

Pepco
701 Ninth Street NW
Washington, DC 20068-0001
202.833.7500

pepco.com

- 225521

May 31, 2019

David J. Collins, Executive Secretary
Maryland Public Service Commission
William Donald Schaefer Tower, 16th Floor
6 St. Paul Street
Baltimore, Maryland 21202-6806

FILED
MAY 30 2019
PUBLIC SERVICE COMM
OF MARYLAND

Dear Sir:

Submitted herewith is Potomac Electric Power Company's ("Pepco") Annual Report to the Public Service Commission of Maryland for the year ended December 31, 2018 as compiled on FERC Form No. 1 pursuant to the Commission's instructions.

We respectfully submit the following reports:

- One (1) copy of the 2018 Pepco Form 1, Annual Report which is the same report as filed with Federal Energy Regulatory Commission (FERC).
- One (1) copy of the Addendum to 2018 Annual Report/Maryland Jurisdictional Electric Sales Statistics.
- One (1) copy of the report of Energy Taxes and Property Taxes paid in 2018 to each municipal, county and state agency in Maryland.
- One (1) copy of the Exelon First Quarter 2019 Form 10-Q (the most current corporate shareholder report).
- One (1) CD-ROM with a PDF version of the FERC Form No. 1 for the year ended December 31, 2018.
- Affidavit on cost allocations and transfer pricing of assets.

If you have any questions, please feel free to contact me at (779) 231-1264.

Sincerely,



Kevin Reeve, CPA
Manager, External Financial Reporting, Exelon
10 S. Dearborn, Chicago, IL 60603
Kevin.Reeve@exeloncorp.com

Enclosures

RECEIVED
Public Service Commission

MAY 30 2019

ACCOUNTING INVESTIGATIONS
DIVISION

Pepco
701 Ninth Street NW
Washington, DC 20068-0001
202.833.7500

pepco.com

May 31, 2019

To: David J. Collins, Executive Secretary
Maryland Public Service Commission

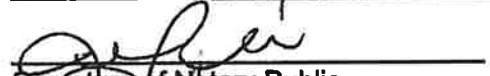
In accordance with section 6-205 of the Public Utilities Article, Annotated Code of Maryland, attached is the signed copy of the Pepco 2018 FERC Form 1 report.

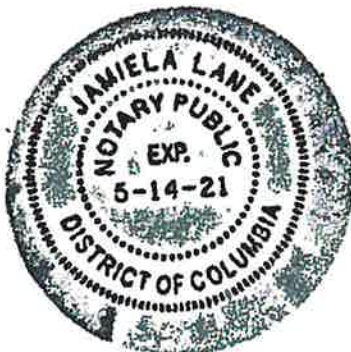


Signature of Officer
Of Reporting Utility

Subscribed and Sworn to Before Me This

29 Day May 2019



Signature of Notary Public
Authorized to Administer

District of Columbia: 88

Subscribed and sworn to before me, in my presence,
this 29 day of May, 2019



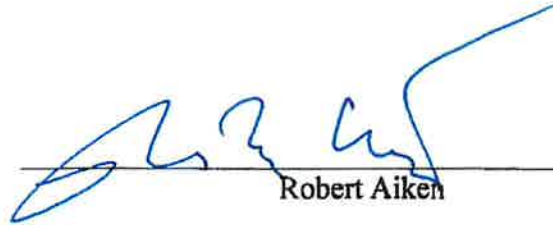
Jamila Lane, Notary Public, D.C.
My commission expires May 14, 2021.

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND**

**AFFIDAVIT OF
ROBERT AIKEN**

Robert Aiken, being duly sworn, states the following:

I, Robert Aiken, am the Vice President and Controller of Pepco Holdings LLC, a public utility holding company for Delmarva Power & Light Company (Delmarva) and Potomac Electric Power Company (Pepco). I hereby certify that the cost allocation contained in the Pepco Holdings LLC Cost Allocation Manual (CAM) and the transfer pricing of assets comply with the Commission's Affiliate Regulations contained in COMAR Subtitle 20.40.



Robert Aiken

City of Wilmington)
State of Delaware)

Subscribed and sworn to me this 31st day of May, 2019 in the City of Wilmington, Delaware.


Notary Public



My Commission expires 08/05/19

**POTOMAC ELECTRIC POWER COMPANY
MARYLAND PROPERTY & ENERGY TAXES PAID
12/31/2018**

Location	2018 Taxes Paid
Calvert County	298,957
Charles County	829,037
Howard County	412,028
Montgomery County	26,424,398
Prince George's County	23,502,051
St. Mary's County	15,619
MD Other Property	2,168,108
Total	53,650,198
<u>Fuel & Energy Taxes:</u>	
Prince George's County F&E Taxes	44,398,095
Montgomery County F&E Taxes	136,692,940
	181,091,035
Total (Property & Fuel)	234,741,233

Name of Respondent Pepco - Maryland		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
ELECTRIC OPERATING REVENUES (Account 400)				
1. 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. 2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total. 3. 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. 4. 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. 5. 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	755,630,929	689,810,790	
3	(442) Commercial and Industrial Sales			
4	Small (or Comm.) (See Instr. 4)	470,707,069	448,346,721	
5	Large (or Ind.) (See Instr. 4)	8,172,536	8,949,246	
6	(444) Public Street and Highway Lighting	11,938,085	12,207,055	
7	(445) Other Sales to Public Authorities			
8	(446) Sales to Railroads and Railways	7,270,689	7,570,694	
9	(448) Interdepartmental Sales			
10	TOTAL Sales to Ultimate Consumers	1,253,719,308	1,166,884,506	
11	(447) Sales for Resale			
12	TOTAL Sales of Electricity	1,253,719,308	1,166,884,506	
13	(Less) (449.1) Provision for Rate Refunds			
14	TOTAL Revenues Net of Prov. for Refunds	1,253,719,308	1,166,884,506	
15	Other Operating Revenues			
16	(450) Forfeited Discounts	4,686,662	4,211,541	
17	(451) Miscellaneous Service Revenues	968,758	1,224,062	
18	(453) Sales of Water and Water Power			
19	(454) Rent from Electric Property	14,414,164	13,197,313	
20	(455) Interdepartmental Rents			
21	(456) Other Electric Revenues	-900,760	58,242,194	
22	(456.1) Revenues from Transmission of Electricity of Others	8,940,960	9,673,185	
23	(457.1) Regional Control Service Revenues			
24	(457.2) Miscellaneous Revenues			
25				
26	TOTAL Other Operating Revenues	28,109,784	86,548,295	
27	TOTAL Electric Operating Revenues	1,281,829,092	1,253,432,801	

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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
5,843,526	5,439,039	525,580	520,204	2
				3
7,992,259	7,841,590	49,215	49,031	4
329,238	342,618	12	12	5
65,542	66,350	116	109	6
				7
251,655	252,686	2	2	8
				9
14,482,220	13,942,283	574,925	569,358	10
				11
14,482,220	13,942,283	574,925	569,358	12
				13
14,482,220	13,942,283	574,925	569,358	14

Line 12, column (b) includes \$ -3,113,968 of unbilled revenues.

Line 12, column (d) includes -82,678 MWH relating to unbilled revenues

Name of Respondent	This Report is: (1) _ An Original (2) _ A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Pepco - Maryland			2018/Q4
FOOTNOTE DATA			

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

Amounts over \$250,000:
Connect Charges \$661,430

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

Amounts over \$250,000:
Connect Charges \$874,020
MD AMI Opt Out \$294,867

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

Amounts over \$250,000:
Billed Stabilization Adjustment (\$18,855,832)
Calendar Revenue Normalization \$2,944,287
RPM Auction \$12,500,363

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

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Billed Stabilization Adjustment \$35,921,013
Calendar Revenue Normalization \$1,984,725
RPM Auction \$18,615,385

NOTE: \$18,615,385 of RPM auction has been reclassified from Line 11, Column c to Line 21, Column c to confirm to the current period presentation.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended March 31, 2019

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number	Name of Registrant; State or Other Jurisdiction of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
1-16169	EXELON CORPORATION (a Pennsylvania corporation) 10 South Dearborn Street P.O. Box 805379 Chicago, Illinois 60680-5379 (800) 483-3220	23-2990190
333-85496	EXELON GENERATION COMPANY, LLC (a Pennsylvania limited liability company) 300 Exelon Way Kennett Square, Pennsylvania 19348-2473 (610) 765-5959	23-3064219
1-1839	COMMONWEALTH EDISON COMPANY (an Illinois corporation) 440 South LaSalle Street Chicago, Illinois 60605-1028 (312) 394-4321	36-0938600
000-16844	PECO ENERGY COMPANY (a Pennsylvania corporation) P.O. Box 8699 2301 Market Street Philadelphia, Pennsylvania 19101-8699 (215) 841-4000	23-0970240
1-1910	BALTIMORE GAS AND ELECTRIC COMPANY (a Maryland corporation) 2 Center Plaza 110 West Fayette Street Baltimore, Maryland 21201-3708 (410) 234-5000	52-0280210
001-31403	PEPCO HOLDINGS LLC (a Delaware limited liability company) 701 Ninth Street, N.W. Washington, District of Columbia 20068 (202) 872-2000	52-2297449
001-01072	POTOMAC ELECTRIC POWER COMPANY (a District of Columbia and Virginia corporation) 701 Ninth Street, N.W. Washington, District of Columbia 20068 (202) 872-2000	53-0127880
001-01405	DELMARVA POWER & LIGHT COMPANY (a Delaware and Virginia corporation) 500 North Wakefield Drive Newark, Delaware 19702 (202) 872-2000	51-0084283
001-03559	ATLANTIC CITY ELECTRIC COMPANY (a New Jersey corporation) 500 North Wakefield Drive Newark, Delaware 19702 (202) 872-2000	21-0398280

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)



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)

Potomac Electric Power Company

Year/Period of Report

End of 2018/Q4

**POTOMAC ELECTRIC POWER COMPANY
MARYLAND PROPERTY & ENERGY TAXES PAID
12/31/2018**

Location	2018 Taxes Paid
Calvert County	298,957
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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)



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)

Potomac Electric Power Company

Year/Period of Report

End of 2018/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).

REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent Potomac Electric Power Company		02 Year/Period of Report End of <u>2018/Q4</u>
03 Previous Name and Date of Change <i>(if name changed during year)</i> / /		
04 Address of Principal Office at End of Period <i>(Street, City, State, Zip Code)</i> 701 Ninth Street, N.W., Washington, District of Columbia 20068		
05 Name of Contact Person Robert Aiken		06 Title of Contact Person Vice President & Controller
07 Address of Contact Person <i>(Street, City, State, Zip Code)</i> 630 Martin Luther King Blvd, Wilmington, Delaware 19801		
08 Telephone of Contact Person, <i>Including Area Code</i> (302) 429-3359	09 This Report Is (1) ☒ An Original (2) ☐ A Resubmission	10 Date of Report <i>(Mo, Da, Yr)</i> 04/02/2019

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 Phillip S. Barnett	03 Signature Phillip S. Barnett	04 Date Signed <i>(Mo, Da, Yr)</i> 04/02/2019
02 Title SVP, CFO & Treasurer		

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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)	
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	N/A
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	N/A
18	Electric Plant Held for Future Use	214	
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	
23	Allowances	228(ab)-229(ab)	
24	Extraordinary Property Losses	230	N/A
25	Unrecovered Plant and Regulatory Study Costs	230	N/A
26	Transmission Service and Generation Interconnection Study Costs	231	N/A
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	N/A
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	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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	269	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	N/A
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	N/A
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310-311	N/A
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	N/A
50	Transmission of Electricity by Others	332	N/A
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	N/A
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	N/A
61	Electric Energy Account	401	
62	Monthly Peaks and Output	401	
63	Steam Electric Generating Plant Statistics	402-403	N/A
64	Hydroelectric Generating Plant Statistics	406-407	N/A
65	Pumped Storage Generating Plant Statistics	408-409	N/A
66	Generating Plant Statistics Pages	410-411	N/A

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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	
69	Substations	426-427	
70	Transactions with Associated (Affiliated) Companies	429	
71	Footnote Data	450	
	Stockholders' Reports Check appropriate box: ☒ Two copies will be submitted ☐ No annual report to stockholders is prepared		

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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.

Phillip S. Barnett
Senior Vice President, Chief Financial Officer and Treasurer
701 Ninth Street, N.W.
Washington, District of Columbia 20068

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.

The respondent was incorporated on April 28, 1896, under the laws of the District of Columbia, and on December 31, 1949, also became a domestic corporation of the Commonwealth of Virginia. On February 20, 1957, the respondent was re-incorporated under the D.C. Business Corporation Act.

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.

The respondent was engaged in the transmission, distribution and sale of electricity in the Washington metropolitan area, including the District of Columbia and major portions of Montgomery and Prince George's Counties in Maryland.

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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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.

At December 31, 2018, Potomac Electric Power Company is controlled by Pepco Holdings LLC. Pepco Holdings LLC is controlled by PH Holdco LLC which is a special purpose subsidiary of Exelon Energy Delivery Company, LLC (EEDC), a wholly owned subsidiary of Exelon Corporation. For additional information, see the Exelon Corporation Form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 2018.

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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	POM Holdings, Inc	Wholly Owned non-regulated	100%	
2		Subsidiary as of 08/01/2002		
3		- inactive		
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Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
OFFICERS					
1. 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. 2. 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	President and Chief Executive Officer	Velazquez, David M.	591,425		
2	Sr. Vice President and Chief Operating Officer	Anthony, J. Tyler	400,000		
3	Sr. Vice President, Chief Financial Officer & Treasurer	Kinzel, Donna J.	333,684		
4	Sr. Vice President, Chief Financial Officer & Treasurer	Barnett, Phillip S.	384,566		
5	Sr. Vice President, Governmental & External Affairs	Lavinson, Melissa	375,000		
6	Sr. Vice President, Legal and Regulatory Strategy	Bonney, Paul R.	402,046		
7	Vice President and General Counsel	Stark, Wendy E.	303,016		
8	Sr. Vice President, Legal and Regulatory Strategy	Stark, Wendy E.	325,000		
9	and General Counsel				
10	Vice President, Regulatory Policy and Strategy	McGowan, Kevin M.	330,000		
11	Vice President and Controller	Aiken, Robert M.	302,575		
12	Corporate Secretary	Wilson, Bruce G.	426,348		
13	Corporate Secretary	O'Neill, Thomas	525,000		
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17					
18	Listed officers are employees of PHI Service Company				
19	or Exelon Business Services Company LLC; salary for				
20	year represents the executive's annual base salary				
21	as of December 31, 2018 and only a portion of their				
22	annual base salary is allocated to Pepco.				
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Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 3 Column: b

Effective July 6, 2018, Donna J. Kinzel resigned from the role of Sr. Vice President, Chief Financial Officer and Treasurer.

Schedule Page: 104 Line No.: 4 Column: b

Effective September 1, 2018, Phillip S. Barnett was elected to the role of Sr. Vice President, Chief Financial Officer and Treasurer.

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

Effective January 22, 2018, Melissa Lavinson was elected to the role of Sr. Vice President, Governmental & External Affairs.

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

Effective December 31, 2018, Paul R. Bonney resigned from the role of Sr. Vice President, Legal and Regulatory Strategy.

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

Effective November 26, 2018, Wendy E. Stark resigned from the role of Vice President and General Counsel.

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

Effective November 26, 2018, Wendy E. Stark was elected to the role of Sr. Vice President, Legal and Regulatory Strategy and General Counsel.

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

Effective January 2, 2018, Bruce Wilson resigned from the role of Corporate Secretary.

Schedule Page: 104 Line No.: 13 Column: b

Effective January 2, 2018, Thomas O'Neill was elected to the role of Corporate Secretary.

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
DIRECTORS					
1. 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.					
2. 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	Crane, Christopher M. **			10 South Dearborn Street, Chicago, Illinois 60603	
2	Chairman and Director				
3					
4	Pramaggiore, Anne R. ***			701 Ninth Street, N.W., Washington, D.C. 20068	
5	Vice Chairman and Director				
6					
7	Velazquez, David M.			701 Ninth Street, N.W., Washington, D.C. 20068	
8	Director				
9					
10	Anthony, J. Tyler			701 Ninth Street, N.W., Washington, D.C. 20068	
11	Director				
12					
13	Barnett, Phillip S.			701 Ninth Street, N.W., Washington, D.C. 20068	
14	Director				
15					
16	McGowan, Kevin M.			701 Ninth Street, N.W., Washington, D.C. 20068	
17	Director				
18					
19	Lavinson, Melissa			701 Ninth Street, N.W., Washington, D.C. 20068	
20	Director				
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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates?	☒ Yes ☐ No
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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
1	Attachment H-9A of PJM OATT	ER05-515
2	Attachment H-9A of PJM OATT	ER08-10, incentive filing
3	Attachment H-9A of PJM OATT	ER08-686, incentive filing
4	Attachment H-9A of PJM OATT	ER08-1423, incentive filing
5	Attachment H-9A of PJM OATT	ER13-607, incentive filing
6	Attachment H-9A of PJM OATT	EL13-48, ROE
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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)?	☒ Yes ☐ 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
1	20180515-5341	05/15/2018	ER09-1159	Informational Filing of Annual Formula	
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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report 04/02/2019	Year/Period of Report End of 2018/Q4
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. - 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. - 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. - 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. - 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. - 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. - 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. - Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. - State the estimated annual effect and nature of any important wage scale changes during the year. - 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. - 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. (Reserved.) - 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. - Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period. - 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	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

IMPORTANT CHANGES DURING THE QUARTER/YEAR

This information is for changes in the year ended December 31, 2018.

Item 1	- None
Item 2	- None
Item 3-5	- None
Item 6	- Refer to Note 7, "Debt and Credit Agreements" of the accompanying "Notes to Financial Statements" for a discussion of Pepco's debt. The authorizations for the issuances of long-term debt are District of Columbia Public Service Commission order number 19190 and Maryland Public Service Commission order number 88605.
Item 7-8	- None
Item 9	- Refer to Note 14, "Commitments and Contingencies" of the accompanying "Notes to Financial Statements" for a discussion of Pepco's legal proceedings
Item 10	- None
Item 11	- "Reserved"
Item 12	- "Not Applicable"
Item 13	- See changes below:
Item 14	- Pepco participates in a cash management program. As of December 31, 2018, Pepco's proprietary capital ratio is greater than 30 percent.

Response to Item 13 above:

<u>Name</u>	<u>Executive Officer Position</u>	<u>Action and Date</u>
Paul R. Bonney	SVP, Legal and Regulatory Strategy	RESIGN - 12/31/2018
Wendy E. Stark	SVP, Legal and Regulatory Strategy	ELECT - 11/26/2018
Wendy E. Stark	VP, Legal and Regulatory Strategy	RESIGN - 11/26/2018
Phillip Barnett	SVP, CFO and Treasurer	ELECT - 9/1/2018
Donna Kinzel	SVP, CFO and Treasurer	RESIGN - 7/6/2018
Bruce Wilson	Secretary	RESIGN - 1/2/2018
Thomas O'Neill	Secretary	ELECT - 1/2/2018
Melissa Lavinson	Director	ELECT - 1/29/2018
Melissa Lavinson	SVP, Governmental and External Affairs	ELECT - 1/22/2018

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Potomac Electric Power Company	(1) ☒ An Original (2) ☐ A Resubmission	04/02/2019	End of 2018/Q4

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	9,268,553,315	8,694,953,229
3	Construction Work in Progress (107)	200-201	536,086,383	473,253,360
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		9,804,639,698	9,168,206,589
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	3,215,151,863	3,045,064,879
6	Net Utility Plant (Enter Total of line 4 less 5)		6,589,487,835	6,123,141,710
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)		6,589,487,835	6,123,141,710
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		9,857,752	9,857,752
19	(Less) Accum. Prov. for Depr. and Amort. (122)		1,776,879	1,725,584
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	1,000	1,000
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)		105,409,648	102,501,553
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)		113,491,521	110,634,721
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		15,391,511	4,439,738
36	Special Deposits (132-134)		37,193,849	35,401,741
37	Working Fund (135)		0	669,393
38	Temporary Cash Investments (136)		413,130	117,378
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		149,261,080	137,402,262
41	Other Accounts Receivable (143)		78,675,057	86,994,386
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		21,094,039	21,492,349
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		1,235,563	9,575
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	93,057,002	86,892,925
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	61,000	65,000

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)		35,150,393	32,727,496
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		35,239	18,408
60	Rents Receivable (172)		870,589	886,696
61	Accrued Utility Revenues (173)		96,937,473	133,477,633
62	Miscellaneous Current and Accrued Assets (174)		2,567,176	500,000
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	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)		489,755,023	498,110,282
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		34,657,791	32,794,756
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	761,498,302	723,673,426
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
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)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	329,226,539	339,777,219
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		13,337,623	15,226,454
82	Accumulated Deferred Income Taxes (190)	234	345,344,375	374,211,987
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		1,484,064,630	1,485,683,842
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		8,676,799,009	8,217,570,555

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 110 Line No.: 2 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item previously netted Capital Leases of \$152,040,685 with its associated Accumulated Amortization of \$124,997,631. Capital Lease Accumulated Amortization is now reported in FERC Account 111.

Schedule Page: 110 Line No.: 5 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$124,997,631 of Capital Lease Accumulated Amortization previously reported in FERC Account 101.

Schedule Page: 110 Line No.: 24 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$57,148,204 from Rabbi Trusts previously reported in FERC account 128 and \$45,353,349 representing the Cash Surrender Value of Officer Life Insurance policies previously reported in FERC account 186.

Schedule Page: 110 Line No.: 41 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$55,981,203 related to Accounts Receivable balances associated with third party suppliers previously reported in FERC account 142.

Schedule Page: 110 Line No.: 78 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$2,327,707 related to Long Term Receivable balances previously reported in FERC account 142.

Name of Respondent Potomac Electric Power Company	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (mo, da, yr) 04/02/2019	Year/Period of Report end of 2018/Q4
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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	1	1
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)		8,100,464	8,100,464
7	Other Paid-In Capital (208-211)	253	1,627,018,589	1,461,093,589
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	1,102,787,507	1,062,501,787
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,646,367	1,646,367
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)	0	0
16	Total Proprietary Capital (lines 2 through 15)		2,739,552,928	2,533,342,208
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	2,734,500,000	2,534,500,000
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	2,378,971	8,452,327
22	Unamortized Premium on Long-Term Debt (225)		11,669,889	11,949,882
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		9,575,784	9,934,112
24	Total Long-Term Debt (lines 18 through 23)		2,738,973,076	2,544,968,097
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	13,926,419
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		53,328,855	56,562,707
29	Accumulated Provision for Pensions and Benefits (228.3)		33,645,666	42,842,334
30	Accumulated Miscellaneous Operating Provisions (228.4)		22,525,051	22,759,952
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)		37,191,606	3,485,135
35	Total Other Noncurrent Liabilities (lines 26 through 34)		146,691,178	139,576,547
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		39,997,000	25,998,267
38	Accounts Payable (232)		214,334,292	165,589,427
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		61,664,322	73,819,923
41	Customer Deposits (235)		53,924,242	53,726,754
42	Taxes Accrued (236)	262-263	44,907,614	58,519,994
43	Interest Accrued (237)		24,859,389	24,256,970
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

[illegible]

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 112 Line No.: 28 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$56,562,707 related to workers compensation and bodily injury accruals previously reported in FERC account 242.

Schedule Page: 112 Line No.: 29 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$42,842,334 related to Supplemental Executive Retirement Plans, Long-term Incentive Plans, Other Postemployment Benefits and deferred compensation plans of which \$38,894,653 was previously reported in FERC Account 242 and \$3,947,682 was previously reported in FERC Account 253.

Schedule Page: 112 Line No.: 30 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$22,759,952 related to accrued environmental liabilities previously reported in FERC account 253.

Schedule Page: 112 Line No.: 48 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$3,934,817 related to Supplemental Executive Retirement Plan previously reported in FERC account 186.

Schedule Page: 112 Line No.: 59 Column: d

Account was affected by policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item includes \$1,063,968 related to Third Party Supplier Deposits previously reported in FERC account 242.

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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	2,265,673,915	2,175,809,596			
3	Operating Expenses						
4	Operation Expenses (401)	320-323	1,151,173,461	998,459,749			
5	Maintenance Expenses (402)	320-323	112,931,515	108,006,687			
6	Depreciation Expense (403)	336-337	214,846,411	201,515,468			
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337					
8	Amort. & Depl. of Utility Plant (404-405)	336-337	2,587,492	1,007,765			
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)		57,921,375	102,828,440			
13	(Less) Regulatory Credits (407.4)						
14	Taxes Other Than Income Taxes (408.1)	262-263	377,729,680	369,884,559			
15	Income Taxes - Federal (409.1)	262-263	36,774,320	-20,476,996			
16	- Other (409.1)	262-263	1,373	-1,852,776			
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	154,592,773	365,597,574			
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	173,080,869	230,661,946			
19	Investment Tax Credit Adj. - Net (411.4)	266	-130,337	-167,520			
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)		1,935,347,194	1,894,141,004			
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		330,326,721	281,668,592			

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
STATEMENT OF INCOME FOR THE YEAR (Continued)							
9. Use page 122 for important notes regarding the statement of income for any account thereof. 10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases. 11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts. 12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122. 13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes. 14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports. 15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.							
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY			
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	Line No.	
						1	
2,265,673,915	2,175,809,596					2	
						3	
1,151,173,461	998,459,749					4	
112,931,515	108,006,687					5	
214,846,411	201,515,468					6	
						7	
2,587,492	1,007,765					8	
						9	
						10	
						11	
57,921,375	102,828,440					12	
						13	
377,729,680	369,884,559					14	
36,774,320	-20,476,996					15	
1,373	-1,852,776					16	
154,592,773	365,597,574					17	
173,080,869	230,661,946					18	
-130,337	-167,520					19	
						20	
						21	
						22	
						23	
						24	
1,935,347,194	1,894,141,004					25	
330,326,721	281,668,592					26	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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)		330,326,721	281,668,592			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)		2,709,761	8,147,818			
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		6,050,132	7,170,658			
33	Revenues From Nonutility Operations (417)		653,463	668,863			
34	(Less) Expenses of Nonutility Operations (417.1)		257,067	1,074,706			
35	Nonoperating Rental Income (418)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119					
37	Interest and Dividend Income (419)		1,625,348	1,352,421			
38	Allowance for Other Funds Used During Construction (419.1)		22,317,172	22,363,656			
39	Miscellaneous Nonoperating Income (421)		6,517,713	7,166,745			
40	Gain on Disposition of Property (421.1)			800,120			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		27,516,258	32,254,259			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)						
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		690,311	2,318,729			
46	Life Insurance (426.2)		-3,390,234	-2,685,605			
47	Penalties (426.3)		203,024	-194,112			
48	Exp. for Certain Civic, Political & Related Activities (426.4)		1,527,642	759,831			
49	Other Deductions (426.5)		23,763,333	-2,709,306			
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		22,794,076	-2,510,463			
51	Taxes Applic. to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263	2,070,587	1,709,250			
53	Income Taxes-Federal (409.2)	262-263	-8,347,053	-15,741,803			
54	Income Taxes-Other (409.2)	262-263		-3,777,592			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	7,392,580	22,211,945			
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	4,482,097	10,552,454			
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)		-3,365,983	-6,150,654			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		8,088,165	40,915,376			
61	Interest Charges						
62	Interest on Long-Term Debt (427)		132,110,944	126,223,831			
63	Amort. of Debt Disc. and Expense (428)		2,458,513	2,256,554			
64	Amortization of Loss on Reaquired Debt (428.1)		1,888,831	1,982,460			
65	(Less) Amort. of Premium on Debt-Credit (429)		279,993	235,243			
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)		-28,059	45,561			
68	Other Interest Expense (431)		4,386,873	-374,978			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		12,207,943	12,106,279			
70	Net Interest Charges (Total of lines 62 thru 69)		128,329,166	117,791,906			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		210,085,720	204,792,062			
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)		210,085,720	204,792,062			

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 114 Line No.: 2 Column: c

Line item includes \$5,309,524 related to services provided to affiliates as intercompany revenue previously reported in FERC account 401. This was a presentation change due to alignment of revenues with other Exelon companies.

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4 End of _____
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STATEMENT OF RETAINED EARNINGS

- Do not report Lines 49-53 on the quarterly version.
- Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
- 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)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- 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.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- 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.
- 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		1,062,501,787	989,909,726
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		210,085,720	204,792,062
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			-169,800,000	(132,200,001)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-169,800,000	(132,200,001)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,102,787,507	1,062,501,787
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	210,085,720	204,792,062
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	214,846,411	201,515,468
5	Amortization of regulatory debits/credits and limited plant	60,508,867	103,836,205
6	Depreciation - Unregulated Plant	51,295	60,779
7	Impairment losses on long-lived assets and regulatory assets	964,669	13,144,046
8	Deferred Income Taxes (Net)	-16,542,282	133,451,063
9	Investment Tax Credit Adjustment (Net)	-130,337	-167,516
10	Net (Increase) Decrease in Receivables	-11,102,399	33,356,143
11	Net (Increase) Decrease in Inventory	-6,164,077	-23,776,468
12	Net (Increase) Decrease in Allowances Inventory	4,000	47,500
13	Net Increase (Decrease) in Payables and Accrued Expenses	52,500,658	-91,167,433
14	Net (Increase) Decrease in Other Regulatory Assets	-62,888,189	-95,152,861
15	Net Increase (Decrease) in Other Regulatory Liabilities	32,644,430	-21,576,846
16	(Less) Allowance for Other Funds Used During Construction	22,317,172	20,588,892
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other Working Capital	-1,753,504	80,253
19	Other Operating	34,606,787	-52,723,292
20	Gain on Sale of Assets		-800,120
21	Net (Increase) Decrease in Interest & Taxes Accrued	-10,672,236	21,230,330
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	474,642,641	405,560,421
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-678,570,116	-648,054,693
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	-22,317,172	-20,588,892
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-656,252,944	-627,465,801
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		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43	Proceeds for sale of assets		987,397
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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					
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	Change in Restricted Cash	-1,792,108	-1,957,470		
54	Other Investing Activities	2,245,976	-1,490,655		
55					
56	Net Cash Provided by (Used in) Investing Activities				
57	Total of lines 34 thru 55)	-655,799,076	-629,926,529		
58					
59	Cash Flows from Financing Activities:				
60	Proceeds from Issuance of:				
61	Long-Term Debt (b)	200,000,000	201,584,116		
62	Preferred Stock				
63	Common Stock				
64	Other (provide details in footnote):				
65					
66	Net Increase in Short-Term Debt (c)	13,998,733	3,485,518		
67	Other (provide details in footnote):				
68	Capital contributions from Parent	165,925,000	161,000,000		
69					
70	Cash Provided by Outside Sources (Total 61 thru 69)	379,923,733	366,069,634		
71	Other Financing Activities		2,730,171		
72	Payments for Retirement of:				
73	Long-term Debt (b)	-696,731	-476,985		
74	Preferred Stock				
75	Common Stock				
76	Principal Portion of Capital Lease Payment	-13,116,635	-12,025,100		
77					
78	Net Decrease in Short-Term Debt (c)				
79	Cost of Issuance	-3,906,407	-4,344,998		
80	Dividends on Preferred Stock				
81	Dividends on Common Stock	-169,800,000	-132,200,001		
82	Net Cash Provided by (Used in) Financing Activities				
83	(Total of lines 70 thru 81)	192,403,960	219,752,721		
84					
85	Net Increase (Decrease) in Cash and Cash Equivalents				
86	(Total of lines 22,57 and 83)	11,247,525	-4,613,387		
87					
88	Cash and Cash Equivalents at Beginning of Period	4,557,116	9,170,503		
89					
90	Cash and Cash Equivalents at End of period	15,804,641	4,557,116		

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

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

Other Working Capital:		
	2018	2017
Working Funds	\$ 669,393	\$ (514,618)
Prepayments	(2,422,897)	594,871
	<u>\$ (1,753,504)</u>	<u>\$ 80,253</u>

Schedule Page: 120 Line No.: 19 Column: a

Other Operating Activities:		
	2018	2017
Capital Lease Amortization	\$ 13,116,635	\$ 12,025,100
Property Plant & Equipment write-offs	457,984	1,310,137
Contribution in Aide of Construction Gross Up	-	(5,331,974)
Depreciation expensed through clearing	1,583,656	-
(Increase) decrease in Cash Surrender Value of Officers Life Insurance	(3,596,431)	-
Supplemental Executive Retirement Plan (income) expense	(1,136,250)	2,786,270
Increase (decrease) in Accumulated Provision for Injuries and Damages	(3,233,852)	18,331,064
Increase (decrease) in Accumulated Provision for Pensions and Benefits	(8,631,180)	(10,764,459)
Increase (decrease) in Accumulated Miscellaneous Operating Provisions	(234,901)	45,753
Prepaid Pension Expense	10,809,103	21,960,601
Pension Contribution	(4,000,000)	(60,000,000)
Clearing Accounts	-	40,993
Miscellaneous Deferred Debits	14,474,232	(16,823,373)
Unamortized Discount (Premium) on Long-Term Debt	4,010,538	4,003,770
Vacation Accrual	-	(7,553,706)
Asset Retirement Obligations	22,016,266	(53,738)
Merger commitments	(169,693)	(5,582,651)
Customer Advances	(2,220,887)	(7,139,135)
Other Deferred Credits	(8,638,433)	22,056
	<u>\$ 34,606,787</u>	<u>\$ (52,723,292)</u>

Schedule Page: 120 Line No.: 19 Column: c

This line item was affected by balance sheet policy alignment between Exelon Corporation and Potomac Electric Power Company. Line item now includes \$7,566,605 of changes related to Accumulated Provision accounts (228.2, 228.3) that were previously reported on the line for "Net Increase (Decrease) in Payables and Accrued Expenses".

Schedule Page: 120 Line No.: 54 Column: a

Other Investing Activities:		
	2018	2017
Net Utility Plant	\$ 24,868	\$ 253,708
Net Nonutility plant	-	(187,277)
Special Funds - Supplemental Executive Retirement Plan	-	(242,061)
Increase in Cash Surrender Value of Officers Life Insurance equal to	-	(815,025)

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4												
Potomac Electric Power Company															
FOOTNOTE DATA															
<table> <tr> <td>Premiums Paid</td> <td></td> <td></td> </tr> <tr> <td>Purchases of Certificates of Deposits greater than 90 days</td> <td>(250,000)</td> <td>(500,000)</td> </tr> <tr> <td>Re-capitalized facility related depreciation</td> <td>2,471,108</td> <td>-</td> </tr> <tr> <td></td> <td><u>\$ 2,245,976</u></td> <td><u>\$ (1,490,655)</u></td> </tr> </table>				Premiums Paid			Purchases of Certificates of Deposits greater than 90 days	(250,000)	(500,000)	Re-capitalized facility related depreciation	2,471,108	-		<u>\$ 2,245,976</u>	<u>\$ (1,490,655)</u>
Premiums Paid															
Purchases of Certificates of Deposits greater than 90 days	(250,000)	(500,000)													
Re-capitalized facility related depreciation	2,471,108	-													
	<u>\$ 2,245,976</u>	<u>\$ (1,490,655)</u>													

Schedule Page: 120 Line No.: 71 Column: a

Other Financing Activities:		
	<u>2018</u>	<u>2017</u>
Loans Against Life Insurance Contracts	\$ -	\$ (1,333,829)
Premiums paid on Long-Term Debt	-	4,064,000
	<u>\$ -</u>	<u>\$ 2,730,171</u>

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report 04/02/2019	Year/Period of Report End of 2018/Q4
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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 116, 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	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

The notes presented herein were derived from the notes disclosed within the Annual Report of the Exelon Corporate (Exelon) on Form 10-K for the period ending December 31, 2018. The notes presented herein were modified to include information relevant to Pepco. All amounts presented within the footnotes are rounded in millions unless otherwise noted.

1. Significant Accounting Policies

Description of Business

Potomac Electric Power Company (Pepco) is engaged in the purchase and regulated retail sale of electricity and the provision of electric distribution and transmission services in the District of Columbia and major portions of Prince George's County and Montgomery County in Maryland.

Basis of Presentation

Pepco is an indirect, wholly owned, subsidiary of Exelon Corporation (Exelon).

Accounting policies for regulated operations are in accordance with those prescribed by the regulatory authorities having jurisdiction, principally the Federal Energy Regulatory Commission (FERC) under various federal laws. The accompanying financial statements have been prepared in accordance with the accounting requirements of the FERC as set forth in the Uniform System of Accounts (USOA) and accounting releases, which differ from accounting principles generally accepted in the United States (GAAP). The principal differences from GAAP include the exclusions of current maturities of long-term debt from current liabilities, the exclusion of debt issuance costs from long-term debt, the exclusion of restricted cash within cash and cash equivalents in the Statement of Cash Flows, the requirement to report deferred tax assets and liabilities separately rather than as a single amount, the classification of accrued taxes as assets and liabilities rather than a single amount, the exclusion of FIN 48 liabilities related to temporary income tax differences, and the classification of certain other assets and liabilities as current instead of noncurrent.

The accompanying financial statements as of December 31, 2018 and 2017 are audited, and in the opinion of the management of Pepco, include all adjustments that are considered necessary for a fair presentation of Pepco's financial statements in accordance with the Uniform System of Accounts (USOA). All adjustments are of a normal and recurring nature. The December 31, 2017 Balance Sheets were derived from audited financial statements. These notes should be read in conjunction with the Notes to Financial Statements of Pepco in the December 31, 2017 FERC Form No. 1 "Annual Report of Major Electric Utilities, Licensees and Others" (FERC Form No. 1).

Use of Estimates

The preparation of financial statements in conformity with USOA and GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Areas in which significant estimates have been made include, but are not limited to, the accounting for other asset retirement obligations (AROs), pension and other postretirement benefits, inventory reserves, allowance for uncollectible accounts, asset impairments, derivative instruments, fixed asset depreciation, environmental costs and other loss contingencies, taxes and unbilled energy revenues. Actual results could differ from those estimates.

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Accounting for the Effects of Regulation

For its regulated electric operations, Pepco reflects the effects of cost-based rate regulation in its financial statements, which is required for entities with regulated operations that meet the following criteria: (1) rates are established or approved by a third-party regulator; (2) rates are designed to recover the entities' cost of providing services or products; and (3) there is a reasonable expectation that rates designed to recover costs can be charged to and collected from customers. Pepco accounts for its regulated operations in accordance with regulatory and legislative guidance from the regulatory authorities having jurisdiction, principally the Maryland Public Service Commission (MDPSC) and the District of Columbia Public Service Commission (DCPSC), under state public utility laws and the FERC under various Federal laws. Regulatory assets and liabilities are amortized and the related expense or revenue is recognized in the Statement of Income consistent with the recovery or refund included in customer rates. Pepco's regulatory assets and liabilities as of the balance sheet date are probable of being recovered or settled in future rates. If a separable portion of Pepco's business was no longer able to meet the criteria discussed above, Pepco would be required to eliminate from its consolidated financial statements the effects of regulation for that portion, which could have a material impact on its financial statements. See Note 2 - Regulatory Matters for additional information.

Pepco treats the impacts of a final rate order received after the balance sheet date but prior to the issuance of the financial statements as a non-recognized subsequent event, as the receipt of a final rate order is a separate and distinct event that has future impacts on the parties affected by the order.

Revenues

Operating Revenues. Pepco's operating revenues generally consist of revenues from contracts with customers involving the sale and delivery of energy commodities and related products and services, utility revenues from alternative revenue programs (ARP), and realized and unrealized revenues recognized under mark-to-market energy commodity derivative contracts. Pepco recognizes revenue from contracts with customers to depict the transfer of goods or services to customers in an amount that the entities expect to be entitled to in exchange for those goods or services. Pepco's primary sources of revenue include regulated electric sales, distribution and transmission services. At the end of each month, Pepco accrues an estimate for the unbilled amount of energy delivered or services provided to customers.

Pepco records ARP revenue for its best estimate of the electric distribution revenue impacts resulting from future changes in rates that it believes are probable of approval by the MDPSC and DCPSC in accordance with its revenue decoupling mechanisms. Pepco records ARP revenue for its best estimate of the transmission revenue impacts resulting from future changes in rates that it believes are probable of approval by FERC in accordance with its formula rate mechanisms. See Note 2 - Regulatory Matters and Note 15 - Supplemental Financial Information for additional information.

Taxes Directly Imposed on Revenue-Producing Transactions. Pepco collects certain taxes from customers such as sales and gross receipts taxes, along with other taxes, surcharges and fees, that are levied by state or local governments on the sale or distribution of electricity. Some of these taxes are imposed on the customer, but paid by Pepco, while others are imposed on Pepco. Where these taxes are imposed on the customer, such as sales taxes, they are reported on a net basis with no impact to the Statement of Income. However, where these taxes are imposed on Pepco, such as gross receipts taxes or other surcharges or fees, they are reported on a gross basis. Accordingly, revenues are recognized for the taxes collected from customers along with an offsetting expense. See Note 15 - Supplemental Financial Information for Pepco's utility taxes that are presented on a gross basis.

Income Taxes

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Deferred Federal and state income taxes are recorded on significant temporary differences between the book and tax basis of assets and liabilities and for tax benefits carried forward. Investment tax credits have been deferred in Pepco's Balance Sheets and are recognized in book income over the life of the related property. Pepco accounts for uncertain income tax positions using a benefit recognition model with a two-step approach; a more-likely-than-not recognition criterion; and a measurement approach that measures the position as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. If it is not more-likely-than-not that the benefit of the tax position will be sustained on its technical merits, no benefit is recorded. Uncertain tax positions that relate only to timing of when an item is included on a tax return are considered to have met the recognition threshold. Pepco recognizes accrued interest related to unrecognized tax benefits in Interest expense or Other income and deductions (interest income) and recognize penalties related to unrecognized tax benefits in Other, net in its Statement of Income.

Pursuant to the IRC and relevant state taxing authorities, Exelon and its subsidiaries file consolidated or combined income tax returns for Federal and certain state jurisdictions where allowed or required. See Note 8 - Income Taxes for additional information.

Cash and Cash Equivalents

Pepco considers investments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents represent funds that are restricted to satisfy designated current liabilities. As of December 31, 2018, and 2017, Pepco's restricted cash and cash equivalents primarily represented funds restricted for the payment of merger commitments and collateral held from energy suppliers.

Restricted cash and cash equivalents not available to satisfy current liabilities are classified as noncurrent assets.

Allowance for Uncollectible Accounts

The allowance for uncollectible accounts reflects Pepco's best estimates of losses on the customers' accounts receivable balances. Pepco estimates the allowance by applying loss rates developed specifically for Pepco to the outstanding receivable balance by customer risk segment. Pepco's customer accounts are written off consistent with approved regulatory requirements.

Inventories

Inventory is recorded at the lower of weighted average cost or net realizable value. Provisions are recorded for excess and obsolete inventory. Materials and supplies are generally included in inventory when purchased. Materials and supplies generally includes transmission, distribution and generating plant materials and are expensed to operating and maintenance or capitalized to property, plant and equipment, as appropriate, when installed or used.

Property, Plant and Equipment

Property, plant and equipment is recorded at original cost. Original cost includes construction-related direct labor and material costs. Pepco also includes indirect construction costs including labor and related costs of departments associated with supporting construction activities. When appropriate, original cost also includes Allowance for Funds Used During Construction (AFUDC) for regulated property. The cost of repairs and maintenance, including planned major maintenance activities and minor replacements of

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property, is charged to Operating and maintenance expense as incurred.

Third parties reimburse Pepco for all or a portion of expenditures for certain capital projects. Such contributions in aid of construction costs (CIAC) are recorded as a reduction to Property, plant and equipment, net. DOE SGIG and other funds reimbursed to Pepco have been accounted for as CIAC.

For Pepco, upon retirement, the cost of property, net of salvage, is charged to accumulated depreciation consistent with the composite and group methods of depreciation. Depreciation expense at Pepco includes the estimated cost of dismantling and removing plant from service upon retirement. Actual incurred removal costs are applied against a related regulatory liability or recorded to a regulatory asset if in excess of previously collected removal costs.

Capitalized Software Costs. Certain costs, such as design, coding, and testing incurred during the application development stage of software projects that are internally developed or purchased for operational use are capitalized within Property, plant and equipment. Such capitalized amounts are amortized ratably over the expected lives of the projects when they become operational, generally not to exceed five years. Certain other capitalized software costs are being amortized over longer lives based on the expected life or pursuant to prescribed regulatory requirements.

AFUDC. AFUDC is the cost, during the period of construction, of debt and equity funds used to finance construction projects for regulated operations. AFUDC is recorded to construction work in progress and as a non-cash credit to an allowance that is included in interest expense for debt-related funds and other income and deductions for equity-related funds. The rates used for capitalizing AFUDC are computed under a method prescribed by regulatory authorities.

See Note 4 - Property, Plant and Equipment and Note 15 - Supplemental Financial Information for additional information regarding property, plant and equipment.

Depreciation and Amortization

Depreciation is generally recorded over the estimated service lives of property, plant and equipment on a straight-line basis using the group, composite or unitary methods of depreciation. The group approach is typically for groups of similar assets that have approximately the same useful lives and the composite approach is used for dissimilar assets that have different lives. Under both methods, a reporting entity depreciates the assets over the average life of the assets in the group. Pepco's depreciation expense includes the estimated cost of dismantling and removing plant from service upon retirement, which is consistent with its regulatory recovery method. The estimated service lives for Pepco are based on a combination of depreciation studies, historical retirements, site licenses and management estimates of operating costs and expected future energy market conditions.

See Note 4 - Property, Plant and Equipment for further information regarding depreciation.

Amortization of regulatory assets and liabilities are recorded over the recovery or refund period specified in the related legislation or regulatory order or agreement. When the recovery or refund period is less than one year, amortization is recorded to the line item in which the deferred cost or income would have originally been recorded in Pepco's Statement of Income. Amortization of Pepco's transmission formula rate regulatory assets is recorded to Operating revenues

Amortization of income tax related regulatory assets and liabilities is generally recorded to Income tax expense. With the exception of the regulatory assets and liabilities discussed above, when the recovery period is more than one year, the amortization is generally recorded to Depreciation and amortization in Pepco's Statements of Income.

See Note 2 - Regulatory Matters and Note 15 - Supplemental Financial Information for additional information regarding the

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amortization of Pepco's regulatory assets.

Asset Retirement Obligations

AROs are accreted throughout each year to reflect the time value of money for these present value obligations through a charge to Operating and maintenance expense in the Statement of Income or, in the case of Pepco's accretion, through an increase to regulatory assets. See Note 9 - Asset Retirement Obligations for additional information.

Guarantees

Pepco recognizes, at the inception of a guarantee, a liability for the fair market value of the obligations they have undertaken by issuing the guarantee, including the ongoing obligation to perform over the term of the guarantee in the event that the specified triggering events or conditions occur.

The liability that is initially recognized at the inception of the guarantee is reduced as Pepco is released from risk under the guarantee. Depending on the nature of the guarantee, the release from risk of Pepco may be recognized only upon the expiration or settlement of the guarantee or by a systematic and rational amortization method over the term of the guarantee. See Note 14 - Commitments and Contingencies for additional information.

Asset Impairments

Long-Lived Assets. Pepco evaluates the carrying value of its long-lived assets or asset groups, excluding goodwill, when circumstances indicate the carrying value of those assets may not be recoverable. Indicators of impairment may include a deteriorating business climate, including, but not limited to, declines in energy prices, condition of the asset, specific regulatory disallowance, or plans to dispose of a long-lived asset significantly before the end of its useful life. Pepco determines if long-lived assets and asset groups are impaired by comparing the undiscounted expected future cash flows to the carrying value. When the undiscounted cash flow analysis indicates a long-lived asset or asset group is not recoverable, the amount of the impairment loss is determined by measuring the excess of the carrying amount of the long-lived asset or asset group over its fair value.

Derivative Financial Instruments

All derivatives are recognized on the balance sheet at their fair value unless they qualify for certain exceptions, including the normal purchases and normal sales exception. Changes in fair value may be recorded as a regulatory asset or liability if there is an ability to recover or return the associated costs. Cash inflows and outflows related to derivative instruments are included as a component of operating, investing or financing cash flows in the Statement of Cash Flows, depending on the nature of each transaction.

Normal purchases and normal sales are contracts where physical delivery is probable, quantities are expected to be used or sold in the normal course of business over a reasonable period of time and will not be financially settled. Revenues and expenses on derivative contracts that qualify, and are designated, as normal purchases and normal sales are recognized when the underlying physical transaction is completed. While these contracts are considered derivative financial instruments, they are not required to be recorded at fair value, but rather are recorded on an accrual basis of accounting. See Note 6 - Derivative Financial Instruments for further information.

Retirement Benefits

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Pepco participates in Exelon's defined benefit pension plans and other postretirement benefit plans.

The measurement of the plan obligations and costs of providing benefits under these plans involve various factors, assumptions, and accounting elections. The impact of assumption changes or experience different from that assumed on pension and other postretirement benefit obligations is recognized over time rather than immediately recognized in the Statement of Income. Gains or losses in excess of the greater of ten percent of the projected benefit obligation or the MRV of plan assets are amortized over the expected average remaining service period of plan participants. See Note 10 - Retirement Benefits for additional information.

New Accounting Pronouncements

New Accounting Standards Adopted in 2018

In 2018, Pepco adopted the following new authoritative accounting guidance issued by the FASB.

Defined Benefit Plan Disclosures (Issued August 2018). Eliminates existing disclosure requirements related to amounts in Accumulated other comprehensive income expected to be recognized in Net periodic benefit cost over the next year and the effects of a one-percentage-point change in the assumed health care cost trend rates. In addition, new disclosures were added such as the weighted-average interest crediting rates for cash balance plans and an explanation for the reasons for significant gains and losses related to changes in the benefit obligation. The standard is effective January 1, 2021, with early adoption permitted, and must be applied retrospectively. Exelon early adopted this standard in the fourth quarter of 2018.

Fair Value Measurement Disclosures (Issued August 2018). Updates the disclosure requirements for fair value measurements to improve the usefulness of information for financial statement users. The guidance removes the requirements to disclose (1) the amount of and reasons for transfers between Level 1 and Level 2, (2) the policy for timing of transfers between levels, and (3) the valuation processes for Level 3 fair value measurements and adds a requirement to disclose the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The standard is effective January 1, 2020, with early adoption permitted. The amendments to remove disclosures must be applied retrospectively and can be early adopted, while the amendments to add disclosures must be applied prospectively and adoption can be delayed until the effective date. Pepco early adopted, in the fourth quarter of 2018, the amendments to remove disclosures and will adopt the amendments to add disclosures in the first quarter of 2020. The impact of the new disclosures is not expected to be material to Pepco's financial statements. See 5 - Fair Value of Financial Assets and Liabilities for additional information.

Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (Issued March 2017). Changes the accounting and presentation of pension and OPEB costs at the plan sponsor (i.e., Exelon) level. The guidance requires plan sponsors to report the service cost and other non-service cost components of net periodic pension cost and net periodic OPEB cost (together, net benefit cost) separately. Under the new guidance, service cost is presented as part of income from operations and the other non-service cost components are classified outside of income from operations in the Statement of Income. Additionally, service cost is the only component eligible for capitalization on a prospective basis beginning on January 1, 2018. Under prior GAAP, the total amount of net benefit cost was recorded as part of income from operations and all components were eligible for capitalization.

Pepco participates in Exelon's single employer pension and OPEB plans and apply multi-employer accounting. Multi-employer accounting was not impacted by this standard; therefore, Exelon's subsidiary financial statements did not change upon its adoption.

Statement of Cash Flows: Classification of Restricted Cash (Issued November 2016). The standard states that amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the

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beginning-of-period and end-of-period total amounts shown on the statement of cash flows (instead of being presented as cash flow activities). The guidance was not adopted for FERC reporting purposes and results in no change to the Statement of Cash Flows.

Recognition and Measurement of Financial Assets and Financial Liabilities (Issued January 2016). Eliminates the available-for-sale and cost method classification for equity securities and requires that all equity investments (other than those accounted for using the equity method of accounting) be measured and recorded at fair value with any changes in fair value recorded through earnings and, for equity investments without a readily determinable fair value, provides a measurement alternative of cost less impairment plus or minus adjustments for observable price changes in identical or similar assets. In addition, equity investments without readily determinable fair values must be qualitatively assessed for impairment each reporting period and fair value determined if any significant impairment indicators exist. If fair value is less than carrying value, the impairment is recorded through net income immediately in the period in which it is identified. The guidance does not impact the classification or measurement of investments in debt securities. The guidance also amends several disclosure requirements, including requiring i) financial assets and financial liabilities to be presented separately in the balance sheet or note, grouped by measurement category and form, ii) disclosure of the methods and significant assumptions used to estimate fair value or a description of the changes in the methods and assumptions used to estimate fair value, and iii) for financial assets and liabilities measured at amortized cost, disclosure of the fair value of the amount that would be received to sell the asset or paid to transfer the liability. The guidance was applied using a modified retrospective transition approach with a cumulative effect adjustment to retained earnings for initial application of the guidance at the date of adoption. Pepco recorded an insignificant adjustment to opening retained earnings as of January 1, 2018 related to unrealized gains/losses on available for sale equity securities.

Revenue from Contracts with Customers (Issued May 2014 and subsequently amended to address implementation questions). Changes the criteria for recognizing revenue from a contract with a customer. The new standard replaces existing guidance on revenue recognition, including most industry specific guidance, with a five-step model for recognizing and measuring revenue from contracts with customers. The objective of the new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance also requires a number of disclosures regarding the nature, amount, timing, and uncertainty of revenue and the related cash flows. The guidance can be applied retrospectively to each prior reporting period presented (full retrospective method) or retrospectively with a cumulative effect adjustment to retained earnings for initial application of the guidance at the date of initial adoption (modified retrospective method). The guidance was not adopted for FERC reporting purposes and results in no change to the Statement of Income.

New Accounting Standards Adopted as of January 1, 2019

The following new authoritative accounting guidance issued by the FASB was adopted as of January 1, 2019 and will be reflected by Pepco in its consolidated financial statements beginning in the first quarter of 2019.

Cloud Computing Arrangements (Issued August 2018). Aligns the requirements for capitalizing costs incurred to implement a cloud computing arrangement with the internal-use software guidance. As a result, certain implementation costs incurred in a cloud computing arrangement that are currently expensed as incurred will be deferred and amortized over the non-cancellable term of the arrangement plus any reasonably certain renewal periods. The standard is effective January 1, 2020, with early adoption permitted, and can be applied using either a prospective or retrospective transition approach. A retrospective approach requires a cumulative-effect adjustment to retained earnings as of the beginning of the period of adoption. Pepco early adopted this standard using a prospective approach as of January 1, 2019. The new guidance is not expected to have a material impact on Pepco's financial statements.

Leases (Issued February 2016). Increases transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Pepco adopted the standard on

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The new standard requires lessees to recognize both the right-of-use assets and lease liabilities in the balance sheet for most leases, whereas under previous GAAP only finance lease liabilities (referred to as capital leases) were recognized in the balance sheet. In addition, the definition of a lease has been revised which may result in changes to the classification of an arrangement as a lease. Under the new standard, an arrangement that conveys the right to control the use of an identified asset by obtaining substantially all of its economic benefits and directing how it is used is a lease, whereas the previous definition focuses on the ability to control the use of the asset or to obtain its output. Quantitative and qualitative disclosures related to the amount, timing and judgments of an entity's accounting for leases and the related cash flows are expanded. Disclosure requirements apply to both lessees and lessors, whereas previous disclosures related only to lessees. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. Lessor accounting is also largely unchanged. The guidance was not adopted for FERC reporting purposes and will result in no change to the Balance Sheet in 2019.

New Accounting Standards Issued and Not Yet Adopted as of December 31, 2018

The following new authoritative accounting guidance issued by the FASB has not yet been adopted and reflected by Pepco in its financial statements as of December 31, 2018. Unless otherwise indicated, Pepco is currently assessing the impacts such guidance may have (which could be material) in its Balance Sheet, Statement of Income, Statement of Cash Flows and disclosures, as well as the potential to early adopt where applicable. Pepco has assessed other FASB issuances of new standards which are not listed below given the current expectation that such standards will not significantly impact Pepco's financial reporting.

Goodwill Impairment (Issued January 2017). Simplifies the accounting for goodwill impairment by removing Step 2 of the current test, which requires calculation of a hypothetical purchase price allocation. Under the revised guidance, goodwill impairment will be measured as the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill (currently Step 1 of the two-step impairment test). Entities will continue to have the option to perform a qualitative assessment to determine if a quantitative impairment test is necessary. Pepco does not have goodwill as of December 31, 2018. This updated guidance is not currently expected to impact Pepco's financial reporting. The standard is effective January 1, 2020, with early adoption permitted, and must be applied on a prospective basis.

Impairment of Financial Instruments (Issued June 2016). Provides for a new Current Expected Credit Loss (CECL) impairment model for specified financial instruments including loans, trade receivables, debt securities classified as held-to-maturity investments and net investments in leases recognized by a lessor. Under the new guidance, on initial recognition and at each reporting period, an entity is required to recognize an allowance that reflects the entity's current estimate of credit losses expected to be incurred over the life of the financial instrument. The standard does not make changes to the existing impairment models for non-financial assets such as fixed assets, intangibles and goodwill. The standard will be effective January 1, 2020 (with early adoption as of January 1, 2019 permitted) and requires a modified retrospective transition approach through a cumulative-effect adjustment to retained earnings as of the beginning of the period of adoption. Pepco is currently assessing the impacts of this standard.

2. Regulatory Matters

The following matters below discuss the status of material regulatory and legislative proceedings of Pepco.

Utility Regulatory Matters

Distribution Base Rate Case Proceedings

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The following tables show the completed and pending distribution base rate case proceedings in 2018.

Completed Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Requested Revenue Requirement Increase (Decrease)	Approved Revenue Requirement Increase (Decrease)	Approved ROE	Approval Date	Rate Effective Date
Pepco - Maryland (Electric)	January 2, 2018 (amended February 5, 2018)	\$ 3 ^(a)	\$ (15) ^(a)	9.5%	May 31, 2018	June 1, 2018
Pepco - District of Columbia (Electric) ^(b)	December 19, 2017 (amended February 9, 2018)	\$ 66	\$ (24) ^(a)	9.525%	August 9, 2018	August 13, 2018

(a) Includes the annual ongoing TCJA tax savings further discussed below.

(b) On September 7, 2018, Pepco submitted an updated filing for an increase of \$4 million to the customer base rate credit established in connection with the merger between Exelon and PHI for residential customers, representing the TCJA benefits for the period January 1, 2018 through August 12, 2018.

Pending Distribution Base Rate Case Proceedings

Registrant/Jurisdiction	Filing Date	Requested Revenue Requirement Increase	Requested ROE	Expected Approval Timing
Pepco - Maryland (Electric)	January 15, 2019	\$ 30	10.3%	Third quarter of 2019

Transmission Formula Rates

Transmission Formula Rate. Pepco's transmission rate is established based on a FERC-approved formula. Pepco is required to file an annual update to the FERC-approved formula on or before May 15, with the resulting rate effective on June 1 of the same year. The annual formula rate update is based on prior year actual costs and current year projected capital additions (initial year revenue requirement). The update also reconciles any differences between the revenue requirement in effect beginning June 1 of the prior year and actual costs incurred for that year (annual reconciliation).

For 2018, the following total increases were included in Pepco's electric transmission formula rate filing:

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Registrant	Initial Revenue Requirement (Decrease) Increase ^(a)	Annual Reconciliation Increase/(Decrease)	Total Revenue Requirement (Decrease) Increase	Allowed Return on Rate Base ^(b)	Allowed ROE ^(c)
Pepco	\$ 6	\$ 2	8	7.82%	10.50%

- (a) The initial revenue requirement change reflects the annual benefit of lower income tax rates effective January 1, 2018 resulting from the enactment of the TCJA of \$13 million for Pepco. It does not reflect the pass back or recovery of income tax-related regulatory liabilities or assets, including those established upon enactment of the TCJA. See further discussion below.
- (b) Represents the weighted average debt and equity return on transmission rate bases.
- (c) As part of the FERC-approved settlement of the ROE complaint against Pepco, the rate of return on common equity is 10.50%, inclusive of a 50-basis-point incentive adder for being a member of a RTO.

Tax Cuts and Jobs Act

Pepco has made filings with its state regulatory commissions to pass back tax savings related to TCJA to its distribution customers, which are detailed below. The tax savings include the benefit of lower federal income tax rates and the settlement of a portion of the deferred income tax regulatory liabilities established upon the enactment of the TCJA. The ongoing annual TCJA tax savings in the table below represent the annual savings for distribution customers reflected in the initial customers rates approved after the TCJA. Subsequent annual TCJA tax savings will be approved as part of the annual update to the electric distribution formula rate for Pepco.

Registrant/Jurisdiction	Amount	Ongoing TCJA Tax Savings		Stub Period Bill Credit from TCJA Tax Savings		
		Approval Date	Rate Effective Date	Stub Period	Approval Date	Refund Amount/Period
Pepco - Maryland (Electric)	\$ 31	May 31, 2018	June 1, 2018	January 1, 2018 - June 1, 2018	May 31, 2018	\$11 / July 2018
Pepco - District of Columbia (Electric)	\$ 39	August 9, 2018	August 13, 2018	January 1, 2018 - August 12, 2018	September 7, 2018	\$20 / September 2018

As discussed above, Pepco's transmission formula rate currently does not provide for the pass back or recovery of income tax-related regulatory liabilities or assets, including those established upon enactment of the TCJA. On December 13, 2016 (as amended on March 13, 2017) and on February 23, 2018 (as amended on July 9, 2018), Pepco filed with FERC to revise its transmission formula rate mechanisms to provide for pass back and recovery of transmission-related income tax-related regulatory liabilities and assets, including those established upon enactment of the TCJA. See discussion below for additional information regarding these filings.

See Note 8 - Income Taxes for additional information on Corporate Tax Reform.

Other State Regulatory Matters

District of Columbia Regulatory Matters

District of Columbia Power Line Undergrounding Initiative. The District of Columbia government enacted on a permanent basis (effective July 11, 2017) legislation to amend the Electric Company Infrastructure Improvement Financing Act of 2014 (as amended) (the Infrastructure Improvement Financing Act) to authorize the District of Columbia Power Line Undergrounding (DC PLUG) initiative, a projected six year, \$500 million project to place underground some of the District of Columbia's most outage-prone power lines with

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\$250 million of the project costs funded by Pepco and \$250 million funded by the District of Columbia.

The \$250 million of project costs funded by Pepco will earn a return and be recovered through a volumetric surcharge on the electric bill of Pepco's customers in the District of Columbia.

The \$250 million of project costs funded by the District of Columbia will come from two sources. Project costs of \$187.5 million will be funded through a charge assessed on Pepco by the District of Columbia; Pepco will recover this charge from customers through a volumetric distribution rider. The remaining costs up to \$62.5 million are to be funded by the existing capital projects program of the District Department of Transportation (DDOT). Ownership and responsibility for the operation and maintenance of assets funded by the District of Columbia will be transferred to Pepco for a nominal amount upon completion, and Pepco will not recover or earn a return on the cost of these assets.

In accordance with the Infrastructure Improvement Financing Act, Pepco filed an application for approval of the first two-year plan in the DC PLUG initiative (the First Biennial Plan) on July 3, 2017. Pepco will then be required to make two additional applications. On November 9, 2017, the DCPSC issued an order approving the First Biennial Plan and the application for a financing order. Pursuant to that order, Pepco is obligated to pay \$187.5 million to the District of Columbia over the six-year project term, of which it expects to pay \$30 million in 2019. Pepco recorded an obligation and offsetting regulatory asset in November. Rates for the DC PLUG initiative went into effect on February 7, 2018.

District of Columbia Clean Energy Legislation. On December 18, 2018, the Council of the District of Columbia passed the Clean Energy District of Columbia Omnibus Amendment Act of 2018 (the Act), which was subsequently signed into law by the Mayor of the District of Columbia on January 18, 2019. Among other things, the Act will increase electric load by requiring all public buses, taxis and other specified fleets to be solely zero-emissions vehicles by 2045. The Act also clarifies that, under certain circumstances, gas and electric utilities may offer and receive cost recovery including a return on investment on capital and related costs for energy efficiency programs in the District of Columbia.

Other Federal Regulatory Matters

Transmission-Related Income Tax Regulatory Assets. On December 13, 2016 (as amended on March 13, 2017), Baltimore Gas and Electric Company (BGE) filed with FERC to begin recovering certain existing and future transmission-related income tax regulatory assets through its transmission formula rate. BGE's existing regulatory assets included (1) amounts that, if BGE's transmission formula rate provided for recovery, would have been previously amortized and (2) amounts that would be amortized and recovered prospectively. Pepco had similar transmission-related income tax regulatory liabilities and assets also requiring FERC approval. On November 16, 2017, FERC issued an order rejecting BGE's proposed revisions to its transmission formula rate to recover these transmission-related income tax regulatory assets. FERC's rejection order focused on the lack of timeliness of BGE's request to recover amounts that would have been previously amortized but indicated that ongoing recovery of certain transmission-related income tax regulatory assets would provide for a more accurate revenue requirement. Based on FERC's order, management of each company concluded that the portion of the total transmission-related income tax regulatory assets that would have been previously amortized and recovered through rates had the transmission formula rate provided for such recovery was no longer probable of recovery. As a result, Pepco recorded \$14 million in charges to Income tax expense within its Statement of Income in the fourth quarter of 2017, reducing its associated transmission-related income tax regulatory assets.

On December 18, 2017, BGE filed for clarification and rehearing of FERC's order, still seeking full recovery of its existing transmission-related income tax regulatory asset amounts, including those amounts that would have been previously amortized and recovered through rates had the transmission formula rate provided for such recovery. On February 27, 2018 (and updated on March 26, 2018), BGE submitted a letter to FERC advising that the lower federal corporate income tax rate effective January 1, 2018 provided for in the TCJA will be reflected in BGE's annual formula rate update effective June 1, 2018, but that the deferred income tax

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benefits will not be passed back to customers unless BGE's formula rate is revised to provide for pass back and recovery of transmission-related income tax-related regulatory liabilities and assets.

On February 23, 2018 (as amended on July 9, 2018), Pepco filed with FERC to revise its transmission formula rate mechanisms to facilitate passing back to customers ongoing annual TCJA tax savings and to permit recovery of transmission-related income tax regulatory assets, including those amounts that would have been previously amortized and recovered through rates had the transmission formula rate provided for such recovery.

On September 7, 2018, FERC issued orders rejecting BGE's December 18, 2017 request for rehearing and clarification and Pepco's February 23, 2018 (as amended on July 9, 2018) filings, again citing the lack of timeliness of the requests to recover amounts that would have been previously amortized, but indicating that ongoing recovery of certain transmission-related income tax regulatory assets would provide for a more accurate revenue requirement. The orders did not address the remittance of TCJA transmission-related income tax regulatory liabilities, but rather referenced FERC's separate Notice of Inquiry of such amounts issued on March 15, 2018.

On October 1, 2018, Pepco submitted a new filing to recover ongoing non-TCJA amortization amounts and refund TCJA transmission-related income tax regulatory liabilities for the prospective period starting on October 1, 2018. FERC issued a deficiency letter requesting additional information on November 21, 2018 and January 28, 2019. Pepco responded to the November 21, 2018 deficiency letter on November 29, 2018 but cannot predict the outcome of these FERC proceedings. If FERC ultimately rules that the future, ongoing non-TCJA amortization amounts are not recoverable, Pepco would record additional charges to Income tax expense, which could be up to approximately \$3 million as of December 31, 2018.

On October 9, 2018, Pepco sought a rehearing of FERC's September 7, 2018 order, still seeking full recovery of its existing transmission-related income tax regulatory asset amount, including the amount that would have been previously amortized and recovered through rates had the transmission formula rate provided for such recovery. Pepco cannot predict the outcome of this rehearing request. On November 2, 2018, BGE filed an appeal of FERC's September 7, 2018 order to the Court of Appeals for the D.C. Circuit.

PJM Transmission Rate Design. On June 15, 2016, several parties, including Pepco, filed a proposed settlement with FERC to resolve outstanding issues related to cost responsibility for charges to transmission customers for certain transmission facilities that operate at or above 500 kV. The settlement included provisions for monthly credits or charges related to the periods prior to January 1, 2016 that are expected to be refunded or recovered through PJM wholesale transmission rates through December 2025.

On May 31, 2018, FERC issued an order approving the settlement and directed PJM to adjust wholesale transmission rates within 30 days. Pursuant to the order, similar charges for the period January 1, 2016 through June 30, 2018 will also be refunded or recovered through PJM wholesale transmission rates over the subsequent 12-month period. PJM commenced billing the refunds and charges associated with this settlement in August 2018. Pepco expects to recover these settlement amounts through prospective electric distribution customer rates. On July 2, 2018, several parties filed petitions for rehearing or clarification.

Pursuant to the FERC approval of the settlement and the expected refund or recovery of the associated amounts from electric distribution customers, in the second quarter of 2018 and as adjusted in the third quarter of 2018, Pepco recorded a payable to PJM for \$84 million and a related regulatory asset for \$84 million.

Regulatory Assets and Liabilities

Regulatory assets represent incurred costs that have been deferred because of their probable future recovery from customers through

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regulated rates. Regulatory liabilities represent the excess recovery of costs or accrued credits that have been deferred because it is probable such amounts will be returned to customers through future regulated rates or represent billings in advance of expenditures for approved regulatory programs.

The following tables provide information about the regulatory assets and liabilities of Pepco as of December 31, 2018 and December 31, 2017:

Regulatory Assets (Account 182.3):	December 31, 2018	December 31, 2017
AMI programs - Deployment Costs	\$ 50	\$ 43 (a)
AMI programs - Legacy Meters	90	100 (a)
Electric Energy and Natural Gas Costs	95	14
Transmission formula rate annual reconciliations	10	3
Energy efficiency and demand response programs	207	247 (a)
Merger integration costs	18	11 (a)
Under-recovered revenue decoupling	57	41 (a)
DC PLUG charge	159	190
Deferred storm costs	9	7
Other	66	68 (a)
Total regulatory assets	<u>\$ 761</u>	<u>\$ 724</u>
Regulatory Liabilities (Account 254):	December 31, 2018	December 31, 2017
Deferred income taxes	\$ 788	\$ 803
Electric Energy and Natural Gas Costs	10	8 (a)
Other	31	— (a)
Total regulatory liabilities	<u>\$ 829</u>	<u>\$ 811</u>

(a) The 2017 amounts include immaterial reclassifications between line items, which do not impact total regulatory assets and liabilities.

Descriptions of the regulatory assets and liabilities included in the tables above are summarized below, including their recovery and amortization periods.

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Line Item	Description	End Date of Remaining Recovery/Refund Period	Return
Deferred Income Taxes	Deferred income taxes that are recoverable or refundable through customer rates, primarily associated with accelerated depreciation, the equity component of AFUDC, and the effects of income tax rate changes, including those resulting from the TCJA. These amounts include transmission-related regulatory liabilities that require FERC approval separate from the transmission formula rate. See Transmission-Related Income Tax Regulatory Assets section above for additional information.	Over the period in which the related deferred income taxes reverse, which is generally based on the expected life of the underlying assets. For TCJA, generally refunded over the remaining depreciable life of the underlying assets, except in certain jurisdictions where the commissions have approved a shorter refund period for certain assets not subject to IRS normalization rules.	No
AMI Programs - Deployment Costs	Installation costs of new smart meters, including implementation costs of dynamic pricing for energy usage resulting from smart meters.	2027	Yes
AMI Programs - Legacy Meters	Early retirement costs of legacy meters.	2027	District of Columbia - Yes Maryland - No
Electric Energy and Natural Gas Costs	Under (over) recoveries related to energy and gas supply related costs recoverable (refundable) under approved rate riders.	2025	No
Transmission formula rate annual reconciliations	Under (over)-recoveries related to transmission service costs recoverable through Pepco's FERC formula rates, which are updated annually with rates effective each June 1st.	2020	Yes
Energy efficiency and demand response programs	Includes under (over)-recoveries of costs incurred related to energy efficiency programs and demand response programs and recoverable costs associated with customer direct load control and energy efficiency and conservation programs that are being recovered from customers.	2033	Yes
Merger Integration Costs	Integration costs to achieve distribution synergies related to the PHI acquisition. Costs for Maryland and District of Columbia were \$9 million each as of December 31, 2018 and \$11 million and \$9 million, respectively, as of December 31, 2017.	2021	Maryland - Yes District of Columbia - No
Under (Over)-Recovered Revenue Decoupling	Electric and / or gas distribution costs recoverable from or (refundable) to customers under decoupling mechanisms.	2019	No
DC PLUG Charge	Costs associated with the DC Plug Initiative. See District of Columbia Regulatory Matters discussion above.	2019 - \$30M \$127 million to be determined based on future biennial plans filed with the DCPSC.	Portion of asset funded by Pepco-Yes
Deferred Storm Costs	Amounts represent total incremental storm restoration costs incurred due to major storm events recoverable from customers in the Maryland jurisdiction.	2022	Yes

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Capitalized Ratemaking Amounts Not Recognized

As of December 31, 2018 and 2017, Pepco had \$5 million and \$6 million, respectively, of authorized amounts capitalized for ratemaking purposes related to earnings on shareholders' investment on its AMI Program and Energy Efficiency and Demand Response Programs that were not recognized for financial reporting purposes on the Balance Sheets. The earnings on energy efficiency are on Pepco District of Columbia programs only. These amounts will be recognized as revenues in the Statements of Operations and Comprehensive Income in the periods they are billable to customers.

3. Mergers, Acquisitions, and Dispositions

Merger with Exelon

Description of Transaction

On March 23, 2016, Exelon completed the merger contemplated by the Merger Agreement among Exelon, Purple Acquisition Corp., a wholly owned subsidiary of Exelon (Merger Sub) and Pepco Holdings, Inc. (PHI), for a total purchase price consideration of approximately \$7.1 billion. As a result of the merger, Merger Sub was merged into PHI (the PHI Merger) with PHI surviving as a wholly owned subsidiary of Exelon and Exelon Energy Delivery Company, LLC (EEDC), a wholly owned subsidiary of Exelon which also owns Exelon's interests in Commonwealth Edison Company (ComEd), PECO Energy Company (PECO) and BGE (through a special purpose subsidiary in the case of BGE). Following the completion of the PHI Merger, Exelon and PHI completed a series of internal corporate organization restructuring transactions resulting in the transfer of PHI's unregulated business interests to Exelon and Exelon Generation Company, LLC (Generation) and the transfer of PHI, Pepco, Delmarva Power & Light Company (DPL) and Atlantic City Electric Company (ACE) to a special purpose subsidiary of EEDC.

Regulatory Matters

Approval of the merger in Delaware, New Jersey, Maryland and the District of Columbia was conditioned upon Exelon and PHI agreeing to certain commitments including where applicable: customer rate credits, funding for energy efficiency and delivery system modernization programs, a green sustainability fund, workforce development initiatives, charitable contributions, renewable generation and other required commitments. In addition, the orders approving the merger in Delaware, New Jersey, and Maryland include a "most favored nation" provision which, generally, requires allocation of merger benefits proportionally across all the jurisdictions.

Total nominal cost of commitments was \$513 million excluding renewable generation commitments (approximately \$444 million on a net present value basis amount, excluding renewable generation commitments and charitable contributions).

The following amounts represent total commitment costs for Pepco that have been recorded since the merger date:

Description	Expected Payment Period	Pepco
Rate Credits	2016 - 2021	\$ 91
Charitable Contributions	2016 - 2026	28

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Other		1
Total	\$	120
Remaining commitments as of December 31, 2018	\$	73

Pursuant to the orders approving the merger, Exelon made a \$73 million equity contribution to Pepco in the second quarter of 2016 to fund the after-tax amounts of the customer bill credit and the customer base rate credit commitments.

In addition, Exelon is committed to develop or to assist in the commercial development of approximately 37 MWs of new solar generation in Maryland, District of Columbia and Delaware, at an estimated cost of approximately \$127 million, which will generate future earnings at Exelon and Generation. Investment costs, which are expected to be primarily capital in nature, will be recognized as incurred and recorded on Exelon's and Generation's financial statements. As of December 31, 2018, 27 MWs were developed and Exelon and Generation have incurred costs of \$83 million. Exelon has also committed to purchase 100 MWs of wind energy in PJM.

Pursuant to the various jurisdictions' merger approval conditions, over specified periods Pepco is not permitted to reduce employment levels due to involuntary attrition associated with the merger integration process and has made other commitments regarding hiring and relocation of positions.

In July 2015, the OPC, Public Citizen, Inc., the Sierra Club and the Chesapeake Climate Action Network (CCAN) filed motions to stay the MDPSC order approving the merger. The Circuit Court judge issued an order denying the motions for stay on August 12, 2015. On January 8, 2016, the Circuit Court judge affirmed the MDPSC's order approving the merger and denied the petitions for judicial review filed by the OPC, the Sierra Club, CCAN and Public Citizen, Inc. On January 19, 2016, the OPC filed a notice of appeal to the Maryland Court of Special Appeals, and on January 21, the Sierra Club and CCAN filed notices of appeal. On January 27, 2017, the Maryland Court of Special Appeals affirmed the Circuit Court's judgment that the MDPSC did not err in approving the merger. The OPC and Sierra Club filed petitions seeking further review in the Maryland Court of Appeals, which is the highest court in Maryland. On August 29, 2018, the Maryland Court of Appeals affirmed the MDPSC's May 2015 Order approving the merger of Exelon and PHI.

Between March 25, 2016 and April 22, 2016, various parties filed motions with the DCPSC to reconsider its March 23, 2016 order approving the merger. On June 17, 2016, the DCPSC denied all motions. In August 2016, the District Legal Entity of Columbia Office of People's Counsel, the District of Columbia Government, and Public Citizen jointly with DC Sun each filed petitions for judicial review of the DCPSC's March 23, 2016 order with the District of Columbia Court of Appeals. On July 20, 2017, the Court issued an opinion rejecting all of appellants' arguments and affirming the Commission's decision approving the merger.

Accounting for the Merger Transaction

The total purchase price consideration for the PHI merger was approximately \$7.1 billion. The excess of the purchase price over the estimated fair value of the assets acquired and the liabilities assumed totaled \$4 billion, which was recognized as goodwill by PHI and Exelon at the merger date, reflecting the value associated with enhancing Exelon's regulated utility portfolio of businesses, including the ability to leverage experience and best practices across the utilities and the opportunities for synergies. None of this goodwill is expected to be tax deductible. For purposes of future required impairment assessments, the goodwill has been assigned to PHI's reportable units Pepco, DPL and ACE.

Immediately following closing of the merger, \$235 million of net assets associated with PHI's unregulated business interests were distributed by PHI to Exelon. Exelon contributed \$163 million of such net assets to Generation.

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Rates charged to customers are established by a regulator to provide for recovery of costs and a fair return on invested capital, or rate base, generally measured at historical cost. Historical cost information therefore is the most relevant presentation for the financial statements of Pepco which is one of PHI's rate regulated utility subsidiary registrants. As such, Exelon and PHI did not push-down the application of acquisition accounting to PHI's utility registrants, and therefore the financial statements of Pepco do not reflect the revaluation of any assets and liabilities.

For the periods ended December 31, 2018 and 2017, Pepco has recognized costs to achieve the PHI merger as follows:

	For the Year Ended December 31,	
	2018	2017(b)
Acquisition, Integration and Financing Costs(a)		
Pepco	\$ —	\$ (6)

- (a) The costs incurred are classified primarily within Operating and maintenance expense in Pepco's Statements of Income, with the exception of the financing costs, which are included within Interest expense. Costs do not include merger commitments discussed above.
- (b) For the year ended December 31, 2017, includes deferrals of previously incurred integration costs as regulatory assets of \$8 million at Pepco.

4. Property, Plant and Equipment

The following table presents the average service life of property, plant and equipment by asset category as of December 31, 2018:

Asset Category	Average Service Life (years)
Electric-transmission and distribution	5 - 75
Other property, plant and equipment(a)	25 - 33

- (a) Represents plant held for future use and non-utility property.

The annual depreciation provisions as a percentage of average service life for electric transmission and distribution assets were 2.40% and 2.35% for the years ended December 31, 2018 and 2017, respectively.

The following table presents net unamortized capitalized software costs and amortization of capitalized software costs by year:

Capitalized Software Costs	2018	2017
Net unamortized software costs	26	2
Amortization of capitalized software costs	2	—

The following table summarizes total incurred interest and credits to AFUDC by year:

Incurred Interest and credits to AFUDC	2018	2017
Total incurred interest (a)	162	133
Credits to AFUDC debt and equity	34	34

- (a) Includes interest expense to affiliates.

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Pepco has undivided interests in jointly owned electric transmission facilities, which are financed with its funds and are accounted for as if such participating interests were wholly owned facilities. Pepco's share of direct expenses of the jointly owned plants are included in Operating and maintenance expenses on Pepco's Statement of Income. Pepco's undivided ownership interests in jointly owned electric plants and transmission facilities at December 31, 2018 and 2017 were as follows:

Operator	First Energy	Other
Pepco's share at December 31, 2018	PA(a)	Other(b)
Plant(c)	8	2
Accumulated depreciation(c)	5	1
Pepco's share at December 31, 2017	PA(a)	Other(b)
Plant(c)	8	2
Accumulated depreciation(c)	4	1

- (a) Pepco owns a 27% share in 127 miles of 500 kV lines located in Pennsylvania as well as a 9.72% share of a 500 kV substation immediately outside of the Conemaugh fossil-generating station which supplies power to the 500 kV lines including, but not limited to, the lines noted above.
- (b) Pepco owns a 11.9% share in Valley Forge Corporate Center.
- (c) Excludes asset retirement costs and general plant.

See Note 1 - Significant Accounting Policies for additional information regarding property, plant and equipment policies.

5. Fair Value of Financial Assets and Liabilities

Fair Value of Financial Liabilities Recorded at Amortized Cost

The following tables present the carrying amounts and fair values of Pepco's short-term liabilities and long-term debt as of December 31, 2018 and 2017:

	December 31, 2018				
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Short-term liabilities (Account 231)	\$ 40	\$ —	\$ 40	\$ —	\$ 40
Long-term debt (Account 221, 224-227, 243)	2,753	—	2,901	196	3,097
	December 31, 2017				
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Short-term liabilities (Account 231)	\$ 26	\$ —	\$ 26	\$ —	\$ 26
Long-term debt (Account 221, 224-227, 243)	2,572	—	3,114	9	3,123

Short-Term Liabilities. The short-term liabilities included in the tables above are comprised of short-term borrowings (Level 2). The

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carrying amounts of the short-term liabilities are representative of fair value because of the short-term nature of these instruments.

Long-Term Debt. The fair value amounts of Pepco's taxable debt securities (Level 2) and private placement taxable debt securities (Level 3) are determined by a valuation model that is based on a conventional discounted cash flow methodology and utilizes assumptions of current market pricing curves. In order to incorporate Pepco's credit risk into the discount rates, Pepco obtains pricing (i.e., U.S. Treasury rate plus credit spread) based on trades of existing Pepco debt securities as well as debt securities of other issuers in the utility sector with similar credit ratings in both the primary and secondary market, across Pepco's debt maturity spectrum. The credit spreads of various tenors obtained from this information are added to the appropriate benchmark U.S. Treasury rates in order to determine the current market yields for the various tenors. The yields are then converted into discount rates of various tenors that are used for discounting the respective cash flows of the same tenor for each bond or note. Due to low trading volume of private placement debt, qualitative factors such as market conditions, low volume of investors and investor demand, this debt is classified as Level 3.

The fair value of Pepco's non-government-backed fixed rate nonrecourse debt (Level 3) is based on market and quoted prices for its own and other nonrecourse debt with similar risk profiles. Given the low trading volume in the nonrecourse debt market, the price quotes used to determine fair value will reflect certain qualitative factors, such as market conditions, investor demand, new developments that might significantly impact the project cash flows or off-taker credit, and other circumstances related to the project (e.g., political and regulatory environment). Pepco also has tax-exempt debt (Level 2). Due to low trading volume in this market, qualitative factors, such as market conditions, investor demand, and circumstances related to the issuer (e.g., conduit issuer political and regulatory environment), may be incorporated into the credit spreads that are used to obtain the fair value as described above. Variable rate tax-exempt debt (Level 2) resets on a regular basis and the carrying value approximates fair value.

Recurring Fair Value Measurements

Pepco records the fair value of assets and liabilities in accordance with the hierarchy established by the authoritative guidance for fair value measurements. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities that Pepco has the ability to liquidate as of the reporting date.
- Level 2 — inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3 — unobservable inputs, such as internally developed pricing models or third-party valuations for the asset or liability due to little or no market activity for the asset or liability.

The following table presents assets and liabilities measured and recorded at fair value on Pepco's Balance Sheet on a recurring basis and their level within the fair value hierarchy as of December 31, 2018 and 2017:

<u>As of December 31, 2018</u>	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents ^(a) (Account 132-134, 136)	\$ 38	\$ —	\$ —	\$ 38
Rabbi trust investments (Account 124)				
Cash equivalents	41	—	—	41

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Fixed income	—	5	—	5
Life insurance contracts	—	22	37	59
Rabbi trust investments subtotal ^(b)	41	27	37	105
Total assets	79	27	37	143
Liabilities				
Deferred compensation obligation (Account 228.3, 242)	—	(3)	—	(3)
Total liabilities	—	(3)	—	(3)
Total net assets	\$ 79	\$ 24	\$ 37	\$ 140

As of December 31, 2017

	Level 1	Level 2	Level 3	Total
Assets				
Cash equivalents ^(a) (Account 132-134, 136)	\$ 36	\$ —	\$ —	\$ 36
Rabbi trust investments (Account 124)				
Cash equivalents	44	—	—	44
Fixed income	—	12	—	12
Life insurance contracts	—	23	22	45
Rabbi trust investments subtotal ^(b)	44	35	22	101
Total assets	80	35	22	137
Liabilities				
Deferred compensation obligation (Account 228.3, 242)	—	(4)	—	(4)
Total liabilities	—	(4)	—	(4)
Total net assets	\$ 80	\$ 31	\$ 22	\$ 133

(a) Pepco excludes cash of \$15 million and \$4 million at December 31, 2018 and 2017, respectively.

(b) The amount of unrealized gains/(losses) at Pepco totaled less than \$1 million for the years ended December 31, 2018 and 2017, respectively.

The following tables present the fair value reconciliation of Level 3 assets and liabilities measured at fair value on a recurring basis during the years ended December 31, 2018 and 2017:

Life Insurance Contracts			
For the year ended December 31,			
	2018	2017	
Beginning balance	22	20	
Total realized/unrealized gains included in net income			
Included in net income	4	3	
Purchases, sales, issuances and settlements			
Issuances	—	(1)	
Settlements	12	—	
Ending balance	38	22	
The amount of total gains included in income attributed to the change in unrealized gains related to assets and liabilities for the period	—	3	

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The following tables present the income statement classification of the total realized and unrealized gains included in income for Level 3 assets and liabilities measured at fair value on a recurring basis during the the years ended December 31, 2018 and 2017:

	Operating and Maintenance	
	Year Ended December 31,	
	2018	2017
Total gains included in net income	\$ 4	\$ 3
Change in the unrealized gains relating to assets and liabilities held	—	3

Valuation Techniques Used to Determine Fair Value

The following describes the valuation techniques used to measure the fair value of the assets and liabilities shown in the tables above.

Cash Equivalents. Pepco's cash equivalents include investments with original maturities of three months or less when purchased. The cash equivalents shown in the fair value tables are comprised of investments in mutual and money market funds. The fair values of the shares of these funds are based on observable market prices and, therefore, have been categorized in Level 1 in the fair value hierarchy.

Rabbi Trust Investments. The Rabbi trusts were established to hold assets related to deferred compensation plans existing for certain active and retired members of Pepco's executive management and directors. The Rabbi trusts' assets are included in Investments (Account 124) on Pepco's Balance Sheet and consist primarily of money market funds, fixed income securities and life insurance policies. Money market funds are publicly quoted and have been categorized as Level 1 given the clear observability of the prices. The fair values of fixed income securities are based on evaluated prices that reflect observable market information, such as actual trade information or similar securities, adjusted for observable differences and are categorized in Level 2. The life insurance policies are valued using the cash surrender value of the policies, net of loans against those policies, which is provided by a third-party. Certain life insurance policies, which consist primarily of mutual funds that are priced based on observable market data, have been categorized as Level 2 because the life insurance policies can be liquidated at the reporting date for the value of the underlying assets. Life insurance policies that are valued using unobservable inputs have been categorized as Level 3.

Deferred Compensation Obligations. Pepco's deferred compensation plans allow participants to defer certain cash compensation into a notional investment account. Pepco includes such plans in other current and noncurrent liabilities in its Balance Sheet. The value of Pepco's deferred compensation obligations is based on the market value of the participants' notional investment accounts. The underlying notional investments are comprised primarily of equities, mutual funds, commingled funds and fixed income securities which are based on directly and indirectly observable market prices. Since the deferred compensation obligations themselves are not exchanged in an active market, they are categorized as Level 2 in the fair value hierarchy.

Additional Information Regarding Level 3 Fair Value

Rabbi Trust Investments - Life insurance contracts. For life insurance policies categorized as Level 3, the fair value is determined based on the cash surrender value of the policy, which contains unobservable inputs and assumptions. Because Pepco relies on its third-party insurance provider to develop the inputs without adjustment for the valuations of its Level 3 investments, quantitative information about significant unobservable inputs used in valuing these investments is not reasonably available to Pepco. Therefore, Pepco has not disclosed such inputs.

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6. Derivative Financial Instruments

Pepco uses derivative instruments to manage commodity price risk and interest rate risk related to ongoing business operations.

Commodity Price Risk

Pepco employs established policies and procedures to manage risks associated with market fluctuations in commodity prices by entering into physical and financial derivative contracts, including short-term and long-term commitments to purchase and sell energy and commodity products. Pepco believes these instruments, which are either determined to be non-derivative or classified as economic hedges, mitigate exposure to fluctuations in commodity prices.

Derivative authoritative guidance requires that derivative instruments be recognized as either assets or liabilities at fair value, with changes in fair value of the derivative recognized in earnings immediately. Other accounting treatments are available through special election and designation, provided they meet specific, restrictive criteria both at the time of designation and on an ongoing basis. These alternative permissible accounting treatments include normal purchases and normal sales (NPNS), cash flow hedges and fair value hedges.

Fair value authoritative guidance and disclosures about offsetting assets and liabilities requires the fair value of derivative instruments to be shown in the Combined Notes to Consolidated Financial Statements on a gross basis, even when the derivative instruments are subject to legally enforceable master netting agreements and qualify for net presentation in the Consolidated Balance Sheet. A master netting agreement is an agreement between two counterparties that may have derivative and non-derivative contracts with each other providing for the net settlement of all referencing contracts via one payment stream, which takes place as the contracts deliver, when collateral is requested or in the event of default.

As of December 31, 2018 and 2017, fair value balances associated with derivatives on Pepco's Balance Sheet were immaterial.

Economic Hedges

Pepco has contracts to procure SOS electric supply that are executed through a competitive procurement process approved by the MDPSC and DCPSC. The SOS rates charged recover Pepco's wholesale power supply costs and include an administrative fee. The administrative fee includes an incremental cost component and a shareholder return component for residential and commercial rate classes. Pepco's commodity price risk related to electric supply procurement is limited. Pepco locks in fixed prices for its SOS requirements through full requirements contracts. Certain of Pepco's full requirements contracts, which are considered derivatives, qualify for the NPNS scope exception under current derivative authoritative guidance. Other Pepco full requirements contracts are not derivatives.

Interest Rate Risk

Pepco uses a combination of fixed-rate and variable-rate debt to manage interest rate exposure. Pepco also utilizes interest rate swaps, which are treated as economic hedges, to manage its interest rate exposure.

Credit Risk, Collateral and Contingent-Related Features

Pepco would be exposed to credit-related losses in the event of non-performance by counterparties on executed derivative instruments. The credit exposure of derivative contracts, before collateral, is represented by the fair value of contracts at the reporting

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date.

Pepco's power procurement contracts provide suppliers with a certain amount of unsecured credit. The amount of unsecured credit is determined based on the supplier's lowest credit rating from the major credit rating agencies and the supplier's tangible net worth. The credit position is based on the initial market price, which is the forward price of energy on the day a transaction is executed, compared to the current forward price curve for energy. To the extent that the forward price curve for energy exceeds the initial market price, the supplier is required to post collateral to the extent the credit exposure is greater than the supplier's unsecured credit limit. The unsecured credit used by the suppliers represents Pepco's net credit exposure. As of December 31, 2018, Pepco's net credit exposure to suppliers was immaterial.

Pepco is permitted to recover its costs of procuring energy through the MDPSC-approved and DCPSC-approved procurement tariffs. Pepco's counterparty credit risks are mitigated by its ability to recover realized energy costs through customer rates. See Note 2 — Regulatory Matters for additional information.

Pepco's full requirements wholesale power agreements that govern the terms of its electric supply procurement contracts do not contain provisions that would require Pepco to post collateral.

7. Debt and Credit Agreements

Short-Term Borrowings

Pepco meets its short-term liquidity requirements primarily through the issuance of commercial paper. Pepco may use its credit facilities for general corporate purposes, including meeting short-term funding requirements and the issuance of letters of credit.

Commercial Paper

The following table reflects Pepco's commercial paper programs supported by the revolving credit agreements and bilateral credit agreements at December 31, 2018 and December 31, 2017:

Commercial Paper Issuer	Maximum Program Size at December 31,		Outstanding Commercial Paper at December 31,		Average Interest Rate on Commercial Paper Borrowings for the Year Ended December 31,	
	2018(a)(b)	2017(a)(b)	2018	2017	2018	2017
Pepco	300	500	40	26	2.24%	1.06%

(a) At December 31, 2018, excludes credit facility agreements arranged at minority and community banks with aggregate commitments of \$5 million. These facilities expired on October 11, 2019. These facilities are solely utilized to issue letters of credit. At December 31, 2017, excludes credit facility agreements arranged at minority and community banks with aggregate commitments of \$2 million.

(b) Pepco's revolving credit facility is subject to available borrowing capacity. The borrowing capacity may be increased or decreased during the term of the facility, except that (i) the sum of the borrowing capacity must equal the total amount of the facility, and (ii) the aggregate amount of credit used at any given time by Pepco may not exceed \$900 million or the maximum amount of short-term debt the company is permitted to have outstanding by its regulatory authorities. The total number of the borrowing reallocations may not exceed eight per year during the term of the facility.

In order to maintain its commercial paper programs in the amounts indicated above, Pepco must have credit facilities in place, at least equal to the amount of its commercial paper program. While the amount of its outstanding commercial paper does not reduce available capacity under the credit facility, Pepco does not issue commercial paper in an aggregate amount exceeding the then available capacity under its credit facility.

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At December 31, 2018, Pepco had the following aggregate bank commitments, credit facility borrowings and available capacity under its credit facilities:

At December 31, 2018, Pepco had the following aggregate bank commitments, credit facility borrowings and available capacity under its credit facilities:

Borrower	Facility Type	Aggregate Bank Commitment ^(a)	Facility Draws	Outstanding Letters of Credit	Available Capacity at December 31, 2018	
					Actual	To Support Additional Commercial Paper
Pepco	Syndicated Revolver	300	—	8	292	252

(a) Excludes credit facility agreements arranged at minority and community banks with aggregate commitments of \$5 million. These facilities expire on October 11, 2019. These facilities are solely utilized to issue letters of credit.

The following table presents the short-term borrowings activity for Pepco during 2018 and 2017.

	2018	2017
Average Borrowings	22	51
Maximum borrowings outstanding	90	197
Average interest rates, computed on a daily basis	2.24%	1.06%
Average interest rates, computed at December 31	2.24%	1.06%

Credit Agreements

On May 26, 2016, PHI and Pepco entered into an amendment to its Second Amended and Restated Credit Agreement dated as of August 1, 2011, which (i) extended the maturity date of the facility to May 26, 2021, (ii) removed PHI as a borrower under the facility, (iii) decreased the size of the facility from \$1.5 billion to \$900 million and (iv) aligned its financial covenant from debt to capitalization leverage ratio to interest coverage ratio. On May 26, 2018, Pepco's syndicated revolving credit facilities had their maturity dates extended to May 26, 2023.

Borrowings under Pepco's revolving credit agreements bear interest at a rate based upon either the prime rate or a LIBOR-based rate, plus an adder based upon its credit rating. The adder for the prime based borrowings is 7.5 basis points and for the LIBOR-based borrowings is 107.5 basis points. The maximum adders for prime rate borrowings and LIBOR-based rate borrowings are 90 basis points and 165 basis points, respectively. The credit agreements also require Pepco to pay a facility fee based upon the aggregate commitments. The fee varies depending upon Pepco's credit rating.

Each revolving credit agreement requires Pepco to maintain a minimum cash from operations to interest expense ratio for the twelve-month period ended on the last day of any quarter. The minimum credit agreement threshold for the year ended December 31, 2018 was 2.00 to 1. At December 31, 2018, the interest coverage ratio was 5.98.

An event of default under Pepco's indebtedness would not constitute an event of default with respect to the other PHI Utilities under

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the PHI Utilities' combined credit facility.

The absence of a material adverse change in PHI's business, property, results of operations or financial condition is not a condition to the availability of credit under any of Pepco's credit agreements. None of the credit agreements include any rating triggers.

Long-Term Debt

The following table presents Pepco's outstanding long-term debt as of December 31, 2018 and 2017:

	Rates	Maturity Date	December 31,	
			2018	2017
Long-term debt				
First mortgage bonds (Account 221)(a)	3.05% - 7.90%	2022 - 2048	\$ 2,735	\$ 2,535
Notes payable and other (Accounts 224, 227, 243)(b)	6.20% - 8.88%	2019 - 2022	16	35
Total long-term debt			2,751	2,570
Unamortized debt discount and premium, net (Accounts 225 and 226)			2	2
Unamortized debt issuance costs (Account 181)			(34)	(32)
Long-term debt due within one year			(15)	(19)
Long-term debt			\$ 2,704	\$ 2,521

(a) Substantially all of Pepco's assets are subject to the lien of its mortgage indenture.

Includes capital lease obligations of \$14 million and \$27 million at December 31, 2018 and 2017, respectively. Lease payments of \$14 million will be made in 2019.

Issuance and Retirement of Long-Term Debt

During the year ended December 31, 2018, the following long-term debt was issued:

Type	Interest Rate	Maturity	Amount	Use of Proceeds
First Mortgage Bonds	4.27%	June 15, 2048	\$ 100	Repay outstanding commercial paper and for general corporate purposes.
First Mortgage Bonds	4.31%	November 1, 2048	\$ 100	Repay outstanding commercial paper and for general corporate purposes

During the year ended December 31, 2017, the following long-term debt was issued:

Type	Interest Rate	Maturity	Amount	Use of Proceeds
Energy Efficiency Project Financing(a)	3.30%	January 15, 2018	\$ 2	Funding to install energy conservation measures for the DOE Germantown project.
First Mortgage Bonds	4.15%	March 15, 2043	\$ 200	Funding to repay outstanding commercial paper and for general corporate purposes.

(a) For Energy Efficiency Project Financing, the maturity date represents the expected date of project completion.

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During the year ended December 31, 2018, the following long-term debt was retired:

Type	Interest Rate	Maturity	Amount
Notes	3.30%	August 31, 2018	\$ 5
Third Party Financing	7.28% - 7.99%	2021 - 2023	\$ 1

During the year ended December 31, 2017, the following long-term debt was retired:

Type	Interest Rate	Maturity	Amount
Third Party Financing	6.97% - 7.99%	2018 - 2022	\$ 1

Long-term debt maturities at Pepco in the periods 2019 through 2023 and thereafter are as follows:

Year	Pepco
2019	\$ 15
2020	—
2021	1
2022	310
2023	—
Thereafter	2,425
Total	<u>\$ 2,751</u>

8. Income Taxes

Corporate Tax Reform

On December 22, 2017, President Trump signed the TCJA (Tax Cuts and Jobs Act) into law. The TCJA makes many significant changes to the Internal Revenue Code, including, but not limited to, (1) reducing the U.S. federal corporate tax rate from 35% to 21%; (2) creating a 30% limitation on deductible interest expense (not applicable to regulated utilities); (3) allowing 100% expensing for the cost of qualified property (not applicable to regulated utilities); (4) eliminating the domestic production activities deduction; (5) eliminating the corporate alternative minimum tax and changing how existing alternative minimum tax credits can be realized; and (6) changing rules related to uses and limitations of net operating loss carryforwards created in tax years beginning after December 31, 2017. The most significant change that impacts Pepco is the reduction of the corporate federal income tax rate from 35% to 21% beginning January 1, 2018.

Pursuant to the enactment of the TCJA, Pepco remeasured its existing deferred income tax balances as of December 31, 2017 to reflect the decrease in the corporate income tax rate from 35% to 21%, which resulted in a material decrease to its net deferred income tax liability balances as shown in the table below. Pepco recorded corresponding regulatory liabilities or assets to the extent such amounts are probable of settlement or recovery through customer rates and an adjustment to income tax expense for all other amounts. The amount and timing of potential settlements of the established net regulatory liabilities will be determined by Pepco's respective rate regulators, subject to certain IRS "normalization" rules. See Note 2 - Regulatory Matters for further information regarding settlements for passing back of TCJA income tax savings benefits to customers.

Pepco assessed the applicable provisions in the TCJA and recorded the associated impacts as of December 31, 2017. Pepco

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recorded provisional income tax amounts as of December 31, 2017, as allowed under SAB 118 issued by the SEC in December 2017, for changes pursuant to the TCJA related to depreciation because the impacts could not be finalized upon issuance of Pepco's financial statements, but for which reasonable estimates could be determined.

On August 3, 2018, the U.S. Department of Treasury, in conjunction with the IRS, released proposed regulations clarifying the immediate expensing provisions enacted by the TCJA, specifically that regulated utility property acquired after September 27, 2017, and placed in service by December 31, 2017, qualifies for 100% expensing. Until the proposed regulations are finalized, taxpayers may rely on the proposed regulations for tax years ending after September 28, 2017. Pepco recorded the impact of these proposed regulations and the adjustment was immaterial.

While Pepco recorded the impacts of the TCJA based on its interpretation of the provisions as enacted, it is expected the U.S. Department of Treasury and IRS will issue additional interpretative guidance in the future that could result in changes to previously finalized provisions. At this time, many of the states in which Exelon does business have issued guidance regarding TCJA and the impact was not material.

The one-time impacts recorded by Pepco to remeasure its deferred income tax balances at the 21% corporate federal income tax rate as of December 31, 2017 are presented below:

Net Decrease to Deferred Income Tax Liability Balances	\$	968
Net Regulatory Liability Recorded(a)		976
Net Deferred Income Tax Benefit/(Expense) Recorded	\$	(8)

(a) Reflects the net regulatory liabilities recorded on a pre-tax basis before taking into consideration the income tax benefits associated with the ultimate settlement with customers.

The net regulatory liabilities above include (1) amounts subject to IRS "normalization" rules that are required to be passed back to customers generally over the remaining useful life of the underlying assets giving rise to the associated deferred income taxes, and (2) amounts for which the timing of settlement with customers is subject to determinations by the rate regulators. The table below sets forth Pepco's estimated categorization of its net regulatory liabilities as of December 31, 2017. The amounts in the table below are shown on an after-tax basis reflecting future net cash outflows after taking into consideration the income tax benefits associated with the ultimate settlement with customers.

Subject to IRS Normalization Rules	\$	299
Subject to Rate Regulator Determination		391
Net Regulatory Liabilities	\$	690

The net regulatory liability amounts subject to the IRS normalization rules generally relate to property, plant and equipment with remaining useful lives ranging from 30 to 40 years. For the other amounts, rate regulators could require the passing back of amounts to customers over shorter time frames. See Note 2 - Regulatory Matters for additional information.

The FERC accounts impacted by the remeasurement of deferred income taxes and the associated reversal of excess deferred taxes (i.e., excess deferred tax amortization) during the year ended December 31, 2018 are as follows:

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FERC Account	District of Columbia Distribution Amortization	Period of Amortization	Maryland Distribution Amortization	Period of Amortization	Transmission Amortization	Period of Amortization	Other Amortization	Period of Amortization	Total
Protected									
282	\$ (4)	ARAM	\$ (3)	ARAM	\$ (1)	ARAM	N/A	ARAM	\$ (8)
Non-Protected									
190	4	5 years	2	7 years	—	10 years	N/A	5 years	6
282	(7)	10 years	(5)	20 years	(1)	34.4 years	N/A	5 years	(13)
283	(7)	5 years	(5)	7 years	(1)	10 years	(6)	5 years	(19)
Total Non-Protected	\$ (10)		\$ (8)		\$ (2)		\$ (6)		\$ (26)
Total (Accounts 190, 282, 283)	\$ (14)		\$ (11)		\$ (3)		\$ (6)		\$ (34)

Components of Income Tax Expense or Benefit

Income tax expense (benefit) from continuing operations is comprised of the following components:

	For the Year Ended December 31,	
	2018	2017(a)
Included in operations:		
Federal		
Current	\$ 28	\$ (20)
Deferred	(21)	114
State		
Current	—	(2)
Deferred	6	13
Total (Accounts 409.1, 409.2, 410.1, 410.2, 411.1, 411.2, 411.4)	\$ 13	\$ 105

(a) Pepco retrospectively adopted the new standard Revenue from Contracts with Customers. The standard was adopted as of January 1, 2018. Components of income tax expense or benefit are recast to reflect the impact of the new standard.

Rate Reconciliation

The effective income tax rate from continuing operations varies from the U.S. Federal statutory rate principally due to the following:

	For the Year Ended December 31,	
	2018	2017(a)
U.S. Federal statutory rate	21.0%	35.0%
Increase (decrease) due to:		

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State income taxes, net of Federal income tax benefit	2.2	3.2
Amortization of investment tax credit, including deferred taxes on basis difference	(0.1)	(0.1)
Plant basis differences ^(b)	(2.7)	(0.4)
Merger Expenses	—	(6.3)
Excess deferred tax amortization	(14.8)	—
Tax Cut and Jobs Act of 2017 ^(c)	—	2.7
Other	0.2	(0.2)
Effective income tax rate	5.8%	33.9%

- (a) Pepco retrospectively adopted the new standard Revenue from Contracts with Customers. The standard was adopted as of January 1, 2018. The effective income tax rates are recast to reflect the impact of the new standard.
- (b) In 2017, includes the charges related to the transmission-related income tax regulatory asset for Pepco of \$14 million. See Note 2 - Regulatory Matters for additional information.
- (c) Included are impacts of TJCA corporate rate change.

Tax Differences and Carryforwards

The tax effects of temporary differences, which give rise to significant portions of the deferred tax assets (liabilities), as of December 31, 2018 and 2017 are presented below:

	As of December 31,	
	2018	2017 ^(a)
Plant basis differences	\$ (1,148)	\$ (1,152)
Deferred pension and postretirement obligation	(78)	(78)
Deferred debt refinancing costs	(4)	(4)
Regulatory assets and liabilities	58	39
Tax loss carryforward	12	40
Other, net	98	94
Deferred income tax liabilities, net (Accounts 190, 282, 283)	\$ (1,062)	\$ (1,061)
Unamortized investment tax credits (Account 255)	(2)	(2)
Total deferred income tax liabilities (net) and unamortized investment tax credits	\$ (1,064)	\$ (1,063)

- (a) Includes remeasurement impacts related to the TCJA.

The following table provides Pepco's carryforwards and any corresponding valuation allowance as of December 31, 2018. Note, there were no Federal carryforwards.

State net operating losses ^(a)	192
Deferred taxes on state tax attributes (net)	12

- (a) Pepco's state net operating loss carryforwards, which are presented on a post-apportioned basis, will begin expiring in 2033.

Tabular reconciliation of unrecognized tax benefits

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The following table provides a reconciliation of Pepco's unrecognized tax benefits as of December 31, 2018 and 2017:

Unrecognized tax benefits at January 1, 2018	\$	59
Increases based on tax positions prior to 2018		7
Decreases based on tax positions prior to 2018		(66)
Unrecognized tax benefits at December 31, 2018	\$	—
Unrecognized tax benefits at January 1, 2017	\$	80
Increases based on tax positions prior to 2017		—
Decreases based on tax positions prior to 2017		(21)
Unrecognized tax benefits at December 31, 2017	\$	59

In the fourth quarter of 2018, Pepco decreased its unrecognized state tax benefits by \$66 million due to the receipt of favorable guidance with respect to the deductibility of certain depreciable fixed assets. The recognition of the tax benefits related to Pepco were offset by corresponding regulatory liabilities and that portion had no immediate impact to its effective tax rate.

Exelon established a liability for an uncertain tax position associated with the tax deductibility of certain merger commitments incurred by Exelon in connection with the acquisitions of Constellation in 2012 and PHI in 2016. In the first quarter 2017, as a part of its examination of Exelon's return, the IRS National Office issued guidance concurring with Exelon's position that the merger commitments were deductible. As a result, Pepco decreased its liability for unrecognized tax benefits by \$21 million in the first quarter of 2017 resulting in a benefit to Income taxes on Pepco's Statements of Income and corresponding decreases in its effective tax rate.

Unrecognized tax benefits that if recognized would affect the effective tax rate

Pepco had \$0 million and \$59 million of unrecognized tax benefits as of December 31, 2018 and 2017 respectively, that, if recognized, may be included in future base rates and that portion would have no impact to the effective tax rate.

Unrecognized tax benefits that if recognized would affect only the timing of tax payments

Pepco had no unrecognized tax benefits at both December 31, 2018 and 2017 that affected only the timing of tax payments.

Total amounts of interest and penalties recognized

Pepco had no net interest and penalties receivable (payable), including interest and penalties related to tax positions reflected in its Balance Sheets at both December 31, 2018 and 2017.

Pepco had no net interest and penalty expense, including interest and penalties related to tax positions, in its Statements of Income at both December 31, 2018 and 2017.

Description of tax years that remain open to assessment by major jurisdiction

Taxpayer	Open Years
Exelon (and predecessors) and subsidiaries consolidate federal income tax returns)	1999, 2001-2017

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PHI Holdings and subsidiaries consolidated federal income tax returns	2013, 2015-2016
Exelon and subsidiaries District of Columbia corporate income tax returns	2015-2017
PHI Holdings and subsidiaries District of Columbia corporate income tax returns	2015-2016
Various separate company Maryland corporate net income tax returns	Same as federal

Other Tax Matters

State Income Tax Law Changes

On April 24, 2018, Maryland enacted companion bills, House Bill 1794 and Senate Bill 1090, providing for a phase in of a single sales factor apportionment formula from the current three factor formula for determining an entity's Maryland state income taxes. The single sales factor will be fully phased in by 2022.

In the second quarter of 2018, Pepco recorded a one-time increase to deferred income taxes of approximately \$16 million. The increase to the Maryland deferred income tax liability was offset by regulatory assets. Further, the change in tax law is not expected to have a material ongoing impact to Pepco's future results of operations.

Long-Term Marginal State Income Tax Rate

In the third quarter of 2018, Exelon reviewed and updated its marginal state income tax rates based on 2017 state apportionment rates. As a result of the rate changes, Pepco recorded a one-time increase to deferred income taxes of approximately \$1 million and a corresponding regulatory asset of approximately \$1 million.

Allocation of Tax Benefits

Pepco is a party to an agreement with Exelon and other subsidiaries of Exelon that provides for the allocation of consolidated tax liabilities and benefits (Tax Sharing Agreement). The Tax Sharing Agreement provides that each party is allocated an amount of tax similar to that which would be owed had the party been separately subject to tax. In addition, any net benefit attributable to Exelon is reallocated to the other Registrants. That allocation is treated as a contribution to the capital of the party receiving the benefit. During both 2018 and 2017, Pepco did not record an allocation of federal tax benefits from Exelon under the Tax Sharing Agreement as a result of a tax net operating loss.

9. Asset Retirement Obligations

Pepco has AROs primarily associated with the abatement and disposal of equipment and buildings contaminated with asbestos and Polychlorinated Biphenyl ("PCBs"). See Note 1—Significant Accounting Policies for additional information on the accounting policy for AROs.

The following table provides a rollforward of the ARO's reflected on Pepco's Balance Sheets from January 1, 2017 to December 31, 2018:

ARO's at January 1, 2017	\$	2
Net increase due to changes in, and timing of, estimated future cash flows		1
ARO's at December 31, 2017 (Account 230)		3

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Net increase due to changes in, and timing of, estimated future cash flows ^(a)	34
ARO at December 31, 2018 (Account 230)	\$ 37

- (a) In 2018, Pepco recorded an increase of \$22 million in Operating and maintenance expense primarily related to asbestos identified at its Buzzard Point property as part of an annual ARO study. Buzzard Point is a waterfront property in the District of Columbia occupied by an active substation and former Pepco operated steam plant building, which Pepco retired and closed in 1981.

10. Retirement Benefits

Exelon sponsored defined benefit pension plans and other postretirement benefit plans for essentially all current employees. The table below shows the pension and other postretirement benefit plans in which Pepco employees participated at December 31, 2018:

Name of Plan:

Qualified Pension Plans:

- Exelon Corporation Cash Balance Pension Plan^(a)
- Exelon Corporation Retirement Program^(a)
- Pepco Holdings LLC Retirement Plan^(b)

Non-Qualified Pension Plans:

- Pepco Holdings LLC 2011 Supplemental Executive Retirement Plan^(b)
- Pepco Holdings LLC Combined Executive Retirement Plan^(b)

Other Postretirement Benefit Plans:

- Exelon Corporation Health Care Program^(a)
- PECO Energy Company Retiree Medical Plan^(a)
- Pepco Holdings LLC Welfare Plan for Retirees^(b)

(a) These plans are collectively referred to as the legacy Exelon plans.

(b) These plans are collectively referred to as the legacy PHI plans.

Contributions

The following table provide Pepco's contributions to the pension and other postretirement benefit plans for the years ended December 31, 2018 and 2017:

	2018	2017
Pension Benefits	\$ 6	\$ 62
Other Postretirement Benefits	\$ 11	\$ 10

Management considers various factors when making pension funding decisions, including actuarially determined minimum contribution requirements under ERISA, contributions required to avoid benefit restrictions and at-risk status as defined by the Pension Protection Act of 2006 (the Act), management of the pension obligation and regulatory implications. The Act requires the attainment of certain funding levels to avoid benefit restrictions (such as an inability to pay lump sums or to accrue benefits prospectively), and at-risk status (which triggers higher minimum contribution requirements and participant notification).

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The following table provides Pepco's planned contributions to the qualified pension plans, planned benefit payments to non-qualified pension plans, and planned contributions to other postretirement plans in 2019:

	Qualified Pension Plans	Non-Qualified Pension Plans	Other Postretirement Benefits
2019	\$ —	\$ 2	\$ 10

Allocation to Pepco

Pepco accounts for its participation in Exelon's pension and other postretirement benefit plans by applying multi-employer accounting. Components of pension and other postretirement benefit costs and contributions have been, and will continue to be, allocated to Pepco based on employee participation (both active and retired).

The amounts below represent Pepco's allocated portion of the pension and postretirement benefit plan costs, which were included in Operating and maintenance expense within its Statements of Income and Property, plant and equipment within its Balance Sheets for the years ended December 31, 2018 and 2017.

	2018	2017
Pension and Other Postretirement Benefit Costs	\$ 15	\$ 25

Defined Contribution Savings Plan

Pepco participates in various 401(k) defined contribution savings plans that are sponsored by Exelon. The plans are qualified under applicable sections of the IRC and allow employees to contribute a portion of their pre-tax and after-tax income in accordance with specified guidelines. Pepco matches a percentage of the employee contributions up to certain limits. The following table presents the matching contributions to the savings plans during the years ended December 31, 2018 and 2017.

	2018	2017
Savings Plan Matching Contributions	\$ 3	\$ 3

11. Severance

Pepco has an ongoing severance plan under which, in general, the longer an employee worked prior to termination the greater the amount of severance benefits. Pepco records a liability and expense or regulatory asset for severance once terminations are probable of occurrence and the related severance benefits can be reasonably estimated. For severance benefits that are incremental to its ongoing severance plan ("one-time termination benefits"), Pepco measures the obligation and records the expense at fair value at the communication date if there are no future service requirements, or, if future service is required to receive the termination benefit, ratably over the required service period.

Severance Costs Related to the PHI Merger

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Upon closing the PHI Merger, Exelon recorded a severance accrual for the anticipated employee position reductions as a result of the post-merger integration. Cash payments under the plan began in May 2016 and will continue through 2020.

For the years ended December 31, 2018 and 2017, the PHI Merger severance costs were immaterial.

Pepco recorded regulatory assets for merger related integration costs which include a portion of the severance costs. The regulatory assets are either currently being recovered in rates or are deemed probable of recovery in future rates. See Note 2 - Regulatory Matters for additional information.

Severance Liability

Amounts included in the table below represent the severance liability recorded for employees of Pepco (excluding amounts included at Exelon and billed through intercompany allocations) from January 1, 2017 to December 31, 2018:

Balance at January 1, 2017	\$	—
Severance Cost ^(a)		—
Payments		—
Balance at December 31, 2017	\$	—
Severance Cost ^(a)		1
Payment		(1)
Balance at December 31, 2018	\$	—

(a) Includes salary continuance and health and welfare severance benefits.

13. Shareholder's Equity

The following table presents common stock authorized and outstanding as of December 31, 2018 and 2017:

	Par Value	Shares Authorized	December 31,	
			2018	2017
			Shares Outstanding	
Pepco	\$ 0.01	200,000,000	100	100

14. Commitments and Contingencies

Commercial Commitments

Pepco's commercial commitments as of December 31, 2018, representing commitments potentially triggered by future events, were as follows:

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	Expiration within						
	Total	2019	2020	2021	2022	2023	2024 and beyond
Letters of credit	\$ 8	\$ —	\$ 8	\$ —	\$ —	\$ —	\$ —
Surety bonds(a)	33	33	—	—	—	—	—
Guaranteed lease residual values(b)	8	1	1	1	1	1	3
Total commercial commitments	\$ 49	\$ 34	\$ 9	\$ 1	\$ 1	\$ 1	\$ 3

(a) Surety bonds—Guarantees issued related to contract and commercial agreements, excluding bid bonds.

(b) Represents the maximum potential obligation in the event that the fair value of certain leased equipment and fleet vehicles is zero at the end of the maximum lease term. The maximum lease term associated with these assets ranges from 3 to 8 years. The maximum potential obligation at the end of the minimum lease term would be \$19 million. The minimum lease term associated with these assets ranges from 1 to 4 years. Historically, payments under the guarantees have not been made and Pepco believes the likelihood of payments being required under the guarantees is remote.

Leases

Pepco's minimum future operating lease payments, including lease payments for vehicles, real estate, computers, operating equipment and office equipment, as of December 31, 2018 were:

2019	\$ 11
2020	10
2021	9
2022	8
2023	8
Remaining years	40
Total minimum future lease payments(a)	\$ 86

(a) Includes amounts related to shared use land arrangements.

Pepco's rental expense under operating leases for the years ended December 31, 2018 and 2017 was \$10 million and \$11 million, respectively.

For information regarding capital lease obligations, see Note 7—Debt and Credit Agreements.

Environmental Remediation Matters

General. Pepco's operations have in the past, and may in the future, require substantial expenditures to comply with environmental laws. Additionally, under Federal and state environmental laws, Pepco is generally liable for the costs of remediating environmental contamination of property now or formerly owned by them and of property contaminated by hazardous substances generated by them. Pepco owns or leases a number of real estate parcels, including parcels on which their operations or the operations of others may have resulted in contamination by substances that are considered hazardous under environmental laws. In addition, Pepco is currently involved in a number of proceedings relating to sites where hazardous substances have been deposited and may be subject to additional proceedings in the future. Unless otherwise disclosed, Pepco cannot reasonably estimate whether they will incur significant liabilities for additional investigation and remediation costs at these or additional sites identified by Pepco, environmental agencies or others, or whether such costs will be recoverable from third parties, including customers. Additional costs could have a material,

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NOTES TO FINANCIAL STATEMENTS (Continued)			

unfavorable impact on Pepco's financial statements.

During the third quarter of 2018, Pepco conducted a study of its future estimated environmental remediation requirements. The study did not result in a material change to the environmental liability for Pepco.

As of December 31, 2018 and 2017, Pepco has accrued \$25 million and \$27 million, respectively, in Account 228.4, Accumulated Miscellaneous Operating Provisions, in undiscounted amounts for environmental liabilities on its Balance Sheet. None of these amounts are related to manufactured gas plant investigation and remediation.

Benning Road Site. In September 2010, PHI received a letter from EPA identifying the Benning Road site as one of six land-based sites potentially contributing to contamination of the lower Anacostia River. A portion of the site was formerly the location of a Pepco Energy Services electric generating facility. That generating facility was deactivated in June 2012 and plant structure demolition was completed in July 2015. The remaining portion of the site consists of a Pepco transmission and distribution service center that remains in operation. In December 2011, the U.S. District Court for the District of Columbia approved a Consent Decree entered into by Pepco and Pepco Energy Services with the DOEE, which requires Pepco and Pepco Energy Services to conduct a Remediation Investigation (RI)/ Feasibility Study (FS) for the Benning Road site and an approximately 10 to 15-acre portion of the adjacent Anacostia River. The RI/FS will form the basis for the remedial actions for the Benning Road site and for the Anacostia River sediment associated with the site. The Consent Decree does not obligate Pepco or Pepco Energy Services to pay for or perform any remediation work, but it is anticipated that DOEE will look to Pepco and Pepco Energy Services to assume responsibility for cleanup of any conditions in the river that are determined to be attributable to past activities at the Benning Road site. Pursuant to Exelon's March 23, 2016 acquisition of PHI, Pepco Energy Services was transferred to Exelon Generation LLC (Generation).

Since 2013, Pepco and Pepco Energy Services (now Generation) have been performing RI work and have submitted multiple draft RI reports to the DOEE. Once the RI work is completed, Pepco will issue a draft "final" RI report for review and comment by DOEE and the public. Pepco will then proceed to develop an FS to evaluate possible remedial alternatives for submission to DOEE. The Court has established a schedule for completion of the RI and FS, and approval by the DOEE, by February 2021.

Upon DOEE's approval of the final RI and FS Reports, Pepco will have satisfied its obligation under the Consent Decree. At that point, DOEE will prepare a Proposed Plan regarding further response actions. After considering public comment on the Proposed Plan, DOEE will issue a Record of Decision identifying any further response actions determined to be necessary. Pepco has determined that a loss associated with this matter is probable and have accrued an estimated liability.

Anacostia River Tidal Reach. Contemporaneous with the Benning RI/FS being performed by Pepco, DOEE and certain federal agencies have been conducting a separate RI/FS focused on the entire tidal reach of the Anacostia River extending from just north of the Maryland-D.C. boundary line to the confluence of the Anacostia and Potomac Rivers. In March 2016, DOEE released a draft of the river-wide RI Report for public review and comment. The river-wide RI incorporated the results of the river sampling performed by Pepco and Pepco Energy Services as part of the Benning RI/FS, as well as similar sampling efforts conducted by owners of other sites adjacent to this segment of the river and supplemental river sampling conducted by DOEE's contractor. DOEE asked Pepco, along with parties responsible for other sites along the river, to participate in a "Consultative Working Group" to provide input into the process for future remedial actions addressing the entire tidal reach of the river and to ensure proper coordination with the other river cleanup efforts currently underway, including cleanup of the river segment adjacent to the Benning Road site resulting from the Benning RI/FS. Pepco responded that it will participate in the Consultative Working Group, but its participation is not an acceptance of any financial responsibility beyond the work that will be performed at the Benning Road site described above. In April 2018, DOEE released a draft remedial investigation report for public review and comment. Pepco submitted written comments to the draft RI and participated in a public hearing. Pepco continues outreach efforts as appropriate to the agencies, governmental officials, community organizations and other key stakeholders. In May 2018 the District of Columbia Council extended the deadline for completion of the Record of Decision from June 30, 2018 until December 31, 2019. An appropriate liability for Pepco's share of investigation costs has been accrued.

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Although Pepco has determined that it is probable that costs for remediation will be incurred, Pepco cannot estimate the reasonably possible range of loss at this time and no liability has been accrued for those future costs. A draft Feasibility Study of potential remedies and their estimated costs is being prepared by the agencies and is expected to be released in 2019, at which time Pepco will likely be in a better position to estimate the range of loss.

In addition to the activities associated with the remedial process outlined above, there is a complementary statutory program that requires an assessment to determine if any natural resources have been damaged as a result of the contamination that is being remediated, and, if so, that a plan be developed by the federal, state and local Trustees responsible for those resources to restore them to their condition before injury from the environmental contaminants. If natural resources are not restored, then compensation for the injury can be sought from the party responsible for the release of the contaminants. The assessment of Natural Resource Damages (NRD) typically takes place following cleanup because cleanups sometimes also effectively restore habitat. During the second quarter of 2018, Pepco became aware that the Trustees are in the beginning stages of this process that often takes many years beyond the remedial decision to complete. Pepco has concluded that a loss associated with the eventual NRD assessment is reasonably possible. Due to the very early stage of the assessment process it cannot reasonably estimate the range of loss.

Litigation and Regulatory Matters

Fund Transfer Restrictions. Under applicable law, Exelon may borrow or receive an extension of credit from its subsidiaries. Under the terms of Exelon's intercompany money pool agreement, Exelon can lend to, but not borrow from the money pool.

Under applicable law, Pepco can pay dividends only from retained, undistributed or current earnings. A significant loss recorded at Pepco may limit the dividends that these companies can distribute to Exelon.

Pepco is subject to certain dividend restrictions established by settlements approved in Maryland and the District of Columbia. Pepco is prohibited from paying a dividend on its common shares if (a) after the dividend payment, Pepco's equity ratio would be 48% as equity levels are calculated under the ratemaking precedents of the MDPSC and DCPSC or (b) Pepco's senior unsecured credit rating is rated by one of the three major credit rating agencies below investment grade. No such event has occurred.

General. Pepco is involved in various other litigation matters that are being defended and handled in the ordinary course of business. The assessment of whether a loss is probable or a reasonable possibility, and whether the loss or a range of loss is estimable, often involves a series of complex judgments about future events. Pepco maintains accruals for such losses that are probable of being incurred and subject to reasonable estimation. Management is sometimes unable to estimate an amount or range of reasonably possible loss, particularly where (1) the damages sought are indeterminate, (2) the proceedings are in the early stages, or (3) the matters involve novel or unsettled legal theories. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution of such matters, including a possible eventual loss.

15. Supplemental Financial Information

Supplemental Statement of Income Information

The following table provides additional information about Pepco's Statements of Operations and Comprehensive Income for the years ended December 31, 2018 and 2017:

	For the Year Ended December 31,	
	2018	2017
<u>Taxes other than income (Accounts 408.1 and 408.2)</u>		
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Utility(a)	\$	316	\$	300
Real estate		58		62
Payroll		5		6
Other		—		3
Total taxes other than income	\$	379	\$	371

(a) Pepco's utility taxes represent municipal and state utility taxes and gross receipts taxes related to their operating revenues. The offsetting collection of utility taxes from customers is recorded in revenues in the Pepco's Consolidated Statements of Operations and Comprehensive Income.

Supplemental Statement of Cash Flows Information

Cash paid for interest (net of amount capitalized) was \$123 million and \$114 million for the years ended December 31, 2018 and 2017, respectively. Cash paid (refunded) for income taxes (net of refunds) was \$41 million and \$(104) million for the years ended December 31, 2018 and 2017, respectively.

Pepco's Statements of Cash Flows included non-cash investing activities relating to capital expenditures not paid increased by \$20 million and \$5 million for the years ended December 31, 2018 and 2017, respectively.

16. Related Party Transactions

The financial statements of Pepco include related party balances and transactions as presented in the tables below:

	Year Ended December 31,	
	2018	2017
Operating revenues from affiliates (Account 400)		
Generation(a)	\$ 1	\$ —
BSC	1	—
PHISCO	4	6
Total operating revenues from affiliates	\$ 6	\$ 6
Purchased power from affiliate (Account 401)		
Generation(b)	\$ 206	\$ 255
Operating and Maintenance		
PHISCO(c)(e)	\$ —	\$ 219
PES(d)	—	29
Total operating and maintenance	\$ —	\$ 248
Operating and maintenance from affiliates		
BSC(c)	\$ 89	\$ 53
PHISCO(c)(e)	137	5
Total operating and maintenance from affiliates	\$ 226	\$ 58
Capitalized costs:		

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BSC(c)	\$	40	\$	—
PHISCO(c)		32		—
Total capitalized costs	\$	72	\$	—
Cash dividends paid to parent (Account 216)	\$	169	\$	133
Contributions from parent (Account 211)	\$	166	\$	161
As of December 31,				
		2018		2017
Receivables from affiliates (Account 146)				
DPL	\$	1	\$	—
Payables to affiliates (current) (Account 234)				
Exelon Corporation	\$	1	\$	—
Generation(b)		28		36
BSC(c)		19		11
PHISCO(c)		14		27
Total Payables to affiliates (current)	\$	62	\$	74

- (a) Pepco provides energy to Generation for Generation's own use.
- (b) Pepco procures a portion of its electricity supply requirements from Generation under its MDPSC and DCPSC approved market based SOS commodity programs.
- (c) Pepco receives a variety of corporate support services from BSC and PHISCO, including legal, human resources, financial, information technology and supply management services. All services are provided at cost, including applicable overhead. A portion of such services is capitalized.
- (d) PES performed underground transmission, distribution construction and maintenance services, including services that are treated as capital costs, for Pepco.
- (e) Due to the PHI entities' system conversion to Exelon's accounting systems on January 1, 2018, corporate support services received from PHISCO are reported in Operating and maintenance from affiliates in 2018.

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

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year				
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 219 at End of Preceding Quarter/Year				
6	Balance of Account 219 at Beginning of Current Year				
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value				
9	Total (lines 7 and 8)				
10	Balance of Account 219 at End of Current Quarter/Year				

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

[illegible]

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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)	8,552,456,765		8,552,456,765	
4	Property Under Capital Leases	152,040,685		152,040,685	
5	Plant Purchased or Sold				
6	Completed Construction not Classified	512,484,939		512,484,939	
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	9,216,982,389		9,216,982,389	
9	Leased to Others				
10	Held for Future Use	51,570,926		51,570,926	
11	Construction Work in Progress	536,086,383		536,086,383	
12	Acquisition Adjustments				
13	Total Utility Plant (8 thru 12)	9,804,639,698		9,804,639,698	
14	Accum Prov for Depr, Amort, & Depl	3,215,151,863		3,215,151,863	
15	Net Utility Plant (13 less 14)	6,589,487,835		6,589,487,835	
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	3,049,645,742		3,049,645,742	
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	165,506,121		165,506,121	
22	Total In Service (18 thru 21)	3,215,151,863		3,215,151,863	
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)	3,215,151,863		3,215,151,863	

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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
					3
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FOOTNOTE DATA			

Schedule Page: 200 Line No.: 4 Column: b

Line item previously netted Capital Leases of \$152,040,685 with its associated Accumulated Amortization of \$138,114,266. Capital Lease Amortization is now reported in FERC account 111 and shown in line 14, Accumulated Provision for Depreciation, Amortization and Depletion.

Schedule Page: 200 Line No.: 14 Column: b

Line item includes \$138,114,266 of Capital Lease Accumulated Amortization previously reported in FERC account 101 and shown in line 4, Property Under Capital Leases.

Schedule Page: 200 Line No.: 18 Column: b

Line item includes \$138,114,266 of Capital Lease Accumulated Amortization previously reported in FERC account 101 and shown in line 4, Property Under Capital Leases.

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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 19, 20, and 21)				

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of <u>2018/Q4</u>
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)				
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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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		
3	(302) Franchises and Consents	250	
4	(303) Miscellaneous Intangible Plant	18,638,613	29,931,131
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	18,638,863	29,931,131
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)		

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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	34,052,890			
49	(352) Structures and Improvements	37,880,764	27,567,097		
50	(353) Station Equipment	904,575,280	74,378,879		
51	(354) Towers and Fixtures	118,904,874	1,199,512		
52	(355) Poles and Fixtures	12,934,932	-9,732		
53	(356) Overhead Conductors and Devices	124,135,093	1,379,620		
54	(357) Underground Conduit	114,800,812	11,735,732		
55	(358) Underground Conductors and Devices	196,436,997	16,895,178		
56	(359) Roads and Trails	10,724,122	-48,467		
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	1,554,445,764	133,097,819		
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	58,471,090			
61	(361) Structures and Improvements	123,562,392	19,895,050		
62	(362) Station Equipment	995,672,627	149,751,352		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	430,957,547	31,042,214		
65	(365) Overhead Conductors and Devices	626,022,235	61,908,992		
66	(366) Underground Conduit	1,158,832,939	77,500,422		
67	(367) Underground Conductors and Devices	1,502,187,737	90,324,284		
68	(368) Line Transformers	991,317,559	74,872,701		
69	(369) Services	510,471,585	24,076,130		
70	(370) Meters	150,772,447	5,048,003		
71	(371) Installations on Customer Premises	2,646,032			
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems	58,670,957	2,310,294		
74	(374) Asset Retirement Costs for Distribution Plant	3,291,403	11,690,205		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	6,612,876,550	548,419,647		
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	6,988,428			
87	(390) Structures and Improvements	133,289,113	3,828,910		
88	(391) Office Furniture and Equipment	15,883,117	4,990,722		
89	(392) Transportation Equipment		40,685		
90	(393) Stores Equipment	214,037			
91	(394) Tools, Shop and Garage Equipment	8,615,960	1,649,056		
92	(395) Laboratory Equipment	1,394,934			
93	(396) Power Operated Equipment	868,837	1,430,508		
94	(397) Communication Equipment	131,252,325	24,751,111		
95	(398) Miscellaneous Equipment	9,482,996	700,664		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	307,989,747	37,391,656		
97	(399) Other Tangible Property				
98	(399.1) Asset Retirement Costs for General Plant	258,942			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	308,248,689	37,391,656		
100	TOTAL (Accounts 101 and 106)	8,494,209,866	748,840,253		
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)	8,494,209,866	748,840,253		

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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
					2
			250		3
	26,808	-2,885,083	45,711,469		4
	26,808	-2,885,083	45,711,719		5
					6
					7
					8
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Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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
			34,052,890		48
			65,447,861		49
4,199,392			974,754,767		50
			120,104,386		51
			12,925,200		52
			125,514,713		53
			126,536,544		54
108,769			213,223,406		55
			10,675,655		56
					57
4,308,161			1,683,235,422		58
					59
			58,471,090		60
5,218			143,452,224		61
3,603,365		274,645	1,142,095,259		62
					63
1,004,826	3,053	-274,645	460,723,343		64
1,876,291	7,359		686,062,295		65
13,164	300		1,236,320,497		66
1,998,159	-78,954		1,590,434,908		67
5,507,274	37,418		1,060,720,404		68
316,674	29,271		534,260,312		69
1,011,511			154,808,939		70
			2,646,032		71
					72
36,992	1,554		60,945,813		73
			14,981,608		74
15,373,474	1		7,145,922,724		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
			6,988,428		86
112,200			137,005,823		87
1,811,434		2,885,083	21,947,488		88
			40,685		89
47,104			166,933		90
145,712			10,119,304		91
479,747			915,187		92
			2,299,345		93
3,778,728			152,224,708		94
37,979			10,145,681		95
6,412,904		2,885,083	341,853,582		96
					97
			258,942		98
6,412,904		2,885,083	342,112,524		99
26,094,539	26,809		9,216,982,389		100
					101
					102
					103
26,094,539	26,809		9,216,982,389		104

ELECTRIC PLANT LEASED TO OTHERS (Account 104)					
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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					
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46					
47	TOTAL				

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	Land: 1000 1st Street N.W., Washington, DC, Lot 82	11/1/2015	6/1/2022	20,256,214	
3	Sq 559 - 2.173 acres, Mt. Vernon - Future Use				
4					
5	8000 Fort Foote Road & 8281 Oxon Hill Road, Fort	12/1/2015	6/1/2022	806,649	
6	Washington, MD - National Harbor, For Future Use				
7					
8	White Flint Substation-11650 Nebel Street,	12/1/2014	6/1/2022	7,349,613	
9	Rockville, MD, 20852				
10					
11	2914 Sherman Avenue, N.W., Washington, DC	7/1/2014	6/1/2023	6,150,530	
12	Lot 807 in Square 2852				
13					
14	5220 Wisconsin Ave, Washington, DC 20115 Lots 810	10/1/2011	12/31/2019	15,741,937	
15	(0.34435 acres) Sq 1657 - Harrison Street Substation				
16					
17	Land in Fee - 10526 St Paul Street, Kensington, MD	3/1/2013	12/1/2023	457,898	
18	20895-Map: HP53-Lot 28 10,599SF				
19					
20					
21	Other Property:				
22					
23					
24					
25					
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46					
47	Total			51,570,926	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	Land in Fee, Melwood Sub 224 Land, Old Malboro Pike	1/1/2010	6/1/2025	295,431	
3	Upper Marlboro, MD, 20772, Map 99, Grid E1,				
4	Parcel 162, 31,555SF				
5					
6	Land in Fee, Melwood Sub 224 Land, Old Marlboro Pik,	1/1/2010	6/1/2025	512,654	
7	Upper Marlboro, MD, 20772, Map 99, Grid E1,				
8	Parcel 44, 1.26AC				
9					
10					
11					
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21	Other Property:				
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46					
47	Total			51,570,926	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	Harrison Sub Extend 138kV Lin				58,798,072
2	MD Install Three 69kV Feeders				35,679,698
3	Heavy Up System Perf Pepco MD				28,572,546
4	Harrison Sub Construct New Su				27,321,879
5	Harrison Sub 38 Rebuild 138				19,966,794
6	SPCC Oil Brkr Repl Tsub PepMD				17,807,750
7	13 8kV Swgr Replacement Pepc				13,186,749
8	Takoma to Sligo 69kV Line Ins				12,553,178
9	PHI Work Management SW Pep				11,758,257
10	69k NRL Sub168 BluePlain Sub83				10,297,468
11	Takoma 230kV Create High Side				9,758,721
12	Mt Vernon Sq Sub 230kV Suppli				8,939,960
13	Install 3 69kV Feeders from SI				8,916,473
14	White Flint New Substation 69				7,462,963
15	Mt Vernon Sq Sub Estab 230kv				6,466,597
16	New Business DC				6,393,664
17	Darnestown Sub 225 69 kV Su				6,187,340
18	Harvard New Sub Transmissi				6,182,129
19	SUB 121 SPCC 69KV OCB BREAKER				6,158,325
20	Harvard New Sub 13 kV Feeders				6,052,254
21	Champlain New Sub Transmiss				5,530,295
22	QOrch 69k bus Darnestown Inst				5,297,571
23	SUB 84 P I 11 Repl SPC				5,238,159
24	PEP Distribution Conversion				4,973,369
25	Northeast Sub 212 East Networ				4,914,968
26	Pepco DC Benning Sub Area Pla				4,198,669
27	Pepco SPCC Plans Trans				4,172,167
28	BIDA Grid T D Domain SW				4,151,847
29	Router Upg Cores Edges PepMD				3,874,449
30	EMS Implementation Project SW				3,825,113
31	Mobile Dispatch Mapping SW				3,719,192
32	Sta A C Replace 69 kV Brkrs				3,712,152
33	DDOT DC S. Cap St Bdg Conduit				3,669,307
34	Harvard 230kV Supplies DC				3,603,765
35	NERC Phys Security Bells Mill				3,403,030
36	Pepco MD Norbeck Area Plan U				3,393,251
37	Mt Vernon Sq Sub Construct 23				3,353,787
38	New Services Streetlights DC				3,323,172
39	ECA 121 BellsMill B 0524 Xfmr				3,251,463
40	Network Xfmr Prot Planned DC				3,186,547
41	Replace Deteriorated Dist Tran				3,157,100
42	PHI Web Release 2 SW				3,122,854
43	TOTAL				536,086,383

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	CA EXTEND FEEDER 15180 81 82 T				3,094,634
2	Harvard New Sub Distributi				3,075,118
3	Substation Work at Takoma for				3,055,760
4	Pepco MD Crain Hwy Area Plan				3,033,001
5	Network RMS DC				3,021,111
6	121 Bells Mill T1 and T9 Trans				3,015,928
7	Budget EPS for TSPRD8VM01				2,886,822
8	PHI IT WPT Implementation SW				2,808,648
9	ECA Sub052 Repl T2 Xfmr 10St				2,755,628
10	Rebuild Champlain Sub 25 69kV				2,656,213
11	White Flint Sub Construct New				2,651,645
12	NERC Physical Security Network				2,624,544
13	Repl 69kV Self Containd UG Sup				2,580,502
14	Upgrade Pumping Plants PepMD				2,425,051
15	Reliability Improvements PepMD				2,174,463
16	Network RMS Pep MD				2,032,810
17	EMS Implementation Project HW				1,999,972
18	DickrsnH QOrch UpgFdr 23032 34				1,943,748
19	Twelfth St Conversions UDLPRM				1,938,040
20	SUB 118 P I 5 SPCC 69KV FDR				1,868,984
21	Router Upg Cores Edges DC				1,863,126
22	Champlain New 230 69 34kV Su				1,829,064
23	Facility Relo Pepco MD				1,793,193
24	DC Power Line Undergrounding D				1,779,020
25	Dist Sub Emergency MD				1,759,414
26	BIDA Customer Project SW				1,627,079
27	New Srvc Streetlights PepMD				1,605,207
28	Facility Relo Agency Pepco MD				1,577,606
29	New Business Pepco MD				1,564,640
30	Remote Substations Upgrade Req				1,527,877
31	ECA Sub158 Nrbck 69077B 1TS1B				1,502,670
32	083 Blue Plains R 23107 B 1351				1,468,429
33	052 10thSt 1B 4B Brkr Repl ECA				1,438,349
34	Benning Sub 7 Transfer port				1,413,982
35	Waterfront Extend LVAC Group				1,382,342
36	Upgr Pumping Plant Trans PepMD				1,355,508
37	4kv Substation Automation UDS				1,351,502
38	Install Radio ControlCap PepMD				1,305,098
39	Priorty Feeder Improve PepMD				1,290,296
40	Planned Rubber Lead Sec Replc				1,273,205
41	115kV Lines Reconductor and Re				1,233,636
42	Facility Relo Agency DC				1,214,395
43	TOTAL				536,086,383

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	Upgr Pumping Plants Trans DC				1,201,849
2	Sub 075 Wheaton T3 69 13kV 20M				1,161,340
3	BIDA SES II PHI Enhance SW				1,114,698
4	PHI IT Cascade Implementati SW				1,114,500
5	Rockville Ops Const Pole Barn				1,106,649
6	083 Blue Plains R 23106 B 1333				1,040,208
7	Install 4th XFMR at Waterfront				1,040,087
8	Projects Less Than 1 Million				47,975,748
9					
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42					
43	TOTAL				536,086,383

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	2,895,219,919	2,895,219,919		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	214,846,411	214,846,411		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	4,054,764	4,054,764		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	302,329	302,329		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	219,203,504	219,203,504		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	26,094,536	26,094,536		
13	Cost of Removal	45,346,550	45,346,550		
14	Salvage (Credit)	111,070	111,070		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	71,330,016	71,330,016		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17	ARO Depr Reclassed to Reg Asset	6,552,335	6,552,335		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	3,049,645,742	3,049,645,742		
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	495,242,449	495,242,449		
26	Distribution	2,434,037,571	2,434,037,571		
27	Regional Transmission and Market Operation				
28	General	120,365,722	120,365,722		
29	TOTAL (Enter Total of lines 20 thru 28)	3,049,645,742	3,049,645,742		

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 8 Column: c

Depreciation related to the company's asset retirement obligations (ARO) totaling \$302,329 is reclassified to Other Regulatory Assets (182.3).

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.

2. 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.

3. 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	POM Holdings, Inc., a wholly owned non-regulated			
2	subsidiary incorporated under the laws of the State of Delaware	4/23/1999		
3	Common Stock			1,000
4	Subtotal			1,000
5				
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41				
42	Total Cost of Account 123.1 \$ 0		TOTAL	1,000

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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 form investments, including such revenues form 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
				2
		1,000		3
		1,000		4
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		1,000		42

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of <u>2018/Q4</u>
MATERIALS AND SUPPLIES					
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. 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.					
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)	598,518			
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	9,900			
8	Transmission Plant (Estimated)	8,987,721	11,585,315		
9	Distribution Plant (Estimated)	75,674,724	81,471,687		
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)	1,622,062			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	86,892,925	93,057,002		
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)	86,892,925	93,057,002		

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 227 Line No.: 11 Column: b

	<u>2017</u>
Tools, Building Supplies & Office Supplies	\$1,622,062

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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		2019	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	20,000.00	65,000		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9	DC HPS RECs Purchased	4,200.00	105,500		
10	DC RECs Received	431,992.00	5,003,332		
11	MD HPS RECs Purchased	25,375.00	104,037		
12	MD RECs Received	850,616.00	3,601,436		
13					
14					
15	Total	1,312,183.00	8,814,305		
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22	DC RECs Retired	436,192.00	5,108,832		
23	MD RECs Retired	885,991.00	3,709,473		
24					
25					
26					
27					
28	Total	1,322,183.00	8,818,305		
29	Balance-End of Year	10,000.00	61,000		
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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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/transfersors 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.

2020		2021		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
						20,000.00	65,000	1
								2
								3
								4
								5
								6
								7
								8
						4,200.00	105,500	9
						431,992.00	5,003,332	10
						25,375.00	104,037	11
						850,616.00	3,601,436	12
								13
								14
						1,312,183.00	8,814,305	15
								16
								17
								18
								19
								20
								21
						436,192.00	5,108,832	22
						885,991.00	3,709,473	23
								24
								25
								26
								27
						1,322,183.00	8,818,305	28
						10,000.00	61,000	29
								30
								31
								32
								33
								34
								35
								36
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								43
								44
								45
								46

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 228 Line No.: 15 Column: b

Represents renewable energy credits acquired and received to meet the Renewable Energy Portfolio Standards (RPS) for DC and the state of MD.

Schedule Page: 228 Line No.: 15 Column: c

Represents the dollar value of renewable energy credits acquired and received to meet the Renewable Energy Portfolio Standard (RPS) for DC and the state of MD.

Schedule Page: 228 Line No.: 28 Column: b

Represents renewable energy credits retired to meet the Renewable Energy Portfolio Standards (RPS) for DC and the state of MD.

Schedule Page: 228 Line No.: 28 Column: c

Represents the dollar value of renewable energy credits retired to meet the Renewable Energy Portfolio Standards (RPS) for DC and the state of MD.

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2019	
		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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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/transfersors 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.

2020		2021		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
								1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
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								46

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of <u>2018/Q4</u>	
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 Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4	
OTHER REGULATORY ASSETS (Account 182.3)						
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable. 2. 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. 3. 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 Written off During the Quarter/Year Account Charged (d) Written off During the Period Amount (e)		Balance at end of Current Quarter/Year (f)
1	Asset Retirement Obligation	342,995	543,971			886,966
2	Worker's Compensation & Long-term Disability	34,604,376	3,265,895	184.0	3,921,616	33,948,655
3	Control Center	7,793,169	480,004	407.3	286,063	7,987,110
4	Transmission Service Revenue	3,060,223	10,268,093	456.1	3,395,490	9,932,826
5	DC Residential Aid Discount-Distribution	2,434,559	608,007	407.3	1,118,841	1,923,725
6	DC Bill Stabilization Adjustment Deferral	23,880,188	30,949,007	Various	26,898,497	27,930,698
7	AMI/Smart Grid - MD	43,754,584		407.3	4,898,396	38,856,188
8	DC Costs to Achieve (CTA) Deferral	8,993,365	466,899			9,460,264
9	DC I-Street Lease Deferral	1,518,828	1,869,956	589.0	233,540	3,155,244
10	DC Power Line Undergrounding (PLUG)	190,253,767	2,997,963	Various	33,962,049	159,289,681
11	DC Rate Case Costs	2,908,879	1,975,214	928.0	1,502,669	3,381,424
12	DC Recoverable Audit Costs	1,613,280		923.0	614,583	998,697
13	DC Recoverable Legacy Billing Costs	276,575		903.0	59,800	216,775
14	DC Recoverable Solution One Costs	2,258,850		903.0	488,400	1,770,450
15	DC Recoverable Outside Tax Services Costs	90,650		923.0	19,600	71,050
16	MD Rate Case Costs	404,989	54,746	928.0	201,385	258,350
17	MD Bill Stabilization Adjustment Deferral	14,181,231	42,170,849	Various	27,070,492	29,281,588
18	MD Purchase of Third Party Supplier Receivables	1,247,201	2,331,229	Various	3,578,430	
19	MD Costs to Achieve (CTA) Deferral	11,180,185		407.3	2,478,634	8,701,551
20	MD Recoverable Solution One Costs	5,639,675		903.0	1,455,400	4,184,275
21	MD Electric Vehicle Pilot Program Costs	283,125		407.3	151,000	132,125
22	MD Union Contract Ratification Bonus	45,750		407.3	45,750	
23	AMI/Smart Grid - DC	43,935,581	4,402	407.3	5,822,265	38,117,718
24	DC Recoverable DLC Costs	12,761,606		407.3	2,759,264	10,002,342
25	DSM-Energy Efficiency Products-MD	184,067,949	63,292,537	407.3	82,140,919	165,219,567
26	DSM-Direct Load Control Program-MD	34,886,804	5,005,917	407.3	7,929,942	31,962,779
27	District of Columbia SOS:					
28	Energy	1,692,813		407.3	1,652,570	40,243
29	Transmission	3,017,853	8,892,692	407.3	171,903	11,738,642
30	Administrative Costs	1,235,328	1,381,324	407.3	2,616,652	
31	Maryland SOS:					
32	Transmission	7,930,406	17,369,658	407.3	2,081,525	23,218,539
33	Storm Costs	7,465,813	5,201,853	Various	3,917,498	8,750,168
34	SOS Deferral for FERC 494 Settlement		87,739,328	407.3	28,091,683	59,647,645
35	Benning Road Study Costs		3,292,582	588.0	126,570	3,166,012
36	Tax Cuts + Jobs Act		4,411,520			4,411,520
37	Private Letter Ruling MD		1,815,407	182.3	1,815,407	
38	MD Recoverable Legacy Meter Costs-Order 9418	69,912,829		407.3	7,381,219	62,531,610
39	MD RM54 Recovery		323,875			323,875
40						
41						
42						
43						
44	TOTAL	723,673,426	296,712,928		258,888,052	761,498,302

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 2 Column: d

The following is the individual component of "184.0":

\$ 3,921,616 recorded to account 184.0 - Offset as a fringe benefit before being expensed for rate making purposes

Schedule Page: 232 Line No.: 3 Column: b

The following lines from 2017 FERC Form 1, column (f) are individual components of 2018 beginning balance in column (b):

\$ 4,133,880	Line 4	Control Center Replacement Parts
3,659,289	Line 5	Control Center EMS
<u>\$ 7,793,169</u>		

Schedule Page: 232 Line No.: 6 Column: d

The following are the individual components of "Various":

\$ 17,077,792	recorded to account 142.0 - Relief of Regulatory Asset through Billed Bill Stabilization Adjustment (BSA)
3,116,826	recorded to account 442.0
6,703,879	recorded to account 456.0
<u>\$ 26,898,497</u>	Total

Schedule Page: 232 Line No.: 7 Column: b

The following lines from 2017 FERC Form 1, column (f) are individual components of 2018 beginning balance in column (b):

\$ 42,109,427	Line 42, page 232	MD Recoverable AMI Costs-Order 9418
1,645,157	Line 4, page 232.1	MD Dynamic Pricing
<u>\$ 43,754,584</u>		

Schedule Page: 232 Line No.: 10 Column: d

The following are the individual components of "Various":

\$ 3,090,967	recorded to account 142.0 - Relief of Regulatory Asset through Billed Underground Rider
351,156	recorded to account 254.0 - Reclass consistent with regulatory recovery position
1,696,798	recorded to account 407.3
1,323,128	recorded to account 456.0
27,500,000	recorded to account 584.0
<u>\$ 33,962,049</u>	Total

Schedule Page: 232 Line No.: 11 Column: b

The following lines from 2017 FERC Form 1, column (f) are individual components of 2018 beginning balance in column (b):

\$ 2,908,879	Line 15	DC Recoverable Rate Order-Rate Case Costs
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Schedule Page: 232 Line No.: 16 Column: b

The following lines from 2017 FERC Form 1, column (f) are individual components of 2018 beginning balance in column (b):

\$ 404,989	Line 20	MD Rate Order-Rate Case Costs
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Schedule Page: 232 Line No.: 17 Column: d

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

The following are the individual components of "Various":

\$ 14,123,687 recorded to account 142.0 - Relief of Regulatory Asset through Billed Bill Stabilization Adjustment (BSA)
12,946,805 recorded to account 456.0
\$ 27,070,492 Total

Schedule Page: 232 Line No.: 18 Column: d

The following are the individual components of "Various":

\$ 582,334 recorded to account 144.0 - Relief of Regulatory Asset through Accounts Receivable Reserve adjustments
597,129 recorded to account 232.0 - Relief of Regulatory Asset through Third Party Supplier Discount
1,839,868 recorded to account 254.0 - Reclass consistent with regulatory recovery position
559,099 recorded to account 450.0
\$ 3,578,430 Total

Schedule Page: 232 Line No.: 23 Column: b

The following lines from 2017 FERC Form 1, column (f) are individual components of 2018 beginning balance in column (b):

\$ 2,595,529	Line 31	Return on Smart Grid-DC
6,136,084	Line 32	Smart Grid-DC
31,101,483	Line 34	DC Recoverable AMI Costs
4,145,557	Line 36	DC Recoverable DYP Costs
(43,072)	Line 37	DC AMI Return in Rates
\$ 43,935,581		

Schedule Page: 232 Line No.: 33 Column: b

The following lines from 2017 FERC Form 1, column (f) are individual components of 2018 beginning balance in column (b):

\$ 813,025	Line 14, page 232.1	MD Hurricane Irene Incremental Storm Costs
2,273,953	Line 15, page 232.1	MD Derecho Incremental Storm Costs
729,572	Line 16, page 232.1	MD Rate Order-Recoverable Jan 2011 Storm Costs
486,884	Line 17, page 232.1	MD Hurricane Sandy Incremental Storm Costs
166,988	Line 18, page 232.1	MD Rate Order-Recoverable 2013 Nor'easter Costs
527,775	Line 19, page 232.1	MD February 2014 Storm (PAX) Prep
189,555	Line 20, page 232.1	MD Rate Order-Recoverable Feb 2010 Storm Costs
1,333,234	Line 21, page 232.1	MD January 2016 (Jonas) Storm Costs
944,827	Line 22, page 232.1	MD March 2017 (Stella) Storm Costs
\$ 7,465,813		

Schedule Page: 232 Line No.: 33 Column: d

The following are the individual components of "Various":

\$ 433,614 recorded to account 407.3
30,033 recorded to account 408.1
3,650 recorded to account 581.0
374,686 recorded to account 588.0
30,422 recorded to account 592.0
2,782,037 recorded to account 593.0
234,990 recorded to account 903.0
28,066 recorded to account 908.0
\$ 3,917,498

Schedule Page: 232 Line No.: 37 Column: d

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

The following is the individual component of "182.3":

\$ 1,815,407 recorded to account 182.3 - Reclass to regulatory recovery mechanism, MD Bill Stabilization Adjustment Deferral – line no: 17

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

- Report below the particulars (details) called for concerning miscellaneous deferred debits.
- For any deferred debit being amortized, show period of amortization in column (a)
- 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	Ins. Recovery-Envmtl Claims	197,639		0		197,639
2	Control Center Capital Lease	36,916		589.0	18,458	18,458
3	Prepaid Pension Expense	321,651,517	11,566,363	various	17,094,897	316,122,983
4	LT Customer Payment Receivables	318,186	501,986	143.0	672,802	147,370
5	Other A/R Worker Compensation	14,805,117	17,002,279	various	21,074,740	10,732,656
6	Recoverable AML Start-Up Costs	440,137		407.3	60,708	379,429
7	LT Contract Receivable	2,327,707		224.0	715,558	1,612,149
8	Other		15,855			15,855
9						
10						
11						
12						
13						
14						
15						
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45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	339,777,219				329,226,539

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 233 Line No.: 3 Column: d

Prepaid Pension is charged to Account 926, 107 and 108.

Schedule Page: 233 Line No.: 5 Column: d

Worker's Compensation is charged to Accounts 925, 107 and 108.

Schedule Page: 233 Line No.: 49 Column: b

The beginning of year balances were changed to reflect the current year financial statement presentation.

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of <u>2018/Q4</u>
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	Electric	374,211,987	345,344,375		
3					
4					
5					
6					
7	Other				
8	TOTAL Electric (Enter Total of lines 2 thru 7)	374,211,987	345,344,375		
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)	374,211,987	345,344,375		
Notes					
Account 190 Fed Inc. Activity: 410 Debits 42,884,814 411 Credits 20,760,620 Net Debits 22,124,194 Account 190 State Inc. Activity: 410 Debits 30,248,720 411 Credits 9,279,297 Net Debits 20,969,423 Account 190 Activity B/S Only: 410 Debits 14,226,005 Net Debits (14,226,005) Net Change (28,867,612)					

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 234 Line No.: 18 Column: c

Description	Beginning	Ending
Deferred Compensation	1,050,678	746,136
Allowance for Doubtful Accounts	5,803,794	5,812,884
Accrued Liabilities	78,513,571	82,342,455
Environmental Expense	7,206,005	6,794,434
Charitable Contribution Carryforward	3,518,292	1,850,836
Capital Loss Limitation	63,332	18,263
FAS 106 OPEB Adjustment	9,856,980	9,025,386
Regulatory Liabilities	1,541,500	1,355,997
FAS 109 - Deferred Taxes on ITC	522,450	497,232
FAS 109 - Regulatory Liability	216,924,656	217,227,927
Federal & State NOL	36,370,016	12,481,236
Other 190 Deferred Taxes	4,211,979	1,117,013
Merger Commitment Deferrals	8,546,200	6,074,576
Interest on Contingent Taxes	82,534	—
Total	374,211,987	345,344,375

CAPITAL STOCKS (Account 201 and 204)

1. 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.

2. 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	Account 201			
2	Common Stock	200,000,000	0.01	
3				
4	Total Common Stock	200,000,000		
5				
6	Account 204			
7	None			
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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)	
						1
100	1					2
						3
100	1					4
						5
						6
						7
						8
						9
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						42

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 250 Line No.: 2 Column: a

Reference is made to Footnote 18 - Shareholder's Equity in the Exelon Corporation Form 10-K page 412, filed with the Securities and Exchange Commission for the year ended December 31, 2018

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	Account 208 - Donations Received from Stockholders				
2	None				
3					
4	SUBTOTAL - Account 208				
5					
6	Account 209 - Reduction in Par or Stated Value of Capital Stock				
7	Common Stock				496,274,514
8					
9	SUBTOTAL - Account 209				496,274,514
10					
11	Account 210 - Gain on Resale or Cancellation of Reacquired Capital Stk				
12	Common Stock				1,721,392
13					
14	SUBTOTAL - Account 210				1,721,392
15					
16	Account 211 - Miscellaneous Paid-In Capital				
17	Net assets from former parent company				124,030
18	Excess of net assets of former subsidiary (merged into Company				
19	December 31, 1949) at date of acquisition over cost of its capitl				
20	stock				138,120
21	Unclaimed amount of securities previously retired by Pepco				50
22	Release of restricted stock				276,612
23	Allocation of non-acquisition debt from Holding Company to				
24	subsidiaries				25,982,330
25	Capital Contribution from Parent				1,102,501,541
26	SUBTOTAL - Account 211				1,129,022,683
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				1,627,018,589

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of <u>2018/Q4</u>
CAPITAL STOCK EXPENSE (Account 214)					
1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock. 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.					
Line No.	Class and Series of Stock (a)				Balance at End of Year (b)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
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14					
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16					
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19					
20					
21					
22	TOTAL				

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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 - First Mortgage Bonds		
2	5.40% Series due 2035	175,000,000	2,159,593
3			619,500 D
4	5.75% Series due 2034	100,000,000	1,216,106
5			76,000 D
6	6.20% First Mortgage Bonds due 2022	109,500,000	1,274,127
7	6.50% Series due 2037	250,000,000	2,187,500
8			622,500 D
9	6.5% Series due 2037	250,000,000	3,042,166
10			7,707,500 D
11	7.9% Series due 2038	250,000,000	2,187,500
12	3.05% Series due 2022	200,000,000	1,300,000
13			580,000 D
14	4.15% First Mortgage Bonds due 2043	250,000,000	4,333,912
15			977,500 D
16	4.95% First Mortgage Bonds due 2043	150,000,000	2,767,692
17			1,111,500 D
18	3.60% First Mortgage Bonds due 2024	400,000,000	6,769,182
19			532,000 D
20	4.15% First Mortgage Bonds due 2043	200,000,000	4,232,480
21			-8,422,000 P
22	4.15% First Mortgage Bonds due 2043	200,000,000	4,237,131
23			-55,527 P
24	4.27% First Mortgage Bonds due 2048	100,000,000	3,724,649
25	4.31% First Mortgage Bonds due 2048	100,000,000	36,738
26			
27			
28	SUBTOTAL - Account 221	2,734,500,000	43,217,749
29	Project Funding		
30	SUBTOTAL - Account 224		
31			
32			
33	TOTAL	2,734,500,000	43,217,749

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
6/1/2005	6/1/2035	6/1/2005	6/1/2035	175,000,000	9,450,000	2
						3
3/24/2004	4/15/2034	4/15/2004	4/15/2034	100,000,000	5,750,000	4
						5
3/17/2009	9/1/2022	3/17/2009	9/1/2022	109,500,000	6,789,000	6
11/16/2007	11/15/2037	12/15/2007	11/15/2037	250,000,000	16,250,000	7
						8
3/31/2008	11/15/2037	4/1/2008	11/15/2037	250,000,000	16,250,000	9
						10
12/10/2008	12/15/2038	12/10/2008	12/15/2038	250,000,000	19,750,000	11
4/4/2012	4/1/2022	4/4/2012	4/1/2022	200,000,000	6,100,000	12
						13
3/18/2013	3/15/2043	3/18/2013	3/15/2043	250,000,000	10,375,000	14
						15
11/21/2013	11/15/2043	11/21/2013	11/15/2043	150,000,000	7,425,000	16
						17
3/18/2014	3/15/2024	3/18/2014	3/15/2024	400,000,000	14,400,000	18
						19
3/16/2015	3/15/2024	3/16/2015	3/15/2043	200,000,000	8,300,000	20
						21
5/22/2017	3/15/2043	5/22/2017	3/15/2043	200,000,000	8,300,000	22
						23
6/21/2018	6/15/2048	6/21/2018	6/15/2048	100,000,000	2,253,611	24
11/1/2018	11/1/2048	11/1/2018	11/1/2048	100,000,000	718,333	25
						26
						27
				2,734,500,000	132,110,944	28
				2,378,971		29
				2,378,971		30
						31
						32
				2,736,878,971	132,110,944	33

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 24 Column: b

On June 21, 2018, Potomac Electric Power Company issued \$100 million of first mortgage bonds due June 15, 2048.

Schedule Page: 256 Line No.: 25 Column: b

On November 1, 2018, Potomac Electric Power Company issued \$100 million of first mortgage bonds due November 1, 2048.

Schedule Page: 256 Line No.: 32 Column: i

The difference between the total interest reported in column (i) and the balances in accounts 427 and 430 is \$28,059, which represents Service Company related interest from money pool transactions and credit facility commitment fees each of which are reported in account 430.

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)	210,085,720
2		
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Federal & State Income Tax	12,720,690
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	See Attached Footnote Data	-62,447,706
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	160,358,704
28	Show Computation of Tax:	
29	Federal Income Tax at 21%	33,675,328
30	Net Operating Loss & Charitable Contributions Utilized	-10,016,372
31	2017 Return to Accrual	4,768,311
32		
33	TOTAL	28,427,267
34		
35	Federal Income Tax Acct 409.10	36,774,320
36	Federal Income Tax Acct 409.20	-8,347,053
37	Total	28,427,267
38		
39		
40		
41		
42		
43		
44		

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 1 Column: b

Net Income for the Year (Page 117)	210,085,720
Federal Income Tax	12,719,317
State income Tax	1,373
Pre-Tax Book Income	222,806,410

Increase (Decrease) in Taxable Income Resulting From:

Removal Costs	(46,328,622)
Repair Allowance - Unit of Property	(102,868,613)
Depreciation	67,204,165
CIAC	28,710,512
AFUDC Equity	(22,317,172)
AFUDC Debt	(12,207,943)
Capitalized Interest	19,922,978
Gain/Loss on Disposition of Property	5,890,988
Regulatory Assets & Liabilities	86,644,618
Pension/OPEB/SERP	170,757
Accrued Liabilities	(25,770,599)
Merger Commitment Deferrals	(9,246,294)
State Income Taxes Deductible	(2,959,146)
Other (Net)	(49,293,335)
Total Schedule M's	(62,447,706)

Federal Taxable Income	160,358,704
-------------------------------	-------------

Computation of Federal Income Tax:

Federal Income Tax on Current Year Income (21%)	33,675,328
Net Operating Loss Utilized	(10,016,372)
2017 Return to Accrual	4,768,311
Federal Income Tax	28,427,267
Federal Income Tax Account 409.10	36,774,320
Federal Income Tax Account 409.20	(8,347,053)
Total	28,427,267

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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	Federal Income Tax					
2	Income	19,626,167		28,427,267	40,723,539	621,421
3						
4	State Income Tax					
5	District of Columbia					
6	Maryland	2,959,146				-2,959,146
7	Virginia			1,373	1,373	
8	Pennsylvania					
9						
10	Taxes Other Than Income					
11	District of Columbia					
12	Delivery Tax	6,869,608		85,890,436	85,827,421	
13	Real Estate	2,212,040		7,072,348	7,454,061	-78,394
14	Use Tax	701,192		282,238		208,804
15	Ballpark Fee	8,250		16,500	16,500	
16	PSC Filing Fees	2,251,345		9,368,172	9,203,578	
17	Business Improvement	14,207		167,325	144,536	
18	SETF, EATF Funds	2,662,306		20,602,697	20,585,062	75,546
19	Right of Way Fee		4,673,066	21,928,715	22,972,242	
20						
21	Maryland					
22	Universal Service Program	700,541		9,210,710	9,139,804	
23	Montgomery County Fuel	18,216,806		136,846,102	136,692,941	
24	Use Tax	102,730		-7,690		143,043
25	PSC Filing Fees		1	2,431,714	2,431,713	
26	Environmental Surcharge	269,537		2,019,586	2,035,204	
27	Montgomery County Property		12,458,272	25,354,569	26,424,398	355,880
28	Prince Georges County		10,245,736	21,992,091	23,502,051	6,838
29	Charles County Property		384,394	798,913	829,037	
30	St. Mary's County Property		7,307	15,116	15,619	
31	Calvert County Property		141,162	290,641	298,957	
32	Howard County Property		193,399	399,414	412,028	
33	MD Other Property		938,220	2,086,989	2,168,108	
34	Gross Receipts Tax		923,349	17,153,796	15,903,687	
35	Delivery Tax			8,978,976	8,978,976	
36	Diesel Fuel			58,966	58,966	
37	Other					
38						
39						
40						
41	TOTAL	58,519,994	29,969,702	408,228,907	422,752,001	-1,614,893

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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 know, 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	Virginia					
2	County/Local Property			551,043	551,043	
3	VA Use Tax	19	4,796	4,692	38,322	41,146
4						
5	Pennsylvania					
6	Personal Property (PURTA)					
7						
8	Federal Highway Use Tax			12,185	12,600	2
9	Payroll Taxes	1,926,100		6,274,023	6,330,235	-30,033
10						
11						
12						
13						
14						
15						
16						
17						
18						
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36						
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39						
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41	TOTAL	58,519,994	29,969,702	408,228,907	422,752,001	-1,614,893

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)							
5. If any tax (exclude Federal and State income taxes)- covers more then 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	
(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)	No.	
						1	
7,951,316		36,774,320			-8,347,053	2	
						3	
						4	
						5	
						6	
		1,373				7	
						8	
						9	
						10	
						11	
6,932,623		85,890,436				12	
1,751,933		5,831,730			1,240,618	13	
1,192,234		282,238				14	
8,250		16,500				15	
2,415,939		9,368,172				16	
36,996		167,325				17	
2,755,487		20,602,697				18	
	5,716,593	21,928,715				19	
						20	
						21	
771,447		9,210,710				22	
18,369,967		136,846,102				23	
238,083		-7,690				24	
		2,431,714				25	
253,919		2,019,586				26	
	13,172,221	25,030,076			324,493	27	
	11,748,858	21,615,826			376,265	28	
	414,518	798,809			104	29	
	7,809	15,116				30	
	149,478	290,625			16	31	
	206,013	398,928			485	32	
	1,019,339	2,052,664			34,326	33	
326,760		17,153,796				34	
		8,978,976				35	
		58,966				36	
						37	
						38	
						39	
						40	
44,907,614	32,435,242	414,505,373			-6,276,465	41	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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 then 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)	
						1
		551,043				2
2,739		4,692				3
						4
						5
						6
						7
	413	12,185				8
1,899,921		6,179,743			94,281	9
						10
						11
						12
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						38
						39
						40
44,907,614	32,435,242	414,505,373			-6,276,465	41

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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%	1,934,714			411.4	130,337	
4	7%						
5	10%						
6							
7							
8	TOTAL	1,934,714				130,337	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
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Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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
1,804,377	28 Years				3
					4
					5
					6
					7
1,804,377					8
					9
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					11
					12
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OTHER DEFERRED CREDITS (Account 253)

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- 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	Special billing	10,619,899	143.0	6,764,492	1,768,066	5,623,473
2	DC charitable contributions	14,115,127	426.1	2,156,304		11,958,823
3	MD charitable contributions	5,554,249	426.1	1,028,517		4,525,732
4	DC base rate credits	13,909,346	242.0	4,390,572	5,426,465	14,945,239
5	DC Plug	160,000,000	242.0	30,000,000		130,000,000
6	I Street Lease	355,346			631,193	986,539
7	Other long term liabilities	2,499,999	242.0	2,499,999		
8	Supplier Deposits	1,063,968	131.0	1,090,974	1,160,760	1,133,754
9	LT Payable to PJM		504.1	3,921,955	29,399,665	25,477,710
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46						
47	TOTAL	208,117,934		51,852,813	38,386,149	194,651,270

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 269 Line No.: 1 Column: a

The beginning of year balances were changed to reflect the current year financial statement presentation.

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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 rating 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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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	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
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NOTES (Continued)

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	1,154,915,310	86,313,363	106,435,036
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	1,154,915,310	86,313,363	106,435,036
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru	1,154,915,310	86,313,363	106,435,036
10	Classification of TOTAL			
11	Federal Income Tax	1,025,799,138	69,481,861	80,682,490
12	State Income Tax	129,116,172	16,831,502	25,752,546
13	Local Income Tax			

NOTES

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
	176,267	VARIOUS	68,848,793	VARIOUS	82,267,591	1,148,036,168	2
							3
							4
	176,267		68,848,793		82,267,591	1,148,036,168	5
							6
							7
							8
	176,267		68,848,793		82,267,591	1,148,036,168	9
							10
	123,308	VARIOUS	68,848,793			945,626,408	11
	52,959			VARIOUS	82,267,591	202,409,760	12
							13

NOTES (Continued)

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 274 Line No.: 9 Column: k

Description	Beginning Balance	Ending Balance
Property	1,730,347,201	1,688,053,494
FAS 109 AFUDC Equity	27,046,939	12,714,508
FAS 109 Flowthrough	(561,841,819)	(497,530,459)
CIAC	(46,890,907)	(61,065,524)
Lease Vehicles	6,253,896	5,864,149
Total Electric	1,154,915,310	1,148,036,168

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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		279,940,631	2,538,456	40,911,746
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	279,940,631	2,538,456	40,911,746
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)	279,940,631	2,538,456	40,911,746
20	Classification of TOTAL			
21	Federal Income Tax	220,914,768	1,773,888	34,448,572
22	State Income Tax	59,025,863	764,568	6,463,174
23	Local Income Tax			

NOTES

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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
		VARIOUS	6,738,225	VARIOUS	24,902,241	259,731,357	3
							4
							5
							6
							7
							8
			6,738,225		24,902,241	259,731,357	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
			6,738,225		24,902,241	259,731,357	19
							20
		VARIOUS	6,738,225			181,501,859	21
				VARIOUS	24,902,241	78,229,498	22
							23
NOTES (Continued)							

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 19 Column: k

Description	Beginning Balance	Ending Balance
Prepaid Pension Costs	89,001,504	87,144,048
Regulatory Assets	179,409,892	160,847,805
MD Property Taxes	6,850,506	7,362,744
Unamortized Loss - Reacq. Debt	4,111,752	3,675,449
Other	566,977	701,311
Total	279,940,631	259,731,357

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4	
OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable. 2. 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. 3. 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	SFAS 109 Regulatory Liability	803,305,870	411.1	48,289,367	33,270,284	788,286,787
2	Maryland SOS:					
3	Energy	2,112,886	407.3	3,454,731	5,758,988	4,417,143
4	Administrative Costs	3,388,991	407.3	555,253	1,601,729	4,435,467
5	District of Columbia SOS:					
6	Administrative Costs				1,381,322	1,381,322
7	Third Party Receivables	1,375,838	Various	1,441,414	2,474,191	2,408,615
8	MD Grid Resiliency Charge	975,399	142	3,126	100,013	1,072,286
9	MD Dynamic Pricing, Critical Peak Rebate Credit	2,536,480	407.3	3,426,079	1,672,554	782,955
10	DC Depreciation Excess Reserve	260,369	Various	50,627	400,198	609,940
11	Tax Cuts and Jobs Act	(3,617,438)	Various	34,394,608	43,270,572	5,258,526
12	DSM Direct Load Control Program-MD		407.3	3,260,485	7,023,000	3,762,515
13	DSM Energy Efficiency Products-MD				14,579,470	14,579,470
14	MD RM54 Recovery	692,633	Various	645,731		46,902
15	DC Right of Way		407.3	84,229	1,698,675	1,614,446
16						
17						
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40						
41	TOTAL	811,031,028		95,605,650	113,230,996	828,656,374

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 278 Line No.: 7 Column: c

The following are the individual components of "Various":

\$	396,110	recorded to account 144.0 - Relief of Regulatory Asset through Accounts Receivable Reserve adjustments
	1,045,304	recorded to account 182.3 - Reclass consistent with regulatory recovery position
\$	1,441,414	Total

Schedule Page: 278 Line No.: 8 Column: c

The following is the individual component of "142.0":

\$	3,126	recorded to account 142.0 - Relief of Regulatory Liability through billing adjustments related to Grid Resiliency Charge (GRC)
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Schedule Page: 278 Line No.: 10 Column: c

The following are the individual components of "Various":

\$	11,644	recorded to account 440.0
	38,477	recorded to account 442.0
	506	recorded to account 446.0
\$	50,627	

Schedule Page: 278 Line No.: 11 Column: c

The following are the individual components of "Various":

\$	29,561,547	recorded to account 142.0 - Relief of Regulatory Liability through billing of one-time TCJA credits
	(1,933,466)	recorded to account 242.0 - Reclass of TCJA amounts included in Base Rate Case (BRC) settlement to be applied through Customer Base Rate Credit
	6,318,466	recorded to account 253.0 - Reclass of TCJA amounts included in Base Rate Case (BRC) settlement to be applied through Customer Base Rate Credit
	72,228	recorded to account 426.5
	165,146	recorded to account 440.0
	199,296	recorded to account 442.0
	7,059	recorded to account 444.0
	4,332	recorded to account 446.0
\$	34,394,608	Total

Schedule Page: 278 Line No.: 14 Column: c

The following are the individual components of "Various":

\$	470,760	recorded to account 182.3 - Reclass consistent with regulatory recovery position
	174,971	recorded to account 903.0
\$	645,731	Total

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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	1,021,202,685	935,883,139
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	975,000,321	891,611,639
5	Large (or Ind.) (See Instr. 4)	11,240,008	11,539,192
6	(444) Public Street and Highway Lighting	13,822,083	14,349,159
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways	18,407,770	18,274,018
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	2,039,672,867	1,871,657,147
11	(447) Sales for Resale		
12	TOTAL Sales of Electricity	2,039,672,867	1,871,657,147
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	2,039,672,867	1,871,657,147
15	Other Operating Revenues		
16	(450) Forfeited Discounts	7,115,580	6,273,450
17	(451) Miscellaneous Service Revenues	1,218,128	1,599,877
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	16,081,775	14,654,095
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	16,110,134	95,196,002
22	(456.1) Revenues from Transmission of Electricity of Others	185,475,431	186,429,025
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	226,001,048	304,152,449
27	TOTAL Electric Operating Revenues	2,265,673,915	2,175,809,596

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	Line No.	
				1	
8,433,547	7,831,405	800,193	787,654	2	
				3	
16,148,455	15,768,476	75,523	75,114	4	
521,899	522,250	13	13	5	
145,345	146,425	144	137	6	
				7	
587,668	587,337	3	3	8	
				9	
25,836,914	24,855,893	875,876	862,921	10	
				11	
25,836,914	24,855,893	875,876	862,921	12	
				13	
25,836,914	24,855,893	875,876	862,921	14	
Line 12, column (b) includes \$ 107,964 of unbilled revenues. Line 12, column (d) includes -38,187 MWH relating to unbilled revenues					

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

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

Items greater than \$250,000:

\$ 892,570 Connected Charges

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

Items greater than \$250,000:

\$ 1,330,630 Connect Charges
294,717 MD Opt Out Fees

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

Items greater than \$250,000:

\$ (6,036,126) Billed Stabilization Adjustment
(1,165,961) Calendar Revenue Normalization
5,309,524 Intercompany Revenue Previously Recorded to Contra Expense
2,064,200 Account Management Fees
953,728 Intercompany Use of Power
13,009,877 RPM Auction

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

Items greater than \$250,000:

\$ 71,041,030 Billed Stabilization Adjustment
898,140 Calendar Revenue Normalization
1,870,802 Acct Mgmt Fees
873,326 Intercompany Use of Power

NOTE: \$19,183,732 of RPM auction revenue has been reclassified from Line 11, Column c to Line 21, Column c to conform to the current period presentation.

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					
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33					
34					
35					
36					
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39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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	440 - Residential Sales					
2	Residential	6,592,141	834,888,590	670,245	9,835	0.1266
3	Residential A.II-Electric	628,737	69,849,269	74,896	8,395	0.1111
4	Residential Time Metered	946,947	118,280,237	53,823	17,594	0.1249
5	Outdoor Lighting - Res	481	149,579	375	1,283	0.3110
6	Residential - Master Metered Apts	302,651	18,613,810	983	307,885	0.0615
7	Residential All-Electric (MMA)					
8	Plug in Vehicle - Res	2,274	300,838	246	9,244	0.1323
9	Unbilled Revenue	-39,684	-247,261			0.0062
10	Adjustment - Duplicate Customers			-375		
11	MD/DP EWR PAR Credits & Billed		-20,632,377			
12	TOTAL	8,433,547	1,021,202,685	800,193	10,539	0.1211
13						
14	442 - Commerical & Industrial Sal					
15	GS Non-Demand	228,815	26,657,555	17,285	13,238	0.1165
16	Unmetered GS Non Demand	652	195,022	2	326,000	0.2991
17	GS-Low Voltage	628,714	65,407,900	5,088	123,568	0.1040
18	General Service - Primary Svc	400,788	45,652,314	30,164	13,287	0.1139
19	Unmetered General Service	1,045	157,533	5	209,000	0.1507
20	Time Meter GS-Low Voltage	5,047,232	316,267,420	2,424	2,082,191	0.0627
21	Time Meter GS Med-Low Voltage	915,303	66,677,821	1,355	675,500	0.0728
22	Time Meter GS-Primary Service	4,055,511	150,915,281	233	17,405,627	0.0372
23	Time Meter Med GS-Low Volt II	4,321,754	269,919,210	17,644	244,942	0.0625
24	Time Meter Med GS-Low Volt III	388,447	20,664,575	132	2,942,780	0.0532
25	Time Meter Med GS Prim Svc II	65,902	2,901,452	85	775,318	0.0440
26	Time Meter Med GS Prlm Svc III	20,397	1,186,144	7	2,913,857	0.0582
27	Temporary or Supplementary Svc	42,033	5,683,701	796	52,805	0.1352
28	Telecommunications Network Svc	20,291	877,478	296	68,551	0.0432
29	Outdoor Lighting- Comm	1,719	457,341	684	2,513	0.2661
30	Electric Vehicle - Comm	56	2,915	4	14,000	0.0521
31	Traffic Signal - SVC	10,462	361,725	3	3,487,333	0.0346
32	Unbilled Revenue	-666	233,681			-0.3509
33	Adjustment - Duplicate Customers			-684		
34	MD/DP EWR PAR Credits & Billed		781,253			
35	TOTAL	16,148,455	975,000,321	75,523	213,822	0.0604
36						
37	(442) Commercial and Industrial					
38	Large (or Ind.)(High Voltage of					
39	66 KV or higher):					
40	Time Meter GS-High Voltage	521,056	11,166,515	13	40,081,231	0.0214
41	TOTAL Billed	25,875,101	2,039,564,903	875,876	29,542	0.0788
42	Total Unbilled Rev.(See Instr. 6)	-38,187	107,964	0	0	-0.0028
43	TOTAL	25,836,914	2,039,672,867	875,876	29,498	0.0789

Name of Respondent Potomac Electric Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
	(1) ☒ An Original	(2) ☐ A Resubmission		

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	Unbilled Revenue	843	77,019			0.0914
2	MD/DP EWR PAR Credits & Billed		-3,526			
3	Total	521,899	11,240,008	13	40,146,077	0.0215
4						
5	444 - Public Street & Highway Lgh					
6	Metered Street Lighting	1,790	182,612	82	21,829	0.1020
7	Unmetered Street Lighting	143,369	13,645,078	62	2,312,403	0.0952
8	Unbilled Revenue	186	-5,607			-0.0301
9	Total	145,345	13,822,083	144	1,009,340	0.0951
10						
11	(446) Sales to Railroads and					
12	Railways					
13	Rapid Transit Svc	334,074	10,975,465	1	334,074,000	0.0329
14	Time Metered Rapid Transit	252,460	7,382,173	2	126,230,000	0.0292
15	Unbilled Revenue	1,134	50,132			0.0442
16	TOTAL	587,668	18,407,770	3	195,889,333	0.0313
17						
18						
19						
20						
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26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	25,875,101	2,039,564,903	875,876	29,542	0.0788
42	Total Unbilled Rev.(See Instr. 6)	-38,187	107,964	0	0	-0.0028
43	TOTAL	25,836,914	2,039,672,867	875,876	29,498	0.0789

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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 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						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
0	0	0	0	0	
0	0	0	0	0	

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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)	
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			-41,164	
120	(575.6) Market Monitoring and Compliance				
121	(575.7) Market Facilitation, Monitoring and Compliance Services	11,059		10,817	
122	(575.8) Rents				
123	Total Operation (Lines 115 thru 122)	11,059		-30,347	
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)	11,059		-30,347	
132	4. DISTRIBUTION EXPENSES				
133	Operation				
134	(580) Operation Supervision and Engineering	3,708,109		2,066,874	
135	(581) Load Dispatching	5,625,435		5,743,902	
136	(582) Station Expenses	1,292,337		1,500,140	
137	(583) Overhead Line Expenses	1,048,048		799,456	
138	(584) Underground Line Expenses	33,174,402		5,501,155	
139	(585) Street Lighting and Signal System Expenses	634,821		497	
140	(586) Meter Expenses	6,951,837		5,417,901	
141	(587) Customer Installations Expenses	8,438,964		8,255,131	
142	(588) Miscellaneous Expenses	9,179,510		24,163,510	
143	(589) Rents	9,440,399		8,559,525	
144	TOTAL Operation (Enter Total of lines 134 thru 143)	79,493,862		62,008,091	
145	Maintenance				
146	(590) Maintenance Supervision and Engineering	782,810		1,423,524	
147	(591) Maintenance of Structures	13,536		196,538	
148	(592) Maintenance of Station Equipment	16,992,873		10,726,955	
149	(593) Maintenance of Overhead Lines	42,394,462		51,272,760	
150	(594) Maintenance of Underground Lines	22,698,059		18,777,873	
151	(595) Maintenance of Line Transformers	6,445,668		3,794,453	
152	(596) Maintenance of Street Lighting and Signal Systems	4,878,991		2,874,879	
153	(597) Maintenance of Meters	842,418		2,781,153	
154	(598) Maintenance of Miscellaneous Distribution Plant	2,262,553		1,800,418	
155	TOTAL Maintenance (Total of lines 146 thru 154)	97,311,370		93,648,553	
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	176,805,232		155,656,644	
157	5. CUSTOMER ACCOUNTS EXPENSES				
158	Operation				
159	(901) Supervision				
160	(902) Meter Reading Expenses	989,971		1,132,419	
161	(903) Customer Records and Collection Expenses	77,888,559		81,120,111	
162	(904) Uncollectible Accounts	10,563,115		7,139,438	
163	(905) Miscellaneous Customer Accounts Expenses				
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	89,441,645		89,391,968	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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		-126
168	(908) Customer Assistance Expenses	8,031,635	7,603,704
169	(909) Informational and Instructional Expenses	2,099,119	1,700,406
170	(910) Miscellaneous Customer Service and Informational Expenses		11,549
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	10,130,754	9,315,533
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)		
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	6,227,196	7,879,654
182	(921) Office Supplies and Expenses	7,425,775	522,289
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	141,064,695	118,289,638
185	(924) Property Insurance	1,232,329	1,210,424
186	(925) Injuries and Damages	4,646,491	484,634
187	(926) Employee Pensions and Benefits	18,795,623	27,423,342
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	4,126,707	4,320,061
190	(929) (Less) Duplicate Charges-Cr.		10,474,428
191	(930.1) General Advertising Expenses	873,677	409,143
192	(930.2) Miscellaneous General Expenses	1,854,627	1,493,347
193	(931) Rents		4,549,528
194	TOTAL Operation (Enter Total of lines 181 thru 193)	186,247,120	156,107,632
195	Maintenance		
196	(935) Maintenance of General Plant	74,127	622,063
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	186,321,247	156,729,695
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	1,264,104,976	1,106,466,436

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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)	
274,234				16,194,656		16,194,656	1
486,333				28,543,447		28,543,447	2
20,493				1,399,098		1,399,098	3
443,008				28,298,107		28,298,107	4
846,920				50,439,968		50,439,968	5
147,669				9,121,545		9,121,545	6
3,416,975				205,510,203		205,510,203	7
51,213				3,282,405		3,282,405	8
675,012				42,611,425		42,611,425	9
427,738				24,373,568		24,373,568	10
207,933				12,623,402		12,623,402	11
500,188				30,708,858		30,708,858	12
							13
866,007				51,385,776		51,385,776	14
9,686,515			2,786,847	578,024,801	66,938,800	647,750,448	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)	
807,502				47,283,958		47,283,958	1
305,248				17,174,738		17,174,738	2
							3
210,042			2,786,847	8,851,010	66,860,938	78,498,795	4
							5
				65,000		65,000	6
				36,750		36,750	7
				17,100		17,100	8
				94,688		94,688	9
				9,099		9,099	10
							11
					71,816	71,816	12
							13
					6,046	6,046	14
9,686,515			2,786,847	578,024,801	66,938,800	647,750,448	

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 1 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 2 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 3 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 4 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 5 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 6 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 7 Column: a

Exelon Generation Company, LLC and Potomac Electric Power Company were both subsidiaries of Exelon Corporation as of December 31, 2018.

Schedule Page: 326 Line No.: 7 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 8 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 9 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 10 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 11 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's

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Potomac Electric Power Company			
FOOTNOTE DATA			

Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 12 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326 Line No.: 14 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326.1 Line No.: 1 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326.1 Line No.: 2 Column: b

Megawatt Hours purchased from wholesale suppliers under Potomac Electric Power Company's Standard Offer Service (SOS) program for Maryland and the District of Columbia in accordance with the Full Requirements Service (FSA) Agreement.

Schedule Page: 326.1 Line No.: 4 Column: l

Balancing Operating Reserve	\$	95,861
Balancing Operating Reserve for Load Response		1,332
Day-ahead Scheduling Reserve		77,668
Load Reconciliation for Balancing Operating Reserve		1,222
Load Reconciliation for Day-ahead Scheduling Reserve		911
Load Reconciliation for Non- Synchronized Reserve		253
Load Reconciliation for Regulation & Frequency Response Service		3,562
Load Reconciliation for Synchronized Reserve		720
Miscellaneous Bi-lateral		(27,653)
Network Integration Transmission Service		66,500,790
Non- Synchronized Reserve		5,411
Reactive Supply & Voltage Control from Generation		62,088
Regulation & Frequency Response Service		36,916
Synchronized Reserve		16,549
Synchronous Condensing		9
PJM Customer Payment Default		85,299
Total PJM	\$	66,860,938

Schedule Page: 326.1 Line No.: 6 Column: b

Represents retirement of renewable energy credits purchased on the open-market for Maryland.

Schedule Page: 326.1 Line No.: 7 Column: b

Represents retirement of renewable energy credits purchased on the open-market for Maryland.

Schedule Page: 326.1 Line No.: 8 Column: b

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Represents retirement of renewable energy credits purchased on the open-market for Maryland and the District of Columbia.

Schedule Page: 326.1 Line No.: 9 Column: b

Represents retirement of renewable energy credits purchased on the open-market for Maryland and the District of Columbia.

Schedule Page: 326.1 Line No.: 10 Column: b

Represents net accruals for renewable energy credits in Maryland and the District of Columbia.

Schedule Page: 326.1 Line No.: 12 Column: b

Customer bill credits associated with the Community Renewable Energy Facility program in Maryland and the District of Columbia.

Schedule Page: 326.1 Line No.: 12 Column: l

Customer bill credits for Community Renewable Energy Facility program in the District of Columbia & Maryland.

Schedule Page: 326.1 Line No.: 14 Column: b

Represents broker fees on purchases of renewable energy credits.

Schedule Page: 326.1 Line No.: 14 Column: l

Represents broker fees on purchases of renewable energy credits.

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	PJM Point to Point Trans Revenue	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
2	PJM Trans Owner Sched System Con				
3	PJM Network Integration Trans Svc				
4	PJM Transmission Enhancement Cred				
5	A P Gas & Electric	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
6	Agera Energy, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
7	Agway Energy Services LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
8	Ambit Northeast, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
9	American Power & Gas, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
10	Atlantic Energy MD, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
11	BGE Home Products & Services	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
12	BlueStar Energy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
13	Champion Energy Services, Inc	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
14	Clearview Electric, Inc	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
15	Commerce Energy, Inc	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
16	Constellation New Energy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
17	DC Gas and Electric	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
18	Devonshire Energy, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
19	Direct Energy Services LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
20	Discount Power, Inc	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
21	EDF Energy Services, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
22	Eligo Energy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
23	Energy Me LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
24	Energy Plus Holdings	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
25	Ethical Electric	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
26	First Point Power, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
27	Freepoint Energy Solutions, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
28	GDF Suez Energy Resources	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
29	GEXA Energy Maryland LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
30	Great American Power, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
31	Green Mountain Energy Company	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
32	Hess Energy Marketing	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
33	Horizon Power & Light, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
34	Hudson Energy Services, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
	TOTAL				

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	IDT Energy, Inc.	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
2	Inspire Energy Holdings, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
3	Josco Energy USA, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
4	Liberty Power DC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
5	Liberty Power MD	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
6	LifeEnergy, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
7	Macquarie Energy LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
8	Major Energy Electric Services, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
9	Maryland Gas and Electric	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
10	MidAmerican Energy Services, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
11	Mpower Energy NJ	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
12	National Gas & Electric, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
13	NextEra Energy DC LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
14	NextEra Energy MD LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
15	Noble Americas Energy Solutions	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
16	Nordic Energy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
17	North American Power and Gas, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
18	North Eastern States, Inc	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
19	Palmco Power LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
20	Plymouth Rock Energy, Inc.	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
21	Potomac Electric Power Company	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
22	PPL Energy Plus LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
23	Public Power & Utility of Maryland, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
24	Public Power, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
25	Reliant Energy Solutions East, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
26	Renaissance Power & Gas, Inc.	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
27	Sempra Energy Solutions	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
28	SFE Energy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
29	SmartEnergy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
30	Source Power & Gas, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
31	Sperian Energy Corporation	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
32	Spring Energy RRH, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
33	Star Energy Partners, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
34	Starion Energy PA, Inc.	PJM Interconnection, LLC	PJM Interconnection, LLC	OS	
	TOTAL				

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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	Strategic Energy	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
2	Stream Energy Columbia LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
3	Stream Energy Maryland, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
4	Texas Retail Energy LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
5	Titan Gas, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
6	Trident Retail Energy, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
7	UGI Energy Services, Inc.	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
8	VA Power	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
9	Virdian Energy PA LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
10	Washington Gas Energy Services	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
11	XOOM Energy Maryland	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
12	Xoom Energy Washington, DC, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
13	Oasis Power , LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
14	WPS Energy Services, Inc.	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
15	HIKO Energy, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
16	First Energy Solutions Corp	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
17	Reliant Energy Solutions East, LLC	PJM Interconnection, LLC	PJM Interconnection, LLC	OS
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	TOTAL			

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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)		
OATT						1	
						2	
						3	
						4	
PJM Tariff	Pepco System	Pepco System		19,254		5	
PJM Tariff	Pepco System	Pepco System		641,433		6	
PJM Tariff	Pepco System	Pepco System		1		7	
PJM Tariff	Pepco System	Pepco System		50,339		8	
PJM Tariff	Pepco System	Pepco System		375		9	
PJM Tariff	Pepco System	Pepco System		15,154		10	
PJM Tariff	Pepco System	Pepco System		105		11	
PJM Tariff	Pepco System	Pepco System		37,155		12	
PJM Tariff	Pepco System	Pepco System		87,332		13	
PJM Tariff	Pepco System	Pepco System		21,120		14	
PJM Tariff	Pepco System	Pepco System		23,158		15	
PJM Tariff	Pepco System	Pepco System		5,532,983		16	
PJM Tariff	Pepco System	Pepco System		16,392		17	
PJM Tariff	Pepco System	Pepco System		11,406		18	
PJM Tariff	Pepco System	Pepco System		197,183		19	
PJM Tariff	Pepco System	Pepco System		1,099		20	
PJM Tariff	Pepco System	Pepco System		52,441		21	
PJM Tariff	Pepco System	Pepco System		7,168		22	
PJM Tariff	Pepco System	Pepco System		19,969		23	
PJM Tariff	Pepco System	Pepco System		22,024		24	
PJM Tariff	Pepco System	Pepco System		114,406		25	
PJM Tariff	Pepco System	Pepco System		34		26	
PJM Tariff	Pepco System	Pepco System		479		27	
PJM Tariff	Pepco System	Pepco System		415,883		28	
PJM Tariff	Pepco System	Pepco System		117,977		29	
PJM Tariff	Pepco System	Pepco System		2,110		30	
PJM Tariff	Pepco System	Pepco System		2,534		31	
PJM Tariff	Pepco System	Pepco System		185,047		32	
PJM Tariff	Pepco System	Pepco System		35,224		33	
PJM Tariff	Pepco System	Pepco System		888		34	
			0	17,198,411		0	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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)		
PJM Tariff	Pepco System	Pepco System		45,301		1	
PJM Tariff	Pepco System	Pepco System		81,936		2	
PJM Tariff	Pepco System	Pepco System		1,553		3	
PJM Tariff	Pepco System	Pepco System		35,125		4	
PJM Tariff	Pepco System	Pepco System		34,394		5	
PJM Tariff	Pepco System	Pepco System		8,187		6	
PJM Tariff	Pepco System	Pepco System		21,345		7	
PJM Tariff	Pepco System	Pepco System		33,909		8	
PJM Tariff	Pepco System	Pepco System		76,049		9	
PJM Tariff	Pepco System	Pepco System		142,263		10	
PJM Tariff	Pepco System	Pepco System		11		11	
PJM Tariff	Pepco System	Pepco System		4,832		12	
PJM Tariff	Pepco System	Pepco System		1,722		13	
PJM Tariff	Pepco System	Pepco System		420		14	
PJM Tariff	Pepco System	Pepco System		393,848		15	
PJM Tariff	Pepco System	Pepco System		18,144		16	
PJM Tariff	Pepco System	Pepco System		22,713		17	
PJM Tariff	Pepco System	Pepco System		16,374		18	
PJM Tariff	Pepco System	Pepco System		24,810		19	
PJM Tariff	Pepco System	Pepco System		9,486		20	
PJM Tariff	Pepco System	Pepco System		-11,827		21	
PJM Tariff	Pepco System	Pepco System		158,081		22	
PJM Tariff	Pepco System	Pepco System		41,442		23	
PJM Tariff	Pepco System	Pepco System		22,117		24	
PJM Tariff	Pepco System	Pepco System		80,460		25	
PJM Tariff	Pepco System	Pepco System		6,246		26	
PJM Tariff	Pepco System	Pepco System		115,188		27	
PJM Tariff	Pepco System	Pepco System		22,618		28	
PJM Tariff	Pepco System	Pepco System		13,521		29	
PJM Tariff	Pepco System	Pepco System		436,009		30	
PJM Tariff	Pepco System	Pepco System		2,305		31	
PJM Tariff	Pepco System	Pepco System		62		32	
PJM Tariff	Pepco System	Pepco System		131,557		33	
PJM Tariff	Pepco System	Pepco System		16,998		34	
			0	17,198,411		0	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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)		
PJM Tariff	Pepco System	Pepco System		3,719,313		1	
PJM Tariff	Pepco System	Pepco System		13,549		2	
PJM Tariff	Pepco System	Pepco System		39,550		3	
PJM Tariff	Pepco System	Pepco System		9,892		4	
PJM Tariff	Pepco System	Pepco System		429		5	
PJM Tariff	Pepco System	Pepco System		6,391		6	
PJM Tariff	Pepco System	Pepco System		15,194		7	
PJM Tariff	Pepco System	Pepco System		7,498		8	
PJM Tariff	Pepco System	Pepco System		5,241		9	
PJM Tariff	Pepco System	Pepco System		3,646,215		10	
PJM Tariff	Pepco System	Pepco System		67,047		11	
PJM Tariff	Pepco System	Pepco System		20,409		12	
PJM Tariff	Pepco System	Pepco System		9,536		13	
PJM Tariff	Pepco System	Pepco System		87		14	
PJM Tariff	Pepco System	Pepco System		73		15	
PJM Tariff	Pepco System	Pepco System		81		16	
PJM Tariff	Pepco System	Pepco System		34		17	
						18	
						19	
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			0	17,198,411		0	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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.	
		1,121,678	1,121,678	1	
		598,427	598,427	2	
		170,616,574	170,616,574	3	
		13,138,752	13,138,752	4	
				5	
				6	
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				34	
0	0	185,475,431	185,475,431		

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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.	
				1	
				2	
				3	
				4	
				5	
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				33	
				34	
0	0	185,475,431	185,475,431		

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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.	
				1	
				2	
				3	
				4	
				5	
				6	
				7	
				8	
				9	
				10	
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				31	
				32	
				33	
				34	
0	0	185,475,431	185,475,431		

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

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

Pepco share of PJM pool Point-to-Point transmission revenue from the administration of the PJM Interconnection, LLC Open Access Transmission Tariff (OATT).

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

Revenue from the PJM Interconnection, LLC for Transmission Owner Scheduling, System Control and Dispatch Service with the Pepco Zone Control Center.

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

Revenue from the PJM Interconnection, LLC for Network Integration Transmission Service and Other Supporting Facilities, specifically, SMECO Interconnections with Pepco.

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

Revenue from Transmission Enhancements

Schedule Page: 328 Line No.: 5 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 6 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 7 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 8 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 9 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 10 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 11 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 12 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 13 Column: i

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 14 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 15 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 16 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 17 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 18 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 19 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 20 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 21 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 22 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 23 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 24 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Choice Program.

Schedule Page: 328 Line No.: 25 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 26 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 27 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 28 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 29 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 30 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 31 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 32 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 33 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328 Line No.: 34 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 1 Column: i
Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 328.1 Line No.: 2 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 3 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 4 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 5 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 6 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 7 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 8 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 9 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 10 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 11 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 12 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 13 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in

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the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 15 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 16 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 17 Column: i

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Schedule Page: 328.1 Line No.: 18 Column: i

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Schedule Page: 328.1 Line No.: 19 Column: i

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Schedule Page: 328.1 Line No.: 21 Column: i

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Schedule Page: 328.1 Line No.: 25 Column: i

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Schedule Page: 328.1 Line No.: 26 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 27 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 28 Column: i

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Schedule Page: 328.1 Line No.: 30 Column: i

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Schedule Page: 328.1 Line No.: 31 Column: i

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Schedule Page: 328.1 Line No.: 32 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 33 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.1 Line No.: 34 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.2 Line No.: 1 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.2 Line No.: 2 Column: i

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.2 Line No.: 4 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail

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Choice Program.

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

Schedule Page: 328.2 Line No.: 15 Column: i

Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

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Estimated generation level electricity transmitted for other alternate energy suppliers in the District of Columbia and Maryland jurisdictions under those jurisdictions' Retail Choice Program.

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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					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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27					
28					
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31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")					
1. 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. 2. 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. 3. 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. 4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service. 5. 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. 6. Enter "TOTAL" in column (a) as the last line. 7. 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								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL							

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	473,760
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	Trustee Fees	21,599
7	Board of Director Expenses	152,627
8	Research, Development	
9	and Demonstration, Including Memberships	581,065
10	Credit Card Accruals	473,671
11	Miscellaneous	151,905
12		
13		
14		
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46	TOTAL	1,854,627

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of aquisition adjustments)

1. 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).

2. 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.

3. 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.

4. 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			2,159,074		2,159,074
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	35,995,875				35,995,875
8	Distribution Plant	171,258,735				171,258,735
9	Regional Transmission and Market Operation					
10	General Plant	7,591,801			428,418	8,020,219
11	Common Plant-Electric					
12	TOTAL	214,846,411		2,159,074	428,418	217,433,903

B. Basis for Amortization Charges

Account 404 includes amortization of computer software development costs amortized using the straight line method. Account 405 includes amortization of the cost of leasehold improvements in the Company's general office building (amortized during 2016 using the straight line method over the remaining life of a lease expiring 2028) and amortization of purchased and leased equipment (amortized using the straight line method through the remaining life or lease term). There are no changes in the basis or rates used from the preceding year.

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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	350.2 - ALLOCABLE	1,471			1.25			
13	352 - ALLOCABLE	65,032			2.95			
14	352.1 - DC	95			2.44			
15	352.2 - MD	113	45.00		3.27	R4		
16	352.3 - SMECO	67			3.01			
17	353 - ALLOCABLE	881,503			2.67			
18	353.1 - DC	5,508			1.95			
19	353.2 - MD	7,362	40.00		3.07	R3		
20	353.3 - SMECO	1,252			3.01			
21	354 - ALLOCABLE	112,071			1.97			
22	354.1 - DC	2,664			1.69			
23	354.2 - MD	3,757	55.00		1.91	R3		
24	354.3 - SMECO	1,000			3.01			
25	355 - ALLOCABLE	12,838			2.82			
26	355.1 - DC	34			2.63			
27	355.2 - MD	46	55.00		2.91	R3		
28	355.3 - SMECO	6			3.01			
29	356 - ALLOCABLE	122,669			1.79			
30	356.1 - DC	943			1.80			
31	356.2 - MD	1,598	55.00		1.51	S1.5		
32	356.3 - SMECO	296			3.01			
33	357 - ALLOCABLE	123,640			1.77			
34	357.1 - DC	812			1.75			
35	357.2 - MD	903	55.00		1.50	S2		
36	357.3 - SMECO	201			3.01			
37	358 - ALLOCABLE	210,167			1.69			
38	358.1 - DC	1,237			1.93			
39	358.2 - MD	1,531	55.00		1.24	S2		
40	358.3 - SMECO	287			3.01			
41	359 - ALLOCABLE	9,896			1.80			
42	359.1 - DC	331			1.87			
43	359.2 - MD	444	60.00		1.49	S5		
44	359.3 - SMECO	5			3.01			
45	SUBTOTAL	1,569,779						
46								
47	360.2 - MD	274	55.00		0.64	S0.5		
48	360.2 - ALLOCABLE	721			0.85			
49	361 - DC	66,621	65.00	-20.00	1.76	R3		
50	361 - MD	59,367	75.00	-35.00	1.21	R3		

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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	361 - SUB TRANS	5,863			1.76			
13	361.1 - DC	3,380	65.00	-20.00	1.76	R3		
14	361.2 - MD	1,873	75.00	-35.00	1.21	R3		
15	362 - DC	409,379	50.00	-30.00	2.54	R2.5		
16	362 - MD	373,600	55.00	-30.00	1.85	S0.5		
17	362 - SUB TRANS	269,328			2.64			
18	362.1 - DC	10,270	50.00	-30.00	2.54	R2.5		
19	362.2 - MD	12,171	55.00	-30.00	1.85	S0.5		
20	364 - DC	119,379	50.00	-80.00	3.69	R2		
21	364 - MD	294,299	55.00	-80.00	2.38	R1.5		
22	364 - SUB TRANS	44,137			3.69			
23	364.1 - DC	415	50.00	-80.00	3.69	R2		
24	364.2 - MD	1,047	55.00	-80.00	2.38	R1.5		
25	365 - DC	133,137	45.00	-80.00	3.95	S2		
26	365 - MD	507,808	55.00	-70.00	2.41	R0.5		
27	365 - SUB TRANS	42,344			3.95			
28	365.1 - DC	575	45.00	-80.00	3.95	S2		
29	365.2 MD	1,640	55.00	-70.00	2.41	R0.5		
30	366 - DC	803,446	65.00	-50.00	2.07	R4		
31	366 - MD	285,607	60.00	-40.00	1.61	R3		
32	366 - SUB TRANS	132,048			2.07			
33	366.1 - DC	9,445	65.00	-50.00	2.07	R4		
34	366.2 - MD	1,955	60.00	-40.00	1.61	R3		
35	367 - DC	782,717	60.00	-60.00	2.19	R2.5		
36	367 - MD	645,019	55.00	-60.00	1.99	R4		
37	367 - SUB TRANS	152,441			2.19			
38	367.1 - DC	4,361	60.00	-60.00	2.19	R2.5		
39	367.2 - MD	2,402	55.00	-60.00	1.99	R4		
40	368 - DC	539,205	35.00	-40.00	3.96	R1.5		
41	368 - MD	519,214	40.00	-40.00	2.63	R2.5		
42	368 - SUB TRANS	122						
43	368.1 - DC	110	35.00	-40.00	3.96	R1.5		
44	368.2 - MD	136	40.00	-40.00	2.63	R2.5		
45	369.1 - DC	18,304	50.00	-60.00	3.92	R1.5		
46	369.1 - MD	48,928	45.00	-60.00	2.73	R3		
47	369.2 - DC	117,546	50.00	-60.00	2.89	S4		
48	369.2 - MD	23,784	45.00	-60.00	2.73	R3		
49	369.3 - DC	166,994	55.00	-50.00	2.56	S1.5		
50	369.3 - MD	157,029	45.00	-60.00	2.55	R3		

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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	369.3 - SMECO	99			2.79		
13	370 - ALLOCABLE	20,682			2.86		
14	370 - MD	1,929	30.00		2.01	S3	
15	370 - SMECO	375			2.79		
16	370.1 - DC	58,763	15.00		7.10	S2.5	
17	370.1- MD	72,718	30.00		10.00	S3	
18	371.1- MD	1,279	20.00		-5.58	R2.5	
19	371.1- DC	1,367	35.00		0.70	S2	
20	373.1 - DC	10,295	35.00	-50.00	3.31	R2.5	
21	373.1 - MD	27,940	45.00	40.00	2.30	S2	
22	373.2 - MD	20,641	47.00	-50.00	2.30	R3	
23	373.4 - MD	1,986	42.00	-50.00	2.76	R1.5	
24	SUBTOTAL	6,986,515					
25							
26	390 - ALLOCABLE	115,361			2.81		
27	390 - DC	3,832	65.00	-15.00	2.66	R2.5	
28	390 - MD	4,801	45.00	-20.00	13.97	R3	
29	390 - SMECO	284			4.40		
30	391.1 - ALLOCABLE	422	15.00		6.67		
31	391.1 - DC	3,755	15.00		1.99	SQ	
32	391.1 - MD	3,935	15.00		6.67	SQ	
33	391.3 - ALLOCABLE	6,465			9.84		
34	391.3 - DC	4,128	10.00		10.00	SQ	
35	391.3 - MD	2,823	5.00		19.56	SQ	
36	393 - DC	173	25.00		4.00	SQ	
37	393 - MD	1,209	15.00		4.67	SQ	
38	394 - DC	4,958	25.00		4.00	SQ	
39	394 - MD	3,818	15.00		6.45	SQ	
40	395 - DC	563	15.00		6.67	SQ	
41	395 - MD	592	15.00		5.70	SQ	
42	396 - ALLOCABLE	2,294			7.99		
43	397 - ALLOCABLE	36,133			6.13		
44	397 - DC	2,280	20.00		6.63	L2.5	
45	397 - MD	2,902	35.00	-5.00	14.51	S3	
46	397 - SMECO	163			4.40		
47	397.1 - ALLOCABLE	52,992			1.28		
48	397.1 - MD	849	15.00	-10.00	11.53	S3	
49	397.3 - DC	28,738	15.00		6.67	SQ	
50	397.3 - MD	30,652	15.00		6.59	SQ	

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/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	398 - DC	4,817	20.00		5.00	SQ	
13	398 - MD	5,223	15.00		6.65	SQ	
14	SUBTOTAL	324,162					
15							
16	TOTAL	8,880,456					
17							
18							
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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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REGULATORY COMMISSION EXPENSES

1. 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.
2. 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	DC FC 945 Investigation into Electric Services				
2	Market Competition and Regulatory Practices	-40		-40	
3					
4	DC FC 1017 Investigation into the Development				
5	and Designation of Standard Offer Service	-199		-199	
6					
7	DC FC 1050 Investigation of Implementation of				
8	Interconnection Standards in the District of				
9	Columbia	22,000		22,000	
10					
11	DC FC 1076 Application for Increase in Retail				
12	Rates for Distribution Service	-214,320		-214,320	
13					
14	DC FC 1103 Application to Increase Rates for				
15	Distribution Service		174	174	
16					
17	DC FC 1119 Application for Approval of				
18	Proposed Merger Transaction	-51,955		-51,955	
19					
20	DC FC 1123 Application to conduct a 230kV/				
21	138kV/13kV Substation and four 230kV/				
22	138kV Underground Transmission Circuits on				
23	Buzzard Point in Southwest DC	-5,044		-5,044	
24					
25	DC FC 1125 Application for the Promotion of				
26	the Utility Discount Programs	127,904		127,904	
27					
28	DC FC 1139 Application to Increase Rates for				
29	Distribution Service		16,817	16,817	
30	Amortization of Case Costs		1,164,807	1,164,807	3,036,347
31					
32	DC FC 1130 Investigation into Modernizing the				
33	Delivery System for Increased Sustainability	134,120		134,120	
34					
35	DC FC 1144 Capital Grid Project Notice Of				
36	Construction	189,955		189,955	
37					
38	DC FC 1148 Investigation into the				
39	Establishment and Implementation of Energy				
40	Efficient and Energy Conservation Programs				
41	Targeted towards both Affordable Multifamily				
42	units and Master Metered Multifamily Buildings	9,880		9,880	
43					
44	DC FC 1149 Investigation into the Structure				
45	and Application of an Experimental Rate Class				
46	TOTAL	1,695,463	2,431,244	4,126,707	3,441,337

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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REGULATORY COMMISSION EXPENSES

1. 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.
2. 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	for both Senior Citizens and Disabled				
2	Residents in the District of Columbia	50,000		50,000	
3					
4	DC FC 1150 Application to Increase Rates for				
5	Distribution Service	1,393,512	-1,627,556	-234,044	
6	Amortization of Case Costs		214,244	214,244	
7					
8	DC FC 1151 Impact of the Tax Cuts and Jobs				
9	Act of 2017 on the existing Distribution				
10	Service Rates and Charges for Pepco and				
11	Washington Gas light Company.	75,000		75,000	
12					
13	DC XXXX Application to Increase Distribution				
14	Rates		333,780	333,780	
15					
16	DC PEPACR 2015-01- Annual Consolidated Report	-75,000		-75,000	
17					
18	DC PEPACR 2017-01- Annual Consolidated Report	39,650		39,650	
19					
20	MEDSIS Initiative		315,710	315,710	
21					
22					
23					
24	MD 9418 Application to Increase Rates for				
25	Distribution Service		23,643	23,643	
26	Amortization of Case Costs		143,667	143,667	269,375
27					
28	MD 9336 Application to Increase Rates for				
29	Distribution Service		1,051	1,051	
30					
31	MD 9385 Application for Approval to Change				
32	Depreciation Rates		2,024	2,024	
33					
34	MD 9443 Application to Increase Rates for				
35	Distribution Service		-21,942	-21,942	
36	Amortization of Case Costs		48,333	48,333	135,615
37					
38	MD 9472 Application to Increase Distribution				
39	Rates for Distribution Service		291,465	291,465	
40	Amortization of Case Costs		10,949	10,949	
41					
42	MD 9602 Application to Increase Distribution				
43	Rates		56,515	56,515	
44					
45	PEP MD Grid Future Proceeding		296,303	296,303	
46	TOTAL	1,695,463	2,431,244	4,126,707	3,441,337

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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REGULATORY COMMISSION EXPENSES

1. 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.

2. 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					
2	ER05-515 Annual Rate Updates - FERC				
3	Transmission		201,188	201,188	
4	ER18-905 FAS 109 Tax Filing- FERC				
5	Transmission		17,761	17,761	
6					
7	Miscellaneous Costs - DC, MD and Other		942,311	942,311	
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
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43					
44					
45					
46	TOTAL	1,695,463	2,431,244	4,126,707	3,441,337

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			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
Electric	928	-40					2
							3
							4
Electric	928	-199					5
							6
							7
							8
Electric	928	22,000					9
							10
							11
Electric	928	-214,320					12
							13
							14
Electric	928	174					15
							16
							17
Electric	928	-51,955					18
							19
							20
							21
							22
Electric	928	-5,044					23
							24
							25
Electric	928	127,904					26
							27
							28
Electric	928	16,817	74,218				29
Electric	928	1,164,807		182.3	1,164,807	1,945,759	30
							31
							32
Electric	928	134,120					33
							34
							35
Electric	928	189,955					36
							37
							38
							39
							40
							41
Electric	928	9,880					42
							43
							44
							45
		4,126,707	1,802,528		1,582,000	3,661,866	46

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Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
							2
Electric	928	201,188					3
							4
Electric	928	17,761					5
							6
Electric	928	942,311					7
							8
							9
							10
							11
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							45
		4,126,707	1,802,528		1,582,000	3,661,866	46

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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:

(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

(2) Transmission
- a. Overhead
b. Underground
(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

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

Line No.	Classification (a)	Description (b)
1	A. Electric RD&D Performed Internally:	
2	(2) Transmission and (3) Distribution	Other - 5 Projects (less than \$50K)
3		
4	B. Electric RD&D Performed Externally:	
5	(1) Research Support to Electric Power	Membership - EPRI
6	Research Institute	
7		
8		
9	(4) Research Support to Others	Membership - National Electric
10		Energy, Testing, Research, and
11		Application Center
12		(Georgia Tech Research Corp)
13		
14		
15		
16		Membership - Power Systems Engineering Research Center
17		(Arizona State University)
18		
19		Membership - Centre for Energy Advancement through Technical
20		Innovation (CEATI)
21		Membership - Northeast Gas Association
22		
23		Membership - Utility Health Sciences Group
24		
25		
26		
27		
28		
29		
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32		
33		
34		
35	Total	
36		
37		
38		

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)		
					1
94,898		930.2	94,898		2
					3
					4
	416,788	930.2	416,788		5
					6
					7
					8
					9
					10
					11
	21,151	930.2	21,151		12
					13
					14
					15
					16
	6,610	930.2	6,610		17
					18
	25,316	930.2	25,316		19
					20
	6,647	930.2	6,647		21
					22
	9,655	930.2	9,655		23
					24
					25
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94,898	486,167		581,065		35
					36
					37
					38

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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)	65,333,816	13,379,543	78,713,359	
66	Utility Plant				
67	Construction (By Utility Departments)				
68	Electric Plant	54,491,867	13,536,673	68,028,540	
69	Gas Plant				
70	Other (provide details in footnote):				
71	TOTAL Construction (Total of lines 68 thru 70)	54,491,867	13,536,673	68,028,540	
72	Plant Removal (By Utility Departments)				
73	Electric Plant	4,757,707	1,114,909	5,872,616	
74	Gas Plant				
75	Other (provide details in footnote):				
76	TOTAL Plant Removal (Total of lines 73 thru 75)	4,757,707	1,114,909	5,872,616	
77	Other Accounts (Specify, provide details in footnote):				
78					
79	Expenses from Merchandising, Jobbing & Contract Work - 416	1,246,705	240,667	1,487,372	
80	Expenses of Non-Utility Operations - 417.1	9,616	4,036	13,652	
81	Donations - 426.1	7,370	1,835	9,205	
82	Exp. For Certain Civic, Political & Related Activities- 426.4	38,181	8,556	46,737	
83					
84					
85					
86					
87					
88					
89					
90					
91					
92					
93					
94					
95	TOTAL Other Accounts	1,301,872	255,094	1,556,966	
96	TOTAL SALARIES AND WAGES	125,885,262	28,286,219	154,171,481	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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 Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/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)	3,332,281	5,458,576	7,546,161	9,024,820
3	Net Sales (Account 447)				
4	Transmission Rights	15,257,537	31,356,428	48,954,599	66,500,789
5	Ancillary Services	116,760	206,707	246,244	303,016
6	Other Items (list separately)				
7	Demand	729,215	1,438,895	2,023,801	2,786,846
8					
9					
10					
11					
12					
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40					
41					
42					
43					
44					
45					
46	TOTAL	19,435,793	38,460,606	58,770,805	78,615,471

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

(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.

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Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 398 Line No.: 2 Column: b

The number of units reported on Line #2, Column (b) is 9,686,515 MWH.

Schedule Page: 398 Line No.: 3 Column: b

The number of units reported on Line #3, Column (b) is 9,686,515 MWH.

Schedule Page: 398 Line No.: 5 Column: b

The number of units reported on Line #5, Column (b) is 9,686,515 MWH.

Schedule Page: 398 Line No.: 7 Column: b

The number of units reported on Line #7, Column (b) is 9,686,515 MWH.

Schedule Page: 398 Line No.: 7 Column: d

Other Ancillary Services purchased consists of the following:

Balancing Operating Reserve	\$	98,415
Day-ahead Scheduling Reserve		78,579
Non-Synchronized Reserve		5,665
Synchronous Condensing		9
Total Other	\$	182,668

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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:

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	4,862	5	1800	2,244	2,618				
2	February	4,128	2	1900	1,792	2,336				
3	March	3,719	13	800	1,410	2,309				
4	Total for Quarter 1				5,446	7,263				
5	April	3,349	9	800	1,228	2,121				
6	May	4,431	15	1800	1,786	2,645				
7	June	5,248	18	1700	2,234	3,014				
8	Total for Quarter 2				5,248	7,780				
9	July	5,448	2	1800	2,443	3,005				
10	August	5,307	29	1800	2,288	3,019				
11	September	5,660	6	1700	2,362	3,298				
12	Total for Quarter 3				7,093	9,322				
13	October	4,414	4	1700	1,623	2,791				
14	November	3,850	15	1800	1,534	2,317				
15	December	4,038	11	800	1,674	2,364				
16	Total for Quarter 4				4,831	7,472				
17	Total Year to Date/Year				22,618	31,837				

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of <u>2018/Q4</u>
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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									

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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:

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	2,541,290		4,862	5	1800
30	February	1,994,802		4,128	2	1900
31	March	2,166,972		3,719	13	800
32	April	1,852,938		3,349	9	800
33	May	2,174,814		4,431	15	1800
34	June	2,307,463		5,248	18	1700
35	July	2,634,585		5,448	2	1800
36	August	2,668,460		5,307	29	1800
37	September	2,299,966		5,660	6	1700
38	October	2,050,112		4,414	4	1700
39	November	2,030,481		3,850	15	1800
40	December	2,163,043		4,038	11	800
41	TOTAL	26,884,926				

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 or 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)	0.00			0.00		
6	Net Peak Demand on Plant - MW (60 minutes)	0			0		
7	Plant Hours Connected to Load	0			0		
8	Net Continuous Plant Capability (Megawatts)	0			0		
9	When Not Limited by Condenser Water	0			0		
10	When Limited by Condenser Water	0			0		
11	Average Number of Employees	0			0		
12	Net Generation, Exclusive of Plant Use - KWh	0			0		
13	Cost of Plant: Land and Land Rights	0			0		
14	Structures and Improvements	0			0		
15	Equipment Costs	0			0		
16	Asset Retirement Costs	0			0		
17	Total Cost	0			0		
18	Cost per KW of Installed Capacity (line 17/5) Including	0			0		
19	Production Expenses: Oper, Supv, & Engr	0			0		
20	Fuel	0			0		
21	Coolants and Water (Nuclear Plants Only)	0			0		
22	Steam Expenses	0			0		
23	Steam From Other Sources	0			0		
24	Steam Transferred (Cr)	0			0		
25	Electric Expenses	0			0		
26	Misc Steam (or Nuclear) Power Expenses	0			0		
27	Rents	0			0		
28	Allowances	0			0		
29	Maintenance Supervision and Engineering	0			0		
30	Maintenance of Structures	0			0		
31	Maintenance of Boiler (or reactor) Plant	0			0		
32	Maintenance of Electric Plant	0			0		
33	Maintenance of Misc Steam (or Nuclear) Plant	0			0		
34	Total Production Expenses	0			0		
35	Expenses per Net KWh	0.0000			0.0000		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)						
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)						
38	Quantity (Units) of Fuel Burned	0	0	0	0	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0	0	0	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	0.000	0.000	0.000	0.000	0.000	0.000
41	Average Cost of Fuel per Unit Burned	0.000	0.000	0.000	0.000	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	0.000	0.000	0.000	0.000	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.000	0.000	0.000	0.000	0.000	0.000
44	Average BTU per KWh Net Generation	0.000	0.000	0.000	0.000	0.000	0.000

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.
									1
									2
									3
									4
0.00			0.00			0.00			5
0			0			0			6
0			0			0			7
0			0			0			8
0			0			0			9
0			0			0			10
0			0			0			11
0			0			0			12
0			0			0			13
0			0			0			14
0			0			0			15
0			0			0			16
0			0			0			17
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0			0			0			21
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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
									36
									37
0	0	0	0	0	0	0	0	0	38
0	0	0	0	0	0	0	0	0	39
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	41
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	43
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of <u>2018/Q4</u>	
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)							
1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings) 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. 3. If net peak demand for 60 minutes is not available, give that which is available specifying period. 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.							
Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: (b)	FERC Licensed Project No. 0 Plant Name: (c)				
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				

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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
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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

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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)				

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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.
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			2
			3
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			37
			38

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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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3						
4						
5						
6						
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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
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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	Tower Lines-500,000V							
2	Conemaugh Gen. Station, PA	MD-PA State Line	500.00		Tower	34.07		1
3	Sub. 66, MD	Mt. Airy, Tap	500.00		Tower	18.13		2
4	Sub. 66, MD	High Ridge, BG&E	500.00		Tower	2.63		1
5					Steel Pole	7.69		
6	Chalk Point Gen. Sta., MD	Calvert Cliffs, BG&E	500.00		Tower	7.30		1
7					Steel Pole	2.21		
8	Chalk Point Gen. Sta., MD	Sub. 231, MD	500.00		Tower	15.26		1
9	Sub. 231, MD	Sub. 202, MD	500.00		Tower	4.46		1
10	Sub. 202, MD	Possum Point	500.00		Tower	32.45		1
11		(VEPCO Tie), VA						
12	Tower Lines-230,000V							
13	Panda Gen. Station, MD	Sub. 202, MD	230.00		Tower		2.47	1
14					Steel Pole	4.96		
15	Dickerson Gen. Station	Potomac River						
16	MD East Line	(VEPCO Tie), VA	230.00		Tower	7.25		1
17	Dickerson Gen. Station	Sub. 118, MD						
18	MD South Line		230.00		Tower	10.71		2
19	Station H	Sub.118, MD						
20	MD North Line		230.00		Tower	10.13		2
21								
22	Dickerson Gen. Station	Station H			Single Pole			
23	North Line		230.00		Steel	0.60		1
24	South Line		230.00		Steel	0.67		1
25	Sub.118, MD	Sub. 165, MD						
26	North Line		230.00		Tower	11.32		2
27	South Line		230.00		Tower	11.32		2
28								
29								
30	Sub. 165, MD	Sub.66, MD						
31	North Line		230.00		Tower	3.56		2
32	South Line		230.00		Tower	3.55		2
33	Sub. 66, MD	Sub 120, MD						
34	North Line		230.00		Tower	10.19		2
35	South Line		230.00		Tower	10.19		2
36					TOTAL	654.59	144.57	122

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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								
2	Sub. 120, MD	Sub. 162, MD						
3	North Line		230.00		Tower		9.44	1
4	South Line		230.00		Tower		9.45	1
5	Sub. 120, MD	Sub. 122, MD						
6	East Line		230.00		Tower	20.81		1
7	West Line		230.00		Tower	20.67		1
8	Sub. 162, MD	Sub. 122, MD						
9	East Line		230.00		Tower		11.26	1
10								
11	Sub. 162, MD	Chalk Point Generating						
12	West	Station, MD	230.00		Tower		33.34	1
13								
14	Sub. 122, MD	Chalk Point Generating						
15	East Line	Station, MD	230.00		Tower	22.14		1
16								
17	Sub. 122, MD	Aquasco Sub. 200, MD						
18	East Line		230.00		Tower	17.89		1
19	West Line		230.00		Tower	17.89		1
20	Aquasco Sub. 200, MD	Chalk Point Generating						
21	East Line	Station, MD	230.00		Tower	4.21		1
22	West Line		230.00		Tower	4.18		1
23	Sub. 122, MD	Sub. 166, MD						
24	West Line		230.00		Tower		10.28	1
25	East Line		230.00		Tower	10.30		2
26	Morgantown Generating	Sub. 196, MD						
27	Station, MD							
28	East Line		230.00		Tower	13.20		1
29	West Line		230.00		Tower	13.16		1
30	Sub. 196, MD	Sub. 232, MD						
31	East Line		230.00		Tower	2.22		1
32	Morgantown Generating	Sub. 232, MD						
33	Station, MD		230.00		Tower		15.35	1
34	Morgantown Generating	Sub. 166, MD						
35	Station, MD							
36					TOTAL	654.59	144.57	122

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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TRANSMISSION LINE STATISTICS			
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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	West Line		230.00		Tower		26.41	1
2	Sub. 196, MD	Sub. 122, MD						
3	West Line		230.00		Tower	23.51		1
4								
5	Sub. 166, MD	Sub. 202, MD						
6	North Line		230.00		Tower	4.44		2
7	South Line		230.00		Tower	4.41		1
8	Sub. 202, MD	Sub. 84, MD						
9	North Line		230.00		Tower	6.25		2
10	South Line		230.00		Tower	6.28		2
11	Sub. 122, MD	Sub. 123, MD						
12	North Line		230.00		Tower	4.66		2
13	South Line		230.00		Tower	4.66		2
14	Chalk Point Generating	Sub. 195, MD						
15	Station, MD		230.00		Tower	11.19		2
16	Sub. 195, MD	Morgantown Generating						
17		Station, MD	230.00		Tower	9.91		2
18	Sub. 118, MD	Sub. 121, MD						
19	North Line		230.00		Steel Pole	11.35		2
20	South Line		230.00		Steel Pole	11.35		2
21	Sub. 165, MD	Sub. 158, MD						
22	West Line		230.00		Tower	4.32		2
23	East Line		230.00		Tower	4.34		2
24	Sub. 120, MD	Sub. 163, MD						
25	East Line		230.00		Tower	6.30		2
26								
27	West Line		230.00		Steel Pole	6.30		2
28								
29	Sub. 232, MD	Sub. 166, MD	230.00		Tower	11.50		2
30								
31								
32	Sub. 163, MD	Sub. 27, MD						
33	East Line		230.00		Tower	3.29		2
34								
35	West Line		230.00		Steel Pole	3.29		2
36					TOTAL	654.59	144.57	122

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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.
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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								
2	Pipe Type Cable Lines-							
3	230,000V							
4	Benning Generating	Sub. 123, MD	230.00		Underground	10.32		2
5	Station, D.C.				Construction			
6								
7	Benning Generating	Sub. 123, MD	230.00		Underground	10.74		2
8	Station, D.C.				Construction			
9								
10	Buzzard Point Generating	Sub. 123, MD	230.00		Underground	10.57		1
11	Station, D.C.				Construction			
12	Buzzard Point Generating	Sub. 136, MD	230.00		Underground	7.14		2
13	Station, D.C.				Construction			
14								
15								
16	Potomac River Generating	Sub. 84, MD	230.00		Underground	12.39		2
17	Station, VA				Construction			
18	Sub. 136, D.C.	Sub. 84, MD	230.00		UDG	13.92		2
19	Potomac River Generating	Sub. 84, MD	230.00		UDG	13.66		2
20	Station, VA							
21								
22								
23	Buzzard Point Generating	Sub. 123	230.00		Underground	10.65		1
24	Station, D.C.							
25	Pipe Type Cable Lines-							
26	138,000V							
27	Sub. 121, MD	Sub.6 ,MD	138.00		Underground	9.23		2
28					Construction			
29	Sub. 121, MD	Sub. 129, D.C.	138.00		Underground	17.63		2
30					Construction			
31	Sub. 6, MD	Sub. 129, D.C.	138.00		Underground	4.89		1
32					Construction			
33								
34	Pipe Type Cable Lines-							
35	138,000V (continued)							
36					TOTAL	654.59	144.57	122

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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.
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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	Sub. 6, MD	Sub. 2, D.C.	138.00		Underground	9.61		1
2					Construction			
3	Sub. 129, D.C.	Sub. 2, D.C.	138.00		Underground	4.76		1
4					Construction			
5	Sub. 2, D.C.	Sub. 52, D.C.	138.00		Underground	0.40		1
6					Construction			
7	Sub. 52, D.C.	Buzzard Point Generating	138.00		Underground	3.39		1
8		Station, D.C.			Construction			
9	Sub. 52, D.C.	Buzzard Point Generating	138.00		Underground	3.15		1
10		Station, D.C.			Construction			
11	Sub. 2, D.C.	Sub. 18, D.C.	138.00		Underground	2.48		1
12					Construction			
13	Sub. 18, D.C.	Sub. 52, D.C.	138.00		Underground	1.86		1
14					Construction			
15	Sub. 18, D.C.	Buzzard Point Generating	138.00		Underground	1.63		1
16		Station, D.C.			Construction			
17	Sub. 18, D.C.	Buzzard Point Generating	138.00		Underground	1.34		1
18		Station, D.C.			Construction			
19	Sub. 223, D.C.	Buzzard Point Generating	138.00		Underground	0.66		2
20		Station, D.C.			Construction			
21								
22								
23	Steel Pole Lines		115.00		Single Pole		26.57	6
24					Steel			
25								
26								
27	115,000V Pipe Type		115.00		Underground	11.50		5
28	Cable Lines				Construction			
29								
30								
31								
32								
33	Expenses (excluding those							
34	applicable to jointly owned							
35	line)							
36					TOTAL	654.59	144.57	122

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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)	
								1
2,493 MCM	482,125	4,900,836	5,382,961					2
1,590 MCM	3,152,420	14,398,030	17,550,450					3
1,590 MCM	2,804,971	6,402,701	9,207,672					4
A.C.S.R.	8,200,902	18,746,121	26,947,023					5
1,590 MCM	1,405,898	13,865,484	15,271,382					6
A.C.S.R.	145,438	1,426,858	1,572,296					7
1,590 MCM	1,600,070	16,581,249	18,181,319					8
1,590 MCM		24,389,001	24,389,001					9
1,590 MCM	4,216,890	-1,302	4,215,588					10
A.C.S.R.								11
								12
1,590 MCM								13
A.C.C.R.		680,092	680,092					14
								15
1,033.5 MCM	229,029	1,888,180	2,117,209					16
								17
1,590 MCM	141,162	4,760,068	4,901,230					18
								19
1,590 MCM	141,162	21,480,327	21,621,489					20
								21
								22
1,590 MCM		549,459	549,459					23
A.C.S.R.		13,505,803	13,505,803					24
								25
1,590 MCM	219,035	1,894,957	2,113,992					26
A.C.S.R.	222,194	965,289	1,187,483					27
								28
								29
								30
1,590 MCM	67,656	540,379	608,035					31
A.C.S.R.	67,656	323,490	391,146					32
								33
1,590 MCM	178,712	1,638,226	1,816,938					34
A.C.S.R.	178,713	842,011	1,020,724					35
	31,034,210	571,696,279	602,730,489					36

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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)	
								1
								2
1,590 MCM	316,891	440,921	757,812					3
A.C.S.R.	165,661	403,248	568,909					4
								5
1,590 MCM	307,267	886,592	1,193,859					6
A.C.S.R.	307,267	932,995	1,240,262					7
								8
1,590 MCM	141,606	494,756	636,362					9
								10
								11
1,590 MCM	269,414	1,637,581	1,906,995					12
								13
								14
1,590 MCM	127,808	931,387	1,059,195					15
A.C.S.R.								16
								17
1,590 MCM	102,246	904,966	1,007,212					18
1,590 MCM	102,246	904,965	1,007,211					19
								20
1,590 MCM	25,562	224,129	249,691					21
1,590 MCM	25,562	590,132	615,694					22
								23
1,590 MCM	85,904	387,242	473,146					24
A.C.S.R.	171,806	983,154	1,154,960					25
								26
								27
1,590 MCM	101,285	536,642	637,927					28
A.C.S.R.	101,284	549,530	650,814					29
1,590 MCM								30
A.C.S.R.	135,359	1,112,811	1,248,170					31
1,590 MCM		2,976,604	2,976,604					32
A.C.S.R.		-21,844	-21,844					33
								34
1,590 MCM	236,644	1,317,276	1,553,920					35
	31,034,210	571,696,279	602,730,489					36

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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)	
A.C.S.R.	236,644	1,171,348	1,407,992					1
1,590 MCM								2
A.C.S.R.	221,263	1,395,039	1,616,302					3
								4
								5
1,590 MCM	331,112	1,620,445	1,951,557					6
A.C.S.R.	165,556	1,789,922	1,955,478					7
								8
1,590 MCM	373,295	26,257,425	26,630,720					9
A.C.S.R.	373,294	9,807,056	10,180,350					10
								11
1,590 MCM	108,678	6,683,152	6,791,830					12
A.C.C.R.	108,680	6,259,335	6,368,015					13
1,590 MCM								14
A.C.S.R.	156,366	1,263,734	1,420,100					15
1,590 MCM								16
A.C.S.R.	143,484	1,460,741	1,604,225					17
								18
1,590 MCM	412,340	7,281,476	7,693,816					19
A.C.S.R.	412,340	12,603,455	13,015,795					20
								21
1,033.5 MCM	676,173	359,765	1,035,938					22
A.C.S.R.	676,173	1,135,337	1,811,510					23
								24
1,590 MCM	39,765	23,563,189	23,602,954					25
								26
1,590 MCM	39,763	8,076,475	8,116,238					27
								28
1,590 MCM		1,037,473	1,037,473					29
								30
								31
								32
1,590 MCM	20,156	382,069	402,225					33
								34
1,590 MCM	20,105	3,379,926	3,400,031					35
	31,034,210	571,696,279	602,730,489					36

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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)	
								1
								2
								3
2,500 MCM		4,888,126	4,888,126					4
								5
								6
3,000 MCM		6,323,260	6,323,260					7
								8
								9
1,500 MCM		8,043,307	8,043,307					10
Cu.								11
3,000 MCM		9,453,121	9,453,121					12
Cu.								13
		5,570,061	5,570,061					14
								15
3,000 MCM	326,312	24,554,071	24,880,383					16
Cu.								17
3,000 MCM Cu.		16,380,764	16,380,764					18
3,000 MCM Cu.		35,419,428	35,419,428					19
								20
		32,273,212	32,273,212					21
		34,532,997	34,532,997					22
3,000 kcmil Cu.		6,310,501	6,310,501					23
								24
								25
								26
1,250 MCM	14,866	4,249,936	4,264,802					27
Cu.								28
1,250 MCM		10,593,021	10,593,021					29
Cu.								30
1,250 MCM		12,184,321	12,184,321					31
Cu.								32
								33
								34
								35
	31,034,210	571,696,279	602,730,489					36

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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)	
1,250 MCM		13,194,893	13,194,893					1
Cu.								2
1,250 MCM		1,433,307	1,433,307					3
Cu.								4
1,250 MCM		238,516	238,516					5
Cu.								6
1,250 MCM		2,727,723	2,727,723					7
Cu.								8
1,250 MCM		2,984,095	2,984,095					9
Cu.								10
1,250 MCM		1,543,856	1,543,856					11
Cu.								12
1,250 MCM		1,266,990	1,266,990					13
Cu.								14
1,250 MCM		669,447	669,447					15
Cu.								16
1,250 MCM		1,672,164	1,672,164					17
Cu.								18
3,500 MCM		3,597,819	3,597,819					19
XLPE								20
								21
								22
1,033.5 MCM		3,202,141	3,202,141					23
A.C.S.R.								24
								25
								26
750 MCM		6,116,049	6,116,049					27
Cu.								28
								29
		40,775,445	40,775,445					30
								31
								32
								33
								34
								35
	31,034,210	571,696,279	602,730,489					36

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 2 Column: f

Represents the Company's share (an undivided 27% interest) in a 126.19 mile transmission line owned jointly with Conectiv Power Delivery (through Atlantic City Electric Company and Delmarva Power & Light Company) and six other (non-associated) utilities. Owners have an operating agreement with PECO Energy and GPU (Metropolitan Edison Company) to operate and maintain the facilities, and owners share expenses in proportion to share of ownership.

Schedule Page: 422 Line No.: 8 Column: f

Existing Transmission Line Cut in and out of Sub. 231

Schedule Page: 422 Line No.: 9 Column: f

Existing Transmission Line Cut in and out of Sub. 231

Schedule Page: 422 Line No.: 13 Column: g

Feeder installed by Panda-Brandywine for Pepco ownership. Feeder is the electrical interconnection between Pepco and Panda.

Schedule Page: 422 Line No.: 14 Column: f

Feeder installed by Panda-Brandywine for Pepco ownership. Feeder is the electrical interconnection between Pepco and Panda.

Schedule Page: 422.1 Line No.: 31 Column: f

Existing Transmission Line Cut in and out of Sub. 232

Schedule Page: 422.1 Line No.: 33 Column: g

Existing Transmission Line Cut in and out of Sub. 232

Schedule Page: 422.2 Line No.: 29 Column: f

Existing Transmission Line Cut in and out of Sub. 232

Schedule Page: 422.3 Line No.: 29 Column: a

Includes two taps to Sub. 6, MD

Schedule Page: 422.4 Line No.: 23 Column: g

Represents 20.58 miles constructed on steel poles owned by Consolidated Rail Corp., and 5.8 miles owned by Consolidated Rail Corp. but operated by Potomac Electric Power Company.

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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 competed 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	Underground Construction						
2	138,000V						
3	Buzzard Point Generating	Sub. 223, DC	0.34	Underground			1
4	Station, D.C.			Construction			
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
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36							
37							
38							
39							
40							
41							
42							
43							
44	TOTAL		0.34				1

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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
									2
1,300 MCM	XLPE		138			4,761,044		4,761,044	3
									4
									5
									6
									7
									8
									9
									10
									11
									12
									13
									14
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									40
									41
									42
									43
						4,761,044		4,761,044	44

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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	Substation No. 2, Washington, DC	Distribution	138.00	13.80	
2	Substation No. 2, Washington, DC	Transmission	138.00	138.00	
3	Substation No. 4, Riverdale, MD	Distribution	34.50	13.80	
4	Substation No. 6, Bethesda, MD	Distribution	34.50	13.80	
5	Substation No. 6, Bethesda, MD	Distribution	138.00	34.50	
6	Substation No. 7, Washington, DC.	Distribution	230.00	13.80	
7	Substation No. 8, Washington, DC.	Distribution	34.50	4.00	
8	Substation No. 8, Washington, DC.	Distribution	34.50	13.80	
9	Substation No. 9, Silver Spring, MD	Distribution	69.00	13.80	
10	Substation No. 9, Silver Spring, MD	Distribution	34.50	13.80	
11	Substation No. 10, Washington, DC	Distribution	69.00	13.80	
12	Substation No. 12, Washington, DC	Distribution	13.80	4.00	
13	Substation No. 12, Washington, DC	Distribution	69.00	13.80	
14	Substation No. 13, Washington, DC	Distribution	34.50	4.00	
15	Substation No. 13, Washington, DC	Distribution	34.50	13.80	
16	Substation No. 15, Oakland, MD	Distribution	69.00	13.80	
17	Substation No. 18, Washington, DC	Distribution	138.00	13.80	
18	Substation No. 20, Potomac, MD	Distribution	69.00	13.80	
19	Substation No. 21, Washington, DC	Distribution	34.50	13.80	
20	Substation No. 24, Rockville, MD	Distribution	69.00	13.80	
21	Substation No. 25, Washington, DC	Distribution	69.00	13.80	
22	Substation No. 26, Silver Spring, MD	Distribution	69.00	13.80	
23	Substation No. 27, Takoma Park, MD	Distribution	34.50	13.80	
24	Substation No. 27, Takoma Park, MD	Distribution	230.00	34.50	
25	Substation No. 27, Takoma Park, MD	Distribution	230.00	69.00	
26	Substation No. 28, Washington, DC	Distribution	13.80	4.00	
27	Substation No. 30, Seat Pleasant, MD	Distribution	13.80	4.00	
28	Substation No. 31, Gaithersburg, MD	Distribution	69.00	13.80	
29	Substation No. 33, Washington, DC	Distribution	34.50	13.80	
30	Substation No. 38, Washington, DC	Distribution	34.50	13.80	
31	Substation No. 40, Washington, DC	Distribution	13.80	4.00	
32	Substation No. 41, Washington, DC	Distribution	230.00	69.00	
33	Substation No. 41, Washington, DC	Distribution	69.00	34.50	
34	Substation No. 42, Washington, DC	Transmission	230.00	138.00	
35	Substation No. 42, Washington, DC	Distribution	138.00	13.80	
36	Substation No. 44, Colesville, MD	Distribution	69.00	13.80	
37	Substation No. 45, Washington, DC	Transmission	230.00	115.00	
38	Substation No. 48, Washington, DC.	Distribution	13.80	4.00	
39	Substation No. 49, Gaithersburg, MD	Distribution	69.00	13.80	
40	Substation No. 52, Washington, DC	Distribution	138.00	13.80	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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	Substation No. 56, Montgomery Village, MD	Distribution	69.00	13.80	
2	Substation No. 58, Coral Hills, MD	Distribution	13.80	4.00	
3	Substation No. 59, Oxon Hill, MD	Distribution	69.00	13.80	
4	Substation No. 61, Washington, DC	Distribution	13.80	4.00	
5	Substation No. 64, Washington, DC	Distribution	13.80	4.00	
6	Substation No. 66, Brighton, MD	Transmission	500.00	230.00	
7	Substation No. 69, Branchville, MD	Distribution	69.00	13.80	
8	Substation No. 70, Washington, DC	Distribution	13.80	4.00	
9	Substation No. 71, Washington, DC	Distribution	13.80	4.00	
10	Substation No. 72, Camp Springs, MD	Distribution	69.00	13.80	
11	Substation No. 74, Washington, DC	Distribution	69.00	13.80	
12	Substation No. 75, Silver Spring, MD	Distribution	69.00	13.80	
13	Substation No. 77, Washington, DC	Distribution	69.00	13.80	
14	Substation No. 79, Rockville, MD	Distribution	69.00	13.80	
15	Substation No. 80, Bethesda, MD	Distribution	34.50	13.80	
16	Substation No. 83, Washington, DC	Transmission	230.00	230.00	
17	Substation No. 84, Oxon Hill, MD	Distribution	230.00	69.00	
18	Substation No. 84, Oxon Hill, MD	Transmission	230.00	230.00	
19	Substation No. 85, Kingswood, MD	Distribution	69.00	13.80	
20	Substation No. 89, Washington, DC	Distribution	13.80	4.00	
21	Substation No. 90 E, Washington, DC	Distribution	13.80	4.00	
22	Substation No. 90 W, Washington, DC	Distribution	13.80	4.00	
23	Substation No. 92, Washington, DC	Distribution	13.80	4.00	
24	Substation No. 93, Westmoreland Hills, MD	Distribution	34.50	4.00	
25	Substation No. 97, Green Meadows, MD	Distribution	34.50	13.80	
26	Substation No. 100, Washington, DC	Distribution	13.80	4.00	
27	Substation No. 105, Clinton, MD	Distribution	69.00	13.80	
28	Substation No. 111, Washington, DC	Distribution	13.80	4.00	
29	Substation No. 117, Washington, DC	Distribution	69.00	13.80	
30	Substation No. 118, Germantown, MD	Distribution	230.00	69.00	
31	Substation No. 118, Germantown, MD	Distribution	69.00	13.80	
32	Substation No. 119, Gaithersburg, MD	Distribution	69.00	13.80	
33	Substation No. 121, Rockville, MD	Distribution	230.00	34.50	
34	Substation No. 121, Rockville, MD	Distribution	230.00	69.00	
35	Substation No. 121, Rockville, MD	Transmission	230.00	138.00	
36	Substation No. 121, Rockville, MD	Distribution	138.00	34.50	
37	Substation No. 121, Rockville, MD	Distribution	34.50	13.80	
38	Substation No. 122, Upper Marlboro, MD	Distribution	69.00	13.80	
39	Substation No. 123, Seat Pleasant, MD	Distribution	230.00	69.00	
40	Substation No. 124, Washington, DC	Distribution	69.00	13.80	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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	Substation No. 125, Germantown, MD	Distribution	69.00	13.80	
2	Substation No. 126, Washington, DC	Distribution	13.80	4.00	
3	Substation No. 129, Washington, DC	Distribution	138.00	13.80	
4	Substation No. 130, Washington, DC	Distribution	13.80	4.00	
5	Substation No. 131, Washington, DC	Distribution	13.80	4.00	
6	Substation No. 133, Washington, DC	Distribution	69.00	13.80	
7	Substation No. 134, Suitland, MD	Distribution	69.00	13.80	
8	Substation No. 136, Washington, DC	Distribution	230.00	13.80	
9	Substation No. 136, Washington, DC	Transmission	230.00	230.00	
10	Substation No. 140, Adelphi, MD	Distribution	69.00	13.80	
11	Substation No. 140, Adelphi, MD	Distribution	69.00	34.50	
12	Substation No. 143, Montgomery County, MD	Distribution	69.00	13.80	
13	Substation No. 145, Washington, DC	Distribution	34.50	4.00	
14	Substation No. 146, Washington, DC	Distribution	34.50	4.00	
15	Substation No. 148, Cheverly, MD	Distribution	115.00	13.80	
16	Substation No. 149, West Lanham, MD	Distribution	115.00	13.80	
17	Substation No. 149, West Lanham, MD	Distribution	115.00	34.50	
18	Substation No. 150, Washington, DC	Distribution	13.80	4.00	
19	Substation No. 151, Prince George's County, MD	Distribution	69.00	13.80	
20	Substation No. 152, Washington, DC	Distribution	13.80	4.00	
21	Substation No. 153, White Oak, MD	Distribution	69.00	13.80	
22	Substation No. 154, Bethesda, MD	Distribution	69.00	13.80	
23	Substation No. 155, Croom, MD	Distribution	69.00	13.80	
24	Substation No. 156, Silver Spring, MD	Distribution	69.00	13.80	
25	Substation No. 157, Washington, DC	Distribution	13.80	4.00	
26	Substation No. 158, Rockville, MD	Distribution	230.00	69.00	
27	Substation No. 158, Rockville, MD	Distribution	69.00	13.80	
28	Substation No. 159, Oxon Hill, MD	Distribution	69.00	13.80	
29	Substation No. 160, Gaithersburg, MD	Distribution	69.00	13.80	
30	Substation No. 161, Washington, DC	Distribution	69.00	13.80	
31	Substation No. 162, Jericho Park, MD	Transmission	230.00	115.00	
32	Substation No. 163, College Park, MD	Distribution	230.00	69.00	
33	Substation No. 164, Clinton, MD	Distribution	69.00	13.80	
34	Substation No. 165, Brookville, MD	Distribution	69.00	13.80	
35	Substation No. 165, Brookville, MD	Transmission	230.00	230.00	
36	Substation No. 167, Bethesda, MD	Distribution	34.50	13.80	
37	Substation No. 168, Washington, DC	Distribution	69.00	13.80	
38	Substation No. 169, Wheaton, MD	Distribution	69.00	13.80	
39	Substation No. 171, Rockville, MD	Distribution	69.00	13.80	
40	Substation No. 172, Rockville, MD	Distribution	69.00	13.80	

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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	Substation No. 173, Greenbelt, MD	Distribution	34.50	13.80	
2	Substation No. 174, Adelphi, MD	Distribution	69.00	13.80	
3	Substation No. 175, Bladensburg, MD	Distribution	115.00	13.80	
4	Substation No. 176, Clinton, MD	Distribution	69.00	13.80	
5	Substation No. 177, Silver Spring, MD	Distribution	69.00	13.80	
6	Substation No. 178, Lanham, MD	Distribution	115.00	13.80	
7	Substation No. 181, Washington, DC	Distribution	13.80	4.00	
8	Substation No. 183, Takoma Park, MD	Distribution	34.50	13.80	
9	Substation No. 185, Capitol Heights, MD	Distribution	69.00	13.80	
10	Substation No. 189, Hyattsville, MD	Distribution	69.00	13.80	
11	Substation No. 190, Washington, DC	Distribution	69.00	69.00	
12	Substation No. 190, Washington, DC	Distribution	69.00	13.80	
13	Substation No. 191, Upper Marlboro, MD	Distribution	69.00	13.80	
14	Substation No. 192, West Bethesda, MD	Distribution	69.00	13.80	
15	Substation No. 193, Kensington, MD	Distribution	69.00	13.80	
16	Substation No. 194, Beltsville, MD	Distribution	69.00	13.80	
17	Substation No. 197, Washington, DC	Distribution	69.00	13.80	
18	Substation No. 199, Silver Spring, MD	Distribution	69.00	13.80	
19	Substation No. 202, Clinton, MD	Transmission	500.00	230.00	
20	Substation No. 209, Gaithersburg, MD	Distribution	69.00	13.80	
21	Substation No. 211, Rockville, MD	Distribution	69.00	13.80	
22	Substation No. 212, Washington, DC	Distribution	69.00	13.80	
23	Substation No. 223, Washington, DC	Distribution	138.00	13.80	
24	Benning Generating Station	Distribution	69.00	13.80	
25	Buzzard Point Generating Station	Distribution	138.00	34.50	
26	Buzzard Point Generating Station	Transmission	230.00	138.00	
27	Buzzard Point Generating Station	Distribution	34.50	13.80	
28	Potomac River Generating Station	Distribution	230.00	69.00	
29	Potomac River Generating Station	Distribution	69.00	69.00	
30	Chalk Point Generating Station	Distribution	230.00	69.00	
31	Chalk Point Generating Station	Transmission	500.00	230.00	
32	Morgantown Generating Station	Distribution	230.00	69.00	
33	Generating Station "H"	Distribution	230.00	69.00	
34	Generating Station "H"	Transmission	230.00	230.00	
35	Substation No. 225, Darnestown, MD	Distribution	69.00	13.80	
36	Spare Reactor	Transmission	230.00	230.00	
37	Spare Transformer	Distribution	34.50	13.80	
38	Spare Transformer	Distribution	69.00	13.80	
39	Spare Transformer	Distribution	138.00	13.80	
40	Spare Transformer	Distribution	138.00	34.50	

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	Spare Transformer	Distribution	115.00	13.80	
2	Spare Transformer	Transmission	500.00	230.00	
3	Spare Transformer	Distribution	230.00	34.50	
4	Spare Transformer	Distribution	230.00	69.00	
5	Spare Transformer	Transmission	230.00	115.00	
6					
7					
8	Total		17014.40	6000.00	
9	See Note for General Comments				
10					
11					
12					
13					
14					
15					
16					
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36					
37					
38					
39					
40					

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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)	
212	4					1
	1		Regulating Trans.	2	336	2
67	2					3
132	4					4
300	4					5
206	4					6
10	2					7
45	3					8
84	2					9
40	2					10
200	4					11
23	3					12
120	4					13
23	4					14
65	3					15
90	3					16
212	4					17
90	3					18
124	4					19
90	3					20
101	3					21
90	3					22
65	3					23
324	3					24
672	3					25
24	4					26
7	1					27
94	3					28
30	2					29
66	4					30
18	4					31
724	3					32
20	1					33
1030	4					34
300	6					35
94	3					36
448	2					37
27	4					38
94	3					39
224	4					40

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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)	
94	3					1
5	1					2
90	3					3
6	1					4
7	1					5
2000	6					6
90	3					7
5	1					8
7	1					9
60	2					10
101	3					11
60	3					12
126	3					13
97	3					14
99	4					15
			Shunt Reactors	2	200	16
896	4					17
			Shunt Reactors	2	160	18
90	3					19
7	1					20
7	1					21
7	1					22
6	1					23
6	1					24
90	3					25
7	1					26
60	2					27
5	1					28
150	4					29
648	4					30
90	3					31
90	3					32
150	2					33
904	4					34
600	4					35
75	1					36
90	3					37
90	3					38
824	4					39
150	4					40

Name of Respondent Potomac Electric Power Company	This Report Is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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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)	
90	3					1
10	2					2
200	4					3
6	1					4
6	1					5
150	4					6
90	3					7
224	4					8
			Reactors	2	200	9
40	2					10
30	1					11
90	3					12
7	1					13
7	1					14
90	3					15
90	3					16
150	3					17
14	2					18
90	3					19
7	1					20
90	3					21
90	3					22
90	3					23
94	3					24
7	1					25
872	4					26
90	3					27
90	3					28
113	3					29
154	4					30
448	2					31
896	4					32
90	3					33
60	2					34
						35
60	3					36
90	3					37
101	3					38
90	3					39
94	3					40

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019		Year/Period of Report End of 2018/Q4	
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)		
60	3					1	
40	2					2	
60	2					3	
90	3					4	
90	3					5	
90	3					6	
18	3					7	
90	3					8	
94	3					9	
90	3					10	
			Phase shifter	1	112	11	
150	4					12	
93	3					13	
60	2					14	
94	3					15	
90	3					16	
206	4					17	
60	2					18	
3000	9					19	
94	3					20	
90	3					21	
224	4					22	
168	3					23	
38	1					24	
312	6					25	
1030	4					26	
314	12					27	
896	4					28	
			Reactors	2	100	29	
500	4					30	
2238	6					31	
100	2					32	
400	2					33	
			Reactors	2	666	34	
101	3					35	
			Reactors	1	50	36	
37		3				37	
187		5				38	
112		2				39	
84		1				40	

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)	
30		1				1
333		1				2
112		1				3
672		3				4
224		1				5
						6
						7
32255	438	18	0	14	1,824	8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
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						37
						38
						39
						40

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Schedule Page: 426.4 Line No.: 9 Column: a

Note:

1) The voltages listed under columns (c) and (d) are in kV (kiloVolts). The capacities of all transformers are included in the above statement. All substations are unattended. 87.8 MVA of transformer capacity on customer's premises is not included in the above statement. Substation Nos. 33, 77, 80, 83, 160, 167 and 168 are in respondent's buildings located on land owned by others. Substation No. 197 is located in a building and on land not owned by the respondent.

2) All equipment in column (k) is measured in MVAR except the Phase Shifter at Sub 190, this is measured in MVA per heading.

3) Transmission and Distribution System subtotals with final total.

	Voltage (in kV)			Capacity (in MVA)	Number of Transformers in Service	Transformers Spare	Conversion Number	Apparatus Total Capacity (MVAR)
	Primary	Secondary	Tertiary					
Transmission	4,898.0	3,197	-	11,351	38	2	11	1,612
Distribution	12,116.4	2,803	-	21,904	400	16	3	212
Total	17,014.4	6,000		32,255	438	18	14	1,824

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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	PHI Service Company (PHISCO)				
3	Centralized Support Services	PHISCO	Various	168,104,640	
4					
5	Exelon Business Services Company (EBSC)				
6	Centralized Support Services	EBSC	Various	133,318,147	
7					
8	Delmarva Power & Light Company (DPL)				
9	Extra-High Voltage (EHV) Transmission Agreement	DPL	566	234,864	
10	Materials	DPL	154	89,512	
11	Building Lease (use of building space)	DPL	921	1,594	
12					
13	Atlantic City Electric Company (ACE)				
14	Materials	ACE	154	16,175	
15					
16					
17					
18					
19					
20	Non-power Goods or Services Provided for Affiliate				
21	Delmarva Power & Light Company (DPL)				
22	Building Lease (use of building space)	DPL	456	1,837	
23	Shops Department Fabrication Services	DPL	456	496,440	
24	Field Operations Services	DPL	415	19,439	
25	Materials	DPL	154	431,109	
26					
27	Constellation New Energy (CNE)				
28	Account Management and Coordination Fees	CNE	456	588,559	
29	Billing Services	CNE	456	31	
30	DOS Deferred Administration Fees	CNE	930.2	25,337	
31					
32	PHI Service Company (PHISCO)				
33	Vehicle Services	PHISCO	456	766,476	
34	Building Services (use of building space)	PHISCO	456	1,983,456	
35					
36	Atlantic City Electric Company (ACE)				
37	Shops Department Fabrication Services	ACE	456	128,806	
38	Materials	ACE	154	67,558	
39					
40	Commonwealth Edison Company (ComEd)				
41	Mutual assistance - Storm Services	ComEd	456	93,324	
42					
1	Non-power Goods or Services Provided by Affiliated				
2	Baltimore Gas & Electric Company (BGE)				

Name of Respondent Potomac Electric Power Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report End of 2018/Q4
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)	
3	Regulatory Services	BGE	921	81,067	
4	Information Technology Services	BGE	Various	46,780	
5					
6	PECO Energy Company (PECO)				
7	Information Technology Services	PECO	Various	62,977	
8	Extra-High Voltage (EHV) Transmission Agreement	PECO	566	54,288	
9					
10	Commonwealth Edison Company (ComEd)				
11	Information Technology Services	ComEd	Various	235,756	
12	Operation and Engineering Services	ComEd	580	20,297	
13					
14	Constellation Power Source Generation (CPSG)				
15	Mechanical and Electrical Industrial Services	CPSG	Various	334,801	
16					
17	W.A. Chester L.L.C. (Chester) *				
18	Cable, Overhead and Underground Constr.	Chester	Various	5,697,640	
19	& Maint. Services				
20	Non-power Goods or Services Provided for Affiliate				
21	Exelon Business Services Company (EBSC)				
22	Building Lease (use of building space)	EBSC	456	1,213,278	
23					
24	W.A. Chester L.L.C. (Chester) *				
25	Building Lease (use of building space)	Chester	456	36,456	
26					
27					
28					
29	* W.A. Chester L.L.C. was sold in Feb. 2018.				
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
1	Non-power Goods or Services Provided by Affiliated				
2					
3					
4					

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
Potomac Electric Power Company	(1) ☒ An Original	(Mo, Da, Yr)	End of 2018/Q4
	(2) ☐ A Resubmission	04/02/2019	

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)
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21				
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				
3				
4				
5				
6				

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
Potomac Electric Power Company	(1) ☒ An Original	(Mo, Da, Yr)	End of 2018/Q4
	(2) ☐ A Resubmission	04/02/2019	

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)
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
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36				
37				
38				
39				
40				
41				
42				

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

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

PHI Service Company (PHISCO) Overview

Services provided by PHISCO are provided under a Service Agreement with Potomac Electric Power Company (Pepco). Charges are provided by either direct charging of costs or are based on an allocation. The Service Agreement provides specific guidelines on the allocation methods used to charge these costs to the various PHI affiliates. Information on the Service Company allocation methods are explained in detail under Schedule XXI, Methods of Allocations, in the FERC Form 60 filed for PHISCO.

PHISCO provides a variety of services which include customer services, support services, financial services, human resources, legal services, information technology, governmental affairs, communication services, regulatory services, regulated gas and electric (transmission and distribution services), executive management, and supply services.

The services provided by the regulated gas and electric area include: system operations services; meter maintenance and testing; power procurement and energy planning; and other delivery services, including delivery senior management, asset management, engineering standards, interconnection planning and arrangements, distribution and transmission planning, engineering services for distribution, substation and transmission, system protection, project and construction management, electric maintenance, administrative support, process improvement, and performance analysis.

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

**PHISCO Bill By FERC ACCT
YTD Dec 2018**

<u>FERC Accounts</u>	<u>Amount</u>
107	28,152,373
108	1,469,308
163	1,889,546
182.3	2,855,045
184	6,890,505
416	237,445
417.1	10,138
419	(78,822)
426.1	77,983
426.3	9
426.4	185,116
426.5	773,252
430	(28,059)
431	400,637
556	1,556,362
557	1,307,257
560	371,448
561.2	81,074
561.3	341
562	485
564	140
566	2,893,667
567	811

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year/Period of Report
Potomac Electric Power Company		04/02/2019	2018/Q4
FOOTNOTE DATA			

568	105,439
569	896
569.2	6,176
570	9,889
571	763,833
572	96
573	5,441
580	503,893
581	97,442
582	35,092
584	7,317
587	258,950
588	2,785,874
590	306,952
592	203,574
593	1,820,588
595	25,768
597	(102)
598	10,350
903	30,635,786
908	77,803
909	662,679
923	77,863,540
924	18,569
925	(131)
928	2,024,242
930.1	40,678
930.2	787,952
935	(7)
\$168,104,640	

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

Exelon Business Services Company, LLC (EBSC) Overview

Services provided by EBSC are provided under a General Service Agreement with Pepco. Charges are provided by either direct charging of costs or are based on an allocation. The factors for allocating the costs from EBSC to Exelon affiliates are contained in the General Services Agreement. Information on the EBSC allocation methods are explained in detail under Schedule XXI, Methods of Allocations, in the FERC Form 60 filed for EBSC.

EBSC provides a variety of support services, including: financial, human resources IT, communication, legal, governmental and regulatory affairs, executive, security, supply, Exelon Utilities, BSC Operations, real estate, and other.

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

EBSC Centralized Support Services to Pepco

FERC Account	Amount
107	38,303,598
108	129,046
163	1,420,758
426.1	524,756
426.3	76
426.4	163,581
560	3,437,566
566	5,207,893

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

570	(5)
571	1,524
580	5,237
588	229,225
593	81,252
597	(4)
903	11,911,232
923	70,353,178
924	1,210,010
925	520
930.1	331,890
930.2	6,821
935	(7)
Total	\$133,318,147

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

PEPCO TO/FROM Affiliates

BGE Information Technology Services provided to Pepco:

<u>FERC Account</u>	<u>Amount</u>
107	\$ 10,646
921	36,134
Total	\$ 46,780

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

PEPCO TO/FROM Affiliates

PECO Information Technology Services provided to Pepco:

<u>FERC Account</u>	<u>Amount</u>
107	\$ 16,418
921	46,559
Total	\$ 62,977

Schedule Page: 429.1 Line No.: 11 Column: c

PEPCO TO/FROM Affiliates

ComEd Information Technology Services provided to Pepco:

<u>FERC Account</u>	<u>Amount</u>
107	\$ 138,899
921	96,857
Total	\$ 235,756

Schedule Page: 429.1 Line No.: 15 Column: c

CPSG Mechanical and Electrical Industrial Services provided to Pepco:

<u>FERC</u>	<u>Amount</u>
107	\$ 155,087
108	21,398
592	3,536
921	154,780

Name of Respondent	This Report is: (1) ☒ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 04/02/2019	Year/Period of Report 2018/Q4
Potomac Electric Power Company			
FOOTNOTE DATA			

Total \$ 334,801

Schedule Page: 429.1 Line No.: 18 Column: c

PEPCO TO/FROM Affiliates

W.A. Chester LLC Cable, Overhead and Underground and Maintenance Services provided to Pepco:

<u>FERC Account</u>	<u>Amount</u>
107	\$5,430,532
108	216,336
416	7,406
594	9,808
903	3,940
923	29,618
Total	\$5,697,640

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