

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 1 Approved
OMB No.1902-0021
(Expires 12/31/2019)
Form 1-F Approved
OMB No.1902-0029
(Expires 12/31/2019)
Form 3-Q Approved
OMB No.1902-0205
(Expires 12/31/2019)

ORIGINAL



220256

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MAY 01 2018

PUBLIC SERVICE COMM
OF MARYLAND

FERC FINANCIAL REPORT

FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

RECEIVED
Public Service Commission

MAY -1 2018

ACCOUNTING INVESTIGATIONS
DIVISION

Exact Legal Name of Respondent (Company)

Potomac Edison MD

Year/Period of Report

End of 2017/Q4

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	1,326,018,391	1,326,018,391
4	Property Under Capital Leases	2,301,591	2,301,591
5	Plant Purchased or Sold		
6	Completed Construction not Classified	44,309,701	44,309,701
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	1,372,629,683	1,372,629,683
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	25,146,872	25,146,872
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	1,397,776,555	1,397,776,555
14	Accum Prov for Depr, Amort, & Depi	606,202,718	606,202,718
15	Net Utility Plant (13 less 14)	791,573,837	791,573,837
16	Detail of Accum Prov for Depr, Amort & Depi		
17	In Service:		
18	Depreciation	599,773,719	599,773,719
19	Amort & Depi of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	6,428,999	6,428,999
22	Total In Service (18 thru 21)	606,202,718	606,202,718
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	606,202,718	606,202,718

Name of Respondent
Potomac Edison MD

This Report Is:
(1) An Original
(2) A Resubmission

Date of Report
(Mo, Da, Yr)
/ /

Year/Period of Report
End of 2017/Q4

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	124,449	
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	11,955,582	1,816,269
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	12,080,031	1,816,269
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights		
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)		

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	27,014,517	
49	(352) Structures and Improvements	9,834,203	
50	(353) Station Equipment	107,658,800	422,428
51	(354) Towers and Fixtures	22,015,766	537,551
52	(355) Poles and Fixtures	28,745,247	1,189,246
53	(356) Overhead Conductors and Devices	49,996,948	914,859
54	(357) Underground Conduit	1,797,869	10,504
55	(358) Underground Conductors and Devices	2,581,576	117,012
56	(359) Roads and Trails		
57	(359.1) Asset Retirement Costs for Transmission Plant	1,999	
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	249,646,925	3,191,600
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	20,756,223	40
61	(361) Structures and Improvements	9,557,202	180,366
62	(362) Station Equipment	137,532,390	5,251,473
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	104,241,192	4,660,544
65	(365) Overhead Conductors and Devices	166,434,534	11,385,724
66	(366) Underground Conduit	57,009,227	1,281,410
67	(367) Underground Conductors and Devices	214,263,491	13,488,515
68	(368) Line Transformers	171,694,446	5,479,682
69	(369) Services	57,828,328	1,825,233
70	(370) Meters	43,784,113	3,499,876
71	(371) Installations on Customer Premises	1,876,777	13,305
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	26,411,155	708,371
74	(374) Asset Retirement Costs for Distribution Plant		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,011,389,078	47,774,539
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights	1,386,758	
87	(390) Structures and Improvements	24,797,601	92,350
88	(391) Office Furniture and Equipment	6,485,464	91,766
89	(392) Transportation Equipment	6,981,675	285,460
90	(393) Stores Equipment	167,014	
91	(394) Tools, Shop and Garage Equipment	5,695,547	3,909
92	(395) Laboratory Equipment	851,753	13
93	(396) Power Operated Equipment	829,490	13,971
94	(397) Communication Equipment	10,131,003	255,207
95	(398) Miscellaneous Equipment	197,863	13
96	SUBTOTAL (Enter Total of lines 86 thru 95)	57,524,168	742,689
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant	14,236	
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	57,538,404	742,689
100	TOTAL (Accounts 101 and 106)	1,330,654,438	53,525,097
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	1,330,654,438	53,525,097

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			124,449		2
					3
	-152,767	-4,885	13,614,199		4
	-152,767	-4,885	13,738,648		5
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
	-10,616		27,003,901		48
6,891	-47,828		9,779,484		49
1,722,327	-6,109,206	36,640	100,286,335		50
			22,553,317		51
897,262	205,459	-5,639	29,237,051		52
477,955	25,531	-379	50,459,004		53
	-29,093		1,779,280		54
123,279	1,307,397		3,882,706		55
					56
			1,999		57
3,227,714	-4,658,356	30,622	244,983,077		58
					59
			20,756,263		60
3,175	58,499		9,792,892		61
202,496	6,208,784	-36,640	148,753,511		62
					63
192,690	-1,459,313		107,249,733		64
893,682	1,455,909		178,382,485		65
9,432	-31,489		58,249,716		66
1,276,644	-861,704		225,613,658		67
1,501,969	586,781		176,258,940		68
136,375	25,742		59,542,928		69
612,348	-1,382,931		45,288,710		70
2,954	1,489		1,888,617		71
					72
136,545	17,435		27,000,416		73
					74
4,968,310	4,619,202	-36,640	1,058,777,869		75
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			1,386,758		86
332,755	-156,630		24,400,566		87
571,844	181,599		6,186,985		88
55,448	-1,757,125	49,419	5,503,981		89
8,253	17,256		176,017		90
121,632	127,977		5,705,801		91
15,047			836,719		92
			843,461		93
352,569	-152,410		9,881,231		94
3,542			194,334		95
1,461,090	-1,739,333	49,419	55,115,853		96
					97
			14,236		98
1,461,090	-1,739,333	49,419	55,130,089		99
9,657,114	-1,931,254	38,516	1,372,629,683		100
					101
					102
					103
9,657,114	-1,931,254	38,516	1,372,629,683		104

Name of Respondent
Potomac Edison MD

This Report Is:
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(Mo, Da, Yr)
/ /

Year/Period of Report
End of 2017/Q4

ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
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47	TOTAL				

CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Capital Tools and Equipment Purchases	2,326,495
2	Underground Cable Replacement Program	1,915,438
3	CIP (Critical Infrastructure Protection) Compliance	1,709,523
4	Cabin Branch Substation - Construct Substation	1,387,236
5	New Business Residential Underground	1,282,890
6	Miscellaneous Projects Under \$1,000,000	16,525,290
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43	TOTAL	25,146,872

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	577,285,008	577,285,008		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	38,044,743	38,044,743		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	38,044,743	38,044,743		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	9,657,113	9,657,113		
13	Cost of Removal	5,939,167	5,939,167		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	15,596,280	15,596,280		
16	Other Debit or Cr. Items (Describe, details in footnote):	-9,349	-9,349		
17		49,597	49,597		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, end 18)	599,773,719	599,773,719		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission	116,665,104	116,665,104		
26	Distribution	458,596,546	458,596,546		
27	Regional Transmission and Market Operation				
28	General	24,512,069	24,512,069		
29	TOTAL (Enter Total of lines 20 thru 28)	599,773,719	599,773,719		

Name of Respondent Potomac Edison MD	This Report is: (1) _ An Original (2) _ A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 16 Column: c

Accretion of asset retirement costs

Schedule Page: 219 Line No.: 17 Column: c

Miscellaneous transfers and adjustments

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MATERIALS AND SUPPLIES

- For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
- Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)			
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)			

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
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20	TOTAL					

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
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49	TOTAL					

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
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19						
20	TOTAL					

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
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43						
44						
45						
46						
47						
48						
49	TOTAL					

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	317,261,898	329,565,142
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	101,516,508	101,282,337
5	Large (or Ind.) (See Instr. 4)	36,035,381	35,520,039
6	(444) Public Street and Highway Lighting	4,445,938	4,142,391
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	459,259,725	470,509,909
11	(447) Sales for Resale	43,068,327	38,156,699
12	TOTAL Sales of Electricity	502,328,052	508,666,608
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	502,328,052	508,666,608
15	Other Operating Revenues		
16	(450) Forfeited Discounts	1,179,075	1,329,284
17	(451) Miscellaneous Service Revenues	667,699	631,160
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	4,098,410	3,597,169
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	1,808,742	687,324
22	(456.1) Revenues from Transmission of Electricity of Others	10,697,476	12,549,778
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	18,451,402	18,794,715
27	TOTAL Electric Operating Revenues	520,779,454	527,461,323

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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
3,091,436	3,253,945	233,375	230,325	2
				3
2,054,678	2,101,604	29,411	29,088	4
1,614,766	1,603,199	2,695	2,723	5
16,389	15,860	315	303	6
				7
				8
				9
6,777,269	6,974,608	265,796	262,439	10
1,147,083	1,022,621	2	2	11
7,924,352	7,997,229	265,798	262,441	12
				13
7,924,352	7,997,229	265,798	262,441	14

Line 12, column (b) includes \$ 895,409 of unbilled revenues.
Line 12, column (d) includes 11,752 MWH relating to unbilled revenues

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FOOTNOTE DATA			

Schedule Page: 300 Line No.: 6 Column: b

All street lighting sales in accounts 440, 442 and 444 are unmetered.

Schedule Page: 300 Line No.: 6 Column: c

All street lighting sales in accounts 440, 442 and 444 are unmetered.

Schedule Page: 300 Line No.: 17 Column: b

Reserve Capacity	\$ 352,254
Other-Numerous items under \$250,000 each	<u>315,445</u>
Total	\$ 667,699

Schedule Page: 300 Line No.: 17 Column: c

Reserve Capacity	\$ 356,654
Other-Numerous items under \$250,000 each	<u>274,506</u>
Total	\$ 631,160

Schedule Page: 300 Line No.: 21 Column: b

Affiliated Transmission Revenue	\$ 520,342
Other Supporting Facilities Chg	919,203
Other-Numerous items under \$250,000 each	<u>369,197</u>
Total	\$ 1,808,742

Schedule Page: 300 Line No.: 21 Column: c

Affiliated Transmission Revenue	\$ 588,762
Other-Numerous items under \$250,000 each	<u>98,562</u>
Total	\$ 687,324

SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding data for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential (440.1):					
2	R - Residential	3,084,028	315,708,655	233,226	13,223	0.1024
3	C - General	2	365	2	1,000	0.1825
4	G - General Service	27	2,704	6	4,500	0.1001
5	OL - Outdoor Lighting	1,333	253,131	98	13,602	0.1899
6	AL - Area Lighting	1	340			0.3400
7	EMU - Outdoor Lighting	386	101,616	41	9,415	0.2633
8	MSL - Mercury Vapor	6	1,581	2	3,000	0.2635
9	MU - Outdoor Lighting	1	120			0.1200
10	Misc. Adj. not maintained by Rate		-42,992			
11	Subtotal	3,085,784	316,025,520	233,375	13,222	0.1024
12	Unbilled Amount	5,652	1,236,378			0.2188
13	Total Residential Revenues	3,091,436	317,261,898	233,375	13,247	0.1026
14						
15	Commercial (442.1):					
16	R - Residential			39		
17	G - General Service	692,605	52,342,806	22,497	30,787	0.0756
18	C - General	83,189	7,219,388	4,776	17,418	0.0868
19	OL - Outdoor Lighting	1,161	219,031	186	6,242	0.1887
20	AL - Area Lighting	584	64,841	36	16,222	0.1110
21	EMU - Outdoor Lighting	2,630	813,544	146	18,014	0.3093
22	MU - Outdoor Lighting	830	54,531	7	118,571	0.0657
23	EM - Outdoor Lighting		8,184	1		
24	MSL - Mercury Vapor	76	21,637			0.2847
25	C-A - All Elec - Com	21,689	1,334,576	350	61,969	0.0615
26	PH - Light & Power	1,193,427	39,050,580	1,331	896,639	0.0327
27	PL - LED Outdoor Lighting	7	3,180	1	7,000	0.4543
28	SPECIAL - Contract Street Lgt	1,187	60,471	39	30,436	0.0509
29	PP - Power Service	54,478	604,184	2	27,239,000	0.0111
30	Misc. Adj. not maintained by Rate		-49,680			
31	Subtotal	2,051,863	101,747,273	29,411	69,765	0.0496
32	Unbilled Amount	2,815	-230,765			-0.0820
33	Total Commercial Revenues	2,054,678	101,516,508	29,411	69,861	0.0494
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	6,765,517	458,364,316	265,796	25,454	0.0678
42	Total Unbilled Rev.(See Instr. 6)	11,752	895,409	0	0	0.0762
43	TOTAL	6,777,269	459,259,725	265,796	25,498	0.0678

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SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1						
2	Industrial (442.3):					
3	G - General Service	87,388	6,034,116	1,863	46,907	0.0690
4	OL - Outdoor Lighting	195	40,650	10	19,500	0.2085
5	C - General - Ind	19,971	1,292,690	483	41,348	0.0647
6	AL - Area Lighting	94	20,110	2	47,000	0.2139
7	C-A - All Elec - Ind	5,440	227,755	35	155,429	0.0419
8	EMU - Outdoor Lighting	174	45,469	2	87,000	0.2613
9	MU - Outdoor Lighting	10	699			0.0699
10	PP - Power Service	666,286	8,081,713	7	95,183,714	0.0121
11	PH - Light & Power	634,678	18,564,692	291	2,181,024	0.0293
12	AGS - Firm Standby	61	23,990	1	61,000	0.3933
13	SPECIAL Contracts	197,126	1,804,141	1	197,126,000	0.0092
14	Misc. Adj. not maintained by Rate		3,674			
15	Subtotal	1,611,423	36,139,699	2,695	597,931	0.0224
16	Unbilled Amount	3,343	-104,318			-0.0312
17	Total Industrial Revenues	1,614,766	36,035,381	2,695	599,171	0.0223
18						
19	Public Street & Highway (444.1):					
20	AL - Area Lighting	20	4,009			0.2005
21	OL - Outdoor Lighting Com	2	254	2	1,000	0.1270
22	EM - Outdoor Lighting		634			
23	EMU - Outdoor Lighting	6,512	2,005,406	116	56,138	0.3080
24	MSL - Mercury Vapor	8,992	2,358,928	190	47,326	0.2623
25	MU - Outdoor Lighting	771	51,967	2	385,500	0.0674
26	PL - LED Outdoor Lighting	150	27,661	5	30,000	0.1844
27	Misc. Adj. not maintained by Rate		2,965			
28	Subtotal	16,447	4,451,824	315	52,213	0.2707
29	Unbilled Amount	-58	-5,886			0.1015
30	Total Street Lighting Revenues	16,389	4,445,938	315	52,029	0.2713
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	6,765,517	458,364,316	265,796	25,454	0.0678
42	Total Unbilled Rev.(See Instr. 6)	11,752	895,409	0	0	0.0762
43	TOTAL	6,777,269	459,259,725	265,796	25,498	0.0678

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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RQ:					
2	Monongahela Power Company	RQ	4th Rev Vol 2			
3	West Penn Power Company	RQ	4th Rev Vol 2			
4						
5	NON-RQ:					
6	PJM Interconnection, LLC	OS	No 26			
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
1,724		86,017		86,017	2
29,041		1,322,644		1,322,644	3
					4
1,116,318		41,659,666		41,659,666	5
					6
					7
					8
					9
					10
					11
					12
					13
					14
30,765	0	1,408,661	0	1,408,661	
1,116,318	0	41,659,666	0	41,659,666	
1,147,083	0	43,068,327	0	43,068,327	

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FOOTNOTE DATA			

Schedule Page: 310 Line No.: 2 Column: a
Associated company.

Schedule Page: 310 Line No.: 3 Column: a
Associated company.

Schedule Page: 310 Line No.: 6 Column: b
Represents power sold through the PJM Interconnection.

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering		
5	(501) Fuel		
6	(502) Steam Expenses		
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses		
10	(506) Miscellaneous Steam Power Expenses		
11	(507) Rents		
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)		
14	Maintenance		
15	(510) Maintenance Supervision and Engineering		
16	(511) Maintenance of Structures		
17	(512) Maintenance of Boiler Plant		
18	(513) Maintenance of Electric Plant		
19	(514) Maintenance of Miscellaneous Steam Plant		
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)		
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering		
63	(547) Fuel		
64	(548) Generation Expenses		
65	(549) Miscellaneous Other Power Generation Expenses		
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)		
68	Maintenance		
69	(551) Maintenance Supervision and Engineering		
70	(552) Maintenance of Structures		
71	(553) Maintenance of Generating and Electric Plant		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)		
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	309,146,347	320,783,369
77	(556) System Control and Load Dispatching	9,060,514	-7,102,723
78	(557) Other Expenses		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	318,206,861	313,680,646
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	318,206,861	313,680,646
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering		
84			
85	(561.1) Load Dispatch-Reliability		
86	(561.2) Load Dispatch-Monitor and Operate Transmission System		
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services	16,510	19,519
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services	621	743
93	(562) Station Expenses	36,458	24,434
94	(563) Overhead Lines Expenses	393,289	42,528
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others	8,913,667	12,969,784
97	(566) Miscellaneous Transmission Expenses	42,237	100,975
98	(567) Rents		
99	TOTAL Operation (Enter Total of lines 83 thru 98)	9,402,782	13,157,983
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	232,881	181,606
102	(569) Maintenance of Structures		
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	885,863	773,771
108	(571) Maintenance of Overhead Lines	3,999,805	4,125,867
109	(572) Maintenance of Underground Lines		
110	(573) Maintenance of Miscellaneous Transmission Plant	-2	-331
111	TOTAL Maintenance (Total of lines 101 thru 110)	5,118,547	5,080,913
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	14,521,329	18,238,896

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation	2,785	3,601
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)	2,785	3,601
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Exps (Total 123 and 130)	2,785	3,601
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	118,970	150,553
135	(581) Load Dispatching		
136	(582) Station Expenses	56,589	36,254
137	(583) Overhead Line Expenses	1,273,636	1,164,274
138	(584) Underground Line Expenses	714,692	663,473
139	(585) Street Lighting and Signal System Expenses	79,969	80,192
140	(586) Meter Expenses	326,079	327,589
141	(587) Customer Installations Expenses		
142	(588) Miscellaneous Expenses	1,601,372	1,285,000
143	(589) Rents		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	4,171,307	3,707,335
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	128,912	49,687
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	2,078,450	1,684,913
149	(593) Maintenance of Overhead Lines	6,483,224	6,386,101
150	(594) Maintenance of Underground Lines	530,500	588,721
151	(595) Maintenance of Line Transformers	16,163	25,601
152	(596) Maintenance of Street Lighting and Signal Systems	366,117	436,548
153	(597) Maintenance of Meters	599,497	592,660
154	(598) Maintenance of Miscellaneous Distribution Plant	6,835	888
155	TOTAL Maintenance (Total of lines 146 thru 154)	10,209,698	9,765,119
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	14,381,005	13,472,454
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision		
160	(902) Meter Reading Expenses	1,679,962	1,640,534
161	(903) Customer Records and Collection Expenses	1,268,505	1,230,442
162	(904) Uncollectible Accounts	763,121	2,279,544
163	(905) Miscellaneous Customer Accounts Expenses		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	3,711,588	5,150,520

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses	10,117,421	16,364,463
169	(909) Informational and Instructional Expenses		
170	(910) Miscellaneous Customer Service and Informational Expenses	2,152,921	2,159,254
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	12,270,342	18,523,717
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses	2	
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	2	
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries		1,603
182	(921) Office Supplies and Expenses	-201,848	-405,444
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	14,891,609	16,396,292
185	(924) Property Insurance	51,148	50,154
186	(925) Injuries and Damages	272,435	303,528
187	(926) Employee Pensions and Benefits	1,556,024	1,417,478
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	898,066	895,452
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	42,298	32,449
192	(930.2) Miscellaneous General Expenses	-10,559	-422,029
193	(931) Rents	47,495	44,875
194	TOTAL Operation (Enter Total of lines 181 thru 193)	17,546,668	18,314,358
195	Maintenance		
196	(935) Maintenance of General Plant	147,378	58,838
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	17,694,046	18,373,196
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	380,787,958	387,443,030

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			1,749,491		1,749,491
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant	6,478,638				6,478,638
8	Distribution Plant	29,174,019				29,174,019
9	Regional Transmission and Market Operation					
10	General Plant	2,392,086				2,392,086
11	Common Plant-Electric					
12	TOTAL	38,044,743		1,749,491		39,794,234

B. Basis for Amortization Charges

Software is amortized over 7 years.

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	350	25,629	75.00		1.33	R1	
13	352	9,779	45.00	-15.00	2.56	R3	
14	353	98,879	42.00	-2.00	2.43	R2	
15	353 Scada	1,407	14.00		7.14	R3	
16	354	22,553	45.00		2.22	R3	
17	355	29,237	45.00	-65.00	3.67	R2	
18	356	40,496	50.00	-80.00	3.60	R3	
19	356 clearing	9,963	50.00	-80.00	3.60	R3	
20	357	1,779	47.00	-10.00	2.34	R4	
21	358	3,883	42.00	-10.00	2.62	R3	
22	Total	243,605					
23							
24	360	9,800	75.00		1.33	R1	
25	361	9,793	45.00	-30.00	2.89	R3	
26	362	144,954	38.00	15.00	2.24	R1	
27	362 Scada	3,800	14.00		7.14	R3	
28	364	107,250	47.00	-60.00	3.40	R1	
29	365	178,382	50.00	-45.00	2.90	R1	
30	366	58,250	47.00	-10.00	2.34	R4	
31	367	225,614	42.00	-10.00	2.62	R3	
32	368	176,259	36.00	-10.00	3.06	R2	
33	369	59,543	47.00	-65.00	3.51	R2	
34	370	45,289	32.00	-15.00	3.59	R2	
35	373	27,000	39.00	-25.00	3.21	L0	
36	Total	1,045,934					
37							
38	389	4	75.00		1.33	R1	
39	390	24,401	42.00		2.38	R1	
40	391.1	3,151	20.00		5.00	SQ	
41	391.2	2,613	10.00		10.00	SQ	
42	391.3	288	20.00		5.00	SQ	
43	391.4	133	20.00		5.00	SQ	
44	392	786			6.77	SQ	
45	392.1	1,570	13.00		13.20	SQ	
46	392.2	838	15.00		8.26	SQ	
47	392.3	8	20.00		5.00	SQ	
48	393	176	20.00		5.00	SQ	
49	394	5,706	20.00		5.00	SQ	
50	395	837	20.00		5.00	SQ	

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	396	844	25.00		3.39	SQ	
13	397	9,881	14.00		7.14	SQ	
14	398	194	20.00		5.00	SQ	
15	Total	51,430					
16							
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THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 1 Approved
OMB No.1902-0021
(Expires 12/31/2019)
Form 1-F Approved
OMB No.1902-0029
(Expires 12/31/2019)
Form 3-Q Approved
OMB No.1902-0205
(Expires 12/31/2019)



220256

FILED

MAY 01 2018

PUBLIC SERVICE COMM
OF MARYLAND

**FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of
Major Electric Utilities, Licensees
and Others and Supplemental
Form 3-Q: Quarterly Financial Report**

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)
THE POTOMAC EDISON COMPANY

Year/Period of Report
End of 2017/Q4

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/forms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____, we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/forms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/forms.asp#3Q-gas>.

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,168 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 168 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The **"Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).**
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent – The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power;

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies".10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION

01 Exact Legal Name of Respondent THE POTOMAC EDISON COMPANY		02 Year/Period of Report End of 2017/Q4
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 76 South Main Street, Akron, Ohio 44308		
05 Name of Contact Person Jason Petrik		06 Title of Contact Person Assistant Controller
07 Address of Contact Person (Street, City, State, Zip Code) 76 South Main Street, Akron, Ohio 44308		
08 Telephone of Contact Person, including Area Code (330) 761-4049	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) / /

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Jason J. Lisowski	03 Signature Jason J. Lisowski	04 Date Signed (Mo, Da, Yr) 03/30/2018
02 Title Vice President and Controller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	None
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	None
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	None
18	Electric Plant Held for Future Use	214	None
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	
22	Materials and Supplies	227	None
23	Allowances	228(ab)-229(ab)	None
24	Extraordinary Property Losses	230	None
25	Unrecovered Plant and Regulatory Study Costs	230	None
26	Transmission Service and Generation Interconnection Study Costs	231	
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	
32	Capital Stock Expense	254	None
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	None

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	289	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	None
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Regional Transmission Service Revenues (Account 457.1)	302	None
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310-311	
46	Electric Operation and Maintenance Expenses	320-323	
47	Purchased Power	326-327	
48	Transmission of Electricity for Others	328-330	
49	Transmission of Electricity by ISO/RTOs	331	
50	Transmission of Electricity by Others	332	
51	Miscellaneous General Expenses-Electric	335	
52	Depreciation and Amortization of Electric Plant	336-337	
53	Regulatory Commission Expenses	350-351	
54	Research, Development and Demonstration Activities	352-353	
55	Distribution of Salaries and Wages	354-355	
56	Common Utility Plant and Expenses	356	None
57	Amounts included in ISO/RTO Settlement Statements	397	
58	Purchase and Sale of Ancillary Services	398	
59	Monthly Transmission System Peak Load	400	
60	Monthly ISO/RTO Transmission System Peak Load	400a	None
61	Electric Energy Account	401	
62	Monthly Peaks and Output	401	
63	Steam Electric Generating Plant Statistics	402-403	None
64	Hydroelectric Generating Plant Statistics	406-407	None
65	Pumped Storage Generating Plant Statistics	408-409	None
66	Generating Plant Statistics Pages	410-411	None

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Line Statistics Pages	422-423	
68	Transmission Lines Added During the Year	424-425	None
69	Substations	426-427	
70	Transactions with Associated (Affiliated) Companies	429	
71	Footnote Data	450	
	<p>Stockholders' Reports Check appropriate box:</p> <p><input type="checkbox"/> Two copies will be submitted</p> <p><input checked="" type="checkbox"/> No annual report to stockholders is prepared</p>		

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> / /	Year/Period of Report End of <u>2017/Q4</u>
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Jason J. Lisowski, Vice President and Controllar
 76 South Main Street
 Akron, Ohio 44308

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Maryland - December 31, 1923
 Virginia - May 31, 1974

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric Utility - Maryland
 Electric Utility - Virginia (Transmission only as of June 1, 2010)
 Electric Utility - West Virginia

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) Yes...Enter the date when such independent accountant was initially engaged:
 (2) No

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> / /	Year/Period of Report End of <u>2017/Q4</u>
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CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

The Potomac Edison Company (PE) is a wholly owned subsidiary of FirstEnergy Corp., a diversified energy company.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Allegheny Pittsburgh Coal	Owner of coal reserves	25%	
2				
3	PE Transferring Agent, LLC	Special purpose entity as an	100%	
4		agent for property transfers		
5				
6				
7	PE Renaissance Funding, LLC	Special purpose entity to be	100%	
8		used for financing of Fort		
9		Martin scrubber construction.		
10				
11	PE Environmental Funding, LLC	Special purpose entity to be	100%	
12		used for financing of Fort		
13		Martin scrubber construction.		
14				
15	PATH Allegheny Maryland Transmission	Design and maintain electric	5%	
16	Company, LLC	transmission facilities and		
17		engage in any activites		
18		related thereto		
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 103 Line No.: 1 Column: d
 Associated companies Monongahela Power Company and West Penn Power Company own the remaining stock.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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OFFICERS

- Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
- If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Senior Vice President and Chief Financial Officer	S.E. Strah	560,000
2	President	S.L. Belcher	452,506
3	Executive Vice President, Corporate Strategy,	L.L. Vespoli	759,200
4	Regulatory Affairs and Chief Legal Officer		
5	Executive Vice President and Chief Financial Officer	J.F. Pearson	660,400
6	Vice President and Corporate Secretary	K.K. Patel	95,677
7	Interim Corporate Secretary	D.M. Dunlap	178,452
8	Vice President and Corporate Secretary	E.L. Yeboah-Amankwah	294,929
9	Vice President and General Counsel	R.P. Reffner	422,813
10	Vice President and Treasurer	S.R. Staub	331,271
11	Vice President and Controller	K.J. Taylor	344,328
12	Vice President and Controller	J.J. Lisowski	205,963
13	Vice President	J.A. Sears	214,229
14	Vice President, Tax	J.G. Garanich	145,962
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 1 Column: b

Effective March 4, 2018, Steven E. Strah was removed as President and elected Senior Vice President and Chief Financial Officer effective March 5, 2018.

Schedule Page: 104 Line No.: 2 Column: b

Effective March 5, 2018, Samuel L. Belcher was elected as President and Director.

Schedule Page: 104 Line No.: 5 Column: b

Effective March 4, 2018, James F. Pearson was removed as Executive Vice President and Chief Financial Officer.

Schedule Page: 104 Line No.: 6 Column: b

Effective May 16, 2017, Ketan K. Patel resigned as Vice President and Corporate Secretary.

Schedule Page: 104 Line No.: 7 Column: b

Daniel Dunlap was elected Interim Corporate Secretary on May 17, 2017 and later removed on July 29, 2017.

Schedule Page: 104 Line No.: 8 Column: b

Ebony L. Yeboah-Amankwah was elected Vice President & Corporate Secretary on July 30, 2017.

Schedule Page: 104 Line No.: 11 Column: b

Effective March 3, 2018, K. Jon Taylor was removed as Vice President and Controller.

Schedule Page: 104 Line No.: 12 Column: b

Effective March 4, 2018, Jason J. Lisowski was elected Vice President and Controller.

Schedule Page: 104 Line No.: 14 Column: b

James G. Garanich resigned as Vice President, Tax, effective March 16, 2017.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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DIRECTORS

- Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
- Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Charles E. Jones	76 South Main Street, Akron, OH 44308
2	Director	
3		
4	Steven E. Strah	76 South Main Street, Akron, OH 44308
5	Director and Senior Vice President and Chief	
6	Financial Officer	
7		
8	James F. Pearson	76 South Main Street, Akron, OH 44308
9	Director and Executive Vice President and Chief	
10	Financial Officer	
11		
12	Samuel L. Belcher	76 South Main Street, Akron, OH 44308
13	Director and President	
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 105 Line No.: 4 Column: a
 Effective March 4, 2018, Steven E. Strah was removed as President and elected Senior Vice President and Chief Financial Officer effective March 5, 2018.

Schedule Page: 105 Line No.: 8 Column: a
 Effective March 4, 2018, James F. Pearson was removed as Executive Vice President and Chief Financial Officer and Director.

Schedule Page: 105 Line No.: 12 Column: a
 Effective March 5, 2018, Samuel L. Belcher was elected as President and Director.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	--

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--	--

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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INFORMATION ON FORMULA RATES
Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s).	Schedule	Column	Line No
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of <u>2017/Q4</u>
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
 SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. None
3. None
4. None
5. None

6. The Potomac Edison Company (PE) has authorization from the Federal Energy Regulatory Commission (FERC) to issue short-term debt securities of up to \$150 million through bank facilities and the internal utility money pool. Additionally, the Respondent has authorization from the West Virginia Public Service Commission (WVPSC) to participate in the internal utility money pool so long as its borrowings under the money pool do not exceed \$150 million. The Respondent has the ability to borrow from its regulated affiliates and FirstEnergy to meet its short-term working capital requirements. FirstEnergy Service Company administers this money pool and tracks surplus funds of FirstEnergy and the respective regulated subsidiary, as well as proceeds available from bank borrowings. Companies receiving a loan under the money pool agreements must repay the principal amount of the loan, together with accrued interest, within 364 days of borrowing the funds. The rate of interest is the same for each company receiving a loan from their respective pool and is based on the average cost of funds available through the pool. The average interest rate for borrowings for the year ended December 31, 2017 was 1.48% per annum.

7. None
8. None
9. See Notes 4 and 5 of Notes to Financial Statements relating to Regulatory Matters and Commitments and Contingencies.
10. None
11. Reserved
12. None
13. See pages 104 and 105.
14. None

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	2,224,862,836	2,146,494,372
3	Construction Work in Progress (107)	200-201	41,025,646	31,246,376
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		2,265,888,482	2,177,740,748
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	955,661,774	913,758,188
6	Net Utility Plant (Enter Total of line 4 less 5)		1,310,226,708	1,263,982,560
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		1,310,226,708	1,263,982,560
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		3,983,016	3,983,016
19	(Less) Accum. Prov. for Depr. and Amort. (122)		75,204	64,001
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	-66,162,318	-70,294,837
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		-62,254,506	-66,375,822
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		0	0
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		0	0
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		47,236,176	47,257,912
41	Other Accounts Receivable (143)		5,217,076	8,463,471
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,638,220	2,780,654
43	Notes Receivable from Associated Companies (145)		54,203,526	0
44	Accounts Receivable from Assoc. Companies (146)		21,387,683	46,074,746
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	0	0
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 2017/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		18,143,730	16,902,483
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
80	Rents Receivable (172)		857,366	188,955
81	Accrued Utility Revenues (173)		60,556,702	59,011,199
62	Miscellaneous Current and Accrued Assets (174)		10,000	0
83	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
85	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		204,974,039	175,118,112
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		3,207,751	3,313,957
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	131,896,329	178,083,472
73	Prelim. Survey and Investigation Charges (Electric) (183)		90,158	34,548
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		1,486,746	19,907
77	Temporary Facilities (185)		208,059	198,128
78	Miscellaneous Deferred Debits (186)	233	98,561,406	109,604,439
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	4,561	2,178
81	Unamortized Loss on Required Debt (189)		237,299	302,260
82	Accumulated Deferred Income Taxes (190)	234	155,355,228	136,362,705
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		391,047,537	427,921,594
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,843,993,778	1,800,646,444

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	223,850	223,850
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	351,344,298	348,876,081
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	147,626,055	121,006,586
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	27,228,776	23,101,230
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	6,421,213	8,366,872
16	Total Proprietary Capital (lines 2 through 15)		532,844,192	501,574,619
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	500,000,000	500,000,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		500,000,000	500,000,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		1,191,417	2,208,944
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		4,684,068	4,909,985
29	Accumulated Provision for Pensions and Benefits (228.3)		38,842,373	39,742,752
30	Accumulated Miscellaneous Operating Provisions (228.4)		123,410	93,994
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		228,835	208,035
35	Total Other Noncurrent Liabilities (lines 26 through 34)		45,070,103	47,163,710
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		21,719,012	23,225,465
39	Notes Payable to Associated Companies (233)		0	16,578,157
40	Accounts Payable to Associated Companies (234)		55,799,565	43,778,631
41	Customer Deposits (235)		22,154,295	22,263,526
42	Taxes Accrued (236)	262-263	30,065,414	9,096,086
43	Interest Accrued (237)		6,808,969	6,749,872
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	855,068,235	868,332,215		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	611,147,606	608,906,172		
5	Maintenance Expenses (402)	320-323	29,507,710	30,431,794		
6	Depreciation Expense (403)	336-337	60,366,361	58,051,096		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	2,528,231	2,113,014		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		16,023,624	15,142,639		
13	(Less) Regulatory Credits (407.4)		-4,460,672	2,915,605		
14	Taxes Other Than Income Taxes (408.1)	262-263	44,516,508	43,676,086		
15	Income Taxes - Federal (409.1)	262-263	40,384,346	-1,305,452		
16	- Other (409.1)	262-263	5,934,364	1,549,146		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	131,098,146	176,791,509		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	149,219,329	135,624,357		
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		796,748,239	796,816,042		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		58,319,996	71,516,173		

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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		58,319,996	71,516,173		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		2,040,322	1,028,001		
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		1,319,650	462,940		
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)		-8,955	-8,955		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	4,164,766	4,835,019		
37	Interest and Dividend Income (419)		1,593,490	1,650,995		
38	Allowance for Other Funds Used During Construction (419.1)		1,660,048	2,895		
39	Miscellaneous Nonoperating Income (421)		24,003	206,511		
40	Gain on Disposition of Property (421.1)		43,250	5,387		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		8,197,274	7,256,913		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		2,797	96,953		
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		168,919	164,057		
46	Life Insurance (426.2)		-300,550	-224,112		
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)		16,604	27,561		
49	Other Deductions (426.5)		182	8,739		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		-112,048	73,198		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	-2,048,962	-1,985,776		
53	Income Taxes-Federal (409.2)	262-263	872,474	200,486		
54	Income Taxes-Other (409.2)	262-263	204,513	44,918		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	24,750	100,148		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	73,808	45,634		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		-1,021,033	-1,685,858		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		9,330,355	8,869,573		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		21,391,000	19,677,373		
63	Amort. of Debt Disc. and Expense (428)		115,650	85,285		
64	Amortization of Loss on Required Debt (428.1)		64,962	64,962		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)		38,157	1,974,966		
68	Other Interest Expense (431)		900,323	511,512		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		648,292	158,126		
70	Net Interest Charges (Total of lines 62 thru 69)		21,861,800	22,155,972		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		45,788,551	58,229,774		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		45,788,551	58,229,774		

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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		121,006,586	117,574,611
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Accounting Change - Cumulative Effect Adjustment		-41,536	
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)		-41,536	
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		41,623,785	53,394,755
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31	Dividends on Common Stock		-15,000,000	(50,000,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-15,000,000	(50,000,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		37,220	37,220
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		147,626,055	121,006,586
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		147,626,055	121,006,586
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		23,101,230	18,303,431
50	Equity in Earnings for Year (Credit) (Account 418.1)		4,164,766	4,835,019
51	(Less) Dividends Received (Debit)		37,220	37,220
52				
53	Balance-End of Year (Total lines 49 thru 52)		27,228,776	23,101,230

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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	45,788,551	58,229,774
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	62,894,592	60,164,110
5	Amortization of Regulatory Assets, Net	20,484,296	12,227,034
6	Amortization of Purchase Accounting Adjustment	-42,988	-1,757,006
7	Deferred Purchase Power and Other Costs, Net	31,077,263	-3,984,953
8	Deferred Income Taxes (Net)	-18,170,241	41,328,029
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	26,547,637	-23,032,809
11	Net (Increase) Decrease in Inventory		
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	30,580,514	11,968,802
14	Net (Increase) Decrease in Other Regulatory Assets		
15	Net Increase (Decrease) in Other Regulatory Liabilities		
16	(Less) Allowance for Other Funds Used During Construction	1,660,048	2,895
17	(Less) Undistributed Earnings from Subsidiary Companies	4,164,768	4,835,019
18	Other (provide details in footnote):	740,964	18,505,223
19	Pension and OPEB Mark-to-Market Adjustment	5,592,549	1,079,036
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	199,668,321	169,889,326
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-103,122,103	-97,893,947
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-1,660,048	-2,895
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-101,462,055	-97,891,052
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	-54,203,526	
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48	Cost of Removal and Adjustment	-10,501,466	-9,581,865
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):	-65,611	-57,384
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-166,232,658	-107,530,301
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		155,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)		155,000,000
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		-100,000,000
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):	-105,674	-1,668,452
77	Payments on Capital Lease Obligations	-1,751,832	-1,919,016
78	Net Decrease in Short-Term Debt (c)	-16,578,157	-63,771,557
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-15,000,000	-50,000,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-33,435,663	-62,359,025
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)		
87			
88	Cash and Cash Equivalents at Beginning of Period		
89			
90	Cash and Cash Equivalents at End of period		

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 18 Column: c

Other Operating Activities:

Amortization of Prepaid Purchased Power	\$ 5,558,556
Changes in Prepayments and Other	6,448,493
Contributions in Aid of Construction	3,431,066
Stock Based Compensation	1,593,665
Customer Advances for Construction	374,609
Other	<u>1,098,834</u>
	\$ 18,505,223

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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 118, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

1. ORGANIZATION AND BASIS OF PRESENTATION

The Potomac Edison Company (PE), is a wholly owned subsidiary of FirstEnergy Corp. (FE), and is incorporated in Maryland and Virginia. PE owns transmission assets in Maryland, West Virginia and Virginia and provides distribution services to customers in Maryland and West Virginia. PE is subject to regulation by the Maryland Public Service Commission (MDPSC), the West Virginia Public Service Commission (WVPSC), the Virginia State Corporation Commission (VSCC) and the Federal Energy Regulatory Commission (FERC).

BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with FERC accounting requirements as set forth in the Uniform System of Accounts and accounting releases, which differ from Generally Accepted Accounting Principles in the United States of America (GAAP). The significant differences between FERC and GAAP related to these financial statements include the following:

- Wholly owned subsidiaries that are consolidated under GAAP are accounted for under the equity method of accounting under FERC. As such investment in subsidiaries are reflected under the equity method of accounting on the FERC income statement, balance sheet and cash flow statement, and on a consolidated basis on the GAAP income statement, balance sheet and cash flow statement
- Deferred Income Taxes are recorded on a gross basis on the FERC balance sheet with deferred tax assets and deferred tax liabilities being reported separately.
- Asset removal costs are classified as accumulated depreciation on the FERC balance sheet and regulatory liability for GAAP.
- For income statement purposes, there are differences in items included in Operating Income and Other Income and Deductions under GAAP and FERC reporting, including costs which are recorded in operating expenses for GAAP and non-operating expenses for FERC.
- Regulatory Assets and Liabilities per GAAP differ from Regulatory Assets and Liabilities per FERC because Account 189, Unamortized loss are regulatory assets on reacquired debt for GAAP statements but not for FERC statements.
- Vegetation management that is shown as a regulatory asset for FERC purposes and utility plant for GAAP.
- Estimated interest and penalties related to uncertain tax positions are recorded as part of interest expense and penalties respectively under FERC and as a component of income tax expense under GAAP.
- Other Comprehensive Income pages 122a-b are not audited per FERC instructions.
- As a result of the merger with FirstEnergy Corp., together with its consolidated subsidiaries (FirstEnergy), purchase accounting adjustments and reclassifications were made for GAAP reporting, but not for FERC reporting, to reclassify accumulated depreciation to property, plant and equipment.
- Capital leases are recorded on a net basis in Plant in Service on the FERC balance sheet.
- Unamortized debt issuance costs are included in deferred charges on the FERC balance sheet and an offset to long-term debt on the GAAP balance sheet.
- Deferred purchased power and fuel costs are included in operating expenses for FERC purposes and Amortization of regulatory assets, net for GAAP.
- Regulatory Assets and Liabilities presented on a gross basis on the FERC balance sheet with Regulatory Assets and Liabilities netted for GAAP.

PE complies with the regulations, orders, policies and practices prescribed by FERC, the MDPSC, the VSCC and the WVPSC. The preparation of financial statements requires management to make periodic estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. Actual results could differ from these estimates. The reported results of operations are not indicative of results of operations for any future period.

ACCOUNTING FOR THE EFFECTS OF REGULATION

Regulatory assets represent incurred costs that have been deferred because of their probable future recovery from customers through regulated rates. Regulatory liabilities represent amounts that are expected to be credited to customers through future regulated rates or amounts collected from customers for costs not yet incurred. PE nets its regulatory assets and liabilities based on federal and state jurisdictions.

As a result of the Tax Cuts and Jobs Act adopted December 22, 2017 (Tax Act), FirstEnergy, including PE, adjusted its deferred tax liabilities at December 31, 2017, for the reduction in the corporate income tax rate from 35% to 21%. The impact of reducing the deferred tax liabilities was offset with a regulatory liability, as appropriate, for amounts expected to be refunded to rate payers in future rates, with the remainder recorded to deferred income tax expense.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

REVENUES AND RECEIVABLES

PE's principal business is providing electric service to customers in Maryland and West Virginia. PE's retail customers are metered on a cycle basis. Electric revenues are recorded based on energy delivered through the end of the calendar month. An estimate of unbilled revenues is calculated to recognize electric service provided from the last meter reading through the end of the month. This estimate includes many factors, among which are historical customer usage, load profiles, estimated weather impacts, customer shopping activity and prices in effect for each class of customer. In each accounting period, PE accrues the estimated unbilled amount as revenue and reverses the related prior period estimate.

Receivables from customers include distribution and retail electric sales to residential, commercial and industrial customers. There was no material concentration of receivables as of December 31, 2017 and 2016, with respect to any particular segment of PE's customers. Billed and unbilled customer receivables were \$45 million and \$61 million, respectively, as of December 31, 2017 and \$45 million and \$59 million, respectively, as of December 31, 2016.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment reflects original cost (net of any impairments recognized), including payroll and related costs such as taxes, employee benefits, administrative and general costs, and interest costs incurred to place the assets in service. The costs of normal maintenance, repairs and minor replacements are expensed as incurred. PE recognizes liabilities for planned major maintenance projects as they are incurred.

PE provides for depreciation on a straight-line basis at various rates over the estimated lives of property included in plant in service. Depreciation expense was approximately 2.9% of average depreciable property in 2017 and 2016.

PE evaluates long-lived assets classified as held and used for impairment when events or changes in circumstances indicate the carrying value of the long-lived assets may not be recoverable. First, the undiscounted future cash flows attributable to the assets is compared with the carrying value of the assets. If the carrying value of the assets is greater than the undiscounted future cash flows, an impairment charge is recognized equal to the amount the carrying value of the assets exceeds its estimated fair value.

INVESTMENTS

All temporary cash investments purchased with an initial maturity of three months or less are reported as cash equivalents on the Consolidated Balance Sheets, at cost, which approximates their fair market value.

PREPAID PURCHASE POWER

In April 2007 and December 2009, MP Environmental Funding LLC, an indirect subsidiary of Monongahela Power Company (MP), and PE Environmental Funding LLC, an indirect subsidiary of PE, issued environmental control bonds. These bonds securitize the right to collect an environmental control surcharge that MP and PE impose on their retail customers in West Virginia. PE contributed its net bond proceeds from its issuances of these bonds to MP as a prepayment for power, with MP recording the receipt of the proceeds as unearned revenue. The carrying amount of this power prepayment is designated as "Prepaid purchased power" on PE's Consolidated Balance Sheets. This power expense is recognized to the same extent that PE depreciates the portion of the scrubber fixed assets financed by PE's bonds.

COMMON STOCK

PE is authorized to issue 26,000,000 shares of common stock, \$0.01 par value, as of December 31, 2017. As of December 31, 2017 and 2016, there were 22,385,000 common shares outstanding.

NEW ACCOUNTING PRONOUNCEMENTS

Recently Adopted Pronouncements

ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments" (Issued August 2016): The standard is intended to eliminate diversity in practice in how certain cash receipts and cash payments are presented and classified in the Consolidated Statements of Cash Flows, including the presentation of debt prepayment or debt extinguishment costs, all of which will be classified as financing activities. ASU 2016-15 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2017. PE early adopted this ASU as of January 1, 2017. There was no impact to prior periods.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Recently Issued Pronouncements - The following new authoritative accounting guidance issued by the Financial Accounting Standards Board (FASB) was not adopted in 2017. Unless otherwise indicated, PE is currently assessing the impact such guidance may have on its financial statements and disclosures, as well as the potential to early adopt where applicable. PE has assessed other FASB issuances of new standards not described below and has not included these standards based upon the current expectation that such new standards will not significantly impact PE's financial reporting.

ASU 2014-09, "*Revenue from Contracts with Customers*" (Issued May 2014 and subsequently updated to address implementation questions): The new revenue recognition guidance: establishes a new control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. PE has evaluated its revenues and the new guidance will have limited impacts to current revenue recognition practices upon adoption on January 1, 2018. As part of the adoption, PE elected to apply the new guidance on a modified retrospective basis. PE will not record a cumulative adjustment to retained earnings for initially applying the new guidance as no revenue recognition differences were identified in the timing or amount of revenue. In addition, upon adoption certain immaterial financial statement presentation changes will be implemented. PE expects to disaggregate revenue by type of service in future revenue disclosures.

ASU 2016-02, "*Leases (Topic 842)*" (Issued February 2016) and ASU 2018-01, "*Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842*" (Issued January 2018): ASU 2016-02 will require organizations that lease assets with lease terms of more than 12 months to recognize assets and liabilities for the rights and obligations created by those leases on their balance sheets. In addition, new qualitative and quantitative disclosures of the amounts, timing, and uncertainty of cash flows arising from leases will be required. The ASU will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. ASU 2018-01 (same effective date and transition requirements as ASU 2016-02) provides an optional transition practical expedient that, if elected, would not require an entity to reconsider its accounting for existing land easements that are not currently accounted for under the old leases standard. Lessors and lessees will be required to apply a modified retrospective transition approach, which requires adjusting the accounting for any leases existing at the beginning of the earliest comparative period presented in the adoption-period financial statements. Any leases that expire before the initial application date will not require any accounting adjustment. PE expects an increase in assets and liabilities, however, it is currently assessing the impact on its Consolidated Financial Statements. This assessment includes monitoring utility industry implementation guidance. FirstEnergy is in the process of conducting outreach activities across its business units and analyzing its lease population. In addition, it has begun implementation of a third-party software tool that will assist with the initial adoption and ongoing compliance.

ASU 2016-18, "*Restricted Cash*" (issued November 2016). ASU 2016-18 addresses the presentation of changes in restricted cash and restricted cash equivalents in the statement of cash flows. The guidance is required to be applied retrospectively. In its first quarter 2018 financials, PE will show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. In addition, PE will disclose the nature of its restricted cash and restricted cash equivalent balances within the footnotes.

ASU 2017-01, "*Business Combinations: Clarifying the Definition of a Business*" (Issued January 2017): ASU 2017-01 assists entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. ASU 2017-01 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2017. The ASU will be applied prospectively to any transactions occurring within the period of adoption. PE will not early adopt this standard.

ASU 2017-07, "*Compensation-Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*" (Issued March 2017): ASU 2017-07 requires entities to only capitalize service costs while non-service costs are to be charged to earnings. However, utilities subject to FERC's accounting jurisdiction can choose to either continue to capitalize all of the components of pension and other post-employment benefit costs consistent with past practice or elect to capitalize only service costs consistent with the requirements of ASC 715 for FERC reporting. Upon adoption in 2018, PE will elect to change its capitalization policy to follow GAAP and capitalize only service costs. In 2018, PE will disclose the impacts of the one-time election to change its capitalization policy upon implementing ASU 2017-07.

ASU 2018-02, "*Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*" (Issued February 2018): ASU 2018-02 allows entities to reclassify from Accumulated Other Comprehensive Income (AOCI) to retained earnings stranded tax effects resulting from the Tax Act. ASU 2018-02 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2018. Early adoption of the ASU is permitted including adoption in any interim period. ASU 2018-02 should be applied either in the period of adoption or retrospectively to each period (or periods) in which the effect of the income tax rate change resulting from the Tax Act is recognized. PE did not adopt this ASU as of December 31, 2017.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

2. PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB)

FirstEnergy provides noncontributory qualified defined benefit pension plans that cover substantially all of its employees and non-qualified pension plans that cover certain employees, including employees of PE. The plans provide defined benefits based on years of service and compensation levels. In addition, FirstEnergy provides a minimum amount of noncontributory life insurance to retired employees in addition to optional contributory insurance. Health care benefits, which include certain employee contributions, deductibles and co-payments, are also available upon retirement to certain employees, their dependents and, under certain circumstances, their survivors. PE recognizes its allocated portion of the expected cost of providing pension and OPEB to employees and their beneficiaries and covered dependents from the time employees are hired until they become eligible to receive those benefits. PE also recognizes its allocated portion of obligations to former or inactive employees after employment, but before retirement, for disability-related benefits.

FirstEnergy recognizes a pension and OPEB mark-to-market adjustment for the change in the fair value of plan assets and net actuarial gains and losses annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement. The remaining components of pension and OPEB expense, primarily service costs, interest on obligations, assumed return on assets and prior service costs, are recorded on a monthly basis. PE's pension and OPEB mark-to-market adjustments for the years ended December 31, 2017 and 2016 were \$5 million (\$6 million net of amounts capitalized) and (\$4) million (\$1 million net of amounts capitalized), respectively. In 2017, the pension and OPEB mark-to-market adjustment primarily reflects a 50 bps decrease in the discount rate used to measure benefit obligations, partially offset by higher than expected asset returns.

FirstEnergy's pension and OPEB funding policy is based on actuarial computations using the projected unit credit method. In 2016, FirstEnergy satisfied its minimum required funding obligations of \$382 million and addressed 2017 funding obligations to its qualified pension plan with total contributions of \$882 million, including \$500 million of FE common stock contributed to the qualified pension plan on December 13, 2016 (\$18 million of equity contributions at PE). In January 2018, FirstEnergy satisfied its minimum required funding obligations of \$500 million and addressed funding obligations for future years to its qualified pension plan with additional contributions of \$750 million (\$17 million at PE).

Pension and OPEB costs are affected by employee demographics (including age, compensation levels and employment periods), the level of contributions made to the plans and earnings on plan assets. Pension and OPEB costs may also be affected by changes in key assumptions, including anticipated rates of return on plan assets, the discount rates and health care trend rates used in determining the projected benefit obligations for pension and OPEB costs. FirstEnergy uses a December 31 measurement date for its pension and OPEB plans. The fair value of the plan assets represents the actual market value as of the measurement date.

FirstEnergy's assumed rate of return on pension plan assets considers historical market returns and economic forecasts for the types of investments held by the pension trusts. In 2017, FirstEnergy's qualified pension and OPEB plan assets experienced gains of \$999 million, or 15.1% compared to gains of \$472 million, or 8.2% in 2016 and losses of \$(172) million, or (2.7)% in 2015, and assumed a 7.50% rate of return for 2017 and 2016 and a 7.75% rate of return for 2015 on plan assets which generated \$478 million, \$429 million and \$476 million of expected returns on plan assets, respectively. The expected return on pension and OPEB assets is based on the trusts' asset allocation targets and the historical performance of risk-based and fixed income securities. The gains or losses generated as a result of the difference between expected and actual returns on plan assets will increase or decrease future net periodic pension and OPEB cost as the difference is recognized annually in the fourth quarter of each fiscal year or whenever a plan is determined to qualify for remeasurement.

During 2017, the Society of Actuaries released its updated mortality improvement scale for pension plans, MP-2017, incorporating three additional years of Social Security Administration (SSA) data on U.S. population mortality. MP-2017 incorporates SSA mortality data from 2013 to 2015 and a slight modification of two input values designed to improve the model's year-over-year stability. The updated improvement scale indicates a slight decline in life expectancy. Due to the additional years of data on population mortality, the RP2014 mortality table with the projection scale MP-2017 was utilized to determine the 2017 benefit cost and obligation as of December 31, 2017 for the FirstEnergy pension and OPEB plans. The impact of using the projection scale MP-2017 resulted in a decrease in the projected pension benefit obligation of \$62 million and was included in the 2017 pension and OPEB mark-to-market adjustment.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

The following is a summary of the plan status:

As of December 31,	Pension		OPEB	
	2017	2016	2017	2016

(in millions)

PE's share of net liability ⁽²⁾	\$ 30	\$ 30	\$ 8	\$ 9
PE's share of net periodic costs (credits) ⁽¹⁾	1	(4)	(4)	(6)

⁽¹⁾ Includes annual pension and OPEB mark-to-market adjustment.

⁽²⁾ Excludes \$12 million and \$17 million as of December 31, 2017 and 2016, respectively, of affiliated non-current assets related to pension and OPEB mark-to-market costs allocated to PE.

In selecting an assumed discount rate, FE considers currently available rates of return on high-quality fixed income investments expected to be available during the period to maturity of the pension and OPEB obligations. The assumed rates of return on plan assets consider historical market returns and economic forecasts for the types of investments held by FE's pension trusts. The long-term rate of return is developed considering the portfolio's asset allocation strategy.

3. LEASES

PE leases certain office space and other property and equipment under cancelable and noncancelable leases.

Operating lease expense which includes rent expense for the use of office space and other property and equipment primarily owned by affiliated companies was \$5 million for the years ended December 31, 2017 and 2016. PE's estimated future minimum lease payments for capital and operating leases as of December 31, 2017 with initial or remaining lease terms in excess of one year are as follows:

(In millions)	2018	2019	2020	2021	2022	Thereafter	Total	Present value of net minimum capital lease payments	
								Less: amount representing interest and fees	
Capital Leases	\$ 2	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 1	\$ 2
Operating Leases	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 4	\$ 9	N/A	N/A

PE's estimated future minimum lease payments for operating leases are immaterial. The carrying amounts of assets recorded under capital lease agreements included in "Property, plant and equipment, net" on PE's Consolidated Balance Sheets as of December 31, 2017 and 2016, were \$2 million and \$4 million, respectively.

4. REGULATORY MATTERS

STATE REGULATION

PE's retail rates, conditions of service, issuance of securities and other matters are subject to regulation in Maryland by the MDPSC and in West Virginia by the WVPS. The transmission operations of PE in Virginia are subject to certain regulations of the VSCC.

MARYLAND

PE provides Standard Offer Service (SOS) pursuant to a combination of settlement agreements, MDPSC orders and regulations, and statutory provisions. SOS supply is competitively procured in the form of rolling contracts of varying lengths through periodic auctions that are overseen by the MDPSC and a third-party monitor. Although settlements with respect to SOS supply for PE customers have expired, service continues in the same manner until changed by order of the MDPSC. PE recovers its costs plus a return for providing SOS.

The Maryland legislature adopted a statute in 2008 codifying the EmPOWER Maryland Energy Efficiency Act (EmPOWER Maryland) goals to reduce electric consumption and demand and requiring each electric utility to file a plan every three years. On July 16, 2015, the MDPSC issued an order setting new incremental energy savings goals for 2017 and beyond, beginning with the goal of 0.97% savings achieved under PE's current plan for 2016, and increasing 0.2% per year thereafter to reach 2%. The Maryland legislature in

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April 2017 adopted a statute requiring the same 0.2% per year increase, up to the ultimate goal of 2% annual savings, for the duration of the 2018-2020 and 2021-2023 EmPOWER Maryland program cycles, to the extent the MDPSC determines that cost-effective programs and services are available. The costs of PE's 2015-2017 plan approved by the MDPSC in December 2014 were approximately \$60 million. PE filed its 2018-2020 EmPOWER Maryland plan on August 31, 2017. The 2018-2020 plan continues and expands upon prior years' programs, and adds new programs, for a projected total cost of \$116 million over the three-year period. On December 22, 2017, the MDPSC issued an order approving the 2018-2020 plan with various modifications. PE recovers program costs subject to a five-year amortization. Maryland law only allows for the utility to recover lost distribution revenue attributable to energy efficiency or demand reduction programs through a base rate case proceeding, and to date, such recovery has not been sought or obtained by PE.

On February 27, 2013, the MDPSC issued an order requiring the Maryland electric utilities to submit analyses relating to the costs and benefits of making further system and staffing enhancements in order to attempt to reduce storm outage durations. PE's responsive filings discussed the steps needed to harden the utility's system in order to attempt to achieve various levels of storm response speed described in the February 2013 Order, and projected that it would require approximately \$2.7 billion in infrastructure investments over 15 years to attempt to achieve the quickest level of response for the largest storm projected in the February 2013 Order. On July 1, 2014, the Staff of the MDPSC issued a set of reports that recommended the imposition of extensive additional requirements in the areas of storm response, feeder performance, estimates of restoration times, and regulatory reporting, as well as the imposition of penalties, including customer rebates, for a utility's failure or inability to comply with the escalating standards of storm restoration speed proposed by the Staff of the MDPSC. In addition, the Staff of the MDPSC proposed that the Maryland utilities be required to develop and implement system hardening plans, up to a rate impact cap on cost. The MDPSC conducted a hearing September 15-18, 2014, to consider certain of these matters, and has not issued a ruling on any of those matters.

On September 26, 2016, the MDPSC initiated a new proceeding to consider an array of issues relating to electric distribution system design, including matters relating to electric vehicles, distributed energy resources, advanced metering infrastructure, energy storage, system planning, rate design, and impacts on low-income customers. Comments were filed and a hearing was held in late 2016. On January 31, 2017, the MDPSC issued a notice establishing five working groups to address these issues over the following eighteen months, and also directed the retention of an outside consultant to prepare a report on costs and benefits of distributed solar generation in Maryland. On January 19, 2018, PE filed a joint petition, along with other utility companies, work group stakeholders, and the MDPSC electric vehicle work group leader, to implement a statewide electric vehicle portfolio. If approved, PE will launch an electric vehicle charging infrastructure program on January 1, 2019, offering up to 2,000 rebates for electric vehicle charging equipment to residential customers, and deploying up to 259 chargers at non-residential customer service locations at a projected total cost of \$12 million. PE is proposing to recover program costs subject to a five-year amortization. On February 6, 2018, the MDPSC opened a new proceeding to consider the petition, and numerous parties filed comments on the petition on March 27, 2018.

On January 12, 2018, the MDPSC instituted a proceeding to examine the impacts of the Tax Act on the rates and charges of Maryland utilities. PE must track and apply regulatory accounting treatment for the impacts beginning January 1, 2018, and submitted a report to the MDPSC on February 15, 2018, estimating that the Tax Act impacts would be approximately \$7 million to \$8 million annually for PE's customers and proposed to file a base rate case in the third quarter of 2018 where the benefits from the effects of the Tax Act will be realized by customers through a lower rate increase than would otherwise be necessary.

WEST VIRGINIA

MP and PE provide electric service to all customers through traditional cost-based, regulated utility ratemaking. MP and PE recover net power supply costs, including fuel costs, purchased power costs and related expenses, net of related market sales revenue through the Expanded Net Energy Cost (ENEC). MP's and PE's ENEC rate is updated annually.

On September 23, 2016, the WVPSC approved the Phase II energy efficiency program for MP and PE as reflected in a unanimous settlement by the parties to the proceeding, which includes three energy efficiency programs to meet the Phase II requirement of energy efficiency reductions of 0.5% of 2013 distribution sales for the January 1, 2017 through May 31, 2018 period, which was approved by the WVPSC in the 2012 proceeding approving the transfer of ownership of Harrison Power Station to MP. The costs for the Phase II program are expected to be \$10.4 million and are eligible for recovery through the existing energy efficiency rider which is reviewed in the fuel (ENEC) case each year. On December 15, 2017, the WVPSC approved MP's and PE's proposed annual \$5.4 million decrease in their Energy Efficiency and Conservation rates, effective January 1, 2018.

On December 9, 2016, the WVPSC approved the annual ENEC case for MP and PE as reflected in a unanimous settlement by the parties to the proceeding, resulting in an increase in the ENEC rate of \$25 million annually beginning January 1, 2017. In addition, ENEC rates will be maintained at the same level for a two year period.

On December 30, 2015, MP and PE filed an Integrated Resource Plan (IRP) with the WVPSC identifying a capacity shortfall starting in 2016 and exceeding 700 Megawatts (MWs) by 2020 and 850 MWs by 2027. On June 3, 2016, the WVPSC accepted the IRP. On

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December 16, 2016, MP issued a Request for Proposal (RFP) to address its generation shortfall, along with issuing a second RFP to sell its interest in Bath County. Bids were received by an independent evaluator in February 2017 for both RFPs. Allegheny Energy Supply Company, LLC (AE Supply) was the winning bidder of the RFP to address MP's generation shortfall and on March 6, 2017, MP and AE Supply signed an asset purchase agreement for MP to acquire AE Supply's Pleasants Power Station (1,300 MWs) for approximately \$195 million, subject to customary and other closing conditions, including regulatory approvals. In addition, on March 7, 2017, MP and PE filed an application with the WVPSC and MP and AE Supply filed an application with FERC requesting authorization for such purchase. Various intervenors filed protests challenging the RFP and requesting FERC deny the application, set it for hearing to allow discovery into the RFP process, or delay an order pending the conclusion of the WVPSC proceeding. On January 12, 2018, FERC issued an order denying authorization for the transaction, holding that MP and AE Supply did not demonstrate that the sale was consistent with the public interest and the transaction did not fall within the safe harbors for meeting FERC's affiliate cross-subsidization analysis. In the order FERC also revised and clarified certain details of its standards for the review of transactions resulting from competitive solicitations, and concluded that MP's RFP did not meet the revised and clarified standards. FERC allowed that MP may submit a future application for a transaction resulting from a new RFP. The WVPSC issued its order on January 26, 2018, denying the petition as filed but granting the transfer of Pleasants Power Station under certain conditions, which included MP assuming significant commodity risk. MP, PE and AE Supply have determined not to seek rehearing at FERC in light of the adverse decisions at FERC and the WVPSC. Based on the FERC ruling and the conditions included in the WVPSC order, MP and AE Supply terminated the asset purchase agreement. With respect to the Bath County RFP, MP does not plan to move forward with that sale of its ownership interest. In the future, MP may re-evaluate its options with respect to its interest in Bath County.

On September 1, 2017, MP and PE filed with the WVPSC for a reconciliation of their Vegetation Management Surcharge (VMS) to confirm that rate recovery matches Vegetation Management Plan costs and for a regular review of that program. MP and PE proposed a \$15 million annual decrease in VMS rates effective January 1, 2018, and an additional \$15 million decrease in rates for 2019. This is an overall decrease in total revenue and average rates of 1%. On December 15, 2017, the WVPSC issued an order adopting a unanimous settlement without modification.

On January 3, 2018, the WVPSC initiated a proceeding to investigate the effects of the Tax Act on the revenue requirements of utilities. MP and PE must track the tax savings resulting from the Tax Act on a monthly basis, effective January 1, 2018, and file written testimony explaining the impact of the Tax Act on federal income tax and revenue requirements by May 30, 2018. On January 26, 2018, the WVPSC issued an order clarifying that regulatory accounting should be implemented as of January 1, 2018, including the recording of any regulatory liabilities resulting from the Tax Act.

FEDERAL REGULATION

With respect to its wholesale services and rates, PE is subject to regulation by FERC. Under the Federal Power Act (FPA), FERC regulates rates for interstate wholesale sales, transmission of electric power, accounting and other matters. FERC regulations require PE to provide open access transmission service at FERC-approved rates, terms and conditions. PE's transmission facilities are subject to functional control by PJM Interconnection, L.L.C. (PJM), and transmission service using PE's transmission facilities is provided by PJM under the PJM Open Access Transmission Tariff (PJM Tariff). See "FERC Matters" below.

FERC regulates the sale of power for resale in interstate commerce in part by granting authority to public utilities to sell wholesale power at market-based rates upon showing that the seller cannot exert market power in generation or transmission or erect barriers to entry into markets. PE has been authorized by FERC to sell wholesale power in interstate commerce and has a market-based rate tariff on file with FERC; although major wholesale purchases remain subject to regulation by the relevant state commissions. As a condition to selling electricity on a wholesale basis at market-based rates, PE, like other entities granted market-based rate authority, must file electronic quarterly reports with FERC listing their sales transactions for the prior quarter. In addition, pursuant to a full requirements power purchase agreement on with FERC, PE receives capacity, energy and ancillary service from MP to serve PE's West Virginia load.

RELIABILITY MATTERS

Federally-enforceable mandatory reliability standards apply to the bulk electric system and impose certain operating, record-keeping and reporting requirements on PE. North American Electric Reliability Corporation (NERC) is the Electric Reliability Organization designated by FERC to establish and enforce these reliability standards, although NERC has delegated day-to-day implementation and enforcement of these reliability standards to eight regional entities, including *ReliabilityFirst* Corporation (RFC). All of FirstEnergy's facilities, including those of PE, are located within the RFC region. FirstEnergy actively participates in the NERC and RFC stakeholder processes, and otherwise monitors and manages its companies, including PE, in response to the ongoing development, implementation and enforcement of the reliability standards implemented and enforced by RFC.

FirstEnergy, including PE, believes that it is in compliance with all currently-effective and enforceable reliability standards.

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Nevertheless, in the course of operating its extensive electric utility systems and facilities, FirstEnergy, including PE, occasionally learns of isolated facts or circumstances that could be interpreted as excursions from the reliability standards. If and when such occurrences are found, FirstEnergy, including PE, develops information about the occurrence and develops a remedial response to the specific circumstances, including in appropriate cases "self-reporting" an occurrence to RFC. Moreover, it is clear that NERC, RFC and FERC will continue to refine existing reliability standards as well as to develop and adopt new reliability standards. Any inability on FirstEnergy's, including PE's part to comply with the reliability standards for its bulk electric system could result in the imposition of financial penalties, or obligations to upgrade or build transmission facilities, that could have a material adverse effect on PE's financial condition, results of operations and cash flows.

FERC MATTERS

PJM Interconnection, LLC Transmission Rates

PJM Interconnection, LLC (PJM) and its stakeholders have been debating the proper method to allocate costs for certain transmission facilities. While FirstEnergy and other parties advocate for a traditional "beneficiary pays" (or usage based) approach, others advocate for "socializing" the costs on a load-ratio share basis, where each customer in the zone would pay based on its total usage of energy within PJM. This question has been the subject of extensive litigation before FERC and the appellate courts, including before the United States Court of Appeals for the Seventh Circuit (Seventh Circuit). On June 25, 2014, a divided three-judge panel of the Seventh Circuit ruled that FERC had not quantified the benefits that western PJM utilities would derive from certain new 500 Kilovolt (kV) or higher lines and thus had not adequately supported its decision to socialize the costs of these lines. The majority found that eastern PJM utilities are the primary beneficiaries of the lines, while western PJM utilities are only incidental beneficiaries, and that, while incidental beneficiaries should pay some share of the costs of the lines, that share should be proportionate to the benefit they derive from the lines, and not on load-ratio share in PJM as a whole. The court remanded the case to FERC, which issued an order setting the issue of cost allocation for hearing and settlement proceedings. On June 15, 2016, various parties, including PE, filed a settlement agreement at FERC agreeing to apply a combined usage based/socialization approach to cost allocation for charges to transmission customers in the aggregate of the zones within PJM for transmission projects operating at or above 500 kV. Certain other parties in the proceeding did not agree to the settlement and filed protests to the settlement seeking, among other issues, to strike certain of the evidence advanced by FirstEnergy and certain of the other settling parties in support of the settlement, as well as provided further comments in opposition to the settlement. FirstEnergy and certain of the other parties responded to such opposition. On October 20, 2017, the settling and non-opposing parties requested expedited action by FERC. The settlement is pending before FERC.

The outcome of this proceeding and its impact, if any, on PE cannot be predicted at this time.

FERC Actions on Tax Act

On March 15, 2018, FERC took action to address the impact of the Tax Act on FERC-jurisdictional rates, including transmission and electric wholesale rates. Specifically, FERC is requiring PE (jointly with its affiliates MP and West Penn Power Company (WP)) to either submit a filing to adjust the PE transmission rate to address the impact of the Tax Act, or to "show cause" as to why such action is not required. The joint filing is due on May 14, 2018, after which the matter will be before FERC for further action.

In a related docket, on March 15, 2018, FERC issued a Notice of Inquiry seeking information regarding whether and how FERC should address possible changes to accumulated deferred income taxes and bonus depreciation on FERC-jurisdictional rates, including wholesale and transmission rates, which may be impacted by the Tax Act. Responses to the Notice of Inquiry are due May 21, 2018, after which the matter will be before FERC for further action.

The outcome of the Notice of Inquiry and its impact, if any, on PE cannot be predicted at this time.

Market-Based Rate Authority, Triennial Update

PE holds authority from FERC to sell electricity at market-based rates. One condition for retaining this authority is that every three years PE must file an update with FERC that demonstrates that it continues to meet FERC's requirements for holding market-based rate authority. On December 23, 2016, FirstEnergy Service Company (FESC), on behalf of its affiliates with market-based rate authority, including PE, submitted to FERC the most recent triennial market power analysis filing for PE for the current cycle of this filing requirement. On July 27, 2017, FERC accepted the triennial filing as submitted.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

5. COMMITMENTS AND CONTINGENCIES

ENVIRONMENTAL MATTERS

Various federal, state and local authorities regulate PE with regard to air and water quality and other environmental matters. Pursuant to a March 28, 2017 executive order, the United States Environmental Protection Agency and other federal agencies are to review existing regulations that potentially burden the development or use of domestically produced energy resources and appropriately suspend, revise or rescind those that unduly burden the development of domestic energy resources beyond the degree necessary to protect the public interest or otherwise comply with the law. PE cannot predict the timing or ultimate outcome of any of these reviews or how any future actions taken as a result thereof, in particular with respect to existing environmental regulations, may impact its business, results of operations, cash flows and financial condition.

Compliance with environmental regulations could have a material adverse effect on PE's earnings and competitive position to the extent that PE competes with companies that are not subject to such regulations and, therefore, do not bear the risk of costs associated with compliance, or failure to comply, with such regulations.

OTHER LEGAL PROCEEDINGS

Other Legal Matters

There are various lawsuits, claims (including claims for asbestos exposure) and proceedings related to PE's normal business operations pending against PE or its subsidiaries. The loss or range of loss in these matters is not expected to be material to PE or its subsidiaries. The other potentially material items not otherwise discussed above are described under Note 4, "Regulatory Matters" of the Notes to Consolidated Financial Statements.

PE accrues legal liabilities only when it concludes that it is probable that it has an obligation for such costs and can reasonably estimate the amount of such costs. In cases where PE determines that it is not probable, but reasonably possible that it has a material obligation, it discloses such obligations and the possible loss or range of loss if such estimate can be made. If it were ultimately determined that PE or its subsidiaries have legal liability or are otherwise made subject to liability based on any of the matters referenced above, it could have a material adverse effect on PE's or its subsidiaries' financial condition, results of operations and cash flows.

6. TRANSACTIONS WITH AFFILIATED COMPANIES

PE's operating revenues, operating expenses, miscellaneous income and interest expenses include transactions with affiliated companies. These affiliated company transactions include affiliated company power sales agreements between FirstEnergy's competitive and regulated companies, support service billings, interest on affiliated company notes including the money pools, and other transactions.

FE's competitive companies at times provide power through affiliated company power sales to meet a portion of the PE, MP, Ohio Edison Company (OE), Cleveland Electric Illuminating Company (CEI), Toledo Edison Company (TE), Pennsylvania Power Company (Penn), Jersey Central Power & Light Company (JCP&L), Metropolitan Edison Company (ME), Pennsylvania Electric Company (PN) and West Penn Power Company (WP) (together the Utilities') Provider of Last Resort (POLR) and default service requirements. The primary affiliated company transactions for PE during the years ended December 31, 2017 and 2016 are as follows:

	2017	2016
	<i>(In millions)</i>	
Revenues	\$ 2	\$ 3
Expenses:		
Purchased power from affiliates	308	301
Support services	45	42
Miscellaneous Income	2	—
Interest expense to affiliates	—	2

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FirstEnergy does not bill directly or allocate any of its costs to any subsidiary company. Costs are allocated from FESC, a subsidiary of FE. The majority of costs are directly billed or assigned at no more than cost. The remaining costs are for services that are provided on behalf of more than one company, or costs that cannot be precisely identified and are allocated using formulas developed by FESC. The current allocation or assignment formulas used and their bases include multiple factor formulas: each company's proportionate amount of FirstEnergy's aggregate direct payroll, number of employees, asset balances, revenues, number of customers, other factors and specific departmental charge ratios. Intercompany transactions with FirstEnergy and its other subsidiaries are generally settled under commercial terms within thirty days.

PE and FirstEnergy's other subsidiaries are parties to an intercompany income tax allocation agreement with FE and its other subsidiaries that provides for the allocation of consolidated tax liabilities. Net tax benefits attributable to FE are generally reallocated to the subsidiaries of FirstEnergy that have taxable income. That allocation is accounted for as a capital contribution to the company receiving the tax benefit.

7. STATEMENT OF CASH FLOWS – As required by instructions on Page 121

As of December 31,	2017	2016
Cash (Account 131)	\$ -	\$ -
Working Fund (Account 135)	-	-
Temporary Cash Investments (Account 136)	-	-
Cash and Cash Equivalents at End of Year	\$ -	\$ -

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the year:		
Interest – net of amount capitalized	\$ 26,440,670	\$ 23,428,207
Income Taxes (Refunds)	\$ 3,097,408	\$ (15,807,265)

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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1			10,303,594		
2			(1,936,722)		
3					
4			(1,936,722)	58,229,774	56,293,052
5			8,366,872		
6			8,366,872		
7			(1,945,659)		
8					
9			(1,945,659)	45,788,551	43,842,892
10			6,421,213		

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.				
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	2,149,127,848	2,149,127,848	
4	Property Under Capital Leases	2,301,591	2,301,591	
5	Plant Purchased or Sold			
6	Completed Construction not Classified	73,433,397	73,433,397	
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	2,224,862,836	2,224,862,836	
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	41,025,646	41,025,646	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	2,265,888,482	2,265,888,482	
14	Accum Prov for Depr, Amort, & Depl	955,661,774	955,661,774	
15	Net Utility Plant (13 less 14)	1,310,226,708	1,310,226,708	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	947,017,157	947,017,157	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant	8,644,617	8,644,617	
22	Total In Service (18 thru 21)	955,661,774	955,661,774	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	Total Held for Future Use (28 & 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	955,661,774	955,661,774	

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)					
1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.					
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.					
Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year Additions (c)		
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)				
2	Fabrication				
3	Nuclear Materials				
4	Allowance for Funds Used during Construction				
5	(Other Overhead Construction Costs, provide details in footnote)				
6	SUBTOTAL (Total 2 thru 5)				
7	Nuclear Fuel Materials and Assemblies				
8	In Stock (120.2)				
9	In Reactor (120.3)				
10	SUBTOTAL (Total 8 & 9)				
11	Spent Nuclear Fuel (120.4)				
12	Nuclear Fuel Under Capital Leases (120.6)				
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)				
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)				
15	Estimated net Salvage Value of Nuclear Materials in line 9				
16	Estimated net Salvage Value of Nuclear Materials in line 11				
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing				
18	Nuclear Materials held for Sale (157)				
19	Uranium				
20	Plutonium				
21	Other (provide details in footnote):				
22	TOTAL Nuclear Materials held for Sale (Total 18, 20, and 21)				

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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)					
Changes during Year		Balance End of Year (f)	Line No.		
Amortization (d)	Other Reductions (Explain in a footnote) (e)				
					1
					2
					3
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	124,449	
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	17,246,011	2,556,349
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	17,370,460	2,556,349
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights		
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)		

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	47,534,595		
49	(352) Structures and Improvements	14,814,797		4,961
50	(353) Station Equipment	188,016,234		958,740
51	(354) Towers and Fixtures	31,229,029		537,551
52	(355) Poles and Fixtures	73,140,962		5,784,882
53	(356) Overhead Conductors and Devices	103,335,710		5,616,780
54	(357) Underground Conduit	1,806,945		10,504
55	(358) Underground Conductors and Devices	2,983,688		288,022
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant	3,431		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	462,865,391		13,181,240
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	24,970,710		40
61	(361) Structures and Improvements	13,452,479		223,406
62	(362) Station Equipment	201,084,153		7,150,098
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	218,699,527		7,953,729
65	(365) Overhead Conductors and Devices	334,055,614		23,257,492
66	(366) Underground Conduit	67,481,571		1,341,589
67	(367) Underground Conductors and Devices	270,994,959		15,665,446
68	(368) Line Transformers	260,296,855		8,131,486
69	(369) Services	91,579,135		3,037,447
70	(370) Meters	66,595,737		4,843,472
71	(371) Installations on Customer Premises	4,212,377		65,289
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	33,850,718		1,044,647
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,587,273,835		72,714,141
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	2,543,790		
87	(390) Structures and Improvements	37,849,885		125,999
88	(391) Office Furniture and Equipment	8,327,483		141,719
89	(392) Transportation Equipment	7,493,134		473,793
90	(393) Stores Equipment	226,499		
91	(394) Tools, Shop and Garage Equipment	7,481,937		3,909
92	(395) Laboratory Equipment	901,630		13
93	(396) Power Operated Equipment	908,753		13,971
94	(397) Communication Equipment	12,983,008		382,225
95	(398) Miscellaneous Equipment	245,125		13
96	SUBTOTAL (Enter Total of lines 86 thru 95)	78,981,244		1,141,642
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant	23,442		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	78,984,886		1,141,642
100	TOTAL (Accounts 101 and 106)	2,146,494,372		89,593,372
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	2,146,494,372		89,593,372

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			124,449	2
				3
	-99,354		19,703,006	4
	-99,354		19,827,455	5
				6
				7
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
	-31,703	470,643	47,973,535		48
29,245	65,073		14,855,586		49
2,058,021	-6,181,869	219,123	180,954,207		50
	-20,682	2,974,800	34,720,698		51
1,764,449	699,362		77,840,557		52
2,911,526	-1,011,987	3,440,001	108,468,978		53
	-29,093		1,788,356		54
123,279	1,307,397		4,455,828		55
					56
			3,431		57
6,886,520	-5,203,502	7,104,567	471,061,176		58
					59
			24,970,750		60
6,535	69,707		13,739,057		61
284,264	6,130,010	-219,123	213,860,874		62
					63
385,404	-2,001,385		224,266,467		64
1,343,120	2,420,779		358,390,765		65
9,432	-29,961		68,783,767		66
1,960,234	-752,003		283,948,168		67
2,291,753	843,375		266,979,963		68
164,204	25,644		94,478,022		69
1,080,564	-1,401,063		68,947,582		70
11,878	4,894		4,270,682		71
					72
199,411	16,554		34,712,508		73
					74
7,746,799	5,326,551	-219,123	1,657,348,605		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
			2,543,790		86
332,755	-156,630		37,486,499		87
820,513	198,985		7,847,674		88
121,937	-1,755,845	49,419	6,138,564		89
11,041	17,256		232,714		90
158,015	127,978		7,455,809		91
16,075			885,568		92
			922,724		93
365,743	-151,408		12,848,082		94
4,404			240,734		95
1,830,483	-1,719,664	49,419	76,602,158		96
					97
			23,442		98
1,830,483	-1,719,664	49,419	76,625,600		99
16,463,802	-1,695,969	6,934,863	2,224,862,836		100
					101
					102
					103
16,463,802	-1,695,969	6,934,863	2,224,862,836		104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1					
2					
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44					
45					
46					
47	TOTAL				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2	NONE			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22	NONE			
23				
24				
25				
26				
27				
28				
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47	Total			0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Distribution Forced Failure Blanket	3,623,721
2	Vanville Substation - Install 34.5kV Service	2,776,422
3	Capital Tools and Equipment Purchases	2,326,495
4	Underground Cable Replacement Program	1,915,438
5	CIP (Critical Infrastructure Protection) Compliance	1,709,523
6	Mathias - Construct Line and Substation	1,675,126
7	Cabin Branch Substation - Construct Substation	1,387,236
8	New Business Residential Underground	1,282,890
9	Miscellaneous Projects Under \$1,000,000	24,328,795
10		
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43	TOTAL	41,025,646

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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	907,663,916	907,663,916		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	60,366,361	60,366,361		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	60,366,361	60,366,361		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	16,411,823	16,411,823		
13	Cost of Removal	10,307,265	10,307,265		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	26,718,888	26,718,888		
16	Other Debit or Cr. Items (Describe, details in footnote):	-21,113	-21,113		
17		5,726,881	5,726,881		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	947,017,157	947,017,157		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission	236,538,845	236,538,845		
26	Distribution	672,786,888	672,786,888		
27	Regional Transmission and Market Operation				
28	General	37,691,424	37,691,424		
29	TOTAL (Enter Total of lines 20 thru 28)	947,017,157	947,017,157		

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FOOTNOTE DATA			

Schedule Page: 219 Line No.: 16 Column: c

Accretion of asset retirement costs

Schedule Page: 219 Line No.: 17 Column: c

Miscellaneous items are the result of the following:

Intercompany transfers and other	\$5,726,881
miscellaneous transfers and adjustments	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

- Report below investments in Accounts 123.1, investments in Subsidiary Companies.
- Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
 (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
 (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
- Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	PE Transferring Agent, LLC			
2	Pre-merger undistributed earnings reclassified to paid-in capital	02/25/11		-4,644,282
3	Capital Contributions			7,682,682
4	Subtotal			3,038,400
5				
6	PE Renaissance Funding, LLC			
7	Pre-merger undistributed earnings reclassified to paid-in capital	02/25/11		-97,297,453
8	Equity in Undistributed Subsidiary Earnings			22,841,217
9	Capital Contributions			731,675
10	Miscellaneous Paid-in Capital -Stock Unit Tax Benefit			54,982
11	Subtotal			-73,669,579
12				
13	PATH Allegheny Maryland Transmission Company, LLC			
14	Pre-merger undistributed earnings reclassified to paid-in capital	02/25/11		59,764
15	Equity in Undistributed Subsidiary Earnings			266,217
16	Equity Rollups - tax accruals at PATH Maryland			10,361
17	Subtotal			336,342
18				
19				
20				
21				
22				
23				
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42	Total Cost of Account 123.1 \$	0	TOTAL	-70,294,837

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
		-4,644,282		2
		7,682,682		3
		3,038,400		4
				5
				6
		-97,297,453		7
4,146,322	-37,220	26,950,319		8
		731,675		9
		54,982		10
4,146,322	-37,220	-69,560,477		11
				12
				13
		59,764		14
18,444		284,661		15
	4,973	15,334		16
18,444	4,973	359,759		17
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4,164,766	-32,247	-66,182,318		42

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)				
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)				
8	Transmission Plant (Estimated)				
9	Distribution Plant (Estimated)				
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)				
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)				
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)				
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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Allowances (Accounts 158.1 and 158.2)

- Report below the particulars (details) called for concerning allowances.
- Report all acquisitions of allowances at cost.
- Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
- Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
- Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2018	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfers of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2019		2020		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
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								46

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(f), starting with the following year, and allowances for the remaining succeeding years in columns (g)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2018	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfers of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2019		2020		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
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								46

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL					

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49	TOTAL					

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Generation Studies				
22					
23	Total Generation Interconnection	88,131	561.7	128,920	561.7
24	Studies				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 231 Line No.: 23 Column: a				
Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursement Received During the Period (d)	Account Credited With Reimbursement (e)
Albright-Garrett 138kV-Feasibility Study AD1-068	\$ 1,866	561.7	\$ 1,149	561.7
Antietam 138kV-Feasibility Study AB2-027	437	561.7		
Application-Small Generator Interconnect 138kV-Feasibility PA17-010	363	561.7	300	561.7
Application-Small Generator Interconnect 138kV-Feasibility PA17-011	363	561.7	300	561.7
Baker 138 kV-Feasibility Study AD1-125	1,179	561.7	1,264	561.7
Carlos Jct. Plaza 34 kV-Feasibility Study AD1-018	5,289	561.7	5,078	561.7
Carlos Jct-Ridgeley 138kV-Facility Study S14			(92)	561.7
Carroll-Monocacy 34.5kV-Feasibility Study AB1-125	79	561.7		
Carroll-Monocacy 34.5kV-System Impact Study AB1-125	1,270	561.7		
Carroll-Mt. Airy 34.5kV-Feasibility Study AB1-096			(689)	561.7
Catoctin 34kV-Feasibility Study AC1-039	1,328	561.7	2,988	561.7
Catoctin-Troutville 34kV-System Impact Study AA1-109			(390)	561.7
Dan Mt 138kV-Feasibility Study Z2-038			(120)	561.7
Double Tollgate 34.5kV-Feasibility Study AC2-135	1,333	561.7	2,758	561.7
Double Tollgate 34.5kV-Feasibility Study AC2-174	3,274	561.7	6,435	561.7
Doubs 230kV Feasibility Study AC1-139	2,942	561.7	3,743	561.7
Doubs 230kV-138kV-Feasibility Study AB2-129	2,001	561.7	2,177	561.7
Doubs 230kV-Facility Study 1 AB2-129	5,182	561.7	6,765	561.7
Doubs 230kV-Facility Study 2 AB2-129	8,624	561.7	7,768	561.7
Doubs 230kV-System Impact Study AC1-139	7,680	561.7	8,530	561.7
East Hagerstown 12kV-Facility Study AC2-136	2,931	561.7	25,000	561.7
East Hagerstown 12kV-Feasibility Study AC2-136	7,621	561.7	11,262	561.7
Frostburg 138kV & Above-Feasibility Study AB2-038	3,721	561.7	7,929	561.7
Frostburg 138kV-System Impact Study AB2-041	3,551	561.7	5,976	561.7
Grovar II 34.5kV-System Impact Study AA1-106	527	561.7	441	561.7
Halfway & Milnor 34.5kV Tap-Feasibility Study AB2-004	743	561.7		
Halfway & Milnor 34.5kV-Feasibility Study AB2-097	5,890	561.7	9,079	561.7
Halfway 34.5kV-System Impact Study AA1-092			(53)	561.7
Halfway-Marlow 34.5 kV-System Impact Study AA1-095			(430)	561.7
Hazelton-Jennings 138kV-System Impact Study AA1-047	53	561.7	(734)	561.7
Jennings 138kV-Feasibility Study AC2-021	5,221	561.7	6,184	561.7
Jennings 138kV-System Impact Study AC2-021	199	561.7		
Jennings-Hoyes 34.5kV-System Impact Study AB1-065	1,707	561.7	3,138	561.7
Lappans Road 12.5kV-System Impact Study AA2-084			(66)	561.7
Meadow Brook Strasburg 138kV-Feasibility Study AD1-155	2,162	561.7	1,609	561.7
Moshannon-E Towanda 230kV-System Impact Study AA1-111	2,188	561.7	2,115	561.7
North Shenandoah Stanley 34.5kV-Feasibility Study AD1-085	2,456	561.7	3,448	561.7
Page/Warren County Hydros 34.5kV-Feasibility Study Z2-039	-		(494)	561.7
Page-Bethel 138 kV-Feasibility Study AD1-083	3,994	561.7	5,516	561.7
Potomac Edison-Maryland-138kv Bulk Transmission-Feasibility Study			(111)	561.7
Pre-Application Report to PJM-Below 138kV-PA14-013			(32)	561.7
Ridgeley Frostburg 138kV-Facility Study Z2-038	459	561.7		
Standardsville-Pratt 34.5 kV-Feasibility Study AD1-077	799	561.7	1,149	561.7
Walkersville 12kV-System Impact Study AB1-098	398	561.7		
Washington Co. 12.5kV-Feasibility Study AA1-080			(220)	561.7
YellowSprings 12.5kV-System Impact Study AA2-153	-		(51)	561.7
Order charges to be transferred from 561.7	301	561.7	301	561.7
Total Generation Interconnection Studies	\$ 88,131		\$ 128,920	

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OTHER REGULATORY ASSETS (Account 182.3)

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	FAS 109 - Accounting for Income Taxes	4,971,432	357,442			5,328,874
2						
3	MD Energy Efficiency Program Commission					
4	Order #82825	69,603,327		407.4	3,596,826	66,006,501
5						
6	Purchase Accounting:					
7	PURPA to be amortized through year 2030	42,551,298		253	3,250,287	39,301,009
8						
9	Deferred Transmission Energy Cost - MD	4,487,846		407.3	1,715,131	2,772,715
10						
11	WV Storm Deferrals - 2012 Storms	1,367,975		407.3	433,622	934,353
12	WV Case # 14-0702-E-42T					
13						
14	Storm Deferrals-Hurricane Sandy-Transmission only	232,168				232,168
15						
16	Conservation Voltage Reduction - MD	347,530	46,397			393,927
17						
18	Energy Efficiency Program - WV	654,294		407.4	65,894	588,410
19						
20	Vegetation Management - MD & VA	5,184,149	2,114,078	407.3	226,429	7,071,797
21						
22	Temporary Transaction Surcharge - WV	6,213,996		407.4	4,609,423	1,604,573
23	WV Case # 12-1571-E-PC					
24						
25	Deferred Power Costs - WV ENEC	26,418,357		557	22,075,657	4,342,700
26	WV Case # 09-1352-E-42T					
27						
28	MD Supplier Purchase of Receivables (POR)	5,544	1,085			6,630
29	Process Costs					
30						
31	Vegetation Management (VMP) deferral - WV	4,915,230		407.3	4,915,230	
32	WV Case # 13-1064-E-P					
33						
34	Warrior Run - MD	3,710,608		557	3,710,608	
35						
36	WV Reg Liability - WV Securitization	1,133,570		146	998,609	134,961
37						
38	Deferred Generation Energy Cost - MD	5,644,047		557	5,256,495	387,552
39						
40	WV Mercury & Air Toxic Standards	642,104	1,660,219			2,302,323
41						
42	WV ECC Normalization		487,836			487,836
43						
44	TOTAL	178,083,472	4,667,058		50,854,201	131,896,329

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Energy Insurance Services, Inc.	1,511,371	16,550	924	4,281	1,523,640
2						
3	WV Prepaid Purchase Power	84,039,911		555	5,558,992	78,480,919
4						
5	Long Term Insurance Receivable	3,792,220		228.1	8,100	3,784,120
6						
7	Purchase Accounting					
8	Energy Efficiency Programs	-42,987	42,987			
9	Storm Feb 2010					
10						
11	WV Property Tax - Long Term	2,287,500	2,455,000	253	2,287,500	2,455,000
12						
13	Affiliated Company Pension and	17,328,561	483,912	Various	6,164,823	11,647,650
14	OPEB Valuation Adjustment					
15						
16	Short Term Credit Revolvers	751,087	13,859	431	157,726	607,220
17						
18	Other Minor Items	-63,224	2,702,374	Various	2,576,293	62,857
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	109,604,439				98,561,406

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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2			
3			
4			
5			
6			
7	Other	136,362,705	155,355,228
8	TOTAL Electric (Enter Total of lines 2 thru 7)	136,362,705	155,355,228
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	136,362,705	155,355,228

Notes

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FOOTNOTE DATA			

Schedule Page: 234 Line No.: 7 Column: c

Other Electric: (a)	Balance at Beginning of Year (b)	Balance at End of Year (c)
A&G Expenses-Fed-Norm	\$ 0	\$ 1,978,018
Accelerated Tax Depr-Fed-FT	0	2,316
Accelerated Tax Depr-Fed-Norm	0	35,307,830
Accelerated Tax Depr-VA-Norm	1,143,930	571,173
Accelerated Tax Depr-WV-FT	0	200
Accrued Taxes: FICA on Vacation Accrual	39,495	27,897
Accrued Taxes: Tax Audit Reserves	490,752	331,627
Accum Depr: ARO	7,900	5,338
Accum Prov For Injuries and Damage-General Liability	3,296	0
Accum Prov For Injuries and Damage-Workers Comp	315,538	166,782
Accum Prov: Asbestos Accrual	1,642,622	1,096,238
AFUDC Debt-Fed-Norm	0	689,719
AFUDC Debt-Fed-Norm-Incurred-CWIP	0	970,980
AFUDC Debt-MD-Norm-Reversal-CWIP	2,441	40,622
AFUDC Debt-VA-Norm	45,600	23,253
AFUDC Debt-VA-Norm-Reversal-CWIP	3,051	2,764
AFUDC Debt-WV-Norm-Reversal-CWIP	19,703	33,342
AFUDC Equity/FAS 43-Fed-FT-Reversal-CWIP	1,032,268	387,065
AFUDC Equity/FAS 43-MD-FT-Reversal-CWIP	101,436	75,433
AFUDC Equity/FAS 43-VA-FT-Reversal-CWIP	2,209	1,710
AFUDC Equity/FAS 43-WV-FT-Reversal-CWIP	42,297	33,358
AMT Carryforward	0	537,248
Asset Retirement Obligation Liability	255,030	172,337
Bad Debt Expense	1,110,823	712,191
Capital Loss Carryforward State & Local RTA	3,833	4,644
Capital Vertical Tree Trimming-Fed-Norm	0	4,773,049
Capitalized Benefits-Fed-Norm-Reversal-CWIP	0	82,036
Capitalized Benefits-MD-Norm-Incurred-CWIP	0	4,736
Capitalized Benefits-VA-Norm-Incurred-CWIP	0	132
Capitalized Benefits-WV-Norm-Incurred-CWIP	0	2,572
Capitalized Repairs-MD-Norm	208	175
Capitalized Repairs-WV-Norm	202	144
Casualty Loss-Fed-Norm	0	2,876,883
Casualty Loss-VA-Norm	56,971	24,935
Casualty Loss-WV-Norm	7,100	0
Charitable Contribution Carryforward	943,013	401,942
CIAC-Fed-Norm	34,563,594	20,146,261
CIAC-Fed-Norm-Incurred-CWIP	8,906,557	5,930,289
CIAC-MD-Norm	3,713,159	4,327,564
CIAC-MD-Norm-Incurred-CWIP	876,848	1,227,574
CIAC-VA-Norm	73,973	89,018
CIAC-VA-Norm-Incurred-CWIP	21,116	29,158
CIAC-WV-Norm	1,713,720	2,025,133
CIAC-WV-Norm-Incurred-CWIP	378,207	555,599
Current Liability: Line Protection Deferred Revenue	22,714	11,066
Customer Advances for Construction Refundable	2,298,404	1,659,509
Customer Advances-MD-Norm	96	79
Customer Advances-WV-Norm	95	66
Deferred Compensation Expense	115,717	131,819
Deferred Power WV Derivative - ST	14,919	0
EDCP OCI Offset	5,209	3,478
FAS 112 - Medical Benefit Accrual	358,067	227,984
FAS 123R - Performance Shares	42,165	49,661

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
THE POTOMAC EDISON COMPANY		/ /	2017/Q4
FOOTNOTE DATA			

FAS 123R - Performance Shares-Fed-Norm	0	4,042
FAS 123R - Performance Shares-VA-Norm	4	0
FAS 123R - Performance Shares-WV-Norm	37	0
FAS 123R - Restricted Stock	55,659	47,858
FAS 123R - Restricted Stock-Fed-Norm	0	4,835
FAS 123R - Restricted Stock-MD-Norm	22	0
FAS 123R - Restricted Stock Units	165,866	123,342
FAS 123R - RSU Capital-Fed-Norm	0	15,819
FE Service Timing Allocation	0	172,227
Federal NOL	0	3,098,571
G Overheads-MD-Norm	10,037	11,264
G Overheads-WV-Norm	0	900
Highway Relocations-Fed-Norm	0	31,395
Highway Relocations-VA-Norm	2,490	1,265
Incentive Compensation	1,775,367	1,055,149
Income from U.S. Partnerships	86,242	0
Life Insurance-MD-Norm	0	219
Life Insurance-VA-Norm	18	16
Life Insurance-WV-Norm	52	167
Maryland Case 8783 Warrior Run	0	36,019
Merger Costs: D&O Insurance	3,153	1,898
Merger Costs: Licenses	145,485	87,587
Meters and Transformers-MD-Norm	3,490	2,894
Meters and Transformers-WV-Norm	3,380	2,386
Miscellaneous Current Liability	107,288	0
Miscellaneous Schedule M	7,518,949	0
NOL Deferred Tax Asset - LT VA	21,404	35,926
NOL Deferred Tax Asset - LT WV	273,675	332,621
OCI AYE	73	0
OPEBs-MD-Norm	0	28,096
OPEBs-VA-Norm	1,383	1,525
OPEBs-WV-Norm	6,288	19,894
Other Basis Differences-MD-Norm	0	532,796
Other Basis Differences-WV-Norm	14,859	23,473
PAA-Fed-Norm	0	12,775
PAA - Fredrick Mgp Site Estab	1,793,833	1,212,187
PAA - NUG Purchase Power Liability Amortization	16,998,519	10,609,367
PAA - Unamort Loss Amort	59,608	31,866
Pension EDCP-SERP Payments	130,623	119,224
Pensions Expense	11,887,016	7,974,149
Post Retirement Benefits SFAS 106 Accrual	9,835,988	5,532,976
PT Rebal-Add'l Property Final Entry-All-Norm	291	0
PT Rebal-Other CWIP Incurred-107 Impairment-All-Norm	0	33,869
PT Rebal-Other CWIP Incurred-Misc-All-Norm	1,179	0
PT Rebal-Other CWIP Incurred-Pension-All-Norm	7,872	0
PT Rebal-Other CWIP Incurred-RAR-All-Norm	5,532	0
PT Rebal-Rate Change-All-Norm	1,433	0
PT Rebal-TBBS Adj not in PT-All-FT	4,140,064	1,555,090
PT Rebal-TBBS Adj not in PT-All-Norm	0	732,017
Purchase Accounting-WV Ft Martin Scr	848,374	750,270
Repair Allowance-Fed-Norm	0	690,916
Repair Allowance-VA-Norm	69,418	32,167
Reverse Capital Gain	0	44
SC01 Timing Allocation	49,118	33,192
State Income Tax Deductible	0	68,197
Tax Interest Capitalized-Fed-Norm	5,866,506	3,471,913
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	8,770,059	5,582,419
Tax Interest Capitalized-MD-Norm	653,676	757,571
Tax Interest Capitalized-MD-Norm-Incurred-CWIP	865,301	1,154,864
Tax Interest Capitalized-VA-Norm	12,555	15,340

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
THE POTOMAC EDISON COMPANY			2017/Q4
FOOTNOTE DATA			

Tax Interest Capitalized-VA-Norm-Incurred-CWIP	23,156	28,847
Tax Interest Capitalized-WV-Norm	308,280	357,932
Tax Interest Capitalized-WV-Norm-Incurred-CWIP	387,677	533,181
Tax UoP Repair Disallow Loss-WV-Norm	5,825	3,289
Tax UoP Repair Exp-Fed-Norm	13,951	10,550,067
Tax UoP Repair Exp-Fed-Norm-Incurred-CWIP	0	3,991,866
Tax UoP Repair Exp-MD-Norm-Reversal-CWIP	2,230	188,156
Tax UoP Repair Exp-VA-Norm	308,298	150,757
Tax UoP Repair Exp-VA-Norm-Reversal-CWIP	2,787	6,223
Tax UoP Repair Exp-WV-Norm-Reversal-CWIP	18,002	104,968
Vacation Pay Accrual	385,342	251,178
Vegetation Management	2,038,318	5,393,422
WV ECC Normalization	302,275	0
	\$ 136,362,705	\$ 155,355,228

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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CAPITAL STOCKS (Account 201 and 204)

- Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
- Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock (Account 201)	26,000,000	0.01	
2				
3	Total Common Stock	26,000,000		
4				
5	Preferred Stock (Account 204)			
6				
7	\$0.01 par value:			
8	Undesignated as to series	10,000,000	0.01	
9				
10	Total Preferred Stock	10,000,000		
11				
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
22,385,000	223,850					1
						2
22,385,000	223,850					3
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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OTHER PAID-IN CAPITAL (Accounts 208-211, Inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Donations Received from Stockholders (Account 208)	
2		
3	Balance at Beginning of Year	2,939,936
4	Activity During Year	
5	Subtotal - Balance at End of Year	2,939,936
6		
7	Reduction in Par or Stated Value of Capital Stock (Account 209)	
8		
9	Balance at Beginning of Year	29,058,879
10	Activity During Year	
11	Subtotal - Balance at End of Year	29,058,879
12		
13	Gain on Resale of Cancellation of Reacquired Cap Stock (Account 210)	
14		
15	Miscellaneous Paid-In-Capital (Account 211)	
16		
17	Balance at Beginning of Year	316,877,266
18	Restricted Stock-based Compensation	159,812
19	Employee Stock Option Plan Compensation	1,248,067
20	2016 Federal Tax Allocation	953,417
21	2016 WV Tax Allocation	106,921
22	Subtotal - Balance at End of Year	319,345,483
23		
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40	TOTAL	351,344,298

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
CAPITAL STOCK EXPENSE (Account 214)			
<p>1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>			
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)	
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22	TOTAL		

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 221:		
2	First Mortgage Bonds		
3	4.44% Series Due 2044	200,000,000	1,261,677
4	4.47% Series Due 2045	145,000,000	1,091,999
5	3.89% Series Due 2046	155,000,000	1,113,718
6			
7	Subtotal	500,000,000	3,467,394
8			
9	Account 222, 223 and 224: None		
10			
11			
12	Note to Instruction 15		
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33	TOTAL	500,000,000	3,467,394

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
11/25/2014	11/15/2044	11/25/2014	11/15/2044	200,000,000	8,880,000	3
08/17/2015	08/15/2045	08/17/2015	08/15/2045	145,000,000	6,481,500	4
10/17/2016	10/15/2046	10/17/2016	10/15/2046	155,000,000	6,029,500	5
						6
				500,000,000	21,391,000	7
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				500,000,000	21,391,000	33

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 12 Column: a

Reconciliation of Column (i) to accounts 427 and 430.
Interest in account 430 includes interest on short-term affiliated notes payable.

Account 427 interest	\$21,391,000
Account 430 interest	<u>38,157</u>
Total Interest in accounts 427 and 430	\$21,429,157
Total interest in column (i) page 257	\$21,391,000
Interest on short term money pool borrowings	<u>38,157</u>
Total Interest	\$21,429,157

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	45,788,551
2		
3		
4	Taxable Income Not Reported on Books	
5		7,471,508
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		179,736,540
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		-7,126,557
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		-118,830,739
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	107,039,303
28	Show Computation of Tax:	
29	Net Liability @ 35%	37,463,756
30		
31	Basis of Allocation	
32	See Footnote	
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 5 Column: b

TAXABLE INCOME NOT REPORTED ON BOOKS

AFUDC Equity/FAS 43-Fed-FT-Reversal-CWIP	\$ 545,477
CIAC-Fed-Norm	1,457,145
CIAC-Fed-Norm-Incurred-CWIP	5,402,837
Reverse Capital Gain	164
WV Energy Efficiency Program-LT	65,885
	\$ 7,471,508

Schedule Page: 261 Line No.: 10 Column: b

DEDUCTIONS RECORDED ON BOOKS NOT DEDUCTED FOR RETURN

Accelerated Tax Depreciation-Fed-FT	\$ 434,125
Accrued Taxes: FICA on Vacation Accrual	4,476
AFUDC Debt-Fed-Norm	499,792
AFUDC Debt-Fed-Norm-Reversal-CWIP	273,090
Capitalized Benefits-Fed-Norm-Incurred-CWIP	1,766,110
Casualty Loss-Fed-Norm	2,433,972
Current Income Taxes	47,395,696
Customer Advances for Construction Refundable	393,989
Deferred Compensation Expense	197,898
Deferred Generation Energy Cost MD	5,103,965
Deferred Power Costs WV	22,075,657
Deferred Transmission Energy Cost MD	1,715,131
ECC Normalization ST	998,609
FAS 123R - Performance Shares	78,416
FAS 123R - Restricted Stock	37,957
FE Service Timing Allocation	886,494
Federal NOL	30,456,391
Highway Relocations-Fed-Norm	36,372
Lobbying	13,710
Maryland Case 8783 Warrior Run	3,844,037
MD Energy Efficiency Program	3,961,471
Meals and Entertainment - 50% Disallowance	40,579
OPEBs-Fed-Norm	1,719,497
Other Basis Differences-Fed-FT	704,483
Other Regulatory Assets	5,038,290
Pension EDCP-SERP Payments	114,668
Pension/OPEB : Other Deferred Credit or Debit	6,100,439
Purchase Acct-Warrior Run	3,250,286
Purchase Acct-WV Ft Martin Scr	655,599
Repair Allowance-Fed-Norm	2,081,630
Storm Damage	433,622
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	1,513,476
Tax UoP Repair Expense-Fed-Norm-Reversal-CWIP	16,150,866
Temporary Transaction Surcharge WV	4,609,423
Unamortized Loss on Reacquired Debt	96,132
Vacation Pay Accrual	58,504
Vegetation Management	13,657,673
Vegetation Management - FERC Adjustment	886,548
WV STIP	17,487
	\$ 179,736,540

Schedule Page: 261 Line No.: 15 Column: b

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

INCOME RECORDED ON BOOKS NOT INCLUDED IN RETURN

Accumulated Provision: Asbestos Accrual	\$ (51,000)
AFUDC Equity/FAS 43-Fed-FT	(211,502)
CIAC-Fed-Norm-Reversal-CWIP	(6,285,045)
Current Liability: Line Protection Deferred Revenue	(15,868)
Equity Earnings	(18,444)
ESOP Dividends	(460,904)
MD CVR	(46,397)
Sale of Property - Book Gain or (Loss)	(37,397)
	\$ (7,126,557)

Schedule Page: 261 Line No.: 20 Column: b

DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME

A&G Expenses-Fed-Norm	\$ (4,909,186)
Accelerated Tax Depreciation-Fed-Norm	(23,811,690)
Accumulated Provision For Injured and Damage-General Liability	(8,250)
Accumulated Provision For Injured and Damage-Workers Comp	(172,046)
AFUDC Debt-Fed-Norm-Incurred-CWIP	(648,292)
AFUDC Equity-Perm	(1,660,048)
Bed Debt Expense	(142,434)
Capitalized Benefits-Fed-Norm-Reversal-CWIP	(1,584,691)
Capitalized Repairs-Fed-Norm	(1,231)
Capitalized Vertical Tree Trimming-Fed-Norm	(13,952,676)
Customer Acquisition Fees - Surge Protection	(30,469)
Customer Advances-Fed-Norm	(734)
Deferred Charge-EIB	(12,269)
Deferred Income Taxes	(19,056,789)
ECC Deferred Cost Recovery	(75,413)
FAS 112 - Medical Benefit Accrual	(51,791)
FAS 123R - Performance Shares-Fed-Norm	(32,674)
FAS 123R - Restricted Stock Units	(15,172)
FAS 123R - Restricted Stock-Fed-Norm	(13,578)
FAS 123R - RSU Capital-Fed-Norm	(82,547)
FE Service Permanent M Allocation	(334,981)
G Overheads-Fed-Norm	(1,034,384)
Incentive Compensation	(535,502)
Life Insurance	(18,555)
Life Insurance-Fed-Norm	(3,460)
MD Energy Efficiency Program - LT	(5,402,934)
Merger Costs: D&O Insurance	(861)
Merger Costs: Licenses	(39,729)
Meters and Transformers-Fed-Norm	(24,734)
Miscellaneous Current Liability	(362,251)
Other Basis Differences-Fed-Norm	(379,610)
PAA - 221 Debt Amortization	(655,599)
PAA - NUG Purchase Power Liability Amortization	(3,250,288)
PAA - Unamortized Loss Amortization	(31,170)
PAA-Fed-Norm	(65,880)
PE MD Costs Incur Supplier POR	(1,086)
Pensions Expense	(216,812)
Post Retirement Benefits SFAS 106 Accrual	(4,125,611)
Post Retirement Benefits SFAS 106 Payments	(255,592)
State Tax Deduction	(6,313,048)
Tax Interest Capitalized-Fed-Norm	(371,064)
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	(771,025)
Tax UoP Repair Disallow Loss-Fed-Norm	(11,870)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Tax UoP Repair Expense-Fed-Norm	(7,657,995)
Tax UoP Repair Expense-Fed-Norm-Incurred-CWIP	(17,800,000)
WV ECC Normalization	(1,244,502)
WV Mercury & Air Toxic Standard	(684,851)
WV Mercury & Air Toxic Standard - FERC Adjustment	(975,367)
	\$ <u>(118,830,739)</u>

Schedule Page: 261 Line No.: 32 Column: a

Basis of Allocation:

Respondent is included in the consolidated Federal Income Tax Return filed by FirstEnergy Corp., which includes its wholly owned subsidiaries. Federal income tax liability is allocated on the basis of each member's United States Federal tax liability. The total Federal Income Tax liability of each member will be no more than if it were to file an individual tax return. This is in accordance with IRC Section 1552 and Treasury Regulation 1.1502-33(d)(3) and 1.1552-1(a)(2).

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 238) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL					
2	Income Tax		22,768,391	40,308,021	254,085	
3	FICA	98,865		3,839,435	3,529,605	
4	Federal Unemployment			22,170	22,170	
5	Federal Excise			95	95	
6	Federal Hvy Hwy Vehicle			6,950	6,950	
7	Subtotal Federal	98,865	22,768,391	44,176,671	3,812,905	
8						
9	STATE - MD					
10	CNI	396,237		4,063,245	2,135,076	
11						
12	2016 - Use Tax	46,352			46,352	
13	2017 - Use Tax			523,096	454,711	
14						
15	2016 - Gross Receipts Tax	382,291		384,335	766,626	
16	2017 - Gross Receipts Tax			6,569,112	6,975,000	
17						
18	IFTA International Fuel Tax			636	636	
19						
20	2017-Capital Stock/Franchise			300	300	
21						
22	2016 - Environ Surcharge	83,447			83,447	
23	2017 - Environ Surcharge			955,676	869,454	
24						
25	2003 - Taxes Accr State	10,981				
26	2004 - Taxes Accr State	17,706				
27	2005 - Taxes Accr State	40,834				
28	2006 - Taxes Accr State	70,550				
29	2007 - Taxes Accr State	94,115				
30	2008 - Taxes Accr State	647,382				
31	2009 - Taxes Accr State	120,069				
32	2010 - Taxes Accr State	125,995				
33	2011 - Taxes Accr State	100,836				
34						
35	2016 MD Unemployment			17,887	17,887	
36	Subtotal - MD	2,136,795		12,514,287	11,349,489	
37						
38	STATE - VA					
39	CNI	45,378		87,855	56,522	
40						
41	TOTAL	9,096,086	28,676,753	91,965,427	49,166,706	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Subtotal - VA	45,378		87,855	56,522	
2						
3	STATE - WV					
4	CNI	678,763		1,881,225	651,725	
5						
6	2016 - State Property Tax	2,159,269			2,159,269	
7	2017 - State Property Tax	2,287,500		2,242,809	2,265,155	
8	2018 - State Property Tax			2,455,000		
9						
10	2016 - Use Tax	4,844			4,844	
11	2017 - Use Tax			38,396	36,923	
12						
13	2016 - B&O Tax	401,950			401,950	
14	2017 - B&O Tax			4,822,936	4,420,986	
15						
16	2014 Franchise Tax	3,733		-12,420	-8,687	
17						
18	2017 WV Unemployment			30,307	30,307	
19	Subtotal - WV	5,536,059		11,458,253	9,962,472	
20						
21	STATE - PA					
22						
23	2017 Sales and Use Tax			1,281	1,281	
24						
25	2015-Capital Stock/Franchise		216			
26						
27	Subtotal - PA		216	1,281	1,281	
28						
29						
30	LOCAL - MD					
31	2016-Local Property		5,893,709	5,908,359	14,650	
32	2017-Local Property			6,223,518	12,413,091	
33						
34	2016 - Non-Op Local Property		12,818	12,818		
35	2017 - Non-Op Local Property			12,883	25,769	
36						
37	2016-Public Util Fuel Energy	815,088			815,088	
38	2017-Public Util Fuel Energy			9,364,978	8,535,028	
39						
40	LOCAL - VA					
41	TOTAL	9,096,086	28,676,753	91,965,427	49,166,706	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.)
Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	2015-Local Property		1,619	-141	-1,760	
2	2016-Local Property			343	343	
3	2017-Local Property			395,669	395,669	
4						
5	LOCAL - WV					
6	2016 - Local Property			2,884	2,884	
7	2017 - Local Property			4,111	4,111	
8						
9	2016 - Local Gross Receipts	463,901		2,305	466,206	
10	2017 - Local Gross Receipts			1,796,995	1,310,600	
11						
12	2017-Local Contractual Oblig			2,308	2,308	
13						
14	2017-Local Muni License			50	50	
15						
16	Subtotal - Local	1,278,989	5,908,146	23,727,080	23,984,037	
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
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35						
36						
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39						
40						
41	TOTAL	9,096,086	28,676,753	91,965,427	49,166,706	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (j) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
17,381,003	95,458	40,384,346			-76,325	2
408,695		1,516,031			2,323,404	3
		22,170				4
		95				5
		7,005			-55	6
17,789,698	95,458	41,929,647			2,247,024	7
						8
						9
2,467,745	143,339	3,924,234			139,011	10
						11
						12
68,385					523,096	13
						14
		384,335				15
	405,888	8,643,775			-2,074,663	16
						17
		696			-60	18
						19
		300				20
						21
						22
86,222		955,676				23
						24
10,981						25
17,706						26
40,834						27
70,550						28
94,115						29
647,382						30
120,069						31
125,995						32
100,836						33
						34
		18,145			-258	35
3,850,820	549,227	13,927,161			-1,412,874	36
						37
						38
76,711		84,673			3,182	39
						40
30,065,414	6,847,360	90,835,218			1,130,209	41

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
76,711		84,673			3,182	1
						2
						3
1,908,263		1,925,457			-44,232	4
						5
		2,159,269			-2,159,269	6
2,265,154		2,265,154			-22,345	7
2,455,000					2,455,000	8
						9
						10
1,473					38,396	11
						12
						13
401,950		4,822,936				14
						15
		-12,420				16
						17
		30,681			-374	18
7,031,840		11,191,077			267,176	19
						20
						21
						22
		1,281				23
						24
	216					25
						26
	216	1,281				27
						28
						29
						30
		5,908,359				31
	6,189,573	6,223,518				32
						33
					12,818	34
	12,886				12,883	35
						36
						37
829,950		9,364,978				38
						39
						40
30,065,414	6,847,360	90,835,218			1,130,209	41

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
		-141				1
		343				2
		395,669				3
						4
						5
		2,884				6
		4,111				7
						8
		2,305				9
486,395		1,796,995				10
						11
		2,308				12
						13
		50				14
						15
1,316,345	6,202,459	23,701,379			25,701	16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
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						30
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						32
						33
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						35
						36
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						39
						40
30,065,414	6,847,360	90,835,218			1,130,209	41

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: c
Reclassified to Account 146 due to filing a Federal Consolidated Return.

Schedule Page: 262 Line No.: 2 Column: h
Reclassified to Account 146 due to filing a Federal Consolidated Return.

Schedule Page: 262 Line No.: 2 Column: i
\$872,474 offset to Account 409.2 ; (\$948,799) offset to Account 211.

Schedule Page: 262 Line No.: 10 Column: i
\$138,904 offset to Account 409.2 ; \$107 offset to Account 211.

Schedule Page: 262 Line No.: 16 Column: i
(\$2,074,663) offset to Account 408.2

Schedule Page: 262 Line No.: 39 Column: i
\$3,185 offset to Account 409.2 ; (\$3) offset to Account 211.

Schedule Page: 262.1 Line No.: 4 Column: i
\$62,424 offset to Account 409.2 ; (\$106,656) offset to Account 211.

Schedule Page: 262.1 Line No.: 34 Column: i
\$12,818 offset to Account 408.2.

Schedule Page: 262.1 Line No.: 35 Column: i
\$12,883 offset to Account 408.2.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6							
7							
8	TOTAL						
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
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			45
			46
			47
			48

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2017/Q4</u>
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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Gain on sale of ECP	16,427,847				16,427,847
2	(amortization to begin in 2027)					
3						
4	Purch Acctng Adj:					
5	Frederick MGP	4,490,387				4,490,387
6	PURPA(amortization through	42,551,295	182	3,250,286		39,301,009
7	12-2030)					
8						
9	West Virginia Property Tax (L-T)	2,287,500	186	2,287,500	2,455,000	2,455,000
10						
11	Contributions - WV Asset Swap	75,000		75,000		
12						
13	Other Minor Items	6,273,599	Various	3,988,429	65,084	2,350,254
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
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33						
34						
35						
36						
37						
38						
39						
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41						
42						
43						
44						
45						
46						
47	TOTAL	72,105,628		9,601,215	2,520,084	65,024,497

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other (provide details in footnote):			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other (provide details in footnote):			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of 8, 15 and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
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							19
							20
							21

NOTES (Continued)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
 2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	400,192,952	54,056,209	36,748,484
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	400,192,952	54,056,209	36,748,484
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	400,192,952	54,056,209	36,748,484
10	Classification of TOTAL			
11	Federal Income Tax	340,688,652	44,658,161	31,261,545
12	State Income Tax	59,504,300	9,398,048	5,486,939
13	Local Income Tax			

NOTES

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
24,750	73,808	182	181,266,223	Various	37,999,602	274,184,998	2
							3
							4
24,750	73,808		181,266,223		37,999,602	274,184,998	5
							6
							7
							8
24,750	73,808		181,266,223		37,999,602	274,184,998	9
							10
20,952	67,102		179,266,288		36,073,339	210,846,169	11
3,798	6,706		1,999,935		1,926,263	63,338,829	12
							13

NOTES (Continued)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 2 Column: j

Credits Account Debited (i)	Description	Credit Amount (i)
182	FAS109 Regulatory Asset	\$ 37,837,665
283	Vegetation Management	161,937
		\$ 37,999,602

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.

2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3				
4				
5				
6				
7				
8		126,555,400	29,602,869	85,846,552
9	TOTAL Electric (Total of lines 3 thru 8)	126,555,400	29,602,869	85,846,552
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	126,555,400	29,602,869	85,846,552
20	Classification of TOTAL			
21	Federal Income Tax	105,875,993	27,232,716	78,386,120
22	State Income Tax	20,679,407	2,370,153	7,460,432
23	Local Income Tax			

NOTES

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
		Various	59,678,491	Various	67,332,669	77,965,895	8
			59,678,491		67,332,669	77,965,895	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
			59,678,491		67,332,669	77,965,895	19
							20
			47,380,076		50,924,015	58,266,528	21
			12,298,415		16,408,654	19,699,367	22
							23

NOTES (Continued)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 8 Column: k

Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Acct 410.1 (c)	Amounts Credited to Acct 411.1 (d)	Amounts Debited to Acct 410.2 (e)	Amounts Credited to Acct 411.2 (f)	Acct Credil (g)	Debits Amount (h)	Acct Debit (i)	Credits Amount (j)	Balance at End of Year (k)
2018 Adjustments	7,527,278	540,850	8,068,128				0		0	0
A&G Expenses-MD-Norm	47,128	0	0			182	26,207 182		98,970	119,891
A&G Expenses-VA-Norm	3,086	0	0			182	301 182		1,316	4,113
A&G Expenses-WV-Norm	4,549	0	0			182	8,119 182		65,479	53,909
Accelerated Tax Depr-Fed-FT	74,627	0	0			182	183,456 182/180		108,829	0
Accelerated Tax Depr-Fed-Norm	289,323	0	0			182	37,792,065 182/180		37,492,762	0
Accelerated Tax Depr-MD-Norm	1,038,299	0	0			182	347,999 182		1,039,803	1,730,103
Accelerated Tax Depr-WV-FT	3,058	0	0			182	8,255 182/180		3,197	0
Accelerated Tax Depr-WV-Norm	1,329,583	0	0			182	211,283 182		522,603	1,640,803
AFUDC Debt-Fed-Norm-Reversal-CWIP	0	0	0			182	40,496 182		867,915	836,419
AFUDC Debt-MD-Norm	79,606	0	0			182	14,706 182		9,582	74,482
AFUDC Debt-MD-Norm-Incurred-CWIP	2,800	0	0			182	12,328 182		56,608	47,090
AFUDC Debt-VA-Norm-Incurred-CWIP	3,501	0	0			182	785 182		468	3,182
AFUDC Debt-WV-Norm	76,890	0	0			182	28,086 182		10,432	59,238
AFUDC Debt-WV-Norm-Incurred-CWIP	22,607	0	0			182	783 182		16,614	38,458
AFUDC Equity/FAS 43-Fed-FT	834,071	0	0			182	603,678 182		158,320	288,713
AFUDC Equity/FAS 43-Fed-FT-Incurred-CWIP	3,284,588	0	0			182	2,852,530 182		592,300	1,224,358
AFUDC Equity/FAS 43-MD-FT	81,960	0	0			182	37,375 182		13,629	58,214
AFUDC Equity/FAS 43-MD-FT-Incurred-CWIP	322,760	0	0			182	134,563 182		50,441	238,608
AFUDC Equity/FAS 43-VA-FT	1,785	0	0			182	802 182		337	1,320
AFUDC Equity/FAS 43-VA-FT-Incurred-CWIP	7,030	0	0			182	2,872 182		1,252	5,410
AFUDC Equity/FAS 43-WV-FT	34,175	0	0			182	15,673 182		7,241	25,743
AFUDC Equity/FAS 43-WV-FT-Incurred-CWIP	134,565	0	0			182	58,128 182		27,059	105,516
Book Gain/Loss on Assets Retired - MD	43,070	0	0			182	45,943 182		2,873	0
Capital Loss Carryforward - WV RTA	1,111	314	23				0		0	1,402
Capital Vertical Tree Trimming-MD-Norm	31,605	0	0			182	63,490 182		277,390	245,505
Capital Vertical Tree Trimming-VA-Norm	9,337	0	0			182	1,511 182		3,118	10,944
Capital Vertical Tree Trimming-WV-Norm	32,965	0	0			182	15,086 182		123,964	141,843
Capitalized Benefits-Fed-Norm-Incurred-CWIP	0	0	0			182	5,398 182		98,828	91,428
Capitalized Benefits-MD-Norm-Reversal-CWIP	0	0	0			182	251 182		4,501	4,250
Capitalized Benefits-VA-Norm-Reversal-CWIP	0	0	0			182	6 182		102	98
Capitalized Benefits-WV-Norm-Reversal-CWIP	0	0	0			182	111 182		1,960	1,879
Capitalized Repairs-Fed-Norm	0	0	0			182	152 182		1,522	1,370
Capitalized Repairs-VA-Norm	108	0	0			182	59 182		7	54
Casualty Loss-MD-Norm	226,433	0	0			182	52,235 182		76,119	250,317
Casualty Loss-WV-Norm	0	0	0				0 180		73,010	73,010
CIAC-Fed-Norm	0	0	0			182	283,187 182		5,259,538	4,986,349
CIAC-Fed-Norm-Incurred-CWIP	0	0	0			182	66,303 182		1,548,208	1,481,903
CIAC-MD-Norm-Reversal-CWIP	9,944,502	2,881,289	2,225,930			182	5,886,180 182		32,380	4,783,051
CIAC-MD-Norm-Incurred-CWIP	979,197	550,203	490,616			182	47,184 182		320,976	1,312,386
CIAC-VA-Norm	245,610	0	0			182	137,949 182		15,799	123,459
CIAC-VA-Norm-Reversal-CWIP	23,781	12,198	10,777			182	328 182		6,538	31,414
CIAC-WV-Norm-Reversal-CWIP	423,808	237,580	209,200			182	9,575 182		154,777	587,170
Customer Acquisition Fees - Surge Protection	488	18,734	10,861				0		0	8,541
Customer Advances-Fed-Norm	0	0	0			182	78 182		867	618
Customer Advances-VA-Norm	49	0	0			182	28 182		4	25
Deferred Charge-EIB	603,787	24,788	217,256				0		0	411,309
Deferred Generation Energy Cost MD	2,175,332	1,980,826	4,049,795				0		0	92,163
Deferred Power Costs WV	10,553,886	3,888,858	13,270,023				0		0	1,172,319
Deferred Transmission Energy Cost MD	1,792,817	1,485,351	2,529,670				0		0	748,498
ECC Deferred Cost Recovery	86,743	36,065	52,586				0		0	70,222
ECC Normalization ST	452,842	290,238	706,647				0		0	0
FAS 108 Gross-Up on Non-Property Items (See Below)	0	0	0			182	1,862,611 182		2,523,020	670,409
FAS 123R - Performance Shares-MD-Norm	199	0	0			182	40 182		146	305
FAS 123R - Performance Shares-VA-Norm	0	0	0				0 180		3	3
FAS 123R - Performance Shares-WV-Norm	0	0	0				0 180		82	82
FAS 123R - Restricted Stock-MD-Norm	0	0	0				0 180		220	220
FAS 123R - Restricted Stock-VA-Norm	10	0	0			182	2 182		3	11
FAS 123R - Restricted Stock-WV-Norm	24	0	0			182	11 182		125	138
FAS 123R - RSU Capital-MD-Norm	342	0	0			182	169 182		775	948
FAS 123R - RSU Capital-VA-Norm	13	0	0			182	2 182		15	26
FAS 123R - RSU Capital-WV-Norm	13	0	0			182	32 182		430	411
FAS 158 OPEB OCI Offset	5,562,521	617,673	2,002,816			219	1,384,935 219		92,178	2,884,621
FE Service Timing Allocation	233,417	1,327,070	1,732,714				0 180		172,227	0
Federal NOL	5,365,789	4,393,548	12,857,818				0 180		3,068,571	0
G Overheads-Fed-Norm	0	0	0			182	87,788 182		201,922	134,133
G Overheads-VA-Norm	1,712	0	0			182	1,281 182		279	710
G Overheads-WV-Norm	5,514	0	0			182	10,682 182/180		5,188	0
Highway Relocations-MD-Norm	4,833	0	0			182	1,309 182		474	3,998
Highway Relocations-WV-Norm	4,797	0	0			182	1,989 182		527	3,356
Life Insurance-Fed-Norm	0	0	0			182	516 182		5,855	5,339
Life Insurance-MD-Norm	70	0	0			182	383 182/180		313	0
Maryland Case 8783 Warrior Run	1,482,325	1,456,701	2,875,045				0 180		38,019	0
MD CVR	138,833	24,312	56,803				0		0	108,342
MD Energy Efficiency Pgm	1,582,540	708,041	2,290,581				0		0	0
MD Energy Efficiency Pgm - LT	19,346,552	2,823,347	7,737,893				0		0	14,532,006
Meters and Transformers-Fed-Norm	0	0	0			182	2,771 182		25,465	22,884
Meters and Transformers-VA-Norm	1,794	0	0			182	1,005 182		125	914
Misc Current Liability	0	0	0				0 180		25,290	25,290
OPEBs-Fed-Norm	0	0	0			182	37,588 182		674,300	638,712

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
THE POTOMAC EDISON COMPANY		11	2017/Q4

FOOTNOTE DATA

OPEB-MD-Norm	4,330	0	0	182	40,120	182/180	35,780	0	
Other Basis Differences-Fed-FT	657,856	0	0	182	653,584	182	161,173	164,645	
Other Basis Differences-Fed-Norm	20,617	0	0	182	82,086	182	717,568	676,119	
Other Basis Differences-MD-Norm	48,323	0	0	182	745,831	182/180	687,508	0	
Other Basis Differences-VA-Norm	15,963	0	0	182	20,214	182	4,800	540	
Other Reg Assets	6,876,254	1,042,711	4,632,415		0		0	3,286,650	
FAA - 221 Debt Amort	848,374	311,261	409,385		0		0	750,270	
FAA-MD-Norm	29	0	0	182	168	182	756	617	
FAA-VA-Norm	36	0	0	182	13	182	22	45	
FAA-WV-Norm	233	0	0	182	17	182	310	526	
FE MD Costs Incur Supplier POR	2,214	540	985		0		0	1,799	
Pension/OPEB : Other Deferred Credit or Debit	6,839,047	1,305,671	5,113,969		0		0	3,031,049	
Plant ARC	11,574	335	4,088		0		0	7,821	
Post Retirement Benefits SFAS 106 Payments	540,085	127,326	233,455		0		0	433,968	
PT Rebal-Add'l Property RTA-All-Norm	13	0	0	182	48	182	844	809	
PT Rebal-Add'l Property-All-Norm	3,934	0	0	182	6,782	182	122,380	119,502	
PT Rebal-Add'l Property-MD-Norm	475	0	0	182	2,036	182	9,063	7,502	
PT Rebal-Add'l Property-VA-Norm	583	0	0	182	136	182	71	528	
PT Rebal-Other CWIP Incurred-107 Impairment-All-Norm	1,179	0	0	182	37,126	182/190	35,947	0	
PT Rebal-Other CWIP Incurred-Misc-All-Norm	0	0	0		0	190	33,869	33,869	
PT Rebal-Other CWIP Incurred-Pension-All-Norm	0	0	0		0	190	228,120	228,120	
PT Rebal-Other CWIP Incurred-RAR-All-Norm	0	0	0		0	190	158,920	158,920	
PT Rebal-Rate Change-All-FT	232,816	0	0	182	156,226	182	10,862	87,450	
PT Rebal-Rate Change-All-Norm	0	0	0		0	190	41,165	41,165	
PT Rebal-TBBS Adj not in PT-All-Norm	25,484	0	0	182	802,415	182/190	776,931	0	
Purchase Accounting - Warrior Run	16,998,519	1,038,523	7,425,675		0		0	10,609,387	
Repair Allowance-MD-Norm	90,240	0	0	182	25,492	182	12,003	76,761	
Repair Allowance-WV-Norm	35,322	0	0	182	9,181	182	10,445	36,586	
State Income Tax Deductible	2,235,295	70,949	2,374,408		0	190	68,197	0	
Storm Damage	639,230	91,082	415,418		0		0	314,904	
Tax Interest Capitalized-Fed-Norm	0	0	0	182	72,004	182	927,862	855,878	
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	0	0	0	182	81,240	182	1,457,389	1,376,149	
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	6,671,787	477,056	176,175	182	3,993,166	182	62,639	3,243,162	
Tax Interest Capitalized-MD-Norm-Reversal-CWIP	676,064	81,654	53,421	182	33,391	182	217,507	890,433	
Tax Interest Capitalized-VA-Norm	44,502	0	0	182	25,084	182	2,939	22,357	
Tax Interest Capitalized-VA-Norm-Reversal-CWIP	18,241	1,832	1,157	182	670	182	4,282	22,326	
Tax Interest Capitalized-WV-Norm-Reversal-CWIP	304,390	36,180	22,728	182	6,361	182	100,203	411,864	
Tax UoP Repair Disallow Loss-Fed-Norm	0	0	0	182	927	182	5,000	4,073	
Tax UoP Repair Disallow Loss-MD-Norm	19,171	0	0	182	10,208	182	1,149	10,112	
Tax UoP Repair Disallow Loss-VA-Norm	13,803	0	0	182	7,123	182	778	7,316	
Tax UoP Repair Exp-Fed-Norm-Reversal-CWIP	0	0	0	182	224,631	182	4,029,717	3,805,086	
Tax UoP Repair Exp-MD-Norm	230,324	0	0	182	154,646	182	586,011	661,889	
Tax UoP Repair Exp-MD-Norm-Incurred-CWIP	2,247	0	0	182	32,603	182	228,005	197,749	
Tax UoP Repair Exp-VA-Norm-Incurred-CWIP	2,609	0	0	182	194	182	3,641	6,456	
Tax UoP Repair Exp-WV-Norm	63,382	0	0	182	22,845	182	273,384	313,921	
Tax UoP Repair Exp-WV-Norm-Incurred-CWIP	18,138	0	0	182	5,248	182	96,504	106,394	
Temporary Transaction Surcharge WV	2,482,386	843,342	2,892,571		0		0	433,157	
Unamortized Loss on Reacquired Debt	180,356	21,314	105,745		0		0	95,925	
Valuation Allowance NOL WV	273,675	58,946	0		0		0	332,621	
Vegetation Management - FERC Adjustment	2,070,979	0	0	282	161,937		0	1,808,042	
WV ECC Normalization	0	0	0		0	180	131,682	131,682	
WV Energy Efficiency Prgm-LT	261,379	186,364	288,901		0		0	158,842	
WV Mercury & Air Toxic Standard	119,643	302,933	156,851		0		0	265,725	
WV Mercury & Air Toxic Standard - FERC Adjustment	136,867	230,798	11,875		0		0	355,790	
WV STIP	84,546	12,439	33,368		0		0	43,617	
	<u>126,535,400</u>	<u>29,802,869</u>	<u>85,846,552</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>59,678,491</u>	<u>67,332,669</u>	<u>77,965,865</u>

FAS 109 Gross-Up on Non-Property Items represents the total FAS 109 gross-up of deferred income taxes recorded on non-property book-to-tax timing differences due to the change in the Federal Corporate Income Tax Rate from 35% to 21%.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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OTHER REGULATORY LIABILITIES (Account 254)

- Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	FAS 109 - Accounting for Income taxes	32,164	410 & 411	32,164		
2						
3	WV Reg Liability - WV Securitization	756,665	456	756,665		
4						
5	Deferred Administrative Credit - MD	198,677	557	152,530		46,147
6						
7	WV Vegetation Management Surcharge	9,811,179			8,223,506	18,034,685
8						
9	MD Warrior Run				133,429	133,429
10						
11	Excess Deferred Income Taxes due					
12	to the Tax Cuts and Jobs Act				174,495,301	174,495,301
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	10,798,686		941,359	182,652,236	192,709,562

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	499,093,211	514,994,151
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	180,629,202	179,603,226
5	Large (or Ind.) (See Instr. 4)	93,304,027	93,019,233
6	(444) Public Street and Highway Lighting	5,755,366	5,392,152
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	778,781,806	793,008,762
11	(447) Sales for Resale	43,156,146	38,237,557
12	TOTAL Sales of Electricity	821,937,952	831,246,319
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	821,937,952	831,246,319
15	Other Operating Revenues		
16	(450) Forfeited Discounts	2,601,001	2,743,417
17	(451) Miscellaneous Service Revenues	897,378	851,368
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	4,812,360	6,322,096
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	3,872,937	2,003,740
22	(456.1) Revenues from Transmission of Electricity of Others	20,946,607	25,165,275
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	33,130,283	37,085,896
27	TOTAL Electric Operating Revenues	855,068,235	868,332,215

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
4,832,298	5,102,840	354,887	350,592	2
				3
2,877,390	2,965,375	47,072	46,481	4
2,441,245	2,439,811	4,592	4,650	5
22,227	21,548	621	604	6
				7
				8
				9
10,173,160	10,529,574	407,172	402,327	10
1,149,652	1,024,877	4	4	11
11,322,812	11,554,451	407,176	402,331	12
				13
11,322,812	11,554,451	407,176	402,331	14

Line 12, column (b) includes \$ 1,454,725 of unbilled revenues.
Line 12, column (d) includes 12,280 MWH relating to unbilled revenues

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 6 Column: b

All street lighting sales in accounts 440, 442 and 444 are unmetered.

Schedule Page: 300 Line No.: 6 Column: c

All street lighting sales in accounts 440, 442 and 444 are unmetered.

Schedule Page: 300 Line No.: 17 Column: b

Reserve Capacity	\$ 512,926
Other-Numerous items under \$250,000 each	<u>384,452</u>
Total	\$ 897,378

Schedule Page: 300 Line No.: 17 Column: c

Reserve Capacity	\$ 517,326
Other-Numerous items under \$250,000 each	<u>334,042</u>
Total	\$ 851,368

Schedule Page: 300 Line No.: 21 Column: b

Affiliated Transmission Revenue	\$ 990,906
Ft Martin Income Equalization Revenue	1,244,502
Other Supporting Facilities Chg	919,203
Seams Elimination Credit	405,423
Other-Numerous items under \$250,000 each	<u>312,903</u>
Total	\$ 3,872,937

Schedule Page: 300 Line No.: 21 Column: c

Affiliated Transmission Revenue	\$ 1,175,759
Ft Martin Income Equalization Revenue	559,291
Other-Numerous items under \$250,000 each	<u>268,690</u>
Total	\$ 2,003,740

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
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21					
22					
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24					
25					
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29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	RESIDENTIAL SALES:					
2	R - Residential	4,822,681	504,160,638	354,673	13,598	0.1045
3	C - General	2	365	2	1,000	0.1825
4	E - General Service	11	2,240	1	11,000	0.2036
5	G - General Service	57	6,851	19	3,000	0.1202
6	OL - Outdoor Lighting	2,222	411,159	107	20,766	0.1850
7	AL - Area Lighting	3	592			0.1973
8	EMU - Outdoor Lighting	1,557	329,415	81	19,222	0.2116
9	MSL - Mercury Vapor	6	1,581	2	3,000	0.2635
10	MU - Outdoor Lighting	2	239			0.1195
11	EM - Outdoor Lighting		101			
12	A8 - Residential					
13	Y6 - Yard Lighting Service	60	19,312	2	30,000	0.3219
14	Misc. Adj Not Maintained by Rate		-7,445,857			
15						
16	Unbilled Residential	5,697	1,606,575			0.2820
17	TOTAL RESIDENTIAL SALES	4,832,298	499,093,211	354,887	13,616	0.1033
18						
19	COMMERCIAL SALES:					
20	R - Residential			235		
21	G - General Service	786,250	63,880,721	36,088	21,787	0.0812
22	C - General	83,189	7,219,388	4,776	17,418	0.0868
23	C-A - All Electric	21,689	1,334,576	350	61,969	0.0615
24	CSH - Church and School	24,168	2,360,147	221	109,357	0.0977
25	E - General Service	493,415	51,963,464	3,346	147,464	0.1053
26	OL - Outdoor Lighting	1,790	333,163	310	5,774	0.1861
27	AL - Area Lighting	966	115,495	48	20,125	0.1196
28	EMU - Outdoor Lighting	5,780	1,400,246	278	20,791	0.2423
29	MU - Outdoor Lighting	865	58,333	7	123,571	0.0674
30	EM - Outdoor Lighting		13,596	2		
31	MSL - Street Lighting	102	28,863			0.2830
32	PL - LED Outdoor Lighting	7	3,180	1	7,000	0.4543
33	PH - Light & Power	1,322,113	49,369,524	1,365	968,581	0.0373
34	SPECIAL - Contract Street Lightin	1,187	60,471	39	30,436	0.0509
35	PP - Power Service	140,063	6,012,442	5	28,012,600	0.0429
36	Y6 - Yard Lighting Service	32	8,291	1	32,000	0.2591
37	Misc. Adj. Not Maintained by Rate	-1,795	-3,105,523			1.7301
38						
39	Unbilled Commercial	-2,431	-427,175			0.1757
40	TOTAL COMMERCIAL SALES	2,877,390	180,629,202	47,072	61,127	0.0628
41	TOTAL Billed	10,160,870	777,327,081	407,172	24,955	0.0765
42	Total Unbilled Rev.(See Instr. 6)	12,290	1,454,725	0	0	0.1184
43	TOTAL	10,173,160	778,781,806	407,172	24,955	0.0766

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	INDUSTRIAL SALES					
2	G - General Service	101,421	7,691,442	3,229	31,409	0.0758
3	C - General	19,971	1,292,690	483	41,348	0.0647
4	C-A - All Electric	5,440	227,755	35	155,429	0.0419
5	E - General Service	132,254	13,370,598	491	269,356	0.1011
6	OL - Outdoor Lighting	276	54,327	12	23,000	0.1968
7	EM - Outdoor Lighting		403			
8	AL - Area Lighting	133	25,929	2	66,500	0.1950
9	EMU - Outdoor Lighting	266	60,707	9	29,566	0.2282
10	MU - Outdoor Lighting	10	699			0.0699
11	PP - Power Service	1,187,926	41,819,086	14	84,851,857	0.0352
12	PH - Light & Power	787,227	30,839,574	315	2,499,133	0.0392
13	AGS - Firm Standby	61	23,990	1	61,000	0.3933
14	SPECIAL - Contract	197,126	1,804,141	1	197,126,000	0.0092
15	Misc. Adj. Not Maintained by Rate		-4,195,865			
16						
17	Unbilled Industrial	9,134	288,551			0.0316
18	TOTAL INDUSTRIAL SALES	2,441,245	93,304,027	4,592	531,630	0.0382
19						
20	PUBLIC STREET & HIGHWAY					
21	AL - Area Lighting	20	4,009			0.2005
22	OL - Outdoor Lighting	2	300	2	1,000	0.1500
23	SL - Street and Highway	16	1,546			0.0966
24	EMU - Outdoor Lighting	10,781	3,034,096	352	30,628	0.2814
25	MSL - Mercury Vapor	10,252	2,635,485	257	39,891	0.2571
26	EM - Outdoor Lighting		9,964			
27	PL - LED Outdoor Lighting	150	27,661	5	30,000	0.1844
28	MU - Outdoor Lighting	1,116	101,278	5	223,200	0.0908
29	Misc. Adj Not Maintained by Rate		-45,747			
30						
31	Unbilled Public St & Hwy	-110	-13,226			0.1202
32	TOTAL PUBLIC ST & HWY	22,227	5,755,366	621	35,792	0.2589
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	10,160,870	777,327,081	407,172	24,955	0.0765
42	Total Unbilled Rev.(See Instr. 6)	12,290	1,454,725	0	0	0.1184
43	TOTAL	10,173,160	778,781,806	407,172	24,955	0.0766

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is:		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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SALES FOR RESALE (Account 447)

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RQ:					
2	Monongahela Power Company	RQ	4th Rev Vol #2			
3	West Penn Power Company	RQ	4th Rev Vol #2			
4	Old Dominion Electric Cooperative	RQ	2nd Rev Vol #7&8			
5						
6	Non-RQ:					
7	PJM Interconnection, LLC	OS	No 26			
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
1,724		86,017		86,017	2
29,041		1,322,644		1,322,644	3
2,569		81,027		81,027	4
					5
					6
1,116,318		41,666,458		41,666,458	7
					8
					9
					10
					11
					12
					13
					14
33,334	0	1,489,688	0	1,489,688	
1,116,318	0	41,666,458	0	41,666,458	
1,149,652	0	43,156,146	0	43,156,146	

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FOOTNOTE DATA			

Schedule Page: 310 Line No.: 2 Column: a
Associated Company.

Schedule Page: 310 Line No.: 3 Column: a
Associated Company.

Schedule Page: 310 Line No.: 7 Column: b
Represents power sold through the PJM Interconnection, LLC.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering		
5	(501) Fuel		
6	(502) Steam Expenses		
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses		
10	(506) Miscellaneous Steam Power Expenses		
11	(507) Rents	180,150,044	192,313,085
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	180,150,044	192,313,085
14	Maintenance		
15	(510) Maintenance Supervision and Engineering		
16	(511) Maintenance of Structures		
17	(512) Maintenance of Boiler Plant		
18	(513) Maintenance of Electric Plant		
19	(514) Maintenance of Miscellaneous Steam Plant		
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	180,150,044	192,313,085
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) //	Year/Period of Report End of 2017/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering			
63	(547) Fuel			
64	(548) Generation Expenses			
65	(549) Miscellaneous Other Power Generation Expenses			
66	(550) Rents			
67	TOTAL Operation (Enter Total of lines 62 thru 66)			
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant			
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)			
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)			
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	314,794,110	326,407,170	
77	(556) System Control and Load Dispatching			
78	(557) Other Expenses	31,137,188	-3,830,553	
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	345,931,298	322,576,617	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	526,081,342	514,889,702	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	33,590	37,488	
84				
85	(561.1) Load Dispatch-Reliability	671,006	706,444	
86	(561.2) Load Dispatch-Monitor and Operate Transmission System			
87	(561.3) Load Dispatch-Transmission Service and Scheduling			
88	(561.4) Scheduling, System Control and Dispatch Services	16,576	19,348	
89	(561.5) Reliability, Planning and Standards Development	66,147	53,740	
90	(561.6) Transmission Service Studies	-10,064	-1,998	
91	(561.7) Generation Interconnection Studies	-40,789	-51,812	
92	(561.8) Reliability, Planning and Standards Development Services	621	731	
93	(562) Station Expenses	87,320	70,440	
94	(563) Overhead Lines Expenses	404,342	49,867	
95	(564) Underground Lines Expenses			
96	(565) Transmission of Electricity by Others	15,674,682	21,793,059	
97	(566) Miscellaneous Transmission Expenses	450,856	643,888	
98	(567) Rents	43,590	271,631	
99	TOTAL Operation (Enter Total of lines 83 thru 98)	17,397,877	23,592,826	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	721,053	512,073	
102	(569) Maintenance of Structures			
103	(569.1) Maintenance of Computer Hardware	2,580	4,856	
104	(569.2) Maintenance of Computer Software	16,515	30,023	
105	(569.3) Maintenance of Communication Equipment	14	12	
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	1,686,044	1,359,290	
108	(571) Maintenance of Overhead Lines	6,162,279	6,095,102	
109	(572) Maintenance of Underground Lines			
110	(573) Maintenance of Miscellaneous Transmission Plant	1,065	-331	
111	TOTAL Maintenance (Total of lines 101 thru 110)	8,589,550	8,001,025	
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	25,987,427	31,593,851	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services	131,295	137,908
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)	131,295	137,908
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)	131,295	137,908
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	153,178	196,827
135	(581) Load Dispatching	1,188,970	823,762
136	(582) Station Expenses	62,948	42,927
137	(583) Overhead Line Expenses	1,678,168	1,630,427
138	(584) Underground Line Expenses	854,197	792,055
139	(585) Street Lighting and Signal System Expenses	79,969	80,192
140	(586) Meter Expenses	703,542	690,405
141	(587) Customer Installations Expenses		
142	(588) Miscellaneous Expenses	5,980,103	5,993,019
143	(589) Rents		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	10,701,075	10,249,614
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	610,522	505,206
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	2,782,613	2,225,365
149	(593) Maintenance of Overhead Lines	14,730,053	16,853,184
150	(594) Maintenance of Underground Lines	751,774	792,350
151	(595) Maintenance of Line Transformers	24,888	39,421
152	(596) Maintenance of Street Lighting and Signal Systems	544,725	610,904
153	(597) Maintenance of Meters	1,101,903	1,103,964
154	(598) Maintenance of Miscellaneous Distribution Plant	149,538	232,494
155	TOTAL Maintenance (Total of lines 146 thru 154)	20,696,016	22,362,888
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	31,397,091	32,612,502
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision		
160	(902) Meter Reading Expenses	4,236,885	4,104,236
161	(903) Customer Records and Collection Expenses	4,796,552	4,900,952
162	(904) Uncollectible Accounts	2,587,432	4,529,023
163	(905) Miscellaneous Customer Accounts Expenses	388,126	381,741
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	12,008,995	13,915,952

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision	404,111	403,930
168	(908) Customer Assistance Expenses	11,371,390	16,982,377
169	(909) Informational and Instructional Expenses	1,050	
170	(910) Miscellaneous Customer Service and Informational Expenses	2,283,542	2,295,961
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	14,060,093	19,682,268
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	90,144	24,936
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		12,279
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	90,144	37,215
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	1,675,234	2,301,674
182	(921) Office Supplies and Expenses	587,646	471,215
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	20,623,071	19,996,643
185	(924) Property Insurance	58,333	65,883
186	(925) Injuries and Damages	683,842	1,066,657
187	(926) Employee Pensions and Benefits	4,462,155	471,287
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	2,080,073	2,002,163
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	46,136	41,490
192	(930.2) Miscellaneous General Expenses	264,580	-196,979
193	(931) Rents	195,715	180,674
194	TOTAL Operation (Enter Total of lines 181 thru 193)	30,676,785	26,400,687
195	Maintenance		
196	(935) Maintenance of General Plant	222,144	67,881
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	30,898,929	26,468,568
198	TOTAL Elec Op and Maint Exprs (Total 80,112,131,156,164,171,178,197)	640,655,316	639,337,966

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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	West Penn Power Company	RQ	1st Rev Vol #1			
2	Monongahela Power Company	RQ	1st Rev Vol #1			
3	AES/Warrior Run, Inc	LU	Special Contract			
4	Old Dominion Electric Cooperative	RQ	NA			
5	FirstEnergy Solutions Corp	OS	NA			
6	PJM Interconnection, LLC	OS	NA			
7	Exelon Generation Co	OS	NA			
8	DTE Energy Trading	OS	NA			
9	AEP Energy Partner	OS	NA			
10	NextEra Energy Power Marketing, LLC	OS	NA			
11	Monongahela Power Company	OS	NA			
12	Solar Renewable Energy Credits	OS	NA			
13	Administrative Expense	OS	NA			
14	PJM Interconnection, LLC	OS	NA			
	Total					

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
28,004				1,533,531		1,533,531	1
4,083				182,979		182,979	2
1,116,318			78,017,095	33,863,335		111,880,430	3
2,813				82,967		82,967	4
2,118,192				120,652,848		120,652,848	5
64,872				3,463,465		3,463,465	6
678,435				38,941,456		38,941,456	7
214,484				12,348,902		12,348,902	8
142,927				7,391,568		7,391,568	9
213,708				11,971,919		11,971,919	10
					5,558,991	5,558,991	11
					34,905	34,905	12
					103,250	103,250	13
					646,899	646,899	14
4,583,636			78,017,095	230,432,970	6,344,045	314,794,110	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 1 Column: a
Associated Company.

Schedule Page: 326 Line No.: 2 Column: a
Associated Company.

Schedule Page: 326 Line No.: 3 Column: d
Contract states demand dollars are calculated using a capacity rate per megawatthour, not megawatt.

Schedule Page: 326 Line No.: 5 Column: a
Associated Company.

Schedule Page: 326 Line No.: 5 Column: b
Represents power purchased from awarded suppliers through the auction.

Schedule Page: 326 Line No.: 6 Column: b
Represents power purchased from PJM Interconnections, LLC.

Schedule Page: 326 Line No.: 7 Column: b
Represents power purchased from awarded suppliers through the auction.

Schedule Page: 326 Line No.: 8 Column: b
Represents power purchased from awarded suppliers through the auction.

Schedule Page: 326 Line No.: 9 Column: b
Represents power purchased from awarded suppliers through the auction.

Schedule Page: 326 Line No.: 10 Column: b
Represents power purchased from awarded suppliers through the auction.

Schedule Page: 326 Line No.: 11 Column: a
Associated Company.

Schedule Page: 326 Line No.: 11 Column: l
Result of purchase power agreement for Monongahela Power Company to provide capacity to Potomac Edison Company.

Schedule Page: 326 Line No.: 14 Column: b
Miscellaneous PJM Billing Line Items including inadvertent interchange charges, monthly charges for corrections to metered energy values and locational reliability charges for unforced capacity obligation.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Financial Transmission Rights Auction	Various	Various	OS
2	Transmission Ancillaries	Various	Various	OS
3	Network Integrated Transmission	PJM Network	PJM Network	FNO
4	Point-to-Point Transmission	Various	Various	OS
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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21				
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33				
34				
	TOTAL			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
6	Various	Various				1
6	Various	Various				2
6	PJM Network	PJM Network				3
6	Various	Various				4
						5
						6
						7
						8
						9
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			0	0		0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
		67,661	67,661	1
		716,596	716,596	2
20,018,374			20,018,374	3
143,976			143,976	4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
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				24
				25
				26
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20,162,350	0	784,257	20,946,607	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 1 Column: d

Revenues associated with Respondent's membership with PJM Interconnection, LLC as a Regional Transmission Organization.

Schedule Page: 328 Line No.: 2 Column: d

Revenues associated with Respondent's membership with PJM Interconnection, LLC as a Regional Transmission Organization.

Schedule Page: 328 Line No.: 3 Column: d

Networking Integration Transmission Service (NITS) revenue is based on the previous year's peak load, the number of days in the period and the NITS rate.

Schedule Page: 328 Line No.: 4 Column: d

Firm Point to Point Transmission revenue is allocated to PJM transmission owners based on transmission revenue requirement ratio shares.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION OF ELECTRICITY BY ISO/RTOs

- Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
- Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
- In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
- In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
- In column (d) report the revenue amounts as shown on bills or vouchers.
- Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1	Potomac Edison Company:				
2	Financial Transmission Rights Auction	OS	6	67,661	67,661
3	Transmission Ancillaries	OS	6	716,596	716,596
4	Network Integrated Transmission	FNO	6	20,018,374	20,018,374
5	Point-to-Point Transmission	OS	6	143,976	143,976
6					
7					
8					
9					
10					
11					
12					
13					
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26					
27					
28					
29					
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37					
38					
39					
40	TOTAL			20,946,607	20,946,607

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

- Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
- In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
- In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
- Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
- Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
- Enter "TOTAL" in column (a) as the last line.
- Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	PJM Interconnection, LLC	OS					15,674,682	15,674,682
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL						15,674,682	15,674,682

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 332 Line No.: 1 Column: b
Expenses associated with Respondent's membership with PJM Interconnection, LLC as a Regional Transmission Organization.

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	36,404			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities				
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000				
6	Bank fees	124,733			
7	Corporate dues - trade	85,383			
8	Financing Administration fees	60,282			
9	Amortization of Purchase Accounting Adjustments	-51,657			
10	Corporate dues - civic	11,937			
11	Other	-2,502			
12					
13					
14					
15					
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17					
18					
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46	TOTAL	264,580			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			2,528,231		2,528,231
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant	11,419,618				11,419,618
8	Distribution Plant	44,882,654				44,882,654
9	Regional Transmission and Market Operation					
10	General Plant	4,064,089				4,064,089
11	Common Plant-Electric					
12	TOTAL	60,366,361		2,528,231		62,894,592

B. Basis for Amortization Charges

Intangible Plant represents software costs which are amortized over 7 years.

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	West Virginia						
13	350	10,059	70.00		1.18	R4	
14	352	2,105	50.00	-10.00	2.82	R3	
15	353	40,233	50.00	-5.00	1.36	R2	
16	353 Scada	896	10.00		10.12	S3	
17	354	9,532	65.00	-25.00	2.08	R4	
18	355	24,805	55.00	-20.00	1.54	R2.5	
19	356 other	21,667	55.00	-40.00	2.52	R2.5	
20	356 clearing	7,857	70.00		0.91	R4	
21	357	9	55.00	-5.00	2.02	S3	
22	358	467	45.00	-5.00	2.55	R3	
23	Total	117,630					
24							
25	360	2,165	70.00		1.63	R4	
26	361	3,946	50.00	-10.00	2.96	R3	
27	362	63,528	50.00	-5.00	1.95	R2	
28	362 Scada	1,579	10.00		14.40	S3	
29	364	117,017	55.00	-40.00	2.38	R3	
30	365 other	92,908	50.00	-35.00	2.76	R1.5	
31	365 clearing	87,100	70.00		1.23	R4	
32	366	10,534	50.00	-20.00	2.50	R2.5	
33	367	58,335	35.00	-25.00	4.51	R3	
34	368 overhead	61,060	40.00	-15.00	2.87	R2.5	
35	368 underground	29,661	33.00	-15.00	4.55	R4	
36	369 overhead	13,328	45.00	-30.00	2.45	R4	
37	369 underground	21,607	40.00	-30.00	3.31	S3	
38	370	23,659	40.00	-5.00	2.90	R4	
39	373	7,712	30.00	-30.00	4.72	R1	
40	Total	594,139					
41							
42	389	21	70.00		1.53	R4	
43	390	12,664	50.00		4.33	R1	
44	391.1	228	20.00		4.26	SQ	
45	391.2	1,293	10.00		26.37	SQ	
46	391.3	56	10.00		3.28	SQ	
47	391.4	79	20.00		5.00	SQ	
48	392	457			10.94		
49	392.2	178	18.00	20.00	4.44	L1	
50	393	55	20.00		8.37	SQ	

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) //	Year/Period of Report End of 2017/Q4		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	394	1,677	20.00		9.41	SQ	
13	395	45	20.00		12.67	SQ	
14	396	79	18.00	25.00	2.02	L1	
15	397	2,508	10.00		22.17	SQ	
16	398	46	15.00		5.39	SQ	
17	Total	19,386					
18							
19	Virginia						
20	350	9,703	75.00		1.33	R1	
21	352	2,971	55.00	-20.00	2.18	R3	
22	353	37,930	40.00	-10.00	2.75	S1	
23	353 Scada	1,609	14.00		7.14	S3	
24	354	2,636	45.00	-10.00	2.44	R3	
25	355	23,799	50.00	-65.00	3.30	R2	
26	356	23,330	50.00	-75.00	3.50	R3	
27	356 clearing	5,155	50.00	-75.00	3.50	R3	
28	358	106	45.00	-10.00	2.44	R3	
29	Total	107,239					
30							
31	389		75.00		1.33	R1	
32	390	422	42.00		2.38	L0	
33	391.1		20.00		5.00	SQ	
34	391.2	4	10.00		10.00	SQ	
35	391.3	2	20.00		5.00	SQ	
36	391.4	3	20.00		5.00		
37	393	2	20.00		5.00	SQ	
38	394	73	20.00		5.00	SQ	
39	395	4	20.00		5.00	SQ	
40	397	459	14.00		7.14	SQ	
41	398	1	20.00		5.00	SQ	
42	Total	970					
43							
44	Maryland						
45	350	25,629	75.00		1.33	R1	
46	352	9,779	45.00	-15.00	2.56	R3	
47	353	98,879	42.00	-2.00	2.43	R2	
48	353 Scada	1,407	14.00		7.14	R3	
49	354	22,553	45.00		2.22	R3	
50	355	29,237	45.00	-65.00	3.67	R2	

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	356	40,496	50.00	-80.00	3.60	R3	
13	356 clearing	9,963	50.00	-80.00	3.60	R3	
14	357	1,779	47.00	-10.00	2.34	R4	
15	358	3,883	42.00	-10.00	2.62	R3	
16	Total	243,605					
17							
18	360	9,800	75.00		1.33	R1	
19	361	9,793	45.00	-30.00	2.89	R3	
20	362	144,954	38.00	15.00	2.24	R1	
21	362 Scada	3,800	14.00		7.14	R3	
22	364	107,250	47.00	-60.00	3.40	R1	
23	365	178,382	50.00	-45.00	2.90	R1	
24	366	58,250	47.00	-10.00	2.34	R4	
25	367	225,614	42.00	-10.00	2.62	R3	
26	368	176,259	36.00	-10.00	3.06	R2	
27	369	59,543	47.00	-65.00	3.51	R2	
28	370	45,289	32.00	-15.00	3.59	R2	
29	373	27,000	39.00	-25.00	3.21	L0	
30	Total	1,045,934					
31							
32	389	4	75.00		1.33	R1	
33	390	24,401	42.00		2.38	R1	
34	391.1	3,151	20.00		5.00	SQ	
35	391.2	2,613	10.00		10.00	SQ	
36	391.3	288	20.00		5.00	SQ	
37	391.4	133	20.00		5.00	SQ	
38	392	786			6.77	SQ	
39	392.1	1,570	13.00		13.20	SQ	
40	392.2	838	15.00		8.26	SQ	
41	392.3	8	20.00		5.00	SQ	
42	393	176	20.00		5.00	SQ	
43	394	5,706	20.00		5.00	SQ	
44	395	837	20.00		5.00	SQ	
45	396	844	25.00		3.39	SQ	
46	397	9,881	14.00		7.14	SQ	
47	398	194	20.00		5.00	SQ	
48	Total	51,430					
49							
50	The depreciable Plant						

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Base Amounts in Column						
13	(b) are as of						
14	December 31, 2017.						
15							
16							
17							
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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REGULATORY COMMISSION EXPENSES

- Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
- Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	MD PSC Intrastate Revenue Assessment	898,066		898,066	
2					
3	WV PSC Intrastate Revenue Assessment	1,007,383		1,007,383	
4					
5	WV PSC Property Value Assessment	173,823		173,823	
6					
7	National Regulatory Research Institute Fees	801		801	
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
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44					
45					
46	TOTAL	2,080,073		2,080,073	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
Electric	928	898,066					1
							2
Electric	928	1,007,383					3
							4
Electric	928	173,823					5
							6
Electric	928	801					7
							8
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		2,080,073					46

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

- a. Overhead
- b. Underground

(1) Generation

- a. hydroelectric
 - i. Recreation fish and wildlife
 - ii Other hydroelectric
- b. Fossil-fuel steam
- c. Internal combustion or gas turbine
- d. Nuclear
- e. Unconventional generation
- f. Siting and heat rejection

- (3) Distribution
- (4) Regional Transmission and Market Operation
- (5) Environment (other than equipment)
- (6) Other (Classify and include items in excess of \$50,000.)
- (7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

- (1) Research Support to the electrical Research Council or the Electric Power Research Institute

(2) Transmission

Line No.	Classification (a)	Description (b)
1	A (1)	ED Transmission Line Research (Int)
2		
3		
4	Total	
5		
6		
7		
8		
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute
 (3) Research Support to Nuclear Power Groups
 (4) Research Support to Others (Classify)
 (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
		188	2,383	4,561	1
					2
					3
			2,383	4,561	4
					5
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	15,692,706		15,692,706
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	16,868,076		16,868,076
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	16,868,076		16,868,076
72	Plant Removal (By Utility Departments)			
73	Electric Plant	2,916,945		2,916,945
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	2,916,945		2,916,945
77	Other Accounts (Specify, provide details in footnote):			
78	Jobbing Contract	49,387		49,387
79	Temporary Facilities	75,263		75,263
80	Work Performed for Associated Companies	1,426,765		1,426,765
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	1,551,415		1,551,415
96	TOTAL SALARIES AND WAGES	37,029,142		37,029,142

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> / /	Year/Period of Report End of <u>2017/Q4</u>
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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8	Purchases (Account 555)				
9	Day Ahead (DA)				
10	Real Time (RT)	1,232,906	1,025,776	907,305	860,960
11					
12	Sales (Account 447)				
13	Day Ahead (DA)	(8,916,620)	(7,315,566)	(9,130,475)	(10,007,502)
14	Real Time (RT)	(441,133)	(493,957)	(319,998)	(505,215)
15					
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45					
46	TOTAL	(8,124,847)	(6,783,747)	(8,543,168)	(9,651,757)

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PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

- (1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.
- (2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.
- (3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.
- (4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.
- (5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.
- (6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

Line No.	Type of Ancillary Service (a)	Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
		Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch		MWh	17,849		MWh	
2	Reactive Supply and Voltage	4,501	MWd	23,532		MWd	-716,596
3	Regulation and Frequency Response	412	MWh	9,174		MWh	
4	Energy Imbalance						
5	Operating Reserve - Spinning			4,088			
6	Operating Reserve - Supplement			-6,419			
7	Other			5,879			
8	Total (Lines 1 thru 7)	4,913		54,103			-716,596

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 398 Line No.: 7 Column: d	
Black Start Service Chgs	\$ 5,473
Market Monitor	<u>406</u>
Total	\$ 5,879

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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM: Allegheny Power

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	3,049	9	800	847	2,202				
2	February	2,616	9	2000	696	1,920				
3	March	2,752	15	900	731	2,021				
4	Total for Quarter 1				2,274	6,143				
5	April	1,854	7	1000	480	1,374				
6	May	2,297	18	1600	545	1,752				
7	June	2,448	12	1800	581	1,865				
8	Total for Quarter 2				1,606	4,991				
9	July	2,602	19	1700	611	1,991				
10	August	2,557	17	1700	609	1,948				
11	September	2,302	27	1600	553	1,749				
12	Total for Quarter 3				1,773	5,688				
13	October	2,207	10	1700	524	1,683				
14	November	2,241	15	800	601	1,640				
15	December	2,928	28	2000	764	2,164				
16	Total for Quarter 4				1,889	5,487				
17	Total Year to Date/Year				7,542	22,309				

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FOOTNOTE DATA			

Schedule Page: 400 Line No.: 1 Column: b

Column (b) reports the coincidental peak at the time of the Allegheny Power peak. Reports Megawatts of energy used for load integrated over the hour.

Schedule Page: 400 Line No.: 1 Column: c

Column (c) reports the coincidental peak at the time of the Allegheny Power peak.

Schedule Page: 400 Line No.: 1 Column: d

Column (d) reports the coincidental peak at the time of the Allegheny Power peak.

Schedule Page: 400 Line No.: 1 Column: e

Column (e) reports Megawatts of energy used for load integrated over the hour. Reports next-day settlement which is based on historical usage, as opposed to actual usage, with losses and adjustment factors applied.

Schedule Page: 400 Line No.: 1 Column: f

Column (f) reports Megawatts of energy used for load integrated over the hour. Reports next-day settlement which is based on historical usage, as opposed to actual usage, with losses and adjustment factors applied.

Schedule Page: 400 Line No.: 1 Column: g

For column (g), it is assumed that PJM Interconnection, LLC will report these.

Schedule Page: 400 Line No.: 1 Column: h

For column (h), it is assumed that PJM Interconnection, LLC will report these.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
- (5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM:

Line No.	Month	Monthly Peak MW - Total	Day of Monthly Peak	Hour of Monthly Peak	Imports into ISO/RTO	Exports from ISO/RTO	Through and Out Service	Network Service Usage	Point-to-Point Service Usage	Total Usage
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year									

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	10,173,160
3	Steam	3,613,698	23	Requirements Sales for Resale (See instruction 4, page 311.)	33,334
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	1,116,318
5	Hydro-Conventional		25	Energy Furnished Without Charge	-3,383,722
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	5,023
7	Other		27	Total Energy Losses	253,221
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	8,197,334
9	Net Generation (Enter Total of lines 3 through 8)	3,613,698			
10	Purchases	4,583,636			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	8,197,334			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM: Potomac Edison

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	782,703	95,314	3,049	9	800
30	February	725,346	71,503	2,681	10	800
31	March	770,633	109,998	2,752	15	900
32	April	542,890	78,379	1,992	7	2100
33	May	559,989	79,055	2,343	19	1700
34	June	634,905	86,871	2,580	13	1800
35	July	756,684	97,049	2,687	20	1800
36	August	664,388	95,645	2,666	22	1800
37	September	570,856	97,927	2,375	27	1800
38	October	580,670	90,596	2,229	9	1800
39	November	723,316	104,528	2,273	11	800
40	December	884,954	109,453	2,984	28	800
41	TOTAL	8,197,334	1,116,318			

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)		
6	Net Peak Demand on Plant - MW (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Continuous Plant Capability (Megawatts)		
9	When Not Limited by Condenser Water		
10	When Limited by Condenser Water		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipment Costs		
16	Asset Retirement Costs		
17	Total Cost	0	0
18	Cost per KW of Installed Capacity (line 17/5) Including	0	0
19	Production Expenses: Oper, Supv, & Engr		
20	Fuel		
21	Coolants and Water (Nuclear Plants Only)		
22	Steam Expenses		
23	Steam From Other Sources		
24	Steam Transferred (Cr)		
25	Electric Expenses		
26	Misc Steam (or Nuclear) Power Expenses		
27	Rents		
28	Allowances		
29	Maintenance Supervision and Engineering		
30	Maintenance of Structures		
31	Maintenance of Boiler (or reactor) Plant		
32	Maintenance of Electric Plant		
33	Maintenance of Misc Steam (or Nuclear) Plant		
34	Total Production Expenses		
35	Expenses per Net KWh		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)		
38	Quantity (Units) of Fuel Burned		
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)		
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year		
41	Average Cost of Fuel per Unit Burned		
42	Average Cost of Fuel Burned per Million BTU		
43	Average Cost of Fuel Burned per KWh Net Gen		
44	Average BTU per KWh Net Generation		

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
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Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)					
<p>1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)</p> <p>2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available specifying period.</p> <p>4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.</p>					
Line No.	Item (a)	FERC Licensed Project No. Plant Name: (b)	0	FERC Licensed Project No. Plant Name: (c)	0
1	Kind of Plant (Run-of-River or Storage)				
2	Plant Construction type (Conventional or Outdoor)				
3	Year Originally Constructed				
4	Year Last Unit was Installed				
5	Total installed cap (Gen name plate Rating in MW)		0.00		0.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)		0		0
7	Plant Hours Connect to Load		0		0
8	Net Plant Capability (in megawatts)				
9	(a) Under Most Favorable Oper Conditions		0		0
10	(b) Under the Most Adverse Oper Conditions		0		0
11	Average Number of Employees		0		0
12	Net Generation, Exclusive of Plant Use - Kwh		0		0
13	Cost of Plant				
14	Land and Land Rights		0		0
15	Structures and Improvements		0		0
16	Reservoirs, Dams, and Waterways		0		0
17	Equipment Costs		0		0
18	Roads, Railroads, and Bridges		0		0
19	Asset Retirement Costs		0		0
20	TOTAL cost (Total of 14 thru 19)		0		0
21	Cost per KW of Installed Capacity (line 20 / 5)		0.0000		0.0000
22	Production Expenses				
23	Operation Supervision and Engineering		0		0
24	Water for Power		0		0
25	Hydraulic Expenses		0		0
26	Electric Expenses		0		0
27	Misc Hydraulic Power Generation Expenses		0		0
28	Rents		0		0
29	Maintenance Supervision and Engineering		0		0
30	Maintenance of Structures		0		0
31	Maintenance of Reservoirs, Dams, and Waterways		0		0
32	Maintenance of Electric Plant		0		0
33	Maintenance of Misc Hydraulic Plant		0		0
34	Total Production Expenses (total 23 thru 33)		0		0
35	Expenses per net KWh		0.0000		0.0000

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
			8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
			13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0	0	0	18
0	0	0	19
0	0	0	20
0.0000	0.0000	0.0000	21
			22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.
3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.
4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

Line No.	Item (a)	FERC Licensed Project No. Plant Name: (b)
1	Type of Plant Construction (Conventional or Outdoor)	
2	Year Originally Constructed	
3	Year Last Unit was Installed	
4	Total installed cap (Gen name plate Rating in MW)	
5	Net Peak Demand on Plant-Megawatts (60 minutes)	
6	Plant Hours Connect to Load While Generating	
7	Net Plant Capability (in megawatts)	
8	Average Number of Employees	
9	Generation, Exclusive of Plant Use - Kwh	
10	Energy Used for Pumping	
11	Net Output for Load (line 9 - line 10) - Kwh	
12	Cost of Plant	
13	Land and Land Rights	
14	Structures and Improvements	
15	Reservoirs, Dams, and Waterways	
16	Water Wheels, Turbines, and Generators	
17	Accessory Electric Equipment	
18	Miscellaneous Powerplant Equipment	
19	Roads, Railroads, and Bridges	
20	Asset Retirement Costs	
21	Total cost (total 13 thru 20)	
22	Cost per KW of installed cap (line 21 / 4)	
23	Production Expenses	
24	Operation Supervision and Engineering	
25	Water for Power	
26	Pumped Storage Expenses	
27	Electric Expenses	
28	Misc Pumped Storage Power generation Expenses	
29	Rents	
30	Maintenance Supervision and Engineering	
31	Maintenance of Structures	
32	Maintenance of Reservoirs, Dams, and Waterways	
33	Maintenance of Electric Plant	
34	Maintenance of Misc Pumped Storage Plant	
35	Production Exp Before Pumping Exp (24 thru 34)	
36	Pumping Expenses	
37	Total Production Exp (total 35 and 36)	
38	Expenses per KWh (line 37 / 9)	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.
7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

FERC Licensed Project No. Plant Name: (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.
			1
			2
			3
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			38

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1						
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4						
5						
6						
7						
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46						

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
						2
						3
						4
						5
						6
						7
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						14
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						45
						46

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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Bedington	Doubs	500.00	500.00	TWR	32.18		1
2	Bismark	Doubs 583	500.00	500.00	TWR	2.86		1
3	Black Oak	Bedington	500.00	500.00	TWR	60.03		1
4	Doubs	Brighton	500.00	500.00	TWR	6.33		1
5	Doubs	Goose Creek	500.00	500.00	TWR	15.29		1
6	Front Royal	Meadow Brook	500.00	500.00	TWR	5.28		1
7	Greenland Gap	Meadow Brook	500.00	500.00	TWR	12.40		1
8	Hatfield	Black Oak	500.00	500.00	TWR	33.96		1
9	Total 500kv					168.33		8
10								
11	Aqueduct	Dickerson	230.00	230.00	TWR; SP	1.44		1
12	Aqueduct	Doubs	230.00	230.00	TWR	6.52	0.14	1
13	Carroll	Mount Airy	230.00	230.00	WPH; WP; SP	12.72		1
14	Damascus	Montgomery	230.00	230.00	SP; WPH; WP	4.97		1
15	Doubs	Dickerson	230.00	230.00	SP	0.24	7.76	1
16	Doubs	Lime Kiln 207	230.00	230.00	TWR; WP	3.35	3.35	1
17	Doubs	Lime Kiln 231	230.00	230.00	TWR; WPH;	6.71		1
18	Doubs	Monocacy	230.00	230.00	TWR; SP	24.88		1
19	Frederick A	Monocacy	230.00	230.00	SP	1.75		1
20	Frostown Jct	Boonsboro-Doubs-Ringgold	230.00	230.00	TWR; WPH;	16.77	14.48	1
21	Lime Kiln	McCain	230.00	230.00	SP; SPH; WP	4.21		1
22	Lime Kiln	Monocacy	230.00	230.00	SP; WP	4.03	2.64	1
23	Lime Kiln	Montgomery	230.00	230.00	WPH; WP	12.28		1
24	McCain	Frederick A	230.00	230.00	SP	0.47	5.10	1
25	Monocacy	Eaglehead	230.00	230.00	SP; WPH; WP	6.16	0.70	1
26	Monocacy	Ringgold	230.00	230.00	WPH	0.44	23.11	1
27	Mount Airy	Damascus	230.00	230.00	SP; WP	10.41		1
28	Mount Airy	New Market	230.00	230.00	WPH; WP;	3.79	2.09	1
29	New Market	Eaglehead	230.00	230.00	WPH; SP; WP	7.39	0.72	1
30	Total 230kv					128.53	60.09	19
31								
32	Albright	Cross School AFA	138.00	138.00	WPH; WP;	26.75		1
33	Albright	Garrett	138.00	138.00	WPH; WP	6.40		1
34	Albright	Kelso Gap	138.00	138.00	WPH; WP	10.66		1
35	Albright	William	138.00	138.00	WPH; WP	4.53		1
36					TOTAL	1,095.35	144.01	104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION LINE STATISTICS

- Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
- Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
- Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Antietam	East Hagerstown	138.00	138.00	SP; WPH;	9.94		1
2	Antietam	Reid	138.00	138.00	WPH; WP; SP;	4.01	2.75	1
3	Baker	Hardy	138.00	138.00	WPH; WP	14.38		1
4	Bartonville	Meadow Brook	138.00	138.00	SP; WP	6.04		1
5	Bartonville	Stephenson	138.00	138.00	SP	12.47	0.02	1
6	Bedington	Eagle	138.00	138.00	SP	4.02		1
7	Bedington	Marlowe BMA	138.00	138.00	WPH; WP;	9.36		1
8	Bedington	Marlowe BMR	138.00	138.00	TWR; WPH;	13.87	1.98	1
9	Bedington	Opequon	138.00	138.00	WPH; TWR;	8.44		1
10	Bedington	Reid	138.00	138.00	SP	16.76	3.65	1
11	Bedington	Shepherdstown	138.00	138.00	WPH; WP	2.26	6.40	1
12	Black Oak	Cross School	138.00	138.00	WPH; WP	8.59		1
13	Black Oak	Cumberland	138.00	138.00	WPH; TWR;	17.09		1
14	Carroll	Lehigh Portland Cement	138.00	138.00	WP	0.37		1
15	Catoctin	Carroll Cub	138.00	138.00	WP; WPH	12.68		1
16	Catoctin	Monocacy	138.00	138.00	WPH; SP; WP	16.14		1
17	Cherry Run	McConnellsburg	138.00	138.00	WPH; WP;	7.91	0.46	1
18	Double Toll Gate	Greenwood	138.00	138.00	WPH; WP; SP	7.84		1
19	Double Toll Gate	Millville	138.00	138.00	WPH; WP;	24.18		1
20	East Hagerstown	Ringgold	138.00	138.00	WPH; WP	3.13	4.48	1
21	Finzel	Hazleton	138.00	138.00	TWR; SP	25.22		1
22	Finzel	Ridgeley	138.00	138.00	TWR; SP	13.55	0.11	1
23	French's Mill	Hampshire	138.00	138.00	WPH; WP	8.95		1
24	Garrett	Ridgeley	138.00	138.00	WPH; WP	30.69	1.20	1
25	Germantown	Carroll	138.00	138.00	WPH; WP	16.17		1
26	Gore	Hampshire	138.00	138.00	WPH	6.42		1
27	Gore	Stonewall	138.00	138.00	WPH; WP	15.20		1
28	Greenwood	Redbud	138.00	138.00	WPH; WP	4.56	1.02	1
29	Halfway	Marlowe	138.00	138.00	SP	5.15	0.18	1
30	Halfway	Paramount No1	138.00	138.00	SP	0.50	6.20	1
31	Hampshire	Meadow Brook	138.00	138.00	WPH; WP;	19.47		1
32	Hampshire	Ridgeley	138.00	138.00	WPH; SPH;	29.76		1
33	Hardy	North Petersburg	138.00	138.00	WPH; WP	8.29		1
34	Harmony Jct	Bedington-Cherry Run-Marlow	138.00	138.00	SP; WPH	12.15	7.76	1
35	Inwood	Kearneysville	138.00	138.00	WPH; WP	11.58		1
36					TOTAL	1,095.35	144.01	104

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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Inwood	Stonewall	138.00	138.00	WPH; WP; SP	5.59	2.25	1
2	Junction	Black Oak	138.00	138.00	WPH; WP	18.67		1
3	Junction	French's Mill	138.00	138.00	WPH; WP	11.29		1
4	Junction	Hardy	138.00	138.00	WPH; WP	21.48		1
5	Kearneysville	Opequon	138.00	138.00	WPH; WP	2.43	2.62	1
6	Kelso Gap	Parr Run	138.00	138.00	TWR; WP;	10.91		1
7	Marlowe	Boonsboro	138.00	138.00	SP	12.20		1
8	Meadow Brook	Double Toll Gate MBG	138.00	138.00	SP	7.45		1
9	Meadow Brook	Double Toll Gate MDT	138.00	138.00	SP	0.07	7.39	1
10	Meadow Brook	Redbud	138.00	138.00	WPH; SP; WP	1.08	15.36	1
11	Meadow Brook	Riverton	138.00	138.00	SP; WP; WPH	0.98	7.35	1
12	Meadow Brook	Strasburg	138.00	138.00	WP; WPH;	7.86	1.50	1
13	Messick Road	Morgan	138.00	138.00	WPH; WP	28.56		1
14	Messick Road	Ridgeley	138.00	138.00	SP; WPH; WP	3.67	1.34	1
15	Millville	Doubs MVF	138.00	138.00	WP; WPH	15.33		1
16	Morgan	Cherry Run	138.00	138.00	WPH; WP	8.03		1
17	North Shenandoah	Page	138.00	138.00	WP; SP; WPH	23.01		1
18	Page	Sperryville	138.00	138.00	WP; SP	10.12	3.65	1
19	Paramount No1	Reid	138.00	138.00	SPH; SP	0.13	1.67	1
20	Parr Run	Junction	138.00	138.00	WPH; WP;	12.21	4.27	1
21	Reid	Guilford	138.00	138.00	WPH; WP	0.43		1
22	Reid	Ringgold	138.00	138.00	WPH; WP	7.43		1
23	Ridgeley	Cumberland	138.00	138.00	TWR	0.98		1
24	Ringgold	Catoctin	138.00	138.00	WPH; WP	9.74		1
25	Ringgold	West Waynesboro	138.00	138.00	WPH; WP	3.99		1
26	Riverton	Double Toll Gate	138.00	138.00	WPH; WP;	7.10		1
27	Riverton	Page	138.00	138.00	WPH; WP	26.74		1
28	Riverton	Viscose	138.00	138.00	WPH; WP	7.03	0.11	1
29	Seneca Caverns	North Petersburg	138.00	138.00	WP; WPH;	14.28		1
30	Shepherdstown	Sleepy Hollow	138.00	138.00	WPH; WP	7.48		1
31	Sleepy Hollow	Millville	138.00	138.00	WPH; WP	4.25		1
32	Stephenson	Stonewall	138.00	138.00	WPH; WP; SP	2.11		1
33	Stonewall	Millville	138.00	138.00	WPH; WP	16.21		1
34	Total 138kv					764.22	83.92	72
35								
36					TOTAL	1,095.35	144.01	104

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TRANSMISSION LINE STATISTICS

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- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
- Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	115 KV Lines		115.00	115.00		20.21		3
2	69KV Lines		69.00	69.00		14.06		2
3								
4	Operation and Maintenance							
5	Expense							
6								
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25								
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32								
33								
34								
35								
36					TOTAL	1,095.35	144.01	104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
2032 ACSR	670,984	5,485,571	6,155,655					1
1113 ACSS		14,070,094	14,070,094					2
2032 ACSR	989,579	9,324,089	10,313,768					3
2300 ACSR	321,301	1,281,443	1,602,744					4
2049.5 AAC	456,275	3,727,967	4,184,242					5
2032 ACSR		980,359	980,359					6
2032 ACSR	903,795	8,770,667	9,674,462					7
2032 ACSR	619,231	4,908,871	5,528,102					8
	3,960,365	48,549,061	52,509,426					9
								10
1622 ACSS	12,163	583,446	595,609					11
1622 ACSS	44,229	2,121,622	2,165,851					12
1272 ACSR	1,148,192	2,238,012	3,386,204					13
1272 ACSR	683,104	1,166,441	1,849,545					14
1622 ACSS	54,181	2,598,987	2,653,168					15
1272 ACSR	75,984	910,909	986,893					16
1272 ACSR	64,164	769,212	833,376					17
1272 ACSR	169,182	1,787,457	1,956,639					18
1272 ACSR	20,262	242,909	263,171					19
1272 ACSR	209,829	2,216,911	2,426,740					20
1272 ACSR	62,476	748,970	811,446					21
1272 ACSR	67,541	809,697	877,238					22
1272 ACSR	165,476	1,983,758	2,149,234					23
1272 ACSR	77,673	931,152	1,008,825					24
1272 ACSR	4,120,500	2,706,131	6,826,631					25
1272 ACSR	165,886	1,752,636	1,918,522					26
1272 ACSR	2,095,886	3,578,852	5,674,738					27
1272 ACSR	3,422,110	2,247,465	5,669,575					28
1272 ACSR	4,399,856	2,889,598	7,289,454					29
	17,058,694	32,284,165	49,342,859					30
								31
556.5 ACSR	89,530	2,185,123	2,274,653					32
556.5 ACSR	87,803	538,196	625,999					33
556.5 ACSR	61,816	775,974	837,790					34
556.5 ACSR	60,225	684,488	744,713					35
	46,508,366	233,408,225	279,916,611	404,342	6,162,279	43,590	6,610,211	36

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (j) and the pole miles of the other line(s) in column (g)
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9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954 ACSR	271,019	1,559,546	1,830,565					1
954 ACSR	191,972	1,104,678	1,296,650					2
954 ACSR	1,098,756	4,906,761	6,005,517					3
795 ACSS	514,425	2,252,331	2,766,756					4
(a)	933,315	4,086,372	5,019,687					5
954 ACSR	854,844	2,688,493	3,543,337					6
954 ACSR	211,036	1,193,234	1,404,270					7
954 ACSR	271,188	1,385,097	1,656,285					8
954 ACSR	272,648	1,209,463	1,482,111					9
954 ACSR	872,133	3,127,430	3,999,563					10
(a)	249,543	1,106,966	1,356,509					11
556.5 ACSR	21,769	490,366	512,135					12
954 ACSR	466,655	3,281,892	3,748,547					13
556.5 ACSR	11,037	144,114	155,151					14
336.4 ACSR	28,809	5,321,556	5,350,365					15
(b)	223,486	1,097,033	1,320,519					16
954 ACSR	608,157	2,035,143	2,643,300					17
(a)	117,101	1,703,844	1,820,945					18
(a)	48,533	8,961,466	9,009,999					19
954 ACSR	218,321	1,256,301	1,474,622					20
954 ACSR	122,715	3,307,483	3,430,198					21
954 ACSR	115,709	3,147,886	3,263,595					22
556.5 ACSR	54,880	498,320	553,200					23
556.5 ACSR	405,602	3,479,529	3,885,131					24
(a)	573,758	2,395,076	2,968,833					25
556.5 ACSR	36,494	384,634	421,128					26
556.5 ACSR	67,865	1,058,708	1,126,573					27
(a)	86,285	1,255,464	1,341,749					28
954 ACSR	237,572	765,827	1,003,399					29
954 ACSR	333,288	1,035,581	1,368,869					30
954 ACSR	74,925	2,652,871	2,727,796					31
336.4 ACSR	38,414	2,944,098	2,982,512					32
954 ACSR	225,832	1,248,706	1,474,538					33
(a)	633,099	2,808,415	3,441,514					34
(a)	388,178	1,721,948	2,110,126					35
	46,508,386	233,408,225	279,916,611	404,342	6,162,279	43,590	6,610,211	36

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954 ACSR	234,496	1,031,687	1,266,183					1
(a)	273,588	2,204,699	2,478,287					2
556.5 ACSR	61,076	554,582	615,658					3
556.5 ACSR	54,214	1,110,370	1,164,584					4
(a)	184,846	819,975	1,004,821					5
(a)	61,057	674,224	735,281					6
1272 ACSR	1,774,186	4,267,008	6,041,194					7
954 ACSR	695,103	1,337,255	2,032,358					8
954 ACSR	695,103	1,337,255	2,032,358					9
954 ACSR	1,352,204	5,920,413	7,272,617					10
954 ACSR	36,462	1,149,013	1,185,475					11
795 ACSR	96,973	767,524	864,497					12
556.5 ACSR	520,912	2,826,087	3,348,999					13
(a)	125,089	675,603	800,692					14
954 ACSR	73,102	1,019,379	1,092,481					15
556.5 ACSR	207,952	922,472	1,130,424					16
954 ACSR	1,899,956	4,035,993	5,935,949					17
954 ACSR	576,785	3,261,316	3,838,101					18
954 ACSR	108,681	337,689	446,370					19
(a)	101,793	924,303	1,026,096					20
954 ACSR	1,403	33,555	34,958					21
954 ACSR	85,300	418,715	504,015					22
336.4 ACSR	10,970	163,369	174,339					23
336.4 ACSR	134,774	661,570	796,344					24
556.5 ACSR	15,267	92,921	108,188					25
556.5 ACSR	5,013	7,390,742	7,395,755					26
336.4 ACSR	110,328	1,033,019	1,143,347					27
(c)	88,477	373,505	461,982					28
954 ACSR	1,322,324	2,306,011	3,628,335					29
556.5 ACSR	272,648	1,209,463	1,482,111					30
556.5 ACSS	143,256	635,481	778,737					31
556.5 ACSR	124,932	546,995	671,927					32
556.5 ACSR	98,543	989,020	1,087,563					33
	22,725,550	132,833,626	155,559,175					34
								35
	46,508,386	233,408,225	279,916,611	404,342	6,162,279	43,590	6,610,211	36

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
		2,502,479	2,502,479					1
	2,763,777	17,238,895	20,002,672					2
								3
				404,342	6,162,279	43,590	6,610,211	4
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	46,508,386	233,408,225	279,916,611	404,342	6,162,279	43,590	6,610,211	36

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FOOTNOTE DATA			

Schedule Page: 422 Line No.: 1 Column: e

TWR - Tower
 SP - Steel Pole
 SPH - 2-Pole Steel H-Frame
 WP - Wood Pole
 WPH - Wood H-Frame
 WPK - Wood K-Frame

Schedule Page: 422 Line No.: 1 Column: i

- (a) 954 ACSR; 556.5 ACSR
- (b) 336.4 ACSR; 954 ACSR
- (c) 556.5 ACSR; 336.4 ACSR

Schedule Page: 422 Line No.: 6 Column: f

Potomac Edison Company owns 61.54%. Virginia Electric and Power Company owns 38.46%.

Schedule Page: 422 Line No.: 7 Column: f

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TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under-ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	No New Lines for 2017						
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43							
44	TOTAL						

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TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).
 3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
									1
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SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Maryland				
2	Adamstown,Adamstown	Distribution - U	34.50	12.50	
3	Antietam,Hagerstown	Distribution - U	138.00	12.50	
4	Antietam,Hagerstown	Distribution - U	138.00	34.50	
5	Aqueduct,Dickerson	Distribution - U	230.00	34.50	
6	Ballenger Creek,Ballenger Creek	Distribution - U			
7	Beallsville,Beallsville	Distribution - U	34.50	12.50	
8	Bedford Road,Dickens	Distribution - U	34.50	12.50	
9	Black Oak,Danville	Transmission - U	500.00	138.00	
10	Black Oak,Danville	Transmission - U			
11	Black Oak,Danville	Transmission - U			
12	Boonsboro,Boonsboro	Distribution - U	34.50	12.50	
13	Boonsboro,Boonsboro	Distribution - U	138.00	34.50	
14	Boonsboro,Boonsboro	Distribution - U	230.00	138.00	
15	Braddock Heights,Braddock Heights	Distribution - U	34.50	12.50	
16	Brunswick,Brunswick	Distribution - U	34.50	12.50	
17	Carlos Junction,Woodland	Distribution - U	138.00	34.50	
18	Carroll,Union Bridge	Network	138.00	34.50	
19	Carroll,Union Bridge	Network	230.00	138.00	
20	Carroll,Union Bridge	Network	34.50	12.50	
21	Catoctin,Thurmont	Network	138.00	34.50	
22	Catoctin,Thurmont	Network	34.50	12.50	
23	Clear Spring,Big Spring	Distribution - U	34.50	12.50	
24	Corriganville,Corriganville	Distribution - U	34.50	12.50	
25	Coverwood,Carpendale	Distribution - U	34.50	12.50	
26	Cresaptown,Cresaptown	Distribution - U	34.50	12.50	
27	Cumberland,Cumberland	Distribution - U	138.00	34.50	
28	Cumberland,Cumberland	Distribution - U	34.50	12.50	
29	Damascus,Damascas	Distribution - U	230.00	12.50	
30	Damascus,Damascas	D-U	230.00	34.50	
31	Davis Mill,Clarksburg	Distribution - U	34.50	12.50	
32	Davis Mill,Clarksburg	Distribution - U	34.50	12.50	
33	Doubs,Addamstown	Transmission - U	138.00	138.00	
34	Doubs,Addamstown	Transmission - U	230.00	138.00	
35	Doubs,Addamstown	Transmission - U	500.00	230.00	
36	Eaglehead,Linganore-Bartonsville	Distribution - U	230.00	12.50	
37	East Hagerstown,Robinwood	Distribution - U	138.00	12.50	
38	Emmitsburg,Emmitsburg	Distribution - U	34.50	12.50	
39	Fairhill,Germantown	Distribution - U	34.50	12.50	
40	Flintstone,Flintstone	Distribution - U	34.50	12.50	

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2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Frederick A, Frederick	Distribution - U	230.00	34.50	
2	Frederick A, Frederick	Distribution - U	230.00	12.50	
3	Frederick B, Frederick	Distribution - U	34.50	4.00	
4	Frostburg No1, Frostburg	Distribution - U	138.00	12.50	
5	Garrett, McHenry	Transmission - U	138.00	34.50	
6	Garrett, McHenry	Transmission - U	138.00	12.50	
7	Garrett, McHenry	Transmission - U	34.50	12.50	
8	General Office, Hagerstown	Distribution - U	34.50	12.50	
9	Gorman, Gorman	Distribution - U	69.00	12.50	
10	Green Valley, Monrovia	Distribution - U	34.50	12.50	
11	Halfway, Halfway	Distribution - U	138.00	34.50	
12	Halfway, Halfway	Distribution - U	138.00	12.50	
13	Hancock, Hancock	Distribution - U	34.50	12.50	
14	Highfield,	Distribution - U	34.50	12.50	
15	Hoyes, McHenry	Distribution - U	34.50	12.50	
16	Huyetts, Halfway	Distribution - U	34.50	12.50	
17	Jefferson, Jefferson	Distribution - U	34.50	12.50	
18	Jennings, Jennings	Distribution - U	34.50	12.50	
19	Jennings, Jennings	Distribution - U	138.00	34.50	
20	Key Mall, Ballenger Creek	Distribution - U	34.50	12.50	
21	Lappans, St James	Distribution - U	34.50	12.50	
22	Lavale, La Vale	Distribution - U	34.50	12.50	
23	Legore, Woodsboro	Distribution - U	34.50	12.50	
24	Lime Kiln, Ballenger Creek	Distribution - U	230.00	12.50	
25	Lime Kiln, Ballenger Creek	Distribution - U	230.00	34.50	
26	Lonaconing, Detmold	Distribution - U	34.50	12.50	
27	Maple Avenue, Hagerstown	Distribution - U	34.50	12.50	
28	McCain, Frederick	Distribution - U	230.00	12.50	
29	McCain, Frederick	Distribution - U	230.00	34.50	
30	Messick Road, Cumberlin	Distribution - U	138.00	12.50	
31	Middletown - MD, Middletown	Distribution - U	34.50	12.50	
32	Monocacy, Frederick	Network	138.00	34.50	
33	Monocacy, Frederick	Network	230.00	12.50	
34	Monocacy, Frederick	Network	230.00	138.00	
35	Montgomery, Clarksburg	Distribution - U	230.00	12.50	
36	Montgomery, Clarksburg	Distribution - U			
37	Montgomery, Clarksburg	Distribution - U	230.00	34.50	
38	Mount Airy, Mt Airy	Network	230.00	12.50	
39	Mount Airy, Mt Airy	Network	230.00	34.50	
40	Mt. Lena, Mt. Lena	Distribution - U	34.50	12.50	

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SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
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			Primary (c)	Secondary (d)	Tertiary (e)
1	Mt. Zion,Swanton	Distribution - U	138.00	34.50	
2	Myersville,Myersville	Distribution - U	34.50	12.50	
3	New Market,New Market	Distribution - U	230.00	12.50	
4	New Market,New Market	Distribution - U	230.00	34.50	
5	Oak Park,Mountain Lake Park	Distribution - U	138.00	12.50	
6	Old Farm,Clover Hill	Distribution - U	230.00	12.50	
7	Paramount,Paramount-Long Meadow	Distribution - U	34.50	12.50	
8	Paramount #1,Paramount-Long Meadow	Distribution - U	138.00	12.50	
9	Petersville,Rosemont	Distribution - U	34.50	12.50	
10	Pittsburgh Plate Glass-Md.,Cumberland	Distribution - U	34.50	12.50	
11	Plaza,La Vale	Distribution - U	34.50	12.50	
12	Reid,Maugansville	Network	138.00	34.50	
13	Ridgeville,Mt Airy	Distribution - U	34.50	12.50	
14	Ringgold,Smithburg	Network	138.00	12.50	
15	Ringgold,Smithburg	Network	230.00	138.00	
16	Sharpsburg,Sharpsburg	Distribution - U	34.50	12.50	
17	Showalter,Fountain Head-Orchard Hills	Distribution - U	34.50	12.50	
18	South Frederick,Frederick	Distribution - U	34.50	12.50	
19	Taneytown No. 1,Taneytown	Transmission	138.00	12.50	
20	Taneytown No. 2,Taneytown	Distribution - U	34.50	12.50	
21	Thayerville,Oakland	Distribution - U	34.50	12.50	
22	Thomas Street,Cumberland	Distribution - U	34.50	12.50	
23	Unionville,Unionville	Distribution - U	34.50	12.50	
24	Urbana,Urbana	Distribution - U	34.50	12.50	
25	Walkersville,Walkersville	Distribution - U	138.00	12.50	
26	West Frederick,Frederick	Distribution - U	34.50	12.50	
27	Westport,Franklin	Distribution - U	34.50	12.50	
28	Williamsport,Williamsport	Distribution - U	34.50	12.50	
29	Williamsport,Williamsport	Distribution - U	34.50	4.36	
30	Yellow Springs,Clover Hill	Distribution - U	34.50	12.50	
31	Wilson - MD,Wilson-Conococheague	Distribution - U	34.50	12.50	
32			11304.00	2784.50	
33					
34					
35					
36					
37					
38	Virgina				
39	Double Toll Gate,White Post	Transmission - U			
40	Meadow brook,Vaucluse	Transmission - U	500.00	138.00	

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Meadow brook,Vaucluse	Transmission - U			
2	Riverton,Front Royal	Transmission - U			
3	Strasburg,Strasburg	Transmission - U			
4			500.00	138.00	
5					
6					
7					
8					
9					
10	West Virginia				
11	Baker,Baker	Distribution - U	34.50	12.50	
12	Baker,Baker	Distribution - U	138.00	34.50	
13	Bardane,Barbane	Distribution - U	34.50	12.50	
14	Bedington,Bedington	Transmission - U	500.00	138.00	
15	Bedington,Bedington	Transmission - U			
16	Bedington,Bedington	Transmission - U			
17	Berkeley Springs,Berkeley Springs	Distribution - U	34.50	12.50	
18	Bolivar,Bolivar	Distribution - U	34.50	12.50	
19	Capon Bridge,Capon Bridge	Distribution - U	34.50	12.50	
20	Charles Town,Charles Town	Distribution - U	34.50	12.50	
21	Cherry Run - Martinsburg,Martinsburg	Network	34.50	12.50	
22	Cherry Run - Martinsburg,Martinsburg	Network	138.00	34.50	
23	Eagle,Martinsburg	Distribution - U	138.00	12.50	
24	Eagle,Martinsburg	Distribution - U	138.00	34.50	
25	East Charles Town,Charles Town	Distribution - U	34.50	12.50	
26	Feagans Mills,Wheatland	Distribution - U	138.00	12.50	
27	Frenchs Mill,Augusta	Distribution - U	138.00	34.50	
28	Frenchs Mill,Augusta	Distribution - U	138.00	34.50	
29	General Motors,Martinsburg	Distribution - U	34.50	12.50	
30	Hardy,Moorefield	Distribution - U	138.00	34.50	
31	Hardy,Moorefield	Distribution - U	138.00	34.50	
32	Hardy,Moorefield	Distribution - U	138.00	12.50	
33	Inwood,Inwood	Distribution - U	138.00	12.50	
34	Inwood,Inwood	Distribution - U	138.00	34.50	
35	Junction,Junction	Network	34.50	12.50	
36	Junction,Junction	Network	138.00	34.50	
37	Kearneysville,Kearneysville	Distribution - U	138.00	12.50	
38	Kearneysville,Kearneysville	Distribution - U	138.00	34.50	
39	Keyser,Keyser	Distribution - U	34.50	12.50	
40	Maidstone,Falling Waters	Distribution - U	34.50	12.50	

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Marlowe, Falling Waters	Transmission - U	138.00	34.50	
2	Marlowe, Falling Waters	Transmission - U	138.00	34.50	
3	Martinsburg, Martinsburg	Distribution - U	34.50	12.50	
4	Martinsburg, Martinsburg	Distribution - U	34.50	4.36	
5	Middleway, Middleway	Distribution - U	34.50	12.50	
6	Millville, Keyes Ferry Acres	Transmission - U	34.50	12.50	
7	Millville, Keyes Ferry Acres	Transmission - U	138.00	34.50	
8	Moorefield, Taylor	Distribution - U	34.50	14.40	
9	Morgan, Berkeley Springs	Distribution - U	138.00	34.50	
10	Nipetown, Nipetown	Distribution - U	138.00	12.50	
11	Nipetown, Nipetown	Distribution - U	138.00	34.50	
12	North Martinsburg, Martinsburg	Distribution - U	34.50	12.50	
13	North Petersburg, Petersburg	Distribution - U	138.00	34.50	
14	Opequon, Martinsburg	Distribution - U	138.00	12.50	
15	Opequon, Martinsburg	Distribution - U	138.00	34.50	
16	Parr Run, Keyser	Distribution - U	138.00	12.50	
17	Parr Run, Keyser	Distribution - U	138.00	34.50	
18	Petersburg, Petersburg	Distribution - U	34.50	12.50	
19	Ridgeley, Carpendale	Transmission - U	138.00	34.50	
20	Ridgeley, Carpendale	Transmission - U	138.00	34.50	
21	Ridgeley, Carpendale	Transmission - U	34.50	12.50	
22	Ridgeley, Carpendale	Transmission - U			
23	Romney, Romney	Distribution - U	34.50	12.50	
24	Shephardstown, Shepherdstown	Distribution - U	138.00	12.50	
25	Short Gap No 1, Short Gap	Distribution - U	138.00	12.50	
26	Short Gap No. 1, Short Gap	Distribution - U	138.00	34.50	
27	Sleepy Hollow, Charles Town	Distribution - U	138.00	12.50	
28	Sleepy Hollow, Charles Town	Distribution - U	138.00	34.50	
29	South Martinsburg, Martinsburg	Distribution - U	34.50	12.50	
30	Spring Mills-SW, Hedgesville	Distribution - U	34.50	12.50	
31	Standard Lime/Cement Martin,	Distribution - U			
32	Tabler, Inwood	Distribution - U	34.50	12.50	
33	Wardensville, Wardensville	Distribution - U	34.50	12.50	
34	West Martinsburg, Martinsburg	Distribution - U	34.50	12.50	
35					
36					
37					
38					
39					
40					

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
11	1					2
56	2		Capacitor-34.5KV	1	12,000	3
179	2					4
39	1		Capacitor-34.5KV	1	12,000	5
			Capacitor-34.5kv	1	12,000	6
21	2					7
11	1		Capacitor-34.5KV	1	6,000	8
392	1		Capacitor-138KV	1	48,000	9
			Capacitor-500KV	1	216,000	10
			Capacitor-500KV	1	216,000	11
21	2			1	12,000	12
134	2					13
224	1	1				14
21	2					15
21	2					16
25	1					17
90	2		Capacitor-34.5KV	1	12,000	18
200	1		Capacitor-138KV	1	48,000	19
21	2					20
134	2		Capacitor-34.5KV	1	12,000	21
11	1					22
11	1					23
11	1					24
11	1					25
21	2					26
90	1		Capacitor-138KV	1	23,400	27
21	2					28
134	3					29
90	1					30
11	1		Capacitor-34.5KV	1	12,000	31
14	1		Capacitor-34.5KV	1	12,000	32
200	1		Capacitor-230KV	1	107,000	33
200	1	3	Capacitor-230KV	1	107,000	34
2	4	1	Capacitor-500KV	1	326,400	35
67	2					36
56	2					37
21	2					38
113	4					39
11	1					40

SUBSTATIONS (Continued)

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
90	1					1
90	2		Capacitor - 34.5kv	1	12,000	2
	2					3
67	2					4
39	1					5
34	1					6
11	1		Capacitor - 34.5kv	1	6,000	7
45	2					8
4	1	1				9
11	1		Capacitor-34.5KV	1	4,800	10
67	1					11
101	3					12
21	2		Capacitor-34.5KV	1	6,000	13
35	1					14
15	2					15
11	1					16
11	1					17
11	1					18
28	1					19
32	3					20
21	2					21
21	2					22
21	2					23
90	2	1	Capacitor-34.5KV	1	12,000	24
90	1					25
11	1					26
21	2		Capacitor-34.5KV	1	15,000	27
135	3		Capacitor-34.5KV	1	12,000	28
90	1					29
45	2					30
21	2					31
67	1		Capacitor-34.5KV	1	12,000	32
101	3		Capacitor-138KV	1	33,600	33
224	1					34
90	2		Capacitor-34.5 KV	1	12,000	35
			Capacitor-230KV	1	84,000	36
179	2		Capacitor-34.5KV	1	12,000	37
112	3		Capacitor-34.5KV	1	12,000	38
39	1		Capacitor-34.5KV	1	12,000	39
11	1					40

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

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Capacity of Substation (In Service) (In MVa) (l)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	
11	1					1
21	2					2
67	2					3
90	1					4
56	2					5
34	1					6
11	1					7
35	1					8
21	2					9
21	2					10
11	1					11
134	2		Capacitor-34.5KV	1	12,000	12
28	2					13
22	2		Capacitor-138KV	1	72,000	14
424	2					15
21	2					16
21	2					17
21	2					18
34	1					19
11	1		Capacitor-34.5KV	1	7,800	20
21	2					21
28	3					22
21	2					23
33	2		Capacitor-34.5KV	1	7,800	24
45	2					25
32	3					26
12	2		Capacitor-34.5KV	1	6,000	27
11	1					28
6	1					29
21	2					30
11	1					31
8	174	6		36	1,544,800	32
						33
						34
						35
						36
						37
						38
			Capacitor - 138kv	1	23,400	39
1050	3	1	Capacitor-138kv	1	48,000	40

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
			Capacitor-500kv	1	266,000	1
			Capacitor - 138kv	1	31,200	2
			Capacitor - 138kv	1	27,000	3
1	3	1		5	395,600	4
						5
						6
						7
						8
						9
						10
21	2					11
39	1		Capacitor - 34.5 KV	1	9,000	12
21	2					13
1	3		Capacitor-138KV	1	48,000	14
			Capacitor-500KV	1	216,000	15
			Capacitor-500KV	1	216,000	16
21	2		Capacitor-34.5KV	1	6,000	17
11	1					18
12	2					19
21	2		Capacitor-34.5KV	1	9,000	20
5	1					21
39	1					22
57	2					23
67	1					24
11	1					25
56	2					26
39	1		Capacitor-34.5KV	1	9,600	27
25	1					28
9	2					29
25	1		Capacitor- 34.5 KV	1	6,000	30
39	1		Capacitor-138kv	1	20,800	31
35	1					32
67	2					33
39	1					34
5	1					35
25	1		Capacitor-34.5KV	1	6,000	36
34	1			0		37
67	1		Capacitor- 34.5kv	1	12,000	38
14	2					39
21	2		Capacitor-34.5KV	1	6,000	40

SUBSTATIONS (Continued)

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Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
90	1		Capacitor-138KV	1	48,000	1
60	1					2
11	1					3
63	1					4
21	2		Capacitor-34.5KV	1	6,000	5
21	2		Capacitor-34.5kv	1	12,000	6
157	2		Capacitor-138kv	1	48,000	7
10	1					8
64	2					9
69	2					10
67	1					11
21	2					12
78	2		Capacitor-34.5KV	1	6,000	13
67	2		Capacitor-34.5KV	1	12,000	14
134	2		Capacitor-34.5KV	1	12,000	15
34	1		Capacitor-34.5kv	1	12,000	16
39	1					17
21	2					18
67	1		Capacitor-34.5KV	1	12,000	19
67	1					20
5	1		Capacitor- 34.5KV	1	12,000	21
			Capacitor - 138KV	1	20,400	22
15	2		Capacitor - 34.5kv	1	4,200	23
67	2					24
22	1					25
39	1					26
57	2					27
67	1					28
11	1					29
14	2					30
			Capacitor-34.5KV	1	9,000	31
21	2		Capacitor - 34.5	1	12,000	32
11	1					33
21	2		Capacitors-34.5KV	1	6,000	34
						35
						36
						37
						38
						39
						40

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Provide Chairman of the Board Support	FirstEnergy Service Company	Various	94
3	Provide Chief Executive Officer Support	FirstEnergy Service Company	Various	105,947
4	Provide President of FirstEnergy Utilities Support	FirstEnergy Service Company	Various	166,814
5	Provide Transmission & Distribution Support	FirstEnergy Service Company	Various	12,914,059
6	Provide Utility Operations Support	FirstEnergy Service Company	Various	57,097
7	Provide Compliance & Regulated Services Support	FirstEnergy Service Company	Various	809,439
8	Provide Customer Service Support	FirstEnergy Service Company	Various	4,745,062
9	Provide Energy Efficiency Support	FirstEnergy Service Company	Various	1,744,123
10	Provide Environmental Support	FirstEnergy Service Company	Various	181,544
11				
12	Provide Chief Financial Officer Support	FirstEnergy Service Company	Various	40,353
13	Provide Corporate Services &			
14	Chief Information Officer Support	FirstEnergy Service Company	Various	5,624,121
15	Provide Supply Chain Support	FirstEnergy Service Company	Various	182,364
16	Provide Accounting Support	FirstEnergy Service Company	Various	2,787,710
17	Provide Treasury Support	FirstEnergy Service Company	Various	143,738
18	Provide Business Development Support	FirstEnergy Service Company	Various	90,522
19	Provide Integrated System Planning Support	FirstEnergy Service Company	Various	62,632
20	Non-power Goods or Services Provided for Affiliate			
21	Interest Income - Regulated Money Pool	FirstEnergy Corp.	419	-346,340
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
1	Non-power Goods or Services Provided by Affiliated			
2	Provide Corporate Risk Support	FirstEnergy Service Company	Various	246,885

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
3	Provide Internal Audit Support	FirstEnergy Service Company	Various	171,230
4	Provide Legal Department Support	FirstEnergy Service Company	Various	1,348,747
5	Provide Rates & Regulatory Affairs Support	FirstEnergy Service Company	Various	1,193,438
6	Provide Corp Real Estate/Record Management Support	FirstEnergy Service Company	Various	846,525
7	Provide Corporate Affairs Support	FirstEnergy Service Company	Various	424,696
8	Provide External Affairs & Communication Support	FirstEnergy Service Company	Various	1,517,515
9	Provide Federal Affairs & Energy Policy Support	FirstEnergy Service Company	Various	147,932
10	Provide Local Affairs &			
11	Economic Development Support	FirstEnergy Service Company	Various	188,035
12	Provide State Affairs Support	FirstEnergy Service Company	Various	147,585
13	Provide Human Resources Support	FirstEnergy Service Company	Various	5,173,191
14	Provide Marketing & Branding Support	FirstEnergy Service Company	Various	350,282
15	Provide FE Generation Support	FirstEnergy Service Company	Various	47,712
16	Interest Expense - Carrying Charges on			
17	Service Company Assets	FirstEnergy Service Company	430	1,242,032
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21				
22				
23				
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39				
40				
41				
42				
1	Non-power Goods or Services Provided by Affiliated			
2	Rent - Monongahela Power Headquarter Facility	Trans-Allegheny Interstate Line Company	588	1,289,108
3	Rent - Greensburg Corporate Center	West Penn Power Company	588	889,790
4				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

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3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
5	Allocation Factors			
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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19				
20	Non-power Goods or Services Provided for Affiliate			
21				
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 2 Column: c

	Account		Amount
Provide Chairman of the Board Support	923	\$	94
Cost Allocation Factors Used - MA			

Schedule Page: 429 Line No.: 3 Column: c

	Account		Amount
Provide Chief Executive Officer Support	923	\$	105,947

Schedule Page: 429 Line No.: 4 Column: c

	Account		Amount
Provide President of FirstEnergy Utilities Support	923	\$	166,814
Cost Allocation Factors Used - MU			

Schedule Page: 429 Line No.: 5 Column: c

	Account		Amount
Provide Transmission & Distribution Support	560	\$	32,376
Cost Allocation Factors Used - Direct, MU, ST, TX	561		645,932
	561.5		68,895
	566		14,196
	568		379,773
	571		98,054
	581		2,457,080
	586		297,630
	588		3,197,538
	590		1,152,236
	905		457,715
	923		107,706
	107		3,682,453
	108		295,378
	185		4,680
	186		22,417
		\$	12,914,059

Schedule Page: 429 Line No.: 6 Column: c

	Account		Amount
Provide Utility Operations Support	588	\$	45,740
Cost Allocation Factors Used - Direct, MU	905		11,357
		\$	57,097

Schedule Page: 429 Line No.: 7 Column: c

	Account		Amount
Provide Compliance & Regulated Services Support	568	\$	577,388
Cost Allocation Factors Used - Direct, MT, MU, TX	923		197,772
	107		34,097
	108		182
		\$	809,439

Schedule Page: 429 Line No.: 8 Column: c

	Account		Amount
Provide Customer Service Support	902	\$	75,606
Cost Allocation Factors Used - Direct, CR, MU	903		1,410,882
	910		2,495,885
	923		602,782
	107		159,907
		\$	4,745,062

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 9 Column: c

	Account	Amount
Provide Energy Efficiency Support	903	\$ 173,271
Cost Allocation Factors Used - CR, MU	923	1,567,402
	107	3,450
		<u>\$ 1,744,123</u>

Schedule Page: 429 Line No.: 10 Column: c

	Account	Amount
Provide Environmental Support	570	\$ 359
Cost Allocation Factors Used - Direct, ENV, MT, MU	571	1,201
	592	510
	593	3,395
	923	135,102
	107	35,803
	108	4,254
	188	920
		<u>\$ 181,544</u>

Schedule Page: 429 Line No.: 12 Column: c

	Account	Amount
Provide Chief Financial Officer Support	923	\$ 40,353
Cost Allocation Factors Used - MA		

Schedule Page: 429 Line No.: 14 Column: c

	Account	Amount
Provide Corporate Services & Chief Information Officer Support	566	\$ 2
Cost Allocation Factors Used - Direct, CR, DW, GUS,	569.1	1,261
MA, MT, MU, NIS, NS	569.2	8,069
PV, SSC, TX, WS	569.3	14
	588	12
	598	57,966
	903	697,382
	923	3,873,917
	107	967,789
	108	17,631
	188	78
		<u>\$ 5,624,121</u>

Schedule Page: 429 Line No.: 15 Column: c

	Account	Amount
Provide Supply Chain Support	923	\$ 146,984
Cost Allocation Factors Used - Direct, MT, MU	107	34,716
	108	530
	186	134
		<u>\$ 182,364</u>

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 429 Line No.: 16 Column: c

	Account	Amount
Provide Accounting Support	416	\$ 5,409
Cost Allocation Factors Used - Direct, HC, MA, MT, MU, PE	426.5	141
	560	1,229
	561	31,754
	561.5	2,288
	566	237
	568	35,289
	571	5,045
	581	117,508
	586	12,867
	588	122,916
	590	48,527
	902	2,251
	903	83,599
	905	9,723
	910	91,749
	911	4,211
	923	2,178,991
	107	33,552
	108	444
		<u>\$ 2,787,710</u>

Schedule Page: 429 Line No.: 17 Column: c

	Account	Amount
Provide Treasury Support	923	\$ 143,705
Cost Allocation Factors Used - MA, MU, PE	107	33
		<u>\$ 143,738</u>

Schedule Page: 429 Line No.: 18 Column: c

	Account	Amount
Provide Business Development Support	923	\$ 90,522
Cost Allocation Factors Used -MA, MU		

Schedule Page: 429 Line No.: 19 Column: c

	Account	Amount
Provide Integrated System Planning Support	923	\$ 55,962
Cost Allocation Factors Used -MA	107	6,642
	106	28
		<u>\$ 62,632</u>

Schedule Page: 429.1 Line No.: 2 Column: c

	Account	Amount
Provide Corporate Risk Support	923	\$ 246,885
Cost Allocation Factors Used - MA, MT, MU		

Schedule Page: 429.1 Line No.: 3 Column: c

	Account	Amount
Provide Internal Audit Support	923	\$ 171,164
Cost Allocation Factors Used - Direct, MA, MU, TX	107	46
		<u>\$ 171,230</u>

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 429.1 Line No.: 4 Column: c

	Account	Amount
Provide Legal Department Support	921	\$ 876,463
Cost Allocation Factors Used - Direct, MA, MT, MU	923	636,774
	926	139
	107	26,762
	108	<u>8,609</u>
		\$ 1,348,747

Schedule Page: 429.1 Line No.: 5 Column: c

	Account	Amount
Provide Rates & Regulatory Affairs Support	923	\$ 1,190,698
Cost Allocation Factors Used - Direct, CR, MU	107	2,119
	108	<u>621</u>
		\$ 1,193,438

Schedule Page: 429.1 Line No.: 6 Column: c

	Account	Amount
Provide Corp Real Estate/Record Management Support	923	\$ 754,836
Cost Allocation Factors Used - Direct, MA, MT, MU, SF	107	90,347
	108	<u>1,542</u>
		\$ 846,525

Schedule Page: 429.1 Line No.: 7 Column: c

	Account	Amount
Provide Corporate Affairs Support	923	\$ 424,696
Cost Allocation Factors Used - MA, MT, MU		

Schedule Page: 429.1 Line No.: 8 Column: c

	Account	Amount
Provide External Affairs & Communication Support	923	\$ 1,517,166
Cost Allocation Factors Used - Direct, MA, MT, MU	107	289
	108	<u>60</u>
		\$ 1,517,515

Schedule Page: 429.1 Line No.: 9 Column: c

	Account	Amount
Provide Federal Affairs & Energy Policy Support	923	\$ 147,932
Cost Allocation Factors Used - MA, MU		

Schedule Page: 429.1 Line No.: 11 Column: c

	Account	Amount
Provide Local Affairs & Economic Development Support	923	\$ 188,035
Cost Allocation Factors Used - Direct, MT, MU, SH		

Schedule Page: 429.1 Line No.: 12 Column: c

	Account	Amount
Provide State Affairs Support	923	\$ 147,585
Cost Allocation Factors Used - Direct, MU		

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FOOTNOTE DATA			

Schedule Page: 429.1 Line No.: 13 Column: c

	Account		Amount
Provide Human Resources Support	416	\$	14,934
Cost Allocation Factors Used - Direct, HC, MA, MU	426.2		(155,903)
	431		175,366
	560		3,399
	561		84,360
	561.5		6,316
	566		552
	568		96,282
	571		13,762
	581		293,924
	586		29,343
	588		253,853
	590		127,688
	902		6,200
	903		229,672
	905		26,248
	910		240,155
	911		11,279
	923		2,573,438
	926		1,142,323
		\$	<u>5,173,191</u>

Schedule Page: 429.1 Line No.: 14 Column: c

	Account		Amount
Provide Marketing & Branding Support	416	\$	126,509
Cost Allocation Factors Used - CR, MA, MT, MU	911		223,773
		\$	<u>350,282</u>

Schedule Page: 429.1 Line No.: 15 Column: c

	Account		Amount
Provide FE Generation Support	923	\$	47,402
Cost Allocation Factors Used - Direct, MN, MT, MU	107		279
	108		31
		\$	<u>47,712</u>

Schedule Page: 429.1 Line No.: 17 Column: c

	Account		Amount
Inventory Carrying Charges	430	\$	1,242,032
Cost Allocation Factors Used - Direct			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

Schedule Page: 429.2 Line No.: 5 Column: a

Factor Abbreviations

MA	Multiple Factor – All
MN	Multiple Factor Non-Utility
MT	Multiple Factor Utility & Non-Utility
MU	Multiple Factor Utility
TX	Multiple Factor Utility - Transmission
CR	Customer Ratio
DW	Development Work
ENV	Environmental Factor
GS	Gigabytes SAP
GUS	Gigabytes Unix
HC	Head Count
IS	Inserting Service
NIS	Number of Intel Services
NS	Network Services
PE	Participating Employees
PV	Print Volume
SF	Square Footage
SH	Shopping Customers
SSC	Server Support Composite
ST	Stores Factor
WS	Workstation Support

'Direct' indicates that 100% of the costs assess to one legal entity

MA – Each Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs. The FirstEnergy Holding Co bears 5% of the product or service costs being allocated. The remaining 95% of the costs will be allocated between the Utility and Non-Utility Subsidiaries based on FirstEnergy's equity investment in the respective groups. A subsequent step then allocates among the Utility Subsidiaries based upon the "Multiple Factor - Utility" (MU) method and among the Non-Utility Subsidiaries based upon the "Multiple Factor - Non-Utility" (MN) method, both explained below.

MN – Each Non-Utility Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs based upon the total assets of each Non-Utility Subsidiary, including the generating assets under operating leases to the Utility Subsidiaries.

MT – The product or service costs being charged are allocated 100% between Utility and Non-Utility Subsidiaries in the same manner as MA above. Unlike MA, FirstEnergy Holding Co does not bear any of the allocation.

MU – Each Utility Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs based upon the sum of the weighted averages of (1) Gross transmission and/or distribution plant; (2) Operating and maintenance expense excluding purchase power and fuel costs; and (3) Transmission and/or distribution revenues, excluding transactions with affiliates. Each of the 3 components is weighted equally.

TX – Each Utility Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs based upon the sum of the weighted averages of (1) Gross transmission plant; (2) Operating and maintenance expense excluding purchase power and fuel costs; and (3) Transmission revenues, excluding transactions with affiliates. Each of the 3 components is weighted equally.

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220256

ORIGINAL

THE POTOMAC EDISON COMPANY
Energy Taxes and Property Taxes Paid
Maryland Annual Report to PSC

RECEIVED
 Public Service Commission

MAY -1 2018

ACCOUNTING INVESTIGATIONS
 DIVISION

FILED

MAY 01 2018

PUBLIC SERVICE COMM
 OF MARYLAND

Property Tax Paid in 2017	Tax Year 2017	Tax Year 2016
Locality	Amt Paid	Amt Paid
Allegany County	\$1,374,939	
Montgomery County	\$1,199,503	
City of Cumberland	\$411,660	
City of Frostburg	\$68,461	
Barton	\$0	
Brunswick	\$61,396	
Luke	\$4,370	
Carroll County	\$469,471	
New Windsor	\$2,118	
Union Bridge	\$18,110	
Frederick County	\$4,945,434	
City of Frederick	\$677,854	
Emmitsburg	\$8,066	
Myersville	\$19,251	
Thurmont	\$3,490	
Walkersville	\$10,974	
Corp of Woodsboro	\$480	
Garrett County	\$779,697	
Accident	\$0	\$1,135
Friendsville	\$4,129	
Grantsville	\$2,730	
Kitzmiller	\$0	\$2,155
Loch Lynn Heights	\$2,052	
Oakland	\$20,467	
Howard County	\$61,428	
Washington County	\$2,066,584	
Boonsboro	\$0	
Clear Spring	\$7,266	
Hagerstown	\$75,399	
Hancock	\$15,144	
Kedysville	\$4,107	
Sharpsburg	\$0	
Smithsburg	\$11,040	
Deer Park	\$4,643	
Mountain Lake Park	\$6,665	
Middletown	\$8,332	
Taneytown	\$31,251	
New Market	\$4,342	
Williamsport	\$0	
Mount Airy	\$11,320	\$11,360
Funkstown	\$20,920	
Total Property Tax Paid	\$12,413,090	\$14,650
Non-Op Local Property Tax Paid	Tax Year 2017	Tax Year 2016
Washington County	\$7,570	
Alleghany County		
Frederick County	\$17,490	
Montgomery County	\$61	
Kedysville	\$648	
Total Non-Op Property Tax Paid	\$25,768	\$0
Montgomery Co. Energy Tax Paid in 2017	Tax Year 2017	Tax Year 2016
2016 Paid monthly in 2017		\$815,088
2017 Paid monthly in 2017	\$8,535,027	
Total Energy Tax Paid	\$8,535,027	\$815,088

OATH

I, the undersigned, on my oath do say that this report was prepared from the original books, papers and records of The Potomac Edison Company and are a complete and correct statement of the business and affairs of the company to the best of my knowledge, information and belief.



Jason Petrik
Assistant Controller

I, Cathy L. Ray a notary public in and for the State of Ohio hereby certify that Jason Petrik signed the foregoing oath as Assistant Controller of The Potomac Edison Company and has acknowledged the same before me in my presence on the 25th day of April, 2018.



Cathy L. Ray
Notary Public, State of Ohio
My Commission Expires 06-29-2019