ 127,006 | \$ - | \$ 3,448 | \$ - | \$ - | \$ - | \$ - | \$ 4,433 | \$ 4,433 | \$ - |
| 2025 | \$ 73,681 | \$ - | \$ 3,577 | \$ - | \$ - | \$ - | \$ - | \$ 4,599 | \$ 4,599 | \$ - |
| 2026 | \$ 66,905 | \$ - | \$ 3,712 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 69,417 | \$ - | \$ 3,851 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 72,025 | \$ - | \$ 3,996 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 74,730 | \$ - | \$ 4,146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustar
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Capital Expenditure Projection

| | | | | | | | | | |
|------|-----------|-----------|----------|-----------|-----------|-----------|-----------|--------|----------|
| 1999 | \$ 23,829 | \$ 23,829 | \$ 1,153 | \$ 7,905 | \$ 7,905 | \$ 6,215 | \$ 6,215 | \$ 838 | \$ 943 |
| 2000 | \$ 24,485 | \$ 24,485 | \$ 1,185 | \$ 8,122 | \$ 8,122 | \$ 6,386 | \$ 6,386 | \$ - | \$ 969 |
| 2001 | \$ 25,141 | \$ 25,141 | \$ 1,216 | \$ 8,340 | \$ 8,340 | \$ 6,557 | \$ 6,557 | \$ - | \$ 995 |
| 2002 | \$ 26,015 | \$ 26,015 | \$ 1,259 | \$ 8,630 | \$ 8,630 | \$ 6,785 | \$ 6,785 | \$ - | \$ 1,030 |
| 2003 | \$ 26,671 | \$ 26,671 | \$ 1,290 | \$ 8,847 | \$ 8,847 | \$ 6,956 | \$ 6,956 | \$ - | \$ 1,056 |
| 2004 | \$ 27,546 | \$ 27,546 | \$ 1,333 | \$ 9,137 | \$ 9,137 | \$ 7,184 | \$ 7,184 | \$ - | \$ 1,090 |
| 2005 | \$ 28,420 | \$ 28,420 | \$ 1,375 | \$ 9,428 | \$ 9,428 | \$ 7,413 | \$ 7,413 | \$ - | \$ 1,125 |
| 2006 | \$ 29,513 | \$ 29,513 | \$ 1,428 | \$ 9,790 | \$ 9,790 | \$ 7,698 | \$ 7,698 | \$ - | \$ 1,168 |
| 2007 | \$ 30,388 | \$ 30,388 | \$ 1,470 | \$ 10,080 | \$ 10,080 | \$ 7,926 | \$ 7,926 | \$ - | \$ 1,203 |
| 2008 | \$ 31,481 | \$ 31,481 | \$ 1,523 | \$ 10,443 | \$ 10,443 | \$ 8,211 | \$ 8,211 | \$ - | \$ 1,246 |
| 2009 | \$ 32,574 | \$ 32,574 | \$ 1,576 | \$ 10,805 | \$ 10,805 | \$ 8,496 | \$ 8,496 | \$ - | \$ 1,289 |
| 2010 | \$ 33,885 | \$ 33,885 | \$ 1,639 | \$ 11,240 | \$ 11,240 | \$ 8,838 | \$ 8,838 | \$ - | \$ 1,341 |
| 2011 | \$ 34,978 | \$ 34,978 | \$ 1,692 | \$ 11,603 | \$ 11,603 | \$ 9,123 | \$ 9,123 | \$ - | \$ 1,385 |
| 2012 | \$ 36,290 | \$ 36,290 | \$ 1,756 | \$ 12,038 | \$ 12,038 | \$ 9,465 | \$ 9,465 | \$ - | \$ 1,437 |
| 2013 | \$ 37,602 | \$ 37,602 | \$ 1,819 | \$ 12,473 | \$ 12,473 | \$ 9,807 | \$ 9,807 | \$ - | \$ 1,488 |
| 2014 | \$ 38,914 | \$ 38,914 | \$ 1,883 | \$ - | \$ 12,908 | \$ 10,149 | \$ 10,149 | \$ - | \$ 1,540 |
| 2015 | \$ 40,225 | \$ 40,225 | \$ 1,946 | \$ - | \$ - | \$ 10,492 | \$ 10,492 | \$ - | \$ - |
| 2016 | \$ 41,756 | \$ 41,756 | \$ 2,020 | \$ - | \$ - | \$ 10,891 | \$ 10,891 | \$ - | \$ - |
| 2017 | \$ 43,286 | \$ 43,286 | \$ 2,094 | \$ - | \$ - | \$ - | \$ 11,290 | \$ - | \$ - |
| 2018 | \$ 44,816 | \$ 44,816 | \$ 2,168 | \$ - | \$ - | \$ - | \$ 11,689 | \$ - | \$ - |
| 2019 | \$ 46,565 | \$ 46,565 | \$ 2,253 | \$ - | \$ - | \$ - | \$ 12,145 | \$ - | \$ - |
| 2020 | \$ 48,314 | \$ 48,314 | \$ 2,338 | \$ - | \$ - | \$ - | \$ 12,601 | \$ - | \$ - |
| 2021 | \$ 50,129 | \$ 50,129 | \$ 2,425 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 52,011 | \$ 52,011 | \$ 2,516 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 53,965 | \$ 53,965 | \$ 2,611 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 55,992 | \$ 55,992 | \$ 2,709 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 58,095 | \$ 2,811 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 60,277 | \$ 2,916 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 62,541 | \$ 3,026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 64,889 | \$ 3,139 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 67,327 | \$ 3,257 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | <u>Total</u> | <u>Conemaugh</u> | <u>Conowingo</u> | <u>Cromby 1</u> | <u>Cromby 2</u> | <u>Delaware</u> | <u>Eddystone 1</u> | <u>Eddystone 2</u> | <u>Eddystone3&4</u> | <u>Keystone</u> |
|--|--------------|------------------|------------------|-----------------|-----------------|-----------------|--------------------|--------------------|-------------------------|-----------------|
| Administrative & General Projection | | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | | |
| 1999 | \$ 48,814 | \$ - | \$ 1,472 | \$ 1,437 | \$ 556 | \$ 693 | \$ 2,661 | \$ 2,225 | \$ 1,316 | \$ - |
| 2000 | \$ 48,471 | \$ - | \$ 1,512 | \$ 1,476 | \$ - | \$ - | \$ 2,734 | \$ 2,286 | \$ 1,352 | \$ - |
| 2001 | \$ 49,769 | \$ - | \$ 1,553 | \$ 1,516 | \$ - | \$ - | \$ 2,807 | \$ 2,347 | \$ 1,388 | \$ - |
| 2002 | \$ 51,500 | \$ - | \$ 1,607 | \$ 1,569 | \$ - | \$ - | \$ 2,905 | \$ 2,429 | \$ 1,436 | \$ - |
| 2003 | \$ 52,799 | \$ - | \$ 1,647 | \$ 1,608 | \$ - | \$ - | \$ 2,978 | \$ 2,490 | \$ 1,472 | \$ - |
| 2004 | \$ 54,530 | \$ - | \$ 1,701 | \$ 1,661 | \$ - | \$ - | \$ 3,076 | \$ 2,571 | \$ 1,521 | \$ - |
| 2005 | \$ 54,547 | \$ - | \$ 1,755 | \$ - | \$ - | \$ - | \$ 3,174 | \$ 2,653 | \$ 1,569 | \$ - |
| 2006 | \$ 56,645 | \$ - | \$ 1,823 | \$ - | \$ - | \$ - | \$ 3,296 | \$ 2,755 | \$ 1,629 | \$ - |
| 2007 | \$ 58,324 | \$ - | \$ 1,877 | \$ - | \$ - | \$ - | \$ 3,393 | \$ 2,837 | \$ 1,678 | \$ - |
| 2008 | \$ 60,422 | \$ - | \$ 1,944 | \$ - | \$ - | \$ - | \$ 3,515 | \$ 2,939 | \$ 1,738 | \$ - |
| 2009 | \$ 62,520 | \$ - | \$ 2,012 | \$ - | \$ - | \$ - | \$ 3,638 | \$ 3,041 | \$ 1,798 | \$ - |
| 2010 | \$ 65,037 | \$ - | \$ 2,093 | \$ - | \$ - | \$ - | \$ 3,784 | \$ 3,163 | \$ 1,871 | \$ - |
| 2011 | \$ 63,229 | \$ - | \$ 2,160 | \$ - | \$ - | \$ - | \$ - | \$ 3,265 | \$ 1,931 | \$ - |
| 2012 | \$ 65,600 | \$ - | \$ 2,241 | \$ - | \$ - | \$ - | \$ - | \$ 3,388 | \$ 2,004 | \$ - |
| 2013 | \$ 67,971 | \$ - | \$ 2,322 | \$ - | \$ - | \$ - | \$ - | \$ 3,510 | \$ 2,076 | \$ - |
| 2014 | \$ 61,905 | \$ - | \$ 2,403 | \$ - | \$ - | \$ - | \$ - | \$ 3,633 | \$ 2,148 | \$ - |
| 2015 | \$ 53,039 | \$ - | \$ 2,484 | \$ - | \$ - | \$ - | \$ - | \$ 3,755 | \$ 2,221 | \$ - |
| 2016 | \$ 55,057 | \$ - | \$ 2,579 | \$ - | \$ - | \$ - | \$ - | \$ 3,898 | \$ 2,305 | \$ - |
| 2017 | \$ 57,075 | \$ - | \$ 2,673 | \$ - | \$ - | \$ - | \$ - | \$ 4,041 | \$ 2,390 | \$ - |
| 2018 | \$ 59,093 | \$ - | \$ 2,768 | \$ - | \$ - | \$ - | \$ - | \$ 4,184 | \$ 2,474 | \$ - |
| 2019 | \$ 61,399 | \$ - | \$ 2,876 | \$ - | \$ - | \$ - | \$ - | \$ 4,347 | \$ 2,571 | \$ - |
| 2020 | \$ 63,705 | \$ - | \$ 2,984 | \$ - | \$ - | \$ - | \$ - | \$ 4,510 | \$ 2,667 | \$ - |
| 2021 | \$ 66,098 | \$ - | \$ 3,096 | \$ - | \$ - | \$ - | \$ - | \$ 4,680 | \$ 2,767 | \$ - |
| 2022 | \$ 68,580 | \$ - | \$ 3,212 | \$ - | \$ - | \$ - | \$ - | \$ 4,855 | \$ 2,871 | \$ - |
| 2023 | \$ 71,156 | \$ - | \$ 3,333 | \$ - | \$ - | \$ - | \$ - | \$ 5,038 | \$ 2,979 | \$ - |
| 2024 | \$ 73,828 | \$ - | \$ 3,458 | \$ - | \$ - | \$ - | \$ - | \$ 5,227 | \$ 3,091 | \$ - |
| 2025 | \$ 45,824 | \$ - | \$ 3,588 | \$ - | \$ - | \$ - | \$ - | \$ 5,423 | \$ 3,207 | \$ - |
| 2026 | \$ 38,590 | \$ - | \$ 3,723 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 40,040 | \$ - | \$ 3,863 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 41,543 | \$ - | \$ 4,008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 43,104 | \$ - | \$ 4,158 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

EDS - Restructuring Filing - Utilizing J. Bustar
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Administrative & General Projection

*Allocated to Stations**

| | | | | | | | | | |
|------|-----------|-----------|----------|----------|----------|------|------|--------|----------|
| 1999 | \$ 12,624 | \$ 12,624 | \$ 1,160 | \$ 5,167 | \$ 5,167 | \$ - | \$ - | \$ 393 | \$ 1,321 |
| 2000 | \$ 12,972 | \$ 12,972 | \$ 1,192 | \$ 5,309 | \$ 5,309 | \$ - | \$ - | \$ - | \$ 1,357 |
| 2001 | \$ 13,319 | \$ 13,319 | \$ 1,224 | \$ 5,451 | \$ 5,451 | \$ - | \$ - | \$ - | \$ 1,394 |
| 2002 | \$ 13,782 | \$ 13,782 | \$ 1,266 | \$ 5,641 | \$ 5,641 | \$ - | \$ - | \$ - | \$ 1,442 |
| 2003 | \$ 14,130 | \$ 14,130 | \$ 1,298 | \$ 5,783 | \$ 5,783 | \$ - | \$ - | \$ - | \$ 1,479 |
| 2004 | \$ 14,593 | \$ 14,593 | \$ 1,341 | \$ 5,973 | \$ 5,973 | \$ - | \$ - | \$ - | \$ 1,527 |
| 2005 | \$ 15,056 | \$ 15,056 | \$ 1,383 | \$ 6,162 | \$ 6,162 | \$ - | \$ - | \$ - | \$ 1,576 |
| 2006 | \$ 15,635 | \$ 15,635 | \$ 1,437 | \$ 6,399 | \$ 6,399 | \$ - | \$ - | \$ - | \$ 1,636 |
| 2007 | \$ 16,099 | \$ 16,099 | \$ 1,479 | \$ 6,589 | \$ 6,589 | \$ - | \$ - | \$ - | \$ 1,685 |
| 2008 | \$ 16,678 | \$ 16,678 | \$ 1,532 | \$ 6,826 | \$ 6,826 | \$ - | \$ - | \$ - | \$ 1,745 |
| 2009 | \$ 17,257 | \$ 17,257 | \$ 1,586 | \$ 7,063 | \$ 7,063 | \$ - | \$ - | \$ - | \$ 1,806 |
| 2010 | \$ 17,952 | \$ 17,952 | \$ 1,649 | \$ 7,347 | \$ 7,347 | \$ - | \$ - | \$ - | \$ 1,879 |
| 2011 | \$ 18,531 | \$ 18,531 | \$ 1,703 | \$ 7,584 | \$ 7,584 | \$ - | \$ - | \$ - | \$ 1,939 |
| 2012 | \$ 19,226 | \$ 19,226 | \$ 1,767 | \$ 7,869 | \$ 7,869 | \$ - | \$ - | \$ - | \$ 2,012 |
| 2013 | \$ 19,921 | \$ 19,921 | \$ 1,830 | \$ 8,153 | \$ 8,153 | \$ - | \$ - | \$ - | \$ 2,085 |
| 2014 | \$ 20,616 | \$ 20,616 | \$ 1,894 | \$ - | \$ 8,438 | \$ - | \$ - | \$ - | \$ 2,157 |
| 2015 | \$ 21,311 | \$ 21,311 | \$ 1,958 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ 22,121 | \$ 22,121 | \$ 2,033 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ 22,932 | \$ 22,932 | \$ 2,107 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ 23,743 | \$ 23,743 | \$ 2,182 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ 24,669 | \$ 24,669 | \$ 2,267 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ 25,596 | \$ 25,596 | \$ 2,352 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ 26,557 | \$ 26,557 | \$ 2,440 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 27,555 | \$ 27,555 | \$ 2,532 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 28,589 | \$ 28,589 | \$ 2,627 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 29,663 | \$ 29,663 | \$ 2,726 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 30,777 | \$ 2,828 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 31,933 | \$ 2,934 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 33,133 | \$ 3,044 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 34,377 | \$ 3,159 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 35,668 | \$ 3,277 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Other Taxes | | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | | |
| 1999 | \$ 87,573 | \$ - | \$ 2,640 | \$ 2,578 | \$ 997 | \$ 1,243 | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2000 | \$ 84,629 | \$ - | \$ 2,640 | \$ 2,578 | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2001 | \$ 84,629 | \$ - | \$ 2,640 | \$ 2,578 | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2002 | \$ 84,629 | \$ - | \$ 2,640 | \$ 2,578 | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2003 | \$ 84,629 | \$ - | \$ 2,640 | \$ 2,578 | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2004 | \$ 84,629 | \$ - | \$ 2,640 | \$ 2,578 | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2005 | \$ 82,051 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2006 | \$ 82,051 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2007 | \$ 82,051 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2008 | \$ 82,051 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2009 | \$ 82,051 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2010 | \$ 82,051 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ 4,774 | \$ 3,991 | \$ 2,360 | \$ - |
| 2011 | \$ 77,277 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2012 | \$ 77,277 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2013 | \$ 77,277 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2014 | \$ 68,008 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2015 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2016 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2017 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2018 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2019 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2020 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2021 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2022 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2023 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2024 | \$ 56,368 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2025 | \$ 33,720 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ 3,991 | \$ 2,360 | \$ - |
| 2026 | \$ 27,369 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 27,369 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 27,369 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 27,369 | \$ - | \$ 2,640 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

EDS - Restructuring Filing - Utilizing J. Bustar
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|-------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Other Taxes | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | |
| 1999 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ 704 | \$ 2,370 |
| 2000 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2001 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2002 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2003 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2004 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2005 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2006 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2007 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2008 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2009 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2010 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2011 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2012 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2013 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ 9,269 | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2014 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ 9,269 | \$ - | \$ - | \$ - | \$ 2,370 |
| 2015 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 22,648 | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 22,648 | \$ 2,081 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | <u>Total</u> | <u>Conemaugh</u> | <u>Conowingo</u> | <u>Cromby 1</u> | <u>Cromby 2</u> | <u>Delaware</u> | <u>Eddystone 1</u> | <u>Eddystone 2</u> | <u>Eddystone3&4</u> | <u>Keystone</u> |
|------------------------|--------------|------------------|------------------|-----------------|-----------------|-----------------|--------------------|--------------------|-------------------------|-----------------|
| Decommissioning | | | | | | | | | | |
| 1999 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2000 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2001 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2002 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2003 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2004 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2005 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2006 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2007 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2008 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2009 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2010 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2011 | \$ 38,993 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2012 | \$ 38,993 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2013 | \$ 38,993 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2014 | \$ 34,614 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2015 | \$ 29,003 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2016 | \$ 29,003 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2017 | \$ 25,506 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2018 | \$ 25,506 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2019 | \$ 24,867 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2020 | \$ 24,867 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2021 | \$ 21,180 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2022 | \$ 20,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2023 | \$ 20,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2024 | \$ 20,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2025 | \$ 11,782 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2026 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Bustar
(000)

| | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuylkill | C. Turbines |
|------------------------|------------|------------|-----------|-------------|-------------|----------|----------|------------|-------------|
| Decommissioning | | | | | | | | | |
| 1999 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2000 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2001 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2002 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2003 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2004 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2005 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2006 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2007 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2008 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2009 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2010 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2011 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2012 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2013 | \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2014 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2015 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2016 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ 3,497 | \$ 3,687 | \$ - | \$ - |
| 2017 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ 3,687 | \$ - | \$ - |
| 2018 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ 3,687 | \$ - | \$ - |
| 2019 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ 3,687 | \$ - | \$ - |
| 2020 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ 3,687 | \$ - | \$ - |
| 2021 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 8,780 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

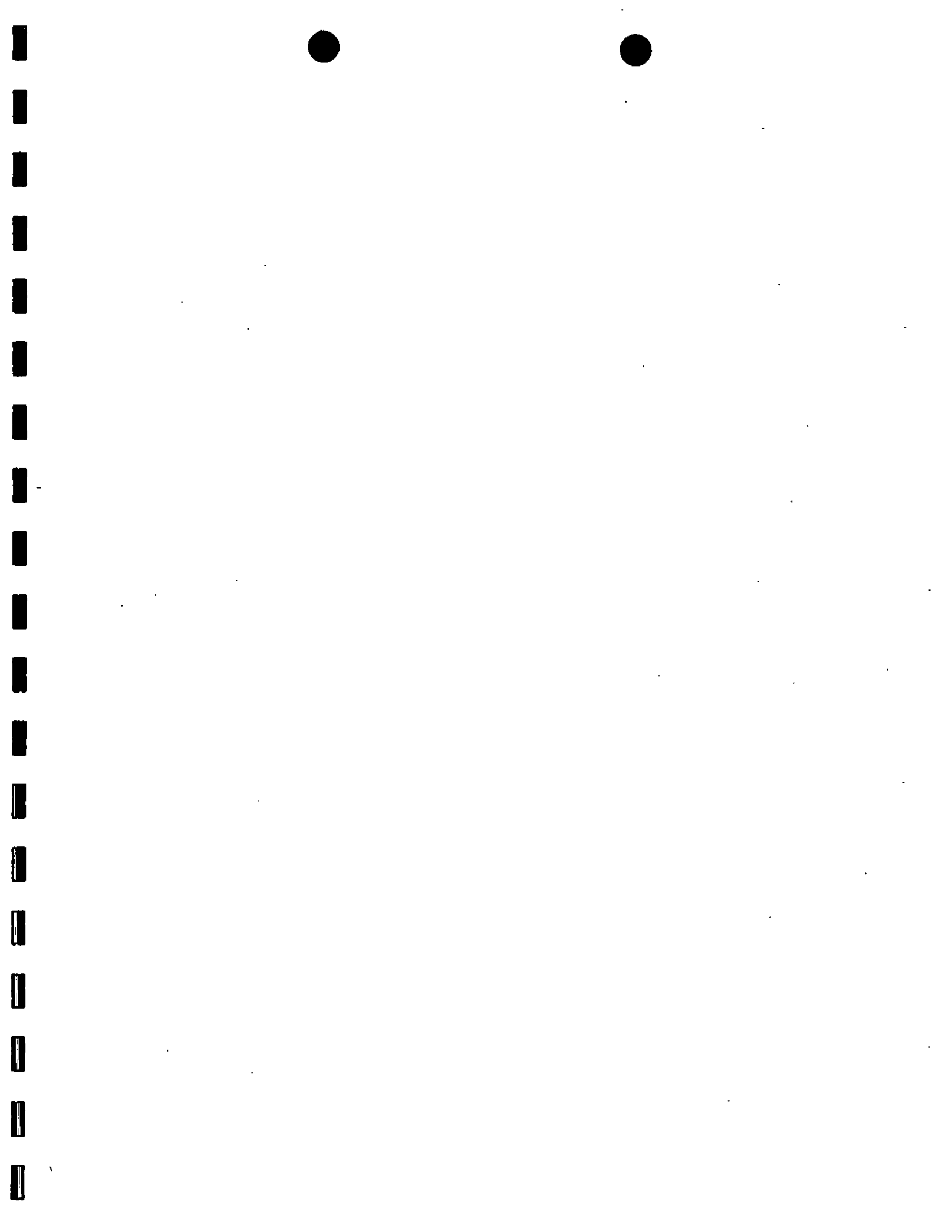
EDS - Restructuring Filing - Utilizing J. Bustard's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--------------------------------------|------------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|-----------|
| Required Life Extension Costs | | | | | | | | | | |
| 1999 | \$ 20,962 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2001 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2003 | \$ 87,981 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 87,981 |
| 2004 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2006 | \$ 97,356 | \$ 97,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2007 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2009 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2010 | \$ 159,471 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 76,010 | \$ 83,462 | \$ - |
| 2011 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2013 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2014 | \$ 51,346 | \$ - | \$ 17,115 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EDS - Restructuring Filing - Utilizing J. Buster
(000)

Required Life Extension Costs

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuykill</u> | <u>C. Turbines</u> |
|------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|------------------|--------------------|
| 1999 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,962 |
| 2000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2001 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2003 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2004 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2006 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2007 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2009 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2010 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2011 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2013 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2014 | \$ - | \$ - | \$ - | \$ 34,231 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |



Net Present Value of Contribution Margin

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates

| Plant Name | (000) Net Present Value |
|---|----------------------------|
| Conemaugh | \$ 275,488 |
| Conowingo | 512,459 |
| Cromby 1 | (7,304) |
| Cromby 2 | (537) |
| Delaware | (670) |
| Eddystone 1 | (11,232) |
| Eddystone 2 | 18,899 |
| Eddystone3&4 | 136,511 |
| Keystone | 193,948 |
| Limerick 1 | 455,257 |
| Limerick 2 | 437,454 |
| Muddy Run | 278,013 |
| P. Bottom 2 | 71,240 |
| P. Bottom 3 | 70,341 |
| Salem 1 | 31,325 |
| Salem 2 | 38,327 |
| Schuylkill | (379) |
| C. Turbines | 90,729 |
| Total NPV of Contribution Margin | \$ 2,589,868 |
| Total NPV excluding Negative Values | \$ 2,609,991 |
| Inventory and Working Capital Carrying Charges | (173,611) |
| Future Tax Depreciation Benefits | 305,947 |
| Accumulated Deferred Investment Tax Credit Benefits | 137,345 |
| Deferred Income Tax | 608,209 |
| Total Adjusted NPV excluding Negative Values | \$ 3,487,881 |

Exhibit TPH-4

Market Value of Generating Units by Year

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------|-------------|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Net Present Value | \$2,589,868 | \$275,488 | \$512,459 | (\$7,304) | (\$537) | (\$670) | (\$11,232) | \$18,899 | \$136,511 | \$193,948 |

(Market Value Revenue - Est. Fuel Cost - Est. O&M - Est. Capital* - A&G - Taxes - Decomm. - Required Life Extension*) x (1-T)

After-Tax Cash Contribution Margin**

| Year | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------|------------|-------------|------------|------------|----------|----------|-------------|-------------|--------------|-------------|
| 1999 | \$ 41,172 | \$ 15,076 | \$ 25,215 | | | | | | \$ 2,460 | \$ 15,655 |
| 2000 | \$ 102,555 | \$ 18,547 | \$ 29,136 | | | | | | \$ 5,846 | \$ 15,918 |
| 2001 | \$ 175,522 | \$ 22,392 | \$ 34,163 | | | | | | \$ 11,932 | \$ 19,726 |
| 2002 | \$ 191,738 | \$ 23,825 | \$ 35,668 | \$ (1,464) | | | | | \$ 12,394 | \$ 21,065 |
| 2003 | \$ 150,893 | \$ 25,015 | \$ 36,919 | | | | | | \$ 12,361 | \$ (30,010) |
| 2004 | \$ 218,527 | \$ 26,446 | \$ 38,503 | | | | | | \$ 12,863 | \$ 22,035 |
| 2005 | \$ 238,895 | \$ 27,969 | \$ 40,251 | | | | | | \$ 13,644 | \$ 23,420 |
| 2006 | \$ 202,743 | \$ (27,203) | \$ 42,353 | | | | | | \$ 14,538 | \$ 25,035 |
| 2007 | \$ 277,235 | \$ 31,277 | \$ 44,192 | | | | | | \$ 15,373 | \$ 25,485 |
| 2008 | \$ 298,309 | \$ 33,066 | \$ 46,396 | | | | | | \$ 16,302 | \$ 26,102 |
| 2009 | \$ 312,448 | \$ 34,427 | \$ 48,128 | | | | | | \$ 16,868 | \$ 27,217 |
| 2010 | \$ 191,529 | \$ 36,036 | \$ 50,197 | | | | | | \$ 18,091 | \$ 28,531 |
| 2011 | \$ 343,547 | \$ 37,430 | \$ 51,994 | | | | | | \$ 18,745 | \$ 29,677 |
| 2012 | \$ 360,513 | \$ 39,075 | \$ 54,135 | | | | | | \$ 19,308 | \$ 31,026 |
| 2013 | \$ 376,538 | \$ 40,699 | \$ 56,176 | | | | | | \$ 19,859 | \$ 31,105 |
| 2014 | \$ 343,183 | \$ 42,336 | \$ 48,205 | | | | | | \$ 20,108 | \$ 32,698 |
| 2015 | \$ 351,486 | \$ 44,312 | \$ 60,109 | | | | | | \$ 20,943 | \$ 33,957 |
| 2016 | \$ 367,237 | \$ 46,011 | \$ 62,454 | | | | | | \$ 21,777 | \$ 35,215 |
| 2017 | \$ 373,063 | \$ 47,711 | \$ 64,799 | | | | | | \$ 22,611 | \$ 36,473 |
| 2018 | \$ 388,391 | \$ 49,410 | \$ 67,144 | | | | | | \$ 23,565 | - |
| 2019 | \$ 367,997 | \$ 51,353 | \$ 69,825 | | | | | | \$ 24,518 | - |
| 2020 | \$ 384,077 | \$ 53,295 | \$ 72,505 | | | | | | \$ 25,508 | - |
| 2021 | \$ 389,054 | \$ 55,310 | \$ 75,286 | | | | | | \$ 26,534 | - |
| 2022 | \$ 348,442 | \$ - | \$ 78,171 | | | | | | \$ 27,599 | - |
| 2023 | \$ 363,693 | \$ - | \$ 81,165 | | | | | | \$ 28,704 | - |
| 2024 | \$ 379,516 | \$ - | \$ 84,271 | | | | | | \$ 29,851 | - |
| 2025 | \$ 285,335 | \$ - | \$ 87,494 | | | | | | \$ - | - |
| 2026 | \$ 244,846 | \$ - | \$ 90,838 | | | | | | \$ - | - |
| 2027 | \$ 255,059 | \$ - | \$ 94,307 | | | | | | \$ - | - |
| 2028 | \$ 265,657 | \$ - | \$ 97,907 | | | | | | \$ - | - |
| 2029 | \$ 276,652 | \$ - | \$ 101,642 | | | | | | \$ - | - |

Notes:

* Assumes all capital additions are currently tax deductible. Capital also includes required life extension costs.

** If contribution margin is negative then plant does not operate, but incurs taxes and decommissioning costs.

*** Shaded areas indicate plant does not operate.

Market Value of Generating Units by Year

ICF Resources, Inc. - Restructuring Filing -
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|--------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Net Present Value | \$455,257 | \$437,454 | \$278,013 | \$71,240 | \$70,341 | \$31,325 | \$38,327 | (\$379) | \$90,729 |

After-Tax Cash Contribution Margin**

| Year | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuylkill | C. Turbines |
|------|------------|------------|-----------|-------------|-------------|----------|-----------|------------|-------------|
| 1999 | \$ 4,603 | \$ 70 | \$ 7,897 | \$ (3,028) | \$ (3,749) | | | | \$ (9,951) |
| 2000 | \$ 15,166 | \$ 10,200 | \$ 11,665 | \$ 1,329 | \$ 609 | | | | \$ 5,467 |
| 2001 | \$ 26,073 | \$ 20,664 | \$ 19,300 | \$ 5,854 | \$ 5,134 | \$ 1,086 | \$ 975 | | \$ 11,872 |
| 2002 | \$ 28,698 | \$ 23,109 | \$ 20,566 | \$ 6,929 | \$ 6,209 | \$ 1,691 | \$ 1,580 | | \$ 12,333 |
| 2003 | \$ 31,160 | \$ 25,419 | \$ 21,268 | \$ 7,854 | \$ 7,133 | \$ 2,337 | \$ 2,226 | | \$ 12,075 |
| 2004 | \$ 34,287 | \$ 28,349 | \$ 22,165 | \$ 8,936 | \$ 8,215 | \$ 3,047 | \$ 2,936 | | \$ 12,517 |
| 2005 | \$ 37,578 | \$ 31,437 | \$ 23,413 | \$ 10,094 | \$ 9,374 | \$ 3,805 | \$ 3,694 | | \$ 12,958 |
| 2006 | \$ 41,088 | \$ 34,715 | \$ 24,910 | \$ 11,344 | \$ 10,624 | \$ 4,558 | \$ 4,447 | | \$ 13,509 |
| 2007 | \$ 44,343 | \$ 37,769 | \$ 26,049 | \$ 12,478 | \$ 11,758 | \$ 5,323 | \$ 5,212 | | \$ 13,950 |
| 2008 | \$ 48,302 | \$ 41,479 | \$ 27,409 | \$ 13,861 | \$ 13,141 | \$ 6,244 | \$ 6,133 | | \$ 14,501 |
| 2009 | \$ 50,819 | \$ 43,799 | \$ 28,184 | \$ 14,634 | \$ 13,913 | \$ 6,547 | \$ 6,436 | | \$ 15,053 |
| 2010 | \$ 53,836 | \$ 46,578 | \$ 29,143 | \$ 15,559 | \$ 14,839 | \$ 6,908 | \$ 6,797 | | \$ 15,716 |
| 2011 | \$ 56,327 | \$ 48,871 | \$ 30,135 | \$ 16,321 | \$ 15,601 | \$ 7,200 | \$ 7,089 | | \$ 16,268 |
| 2012 | \$ 59,315 | \$ 51,623 | \$ 31,322 | \$ 17,235 | \$ 16,515 | \$ 7,550 | \$ 7,439 | | \$ 16,930 |
| 2013 | \$ 62,632 | \$ 54,693 | \$ 32,178 | \$ 18,282 | \$ 17,561 | \$ 8,034 | \$ 7,923 | | \$ 17,604 |
| 2014 | \$ 65,973 | \$ 57,785 | \$ 32,977 | \$ - | \$ 18,618 | \$ 8,527 | \$ 8,416 | | \$ 18,279 |
| 2015 | \$ 69,455 | \$ 61,013 | \$ 33,263 | \$ - | \$ - | \$ 9,078 | \$ 8,967 | | \$ - |
| 2016 | \$ 72,979 | \$ 64,260 | \$ 34,575 | \$ - | \$ - | \$ 9,502 | \$ 9,390 | | \$ - |
| 2017 | \$ 76,502 | \$ 67,506 | \$ 35,888 | \$ - | \$ - | \$ - | \$ 9,814 | | \$ - |
| 2018 | \$ 80,026 | \$ 70,752 | \$ 37,200 | \$ - | \$ - | \$ - | \$ 10,237 | | \$ - |
| 2019 | \$ 84,053 | \$ 74,462 | \$ 38,700 | \$ - | \$ - | \$ - | \$ 10,721 | | \$ - |
| 2020 | \$ 88,079 | \$ 78,172 | \$ 40,200 | \$ - | \$ - | \$ - | \$ 11,204 | | \$ - |
| 2021 | \$ 92,257 | \$ 82,021 | \$ 41,756 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2022 | \$ 96,592 | \$ 86,015 | \$ 43,371 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2023 | \$ 101,090 | \$ 90,159 | \$ 45,047 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2024 | \$ 105,757 | \$ 94,459 | \$ 46,785 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2025 | \$ - | \$ 98,920 | \$ 48,589 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2026 | \$ - | \$ 103,548 | \$ 50,460 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2027 | \$ - | \$ 108,351 | \$ 52,402 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2028 | \$ - | \$ 113,334 | \$ 54,416 | \$ - | \$ - | \$ - | \$ - | | \$ - |
| 2029 | \$ - | \$ 118,504 | \$ 56,506 | \$ - | \$ - | \$ - | \$ - | | \$ - |

** If contribution margin is negative then plant does not operate, but incurs taxes and decommissioning costs.

*** Shaded areas indicate plant does not operate.

Operating Assumptions

Data Inputs

| Plant Name | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------|---|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Capacity (MW) | 9,186 | 352 | 512 | 144 | 201 | 250 | 279 | 302 | 760 | 357 |
| Case Description: | ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwar's Market Revenue Estimates | | | | | | | | | |
| Plant Type | | Coal | Water | Coal | Gas | Oil | Coal | Coal | Gas | Coal |

Decommissioning:

| | | | | | | | | | | |
|----------------------------------|---------|------------|-----------|-----------|--------|------|-----------|-----------|-----------|-----------|
| Decommissioning Year - Adjusted | | 2021 | 2029 | 2004 | 1999 | 1999 | 2025 | 2025 | 2025 | 2018 |
| Decommissioning Year - Nameplate | | 2006 | 2014 | 2004 | 1999 | 1999 | 2010 | 2010 | 2010 | 2003 |
| Life Extension Years | | 15 | 15 | 0 | 0 | 0 | 15 | 15 | 15 | 15 |
| Required Life Extension Costs | 1997 \$ | 358,000 \$ | 75,000 \$ | 10,000 \$ | - \$ | - \$ | 51,000 \$ | 51,000 \$ | 56,000 \$ | 75,000 \$ |
| Decommissioning Exp. | Flat \$ | 39,504 \$ | 618 \$ | - \$ | 192 \$ | - \$ | 319 \$ | 319 \$ | 710 \$ | 639 \$ |

O&M Buildup:

| | | | | | | | | | | | |
|---------------------------------------|---------|------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|
| Fixed Charge - \$000 | 1997 \$ | 444,432 \$ | 7,677 \$ | 8,950 \$ | 6,762 \$ | 3,842 \$ | 4,789 \$ | 11,582 \$ | 9,528 \$ | 9,093 \$ | 6,811 \$ |
| Incremental Charge - \$/MWhr | 1997 | \$ | - \$ | 0.69 \$ | 3.38 \$ | 0.51 \$ | 1.68 \$ | 4.07 \$ | 3.24 \$ | 0.48 \$ | - \$ |
| NOX 1999-2002 \$/MWhr | 1997 | \$ | - \$ | - \$ | 1.09 \$ | 1.43 \$ | 0.20 \$ | 0.64 \$ | 1.69 \$ | 0.79 \$ | - \$ |
| NOX 2003&Thereafter \$/MWhr | 1997 | \$ | - \$ | - \$ | 2.52 \$ | 3.10 \$ | 0.76 \$ | 1.06 \$ | 2.34 \$ | 1.81 \$ | - \$ |
| Merrill Creek | Flat \$ | 16,400 \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ |
| 1997 Operating & Maintenance - Base | \$ | 478,845 \$ | 7,677 \$ | 10,135 \$ | 9,979 \$ | 3,842 \$ | 4,789 \$ | 18,503 \$ | 15,492 \$ | 9,287 \$ | 6,811 \$ |
| 1996 Operating & Maintenance -Actual | \$ | 532,216 \$ | 12,139 \$ | 8,474 \$ | 10,002 \$ | 4,211 \$ | 6,463 \$ | 18,298 \$ | 15,090 \$ | 9,223 \$ | 10,486 \$ |
| 1995 Operating & Maintenance - Actual | \$ | 508,878 \$ | 12,520 \$ | 10,596 \$ | 12,655 \$ | 5,280 \$ | 7,373 \$ | 19,734 \$ | 19,787 \$ | 11,645 \$ | 12,338 \$ |
| 1994 Operating & Maintenance - Actual | \$ | 529,628 \$ | 12,720 \$ | 10,912 \$ | 14,303 \$ | 6,835 \$ | 9,721 \$ | 29,492 \$ | 25,750 \$ | 14,980 \$ | 13,135 \$ |

Capital Expenditures:

| | | | | | | | | | | | |
|----------------------------------|--|---------|--------|--------|--------|-------|-------|-------|-------|--------|--------|
| 1997 Capital Expenditures Base | | 90,736 | 1,960 | 1,400 | 1,500 | 900 | 1,600 | 1,800 | 1,800 | 1,800 | 2,760 |
| 1996 Capital Expenditures Actual | | 205,286 | 5,196 | 13,723 | 70 | 88 | - | 650 | 420 | 855 | 3,760 |
| 1995 Capital Expenditures Actual | | 169,437 | 8,752 | 6,100 | 429 | 3,334 | 136 | 8,415 | 5,141 | 3,573 | 7,274 |
| 1994 Capital Expenditures Actual | | 198,806 | 27,638 | 943 | 10,217 | 827 | 1,617 | 5,895 | 4,393 | 13,223 | 11,156 |

Other Costs:

| | | | | | | | | | | | |
|----------------------|---------|-----------|------|----------|----------|--------|----------|----------|----------|----------|------|
| Admin & General Exp. | 1996 \$ | 45,572 \$ | - \$ | 1,370 \$ | 1,349 \$ | 519 \$ | 647 \$ | 2,501 \$ | 2,094 \$ | 1,255 \$ | - \$ |
| Other Taxes | 1996 \$ | 87,573 \$ | - \$ | 2,626 \$ | 2,586 \$ | 995 \$ | 1,241 \$ | 4,794 \$ | 4,014 \$ | 2,407 \$ | - \$ |

Allocation Factors:

| | | | | | | | | | | | |
|--------------------------------------|--|------------|------|-----------|----------|----------|----------|-----------|-----------|----------|------|
| 1997 O&M ex Salem,Keystone&Conemaugh | | 337,969 \$ | - \$ | 10,135 \$ | 9,979 \$ | 3,842 \$ | 4,789 \$ | 18,503 \$ | 15,492 \$ | 9,287 \$ | - \$ |
| | | | 0.0% | 3.0% | 3.0% | 1.1% | 1.4% | 5.5% | 4.6% | 2.7% | 0.0% |

Operating Assumptions

Data Inputs

| Plant Name | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuylkill | C. Turbines |
|-------------------|------------|------------|-----------|-------------|-------------|---------|---------|------------|-------------|
| Capacity (MW) | 1,155 | 1,115 | 880 | 464 | 464 | 471 | 479 | 166 | 835 |
| Case Description: | | | | | | | | | |
| Plant Type | Nuc | Nuc | Water | Nuc | Nuc | Nuc | Nuc | Oil | Oil |

Decommissioning:

| | | | | | | | | | |
|----------------------------------|---------------|-----------|-----------|----------|----------|----------|----------|------|-----------|
| Decommissioning Year - Adjusted | 2024 | 2029 | 2029 | 2013 | 2014 | 2016 | 2020 | 1999 | 2014 |
| Decommissioning Year - Nameplate | 2024 | 2029 | 2014 | 2013 | 2014 | 2016 | 2020 | 1999 | 1999 |
| Life Extension Years | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 0 | 15 |
| Required Life Extension Costs | 1997 \$ - | \$ - | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,000 |
| Decommissioning Exp. | Flat \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |

O&M Buildup:

| | | | | | | | | | |
|---------------------------------------|----------------|-----------|----------|-----------|-----------|-----------|-----------|----------|-----------|
| Fixed Charge - \$000 | 1997 \$ 79,053 | \$ 79,053 | \$ 7,639 | \$ 35,711 | \$ 35,711 | \$ 63,194 | \$ 63,194 | \$ 2,713 | \$ 9,131 |
| Incremental Charge - \$/MWhr | 1997 \$ - | \$ - | \$ 0.45 | \$ - | \$ - | \$ - | \$ - | \$ 0.43 | \$ 2.22 |
| NOX 1999-2002 \$/MWhr | 1997 \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,080 |
| NOX 2003&Thereafter \$/MWhr | 1997 \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.31 | \$ 1,960 |
| Merrill Creek | Flat \$ 8,200 | \$ 8,200 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1997 Operating & Maintenance - Base | \$ 87,253 | \$ 87,253 | \$ 8,159 | \$ 35,711 | \$ 35,711 | \$ 63,194 | \$ 63,194 | \$ 2,713 | \$ 9,142 |
| 1996 Operating & Maintenance - Actual | \$ 95,778 | \$ 71,579 | \$ 8,525 | \$ 48,153 | \$ 24,217 | \$ 80,685 | \$ 93,883 | \$ 3,474 | \$ 11,536 |
| 1995 Operating & Maintenance - Actual | \$ 76,363 | \$ 91,678 | \$ 7,474 | \$ 28,482 | \$ 47,870 | \$ 73,035 | \$ 58,183 | \$ 3,697 | \$ 10,168 |
| 1994 Operating & Maintenance - Actual | \$ 98,484 | \$ 74,749 | \$ 6,318 | \$ 53,885 | \$ 25,631 | \$ 60,924 | \$ 55,692 | \$ 4,701 | \$ 11,396 |

Capital Expenditures:

| | | | | | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|
| 1997 Capital Expenditures Base | \$ 22,736 | \$ 22,736 | \$ 1,100 | \$ 7,542 | \$ 7,542 | \$ 5,930 | \$ 5,930 | \$ 800 | \$ 900 |
| 1996 Capital Expenditures Actual | \$ 19,128 | \$ 8,716 | \$ 14,569 | \$ 10,201 | \$ 6,331 | \$ 73,724 | \$ 47,051 | \$ - | \$ 804 |
| 1995 Capital Expenditures Actual | \$ 16,445 | \$ 23,350 | \$ 3,936 | \$ 9,449 | \$ 12,511 | \$ 30,773 | \$ 29,433 | \$ 104 | \$ 282 |
| 1994 Capital Expenditures Actual | \$ 22,183 | \$ 23,474 | \$ 3,830 | \$ 23,061 | \$ 5,891 | \$ 20,218 | \$ 20,800 | \$ 1,509 | \$ 1,931 |

** includes Carrying Charges on Limerick fuel inventory

Other Costs:

| | | | | | | | | | |
|----------------------|----------------|-----------|----------|----------|----------|------|------|--------|----------|
| Admin & General Exp. | 1996 \$ 11,793 | \$ 11,793 | \$ 1,103 | \$ 4,827 | \$ 4,827 | \$ - | \$ - | \$ 367 | \$ 1,236 |
| Other Taxes | 1996 \$ 22,609 | \$ 22,609 | \$ 2,114 | \$ 9,253 | \$ 9,253 | \$ - | \$ - | \$ 703 | \$ 2,369 |

Allocation Factors:

| | | | | | | | | | |
|--------------------------------------|-----------|-----------|----------|-----------|-----------|------|------|----------|----------|
| 1997 O&M ex Salem,Keystone&Conemaugh | \$ 87,253 | \$ 87,253 | \$ 8,159 | \$ 35,711 | \$ 35,711 | \$ - | \$ - | \$ 2,713 | \$ 9,142 |
| | 25.8% | 25.8% | 2.4% | 10.6% | 10.6% | 0.0% | 0.0% | 0.8% | 2.7% |

General and Growth Assumptions

| <i>General Assumption</i> | |
|---------------------------|---------|
| Discount Rate | 8.41% |
| Income Tax Rate | 41.493% |

| <i>Growth Assumptions</i> | | |
|---------------------------|----------------------------|--------------------------------|
| <u>Year</u> | <u>Annual GDP Deflator</u> | <u>Cumulative GDP Deflator</u> |
| 1995 | 1.0000 | 1.0000 |
| 1996 | 1.0200 | 1.0200 |
| 1997 | 1.0196 | 1.0400 |
| 1998 | 1.0288 | 1.0700 |
| 1999 | 1.0187 | 1.0900 |
| 2000 | 1.0275 | 1.1200 |
| 2001 | 1.0268 | 1.1500 |
| 2002 | 1.0348 | 1.1900 |
| 2003 | 1.0252 | 1.2200 |
| 2004 | 1.0328 | 1.2600 |
| 2005 | 1.0317 | 1.3000 |
| 2006 | 1.0385 | 1.3500 |
| 2007 | 1.0296 | 1.3900 |
| 2008 | 1.0360 | 1.4400 |
| 2009 | 1.0347 | 1.4900 |
| 2010 | 1.0403 | 1.5500 |
| 2011 | 1.0323 | 1.6000 |
| 2012 | 1.0375 | 1.6600 |
| 2013 | 1.0361 | 1.7200 |
| 2014 | 1.0349 | 1.7800 |
| 2015 | 1.0337 | 1.8400 |
| 2016 | 1.0380 | 1.9100 |
| 2017 | 1.0366 | 1.9800 |
| 2018 | 1.0354 | 2.0500 |
| 2019 | 1.0390 | 2.1300 |
| 2020 | 1.0376 | 2.2100 |
| 2021 | 1.0376 | 2.2930 |
| 2022 | 1.0376 | 2.3791 |
| 2023 | 1.0376 | 2.4685 |
| 2024 | 1.0376 | 2.5612 |
| 2025 | 1.0376 | 2.6574 |
| 2026 | 1.0376 | 2.7572 |
| 2027 | 1.0376 | 2.8608 |
| 2028 | 1.0376 | 2.9682 |
| 2029 | 1.0376 | 3.0797 |

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwar's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--------------------------------------|------------|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Generation Projection (MWhrs) | | | | | | | | | | |
| 1999 | 39,942,215 | 2,441,720 | 1,718,477 | 951,686 | - | - | 1,700,421 | 1,840,599 | 410,366 | 2,473,538 |
| 2000 | 40,466,417 | 2,441,720 | 1,718,477 | 975,882 | - | - | 1,745,436 | 1,889,325 | 751,307 | 2,473,538 |
| 2001 | 40,553,518 | 2,441,720 | 1,718,477 | 1,005,265 | - | - | 1,767,853 | 1,913,590 | 684,821 | 2,473,538 |
| 2002 | 40,640,619 | 2,441,720 | 1,718,477 | 1,034,648 | - | - | 1,790,269 | 1,937,854 | 618,335 | 2,473,538 |
| 2003 | 40,712,994 | 2,441,720 | 1,718,477 | 1,034,648 | - | - | 1,823,117 | 1,973,410 | 599,839 | 2,473,538 |
| 2004 | 40,785,368 | 2,441,720 | 1,718,477 | 1,034,648 | - | - | 1,855,965 | 2,008,966 | 581,344 | 2,473,538 |
| 2005 | 39,831,605 | 2,441,720 | 1,718,477 | - | - | - | 1,878,473 | 2,033,329 | 560,966 | 2,473,538 |
| 2006 | 39,912,489 | 2,441,720 | 1,718,477 | - | - | - | 1,900,981 | 2,057,693 | 540,588 | 2,473,538 |
| 2007 | 39,936,098 | 2,441,720 | 1,718,477 | - | - | - | 1,923,489 | 2,082,056 | 512,698 | 2,473,538 |
| 2008 | 39,959,706 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 484,808 | 2,473,538 |
| 2009 | 39,922,408 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 475,327 | 2,473,538 |
| 2010 | 39,885,110 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2011 | 39,900,737 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2012 | 39,916,364 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2013 | 39,930,617 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2014 | 36,889,317 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2015 | 33,733,046 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2016 | 33,733,046 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2017 | 30,634,065 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2018 | 30,634,065 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | 2,473,538 |
| 2019 | 28,160,528 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2020 | 28,160,528 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2021 | 25,061,547 | 2,441,720 | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2022 | 22,619,827 | - | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2023 | 22,619,827 | - | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2024 | 22,619,827 | - | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2025 | 15,020,416 | - | 1,718,477 | - | - | - | 1,945,997 | 2,106,419 | 465,847 | - |
| 2026 | 10,502,153 | - | 1,718,477 | - | - | - | - | - | - | - |
| 2027 | 10,502,153 | - | 1,718,477 | - | - | - | - | - | - | - |
| 2028 | 10,502,153 | - | 1,718,477 | - | - | - | - | - | - | - |
| 2029 | 10,502,153 | - | 1,718,477 | - | - | - | - | - | - | - |

(1) Indicates capacity payment

ICF Resources, Inc. - Restructuring Filing -
(000)

| | Limerick 1 | Limerick 2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuylkill | C. Turbines |
|--------------------------------------|------------|------------|-----------|-------------|-------------|-----------|-----------|------------|-------------|
| Generation Projection (MWhrs) | | | | | | | | | (1) |
| 1999 | 7,599,407 | 7,336,224 | 1,155,503 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 5,212 |
| 2000 | 7,599,407 | 7,336,224 | 1,216,716 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 9,322 |
| 2001 | 7,599,407 | 7,336,224 | 1,294,145 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 9,416 |
| 2002 | 7,599,407 | 7,336,224 | 1,371,575 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 9,509 |
| 2003 | 7,599,407 | 7,336,224 | 1,394,197 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 9,354 |
| 2004 | 7,599,407 | 7,336,224 | 1,416,818 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 9,198 |
| 2005 | 7,599,407 | 7,336,224 | 1,469,039 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 11,368 |
| 2006 | 7,599,407 | 7,336,224 | 1,521,260 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 13,538 |
| 2007 | 7,599,407 | 7,336,224 | 1,523,609 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 15,816 |
| 2008 | 7,599,407 | 7,336,224 | 1,525,958 | 3,055,553 | 3,055,553 | 3,098,979 | 3,098,979 | - | 18,095 |
| 2009 | 7,599,409 | 7,336,226 | 1,497,474 | 3,055,553 | 3,055,553 | 3,098,980 | 3,098,980 | - | 18,756 |
| 2010 | 7,599,411 | 7,336,228 | 1,468,990 | 3,055,553 | 3,055,553 | 3,098,981 | 3,098,981 | - | 19,416 |
| 2011 | 7,599,411 | 7,336,228 | 1,483,510 | 3,055,553 | 3,055,553 | 3,098,981 | 3,098,981 | - | 20,523 |
| 2012 | 7,599,411 | 7,336,228 | 1,498,030 | 3,055,553 | 3,055,553 | 3,098,981 | 3,098,981 | - | 21,630 |
| 2013 | 7,599,411 | 7,336,228 | 1,511,994 | 3,055,553 | 3,055,554 | 3,098,981 | 3,098,981 | - | 21,918 |
| 2014 | 7,599,411 | 7,336,228 | 1,525,958 | - | 3,055,555 | 3,098,981 | 3,098,981 | - | 22,205 |
| 2015 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | 3,098,981 | 3,098,981 | - | - |
| 2016 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | 3,098,981 | 3,098,981 | - | - |
| 2017 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | 3,098,981 | - | - |
| 2018 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | 3,098,981 | - | - |
| 2019 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | 3,098,981 | - | - |
| 2020 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | 3,098,981 | - | - |
| 2021 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2022 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2023 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2024 | 7,599,411 | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2025 | - | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2026 | - | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2027 | - | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2028 | - | 7,336,228 | 1,447,448 | - | - | - | - | - | - |
| 2029 | - | 7,336,228 | 1,447,448 | - | - | - | - | - | - |

(1) indicates capacity payment

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Market Price Rate (\$/MWhr) | | | | | | | | | | |
| Energy & Capacity | | | | | | | | | | |
| 1999 | \$ 28.06 | \$ 24.93 | \$ 34.49 | \$ 27.19 | \$ - | \$ - | \$ 27.70 | \$ 27.70 | \$ 75.12 | \$ 24.93 |
| 2000 | \$ 31.28 | \$ 27.68 | \$ 38.61 | \$ 29.67 | \$ - | \$ - | \$ 30.25 | \$ 30.25 | \$ 63.19 | \$ 27.68 |
| 2001 | \$ 35.02 | \$ 30.51 | \$ 43.83 | \$ 32.13 | \$ - | \$ - | \$ 33.10 | \$ 33.10 | \$ 83.52 | \$ 30.51 |
| 2002 | \$ 36.36 | \$ 31.76 | \$ 45.61 | \$ 32.96 | \$ - | \$ - | \$ 34.18 | \$ 34.18 | \$ 92.89 | \$ 31.76 |
| 2003 | \$ 37.46 | \$ 32.76 | \$ 47.08 | \$ 33.98 | \$ - | \$ - | \$ 34.97 | \$ 34.97 | \$ 97.63 | \$ 32.76 |
| 2004 | \$ 38.87 | \$ 34.04 | \$ 48.94 | \$ 35.30 | \$ - | \$ - | \$ 36.05 | \$ 36.05 | \$ 103.42 | \$ 34.04 |
| 2005 | \$ 40.48 | \$ 35.40 | \$ 50.97 | \$ - | \$ - | \$ - | \$ 37.26 | \$ 37.26 | \$ 110.54 | \$ 35.40 |
| 2006 | \$ 42.32 | \$ 37.05 | \$ 53.42 | \$ - | \$ - | \$ - | \$ 38.77 | \$ 38.77 | \$ 118.97 | \$ 37.05 |
| 2007 | \$ 43.95 | \$ 38.52 | \$ 55.54 | \$ - | \$ - | \$ - | \$ 40.06 | \$ 40.06 | \$ 128.40 | \$ 38.52 |
| 2008 | \$ 45.91 | \$ 40.28 | \$ 58.09 | \$ - | \$ - | \$ - | \$ 41.66 | \$ 41.66 | \$ 139.64 | \$ 40.28 |
| 2009 | \$ 47.52 | \$ 41.69 | \$ 60.18 | \$ - | \$ - | \$ - | \$ 43.12 | \$ 43.12 | \$ 146.59 | \$ 41.69 |
| 2010 | \$ 49.46 | \$ 43.39 | \$ 62.67 | \$ - | \$ - | \$ - | \$ 44.87 | \$ 44.87 | \$ 154.76 | \$ 43.39 |
| 2011 | \$ 51.07 | \$ 44.81 | \$ 64.82 | \$ - | \$ - | \$ - | \$ 46.33 | \$ 46.33 | \$ 159.78 | \$ 44.81 |
| 2012 | \$ 53.00 | \$ 46.52 | \$ 67.38 | \$ - | \$ - | \$ - | \$ 48.09 | \$ 48.09 | \$ 165.79 | \$ 46.52 |
| 2013 | \$ 54.98 | \$ 48.28 | \$ 69.85 | \$ - | \$ - | \$ - | \$ 49.91 | \$ 49.91 | \$ 171.52 | \$ 48.28 |
| 2014 | \$ 57.51 | \$ 50.05 | \$ 72.31 | \$ - | \$ - | \$ - | \$ 51.73 | \$ 51.73 | \$ 177.23 | \$ 50.05 |
| 2015 | \$ 58.44 | \$ 51.97 | \$ 74.63 | \$ - | \$ - | \$ - | \$ 53.58 | \$ 53.58 | \$ 181.85 | \$ 51.97 |
| 2016 | \$ 60.66 | \$ 53.95 | \$ 77.47 | \$ - | \$ - | \$ - | \$ 55.62 | \$ 55.62 | \$ 188.77 | \$ 53.95 |
| 2017 | \$ 63.36 | \$ 55.93 | \$ 80.30 | \$ - | \$ - | \$ - | \$ 57.66 | \$ 57.66 | \$ 195.69 | \$ 55.93 |
| 2018 | \$ 65.60 | \$ 57.90 | \$ 83.14 | \$ - | \$ - | \$ - | \$ 59.70 | \$ 59.70 | \$ 202.61 | \$ 57.90 |
| 2019 | \$ 68.87 | \$ 60.16 | \$ 86.39 | \$ - | \$ - | \$ - | \$ 62.03 | \$ 62.03 | \$ 210.52 | \$ - |
| 2020 | \$ 71.45 | \$ 62.42 | \$ 89.63 | \$ - | \$ - | \$ - | \$ 64.36 | \$ 64.36 | \$ 218.42 | \$ - |
| 2021 | \$ 74.98 | \$ 64.77 | \$ 93.00 | \$ - | \$ - | \$ - | \$ 66.77 | \$ 66.77 | \$ 226.63 | \$ - |
| 2022 | \$ 78.93 | \$ - | \$ 96.49 | \$ - | \$ - | \$ - | \$ 69.28 | \$ 69.28 | \$ 235.14 | \$ - |
| 2023 | \$ 81.90 | \$ - | \$ 100.12 | \$ - | \$ - | \$ - | \$ 71.88 | \$ 71.88 | \$ 243.97 | \$ - |
| 2024 | \$ 84.97 | \$ - | \$ 103.88 | \$ - | \$ - | \$ - | \$ 74.58 | \$ 74.58 | \$ 253.13 | \$ - |
| 2025 | \$ 93.28 | \$ - | \$ 107.78 | \$ - | \$ - | \$ - | \$ 77.38 | \$ 77.38 | \$ 262.64 | \$ - |
| 2026 | \$ 95.35 | \$ - | \$ 111.83 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 98.93 | \$ - | \$ 116.03 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 102.65 | \$ - | \$ 120.38 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 106.51 | \$ - | \$ 124.91 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

(1) ### indicates capacity payment not rate

ICF Resources, Inc. - Restructuring Filing -
(000)

| | Limerick_1 | Limerick_2 | Muddy Run | P. Bottom 2 | P. Bottom 3 | Salem 1 | Salem 2 | Schuylkill | C. Turbines |
|------------------------------------|------------|------------|-----------|-------------|-------------|----------|----------|------------|-------------|
| Market Price Rate (\$/MWhr) | | | | | | | | | |
| Energy & Capacity | | | | | | | | | |
| | | | | | | | | | (1) |
| 1999 | \$ 26.40 | \$ 26.40 | \$ 46.12 | \$ 25.13 | \$ 25.13 | \$ 26.40 | \$ 26.40 | \$ - | \$ 3,767.62 |
| 2000 | \$ 29.17 | \$ 29.17 | \$ 52.69 | \$ 27.92 | \$ 27.92 | \$ 29.17 | \$ 29.17 | \$ - | \$ 2,754.95 |
| 2001 | \$ 32.07 | \$ 32.07 | \$ 62.02 | \$ 30.84 | \$ 30.84 | \$ 32.07 | \$ 32.07 | \$ - | \$ 3,931.09 |
| 2002 | \$ 33.30 | \$ 33.30 | \$ 62.73 | \$ 32.09 | \$ 32.09 | \$ 33.30 | \$ 33.30 | \$ - | \$ 4,029.09 |
| 2003 | \$ 34.34 | \$ 34.34 | \$ 64.09 | \$ 33.10 | \$ 33.10 | \$ 34.34 | \$ 34.34 | \$ - | \$ 4,198.87 |
| 2004 | \$ 35.67 | \$ 35.67 | \$ 65.98 | \$ 34.39 | \$ 34.39 | \$ 35.67 | \$ 35.67 | \$ - | \$ 4,409.34 |
| 2005 | \$ 37.06 | \$ 37.06 | \$ 67.46 | \$ 35.77 | \$ 35.77 | \$ 37.06 | \$ 37.06 | \$ - | \$ 3,697.28 |
| 2006 | \$ 38.76 | \$ 38.76 | \$ 69.50 | \$ 37.44 | \$ 37.44 | \$ 38.76 | \$ 38.76 | \$ - | \$ 3,238.52 |
| 2007 | \$ 40.26 | \$ 40.26 | \$ 72.24 | \$ 38.90 | \$ 38.90 | \$ 40.26 | \$ 40.26 | \$ - | \$ 2,867.71 |
| 2008 | \$ 42.07 | \$ 42.07 | \$ 75.55 | \$ 40.66 | \$ 40.66 | \$ 42.07 | \$ 42.07 | \$ - | \$ 2,609.31 |
| 2009 | \$ 43.54 | \$ 43.54 | \$ 78.94 | \$ 42.08 | \$ 42.08 | \$ 43.54 | \$ 43.54 | \$ - | \$ 2,609.03 |
| 2010 | \$ 45.30 | \$ 45.30 | \$ 82.94 | \$ 43.78 | \$ 43.78 | \$ 45.30 | \$ 45.30 | \$ - | \$ 2,626.02 |
| 2011 | \$ 46.76 | \$ 46.76 | \$ 85.30 | \$ 45.19 | \$ 45.19 | \$ 46.76 | \$ 46.76 | \$ - | \$ 2,571.08 |
| 2012 | \$ 48.52 | \$ 48.52 | \$ 88.18 | \$ 46.89 | \$ 46.89 | \$ 48.52 | \$ 48.52 | \$ - | \$ 2,537.53 |
| 2013 | \$ 50.35 | \$ 50.35 | \$ 90.98 | \$ 48.66 | \$ 48.66 | \$ 50.35 | \$ 50.35 | \$ - | \$ 2,598.19 |
| 2014 | \$ 52.18 | \$ 52.18 | \$ 93.77 | \$ - | \$ 50.44 | \$ 52.18 | \$ 52.18 | \$ - | \$ 2,657.58 |
| 2015 | \$ 54.05 | \$ 54.05 | \$ 99.16 | \$ - | \$ - | \$ 54.05 | \$ 54.05 | \$ - | \$ - |
| 2016 | \$ 56.11 | \$ 56.11 | \$ 102.93 | \$ - | \$ - | \$ 56.11 | \$ 56.11 | \$ - | \$ - |
| 2017 | \$ 58.16 | \$ 58.16 | \$ 106.71 | \$ - | \$ - | \$ - | \$ 58.16 | \$ - | \$ - |
| 2018 | \$ 60.22 | \$ 60.22 | \$ 110.48 | \$ - | \$ - | \$ - | \$ 60.22 | \$ - | \$ - |
| 2019 | \$ 62.57 | \$ 62.57 | \$ 114.79 | \$ - | \$ - | \$ - | \$ 62.57 | \$ - | \$ - |
| 2020 | \$ 64.92 | \$ 64.92 | \$ 119.10 | \$ - | \$ - | \$ - | \$ 64.92 | \$ - | \$ - |
| 2021 | \$ 67.36 | \$ 67.36 | \$ 123.57 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 69.89 | \$ 69.89 | \$ 128.21 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 72.51 | \$ 72.51 | \$ 133.03 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 75.23 | \$ 75.23 | \$ 138.03 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 78.06 | \$ 143.21 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 80.99 | \$ 148.59 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 84.03 | \$ 154.17 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 87.19 | \$ 159.96 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 90.46 | \$ 165.97 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

(1) ### Indicates capacity payment not rate

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------------|---|------------|------------|-----------|----------|----------|-------------|-------------|--------------|------------|
| Market Price Revenues | <i>(generation x market rate) (000's)</i> | | | | | | | | | |
| Energy & Capacity | | | | | | | | | | |
| 1999 | \$ 1,120,948 | \$ 60,863 | \$ 59,277 | \$ 25,878 | \$ - | \$ - | \$ 47,099 | \$ 50,982 | \$ 30,826 | \$ 61,656 |
| 2000 | \$ 1,265,630 | \$ 67,589 | \$ 66,353 | \$ 28,955 | \$ - | \$ - | \$ 52,795 | \$ 57,147 | \$ 47,474 | \$ 68,470 |
| 2001 | \$ 1,420,076 | \$ 74,491 | \$ 75,318 | \$ 32,298 | \$ - | \$ - | \$ 58,508 | \$ 63,332 | \$ 57,198 | \$ 75,462 |
| 2002 | \$ 1,477,666 | \$ 77,543 | \$ 78,387 | \$ 34,106 | \$ - | \$ - | \$ 61,185 | \$ 66,229 | \$ 57,440 | \$ 78,554 |
| 2003 | \$ 1,524,970 | \$ 79,984 | \$ 80,898 | \$ 35,162 | \$ - | \$ - | \$ 63,756 | \$ 69,012 | \$ 58,561 | \$ 81,027 |
| 2004 | \$ 1,585,350 | \$ 83,109 | \$ 84,103 | \$ 36,518 | \$ - | \$ - | \$ 66,913 | \$ 72,429 | \$ 60,122 | \$ 84,192 |
| 2005 | \$ 1,612,317 | \$ 86,430 | \$ 87,588 | \$ - | \$ - | \$ - | \$ 69,999 | \$ 75,770 | \$ 62,009 | \$ 87,556 |
| 2006 | \$ 1,689,209 | \$ 90,462 | \$ 91,802 | \$ - | \$ - | \$ - | \$ 73,698 | \$ 79,773 | \$ 64,311 | \$ 91,641 |
| 2007 | \$ 1,755,023 | \$ 94,043 | \$ 95,444 | \$ - | \$ - | \$ - | \$ 77,063 | \$ 83,416 | \$ 65,831 | \$ 95,269 |
| 2008 | \$ 1,834,413 | \$ 98,359 | \$ 99,833 | \$ - | \$ - | \$ - | \$ 81,071 | \$ 87,754 | \$ 67,699 | \$ 99,641 |
| 2009 | \$ 1,897,185 | \$ 101,806 | \$ 103,414 | \$ - | \$ - | \$ - | \$ 83,908 | \$ 90,825 | \$ 69,680 | \$ 103,133 |
| 2010 | \$ 1,972,608 | \$ 105,939 | \$ 107,697 | \$ - | \$ - | \$ - | \$ 87,310 | \$ 94,508 | \$ 72,096 | \$ 107,319 |
| 2011 | \$ 2,037,621 | \$ 109,418 | \$ 111,390 | \$ - | \$ - | \$ - | \$ 90,164 | \$ 97,597 | \$ 74,432 | \$ 110,844 |
| 2012 | \$ 2,115,467 | \$ 113,585 | \$ 115,795 | \$ - | \$ - | \$ - | \$ 93,584 | \$ 101,298 | \$ 77,234 | \$ 115,065 |
| 2013 | \$ 2,195,411 | \$ 117,889 | \$ 120,030 | \$ - | \$ - | \$ - | \$ 97,118 | \$ 105,124 | \$ 79,903 | \$ 119,426 |
| 2014 | \$ 2,121,484 | \$ 122,208 | \$ 124,268 | \$ - | \$ - | \$ - | \$ 100,663 | \$ 108,962 | \$ 82,563 | \$ 123,800 |
| 2015 | \$ 1,971,331 | \$ 126,904 | \$ 128,244 | \$ - | \$ - | \$ - | \$ 104,268 | \$ 112,864 | \$ 84,716 | \$ 128,558 |
| 2016 | \$ 2,046,327 | \$ 131,732 | \$ 133,123 | \$ - | \$ - | \$ - | \$ 108,235 | \$ 117,158 | \$ 87,939 | \$ 133,449 |
| 2017 | \$ 1,941,083 | \$ 136,560 | \$ 138,002 | \$ - | \$ - | \$ - | \$ 112,202 | \$ 121,451 | \$ 91,162 | \$ 138,339 |
| 2018 | \$ 2,009,707 | \$ 141,388 | \$ 142,881 | \$ - | \$ - | \$ - | \$ 116,168 | \$ 125,745 | \$ 94,385 | \$ 143,230 |
| 2019 | \$ 1,939,315 | \$ 146,905 | \$ 148,456 | \$ - | \$ - | \$ - | \$ 120,702 | \$ 130,652 | \$ 98,068 | \$ - |
| 2020 | \$ 2,012,153 | \$ 152,423 | \$ 154,032 | \$ - | \$ - | \$ - | \$ 125,235 | \$ 135,559 | \$ 101,752 | \$ - |
| 2021 | \$ 1,878,993 | \$ 158,148 | \$ 159,817 | \$ - | \$ - | \$ - | \$ 129,939 | \$ 140,651 | \$ 105,573 | \$ - |
| 2022 | \$ 1,785,478 | \$ - | \$ 165,820 | \$ - | \$ - | \$ - | \$ 134,819 | \$ 145,933 | \$ 109,538 | \$ - |
| 2023 | \$ 1,852,539 | \$ - | \$ 172,048 | \$ - | \$ - | \$ - | \$ 139,883 | \$ 151,415 | \$ 113,653 | \$ - |
| 2024 | \$ 1,922,118 | \$ - | \$ 178,510 | \$ - | \$ - | \$ - | \$ 145,137 | \$ 157,101 | \$ 117,921 | \$ - |
| 2025 | \$ 1,401,106 | \$ - | \$ 185,214 | \$ - | \$ - | \$ - | \$ 150,588 | \$ 163,002 | \$ 122,350 | \$ - |
| 2026 | \$ 1,001,416 | \$ - | \$ 192,171 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 1,039,028 | \$ - | \$ 199,389 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 1,078,052 | \$ - | \$ 206,877 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 1,118,542 | \$ - | \$ 214,647 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing -
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Market Price Revenues | | | | | | | | | |
| Energy & Capacity | | | | | | | | | |
| 1999 | \$ 200,612 | \$ 193,664 | \$ 53,286 | \$ 76,776 | \$ 76,776 | \$ 81,808 | \$ 81,808 | \$ - | \$ 19,638 |
| 2000 | \$ 221,659 | \$ 213,983 | \$ 64,108 | \$ 85,317 | \$ 85,317 | \$ 90,391 | \$ 90,391 | \$ - | \$ 25,682 |
| 2001 | \$ 243,692 | \$ 235,252 | \$ 80,264 | \$ 94,248 | \$ 94,248 | \$ 99,376 | \$ 99,376 | \$ - | \$ 37,014 |
| 2002 | \$ 253,058 | \$ 244,294 | \$ 86,039 | \$ 98,064 | \$ 98,064 | \$ 103,195 | \$ 103,195 | \$ - | \$ 38,314 |
| 2003 | \$ 260,935 | \$ 251,899 | \$ 89,352 | \$ 101,147 | \$ 101,147 | \$ 106,407 | \$ 106,407 | \$ - | \$ 39,275 |
| 2004 | \$ 271,038 | \$ 261,651 | \$ 93,477 | \$ 105,093 | \$ 105,093 | \$ 110,527 | \$ 110,527 | \$ - | \$ 40,557 |
| 2005 | \$ 281,648 | \$ 271,894 | \$ 99,100 | \$ 109,293 | \$ 109,293 | \$ 114,854 | \$ 114,854 | \$ - | \$ 42,030 |
| 2006 | \$ 294,564 | \$ 284,362 | \$ 105,725 | \$ 114,393 | \$ 114,393 | \$ 120,121 | \$ 120,121 | \$ - | \$ 43,842 |
| 2007 | \$ 305,948 | \$ 295,353 | \$ 110,070 | \$ 118,851 | \$ 118,851 | \$ 124,763 | \$ 124,763 | \$ - | \$ 45,357 |
| 2008 | \$ 319,706 | \$ 308,634 | \$ 115,288 | \$ 124,233 | \$ 124,233 | \$ 130,374 | \$ 130,374 | \$ - | \$ 47,216 |
| 2009 | \$ 330,868 | \$ 319,410 | \$ 118,213 | \$ 128,571 | \$ 128,571 | \$ 134,926 | \$ 134,926 | \$ - | \$ 48,934 |
| 2010 | \$ 344,256 | \$ 332,334 | \$ 121,845 | \$ 133,774 | \$ 133,774 | \$ 140,385 | \$ 140,385 | \$ - | \$ 50,987 |
| 2011 | \$ 355,373 | \$ 343,066 | \$ 126,546 | \$ 138,094 | \$ 138,094 | \$ 144,918 | \$ 144,918 | \$ - | \$ 52,766 |
| 2012 | \$ 368,712 | \$ 355,943 | \$ 132,094 | \$ 143,278 | \$ 143,278 | \$ 150,358 | \$ 150,358 | \$ - | \$ 54,887 |
| 2013 | \$ 382,614 | \$ 369,364 | \$ 137,567 | \$ 148,688 | \$ 148,688 | \$ 156,027 | \$ 156,027 | \$ - | \$ 56,946 |
| 2014 | \$ 396,556 | \$ 382,823 | \$ 143,089 | \$ - | \$ 154,114 | \$ 161,713 | \$ 161,713 | \$ - | \$ 59,012 |
| 2015 | \$ 410,739 | \$ 396,515 | \$ 143,530 | \$ - | \$ - | \$ 167,496 | \$ 167,496 | \$ - | \$ - |
| 2016 | \$ 426,365 | \$ 411,600 | \$ 148,990 | \$ - | \$ - | \$ 173,869 | \$ 173,869 | \$ - | \$ - |
| 2017 | \$ 441,991 | \$ 426,684 | \$ 154,450 | \$ - | \$ - | \$ - | \$ 180,241 | \$ - | \$ - |
| 2018 | \$ 457,617 | \$ 441,769 | \$ 159,911 | \$ - | \$ - | \$ - | \$ 186,613 | \$ - | \$ - |
| 2019 | \$ 475,476 | \$ 459,009 | \$ 166,151 | \$ - | \$ - | \$ - | \$ 193,895 | \$ - | \$ - |
| 2020 | \$ 493,334 | \$ 476,249 | \$ 172,392 | \$ - | \$ - | \$ - | \$ 201,178 | \$ - | \$ - |
| 2021 | \$ 511,863 | \$ 494,136 | \$ 178,867 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 531,088 | \$ 512,695 | \$ 185,585 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 551,035 | \$ 531,951 | \$ 192,555 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 571,731 | \$ 551,931 | \$ 199,787 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 572,660 | \$ 207,291 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 594,169 | \$ 215,076 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 616,485 | \$ 223,154 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 639,639 | \$ 231,536 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 663,663 | \$ 240,232 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | <u>Total</u> | <u>Conemaugh</u> | <u>Conowingo</u> | <u>Cromby 1</u> | <u>Cromby 2</u> | <u>Delaware</u> | <u>Eddystone 1</u> | <u>Eddystone 2</u> | <u>Eddystone3&4</u> | <u>Keystone</u> |
|----------------------------|--------------|------------------|------------------|-----------------|-----------------|-----------------|--------------------|--------------------|-------------------------|-----------------|
| Fuel Rate (\$/MWhr) | | | | | | | | | | |
| 1999 | \$ 7.47 | \$ 9.98 | \$ - | \$ 15.88 | \$ - | \$ - | \$ 16.64 | \$ 16.64 | \$ 24.86 | \$ 9.80 |
| 2000 | \$ 7.97 | \$ 10.19 | \$ - | \$ 16.67 | \$ - | \$ - | \$ 17.24 | \$ 17.24 | \$ 26.93 | \$ 12.26 |
| 2001 | \$ 8.03 | \$ 10.22 | \$ - | \$ 16.73 | \$ - | \$ - | \$ 17.31 | \$ 17.31 | \$ 28.14 | \$ 12.34 |
| 2002 | \$ 8.17 | \$ 10.31 | \$ - | \$ 16.92 | \$ - | \$ - | \$ 17.50 | \$ 17.50 | \$ 29.62 | \$ 12.52 |
| 2003 | \$ 8.33 | \$ 10.36 | \$ - | \$ 17.14 | \$ - | \$ - | \$ 17.66 | \$ 17.66 | \$ 30.73 | \$ 13.13 |
| 2004 | \$ 8.53 | \$ 10.49 | \$ - | \$ 17.47 | \$ - | \$ - | \$ 17.96 | \$ 17.96 | \$ 32.10 | \$ 13.86 |
| 2005 | \$ 8.50 | \$ 10.63 | \$ - | \$ - | \$ - | \$ - | \$ 18.20 | \$ 18.20 | \$ 33.43 | \$ 14.12 |
| 2006 | \$ 8.81 | \$ 10.84 | \$ - | \$ - | \$ - | \$ - | \$ 18.56 | \$ 18.56 | \$ 35.04 | \$ 14.47 |
| 2007 | \$ 9.14 | \$ 11.09 | \$ - | \$ - | \$ - | \$ - | \$ 19.01 | \$ 19.01 | \$ 36.29 | \$ 15.48 |
| 2008 | \$ 9.51 | \$ 11.42 | \$ - | \$ - | \$ - | \$ - | \$ 19.59 | \$ 19.59 | \$ 37.81 | \$ 16.63 |
| 2009 | \$ 9.79 | \$ 11.69 | \$ - | \$ - | \$ - | \$ - | \$ 20.00 | \$ 20.00 | \$ 39.42 | \$ 17.09 |
| 2010 | \$ 10.12 | \$ 12.03 | \$ - | \$ - | \$ - | \$ - | \$ 20.52 | \$ 20.52 | \$ 41.31 | \$ 17.65 |
| 2011 | \$ 10.44 | \$ 12.29 | \$ - | \$ - | \$ - | \$ - | \$ 20.99 | \$ 20.99 | \$ 43.00 | \$ 18.09 |
| 2012 | \$ 10.81 | \$ 12.61 | \$ - | \$ - | \$ - | \$ - | \$ 21.57 | \$ 21.57 | \$ 44.97 | \$ 18.65 |
| 2013 | \$ 11.28 | \$ 13.01 | \$ - | \$ - | \$ - | \$ - | \$ 22.34 | \$ 22.34 | \$ 47.00 | \$ 20.13 |
| 2014 | \$ 12.06 | \$ 13.41 | \$ - | \$ - | \$ - | \$ - | \$ 23.12 | \$ 23.12 | \$ 49.05 | \$ 21.68 |
| 2015 | \$ 12.66 | \$ 13.72 | \$ - | \$ - | \$ - | \$ - | \$ 23.66 | \$ 23.66 | \$ 51.11 | \$ 22.27 |
| 2016 | \$ 13.14 | \$ 14.24 | \$ - | \$ - | \$ - | \$ - | \$ 24.56 | \$ 24.56 | \$ 53.06 | \$ 23.12 |
| 2017 | \$ 14.08 | \$ 14.76 | \$ - | \$ - | \$ - | \$ - | \$ 25.46 | \$ 25.46 | \$ 55.00 | \$ 23.97 |
| 2018 | \$ 14.58 | \$ 15.28 | \$ - | \$ - | \$ - | \$ - | \$ 26.36 | \$ 26.36 | \$ 56.95 | \$ 24.82 |
| 2019 | \$ 14.21 | \$ 15.88 | \$ - | \$ - | \$ - | \$ - | \$ 27.39 | \$ 27.39 | \$ 59.17 | \$ - |
| 2020 | \$ 14.75 | \$ 16.48 | \$ - | \$ - | \$ - | \$ - | \$ 28.42 | \$ 28.42 | \$ 61.39 | \$ - |
| 2021 | \$ 15.89 | \$ 17.10 | \$ - | \$ - | \$ - | \$ - | \$ 29.49 | \$ 29.49 | \$ 63.70 | \$ - |
| 2022 | \$ 16.35 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 30.60 | \$ 30.60 | \$ 66.09 | \$ - |
| 2023 | \$ 16.97 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 31.74 | \$ 31.74 | \$ 68.57 | \$ - |
| 2024 | \$ 17.60 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 32.94 | \$ 32.94 | \$ 71.15 | \$ - |
| 2025 | \$ 22.59 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 34.17 | \$ 34.17 | \$ 73.82 | \$ - |
| 2026 | \$ 16.45 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 17.06 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 17.71 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 18.37 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing -
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|----------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Fuel Rate (\$/MWhr) | | | | | | | | | |
| 1999 | \$ 4.46 | \$ 4.46 | \$ 23.19 | \$ 5.84 | \$ 5.84 | \$ 5.84 | \$ 5.84 | \$ - | \$ 64.95 |
| 2000 | \$ 4.42 | \$ 4.42 | \$ 25.35 | \$ 5.74 | \$ 5.74 | \$ 5.74 | \$ 5.74 | \$ - | \$ 67.09 |
| 2001 | \$ 4.43 | \$ 4.43 | \$ 25.97 | \$ 5.68 | \$ 5.68 | \$ 5.68 | \$ 5.68 | \$ - | \$ 69.47 |
| 2002 | \$ 4.50 | \$ 4.50 | \$ 26.82 | \$ 5.72 | \$ 5.72 | \$ 5.72 | \$ 5.72 | \$ - | \$ 72.49 |
| 2003 | \$ 4.55 | \$ 4.55 | \$ 27.67 | \$ 5.75 | \$ 5.75 | \$ 5.75 | \$ 5.75 | \$ - | \$ 75.03 |
| 2004 | \$ 4.60 | \$ 4.60 | \$ 28.77 | \$ 5.83 | \$ 5.83 | \$ 5.83 | \$ 5.83 | \$ - | \$ 78.24 |
| 2005 | \$ 4.68 | \$ 4.68 | \$ 29.82 | \$ 5.95 | \$ 5.95 | \$ 5.95 | \$ 5.95 | \$ - | \$ 81.38 |
| 2006 | \$ 4.87 | \$ 4.87 | \$ 31.12 | \$ 6.17 | \$ 6.17 | \$ 6.17 | \$ 6.17 | \$ - | \$ 85.19 |
| 2007 | \$ 5.06 | \$ 5.06 | \$ 32.38 | \$ 6.38 | \$ 6.38 | \$ 6.38 | \$ 6.38 | \$ - | \$ 88.55 |
| 2008 | \$ 5.26 | \$ 5.26 | \$ 33.89 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ - | \$ 92.60 |
| 2009 | \$ 5.44 | \$ 5.44 | \$ 35.28 | \$ 6.84 | \$ 6.84 | \$ 6.84 | \$ 6.84 | \$ - | \$ 96.56 |
| 2010 | \$ 5.66 | \$ 5.66 | \$ 36.92 | \$ 7.12 | \$ 7.12 | \$ 7.12 | \$ 7.12 | \$ - | \$ 101.22 |
| 2011 | \$ 5.84 | \$ 5.84 | \$ 38.24 | \$ 7.35 | \$ 7.35 | \$ 7.35 | \$ 7.35 | \$ - | \$ 105.33 |
| 2012 | \$ 6.06 | \$ 6.06 | \$ 39.80 | \$ 7.62 | \$ 7.62 | \$ 7.62 | \$ 7.62 | \$ - | \$ 110.14 |
| 2013 | \$ 6.28 | \$ 6.28 | \$ 41.68 | \$ 7.90 | \$ 7.90 | \$ 7.90 | \$ 7.90 | \$ - | \$ 115.22 |
| 2014 | \$ 6.50 | \$ 6.50 | \$ 43.58 | \$ - | \$ 8.17 | \$ 8.17 | \$ 8.17 | \$ - | \$ 120.37 |
| 2015 | \$ 6.72 | \$ 6.72 | \$ 45.57 | \$ - | \$ - | \$ 8.45 | \$ 8.45 | \$ - | \$ - |
| 2016 | \$ 6.98 | \$ 6.98 | \$ 47.30 | \$ - | \$ - | \$ 8.77 | \$ 8.77 | \$ - | \$ - |
| 2017 | \$ 7.23 | \$ 7.23 | \$ 49.04 | \$ - | \$ - | \$ - | \$ 9.09 | \$ - | \$ - |
| 2018 | \$ 7.49 | \$ 7.49 | \$ 50.77 | \$ - | \$ - | \$ - | \$ 9.41 | \$ - | \$ - |
| 2019 | \$ 7.78 | \$ 7.78 | \$ 52.75 | \$ - | \$ - | \$ - | \$ 9.78 | \$ - | \$ - |
| 2020 | \$ 8.07 | \$ 8.07 | \$ 54.73 | \$ - | \$ - | \$ - | \$ 10.15 | \$ - | \$ - |
| 2021 | \$ 8.38 | \$ 8.38 | \$ 56.79 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 8.69 | \$ 8.69 | \$ 58.92 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 9.02 | \$ 9.02 | \$ 61.14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 9.36 | \$ 9.36 | \$ 63.43 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 9.71 | \$ 65.81 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 10.07 | \$ 68.29 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 10.45 | \$ 70.85 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 10.84 | \$ 73.51 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 11.25 | \$ 76.27 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates

(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------|--|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Fuel Cost | <i>(generation x fuel rate) (000's)</i> | | | | | | | | | |
| 1999 | \$ 298,361 | \$ 24,377 | \$ - | \$ 15,116 | \$ - | \$ - | \$ 28,291 | \$ 30,623 | \$ 10,203 | \$ 24,228 |
| 2000 | \$ 322,468 | \$ 24,891 | \$ - | \$ 16,264 | \$ - | \$ - | \$ 30,092 | \$ 32,573 | \$ 20,232 | \$ 30,316 |
| 2001 | \$ 325,599 | \$ 24,944 | \$ - | \$ 16,822 | \$ - | \$ - | \$ 30,594 | \$ 33,116 | \$ 19,270 | \$ 30,523 |
| 2002 | \$ 332,220 | \$ 25,177 | \$ - | \$ 17,511 | \$ - | \$ - | \$ 31,326 | \$ 33,908 | \$ 18,316 | \$ 30,959 |
| 2003 | \$ 339,057 | \$ 25,306 | \$ - | \$ 17,729 | \$ - | \$ - | \$ 32,204 | \$ 34,859 | \$ 18,431 | \$ 32,473 |
| 2004 | \$ 348,046 | \$ 25,614 | \$ - | \$ 18,080 | \$ - | \$ - | \$ 33,333 | \$ 36,081 | \$ 18,664 | \$ 34,295 |
| 2005 | \$ 338,751 | \$ 25,960 | \$ - | \$ - | \$ - | \$ - | \$ 34,191 | \$ 37,009 | \$ 18,755 | \$ 34,924 |
| 2006 | \$ 351,797 | \$ 26,474 | \$ - | \$ - | \$ - | \$ - | \$ 35,282 | \$ 38,190 | \$ 18,942 | \$ 35,789 |
| 2007 | \$ 364,997 | \$ 27,085 | \$ - | \$ - | \$ - | \$ - | \$ 36,567 | \$ 39,582 | \$ 18,605 | \$ 38,279 |
| 2008 | \$ 380,102 | \$ 27,880 | \$ - | \$ - | \$ - | \$ - | \$ 38,127 | \$ 41,270 | \$ 18,331 | \$ 41,136 |
| 2009 | \$ 390,745 | \$ 28,538 | \$ - | \$ - | \$ - | \$ - | \$ 38,921 | \$ 42,129 | \$ 18,737 | \$ 42,263 |
| 2010 | \$ 403,805 | \$ 29,365 | \$ - | \$ - | \$ - | \$ - | \$ 39,936 | \$ 43,229 | \$ 19,245 | \$ 43,651 |
| 2011 | \$ 416,452 | \$ 29,998 | \$ - | \$ - | \$ - | \$ - | \$ 40,840 | \$ 44,207 | \$ 20,029 | \$ 44,756 |
| 2012 | \$ 431,681 | \$ 30,797 | \$ - | \$ - | \$ - | \$ - | \$ 41,972 | \$ 45,433 | \$ 20,951 | \$ 46,121 |
| 2013 | \$ 450,616 | \$ 31,770 | \$ - | \$ - | \$ - | \$ - | \$ 43,481 | \$ 47,066 | \$ 21,893 | \$ 49,798 |
| 2014 | \$ 444,819 | \$ 32,733 | \$ - | \$ - | \$ - | \$ - | \$ 44,990 | \$ 48,698 | \$ 22,848 | \$ 53,616 |
| 2015 | \$ 427,013 | \$ 33,498 | \$ - | \$ - | \$ - | \$ - | \$ 46,046 | \$ 49,842 | \$ 23,812 | \$ 55,098 |
| 2016 | \$ 443,258 | \$ 34,772 | \$ - | \$ - | \$ - | \$ - | \$ 47,798 | \$ 51,738 | \$ 24,718 | \$ 57,194 |
| 2017 | \$ 431,324 | \$ 36,046 | \$ - | \$ - | \$ - | \$ - | \$ 49,550 | \$ 53,635 | \$ 25,623 | \$ 59,290 |
| 2018 | \$ 446,573 | \$ 37,321 | \$ - | \$ - | \$ - | \$ - | \$ 51,302 | \$ 55,531 | \$ 26,529 | \$ 61,386 |
| 2019 | \$ 400,219 | \$ 38,777 | \$ - | \$ - | \$ - | \$ - | \$ 53,304 | \$ 57,698 | \$ 27,565 | \$ - |
| 2020 | \$ 415,250 | \$ 40,233 | \$ - | \$ - | \$ - | \$ - | \$ 55,306 | \$ 59,865 | \$ 28,600 | \$ - |
| 2021 | \$ 398,214 | \$ 41,745 | \$ - | \$ - | \$ - | \$ - | \$ 57,383 | \$ 62,113 | \$ 29,674 | \$ - |
| 2022 | \$ 369,857 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 59,538 | \$ 64,446 | \$ 30,789 | \$ - |
| 2023 | \$ 383,749 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 61,774 | \$ 66,867 | \$ 31,945 | \$ - |
| 2024 | \$ 398,162 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 64,094 | \$ 69,378 | \$ 33,145 | \$ - |
| 2025 | \$ 339,350 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 66,502 | \$ 71,984 | \$ 34,390 | \$ - |
| 2026 | \$ 172,728 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 179,215 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 185,946 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 192,930 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing -
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Fuel Cost | | | | | | | | | |
| 1999 | \$ 33,871 | \$ 32,698 | \$ 26,793 | \$ 17,829 | \$ 17,829 | \$ 18,083 | \$ 18,083 | \$ - | \$ 339 |
| 2000 | \$ 33,582 | \$ 32,419 | \$ 30,844 | \$ 17,533 | \$ 17,533 | \$ 17,782 | \$ 17,782 | \$ - | \$ 625 |
| 2001 | \$ 33,688 | \$ 32,521 | \$ 33,612 | \$ 17,340 | \$ 17,340 | \$ 17,587 | \$ 17,587 | \$ - | \$ 654 |
| 2002 | \$ 34,190 | \$ 33,006 | \$ 36,781 | \$ 17,466 | \$ 17,466 | \$ 17,714 | \$ 17,714 | \$ - | \$ 689 |
| 2003 | \$ 34,577 | \$ 33,380 | \$ 38,582 | \$ 17,579 | \$ 17,579 | \$ 17,828 | \$ 17,828 | \$ - | \$ 702 |
| 2004 | \$ 34,957 | \$ 33,747 | \$ 40,757 | \$ 17,823 | \$ 17,823 | \$ 18,076 | \$ 18,076 | \$ - | \$ 720 |
| 2005 | \$ 35,565 | \$ 34,334 | \$ 43,813 | \$ 18,190 | \$ 18,190 | \$ 18,448 | \$ 18,448 | \$ - | \$ 925 |
| 2006 | \$ 37,009 | \$ 35,727 | \$ 47,343 | \$ 18,837 | \$ 18,837 | \$ 19,105 | \$ 19,105 | \$ - | \$ 1,153 |
| 2007 | \$ 38,453 | \$ 37,121 | \$ 49,334 | \$ 19,504 | \$ 19,504 | \$ 19,781 | \$ 19,781 | \$ - | \$ 1,401 |
| 2008 | \$ 39,973 | \$ 38,589 | \$ 51,720 | \$ 20,206 | \$ 20,206 | \$ 20,494 | \$ 20,494 | \$ - | \$ 1,676 |
| 2009 | \$ 41,361 | \$ 39,928 | \$ 52,831 | \$ 20,908 | \$ 20,908 | \$ 21,205 | \$ 21,205 | \$ - | \$ 1,811 |
| 2010 | \$ 43,026 | \$ 41,536 | \$ 54,234 | \$ 21,750 | \$ 21,750 | \$ 22,059 | \$ 22,059 | \$ - | \$ 1,965 |
| 2011 | \$ 44,414 | \$ 42,876 | \$ 56,725 | \$ 22,452 | \$ 22,452 | \$ 22,771 | \$ 22,771 | \$ - | \$ 2,162 |
| 2012 | \$ 46,080 | \$ 44,484 | \$ 59,625 | \$ 23,293 | \$ 23,293 | \$ 23,625 | \$ 23,625 | \$ - | \$ 2,382 |
| 2013 | \$ 47,745 | \$ 46,092 | \$ 63,017 | \$ 24,135 | \$ 24,135 | \$ 24,478 | \$ 24,478 | \$ - | \$ 2,525 |
| 2014 | \$ 49,411 | \$ 47,700 | \$ 66,508 | \$ - | \$ 24,977 | \$ 25,332 | \$ 25,332 | \$ - | \$ 2,673 |
| 2015 | \$ 51,076 | \$ 49,308 | \$ 65,961 | \$ - | \$ - | \$ 26,186 | \$ 26,186 | \$ - | \$ - |
| 2016 | \$ 53,020 | \$ 51,183 | \$ 68,470 | \$ - | \$ - | \$ 27,182 | \$ 27,182 | \$ - | \$ - |
| 2017 | \$ 54,963 | \$ 53,059 | \$ 70,980 | \$ - | \$ - | \$ - | \$ 28,179 | \$ - | \$ - |
| 2018 | \$ 56,906 | \$ 54,935 | \$ 73,489 | \$ - | \$ - | \$ - | \$ 29,175 | \$ - | \$ - |
| 2019 | \$ 59,127 | \$ 57,079 | \$ 76,357 | \$ - | \$ - | \$ - | \$ 30,313 | \$ - | \$ - |
| 2020 | \$ 61,347 | \$ 59,223 | \$ 79,225 | \$ - | \$ - | \$ - | \$ 31,452 | \$ - | \$ - |
| 2021 | \$ 63,651 | \$ 61,447 | \$ 82,200 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 66,042 | \$ 63,755 | \$ 85,288 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 68,523 | \$ 66,149 | \$ 88,491 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 71,096 | \$ 68,634 | \$ 91,815 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 71,212 | \$ 95,263 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 73,886 | \$ 98,841 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 76,661 | \$ 102,553 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 79,541 | \$ 106,405 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 82,528 | \$ 110,402 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates

(000)

Total Conemaugh Conowingo Cromby 1 Cromby 2 Delaware Eddystone 1 Eddystone 2 Eddystone3&4 Keystone

Operating & Maintenance Projection

| | | | | | | | | | | |
|------|------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|
| 1999 | \$ 508,038 | \$ 8,047 | \$ 10,623 | \$ 11,546 | \$ 4,026 | \$ 5,019 | \$ 20,533 | \$ 19,497 | \$ 10,074 | \$ 7,138 |
| 2000 | \$ 510,459 | \$ 8,268 | \$ 10,915 | \$ 11,980 | \$ - | \$ - | \$ 21,326 | \$ 20,292 | \$ 10,815 | \$ 7,335 |
| 2001 | \$ 524,032 | \$ 8,490 | \$ 11,207 | \$ 12,447 | \$ - | \$ - | \$ 22,014 | \$ 20,968 | \$ 11,012 | \$ 7,531 |
| 2002 | \$ 542,040 | \$ 8,785 | \$ 11,597 | \$ 13,030 | \$ - | \$ - | \$ 22,901 | \$ 21,834 | \$ 11,299 | \$ 7,793 |
| 2003 | \$ 561,551 | \$ 9,006 | \$ 11,890 | \$ 15,094 | \$ - | \$ - | \$ 24,558 | \$ 24,095 | \$ 12,274 | \$ 7,990 |
| 2004 | \$ 579,829 | \$ 9,302 | \$ 12,280 | \$ 15,589 | \$ - | \$ - | \$ 25,567 | \$ 25,125 | \$ 12,625 | \$ 8,252 |
| 2005 | \$ 581,922 | \$ 9,597 | \$ 12,669 | \$ - | \$ - | \$ - | \$ 26,523 | \$ 26,093 | \$ 12,968 | \$ 8,514 |
| 2006 | \$ 603,973 | \$ 9,966 | \$ 13,157 | \$ - | \$ - | \$ - | \$ 27,693 | \$ 27,273 | \$ 13,406 | \$ 8,841 |
| 2007 | \$ 621,639 | \$ 10,261 | \$ 13,546 | \$ - | \$ - | \$ - | \$ 28,668 | \$ 28,263 | \$ 13,718 | \$ 9,103 |
| 2008 | \$ 643,676 | \$ 10,630 | \$ 14,034 | \$ - | \$ - | \$ - | \$ 29,859 | \$ 29,467 | \$ 14,124 | \$ 9,430 |
| 2009 | \$ 665,407 | \$ 10,999 | \$ 14,521 | \$ - | \$ - | \$ - | \$ 30,896 | \$ 30,491 | \$ 14,583 | \$ 9,758 |
| 2010 | \$ 691,490 | \$ 11,442 | \$ 15,106 | \$ - | \$ - | \$ - | \$ 32,140 | \$ 31,718 | \$ 15,138 | \$ 10,151 |
| 2011 | \$ 713,278 | \$ 11,812 | \$ 15,593 | \$ - | \$ - | \$ - | \$ 33,177 | \$ 32,742 | \$ 15,626 | \$ 10,478 |
| 2012 | \$ 739,422 | \$ 12,254 | \$ 16,178 | \$ - | \$ - | \$ - | \$ 34,421 | \$ 33,969 | \$ 16,212 | \$ 10,871 |
| 2013 | \$ 765,564 | \$ 12,697 | \$ 16,763 | \$ - | \$ - | \$ - | \$ 35,665 | \$ 35,197 | \$ 16,798 | \$ 11,264 |
| 2014 | \$ 730,587 | \$ 13,140 | \$ 17,347 | \$ - | \$ - | \$ - | \$ 36,909 | \$ 36,425 | \$ 17,384 | \$ 11,657 |
| 2015 | \$ 691,366 | \$ 13,583 | \$ 17,932 | \$ - | \$ - | \$ - | \$ 38,154 | \$ 37,653 | \$ 17,970 | \$ 12,050 |
| 2016 | \$ 717,044 | \$ 14,100 | \$ 18,614 | \$ - | \$ - | \$ - | \$ 39,605 | \$ 39,085 | \$ 18,654 | \$ 12,508 |
| 2017 | \$ 622,411 | \$ 14,617 | \$ 19,296 | \$ - | \$ - | \$ - | \$ 41,057 | \$ 40,518 | \$ 19,337 | \$ 12,967 |
| 2018 | \$ 643,835 | \$ 15,134 | \$ 19,979 | \$ - | \$ - | \$ - | \$ 42,508 | \$ 41,950 | \$ 20,021 | \$ 13,425 |
| 2019 | \$ 654,371 | \$ 15,724 | \$ 20,758 | \$ - | \$ - | \$ - | \$ 44,167 | \$ 43,587 | \$ 20,802 | \$ - |
| 2020 | \$ 678,333 | \$ 16,315 | \$ 21,538 | \$ - | \$ - | \$ - | \$ 45,826 | \$ 45,224 | \$ 21,584 | \$ - |
| 2021 | \$ 563,863 | \$ 16,927 | \$ 22,347 | \$ - | \$ - | \$ - | \$ 47,547 | \$ 46,923 | \$ 22,394 | \$ - |
| 2022 | \$ 541,491 | \$ - | \$ 23,186 | \$ - | \$ - | \$ - | \$ 49,333 | \$ 48,685 | \$ 23,235 | \$ - |
| 2023 | \$ 561,212 | \$ - | \$ 24,057 | \$ - | \$ - | \$ - | \$ 51,186 | \$ 50,514 | \$ 24,108 | \$ - |
| 2024 | \$ 581,675 | \$ - | \$ 24,961 | \$ - | \$ - | \$ - | \$ 53,108 | \$ 52,411 | \$ 25,014 | \$ - |
| 2025 | \$ 392,711 | \$ - | \$ 25,898 | \$ - | \$ - | \$ - | \$ 55,103 | \$ 54,379 | \$ 25,953 | \$ - |
| 2026 | \$ 266,630 | \$ - | \$ 26,871 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 276,337 | \$ - | \$ 27,880 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 286,408 | \$ - | \$ 28,927 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 296,857 | \$ - | \$ 30,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Ut
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Operating & Maintenance Projection

| | | | | | | | | | |
|------|------------|------------|-----------|-----------|-----------|------------|------------|----------|-----------|
| 1999 | \$ 91,054 | \$ 91,054 | \$ 8,551 | \$ 37,428 | \$ 37,428 | \$ 66,232 | \$ 66,232 | \$ 2,844 | \$ 10,713 |
| 2000 | \$ 93,334 | \$ 93,334 | \$ 8,816 | \$ 38,458 | \$ 38,458 | \$ 68,055 | \$ 68,055 | \$ - | \$ 11,017 |
| 2001 | \$ 95,614 | \$ 95,614 | \$ 9,091 | \$ 39,488 | \$ 39,488 | \$ 69,878 | \$ 69,878 | \$ - | \$ 11,312 |
| 2002 | \$ 98,655 | \$ 98,655 | \$ 9,447 | \$ 40,862 | \$ 40,862 | \$ 72,309 | \$ 72,309 | \$ - | \$ 11,705 |
| 2003 | \$ 100,935 | \$ 100,935 | \$ 9,697 | \$ 41,892 | \$ 41,892 | \$ 74,131 | \$ 74,131 | \$ - | \$ 13,031 |
| 2004 | \$ 103,976 | \$ 103,976 | \$ 10,027 | \$ 43,265 | \$ 43,265 | \$ 76,562 | \$ 76,562 | \$ - | \$ 13,457 |
| 2005 | \$ 107,016 | \$ 107,016 | \$ 10,375 | \$ 44,639 | \$ 44,639 | \$ 78,993 | \$ 78,993 | \$ - | \$ 13,889 |
| 2006 | \$ 110,817 | \$ 110,817 | \$ 10,804 | \$ 46,356 | \$ 46,356 | \$ 82,031 | \$ 82,031 | \$ - | \$ 14,427 |
| 2007 | \$ 113,857 | \$ 113,857 | \$ 11,126 | \$ 47,729 | \$ 47,729 | \$ 84,461 | \$ 84,461 | \$ - | \$ 14,858 |
| 2008 | \$ 117,658 | \$ 117,658 | \$ 11,527 | \$ 49,446 | \$ 49,446 | \$ 87,499 | \$ 87,499 | \$ - | \$ 15,397 |
| 2009 | \$ 121,459 | \$ 121,459 | \$ 11,909 | \$ 51,163 | \$ 51,163 | \$ 90,538 | \$ 90,538 | \$ - | \$ 15,931 |
| 2010 | \$ 126,019 | \$ 126,019 | \$ 12,370 | \$ 53,223 | \$ 53,223 | \$ 94,183 | \$ 94,183 | \$ - | \$ 16,573 |
| 2011 | \$ 129,820 | \$ 129,820 | \$ 12,779 | \$ 54,940 | \$ 54,940 | \$ 97,222 | \$ 97,222 | \$ - | \$ 17,108 |
| 2012 | \$ 134,381 | \$ 134,381 | \$ 13,268 | \$ 57,000 | \$ 57,000 | \$ 100,867 | \$ 100,867 | \$ - | \$ 17,751 |
| 2013 | \$ 138,942 | \$ 138,942 | \$ 13,758 | \$ 59,061 | \$ 59,061 | \$ 104,513 | \$ 104,513 | \$ - | \$ 18,391 |
| 2014 | \$ 143,502 | \$ 143,502 | \$ 14,249 | \$ - | \$ 61,121 | \$ 108,159 | \$ 108,159 | \$ - | \$ 19,032 |
| 2015 | \$ 148,063 | \$ 148,063 | \$ 14,667 | \$ - | \$ - | \$ 111,805 | \$ 111,805 | \$ - | \$ 19,622 |
| 2016 | \$ 153,384 | \$ 153,384 | \$ 15,225 | \$ - | \$ - | \$ 116,058 | \$ 116,058 | \$ - | \$ 20,369 |
| 2017 | \$ 158,705 | \$ 158,705 | \$ 15,783 | \$ - | \$ - | \$ - | \$ 120,312 | \$ - | \$ 21,115 |
| 2018 | \$ 164,026 | \$ 164,026 | \$ 16,341 | \$ - | \$ - | \$ - | \$ 124,565 | \$ - | \$ 21,862 |
| 2019 | \$ 170,107 | \$ 170,107 | \$ 16,979 | \$ - | \$ - | \$ - | \$ 129,426 | \$ - | \$ 22,715 |
| 2020 | \$ 176,188 | \$ 176,188 | \$ 17,616 | \$ - | \$ - | \$ - | \$ 134,287 | \$ - | \$ 23,568 |
| 2021 | \$ 182,497 | \$ 182,497 | \$ 18,278 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24,453 |
| 2022 | \$ 189,043 | \$ 189,043 | \$ 18,964 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 195,836 | \$ 195,836 | \$ 19,677 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 202,883 | \$ 202,883 | \$ 20,416 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 210,195 | \$ 21,183 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 217,782 | \$ 21,978 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 225,653 | \$ 22,804 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 233,621 | \$ 23,660 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 242,295 | \$ 24,549 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | <u>Total</u> | <u>Conemaugh</u> | <u>Conowingo</u> | <u>Cromby 1</u> | <u>Cromby 2</u> | <u>Delaware</u> | <u>Eddystone 1</u> | <u>Eddystone 2</u> | <u>Eddystone3&4</u> | <u>Keystone</u> |
|---------------------------------------|--------------|------------------|------------------|-----------------|-----------------|-----------------|--------------------|--------------------|-------------------------|-----------------|
| Capital Expenditure Projection | | | | | | | | | | |
| 1999 | \$ 95,098 | \$ 2,054 | \$ 1,467 | \$ 1,572 | \$ 943 | \$ 1,677 | \$ 1,887 | \$ 1,887 | \$ 1,887 | \$ 2,893 |
| 2000 | \$ 94,162 | \$ 2,111 | \$ 1,508 | \$ 1,615 | \$ - | \$ - | \$ 1,938 | \$ 1,938 | \$ 1,938 | \$ 2,972 |
| 2001 | \$ 96,684 | \$ 2,167 | \$ 1,548 | \$ 1,659 | \$ - | \$ - | \$ 1,990 | \$ 1,990 | \$ 1,990 | \$ 3,052 |
| 2002 | \$ 100,047 | \$ 2,243 | \$ 1,602 | \$ 1,716 | \$ - | \$ - | \$ 2,060 | \$ 2,060 | \$ 2,060 | \$ 3,158 |
| 2003 | \$ 102,569 | \$ 2,299 | \$ 1,642 | \$ 1,760 | \$ - | \$ - | \$ 2,112 | \$ 2,112 | \$ 2,112 | \$ 3,238 |
| 2004 | \$ 105,932 | \$ 2,375 | \$ 1,696 | \$ 1,817 | \$ - | \$ - | \$ 2,181 | \$ 2,181 | \$ 2,181 | \$ 3,344 |
| 2005 | \$ 107,420 | \$ 2,450 | \$ 1,750 | \$ - | \$ - | \$ - | \$ 2,250 | \$ 2,250 | \$ 2,250 | \$ 3,450 |
| 2006 | \$ 111,552 | \$ 2,544 | \$ 1,817 | \$ - | \$ - | \$ - | \$ 2,337 | \$ 2,337 | \$ 2,337 | \$ 3,583 |
| 2007 | \$ 114,857 | \$ 2,620 | \$ 1,871 | \$ - | \$ - | \$ - | \$ 2,406 | \$ 2,406 | \$ 2,406 | \$ 3,689 |
| 2008 | \$ 118,988 | \$ 2,714 | \$ 1,938 | \$ - | \$ - | \$ - | \$ 2,492 | \$ 2,492 | \$ 2,492 | \$ 3,822 |
| 2009 | \$ 123,120 | \$ 2,808 | \$ 2,006 | \$ - | \$ - | \$ - | \$ 2,579 | \$ 2,579 | \$ 2,579 | \$ 3,954 |
| 2010 | \$ 128,078 | \$ 2,921 | \$ 2,087 | \$ - | \$ - | \$ - | \$ 2,683 | \$ 2,683 | \$ 2,683 | \$ 4,113 |
| 2011 | \$ 132,209 | \$ 3,015 | \$ 2,154 | \$ - | \$ - | \$ - | \$ 2,769 | \$ 2,769 | \$ 2,769 | \$ 4,246 |
| 2012 | \$ 137,167 | \$ 3,128 | \$ 2,235 | \$ - | \$ - | \$ - | \$ 2,873 | \$ 2,873 | \$ 2,873 | \$ 4,405 |
| 2013 | \$ 142,125 | \$ 3,242 | \$ 2,315 | \$ - | \$ - | \$ - | \$ 2,977 | \$ 2,977 | \$ 2,977 | \$ 4,565 |
| 2014 | \$ 134,174 | \$ 3,355 | \$ 2,396 | \$ - | \$ - | \$ - | \$ 3,081 | \$ 3,081 | \$ 3,081 | \$ 4,724 |
| 2015 | \$ 123,761 | \$ 3,468 | \$ 2,477 | \$ - | \$ - | \$ - | \$ 3,185 | \$ 3,185 | \$ 3,185 | \$ 4,883 |
| 2016 | \$ 128,470 | \$ 3,600 | \$ 2,571 | \$ - | \$ - | \$ - | \$ 3,306 | \$ 3,306 | \$ 3,306 | \$ 5,069 |
| 2017 | \$ 121,888 | \$ 3,732 | \$ 2,665 | \$ - | \$ - | \$ - | \$ 3,427 | \$ 3,427 | \$ 3,427 | \$ 5,255 |
| 2018 | \$ 126,197 | \$ 3,863 | \$ 2,760 | \$ - | \$ - | \$ - | \$ 3,548 | \$ 3,548 | \$ 3,548 | \$ 5,440 |
| 2019 | \$ 125,469 | \$ 4,014 | \$ 2,867 | \$ - | \$ - | \$ - | \$ 3,687 | \$ 3,687 | \$ 3,687 | \$ - |
| 2020 | \$ 130,182 | \$ 4,165 | \$ 2,975 | \$ - | \$ - | \$ - | \$ 3,825 | \$ 3,825 | \$ 3,825 | \$ - |
| 2021 | \$ 121,997 | \$ 4,321 | \$ 3,087 | \$ - | \$ - | \$ - | \$ 3,969 | \$ 3,969 | \$ 3,969 | \$ - |
| 2022 | \$ 122,095 | \$ - | \$ 3,203 | \$ - | \$ - | \$ - | \$ 4,118 | \$ 4,118 | \$ 4,118 | \$ - |
| 2023 | \$ 126,681 | \$ - | \$ 3,323 | \$ - | \$ - | \$ - | \$ 4,272 | \$ 4,272 | \$ 4,272 | \$ - |
| 2024 | \$ 131,439 | \$ - | \$ 3,448 | \$ - | \$ - | \$ - | \$ 4,433 | \$ 4,433 | \$ 4,433 | \$ - |
| 2025 | \$ 78,281 | \$ - | \$ 3,577 | \$ - | \$ - | \$ - | \$ 4,599 | \$ 4,599 | \$ 4,599 | \$ - |
| 2026 | \$ 66,905 | \$ - | \$ 3,712 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 69,417 | \$ - | \$ 3,851 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 72,025 | \$ - | \$ 3,996 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 74,730 | \$ - | \$ 4,146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Ut
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Capital Expenditure Projection

| | | | | | | | | | |
|------|-----------|-----------|----------|-----------|-----------|-----------|-----------|--------|----------|
| 1999 | \$ 23,829 | \$ 23,829 | \$ 1,153 | \$ 7,905 | \$ 7,905 | \$ 6,215 | \$ 6,215 | \$ 838 | \$ 943 |
| 2000 | \$ 24,485 | \$ 24,485 | \$ 1,185 | \$ 8,122 | \$ 8,122 | \$ 6,386 | \$ 6,386 | \$ - | \$ 969 |
| 2001 | \$ 25,141 | \$ 25,141 | \$ 1,216 | \$ 8,340 | \$ 8,340 | \$ 6,557 | \$ 6,557 | \$ - | \$ 995 |
| 2002 | \$ 26,015 | \$ 26,015 | \$ 1,259 | \$ 8,630 | \$ 8,630 | \$ 6,785 | \$ 6,785 | \$ - | \$ 1,030 |
| 2003 | \$ 26,671 | \$ 26,671 | \$ 1,290 | \$ 8,847 | \$ 8,847 | \$ 6,956 | \$ 6,956 | \$ - | \$ 1,056 |
| 2004 | \$ 27,546 | \$ 27,546 | \$ 1,333 | \$ 9,137 | \$ 9,137 | \$ 7,184 | \$ 7,184 | \$ - | \$ 1,090 |
| 2005 | \$ 28,420 | \$ 28,420 | \$ 1,375 | \$ 9,428 | \$ 9,428 | \$ 7,413 | \$ 7,413 | \$ - | \$ 1,125 |
| 2006 | \$ 29,513 | \$ 29,513 | \$ 1,428 | \$ 9,790 | \$ 9,790 | \$ 7,698 | \$ 7,698 | \$ - | \$ 1,168 |
| 2007 | \$ 30,388 | \$ 30,388 | \$ 1,470 | \$ 10,080 | \$ 10,080 | \$ 7,926 | \$ 7,926 | \$ - | \$ 1,203 |
| 2008 | \$ 31,481 | \$ 31,481 | \$ 1,523 | \$ 10,443 | \$ 10,443 | \$ 8,211 | \$ 8,211 | \$ - | \$ 1,246 |
| 2009 | \$ 32,574 | \$ 32,574 | \$ 1,576 | \$ 10,805 | \$ 10,805 | \$ 8,496 | \$ 8,496 | \$ - | \$ 1,289 |
| 2010 | \$ 33,885 | \$ 33,885 | \$ 1,639 | \$ 11,240 | \$ 11,240 | \$ 8,838 | \$ 8,838 | \$ - | \$ 1,341 |
| 2011 | \$ 34,978 | \$ 34,978 | \$ 1,692 | \$ 11,603 | \$ 11,603 | \$ 9,123 | \$ 9,123 | \$ - | \$ 1,385 |
| 2012 | \$ 36,290 | \$ 36,290 | \$ 1,756 | \$ 12,038 | \$ 12,038 | \$ 9,465 | \$ 9,465 | \$ - | \$ 1,437 |
| 2013 | \$ 37,602 | \$ 37,602 | \$ 1,819 | \$ 12,473 | \$ 12,473 | \$ 9,807 | \$ 9,807 | \$ - | \$ 1,488 |
| 2014 | \$ 38,914 | \$ 38,914 | \$ 1,883 | \$ - | \$ 12,908 | \$ 10,149 | \$ 10,149 | \$ - | \$ 1,540 |
| 2015 | \$ 40,225 | \$ 40,225 | \$ 1,946 | \$ - | \$ - | \$ 10,492 | \$ 10,492 | \$ - | \$ - |
| 2016 | \$ 41,756 | \$ 41,756 | \$ 2,020 | \$ - | \$ - | \$ 10,891 | \$ 10,891 | \$ - | \$ - |
| 2017 | \$ 43,286 | \$ 43,286 | \$ 2,094 | \$ - | \$ - | \$ - | \$ 11,290 | \$ - | \$ - |
| 2018 | \$ 44,816 | \$ 44,816 | \$ 2,168 | \$ - | \$ - | \$ - | \$ 11,689 | \$ - | \$ - |
| 2019 | \$ 46,565 | \$ 46,565 | \$ 2,253 | \$ - | \$ - | \$ - | \$ 12,145 | \$ - | \$ - |
| 2020 | \$ 48,314 | \$ 48,314 | \$ 2,338 | \$ - | \$ - | \$ - | \$ 12,601 | \$ - | \$ - |
| 2021 | \$ 50,129 | \$ 50,129 | \$ 2,425 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 52,011 | \$ 52,011 | \$ 2,516 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 53,965 | \$ 53,965 | \$ 2,611 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 55,992 | \$ 55,992 | \$ 2,709 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 58,095 | \$ 2,811 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 60,277 | \$ 2,916 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 62,541 | \$ 3,026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 64,889 | \$ 3,139 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 67,327 | \$ 3,257 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates

(000)

Total Conemaugh Conowingo Cromby 1 Cromby 2 Delaware Eddystone 1 Eddystone 2 Eddystone3&4 Keystone

Administrative & General Projection

*Allocated to Stations**

| | | | | | | | | | | |
|------|-----------|------|----------|----------|--------|--------|----------|----------|----------|------|
| 1999 | \$ 48,814 | \$ - | \$ 1,464 | \$ 1,441 | \$ 555 | \$ 692 | \$ 2,672 | \$ 2,238 | \$ 1,341 | \$ - |
| 2000 | \$ 48,474 | \$ - | \$ 1,504 | \$ 1,481 | \$ - | \$ - | \$ 2,746 | \$ 2,299 | \$ 1,378 | \$ - |
| 2001 | \$ 49,772 | \$ - | \$ 1,544 | \$ 1,521 | \$ - | \$ - | \$ 2,820 | \$ 2,361 | \$ 1,415 | \$ - |
| 2002 | \$ 51,503 | \$ - | \$ 1,598 | \$ 1,574 | \$ - | \$ - | \$ 2,918 | \$ 2,443 | \$ 1,464 | \$ - |
| 2003 | \$ 52,802 | \$ - | \$ 1,638 | \$ 1,613 | \$ - | \$ - | \$ 2,991 | \$ 2,504 | \$ 1,501 | \$ - |
| 2004 | \$ 54,533 | \$ - | \$ 1,692 | \$ 1,666 | \$ - | \$ - | \$ 3,089 | \$ 2,586 | \$ 1,551 | \$ - |
| 2005 | \$ 54,545 | \$ - | \$ 1,746 | \$ - | \$ - | \$ - | \$ 3,187 | \$ 2,669 | \$ 1,600 | \$ - |
| 2006 | \$ 56,643 | \$ - | \$ 1,813 | \$ - | \$ - | \$ - | \$ 3,310 | \$ 2,771 | \$ 1,661 | \$ - |
| 2007 | \$ 58,322 | \$ - | \$ 1,867 | \$ - | \$ - | \$ - | \$ 3,408 | \$ 2,853 | \$ 1,711 | \$ - |
| 2008 | \$ 60,419 | \$ - | \$ 1,934 | \$ - | \$ - | \$ - | \$ 3,531 | \$ 2,956 | \$ 1,772 | \$ - |
| 2009 | \$ 62,517 | \$ - | \$ 2,001 | \$ - | \$ - | \$ - | \$ 3,653 | \$ 3,059 | \$ 1,834 | \$ - |
| 2010 | \$ 65,035 | \$ - | \$ 2,082 | \$ - | \$ - | \$ - | \$ 3,800 | \$ 3,182 | \$ 1,908 | \$ - |
| 2011 | \$ 67,133 | \$ - | \$ 2,149 | \$ - | \$ - | \$ - | \$ 3,923 | \$ 3,284 | \$ 1,969 | \$ - |
| 2012 | \$ 69,650 | \$ - | \$ 2,229 | \$ - | \$ - | \$ - | \$ 4,070 | \$ 3,408 | \$ 2,043 | \$ - |
| 2013 | \$ 72,168 | \$ - | \$ 2,310 | \$ - | \$ - | \$ - | \$ 4,217 | \$ 3,531 | \$ 2,117 | \$ - |
| 2014 | \$ 66,262 | \$ - | \$ 2,391 | \$ - | \$ - | \$ - | \$ 4,364 | \$ 3,654 | \$ 2,191 | \$ - |
| 2015 | \$ 57,560 | \$ - | \$ 2,471 | \$ - | \$ - | \$ - | \$ 4,511 | \$ 3,777 | \$ 2,264 | \$ - |
| 2016 | \$ 59,750 | \$ - | \$ 2,565 | \$ - | \$ - | \$ - | \$ 4,683 | \$ 3,921 | \$ 2,351 | \$ - |
| 2017 | \$ 61,940 | \$ - | \$ 2,659 | \$ - | \$ - | \$ - | \$ 4,854 | \$ 4,064 | \$ 2,437 | \$ - |
| 2018 | \$ 64,129 | \$ - | \$ 2,753 | \$ - | \$ - | \$ - | \$ 5,026 | \$ 4,208 | \$ 2,523 | \$ - |
| 2019 | \$ 66,632 | \$ - | \$ 2,861 | \$ - | \$ - | \$ - | \$ 5,222 | \$ 4,372 | \$ 2,621 | \$ - |
| 2020 | \$ 69,135 | \$ - | \$ 2,968 | \$ - | \$ - | \$ - | \$ 5,418 | \$ 4,537 | \$ 2,720 | \$ - |
| 2021 | \$ 71,731 | \$ - | \$ 3,080 | \$ - | \$ - | \$ - | \$ 5,622 | \$ 4,707 | \$ 2,822 | \$ - |
| 2022 | \$ 74,425 | \$ - | \$ 3,195 | \$ - | \$ - | \$ - | \$ 5,833 | \$ 4,884 | \$ 2,928 | \$ - |
| 2023 | \$ 77,221 | \$ - | \$ 3,315 | \$ - | \$ - | \$ - | \$ 6,052 | \$ 5,067 | \$ 3,038 | \$ - |
| 2024 | \$ 80,121 | \$ - | \$ 3,440 | \$ - | \$ - | \$ - | \$ 6,279 | \$ 5,258 | \$ 3,152 | \$ - |
| 2025 | \$ 52,406 | \$ - | \$ 3,569 | \$ - | \$ - | \$ - | \$ 6,515 | \$ 5,455 | \$ 3,270 | \$ - |
| 2026 | \$ 38,562 | \$ - | \$ 3,703 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 40,010 | \$ - | \$ 3,842 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 41,513 | \$ - | \$ 3,986 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 43,072 | \$ - | \$ 4,136 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

ICF Resources, Inc. - Restructuring Filing - Ut
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|--|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Administrative & General Projection | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | |
| 1999 | \$ 12,602 | \$ 12,602 | \$ 1,178 | \$ 5,158 | \$ 5,158 | \$ - | \$ - | \$ 392 | \$ 1,320 |
| 2000 | \$ 12,949 | \$ 12,949 | \$ 1,211 | \$ 5,300 | \$ 5,300 | \$ - | \$ - | \$ - | \$ 1,357 |
| 2001 | \$ 13,296 | \$ 13,296 | \$ 1,243 | \$ 5,442 | \$ 5,442 | \$ - | \$ - | \$ - | \$ 1,393 |
| 2002 | \$ 13,758 | \$ 13,758 | \$ 1,286 | \$ 5,631 | \$ 5,631 | \$ - | \$ - | \$ - | \$ 1,442 |
| 2003 | \$ 14,105 | \$ 14,105 | \$ 1,319 | \$ 5,773 | \$ 5,773 | \$ - | \$ - | \$ - | \$ 1,478 |
| 2004 | \$ 14,568 | \$ 14,568 | \$ 1,362 | \$ 5,962 | \$ 5,962 | \$ - | \$ - | \$ - | \$ 1,526 |
| 2005 | \$ 15,030 | \$ 15,030 | \$ 1,405 | \$ 6,152 | \$ 6,152 | \$ - | \$ - | \$ - | \$ 1,575 |
| 2006 | \$ 15,608 | \$ 15,608 | \$ 1,459 | \$ 6,388 | \$ 6,388 | \$ - | \$ - | \$ - | \$ 1,635 |
| 2007 | \$ 16,071 | \$ 16,071 | \$ 1,503 | \$ 6,577 | \$ 6,577 | \$ - | \$ - | \$ - | \$ 1,684 |
| 2008 | \$ 16,649 | \$ 16,649 | \$ 1,557 | \$ 6,814 | \$ 6,814 | \$ - | \$ - | \$ - | \$ 1,744 |
| 2009 | \$ 17,227 | \$ 17,227 | \$ 1,611 | \$ 7,051 | \$ 7,051 | \$ - | \$ - | \$ - | \$ 1,805 |
| 2010 | \$ 17,921 | \$ 17,921 | \$ 1,676 | \$ 7,335 | \$ 7,335 | \$ - | \$ - | \$ - | \$ 1,878 |
| 2011 | \$ 18,499 | \$ 18,499 | \$ 1,730 | \$ 7,571 | \$ 7,571 | \$ - | \$ - | \$ - | \$ 1,938 |
| 2012 | \$ 19,192 | \$ 19,192 | \$ 1,795 | \$ 7,855 | \$ 7,855 | \$ - | \$ - | \$ - | \$ 2,011 |
| 2013 | \$ 19,886 | \$ 19,886 | \$ 1,859 | \$ 8,139 | \$ 8,139 | \$ - | \$ - | \$ - | \$ 2,084 |
| 2014 | \$ 20,580 | \$ 20,580 | \$ 1,924 | \$ - | \$ 8,423 | \$ - | \$ - | \$ - | \$ 2,156 |
| 2015 | \$ 21,273 | \$ 21,273 | \$ 1,989 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ 22,083 | \$ 22,083 | \$ 2,065 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ 22,892 | \$ 22,892 | \$ 2,141 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ 23,701 | \$ 23,701 | \$ 2,216 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ 24,626 | \$ 24,626 | \$ 2,303 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ 25,551 | \$ 25,551 | \$ 2,389 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ 26,511 | \$ 26,511 | \$ 2,479 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 27,507 | \$ 27,507 | \$ 2,572 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 28,540 | \$ 28,540 | \$ 2,669 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 29,612 | \$ 29,612 | \$ 2,769 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 30,724 | \$ 2,873 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 31,878 | \$ 2,981 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 33,075 | \$ 3,093 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 34,317 | \$ 3,209 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 35,606 | \$ 3,329 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Other Taxes | | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | | |
| 1999 | \$ 87,573 | \$ - | \$ 2,626 | \$ 2,586 | \$ 995 | \$ 1,241 | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2000 | \$ 84,634 | \$ - | \$ 2,626 | \$ 2,586 | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2001 | \$ 84,634 | \$ - | \$ 2,626 | \$ 2,586 | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2002 | \$ 84,634 | \$ - | \$ 2,626 | \$ 2,586 | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2003 | \$ 84,634 | \$ - | \$ 2,626 | \$ 2,586 | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2004 | \$ 84,634 | \$ - | \$ 2,626 | \$ 2,586 | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2005 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2006 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2007 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2008 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2009 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2010 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2011 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2012 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2013 | \$ 82,048 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2014 | \$ 72,795 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2015 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2016 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2017 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2018 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2019 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2020 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2021 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2022 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2023 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2024 | \$ 61,173 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2025 | \$ 38,564 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ 4,794 | \$ 4,014 | \$ 2,407 | \$ - |
| 2026 | \$ 27,349 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 27,349 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 27,349 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 27,349 | \$ - | \$ 2,626 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

ICF Resources, Inc. - Restructuring Filing - Ut
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Other Taxes

*Allocated to Stations**

| | | | | | | | | | | | | | | | | | | |
|------|----|--------|----|--------|----|-------|----|-------|----|-------|----|---|----|---|----|-----|----|-------|
| 1999 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | 703 | \$ | 2,369 |
| 2000 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2001 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2002 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2003 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2004 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2005 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2006 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2007 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2008 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2009 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2010 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2011 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2012 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2013 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | 9,253 | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2014 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | 9,253 | \$ | - | \$ | - | \$ | - | \$ | 2,369 |
| 2015 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2016 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2017 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2018 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2019 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2020 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2021 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2022 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2023 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2024 | \$ | 22,609 | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2025 | \$ | - | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2026 | \$ | - | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2027 | \$ | - | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2028 | \$ | - | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2029 | \$ | - | \$ | 22,609 | \$ | 2,114 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwar's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Decommissioning | | | | | | | | | | |
| 1999 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2000 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2001 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2002 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2003 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2004 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2005 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2006 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2007 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2008 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2009 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2010 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2011 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2012 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2013 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2014 | \$ 34,933 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2015 | \$ 29,322 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2016 | \$ 29,322 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2017 | \$ 25,825 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2018 | \$ 25,825 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2019 | \$ 25,186 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2020 | \$ 25,186 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2021 | \$ 21,499 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2022 | \$ 20,881 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2023 | \$ 20,881 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2024 | \$ 20,881 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2025 | \$ 12,101 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ - |
| 2026 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Ut
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Decommissioning

| | | | | | | | | | | | | | | | | | | |
|------|----|-------|----|--------|----|---|----|-------|----|-------|----|-------|----|-------|----|---|----|---|
| 1999 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2000 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2001 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2002 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2003 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2004 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2005 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2006 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2007 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2008 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2009 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2010 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2011 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2012 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2013 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2014 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2015 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2016 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2017 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2018 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2019 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2020 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2021 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2022 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2023 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2024 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2025 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2026 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2027 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2028 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2029 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |

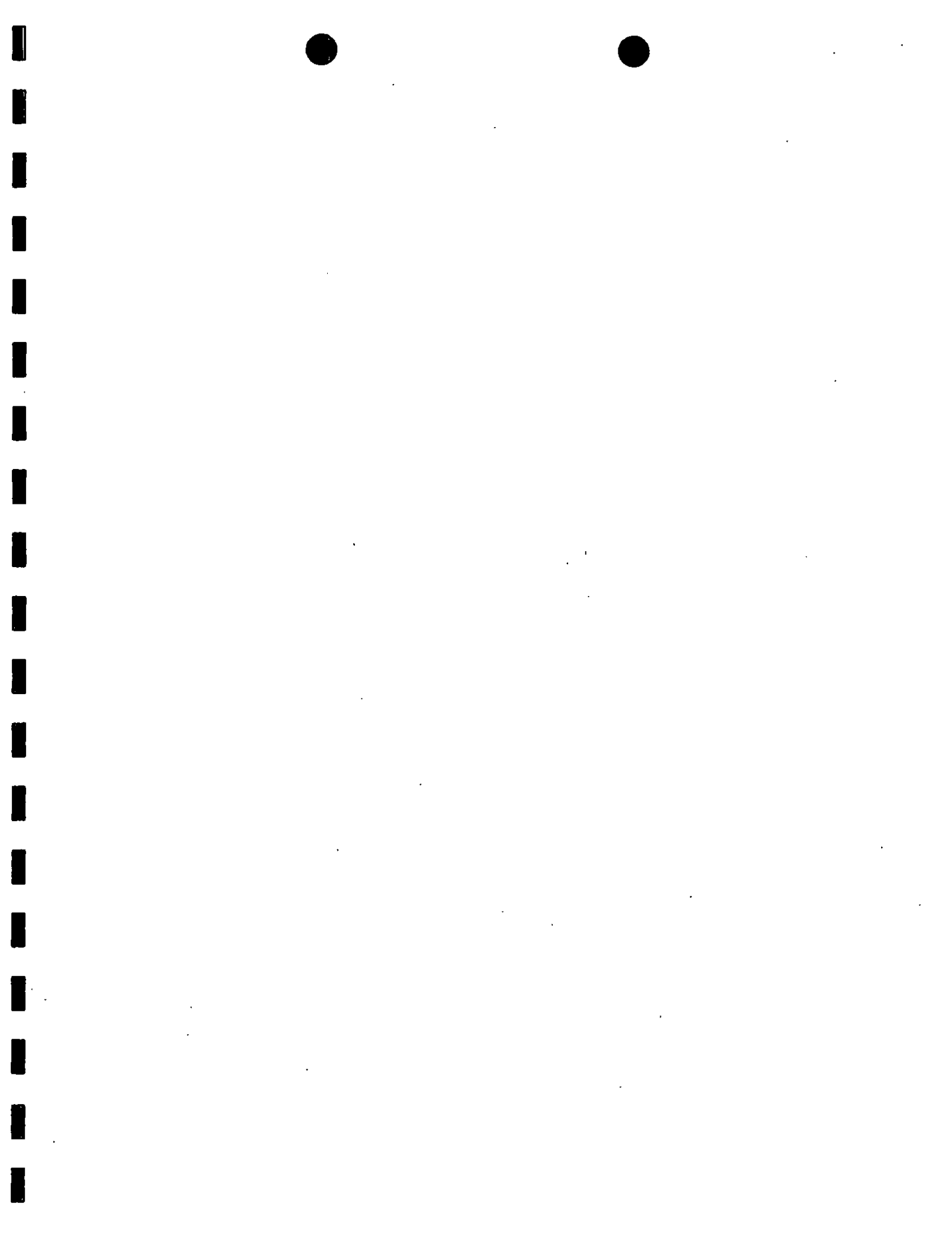
ICF Resources, Inc. - Restructuring Filing - Utilizing Dr. B. Venkateshwara's Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--------------------------------------|------------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|-----------|
| Required Life Extension Costs | | | | | | | | | | |
| 1999 | \$ 20,962 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2001 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2003 | \$ 87,981 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 87,981 |
| 2004 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2006 | \$ 97,356 | \$ 97,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2007 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2009 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2010 | \$ 235,481 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 76,010 | \$ 76,010 | \$ 83,462 | \$ - |
| 2011 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2013 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2014 | \$ 51,346 | \$ - | \$ 17,115 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

ICF Resources, Inc. - Restructuring Filing - Ut
(000)

Required Life Extension Costs

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuykill</u> | <u>C. Turbines</u> |
|------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|------------------|--------------------|
| 1999 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,962 |
| 2000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2001 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2003 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2004 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2006 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2007 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2009 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2010 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2011 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2013 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2014 | \$ - | \$ - | \$ - | \$ 34,231 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |



Net Present Value of Contribution Margin

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| <u>Plant Name</u> | (000) Net Present Value |
|---|----------------------------|
| Conemaugh | \$ 274,250 |
| Conowingo | 422,920 |
| Cromby 1 | (7,324) |
| Cromby 2 | (536) |
| Delaware | (669) |
| Eddystone 1 | (17,771) |
| Eddystone 2 | (3,496) |
| Eddystone3&4 | 38,237 |
| Keystone | 195,899 |
| Limerick 1 | 424,196 |
| Limerick 2 | 405,469 |
| Muddy Run | 153,609 |
| P. Bottom 2 | 66,767 |
| P. Bottom 3 | 71,985 |
| Salem 1 | 22,449 |
| Salem 2 | 36,958 |
| Schuylkill | (379) |
| C. Turbines | 62,174 |
| Total NPV of Contribution Margin | \$ 2,144,739 |
| Total NPV excluding Negative Values | \$ 2,174,914 |
| Inventory and Working Capital Carrying Charges | (173,611) |
| Future Tax Depreciation Benefits | 305,947 |
| Accumulated Deferred Investment Tax Credit Benefits | 137,345 |
| Deferred Income Tax | 418,318 |
| Total Adjusted NPV excluding Negative Values | \$ 2,862,913 |

Exhibit TPH-5

Market Value of Generating Units by Year

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------|-------------|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Net Present Value | \$2,144,739 | \$274,250 | \$422,920 | (\$7,324) | (\$536) | (\$669) | (\$17,771) | (\$3,496) | \$38,237 | \$195,899 |

(Market Value Revenue - Est. Fuel Cost - Est. O&M - Est. Capital* - A&G - Taxes - Decomm. - Required Life Extension*) x (1-T)

After-Tax Cash Contribution Margin**

| Year | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------|-------------|-------------|-----------|----------|----------|----------|-------------|-------------|--------------|-------------|
| 1999 | \$ (25,599) | \$ 11,856 | \$ 16,857 | Shaded | Shaded | Shaded | Shaded | Shaded | Shaded | \$ 12,602 |
| 2000 | \$ 38,227 | \$ 15,119 | \$ 20,811 | Shaded | \$ - | \$ - | Shaded | Shaded | \$ 847 | \$ 15,048 |
| 2001 | \$ 111,625 | \$ 19,569 | \$ 26,420 | Shaded | \$ - | \$ - | Shaded | Shaded | \$ 6,999 | \$ 18,596 |
| 2002 | \$ 128,939 | \$ 21,333 | \$ 28,051 | Shaded | \$ - | \$ - | Shaded | Shaded | \$ 7,126 | \$ 19,329 |
| 2003 | \$ 98,992 | \$ 23,286 | \$ 29,870 | Shaded | \$ - | \$ - | Shaded | Shaded | \$ 6,189 | \$ (31,336) |
| 2004 | \$ 174,205 | \$ 25,330 | \$ 31,740 | Shaded | \$ - | \$ - | Shaded | Shaded | \$ 6,297 | \$ 20,917 |
| 2005 | \$ 195,871 | \$ 27,125 | \$ 33,308 | \$ - | \$ - | \$ - | \$ (2,638) | \$ (972) | \$ 6,392 | \$ 22,110 |
| 2006 | \$ 155,905 | \$ (27,982) | \$ 34,892 | \$ - | \$ - | \$ - | \$ (2,225) | \$ (501) | \$ 6,407 | \$ 23,324 |
| 2007 | \$ 234,927 | \$ 31,002 | \$ 36,641 | \$ - | \$ - | \$ - | \$ (1,596) | \$ 178 | \$ 6,525 | \$ 24,670 |
| 2008 | \$ 255,469 | \$ 33,096 | \$ 38,415 | \$ - | \$ - | \$ - | \$ (1,024) | \$ 798 | \$ 6,564 | \$ 26,045 |
| 2009 | \$ 278,201 | \$ 35,320 | \$ 40,290 | \$ - | \$ - | \$ - | \$ (363) | \$ 1,500 | \$ 6,616 | \$ 27,508 |
| 2010 | \$ 202,237 | \$ 37,270 | \$ 42,008 | \$ - | \$ - | \$ - | \$ 200 | \$ (42,318) | \$ (42,397) | \$ 29,254 |
| 2011 | \$ 317,697 | \$ 39,389 | \$ 43,894 | \$ - | \$ - | \$ - | \$ - | \$ 3,020 | \$ 6,344 | \$ 31,164 |
| 2012 | \$ 338,113 | \$ 41,572 | \$ 45,804 | \$ - | \$ - | \$ - | \$ - | \$ 3,834 | \$ 6,163 | \$ 33,133 |
| 2013 | \$ 360,462 | \$ 43,880 | \$ 47,816 | \$ - | \$ - | \$ - | \$ - | \$ 4,734 | \$ 5,982 | \$ 35,221 |
| 2014 | \$ 329,801 | \$ 46,319 | \$ 39,921 | \$ - | \$ - | \$ - | \$ - | \$ 5,725 | \$ 5,800 | \$ 37,435 |
| 2015 | \$ 345,185 | \$ 48,895 | \$ 52,165 | \$ - | \$ - | \$ - | \$ - | \$ 6,811 | \$ 5,616 | \$ 39,779 |
| 2016 | \$ 360,583 | \$ 50,769 | \$ 54,207 | \$ - | \$ - | \$ - | \$ - | \$ 7,168 | \$ 5,902 | \$ 41,307 |
| 2017 | \$ 362,556 | \$ 52,643 | \$ 56,250 | \$ - | \$ - | \$ - | \$ - | \$ 7,525 | \$ 6,188 | \$ 42,835 |
| 2018 | \$ 377,407 | \$ 54,517 | \$ 58,293 | \$ - | \$ - | \$ - | \$ - | \$ 7,882 | \$ 6,475 | \$ 44,362 |
| 2019 | \$ 348,272 | \$ 56,658 | \$ 60,628 | \$ - | \$ - | \$ - | \$ - | \$ 8,289 | \$ 6,802 | \$ - |
| 2020 | \$ 363,498 | \$ 58,800 | \$ 62,962 | \$ - | \$ - | \$ - | \$ - | \$ 8,697 | \$ 7,129 | \$ - |
| 2021 | \$ 362,198 | \$ 61,022 | \$ 65,384 | \$ - | \$ - | \$ - | \$ - | \$ 9,120 | \$ 7,468 | \$ - |
| 2022 | \$ 314,540 | \$ - | \$ 67,898 | \$ - | \$ - | \$ - | \$ - | \$ 9,559 | \$ 7,820 | \$ - |
| 2023 | \$ 328,405 | \$ - | \$ 70,505 | \$ - | \$ - | \$ - | \$ - | \$ 10,015 | \$ 8,185 | \$ - |
| 2024 | \$ 342,791 | \$ - | \$ 73,211 | \$ - | \$ - | \$ - | \$ - | \$ 10,488 | \$ 8,564 | \$ - |
| 2025 | \$ 232,765 | \$ - | \$ 76,018 | \$ - | \$ - | \$ - | \$ - | \$ 10,978 | \$ 8,958 | \$ - |
| 2026 | \$ 221,837 | \$ - | \$ 78,931 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 231,183 | \$ - | \$ 81,953 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 240,880 | \$ - | \$ 85,088 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 250,941 | \$ - | \$ 88,342 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Notes:

* Assumes all capital additions are currently tax deductible. Capital also includes required life extension costs.

** If contribution margin is negative then plant does not operate, but incurs taxes and decommissioning costs.

*** Shaded areas indicate plant does not operate.

Market Value of Generating Units by Year

**Putnam, Hayes & Bartlett - Restructuring Fi
(000)**

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|--------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Net Present Value | \$424,196 | \$405,469 | \$153,609 | \$66,767 | \$71,985 | \$22,449 | \$36,958 | (\$379) | \$62,174 |

After-Tax Cash Contribution Margin**

| 1999 | \$ (11,092) | \$ (14,346) | \$ 1,216 | \$ (6,924) | \$ (7,348) | \$ (2,048) | \$ (2,157) | \$ (414) | \$ (13,398) |
|------|-------------|-------------|------------|------------|------------|------------|------------|----------|-------------|
| 2000 | \$ (636) | \$ (4,529) | \$ 5,775 | \$ (2,766) | \$ (3,149) | \$ (2,048) | \$ (2,157) | \$ - | \$ 3,106 |
| 2001 | \$ 13,505 | \$ 8,818 | \$ 13,005 | \$ 2,892 | \$ 2,553 | \$ (2,048) | \$ (2,157) | \$ - | \$ 9,871 |
| 2002 | \$ 18,163 | \$ 12,954 | \$ 13,279 | \$ 4,617 | \$ 4,327 | \$ (2,048) | \$ (2,157) | \$ - | \$ 10,080 |
| 2003 | \$ 24,000 | \$ 18,213 | \$ 13,601 | \$ 6,792 | \$ 6,556 | \$ (810) | \$ (641) | \$ - | \$ 9,766 |
| 2004 | \$ 29,705 | \$ 23,283 | \$ 13,846 | \$ 8,804 | \$ 8,626 | \$ 832 | \$ 982 | \$ - | \$ 9,981 |
| 2005 | \$ 34,021 | \$ 27,244 | \$ 14,217 | \$ 10,425 | \$ 10,270 | \$ 1,964 | \$ 2,206 | \$ - | \$ 10,200 |
| 2006 | \$ 37,563 | \$ 30,426 | \$ 14,558 | \$ 11,756 | \$ 11,626 | \$ 2,681 | \$ 3,023 | \$ - | \$ 10,357 |
| 2007 | \$ 42,120 | \$ 34,598 | \$ 14,988 | \$ 13,501 | \$ 13,397 | \$ 3,924 | \$ 4,377 | \$ - | \$ 10,602 |
| 2008 | \$ 46,386 | \$ 38,456 | \$ 15,395 | \$ 15,115 | \$ 15,038 | \$ 4,913 | \$ 5,486 | \$ - | \$ 10,785 |
| 2009 | \$ 51,142 | \$ 42,774 | \$ 15,843 | \$ 16,899 | \$ 16,850 | \$ 6,067 | \$ 6,771 | \$ - | \$ 10,983 |
| 2010 | \$ 54,714 | \$ 46,026 | \$ 16,153 | \$ 18,131 | \$ 18,113 | \$ 6,626 | \$ 7,369 | \$ - | \$ 11,088 |
| 2011 | \$ 59,469 | \$ 50,440 | \$ 16,541 | \$ 19,868 | \$ 19,883 | \$ 7,812 | \$ 8,595 | \$ - | \$ 11,280 |
| 2012 | \$ 63,815 | \$ 54,434 | \$ 16,887 | \$ 21,409 | \$ 21,458 | \$ 8,684 | \$ 9,509 | \$ - | \$ 11,410 |
| 2013 | \$ 68,573 | \$ 58,822 | \$ 17,252 | \$ 23,114 | \$ 23,200 | \$ 9,723 | \$ 10,592 | \$ - | \$ 11,552 |
| 2014 | \$ 73,762 | \$ 63,622 | \$ (2,391) | \$ - | \$ 25,115 | \$ 10,936 | \$ 11,851 | \$ - | \$ 11,707 |
| 2015 | \$ 79,400 | \$ 68,853 | \$ 18,041 | \$ - | \$ - | \$ 12,331 | \$ 13,294 | \$ - | \$ - |
| 2016 | \$ 83,301 | \$ 72,397 | \$ 18,772 | \$ - | \$ - | \$ 12,878 | \$ 13,882 | \$ - | \$ - |
| 2017 | \$ 87,202 | \$ 75,940 | \$ 19,503 | \$ - | \$ - | \$ - | \$ 14,470 | \$ - | \$ - |
| 2018 | \$ 91,103 | \$ 79,484 | \$ 20,234 | \$ - | \$ - | \$ - | \$ 15,058 | \$ - | \$ - |
| 2019 | \$ 95,562 | \$ 83,534 | \$ 21,070 | \$ - | \$ - | \$ - | \$ 15,730 | \$ - | \$ - |
| 2020 | \$ 100,020 | \$ 87,584 | \$ 21,905 | \$ - | \$ - | \$ - | \$ 16,401 | \$ - | \$ - |
| 2021 | \$ 104,646 | \$ 91,786 | \$ 22,772 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 109,445 | \$ 96,145 | \$ 23,672 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 114,425 | \$ 100,669 | \$ 24,605 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 119,592 | \$ 105,362 | \$ 25,574 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 110,232 | \$ 26,578 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 115,285 | \$ 27,621 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 120,527 | \$ 28,703 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 125,967 | \$ 29,825 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 131,610 | \$ 30,989 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

** If contribution margin is negative then plant does not operate, but incurs taxes and decommissioning costs.

*** Shaded areas indicate plant does not operate.

Operating Assumptions

Data Inputs

| Plant Name | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------|---|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Capacity (MW) | 9,186 | 352 | 512 | 144 | 201 | 250 | 279 | 302 | 760 | 357 |
| Case Description: | Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates | | | | | | | | | |
| Plant Type | | Coal | Water | Coal | Gas | Oil | Coal | Coal | Gas | Coal |

Decommissioning:

| | | | | | | | | | | | |
|----------------------------------|---------|------------|-----------|-----------|--------|------|------|--------|-----------|-----------|-----------|
| Decommissioning Year - Adjusted | | | 2021 | 2029 | 2004 | 1999 | 1999 | 2010 | 2025 | 2025 | 2018 |
| Decommissioning Year - Nameplate | | | 2006 | 2014 | 2004 | 1999 | 1999 | 2010 | 2010 | 2010 | 2003 |
| Life Extension Years | | | 15 | 15 | 0 | 0 | 0 | 0 | 15 | 15 | 15 |
| Required Life Extension Costs | 1997 \$ | 307,000 \$ | 75,000 \$ | 10,000 \$ | - \$ | - \$ | - \$ | - \$ | 51,000 \$ | 56,000 \$ | 75,000 \$ |
| Decommissioning Exp. | Flat \$ | 39,504 \$ | 618 \$ | - \$ | 192 \$ | - \$ | - \$ | 319 \$ | 319 \$ | 710 \$ | 639 \$ |

O&M Buildup:

| | | | | | | | | | | | |
|---------------------------------------|---------|------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|
| Fixed Charge - \$000 | 1997 \$ | 444,432 \$ | 7,677 \$ | 8,950 \$ | 6,762 \$ | 3,842 \$ | 4,789 \$ | 11,582 \$ | 9,528 \$ | 9,093 \$ | 6,811 \$ |
| Incremental Charge - \$/MWhr | 1997 | | - | 0.69 | 3.38 | 0.51 | 1.68 | 4.07 | 3.24 | 0.48 | - |
| NOX 1999-2002 \$/MWhr | 1997 | | - | - | 1.09 | 1.43 | 0.20 | 0.64 | 1.69 | 0.79 | - |
| NOX 2003&Thereafter \$/MWhr | 1997 | | - | - | 2.52 | 3.10 | 0.76 | 1.06 | 2.34 | 1.81 | - |
| Merrill Creek | Flat \$ | 16,400 \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ |
| 1997 Operating & Maintenance - Base | \$ | 479,402 \$ | 7,677 \$ | 10,118 \$ | 9,857 \$ | 3,842 \$ | 4,789 \$ | 18,743 \$ | 15,741 \$ | 9,846 \$ | 6,811 \$ |
| 1996 Operating & Maintenance - Actual | \$ | 532,216 \$ | 12,139 \$ | 8,474 \$ | 10,002 \$ | 4,211 \$ | 6,463 \$ | 18,298 \$ | 15,090 \$ | 9,223 \$ | 10,486 \$ |
| 1995 Operating & Maintenance - Actual | \$ | 508,878 \$ | 12,520 \$ | 10,596 \$ | 12,655 \$ | 5,280 \$ | 7,373 \$ | 19,734 \$ | 19,787 \$ | 11,645 \$ | 12,338 \$ |
| 1994 Operating & Maintenance - Actual | \$ | 529,628 \$ | 12,720 \$ | 10,912 \$ | 14,303 \$ | 6,835 \$ | 9,721 \$ | 29,492 \$ | 25,750 \$ | 14,980 \$ | 13,135 \$ |

Capital Expenditures:

| | | | | | | | | | | | |
|----------------------------------|--|------------|-----------|-----------|-----------|----------|----------|----------|----------|-----------|-----------|
| 1997 Capital Expenditures Base | | 90,736 \$ | 1,960 \$ | 1,400 \$ | 1,500 \$ | 900 \$ | 1,600 \$ | 1,800 \$ | 1,800 \$ | 1,800 \$ | 2,760 \$ |
| 1996 Capital Expenditures Actual | | 205,286 \$ | 5,196 \$ | 13,723 \$ | 70 \$ | 88 \$ | - \$ | 650 \$ | 420 \$ | 855 \$ | 3,760 \$ |
| 1995 Capital Expenditures Actual | | 169,437 \$ | 8,752 \$ | 6,100 \$ | 429 \$ | 3,334 \$ | 136 \$ | 8,415 \$ | 5,141 \$ | 3,573 \$ | 7,274 \$ |
| 1994 Capital Expenditures Actual | | 198,806 \$ | 27,638 \$ | 943 \$ | 10,217 \$ | 827 \$ | 1,617 \$ | 5,895 \$ | 4,393 \$ | 13,223 \$ | 11,156 \$ |

Other Costs:

| | | | | | | | | | | | |
|----------------------|---------|-----------|------|----------|----------|--------|----------|----------|----------|----------|------|
| Admin & General Exp. | 1996 \$ | 45,572 \$ | - \$ | 1,365 \$ | 1,330 \$ | 518 \$ | 646 \$ | 2,529 \$ | 2,124 \$ | 1,329 \$ | - \$ |
| Other Taxes | 1996 \$ | 87,573 \$ | - \$ | 2,617 \$ | 2,550 \$ | 994 \$ | 1,239 \$ | 4,848 \$ | 4,072 \$ | 2,547 \$ | - \$ |

Allocation Factors:

| | | | | | | | | | | | |
|---|--|------------|------|-----------|----------|----------|----------|-----------|-----------|----------|------|
| 1997 O&M ex Salem, Keystone & Conemaugh | | 338,526 \$ | - \$ | 10,118 \$ | 9,857 \$ | 3,842 \$ | 4,789 \$ | 18,743 \$ | 15,741 \$ | 9,846 \$ | - \$ |
| | | | 0.0% | 3.0% | 2.9% | 1.1% | 1.4% | 5.5% | 4.6% | 2.9% | 0.0% |

Operating Assumptions

Data Inputs

| Plant Name | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|-------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Capacity (MW) | 1,155 | 1,115 | 880 | 464 | 464 | 471 | 479 | 166 | 835 |
| Case Description: | | | | | | | | | |
| Plant Type | Nuc | Nuc | Water | Nuc | Nuc | Nuc | Nuc | Oil | Oil |

Decommissioning:

| | | | | | | | | | |
|----------------------------------|---------------|-----------|-----------|----------|----------|----------|----------|------|-----------|
| Decommissioning Year - Adjusted | 2024 | 2029 | 2029 | 2013 | 2014 | 2016 | 2020 | 1999 | 2014 |
| Decommissioning Year - Nameplate | 2024 | 2029 | 2014 | 2013 | 2014 | 2016 | 2020 | 1999 | 1999 |
| Life Extension Years | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 0 | 15 |
| Required Life Extension Costs | 1997 \$ - | \$ - | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,000 |
| Decommissioning Exp. | Flat \$ 8,780 | \$ 10,753 | \$ - | \$ 4,380 | \$ 5,611 | \$ 3,497 | \$ 3,687 | \$ - | \$ - |

O&M Buildup:

| | | | | | | | | | |
|---------------------------------------|----------------|-----------|----------|-----------|-----------|-----------|-----------|----------|-----------|
| Fixed Charge - \$000 | 1997 \$ 79,053 | \$ 79,053 | \$ 7,639 | \$ 35,711 | \$ 35,711 | \$ 63,194 | \$ 63,194 | \$ 2,713 | \$ 9,131 |
| Incremental Charge - \$/MWhr | 1997 \$ - | \$ - | \$ 0.45 | \$ - | \$ - | \$ - | \$ - | \$ 0.43 | \$ 2.22 |
| NOX 1999-2002 \$/MWhr | 1997 \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,080 |
| NOX 2003&Thereafter \$/MWhr | 1997 \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.31 | \$ 1,960 |
| Merrill Creek | Flat \$ 8,200 | \$ 8,200 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1997 Operating & Maintenance - Base | \$ 87,253 | \$ 87,253 | \$ 7,786 | \$ 35,711 | \$ 35,711 | \$ 63,194 | \$ 63,194 | \$ 2,713 | \$ 9,164 |
| 1996 Operating & Maintenance -Actual | \$ 95,778 | \$ 71,579 | \$ 8,525 | \$ 48,153 | \$ 24,217 | \$ 80,685 | \$ 93,883 | \$ 3,474 | \$ 11,536 |
| 1995 Operating & Maintenance - Actual | \$ 76,363 | \$ 91,678 | \$ 7,474 | \$ 28,482 | \$ 47,870 | \$ 73,035 | \$ 58,183 | \$ 3,697 | \$ 10,168 |
| 1994 Operating & Maintenance - Actual | \$ 98,484 | \$ 74,749 | \$ 6,318 | \$ 53,885 | \$ 25,631 | \$ 60,924 | \$ 55,692 | \$ 4,701 | \$ 11,396 |

Capital Expenditures:

| | | | | | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|
| 1997 Capital Expenditures Base | \$ 22,736 | \$ 22,736 | \$ 1,100 | \$ 7,542 | \$ 7,542 | \$ 5,930 | \$ 5,930 | \$ 800 | \$ 900 |
| 1996 Capital Expenditures Actual | \$ 19,128 | \$ 8,716 | \$ 14,569 | \$ 10,201 | \$ 6,331 | \$ 73,724 | \$ 47,051 | \$ - | \$ 804 |
| 1995 Capital Expenditures Actual | \$ 16,445 | \$ 23,350 | \$ 3,936 | \$ 9,449 | \$ 12,511 | \$ 30,773 | \$ 29,433 | \$ 104 | \$ 282 |
| 1994 Capital Expenditures Actual | \$ 22,183 | \$ 23,474 | \$ 3,830 | \$ 23,061 | \$ 5,891 | \$ 20,218 | \$ 20,800 | \$ 1,509 | \$ 1,931 |

** includes Carrying Charges on Limerick fuel inventory

Other Costs:

| | | | | | | | | | |
|----------------------|----------------|-----------|----------|----------|----------|------|------|--------|----------|
| Admin & General Exp. | 1996 \$ 11,773 | \$ 11,773 | \$ 1,051 | \$ 4,819 | \$ 4,819 | \$ - | \$ - | \$ 366 | \$ 1,237 |
| Other Taxes | 1996 \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ 702 | \$ 2,371 |

Allocation Factors:

| | | | | | | | | | |
|--------------------------------------|-----------|-----------|----------|-----------|-----------|------|------|----------|----------|
| 1997 O&M ex Salem,Keystone&Conemaugh | \$ 87,253 | \$ 87,253 | \$ 7,786 | \$ 35,711 | \$ 35,711 | \$ - | \$ - | \$ 2,713 | \$ 9,164 |
| | 25.8% | 25.8% | 2.3% | 10.5% | 10.5% | 0.0% | 0.0% | 0.8% | 2.7% |

General and Growth Assumptions

| |
|---------------------------|
| <i>General Assumption</i> |
|---------------------------|

| | |
|-----------------|---------|
| Discount Rate | 8.41% |
| Income Tax Rate | 41.493% |

| <i>Growth Assumptions</i> | | |
|---------------------------|----------------------------|--------------------------------|
| <u>Year</u> | <u>Annual GDP Deflator</u> | <u>Cumulative GDP Deflator</u> |
| 1995 | 1.0000 | 1.0000 |
| 1996 | 1.0200 | 1.0200 |
| 1997 | 1.0196 | 1.0400 |
| 1998 | 1.0288 | 1.0700 |
| 1999 | 1.0187 | 1.0900 |
| 2000 | 1.0275 | 1.1200 |
| 2001 | 1.0268 | 1.1500 |
| 2002 | 1.0348 | 1.1900 |
| 2003 | 1.0252 | 1.2200 |
| 2004 | 1.0328 | 1.2600 |
| 2005 | 1.0317 | 1.3000 |
| 2006 | 1.0385 | 1.3500 |
| 2007 | 1.0296 | 1.3900 |
| 2008 | 1.0360 | 1.4400 |
| 2009 | 1.0347 | 1.4900 |
| 2010 | 1.0403 | 1.5500 |
| 2011 | 1.0323 | 1.6000 |
| 2012 | 1.0375 | 1.6600 |
| 2013 | 1.0361 | 1.7200 |
| 2014 | 1.0349 | 1.7800 |
| 2015 | 1.0337 | 1.8400 |
| 2016 | 1.0380 | 1.9100 |
| 2017 | 1.0366 | 1.9800 |
| 2018 | 1.0354 | 2.0500 |
| 2019 | 1.0390 | 2.1300 |
| 2020 | 1.0376 | 2.2100 |
| 2021 | 1.0376 | 2.2930 |
| 2022 | 1.0376 | 2.3791 |
| 2023 | 1.0376 | 2.4685 |
| 2024 | 1.0376 | 2.5612 |
| 2025 | 1.0376 | 2.6574 |
| 2026 | 1.0376 | 2.7572 |
| 2027 | 1.0376 | 2.8608 |
| 2028 | 1.0376 | 2.9682 |
| 2029 | 1.0376 | 3.0797 |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--------------------------------------|------------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|-----------|
| Generation Projection (MWhrs) | | | | | | | | | | |
| 1999 | 40,727,353 | 2,632,305 | 1,693,000 | 915,431 | - | - | 1,759,319 | 1,917,563 | 1,585,901 | 2,657,446 |
| 2000 | 40,805,521 | 2,633,889 | 1,693,000 | 907,731 | - | - | 1,739,985 | 1,905,784 | 1,602,953 | 2,659,046 |
| 2001 | 40,904,016 | 2,635,475 | 1,693,000 | 900,096 | - | - | 1,720,864 | 1,894,078 | 1,620,189 | 2,660,646 |
| 2002 | 41,027,649 | 2,637,061 | 1,692,999 | 892,525 | - | - | 1,701,953 | 1,882,444 | 1,637,610 | 2,662,248 |
| 2003 | 41,182,413 | 2,638,648 | 1,692,999 | 885,017 | - | - | 1,683,249 | 1,870,882 | 1,655,218 | 2,663,850 |
| 2004 | 41,375,777 | 2,640,237 | 1,692,999 | 877,573 | - | - | 1,664,751 | 1,859,390 | 1,673,015 | 2,665,453 |
| 2005 | 40,622,399 | 2,638,507 | 1,692,907 | - | - | - | 1,688,739 | 1,868,765 | 1,694,037 | 2,663,636 |
| 2006 | 40,756,522 | 2,636,779 | 1,692,815 | - | - | - | 1,713,071 | 1,878,187 | 1,715,323 | 2,661,820 |
| 2007 | 40,901,457 | 2,635,052 | 1,692,723 | - | - | - | 1,737,755 | 1,887,656 | 1,736,877 | 2,660,006 |
| 2008 | 41,058,177 | 2,633,326 | 1,692,630 | - | - | - | 1,762,794 | 1,897,173 | 1,758,701 | 2,658,192 |
| 2009 | 41,227,751 | 2,631,601 | 1,692,538 | - | - | - | 1,788,194 | 1,906,738 | 1,780,799 | 2,656,380 |
| 2010 | 41,227,751 | 2,631,601 | 1,692,538 | - | - | - | 1,788,194 | 1,906,738 | 1,780,799 | 2,656,380 |
| 2011 | 39,439,557 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2012 | 39,439,557 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2013 | 39,439,557 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2014 | 36,389,346 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2015 | 33,333,463 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2016 | 33,333,463 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2017 | 30,237,819 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2018 | 30,237,819 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | 2,656,380 |
| 2019 | 27,581,438 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2020 | 27,581,438 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2021 | 24,484,852 | 2,631,601 | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2022 | 21,853,251 | - | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2023 | 21,853,251 | - | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2024 | 21,853,251 | - | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2025 | 14,260,443 | - | 1,692,538 | - | - | - | - | 1,906,738 | 1,780,799 | - |
| 2026 | 10,572,905 | - | 1,692,538 | - | - | - | - | - | - | - |
| 2027 | 10,572,905 | - | 1,692,538 | - | - | - | - | - | - | - |
| 2028 | 10,572,905 | - | 1,692,538 | - | - | - | - | - | - | - |
| 2029 | 10,572,905 | - | 1,692,538 | - | - | - | - | - | - | - |

(1) indicates capacity payment

Putnam, Hayes & Bartlett - Restructuring Fi
(000)

Generation Projection (MWhrs)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuykill</u> | <u>C. Turbines</u> |
|------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|------------------|--------------------|
| | | | | | | | | | (1) |
| 1999 | 7,595,118 | 7,332,084 | 326,706 | 3,051,139 | 3,051,139 | 3,097,529 | 3,097,529 | - | 15,147 |
| 2000 | 7,600,129 | 7,336,921 | 406,847 | 3,053,151 | 3,053,151 | 3,099,572 | 3,099,572 | - | 13,789 |
| 2001 | 7,605,143 | 7,341,761 | 506,647 | 3,055,166 | 3,055,166 | 3,101,617 | 3,101,617 | - | 12,553 |
| 2002 | 7,610,160 | 7,346,605 | 630,929 | 3,057,181 | 3,057,181 | 3,103,663 | 3,103,663 | - | 11,427 |
| 2003 | 7,615,181 | 7,351,452 | 785,696 | 3,059,198 | 3,059,198 | 3,105,711 | 3,105,711 | - | 10,403 |
| 2004 | 7,620,205 | 7,356,302 | 978,429 | 3,061,216 | 3,061,216 | 3,107,760 | 3,107,760 | - | 9,470 |
| 2005 | 7,614,718 | 7,350,557 | 1,073,108 | 3,059,012 | 3,059,012 | 3,105,333 | 3,105,522 | - | 8,548 |
| 2006 | 7,609,234 | 7,344,817 | 1,176,948 | 3,056,809 | 3,056,809 | 3,102,908 | 3,103,286 | - | 7,715 |
| 2007 | 7,603,755 | 7,339,081 | 1,290,837 | 3,054,608 | 3,054,608 | 3,100,485 | 3,101,051 | - | 6,964 |
| 2008 | 7,598,280 | 7,333,350 | 1,415,747 | 3,052,409 | 3,052,409 | 3,098,064 | 3,098,818 | - | 6,285 |
| 2009 | 7,592,808 | 7,327,624 | 1,552,743 | 3,050,211 | 3,050,211 | 3,095,644 | 3,096,586 | - | 5,673 |
| 2010 | 7,592,808 | 7,327,624 | 1,552,743 | 3,050,211 | 3,050,211 | 3,095,644 | 3,096,586 | - | 5,673 |
| 2011 | 7,592,808 | 7,327,624 | 1,552,743 | 3,050,211 | 3,050,211 | 3,095,644 | 3,096,586 | - | 5,673 |
| 2012 | 7,592,808 | 7,327,624 | 1,552,743 | 3,050,211 | 3,050,211 | 3,095,644 | 3,096,586 | - | 5,673 |
| 2013 | 7,592,808 | 7,327,624 | 1,552,743 | 3,050,211 | 3,050,211 | 3,095,644 | 3,096,586 | - | 5,673 |
| 2014 | 7,592,808 | 7,327,624 | 1,552,743 | - | 3,050,211 | 3,095,644 | 3,096,586 | - | 5,673 |
| 2015 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | 3,095,644 | 3,096,586 | - | - |
| 2016 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | 3,095,644 | 3,096,586 | - | - |
| 2017 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | 3,096,586 | - | - |
| 2018 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | 3,096,586 | - | - |
| 2019 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | 3,096,586 | - | - |
| 2020 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | 3,096,586 | - | - |
| 2021 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2022 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2023 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2024 | 7,592,808 | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2025 | - | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2026 | - | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2027 | - | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2028 | - | 7,327,624 | 1,552,743 | - | - | - | - | - | - |
| 2029 | - | 7,327,624 | 1,552,743 | - | - | - | - | - | - |

(1) indicates capacity payment

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Market Price Rate (\$/MWhr) | | | | | | | | | | |
| Energy & Capacity | | | | | | | | | | |
| 1999 | \$ 24.49 | \$ 22.83 | \$ 26.56 | \$ 23.79 | \$ - | \$ - | \$ 23.95 | \$ 23.57 | \$ 36.09 | \$ 22.71 |
| 2000 | \$ 27.75 | \$ 25.35 | \$ 30.77 | \$ 26.71 | \$ - | \$ - | \$ 26.89 | \$ 26.43 | \$ 41.93 | \$ 25.26 |
| 2001 | \$ 32.18 | \$ 28.65 | \$ 36.65 | \$ 30.58 | \$ - | \$ - | \$ 30.80 | \$ 30.22 | \$ 50.21 | \$ 28.59 |
| 2002 | \$ 33.89 | \$ 30.24 | \$ 38.59 | \$ 32.44 | \$ - | \$ - | \$ 32.68 | \$ 32.00 | \$ 52.24 | \$ 30.23 |
| 2003 | \$ 35.70 | \$ 31.94 | \$ 40.65 | \$ 34.43 | \$ - | \$ - | \$ 34.67 | \$ 33.89 | \$ 54.37 | \$ 31.96 |
| 2004 | \$ 37.62 | \$ 33.73 | \$ 42.83 | \$ 36.53 | \$ - | \$ - | \$ 36.79 | \$ 35.89 | \$ 56.62 | \$ 33.80 |
| 2005 | \$ 39.34 | \$ 35.35 | \$ 44.71 | \$ - | \$ - | \$ - | \$ 38.32 | \$ 37.51 | \$ 58.70 | \$ 35.39 |
| 2006 | \$ 41.12 | \$ 37.05 | \$ 46.68 | \$ - | \$ - | \$ - | \$ 39.92 | \$ 39.22 | \$ 60.89 | \$ 37.05 |
| 2007 | \$ 42.99 | \$ 38.84 | \$ 48.74 | \$ - | \$ - | \$ - | \$ 41.60 | \$ 41.00 | \$ 63.17 | \$ 38.80 |
| 2008 | \$ 44.95 | \$ 40.71 | \$ 50.90 | \$ - | \$ - | \$ - | \$ 43.36 | \$ 42.87 | \$ 65.57 | \$ 40.63 |
| 2009 | \$ 47.00 | \$ 42.68 | \$ 53.16 | \$ - | \$ - | \$ - | \$ 45.20 | \$ 44.84 | \$ 68.07 | \$ 42.55 |
| 2010 | \$ 48.98 | \$ 44.55 | \$ 55.34 | \$ - | \$ - | \$ - | \$ 47.15 | \$ 46.77 | \$ 70.63 | \$ 44.41 |
| 2011 | \$ 51.13 | \$ 46.49 | \$ 57.61 | \$ - | \$ - | \$ - | \$ - | \$ 48.80 | \$ 73.28 | \$ 46.35 |
| 2012 | \$ 53.30 | \$ 48.53 | \$ 59.98 | \$ - | \$ - | \$ - | \$ - | \$ 50.92 | \$ 76.05 | \$ 48.38 |
| 2013 | \$ 55.55 | \$ 50.66 | \$ 62.45 | \$ - | \$ - | \$ - | \$ - | \$ 53.13 | \$ 78.92 | \$ 50.50 |
| 2014 | \$ 58.27 | \$ 52.88 | \$ 65.03 | \$ - | \$ - | \$ - | \$ - | \$ 55.44 | \$ 81.92 | \$ 52.72 |
| 2015 | \$ 59.65 | \$ 55.20 | \$ 67.72 | \$ - | \$ - | \$ - | \$ - | \$ 57.85 | \$ 85.04 | \$ 55.03 |
| 2016 | \$ 61.92 | \$ 57.30 | \$ 70.30 | \$ - | \$ - | \$ - | \$ - | \$ 60.05 | \$ 88.27 | \$ 57.13 |
| 2017 | \$ 64.61 | \$ 59.41 | \$ 72.87 | \$ - | \$ - | \$ - | \$ - | \$ 62.25 | \$ 91.51 | \$ 59.22 |
| 2018 | \$ 66.89 | \$ 61.51 | \$ 75.45 | \$ - | \$ - | \$ - | \$ - | \$ 64.46 | \$ 94.74 | \$ 61.32 |
| 2019 | \$ 70.06 | \$ 63.91 | \$ 78.39 | \$ - | \$ - | \$ - | \$ - | \$ 66.97 | \$ 98.44 | \$ - |
| 2020 | \$ 72.69 | \$ 66.31 | \$ 81.34 | \$ - | \$ - | \$ - | \$ - | \$ 69.49 | \$ 102.14 | \$ - |
| 2021 | \$ 76.06 | \$ 68.80 | \$ 84.39 | \$ - | \$ - | \$ - | \$ - | \$ 72.10 | \$ 105.97 | \$ - |
| 2022 | \$ 79.82 | \$ - | \$ 87.56 | \$ - | \$ - | \$ - | \$ - | \$ 74.80 | \$ 109.95 | \$ - |
| 2023 | \$ 82.82 | \$ - | \$ 90.85 | \$ - | \$ - | \$ - | \$ - | \$ 77.61 | \$ 114.08 | \$ - |
| 2024 | \$ 85.93 | \$ - | \$ 94.26 | \$ - | \$ - | \$ - | \$ - | \$ 80.53 | \$ 118.37 | \$ - |
| 2025 | \$ 93.32 | \$ - | \$ 97.80 | \$ - | \$ - | \$ - | \$ - | \$ 83.55 | \$ 122.81 | \$ - |
| 2026 | \$ 93.50 | \$ - | \$ 101.48 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 97.02 | \$ - | \$ 105.29 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 100.66 | \$ - | \$ 109.24 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 104.44 | \$ - | \$ 113.34 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

(1) ### indicates capacity payment not rate

Putnam, Hayes & Bartlett - Restructuring Fi
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuykill</u> | <u>C. Turbines</u> |
|------------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|------------------|--------------------|
| Market Price Rate (\$/MWhr) | | | | | | | | | |
| Energy & Capacity | | | | | | | | | (1) |
| 1999 | \$ 22.87 | \$ 23.04 | \$ 68.85 | \$ 22.96 | \$ 23.13 | \$ 22.95 | \$ 23.13 | \$ - | \$ 1,141.07 |
| 2000 | \$ 25.60 | \$ 25.73 | \$ 81.57 | \$ 25.64 | \$ 25.83 | \$ 25.64 | \$ 25.81 | \$ - | \$ 1,794.94 |
| 2001 | \$ 29.21 | \$ 29.28 | \$ 97.28 | \$ 29.18 | \$ 29.40 | \$ 29.20 | \$ 29.37 | \$ - | \$ 2,910.71 |
| 2002 | \$ 30.89 | \$ 30.89 | \$ 86.71 | \$ 30.78 | \$ 31.02 | \$ 30.82 | \$ 30.99 | \$ - | \$ 3,258.98 |
| 2003 | \$ 32.66 | \$ 32.59 | \$ 78.39 | \$ 32.47 | \$ 32.74 | \$ 32.54 | \$ 32.70 | \$ - | \$ 3,650.07 |
| 2004 | \$ 34.55 | \$ 34.40 | \$ 71.95 | \$ 34.26 | \$ 34.56 | \$ 34.36 | \$ 34.51 | \$ - | \$ 4,089.60 |
| 2005 | \$ 36.19 | \$ 36.02 | \$ 70.99 | \$ 35.91 | \$ 36.23 | \$ 35.98 | \$ 36.18 | \$ - | \$ 4,614.95 |
| 2006 | \$ 37.92 | \$ 37.72 | \$ 70.26 | \$ 37.65 | \$ 37.98 | \$ 37.69 | \$ 37.93 | \$ - | \$ 5,209.99 |
| 2007 | \$ 39.73 | \$ 39.50 | \$ 69.77 | \$ 39.47 | \$ 39.82 | \$ 39.47 | \$ 39.78 | \$ - | \$ 5,884.12 |
| 2008 | \$ 41.64 | \$ 41.37 | \$ 69.50 | \$ 41.39 | \$ 41.75 | \$ 41.35 | \$ 41.71 | \$ - | \$ 6,647.95 |
| 2009 | \$ 43.64 | \$ 43.34 | \$ 69.45 | \$ 43.40 | \$ 43.78 | \$ 43.31 | \$ 43.75 | \$ - | \$ 7,513.57 |
| 2010 | \$ 45.52 | \$ 45.21 | \$ 72.11 | \$ 45.28 | \$ 45.67 | \$ 45.19 | \$ 45.65 | \$ - | \$ 7,702.42 |
| 2011 | \$ 47.50 | \$ 47.17 | \$ 74.88 | \$ 47.24 | \$ 47.65 | \$ 47.14 | \$ 47.62 | \$ - | \$ 7,896.04 |
| 2012 | \$ 49.56 | \$ 49.21 | \$ 77.77 | \$ 49.29 | \$ 49.72 | \$ 49.19 | \$ 49.69 | \$ - | \$ 8,094.55 |
| 2013 | \$ 51.71 | \$ 51.35 | \$ 80.77 | \$ 51.43 | \$ 51.88 | \$ 51.33 | \$ 51.85 | \$ - | \$ 8,298.08 |
| 2014 | \$ 53.97 | \$ 53.59 | \$ 83.90 | \$ - | \$ 54.14 | \$ 53.56 | \$ 54.11 | \$ - | \$ 8,506.75 |
| 2015 | \$ 56.32 | \$ 55.92 | \$ 87.16 | \$ - | \$ - | \$ 55.89 | \$ 56.47 | \$ - | \$ - |
| 2016 | \$ 58.46 | \$ 58.05 | \$ 90.48 | \$ - | \$ - | \$ 58.02 | \$ 58.62 | \$ - | \$ - |
| 2017 | \$ 60.60 | \$ 60.18 | \$ 93.80 | \$ - | \$ - | \$ - | \$ 60.77 | \$ - | \$ - |
| 2018 | \$ 62.75 | \$ 62.31 | \$ 97.11 | \$ - | \$ - | \$ - | \$ 62.92 | \$ - | \$ - |
| 2019 | \$ 65.20 | \$ 64.74 | \$ 100.90 | \$ - | \$ - | \$ - | \$ 65.37 | \$ - | \$ - |
| 2020 | \$ 67.64 | \$ 67.17 | \$ 104.69 | \$ - | \$ - | \$ - | \$ 67.83 | \$ - | \$ - |
| 2021 | \$ 70.18 | \$ 69.69 | \$ 108.62 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 72.82 | \$ 72.31 | \$ 112.70 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 75.56 | \$ 75.02 | \$ 116.94 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 78.39 | \$ 77.84 | \$ 121.33 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 80.77 | \$ 125.89 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 83.80 | \$ 130.61 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 86.95 | \$ 135.52 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 90.21 | \$ 140.61 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 93.60 | \$ 145.89 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

(1) ### indicates capacity payment not rate

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------------|---|------------|------------|-----------|----------|----------|-------------|-------------|--------------|------------|
| Market Price Revenues | <i>(generation x market rate) (000's)</i> | | | | | | | | | |
| Energy & Capacity | | | | | | | | | | |
| 1999 | \$ 997,545 | \$ 60,099 | \$ 44,959 | \$ 21,776 | \$ - | \$ - | \$ 42,132 | \$ 45,198 | \$ 57,240 | \$ 60,356 |
| 2000 | \$ 1,132,553 | \$ 66,776 | \$ 52,091 | \$ 24,243 | \$ - | \$ - | \$ 46,782 | \$ 50,364 | \$ 67,214 | \$ 67,175 |
| 2001 | \$ 1,316,386 | \$ 75,504 | \$ 62,051 | \$ 27,527 | \$ - | \$ - | \$ 53,001 | \$ 57,245 | \$ 81,351 | \$ 76,076 |
| 2002 | \$ 1,390,605 | \$ 79,757 | \$ 65,335 | \$ 28,957 | \$ - | \$ - | \$ 55,612 | \$ 60,237 | \$ 85,546 | \$ 80,472 |
| 2003 | \$ 1,470,406 | \$ 84,266 | \$ 68,815 | \$ 30,467 | \$ - | \$ - | \$ 58,359 | \$ 63,397 | \$ 89,997 | \$ 85,140 |
| 2004 | \$ 1,556,529 | \$ 89,049 | \$ 72,508 | \$ 32,061 | \$ - | \$ - | \$ 61,251 | \$ 66,736 | \$ 94,723 | \$ 90,098 |
| 2005 | \$ 1,598,185 | \$ 93,265 | \$ 75,685 | \$ - | \$ - | \$ - | \$ 64,716 | \$ 70,105 | \$ 99,448 | \$ 94,264 |
| 2006 | \$ 1,676,068 | \$ 97,690 | \$ 79,013 | \$ - | \$ - | \$ - | \$ 68,392 | \$ 73,655 | \$ 104,443 | \$ 98,632 |
| 2007 | \$ 1,758,401 | \$ 102,334 | \$ 82,499 | \$ - | \$ - | \$ - | \$ 72,292 | \$ 77,395 | \$ 109,726 | \$ 103,210 |
| 2008 | \$ 1,845,493 | \$ 107,209 | \$ 86,151 | \$ - | \$ - | \$ - | \$ 76,431 | \$ 81,337 | \$ 115,314 | \$ 108,009 |
| 2009 | \$ 1,937,684 | \$ 112,326 | \$ 89,977 | \$ - | \$ - | \$ - | \$ 80,822 | \$ 85,491 | \$ 121,226 | \$ 113,040 |
| 2010 | \$ 2,019,364 | \$ 117,228 | \$ 93,658 | \$ - | \$ - | \$ - | \$ 84,322 | \$ 89,185 | \$ 125,769 | \$ 117,972 |
| 2011 | \$ 2,016,713 | \$ 122,353 | \$ 97,502 | \$ - | \$ - | \$ - | \$ - | \$ 93,047 | \$ 130,499 | \$ 123,129 |
| 2012 | \$ 2,101,990 | \$ 127,710 | \$ 101,511 | \$ - | \$ - | \$ - | \$ - | \$ 97,082 | \$ 135,422 | \$ 128,518 |
| 2013 | \$ 2,191,037 | \$ 133,309 | \$ 105,695 | \$ - | \$ - | \$ - | \$ - | \$ 101,299 | \$ 140,546 | \$ 134,151 |
| 2014 | \$ 2,120,322 | \$ 139,160 | \$ 110,061 | \$ - | \$ - | \$ - | \$ - | \$ 105,705 | \$ 145,880 | \$ 140,039 |
| 2015 | \$ 1,988,475 | \$ 145,277 | \$ 114,617 | \$ - | \$ - | \$ - | \$ - | \$ 110,309 | \$ 151,433 | \$ 146,192 |
| 2016 | \$ 2,064,124 | \$ 150,804 | \$ 118,977 | \$ - | \$ - | \$ - | \$ - | \$ 114,506 | \$ 157,194 | \$ 151,754 |
| 2017 | \$ 1,953,580 | \$ 156,331 | \$ 123,338 | \$ - | \$ - | \$ - | \$ - | \$ 118,702 | \$ 162,955 | \$ 157,316 |
| 2018 | \$ 2,022,646 | \$ 161,857 | \$ 127,698 | \$ - | \$ - | \$ - | \$ - | \$ 122,899 | \$ 168,716 | \$ 162,878 |
| 2019 | \$ 1,932,345 | \$ 168,174 | \$ 132,682 | \$ - | \$ - | \$ - | \$ - | \$ 127,695 | \$ 175,300 | \$ - |
| 2020 | \$ 2,004,921 | \$ 174,490 | \$ 137,665 | \$ - | \$ - | \$ - | \$ - | \$ 132,491 | \$ 181,884 | \$ - |
| 2021 | \$ 1,862,298 | \$ 181,044 | \$ 142,836 | \$ - | \$ - | \$ - | \$ - | \$ 137,467 | \$ 188,715 | \$ - |
| 2022 | \$ 1,744,400 | \$ - | \$ 148,200 | \$ - | \$ - | \$ - | \$ - | \$ 142,630 | \$ 195,803 | \$ - |
| 2023 | \$ 1,809,918 | \$ - | \$ 153,766 | \$ - | \$ - | \$ - | \$ - | \$ 147,987 | \$ 203,157 | \$ - |
| 2024 | \$ 1,877,896 | \$ - | \$ 159,542 | \$ - | \$ - | \$ - | \$ - | \$ 153,546 | \$ 210,787 | \$ - |
| 2025 | \$ 1,330,842 | \$ - | \$ 165,534 | \$ - | \$ - | \$ - | \$ - | \$ 159,312 | \$ 218,704 | \$ - |
| 2026 | \$ 988,612 | \$ - | \$ 171,751 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 1,025,743 | \$ - | \$ 178,202 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 1,064,269 | \$ - | \$ 184,895 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 1,104,241 | \$ - | \$ 191,839 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Fi
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Market Price Revenues | | | | | | | | | |
| Energy & Capacity | | | | | | | | | |
| 1999 | \$ 173,709 | \$ 168,947 | \$ 22,495 | \$ 70,069 | \$ 70,575 | \$ 71,075 | \$ 71,632 | \$ - | \$ 17,283 |
| 2000 | \$ 194,595 | \$ 188,753 | \$ 33,186 | \$ 78,281 | \$ 78,856 | \$ 79,471 | \$ 80,015 | \$ - | \$ 24,750 |
| 2001 | \$ 222,177 | \$ 214,971 | \$ 49,287 | \$ 89,159 | \$ 89,810 | \$ 90,582 | \$ 91,108 | \$ - | \$ 36,537 |
| 2002 | \$ 235,040 | \$ 226,923 | \$ 54,711 | \$ 94,097 | \$ 94,832 | \$ 95,670 | \$ 96,175 | \$ - | \$ 37,241 |
| 2003 | \$ 248,710 | \$ 239,591 | \$ 61,594 | \$ 99,329 | \$ 100,156 | \$ 101,067 | \$ 101,546 | \$ - | \$ 37,971 |
| 2004 | \$ 263,241 | \$ 253,023 | \$ 70,395 | \$ 104,876 | \$ 105,803 | \$ 106,794 | \$ 107,240 | \$ - | \$ 38,729 |
| 2005 | \$ 275,579 | \$ 264,732 | \$ 76,176 | \$ 109,853 | \$ 110,821 | \$ 111,745 | \$ 112,349 | \$ - | \$ 39,447 |
| 2006 | \$ 288,523 | \$ 277,010 | \$ 82,696 | \$ 115,079 | \$ 116,089 | \$ 116,937 | \$ 117,714 | \$ - | \$ 40,195 |
| 2007 | \$ 302,107 | \$ 289,885 | \$ 90,062 | \$ 120,567 | \$ 121,620 | \$ 122,382 | \$ 123,349 | \$ - | \$ 40,974 |
| 2008 | \$ 316,360 | \$ 303,386 | \$ 98,397 | \$ 126,329 | \$ 127,428 | \$ 128,092 | \$ 129,267 | \$ - | \$ 41,784 |
| 2009 | \$ 331,319 | \$ 317,546 | \$ 107,841 | \$ 132,380 | \$ 133,527 | \$ 134,082 | \$ 135,483 | \$ - | \$ 42,624 |
| 2010 | \$ 345,653 | \$ 331,276 | \$ 111,971 | \$ 138,105 | \$ 139,305 | \$ 139,879 | \$ 141,345 | \$ - | \$ 43,695 |
| 2011 | \$ 360,638 | \$ 345,629 | \$ 116,273 | \$ 144,090 | \$ 145,346 | \$ 145,939 | \$ 147,474 | \$ - | \$ 44,794 |
| 2012 | \$ 376,296 | \$ 360,626 | \$ 120,753 | \$ 150,343 | \$ 151,658 | \$ 152,271 | \$ 153,879 | \$ - | \$ 45,920 |
| 2013 | \$ 392,657 | \$ 376,297 | \$ 125,420 | \$ 156,877 | \$ 158,254 | \$ 158,888 | \$ 160,571 | \$ - | \$ 47,074 |
| 2014 | \$ 409,754 | \$ 392,672 | \$ 130,280 | \$ - | \$ 165,147 | \$ 165,802 | \$ 167,564 | \$ - | \$ 48,258 |
| 2015 | \$ 427,621 | \$ 409,784 | \$ 135,343 | \$ - | \$ - | \$ 173,027 | \$ 174,872 | \$ - | \$ - |
| 2016 | \$ 443,889 | \$ 425,374 | \$ 140,492 | \$ - | \$ - | \$ 179,610 | \$ 181,525 | \$ - | \$ - |
| 2017 | \$ 460,157 | \$ 440,963 | \$ 145,641 | \$ - | \$ - | \$ - | \$ 188,177 | \$ - | \$ - |
| 2018 | \$ 476,425 | \$ 456,553 | \$ 150,790 | \$ - | \$ - | \$ - | \$ 194,830 | \$ - | \$ - |
| 2019 | \$ 495,018 | \$ 474,370 | \$ 156,674 | \$ - | \$ - | \$ - | \$ 202,433 | \$ - | \$ - |
| 2020 | \$ 513,610 | \$ 492,186 | \$ 162,559 | \$ - | \$ - | \$ - | \$ 210,036 | \$ - | \$ - |
| 2021 | \$ 532,900 | \$ 510,672 | \$ 168,664 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 552,915 | \$ 529,852 | \$ 174,999 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 573,682 | \$ 549,753 | \$ 181,572 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 595,229 | \$ 570,401 | \$ 188,391 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 591,824 | \$ 195,467 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 614,052 | \$ 202,809 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 637,115 | \$ 210,426 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 661,045 | \$ 218,329 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 685,873 | \$ 226,529 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates
(000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|----------------------------|----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Fuel Rate (\$/MWhr) | | | | | | | | | | |
| 1999 | \$ 7.80 | \$ 11.06 | \$ - | \$ 14.76 | \$ - | \$ - | \$ 14.23 | \$ 14.35 | \$ 27.84 | \$ 10.59 |
| 2000 | \$ 8.04 | \$ 11.37 | \$ - | \$ 15.64 | \$ - | \$ - | \$ 15.09 | \$ 15.23 | \$ 29.41 | \$ 11.47 |
| 2001 | \$ 8.33 | \$ 11.68 | \$ - | \$ 16.56 | \$ - | \$ - | \$ 16.00 | \$ 16.17 | \$ 31.06 | \$ 12.43 |
| 2002 | \$ 8.72 | \$ 12.00 | \$ - | \$ 17.55 | \$ - | \$ - | \$ 16.96 | \$ 17.18 | \$ 32.81 | \$ 13.46 |
| 2003 | \$ 9.14 | \$ 12.33 | \$ - | \$ 18.59 | \$ - | \$ - | \$ 17.98 | \$ 18.24 | \$ 34.65 | \$ 14.58 |
| 2004 | \$ 9.62 | \$ 12.67 | \$ - | \$ 19.69 | \$ - | \$ - | \$ 19.06 | \$ 19.37 | \$ 36.60 | \$ 15.80 |
| 2005 | \$ 9.78 | \$ 12.98 | \$ - | \$ - | \$ - | \$ - | \$ 19.71 | \$ 20.05 | \$ 38.44 | \$ 16.47 |
| 2006 | \$ 10.25 | \$ 13.29 | \$ - | \$ - | \$ - | \$ - | \$ 20.37 | \$ 20.76 | \$ 40.37 | \$ 17.17 |
| 2007 | \$ 10.75 | \$ 13.60 | \$ - | \$ - | \$ - | \$ - | \$ 21.06 | \$ 21.50 | \$ 42.40 | \$ 17.90 |
| 2008 | \$ 11.28 | \$ 13.93 | \$ - | \$ - | \$ - | \$ - | \$ 21.78 | \$ 22.26 | \$ 44.53 | \$ 18.66 |
| 2009 | \$ 11.84 | \$ 14.26 | \$ - | \$ - | \$ - | \$ - | \$ 22.52 | \$ 23.05 | \$ 46.77 | \$ 19.45 |
| 2010 | \$ 12.29 | \$ 14.65 | \$ - | \$ - | \$ - | \$ - | \$ 23.13 | \$ 23.68 | \$ 48.97 | \$ 19.98 |
| 2011 | \$ 12.22 | \$ 15.04 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24.32 | \$ 51.27 | \$ 20.52 |
| 2012 | \$ 12.68 | \$ 15.45 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24.97 | \$ 53.68 | \$ 21.07 |
| 2013 | \$ 13.15 | \$ 15.87 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25.65 | \$ 56.20 | \$ 21.64 |
| 2014 | \$ 14.09 | \$ 16.29 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 26.34 | \$ 58.84 | \$ 22.22 |
| 2015 | \$ 15.07 | \$ 16.73 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 27.05 | \$ 61.61 | \$ 22.82 |
| 2016 | \$ 15.65 | \$ 17.37 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 28.08 | \$ 63.95 | \$ 23.69 |
| 2017 | \$ 16.95 | \$ 18.01 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 29.11 | \$ 66.29 | \$ 24.56 |
| 2018 | \$ 17.55 | \$ 18.64 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 30.14 | \$ 68.64 | \$ 25.43 |
| 2019 | \$ 17.45 | \$ 19.37 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 31.31 | \$ 71.32 | \$ - |
| 2020 | \$ 18.10 | \$ 20.10 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 32.49 | \$ 73.99 | \$ - |
| 2021 | \$ 19.82 | \$ 20.85 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 33.71 | \$ 76.77 | \$ - |
| 2022 | \$ 20.44 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 34.98 | \$ 79.66 | \$ - |
| 2023 | \$ 21.21 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 36.29 | \$ 82.65 | \$ - |
| 2024 | \$ 22.01 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 37.65 | \$ 85.75 | \$ - |
| 2025 | \$ 29.82 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 39.07 | \$ 88.97 | \$ - |
| 2026 | \$ 18.87 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 19.58 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 20.32 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 21.08 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Fi
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuykill</u> | <u>C. Turbines</u> |
|----------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|------------------|--------------------|
| Fuel Rate (\$/MWhr) | | | | | | | | | |
| 1999 | \$ 4.46 | \$ 4.46 | \$ 24.38 | \$ 5.84 | \$ 5.84 | \$ 5.84 | \$ 5.84 | \$ - | \$ 254.27 |
| 2000 | \$ 4.42 | \$ 4.42 | \$ 25.91 | \$ 5.74 | \$ 5.74 | \$ 5.74 | \$ 5.74 | \$ - | \$ 269.54 |
| 2001 | \$ 4.43 | \$ 4.43 | \$ 27.52 | \$ 5.68 | \$ 5.68 | \$ 5.68 | \$ 5.68 | \$ - | \$ 285.73 |
| 2002 | \$ 4.50 | \$ 4.50 | \$ 29.24 | \$ 5.72 | \$ 5.72 | \$ 5.72 | \$ 5.72 | \$ - | \$ 302.88 |
| 2003 | \$ 4.55 | \$ 4.55 | \$ 31.07 | \$ 5.75 | \$ 5.75 | \$ 5.75 | \$ 5.75 | \$ - | \$ 321.07 |
| 2004 | \$ 4.60 | \$ 4.60 | \$ 33.01 | \$ 5.83 | \$ 5.83 | \$ 5.83 | \$ 5.83 | \$ - | \$ 340.35 |
| 2005 | \$ 4.68 | \$ 4.68 | \$ 34.48 | \$ 5.95 | \$ 5.95 | \$ 5.95 | \$ 5.95 | \$ - | \$ 357.92 |
| 2006 | \$ 4.87 | \$ 4.87 | \$ 36.01 | \$ 6.17 | \$ 6.17 | \$ 6.17 | \$ 6.17 | \$ - | \$ 376.39 |
| 2007 | \$ 5.06 | \$ 5.06 | \$ 37.61 | \$ 6.38 | \$ 6.38 | \$ 6.38 | \$ 6.38 | \$ - | \$ 395.83 |
| 2008 | \$ 5.26 | \$ 5.26 | \$ 39.28 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ - | \$ 416.26 |
| 2009 | \$ 5.44 | \$ 5.44 | \$ 41.02 | \$ 6.84 | \$ 6.84 | \$ 6.84 | \$ 6.84 | \$ - | \$ 437.75 |
| 2010 | \$ 5.66 | \$ 5.66 | \$ 42.95 | \$ 7.12 | \$ 7.12 | \$ 7.12 | \$ 7.12 | \$ - | \$ 460.07 |
| 2011 | \$ 5.84 | \$ 5.84 | \$ 44.97 | \$ 7.35 | \$ 7.35 | \$ 7.35 | \$ 7.35 | \$ - | \$ 483.54 |
| 2012 | \$ 6.06 | \$ 6.06 | \$ 47.08 | \$ 7.62 | \$ 7.62 | \$ 7.62 | \$ 7.62 | \$ - | \$ 508.20 |
| 2013 | \$ 6.28 | \$ 6.28 | \$ 49.29 | \$ 7.90 | \$ 7.90 | \$ 7.90 | \$ 7.90 | \$ - | \$ 534.12 |
| 2014 | \$ 6.50 | \$ 6.50 | \$ 51.61 | \$ - | \$ 8.17 | \$ 8.17 | \$ 8.17 | \$ - | \$ 561.36 |
| 2015 | \$ 6.72 | \$ 6.72 | \$ 54.03 | \$ - | \$ - | \$ 8.45 | \$ 8.45 | \$ - | \$ - |
| 2016 | \$ 6.98 | \$ 6.98 | \$ 56.09 | \$ - | \$ - | \$ 8.77 | \$ 8.77 | \$ - | \$ - |
| 2017 | \$ 7.23 | \$ 7.23 | \$ 58.15 | \$ - | \$ - | \$ - | \$ 9.09 | \$ - | \$ - |
| 2018 | \$ 7.49 | \$ 7.49 | \$ 60.20 | \$ - | \$ - | \$ - | \$ 9.41 | \$ - | \$ - |
| 2019 | \$ 7.78 | \$ 7.78 | \$ 62.55 | \$ - | \$ - | \$ - | \$ 9.78 | \$ - | \$ - |
| 2020 | \$ 8.07 | \$ 8.07 | \$ 64.90 | \$ - | \$ - | \$ - | \$ 10.15 | \$ - | \$ - |
| 2021 | \$ 8.38 | \$ 8.38 | \$ 67.34 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 8.69 | \$ 8.69 | \$ 69.87 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 9.02 | \$ 9.02 | \$ 72.49 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 9.36 | \$ 9.36 | \$ 75.21 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 9.71 | \$ 78.04 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 10.07 | \$ 80.97 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 10.45 | \$ 84.01 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 10.84 | \$ 87.17 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 11.25 | \$ 90.44 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------|--|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Fuel Cost | <i>(generation x fuel rate) (000's)</i> | | | | | | | | | |
| 1999 | \$ 317,583 | \$ 29,116 | \$ - | \$ 13,512 | \$ - | \$ - | \$ 25,044 | \$ 27,509 | \$ 44,152 | \$ 28,147 |
| 2000 | \$ 327,936 | \$ 29,937 | \$ - | \$ 14,193 | \$ - | \$ - | \$ 26,257 | \$ 29,031 | \$ 47,137 | \$ 30,509 |
| 2001 | \$ 340,920 | \$ 30,782 | \$ - | \$ 14,909 | \$ - | \$ - | \$ 27,530 | \$ 30,637 | \$ 50,323 | \$ 33,069 |
| 2002 | \$ 357,708 | \$ 31,650 | \$ - | \$ 15,660 | \$ - | \$ - | \$ 28,864 | \$ 32,331 | \$ 53,725 | \$ 35,844 |
| 2003 | \$ 376,367 | \$ 32,543 | \$ - | \$ 16,450 | \$ - | \$ - | \$ 30,262 | \$ 34,120 | \$ 57,357 | \$ 38,852 |
| 2004 | \$ 398,203 | \$ 33,461 | \$ - | \$ 17,279 | \$ - | \$ - | \$ 31,729 | \$ 36,007 | \$ 61,234 | \$ 42,112 |
| 2005 | \$ 397,466 | \$ 34,238 | \$ - | \$ - | \$ - | \$ - | \$ 33,278 | \$ 37,473 | \$ 65,119 | \$ 43,871 |
| 2006 | \$ 417,948 | \$ 35,033 | \$ - | \$ - | \$ - | \$ - | \$ 34,902 | \$ 38,999 | \$ 69,250 | \$ 45,703 |
| 2007 | \$ 439,784 | \$ 35,847 | \$ - | \$ - | \$ - | \$ - | \$ 36,605 | \$ 40,587 | \$ 73,644 | \$ 47,612 |
| 2008 | \$ 463,339 | \$ 36,679 | \$ - | \$ - | \$ - | \$ - | \$ 38,392 | \$ 42,240 | \$ 78,316 | \$ 49,601 |
| 2009 | \$ 488,210 | \$ 37,531 | \$ - | \$ - | \$ - | \$ - | \$ 40,266 | \$ 43,959 | \$ 83,284 | \$ 51,673 |
| 2010 | \$ 506,584 | \$ 38,544 | \$ - | \$ - | \$ - | \$ - | \$ 41,353 | \$ 45,146 | \$ 87,199 | \$ 53,068 |
| 2011 | \$ 481,837 | \$ 39,585 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 46,365 | \$ 91,297 | \$ 54,501 |
| 2012 | \$ 499,999 | \$ 40,654 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 47,617 | \$ 95,588 | \$ 55,972 |
| 2013 | \$ 518,626 | \$ 41,752 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 48,903 | \$ 100,081 | \$ 57,483 |
| 2014 | \$ 512,805 | \$ 42,879 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 50,223 | \$ 104,784 | \$ 59,036 |
| 2015 | \$ 502,462 | \$ 44,037 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 51,579 | \$ 109,709 | \$ 60,629 |
| 2016 | \$ 521,577 | \$ 45,712 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 53,541 | \$ 113,883 | \$ 62,936 |
| 2017 | \$ 512,545 | \$ 47,387 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 55,504 | \$ 118,057 | \$ 65,243 |
| 2018 | \$ 530,665 | \$ 49,062 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 57,466 | \$ 122,230 | \$ 67,549 |
| 2019 | \$ 481,188 | \$ 50,977 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 59,708 | \$ 127,000 | \$ - |
| 2020 | \$ 499,261 | \$ 52,892 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 61,951 | \$ 131,770 | \$ - |
| 2021 | \$ 485,405 | \$ 54,878 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 64,278 | \$ 136,719 | \$ - |
| 2022 | \$ 446,697 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 66,692 | \$ 141,854 | \$ - |
| 2023 | \$ 463,474 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 69,197 | \$ 147,182 | \$ - |
| 2024 | \$ 480,881 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 71,796 | \$ 152,710 | \$ - |
| 2025 | \$ 425,240 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 74,492 | \$ 158,446 | \$ - |
| 2026 | \$ 199,525 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 207,019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 214,794 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 222,861 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Fi
(000)

Fuel Cost

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| 1999 | \$ 33,851 | \$ 32,679 | \$ 7,966 | \$ 17,803 | \$ 17,803 | \$ 18,074 | \$ 18,074 | \$ - | \$ 3,851 |
| 2000 | \$ 33,585 | \$ 32,422 | \$ 10,540 | \$ 17,519 | \$ 17,519 | \$ 17,785 | \$ 17,785 | \$ - | \$ 3,717 |
| 2001 | \$ 33,714 | \$ 32,546 | \$ 13,945 | \$ 17,338 | \$ 17,338 | \$ 17,602 | \$ 17,602 | \$ - | \$ 3,587 |
| 2002 | \$ 34,238 | \$ 33,052 | \$ 18,451 | \$ 17,475 | \$ 17,475 | \$ 17,741 | \$ 17,741 | \$ - | \$ 3,461 |
| 2003 | \$ 34,649 | \$ 33,449 | \$ 24,411 | \$ 17,600 | \$ 17,600 | \$ 17,867 | \$ 17,867 | \$ - | \$ 3,340 |
| 2004 | \$ 35,053 | \$ 33,839 | \$ 32,298 | \$ 17,856 | \$ 17,856 | \$ 18,128 | \$ 18,128 | \$ - | \$ 3,223 |
| 2005 | \$ 35,637 | \$ 34,401 | \$ 36,996 | \$ 18,210 | \$ 18,210 | \$ 18,486 | \$ 18,487 | \$ - | \$ 3,059 |
| 2006 | \$ 37,057 | \$ 35,769 | \$ 42,378 | \$ 18,845 | \$ 18,845 | \$ 19,129 | \$ 19,132 | \$ - | \$ 2,904 |
| 2007 | \$ 38,475 | \$ 37,136 | \$ 48,543 | \$ 19,498 | \$ 19,498 | \$ 19,790 | \$ 19,794 | \$ - | \$ 2,756 |
| 2008 | \$ 39,967 | \$ 38,573 | \$ 55,604 | \$ 20,186 | \$ 20,186 | \$ 20,487 | \$ 20,492 | \$ - | \$ 2,616 |
| 2009 | \$ 41,325 | \$ 39,882 | \$ 63,693 | \$ 20,871 | \$ 20,871 | \$ 21,182 | \$ 21,189 | \$ - | \$ 2,483 |
| 2010 | \$ 42,989 | \$ 41,488 | \$ 66,687 | \$ 21,712 | \$ 21,712 | \$ 22,035 | \$ 22,042 | \$ - | \$ 2,610 |
| 2011 | \$ 44,376 | \$ 42,826 | \$ 69,821 | \$ 22,412 | \$ 22,412 | \$ 22,746 | \$ 22,753 | \$ - | \$ 2,743 |
| 2012 | \$ 46,040 | \$ 44,432 | \$ 73,102 | \$ 23,253 | \$ 23,253 | \$ 23,599 | \$ 23,606 | \$ - | \$ 2,883 |
| 2013 | \$ 47,704 | \$ 46,038 | \$ 76,538 | \$ 24,093 | \$ 24,093 | \$ 24,452 | \$ 24,460 | \$ - | \$ 3,030 |
| 2014 | \$ 49,368 | \$ 47,644 | \$ 80,135 | \$ - | \$ 24,934 | \$ 25,305 | \$ 25,313 | \$ - | \$ 3,185 |
| 2015 | \$ 51,032 | \$ 49,250 | \$ 83,902 | \$ - | \$ - | \$ 26,158 | \$ 26,166 | \$ - | \$ - |
| 2016 | \$ 52,974 | \$ 51,123 | \$ 87,094 | \$ - | \$ - | \$ 27,153 | \$ 27,161 | \$ - | \$ - |
| 2017 | \$ 54,915 | \$ 52,997 | \$ 90,286 | \$ - | \$ - | \$ - | \$ 28,157 | \$ - | \$ - |
| 2018 | \$ 56,856 | \$ 54,871 | \$ 93,478 | \$ - | \$ - | \$ - | \$ 29,152 | \$ - | \$ - |
| 2019 | \$ 59,075 | \$ 57,012 | \$ 97,125 | \$ - | \$ - | \$ - | \$ 30,290 | \$ - | \$ - |
| 2020 | \$ 61,294 | \$ 59,153 | \$ 100,773 | \$ - | \$ - | \$ - | \$ 31,428 | \$ - | \$ - |
| 2021 | \$ 63,596 | \$ 61,375 | \$ 104,558 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 65,985 | \$ 63,680 | \$ 108,485 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 68,463 | \$ 66,072 | \$ 112,560 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 71,034 | \$ 68,553 | \$ 116,788 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 71,128 | \$ 121,174 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 73,800 | \$ 125,725 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 76,572 | \$ 130,447 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 79,447 | \$ 135,347 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 82,431 | \$ 140,430 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|---|------------|-----------|-----------|-----------|----------|----------|-------------|-------------|--------------|-----------|
| Operating & Maintenance Projection | | | | | | | | | | |
| 1999 | \$ 509,727 | \$ 8,047 | \$ 10,604 | \$ 11,376 | \$ 4,026 | \$ 5,019 | \$ 20,824 | \$ 19,894 | \$ 11,632 | \$ 7,138 |
| 2000 | \$ 510,950 | \$ 8,268 | \$ 10,896 | \$ 11,652 | \$ - | \$ - | \$ 21,299 | \$ 20,379 | \$ 11,976 | \$ 7,335 |
| 2001 | \$ 524,065 | \$ 8,490 | \$ 11,188 | \$ 11,927 | \$ - | \$ - | \$ 21,770 | \$ 20,861 | \$ 12,321 | \$ 7,531 |
| 2002 | \$ 541,603 | \$ 8,785 | \$ 11,577 | \$ 12,303 | \$ - | \$ - | \$ 22,425 | \$ 21,521 | \$ 12,774 | \$ 7,793 |
| 2003 | \$ 561,492 | \$ 9,006 | \$ 11,869 | \$ 14,058 | \$ - | \$ - | \$ 23,716 | \$ 23,424 | \$ 15,103 | \$ 7,990 |
| 2004 | \$ 579,269 | \$ 9,302 | \$ 12,258 | \$ 14,466 | \$ - | \$ - | \$ 24,379 | \$ 24,114 | \$ 15,647 | \$ 8,252 |
| 2005 | \$ 582,543 | \$ 9,597 | \$ 12,647 | \$ - | \$ - | \$ - | \$ 25,307 | \$ 24,945 | \$ 16,204 | \$ 8,514 |
| 2006 | \$ 604,669 | \$ 9,966 | \$ 13,134 | \$ - | \$ - | \$ - | \$ 26,442 | \$ 25,973 | \$ 16,891 | \$ 8,841 |
| 2007 | \$ 622,471 | \$ 10,261 | \$ 13,523 | \$ - | \$ - | \$ - | \$ 27,395 | \$ 26,813 | \$ 17,457 | \$ 9,103 |
| 2008 | \$ 644,668 | \$ 10,630 | \$ 14,009 | \$ - | \$ - | \$ - | \$ 28,558 | \$ 27,851 | \$ 18,154 | \$ 9,430 |
| 2009 | \$ 666,905 | \$ 10,999 | \$ 14,495 | \$ - | \$ - | \$ - | \$ 29,736 | \$ 28,894 | \$ 18,857 | \$ 9,758 |
| 2010 | \$ 693,100 | \$ 11,442 | \$ 15,079 | \$ - | \$ - | \$ - | \$ 30,934 | \$ 30,058 | \$ 19,616 | \$ 10,151 |
| 2011 | \$ 682,997 | \$ 11,812 | \$ 15,566 | \$ - | \$ - | \$ - | \$ - | \$ 31,027 | \$ 20,249 | \$ 10,478 |
| 2012 | \$ 707,993 | \$ 12,254 | \$ 16,149 | \$ - | \$ - | \$ - | \$ - | \$ 32,191 | \$ 21,008 | \$ 10,871 |
| 2013 | \$ 732,990 | \$ 12,697 | \$ 16,733 | \$ - | \$ - | \$ - | \$ - | \$ 33,354 | \$ 21,767 | \$ 11,264 |
| 2014 | \$ 696,866 | \$ 13,140 | \$ 17,317 | \$ - | \$ - | \$ - | \$ - | \$ 34,518 | \$ 22,527 | \$ 11,657 |
| 2015 | \$ 656,610 | \$ 13,583 | \$ 17,900 | \$ - | \$ - | \$ - | \$ - | \$ 35,681 | \$ 23,286 | \$ 12,050 |
| 2016 | \$ 680,965 | \$ 14,100 | \$ 18,581 | \$ - | \$ - | \$ - | \$ - | \$ 37,039 | \$ 24,172 | \$ 12,508 |
| 2017 | \$ 585,009 | \$ 14,617 | \$ 19,262 | \$ - | \$ - | \$ - | \$ - | \$ 38,396 | \$ 25,058 | \$ 12,967 |
| 2018 | \$ 605,112 | \$ 15,134 | \$ 19,943 | \$ - | \$ - | \$ - | \$ - | \$ 39,754 | \$ 25,944 | \$ 13,425 |
| 2019 | \$ 614,137 | \$ 15,724 | \$ 20,722 | \$ - | \$ - | \$ - | \$ - | \$ 41,305 | \$ 26,956 | \$ - |
| 2020 | \$ 636,587 | \$ 16,315 | \$ 21,500 | \$ - | \$ - | \$ - | \$ - | \$ 42,857 | \$ 27,969 | \$ - |
| 2021 | \$ 520,549 | \$ 16,927 | \$ 22,307 | \$ - | \$ - | \$ - | \$ - | \$ 44,466 | \$ 29,019 | \$ - |
| 2022 | \$ 496,550 | \$ - | \$ 23,145 | \$ - | \$ - | \$ - | \$ - | \$ 46,136 | \$ 30,109 | \$ - |
| 2023 | \$ 514,584 | \$ - | \$ 24,014 | \$ - | \$ - | \$ - | \$ - | \$ 47,869 | \$ 31,240 | \$ - |
| 2024 | \$ 533,295 | \$ - | \$ 24,916 | \$ - | \$ - | \$ - | \$ - | \$ 49,667 | \$ 32,413 | \$ - |
| 2025 | \$ 342,514 | \$ - | \$ 25,852 | \$ - | \$ - | \$ - | \$ - | \$ 51,532 | \$ 33,631 | \$ - |
| 2026 | \$ 266,709 | \$ - | \$ 26,823 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 276,418 | \$ - | \$ 27,831 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 286,492 | \$ - | \$ 28,876 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 296,944 | \$ - | \$ 29,961 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filin
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuykill C. Turbines

Operating & Maintenance Projection

| | | | | | | | | | |
|------|------------|------------|-----------|-----------|-----------|------------|------------|----------|-----------|
| 1999 | \$ 91,054 | \$ 91,054 | \$ 8,160 | \$ 37,428 | \$ 37,428 | \$ 66,232 | \$ 66,232 | \$ 2,844 | \$ 10,735 |
| 2000 | \$ 93,334 | \$ 93,334 | \$ 8,423 | \$ 38,458 | \$ 38,458 | \$ 68,055 | \$ 68,055 | \$ - | \$ 11,027 |
| 2001 | \$ 95,614 | \$ 95,614 | \$ 8,699 | \$ 39,488 | \$ 39,488 | \$ 69,878 | \$ 69,878 | \$ - | \$ 11,319 |
| 2002 | \$ 98,655 | \$ 98,655 | \$ 9,065 | \$ 40,862 | \$ 40,862 | \$ 72,309 | \$ 72,309 | \$ - | \$ 11,709 |
| 2003 | \$ 100,935 | \$ 100,935 | \$ 9,375 | \$ 41,892 | \$ 41,892 | \$ 74,131 | \$ 74,131 | \$ - | \$ 13,033 |
| 2004 | \$ 103,976 | \$ 103,976 | \$ 9,788 | \$ 43,265 | \$ 43,265 | \$ 76,562 | \$ 76,562 | \$ - | \$ 13,458 |
| 2005 | \$ 107,016 | \$ 107,016 | \$ 10,152 | \$ 44,639 | \$ 44,639 | \$ 78,993 | \$ 78,993 | \$ - | \$ 13,882 |
| 2006 | \$ 110,817 | \$ 110,817 | \$ 10,603 | \$ 46,356 | \$ 46,356 | \$ 82,031 | \$ 82,031 | \$ - | \$ 14,414 |
| 2007 | \$ 113,857 | \$ 113,857 | \$ 10,986 | \$ 47,729 | \$ 47,729 | \$ 84,461 | \$ 84,461 | \$ - | \$ 14,839 |
| 2008 | \$ 117,658 | \$ 117,658 | \$ 11,459 | \$ 49,446 | \$ 49,446 | \$ 87,499 | \$ 87,499 | \$ - | \$ 15,370 |
| 2009 | \$ 121,459 | \$ 121,459 | \$ 11,945 | \$ 51,163 | \$ 51,163 | \$ 90,538 | \$ 90,538 | \$ - | \$ 15,902 |
| 2010 | \$ 126,019 | \$ 126,019 | \$ 12,426 | \$ 53,223 | \$ 53,223 | \$ 94,183 | \$ 94,183 | \$ - | \$ 16,542 |
| 2011 | \$ 129,820 | \$ 129,820 | \$ 12,827 | \$ 54,940 | \$ 54,940 | \$ 97,222 | \$ 97,222 | \$ - | \$ 17,075 |
| 2012 | \$ 134,381 | \$ 134,381 | \$ 13,308 | \$ 57,000 | \$ 57,000 | \$ 100,867 | \$ 100,867 | \$ - | \$ 17,715 |
| 2013 | \$ 138,942 | \$ 138,942 | \$ 13,789 | \$ 59,061 | \$ 59,061 | \$ 104,513 | \$ 104,513 | \$ - | \$ 18,355 |
| 2014 | \$ 143,502 | \$ 143,502 | \$ 14,270 | \$ - | \$ 61,121 | \$ 108,159 | \$ 108,159 | \$ - | \$ 18,995 |
| 2015 | \$ 148,063 | \$ 148,063 | \$ 14,751 | \$ - | \$ - | \$ 111,805 | \$ 111,805 | \$ - | \$ 19,622 |
| 2016 | \$ 153,384 | \$ 153,384 | \$ 15,312 | \$ - | \$ - | \$ 116,058 | \$ 116,058 | \$ - | \$ 20,369 |
| 2017 | \$ 158,705 | \$ 158,705 | \$ 15,873 | \$ - | \$ - | \$ - | \$ 120,312 | \$ - | \$ 21,115 |
| 2018 | \$ 164,026 | \$ 164,026 | \$ 16,434 | \$ - | \$ - | \$ - | \$ 124,565 | \$ - | \$ 21,862 |
| 2019 | \$ 170,107 | \$ 170,107 | \$ 17,076 | \$ - | \$ - | \$ - | \$ 129,426 | \$ - | \$ 22,715 |
| 2020 | \$ 176,188 | \$ 176,188 | \$ 17,717 | \$ - | \$ - | \$ - | \$ 134,287 | \$ - | \$ 23,568 |
| 2021 | \$ 182,497 | \$ 182,497 | \$ 18,382 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24,453 |
| 2022 | \$ 189,043 | \$ 189,043 | \$ 19,073 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 195,836 | \$ 195,836 | \$ 19,789 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 202,883 | \$ 202,883 | \$ 20,532 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 210,195 | \$ 21,304 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 217,782 | \$ 22,104 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 225,653 | \$ 22,934 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 233,821 | \$ 23,795 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 242,295 | \$ 24,689 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|---------------------------------------|------------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Capital Expenditure Projection | | | | | | | | | | |
| 1999 | \$ 95,098 | \$ 2,054 | \$ 1,467 | \$ 1,572 | \$ 943 | \$ 1,677 | \$ 1,887 | \$ 1,887 | \$ 1,887 | \$ 2,893 |
| 2000 | \$ 94,162 | \$ 2,111 | \$ 1,508 | \$ 1,615 | \$ - | \$ - | \$ 1,938 | \$ 1,938 | \$ 1,938 | \$ 2,972 |
| 2001 | \$ 96,684 | \$ 2,167 | \$ 1,548 | \$ 1,659 | \$ - | \$ - | \$ 1,990 | \$ 1,990 | \$ 1,990 | \$ 3,052 |
| 2002 | \$ 100,047 | \$ 2,243 | \$ 1,602 | \$ 1,716 | \$ - | \$ - | \$ 2,060 | \$ 2,060 | \$ 2,060 | \$ 3,158 |
| 2003 | \$ 102,569 | \$ 2,299 | \$ 1,642 | \$ 1,760 | \$ - | \$ - | \$ 2,112 | \$ 2,112 | \$ 2,112 | \$ 3,238 |
| 2004 | \$ 105,932 | \$ 2,375 | \$ 1,696 | \$ 1,817 | \$ - | \$ - | \$ 2,181 | \$ 2,181 | \$ 2,181 | \$ 3,344 |
| 2005 | \$ 107,420 | \$ 2,450 | \$ 1,750 | \$ - | \$ - | \$ - | \$ 2,250 | \$ 2,250 | \$ 2,250 | \$ 3,450 |
| 2006 | \$ 111,552 | \$ 2,544 | \$ 1,817 | \$ - | \$ - | \$ - | \$ 2,337 | \$ 2,337 | \$ 2,337 | \$ 3,583 |
| 2007 | \$ 114,857 | \$ 2,620 | \$ 1,871 | \$ - | \$ - | \$ - | \$ 2,406 | \$ 2,406 | \$ 2,406 | \$ 3,689 |
| 2008 | \$ 118,988 | \$ 2,714 | \$ 1,938 | \$ - | \$ - | \$ - | \$ 2,492 | \$ 2,492 | \$ 2,492 | \$ 3,822 |
| 2009 | \$ 123,120 | \$ 2,808 | \$ 2,006 | \$ - | \$ - | \$ - | \$ 2,579 | \$ 2,579 | \$ 2,579 | \$ 3,954 |
| 2010 | \$ 128,078 | \$ 2,921 | \$ 2,087 | \$ - | \$ - | \$ - | \$ 2,683 | \$ 2,683 | \$ 2,683 | \$ 4,113 |
| 2011 | \$ 129,440 | \$ 3,015 | \$ 2,154 | \$ - | \$ - | \$ - | \$ - | \$ 2,769 | \$ 2,769 | \$ 4,246 |
| 2012 | \$ 134,294 | \$ 3,128 | \$ 2,235 | \$ - | \$ - | \$ - | \$ - | \$ 2,873 | \$ 2,873 | \$ 4,405 |
| 2013 | \$ 139,148 | \$ 3,242 | \$ 2,315 | \$ - | \$ - | \$ - | \$ - | \$ 2,977 | \$ 2,977 | \$ 4,565 |
| 2014 | \$ 131,094 | \$ 3,355 | \$ 2,396 | \$ - | \$ - | \$ - | \$ - | \$ 3,081 | \$ 3,081 | \$ 4,724 |
| 2015 | \$ 120,577 | \$ 3,468 | \$ 2,477 | \$ - | \$ - | \$ - | \$ - | \$ 3,185 | \$ 3,185 | \$ 4,883 |
| 2016 | \$ 125,164 | \$ 3,600 | \$ 2,571 | \$ - | \$ - | \$ - | \$ - | \$ 3,306 | \$ 3,306 | \$ 5,069 |
| 2017 | \$ 118,461 | \$ 3,732 | \$ 2,665 | \$ - | \$ - | \$ - | \$ - | \$ 3,427 | \$ 3,427 | \$ 5,255 |
| 2018 | \$ 122,649 | \$ 3,863 | \$ 2,760 | \$ - | \$ - | \$ - | \$ - | \$ 3,548 | \$ 3,548 | \$ 5,440 |
| 2019 | \$ 121,783 | \$ 4,014 | \$ 2,867 | \$ - | \$ - | \$ - | \$ - | \$ 3,687 | \$ 3,687 | \$ - |
| 2020 | \$ 126,357 | \$ 4,165 | \$ 2,975 | \$ - | \$ - | \$ - | \$ - | \$ 3,825 | \$ 3,825 | \$ - |
| 2021 | \$ 118,028 | \$ 4,321 | \$ 3,087 | \$ - | \$ - | \$ - | \$ - | \$ 3,969 | \$ 3,969 | \$ - |
| 2022 | \$ 117,977 | \$ - | \$ 3,203 | \$ - | \$ - | \$ - | \$ - | \$ 4,118 | \$ 4,118 | \$ - |
| 2023 | \$ 122,408 | \$ - | \$ 3,323 | \$ - | \$ - | \$ - | \$ - | \$ 4,272 | \$ 4,272 | \$ - |
| 2024 | \$ 127,006 | \$ - | \$ 3,448 | \$ - | \$ - | \$ - | \$ - | \$ 4,433 | \$ 4,433 | \$ - |
| 2025 | \$ 73,681 | \$ - | \$ 3,577 | \$ - | \$ - | \$ - | \$ - | \$ 4,599 | \$ 4,599 | \$ - |
| 2026 | \$ 66,905 | \$ - | \$ 3,712 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 69,417 | \$ - | \$ 3,851 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 72,025 | \$ - | \$ 3,996 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 74,730 | \$ - | \$ 4,146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filin
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Capital Expenditure Projection

| | | | | | | | | | | | | | | | | | | |
|------|----|--------|----|--------|----|-------|----|--------|----|--------|----|--------|----|--------|----|-----|----|-------|
| 1999 | \$ | 23,829 | \$ | 23,829 | \$ | 1,153 | \$ | 7,905 | \$ | 7,905 | \$ | 6,215 | \$ | 6,215 | \$ | 838 | \$ | 943 |
| 2000 | \$ | 24,485 | \$ | 24,485 | \$ | 1,185 | \$ | 8,122 | \$ | 8,122 | \$ | 6,386 | \$ | 6,386 | \$ | - | \$ | 969 |
| 2001 | \$ | 25,141 | \$ | 25,141 | \$ | 1,216 | \$ | 8,340 | \$ | 8,340 | \$ | 6,557 | \$ | 6,557 | \$ | - | \$ | 995 |
| 2002 | \$ | 26,015 | \$ | 26,015 | \$ | 1,259 | \$ | 8,630 | \$ | 8,630 | \$ | 6,785 | \$ | 6,785 | \$ | - | \$ | 1,030 |
| 2003 | \$ | 26,671 | \$ | 26,671 | \$ | 1,290 | \$ | 8,847 | \$ | 8,847 | \$ | 6,956 | \$ | 6,956 | \$ | - | \$ | 1,056 |
| 2004 | \$ | 27,546 | \$ | 27,546 | \$ | 1,333 | \$ | 9,137 | \$ | 9,137 | \$ | 7,184 | \$ | 7,184 | \$ | - | \$ | 1,090 |
| 2005 | \$ | 28,420 | \$ | 28,420 | \$ | 1,375 | \$ | 9,428 | \$ | 9,428 | \$ | 7,413 | \$ | 7,413 | \$ | - | \$ | 1,125 |
| 2006 | \$ | 29,513 | \$ | 29,513 | \$ | 1,428 | \$ | 9,790 | \$ | 9,790 | \$ | 7,698 | \$ | 7,698 | \$ | - | \$ | 1,168 |
| 2007 | \$ | 30,388 | \$ | 30,388 | \$ | 1,470 | \$ | 10,080 | \$ | 10,080 | \$ | 7,926 | \$ | 7,926 | \$ | - | \$ | 1,203 |
| 2008 | \$ | 31,481 | \$ | 31,481 | \$ | 1,523 | \$ | 10,443 | \$ | 10,443 | \$ | 8,211 | \$ | 8,211 | \$ | - | \$ | 1,246 |
| 2009 | \$ | 32,574 | \$ | 32,574 | \$ | 1,576 | \$ | 10,805 | \$ | 10,805 | \$ | 8,496 | \$ | 8,496 | \$ | - | \$ | 1,289 |
| 2010 | \$ | 33,885 | \$ | 33,885 | \$ | 1,639 | \$ | 11,240 | \$ | 11,240 | \$ | 8,838 | \$ | 8,838 | \$ | - | \$ | 1,341 |
| 2011 | \$ | 34,978 | \$ | 34,978 | \$ | 1,692 | \$ | 11,603 | \$ | 11,603 | \$ | 9,123 | \$ | 9,123 | \$ | - | \$ | 1,385 |
| 2012 | \$ | 36,290 | \$ | 36,290 | \$ | 1,756 | \$ | 12,038 | \$ | 12,038 | \$ | 9,465 | \$ | 9,465 | \$ | - | \$ | 1,437 |
| 2013 | \$ | 37,602 | \$ | 37,602 | \$ | 1,819 | \$ | 12,473 | \$ | 12,473 | \$ | 9,807 | \$ | 9,807 | \$ | - | \$ | 1,488 |
| 2014 | \$ | 38,914 | \$ | 38,914 | \$ | 1,883 | \$ | - | \$ | 12,908 | \$ | 10,149 | \$ | 10,149 | \$ | - | \$ | 1,540 |
| 2015 | \$ | 40,225 | \$ | 40,225 | \$ | 1,946 | \$ | - | \$ | - | \$ | 10,492 | \$ | 10,492 | \$ | - | \$ | - |
| 2016 | \$ | 41,756 | \$ | 41,756 | \$ | 2,020 | \$ | - | \$ | - | \$ | 10,891 | \$ | 10,891 | \$ | - | \$ | - |
| 2017 | \$ | 43,286 | \$ | 43,286 | \$ | 2,094 | \$ | - | \$ | - | \$ | - | \$ | 11,290 | \$ | - | \$ | - |
| 2018 | \$ | 44,816 | \$ | 44,816 | \$ | 2,168 | \$ | - | \$ | - | \$ | - | \$ | 11,689 | \$ | - | \$ | - |
| 2019 | \$ | 46,565 | \$ | 46,565 | \$ | 2,253 | \$ | - | \$ | - | \$ | - | \$ | 12,145 | \$ | - | \$ | - |
| 2020 | \$ | 48,314 | \$ | 48,314 | \$ | 2,338 | \$ | - | \$ | - | \$ | - | \$ | 12,601 | \$ | - | \$ | - |
| 2021 | \$ | 50,129 | \$ | 50,129 | \$ | 2,425 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2022 | \$ | 52,011 | \$ | 52,011 | \$ | 2,516 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2023 | \$ | 53,965 | \$ | 53,965 | \$ | 2,611 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2024 | \$ | 55,992 | \$ | 55,992 | \$ | 2,709 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2025 | \$ | - | \$ | 58,095 | \$ | 2,811 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2026 | \$ | - | \$ | 60,277 | \$ | 2,916 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2027 | \$ | - | \$ | 62,541 | \$ | 3,026 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2028 | \$ | - | \$ | 64,889 | \$ | 3,139 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2029 | \$ | - | \$ | 67,327 | \$ | 3,257 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Administrative & General Projection | | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | | |
| 1999 | \$ 48,814 | \$ - | \$ 1,459 | \$ 1,421 | \$ 554 | \$ 691 | \$ 2,703 | \$ 2,270 | \$ 1,420 | \$ - |
| 2000 | \$ 48,477 | \$ - | \$ 1,499 | \$ 1,460 | \$ - | \$ - | \$ 2,777 | \$ 2,332 | \$ 1,459 | \$ - |
| 2001 | \$ 49,775 | \$ - | \$ 1,539 | \$ 1,500 | \$ - | \$ - | \$ 2,851 | \$ 2,395 | \$ 1,498 | \$ - |
| 2002 | \$ 51,506 | \$ - | \$ 1,593 | \$ 1,552 | \$ - | \$ - | \$ 2,951 | \$ 2,478 | \$ 1,550 | \$ - |
| 2003 | \$ 52,805 | \$ - | \$ 1,633 | \$ 1,591 | \$ - | \$ - | \$ 3,025 | \$ 2,541 | \$ 1,589 | \$ - |
| 2004 | \$ 54,536 | \$ - | \$ 1,686 | \$ 1,643 | \$ - | \$ - | \$ 3,124 | \$ 2,624 | \$ 1,641 | \$ - |
| 2005 | \$ 54,572 | \$ - | \$ 1,740 | \$ - | \$ - | \$ - | \$ 3,223 | \$ 2,707 | \$ 1,693 | \$ - |
| 2006 | \$ 56,671 | \$ - | \$ 1,807 | \$ - | \$ - | \$ - | \$ 3,347 | \$ 2,811 | \$ 1,758 | \$ - |
| 2007 | \$ 58,351 | \$ - | \$ 1,861 | \$ - | \$ - | \$ - | \$ 3,446 | \$ 2,895 | \$ 1,810 | \$ - |
| 2008 | \$ 60,449 | \$ - | \$ 1,927 | \$ - | \$ - | \$ - | \$ 3,570 | \$ 2,999 | \$ 1,876 | \$ - |
| 2009 | \$ 62,548 | \$ - | \$ 1,994 | \$ - | \$ - | \$ - | \$ 3,694 | \$ 3,103 | \$ 1,941 | \$ - |
| 2010 | \$ 65,067 | \$ - | \$ 2,075 | \$ - | \$ - | \$ - | \$ 3,843 | \$ 3,228 | \$ 2,019 | \$ - |
| 2011 | \$ 63,199 | \$ - | \$ 2,142 | \$ - | \$ - | \$ - | \$ - | \$ 3,332 | \$ 2,084 | \$ - |
| 2012 | \$ 65,569 | \$ - | \$ 2,222 | \$ - | \$ - | \$ - | \$ - | \$ 3,457 | \$ 2,162 | \$ - |
| 2013 | \$ 67,939 | \$ - | \$ 2,302 | \$ - | \$ - | \$ - | \$ - | \$ 3,582 | \$ 2,240 | \$ - |
| 2014 | \$ 61,900 | \$ - | \$ 2,383 | \$ - | \$ - | \$ - | \$ - | \$ 3,707 | \$ 2,318 | \$ - |
| 2015 | \$ 53,063 | \$ - | \$ 2,463 | \$ - | \$ - | \$ - | \$ - | \$ 3,832 | \$ 2,397 | \$ - |
| 2016 | \$ 55,082 | \$ - | \$ 2,557 | \$ - | \$ - | \$ - | \$ - | \$ 3,977 | \$ 2,488 | \$ - |
| 2017 | \$ 57,100 | \$ - | \$ 2,650 | \$ - | \$ - | \$ - | \$ - | \$ 4,123 | \$ 2,579 | \$ - |
| 2018 | \$ 59,119 | \$ - | \$ 2,744 | \$ - | \$ - | \$ - | \$ - | \$ 4,269 | \$ 2,670 | \$ - |
| 2019 | \$ 61,426 | \$ - | \$ 2,851 | \$ - | \$ - | \$ - | \$ - | \$ 4,435 | \$ 2,774 | \$ - |
| 2020 | \$ 63,733 | \$ - | \$ 2,958 | \$ - | \$ - | \$ - | \$ - | \$ 4,602 | \$ 2,879 | \$ - |
| 2021 | \$ 66,127 | \$ - | \$ 3,069 | \$ - | \$ - | \$ - | \$ - | \$ 4,775 | \$ 2,987 | \$ - |
| 2022 | \$ 68,611 | \$ - | \$ 3,184 | \$ - | \$ - | \$ - | \$ - | \$ 4,954 | \$ 3,099 | \$ - |
| 2023 | \$ 71,188 | \$ - | \$ 3,304 | \$ - | \$ - | \$ - | \$ - | \$ 5,140 | \$ 3,215 | \$ - |
| 2024 | \$ 73,861 | \$ - | \$ 3,428 | \$ - | \$ - | \$ - | \$ - | \$ 5,333 | \$ 3,336 | \$ - |
| 2025 | \$ 45,962 | \$ - | \$ 3,557 | \$ - | \$ - | \$ - | \$ - | \$ 5,534 | \$ 3,461 | \$ - |
| 2026 | \$ 38,356 | \$ - | \$ 3,690 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 39,796 | \$ - | \$ 3,829 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 41,291 | \$ - | \$ 3,973 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 42,842 | \$ - | \$ 4,122 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

Putnam, Hayes & Bartlett - Restructuring Filin
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Administrative & General Projection

*Allocated to Stations**

| | | | | | | | | | | | | | | | | | | |
|------|----|--------|----|--------|----|-------|----|-------|----|-------|----|---|----|---|----|-----|----|-------|
| 1999 | \$ | 12,581 | \$ | 12,581 | \$ | 1,123 | \$ | 5,149 | \$ | 5,149 | \$ | - | \$ | - | \$ | 391 | \$ | 1,321 |
| 2000 | \$ | 12,928 | \$ | 12,928 | \$ | 1,154 | \$ | 5,291 | \$ | 5,291 | \$ | - | \$ | - | \$ | - | \$ | 1,358 |
| 2001 | \$ | 13,274 | \$ | 13,274 | \$ | 1,184 | \$ | 5,433 | \$ | 5,433 | \$ | - | \$ | - | \$ | - | \$ | 1,394 |
| 2002 | \$ | 13,736 | \$ | 13,736 | \$ | 1,226 | \$ | 5,622 | \$ | 5,622 | \$ | - | \$ | - | \$ | - | \$ | 1,443 |
| 2003 | \$ | 14,082 | \$ | 14,082 | \$ | 1,257 | \$ | 5,764 | \$ | 5,764 | \$ | - | \$ | - | \$ | - | \$ | 1,479 |
| 2004 | \$ | 14,544 | \$ | 14,544 | \$ | 1,298 | \$ | 5,952 | \$ | 5,952 | \$ | - | \$ | - | \$ | - | \$ | 1,528 |
| 2005 | \$ | 15,005 | \$ | 15,005 | \$ | 1,339 | \$ | 6,141 | \$ | 6,141 | \$ | - | \$ | - | \$ | - | \$ | 1,576 |
| 2006 | \$ | 15,583 | \$ | 15,583 | \$ | 1,390 | \$ | 6,378 | \$ | 6,378 | \$ | - | \$ | - | \$ | - | \$ | 1,637 |
| 2007 | \$ | 16,044 | \$ | 16,044 | \$ | 1,432 | \$ | 6,567 | \$ | 6,567 | \$ | - | \$ | - | \$ | - | \$ | 1,685 |
| 2008 | \$ | 16,621 | \$ | 16,621 | \$ | 1,483 | \$ | 6,803 | \$ | 6,803 | \$ | - | \$ | - | \$ | - | \$ | 1,746 |
| 2009 | \$ | 17,199 | \$ | 17,199 | \$ | 1,535 | \$ | 7,039 | \$ | 7,039 | \$ | - | \$ | - | \$ | - | \$ | 1,806 |
| 2010 | \$ | 17,891 | \$ | 17,891 | \$ | 1,596 | \$ | 7,322 | \$ | 7,322 | \$ | - | \$ | - | \$ | - | \$ | 1,879 |
| 2011 | \$ | 18,468 | \$ | 18,468 | \$ | 1,648 | \$ | 7,559 | \$ | 7,559 | \$ | - | \$ | - | \$ | - | \$ | 1,940 |
| 2012 | \$ | 19,161 | \$ | 19,161 | \$ | 1,710 | \$ | 7,842 | \$ | 7,842 | \$ | - | \$ | - | \$ | - | \$ | 2,012 |
| 2013 | \$ | 19,853 | \$ | 19,853 | \$ | 1,772 | \$ | 8,126 | \$ | 8,126 | \$ | - | \$ | - | \$ | - | \$ | 2,085 |
| 2014 | \$ | 20,546 | \$ | 20,546 | \$ | 1,833 | \$ | - | \$ | 8,409 | \$ | - | \$ | - | \$ | - | \$ | 2,158 |
| 2015 | \$ | 21,238 | \$ | 21,238 | \$ | 1,895 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2016 | \$ | 22,046 | \$ | 22,046 | \$ | 1,967 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2017 | \$ | 22,854 | \$ | 22,854 | \$ | 2,039 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2018 | \$ | 23,662 | \$ | 23,662 | \$ | 2,111 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2019 | \$ | 24,586 | \$ | 24,586 | \$ | 2,194 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2020 | \$ | 25,509 | \$ | 25,509 | \$ | 2,276 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2021 | \$ | 26,467 | \$ | 26,467 | \$ | 2,362 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2022 | \$ | 27,461 | \$ | 27,461 | \$ | 2,450 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2023 | \$ | 28,493 | \$ | 28,493 | \$ | 2,542 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2024 | \$ | 29,563 | \$ | 29,563 | \$ | 2,638 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2025 | \$ | - | \$ | 30,673 | \$ | 2,737 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2026 | \$ | - | \$ | 31,825 | \$ | 2,840 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2027 | \$ | - | \$ | 33,021 | \$ | 2,946 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2028 | \$ | - | \$ | 34,261 | \$ | 3,057 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2029 | \$ | - | \$ | 35,548 | \$ | 3,172 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|-------------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Other Taxes | | | | | | | | | | |
| <i>Allocated to Stations*</i> | | | | | | | | | | |
| 1999 | \$ 87,573 | \$ - | \$ 2,617 | \$ 2,550 | \$ 994 | \$ 1,239 | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2000 | \$ 84,639 | \$ - | \$ 2,617 | \$ 2,550 | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2001 | \$ 84,639 | \$ - | \$ 2,617 | \$ 2,550 | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2002 | \$ 84,639 | \$ - | \$ 2,617 | \$ 2,550 | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2003 | \$ 84,639 | \$ - | \$ 2,617 | \$ 2,550 | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2004 | \$ 84,639 | \$ - | \$ 2,617 | \$ 2,550 | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2005 | \$ 82,089 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2006 | \$ 82,089 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2007 | \$ 82,089 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2008 | \$ 82,089 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2009 | \$ 82,089 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2010 | \$ 82,089 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ 4,848 | \$ 4,072 | \$ 2,547 | \$ - |
| 2011 | \$ 77,240 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2012 | \$ 77,240 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2013 | \$ 77,240 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2014 | \$ 68,002 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2015 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2016 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2017 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2018 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2019 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2020 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2021 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2022 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2023 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2024 | \$ 56,393 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2025 | \$ 33,822 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ 4,072 | \$ 2,547 | \$ - |
| 2026 | \$ 27,203 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 27,203 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 27,203 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 27,203 | \$ - | \$ 2,617 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

Putnam, Hayes & Bartlett - Restructuring Filin
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Other Taxes

*Allocated to Stations**

| | | | | | | | | | |
|------|-----------|-----------|----------|----------|----------|------|------|--------|----------|
| 1999 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ 702 | \$ 2,371 |
| 2000 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2001 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2002 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2003 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2004 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2005 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2006 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2007 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2008 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2009 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2010 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2011 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2012 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2013 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ 9,238 | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2014 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ 9,238 | \$ - | \$ - | \$ - | \$ 2,371 |
| 2015 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ 22,571 | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ 22,571 | \$ 2,014 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

*Conemaugh, Keystone & Salem do not receive allocated A&G and Taxes as these amounts are already included in their base O&M.

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates

| (000) | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|------------------------|-----------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|----------|
| Decommissioning | | | | | | | | | | |
| 1999 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2000 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2001 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2002 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2003 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2004 | \$ 39,504 | \$ 618 | \$ - | \$ 192 | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2005 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2006 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2007 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2008 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2009 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2010 | \$ 39,312 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 319 | \$ 710 | \$ 639 |
| 2011 | \$ 38,993 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2012 | \$ 38,993 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2013 | \$ 38,993 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2014 | \$ 34,614 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2015 | \$ 29,003 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2016 | \$ 29,003 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2017 | \$ 25,506 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2018 | \$ 25,506 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ 639 |
| 2019 | \$ 24,867 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2020 | \$ 24,867 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2021 | \$ 21,180 | \$ 618 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2022 | \$ 20,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2023 | \$ 20,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2024 | \$ 20,562 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2025 | \$ 11,782 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 319 | \$ 710 | \$ - |
| 2026 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ 10,753 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filin
(000)

Limerick 1 Limerick 2 Muddy Run P. Bottom 2 P. Bottom 3 Salem 1 Salem 2 Schuylkill C. Turbines

Decommissioning

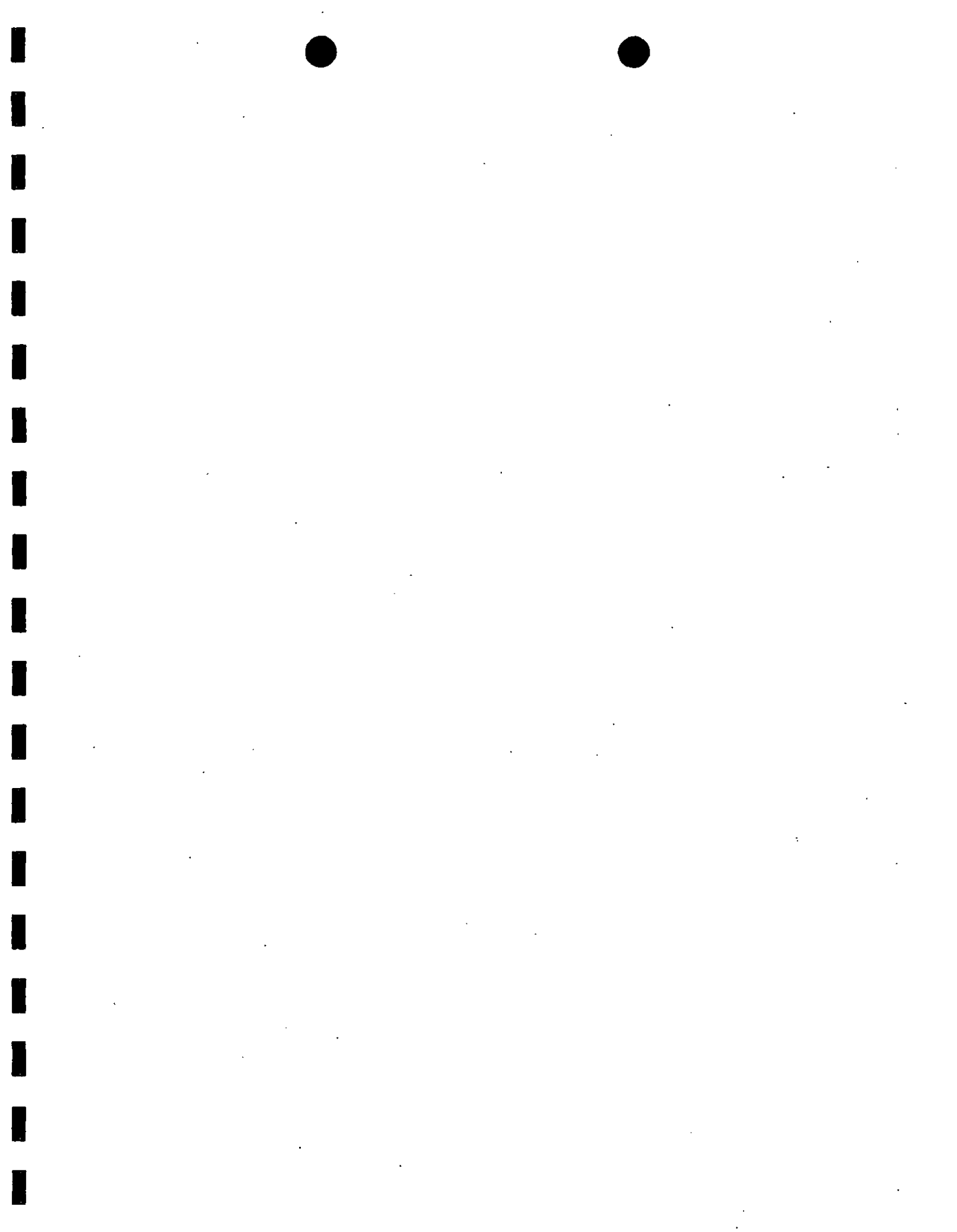
| | | | | | | | | | | | | | | | | | | |
|------|----|-------|----|--------|----|---|----|-------|----|-------|----|-------|----|-------|----|---|----|---|
| 1999 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2000 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2001 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2002 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2003 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2004 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2005 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2006 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2007 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2008 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2009 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2010 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2011 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2012 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2013 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | 4,380 | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2014 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | 5,611 | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2015 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2016 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | 3,497 | \$ | 3,687 | \$ | - | \$ | - |
| 2017 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2018 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2019 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2020 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 3,687 | \$ | - | \$ | - |
| 2021 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2022 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2023 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2024 | \$ | 8,780 | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2025 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2026 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2027 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2028 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| 2029 | \$ | - | \$ | 10,753 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |

Putnam, Hayes & Bartlett - Restructuring Filing - Utilizing W. Hieronymus' Market Revenue Estimates
 (000)

| | Total | Conemaugh | Conowingo | Cromby 1 | Cromby 2 | Delaware | Eddystone 1 | Eddystone 2 | Eddystone3&4 | Keystone |
|--------------------------------------|------------|-----------|-----------|----------|----------|----------|-------------|-------------|--------------|-----------|
| Required Life Extension Costs | | | | | | | | | | |
| 1999 | \$ 20,962 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2001 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2003 | \$ 87,981 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 87,981 |
| 2004 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2006 | \$ 97,356 | \$ 97,356 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2007 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2009 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2010 | \$ 159,471 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 76,010 | \$ 83,462 | \$ - |
| 2011 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2013 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2014 | \$ 51,346 | \$ - | \$ 17,115 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Putnam, Hayes & Bartlett - Restructuring Filin
(000)

| | <u>Limerick 1</u> | <u>Limerick 2</u> | <u>Muddy Run</u> | <u>P. Bottom 2</u> | <u>P. Bottom 3</u> | <u>Salem 1</u> | <u>Salem 2</u> | <u>Schuylkill</u> | <u>C. Turbines</u> |
|--------------------------------------|-------------------|-------------------|------------------|--------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Required Life Extension Costs | | | | | | | | | |
| 1999 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,962 |
| 2000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2001 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2002 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2003 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2004 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2006 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2007 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2008 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2009 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2010 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2011 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2013 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2014 | \$ - | \$ - | \$ - | 34,231 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2015 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2017 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2018 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2020 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2021 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2024 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2026 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2027 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2029 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |



**PECO Energy Company
Generation Market Price
Weighted by Output (1)**

| | \$/MWh | | |
|------|------------|------------|------------|
| | <u>EDS</u> | <u>PHB</u> | <u>ICF</u> |
| 1999 | 28.4 | 24.5 | 28.1 |
| 2000 | 31.5 | 27.8 | 31.3 |
| 2001 | 36.6 | 32.2 | 35.0 |
| 2002 | 38.2 | 33.9 | 36.4 |
| 2003 | 39.9 | 35.7 | 37.5 |
| 2004 | 41.7 | 37.6 | 38.9 |
| 2005 | 43.4 | 39.3 | 41.4 |
| 2006 | 44.8 | 41.1 | 43.3 |
| 2007 | 46.6 | 43.0 | 45.0 |
| 2008 | 48.2 | 44.9 | 47.0 |
| 2009 | 50.1 | 47.0 | 48.7 |
| 2010 | 52.1 | 49.0 | 50.6 |
| 2011 | 54.1 | 51.1 | 51.1 |
| 2012 | 55.4 | 53.3 | 53.0 |
| 2013 | 57.3 | 55.6 | 55.0 |
| 2014 | 60.4 | 58.3 | 57.5 |
| 2015 | 62.2 | 59.7 | 58.4 |

Levelized 1999-2008 38.5 34.6 37.1

Levelized 1999-2015 42.9 39.3 41.2

(1) - Weighted market price is the sum of market revenues for each PECO generating unit divided by the total output from all PECO generating units



**PECO Energy Company
Stranded Costs
as of December 31, 1998**

| | | |
|---------------------------------|----|-------------|
| Net Generating Plant & CWIP | \$ | 6,688,384 |
| Less: Market Value(a) | \$ | (2,862,913) |
| | | ----- |
| Stranded Plant | \$ | 3,825,471 |
| Regulatory Assets | \$ | 2,589,057 |
| Regulatory Liabilities | \$ | (5,319) |
| NUG Contracts | | - |
| Nuclear Decommissioning | \$ | 236,929 |
| Fossil Plant Decommissioning | \$ | 126,605 |
| Other Transition Cost | \$ | 32,661 |
| | | ----- |
| Total | \$ | 6,805,404 |
| Jurisdictional Allocation @100% | \$ | 6,805,404 |

(a) per PHB analysis



PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held February 22, 1996

Commissioners Present:

John M. Quain, Chairman
Lisa Crutchfield, Vice Chairman
John Hanger, Statement attached
David W. Rolka
Robert K. Bloom

Petition of PECO Energy Company
for a Declaratory Order Regarding
the Acceleration of Depreciation
and Amortization of Certain
Regulatory Assets Associated
With The Limerick Nuclear Station

Docket No. P-00950982

OPINION AND ORDER

BY THE COMMISSION:

Before us is the petition of PECO Energy Company ("PECO Energy" or "Company") which requests that we issue a declaratory order regarding the acceleration of depreciation and amortization of certain regulatory assets associated with the Limerick nuclear generating station.¹

The petition was filed October 27, 1996 and, through a notice published in the Pennsylvania Bulletin (25 Pa. B. 5307 (November 25, 1995)), we invited interested parties to offer comments on the Company's petition. Comments were filed by the Philadelphia Area Industrial Energy Users Group ("Industrial Group"), Office of Consumer Advocate ("OCA"), and the Commission's Office of Trial Staff ("OTS"). PECO Energy also filed a response to these comments.

None of the commenting parties opposed the petition and, one of these, the Industrial Group supported it. Having reviewed the petition, the comments and PECO Energy's response, the Commission is of the opinion that the request before it is in the public

¹The Commission has jurisdiction under Section 331(f) of the Public Utility Code, 66 Pa. C.S. § 331(f), to issue declaratory orders in its discretion to terminate a controversy or remove uncertainty.

interest and we will grant the petition for the reasons, and subject to the condition, set forth below.

Background

The Company asks us to approve a proposed change in the accounting treatment of its current depreciation of its electric plant. It wishes to utilize new life spans for various categories of electric production plant and changes in life estimates for transmission, distribution and general plant and common plant. PECO Energy is also asking to change the terminal date of the Limerick generating station for depreciation accrual purposes.

PECO Energy states that it has recently completed a new life study of the physical life of certain of its assets. It claims to have used the same basic life analysis techniques as were used in its 1988 study, on which its current depreciation rates were based. The major difference between the studies is the additional seven years of data on recorded retirement experience. PECO Energy asserts that the 1995 study supports the new life span changes regarding steam, nuclear, hydraulic production plant accounts, as well as transmission, distribution and general plant categories.

With respect to the Limerick Nuclear Station, the Company is seeking to advance the terminal date for the plant by 10 years for depreciation accrual purposes only. Such a change in the terminal date would result in a corresponding increase in the annual depreciation accruals for the plant. However, the Company states it is not seeking recognition of this change in its rates at this time. The Company is also requesting that the 10 year reduction in the terminal date apply to the amortization of costs associated with increasing the generation capacity of the Limerick units.²

With respect to the second item, PECO Energy is also seeking accelerated amortization of regulatory assets associated with Limerick. These include Allowance for Funds Used During Construction ("AFUDC") and deferred depreciation associated with the nuclear generating station Unit 2's share of common facilities and costs associated with the Unit 2 declaratory order.³ With respect to the first of these items, PECO Energy states that the Commission has allowed it to recover, through its rates, the AFUDC and depreciation accrued on the 50 percent of common facilities

²The Company has increased the generation capacity of Limerick 2 from 1,055 MW to 1,115 MW and is in the process of uprating Limerick 1 from 1,055 MW to 1,106 MW. The cost of this activity is amortized.

³*Petition of Philadelphia Electric Co. for Declaratory Order*, 69 PA. P.U.C. 481 (Entered May 3, 1989).

associated with Limerick Unit 2.⁴ The Company states that as of September 30, 1995, the unrecovered balance was \$242,312,561. The current annual amortization is \$7,897,000. By way of this petition, PECO Energy is proposing to amortize this cost over a nine year period commencing October 1, 1996. This results in a total annual amortization of \$26,046,151.

With respect to the declaratory order costs, these are the costs of operating Unit 2 from the inception of its commercial operation in January 1990 until the recognition of its operating costs in rates. The Company states that after Limerick 2 was placed in service, but prior to our order in its last rate case (at Docket No. R-891364), certain regulatory assets associated with Unit 2 were accrued. PECO Energy states that the unrecovered balance for the Limerick 2 declaratory order costs was \$90,647,125. Currently there is no annual amortization of this regulatory asset and no reflection of it in the Company's rates. The Company proposes to amortize this balance over a nine year period beginning October 1, 1996. It states that it intends to recover the costs through a future rate case.

PECO Energy also asserts that, in order to amortize a regulatory asset, there must be recognition of a revenue source. It offers three choices with respect to this recognition. It requests that the Commission deem that the revenue should be considered subsumed in existing rates from Docket No. R-891364, that the revenue had been made available through the operation of the Company's Competitive Breakthrough Strategy, or both.

The Company describes its Competitive Breakthrough Strategy as an effort to strengthen its financial position on a long-term basis to the advantage of its stockholders and customers. It argues that changes in life spans for purposes of calculating depreciation accrual on electric plant and the corresponding changes to remaining life estimates and terminal dates as well as modifications to the amortization of regulatory assets are part of this strategy. With specificity relating to Limerick, it argues that reducing the life span for depreciation purposes by 10 years allows it to recover all investment in nuclear generation plant on a company-wide basis by the end of its integrated resource planning horizon, or slightly thereafter. It maintains that this will "substantially" improve its competitive position and strengthen its financial position as well. As the electric industry becomes more competitive, PECO Energy states that it is becoming increasingly necessary for it to respond. It explains:

Because PECO Energy is not requesting a rate increase to accompany this increased

⁴Pa. P.U.C. v. Philadelphia Electric Co., Docket R-891364, Opinion and Order (Entered May 16, 1990).

depreciation and amortization, it must pay for this effort through a combination of ongoing and future efforts to control expenses, limit capital expenditures, and enhance revenue. The Company does not anticipate that its efforts to limit capital expenditures and control operation and maintenance expenses will be sufficient to completely offset both future inflation and the accelerated depreciation and amortization requested in this petition. Therefore, PECO Energy will be pursuing opportunities for revenue enhancement in the emerging wholesale market, as well as other revenue opportunities, which may include innovative rate designs and the offering of new products and services, both regulated and unregulated.

PECO Energy Petition, p. 10.

The Company summarizes its requested changes by stating that the increase in annual depreciation accruals for Limerick as a result of the life study, the 10-year reduction in the terminal date for Limerick for purposes of calculating depreciation and the effect on the Limerick uprates are \$71,811,695 per year. The increased amortization of certain regulatory assets associated with Limerick total \$28,220,854 annually. Together this amounts to a total annual increase in depreciation and amortization of \$100,032,549. The net change to depreciation and amortization of plant other than Limerick is a decrease of \$10,375,180 which results in a total net annual increase in depreciation and amortization of electric and common related plant and regulatory assets of \$89,657,369.

As noted above, three responses to this petition were received. The Industrial Group supports the petition calling it "an appropriate step by PECO Energy Company to become more competitive with its electricity pricing in the future." OTS states that it does not oppose the petition, but that it has "serious concerns regarding the potential ratemaking impact" of the petition should the Commission grant it. It noted that the life span of the Limerick facilities recognized for purposes of depreciation would be out of step with the station's life as useful generation property. OTS asks us to state now that we shall disallow future recognition of any additional revenue requirement as a result of shortening the life of the assets.

OCA also did not oppose the petition insofar as the Company is not seeking recognition of the proposed changes in rates at this time. However, OCA asks us to clarify that our policy would allow it, and any other party, to challenge increases in PECO Energy's

revenue requirement which might result from these changes in a future rate proceeding.

Finally, the Company responded to the comments of OTS and OCA. It supports OCA's request which would leave the Company free to seek recognition in rates of these changes in a future rate case, but allow any party to challenge the ratemaking application of those accounting changes.

Discussion

Having reviewed the petition and the comments, we believe the accounting changes requested by PECO Energy to be in the public interest and will approve them. In recent years, the electric industry has become more and more competitive. The Federal Energy Regulatory Commission is currently conducting a rulemaking proceeding which would open virtually all of the wholesale market for electricity to competition.⁵ Additionally, we have found it necessary to open an investigation at Docket No. I-940032 into the role of competition in the electric power market within our own jurisdiction. The accounting changes sought by PECO Energy are ones which would be expected by an electric utility seeking to be competitive.

With respect to recognizing revenue sources for the Limerick 2 operating expenses associated with the declaratory order, we shall allow the Company to recognize the costs of the amortization to be subsumed within existing rates and to have been made available through the operation of the Company's Competitive Breakthrough Strategy. At this time it is not necessary to delineate between these revenue sources with any greater specificity. However, if the Company should seek to have this accounting change recognized in the rates which it collects from its customers in a future rate case, its existing revenues from all sources will be subject to examination.

With regard to the potential impact on the Company's revenue requirement, we shall deny the request of OTS to bar recognition of these changes in future rate cases. Nonetheless, OTS shall retain the right to oppose recognition in rates or to advocate any other

⁵*Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities*, Docket No. RM95-8-000; *Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Docket No. RM94-7-001, 70 F.E.R.C. ¶ 61,357 (1995), 60 Fed. Reg. 17662-17726 (April 7, 1995), IV F.E.R.C. Stats. & Regs., Proposed Regulations ¶ 32,514 at 33,057-33,069 (1995).

treatment for ratemaking purposes. Recently we adopted a policy on public utility depreciation practices.⁶ That policy provides that:

In subsequent ratemaking proceedings, the most recent annual depreciation report or service life study approved or deemed approved for accounting purposes only under this chapter, constitutes a rebuttable presumption as to the reasonableness of the accrued depreciation claimed for ratemaking purposes, and the burden of proving the unreasonableness of the accrued depreciation shall be on the challenging party.

52 Pa. Code § 73.9(c). Thus, the right of any party to challenge the proposed ratemaking treatment in a future rate case is preserved. Accordingly, we shall grant the request by OCA that we recognize this in our order so that it, OTS and other parties will maintain the opportunity to challenge the Company with respect to the impact of these changes on rates. **THEREFORE,**

IT IS ORDERED:

1. That the Petition of PECO Energy Company for a Declaratory Order Regarding the Acceleration of Depreciation and Amortization of Certain Regulatory Assets Associated With The Limerick Nuclear Station be, and hereby is, approved consistent with the foregoing Opinion.

⁶Public Utility Depreciation Practices and Capital Planning, Docket No. L-920062, Order (Entered June 22, 1995); 25 Pa.B. 3104 (August 5, 1995).

2. That this Order shall be without prejudice to the right of any customer of PECO Energy Company or representative thereof, the Office of Trial Staff, or any other party to a future rate case, to oppose or seek differing ratemaking treatment from that proposed by PECO Energy Company in recognition of these accounting changes.

3. That this docket shall be marked "Closed".

4. That a copy of this Order shall be served upon all persons having filed comments in this proceeding, and all parties of record in PECO Energy Company's most recent rate case at Docket No. R-891364.

BY THE COMMISSION,


John G. Alford
Secretary

(SEAL)

ORDER ADOPTED: February 22, 1996

ORDER ENTERED: FEB 23 1996

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania

PETITION OF PECO ENERGY FOR
A DECLARATORY ORDER REGARDING
THE ACCELERATION OF DEPRECIATION
AND AMORTIZATION OF CERTAIN REGULATORY
ASSETS ASSOCIATED WITH THE LIMERICK
NUCLEAR STATION

PUBLIC MEETING-
FEBRUARY 22, 1996
FEB-96-L-14*
DOCKET NO. P-00950982

STATEMENT OF COMMISSIONER JOHN HANGER

The instant Petition represents a true dilemma.

On the one hand, public utilities with large investments in uneconomic plants, such as PECO's investment in Limerick, should be seeking to accelerate the depreciation of such plants so that PECO will have a chance to produce electricity from these plants at competitive market rates in the future. PECO is attempting to mitigate the costs of its past uneconomic investment now, so that it will be able to compete when customers obtain the right to choose their electricity supplier in the not-too-distant future. At least for the time being, PECO is not seeking to pass on any of the cost of the accelerated depreciation through rate increases. That is the wise and sober action to take.

Aside from Commission approval, PECO does not have free reign simply to change its depreciation schedules at whim. In order to comply with accounting standards, PECO must justify the assumptions of shortened useful life to match the accelerated depreciation schedule. PECO has in fact completed a new life span study which concludes that the additional seven years of experience since the previous study indicates that the useful life of Limerick will be ten years less than previously assumed. While such changed assumptions surely underline the unfortunate decisions that were made when PECO decided to complete Limerick, they also provide an opportunity for PECO to attempt to cut its losses.

Accounting standards also require identification of revenue sources to support the additional \$90 million "expense" on the company's books. PECO has indicated that existing rates, coupled with stricter controls on company expenses and more aggressive marketing, will be adequate to cover the additional \$90 million expense on the company's books.

Let's look at that again. PECO's rates are high enough, and its budget fat enough, that it can simply absorb a \$90 million hit when it has the incentive to do so!

That brings me to the other hand. PECO requests approval of its Petition so that it can compete as the industry becomes more competitive. Yet, PECO is doing everything within its power in order to prevent implementation of a meaningfully competitive

retail generation industry in Pennsylvania. Since retail competition and customer choice is going to happen sooner or later, not only in Pennsylvania but also across the country, it certainly makes sense for PECO to attempt to cut its losses and hedge its bets by filing a Petition such as this notwithstanding its all-out anti-customer-choice campaign.

But in these circumstances, why should this Commission grant PECO's Petition? Why shouldn't there instead be a rate case to reduce PECO's rates so that the company no longer has sufficient excess earnings or budgetary fat to absorb a \$90 million hit? Why should PECO be so flush with cash that it can afford to try to buy a more competitive neighboring utility? To those who would consider filing a Complaint to reduce PECO's rates, which remain the ninth highest in the country, perhaps a relatively small rate reduction now may be less valuable than the larger and long-term reductions in prices that will be available by taking appropriate steps to mitigate uneconomic investments on the way to a competitive market.

PECO's Petition is fundamentally unlike an otherwise similar Petition filed by PP&L, Met-Ed or Penelec. Those utilities also have uneconomic investments which should be mitigated. But unlike PECO, those utilities are actively encouraging retail competition, because they believe that a well-managed utility can thrive while all consumers benefit from customer choice and lower prices.

Why shouldn't this Commission deny the Petition or even begin rate reduction proceedings as long as PECO is doing everything within its power to stop competition? For now, I am willing to support PECO's Petition because I remain hopeful that Pennsylvania will make a reasonable and timely transition to retail customer choice. I, however, do now state that, should this Commission oppose such a transition, then I will revisit this approval. For if this state is not going to allow retail customer choice, the only reasonable thing to do is to deny the Petition and immediately begin proceedings to reduce PECO's rates.

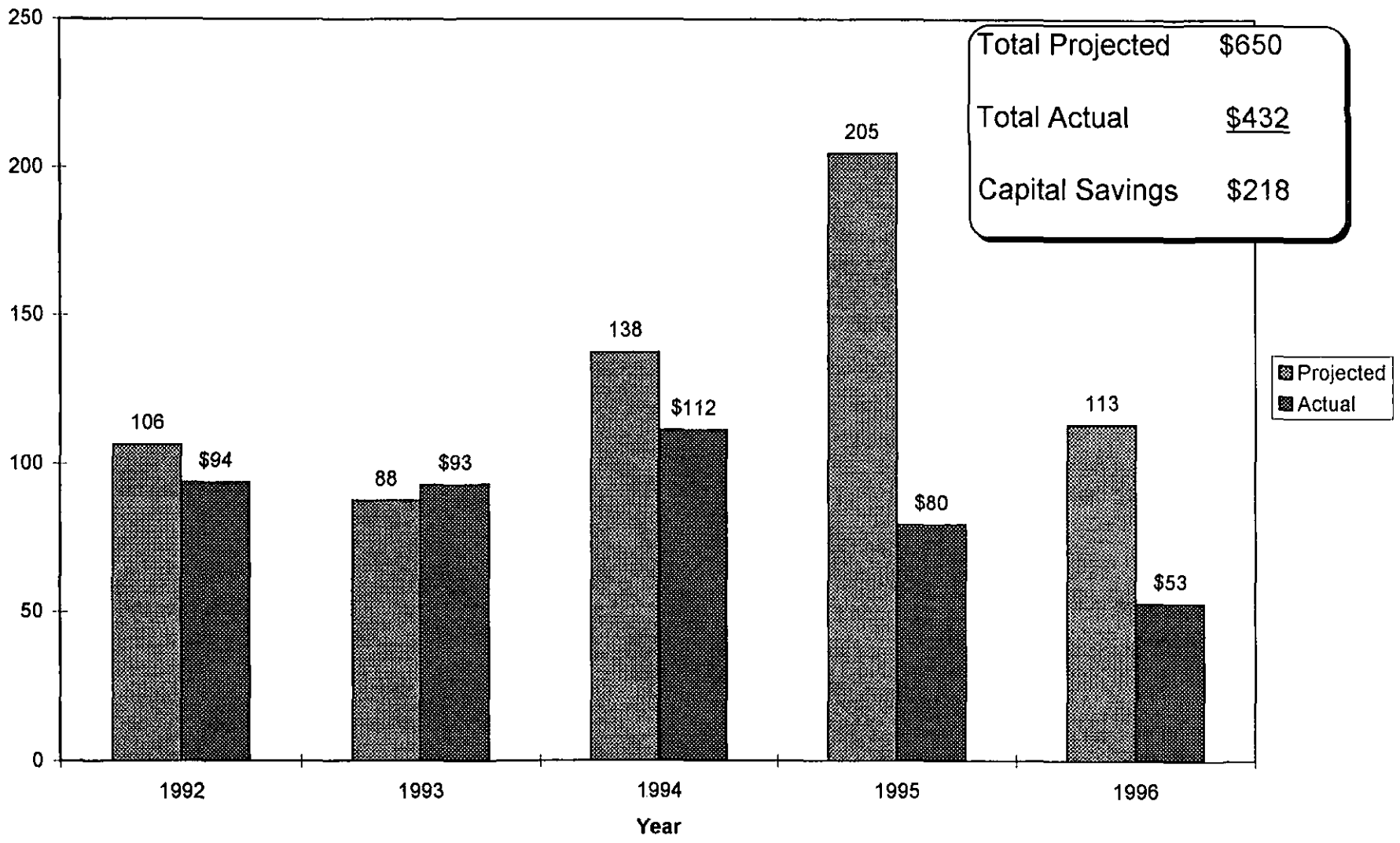
I also come to this decision because this Commission must do its part to permit PECO to become competitive and encourage mitigation of uneconomic investment now, even if PECO is totally opposed to customer choice. There is a limit to our responsibility to PECO, however. PECO certainly should not expect that these costs ever would be imposed on consumers in a future rate case without meaningful competition and should be prepared to implement a rate cut if its advocacy against customer choice prevails.

February 22, 1996
DATED

John Hanger
JOHN HANGER, COMMISSIONER



Actual Generation Capital Spending vs 1989 Capital Forecast





PECO Energy Company
Earnings Per Share Impact
Due To Accelerated Depreciation
Associated with the CTC
Thousand \$

| | | |
|--|----|-----------|
| Total Net Plant @ 12/31/98 (Exhibit ABC - 2) | \$ | 6,688,384 |
| Estimated Stranded Net Plant (Exhibit TPH - 7) | \$ | 3,825,471 |
| % of Net Plant that is Stranded | | 57.2% |

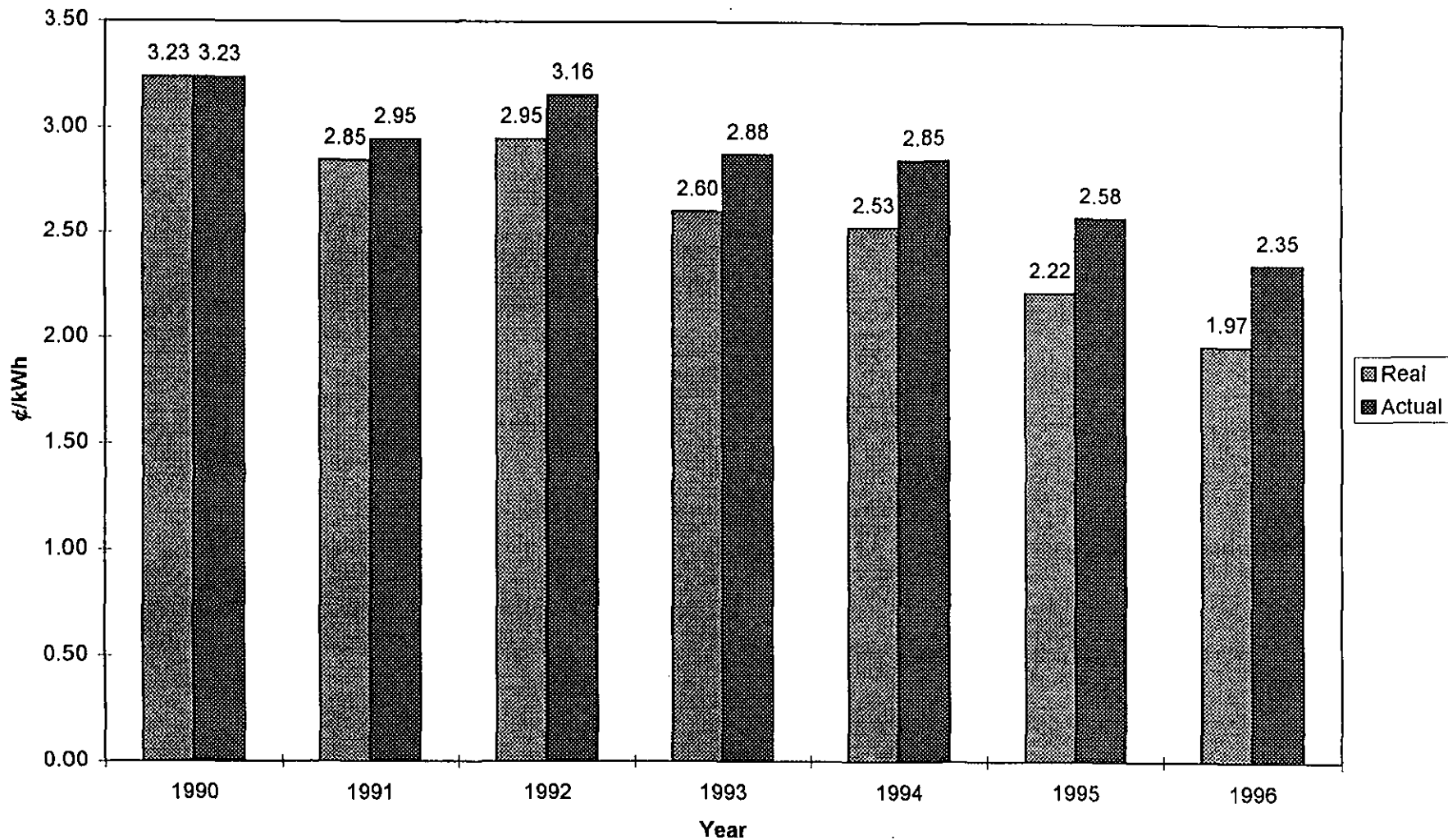
Development of Generation Related Depreciation:(per Exhibit ABC - 1, Schedule 3)

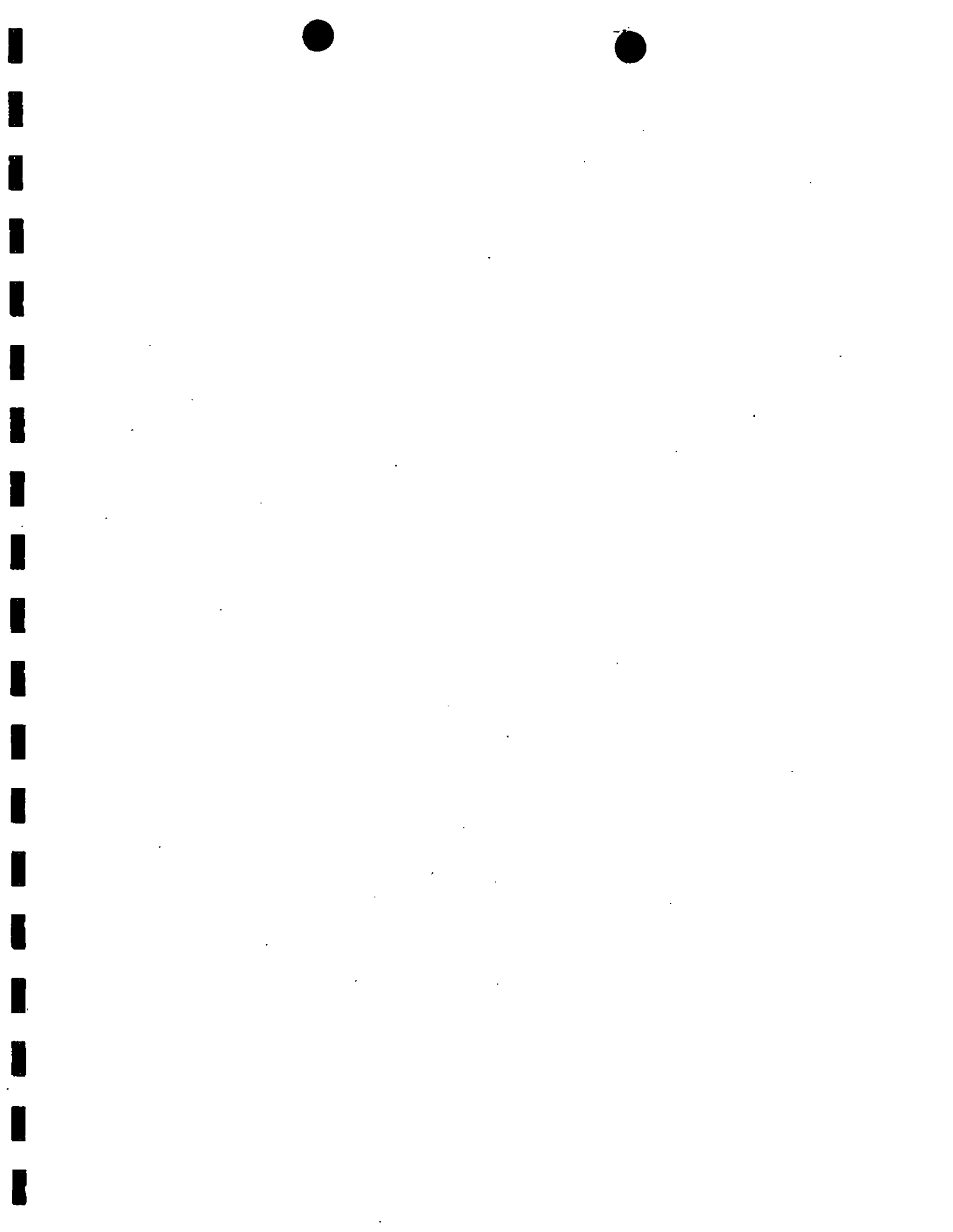
| | | |
|--|--------|-------------|
| Total Accrual | \$ | 509,549 |
| Less: | | |
| Limerick PUC Adjustment | \$ | 19,534 |
| Transmission | \$ | 12,243 |
| Distribution | \$ | 56,910 |
| General | \$ | 3,337 |
| Net Generation Accrual | \$ | 417,525 |
| Amortization of Intangible Plant | \$ | 6,562 |
| Total Generation Accrual | \$ | 424,087 |
| Allocated to Stranded @ | \$ | 242,560 |
| Amortization of Stranded Plant(7 yr) | \$ | 546,496 |
| Earnings per Shar Impact | | |
| Increase in Accrual | \$ | 303,936 |
| Estimated Deferred Tax Increase(a) | \$ | (46,256) |
| Reduction in Income | \$ | 257,680 |
| Total Shares | \$ | 222,490 |
| EPS reduction | \$ | 1.16 |

- (a) Acc. Def. Tax Balance \$582,202 (Exhibit ABC -1, Schedule 10, p.3)
Annual ADIT amortization = \$83,172 = \$582,202/7
Allocation to accrual increase = \$303,936/\$546,496 * \$83,172 = \$46,256



PECO Energy Company Non-Fuel O&M on Real vs Actual Basis





The History of the Limerick Generating Station

Construction

Background

In response to the massive blackout in the Northeastern United States in the mid-1960's, the public utility commissions of Pennsylvania, New Jersey, Delaware, and Maryland held joint meetings in 1966 and 1967 to analyze the purpose and operation of the Pennsylvania-New Jersey-Maryland(PJM) interconnection. The commissions warned the electric utilities subject to their jurisdiction (and the public) that a desperate situation was developing which could result in additional blackouts or load curtailments in the near future. The companies were told to increase installed generating capacity so that a 20% reserve margin could be maintained.

The Decision to Add Nuclear Capacity

The initial decision to build the Limerick units was based upon an analysis performed in 1968 which showed that new capacity was required to meet customers' needs beginning in the 1975-1977 period. Once this need was identified, it was decided that the new capacity should be baseload generation. Baseload was selected because PECO Energy had sufficient levels of peaking and demand following capacity. A study was then performed which showed that a nuclear plant was the most economic choice when compared to the only other feasible options, coal and oil.

During the 1970's and 1980's, additional statutory and regulatory constraints came into existence that further limited utilities' decisions regarding generating plant construction. Due to the energy crisis, national policy after 1978 discouraged, and in some cases prohibited, the use of natural gas or oil in new generating plants. In addition, coal fired generating plants were discouraged in the eastern part of Pennsylvania due to air quality concerns.

Decisions to continue construction of the Limerick units were reviewed by PECO Energy on a continuing basis until construction on Limerick Unit 2 was well underway in the late -1980's. As described below, those decisions were evaluated on at least five separate occasions by the Pennsylvania Public Utility Commission (PaPUC).

The Construction

The Limerick project was officially announced in late 1969 and, at that time, had projected in-service dates of 1975 and 1977 for the two units. Pre-licensing

work was started in 1970 and the Company received a certificate of necessity from the PaPUC in 1971 which granted approval for the siting of the non-power plant related buildings at Limerick. The start of full scale construction, however, was delayed until 1974 due to new environmental regulations (National Environmental Policy Act of 1969) that had gone into effect. This delay in receiving a construction permit from the Atomic Energy Commission resulted in a revision to the projected in-service dates of the units to 1979 and 1980.

In late 1974, due to adverse financial factors brought on by the Arab Oil Embargo, the completion dates were delayed once again to 1981 and 1982. Subsequent to the Oil Embargo, PECO and other utilities experienced a substantial decline in the rate of growth of electric consumption. Through the 1960's and early 1970's load was growing at approximately 7% per year whereas after the embargo growth rates declined to less than 2% per year. This reduction in the level of load growth resulted in PECO's 1976 announcement to delay the in-service dates to 1983 and 1985. In 1978, continuing lower-than-anticipated load growth lead to another delay in the in-service dates to 1985 and 1987.

Limerick 1 first produced power in October 1984, although the licensing phase of construction was not completed and the plant was not officially in-service until February 1986.

Limerick 2 first produced power in 1989 and was placed in service in January 1990. The delay from the 1987 date referenced above was the result of a PaPUC investigation, which is discussed below.

Regulatory Reviews Of Whether It Was Prudent To Construct Limerick And Whether The Cost Of Construction Was Reasonable

1979 Rate Case (Docket No. R-79060865)

The first challenge to the completion of Limerick came in a base rate case (not related to Limerick) that was filed in 1979. The Office of the Consumer Advocate (OCA) had requested a special investigation to determine whether or not it was prudent to continue construction of Limerick. The Administrative Law Judge (ALJ) rejected the OCA position, stating that the Company should not be directed to terminate construction and that no special investigation was needed. The Commission concurred with the decision.

1980 Show Cause Investigation (Docket No. I-80100341)

In August 1980, the OCA filed a petition with the PaPUC requesting that the Commission order PECO Energy to show cause as to why the completion of Limerick was in the public interest. The start of the investigation to the end of the judicial appeals resulting from it spanned the period from August 1980 to February 1984. The investigation addressed such issues as the alternatives available at the time the decision to build the unit was made, currently available alternatives, the impact of construction delays, and the reasonableness of cost escalations.

This investigation, as with the investigations that followed, involved the testimony of dozens of expert witnesses presenting the views of not only PECO Energy, but also advocates for PECO Energy's customers, such as the OCA and industrial customers. The record of each of these investigations runs into the thousands of pages.

The ALJ, after reviewing the voluminous record in the 1980 investigation, determined that prompt completion of both units was in the public interest, stating that:

" After reviewing the extensive record in this proceeding, I can come to but one conclusion—that at the present time there is no alternative available that can replace Limerick at a lower cost to the consumer. The record shows that a timely completion of Limerick Units I and II is in the best interest of PECO and its ratepayers....."

The Commission agreed with the ALJ with respect to the completion of Limerick 2 but concluded that the Company's financial condition was such that the simultaneous construction of both units was not feasible. As such the PaPUC ordered PECO Energy to either suspend or cancel construction of Limerick 2. Construction of Limerick 2 was suspended shortly thereafter and was not resumed, in full, until Limerick 1 was completed in February, 1986.

Limerick 2 Show Cause (Docket I-840381)

In August 1984 the PaPUC instituted another investigation of whether completion of Limerick 2 was in the public interest. The investigation addressed issues such as the need for Limerick 2's capacity, the alternatives available, the impact on PECO Energy's financial health, and the recovery of sunk costs. The ALJ in the case found that completion was not in the public interest. The PaPUC, however, reversed that decision and found that completion was in the public interest if a cost cap was established and certain operating incentives were established. The Company agreed to the Commission's terms for completion and resumed construction of Limerick 2 upon the completion of

¹ Limerick Nuclear Generating Station Investigation, PUC Docket No. I-80100341, Initial Decision of Administrative Law Judge Joseph J. Klovekom, March 26, 1982.

Limerick 1 in February, 1986. The construction was completed for almost \$400 million less than the agreed-to cap and nine months ahead of schedule.

A separate issue in the Limerick 2 Show Cause Investigation was whether PECO Energy needed a plant of this size. PECO Energy forecast at the time of the Limerick 2 investigation that its 1995 peak load would be 6500 MW. The ALJ in the case considered the Company's forecast to be too high; this was a primary reason for her conclusion that Limerick 2 should not be built. In fact, the actual 1995 peak load was 7246 MW.

Limerick 1 Rate Proceeding (Docket R-850152)

In September 1985 PECO Energy filed for a \$682 million base rate increase. The primary purpose of the filing was to include Limerick 1 in ratebase. The Commission Order was issued in June 1986 and granted PECO Energy a \$351 million increase. Issues concerning the need for the capacity from Limerick 1, and the impact of the construction delays, were addressed. The Commission found that the unit was needed and was not excess capacity. The Commission also ordered that PECO Energy's shareholders must pay for \$369 million of the cost of Limerick Unit 1 to compensate for construction delays.

Limerick 2 Rate Proceeding (Docket R-891364)

In July 1989 the Company filed for a \$548 million rate base increase. The primary purpose of the filing was to include Limerick 2 in rate base. The Commission Order was issued in April 1990 granting the Company a \$242 million increase. The issues of physical and economic excess capacity as well as the impact of the construction delays were addressed in the proceedings. The Commission ultimately determined that 399 megawatts of excess capacity resulted from the addition of Limerick 2 and accordingly, reduced PECO's request rate increase by approximately \$106 million. The Commission also ordered that PECO Energy's shareholders must pay for approximately \$215 million of the construction cost of Limerick Unit 2.

Limerick Performance

Operating performance at the Limerick units has far exceeded all expectations that were used to evaluate whether it was an economic choice. Moreover, the cost of providing electricity from the Limerick units has declined substantially since operation began.

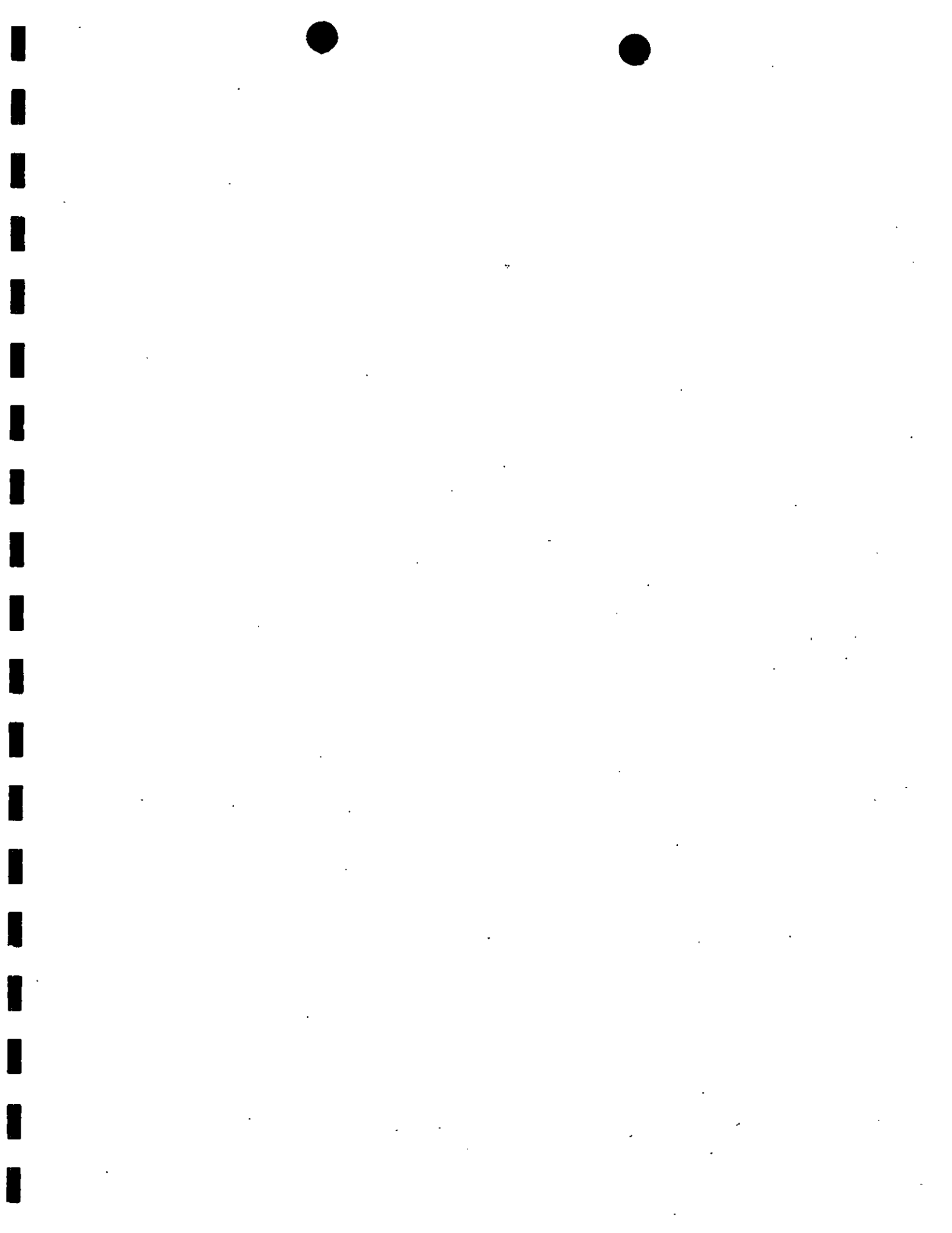
PECO Energy evaluates the economics of a new generating unit on a life cycle basis. The life cycle analysis provides a better comparison for projects that have

varying levels of capital expenditures. When evaluated on a life cycle basis, the Limerick generating units were always the economic choice. Rates, however, are set on embedded investment and, consequently, increased substantially when the Limerick units were first included in rate base. At the same time, high capital cost projects generally have low variable costs, thus resulting in lower rates in the future as the utility's investment is depreciated. This can readily be seen in the case of Limerick where the cost per kilowatt hour has declined from approximately 14 cents to about 7.5 cents.

In the Limerick investigations, the economics of the plant were evaluated on, in part, a projection that it would operate at a 65% capacity factor. The table below shows that the actual capacity factors achieved by Limerick have far exceeded that target:

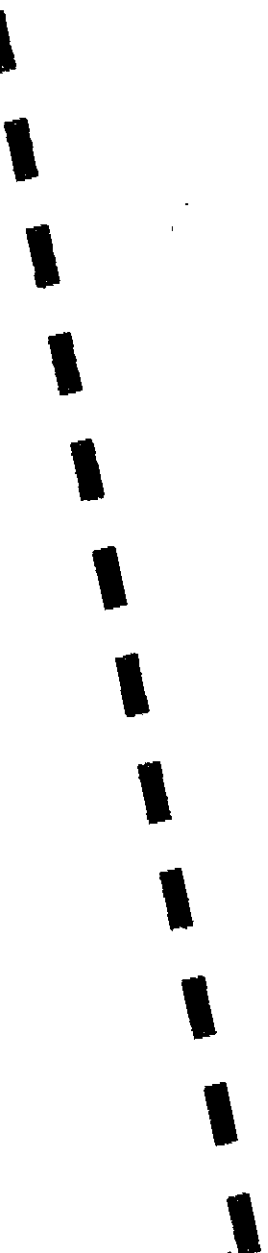
| <u>Year</u> | <u>Limerick 1</u> | <u>Limerick 2</u> |
|-------------|-------------------|-------------------|
| 1986 | 81.0% | |
| 1987 | 57.6% | |
| 1988 | 72.0% | |
| 1989 | 56.7% | |
| 1990 | 60.8% | 79.8% |
| 1991 | 88.0% | 77.3% |
| 1992 | 67.2% | 91.6% |
| 1993 | 94.6% | 80.7% |
| 1994 | 85.0% | 92.7% |
| 1995 | 88.2% | 86.7% |
| Avg. | 75.1% | 84.8% |

By operating Limerick at these very high capacity factors, PECO Energy has been able to pass on to its customers savings that now cumulatively total in the hundreds of millions. These savings have been achieved by excellent operation of the nuclear units, including world record efficiency in recent refueling outages.



PECO Energy Company
Dividends Paid Per Share of Common Stock:

| Year | Dividends Paid (1) | Reduction (2) = \$2.20 - (1) | Shares at Year-End (3) | Total Reduction In Dividends (4) = (2)*(3) | Value of Reduction @ 12/31/96 @ 12.75% |
|------|--------------------------|---------------------------------|------------------------------|--|--|
| 1989 | \$ 2.20 | \$ - | | | |
| 1990 | \$ 1.45 | \$ 0.75 | 216,952,649 | \$ 162,714,487 | \$ 334,291,646 |
| 1991 | \$ 1.23 | \$ 0.98 | 220,030,400 | \$ 214,529,640 | \$ 390,903,948 |
| 1992 | \$ 1.33 | \$ 0.88 | 220,534,048 | \$ 192,967,292 | \$ 311,852,984 |
| 1993 | \$ 1.43 | \$ 0.77 | 221,516,299 | \$ 170,567,550 | \$ 244,481,535 |
| 1994 | \$ 1.55 | \$ 0.66 | 221,608,984 | \$ 145,153,885 | \$ 184,527,783 |
| 1995 | \$ 1.65 | \$ 0.55 | 222,172,216 | \$ 122,194,719 | \$ 137,774,545 |
| 1996 | \$ 1.76 | \$ 0.45 | 222,542,087 | \$ 99,031,229 | \$ 99,031,229 |
| | | | | \$ 1,107,158,801 | \$ 1,702,863,671 |



PECO ENERGY COMPANY ASKS
PaPUC TO APPROVE ITS ELECTRIC COMPETITION
RESTRUCTURING PLAN

Last year the Pennsylvania Legislature passed, and Governor Ridge signed, a law allowing consumers to select their electric generation supplier by 2001. The law requires us to file plans with the Pennsylvania Public Utility Commission (PaPUC) showing how consumers will have access to competitive electricity suppliers.

PECO Energy Company filed its restructuring plan with the PaPUC on April 1. The plan has several key elements including:

1. the procedures we will use to make sure that customers can choose their generation suppliers.
2. the prices we charge, for generation, transmission and distribution services, known as "unbundled" prices. These prices are subject to a rate cap.
3. *the amount of a proposed "competitive transition charge" permitted by the new law.* This charge would allow us to continue to collect from customers, over a 7-year period, \$6.8 billion in costs associated with assets that may not be recoverable in a competitive environment. These are known as "stranded costs."
4. how we will make sure that all customers wanting electric service can get it and what energy conservation measures we will have for low-income customers.
5. how we will inform customers about the changes leading up to retail electric competition.

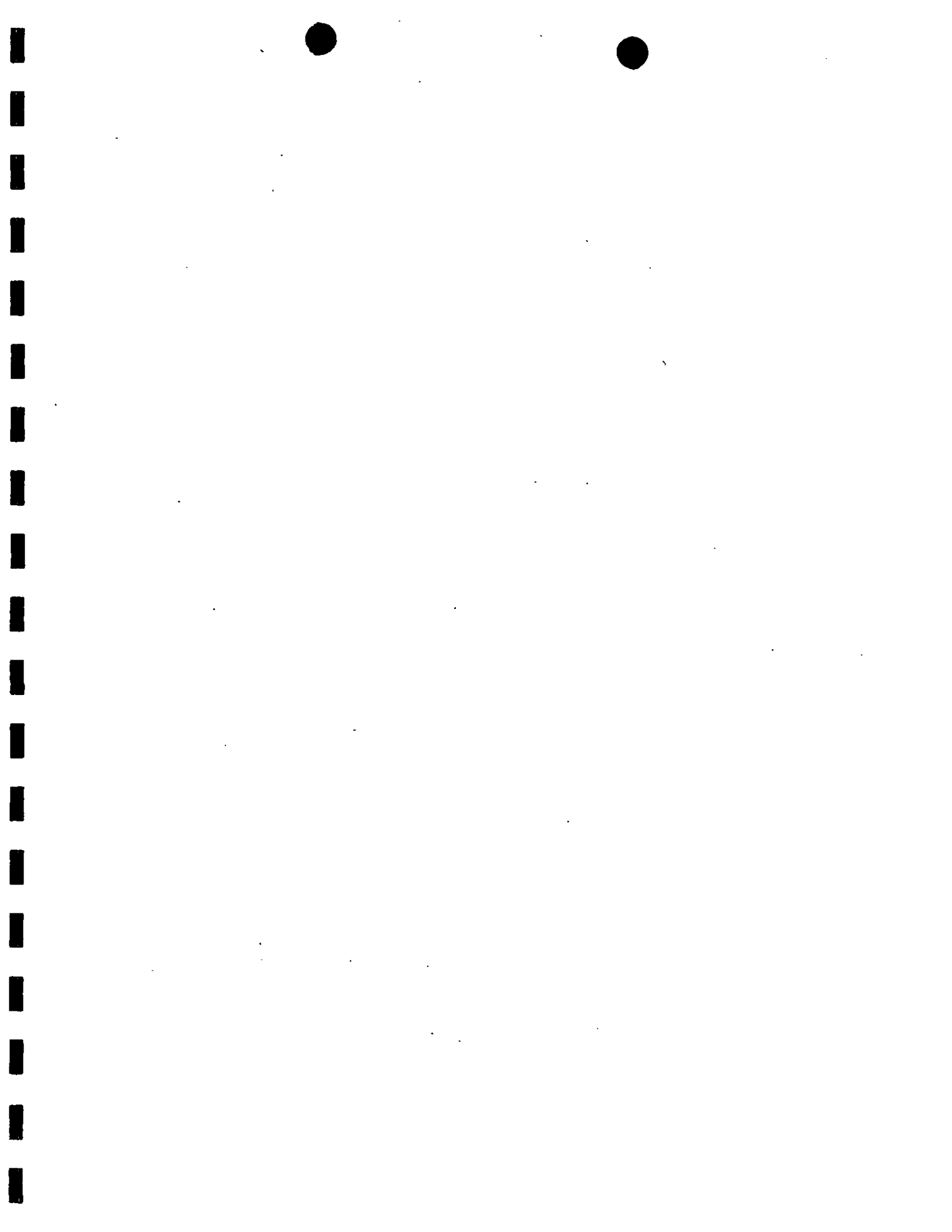
Under the new law, one-third of our customers will be able to choose an electric generation supplier by January 1, 1999. Another third will have choice by January 1, 2000, and the final third by January 1, 2001.

The PaPUC will hold hearings and review our filing. It will also issue an order accepting, modifying, or rejecting our plan by December 31, 1997.

You may contact the PaPUC at P.O. Box 3265, Harrisburg, Pennsylvania 17105-3265 if you wish to file a complaint or take part in the proceedings.

For more information contact PECO Energy at 1-800-494-4000.

PECO Energy Company



PRIOR EXPERIENCE OF THOMAS P. HILL, JR.

I have participated in the preparation of rate case materials necessary for filing electric rate applications before the Pennsylvania Public Utility Commission which include: the 1975 Electric Rate Case (RID 295), the 1977 Electric Rate Case (RID 438), the 1979 Electric Rate Case (R-79060865), the 1980 through 1985 Electric Rate Cases (R-8006125, R-811626, R-822291, R-842590 and R-850152), and the 1989 Limerick Generating Station Electric Rate Case (R-891364). At R-79060865, I submitted testimony in the area of nuclear fuel inventory, materials and supplies, land held for future use and non-revenue producing CWIP. At R-8006125, R-811626, R-822291, R-842590 and R-850152, I presented testimony on specific revenue adjustments, operating expenses and the Company's claimed rate base exclusive of depreciated plant in service. At R-891364, I presented the Company's overall claim, as well as specific revenue adjustments.

In addition, I have participated in the preparation of similar materials in prior Gas Operations filings including the 1979 Gas Rate (R-79030781), the 1981 Gas Rate Case (R-811719), the 1983 Gas Rate Case (R-8432410) and the 1987 Gas Rate Case (R-870629). At R-79030781, I presented testimony as the Company depreciation witness responsible for claimed rate base and annual provisions for depreciation. At R-811719, R-832410 and R-870629, I presented testimony in support of the Company's revenue claim, operating expenses and rate base exclusive of depreciated plant in service.

I have participated in the preparation of rate filing materials for the prior Steam Operations filings including the 1979 Steam Rate Case (R-79040785), the 1980 Steam Rate Case (R-80071263), the 1981 Steam Rate Case (R-811720), the 1982 Steam Rate Case (R-822101) and the 1983 Steam Rate Case (R-832434). At R-79040785, I presented testimony as the Company depreciation witness responsible for rate base and annual provisions for depreciation. At R-80071263, I presented testimony in support of the Company's claims for materials and supplies and cash working capital. At R-822101 and R-832434, I presented testimony supporting the Company's claims for all revenue and expenses.

I have participated since 1970 in the preparation of exhibits for rate base, revenue, expense and other adjustments necessary for filing rate applications before the Federal Energy Regulatory Commission in support of our rate increases to the Borough of Lansdale and Conowingo Power Company. I have submitted testimony before the FERC at Dockets ER81-318, ER82-294, ER82-295, ER84-910, ER86-622 and ER94-8-000. I have also prepared rate filing material including rate base and all adjustments to rate base for filings before the Public Service Commission of Maryland for our subsidiary Conowingo Power Company.

Finally, I have submitted testimony in several Show Cause proceedings before the Pennsylvania Public Utility Commission. At Dockets No. R-830453, No. M-840375, No. M-850010, and No. I-880082 I testified on the administration of the Company's Energy Cost Rate and at Docket No. I-840381, I testified on the revenue requirements for Limerick 2 and other alternate generation scenarios.