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June 1, 2018

**Re: Mid-Atlantic Interstate Transmission, LLC
PJM Open Access Transmission Tariff, Attachment H-28
Annual Update for Rate Year 2017**

Pursuant to Section II (A) and (B) of the Formula Rate Implementation Protocols (“Protocols”) set forth in Attachment H-28B of the PJM Open Access Transmission Tariff (“PJM OATT”),¹ Mid-Atlantic Interstate Transmission, LLC (“MAIT”) is submitting its Annual Update for Rate Year 2017 to PJM for posting.

The Annual Update includes MAIT’s Actual Transmission Revenue Requirement for Rate Year 2017 (“ATRR”) and the True-up for Rate Year 2017. The ATRR was developed pursuant to the MAIT formula rate as set forth in Attachment H-28 of the PJM OATT. However, due to (i) the January 31, 2017 transfer date of transmission assets from Metropolitan Edison Company and Pennsylvania Electric Company to MAIT and (ii) the July 1, 2017 effective date of MAIT’s formula rate, certain calculations are made pursuant to agreed-upon methodologies in Appendix 5 of the settlement in Docket No. ER17-211, filed on October 13, 2017, and approved by the Federal Energy Regulatory Commission on May 21, 2018.² Each deviation from the formula rate in Attachment H-28 to comply with Appendix 5 of the settlement is noted in the version submitted for posting today. Pursuant to the Definitions section of the Protocols, the True-up with interest will be included as a component of MAIT’s Projected Transmission Revenue Requirement for Rate Year 2019.

MAIT has asked PJM to post a copy of the Annual Update to the formula rates section of its internet site, located at:

<http://www.pjm.com/markets-and-operations/billing-settlements-and-credit/formula-rates.aspx>

¹ PJM Interconnection, L.L.C., FERC Electric Tariff, Sixth Revised Volume No. 1.

² *PJM Interconnection, L.L.C.*, 163 FERC ¶ 61,131 (2018).

A copy of the Annual Update is attached. Within two (2) business days of posting, notice of the posting will be provided via an email exploder list. Pursuant to section II (H) of the Protocols, MAIT shall hold an open meeting among Interested Parties (“Annual Update Meeting”) no earlier than ten (10) business days following the Publication Date (as defined in the Protocols) and no later than June 25. No fewer than seven (7) days prior to such Annual Update Meeting, MAIT shall provide notice on PJM’s website of the time, date, and webcast registration information of the Annual Update Meeting. The Annual Update Meeting shall: (i) permit MAIT to explain and clarify its ATRR and True-up; and (ii) provide Interested Parties an opportunity to seek information and clarifications from MAIT about the ATRR and True-up.

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2017

Mid-Atlantic Interstate Transmission, LLC

Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT [page 3, line 43, col 5]				\$ 107,353,802
	REVENUE CREDITS	(Note T)	<u>Total</u>	<u>Allocator</u>	
2	Account No. 451	(page 4, line 29)	26,644	TP 1.00000	26,644
3	Account No. 454	(page 4, line 30)	3,447,663	TP 1.00000	3,447,663
4	Account No. 456	(page 4, line 31)	417,130	TP 1.00000	417,130
5	Revenues from Grandfathered Interzonal Transactions		-	TP 1.00000	-
6	Revenues from service provided by the ISO at a discount		-	TP 1.00000	-
7	TEC Revenue	Attachment 11, Page 2, Line 3, Col. 12	<u>4,988,767</u>	TP 1.00000	<u>4,988,767</u>
8	TOTAL REVENUE CREDITS (sum lines 2-7)		8,880,204		8,880,204
9	True-up Adjustment with Interest	Attachment 13, Line 28			-
10	NET REVENUE REQUIREMENT	(Line 1 - Line 8 + Line 9)			\$ 98,473,598
	DIVISOR				<u>Total</u>
11	1 Coincident Peak (CP) (MW)			(Note A)	5,856.8
12	Average 12 CPs (MW)			(Note CC)	5,006.3
13	Annual Rate (\$/MW/Yr)	(line 10 / line 11)	<u>Total</u> 16,813.58		
			<u>Peak Rate</u>		<u>Off-Peak Rate</u>
14	Point-to-Point Rate (\$/MW/Year)	(line 10 / line 12)	<u>Total</u> 19,670.06		<u>Total</u> 19,670.06
15	Point-to-Point Rate (\$/MW/Month)	(line 14/12)	1,639.17		1,639.17
16	Point-to-Point Rate (\$/MW/Week)	(line 14/52)	378.27		378.27
17	Point-to-Point Rate (\$/MW/Day)	(line 16/5; line 16/7)	75.65		54.04
18	Point-to-Point Rate (\$/MWh)	(line 14/4,160; line 14/8,760)	4.73		2.25

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2017

Line No.	(1)	(2)	(3)	(4)	(5)
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
RATE BASE:					
GROSS PLANT IN SERVICE					
1	Production	Attachment 3, Line 14, Col. 1 (Notes U & X)	-	NA	-
2	Transmission	Attachment 3, Line 14, Col. 2 (Notes U & X)	1,042,249,019	TP	1,042,249,019
3	Distribution	Attachment 3, Line 14, Col. 3 (Notes U & X)	-	NA	-
4	General & Intangible	Attachment 3, Line 14, Col. 4 & 5 (Notes U & X)	11,471,023	W/S	11,471,023
5	Common	Attachment 3, Line 14, Col. 6 (Notes U & X)	-	CE	-
6	TOTAL GROSS PLANT (sum lines 1-5)		1,053,720,042	GP=	1,053,720,042
ACCUMULATED DEPRECIATION					
7	Production	Attachment 4, Line 14, Col. 1 (Notes U & X)	-	NA	-
8	Transmission	Attachment 4, Line 14, Col. 2 (Notes U & X)	354,417,778	TP	354,417,778
9	Distribution	Attachment 4, Line 14, Col. 3 (Notes U & X)	-	NA	-
10	General & Intangible	Attachment 4, Line 14, Col. 4 & 5 (Notes U & X)	8,113,875	W/S	8,113,875
11	Common	Attachment 4, Line 14, Col. 6 (Notes U & X)	-	CE	-
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		362,531,653		362,531,653
NET PLANT IN SERVICE					
13	Production	(line 1 - line 7)	-		-
14	Transmission	(line 2 - line 8)	687,831,241		687,831,241
15	Distribution	(line 3 - line 9)	-		-
16	General & Intangible	(line 4 - line 10)	3,357,148		3,357,148
17	Common	(line 5 - line 11)	-		-
18	TOTAL NET PLANT (sum lines 13-17)		691,188,389	NP=	691,188,389
ADJUSTMENTS TO RATE BASE					
19	Account No. 281 (enter negative)	Attachment 5, Line 3, Col. 1 (Notes F & Y & DD)	-	NA	-
20	Account No. 282 (enter negative)	Attachment 5, Line 3, Col. 2 (Notes F & Y & DD)	(212,235,340)	NP	(212,235,340)
21	Account No. 283 (enter negative)	Attachment 5, Line 3, Col. 3 (Notes F & Y & DD)	(24,634,635)	NP	(24,634,635)
22	Account No. 190	Attachment 5, Line 3, Col. 4 (Notes F & Y & DD)	28,279,360	NP	28,279,360
23	Account No. 255 (enter negative)	Attachment 5, Line 3, Col. 5 (Notes F & Y & DD)	-	NP	-
24	Unfunded Reserve Plant-related (enter negative)	Attachment 14, Line 9, Col. G (Note Y)	-	DA	-
25	Unfunded Reserve Labor-related (enter negative)	Attachment 14, Line 10, Col. G (Note Y)	-	DA	-
26	CWIP	216.b (Notes X & Z)	-	DA	-
27	Unamortized Regulatory Asset	Attachment 16a, 16b, 16c, line 15, Col. 7 (Notes X)	6,585,188	DA	6,585,188
28	Unamortized Abandoned Plant	Attachment 17, Line 15, Col. 7 (Notes X & BB)	-	DA	-
29	TOTAL ADJUSTMENTS (sum lines 19-28)		(202,005,427)		(202,005,427)
30	LAND HELD FOR FUTURE USE	214.x.d (Attachment 14, Line 1, Col. D) (Notes G & Y)	-	TP	-
31	WORKING CAPITAL (Note H)				
32	CWC*	1/8*(Page 3, Line 15 minus Page 3, Lines 11 & 12)	5,456,804		5,010,274
33	Materials & Supplies (Note G)	227.8.c & .16.c (Attachment 14, Line 2, Col. D) (Note Y)	-	TE	-
34	Prepayments (Account 165)	111.57.c (Attachment 14, Line 3, Col. D) (Notes B & Y)	199,334	GP	199,334
35	TOTAL WORKING CAPITAL (sum lines 32 - 34)		5,656,138		5,209,608
36	RATE BASE (sum lines 18, 29, 30, & 35)		494,839,100		494,392,570

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2017

Line No.	(1)	(2)	(3)	(4)	(5)
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
O&M					
1	Transmission	321.112.b (Attachment 20, page 1, line 112)	38,890,152	TE 0.91580	35,615,597
2	Less LSE Expenses Included in Transmission O&M Accounts (Note W)		-	DA 1.00000	-
3	Less Account 565	321.96.b	-	DA 1.00000	-
4	Less Account 566	321.97.b	5,391,644	DA 1.00000	5,391,644
5	A&G	323.197.b (Attachment 20, page 2, line 197)	2,317,306	W/S 1.00000	2,317,306
6	Less FERC Annual Fees		-	W/S 1.00000	-
7	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)		106,317	W/S 1.00000	106,317
8	Plus Transmission Related Reg. Comm. Exp. (Note I)		-	TE 0.91580	-
9	PBOP Expense Adjustment in Year	Attachment 6, Line 9	(1,084,578)	DA 1.00000	(1,084,578)
10	Common	356.1	-	CE 1.00000	-
11	Account 407.3 Amortization of Regulatory Assets	Attachment 16a, 16b, 16c, Line 15, Col. 5	-	DA 1.00000	-
12	Account 566 Amortization of Regulatory Assets	321.97.b (notes)	-	DA 1.00000	-
13	Acct. 566 Miscellaneous Transmission Expense (less amortization of regulatory asset)	321.97.b - line 12	5,391,644	DA 1.00000	5,391,644
14	Total Account 566 (sum lines 12 & 13, ties to 321.97.b)		5,391,644		5,391,644
15	TOTAL O&M (sum lines 1, 5, 8, 9, 10, 11, 14 less 2, 3, 4, 6, 7)		40,016,563		36,742,008
DEPRECIATION AND AMORTIZATION EXPENSE					
16	Transmission	336.7.b (Note U)	20,035,588	TP 1.00000	20,035,588
17	General & Intangible	336.1.f & 336.10.f (Note U)	192,861	W/S 1.00000	192,861
18	Common	336.11.b (Note U)	-	CE 1.00000	-
19	Amortization of Abandoned Plant	Attachment 17, Line 15, Col. 5 (Note BB)	-	DA 1.00000	-
20	TOTAL DEPRECIATION (sum lines 16 - 19)		20,228,449		20,228,449
TAXES OTHER THAN INCOME TAXES (Note J)					
LABOR RELATED					
21	Payroll	263.i (Attachment 7, line 1z)	345,870	W/S 1.00000	345,870
22	Highway and vehicle	263.i (Attachment 7, line 2z)	-	W/S 1.00000	-
PLANT RELATED					
24	Property	263.i (Attachment 7, line 3z)	60,727	GP 1.00000	60,727
25	Gross Receipts	263.i (Attachment 7, line 4z)	-	NA	-
26	Other	263.i (Attachment 7, line 5z)	99	GP 1.00000	99
27	Payments in lieu of taxes	Attachment 7, line 6z	-	GP 1.00000	-
28	TOTAL OTHER TAXES (sum lines 21 - 27)		406,696		406,696
INCOME TAXES (Note K)					
29	T=1 - [(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p) =		41.49%		
30	CIT=(T/1-T) * (1-(WCLTD/R)) = where WCLTD=(page 4, line 22) and R=(page 4, line 25) and FIT, SIT & p are as given in footnote K.		49.36%		
31	1 / (1 - T) = (from line 29)		1.7092		
32	Amortized Investment Tax Credit (266.8.f) (enter negative)		(91,378)		
33	Tax Effect of Permanent Differences and AFUDC Equity (Attachment 15, Line 1, Col. 3) [Notes D & Y]		25,699		
34	(Excess)/Deficient Deferred Income Taxes (Attachment 15, Lines 2 & 3, Col. 3) [Notes E & Y]		-		
35	Income Tax Calculation = line 30 * line 40		16,567,563	NA	16,552,613
36	ITC adjustment (line 31 * line 32)		(156,184)	NP 1.00000	(156,184)
37	Permanent Differences and AFUDC Equity Tax Adjustment (line 31 * line 33)		43,924	DA 1.00000	43,924
38	(Excess)/Deficient Deferred Income Tax Adjustment (line 31 * line 34)		-	DA 1.00000	-
39	Total Income Taxes (sum lines 35 through 38)		16,455,303		16,440,353
40	RETURN	[Rate Base (page 2, line 36) * Rate of Return (page 4, line 25)]	33,566,585.64	NA	33,536,296
GROSS REV. REQUIREMENT (WITHOUT INCENTIVE)					
41	INCENTIVE)	(sum lines 15, 20, 28, 39, 40)	110,673,597		107,353,802
42	ADDITIONAL INCENTIVE REVENUE	Attachment 11, page 2, line 4, col 11 (Note AA)	0		0
43	GROSS REV. REQUIREMENT	(line 41 + line 42)	110,673,597		107,353,802

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2017

Mid-Atlantic Interstate Transmission, LLC

SUPPORTING CALCULATIONS AND NOTES

Line No.	(1)	(2)	(3)	(4)	(5)	(6)
TRANSMISSION PLANT INCLUDED IN ISO RATES						
1	Total transmission plant (page 2, line 2, column 3)					1,042,249,019
2	Less transmission plant excluded from ISO rates (Note M)					-
3	Less transmission plant included in OATT Ancillary Services (Note N)					-
4	Transmission plant included in ISO rates (line 1 less lines 2 & 3)					1,042,249,019
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)				TP=	1.00000
TRANSMISSION EXPENSES						
6	Total transmission expenses (page 3, line 1, column 3)					38,890,152
7	Less transmission expenses included in OATT Ancillary Services (Note L)					3,274,555
8	Included transmission expenses (line 6 less line 7)					35,615,597
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)					0.91580
10	Percentage of transmission plant included in ISO Rates (line 5)				TP	1.00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)				TE=	0.91580
WAGES & SALARY ALLOCATOR (W&S)						
	Form 1 Reference	\$	TP		Allocation	
12	Production 354.20.b	-	0.00		-	
13	Transmission 354.21.b	-	1.00		-	
14	Distribution 354.23.b	-	0.00		-	W&S Allocator
15	Other 354.24,25,26.b	-	0.00		-	(\$ / Allocation)
16	Total (sum lines 12-15)	-			-	= 1.00000 = WS
COMMON PLANT ALLOCATOR (CE) (Note O)						
		\$			% Electric	W&S Allocator
17	Electric 200.3.c	996,733,784.00			(line 17 / line 20)	(line 16)
18	Gas 201.3.d	-			1.00000 *	1.00000 =
19	Water 201.3.e	-				CE
20	Total (sum lines 17 - 19)	996,733,784.00				1.00000
RETURN (R)						
21	Preferred Dividends (118.29c) (positive number)					\$ -
REVENUE CREDITS						
ACCOUNT 447 (SALES FOR RESALE)						
26	a. Bundled Non-RQ Sales for Resale (311.x.h)	(310-311)	(Note Q)			-
27	b. Bundled Sales for Resale included in Divisor on page 1					-
28	Total of (a)-(b)					-
29	ACCOUNT 451 (MISCELLANEOUS SERVICE REVENUE) (Note S)			(300.17.b) (Attachment 21, line 1z)		26,644
30	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)			(300.19.b) (Attachment 21, line 2z)		3,447,663
31	ACCOUNT 456 (OTHER ELECTRIC REVENUE) (Note V)			(330.x.n) (Attachment 21, line 3z)		417,130

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data

For the 12 months ended 12/31/2017

Mid-Atlantic Interstate Transmission, LLC

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

Note
Letter

- A As provided by PJM and in effect at the time of the annual rate calculations pursuant to Section 34.1 of the PJM OATT. Includes combined CPs for Met-Ed and Penelec zones.
 - B Prepayments shall exclude prepayments of income taxes.
 - C In its order approving the transfer of Penelec's and Met-Ed's transmission assets to MAIT, the Commission approved MAIT's commitment to apply a 50 percent equity/50 percent debt capital structure for ratemaking purposes for a two-year transition period. Pennsylvania Electric, 154 FERC ¶ 61,109 at P 51. Consequently, for the first two years (i.e., calendar years 2017 and 2018) the hypothetical capital structure will be used instead of the actual calculation. Per the Settlement Agreement in docket number ER17-211-000, beginning in calendar year 2019, the equity component of MAIT's capital structure to be used in calculating charges under the formula rate shall be the lower of (i) MAIT's actual equity component as calculated in accordance with Attachment 8 or (ii) 60%.
 - D Includes the annual income tax cost or benefits due to permanent differences or differences between the amounts of expenses or revenues recognized in one period for ratemaking purposes and the amounts recognized for income tax purposes which do not reverse in one or more other periods, including the cost of income taxes on the Allowance for Other Funds Used During Construction.
 - E Upon enactment of changes in tax law, income tax rates (including changes in apportionment) and other actions taken by a taxing authority, deferred taxes are re-measured and adjusted in the Company's books of account, resulting in excess or deficient accumulated deferred taxes. Such excess or deficient deferred taxes attributed to the transmission function will be based upon tax records and calculated in the calendar year in which the excess or deficient amount was measured and recorded for financial reporting purposes. Amounts to be included will be January 1, 2017 and thereafter.
 - F The balances in Accounts 190, 281, 282 and 283, should exclude all FASB 106 or 109 related amounts. For example, any and all amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109 should be excluded. The balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
 - G Identified in Form 1 as being only transmission related.
 - H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 15, column 5 minus amortization of regulatory assets (page 3, lines 11 & 12, col. 5). Prepayments are the electric related prepayments booked to Account No. 165 and reported on Page 111, line 57 in the Form 1.
 - I Line 7 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 8 - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
 - J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
 - K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 31).
- | | | |
|--------|-------|-----------------------------------------------------------------------------------------------------------|
| Inputs | FIT = | 35.00% |
| | SIT = | 9.99% |
| | p = | (State Income Tax Rate or Composite SIT)
(percent of federal income tax deductible for state purposes) |
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1 - 561.3, and 561.BA., and related to generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
 - M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
 - N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
 - O Enter dollar amounts
 - P Debt cost rate will be set at 4.5% until such time as debt is issued by MAIT. Once debt is issued, the long-term debt cost rate will be the weighted average of the rates for all outstanding debt instruments, calculated within Attachment 10, col. j. Consistent with Note C, there will be no preferred stock cost, consistent with MAIT's commitment to use a hypothetical 50%/50% capital structure until calendar year 2019. Thereafter, Preferred cost rate = preferred dividends (line 21) / preferred outstanding (line 23). No change in ROE may be made absent a filing with FERC under Section 205 or Section 206 of the Federal Power Act. Per the Settlement Agreement in Docket No. ER17-211-000, MAIT's stated ROE is set to 10.30% (9.8% base ROE plus 50 basis point adder for RTO participation).
 - Q Line 28 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.
 - R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
 - S Excludes revenues unrelated to transmission services.
 - T The revenues credited on page 1, lines 2-6 shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template. The revenue on line 7 is supported by it own reference.
 - U Plant in Service, Accumulated Depreciation, and Depreciation Expense amounts exclude Asset Retirement Obligation amounts unless authorized by FERC.
 - V On Page 4, Line 31, enter revenues from RTO settlements that are associated with NITS and firm Point-to-Point Service for which the load is not included in the divisor to derive Met-Ed's and Penelec's zonal rates. Exclude non-firm Point-to-Point revenues and revenues related to RTEP projects.
 - W Account Nos. 561.4, 561.8, and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
 - X Calculate using a 13 month average balance.
 - Y Calculate using average of beginning and end of year balance.
 - Z Includes only CWIP authorized by the Commission for inclusion in rate base.
 - AA Any actual ROE incentive must be approved by the Commission; therefore, line will remain zero until a project(s) is granted an ROE incentive adder.
 - BB Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant. Utility must submit a Section 205 filing to recover the cost of abandoned plant.
 - CC Peak as would be reported on page 401, column d of Form 1 at the time of Met-Ed's and Penelec's zonal peak for the twelve month period ending October 31 of the calendar year used to calculate rates. The projection year will utilize the most recent preceding 12-month period at the time of the filing.
 - DD Includes transmission-related balance only.

Schedule 1A Rate Calculation

1	\$ 3,274,555	Attachment H-28A, Page 4, Line 7
2	86,805	Revenue Credits for Sched 1A - Note A
3	\$ 3,187,750	Net Schedule 1A Expenses (Line 1 - Line 2)
4	32,831,851	Annual MWh in Met-Ed and Penelec Zones - Note B
5	\$ 0.0971	Schedule 1A rate \$/MWh (Line 3/ Line 4)

Note:

- A Revenues received pursuant to PJM Schedule 1A revenue allocation procedures for transmission service outside of Met-Ed's and Penelec's zones during the year used to calculate rates under Attachment H-28A.
- B Load expressed in MWh consistent with load used for billing under Schedule 1A for the Met-Ed and Penelec zones. Data from RTO settlement systems for the calendar year prior to the rate year.

Incentive ROE Calculation

Return Calculation		Source Reference			
1	Rate Base	Attachment H-28A, page 2, Line 36, Col. 5	494,392,570		
2	Preferred Dividends	enter positive	0		
Common Stock					
3	Proprietary Capital	Attachment 8, Line 14, Col. 1	729,211,926		
4	Less Preferred Stock	Attachment 8, Line 14, Col. 2	0		
5	Less Accumulated Other Comprehensive Income Account 219	Attachment 8, Line 14, Col. 4	0		
6	Less Account 216.1 & Goodwill	Attachment 8, Line 14, Col. 3 & 5	206,392,588		
7	Common Stock	Attachment 8, Line 14, Col. 6	522,819,338		
Capitalization					
8	Long Term Debt	Attachment H-28A, page 4, Line 22, Col. 3	0		
9	Preferred Stock	Attachment H-28A, page 4, Line 23, Col. 3	0		
10	Common Stock	Attachment H-28A, page 4, Line 24, Col. 3	522,819,338		
11	Total Capitalization	Attachment H-28A, page 4, Line 25, Col. 3	522,819,338		
12	Debt %	Total Long Term Debt	Attachment H-28A, page 4, Line 22, Col. 4	50.0000%	
13	Preferred %	Preferred Stock	Attachment H-28A, page 4, Line 23, Col. 4	0.0000%	
14	Common %	Common Stock	Attachment H-28A, page 4, Line 24, Col. 4	50.0000%	
15	Debt Cost	Total Long Term Debt	Attachment H-28A, page 4, Line 22, Col. 5	0.0450	
16	Preferred Cost	Preferred Stock	Attachment H-28A, page 4, Line 23, Col. 5	0.0000	
17	Common Cost	Common Stock	10.30%	0.1030	
18	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 12 * Line 15)	*	0.0206
19	Weighted Cost of Preferred	Preferred Stock	(Line 13 * Line 16)	*	0.0000
20	Weighted Cost of Common	Common Stock	(Line 14 * Line 17)	*	0.0472
21	Rate of Return on Rate Base (ROR)		(Sum Lines 18 to 20)		0.0678
22	Investment Return = Rate Base * Rate of Return		(Line 1 * Line 21)		33,536,296

Income Taxes			
Income Tax Rates			
23	$T = 1 - (((1 - \text{SIT}) * (1 - \text{FIT})) / (1 - \text{SIT} * \text{FIT} * p)) =$	Attachment H-28A, page 3, Line 29, Col. 3	41.49%
24	$\text{CIT} = (T / (1 - T)) * (1 - (\text{WCLTD} / \text{R})) =$	Calculated	49.36%
25	$1 / (1 - T) =$ (from line 23)	Attachment H-28A, page 3, Line 31, Col.3	1.7092
26	Amortized Investment Tax Credit (266.8.f) (enter negative)	Attachment H-28A, page 3, Line 32, Col. 3	(91,378.00)
27	Tax Effect of Permanent Differences and AFUDC Equity (Excess)/Deficient Deferred Income Taxes	Attachment H-28A, page 3, Line 33, Col. 3	25,698.68
28	Income Tax Calculation	Attachment H-28A, page 3, Line 34, Col. 3	-
29	ITC adjustment	(line 22 * line 24)	16,552,612.74
30	Permanent Differences and AFUDC Equity Tax Adjustment (Excess)/Deficient Deferred Income Tax Adjustment	(line 25 * line 26)	(156,184.36)
31	Total Income Taxes	Attachment H-28A, page 3, Line 37, Col. 3	43,924.49
32		Attachment H-28A, page 3, Line 38, Col. 3	-
33		Sum lines 29 to 32	16,440,352.88

Increased Return and Taxes			
34	Return and Income taxes with increase in ROE	(Line 22 + Line 33)	49,976,648.89
35	Return without incentive adder	Attachment H-28A, Page 3, Line 40, Col. 5	33,536,296.01
36	Income Tax without incentive adder	Attachment H-28A, Page 3, Line 39, Col. 5	16,440,352.88
37	Return and Income taxes <u>without</u> increase in ROE	Line 35 + Line 36	49,976,648.89
38	Return and Income taxes with increase in ROE	Line 34	49,976,648.89
39	Incremental Return and incomes taxes for increase in ROE	Line 38 - Line 37	-
40	Rate Base	Line 1	494,392,570.19
41	Incremental Return and incomes taxes for increase in ROE divided by rate base	Line 39 / Line 40	-

Notes:
Line 17 to include an incentive ROE that is used only to determine the increase in return and incomes taxes associated with a specific increase in ROE. Any actual ROE incentive must be approved by the Commission. Until an ROE incentive is approved, line 17 will reflect the current ROE.

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

Gross Plant Calculation

For the 12 months ended 12/31/2017

		[1]	[2]	[3]	[4]	[5]	[6]	[7]
		Production	Transmission	Distribution	Intangible	General	Common	Total
1	December	2016	-	-	-	-	-	-
2	January	2017	-	999,382,319	-	-	9,688,173	1,009,070,492
3	February	2017	-	1,008,561,887	-	-	10,469,938	1,019,031,825
4	March	2017	-	1,016,994,752	-	-	10,496,274	1,027,491,026
5	April	2017	-	1,019,511,734	-	-	10,496,234	1,030,007,968
6	May	2017	-	1,017,553,986	-	-	10,496,234	1,028,050,220
7	June	2017	-	1,030,980,292	-	-	10,496,234	1,041,476,526
8	July	2017	-	1,031,936,587	-	-	10,496,234	1,042,432,821
9	August	2017	-	1,052,675,600	-	-	11,410,779	1,064,086,379
10	September	2017	-	1,061,471,382	-	-	11,410,779	1,072,882,161
11	October	2017	-	1,069,106,745	-	-	11,410,779	1,080,517,524
12	November	2017	-	1,082,495,215	-	-	12,178,590	1,094,673,805
13	December	2017	-	1,116,317,736	-	6,883	18,595,145	1,134,919,764
14	13-month Average*	[A] [C]	-	1,042,249,019	-	574	11,470,449	1,053,720,042

		[1]	[2]	[3]	[4]	[5]	[6]	[7]
		Production	Transmission	Distribution	Intangible	General	Common	Total
		[B]	205.46.g	207.58.g	207.75.g	205.5.g	207.99.g	356.1
15	December	2016	-	-	-	-	-	-
16	January	2017	-	999,386,419	-	-	9,688,173	1,009,074,592
17	February	2017	-	1,008,565,987	-	-	10,469,938	1,019,035,925
18	March	2017	-	1,016,998,852	-	-	10,496,274	1,027,495,126
19	April	2017	-	1,019,515,834	-	-	10,496,234	1,030,012,068
20	May	2017	-	1,017,558,086	-	-	10,496,234	1,028,054,320
21	June	2017	-	1,030,984,392	-	-	10,496,234	1,041,480,626
22	July	2017	-	1,031,940,687	-	-	10,496,234	1,042,436,921
23	August	2017	-	1,052,679,700	-	-	11,410,779	1,064,090,479
24	September	2017	-	1,061,475,482	-	-	11,410,779	1,072,886,261
25	October	2017	-	1,069,110,845	-	-	11,410,779	1,080,521,624
26	November	2017	-	1,082,499,315	-	-	12,178,590	1,094,677,905
27	December	2017	-	1,116,321,836	-	6,883	18,595,145	1,134,923,864
28	13-month Average*		-	1,042,253,120	-	574	11,470,449	1,053,724,143

Asset Retirement Costs							
		Production	Transmission	Distribution	Intangible	General	Common
		[B]	205.44.g	207.57.g	207.74.g	company records	207.98.g
29	December	2016	-	-	-	-	-
30	January	2017	-	4,100	-	-	-
31	February	2017	-	4,100	-	-	-
32	March	2017	-	4,100	-	-	-
33	April	2017	-	4,100	-	-	-
34	May	2017	-	4,100	-	-	-
35	June	2017	-	4,100	-	-	-
36	July	2017	-	4,100	-	-	-
37	August	2017	-	4,100	-	-	-
38	September	2017	-	4,100	-	-	-
39	October	2017	-	4,100	-	-	-
40	November	2017	-	4,100	-	-	-
41	December	2017	-	4,100	-	-	-
42	13-month Average*		-	4,100	-	-	-

Notes:

[A] Included on Attachment H-28A, page 2, lines 1-6, Col. 3

[B] Reference for December balances as would be reported in FERC Form 1.

[C] Balance excludes Asset Retirements Costs

[D] Met-Ed retained 34.5kV lines

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

Accumulated Depreciation Calculation

For the 12 months ended 12/31/2017

		[1]	[2]	[3]	[4]	[5]	[6]	[7]
		Production	Transmission	Distribution	Intangible	General	Common	Total
1	December 2016	-	-	-	-	-	-	-
2	January 2017	-	349,500,347	-	-	8,022,849	-	357,523,195
3	February 2017	-	350,563,344	-	-	8,029,080	-	358,592,424
4	March 2017	-	351,679,085	-	-	8,055,449	-	359,734,534
5	April 2017	-	352,843,328	-	-	8,071,784	-	360,915,112
6	May 2017	-	354,007,631	-	-	8,088,119	-	362,095,750
7	June 2017	-	355,184,903	-	-	8,104,454	-	363,289,357
8	July 2017	-	355,374,312	-	-	8,120,789	-	363,495,101
9	August 2017	-	355,871,738	-	-	8,137,831	-	364,009,569
10	September 2017	-	356,362,499	-	-	8,155,558	-	364,518,057
11	October 2017	-	357,218,298	-	-	8,173,285	-	365,391,583
12	November 2017	-	356,787,495	-	-	8,191,589	-	364,979,084
13	December 2017	-	357,620,360	-	41	8,215,668	-	365,836,069
14	13-month Average* [A] [C]	-	354,417,778	-	3	8,113,871	-	362,531,653
		Production	Transmission	Distribution	Intangible	General	Common	Total
	[B]	219.20-24.c	219.25.c	219.26.c	200.21.c	219.28.c	356.1	
15	December 2016	-	-	-	-	-	-	-
16	January 2017	-	349,500,347	-	-	8,022,849	-	357,523,195
17	February 2017	-	350,563,359	-	-	8,029,080	-	358,592,439
18	March 2017	-	351,679,119	-	-	8,055,449	-	359,734,568
19	April 2017	-	352,843,381	-	-	8,071,784	-	360,915,165
20	May 2017	-	354,007,703	-	-	8,088,119	-	362,095,822
21	June 2017	-	355,184,994	-	-	8,104,454	-	363,289,448
22	July 2017	-	355,374,422	-	-	8,120,789	-	363,495,211
23	August 2017	-	355,871,867	-	-	8,137,831	-	364,009,698
24	September 2017	-	356,362,646	-	-	8,155,558	-	364,518,204
25	October 2017	-	357,218,464	-	-	8,173,285	-	365,391,750
26	November 2017	-	356,787,681	-	-	8,191,589	-	364,979,270
27	December 2017	-	357,620,564	-	41	8,215,668	-	365,836,273
28	13-month Average*	-	354,417,879	-	3	8,113,871	-	362,531,753

Reserve for Depreciation of Asset Retirement Costs

		Production	Transmission	Distribution	Intangible	General	Common
	[B]	Company Records					
29	December 2016	-	-	-	-	-	-
30	January 2017	-	-	-	-	-	-
31	February 2017	-	15	-	-	-	-
32	March 2017	-	34	-	-	-	-
33	April 2017	-	53	-	-	-	-
34	May 2017	-	72	-	-	-	-
35	June 2017	-	91	-	-	-	-
36	July 2017	-	110	-	-	-	-
37	August 2017	-	129	-	-	-	-
38	September 2017	-	148	-	-	-	-
39	October 2017	-	166	-	-	-	-
40	November 2017	-	185	-	-	-	-
41	December 2017	-	204	-	-	-	-
42	13-month Average*	-	100	-	-	-	-

Notes:

[A] Included on Attachment H-28A, page 2, lines 7-11, Col. 3

[B] Reference for December balances as would be reported in FERC Form 1.

[C] Balance excludes reserve for depreciation of asset retirement costs

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

ADIT Calculation

	[1]	[2]	[3]	[4]	[5]	[6]
	ADIT Transmission Total (including Plant & Labor Related Transmission ADITs and applicable transmission adjustments from notes below)					
	Acct. No. 281 (enter negative)	Acct. No. 282 (enter negative)	Acct. No. 283 (enter negative)	Acct. No. 190	Acct. No. 255 (enter negative)	Total
		[C]	[D]	[E]	[F]	
1 December 31 2016	-	(204,511,246)	(8,757,803)	5,837,156	-	(207,431,893)
2 December 31 2017	-	(219,959,433)	(40,511,467)	50,721,564	-	(209,749,336)
3 Begin/End Average* [A]	-	(212,235,340)	(24,634,635)	28,279,360	-	(208,590,614)

	Acct. No. 281	Acct. No. 282	Acct. No. 283	Acct. No. 190	Acct. No. 255	Total	
	ADIT Total Transmission-related only, including Plant & Labor Related Transmission ADITs (prior to adjustments from notes below)						
	[B]	273.8.k	275.2.k	277.9.k	234.8.c	267.h	
4 December 31 2016			219,024,393	18,539,114	20,788,261	2,520,533	260,872,301
5 December 31 2017			167,874,441	16,297,693	54,451,568	2,429,155	241,052,857
6 Begin/End Average*	-	193,449,417	17,418,403	37,619,915	2,474,844		250,962,579

Notes:

[A] Beginning/Ending Average with adjustments for FAS143, FAS106, FAS109, CIACs and normalization to populate Appendix H-28A, page 2, lines 19-23, col. 3 for accounts 281, 282, 283, 190, and 255, respectively

[B] Reference for December balances as would be reported in FERC Form 1.

[C] FERC Account No. 282 is adjusted for the following items.

	FAS 143 - ARO	FAS 106	FAS 109	CIAC	Other: [H]	Other: [H]	Normalization [G]
2016	-	715,318	13,797,829		-	-	-
2017	1,617	(7,850,708)	(65,010,933)		-	-	20,775,032

[D] FERC Account No. 283 is adjusted for the following items.

	FAS 143 - ARO	FAS 106	FAS 109	CIAC	Other: [H]	Other: [H]	Normalization [G]
2016	-	-	9,781,311		-	-	-
2017	222	243,338	(24,777,448)	(814,379)	-	-	1,134,493

[E] FERC Account No. 190 is adjusted for the following items:

	FAS 143 - ARO	FAS 106	FAS 109	CIAC	Other: [H]	Other: [H]	Normalization [G]
2016	-	-	6,023	14,945,082	-	-	-
2017	1,792	243,338	(5,046,743)	8,451,718	-	-	79,899

[F] See Attachment H-28A, page 5, note K; A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f).

[G] Taken from Attachment 5a, page 2, col. 4.

[H] Include any additional adjustments to ADIT items as may be recognized in the future to be proper for PTRR/ATRR calculation purposes.

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

ADIT Normalization Calculation

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
	2017 Quarterly Activity and Balances							
Beginning 190 (including adjustments)	Q1 Activity	Ending Q1	Q2 Activity	Ending Q2	Q3 Activity	Ending Q3	Q4 Activity	Ending Q4
5,837,156	12,996	5,850,152	18,887	5,869,039	7,579	5,876,618	97	5,876,715
Beginning 190 (including adjustments) 5,837,156	Pro-rated Q1 9,827	Pro-rated Q2 9,573	Pro-rated Q3 1,931	Pro-rated Q4 0				
Beginning 282 (including adjustments)	Q1 Activity	Ending Q1	Q2 Activity	Ending Q2	Q3 Activity	Ending Q3	Q4 Activity	Ending Q4
204,511,246	3,379,252	207,890,498	4,910,943	212,801,441	1,970,795	214,772,236	25,118	214,797,354
Beginning 282 (including adjustments) 204,511,246	Pro-rated Q1 2,555,270	Pro-rated Q2 2,489,108	Pro-rated Q3 502,148	Pro-rated Q4 69				
Beginning 283 (including adjustments)	Q1 Activity	Ending Q1	Q2 Activity	Ending Q2	Q3 Activity	Ending Q3	Q4 Activity	Ending Q4
8,757,803	184,536	8,942,339	268,179	9,210,518	107,622	9,318,140	1,372	9,319,512
Beginning 283 (including adjustments) 8,757,803	Pro-rated Q1 139,540	Pro-rated Q2 135,926	Pro-rated Q3 27,421	Pro-rated Q4 4				

ADIT Normalization Calculation

	[1]	[2]	[3]	[4]	[5]
	FERC Form 1 - Year-End (sourced from Attachment 5, page 1, line 5)	Prorated year-end less FERC Form 1 Year-end	Sum of FAS143, FAS106, FAS109, CIAC and Other from Attachment 5, page 1, notes	Total Normalization to Attachment 5 (col. 2 - col. 3)	Ending Balance for formula rate (col. 1 - col. 3. - col. 4)
2017 Activity					
<hr/>					
Pro-rated Total	Pro-rated Ending 190				
21,331	5,858,487	54,451,568	3,730,004	3,650,105	79,899 50,721,564
<hr/>					
Pro-rated Total	Pro-rated Ending 282				
5,546,595	210,057,841	167,874,441	(52,084,992)	(72,860,024)	20,775,032 219,959,433
<hr/>					
Pro-rated Total	Pro-rated Ending 283				
302,891	9,060,694	16,297,693	(24,213,774)	(25,348,267)	1,134,493 40,511,467

ADIT Detail

For the 12 months ended 12/31/2017

<u>COLUMN A</u>	<u>COLUMN B</u>	<u>COLUMN C</u>	<u>COLUMN D</u>
	BALANCE AS <u>OF 1-31-17</u>	BALANCE AS <u>OF 12-31-17</u>	AVERAGE <u>BALANCE</u>
ACCOUNT 255:			
Accumulated Deferred Investment Tax Credits	2,520,533	2,429,155	2,474,844
1 TOTAL ACCOUNT 255	<u>2,520,533</u>	<u>2,429,155</u>	
ACCOUNT 282:			
263A MSC-Fed-Norm	2,022,487	1,086,256	1,554,371
263A MSC-PA-Norm	375,229	408,231	391,730
263A-Fed-Norm	21,269,161	10,570,080	15,919,620
263A-PA-Norm	3,946,037	4,109,317	4,027,677
Accelerated Tax Depr-Fed-FT	12,446,588	6,974,011	9,710,299
Accelerated Tax Depr-Fed-Norm	138,561,279	97,828,778	118,195,029
Accelerated Tax Depr-PA-FT	2,647,896	3,625,284	3,136,590
Accelerated Tax Depr-PA-Norm	15,741,947	21,124,704	18,433,326
AFUDC Debt-Fed-Norm	2,617,404	1,743,959	2,180,682
AFUDC Debt-Fed-Norm-Incurred-CWIP	384,650	327,011	355,831
AFUDC Debt-Fed-Norm-Reversal-CWIP	0	(150,855)	(75,427)
AFUDC Debt-PA-Norm	485,603	655,405	570,504
AFUDC Debt-PA-Norm-Incurred-CWIP	121,975	122,895	122,435
AFUDC Debt-PA-Norm-Reversal-CWIP	0	(56,693)	(28,347)
AFUDC Equity/FAS 43-Fed-FT	870,176	880,049	875,112
AFUDC Equity/FAS 43-Fed-FT-Incurred-CWIP	507,455	1,773,150	1,140,302
AFUDC Equity/FAS 43-Fed-FT-Reversal-CWIP	0	(350,282)	(175,141)
AFUDC Equity/FAS 43-PA-FT	161,443	330,735	246,089
AFUDC Equity/FAS 43-PA-FT-Incurred-CWIP	160,918	666,375	413,646
AFUDC Equity/FAS 43-PA-FT-Reversal-CWIP	0	(131,641)	(65,821)
ARO-Fed-Norm	0	818	409
ARO-PA-Norm	0	307	154
Cap Vertical Tree Trimming-Fed-Norm	2,132,666	2,856,010	2,494,338
Cap Vertical Tree Trimming-PA-Norm	1,682,101	1,933,503	1,807,802
Capitalized Benefits-Fed-Norm-Reversal-CWIP	2,239,060		2,239,060
Capitalized Benefits-PA-Norm-Reversal-CWIP	637,263		637,263
Casualty Loss-Fed-Norm	2,966,359	974,271	1,970,315
Casualty Loss-PA-Norm	1,762,543	1,468,980	1,615,761
FAS 123R - Performance Shares-Fed-Norm	0	2,710	1,355
FAS 123R - Performance Shares-PA-Norm	(178)	1,018	420
FAS 123R - Restricted Stock-Fed-Norm	0	(3,007)	(1,504)
FAS 123R - Restricted Stock-PA-Norm	344	(1,130)	(393)

FAS 123R - RSU Capital-Fed-Norm	0	49,523	24,762
FAS 123R - RSU Capital-PA-Norm	(9,560)	18,612	4,526
G Overheads-Fed-Norm	0	3,500,882	1,750,441
G Overheads-PA-Norm	(936,336)	1,315,681	189,673
Life Insurance-Fed-Norm	0	(34,838)	(17,419)
Life Insurance-PA-Norm	7,369	(14,816)	(3,723)
OPEBs-Fed-Norm	0	(3,974,029)	(1,987,015)
OPEBs-PA-Norm	715,318	(1,493,497)	(389,090)
Other Basis Differences-Fed-Norm	(3,786,266)	(5,023,746)	(4,405,006)
Other Basis Differences-PA-Norm	(693,157)	(1,877,272)	(1,285,214)
Pensions-Fed-Norm	(1,397,572)	(825,115)	(1,111,343)
Pensions-PA-Norm	(259,289)	(310,090)	(284,690)
Sale of Property - Book Gain or (Loss)	0	(13,484)	(6,742)
Tax UoP Repair Exp-Fed-Norm	10,679,248	12,204,850	11,442,049
Tax UoP Repair Exp-Fed-Norm-Incurred-CWIP	0	8,568,000	4,284,000
Tax UoP Repair Exp-Fed-Norm-Reversal-CWIP	0	(7,191,927)	(3,595,964)
Tax UoP Repair Exp-PA-FT	(705,641)	(772,414)	(739,027)
Tax UoP Repair Exp-PA-Norm	1,669,871	4,460,725	3,065,298
Tax UoP Repair Exp-PA-Norm-Incurred-CWIP	0	3,219,977	1,609,988
Tax UoP Repair Exp-PA-Norm-Reversal-CWIP	0	(2,702,829)	(1,351,415)

2 TOTAL ACCOUNT 282

219,024,393	167,874,441
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ADIT Detail

For the 12 months ended 12/31/2017

<u>COLUMN A</u>	<u>COLUMN B</u>	<u>COLUMN C</u>	<u>COLUMN D</u>
	BALANCE AS <u>OF 1-31-17</u>	BALANCE AS <u>OF 12-31-17</u>	AVERAGE <u>BALANCE</u>
ACCOUNT 283:			
263A MSC-PA-Norm	0	29,395	14,698
263A-PA-Norm	13,775	302,596	158,186
Accelerated Tax Depr-Fed-FT	8,752,388	2,833,635	5,793,011
Accelerated Tax Depr-PA-FT	1,877,919	1,473,002	1,675,461
Accelerated Tax Depr-Fed-Norm	(586,393)	1,523,954	468,781
AFUDC debt-Fed-Norm-reversal-CWIP	0	40,863	20,432
AFUDC debt-PA-Norm	246	47,332	23,789
AFUDC debt-Fed-Norm-incurred-CWIP	0	8,849	4,425
AFUDC Equity/FAS 43-Fed-FT	617,139	357,576	487,358
AFUDC Equity/FAS 43-Fed-FT-incurred-CWIP	359,893	720,455	540,174
AFUDC Equity/FAS 43-PA-FT	114,497	134,382	124,439
AFUDC Equity/FAS 43-PA-FT-incurred-CWIP	114,125	270,757	192,441
ARO-PA-Norm	0	22	11
Cap Vertical Tree Trimming-PA-Norm	1,448	140,063	70,756
Casualty Loss PA-Norm	0	106,039	53,020
CIAC-Fed-Norm-reversal-CWIP	0	193,684	96,842
CIAC-PA-Norm-reversal-CWIP	0	107,019	53,510
Deferred Charge-EIB	0	5,801	2,901
FAS109 Gross-up on Non-property Items	0	737,802	368,901
FAS123R - Performance Shares-PA-Norm	0	75	38
FAS123R - Restricted Stock-Fed-Norm	0	815	408
FAS123R - RSU Capital-PA-Norm	0	1,349	675
G Overheads-PA-Norm	365	94,763	47,564
Life Insurance-Fed-Norm	0	9,437	4,719
OPEBs-Fed-Norm	0	1,076,468	538,234
Other Basis Differences-Fed-Norm	(584,451)	1,045,014	230,282
Pensions-Fed-Norm	0	223,504	111,752
PJM Receivable	420,327	495,242	457,785
Storm Damage	503,970	228,096	366,033
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP		245,442	245,442
Tax Interest Capitalized-PA-Norm-Reversal-CWIP		135,618	135,618
Tax UoP Repair Exp-Fed-Norm-Reversal-CWIP		1,948,118	1,948,118
Tax UoP Repair Exp-PA-Norm	0	320,772	160,386
Tax UoP Repair Exp-PA-Norm-Reversal-CWIP		231,854	231,854
Vegetation Management	6,933,865	1,207,900	4,070,883
3 TOTAL ACCOUNT 283		18,539,114	16,297,693

ADIT Detail

For the 12 months ended 12/31/2017

<u>COLUMN A</u>	<u>COLUMN B</u>	<u>COLUMN C</u>	<u>COLUMN D</u>
	BALANCE AS <u>OF 1-31-17</u>	BALANCE AS <u>OF 12-31-17</u>	AVERAGE BALANCE
ACCOUNT 190:			
263A MSC-PA-Norm		294,240	294,240
263A-PA-Norm		2,863,177	2,863,177
Accelerated Tax Depr-Fed-Norm		26,818,855	26,818,855
AFUDC Debt-Fed-Norm		472,396	472,396
AFUDC debt-Fed-Norm-incurred-CWIP		88,579	88,579
AFUDC debt-PA-Norm-reversal-CWIP		4,082	4,082
AFUDC Equity/FAS 43-Fed-FT-reversal-CWIP		142,324	142,324
AFUDC Equity/FAS 43-PA-FT-reversal-CWIP		53,488	53,488
ARO-Fed-Norm		222	222
Asset Retirement Obligation Liability		1,571	1,571
Cap Vertical Tree Trimming-Fed-Norm		1,393,611	1,393,611
Casualty Loss Fed-Norm		263,906	263,906
CIAC-Fed-Norm	8,763,805	2,633,612	5,698,708
CIAC-Fed-Norm-Incurred-CWIP	3,378,974	931,845	2,155,410
CIAC-PA-Norm	1,736,084	1,626,983	1,681,534
CIAC-PA-Norm-Incurred-CWIP	1,071,498	514,887	793,193
FAS123R - Performance Shares-Fed-Norm		734	734
FAS123R - Restricted Stock-PA-Norm		81	81
FAS123R - RSU Capital-Fed-Norm		13,415	13,415
G Overheads-Fed-Norm		948,304	948,304
ITC FAS 109	1,786,068	986,998	1,386,533
Life Insurance-PA-Norm		1,067	1,067
OPEBs-PA-Norm		108,149	108,149
Other Basis Differences-PA-Norm		135,189	135,189
Pensions-PA-Norm		22,328	22,328
PJM Payable		3,713,948	3,713,948
Tax Interest Capitalized-Fed-Norm	2,467,437	1,185,752	1,826,594
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	835,335	956,240	895,788
Tax Interest Capitalized-PA-Norm	484,169	701,606	592,888
Tax Interest Capitalized-PA-Norm-Incurred-CWIP	264,891	528,367	396,629
Tax UoP Repair Exp-Fed-Norm		3,305,997	3,305,997
Tax UoP Repair Exp-Fed-Norm-Incurred-CWIP		2,320,863	2,320,863
Tax UoP Repair Exp-PA-Norm		313,842	313,842
Tax UoP Repair Exp-PA-Norm-Incurred-CWIP		194,617	194,617
Vegetation Management		910,290	910,290
4 TOTAL ACCOUNT 190		20,788,261	59,812,553

1 **Calculation of PBOP Expenses**

2	<u>MAIT</u>	<u>Amount</u>	<u>Source</u>
3	Total FirstEnergy PBOP expenses	(108,686,300)	FirstEnergy 2015 Actuarial Study
4	Labor dollars (FirstEnergy)	2,024,261,894	FirstEnergy 2015 Actual: Company Records
5	cost per labor dollar (line 3 / line 4)	-\$0.0537	
6	labor (labor not capitalized) current year	10,406,066	MAIT Labor: Company Records
7	PBOP Expense for current year (line 5 * line 6)	-\$558,721	
8	PBOP expense in Account 926 for current year	525,857	MAIT Account 926: Company Records
9	PBOP Adjustment for Attachment H-28A, page 3, line 9 (line 7 - line 8)	(1,084,578)	

10 Lines 3-4 cannot change absent a Section 205 or 206 filing approved or accepted by FERC in a separate proceeding

Taxes Other than Income Calculation

		[A]	Dec 31, 2017
1	Payroll Taxes		
1a	FICA	263.i	345,870
1b		263.i	-
1c		263.i	-
1z	Payroll Taxes Total		345,870
2	Highway and Vehicle Taxes		
2a		263.i	-
2z	Highway and Vehicle Taxes		-
3	Property Taxes		
3a	Property Tax	263.i	60,727
3b			-
3c			-
3z	Property Taxes		60,727
4	Gross Receipts Tax		
4a		263.i	-
4z	Gross Receipts Tax		-
5	Other Taxes		
5a	Sales & Use Tax	263.i	99
5b		263.i	-
5c			-
5z	Other Taxes		99
6z	Payments in lieu of taxes		
7	Total other than income taxes (sum lines 1z, 2z, 3z, 4z, 5z, 6z) [tie to 114.14c]		\$406,696

Notes:

[A] Reference for December balances as would be reported in FERC Form 1.

Capital Structure Calculation

For the 12 months ended 12/31/2017

		[1]	[2]	[3]	[4]	[5]	[6]	[7]
		Proprietary Capital	Preferred Stock	Account 216.1	Account 219	Goodwill	Common Stock	Long Term Debt
	[A]	112.16.c	112.3.d	112.12.c	112.15.c	233.5.f	(1) - (2) - (3) - (4) - (5)	112.24.c
1	December	2016					-	-
2	January	2017	781,583,766			223,591,970	557,991,796	-
3	February	2017	783,886,129			223,591,970	560,294,159	-
4	March	2017	785,414,069			223,591,970	561,822,099	-
5	April	2017	787,725,292			223,591,970	564,133,322	-
6	May	2017	788,249,147			223,591,970	564,657,177	-
7	June	2017	790,409,823			223,591,970	566,817,853	-
8	July	2017	793,567,792			223,591,970	569,975,822	-
9	August	2017	796,794,950			223,591,970	573,202,980	-
10	September	2017	791,301,350			223,591,970	567,709,380	-
11	October	2017	794,833,770			223,591,970	571,241,800	-
12	November	2017	798,262,662			223,591,970	574,670,692	-
13	December	2017	787,726,289	-	-	223,591,970	564,134,319	-
14	13-month Average		729,211,926	-	-	206,392,588	522,819,338	-

Notes:

[A] Reference for December balances as would be reported in FERC Form 1.

Stated Value Inputs

**Formula Rate Protocols
Section VIII.A**

1. Rate of Return on Common Equity ("ROE")

MAIT's stated ROE is set to: 10.3%

2. Postretirement Benefits Other Than Pension ("PBOP")

**sometimes referred to as Other Post Employment Benefits, or "OPEB"*

Total FirstEnergy PBOP expenses	(108,686,300)
Labor dollars (FirstEnergy)	2,024,261,894

3. Depreciation Rates

FERC Account	<u>Depr. %</u>
352	1.28%
353	2.05%
354	1.39%
355	2.32%
356	2.68%
356.1	1.27%
358	2.52%
359	0.87%
390.1	2.90%
390.2	1.24%
391.1	0.63%
391.2	18.82%
392	4.84%
393	0.01%
394	4.62%
395	0.00%
396	0.47%
397	1.80%
398	0.32%
303	14.29%

4. Net Plant Allocator

If the Net Plant (NP) allocator becomes anything other than 1.000 (or 100%), MAIT must make a Section 205 filing to seek approval of any new depreciation or amortization rates applicable to production and/or distribution plant accounts.

5. Land Rights

If Land Rights (Account 350) are acquired by MAIT, it must make a Section 205 filing to establish the appropriate depreciation rate.

Debt Cost Calculation

TABLE 1: Summary Cost of Long Term Debt

CALCULATION OF COST OF DEBT										
YEAR ENDED 12/31/2017										
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Long Term Debt t=N	Issue Date	Maturity Date	ORIGINAL ISSUANCE (table 2, col. cc)	Net Proceeds At Issuance (table 2, col. hh)	Net Amount Outstanding at t=N	Months Outstanding at t=N	Average Net Outstanding in Year* 2 (col. e. * col. F)/12	Weighted Outstanding Ratio (col. g/col. g total)	Effective Cost Rate (Table 2, Col. ii)	Weighted Debt Cost at t = N (h) * (i)
(1) First Mortgages Bonds:			\$ -	\$ -			\$ -	#DIV/0!	#DIV/0!	#DIV/0!
Total			\$ -	\$ -	\$ -		\$ -	#DIV/0!	#DIV/0!	**

t = time
 The current portion of long term debt is included in the Net Amount Outstanding at t = N in these calculations.
 The outstanding amount (column (e)) for debt retired during the year is the outstanding amount at the last month it was outstanding.
 * 2 = Average of monthly balances for months outstanding during the year (average of the balances for the 12 months of the year, with zero in months that the issuance is not outstanding in a month).
 ** Individual debenture debt cost calculations shall be taken to four decimals in percentages (7.2300%, 5.2925%). Final Total Weighted Average Debt Cost for the Formula Rate shall be rounded to two decimals of a percent (7.03%).
 ** The Total Weighted Average Debt Cost will be shown on page 4, line 22, column 5 of formula rate Attachment H-28A.

TABLE 2: Effective Cost Rates For Traditional Front-Loaded Debt Issuances:

YEAR ENDED 12/31/2017													
Long Term Debt Affiliate	(aa) Issue Date	(bb) Maturity Date	(cc) Amount Issued	(dd) (Discount) Premium at Issuance	(ee) Issuance Expense	(ff) Loss/Gain on Reacquired Debt	(gg) Less Related ADIT	(hh) Net Proceeds + col. ee + col. ff	(ii) Net Proceeds Ratio ((col. cc / col. hh)*100)	(jj) Coupon Rate	(kk) Annual Interest (col. cc * col. jj)	(ll) Effective Cost Rate* (Yield to Maturity at Issuance, 1 = 0)	
(1)				\$ -	0	-	xxx	\$ -	#DIV/0!		\$ -	#DIV/0!	
TOTALS				\$ -	\$ -	\$ -	xxx	\$ -			\$ -		

* YTM at issuance calculated from an acceptable bond table or from YTM = Internal Rate of Return (IRR) calculation
 Effective Cost Rate of Individual Debenture (YTM at issuance): the t=N Cashflow/C₀ equals Net Proceeds column (gg); Semi-annual (or other) interest cashflows (C₁, C₂, etc.); etc.

Transmission Enhancement Charge (TEC) Worksheet
 To be completed in conjunction with Attachment H-28A

(1)	(2)	(3)	(4)
Line No.	Reference	Transmission	Allocator
1	Gross Transmission Plant - Total	Attach. H-28A, p. 2, line 2, col. 5 (Note A)	\$ 1,042,249,019
2	Net Transmission Plant - Total	Attach. H-28A, p. 2, line 14, col. 5 (Note B)	\$ 687,831,241
O&M EXPENSE			
3	Total O&M Allocated to Transmission	Attach. H-28A, p. 3, line 15, col. 5	\$ 36,742,008
4	Annual Allocation Factor for O&M	(line 3 divided by line 1, col. 3)	3.525262%
GENERAL, INTANGIBLE, AND COMMON (G, I, & C) DEPRECIATION EXPENSE			
5	Total G, I, & C depreciation expense	Attach. H-28A, p. 3, lines 17 & 18, col. 5	\$ 192,861
6	Annual allocation factor for G, I, & C depreciation expense	(line 5 divided by line 1, col. 3)	0.018504%
TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Attach. H-28A, p. 3, line 28, col. 5	\$ 406,696
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1, col. 3)	0.039021%
9	Annual Allocation Factor for Expense	Sum of line 4, 6, & 8	3.582787%
INCOME TAXES			
10	Total Income Taxes	Attach. H-28A, p. 3, line 39, col. 5	\$ 16,440,353
11	Annual Allocation Factor for Income Taxes	(line 10 divided by line 2, col. 3)	2.390172%
RETURN			
12	Return on Rate Base	Attach. H-28A, p. 3, line 40, col. 5	\$ 33,536,296
13	Annual Allocation Factor for Return on Rate Base	(line 12 divided by line 2, col. 3)	4.875658%
14	Annual Allocation Factor for Return	Sum of line 11 and 13	7.265830%

Columns 5-9 (page 1) only applies with incentive RDE project(s) (Note F)

(5)	(6)	(7)	(8)	(9)
Line No.	Reference	Transmission	Allocator	
INCOME TAXES				
10b	Total Income Taxes	Attachment 2, line 33	\$ 16,440,353	
11b	Annual Allocation Factor for Income Taxes	(line 10b divided by line 2, col. 3)	2.390172%	2.390172%
RETURN				
12b	Return on Rate Base	Attachment 2, line 22	\$ 33,536,296	
13b	Annual Allocation Factor for Return on Rate Base	(line 12b divided by line 2, col. 3)	4.875658%	4.875658%
14b	Annual Allocation Factor for Return	Sum of line 11b and 13b		7.265830%
15	Additional Annual Allocation Factor for Return	Line 14 b, col. 9 less line 14, col. 4		0.00000%

Transmission Enhancement Charge (TEC) Worksheet
 To be completed in conjunction with Attachment H-28A

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Line No.	Project Name	RTEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation Expense	Annual Revenue Requirement	Additional Incentive Annual Allocation Factor for Return (Note F)	Total Annual Revenue Requirement	True-up Adjustment	Net Revenue Requirement with True-up
			(Note C & H)	(Page 1, line 8)	(Col. 3 * Col. 4)	(Note D & H)	Page 1, line 14	(Col. 6 * Col. 7)	(Note E)	(Sum Col. 5, 8, & 9)	(Col. 6 * Page 1, line 15, Col. 8)	(Sum Col. 10 & 11)	(Note G)	(Sum Col. 12 & 13)
2a	Install 230kV series reactor and 2- 100MVAR PLC switched capacitors at Hunterstown	b0215	\$ 12,637,431	3.582787%	\$452,772	\$ 10,605,017	7.265830%	\$770,543	\$ 193,353	\$1,416,667	-	\$1,416,667		\$1,416,667
2b	Replace wave trap and upgrade a bus section at Keystone 500 kV – on the Keystone – Airvale 500 kV	b0284.3	\$ 959,178	3.582787%	\$34,365	\$ 954,167	7.265830%	\$69,328	\$ 18,376	\$122,070	-	\$122,070		\$122,070
2c	Install 100 MVAR Dynamic Reactive Device at Airvale 500 kV substation	b0369	\$ 959,178	3.582787%	\$34,365	\$ 954,167	7.265830%	\$69,328	\$ 18,376	\$122,070	-	\$122,070		\$122,070
2d	Install 200 MVAR capacitor at Keystone 500 kv	b0549	\$ 3,207,134	3.582787%	\$114,955	\$ 2,915,989	7.265830%	\$212,161	\$ 44,258	\$371,325	-	\$371,325		\$371,325
2e	Install 25 MVAR capacitor at Easton 115 kV substation	b0551	\$ 1,380,393	3.582787%	\$49,457	\$ 1,150,828	7.265830%	\$83,617	\$ 18,935	\$152,008	-	\$152,008		\$152,008
2f	Install 50 MVAR capacitor at Abasco 230 kV substation	b0552	\$ 1,038,335	3.582787%	\$37,201	\$ 971,778	7.265830%	\$70,608	\$ 14,143	\$121,953	-	\$121,953		\$121,953
2g	Install 60 MVAR capacitor at Rawtown 230 kV substation	b0553	\$ 927,947	3.582787%	\$33,246	\$ 844,522	7.265830%	\$61,362	\$ 12,806	\$107,414	-	\$107,414		\$107,414
2h	Install 75 MVAR capacitor at East Towards 230 kV substation	b0557	\$ 2,177,814	3.582787%	\$78,026	\$ 1,982,007	7.265830%	\$144,009	\$ 29,872	\$251,907	-	\$251,907		\$251,907
2i	Relocate the Six South 345 kV line terminal	b1593	\$ 10,640,670	3.582787%	\$381,233	\$ 10,277,498	7.265830%	\$748,746	\$ 146,484	\$1,274,462	-	\$1,274,462		\$1,274,462
2j	Convert Lewis Run-Farmers Valley to 230 kV using 1033.5 ACBR conductor. Project to be completed in conjunction with new Farmers Valley 345/230 kV transformation	b1594	\$ 50,074	3.582787%	\$1,734	\$ 49,743	7.265830%	\$3,614	\$ 616	\$6,024	-	\$6,024		\$6,024
2k	Loop the 2026 (TMI - Hossensack 500 kv) line in to the Lautschtown substation and upgrade relay at TMI 500 kv	b2006.1.1_DFAX_All option	\$ 1,427,004	3.582787%	\$51,127	\$ 1,415,289	7.265830%	\$102,833	\$32,827.61	\$186,787	-	\$186,787		\$186,787
2l	Loop the 2026 (TMI - Hossensack 500 kv) line in to the Lautschtown substation and upgrade relay at TMI 500 kv	b2006.1.1_Load_Rate o Share Allocation	\$ 1,427,004	3.582787%	\$51,127	\$ 1,415,289	7.265830%	\$102,833	\$32,827.61	\$186,787	-	\$186,787		\$186,787
2m	Install 2nd Hunterstown 230/115 kV transformer	b2452	\$ 3,524,164	3.582787%	\$126,263	\$ 3,501,589	7.265830%	\$254,420	\$72,011.62	\$452,694	-	\$452,694		\$452,694
2n	Reconductor Hunterstown - Oatford 115 kv line	b2452.1	\$ 1,685,733	3.582787%	\$60,398	\$ 1,674,694	7.265830%	\$121,690	\$36,523.98	\$216,600	-	\$216,600		\$216,600
3	Transmission Enhancement Credit taken to Attachment H-28A Page 1, Line 7										4,988,766.97			
4	Additional Incentive Revenue taken to Attachment H-28A Page 3, Line 42										80.00			

Notes

- A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H-28A.
- B Net Transmission Plant is that identified on page 2 line 14 of Attachment H-28A.
- C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1 above. This value includes subsequent capital investments required to maintain the project in-service.
- D Project Net Plant is the Project Gross Plant identified in Column 3 less the associated Accumulated Depreciation.
- E Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H-28A, page 3, line 16.
- F Anv actual ROE incentive must be approved by the Commission
- G True-up adjustment is calculated on the project true-up schedule, attachment 12, column i
- H Based on a 15-month average

TEC Worksheet Support
Net Plant Detail

Line No.	Project Name	RTEP Project Number	Project Gross Plant* (Note A)	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
2a	Install 230kV series reactor and 2- 100MVAR PLC switched capacitors at Hunterstown	b0215	\$ 12,637,431		\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	\$ 12,637,431	
2b	Replace wave trap and upgrade a bus section at Keystone 500 kV - on the Keystone - Airydale 500 kV	b0284.3	\$ 959,178		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,918,357	\$ 1,918,357	\$ 1,918,357	\$ 1,918,357	\$ 1,918,357	\$ 1,918,357	
2c	Install 100 MVAR Dynamic Reactive Device at Airydale 500 kV substation	b0369	\$ 959,178		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,918,357.00	\$ 1,918,357.00	\$ 1,918,356.87	\$ 1,918,356.87	\$ 1,918,356.87	\$ 1,918,356.87	
2d	Install 250 MVAR capacitor at Keystone 500 kV	b0549	\$ 3,207,134		\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	\$ 3,207,134.25	
2e	Install 25 MVAR capacitor at Saxton 115 kV substation	b0551	\$ 1,380,393		\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	\$ 1,380,393.10	
2f	Install 50 MVAR capacitor at Altoona 230 kV substation	b0552	\$ 1,038,335		\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	\$ 1,038,334.66	
2g	Install 50 MVAR capacitor at Raystown 230 kV substation	b0553	\$ 927,947		\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	\$ 927,946.84	
2h	Install 75 MVAR capacitor at East Towanda 230 kV substation	b0557	\$ 2,177,814		\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	\$ 2,177,814.37	
2i	Relocate the Erie South 345 kV line terminal	b1993	\$ 10,640,670		\$ 10,525,640.62	\$ 10,622,208.88	\$ 10,622,208.88	\$ 10,622,208.88	\$ 10,622,208.88	\$ 10,622,208.88	\$ 10,675,225.00	\$ 10,675,225.00	\$ 10,675,225.33	\$ 10,675,225.33	\$ 10,675,225.33	\$ 10,675,225.33	
2j	Convert Lewis Run-Farmers Valley to 230 kV using 1033.5 ACSR conductor. Project to be completed in conjunction with new Farmers Valley 345/230 kV transformation	b1994	\$ 50,074		\$ 10,615.65	\$ 3,888.15	\$ 3,888.15	\$ 3,888.15	\$ 3,888.15	\$ 3,888.15	\$ 3,888.15	\$ 13,907.33	\$ 13,990.43	\$ 13,907.06	\$ 233,918.15	\$ 107,672.19	\$ 187,437.00
2k	Lauschtown substation and upgrade relay at TMI 500 kV Loop the 2026 (TMI - Hosensack 500 kV) line in to the Lauschtown substation and upgrade relay at TMI 500 kV Loop the 2026 (TMI - Hosensack 500 kV) line in to the	b2006.1.1_DFAX_Allocati	\$ 1,427,004		\$ 0.00	\$ 0.00	\$ 0.00	\$ 581,692.75	\$ 1,572,564.04	\$ 2,112,921.81	\$ 2,104,481.21	\$ 2,105,307.81	\$ 2,104,488.53	\$ 2,092,321.86	\$ 2,229,117.29	\$ 2,221,147.59	
2l	Lauschtown substation and upgrade relay at TMI 500 kV	b2006.1.1_Load_Ratio_Sh	\$ 1,427,004		\$ 0.00	\$ 0.00	\$ 0.00	\$ 581,692.75	\$ 1,572,564.04	\$ 2,112,921.81	\$ 2,104,481.21	\$ 2,105,307.81	\$ 2,104,488.53	\$ 2,092,321.86	\$ 2,229,117.29	\$ 2,221,147.59	
2m	Install 2nd Hunterstown 230/115 kV transformer	b2452	\$ 3,524,164		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,999,036.98	\$ 5,988,424.60	\$ 6,063,115.24	\$ 6,070,594.68	\$ 6,072,517.92	\$ 6,074,468.68	\$ 6,021,812.88	
2n	Reconductor Hunterstown - Oxford 115 kV line	b2452.1	\$ 1,685,733		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,984,128.81	\$ 3,218,139.40	\$ 2,884,048.76	\$ 2,768,299.32	\$ 2,788,502.08	\$ 2,790,610.32	\$ 2,795,064.76	

NOTE
[A] Project Gross Plant is the total capital investment for the project, including subsequent capital investments required to maintain the project in-service. Utilizing a 13-month average.
* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

TEC Worksheet Support
Net Plant Detail

Attachment H-28A, Attachment 11a
page 2 of 2
For the 12 months ended 12/31/2017

Accumulated Depreciation* (Note B)	Dec-16 (Note D)	Jan-17 (Note D)	Feb-17 (Note D)	Mar-17 (Note D)	Apr-17 (Note D)	May-17 (Note D)	Jun-17 (Note D)	Jul-17 (Note D)	Aug-17 (Note D)	Sep-17 (Note D)	Oct-17 (Note D)	Nov-17 (Note D)	Dec-17 (Note D)	Project Net Plant* (Note B & C)
\$2,032,414.53	\$ 1,943,795	\$ 1,959,907	\$ 1,976,020	\$ 1,992,133	\$ 2,008,245	\$ 2,024,358	\$ 2,040,471	\$ 2,056,584	\$ 2,072,696	\$ 2,088,809	\$ 2,104,922	\$ 2,121,035		\$10,605,016.94
\$5,011.71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,671	\$ 5,012	\$ 8,353	\$ 11,694	\$ 15,035	\$ 18,376	\$954,166.75
\$5,011.71	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,670.57	\$5,011.71	\$8,352.85	\$11,693.98	\$15,035.12	\$18,376.26		\$954,166.75
\$287,146.30	\$266,861.17	\$270,549.38	\$274,237.58	\$277,925.79	\$281,613.99	\$285,302.20	\$288,990.40	\$292,678.61	\$296,366.81	\$300,055.01	\$303,743.22	\$307,431.42		\$2,919,987.95
\$229,567.47	\$220,886.68	\$222,465.00	\$224,043.33	\$225,621.66	\$227,199.98	\$228,778.31	\$230,356.63	\$231,934.96	\$233,513.28	\$235,091.61	\$236,669.94	\$238,248.26		\$1,150,825.63
\$66,555.62	\$59,888.15	\$61,182.24	\$62,376.32	\$63,570.41	\$64,764.49	\$65,958.58	\$67,152.66	\$68,346.75	\$69,540.83	\$70,734.92	\$71,929.00	\$73,123.09		\$971,779.04
\$83,424.86	\$77,555.60	\$78,622.74	\$79,689.88	\$80,757.02	\$81,824.15	\$82,891.29	\$83,958.43	\$85,025.57	\$86,092.71	\$87,159.85	\$88,226.99	\$89,294.13		\$844,521.98
\$195,807.11	\$182,117.99	\$184,606.92	\$187,095.85	\$189,584.78	\$192,073.71	\$194,562.65	\$197,051.58	\$199,540.51	\$202,029.44	\$204,518.37	\$207,007.31	\$209,496.24		\$1,982,007.26
\$363,171.26	\$296,049.75	\$308,190.86	\$320,387.41	\$332,583.95	\$344,780.50	\$356,977.05	\$369,204.04	\$381,461.46	\$393,718.88	\$405,976.31	\$418,233.73	\$430,491.15		\$10,277,498.44
\$331.11	\$206.05	\$214.74	\$219.41	\$224.07	\$228.73	\$233.39	\$244.06	\$260.78	\$277.50	\$426.06	\$630.82	\$807.72		\$49,742.94
\$11,714.37	\$0.00	\$0.00	\$0.00	\$596.24	\$2,804.35	\$6,581.97	\$10,904.81	\$15,219.84	\$19,534.88	\$23,836.61	\$28,266.09	\$32,827.61		\$1,415,289.21
\$11,714.37	\$0.00	\$0.00	\$0.00	\$596.24	\$2,804.35	\$6,581.97	\$10,904.81	\$15,219.84	\$19,534.88	\$23,836.61	\$28,266.09	\$32,827.61		\$1,415,289.21
\$22,575.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,499.12	\$16,487.62	\$27,534.87	\$38,657.44	\$49,788.62	\$60,923.36	\$72,011.62		\$3,501,589.03
\$11,048.67	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,735.45	\$8,420.86	\$14,014.54	\$19,195.86	\$24,289.59	\$29,403.78	\$34,523.98		\$1,674,684.12

NOTE

[B] Utilizing a 13-month average. [C] Taken to Attachment 11, Page 2, Col. 6 [D] Company records

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

TEC - True-up

To be completed after Attachment 11 for the True-up Year is updated using actual data

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Line No.	Project Name	RTEP Project Number	Actual Revenues for Appendix D	Projected Annual Revenue Requirement	% of Total Revenue Requirement	Revenue Received	Actual Annual Revenue Requirement	True-up Adjustment Principal Over/(Under)	Applicable Interest Rate on Over/(Under)	Total True-up Adjustment with Interest Over/(Under)
				Projected Attachment 11 p 2 of 2, col. 14	Col d, line 2 / Col. d, line 3	Col c, line 1 * Col e	Actual Attachment 11 p 2 of 2, col. 14	Col. f - Col. G	Col. H line 2x / Col. H line 3 * Col. J line 4	Col. h + Col. i
1	[A] Actual RTEP Credit Revenues for true-up year		0							
2a	Project 1			-	-	-	-	-	#DIV/0!	#DIV/0!
2b	Project 2				-	-		-	#DIV/0!	#DIV/0!
2c	Project 3				-	-		-	#DIV/0!	#DIV/0!
3	Subtotal			-			-	-		#DIV/0!
4	Total Interest (Sourced from Attachment 13a, line 30)									-

NOTE
[A] Amount included in revenues reported on pages 328-330 of FERC Form 1.

Net Revenue Requirement True-up with Interest

Reconciliation Revenue Requirement For Year 2015 Available May 1, 2016 <hr/> \$0	2015 Revenue Requirement Collected by PJM Based on Forecast filed on Oct 31, 2014 <hr/> \$0	True-up Adjustment - Over (Under) Recovery <hr/> \$0
-------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------	---------------------------------------------------------

	Over (Under) Recovery Plus Interest	Average Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
2 Interest Rate on Amount of Refunds or Surcharges ^[A]		0.0000%				

An over or under collection will be recovered prorata over 2015, held for 2016 and returned prorata over 2017

<u>Calculation of Interest</u>				Monthly			
3	January	Year 2015	-	0.0000%	12	-	-
4	February	Year 2015	-	0.0000%	11	-	-
5	March	Year 2015	-	0.0000%	10	-	-
6	April	Year 2015	-	0.0000%	9	-	-
7	May	Year 2015	-	0.0000%	8	-	-
8	June	Year 2015	-	0.0000%	7	-	-
9	July	Year 2015	-	0.0000%	6	-	-
10	August	Year 2015	-	0.0000%	5	-	-
11	September	Year 2015	-	0.0000%	4	-	-
12	October	Year 2015	-	0.0000%	3	-	-
13	November	Year 2015	-	0.0000%	2	-	-
14	December	Year 2015	-	0.0000%	1	-	-
					-		
							Annual
15	January through December	Year 2016	-	0.0000%	12	-	-
<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>							Monthly
16	January	Year 2017	-	0.0000%		-	-
17	February	Year 2017	-	0.0000%		-	-
18	March	Year 2017	-	0.0000%		-	-
19	April	Year 2017	-	0.0000%		-	-
20	May	Year 2017	-	0.0000%		-	-
21	June	Year 2017	-	0.0000%		-	-
22	July	Year 2017	-	0.0000%		-	-
23	August	Year 2017	-	0.0000%		-	-
24	September	Year 2017	-	0.0000%		-	-
25	October	Year 2017	-	0.0000%		-	-
26	November	Year 2017	-	0.0000%		-	-
27	December	Year 2017	-	0.0000%		-	-
					-		
28	True-Up with Interest					\$	-
29	Less Over (Under) Recovery					\$	-
30	Total Interest					\$	-

[A] Interest rate equal to: (i) MAIT's actual short-term debt costs capped at the interest rate determined by 18 C.F.R. 35.19a; or (ii) the interest rate determined by 18 C.F.R. 35.19, if MAIT does not have short term debt

Other Rate Base Items

Line No.	Description	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G
		BALANCE AS OF 1-31-17*	BALANCE AS OF 12-31-17	AVERAGE BALANCE			
1	Land Held for Future Use (214.x.d)	0	0	-			
2	Materials & Supplies (227.8.c & .16.c)	0	0	-			
3	Prepayments: Account 165 (111.57.c) - Note [A]	-	398,668	199,334			

Unfunded Reserves

Line No.	Description	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G
		BALANCE AS OF 1-31-17*	BALANCE AS OF 12-31-17	AVERAGE BALANCE	ALLOCATION FACTOR	TRANSMISSION TOTAL (Col D times Col F)	
Account 228.1							
4a	Property Insurance (Self insurance not covered by property insurance)	0	0	0	GP	1.00	0
4b	[Insert Item Included in Account 228.1 that are not allocated to transmission]	0	0	0	Other	0	0
4c	[Insert Item Included in Account 228.1 that are not allocated to transmission]	0	0	0	Other	0	0
4z	Total Account 228.1 (112.27.c)	0	0				0
Account 228.2							
5a	Workman's Compensation	0	0	0	W/S	1.00	0
5b	Probable liabilities not covered by insurance for death or injuries to employees and others	0	0	0	W/S	1.00	0
5c	Probable liabilities not covered by insurance for damages to property neither owned nor held under lease by the utility	0	0	0	GP	1.00	0
5d	[Insert Item Included in Account 228.2 that are not allocated to transmission]	0	0	0	Other	0	0
5e	[Insert Item Included in Account 228.2 that are not allocated to transmission]	0	0	0	Other	0	0
5z	Total Account 228.2 (112.28.c)	0	0				0
Account 228.3							
6a	Year-End Vacation Pay Accrual	0	0	0	W/S	1.00	0
6b	Year-End Deferred Compensation Accrual	0	0	0	W/S	1.00	0
6c	Year-End Sick Pay Accrual	0	0	0	W/S	1.00	0
6d	Year-End Incentive Compensation Accrual	0	0	0	W/S	1.00	0
6e	Year-End Severance Pay Accrual	0	0	0	W/S	1.00	0
6f	Year-End PBOP/OPEB Accrual not included in established trusts	0	0	0	W/S	1.00	0
6g	[Insert Item Included in Account 228.3 that are not allocated to transmission]	0	0	0	Other	0	0
6h	[Insert Item Included in Account 228.3 that are not allocated to transmission]	0	0	0	Other	0	0
6z	Total Account 228.3 (112.29.c)	0	0				0
Account 228.4							
7a	Year-End Vacation Pay Accrual	0	0	0	W/S	1.00	0
7b	Year-End Deferred Compensation Accrual	0	0	0	W/S	1.00	0
7c	Year-End Sick Pay Accrual	0	0	0	W/S	1.00	0
7d	Year-End Incentive Compensation Accrual	0	0	0	W/S	1.00	0
7e	Year-End Severance Pay Accrual	0	0	0	W/S	1.00	0
7f	Year-End PBOP/OPEB Accrual not included in established trusts	0	0	0	W/S	1.00	0
7g	[Insert Item Included in Account 228.4 that are not allocated to transmission]	0	0	0	Other	0	0
7h	[Insert Item Included in Account 228.4 that are not allocated to transmission]	0	0	0	Other	0	0
7z	Total Account 228.4 (112.30.c)	0	0				0
Account 242							
8a	Year-End Vacation Pay Accrual	0	0	-	W/S	1.00	-
8b	Year-End Deferred Compensation Accrual	0	0	0	W/S	1.00	-
8c	Year-End Sick Pay Accrual	0	0	0	W/S	1.00	-
8d	Year-End Incentive Compensation Accrual	0	0	0	W/S	1.00	-
8e	Year-End Severance Pay Accrual	0	0	0	W/S	1.00	-
8f	Year-End PBOP/OPEB Accrual not included in established trusts	0	0	0	W/S	1.00	-
8g	Commitment Fees (Short-term debt revolving credit facilities)	0	205,563	102,782	Other	0	-
8h	[Insert Item Included in Account 242 that are not allocated to transmission]	0	0	0	Other	0	-
8z	Total Account 242 (113.48.c)	0	205,563				-
9	Total Unfunded Reserves Plant-related (items with GP allocator) - Note [B]	0	0	0	GP	1.00	-
10	Total Unfunded Reserves Labor-related (items with W/S allocator) - Note [C]	0	-	-	W/S	1.00	-

Notes:

[A] Prepayments shall exclude prepayments of income taxes.

[B] Column G balance taken to Attachment H-28A, page 2, line 24, col. 3

[C] Column G balance taken to Attachment H-28A, page 2, line 25, col. 3

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

[1]	Income Tax Adjustments					[6]
	[2]	[3]	[4]	[5]		
			Dec 31,	Dec 31,		
		<u>Beg/End Average [C]</u>	<u>2017</u>	<u>2017</u>	<u>Reference</u>	
1 Tax adjustment for Permanent Differences & AFUDC Equity	[A]	\$25,699	\$25,699	\$25,699	MAIT Company Records	
2 Amortized Excess Deferred Taxes (enter negative)	[B]	-	-	-	\$0 MAIT Company Records	
3 Amortized Deficient Deferred Taxes	[B]	-	-	-	\$0 MAIT Company Records	

Notes:

- [A] AFUDC equity component is the gross cumulative annual amount based upon tax records of capitalized AFUDC equity embedded in the gross plant attributable to the transmission function.
- [B] Upon enactment of changes in tax law, income tax rates (including changes in apportionment) and other actions taken by a taxing authority, deferred taxes are re-measured and adjusted in the Company's books of account, resulting in excess or deficient accumulated deferred taxes. Such excess or deficient deferred taxes attributed to the transmission function will be based upon tax records and calculated in the calendar year in which the excess or deficient amount was measured and recorded for financial reporting purposes. Amounts to be included will be January 1, 2017 and thereafter.
- [C] (Column 4 + Column 5)/2; Beg/End Average for line 1 included on Attachment H-28A, page 3, line 33; Beg/End Average for lines 2-3 taken to Attachment H-28A, page 3, line 34

		Regulatory Asset - Deferred Storms					
[1]	[2]	[3]	[4]	[5]	[6]	[7]	
		Months Remaining In Amortization Period	Beginning Balance	Amortization Expense (Company Records)	Additions (Deductions)	Ending Balance	
1	Monthly Balance	Source					
2	December 2016	p232 (and Notes)	49			-	
3	January	FERC Account 182.3	48	-	-	789,476	
4	February	FERC Account 182.3	47	789,476	-	789,476	
5	March	FERC Account 182.3	46	789,476	-	789,476	
6	April	FERC Account 182.3	45	789,476	-	789,476	
7	May	FERC Account 182.3	44	789,476	-	789,476	
8	June	FERC Account 182.3	43	789,476	-	789,476	
9	July	FERC Account 182.3	42	789,476	-	789,476	
10	August	FERC Account 182.3	41	789,476	-	789,476	
11	September	FERC Account 182.3	40	789,476	-	789,476	
12	October	FERC Account 182.3	39	789,476	-	789,476	
13	November	FERC Account 182.3	38	789,476	-	789,476	
14	December 2017	p232 (and Notes)	37	789,476	-	789,476	
15	Ending Balance 13-Month Average*	(sum lines 2-14) /13				<u>789,476</u>	

Attachment H-28A, page 3, line 11

Attachment H-28A, page 2, Line 27

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

		Regulatory Asset - Vegetation Management				
[1]	[2]	[3]	[4]	[5]	[6]	[7]
		Months Remaining In Amortization Period	Beginning Balance	Amortization Expense (Company Records)	Additions (Deductions)	Ending Balance
1	Monthly Balance	Source				
2	December 2016	p232 (and Notes)	97			
3	January	FERC Account 182.3	96	-	-	4,180,729
4	February	FERC Account 182.3	95	4,180,729	-	4,180,729
5	March	FERC Account 182.3	94	4,180,729	-	4,180,729
6	April	FERC Account 182.3	93	4,180,729	-	4,180,729
7	May	FERC Account 182.3	92	4,180,729	-	4,180,729
8	June	FERC Account 182.3	91	4,180,729	-	4,180,729
9	July	FERC Account 182.3	90	4,180,729	-	4,180,729
10	August	FERC Account 182.3	89	4,180,729	-	4,180,729
11	September	FERC Account 182.3	88	4,180,729	-	4,180,729
12	October	FERC Account 182.3	87	4,180,729	-	4,180,729
13	November	FERC Account 182.3	86	4,180,729	-	4,180,729
14	December 2017	p232 (and Notes)	85	4,180,729	-	4,180,729
15	Ending Balance 13-Month Average*	(sum lines 2-14) /13		<u>\$0.00</u>		<u>4,180,729</u>
				Attachment H-28A, page 3, line 11		Attachment H-28A, page 2, Line 27

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

		Regulatory Asset - Start-up Costs					
[1]	[2]	[3]	[4]	[5]	[6]	[7]	
		Months Remaining In Amortization Period	Beginning Balance	Amortization Expense (Company Records)	Additions (Deductions)	Ending Balance	
1	Monthly Balance						
2	December 2016	25					
3	January	24	-	-	-	1,268,546	
4	February	23	1,268,546	-	-	1,426,412	
5	March	22	1,426,412	-	-	1,637,666	
6	April	21	1,637,666	-	-	1,476,347	
7	May	20	1,476,347	-	-	1,572,066	
8	June	19	1,572,066	-	-	1,714,108	
9	July	18	1,714,108	-	-	1,714,108	
10	August	17	1,714,108	-	-	1,714,108	
11	September	16	1,714,108	-	-	1,714,108	
12	October	15	1,714,108	-	-	1,714,108	
13	November	14	1,714,108	-	-	1,714,108	
14	December 2017	13	1,714,108	-	-	1,714,108	
15	Ending Balance 13-Month Average*	(sum lines 2-14) /13		<u>\$0.00</u>		<u>1,614,983</u>	

Attachment H-28A, page 3, line 11

Attachment H-28A, page 2, Line 27

* Pursuant to Section 2.11 of the uncontested settlement filed in Docket No. ER17-211-003 on October 13, 2017 and approved by the Commission on May 22, 2018, the settling parties agreed that the opening 2017 balances and the calculation of 2017 values in the 2017 ATRR shall be derived as described in Appendix 5 of the settlement.

	[1]	[2]	Abandoned Plant				[7]
			[3] Months Remaining In Amortization Period	[4] Beginning Balance	[5] Amortization Expense (p114.10.c)	[6] Additions (Deductions)	Ending Balance
1	Monthly Balance	Source					
2	December 2016	p111.71.d (and Notes)	13	-	-	-	-
3	January	FERC Account 182.2	12	-	-	-	-
4	February	FERC Account 182.2	11	-	-	-	-
5	March	FERC Account 182.2	10	-	-	-	-
6	April	FERC Account 182.2	9	-	-	-	-
7	May	FERC Account 182.2	8	-	-	-	-
8	June	FERC Account 182.2	7	-	-	-	-
9	July	FERC Account 182.2	6	-	-	-	-
10	August	FERC Account 182.2	5	-	-	-	-
11	September	FERC Account 182.2	4	-	-	-	-
12	October	FERC Account 182.2	3	-	-	-	-
13	November	FERC Account 182.2	2	-	-	-	-
14	December 2017	p111.71.c (and Notes) Detail on p230b	1	-	-	-	-
15	Ending Balance 13-Month Average	(sum lines 2-14) /13			<u>\$0.00</u>		<u>\$0.00</u>

Attachment H-28A, page 3, Line 19

Attachment H-28A, page 2, Line 28

Note:

Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC and will be zero until the Commission accepts or approves recovery of the cost of abandoned plant

			CWIP
			[A]
			216.b
1	December	2016	
2	January	2017	
3	February	2017	
4	March	2017	
5	April	2017	
6	May	2017	
7	June	2017	
8	July	2017	
9	August	2017	
10	September	2017	
11	October	2017	
12	November	2017	
13	December	2017	
14	13-month Average		-

Notes:

[A] Includes only CWIP authorized by the Commission for inclusion in rate base.

Federal Income Tax Rate

Nominal Federal Income Tax Rate 35.00%
(entered on Attachment H-28A,
page 5 of 5, Note K)

State Income Tax Rate

	Pennsylvania	Combined Rate (entered on Attachment H-28A, page 5 of 5, Note K)
Nominal State Income Tax Rate	9.99%	
Times Apportionment Percentage	100.00%	
Combined State Income Tax Rate	9.990%	9.990%

Operation and Maintenance Expenses

Line No. [a]	Account Reference	Description	Account Balance [b]
82		<i>Operation</i>	
83	560	Operation Supervision and Engineering	\$82,879
84			
85	561.1	Load Dispatch-Reliability	\$1,135,217
86	561.2	Load Dispatch-Monitor and Operate Transmission System	\$2,139,338
87	561.3	Load-Dispatch-Transmission Service and Scheduling	\$0
88	561.4	Scheduling, System Control and Dispatch Services	\$34,016
89	561.5	Reliability, Planning and Standards Development	\$167,793
90	561.6	Transmission Service Studies	\$427
91	561.7	Generation Interconnection Studies	-\$5,076
92	561.8	Reliability, Planning and Standards Development Services	
93	562	Station Expenses	\$993,287
94	563	Overhead Lines Expense	\$373,120
95	564	Underground Lines Expense	
96	565	Transmission of Electricity by Others	
97	566	Miscellaneous Transmission Expense	\$5,391,644
98	567	Rents	\$6,656,207
99		TOTAL Operation (Enter Total of Lines 83 thru 98)	\$16,968,852
100		<i>Maintenance</i>	
101	568	Maintenance Supervision and Engineering	\$1,234,047
102	569	Maintenance of Structures	
103	569.1	Maintenance of Computer Hardware	\$9,819
104	569.2	Maintenance of Computer Software	\$56,037
105	569.3	Maintenance of Communication Equipment	\$38,180
106	569.4	Maintenance of Miscellaneous Regional Transmission Plant	
107	570	Maintenance of Station Equipment	\$2,876,588
108	571	Maintenance of Overhead Lines	\$17,455,455
109	572	Maintenance of Underground Lines	
110	573	Maintenance of Miscellaneous Transmission Plant	\$253,825
111		TOTAL Maintenance (Total of lines 101 thru 110)	\$21,923,951
112		TOTAL Transmission Expenses (Total of lines 99 and 111) [c]	\$38,892,803

Notes:

- [a] Line No. as would be reported in FERC Form 1, page 321
- [b] December balances as would be reported in FERC Form 1
- [c] Ties to Attachment H-28A, page 3, line 1, column 3
Above expenses do not include amounts for Met-Ed's 34.5 kV transmission lines

Administrative and General (A&G) Expenses

Line No. [d]	Account Reference	Description	Account Balance [e]
180		<i>Operation</i>	
181	920	Administrative and General Salaries	
182	921	Office Supplies and Expenses	\$271
183	Less 922	Administrative Expenses Transferred - Credit	
184	923	Outside Services Employed	\$1,624,571
185	924	Property Insurance	\$62,890
186	925	Injuries and Damages	\$324,551
187	926	Employee Pensions and Benefits	-\$907,196
188	927	Franchise Requirements	
189	928	Regulatory Commission Expense	
190	Less 929	(Less) Duplicate Charges-Cr.	
191	930.1	General Advertising Expenses	\$106,317
192	930.2	Miscellaneous General Expenses	\$45,026
193	931	Rents	
194		Total Operation (Enter Total of lines 181 thru 193)	\$1,256,430
195		<i>Maintenance</i>	
196	935	Maintenance of General Plant	\$1,348,103
197		TOTAL A&G Expenses (Total of lines 194 and 196) [f]	<u><u>\$2,604,533</u></u>

Notes:

- [d] Line No. as would be reported in FERC Form 1, page 323
- [e] December balances as would be reported in FERC Form 1
- [f] Ties to Attachment H-28A, page 3, line 5, column 3
Above expenses do not include amounts for Met-Ed's 34.5 kV transmission lines

Revenue Credit Worksheet

(See Footnote T on Attachment H-28A, page 5)

			December 31, 2017	
1	Account 451 -- Miscellaneous Service Revenues	FERC Form 1 , page 300 and footnote data	<u>Amount</u>	Note S, page 5
1a	Reimbursable Project Work		\$ 26,644	
1z	Account 451 Total		\$26,644	
2	Account 454 -- Rent from Electric Property	FERC Form 1, pages 300 and 429		Note R, page 5
2a	Transmission Charge - TMI Unit 1		\$ 1,832,016	
2b	Transmission Investment - Power Pool Agreement		\$ 1,615,647	
2z	Account 454 Total		\$3,447,663	
3	Account 456 -- Other Electric Revenues	FERC Form 1, page 330 and footnote data		Note V, page 5
3a	Point-to-point Revenues		\$ 173,293	
3b	Seneca Transmission Facilities Charges		\$ 243,837	
3z	Account 456 Total		\$417,130	