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May 15, 2020

Ms. Kimberly D. Bose<br>Secretary<br>Federal Energy Regulatory Commission<br>888 First Street, N.E. Room 1A<br>Washington, DC 20426

Re: Delmarva Power \& Light Company ("Delmarva"), Docket No. ER09-1158 Informational Filing of 2020 Formula Rate Annual Update; Notice of Annual Update

Dear Ms. Bose,
Delmarva hereby submits electronically, for informational purposes, its 2020 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement ("Settlement") filed in Docket Nos. EL13-48, et al. ${ }^{1}$ Formula Rate implementation protocols contained in the Settlement provide that:
[o]n or before May 15 of each year, Delmarva [Delmarva Power \& Light Company] shall recalculate its Annual Transmission Revenue Requirements, producing an "Annual Update" for the upcoming Rate Year, and:
(i) cause such Annual Update to be posted at a publicly accessible location on PJM's internet website;
(ii) cause notice of such posting to be provided to PJM's membership; and
(iii) file such Annual Update with the FERC as an informational filing. ${ }^{2}$

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation

[^0]protocols. Thus, all interested parties should have ample notice of and access to the Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment. ${ }^{3}$

Delmarva's 2020 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13 (b)(7).

In addition, DPL provides notification regarding accounting changes made in 2019. DPL made certain reclassifications between FERC accounts resulting in lower O\&M expense to transmission customers. DPL updated certain estimates with 2019 data, including the salaries and wages allocator, ratios used to allocate costs from the service companies, and ratios used to distribute overhead and other indirect costs. DPL also advises that a correction was made in the second quarter of 2019 to address an overstatement of plant in service at the end of 2018. ${ }^{4}$

Other accounting changes as defined in the Settlement are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and/or within the FERC Form No. 1. Delmarva has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Protocols. ${ }^{5}$

Thank you for your attention to this informational filing. Please direct any questions to the undersigned.

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

## Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

[^1]ATTACHMENT H-3D

| Delmarva Power \& Light Company <br> Formula Rate - Appendix A |  | Notes | FERC Form 1 Page \# or Instruction |  | 2019 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Shaded cells are input cells |  |  |  |  |  |
| Allocators |  |  |  |  |  |
| Wages \& Salary Allocation Factor |  |  |  |  |  |
| 3 | Total Wages Expense Less A\&G Wages Expense |  | p354.28b p354.27b | \$ | 42,758,856 2,605,138 |
| 4 | Less A\&G Wages Expense |  | (Line 2 - 3) |  | $\frac{2,605,138}{40,153,718}$ |
| 5 | Wages \& Salary Allocator |  | (Line 1/4) |  | 10.7721\% |
| Plant Allocation Factors |  |  |  |  |  |
| 6 | Electric Plant in Service | (Note B) | p207.104g (see attachment 5) | \$ | 4,446,440,585 |
| 7 | Common Plant In Service - Electric |  | (Line 24) |  | 132,849,417 |
| 8 | Total Plant In Service |  | (Sum Lines 6 \& 7) |  | 4,579,290,002 |
| 9 | Accumulated Depreciation (Total Electric Plant) |  | p219.29c (see attachment 5) | \$ | 1,080,661,526 |
| 10 | Accumulated Intangible Amortization | (Note A) | p200.21c (see attachment 5) | \$ | 12,337,866 |
| 11 | Accumulated Common Amortization - Electric | (Note A) | p356 |  | 20,493,011 |
| 12 | Accumulated Common Plant Depreciation - Electric | (Note A) | p356 | \$ | 58,271,858 |
| 13 | Total Accumulated Depreciation |  | (Sum Lines 9 to 12) |  | 1,171,764,262 |
| 14 | Net Plant |  | (Line 8-13) |  | 3,407,525,740 |
| 15 | Transmission Gross Plant |  | (Line 29-Line 28) |  | 1,773,846,169 |
| 16 | Gross Plant Allocator |  | (Line 15/8) |  | 38.7363\% |
| 17 | Transmission Net Plant |  | (Line 39-Line 28) |  | 1,364,887,506 |
| 18 | Net Plant Allocator |  | (Line $17 / 14$ ) |  | 40.0551\% |


| Plant Calculations |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Plant In Service |  |  |  |  |  |
| 19 | Transmission Plant In Service | (Note B) | p207.58.g | \$ | 1,731,157,609 |
| 20 | For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year | For Reconciliation Only | Attachment 6 - Enter Negative |  | 0 |
| 21 | New Transmission Plant Additions for Current Calendar Year (weighted by months in service) |  | Attachment 6 |  | 3,408,918 |
| 22 | Total Transmission Plant In Service |  | (Line 19-20 + 21) |  | 1,734,566,527 |
| 23 | General \& Intangible |  | p205.5.g \& p207.99.g (see attachment 5) |  | 231,794,460 |
| 24 | Common Plant (Electric Only) | (Notes A \& B) | p356 |  | 132,849,417 |
| 25 | Total General \& Common |  | (Line 23 + 24) |  | 364,643,877 |
| 26 | Wage \& Salary Allocation Factor |  | (Line 5) |  | 10.77206\% |
| 27 | General \& Common Plant Allocated to Transmission |  | (Line 25 * 26) |  | 39,279,643 |
| 28 | Plant Held for Future Use (Including Land) | (Note C) | p214 |  | 0 |
| 29 | TOTAL Plant In Service |  | (Line 22+27+28) |  | 1,773,846,169 |
| Accumulated Depreciation |  |  |  |  |  |
| 30 | Transmission Accumulated Depreciation | (Note B) | p219.25.c | \$ | 392,383,042 |
| 31 | Accumulated General Depreciation |  | p219.28.c (see attachment 5) | \$ | 62,773,380 |
| 32 | Accumulated Intangible Amortization |  | (Line 10) |  | 12,337,866 |
| 33 | Accumulated Common Amortization - Electric |  | (Line 11) |  | 20,493,011 |
| 34 | Common Plant Accumulated Depreciation (Electric Only) |  | (Line 12) |  | 58,271,858 |
| 35 | Total Accumulated Depreciation |  | (Sum Lines 31 to 34) |  | 153,876,116 |
| 36 | Wage \& Salary Allocation Factor |  | (Line 5) |  | 10.77206\% |
| 37 | General \& Common Allocated to Transmission |  | (Line 35*36) |  | 16,575,621 |
| 38 | TOTAL Accumulated Depreciation |  | (Line 30 + 37) |  | 408,958,663 |
| 39 | TOTAL Net Property, Plant \& Equipment |  | (Line 29-38) |  | 1,364,887,506 |


| Adjustment To Rate Base |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Accumulated Deferred Income Taxes (ADIT) |  |  |  |  |  |
| 40a | Account No. 190 (ADIT) | (Note W) | Attachment 1A - ADIT, Line 1 |  | 13,989,086 |
| 40b | Account No. 281 (ADIT - Accel. Amort) | (Note W) | Attachment 1A - ADIT, Line 2 |  | 0 |
| 40c | Account No. 282 (ADIT - Other Property) | (Note W) | Attachment 1A - ADIT, Line 3 |  | -271,189,784 |
| 40d | Account No. 283 (ADIT - Other) | (Note W) | Attachment 1A - ADIT, Line 4 |  | -6,486,666 |
| 40 e | Account No. 255 (Accum. Deferred Investment Tax Credits) | (Note V) | Attachment 1A - ADIT |  | 0 |
| 40f | Accumulated Deferred Income Taxes Allocated To Transmission |  | (Line 40a + 40b + 40c + 40d + 40e) |  | -263,687,364 |
| Unamortized Deficient / Excess) ADIT |  |  |  |  |  |
| 41a | Unamortized Deficient / (Excess) ADIT (Federal) | (Note X) | Attachment 1B-ADIT Amortization |  | -92,805,332 |
| 41b | Unamortized Deficient / (Excess) ADIT (State) | (Note X) | Attachment 1B - ADIT Amortization |  | 0 |
| 42 | Unamortized Deficient / (Excess) ADIT Allocated to Transmission |  | (Line 41a + 41b) |  | -92,805,332 |
| 43 | Adjusted Accumulated Deferred Income Taxes Allocated To Transmission |  | (Line 40f + 42) |  | -356,492,696 |
| 43a | Transmission Related CWIP (Current Year 12 Month weighted average balances) | (Note B) | p216.43.b as Shown on Attachment 6 |  | - |
| 43b | Unamortized Abandoned Transmission Plant |  | Attachment 5 |  | - |
| Transmission O\&M Reserves |  |  |  |  |  |
| 44 | Total Balance Transmission Related Account 242 Reserves | Enter Negative | Attachment 5 |  | -4,176,168 |
| Prepayments |  |  |  |  |  |
| 45 | Prepayments | (Note A) | Attachment 5 |  | 17,355,342 |
| 46 | Total Prepayments Allocated to Transmission |  | (Line 45) |  | 17,355,342 |
| Materials and Supplies |  |  |  |  |  |
| 47 | Undistributed Stores Exp | (Note A) | p227.6c \& 16.c | \$ | - |
| 48 | Wage \& Salary Allocation Factor |  | (Line 5) |  | 10.772\% |
| 49 | Total Transmission Allocated |  | (Line 47 * 48) |  | 0 |
| 50 | Transmission Materials \& Supplies | (Note U) | p227.8c + p227.5c |  | 442,943 |
| 51 | Total Materials \& Supplies Allocated to Transmission |  | (Line $49+50$ ) |  | 442,943 |
| Cash Working Capital |  |  |  |  |  |
| 52 | Operation \& Maintenance Expense |  | (Line 85) |  | 30,637,724 |
| 53 | 1/8th Rule |  | x $1 / 8$ |  | 12.5\% |
| 54 | Total Cash Working Capital Allocated to Transmission |  | (Line 52 * 53) |  | 3,829,716 |


|  | Network Credits |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 55 | Outstanding Network Credits | (Note N ) | From PJM |  | 0 |
| 56 | Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits | (Note N ) | From PJM |  | 0 |
| 57 | Net Outstanding Credits |  | (Line 55-56) |  | 0 |
| 58 | TOTAL Adjustment to Rate Base |  | (Line $43+43 \mathrm{a}+44+46+51+54-57)$ |  | -339,040,863 |
| 59 | Rate Base |  | (Line $39+58$ ) |  | 1,025,846,642 |
| O\&M |  |  |  |  |  |
| Transmission O\&M |  |  |  |  |  |
| 60 | Transmission O\&M |  | p321.112.b (see attachment 5) | \$ | 21,085,808 |
| 61 | Less extraordinary property loss |  | Attachment 5 | \$ | - |
| 62 | Plus amortized extraordinary property loss |  | Attachment 5 | \$ | - |
| 63 | Less Account 565 |  | p321.96.b | \$ |  |
| 64 | Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565 | (Note O) | PJM Data | \$ | - |
| 65 | Plus Transmission Lease Payments | (Note A) | p200.3.c | \$ |  |
| 66 | Transmission 08M |  | (Lines 60-63+64+65) |  | 21,085,808 |
| Allocated General \& Common Expenses |  |  |  |  |  |
| 67 | Common Plant O\&M | (Note A) | p356 |  | 0 |
| 68 | Total A\&G |  | p323.197.b (see attachment 5) | \$ | 97,477,927 |
| 68a | For informational purposes: PBOB expense in FERC Account 926 | (Note S) | Attachment 5 |  | -302,032 |
| 69 | Less Property Insurance Account 924 |  | p323.185b |  | 423,114 |
| 70 | Less Regulatory Commission Exp Account 928 | (Note E) | p323.189b |  | 4,168,474 |
| 71 | Less General Advertising Exp Account 930.1 |  | p323.191b |  | 731,040 |
| 72 | Less DE Enviro \& Low Income and MD Universal Funds |  | p335.b |  | 6,661,139 |
| 73 | Less EPRI Dues | (Note D) | p352-353 |  | 301,727 |
| 74 | General \& Common Expenses |  | (Lines $67+68)$ - Sum (69 to 73) |  | 85,192,433 |
| 75 | Wage \& Salary Allocation Factor |  | (Line 5) |  | 10.7721\% |
| 76 | General \& Common Expenses Allocated to Transmission |  | (Line 74* 75) |  | 9,176,977 |
| Directly Assigned A\&G |  |  |  |  |  |
| 77 | Regulatory Commission Exp Account 928 | (Note G) | p323.189b |  | 205,461 |
| 78 | General Advertising Exp Account 930.1 | (Note K) | p323.191b |  | 0 |
| 79 | Subtotal - Transmission Related |  | (Line 77 + 78) |  | 205,461 |
| 80 | Property Insurance Account 924 |  | p323.185b |  | 423,114 |
| 81 | General Advertising Exp Account 930.1 | (Note F) | p323.191b |  | 0 |
| 82 | Total |  | (Line $80+81$ ) |  | 423,114 |
| 83 | Net Plant Allocation Factor |  | (Line 18) |  | 40.06\% |
| 84 | A\&G Directly Assigned to Transmission |  | (Line 82*83) |  | 169,479 |
| 85 | Total Transmission O\&M |  | (Line $66+76+79+84$ ) |  | 30,637,724 |
| Depreciation \& Amortization Expense |  |  |  |  |  |
| Depreciation Expense |  |  |  |  |  |
| 86 | Transmission Depreciation Expense |  | p336.7b\&c |  | 43,965,830 |
| 86a | Amortization of Abandoned Transmission Plant |  | Attachment 5 |  | 0 |
| 87 | General Depreciation |  | p336.10b\&c (see attachment 5) |  | 9,002,234 |
| 88 | Intangible Amortization | (Note A) | p336.1d\&e (see attachment 5) |  | 1,653,700 |
| 89 | Total |  | (Line 87 + 88) |  | 10,655,934 |
| 90 | Wage \& Salary Allocation Factor |  | (Line 5) |  | 10.7721\% |
| 91 | General Depreciation Allocated to Transmission |  | (Line 89 * 90) |  | 1,147,863 |
| 92 | Common Depreciation - Electric Only | (Note A) | p336.11.b |  | 4,227,825 |
| 93 | Common Amortization - Electric Only | (Note A) | p356 or p336.11d |  | 3,998,422 |
| 94 | Total |  | (Line 92+93) |  | 8,226,247 |
| 95 | Wage \& Salary Allocation Factor |  | (Line 5) |  | 10.7721\% |
| 96 | Common Depreciation - Electric Only Allocated to Transmission |  | (Line 94*95) |  | 886,136 |
| 97 | Total Transmission Depreciation \& Amortization |  | (Line $86+91+96$ ) |  | 45,999,829 |
| Taxes Other than Income |  |  |  |  |  |
| 98 | Taxes Other than Income |  | Attachment 2 |  | 10,775,897 |
| 99 | Total Taxes Other than Income |  | (Line 98) |  | 10,775,897 |
| Return / Capitalization Calculations |  |  |  |  |  |
| Long Term Interest |  |  |  |  |  |
| 100 | Long Term Interest |  | p117.62c through 67c | \$ | 60,381,760 |
| 101 | Less LTD Interest on Securitization Bonds | (Note P) | Attachment 8 |  | 0 |
| 102 | Long Term Interest |  | "(Line 100 - line 101)" |  | 60,381,760 |
| 103 | Preferred Dividends | enter positive | p118.29c |  | - |
| Common Stock |  |  |  |  |  |
| 104 | Proprietary Capital |  | p112.16c |  | 1,576,186,108 |
| 105 | Less Preferred Stock | enter negative | (Line 114) |  | 0 |
| 106 | Less Account 216.1 | enter negative | p112.12c |  | 2,177,779 |
| 107 | Common Stock |  | (Sum Lines 104 to 106) |  | 1,578,363,887 |
| Capitalization |  |  |  |  |  |
| 108 | Long Term Debt |  | p112.17c through 21c |  | 1,567,230,000 |
| 109 | Less Loss on Reacquired Debt | enter negative | p111.81c |  | -5,464,330 |
| 110 | Plus Gain on Reacquired Debt | enter positive | p113.61c |  |  |
| 111 | Less ADIT associated with Gain or Loss | enter negative | Attachment 1-ADIT, Line 6 |  | 1,514,439 |
| 112 | Less LTD on Securitization Bonds (Note P) | enter negative | Attachment 8 |  | 0 |
| 113 | Total Long Term Debt |  | (Sum Lines Lines 108 to 112) |  | 1,563,280,109 |
| 114 | Preferred Stock |  | p112.3c |  |  |
| 115 | Common Stock |  | (Line 107) |  | 1,578,363,887 |
| 116 | Total Capitalization |  | (Sum Lines 113 to 115) |  | 3,141,643,996 |
| 117 | Debt\% Total Long Term Debt |  | (Line 113/116) |  | 49.76\% |
| 118 | Preferred \% Preferred Stock |  | (Line $114 / 116)$ |  | 0.00\% |
| 119 | Common\% Common Stock |  | (Line 115/116) |  | 50.24\% |
| 120 | Debt Cost Total Long Term Debt |  | (Line 102/113) |  | 0.0386 |
| 121 | Preferred Cost Preferred Stock |  | (Line 103/114) |  | 0.0000 |
| 122 | Common Cost Common Stock | (Note J) | Fixed |  | 0.1050 |
| 123 | Weighted Cost of Debt Total Long Term Debt (WCLTD) |  | (Line 117* 120) |  | 0.0192 |
| 124 | Weighted Cost of Preferred Preferred Stock |  | (Line 118* 121) |  | 0.0000 |
| 125 | Weighted Cost of Common Common Stock |  | (Line 119*122) |  | 0.0528 |
| 126 | Total Return ( R ) |  | (Sum Lines 123 to 125) |  | 0.0720 |
| 127 | Investment Return = Rate Base * Rate of Return |  | (Line 59*126) |  | 73,832,093 |



A Electric portion only
B Exclude Construction Work In Progress and leases that are expensed as O\&M (rather than amortized). New Transmission plant
that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected a be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5 . For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service
CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
C Transmission Portion Only
D All EPRI Annual Membership Dues
E All Regulatory Commission Expenses
F Safety related advertising included in Account 930.1
G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351 .h.
1 The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p=$ "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed.
$J$ The ROE is $10.5 \%$ which includes a base ROE of $10.0 \%$ ROE per FERC order in Docket No. EL $13-48$ and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is $12.0 \%$.
K Education and outreach expenses relating to transmission, for example siting or billing
$\begin{array}{lll}\text { K } & \text { Education and outreach expenses relating to transmission, for example siting or billing } \\ \text { L } & \text { As provided for in Section } 34.1 \text { of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515. }\end{array}$
L As provided for in Section 34.1 of the PJM OATT and the PJM estab
N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A.
Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmisison Owner whole on Line A5. .
If they are booked to Acct 565, they are included in on line 64
Pe If they are booked to Acct 565 , they are included in on line 64 .
Q ACE capital structure is initially fixed at $50 \%$ common equity and $50 \%$ debt per settlement in ER $05-515$ subject to moratorium provisions in the settlement.
Q ACE capital structure is initially fixed at $50 \%$ common equity and $50 \%$ debt per settlement in ER05-515 subject to moratorium provisions in the settlement.
R Per the settlement in ER05-515, the facility credits of $\$ 15,000$ per month paid to Vineland will increase to $\$ 37,500$ per month (prorated for partial months) Per the settlement in ER05-515, the facility credits of $\$ 15,000$ per
effective on the date FERC approves the settlement in ER05-515.
S See Attachment 5-Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48, EL15-27 and ER16-456
T See Attachment 5-Cost Support, section entitled "Other Income Tax Adjustment" for additional information.
$U$ Only the transmission portion of amounts reported at Form 1, page 227, line 5 is used. The transmission portion of line 5 is specified in a footnote to the Form 1, page 227.
$\checkmark$ A utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by ( $1 / 1-\mathrm{T}$ ). A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
W The Accumulated Deferred Income Tax (ADIT) balances in Accounts 190, 281, 282, and 283 are measured using the enacted tax rate that is expected to apply when the underlying temporary differences are expected to be settled or realized. See Attachment 1A - ADIT for additional information.
X These balances represent the unamortized federal and state deficient / (excess) deferred income taxes. See Attachment 1B - ADIT Amortization for additional information.

Delmarva Power \& Light Company

|  |  | Delmarva Power \& Light Company Accumulated Deferred Income Taxes (ADIT) <br> Attachment 1A - Accumulated Deferred Income Taxes (ADIT) Worksheet |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Line | ADIT | Total | Gas, Production Distribution, or Other Related | $\begin{gathered} \text { Only } \\ \text { Transmission } \\ \text { Related } \\ \hline \end{gathered}$ | Plant Related | $\begin{gathered} \text { Labor } \\ \text { Related } \end{gathered}$ |  |
| 1 | ADIT-190 | 13,989,086 |  | - | 13,586,171 | 402,916 | Total entered in ATT H-3D, Line 40a |
| 2 | ADIT-281 |  |  |  |  |  | Total entered in ATT H-3D, Line 40b |
| 3 4 | ADTT-282 ADT-283 | $(271,189,784)$ $(1,486666)$ |  | (599646) | (271,1899784) | 270) | Total entered in ATT H-3D, Line 40c |
| 4 | Subtotal - Transmission ADIT | $\underset{(263,887,364)}{ }$ |  | ${ }_{(5966,646)}$ | $\begin{array}{r} (1,499,750) \\ \hline(259,103,364) \end{array}$ | ${ }_{(4,3909,273)}$ |  |
| Line | Description | Total |  |  |  |  |  |
| 6 | ADIT (Reacauired Debt) | (1,514,439) |  |  |  |  |  |
| Note: ADIT associated with Gain or Loss on Reacquired Debt included in ADIT-283, Column A is excluded from rate base and instead included in Cost of Debt on Attachment H -3D, Line 111. A deferred tax (liability) should be reported as a positive balance and a deferred tax asset should be reported as a negative balance on Attachment H -3D, Line 111. |  |  |  |  |  |  |  |


| $\begin{gathered} \text { ADIT-190 } \end{gathered}$ | $\stackrel{\text { Total }}{\text { (B) }}$ | (c) <br> Gas, Production, Distribution, or Other Related | $\begin{gathered} \substack{\text { (D) } \\ \text { Oly } \\ \text { Transivsion } \\ \text { Related }} \\ \hline \end{gathered}$ | $\begin{gathered} \text { (E) } \\ \begin{array}{c} \text { Plant } \\ \text { Related } \end{array} \end{gathered}$ | $\begin{gathered} \text { (F) } \\ \begin{array}{c} \text { Labor } \\ \text { Related } \end{array} \end{gathered}$ | (G) <br> Justification |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| corrued Benefits | 1,191,472 | 806 |  |  | 66 | ADIT relates to all functions and attributable to underlying operating and maintenance expenses that are recoverable in the transmission formula |
| Accrued Bonuses \& Incentives | 1,848,763 | 258,827 |  |  | 1,589,937 | ADIT relates to all functions and attributable to underlying operating and maintenance expenses that are recoverable in the transmission formula. |
| Accrued Environmental Liability | ${ }^{1863,074}$ | ${ }_{263,074}^{2684}$ |  |  |  | ADIT excluded because the underly ${ }^{\text {a }}$ a account(s) ) are not recoverable in the transmission formula. |
|  |  |  |  |  |  | FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement heath care and life insurance benefits for book purposes. These amounts are removed from rate base below. |
| Actreed Acrued Other Expenses | 5, 1723230 | 2172300 |  |  | 4.570,232 | ODT ecruded ceass the |
| Accrued Prel Tees. Al | 210.692 | 1423 |  |  | 8745 | ADIT Telates o to al tunctions and attributable to underying operating and maintenance expenses that are eecoverable in the |
| Accrued Payation | 1,318,753 | 1,318,753 |  |  |  | ADIT excluded d beacause the underlying account(s) are not recoverable in the transmis ision formula. |
|  |  |  |  |  |  | ADIT relates to all functions and attributable to underlying operating and maintenance expenses that are eecoverable in the |
| Accrued Worker's Compensation | 1,207,349 | 169,029 |  |  | 1,038,320 | ransmission formula. |
| Allowance for Doubtul Accounts | 4,053,793 | 4,053,793 |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula |
| Asset Retirement obiligation | 3,911,011 | 3,911,011 |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| Deferred Compensation | 8,625 | 8,625 |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula |
| Merger Commitments | 402,764 | 402,764 |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| Purchased Power | 3,482,238 | 3,482,238 |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| Regulator Liabilit | (4,081,789) | (4,081,789) |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| Sales \& Use Tax Reserve | 290,452 | 290,452 |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmis sion formula. |
| State Net Operating Loss Caryforward | 44,149,043 | 9,075.531 |  | 35.073.513 |  | The state net operating loss carry-forward, net of edederal taxes, is included to the extent attributable to plant in service that is included in rate base |
| Unamorized Investment Tax Creait | 555.445 | 77,762 |  | 477,683 |  | Pursuant to the requirements of ASC 740, ACE's accumulated deferred income taxes must encompass all timing differences egardless of whether the difference is normalized or flowed-through. These balances represent the deferred taxes of unamortized ITC. These amounts are removed from rate base below. |
| Other 190 | (49,741) | (49,741) |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| FAS 109 Regulatory Liability Gross Up | 131,954,446 | 13,19,445 |  | 118,759,001 |  | Accumulated Deferred Income Taxes attributable to income tax related regulatory assets and liabilities. This balance is excluded from rate base and removed below |
| Subtotal: ADIT-190 (FERC Form) | 198,093,922 | 35,473,116 |  | 154,310,197 | 8,310,609 |  |
|  |  |  |  |  |  |  |
| Less: ASC 740 ADIT Adjustments excluded from rate base |  |  |  |  |  |  |
| Less: ASC 740 ADIT Adiustments related to unamorited ITC | (555,445) | (17,626) |  | (477,683) |  |  |
|  | ${ }_{(131,954,446)}^{(5,31423)}$ | ${ }_{\text {(13,195,445) }}^{(743,991)}$ |  | (118,759,001) | (4.57, 232) |  |
| Total: ADIT-190 | 60,269,809 | 21,455.918 |  | 35,073,513 | 3,740,378 |  |
|  |  |  |  |  |  |  |
| Wages \& Salary Alocator |  |  |  |  | 10.7721\% |  |
| Gross Plant Allocator |  |  | 100.0000\% | 38.7363\% |  |  |
| Other Allocator |  | 0.0 |  |  |  |  |
| ADIT - Transmission | 13,989,086 |  |  | 13,586,171 | 402,916 |  |

Instructions for Account 190:

1. ADIT items realeted only. to Non-Electric Operations (e.g, Gas, Water, Sewer), Production or Distribution Only are directly assigned to column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADTT items related to Plant and not in Columns $\mathrm{C} \& \mathrm{D}$ are included in Column E
4. ADIT tems related to lobor and not in Columns $\mathrm{C} \& \mathrm{D}$ are included in Column F
5. ADIT items reated ${ }_{\text {5. Derred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the }}$
6. Deferred income taxes arise when items
associated ADIT amount shall be excluded.

| ${ }_{\text {ADIT- }}^{(\mathrm{A})}$ | $\stackrel{\text { Total }}{\text { (B) }}$ | (C) <br> Gas, Production Distribution, or Other Related |  | $\begin{gathered} \text { (E) } \\ \begin{array}{c} \text { Plant } \\ \text { Related } \end{array} \\ \hline \end{gathered}$ | $\begin{gathered} \text { (F) } \\ \text { Labor } \\ \text { Related } \\ \hline \end{gathered}$ | (G) <br> Justification |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Plant Deferred Taxes - FAS 109 | (776,679,895) | (76,587,244) |  | (700,092,652) |  | ADIT attributable to plant in service that is included in rate base. |
| Clac | 30,162,044 | 30,162,044 |  |  |  | ADIT attributable to contributions-in-aid of construction excluded from rate base. |
| AFUDC Equity | (9,136,966) | (4,036, 231) | (5,100,735) |  |  | Under ASC 740, deferred income taxes must be provided on all tax temporary differences, including AFUDC-Equity. Deferred income taxes on AFUDC-Equity are not recognized for Regulatory purposes and are excluded from Rate Base. |
| Maryland Subtraction Modification | 11,161,457 | 11,161,457 |  |  |  | Plant related basis difference not currently includibibe in rate base. |
| Plant Defered Taxes - Flow-through | (0,655.590) | (9,649, 242) | (6,348) |  |  | Pursuant to the requirements of ASC 740 , ADIT must encompass all iming differences regardess of whether the difference is normaized of flowed-through. These items are removed below. |
| Subtotal: ADIT-282 (FERC Form) | (754,148,951) | $(48,949,216)$ | (5,107,083) | (700,092,652) |  |  |
|  |  |  |  |  |  |  |
| Less: ASC 740 ADIT Adjustments excluded from rate base | (11,161,457) | (11,161,457) |  |  |  |  |
| Less: ASC 740 ADDT Adiustments related to AFUDC Equity | ${ }^{9,136,966}$ | - ${ }_{\text {a }}^{0,636,231}$ | ${ }_{5,100,735}^{6,348}$ |  |  |  |
| Less: ASC 740 ADIT balances reviated to income tax regulatry assels ( (liabilites) | 0,655,590 | 0,649,242 | 6,348 |  |  |  |
| Total: ADIT-282 | (746,517,851) | (46,425,200) |  | (700,092,652) |  |  |
| Wages \& Salary Allocator |  |  |  |  | 10.7721\% |  |
| Gross Plant Allocator |  |  |  | 38.7363\% |  |  |
| Transmission Allocator |  |  | 100.0000\% |  |  |  |
| Other Allocator ${ }^{\text {AlIT - Transmission }}$ | 9984 | $0.0000 \%$ |  | 189784) |  |  |
|  |  |  |  |  |  |  |

Instructions for Account 282:

1. ADIT item
2. ADIT items related only to Transmission are directly assigned to column D . E


## Attachment 1A - Accumulated Deferred Income Taxes (ADIT) Worksheet

| ${ }_{\text {ADIT-283 }}^{(\text {A }}$ | $\underset{\text { Total }}{\text { (B) }}$ | (c) Gas, Production Distribution, or Other Related | $\begin{gathered} \text { (D) } \\ \text { only } \\ \text { Transivssion } \\ \text { Related } \end{gathered}$ | (E) <br> Plant <br> Related | (F) <br> Labor <br> Related | ${ }^{\text {(G) }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Accrued Property Taxes | (4,730,701) | (662,298) |  | (4,068,403) |  | ADIT relates to all functions and attributable to underlying accounts that are eceoverable in the transmission formula. |
| Materials Reserve | $\frac{228,731}{(1,204,505)}$ | (1.204,505) |  |  |  | ADIT relates to all functions and a atributable materials and supplies included in rate base. |
| Other Deferred Debits |  | (1,204,505) |  |  |  |  |
| Pension Asset | (47,390,811) | (6,634,714) |  |  | (40,756,097) | deductibility of cash funding's for tax purposes. |
| Regulatory Asset | (37,816,331) | (37,81, 331$)$ |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formul |
| Regulator Asset - Accrued vacation | ${ }_{(1,996,449}^{(596646)}$ | (1,996,449) | ${ }_{(596,646)}$ |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| Renewable Energy Credits | (2,435,343) | (2,435,343) |  |  |  | ADIT excluded because the underlying account(s) are not recoverable in the transmission formula. |
| Unamortized Loss on Reacauired Debt | (1,514,439) | (1,514,439) |  |  |  | The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new bond issue for book purposes. Excluded here since included in Cost of Debt |
| Subtotal: ADIT-283 (FERC Form) | (97,456,495) | (52,232,057) | (596,646) | (3,871,695) | $(40,756,097)$ |  |
| Less: ASC 740 ADIT Adiustments excluded from rate base |  |  |  |  |  |  |
| Less: ASC 740 ADIT Adiustments related to unamorized ITC |  |  |  |  |  |  |
| Less: ASC 740 ADIT balances related to income tax regulator assets / (liabilities) |  |  |  |  |  |  |
| Less: OPEEB related ADIT, Above if not separately removed |  |  |  |  |  |  |
| Total: ADIT-283 | (97,456,495) | (52,232,057) | (599,646) | (3,871.695) | $(40,756,097)$ |  |
|  |  |  |  |  | 10.77210 |  |
| Gross Plant Allocator |  |  |  | 38.7363\% |  |  |
| Transmission Allocator |  |  | 100.0000\% |  |  |  |
| Other Allocator |  | $0.0000 \%$ |  |  |  |  |
| ADIT - Transmission | (6,486,666) |  | (599,646) | (1,499,750) | (4,390,270) |  |

,
Instructions for Account 283:

1. ADTIT items related only to
Non-Electric Operations (e.g, Gas, Water, Sewer), Production or Distribution Only are directly assigned to
Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to plant and not in Columns $C \& D$ are included in Colum
4. ADIT items related to labor and not in columns $C \&$ a are included in Column F. Deferred income taxes arise when items are included in taxable income in different perids than they are induded in rates, therefore if the item giving rise to the ADIT is not included in the forma, the
5. Deferred income taxes arise when items
associated ADIT amount shall be excluded.

Attachment 1 A - Accumulated Deferred Income Taxes (ADIT) Workshee

| ADITC-255 |  |  | Unamortized ITC Balance | Current Year Amortization |
| :---: | :---: | :---: | :---: | :---: |
| 1 | Rate Base Treatment |  |  |  |
| $\frac{1}{2}$ | Account No. 255 (Accum. Deferred Investment T Tax Credits) | Post 1980 | 1,754,614 | 286,790 |
| 3 | Net Plant Allocator | ATT H-3D, Line 18 | 40.0551\% | ${ }^{40.0551 \%}$ |
| 4 | Unamortized ITC allocated to Transmission | To ATT H-3D, Line 40e | 702,812 | 114,874 |
| 5 | Amorization | Pre-1981 |  |  |
| 6 | Investment Tax Credit Amorization | To ATT H-3D, Line 133 | 249,518 | 59.678 |
| 7 | Total |  | 2,004,132 | 346,468 |
|  | Total Form No. 1 ( P 266 \& 267) |  | 2,004,132 | 346,468 |
| Difference |  |  |  |  |

[^2]

Attachment 1B - Deficient / Excess Deferred Income Tax Amortization Worksheet


Delmarva Power \& Light Company
Deficient / Excess Deferred Income Taxes
Attachment 1B - Deficient / Excess Deferred Income Tax Amortization Worksheet


Delmarva Power \& Light Company

## Deficient / Excess Deferred Income Taxes

Attachment 1B - Deficient / Excess Deferred Income Tax Amortization Worksheet


# Delmarva Power \& Light Company 

Deficient / Excess Deferred Income Taxes
Attachment 1B - Deficient / Excess Deferred Income Tax Amortization Worksheet
. For transmission allocated deficient / (excess) accumulated deferred income taxes (ADIT) related to rate change(s) to income tax rates occurring after September 30, 2018, insert new amortization table(s) that delineates the deficient and .
2. Set the amortization period for unprotected property to 5 years and unprotected non-property to 4 years. The amortization of deficient and (excess) ADIT designated as protected will be calculated using the Average Rate Assumption Method ARAM) or a manner that complies with the normalization requirements.

Update applicable formulas in the "Total Federal Deficient / (Excess) Deferred Income Taxes" and "Total State Deficient / (Excess) Deferred Income Taxes" sections to ensure appropriate inclusion of deficient / (excess) ADIT balances related rate changes occurring after September 30, 2018.
4. Insert note explaining the event giving rise to the deficient (excess) ADIT incluaing the start and end date for the amortization. The amortization ceases after the related regulatory asset/liability is drawn down to zero

## Notes

A Deficient and (excess) ADIT related to the Tax Cuts and Jobs Act of 2017 (TCJA) will be amortized beginning January 1,2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be
changed if required by audit adjustments, amendments to income tax returns, or new IRS guidance. The amortization of protected property related deficient and (excess) ADIT will be calculated using the Average Rate Assumption Method (ARAM) or a manner that complies with the normalization requirements and may vary by year depending on where each underlying asset resides in its individual life cycle. The unprotected property related deficient and (excess) ADIT will be fully amortized by December 31, 2022. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by December 31, 2021. Note - The amortization formula in Column F will change based on where DPL esides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
B The remaining unamortized deficient and (excess) ADIT related to the Tax Reform Act of 1986 will be amortized using the Average Rate Assumption Method (ARAM) as provided in the Settlement in Docket No. ER19-5 et al. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.


[^3]$\square=\mathrm{ma}$
Mavavavavavavav

## Delmarva Power \& Light Company

## Attachment 2 - Taxes Other Than Income Worksheet

|  | Page 263 Allocated |
| :--- | :---: | :---: |
| Other Taxes | Col (i) Allocator |

Plant Related
1 Real property (State, Municipal or Local)
2 Personal property
3 Federal/State Excise
4
5
6
Total Plant Related

## Labor Related

Wages \& Salary Allocator

| 7 Federal FICA \& Unemployment \& State unemployment | 3,571,578 |  | 384,732 |
| :---: | :---: | :---: | :---: |
| 8 \% |  |  |  |
| 9 |  |  |  |
| 10 |  |  |  |
| 11 |  |  |  |
| Total Labor Related | 3,571,578 | 10.7721\% |  |
| Other Included | Gross Plant Allocator |  |  |
| 12 Miscellaneous | - |  | 0 |
| Total Other Included | 0 | 38.7363\% |  |
| Total Included | 30,396,991 |  | 775,897 |

## Excluded

13 MD State Franchise Tax 7,592,811
14 DE Gross Receipts Tax $\quad$ 226,290
15 MD Sales and Use Tax $\quad(6,000)$
16 Sales and Use tax VA 1,067
17 PA Franchise
18 DE Public Utility Tax 6,721,818
19 Wilmington City Franchise Tax 1,014,456
20 MD Environmental Surcharge
602,946
21 Exclude State Dist RA amort in line $7 \quad 11,435$

22 Total "Other" Taxes (included on p. 263) 46,561,814
23 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14) 46,561,814
24 Difference

## Criteria for Allocation:

A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are $100 \%$ recovered at retail they will not be included
B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are $100 \%$ recovered at retail they will not be included
C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator
D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that overheads shall be treated as in footnote $B$ above
E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year

## Delmarva Power \& Light Company

## Attachment 3 - Revenue Credit Workpaper

## Account 454-Rent from Electric Property

1 Rent from Electric Property - Transmission Related (Note 3)

## Account 456 - Other Electric Revenues (Note 1)

3 Schedule 1A
4 Net revenues associated with Network Integration Transmission Service (NITS) for which
4 Net revenues associated with Network Integration Transmission Service (NITS) for which NITS charges paid by Transmission Owner) (Note 4)
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)
6 PJM Transitional Revenue Neutrality (Note 1)
7 PJM Transitional Market Expansion (Note 1)
8 Professional Services (Note 3)
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2) 4,415,331
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)

11 Gross Revenue Credits
(Sum Lines 2-10)

## Revenue Adjustment to determine Revenue Credit

14
Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.

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

16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain $50 \%$ of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ๆ 61,314 . Note: in order to use lines $17 \mathrm{a}-17 \mathrm{~g}$, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

17a Revenues included in lines 1-11 which are subject to 50/50 sharing. 909,000
17b Costs associated with revenues in line 17a Attachment 5-Cost Support
17c Net Revenues (17a-17b)
17d 50\% Share of Net Revenues (17c / 2)
657,071
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.
$17 f$ Net Revenue Credit (17d $+17 e$ )
17 g Line 17 f less line 17 a
Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.

21 Note 4: SECA revenues booked in Account 447.

## Delmarva Power \& Light Company

## Attachment 4 - Calculation of 100 Basis Point Increase in ROE



Delmarva Power \& Light Company
Attachment 5-Cost Support


## Delmarva Power \& Light Company

Attachment 5 - Cost Support



Delmarva Power \& Light Company
Attachment 5-Cost Support

Transmission Related Account 242 Reserves

| Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions | Toal | Alloation | Transmisision Reated | Deatis |
| :---: | :---: | :---: | :---: | :---: |
| 44 Transmission Related Account 242 Reserves (exclude current year environmental site related reseves) | Eners |  | Amount |  |
|  | ${ }_{33,986,63}$ |  | ${ }_{3.659 .120}$ |  |
| Plant Related Oner | ${ }_{1}^{1,384,790}$ | ${ }^{38} 8738 \%$ | 517,048 |  |
| Total T Tansmisision Realed Reseses | 35,93423 |  | 4.76,688 |  |

Prepayments


Interest on Outstanding Network Credits Cost Support

| Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions |  | Interston Neework Creaits | Descripion ofte menterston the Cradits |
| :---: | :---: | :---: | :---: |
|  | (Note N) PJM Data | 0 | Geneal Descripition of the Ceredis |
|  |  | Eners | None |
|  |  |  | Add more iniesit freessay |

Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515

| Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions Revenue Requirement |  |  | Dessifition R P.JM Documenation |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |

PJM Load Cost Support


Statements BG/BH (Present and Proposed Revenues)


## Delmarva Power \& Light Company

## Attachment 5-Cost Suppor



Supporting documentation for FERC Form 1 reconciliation

| Compliance with FERC Order on the Exelon Merger |
| :---: |
| Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions |


| 6 | Electic Plantin Serice | p207.104g |
| :---: | :---: | :---: |
| 9 | Accumulaed depreciaion (Toade Electic Pann) | ${ }^{\text {p219.29c }}$ |
| 10 | Accumulaed Intangile Amorizioion | ${ }^{2} 20.21 \mathrm{c}$ |
| ${ }^{23}$ | Generale ninagible | p2095.98 p207.99.9 |
| 60 | Transmision Oem | ${ }^{\text {p322112.2.b }}$ |
| ${ }^{68}$ | Total AgG | ${ }^{\text {p323.197.b }}$ |
| 87 <br> 88 | Cenera Depreciaion |  |



| ARO Exclusion - Cost Support |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions |  |  | Fom 1 Amount |  | ARO's |  |
|  | Electric Pantin Serice | p207.1049 | 4.466:597771 | 5.903,70 | 4.588,64,011 |  |
|  | Accumulat depereciaion (Total Electric Plant) |  | ${ }^{1.08121252275}$ | 52.107 | 1,00073, 0 ,68 |  |
| ${ }^{23}$ | General \& ntangible | p205.5.9 ¢ 207.99 .9 | 244,047, ${ }^{\text {a }}$ 6 |  | $244,077,86$ |  |

Plant Related Exclusions - Cost Support

| Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions |  |  | Fom 1 Amount | ARO's | Megege Costs | Capital leases | $\begin{aligned} & \text { Non-ARO's \& Non } \\ & \text { Merger Related \& } \\ & \text { Non-Canital I eases } \end{aligned}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Electic Plantin Serice | ${ }^{\text {p207.1049 }}$ | 4,46, 598,772 | 5.983 | 1.088,611 | ${ }_{12}^{1214,415}$ | 4,446,40,555 |  |
| 9 | Accumulaed Deperecaito (Toade Electic Pant) | ${ }^{\text {p219.29C }}$ | 1,0101252,275 | 52 | 69.142 |  | 1.000.661,56 |  |
| 10 | Accumulate Intangible Amorizioion | p200.210 | 13,87,507 |  | 31, 1.65 |  |  |  |
| ${ }^{23}$ | General \& Intagible | ${ }^{\text {p205.5.98 } 20707.99 .9}$ | ${ }^{244,0478,866}$ |  | 1.088 .611 | ${ }^{12124,4,85}$ | ${ }^{231.724,460}$ |  |

Expense Related Exclusions - Cost Support
Attachment A Line \#s, Descriptions, Notes, Form 1 Page \#s and Instructions
$\underset{\substack{\text { Totat Aac } \\ \text { Fom } 1 \text { Amoun }}}{ }$
Meger Cosst
${ }_{97,556,671}^{34,896}$



68 Total AeG Toal p.323.197.
.323.197.

Delmarva Power \& Light Company
Attachment 5-Cost Support



| Miscellaneous Revenue Credits | Allocator Allocation Fator |  |  | Descripion |
| :---: | :---: | :---: | :---: | :---: |
| Inercompany Bilings-Labor Realed |  | 2.688 .959 | 10.77\% Wages S Saly | Interompany Facilies |
|  | Acta 456 | ${ }^{\text {70, } 0,46}$ | 10.77\% Wasese s saxy | Intecompany Venicles |
|  |  | 780,783 | 10.77\% Wages \& Salary | Intracompany Sales |
|  |  |  |  |  |
|  |  | 4,183,799 |  |  |
|  |  | 450.680 | evenu C Credit ine 13 |  |

$\underset{50 \quad \text { Transmission Materials \& Supplie }}{\text { Transmision Materials \& Supplies }}$


Attachment 5 - Cost Support


Delmarva Power \& Light Company

## Attachment 5a-Allocations of Costs to Affiliate

|  | Delmarva Power |  | Atlantic City |  | Pepco |  | Other |  | Total |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Executive Management | 1,929,537 |  | 1,773,167 |  | 3,294,875 |  | 4,189 |  | 7,001,768 |
| Support Services | 8,626,317 |  | 7,084,800 |  | 15,276,145 |  | 8,929,256 |  | 39,916,518 |
| Financial Services | 7,342,634 |  | 6,815,575 |  | 12,627,064 |  | 114,319 |  | 26,899,592 |
| Human Resources | 2,890,976 |  | 1,940,455 |  | 4,338,456 |  |  |  | 9,169,887 |
| Legal Services | 1,424,466 |  | 1,318,747 |  | 2,335,250 |  | 68,899 |  | 5,147,362 |
| Customer Services | 34,440,116 |  | 32,631,689 |  | 23,978,310 |  |  |  | 91,050,115 |
| Information Technology | 14,935,213 |  | 13,563,626 |  | 23,629,092 |  | 4,616 |  | 52,132,547 |
| Government Affairs | 4,282,118 |  | 4,938,355 |  | 5,869,562 |  | 15,960 |  | 15,105,995 |
| Communication Services | 1,932,707 |  | 1,682,506 |  | 3,099,755 |  | 3,005 |  | 6,717,973 |
| Regulatory Services | 7,414,502 |  | 6,777,269 |  | 10,700,981 |  | 603 |  | 24,893,355 |
| Regulated Electric and Gas Operation Service | 34,581,530 |  | 29,260,143 |  | 50,013,513 |  | 436,674 |  | 114,291,860 |
| Supply Services | 704,911 |  | 678,207 |  | 1,697,376 |  | 162 |  | 3,080,656 |
| Total | \$ 120,505,027 | \$ | 108,464,539 | \$ | 156,860,379 | \$ | 9,577,683 | \$ | 395,407,628 |



| Service Company Billing Analysis by Utility FERC Accou <br> YTD Dec 2019 <br> Total PHI |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| FERC Accounts FERC Account Name | Uelmarya Power | Atlantic City | PEPCO | Other | Total | Inclusion in ATRR |
| 107 Constr Work In Progress | 17,963,994 | 16,017,260 | 29,690,053 | 237,600 | 63,908,907 | Not included |
| 108 Accumulated Provision for Depreciation | 1,426,547 | 1,851,771 | 1,561,729 |  | 4,840,047 | Wage \& Salary Factor |
| 163 Stores Expense Undistributed | 630,518 | 606,970 | 1,571,433 |  | 2,808,921 | Wage \& Salary Factor |
| 182.3 Other Regulatory Assets | 1,045,306 | 111,919 | 2,743,135 |  | 3,900,360 | Not included |
| 184 Clearing Accounts - Dther* | 1,900,784 | 1,208,585 | 6,098,031 |  | 9,207,400 | Not included |
| 186 Misc Deferred debits | - | - | 198 |  | 198 | Not included |
| 253 Other Deferred Credits | - | - | 54,698 |  | 54,698 | Not included |
| 254 Other Regulatory Liabilities | 23,375 | - | - |  | 23,375 | Not included |
| 416-421.2 Other Income-Bielow the Line | (103,891) | $(59.579)$ | 16.774 | 9,336,218 | 9,189,522 | Not included |
| 426.1-426.5 Other Income Deductions - Below the Line | 975,046 | 747,659 | 1,854,913 |  | 3,577,618 | Not included |
| 430 Interest-Debt to AssociatedCompanies | 2,109 | 1,935 | 3.598 |  | 7.642 | Not included |
| 431 Other Interest Expense | 53,884 | 49,822 | 92,261 |  | 195,967 | Not included |
| 556 System cont \& load dispatch | 1,804,218 | 1,424,155 | 1,306,262 |  | 4,534,635 | Not included |
| 557 Other expenses | 887,919 | 709,648 | 1,274,558 |  | 2,872,125 | Not included |
| 560 Operation Supervision \& Engineering | 1,697,750 | 591,552 | 371,504 |  | 2,660,806 | 100\% included |
| 561.1 Load Dispatching - Reliability | (1,530) | 433 | - |  | $(1,097)$ | 100\% included |
| 561.2 Load Dispatch - Monitor \& Operate Transmission Sy: | (3,864) | 1,036 | 72,947 |  | 70,119 | 100\% included |
| 561.3 Load Dispatch - Transmission Service \& Scheduling | (712) | 1,164 | - |  | 452 | 100\% included |
| 561.5 Reliability, Planning and Standards | 44,359 | 5,206 | - ${ }^{-}$ |  | 49,565 | 100\% included |
| 566 Miscellaneous transmission expenses | 1,402,646 | 1,455,412 | 2,433,579 |  | 5,291,637 | 100\% included |
| 568 Maintenance Supervision \& Engineering | 7,191 | 6,115 | 33,177 |  | 46,483 | 100\% included |
| 569 Maint of structures | - | 302 | - |  | 302 | 100\% included |
| 569.2 Maintenance of Computer Software | - | (1) | 8,225 |  | 8,224 | 100\% included |
| 570 Maintenance of station equipment | (29,861) | 150.721 | 9.890 |  | 130,750 | 100\% included |
| 571 Maintenance of overhead lines | 501,340 | 373,146 | 384,102 |  | 1,258,588 | 100\% included |
| 572 Maintenance of underground lines | 111 | - | - |  | 111 | 100\% included |
| 573 Maintenance of miscellaneous transmission plant | $(1,098)$ | (673) | - |  | (1.771) | 100\% included |
| 580 Operation Supervision \& Engineering | 413,542 | 488,161 | 415,291 |  | 1,316,994 | Not included |
| 581 Load dispatching | 167,051 | 101,668 | 89,535 |  | 358,254 | Not included |
| 582 Station expenses | 4 | 1.885 | 73,231 |  | 75,120 | Not included |
| 583 Overhead line expenses | 3 | 1,135 | 218 |  | 1,356 | Not included |
| 584 Underground line expenses | 430 | 24,259 | 6 |  | 24,695 | Not included |
| 586 Meter expenses | 841,048 | 197,670 | 5 |  | 1,038,723 | Not included |
| 587 Customer installations expenses | 376,994 | 168,410 | 341.539 |  | 886,943 | Not included |
| 588 Miscellaneous distribution expenses | 2,028,683 | 1,653,974 | 2,816,435 |  | 6,499,092 | Not included |
| 589 Rents | 50 | (2) | - |  | 52 | Not included |
| 590 Maintenance Supervision \& Engineering | 357,611 | 6,104 | 140,943 |  | 504,658 | Not included |
| 591 Maintain structures | - | 84 | - |  | 84 | Not included |
| 592 Maintain equipment | 154.570 | 177,026 | 279,619 |  | 611.215 | Not included |
| 593 Maintain overhead lines | 575,451 | 592,352 | 1,323,273 | 579 | 2,491,655 | Not included |
| 594 Maintain underground line | 304 | 562 | 12 |  | 878 | Not included |
| 595 Maintain line transformers | 31 | 74 | (2,685) |  | $(2,580)$ | Not included |
| 596 Maintain street lighting \& signal systems | 246 | 128 | 2 |  | 376 | Not included |
| 597 Maintain meters | 380,571 | 2 | - |  | 380.573 | Not included |
| 598 Maintain distribution plant | 19,754 | 21,032 | 37,107 |  | 77,893 | Not included |
| 813 Other gas supply expenses | 269,144 | - | - |  | 269,144 | Not included |
| 859 Other transmission expenses | 108 | - | - |  | 108 | Not included |
| 878 Meter \& house regulator expense | 610.854 | - | - |  | 610,854 | Not included |
| 880 Other distribution expenses | 53,757 | - | - |  | 53,757 | Not included |
| 888 Maintenance of compressor station equipment | 3 | - | - |  | 3 | Not included |
| 893 Maintenance of meters \& house regulators | 452,515 | - | - |  | 452,515 | Not included |
| 902 Uncollectable Accounts | 103,292 | 291,165 | - |  | 394,457 | Not included |
| 903 Customer records and collection expenses | 38,177,659 | 38,283,600 | 29,193,537 |  | 105,654,796 | Not included |
| 904 Uncollectable Accounts | 150 | 140 | 258 |  | 548 | Not included |
| 907 Supervision - Customer Suc \& Information | - | 85,509 | - |  | 85,509 | Not included |
| 908 Customer assistance expenses | 1,374,758 | 267,258 | 215,364 |  | 1,857,380 | Not included |
| 909 Informational \& instructional advertising | 117,558 | 108,708 | 201,264 |  | 427,530 | Not included |
| 923 Dutside services employed | 41,918,164 | 39,433,285 | 68,207,833 | 3.286 | 149,562,568 | Wage 8 Salary Factor |
| 924 Property insurance | $(6,581)$ | $(5,927)$ | $(11,140)$ |  | $(23,648)$ | Net Plant Factor |
| 925 Iriuries \& damages | 326 | 299 | 557 |  | 1,182 | Wage \& Salary Factor |
| 928 Regulatory commission expenses | 973.766 | 400,118 | 2,274,057 |  | 3,647,941 | Direct transmission Orly |
| 930.1 General ad expenses | 355,219 | 329,987 | 609,435 |  | 1,294,641 | Direct transmission Orly |
| 930.2 Miscellaneous general expenses | 561,847 | 581,315 | 1,073,612 |  | 2,216,774 | Wage 8 Salary Factor |
| 935 Maintenance of general plant | 120,505,027 | 108,464,539 | 156,860,379 | 9,577,683 | 395,407,628 | Wage \& Salary Factor |

## Delmarva Power \& Light Company

## Attachment 6-Estimate and Reconciliation Worksheet

解
$\begin{array}{lll}\text { Exec Summary } \\ 1 & \text { April } & \text { Year } 2\end{array}$ TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g, 2004)
2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in serice in Year 2 (e.g., 2005)
3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
4 May Year 2 Post results of Step 3 on PJM web site
5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
$\begin{array}{llll}6 & \text { April } & \text { Year } 3 & \text { TO populates the formula with Year } 2 \text { datat from FERC Form } 1 \text { for Year } 2 \text { (eg., } 20055 \\ 7 & \text { April } & \text { Year } 3 & \text { Reconcliliation - To calculates Reconciliation by removing from Year } 2 \text { data - the tota }\end{array}$
April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation
(adjusted to include any Reconciliation amount from prior year)
April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e., 2006)
9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in $S$ tep 7 and the forecast in Line 5 with interest to the result of $\operatorname{Step} 7$ (this difference is also added to Step 8 in the subsequent year)
May Year 3 Postrests of Step 9 on PJM web site
11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004) 175,054,799 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43 a of Appendix A

2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in sevice in Year 2 (e.g, 2005)


3 April Year 2 TO adds weighted Cap Adds to plant in senice in Formula
\$ 258,833 Input to Formula Line 21
May Year2 Postresulis of Step 3on PJM web sile
175,074,964
Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)
5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1,2005 - May 31, 2006)
\$ 175,074,964

6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in senvice in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

## Remove all Cap Adds placed in service in Year 2

Remove al Cap Adds placed in service in Year 2 2 $\quad$. $332,932,069$ Input to Formula Line 20
Add weighted Cap Adds actually placed in service in Year 2


8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in senvice in Year 3 (e.g., 2006)




Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

| The Reconciliation in Step 7 |  |
| :---: | :---: | :---: |
| $151,813,247$ | The foreast in Prior Year |
| $162,743,109$ |  |$\quad=\quad$ (10,929,862)



The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest (11,513,549)
One Time True-Up for FAS 109 Incurred Prior to Setllement Docket No. ER19-5 et al. $\quad$ Total true-Up amount $\quad(15,825,750)$

Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8)
Revenue Requirement for Year
\$ $\quad 158,524,424$
131,185,124

10 May Year 3 lits of Step 9 on PJM web site
\$ 131,185,124

11 June Year 3 ir the Rate Year 2 (e.g., June 1, 2006-May 31, 2007) \$ 131,185,124






# Delmarva Power \& Light Company <br> Attachment 8 - Company Exhibit - Securitization Workpaper 

Line \#Long Term InterestLess LTD Interest on Securitization Bonds0
Capitalization
Less LTD on Securitization Bonds ..... 0
Calculation of the above Securitization Adjustments


[^0]:    ${ }^{1}$ Baltimore Gas and Electric Company, et al., 153 FERC ब 61,140 (2015).
    ${ }^{2}$ See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.b.

[^1]:    ${ }^{3}$ See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1158 (February 17, 2010).
    ${ }^{4}$ Additional detail regarding these items will be provided to interested parties during the Annual Customer Meeting to be held pursuant to the Annual Update.
    ${ }^{5}$ See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.h.

[^2]:    11 Difference must be eero

[^3]:    

