

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)



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Public Service Commission

MAY -2 2019

ACCOUNTING INVESTIGATIONS
DIVISION

**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 Edison MD

Year/Period of Report

End of 2018/Q4

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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)	1,385,474,060	1,385,474,060
4	Property Under Capital Leases	1,482,649	1,482,649
5	Plant Purchased or Sold		
6	Completed Construction not Classified	45,972,484	45,972,484
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	1,432,929,193	1,432,929,193
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	41,643,783	41,643,783
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	1,474,572,976	1,474,572,976
14	Accum Prov for Depr, Amort, & Depl	635,374,726	635,374,726
15	Net Utility Plant (13 less 14)	839,198,250	839,198,250
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	627,005,967	627,005,967
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	8,368,759	8,368,759
22	Total In Service (18 thru 21)	635,374,726	635,374,726
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)	635,374,726	635,374,726

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

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
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Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	124,449	
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	13,614,199	4,656,660
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	13,738,648	4,656,660
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	27,003,901		
49	(352) Structures and Improvements	9,779,484		21,552
50	(353) Station Equipment	100,286,335		2,071,113
51	(354) Towers and Fixtures	22,553,317		4,368
52	(355) Poles and Fixtures	29,237,051		1,843,251
53	(356) Overhead Conductors and Devices	50,459,004		1,030,283
54	(357) Underground Conduit	1,779,280		2,269
55	(358) Underground Conductors and Devices	3,882,706		57,470
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant	1,999		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	244,983,077		5,030,306
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	20,756,263		72
61	(361) Structures and Improvements	9,792,892		275,417
62	(362) Station Equipment	148,753,511		5,363,968
63	(363) Storage Battery Equipment			824,299
64	(364) Poles, Towers, and Fixtures	107,249,733		7,945,839
65	(365) Overhead Conductors and Devices	178,382,485		11,170,176
66	(366) Underground Conduit	58,249,716		1,477,205
67	(367) Underground Conductors and Devices	225,613,658		18,256,836
68	(368) Line Transformers	176,258,940		9,078,087
69	(369) Services	59,542,928		3,797,687
70	(370) Meters	45,288,710		4,099,336
71	(371) Installations on Customer Premises	1,888,617		15,516
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	27,000,416		1,524,352
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,058,777,869		63,828,790
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	1,386,758		
87	(390) Structures and Improvements	24,400,566		-72
88	(391) Office Furniture and Equipment	6,186,985		170,512
89	(392) Transportation Equipment	5,503,981		685,687
90	(393) Stores Equipment	176,017		
91	(394) Tools, Shop and Garage Equipment	5,705,801		772,318
92	(395) Laboratory Equipment	836,719		
93	(396) Power Operated Equipment	843,461		
94	(397) Communication Equipment	9,881,231		2,361,373
95	(398) Miscellaneous Equipment	194,334		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	55,115,853		3,989,818
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant	14,236		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	55,130,089		3,989,818
100	TOTAL (Accounts 101 and 106)	1,372,629,683		77,505,574
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	1,372,629,683		77,505,574

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

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

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

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

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			124,449	2
				3
	-139,598		18,131,261	4
	-139,598		18,255,710	5
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
	11		27,003,912		48
	-78		9,800,958		49
116,818	135,605		102,376,235		50
	-541,951	-2,559	22,013,175		51
185,263	-18,190	-103,762	30,773,087		52
121,980	-85,300	-123,669	51,158,338		53
	-312,242		1,469,307		54
	-657,706	-61,643	3,220,827		55
					56
			1,999		57
424,061	-1,479,851	-291,633	247,817,838		58
					59
	-72		20,756,263		60
	-71,850		9,996,459		61
524,235	-369,418		153,223,826		62
			824,299		63
182,093	-1,574,501		113,438,978		64
1,009,111	462,376		189,005,926		65
7,904	-387,665		59,331,352		66
1,270,270	-3,719,827		238,880,397		67
2,057,459	-422,700		182,856,868		68
31,825	-285,160		63,023,630		69
565,051	-741,993		48,081,002		70
3,880	5,560		1,905,813		71
					72
164,007	-158,464		28,202,297		73
					74
5,815,835	-7,263,714		1,109,527,110		75
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					85
			1,386,758		86
95,836	101,721		24,406,379		87
602,155	92,295		5,847,637		88
	-1,162,482		5,027,186		89
7,745			168,272		90
123,591	585,772		6,940,300		91
15,047	-49,556		772,116		92
	-24		843,437		93
326,878	-167,712		11,748,014		94
3,896	-16,238		174,200		95
1,175,148	-616,224		57,314,299		96
					97
			14,236		98
1,175,148	-616,224		57,328,535		99
7,415,044	-9,499,387	-291,633	1,432,929,193		100
					101
					102
					103
7,415,044	-9,499,387	-291,633	1,432,929,193		104

ELECTRIC PLANT LEASED TO OTHERS (Account 104)

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

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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

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

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	New Business - Residential Underground	2,841,688
2	Improve Wolfsville Poor Performing Circuit	2,043,108
3	Cabin Branch Substation - Construct Substation	1,956,392
4	Yellow Springs SubStation - Install 34.5kV Bus-Tie Breaker	1,824,287
5	Distribution Forced Failure Blanket	1,261,321
6	Meter Exchange	1,188,199
7	Line Follow up Initiated from PowerOn	1,044,616
8	Project < \$ 1m	29,484,172
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43	TOTAL	41,643,783

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

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

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	599,773,719	599,773,719		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	39,235,579	39,235,579		
4	(403.1) Depreciation Expense for Asset Retirement Costs	340	340		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	39,235,919	39,235,919		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	7,415,044	7,415,044		
13	Cost of Removal	4,579,720	4,579,720		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	11,994,764	11,994,764		
16	Other Debit or Cr. Items (Describe, details in footnote):	-6,535	-6,535		
17		-2,372	-2,372		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	627,005,967	627,005,967		

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	122,734,110	122,734,110		
26	Distribution	478,678,227	478,678,227		
27	Regional Transmission and Market Operation				
28	General	25,593,630	25,593,630		
29	TOTAL (Enter Total of lines 20 thru 28)	627,005,967	627,005,967		

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FOOTNOTE DATA			

Schedule Page: 219 Line No.: 16 Column: c
 Accretion of asset retirement costs

Schedule Page: 219 Line No.: 17 Column: c
 Miscellaneous transfers and adjustments

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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)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)			
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)			

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EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

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

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
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48						
49	TOTAL					

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	337,880,075	317,261,898
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	101,301,106	101,516,508
5	Large (or Ind.) (See Instr. 4)	34,424,205	36,035,381
6	(444) Public Street and Highway Lighting	4,592,971	4,445,938
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	478,198,357	459,259,725
11	(447) Sales for Resale	54,598,965	43,068,327
12	TOTAL Sales of Electricity	532,797,322	502,328,052
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	532,797,322	502,328,052
15	Other Operating Revenues		
16	(450) Forfeited Discounts	1,327,892	1,179,075
17	(451) Miscellaneous Service Revenues	621,616	667,699
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	3,219,652	4,098,410
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	1,051,989	1,808,742
22	(456.1) Revenues from Transmission of Electricity of Others	8,988,371	10,697,476
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	15,209,520	18,451,402
27	TOTAL Electric Operating Revenues	548,006,842	520,779,454

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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ELECTRIC OPERATING REVENUES (Account 400)

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

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
3,358,102	3,091,436	236,072	233,375	2
				3
2,119,457	2,054,678	29,746	29,411	4
1,675,328	1,614,766	2,667	2,695	5
16,433	16,389	322	315	6
				7
				8
				9
7,169,320	6,777,269	268,807	265,796	10
1,179,386	1,147,083	2	2	11
8,348,706	7,924,352	268,809	265,798	12
				13
8,348,706	7,924,352	268,809	265,798	14

Line 12, column (b) includes \$ -484,752 of unbilled revenues.
 Line 12, column (d) includes -2,116 MWH relating to unbilled revenues

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FOOTNOTE DATA			

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

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

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

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

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

Reserve Capacity	\$ 353,684
Other-Numerous items under \$250,000 each	<u>267,932</u>
Total	\$ 621,616

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

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

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

Other Supporting Facilities Chg	\$ 919,203
Other-Numerous items under \$250,000 each	<u>132,786</u>
Total	\$ 1,051,989

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

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

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	Residential (440.1):					
2	R - Residential	3,372,314	339,816,896	235,929	14,294	0.1008
3	C - General	1	243	1	1,000	0.2430
4	G - General Service	34	3,384	4	8,500	0.0995
5	OL - Outdoor Lighting	1,283	234,305	81	15,840	0.1826
6	AL - Area Lighting	1	326			0.3260
7	EM - Outdoor Lighting		76			
8	EMU - Outdoor Lighting	410	104,198	52	7,885	0.2541
9	MSL - Mercury Vapor	6	1,454	5	1,200	0.2423
10	MU - Outdoor Lighting	2	192			0.0960
11	Misc. Adj. not maintained by Rate		-33,202			
12	Subtotal	3,374,051	340,127,872	236,072	14,292	0.1008
13	Unbilled Amount	-15,949	-2,247,797			0.1409
14	Total Residential Revenues	3,358,102	337,880,075	236,072	14,225	0.1006
15						
16	Commercial (442.1):					
17	R - Residential			14		
18	G - General Service	723,413	52,388,525	23,036	31,404	0.0724
19	C - General	83,879	6,976,316	4,579	18,318	0.0832
20	C-A - All Electric	22,767	1,326,933	342	66,570	0.0583
21	OL - Outdoor Lighting	1,168	214,217	181	6,453	0.1834
22	AL - Area Lighting	611	68,559	39	15,667	0.1122
23	EMU - Outdoor Lighting	2,541	758,430	149	17,054	0.2985
24	MU - Outdoor Lighting	818	52,108	7	116,857	0.0637
25	MSL - Mercury Vapor	20	5,052			0.2526
26	EM - Outdoor Lighting		8,031			
27	PH - Light & Power	1,216,585	38,865,711	1,358	895,851	0.0319
28	PL - LED Outdoor Lighting	1	424			0.4240
29	SPECIAL - Contract Street Lgt	1,180	56,384	39	30,256	0.0478
30	PP - Power Service	67,892	632,047	2	33,946,000	0.0093
31	Misc. Adj. not maintained by Rate		29,972			
32	Subtotal	2,120,855	101,382,709	29,746	71,299	0.0478
33	Unbilled Amount	-1,398	-81,603			0.0584
34	Total Commercial Revenues	2,119,457	101,301,106	29,746	71,252	0.0478
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	7,171,436	480,290,901	268,807	26,679	0.0670
42	Total Unbilled Rev.(See Instr. 6)	-2,116	-2,092,544	0	0	0.9889
43	TOTAL	7,169,320	478,198,357	268,807	26,671	0.0667

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

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

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1						
2						
3	Industrial (442.3):					
4	G - General Service	85,301	5,699,707	1,852	46,059	0.0668
5	OL - Outdoor Lighting	142	28,197	5	28,400	0.1986
6	C - General	19,655	1,221,906	478	41,119	0.0622
7	AL - Area Lighting	53	11,740			0.2215
8	C-A - All Elec - Ind	5,727	239,359	34	168,441	0.0418
9	EMU - Outdoor Lighting	115	23,998			0.2087
10	MSL - Outdoor Lighting		27			
11	MU - Outdoor Lighting	10	687			0.0687
12	PP - Power Service	684,149	6,632,536	8	85,518,625	0.0097
13	PH - Light & Power	655,733	18,995,111	288	2,276,851	0.0290
14	AGS - Firm Standby	149	183,385	1	149,000	1.2308
15	SPECIAL Contracts	209,618	1,551,196	1	209,618,000	0.0074
16	Misc. Adj. not maintained by Rate		-1,925			
17	Subtotal	1,660,652	34,585,924	2,667	622,667	0.0208
18	Unbilled Amount	14,676	-161,719			-0.0110
19	Total Industrial Revenues	1,675,328	34,424,205	2,667	628,169	0.0205
20						
21	Public Street & Highway (444.1):					
22	AL - Area Lighting	14	3,977			0.2841
23	OL - Outdoor Lighting Com	1	252	2	500	0.2520
24	EM - Outdoor Lighting		634			
25	EMU - Outdoor Lighting	6,259	1,928,409	123	50,886	0.3081
26	MSL - Mercury Vapor	8,738	2,168,597	188	46,479	0.2482
27	MU - Outdoor Lighting	696	51,290	2	348,000	0.0737
28	PL - LED Outdoor Lighting	170	41,237	7	24,286	0.2426
29	Misc. Adj. not maintained by Rate					
30	Subtotal	15,878	4,194,396	322	49,311	0.2642
31	Unbilled Amount	555	398,575			0.7182
32	Total Street Lighting Revenues	16,433	4,592,971	322	51,034	0.2795
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	7,171,436	480,290,901	268,807	26,679	0.0670
42	Total Unbilled Rev. (See Instr. 6)	-2,116	-2,092,544	0	0	0.9889
43	TOTAL	7,169,320	478,198,357	268,807	26,671	0.0667

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

Schedule Page: 304 Line No.: 13 Column: c

Residential

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -1,138,319
Unbilled	<u>-1,109,478</u>
Total	\$ -2,247,797

Schedule Page: 304 Line No.: 33 Column: c

Commercial

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -332,098
Unbilled	<u>250,495</u>
Total	\$ -81,603

Schedule Page: 304.1 Line No.: 18 Column: c

Industrial

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -124,366
Unbilled	<u>-37,353</u>
Total	\$ -161,719

Schedule Page: 304.1 Line No.: 31 Column: c

Public Street & Highway

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -13,009
Unbilled	<u>411,584</u>
Total	\$ 398,575

Schedule Page: 304 Line No.: 42 Column: c

Total

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -1,607,792
Unbilled	<u>-484,752</u>
Total	\$ -2,092,544

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SALES FOR RESALE (Account 447)

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

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

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SALES FOR RESALE (Account 447) (Continued)

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

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

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

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

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

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

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

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

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

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
1,740		86,760		86,760	2
31,196		1,429,774		1,429,774	3
					4
					5
1,146,450		53,082,431		53,082,431	6
					7
					8
					9
					10
					11
					12
					13
					14
32,936	0	1,516,534	0	1,516,534	
1,146,450	0	53,082,431	0	53,082,431	
1,179,386	0	54,598,965	0	54,598,965	

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

Associated company.

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

Associated company.

Schedule Page: 310 Line No.: 6 Column: b

Represents power sold through the PJM Interconnection.

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

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

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering		
5	(501) Fuel		
6	(502) Steam Expenses		
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses		
10	(506) Miscellaneous Steam Power Expenses		
11	(507) Rents		
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)		

Name of Respondent Potomac Edison MD		This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering			
63	(547) Fuel			
64	(548) Generation Expenses			
65	(549) Miscellaneous Other Power Generation Expenses			
66	(550) Rents			
67	TOTAL Operation (Enter Total of lines 62 thru 66)			
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant			
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)			
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)			
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	321,146,118	309,146,347	
77	(556) System Control and Load Dispatching		9,060,514	
78	(557) Other Expenses	16,993,586		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	338,139,704	318,206,861	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	338,139,704	318,206,861	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering			
84				
85	(561.1) Load Dispatch-Reliability			
86	(561.2) Load Dispatch-Monitor and Operate Transmission System			
87	(561.3) Load Dispatch-Transmission Service and Scheduling			
88	(561.4) Scheduling, System Control and Dispatch Services	17,381	16,510	
89	(561.5) Reliability, Planning and Standards Development			
90	(561.6) Transmission Service Studies			
91	(561.7) Generation Interconnection Studies			
92	(561.8) Reliability, Planning and Standards Development Services	678	621	
93	(562) Station Expenses	46,971	36,458	
94	(563) Overhead Lines Expenses	148,644	393,289	
95	(564) Underground Lines Expenses			
96	(565) Transmission of Electricity by Others	29,636,535	8,913,667	
97	(566) Miscellaneous Transmission Expenses	133,023	42,237	
98	(567) Rents			
99	TOTAL Operation (Enter Total of lines 83 thru 98)	29,983,232	9,402,782	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	228,289	232,881	
102	(569) Maintenance of Structures			
103	(569.1) Maintenance of Computer Hardware			
104	(569.2) Maintenance of Computer Software			
105	(569.3) Maintenance of Communication Equipment			
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	1,155,608	885,863	
108	(571) Maintenance of Overhead Lines	2,005,997	3,999,805	
109	(572) Maintenance of Underground Lines			
110	(573) Maintenance of Miscellaneous Transmission Plant	679	-2	
111	TOTAL Maintenance (Total of lines 101 thru 110)	3,390,573	5,118,547	
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	33,373,805	14,521,329	

Name of Respondent Potomac Edison MD		This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
113	3. REGIONAL MARKET EXPENSES			
114	Operation			
115	(575.1) Operation Supervision			
116	(575.2) Day-Ahead and Real-Time Market Facilitation			
117	(575.3) Transmission Rights Market Facilitation			
118	(575.4) Capacity Market Facilitation			
119	(575.5) Ancillary Services Market Facilitation			2,785
120	(575.6) Market Monitoring and Compliance			
121	(575.7) Market Facilitation, Monitoring and Compliance Services	3,005		
122	(575.8) Rents			
123	Total Operation (Lines 115 thru 122)	3,005		2,785
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)	3,005		2,785
132	4. DISTRIBUTION EXPENSES			
133	Operation			
134	(580) Operation Supervision and Engineering	122,863		118,970
135	(581) Load Dispatching			
136	(582) Station Expenses	24,199		56,589
137	(583) Overhead Line Expenses	1,101,397		1,273,636
138	(584) Underground Line Expenses	730,050		714,692
139	(585) Street Lighting and Signal System Expenses	92,025		79,969
140	(586) Meter Expenses	319,569		326,079
141	(587) Customer Installations Expenses			
142	(588) Miscellaneous Expenses	1,883,520		1,601,372
143	(589) Rents			
144	TOTAL Operation (Enter Total of lines 134 thru 143)	4,273,623		4,171,307
145	Maintenance			
146	(590) Maintenance Supervision and Engineering	115,946		128,912
147	(591) Maintenance of Structures			
148	(592) Maintenance of Station Equipment	2,120,799		2,078,450
149	(593) Maintenance of Overhead Lines	9,315,950		6,483,224
150	(594) Maintenance of Underground Lines	624,974		530,500
151	(595) Maintenance of Line Transformers	22,938		16,163
152	(596) Maintenance of Street Lighting and Signal Systems	410,392		366,117
153	(597) Maintenance of Meters	718,018		599,497
154	(598) Maintenance of Miscellaneous Distribution Plant	9,253		6,835
155	TOTAL Maintenance (Total of lines 146 thru 154)	13,338,270		10,209,698
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	17,611,893		14,381,005
157	5. CUSTOMER ACCOUNTS EXPENSES			
158	Operation			
159	(901) Supervision			
160	(902) Meter Reading Expenses	1,884,240		1,679,962
161	(903) Customer Records and Collection Expenses	1,326,344		1,268,505
162	(904) Uncollectible Accounts	1,066,313		763,121
163	(905) Miscellaneous Customer Accounts Expenses			
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	4,276,897		3,711,588

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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		
168	(908) Customer Assistance Expenses	15,300,542	10,117,421
169	(909) Informational and Instructional Expenses		
170	(910) Miscellaneous Customer Service and Informational Expenses	2,361,877	2,152,921
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	17,662,419	12,270,342
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		2
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)		2
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	333,902	
182	(921) Office Supplies and Expenses	112,933	-201,848
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	22,142,385	14,891,609
185	(924) Property Insurance	31,841	51,148
186	(925) Injuries and Damages	215,138	272,435
187	(926) Employee Pensions and Benefits	1,910,806	1,556,024
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	874,830	898,066
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	69,772	42,298
192	(930.2) Miscellaneous General Expenses	53,352	-10,559
193	(931) Rents	48,079	47,495
194	TOTAL Operation (Enter Total of lines 181 thru 193)	25,793,038	17,546,668
195	Maintenance		
196	(935) Maintenance of General Plant	388,222	147,378
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	26,181,260	17,694,046
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	437,248,983	380,787,958

Name of Respondent Potomac Edison MD	This Report Is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

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

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			1,960,669		1,960,669
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant	6,475,159	49			6,475,208
8	Distribution Plant	30,488,425				30,488,425
9	Regional Transmission and Market Operation					
10	General Plant	2,271,995	291			2,272,286
11	Common Plant-Electric					
12	TOTAL	39,235,579	340	1,960,669		41,196,588

B. Basis for Amortization Charges

Software is amortized over 7 years.

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
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OATH

I, the undersigned, on my oath do say that this report was prepared from the original books, papers and records of The Potomac Edison Company and are a complete and correct statement of the business and affairs of the company to the best of my knowledge, information and belief.


Olenger Pannell
Assistant Controller

I, Debra S. Flowers a notary public in and for the State of Ohio hereby certify that Olenger Pannell signed the foregoing oath as Assistant Controller of The Potomac Edison Company and has acknowledged the same before me in my presence on the 29 day of April, 2019.



Debra S. Flowers
Notary Public, State of Ohio
My Commission Expires 12-03-2019

Debra S. Flowers
Notary Public

THE POTOMAC EDISON COMPANY
Energy Taxes and Property Taxes Paid
Maryland Annual Report to PSC

<u>Property Tax Paid in 2018</u>	<u>Tax Year 2018</u>	<u>Tax Year 2017</u>
<u>Locality</u>	<u>Amt Paid</u>	<u>Amt Paid</u>
Allegany County	\$1,394,780	
Montgomery County	\$1,189,971	
City of Cumberland	\$416,633	
City of Frostburg	\$69,281	
Barton	\$2,260	\$2,270
Brunswick	\$62,398	
Luke	\$4,321	
Carroll County	\$499,795	
New Windsor	\$2,152	
Union Bridge	\$18,284	
Frederick County	\$4,992,398	
City of Frederick	\$682,330	
Emmitsburg	\$8,190	
Myersville	\$19,311	
Thurmont	\$3,488	
Walkersville	\$11,145	
Corp of Woodsboro	\$483	
Garrett County	\$790,861	
Accident	\$0	\$1,202
Friendsville	\$4,474	
Grantsville	\$2,774	
Kitzmilller	\$2,319	\$2,281
Loch Lynn Heights	\$0	
Oakland	\$20,434	
Howard County	\$62,431	
Washington County	\$2,106,235	
Boonsboro	\$17,072	\$16,799
Clear Spring	\$0	
Hagerstown	\$81,264	
Hancock	\$15,264	
Keedysville	\$4,107	
Sharpsburg	\$6,714	\$6,606
Smithsburg	\$11,220	
Deer Park	\$4,718	
Mountain Lake Park	\$6,769	
Middletown	\$8,440	
Taneytown	\$31,327	
New Market	\$4,413	
Williamsport	\$4,106	\$4,002
Mount Airy	\$0	
Funkstown	\$21,262	
Total Property Tax Paid	\$12,583,449	\$33,160
Non-Op Local Property Tax Paid	Tax Year 2018	Tax Year 2017
Washington County	\$7,570	
Alleghany County		
Frederick County	\$17,756	
Montgomery County	\$60	
Keedysville	\$648	
Total Non-Op Property Tax Paid	\$26,034	\$0
Montgomery Co. Energy Tax Paid in 2018	Tax Year 2018	Tax Year 2017
2017 Paid monthly in 2018		\$829,950
2018 Paid monthly in 2018	\$8,858,508	
Total Energy Tax Paid	\$8,858,508	\$829,950

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)



225086

FERC FINANCIAL REPORT

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

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

Exact Legal Name of Respondent (Company)

THE POTOMAC EDISON COMPANY

Year/Period of Report

End of 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).

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

IDENTIFICATION		
01 Exact Legal Name of Respondent THE POTOMAC EDISON COMPANY	02 Year/Period of Report End of 2018/Q4	
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 76 South Main Street, Akron, OH, 44308		
05 Name of Contact Person Jason Petrik	06 Title of Contact Person Assistant Controller	
07 Address of Contact Person (Street, City, State, Zip Code) 76 South Main Street, Akron, OH, 44308		
08 Telephone of Contact Person, including Area Code (330) 761-4049	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) / /

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

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

01 Name Jason J. Lisowski	03 Signature Jason J. Lisowski	04 Date Signed (Mo, Da, Yr) 04/04/2019
02 Title Vice President and Controller		

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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)	None
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	None
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	None
18	Electric Plant Held for Future Use	214	None
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	
22	Materials and Supplies	227	None
23	Allowances	228(ab)-229(ab)	None
24	Extraordinary Property Losses	230	None
25	Unrecovered Plant and Regulatory Study Costs	230	None
26	Transmission Service and Generation Interconnection Study Costs	231	
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	
32	Capital Stock Expense	254	None
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	281	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	None

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	None
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Regional Transmission Service Revenues (Account 457.1)	302	None
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310-311	
46	Electric Operation and Maintenance Expenses	320-323	
47	Purchased Power	326-327	
48	Transmission of Electricity for Others	328-330	
49	Transmission of Electricity by ISO/RTOs	331	
50	Transmission of Electricity by Others	332	
51	Miscellaneous General Expenses-Electric	335	
52	Depreciation and Amortization of Electric Plant	336-337	
53	Regulatory Commission Expenses	350-351	
54	Research, Development and Demonstration Activities	352-353	
55	Distribution of Salaries and Wages	354-355	
56	Common Utility Plant and Expenses	356	None
57	Amounts included in ISO/RTO Settlement Statements	397	
58	Purchase and Sale of Ancillary Services	398	
59	Monthly Transmission System Peak Load	400	
60	Monthly ISO/RTO Transmission System Peak Load	400a	None
61	Electric Energy Account	401	
62	Monthly Peaks and Output	401	
63	Steam Electric Generating Plant Statistics	402-403	None
64	Hydroelectric Generating Plant Statistics	406-407	None
65	Pumped Storage Generating Plant Statistics	408-409	None
66	Generating Plant Statistics Pages	410-411	None

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	None
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 THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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GENERAL INFORMATION

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

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

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

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

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

Not applicable

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

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

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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CONTROL OVER RESPONDENT

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

The Potomac Edison Company is a wholly owned subsidiary of FirstEnergy Corp.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Allegheny Pittsburgh Coal	Owner of coal reserves	25%	
2				
3	PE Transferring Agent, LLC	Special purpose entity as an	100%	
4		agent for property transfers		
5				
6				
7	PE Renaissance Funding, LLC	Special purpose entity to be	100%	
8		used for financing of Fort		
9		Martin scrubber construction.		
10				
11	PE Environmental Funding, LLC	Special purpose entity to be	100%	
12		used for financing of Fort		
13		Martin scrubber construction.		
14				
15	PATH Allegheny Maryland Transmission	Design and maintain electric	5%	
16	Company, LLC	transmission facilities and		
17		engage in any activities		
18		related thereto		
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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	Senior Vice President and Chief Financial Officer	S.E. Strah	594,835
2	President	S.L. Belcher	548,060
3	Executive Vice President, Corporate Strategy,	L.L. Vespoli	761,286
4	Regulatory Affairs and Chief Legal Officer		
5	Executive Vice President of Finance	J.F. Pearson	112,486
6	Vice President, Deputy General Counsel and	E.L. Yeboah-Amankwah	304,436
7	Corporate Secretary		
8	Senior Vice President and General Counsel	R.P. Reffner	437,998
9	Vice President and Treasurer	S.R. Staub	349,683
10	Vice President and Controller	J.J. Lisowski	228,915
11	Vice President	J.A. Sears	223,197
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

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

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

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

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

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

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

Effective September 1, 2018, Ebony Yeboah-Amankwah was removed as Vice President and Corporate Secretary and elected Vice President, Deputy General Counsel and Corporate Secretary effective September 2, 2018.

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

Effective September 1, 2018, Robert Reffner was removed as Vice President and General Counsel and elected Senior Vice President and General Counsel effective September 2, 2018.

Schedule Page: 104 Line No.: 10 Column: b

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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DIRECTORS

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

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Charles E. Jones	76 South Main Street, Akron, OH 44308
2	Director	
3		
4	Steven E. Strah	76 South Main Street, Akron, OH 44308
5	Director and Senior Vice President and Chief	
6	Financial Officer	
7		
8	James F. Pearson	76 South Main Street, Akron, OH 44308
9	Director and Executive Vice President of Finance	
10		
11		
12	Samuel L. Belcher	76 South Main Street, Akron, OH 44308
13	Director and President	
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

Schedule Page: 105 Line No.: 4 Column: a

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

Schedule Page: 105 Line No.: 8 Column: a

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

Schedule Page: 105 Line No.: 12 Column: a

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

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

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

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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INFORMATION ON FORMULA RATES
Formula Rate Variances

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

Line No.	Page No(s).	Schedule	Column	Line No
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of 2018/Q4
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

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

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

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

6. The Potomac Edison Company (PE) has authorization from the Federal Energy Regulatory Commission (FERC) to issue short-term debt securities of up to \$150 million through bank facilities and the internal utility money pool. Additionally, PE has authorization from the West Virginia Public Service Commission (WVPSC) to participate in the internal utility money pool so long as its borrowings under the money pool do not exceed \$150 million. PE has the ability to borrow from its regulated affiliates and FirstEnergy to meet its short-term working capital requirements. FirstEnergy Service Company administers this money pool and tracks surplus funds of FirstEnergy and the respective regulated subsidiary, as well as proceeds available from bank borrowings. Companies receiving a loan under the money pool agreements must repay the principal amount of the loan, together with accrued interest, within 364 days of borrowing the funds. The rate of interest is the same for each company receiving a loan from their respective pool and is based on the average cost of funds available through the pool. The average interest rate for borrowings during 2018 was 2.26% per annum.

- 7. None
- 8. None
- 9. See Notes 5 and 6 of Notes to Financial Statements relating to Regulatory Matters and Commitments and Contingencies.
- 10. None
- 11. Reserved
- 12. None
- 13. See pages 104 and 105.
- 14. None

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) //	Year/Period of Report End of 2018/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	2,323,097,809	2,224,862,836
3	Construction Work in Progress (107)	200-201	53,836,688	41,025,646
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		2,376,934,497	2,265,888,482
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	997,787,341	955,661,774
6	Net Utility Plant (Enter Total of line 4 less 5)		1,379,147,156	1,310,226,708
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		1,379,147,156	1,310,226,708
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		3,983,016	3,983,016
19	(Less) Accum. Prov. for Depr. and Amort. (122)		84,159	75,204
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	-59,954,422	-66,162,318
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		-56,055,565	-62,254,506
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		9,310,000	0
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		0	0
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		44,469,216	47,236,176
41	Other Accounts Receivable (143)		3,362,315	5,217,076
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,511,671	2,638,220
43	Notes Receivable from Associated Companies (145)		19,105,607	54,203,526
44	Accounts Receivable from Assoc. Companies (146)		22,247,459	21,387,683
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	0	0
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 11	Year/Period of Report End of 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)		18,379,063	18,143,730
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		1,729,662	857,366
61	Accrued Utility Revenues (173)		58,484,963	60,556,702
62	Miscellaneous Current and Accrued Assets (174)		0	10,000
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)		174,576,614	204,974,039
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		3,092,047	3,207,751
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	141,118,288	131,896,329
73	Prelim. Survey and Investigation Charges (Electric) (183)		93,493	90,158
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)		3,876,486	1,486,746
77	Temporary Facilities (185)		251,238	208,059
78	Miscellaneous Deferred Debits (186)	233	92,994,953	98,561,406
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	5,716	4,561
81	Unamortized Loss on Reaqured Debt (189)		172,337	237,299
82	Accumulated Deferred Income Taxes (190)	234	161,464,410	155,355,228
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		403,068,968	391,047,537
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,900,737,173	1,843,993,778

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) / /	Year/Period of Report end of 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	223,850	223,850
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	354,318,971	351,344,298
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	156,219,301	147,626,055
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	33,436,672	27,228,776
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)	5,102,213	6,421,213
16	Total Proprietary Capital (lines 2 through 15)		549,301,007	532,844,192
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	500,000,000	500,000,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		500,000,000	500,000,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		677,422	1,191,417
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		4,660,827	4,684,068
29	Accumulated Provision for Pensions and Benefits (228.3)		32,786,818	38,842,373
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	123,410
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)		171,484	228,835
35	Total Other Noncurrent Liabilities (lines 26 through 34)		38,296,551	45,070,103
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		42,220,360	21,719,012
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		34,177,037	55,799,565
41	Customer Deposits (235)		22,811,401	22,154,295
42	Taxes Accrued (236)	262-263	13,409,919	30,065,414
43	Interest Accrued (237)		6,836,234	6,808,969
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 11	Year/Period of Report end of 2018/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (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)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		584,707	615,914
48	Miscellaneous Current and Accrued Liabilities (242)		23,113,361	11,773,754
49	Obligations Under Capital Leases-Current (243)		805,228	1,110,175
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		143,958,247	150,047,098
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		6,079,228	6,147,433
57	Accumulated Deferred Investment Tax Credits (255)	266-267	0	0
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	69,038,161	65,024,497
60	Other Regulatory Liabilities (254)	278	221,164,692	192,709,562
61	Unamortized Gain on Required Debt (267)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		286,318,252	274,184,998
64	Accum. Deferred Income Taxes-Other (283)		86,581,035	77,965,895
65	Total Deferred Credits (lines 56 through 64)		669,181,368	616,032,385
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		1,900,737,173	1,843,993,778

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.

2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.

3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.

4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.

5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)

6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.

7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	892,123,674	855,068,235		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	681,284,156	611,147,606		
5	Maintenance Expenses (402)	320-323	34,595,647	29,507,710		
6	Depreciation Expense (403)	336-337	62,108,208	60,366,361		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	435			
8	Amort. & Depl. of Utility Plant (404-405)	336-337	2,899,065	2,528,231		
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)		5,574,543	16,023,624		
13	(Less) Regulatory Credits (407.4)		14,468,792	-4,460,672		
14	Taxes Other Than Income Taxes (408.1)	262-263	45,893,301	44,516,508		
15	Income Taxes - Federal (409.1)	262-263	2,572,629	40,384,346		
16	- Other (409.1)	262-263	214,039	5,934,364		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	79,490,001	131,098,146		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	70,418,497	149,219,329		
19	Investment Tax Credit Adj. - Net (411.4)	266				
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		19,138			
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		829,763,873	796,748,239		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		62,359,801	58,319,996		

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)		62,359,801	58,319,996		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		3,080,227	2,040,322		
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		2,570,013	1,319,650		
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental income (418)		-8,955	-8,955		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	6,245,116	4,164,766		
37	Interest and Dividend Income (419)		1,941,185	1,593,490		
38	Allowance for Other Funds Used During Construction (419.1)		2,548,521	1,660,048		
39	Miscellaneous Nonoperating Income (421)		-80,889	24,003		
40	Gain on Disposition of Property (421.1)			43,250		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		11,155,392	8,197,274		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		37,581	2,797		
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		187,535	168,919		
46	Life Insurance (426.2)		32,231	-300,550		
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)		20,852	16,604		
49	Other Deductions (426.5)		900	182		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		279,099	-112,048		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	-1,259,471	-2,048,962		
53	Income Taxes-Federal (409.2)	262-263	613,774	872,474		
54	Income Taxes-Other (409.2)	262-263	237,821	204,513		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	7,698	24,750		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	20,125	73,808		
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)		-420,303	-1,021,033		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		11,296,596	9,330,355		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		21,391,352	21,391,000		
63	Amort. of Debt Disc. and Expense (428)		115,704	115,650		
64	Amortization of Loss on Required Debt (428.1)		64,962	64,962		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)		9,395	38,157		
68	Other Interest Expense (431)		1,817,166	900,323		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		924,128	648,292		
70	Net Interest Charges (Total of lines 62 thru 69)		22,474,451	21,861,800		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		51,181,946	45,788,551		
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)		51,181,946	45,788,551		

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STATEMENT OF RETAINED EARNINGS

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

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		147,626,055	121,006,586
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Accounting Change - Cumulative Effect Adjustment		-1,380,804	(41,536)
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)		-1,380,804	(41,536)
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		44,936,830	41,623,785
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31	Dividends on Common Stock		-35,000,000	(15,000,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-35,000,000	(15,000,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		37,220	37,220
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		156,219,301	147,626,055
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

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STATEMENT OF RETAINED EARNINGS

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

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		156,219,301	147,626,055
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		27,228,776	23,101,230
50	Equity in Earnings for Year (Credit) (Account 418.1)		6,245,116	4,164,766
51	(Less) Dividends Received (Debit)		37,220	37,220
52				
53	Balance-End of Year (Total lines 49 thru 52)		33,436,672	27,228,776

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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)	51,181,946	45,788,551
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	65,026,846	62,894,592
5	Amortization (Deferral) of Regulatory Assets, Net	3,919,193	20,484,296
6	Deferred Purchase Power and Other Costs	24,228,023	31,077,263
7	Pension Trust Contribution	-17,000,000	
8	Deferred Income Taxes (Net)	9,058,952	-18,170,241
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	8,990,348	26,547,637
11	Net (Increase) Decrease in Inventory		
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-5,783,903	30,580,514
14	Net (Increase) Decrease in Other Regulatory Assets		
15	Net Increase (Decrease) in Other Regulatory Liabilities		
16	(Less) Allowance for Other Funds Used During Construction	2,548,521	1,660,048
17	(Less) Undistributed Earnings from Subsidiary Companies	6,245,116	4,164,768
18	Other (provide details in footnote):	-4,748,043	740,964
19	Pension and OPEB Mark-to-Market Adjustment	13,690,948	5,592,549
20	Amortization of Purchase Accounting Adjustment		-42,988
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	139,770,673	199,668,321
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-123,181,510	-103,122,103
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	-2,548,521	-1,660,048
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-120,632,989	-101,462,055
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		-54,203,526
40	Contributions and Advances from Assoc. and Subsidiary Companies	35,097,918	
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

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STATEMENT OF CASH FLOWS

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

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48	Cost of Removal and Adjustment	-8,641,222	-10,501,466
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):	-3,333	-65,611
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-94,179,626	-166,232,658
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)		
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):	-79,775	-105,674
77	Payments on Capital Lease Obligations	-1,201,272	-1,751,832
78	Net Decrease in Short-Term Debt (c)		-16,578,157
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-35,000,000	-15,000,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-36,281,047	-33,435,663
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	9,310,000	
87			
88	Cash and Cash Equivalents at Beginning of Period		
89			
90	Cash and Cash Equivalents at End of period	9,310,000	

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FOOTNOTE DATA			

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

Other Operating:

Contributions in Aid of Construction	\$ 1,663,495
Retirement Benefits, Net of Payments	(12,719,705)
Amortization of Prepaid Purchase Power	5,564,170
Other	<u>743,872</u>
	\$ (4,748,168)

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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.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

1. ORGANIZATION AND BASIS OF PRESENTATION

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

BASIS OF PRESENTATION

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

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

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

Beginning January 1, 2018, based upon the 2016 Staff Report on Enforcement and referenced audits, asset retirement costs that PE has regulatory recovery of are recorded on the income statement within accretion and depreciation expense and then reclassified to

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NOTES TO FINANCIAL STATEMENTS (Continued)			

the appropriate regulatory account through a 407 account.

ACCOUNTING FOR THE EFFECTS OF REGULATION

Regulatory assets represent incurred costs that have been deferred because of their probable future recovery from customers through regulated rates. Regulatory liabilities represent amounts that are expected to be credited to customers through future regulated rates or amounts collected from customers for costs not yet incurred.

REVENUES AND RECEIVABLES

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

Receivables from customers include distribution and retail electric sales to residential, commercial and industrial customers. There was no material concentration of receivables as of December 31, 2018 and 2017, with respect to any particular segment of PE's customers. Billed and unbilled customer receivables were \$42 million and \$59 million, respectively, as of December 31, 2018 and \$45 million and \$61 million, respectively, as of December 31, 2017.

PROPERTY, PLANT AND EQUIPMENT

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

PE provides for depreciation on a straight-line basis at various rates over the estimated lives of property included in plant in service. Depreciation expense was approximately 2.9% of average depreciable property in 2018 and 2017.

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

INVESTMENTS

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

PREPAID PURCHASE POWER

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

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NOTES TO FINANCIAL STATEMENTS (Continued)			

COMMON STOCK

PE is authorized to issue 26,000,000 shares of common stock, \$0.01 par value, as of December 31, 2018. As of December 31, 2018 and 2017, there were 22,385,000 common shares outstanding.

NEW ACCOUNTING PRONOUNCEMENTS

Recently Adopted Pronouncements

Accounting Standards Update (ASU) 2014-09, "Revenue from Contracts with Customers" (Issued May 2014 and subsequently updated to address implementation questions): The new revenue recognition guidance: establishes a new control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. PE evaluated its revenues and the new guidance had limited impacts to recognition practices upon adoption on January 1, 2018. As part of the adoption, PE elected to apply the new guidance on a modified retrospective basis. PE did not record a cumulative adjustment to retained earnings for initially applying the new guidance as no revenue recognition differences were identified in the timing or amount of revenue. In addition, upon adoption, certain immaterial financial statement presentation changes were implemented. See Note 2, "Revenue," for additional information on PE's revenues

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

ASU 2016-18, "Restricted Cash" (Issued November 2016): ASU 2016-18 addresses the presentation of changes in restricted cash and restricted cash equivalents in the statement of cash flows. The guidance is required to be applied retrospectively. As a result of adopting this standard, PE's statement of cash flows reports changes in the total cash, cash equivalents, restricted cash and restricted cash equivalents.

ASU 2017-01, "Business Combinations: Clarifying the Definition of a Business" (Issued January 2017): ASU 2017-01 assists entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. PE adopted ASU 2017-01 on January 1, 2018. The ASU will be applied prospectively to future transactions.

ASU 2017-07, "Compensation-Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost" (Issued March 2017): ASU 2017-07 states only service costs are eligible for capitalization on a prospective basis. PE adopted ASU 2017-07 on January 1, 2018. In connection with the adoption, PE made a one-time election to change its capitalization policy for FERC reporting purposes and capitalize only service costs to be consistent with the amended GAAP accounting rules. Because the non-service cost components of net benefit cost are no longer eligible for capitalization after December 31, 2017, PE has recognized these components in income as a result of adopting this standard. During 2018, PE only capitalized a portion of the approximate \$5 million of direct gross service costs included within its net periodic costs (credits). Please see Note 3, "Pension and other post-employment benefits" for additional information on PE's pension and OPEB costs.

ASU 2018-02, "Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (AOCI)" (Issued February 2018): ASU 2018-02 allows entities to reclassify from AOCI to retained earnings stranded tax effects resulting from the Tax Cuts and Jobs Act adopted December 22, 2017 (Tax Act). PE early adopted this standard during the first quarter of 2018 and has elected to present the change in the period of adoption. Upon adoption, PE recorded a \$1 million cumulative effect adjustment for stranded tax effects, such as pension and OPEB prior service costs to retained earnings on January 1, 2018.

ASU 2018-05, "Income Taxes (Topic 740): Amendments to the United States Securities and Exchange Commission (SEC) Paragraphs Pursuant to SEC Staff Accounting Bulletin (SAB) No. 118" (Issued March 2018): ASU 2018-05, effective 2018, expands income tax

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accounting and disclosure guidance to include SAB 118 issued by the SEC in December 2017. SAB 118 provides guidance on accounting for the income tax effects of the Tax Act and among other things allows for a measurement period not to exceed one year for companies to finalize the provisional amounts recorded as of December 31, 2017.

ASU 2018-14, "*Compensation-Retirement Benefits-Defined Benefit Plans-General (Subtopic 715-20): Disclosure Framework-Changes to the Disclosure Requirements for Defined Benefit Plans*" (Issued August 2018): ASU 2018-14 amends Accounting Standards Codification (ASC) 715 to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. PE early adopted ASU 2018-14 as of December 31, 2018 and the provisions of this standard are reflected within Note 3, "Pension and Other Postemployment Benefits".

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

ASU 2016-02, "*Leases (Topic 842)*" (Issued February 2016 and subsequently updated to address implementation questions): The new guidance will require organizations that lease assets with lease terms of more than 12 months to recognize assets and liabilities for the rights and obligations created by those leases on their balance sheets as well as new qualitative and quantitative disclosures. PE has implemented a third-party software tool that will assist with the initial adoption and ongoing compliance. The standard provides a number of transition practical expedients that entities may elect. These include a "package of three" expedients that must be taken together and allow entities to (1) not reassess whether existing contracts contain leases, (2) carryforward the existing lease classification, and (3) not reassess initial direct costs associated with existing leases. A separate practical expedient allows entities to not evaluate land easements under the new guidance at adoption if they were not previously accounted for as leases. Additionally, entities have the option to apply the requirements of the standard in the period of adoption (January 1, 2019) with no restatement of prior periods. PE elected all of these practical expedients. Upon adoption, on January 1, 2019, PE increased assets and liabilities by approximately \$10 million; but no impact to results of operations or cash flows.

ASU 2016-13, "*Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*" (issued June 2016). ASU 2016-13 removes all recognition thresholds and will require companies to recognize an allowance for credit losses for the difference between the amortized cost basis of a financial instrument and the amount of amortized cost that the company expects to collect over the instrument's contractual life. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted for fiscal years beginning after December 15, 2018.

ASU 2018-15, "*Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*" (Issued August 2018): ASU 2018-15 requires implementation costs incurred by customers in cloud computing arrangements to be deferred and recognized over the term of the arrangement, if those costs would be capitalized by the customers in a software licensing arrangement. The guidance will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted.

2. REVENUE

PE accounts for revenues from contracts with customers under ASC 606, Revenue from Contracts with Customers, which became effective January 1, 2018. As part of the adoption of ASC 606, PE applied the new standard on a modified retrospective basis analyzing open contracts as of January 1, 2018. However, no cumulative effect adjustment to retained earnings was necessary as no revenue recognition differences were identified when comparing the revenue recognition criteria under ASC 606 to previous requirements.

Revenue from leases, financial instruments, other contractual rights or obligations and other revenues that are not from contracts with customers are outside the scope of the new standard and accounted for under other existing GAAP. PE has elected to exclude sales taxes and other similar taxes collected on behalf of third parties from revenue as prescribed in the new standard. As a result, tax

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collections and remittances within the scope of this election are excluded from recognition in the income statement and instead recorded through the balance sheet, consistent with PE's accounting process prior to the adoption of ASC 606. Excise and gross receipts taxes that are assessed on PE are not subject to the election and are included in revenue. PE has elected the optional invoice practical expedient for most of its revenues and utilizes the optional short-term contract exemption for transmission revenues due to the annual establishment of revenue requirements, which eliminates the need to provide certain revenue disclosures regarding unsatisfied performance obligations. For a qualitative overview of PE's performance obligations, see below.

PE's principal business is providing electric service to customers in West Virginia and Maryland. PE's distribution customers are metered on a cycle basis. An estimate of unbilled revenues is calculated to recognize electric service provided from the last meter reading through the end of the month. This estimate includes many factors, among which are historical customer usage, load profiles, estimated weather impacts and prices in effect for each class of customer. In each accounting period, PE accrues the estimated unbilled amount as revenue and reverses the related prior period estimate. Customer payments are generally due within 30 days. Retail generation sales relate to generation sales in West Virginia and Maryland that are regulated by the WVPSC and MDPSC, respectively.

PE earns revenue from state-regulated rate tariffs under which it provides **distribution services** to residential, commercial and industrial customers in its service territory. PE is obligated under the regulated construct to deliver power to customers reliably, as it is needed, which creates an implied monthly contract with the end-use customer. See Note 5, "Regulatory Matters," for additional information on rate recovery mechanisms. Distribution and electric revenues are recognized over time as electricity is distributed and delivered to the customer and the customers consume the electricity immediately as delivery occurs.

Retail generation sales relate to generation sales in West Virginia that are regulated by the WVPSC. Retail generation revenues are recognized over time as electricity is delivered and consumed immediately by the customer.

Wholesale sales primarily consist of generation and capacity sales into the PJM Interconnection, L.L.C. (PJM) market. PE may also purchase power from PJM to supply power to their customers. Generally, these power sales from generation and purchases to serve load are netted hourly and reported gross as either revenues or purchased power on the statements of income based on whether the entity was a net seller or buyer each hour. Capacity revenues are recognized ratably over the PJM planning year at prices cleared in the annual PJM Residual Pricing Model Base Residual Auction and incremental auctions. Capacity purchases and sales through PJM capacity auctions are reported within revenues on the Income Statement. Certain capacity income (bonuses) and charges (penalties) related to the availability of units that have cleared in the auctions are unknown and not recorded in revenue until, and unless, they occur.

PE provides transmission infrastructure owned and operated by PE to transmit electricity from generation sources to distribution facilities. PE's transmission revenue is primarily derived from stated transmission rates. Revenue requirements under stated rates are calculated annually by multiplying the highest one-hour peak load in each respective transmission zone by the approved, stated rate in that zone. Revenues and cash receipts for the stand-ready obligation of providing transmission service are recognized ratably over time.

3. PENSION AND OTHER POSTEMPLOYMENT BENEFITS

FirstEnergy provides noncontributory qualified defined benefit pension plans that cover substantially all of its employees and non-qualified pension plans that cover certain employees, including employees of PE. The plans provide defined benefits based on years of service and compensation levels. Under the cash-balance portion of the Pension Plan (for employees hired on or after January 1, 2014), FirstEnergy makes contributions to eligible employee retirement accounts based on a pay credit and an interest credit. In addition, FirstEnergy provides a minimum amount of noncontributory life insurance to retired employees in addition to optional contributory insurance. Health care benefits, which include certain employee contributions, deductibles and co-payments, are also available upon retirement to certain employees, their dependents and, under certain circumstances, their survivors. PE recognizes its allocated portion of the expected cost of providing pension and OPEB to employees and their beneficiaries and covered dependents from the time employees are hired until they become eligible to receive those benefits. PE also recognizes its allocated portion of obligations to former or inactive employees after employment, but before retirement, for disability-related benefits.

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FirstEnergy recognizes a pension and OPEB mark-to-market adjustment for the change in the fair value of plan assets and net actuarial gains and losses annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement. The remaining components of pension and OPEB expense, primarily service costs, interest on obligations, assumed return on assets and prior service costs, are recorded on a monthly basis. PE's pension and OPEB mark-to-market adjustments for the years ended December 31, 2018 and 2017, were \$14 million and \$6 million, respectively. In 2018, the pension and OPEB mark-to-market adjustment primarily reflects an increase in the discount rate used to measure benefit obligations and lower than expected asset returns.

FirstEnergy's pension and OPEB funding policy is based on actuarial computations using the projected unit credit method. In January 2018, FirstEnergy satisfied its minimum required funding obligations of \$500 million and addressed funding obligations for future years to its qualified pension plan with additional contributions of \$750 million (\$17 million at PE). On February 1, 2019, FirstEnergy made a \$500 million (\$6 million at PE) voluntary cash contribution to the qualified pension plan. As a result of this contribution, FirstEnergy expects no required contributions through 2021.

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

FirstEnergy's assumed rate of return on pension plan assets considers historical market returns and economic forecasts for the types of investments held by the pension trusts. In 2018, FirstEnergy's qualified pension and OPEB plan assets experienced losses of \$371 million, or (4.0)% compared to gains of \$999 million, or 15.1% in 2017, while assuming a 7.50% rate of return for 2018 and 2017 on plan assets. The expected return on pension and OPEB assets is based on the trusts' asset allocation targets and the historical performance of risk-based and fixed income securities. The gains or losses generated as a result of the difference between expected and actual returns on plan assets will increase or decrease future net periodic pension and OPEB cost as the difference is recognized annually in the fourth quarter of each fiscal year or whenever a plan is determined to qualify for remeasurement.

During 2018, the Society of Actuaries released its updated mortality improvement scale for pension plans, MP-2018, incorporating SSA mortality data from 2014 to 2016. The updated improvement scale indicates a slight decline in life expectancy. Due to the additional data on population mortality, the RP2014 mortality table with the projection scale MP-2018 was utilized to determine the 2018 benefit cost and obligation as of December 31, 2018 for the FirstEnergy pension and OPEB plans. The impact of using the projection scale MP-2018 resulted in a decrease in the projected pension benefit obligation of approximately \$16 million and was included in the 2018 pension and OPEB mark-to-market adjustment.

Effective in 2019, FirstEnergy changed the approach utilized to estimate the service cost and interest cost components of net periodic benefit cost for pension and OPEB plans. Historically, FirstEnergy estimated these components utilizing a single, weighted average discount rate derived from the yield curve used to measure the benefit obligation. FirstEnergy has elected to use a spot rate approach in the estimation of the components of benefit cost by applying specific spot rates along the full yield curve to the relevant projected cash flows, as this provides a better estimate of service and interest costs by improving the correlation between projected benefit cash flows to the corresponding spot yield curve rates. This change did not affect the measurement of total benefit obligations or annual net period benefit cost and the change in service and interest cost is offset in the actuarial mark-to-market adjustment reported. This election is considered a change in estimate and, accordingly, accounted prospectively.

PE's allocated share of pension and OPEB costs (credits) and MP's share of net liability, including the mark-to-market adjustment was as follows:

As of December 31,	Pension		OPEB	
	2018	2017	2018	2017

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(in millions)

PE's share of net liability ⁽²⁾	\$ 25	\$ 30	\$ 7	\$ 8
PE's share of net periodic costs (credits) ⁽¹⁾	11	1	(4)	(4)

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

⁽²⁾ Excludes \$11 million and \$12 million as of December 31, 2018 and 2017, respectively, of affiliated non-current assets related to pension and OPEB mark-to-market costs allocated to PE.

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

4. LEASES

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

Operating lease expense for the years ended December 31, 2018 and 2017 was \$1 million and \$4 million, respectively. PE's estimated future minimum lease payments for capital and operating leases as of December 31, 2018 with initial or remaining lease terms in excess of one year are as follows:

(In millions)	2019	2020	2021	2022	2023	Thereafter	Total	Less: amount representing interest and fees	Present value of net minimum capital lease payments
Capital Leases	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 1	\$ 1
Operating Leases	\$ 2	\$ 2	\$ 1	\$ 1	\$ 2	\$ 5	\$ 13	N/A	N/A

PE's estimated future minimum lease payments for operating leases are immaterial. The carrying amounts of assets recorded under capital lease agreements included in "Obligations under capital leases" on PE's Balance Sheets as of December 31, 2018 and 2017, were \$1 million and \$2 million, respectively.

5. REGULATORY MATTERS

STATE REGULATION

PE's retail rates, conditions of service, issuance of securities and other matters are subject to regulation in Maryland by the MDPSC and in West Virginia by the WVPSC. The transmission operations of PE in Virginia are subject to certain regulations of the VSCC. The key terms of PE's current rate orders for distribution customer billings, which have been effective since February 2015 and November 1994 for West Virginia and Maryland, respectively, include allowed debt/equity ratios of 54%/46% and 48%/52%, respectively, and an allowed Return on Equity (ROE) of 11.9% for Maryland. The WVPSC-approved settlement agreement for its West Virginia rates did not disclose ROE.

MARYLAND

PE operates under MDPSC approved base rates that were effective as of November 11, 1994. PE provides Standard Offer Service (SOS) pursuant to a combination of settlement agreements, MDPSC orders and regulations, and statutory provisions. SOS supply is competitively procured in the form of rolling contracts of varying lengths through periodic auctions that are overseen by the MDPSC

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and a third-party monitor. Although settlements with respect to SOS supply for PE customers have expired, service continues in the same manner until changed by order of the MDPSC. PE recovers its costs plus a return for providing SOS.

The EmPOWER Maryland Energy Efficiency Act (EmPOWER Maryland) program requires each electric utility to file a plan to reduce electric consumption and demand 0.2% per year, up to the ultimate goal of 2% annual savings, for the duration of the 2018-2020 and 2021-2023 EmPOWER Maryland program cycles, to the extent the MDPSC determines that cost-effective programs and services are available. PE's 2016 starting goal under this requirement was 0.97%. PE's approved 2018-2020 EmPOWER Maryland plan continues and expands upon prior years' programs, and adds new programs, for a projected total cost of \$116 million over the three-year period. PE recovers program costs subject to a five-year amortization. Maryland law only allows for the utility to recover lost distribution revenue attributable to energy efficiency or demand reduction programs through a base rate case proceeding, and to date, such recovery has not been sought or obtained by PE.

In 2013, the MDPSC required Maryland electric utilities to submit analyses relating to the costs and benefits of making further system and staffing enhancements in order to attempt to reduce storm outage durations. PE's submitted analysis projected that it would require up to approximately \$2.7 billion in infrastructure investments over 15 years to attempt to achieve the quickest level of response for the largest storm projected in MDPSC's scenarios. The MDPSC conducted a hearing September 2014, but has not taken further action on this matter.

On January 19, 2018, PE filed a joint petition along with other utility companies, work group stakeholders and the MDPSC electric vehicle work group leader to implement a statewide electric vehicle portfolio in connection with a 2016 MDPSC proceeding to consider an array of issues relating to electric distribution system design, including matters relating to electric vehicles, distributed energy resources, advanced metering infrastructure, energy storage, system planning, rate design, and impacts on low-income customers. PE proposed an electric vehicle charging infrastructure program at a projected total cost of \$12 million, to be recovered over a five-year amortization. On January 14, 2019, the MDPSC approved the petition subject to certain reductions in the scope of the program.

On January 12, 2018, the MDPSC instituted a proceeding to examine the impacts of the Tax Act on the rates and charges of Maryland utilities. PE must track and apply regulatory accounting treatment for the impacts beginning January 1, 2018, and submitted a report to the MDPSC on February 15, 2018, estimating that the Tax Act impacts would be approximately \$7 million to \$8 million annually for PE's customers. On August 17, 2018, the Staff of the MDPSC filed a reply that recommended the MDPSC instead direct PE to reduce base rates by \$6.5 million to reflect reduced federal tax costs pending resolution of PE's upcoming rate case and further direct that PE pay customers a one-time credit for what the Staff estimated were the tax savings to PE through the end of July 2018. On October 5, 2018, the MDPSC issued an order requiring PE to pay a one-time credit for tax savings through September 30, 2018, which totaled approximately \$5 million, and reserved all other Tax Act impacts to be resolved in the pending rate case. In the rate case order issued on March 22, 2019, the MDPSC directed that a final one-time credit of \$3 million be paid to customers within two billing cycles.

On August 24, 2018, PE filed a base rate case with the MDPSC, which it supplemented on October 22, 2018, to update the partially forecasted test year with a full twelve months of actual data. The rate case requested an annual increase in base distribution rates of \$19.7 million, plus creation of Electric Distribution Investment Surcharge (EDIS) to fund four enhanced service reliability programs. In responding to discovery, PE revised its request for an annual increase in base rates to \$17.6 million. The proposed rate increase reflects \$7.3 million in annual savings for customers resulting from the recent federal tax law changes. On November 20, 2018, the Staff of the MDPSC filed testimony recommending an increase in base rates of \$12.9 million (lowered to \$9.4 million by the end of the evidentiary hearings) and conditional approval of the EDIS, while the Maryland Office of People's Counsel filed testimony recommending a reduction in rates of \$11.1 million (changed to a \$10.4 million reduction by the end of the hearings) and rejection of the EDIS. The evidentiary hearing concluded on January 28, 2019. In its final order issued on March 22, 2019, the MDPSC approved a rate increase of \$6.2 million, approved three out of four of the EDIS programs for four years, directed PE to file a new depreciation study within 18 months, and ordered the filing of a new base rate case in four years to correspond to the ending of the approved EDIS programs.

WEST VIRGINIA

PE provides electric service to all customers through traditional cost-based, regulated utility ratemaking. PE recovers net power supply

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costs, including fuel costs, purchased power costs and related expenses, net of related market sales revenue through the Expanded Net Energy Cost (ENEC). PE's ENEC rate is updated annually.

In September 2016, the WVPSC approved the Phase II energy efficiency program for MP and PE as reflected in a unanimous settlement, which includes three energy efficiency programs to meet the Phase II requirement of energy efficiency reductions of 0.5% of 2013 distribution sales for the January 1, 2017 through May 31, 2018 period. On December 15, 2017, the WVPSC approved MP's and PE's proposed annual decrease in their Energy Efficiency & Conservation rates, effective January 1, 2018, which is not material to FirstEnergy. This Phase II energy efficiency program ended May 31, 2018.

Previously, Allegheny Energy Supply, LLC (AE Supply) was the winning bidder of a December 2016 Request for Proposal to address MP's generation shortfall and on March 6, 2017, MP and AE Supply signed an asset purchase agreement for MP to acquire AE Supply's Pleasants Power Station (1,300 megawatts), subject to customary and other closing conditions, including regulatory approvals. In January 2018, FERC issued an order denying authorization for the transaction, and the WVPSC issued an order approving the transfer of Pleasants Power Station conditioned on MP assuming significant commodity risk. Based on the adverse FERC ruling and the conditions included in the WVPSC order, MP and AE Supply terminated the asset purchase agreement.

On August 31, 2018, MP and PE filed a \$100.9 million decrease in their ENEC rates proposed to be effective January 1, 2019, which includes a \$25.6 million annual decrease impact associated with the settlement regarding the impact of the Tax Act on West Virginia rates, as noted below. Additionally, the August 31, 2018, filing includes an elimination of the Energy Efficiency Cost Rate Surcharge effective January 1, 2019, equating to an additional \$2.1 million decrease. The rate decreases represent an approximate 7.2% annual decrease in rates versus those in effect on August 31, 2018. A unanimous settlement was filed with the WVPSC on November 20, 2018, and a hearing was held on November 27, 2018. An order adopting the settlement in full without modification was issued on January 2, 2019.

On January 3, 2018, the WVPSC initiated a proceeding to investigate the effects of the Tax Act on the revenue requirements of utilities. MP and PE must track the tax savings resulting from the Tax Act on a monthly basis, effective January 1, 2018. On January 26, 2018, the WVPSC issued an order clarifying that regulatory accounting should be implemented as of January 1, 2018, including the recording of any regulatory liabilities resulting from the Tax Act. MP and PE filed written testimony on May 30, 2018, explaining the impact of the Tax Act on federal income tax and revenue requirements and showing an annual rate impact of \$26.2 million. MP and PE, the Staff of the WVPSC, the WV Consumer Advocate and a coalition of industrial customers entered into a settlement agreement on August 23, 2018, to have \$25.6 million in rate reductions flow through to customers beginning September 1, 2018, and to defer to the next base rate case (or a separate proceeding if a base rate case is not filed by August 31, 2020) the amount and classification of the excess Accumulated Deferred Income Taxes (ADITs) resulting from the Tax Act and the issue of whether MP and PE should be required to credit to customers any of the reduced income tax expense occurring between January 1, 2018 and August 31, 2018. The WVPSC approved the settlement on August 24, 2018.

FEDERAL REGULATION

With respect to its wholesale services and rates, PE is subject to regulation by FERC. Under the Federal Power Act (FPA), FERC regulates rates for interstate wholesale sales, transmission of electric power, accounting and other matters. FERC regulations require PE to provide open access transmission service at FERC-approved rates, terms and conditions. PE's transmission facilities are subject to functional control by PJM Interconnection, L.L.C. (PJM), and transmission service using PE's transmission facilities is provided by PJM under the PJM Open Access Transmission Tariff. See "FERC Regulatory Matters" below. PE provides transmission service under a stated transmission rate pursuant to a FERC-approved settlement agreement that did not specify an allowed capital structure or ROE.

FERC regulates the sale of power for resale in interstate commerce in part by granting authority to public utilities to sell wholesale power at market-based rates upon showing that the seller cannot exert market power in generation or transmission or erect barriers to entry into markets. PE has been authorized by FERC to sell wholesale power in interstate commerce and has a market-based rate tariff on file with FERC; although major wholesale purchases remain subject to regulation by the relevant state commissions. As a condition to selling electricity on a wholesale basis at market-based rates, PE, like other entities granted market-based rate authority,

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must file electronic quarterly reports with FERC listing their sales transactions for the prior quarter. In addition, pursuant to a full requirements power purchase agreement on with FERC, PE receives capacity, energy and ancillary service from MP to serve PE's West Virginia load.

RELIABILITY MATTERS

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

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

FERC REGULATORY MATTERS

PJM Transmission Rates

PJM and its stakeholders have been debating the proper method to allocate costs for a certain class of new transmission facilities since 2005. While FirstEnergy and other parties advocated for a traditional "beneficiary pays" (or usage based) approach, others advocated for "socializing" the costs on a load-ratio share basis, where each customer in the zone would pay based on its total usage of energy within PJM. On May 31, 2018, FERC issued an order approving a settlement agreement among various parties, including PE, agreeing to apply a combined usage based/socialization approach to cost allocation for charges to transmission customers in the PJM Region for transmission projects operating at or above 500 kV. For historical transmission costs prior to January 1, 2016, the settlement agreement provides a "black-box" schedule of credits to and payments from customers across PJM's transmission zones. From January 1, 2016 forward, PJM will collect a charge for the revenue requirement associated with each transmission enhancement through a "50/50" calculation, with 50% based on a load-ratio share and the other 50% solution-based distribution factor hybrid method. PJM implemented the settlement for transmission service in August 2018. Requests for rehearing or clarification of FERC's May 31, 2018 order and related responses remain pending before FERC. FirstEnergy does not expect a material impact from implementation of the settlement agreement going forward.

FERC Actions on Tax Act

On March 15, 2018, FERC took action to address the impact of the Tax Act on FERC-jurisdictional rates, including transmission and electric wholesale rates. FERC directed MP, PE and West Penn Power Company (WP) to either submit a joint filing to adjust their stated transmission rates to address the impact of the Tax Act changes in effective tax rate, or to "show cause" as to why such action is not required. FERC established a refund effective date of March 21, 2018 for any refunds as a result of the change in tax rate. On May 14, 2018, MP, PE and WP submitted revisions to their joint stated transmission rate to reflect the reduction in the federal corporate income tax rate. The revisions reduced the stated rate by 6.70%. FERC issued an order on November 15, 2018, accepting the revisions without modifications or conditions.

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Also, on March 15, 2018, FERC issued a Notice of Inquiry seeking information regarding whether and how FERC should address possible changes to ADIT and bonus depreciation as a result of the Tax Act. Such possible changes could impact FERC-jurisdictional rates, including transmission rates. On November 15, 2018, FERC issued a Notice of Proposed Rulemaking suggesting mechanisms to revise transmission rates to address the Tax Act's effect on ADIT. Specifically, FERC proposed utilities with transmission formula rates would include mechanisms to (i) deduct any excess ADIT from or add any deficient ADIT to their rate bases; (ii) raise or lower their income tax allowances by any amortized excess or deficient ADIT; and (iii) incorporate a new permanent worksheet into their rates that will annually track information related to excess or deficient ADIT. Utilities with transmission stated rates, such as PE, would determine the amount of excess and deferred income tax caused by the reduced federal corporate income tax rate and return or recover this amount to or from customers. To assist with implementation of the proposed rule, FERC also issued on November 15, 2018, a policy statement providing accounting and ratemaking guidance for treatment of ADIT for all FERC-jurisdictional public utilities. The policy statement also addresses the accounting and ratemaking treatment of ADIT following the sale or retirement of an asset after December 31, 2017. FirstEnergy Service Company (FESC), on behalf of its affiliated transmission owners, including PE, supported comments submitted by Edison Electric Institute requesting additional clarification on the ratemaking and accounting treatment for ADIT in formula and stated transmission rates. FERC's final rule remains pending.

Transmission ROE Methodology

In June 2014, FERC issued Opinion No. 531 revising its approach for calculating the discounted cash flow element of FERC's ROE methodology and announcing the potential for a qualitative adjustment to the ROE methodology results. Parties appealed to the United States Court of Appeals for the District Columbia Circuit, and on April 14, 2017, that court issued a decision vacating FERC's order and remanding the matter to FERC for further review. On October 16, 2018, FERC issued its order on remand, in which it proposed a revised ROE methodology. Specifically, in complaint proceedings alleging that an existing ROE is not just and reasonable, FERC proposes to rely on three financial models—discounted cash flow, capital-asset pricing, and expected earnings—to establish a composite zone of reasonableness to identify a range of just and reasonable ROEs. FERC then will utilize the transmission utility's risk relative to other utilities within that zone of reasonableness to assign the transmission utility to one of three quartiles within the zone. FERC would take no further action (i.e., dismiss the complaint) if the existing ROE falls within the identified quartile. However, if the ROE falls outside the quartile, FERC would deem the existing ROE presumptively unjust and unreasonable and would determine the replacement ROE. FERC would add a fourth financial model risk premium to the analysis to calculate a ROE based on the average point of central tendency for each of the four financial models. FERC established a paper hearing on how the new methodology should apply to the remanded proceedings. FESC is monitoring the proceedings for potential impact on its transmission-owning affiliates, including PE, should the issue arise in future proceedings.

6. COMMITMENTS AND CONTINGENCIES

ENVIRONMENTAL MATTERS

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

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

OTHER LEGAL PROCEEDINGS

Other Legal Matters

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

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

7. TRANSACTIONS WITH AFFILIATED COMPANIES

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

The primary affiliated company transactions for PE during the years ended December 31, 2018 and 2017 are as follows:

	For the Years Ended December 31,	
	2018	2017
	<i>(In millions)</i>	
Revenues	\$ 2	\$ 3
Expenses:		
Purchased power from affiliates	305	308
Support services	53	45
Miscellaneous Income	2	2

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

Affiliate accounts receivable and accounts payable balances relate to intercompany transactions that have not yet settled through the FirstEnergy money pool.

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

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Additionally, PE purchases power from FES to meet a portion of its Provider of Last Resort and default service requirements and provide power to certain facilities

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

As of December 31,	2018	2017
Cash (Account 131)	\$ 9,300,000	\$ -
Working Fund (Account 135)	-	-
Temporary Cash Investments (Account 136)	-	-
Cash and Cash Equivalents at End of Year	\$ 9,300,000	\$ -

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid during the year:		
Interest – net of amount capitalized	\$ 22,056,037	\$ 26,440,670
Income Taxes (Refunds)	\$ 19,442,548	\$ 3,097,408

9. REGULATORY TREATMENT OF THE TAX ACT

On November 15, 2018, FERC issued a policy statement, Docket No. PL19-2-000, requiring companies to disclose the following items related to the accounting and rate treatment of excess and deficient deferred income taxes that resulted from the corporate federal income tax rate change from 35% to 21%, as enacted by the Tax Act on December 22, 2017, and made effective January 1, 2018.

Pursuant to the Tax Act, PE remeasured its existing deferred income tax balances as of December 31, 2017, which resulted in a decrease to PE's net deferred income tax liabilities. PE recorded a corresponding net regulatory liability to the extent the change in deferred taxes would result in amounts previously collected from utility customers to be subject to refunds to such customers, generally through reductions in future rates. All other amounts were recorded as an adjustment to PE's deferred income tax provision.

As a result of the Tax Act, PE recorded a net decrease of \$175 million to its deferred income tax liability balance (FERC accounts 190, 282, and 283), a net regulatory liability of \$175 million (FERC accounts 182.3 and 254), and a nominal non-cash benefit to deferred income tax expense (FERC accounts 410.1 and 411.1).

In addition to the reduction in the corporate federal income tax rate, the Tax Act also provided modifications to tax depreciation, allowing for full expensing of qualified property for all taxpayers other than regulated utilities. On August 3, 2018, the IRS released proposed regulations clarifying the immediate expensing of qualified property, specifically addressing that regulated utility property acquired after September 27, 2017, and placed into service by December 31, 2017, qualifies for full expensing. Based on the proposed regulation, PE adjusted its estimated provision for this and other return to provision adjustments for the 2017 tax year during 2018, as well as the amount of excess and deficient deferred income taxes. The results of such adjustments did not have a material impact on PE financial position or results of operations.

As of December 31, 2018, the balance of the excess and deficient deferred income tax regulatory asset and liability for PE were classified as follows:

<i>(in millions)</i>	FERC Account	Protected	Unprotected	Total
Included in:				
Other Regulatory Assets	182.3	\$ -	\$ 3	\$ 3
Other Regulatory Liabilities	254	\$ 118	\$ 49	\$ 167

The regulatory liabilities above include protected net excess deferred income tax amounts, which are subject to IRS "normalization" rules, and are required to be passed back or collected from customers generally over the remaining useful life of the underlying assets giving rise to the associated deferred income taxes (referred to as the Average Rate Assumption Method, "ARAM"). The unprotected portion of the regulatory liability is comprised of other plant related net excess deferred income tax amounts that are also being amortized according to the rules of ARAM. The unprotected portion of the regulatory asset consists of non-plant related net deficient deferred income taxes that are being amortized using the Straight-line Method over a period of 10 years. As the excess and deficient deferred income taxes reverse through the amortization periods discussed above, the regulatory assets will reverse with an offset to FERC income statement accounts 410.1 and 411.1. The amortized amounts have been re-deferred into FERC account 254 pending

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

final WVPSC, MDPSC, and VSCC rulemaking regarding excess and deficient deferred income taxes. See Note 5, "Regulatory Matters", for additional information regarding the manner by which excess and deficient deferred income taxes will be included in rates by jurisdiction.

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

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1			8,366,872		
2			(1,945,659)		
3					
4			(1,945,659)	45,788,551	43,842,892
5			6,421,213		
6			6,421,213		
7			(1,319,000)		
8					
9			(1,319,000)	51,181,946	49,862,946
10			5,102,213		

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	2,248,582,705	2,248,582,705		
4	Property Under Capital Leases	1,482,650	1,482,650		
5	Plant Purchased or Sold				
6	Completed Construction not Classified	73,032,454	73,032,454		
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	2,323,097,809	2,323,097,809		
9	Leased to Others				
10	Held for Future Use				
11	Construction Work in Progress	53,836,688	53,836,688		
12	Acquisition Adjustments				
13	Total Utility Plant (8 thru 12)	2,376,934,497	2,376,934,497		
14	Accum Prov for Depr, Amort, & Depl	997,787,341	997,787,341		
15	Net Utility Plant (13 less 14)	1,379,147,156	1,379,147,156		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	986,287,887	986,287,887		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	11,499,454	11,499,454		
22	Total In Service (18 thru 21)	997,787,341	997,787,341		
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)	997,787,341	997,787,341		

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

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

- Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
- 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)		

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NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

Changes during Year		Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a footnote) (e)		
			1
			2
			3
			4
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	124,449	
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	19,703,006	8,044,948
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	19,827,455	8,044,948
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	47,973,535	425,405	
49	(352) Structures and Improvements	14,855,586	21,552	
50	(353) Station Equipment	180,954,207	3,292,218	
51	(354) Towers and Fixtures	34,720,698	4,368	
52	(355) Poles and Fixtures	77,840,557	5,988,353	
53	(356) Overhead Conductors and Devices	108,468,978	4,484,023	
54	(357) Underground Conduit	1,788,356	2,219	
55	(358) Underground Conductors and Devices	4,455,828	74,107	
56	(359) Roads and Trails			
57	(359.1) Asset Retirement Costs for Transmission Plant	3,431		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	471,061,176	14,292,245	
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	24,970,750	2,129,865	
61	(361) Structures and Improvements	13,739,057	611,750	
62	(362) Station Equipment	213,860,874	10,355,992	
63	(363) Storage Battery Equipment		824,299	
64	(364) Poles, Towers, and Fixtures	224,266,467	12,149,896	
65	(365) Overhead Conductors and Devices	358,390,765	22,640,675	
66	(366) Underground Conduit	68,783,767	1,608,093	
67	(367) Underground Conductors and Devices	283,948,168	21,012,866	
68	(368) Line Transformers	266,979,963	13,414,384	
69	(369) Services	94,478,022	5,442,144	
70	(370) Meters	68,947,582	7,158,250	
71	(371) Installations on Customer Premises	4,270,682	83,623	
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	34,712,508	1,968,910	
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,657,348,605	99,400,747	
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT			
77	(380) Land and Land Rights			
78	(381) Structures and Improvements			
79	(382) Computer Hardware			
80	(383) Computer Software			
81	(384) Communication Equipment			
82	(385) Miscellaneous Regional Transmission and Market Operation Plant			
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper			
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)			
85	6. GENERAL PLANT			
86	(389) Land and Land Rights	2,543,790		
87	(390) Structures and Improvements	37,486,499	-72	
88	(391) Office Furniture and Equipment	7,847,674	262,699	
89	(392) Transportation Equipment	6,138,564	957,371	
90	(393) Stores Equipment	232,714		
91	(394) Tools, Shop and Garage Equipment	7,455,809	781,539	
92	(395) Laboratory Equipment	885,568		
93	(396) Power Operated Equipment	922,724		
94	(397) Communication Equipment	12,848,082	2,905,848	
95	(398) Miscellaneous Equipment	240,734		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	76,602,158	4,907,385	
97	(399) Other Tangible Property			
98	(399.1) Asset Retirement Costs for General Plant	23,442		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	76,625,600	4,907,385	
100	TOTAL (Accounts 101 and 106)	2,224,862,836	126,645,325	
101	(102) Electric Plant Purchased (See Instr. 8)			
102	(Less) (102) Electric Plant Sold (See Instr. 8)			
103	(103) Experimental Plant Unclassified			
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	2,224,862,836	126,645,325	

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

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

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

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

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			124,449	2
				3
	-70,867		27,677,087	4
	-70,867		27,801,536	5
				6
				7
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
	11		48,398,951		48
	-61,058		14,816,080		49
221,221	230,778		184,255,982		50
	-541,951	-2,977,359	31,205,756		51
604,167	-63,849		83,160,894		52
626,312	49,382	-3,437,442	108,938,629		53
	-312,242		1,478,333		54
	-703,557		3,826,378		55
					56
			3,431		57
1,451,700	-1,402,486	-6,414,801	476,084,434		58
					59
	-72		27,100,543		60
	-71,850		14,278,957		61
633,710	-421,592	64,085	223,225,649		62
			824,299		63
393,602	-2,158,537		233,864,224		64
1,541,450	2,116,591		381,606,581		65
7,964	-396,801		69,987,095		66
1,952,428	-3,847,663		299,160,943		67
2,915,761	-372,930		277,105,656		68
52,946	-336,175		99,531,045		69
957,472	-2,593,471		72,554,889		70
19,056	9,108		4,344,357		71
					72
278,702	-145,441		36,257,275		73
					74
8,753,091	-8,218,833	64,085	1,739,841,513		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
			2,543,790		86
95,836	101,721		37,492,312		87
865,148	137,050		7,382,275		88
	-1,162,482		5,933,453		89
10,363			222,351		90
160,458	592,552		8,669,442		91
16,075	-49,556		819,937		92
	-24		922,700		93
347,303	-259,241		15,147,386		94
4,843	-22,653		213,238		95
1,500,026	-662,633		79,346,884		96
					97
			23,442		98
1,500,026	-662,633		79,370,326		99
11,704,817	-10,354,819	-6,350,716	2,323,097,809		100
					101
					102
					103
11,704,817	-10,354,819	-6,350,716	2,323,097,809		104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1					
2					
3					
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6					
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44					
45					
46					
47	TOTAL				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

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

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3				
4				
5				
6				
7				
8				
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11				
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15				
16				
17				
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19				
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21	Other Property:			
22				
23				
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47	Total			0

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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

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

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Install 34.5kv Service to Vanville Substation	3,183,257
2	New Business - Residential Underground	2,841,688
3	Capital Tools and Equipment Purchases	2,809,288
4	Improve Wolfsville Poor Performing Circuit	2,043,108
5	Cabin Branch Substation - Construct Substation	1,956,392
6	Yellow Springs Substation - Install 34.5kV Bus-Tie Breaker	1,824,287
7	Install #2 10 MV Transformer at Moorefield Substation	1,476,855
8	Distribution Forced Failure Blanket	1,261,321
9	Meter Exchange	1,188,199
10	Line Follow-Up Initiated From PowerOn	1,044,616
11	Project < \$ 1m	34,207,677
12		
13		
14		
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17		
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43	TOTAL	53,836,688

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

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

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	947,017,157	947,017,157		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	62,108,208	62,108,208		
4	(403.1) Depreciation Expense for Asset Retirement Costs	435	435		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	62,108,643	62,108,643		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	11,704,816	11,704,816		
13	Cost of Removal	6,485,552	6,485,552		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	18,190,368	18,190,368		
16	Other Debit or Cr. Items (Describe, details in footnote):	-19,572	-19,572		
17		-4,627,973	-4,627,973		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	986,287,887	986,287,887		

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	241,869,199	241,869,199		
26	Distribution	704,378,389	704,378,389		
27	Regional Transmission and Market Operation				
28	General	40,040,299	40,040,299		
29	TOTAL (Enter Total of lines 20 thru 28)	986,287,887	986,287,887		

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
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Schedule Page: 219 Line No.: 16 Column: c

Accretion of asset retirement obligations and depreciation of asset retirement costs.

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

Miscellaneous items are the result of the following:

Intercompany transfers \$(4,627,973)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	PE Transferring Agent, LLC			
2	Pre-merger undistributed earnings reclassified to paid-in capital	02/25/11		-4,644,282
3	Capital Contributions			7,682,682
4	Subtotal			3,038,400
5				
6	PE Renaissance Funding, LLC			
7	Pre-merger undistributed earnings reclassified to paid-in capital	02/25/11		-97,297,453
8	Equity in Undistributed Subsidiary Earnings			26,950,319
9	Capital Contributions			731,675
10	Miscellaneous Paid-in Capital -Stock Unit Tax Benefit			54,982
11	Subtotal			-69,560,477
12				
13	PATH Allegheny Maryland Transmission Company, LLC			
14	Pre-merger undistributed earnings reclassified to paid-in capital	02/25/11		59,764
15	Equity in Undistributed Subsidiary Earnings			284,661
16	Equity Rollups - tax accruals at PATH Maryland			15,334
17	Subtotal			359,759
18				
19	Allegheny Pittsburgh Coal			
20	Common Stock (2,500 Shares)	10/30/74		
21	Miscellaneous Paid-in Capital			
22	Equity in Undistributed Subsidiary Earnings			
23	Subtotal			
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Total Cost of Account 123.1 \$	93,666,135	TOTAL	-66,162,318

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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 from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
		-4,644,282		2
		7,682,682		3
		3,038,400		4
				5
				6
		-97,297,453		7
5,800,976	-37,220	32,714,075		8
		731,675		9
		54,982		10
5,800,976	-37,220	-63,796,721		11
				12
				13
		59,764		14
8,285		292,946		15
		15,334		16
8,285		368,044		17
				18
				19
125		125		20
-268,962		-268,962		21
704,692		704,692		22
435,855		435,855		23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
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				41
6,245,116	-37,220	-59,954,422		42

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)			
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)			
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. 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				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
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								46

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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Allowances (Accounts 158.1 and 158.2)

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

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		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 THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
								5
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								11
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Total Generator Interconnection Studies	109,745	561.7	119,770	561.7
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
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39					
40					

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

Schedule Page: 231 Line No.: 23 Column: a

Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During Period (d)	Account Credited With Reimbursement (e)
Standardsville-Pratts 34.5kV-Feasibility Study AD1-077	1,299	561.7	1,954	561.7
Albright-Garrett 138kV-Feasibility Study AD1-068	5,011	561.7	5,728	561.7
Baker 138kV-Feasibility Study AD1-125	8,125	561.7	8,040	561.7
Page-Bethel 138kV-Feasibility Study AD1-083	13,997	561.7	12,476	561.7
East Hagerstown 12kV-Feasibility Study AC2-136	2,149	561.7		
North Shenandoah Stanley 34.5kV-Feasibility Study AD1-085	3,033	561.7	4,712	561.7
Meadow Brook Strasburg 138kV-Feasibility Study AD1-155	7,589	561.7	8,143	561.7
Moshannon-E Towanda 230kV-System Impact Study AA1-111	4,220	561.7	4,293	561.7
Frostburg 138kV & Above-Feasibility Study AB2-038	688	561.7		
Doubs 230kV-138kV-Feasibility Study AB2-129	-50	561.7		
Double Tollgate 34.5kV-Feasibility Study AC2-174	64	561.7		
Frostburg 138kV-System Impact Study AB2-041	2,017	561.7	2,873	561.7
Carlos Jct. Plaza 34kV-Feasibility Study AD1-018	20,615	561.7	20,826	561.7
Jennings 138kV-System Impact Study AC2-021	6,826	561.7	6,793	561.7
Page-Bethel 138kV-System Impact Study AD1-083	4,499	561.7	6,550	561.7
North Shenandoah Stanley 34.5kV-System Impact Study AD1-085	2,615	561.7	2,988	561.7
Carlos Jct.-Cumberland 34kV-System Impact Study AD1-018	2,906	561.7	5,286	561.7
Meadow Brook Strasburg 138kV-System Impact Study AD1-155	2,222	561.7	3,563	561.7
Baker 138kV-System Impact Study AD1-125	3,294	561.7	4,022	561.7
Showalter 34.5kV-Feasibility Study AD2-040	1,933	561.7	2,528	561.7
Standardsville-Pratts 34.5kV-System Impact Study AD1-077	406	561.7	690	561.7
Hampshire Gore 138kV-Feasibility Study AD2-157	14,217	561.7	19,079	561.7
Doubs 230kV-Facility Study 2 AB2-129	2,135	561.7	3,652	561.7
Old Chapel Milville 138kV-Feasibility Study AD2-158	3,691	561.7	4,137	561.7
Hampshire Gore 138kV-System Impact Study AD2-157	742	561.7	804	561.7
Old Chapel-Milville 138kV-System Impact Study AD2-158	1,192	561.7	1,264	561.7
Old Chapel 115kV-Feasibility Study AE1-164	2,236	561.7	2,065	561.7
French Mill 34kV-Feasibility Study AE1-109	1,129	561.7	230	561.7
East Hagerstown 12kV-Facility Study AC2-136	3,590	561.7		
Order charges to be transferred from 561.7	-12,645	561.7	-12,926	561.7
Total Generator Interconnection Studies	109,745	561.7	119,770	561.7

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	FAS 109 - Accounting for Income Taxes	5,326,874		Various	4,190,437	1,138,437
2						
3	MD Energy Efficiency Program Commission					
4	Order #82825	66,006,501		407.4	689,923	65,316,578
5						
6	Purchase Accounting:					
7	PURPA to be amortized through year 2030	39,301,009		253	3,250,287	36,050,722
8						
9	Deferred Transmission Energy Cost - MD	2,772,715	3,949,896			6,722,611
10						
11	WV Storm Deferrals - 2012 Storms	934,353		407.3	433,623	500,730
12	WV Case # 14-0702-E-42T					
13						
14	Storm Deferrals-Hurricane Sandy-Transmission only	232,168				232,168
15						
16	Conservation Voltage Reduction - MD	393,927	45,165			439,092
17						
18	Energy Efficiency Program - WV	588,410	331,696			920,106
19						
20	Vegetation Management - MD & VA	7,071,797	883,722	407.3	283,283	7,672,236
21						
22	Temporary Transaction Surcharge - WV	1,604,573		407.4	1,604,573	
23	WV Case # 12-1571-E-PC					
24						
25	Deferred Power Costs - WV ENEC	4,342,700		557	4,342,700	
26	WV Case # 09-1352-E-42T					
27						
28	Other Minor Items	494,466		Various	345,522	148,944
29						
30	WV Reg Liability - WV Securitization	134,961		146	12,203	122,758
31						
32	Deferred Generation Energy Cost - MD	387,552	492,150			879,702
33						
34	WV Mercury & Air Toxic Standards	2,302,323		Various	2,302,323	
35						
36	Deferral of Amortized Deficient Deferred Income		433,469			433,469
37	Taxes Due to the Tax Cuts and Jobs Act					
38						
39	Deficient Accumulated Deferred Income Taxes		3,077,304	Various	322,028	2,755,276
40	due to the Tax Cuts and Jobs Act					
41	(Amortized through 2027)					
42						
43	2018 Storm Deferrals		236,788			236,788
44	TOTAL	131,896,329	26,998,861		17,776,902	141,118,288

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		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Defer FERC Opinion 494 PJM Regional Transmission		17,340,023			17,340,023
2	Expansion Plan Costs					
3						
4	PE-MD Rate Case Expenditures		208,648			208,648
5						
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38						
39						
40						
41						
42						
43						
44	TOTAL	131,896,329	26,998,861		17,776,902	141,118,288

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Energy Insurance Services, Inc.	1,523,640		924		1,523,640
2						
3	WV Prepaid Purchase Power	78,480,919		555	5,564,170	72,916,749
4						
5	Long Term Insurance Receivable	3,784,120		228.1		3,784,120
6						
7	Purchase Accounting					
8	Other Minor Items	62,857	37,142		101,741	-1,742
9	Storm Feb 2010					
10						
11	WV Property Tax - Long Term	2,455,000	70,000	253		2,525,000
12	Oustide Billing & Contracts					
13	Affiliated Company Pension and	11,647,650		Various	259,178	11,388,472
14	OPEB Valuation Adjustment					
15	Other Minor Items					
16	Short Term Credit Revolvers	607,220		431	248,506	358,714
17	Margin Paid Regulated		500,000	186		500,000
18	Other Minor Items					
19						
20						
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41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	98,561,406				92,994,953

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

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

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2			
3			
4			
5			
6			
7	Other	155,355,228	161,464,410
8	TOTAL Electric (Enter Total of lines 2 thru 7)	155,355,228	161,464,410
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)	155,355,228	161,464,410

Notes

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
THE POTOMAC EDISON COMPANY	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2018/Q4
FOOTNOTE DATA			

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

Other Electric: (a)	Balance at Beginning of Year (b)	Balance at End of Year (c)
A&G Expenses-Fed-Norm	\$ 1,978,018	\$ 1,905,101
Accelerated Tax Depr-Fed-FT	2,318	0
Accelerated Tax Depr-Fed-Norm	35,307,830	34,449,748
Accelerated Tax Depr-VA-Norm	571,173	556,395
Accelerated Tax Depr-WV-FT	200	0
Accrued Taxes: FICA on Vacation Accrual	27,897	28,872
Accrued Taxes: Tax Audit Reserves	331,627	331,647
Accum Depr: ARO	5,338	5,339
Accum Prov For Injuries and Damage-Workers Comp	166,782	160,517
Accum Prov: Asbestos Accrual	1,096,238	1,096,306
AFUDC Debt-Fed-Norm	689,719	657,755
AFUDC Debt-Fed-Norm-Incurred-CWIP	970,980	971,062
AFUDC Debt-MD-Norm-Reversal-CWIP	40,622	41,303
AFUDC Debt-VA-Norm	23,253	22,532
AFUDC Debt-VA-Norm-Reversal-CWIP	2,764	2,416
AFUDC Debt-WV-Norm-Reversal-CWIP	33,342	33,210
AFUDC Equity/FAS 43-Fed-FT-Reversal-CWIP	387,085	487,701
AFUDC Equity/FAS 43-MD-FT-Reversal-CWIP	75,433	95,287
AFUDC Equity/FAS 43-VA-FT-Reversal-CWIP	1,710	2,017
AFUDC Equity/FAS 43-WV-FT-Reversal-CWIP	33,358	41,966
AMT Carryforward	537,248	458,899
Asset Retirement Obligation Liability	172,337	151,581
Bad Debt Expense	712,191	677,946
Capital Loss Carryforward State & Local RTA	4,644	4,645
Capital Vertical Tree Trimming-Fed-Norm	4,773,049	4,603,162
Capitalized Benefits-Fed-Norm-Reversal-CWIP	82,036	0
Capitalized Benefits-MD-Norm-Incurred-CWIP	4,736	0
Capitalized Benefits-VA-Norm-Incurred-CWIP	132	0
Capitalized Benefits-WV-Norm-Incurred-CWIP	2,572	0
Capitalized Repairs-MD-Norm	175	168
Capitalized Repairs-WV-Norm	144	137
Casualty Loss-Fed-Norm	2,876,883	2,648,140
Casualty Loss-VA-Norm	24,935	23,547
Charitable Contribution Carryforward	401,942	0
CIAC-Fed-Norm	20,146,261	19,657,683
CIAC-Fed-Norm-Incurred-CWIP	5,930,289	6,797,802
CIAC-MD-Norm	4,327,564	4,220,376
CIAC-MD-Norm-Incurred-CWIP	1,227,574	1,399,185
CIAC-VA-Norm	89,018	81,295
CIAC-VA-Norm-Incurred-CWIP	29,158	30,527
CIAC-WV-Norm	2,025,133	1,962,942
CIAC-WV-Norm-Incurred-CWIP	555,599	628,473
Current Liability: Line Protection Deferred Revenue	11,066	6,783
Customer Advances for Construction Refundable	1,659,509	1,641,198
Customer Advances-MD-Norm	79	75
Customer Advances-WV-Norm	66	62
Deferral Amortization of Excess Deferred Income Tax	0	906,921
Deferral of Excess Revenues - Tax Rate Change	0	886,091
Deferred Compensation Expense	131,619	190,154
Deferred Power Costs WV	0	797,257
EDCP OCI Offset	3,476	3,690
FAS 112 - Medical Benefit Accrual	227,984	240,826
FAS 123R - Performance Shares	49,661	82,119
FAS 123R - Performance Shares-Fed-Norm	4,042	4,291
FAS 123R - Restricted Stock	47,858	0
FAS 123R - Restricted Stock-Fed-Norm	4,835	4,694
FAS 123R - Restricted Stock Units	123,342	151,087
FAS 123R - RSU Capital-Fed-Norm	15,819	9,977
FE Service Timing Allocation	172,227	0
Federal NOL	3,098,571	3,471,079

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THE POTOMAC EDISON COMPANY		/ /	2018/Q4
FOOTNOTE DATA			

G Overheads-MD-Norm	11,264	13,131
G Overheads-WV-Norm	900	1,975
Highway Relocations-Fed-Norm	31,395	29,686
Highway Relocations-VA-Norm	1,265	1,209
Incentive Compensation	1,055,149	1,245,209
Life Insurance-MD-Norm	219	200
Life Insurance-VA-Norm	16	12
Life Insurance-WV-Norm	167	146
Maryland Case 8783 Warrior Run	36,019	4,905,549
Merger Costs: D&O Insurance	1,898	1,666
Merger Costs: Licenses	87,587	76,866
Meters and Transformers-MD-Norm	2,894	2,693
Meters and Transformers-WV-Norm	2,386	2,203
Miscellaneous Current Liability	0	129,713
NOL Deferred Tax Asset - LT VA	35,926	0
NOL Deferred Tax Asset - LT WV	332,621	332,621
OPEBs-MD-Norm	28,096	27,336
OPEBs-VA-Norm	1,525	1,192
OPEBs-WV-Norm	19,894	18,854
Other Basis Differences-MD-Norm	532,796	540,609
Other Basis Differences-WV-Norm	23,473	23,317
PAA-Fed-Norm	12,775	15,325
PAA - Fredrick Mgp Site Estab	1,212,187	1,212,262
PAA - NUG Purchase Power Liability Amortization	10,609,367	9,732,549
PAA - Unamort Loss Amort	31,866	23,453
Pension EDCP-SERP Payments	119,224	127,586
Pensions Expense	7,974,149	6,493,059
Post Retirement Benefits SFAS 106 Accrual	5,532,976	4,438,325
PT Rebal-Other CWIP Incurred-107 Impairment-All-Norm	33,869	33,868
PT Rebal-TBBS Adj not in PT-All-FT	1,555,090	1,555,318
PT Rebal-TBBS Adj not in PT-All-Norm	732,017	731,983
Purchase Accounting-WV Ft Martin Scr	750,270	927,308
Repair Allowance-Fed-Norm	690,916	600,607
Repair Allowance-VA-Norm	32,167	27,884
Reverse Capital Gain	44	0
SC01 Timing Allocation	33,192	33,194
State Income Tax Deductible	68,197	320,583
Tax Interest Capitalized-Fed-Norm	3,471,913	3,486,251
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	5,582,419	5,994,758
Tax Interest Capitalized-MD-Norm	757,571	758,806
Tax Interest Capitalized-MD-Norm-Incurred-CWIP	1,154,864	1,239,178
Tax Interest Capitalized-VA-Norm	15,340	14,416
Tax Interest Capitalized-VA-Norm-Incurred-CWIP	28,847	28,422
Tax Interest Capitalized-WV-Norm	357,932	355,722
Tax Interest Capitalized-WV-Norm-Incurred-CWIP	533,181	567,673
Tax UoP Repair Disallow Loss-WV-Norm	3,289	3,177
Tax UoP Repair Exp-Fed-Norm	10,550,067	10,273,956
Tax UoP Repair Exp-Fed-Norm-Incurred-CWIP	3,991,866	4,009,728
Tax UoP Repair Exp-MD-Norm-Reversal-CWIP	188,156	194,541
Tax UoP Repair Exp-VA-Norm	150,757	150,773
Tax UoP Repair Exp-VA-Norm-Reversal-CWIP	6,223	5,057
Tax UoP Repair Exp-WV-Norm-Reversal-CWIP	104,968	106,227
Vacation Pay Accrual	251,178	250,010
Vegetation Management	5,393,422	7,766,258
	\$ 155,355,228	\$ 161,484,410

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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	Common Stock (Account 201)	26,000,000	0.01	
2				
3	Total Common Stock	26,000,000		
4				
5	Preferred Stock (Account 204)			
6				
7	\$0.01 par value:			
8	Undesignated as to series	10,000,000	0.01	
9				
10	Total Preferred Stock	10,000,000		
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12				
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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.
Shares (e)	Amount (f)	AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
		Shares (g)	Cost (h)	Shares (i)	Amount (j)	
22,385,000	223,850					1
						2
22,385,000	223,850					3
						4
						5
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

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

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

Line No.	Item (a)	Amount (b)
1	Donations Received from Stockholders (Account 208)	
2		
3	Balance at Beginning of Year	2,939,936
4	Activity During Year	
5	Subtotal - Balance at End of Year	2,939,936
6		
7	Reduction in Par or Stated Value of Capital Stock (Account 209)	
8		
9	Balance at Beginning of Year	29,058,879
10	Activity During Year	
11	Subtotal - Balance at End of Year	29,058,879
12		
13	Gain on Resale of Cancellation of Reaquired Cap Stock (Account 210)	
14		
15	Miscellaneous Paid-In-Capital (Account 211)	
16		
17	Balance at Beginning of Year	319,345,483
18	Restricted Stock-based Compensation	350,427
19	Employee Stock Option Plan Compensation	1,375,004
20	2017 Federal Tax Allocation	1,154,916
21	2017 WV Tax Allocation	94,326
22	Subtotal - Balance at End of Year	322,320,156
23		
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26		
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40	TOTAL	354,318,971

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CAPITAL STOCK EXPENSE (Account 214)					
<p>1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</p> <p>2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</p>					
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)			
1					
2					
3					
4					
5					
6					
7					
8					
9					
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22	TOTAL				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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:		
2	First Mortgage Bonds		
3	4.44% Series Due 2044	200,000,000	1,261,677
4	4.47% Series Due 2045	145,000,000	1,091,999
5	3.89% Series Due 2046	155,000,000	1,113,718
6			
7	Subtotal	500,000,000	3,467,394
8			
9	Account 222, 223 and 224: None		
10			
11			
12	Note to Instruction 15		
13			
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32			
33	TOTAL	500,000,000	3,467,394

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

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

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
11/25/2014	11/15/2044	11/25/2014	11/15/2044	200,000,000	8,880,000	3
08/17/2015	08/15/2045	08/17/2015	08/15/2045	145,000,000	6,481,500	4
10/17/2016	10/15/2046	10/17/2016	10/15/2046	155,000,000	6,029,500	5
						6
				500,000,000	21,391,000	7
						8
						9
						10
						11
						12
						13
						14
						15
						16
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						19
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						24
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						29
						30
						31
						32
				500,000,000	21,391,000	33

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Reconciliation of Column (i) to accounts 427 and 430.

Interest in account 430 includes interest on short-term affiliated notes payable.

Account 427 interest	\$21,391,000
Account 430 interest	<u>9,395</u>
Total Interest in accounts 427 and 430	\$21,400,395

Total interest in column (i) page 257	\$21,391,000
Interest on short term money pool borrowings	<u>9,395</u>
Total Interest	\$21,400,395

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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)	51,181,946
2		
3		
4	Taxable Income Not Reported on Books	
5		12,269,540
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		105,584,648
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		-26,917,596
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		-121,892,977
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	20,225,561
28	Show Computation of Tax:	
29	Net Liability @ 21%	4,247,368
30		
31	Basis of Allocation	
32	See Footnote	
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
THE POTOMAC EDISON COMPANY	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	2018/Q4
FOOTNOTE DATA			

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

TAXABLE INCOME NOT REPORTED ON BOOKS

AFUDC Equity/FAS 43-Fed-FT-Reversal-CWIP	\$ 1,234,569
CIAC-Fed-Norm	673,586
CIAC-Fed-Norm-Incurred-CWIP	4,766,926
Deferral of Excess Revenue - Tax Rate Change	3,282,203
Sale of Property - Book Gain or (Loss)	9,933
WV Mercury & Air Toxic Standard	984,346
WV Mercury & Air Toxic Standard - FERC Adjustment	1,317,977
	\$ 12,269,540

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

DEDUCTIONS RECORDED ON BOOKS NOT DEDUCTED FOR RETURN

Accelerated Tax Depreciation-Fed-FT	\$ 710,112
Accrued Taxes: FICA on Vacation Accrual	3,604
AFUDC Debt-Fed-Norm	140,821
AFUDC Debt-Fed-Norm-Reversal-CWIP	490,242
Bad Debt Expense Permanent	461
Capitalized Benefits-Fed-Norm-Incurred-CWIP	6,507,964
Current Income Taxes	3,638,263
Deferral Amortization of Excess Deferred Income Taxes	3,359,362
Deferred Compensation Expense	216,794
Deferred Income Taxes	9,059,077
Deferred Power Costs WV	7,295,854
ECC Normalization ST	12,204
FAS 112 - Medical Benefit Accrual	47,519
FAS 123R - Performance Shares	120,216
FAS 123R - Restricted Stock Units	155,242
FE Service Permanent M Allocation	836,891
G Overheads-Fed-Norm	6,645,050
Highway Relocations-Fed-Norm	30,695
Incentive Compensation	703,769
Life Insurance	2,573
Lobbying	14,801
Maryland Case 8783 Warrior Run	18,037,410
MD Energy Efficiency Program - LT	689,923
Meals and Entertainment - 50% Disallowance	86,354
Miscellaneous Current Liability	574,159
Other Basis Differences-Fed-FT	550,526
PE MD Costs Incur Supplier POR	374
Pension EDCP-SERP Payments	30,949
Purchase Acct-Warrior Run	3,250,286
Purchase Acct-WV Ft Martin Scr	655,599
Repair Allowance-Fed-Norm	1,814,550
Storm Damage	196,835
Tax Interest Capitalized-Fed-Norm	58,101
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	1,957,566
Tax UoP Repair Expense-Fed-Norm-Reversal-CWIP	26,732,160
Temporary Transaction Surcharge WV	1,604,574
Unamortized Loss on Reacquired Debt	96,132
Vacation Pay Accrual	47,115
Vegetation Management	8,788,080
WV ECC Normalization	404,974
WV STIP	17,467
	\$ 105,584,648

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

INCOME RECORDED ON BOOKS NOT INCLUDED IN RETURN

AFUDC Equity-Perm	\$ (2,548,521)
ESOP Dividends	(484,968)
WV Energy Efficiency Program-LT	(331,697)
Other Regulatory Asset	(17,340,022)
Equity Earnings	(444,140)
MD CVR	(45,164)
Current Liability: Line Protection Deferred Revenue	(15,868)
AFUDC Equity/FAS 43-Fed-FT	(940,290)
CIAC-Fed-Norm-Reversal-CWIP	(4,766,926)
	<u>\$ (26,917,596)</u>

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

DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME

A&G Expenses-Fed-Norm	\$ (5,342,233)
Accelerated Tax Depreciation-Fed-Norm	(2,512,747)
Accumulated Provision For Injured and Damage-Workers Comp	(23,241)
AFUDC Debt-Fed-Norm-Incurred-CWIP	(924,128)
Asset Retirement Obligation Liability	(76,922)
Bad Debt Expense	(127,011)
Capitalized Benefits-Fed-Norm-Reversal-CWIP	(6,736,296)
Capitalized Repairs-Fed-Norm	(1,231)
Capitalized Vertical Tree Trimming-Fed-Norm	(14,186,710)
Casualty Loss-Fed-Norm	(2,585,234)
Customer Acquisition Fees - Surge Protection	(11,576)
Customer Advances for Construction Refundable	(68,206)
Customer Advances-Fed-Norm	(632)
Deferred Charge-EIB	(17,685)
Deferred Generation Energy Cost MD	(598,123)
Deferred Transmission Energy Cost MD	(3,949,897)
ECC Deferred Cost Recovery	(32,425)
FAS 123R - Performance Shares-Fed-Norm	(53,234)
FAS 123R - Restricted Stock	(177,284)
FAS 123R - Restricted Stock-Fed-Norm	(13,989)
FAS 123R - RSU Capital-Fed-Norm	(58,564)
FE Service Timing Allocation	(17,354,758)
Life Insurance-Fed-Norm	(9,075)
Merger Costs: D&O Insurance	(861)
Merger Costs: Licenses	(39,729)
Meters and Transformers-Fed-Norm	(31,215)
NJBPU Rate Case Expenditure	(208,647)
OPEBs-Fed-Norm	(354,745)
Other Basis Differences-Fed-Norm	(268,059)
PAA - 221 Debt Amortization	(655,599)
PAA - NUG Purchase Power Liability Amortization	(3,250,286)
PAA - Unamortized Loss Amortization	(31,170)
PAA-Fed-Norm	(41,831)
Pension/OPEB : Other Deferred Credit or Debit	(3,925,488)
Pensions Expense	(5,591,000)
Post Retirement Benefits SFAS 106 Accrual	(4,056,008)
Post Retirement Benefits SFAS 106 Payments	(474,306)
State Tax Deduction	(757,067)
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	(935,042)
Tax UoP Repair Disallow Loss-Fed-Norm	(9,565)
Tax UoP Repair Expense-Fed-Norm	(19,601,158)
Tax UoP Repair Expense-Fed-Norm-Incurred-CWIP	(26,800,000)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

\$ (121,892,977)

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

Basis of Allocation:

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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					
2	Income Tax	17,381,003	95,458	2,031,487	15,111,095	
3						
4	FICA	408,895		3,889,767	3,829,913	
5	Federal Unemployment			23,050	23,050	
6	Federal Excise			592	592	
7	Federal Hvy Hwy Vehicle			-3,899	-3,899	
8	Subtotal Federal	17,789,698	95,458	5,940,997	18,960,751	
9						
10	STATE - MD					
11	CNI	2,467,745	143,339	168,371	2,654,000	
12						
13	2017 - Use Tax	68,385			68,385	
14	2018 - Use Tax			729,850	570,426	
15						
16	2017 - Gross Receipts Tax		405,888	564,361	158,473	
17	2018 - Gross Receipts Tax			7,536,473	7,450,000	
18						
19	2017 - Environ Surcharge	86,222			86,222	
20	2018 - Environ Surcharge			1,001,432	915,492	
21						
22	2018 Capital Stock/Franchise			300	300	
23						
24	2003 - Taxes Accr State	10,981				
25	2004 - Taxes Accr State	17,706				
26	2005 - Taxes Accr State	40,834				
27	2006 - Taxes Accr State	70,550				
28	2007 - Taxes Accr State	94,115				
29	2008 - Taxes Accr State	647,382				
30	2009 - Taxes Accr State	120,069				
31	2010 - Taxes Accr State	125,995				
32	2011 - Taxes Accr State	100,836				
33						
34	2018 MD Unemployment			18,398	18,398	
35						
36	Subtotal - MD	3,850,820	549,227	10,019,185	11,921,696	
37						
38	STATE - VA					
39	CNI	76,711		-59,973		
40						
41	TOTAL	30,065,414	6,847,360	50,478,950	66,769,602	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Subtotal - VA	76,711		-59,973		
2						
3	STATE - WV					
4	CNI	1,908,263		249,136	1,677,453	
5						
6	2017 - State Property Tax	2,265,154			2,265,154	
7	2018 - State Property Tax	2,455,000		2,368,157	2,411,578	
8	2019 - State Property Tax			2,525,000		
9						
10	2017 - Use Tax	1,473			1,473	
11	2018 - Use Tax			38,517	36,597	
12						
13	2017 - B&O Tax	401,950			401,950	
14	2018 - B&O Tax			4,822,935	4,420,986	
15						
16	2018 WV Unemployment			31,698	31,698	
17						
18	Subtotal - WV	7,031,840		10,035,443	11,246,889	
19						
20	STATE - PA					
21	2018 Sales and Use Tax			368	368	
22	PA Unemployment			429	429	
23	2015-Capital Stock/Franchise		216			
24						
25	Subtotal - PA		216	797	797	
26						
27						
28	LOCAL - MD					
29	2017-Local Property		6,189,573	6,222,733	33,160	
30	2018 - Local Property			6,280,561	12,583,449	
31						
32	2014 - Non-Op Local Property			-648	-648	
33	2017 - Non-Op Local Property		12,886	12,886		
34	2018 - Non-Op Local Property			13,017	26,033	
35						
36	2017-Public Util Fuel Energy	829,950			829,950	
37	2018- Public Util Fuel Energy			9,688,330	8,858,508	
38						
39	LOCAL - VA					
40	2018-Local Property			403,558	403,558	
41	TOTAL	30,065,414	6,847,360	50,478,950	66,769,602	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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						
2	LOCAL - WV					
3	2017 - Local Property			2,966	2,966	
4	2018 - Local Property			1,867	1,867	
5						
6						
7	2017 - Local Gross Receipts	486,395		-5,474	480,921	
8	2018 - Local Gross Receipts			1,920,330	1,417,330	
9						
10	2018-Local Contractual Oblig			2,308	2,308	
11						
12	2018-Local Muni License			67	67	
13						
14	Subtotal - Local	1,316,345	6,202,459	24,542,501	24,639,469	
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	30,065,414	6,847,360	50,478,950	66,769,602	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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 (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
4,205,937		2,572,629			-541,142	2
						3
468,549		1,416,976			2,472,791	4
		24,124			-1,074	5
		592				6
		-3,899				7
4,674,486		4,010,422			1,930,575	8
						9
						10
	161,222	5,340			163,031	11
						12
						13
159,422					729,850	14
						15
		32,144			532,217	16
86,473		9,353,418			-1,816,943	17
						18
						19
85,940		1,001,432				20
						21
		300				22
						23
10,981						24
17,706						25
40,834						26
70,550						27
94,115						28
647,382						29
120,069						30
125,995						31
100,836						32
						33
		19,913			-1,515	34
						35
1,560,303	161,222	10,412,545			-393,360	36
						37
						38
21,913	5,175	-63,213			3,240	39
						40
13,409,919	6,482,517	48,679,969			1,798,981	41

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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 Ref. Earnings (Account 439) (k)	Other (l)	
21,913	5,175	-63,213			3,240	1
						2
						3
479,948		271,912			-22,778	4
						5
						6
2,411,579		2,265,154			103,003	7
2,525,000		2,411,578			113,422	8
						9
						10
1,920					38,517	11
						12
						13
401,950		4,822,935				14
						15
		30,593			1,105	16
						17
5,820,395		9,802,172			233,271	18
						19
						20
		368				21
		429				22
	216					23
						24
	216	797				25
						26
						27
						28
		6,222,733				29
	6,302,888	6,280,561				30
						31
					-648	32
					12,886	33
	13,016				13,017	34
						35
						36
829,822		9,688,330				37
						38
						39
		403,558				40
13,409,919	6,482,517	48,679,969			1,798,981	41

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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 than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (j) 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 185) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
		2,966				3
		1,867				4
						5
						6
		-5,474				7
503,000		1,920,330				8
						9
		2,308				10
						11
		67				12
						13
1,332,822	6,315,904	24,517,246			25,255	14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
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						30
						31
						32
						33
						34
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						38
						39
						40
13,409,919	6,482,517	48,679,969			1,798,981	41

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: c

Reclassified to Account 146 due to filing a Federal Consolidated Return.

Schedule Page: 262 Line No.: 2 Column: l

\$613,774 offset to Account 409.2 ; (\$1,154,916) offset to Account 211.

Schedule Page: 262 Line No.: 11 Column: l

\$163,031 offset to Account 409.2.

Schedule Page: 262 Line No.: 16 Column: l

\$532,217 offset to Account 408.2.

Schedule Page: 262 Line No.: 17 Column: l

(\$1,816,943) offset to Account 408.2.

Schedule Page: 262 Line No.: 39 Column: l

\$3,240 offset to Account 409.2.

Schedule Page: 262.1 Line No.: 4 Column: l

\$71,550 offset to Account 409.2 ; (\$94,326) offset to Account 211.

Schedule Page: 262.1 Line No.: 32 Column: l

(\$648) offset to Account 408.2.

Schedule Page: 262.1 Line No.: 33 Column: l

\$12,886 offset to Account 408.2.

Schedule Page: 262.1 Line No.: 34 Column: l

\$13,017 offset to Account 408.2.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

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

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6							
7							
8	TOTAL						
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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45							
46							
47							
48							

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (f)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			11
			12
			13
			14
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			44
			45
			46
			47
			48

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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OTHER DEFERRED CREDITS (Account 253)

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

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Gain on sale of ECP	16,427,847				16,427,847
2	(amortization to begin in 2027)					
3						
4	Purch Acctng Adj:					
5	Frederick MGP	4,490,387				4,490,387
6	PURPA(amortization through	39,301,009	182	3,250,286		36,050,723
7	12-2030)					
8						
9	West Virginia Property Tax (L-T)	2,455,000			70,000	2,525,000
10						
11	Contributions - WV Asset Swap				100,000	100,000
12						
13	Other Minor Items	2,350,254	Various	760,877	1,663,495	3,252,872
14	FERC Opinion 494 Remand				6,191,332	6,191,332
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
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36						
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38						
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42						
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45						
46						
47	TOTAL	65,024,497		4,011,163	8,024,827	69,038,161

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.

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

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

NOTES

ACCUMULATED DEFERRED INCOME TAXES _ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
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							20
							21

NOTES (Continued)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating 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	274,184,998	32,250,684	25,271,956
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	274,184,998	32,250,684	25,271,956
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	274,184,998	32,250,684	25,271,956
10	Classification of TOTAL			
11	Federal Income Tax	210,846,169	23,290,953	20,218,121
12	State Income Tax	63,338,829	8,959,731	5,055,835
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
7,699	20,125	Various	4,032,123		9,199,075	286,318,252	2
							3
							4
7,699	20,125		4,032,123		9,199,075	286,318,252	5
							6
							7
							8
7,699	20,125		4,032,123		9,199,075	286,318,252	9
							10
7,670	16,607		3,110,812		8,313,085	219,114,337	11
29	3,518		921,311		885,990	67,203,915	12
							13

NOTES (Continued)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Debits Account Credited (g)	Description	Debit Amount (h)
182	FAS109 Regulatory Asset	\$ 3,870,028
283	Vegetation Management	162,095
		\$ 4,032,123

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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

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

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

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3				
4				
5				
6				
7				
8		77,965,895	18,423,798	14,790,177
9	TOTAL Electric (Total of lines 3 thru 8)	77,965,895	18,423,798	14,790,177
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)	77,965,895	18,423,798	14,790,177
20	Classification of TOTAL			
21	Federal Income Tax	58,266,528	13,737,215	11,221,771
22	State Income Tax	19,699,367	4,686,583	3,568,406
23	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

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

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
		Various	2,349,461	Various	7,330,980	86,581,035	8
			2,349,461		7,330,980	86,581,035	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
			2,349,461		7,330,980	86,581,035	19
							20
			1,709,753		5,275,087	64,347,306	21
			639,708		2,055,893	22,233,729	22
							23

NOTES (Continued)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Account Subdivisions	Balance at Beginning of Year	Amounts Debited to Acct 410.1	Amounts Credited to Acct 411.1	Amounts Debited to Acct 410.2	Amounts Credited to Acct 411.2	Acct Credit	Debits Amount	Acct Debit	Credits Amount	Balance at End of Year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
A&G Expenses-MD-Norm	119,891	0	0			182	5,248	182	2,453	117,106
A&G Expenses-VA-Norm	4,113	0	0			182	1,203	182	215	3,126
A&G Expenses-WV-Norm	53,909	0	0			182	2,865	182	340	51,384
Accelerated Tax Depr-Fed-FT	0	0	0				0	190	86,931	86,931
Accelerated Tax Depr-MD-Norm	1,730,103	0	0			182	84,796	182	38,156	1,883,463
Accelerated Tax Depr-WV-FT	0	0	0				0	190	7,480	7,480
Accelerated Tax Depr-WV-Norm	1,640,903	0	0			182	88,376	182	23,640	1,576,167
AFUDC Debt-Fed-Norm-Reversal-CWIP	838,419	0	0			182	431	182	1,753	839,741
AFUDC Debt-MD-Norm	74,482	0	0			182	4,058	182	1,265	71,689
AFUDC Debt-MD-Norm-Incurred-CWIP	47,080	0	0			182	52	182	753	47,781
AFUDC Debt-VA-Norm-Incurred-CWIP	3,182	0	0			182	421	182	23	2,784
AFUDC Debt-WV-Norm	59,236	0	0			182	3,327	182	580	56,489
AFUDC Debt-WV-Norm-Incurred-CWIP	39,458	0	0			182	194	182	10	38,274
AFUDC Equity/FAS 43-Fed-FT	298,713	0	0			182	35,710	182	113,062	376,065
AFUDC Equity/FAS 43-Fed-FT-Incurred-CWIP	1,224,359	0	0			182	12,273	182	210,291	1,422,376
AFUDC Equity/FAS 43-MD-FT	58,214	0	0			182	5,528	182	20,789	73,475
AFUDC Equity/FAS 43-MD-FT-Incurred-CWIP	238,808	0	0			182	2,396	182	41,891	277,903
AFUDC Equity/FAS 43-VA-FT	1,320	0	0			182	234	182	470	1,558
AFUDC Equity/FAS 43-VA-FT-Incurred-CWIP	5,410	0	0			182	465	182	938	5,882
AFUDC Equity/FAS 43-WV-FT	25,743	0	0			182	2,481	182	9,097	32,359
AFUDC Equity/FAS 43-WV-FT-Incurred-CWIP	108,516	0	0			182	1,213	182	18,089	122,392
Capital Loss Carryforward - WV RTA	1,402	1	3				0		0	1,400
Capital Vertical Tree Trimming-MD-Norm	245,505	0	0			182	10,023	182	4,904	240,388
Capital Vertical Tree Trimming-VA-Norm	10,944	0	0			182	2,898	182	528	8,574
Capital Vertical Tree Trimming-WV-Norm	141,843	0	0			182	6,692	182	650	135,801
Capitalized Benefits-Fed-Norm-Incurred-CWIP	91,428	0	0			182	96,825	182	5,397	0
Capitalized Benefits-MD-Norm-Reversal-CWIP	4,250	0	0			182	4,501	182	251	0
Capitalized Benefits-VA-Norm-Reversal-CWIP	96	0	0			182	102	182	6	0
Capitalized Benefits-WV-Norm-Reversal-CWIP	1,879	0	0			182	1,990	182	111	0
Capitalized Repairs-Fed-Norm	1,370	0	0			182	68	182	5	1,307
Capitalized Repairs-VA-Norm	54	0	0			182	3	182	1	52
Casualty Loss-MD-Norm	250,317	0	0			182	22,025	182	3,717	232,009
Casualty Loss-WV-Norm	73,010	0	0			182	6,864	182	458	66,604
Charitable Contribution	0	0	0			190	101,017	190	210,059	109,042
CIAC-Fed-Norm	4,986,349	0	0			182	402,847	182	40,521	4,804,023
CIAC-Fed-Norm-Incurred-CWIP	1,461,903	0	0			182	35,471	182	2,672	1,429,104
CIAC-Fed-Norm-Reversal-CWIP	4,783,061	1,039,500	957,060			182	8,750	182	511,946	5,358,697
CIAC-MD-Norm-Reversal-CWIP	1,312,386	307,152	199,564			182	27,222	182	4,566	1,397,298
CIAC-VA-Norm	123,459	0	0			182	6,999	182	3,557	120,017
CIAC-VA-Norm-Reversal-CWIP	31,414	7,030	5,112			182	2,959	182	419	30,792
CIAC-WV-Norm-Reversal-CWIP	597,170	135,367	88,413			182	12,818	182	375	631,683
Customer Acquisition Fees - Surge Protection	8,541	20,122	16,996				0		0	11,667
Customer Advances-Fed-Norm	618	0	0			182	42	182	7	583
Customer Advances-VA-Norm	25	0	0			182	2	182	1	24
Deferred Charge-EIB	411,309	5,947	1,147				0		0	416,109
Deferred Generation Energy Cost MD	92,163	714,749	553,269				0		0	253,643
Deferred Power Costs WV	1,172,319	595,346	2,564,922				0	190	797,257	0
Deferred Transmission Energy Cost MD	748,498	1,777,917	711,524				0		0	1,814,891
ECC Deferred Cost Recovery	70,222	9,308	550				0		0	78,980
ECC Normalization ST	36,433	78,990	82,283				0		0	33,140
FAS 108 Gross-Up on Non-Property Items (See Below)	670,409	0	0			182	103,954	182	177,382	743,637
FAS 123R - Performance Shares-MD-Norm	305	0	0			182	12	182	25	318
FAS 123R - Performance Shares-VA-Norm	3	0	0			182	2	182	1	2
FAS 123R - Performance Shares-WV-Norm	82	0	0			182	4	182	9	87
FAS 123R - Restricted Stock-MD-Norm	220	0	0			182	11	182	9	218
FAS 123R - Restricted Stock-VA-Norm	11	0	0			182	3	182	0	8
FAS 123R - Restricted Stock-WV-Norm	138	0	0			182	8	182	2	132
FAS 123R - RSU Capital-MD-Norm	948	0	0			182	336	182	37	649
FAS 123R - RSU Capital-VA-Norm	26	0	0			182	13	182	1	14
FAS 123R - RSU Capital-WV-Norm	411	0	0			182	150	182	12	273
FAS 158 OPEB OCI Offset	2,884,621	1,834	1,601			219	926,670	219	52,297	2,010,481
FE Service Timing Allocation	0	0	0				0	190	4,392,807	4,392,807
G Overheads-Fed-Norm	134,133	0	0			182	4,583	182	44,562	174,112
G Overheads-VA-Norm	710	0	0			182	338	182	310	682
Highway Relocations-MD-Norm	3,998	0	0			182	274	182	78	3,802
Highway Relocations-WV-Norm	3,358	0	0			182	237	182	49	3,168
Life Insurance-Fed-Norm	5,339	0	0			182	696	182	42	4,685
MD CVR	106,342	12,969	769				0		0	118,542
MD Energy Efficiency Pgm	0	0	0				0		0	0
MD Energy Efficiency Pgm - LT	14,532,006	3,360,019	258,825				0		0	17,633,400
Meters and Transformers-Fed-Norm	22,694	0	0			182	1,812	182	112	20,994
Meters and Transformers-VA-Norm	914	0	0			182	78	182	18	854
Misc Current Liability	25,280	406,853	561,856				0	190	129,713	0
NJBPU Rate Case Expenditure	0	59,654	3,326				0		0	58,328
OPEBs-Fed-Norm	636,712	0	0			182	30,446	182	2,016	608,282
Other Basis Differences-Fed-FT	164,645	0	0			182	60,121	182	15,173	119,697
Other Basis Differences-Fed-Norm	676,119	0	0			182	36,174	182	7,358	647,303

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
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FOOTNOTE DATA			

Other Basis Differences-VA-Norm	548	0	0	182	550 182	5,874	5,873
Other Reg Assets	3,286,550	7,004,268	5,609,563		0	0	4,681,255
PAA - 221 Debt Amort	750,270	187,868	10,831		0	0	927,307
PAA-MD-Norm	617	0	0	182	8 182	144	753
PAA-VA-Norm	45	0	0	182	7 182	9	47
PAA-WV-Norm	526	0	0	182	10 182	103	619
PE MD Costs Incur Supplier POR	1,789	7	108		0	0	1,688
Pension/OPEB : Other Deferred Credit or Debit	3,031,049	1,306,996	133,792		0	0	4,204,253
Plant: ARO	7,821	4	3		0	0	7,822
Post Retirement Benefits SFAS 106 Payments	433,968	135,864	7,789		0	0	582,043
PT Rebal-Add'l Property RTA-All-Norm	809	0	0	182	48,828 182	48,828	809
PT Rebal-Add'l Property-All-Norm	119,502	0	0	182	61 182	56	119,497
PT Rebal-Add'l Property-MD-Norm	7,502	0	0	182	9 182	124	7,617
PT Rebal-Add'l Property-VA-Norm	528	0	0	182	70 182	4	482
PT Rebal-Other CWIP Incurred-Misc-All-Norm	33,859	0	0	182	17 182	16	33,866
PT Rebal-Other CWIP Incurred-Pension-All-Norm	226,120	0	0	182	116 182	106	226,110
PT Rebal-Other CWIP Incurred-RAR-All-Norm	158,920	0	0	182	62 182	74	158,912
PT Rebal-Rate Change-All-FT	87,450	0	0	182	37 182	50	87,453
PT Rebal-Rate Change-All-Norm	41,185	0	0	182	21 182	19	41,163
Purchase Accounting - Warrior Run	10,609,387	57,287	834,105		0	0	9,732,549
Repair Allowance-MD-Norm	76,751	0	0	182	11,499 182	1,588	66,840
Repair Allowance-WV-Norm	36,586	0	0	182	4,270 182	370	32,688
Storm Damage	314,904	353,356	406,478		0	0	261,784
Tax Interest Capitalized-Fed-Norm	855,878	0	0	182	50,567 182	7,021	812,332
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	1,376,149	0	0	182	604 182	1,028	1,376,573
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	3,243,152	304,133	92,391	182	9,105 182	586	3,448,375
Tax Interest Capitalized-MD-Norm-Reversal-CWIP	890,433	78,595	38,666	182	610 182	3,861	933,613
Tax Interest Capitalized-VA-Norm	22,357	0	0	182	1,396 182	894	21,655
Tax Interest Capitalized-VA-Norm-Reversal-CWIP	22,328	1,791	994	182	1,943 182	347	21,529
Tax Interest Capitalized-WV-Norm-Reversal-CWIP	411,694	34,631	17,103	182	911 182	354	428,665
Tax UoP Repair Disallow Loss-Fed-Norm	4,073	0	0	182	632 182	116	3,557
Tax UoP Repair Disallow Loss-MD-Norm	10,112	0	0	182	361 182	79	9,890
Tax UoP Repair Disallow Loss-VA-Norm	7,318	0	0	182	296 182	66	7,088
Tax UoP Repair Exp-Fed-Norm-Reversal-CWIP	3,805,086	0	0	182	6,395 182	67,083	3,885,773
Tax UoP Repair Exp-MD-Norm	661,689	0	0	182	27,684 182	15,686	649,691
Tax UoP Repair Exp-MD-Norm-Incurred-CWIP	197,749	0	0	182	238 182	3,444	200,955
Tax UoP Repair Exp-VA-Norm-Incurred-CWIP	6,456	0	0	182	1,381 182	99	5,174
Tax UoP Repair Exp-WV-Norm	313,921	0	0	182	13,782 182	3,139	303,278
Tax UoP Repair Exp-WV-Norm-Incurred-CWIP	109,394	0	0	182	660 182	459	109,193
Temporary Transaction Surcharge WV	433,157	25,938	459,095		0	0	0
Unamortized Loss on Recacquired Debt	95,925	1,588	27,535		0	0	69,978
Valuation Allowance NOL WV	332,621	0	0		0	0	332,621
Vegetation Management - FERC Adjustment	1,909,042	0	0		0 282	162,095	2,071,137
WV ECC Normalization	131,692	179,173	288,495		0	0	22,370
WV Energy Efficiency Pgm-LT	158,842	182,323	92,766		0	0	248,399
WV Mercury & Air Toxic Standard	265,725	15,912	281,637		0	0	0
WV Mercury & Air Toxic Standard - FERC Adjustment	355,790	21,004	376,794		0	0	0
WV STIP	43,617	302	5,014		0	0	38,995
	77,965,895	18,423,798	14,790,177	0	2,349,461	7,330,980	86,581,035

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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	Deferred Administrative Credit - MD	46,147	557	46,147		
2						
3	WV Vegetation Management Surcharge	18,034,685			8,325,561	26,360,246
4						
5	Deferred Power Costs - WV ENEC					
6	WV Case # 09-1352-E-42-T				2,953,154	2,953,154
7	(\$82.8M amortized through 2030)					
8						
9	MD Warrior Run	133,429			18,037,410	18,170,839
10						
11	Excess Accumulated Deferred Income Taxes due					
12	to the Tax Cuts and Jobs Act	174,495,301	Various	7,889,882		166,605,419
13	(Amortized via ARAM over remaining					
14	book life of assets)					
15						
16	Deferral of Amortized Excess Deferred Income					
17	Taxes Due to Tax Cuts and Jobs Act		Various	2,194,550	5,987,381	3,792,831
18						
19	Deferred Revenue due to Federal Tax					
20	Rate Reduction from 35% to 21%		Various	4,338,612	7,620,815	3,282,203
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	192,709,562		14,469,191	42,924,321	221,164,692

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	529,397,655	499,093,211
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	179,335,934	180,629,202
5	Large (or Ind.) (See Instr. 4)	95,304,976	93,304,027
6	(444) Public Street and Highway Lighting	5,925,192	5,755,366
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	809,963,757	778,781,803
11	(447) Sales for Resale	54,725,229	43,156,146
12	TOTAL Sales of Electricity	864,688,986	821,937,952
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	864,688,986	821,937,952
15	Other Operating Revenues		
16	(450) Forfeited Discounts	2,735,072	2,601,001
17	(451) Miscellaneous Service Revenues	864,676	897,378
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	4,648,333	4,812,360
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	817,888	3,872,937
22	(456.1) Revenues from Transmission of Electricity of Others	18,368,719	20,946,607
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	27,434,688	33,130,283
27	TOTAL Electric Operating Revenues	892,123,674	855,068,235

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
5,289,581	4,832,298	358,961	354,887	2
				3
2,972,796	2,877,390	47,486	47,072	4
2,551,869	2,441,245	4,544	4,592	5
22,575	22,227	632	621	6
				7
				8
				9
10,836,821	10,173,160	411,623	407,172	10
1,181,752	1,149,652	4	4	11
12,018,573	11,322,812	411,627	407,176	12
				13
12,018,573	11,322,812	411,627	407,176	14

Line 12, column (b) includes \$ -2,015,796 of unbilled revenues.
Line 12, column (d) includes -15,082 MWH relating to unbilled revenues

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

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

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

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

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

Reserve Capacity	\$ 514,355
Other-Numerous items under \$250,000 each	350,321
Total	<u>\$ 864,676</u>

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

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

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

Ft Martin Income Equalization Revenue	\$ (404,974)
Other Supporting Facilities Chg	919,203
Other-Numerous items under \$250,000 each	303,659
Total	<u>\$ 817,888</u>

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

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

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

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	RESIDENTIAL SALES:					
2	R - Residential	5,312,052	545,294,547	358,753	14,807	0.1027
3	C - General	1	243	1	1,000	0.2430
4	E - General Service	12	2,016			0.1680
5	G - General Service	87	9,923	14	6,214	0.1141
6	OL - Outdoor Lighting	2,135	383,101	93	22,957	0.1794
7	AL - Area Lighting	3	555			0.1850
8	EMU - Outdoor Lighting	1,772	364,785	94	18,851	0.2059
9	MSL - Mercury Vapor	6	1,550	5	1,200	0.2583
10	MU - Outdoor Lighting	3	309			0.1030
11	EM - Outdoor Lighting		177			
12	A8 - Residential					
13	Y6 - Yard Lighting Service	58	18,478	1	58,000	0.3186
14	Misc. Adj Not Maintained by Rate		-10,336,896			
15	Subtotal Residential Sales	5,316,129	535,738,788	358,961	14,810	0.1008
16	Unbilled Residential	-26,548	-6,341,133			0.2389
17	TOTAL RESIDENTIAL SALES	5,289,581	529,397,655	358,961	14,736	0.1001
18						
19	COMMERCIAL SALES:					
20	R - Residential			72		
21	G - General Service	819,304	63,990,249	36,696	22,327	0.0781
22	C - General	83,879	6,976,316	4,579	18,318	0.0832
23	C-A - All Electric	22,767	1,326,933	342	66,570	0.0583
24	CSH - Church and School	25,431	2,439,416	221	115,072	0.0959
25	E - General Service	522,459	53,257,544	3,501	149,231	0.1019
26	OL - Outdoor Lighting	1,769	321,620	294	6,017	0.1818
27	AL - Area Lighting	995	118,695	50	19,900	0.1193
28	EMU - Outdoor Lighting	5,522	1,297,729	284	19,444	0.2350
29	MU - Outdoor Lighting	852	55,747	7	121,714	0.0654
30	EM - Outdoor Lighting		12,347			
31	MSL - Street Lighting	26	6,260	1	26,000	0.2408
32	PL - LED Outdoor Lighting	1	424			0.4240
33	PH - Light & Power	1,339,428	48,607,434	1,391	962,925	0.0363
34	SPECIAL - Contract Street Lightin	1,180	56,384	39	30,256	0.0478
35	PP - Power Service	149,804	5,803,244	5	29,960,800	0.0387
36	Y6 - Yard Lighting Service	30	7,485	4	7,500	0.2495
37	Misc. Adj. Not Maintained by Rate	646	-4,124,218			-6.3842
38	Subtotal Commercial Sales	2,974,093	180,153,609	47,486	62,631	0.0606
39	Unbilled Commercial	-1,297	-817,675			0.6304
40	TOTAL COMMERCIAL SALES	2,972,796	179,335,934	47,486	62,604	0.0603
41	TOTAL Billed	10,851,903	817,573,119	411,623	26,364	0.0753
42	Total Unbilled Rev.(See Instr. 6)	-15,082	-7,609,362	0	0	0.5045
43	TOTAL	10,836,821	809,963,757	411,623	26,327	0.0747

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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SALES OF ELECTRICITY BY RATE SCHEDULES

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

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	INDUSTRIAL SALES					
2	G - General Service	99,964	7,390,443	3,200	31,239	0.0739
3	C - General	19,655	1,221,906	478	41,119	0.0622
4	C-A - All Electric	5,727	239,359	34	168,441	0.0418
5	E - General Service	137,701	13,505,856	495	278,184	0.0981
6	OL - Outdoor Lighting	217	40,605	8	36,167	0.1871
7	EM - Outdoor Lighting		341			
8	AL - Area Lighting	84	16,098	1	84,000	0.1916
9	EMU - Outdoor Lighting	202	38,100	1	202,000	0.1886
10	MSL - Outdoor Lighting		27			
11	MU - Outdoor Lighting	10	687			0.0687
12	PP - Power Service	1,253,669	42,754,954	15	83,577,933	0.0341
13	PH - Light & Power	812,759	31,512,661	312	2,604,997	0.0388
14	AGS - Firm Standby	149	183,385	1	149,000	1.2308
15	SPECIAL - Contract	209,618	1,551,196	1	209,618,000	0.0074
16	Misc. Adj. Not Maintained by Rate		-2,273,928			
17	Subtotal Industrial Sales	2,539,755	96,181,690	4,544	558,925	0.0379
18	Unbilled Industrial	12,114	-876,714			-0.0724
19	TOTAL INDUSTRIAL SALES	2,551,869	95,304,976	4,544	561,591	0.0373
20						
21	PUBLIC STREET & HIGHWAY					
22	AL - Area Lighting	14	3,977			0.2841
23	OL - Outdoor Lighting	1	297	2	500	0.2970
24	SL - Street and Highway	18	1,693			0.0941
25	EMU - Outdoor Lighting	10,667	2,977,155	361	29,548	0.2791
26	MSL - Mercury Vapor	10,016	2,444,883	257	38,973	0.2441
27	EM - Outdoor Lighting		9,184			
28	PL - LED Outdoor Lighting	170	41,237	7	24,286	0.2426
29	MU - Outdoor Lighting	1,040	99,812	5	208,000	0.0960
30	Misc. Adj Not Maintained by Rate		-79,206			
31	Subtotal St. & Highway Lighting	21,926	5,499,032	632	34,693	0.2508
32	Unbilled Public St & Hwy	649	426,160			0.6566
33	TOTAL PUBLIC ST & HWY	22,575	5,925,192	632	35,720	0.2625
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	10,851,903	817,573,119	411,623	26,364	0.0753
42	Total Unbilled Rev.(See Instr. 6)	-15,082	-7,609,362	0	0	0.5045
43	TOTAL	10,836,821	809,963,757	411,623	26,327	0.0747

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 16 Column: c

Residential

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -3,596,855
Unbilled	<u>-2,744,278</u>
Total	\$ -6,341,133

Schedule Page: 304 Line No.: 39 Column: c

Commercial

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -1,176,436
Unbilled	<u>358,761</u>
Total	\$ -817,675

Schedule Page: 304.1 Line No.: 18 Column: c

Industrial

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -793,094
Unbilled	<u>-83,620</u>
Total	\$ -876,714

Schedule Page: 304.1 Line No.: 32 Column: c

Public Street and Highway

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -27,180
Unbilled	<u>453,340</u>
Total	\$ 426,160

Schedule Page: 304 Line No.: 42 Column: c

Total

The dollars represent the following:

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act	\$ -5,593,566
Unbilled	<u>-2,015,796</u>
Total	\$ -7,609,362

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	RQ:					
2	Monongahela Power Company	RQ	4th Rev Vol #2			
3	West Penn Power Company	RQ	4th Rev Vol #2			
4	Old Dominion Electric Cooperative	RQ	2nd Rev Vol #7&8			
5						
6	Non-RQ:					
7	PJM Interconnection, LLC	OS	No 26			
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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SALES FOR RESALE (Account 447) (Continued)

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

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

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

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

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

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

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

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

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

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

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
1,740		86,760		86,760	2
31,196		1,429,774		1,429,774	3
2,366		96,482		96,482	4
					5
					6
1,146,450		53,112,213		53,112,213	7
					8
					9
					10
					11
					12
					13
					14
35,302	0	1,613,016	0	1,613,016	
1,146,450	0	53,112,213	0	53,112,213	
1,181,752	0	54,725,229	0	54,725,229	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Associated Company.

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

Associated Company.

Schedule Page: 310 Line No.: 7 Column: b

Represents power sold through the PJM Interconnection, LLC.

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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	195,367,403		180,150,044	
12	(509) Allowances				
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	195,367,403		180,150,044	
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)	195,367,403		180,150,044	
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering				
45	(536) Water for Power				
46	(537) Hydraulic Expenses				
47	(538) Electric Expenses				
48	(539) Miscellaneous Hydraulic Power Generation Expenses				
49	(540) Rents				
50	TOTAL Operation (Enter Total of Lines 44 thru 49)				
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering				
54	(542) Maintenance of Structures				
55	(543) Maintenance of Reservoirs, Dams, and Waterways				
56	(544) Maintenance of Electric Plant				
57	(545) Maintenance of Miscellaneous Hydraulic Plant				
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)				
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)				

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering			
63	(547) Fuel			
64	(548) Generation Expenses			
65	(549) Miscellaneous Other Power Generation Expenses			
66	(550) Rents			
67	TOTAL Operation (Enter Total of lines 62 thru 66)			
68	Maintenance			
69	(551) Maintenance Supervision and Engineering			
70	(552) Maintenance of Structures			
71	(553) Maintenance of Generating and Electric Plant			
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)			
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)			
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	326,800,332	314,794,110	
77	(556) System Control and Load Dispatching			
78	(557) Other Expenses	24,290,358	31,137,188	
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	351,090,690	345,931,298	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	546,458,093	526,081,342	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	39,190	33,590	
84				
85	(561.1) Load Dispatch-Reliability	706,194	671,006	
86	(561.2) Load Dispatch-Monitor and Operate Transmission System			
87	(561.3) Load Dispatch-Transmission Service and Scheduling			
88	(561.4) Scheduling, System Control and Dispatch Services	17,485	16,576	
89	(561.5) Reliability, Planning and Standards Development	76,349	66,147	
90	(561.6) Transmission Service Studies	6,013	-10,064	
91	(561.7) Generation Interconnection Studies	-10,026	-40,789	
92	(561.8) Reliability, Planning and Standards Development Services	678	621	
93	(562) Station Expenses	70,064	87,320	
94	(563) Overhead Lines Expenses	211,441	404,342	
95	(564) Underground Lines Expenses			
96	(565) Transmission of Electricity by Others	54,855,716	15,674,682	
97	(566) Miscellaneous Transmission Expenses	772,897	450,856	
98	(567) Rents	20,890	43,590	
99	TOTAL Operation (Enter Total of lines 83 thru 98)	56,766,891	17,397,877	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	662,702	721,053	
102	(569) Maintenance of Structures			
103	(569.1) Maintenance of Computer Hardware	2,609	2,580	
104	(569.2) Maintenance of Computer Software	15,913	16,515	
105	(569.3) Maintenance of Communication Equipment	30	14	
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	2,214,589	1,686,044	
108	(571) Maintenance of Overhead Lines	4,585,388	6,162,279	
109	(572) Maintenance of Underground Lines			
110	(573) Maintenance of Miscellaneous Transmission Plant	-389	1,065	
111	TOTAL Maintenance (Total of lines 101 thru 110)	7,480,852	8,589,550	
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	64,247,743	25,987,427	

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
113	3. REGIONAL MARKET EXPENSES			
114	Operation			
115	(575.1) Operation Supervision			
116	(575.2) Day-Ahead and Real-Time Market Facilitation			
117	(575.3) Transmission Rights Market Facilitation			
118	(575.4) Capacity Market Facilitation			
119	(575.5) Ancillary Services Market Facilitation			
120	(575.6) Market Monitoring and Compliance			
121	(575.7) Market Facilitation, Monitoring and Compliance Services	153,699		131,295
122	(575.8) Rents			
123	Total Operation (Lines 115 thru 122)	153,699		131,295
124	Maintenance			
125	(576.1) Maintenance of Structures and Improvements			
126	(576.2) Maintenance of Computer Hardware			
127	(576.3) Maintenance of Computer Software			
128	(576.4) Maintenance of Communication Equipment			
129	(576.5) Maintenance of Miscellaneous Market Operation Plant			
130	Total Maintenance (Lines 125 thru 129)			
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)	153,699		131,295
132	4. DISTRIBUTION EXPENSES			
133	Operation			
134	(580) Operation Supervision and Engineering	106,815		153,178
135	(581) Load Dispatching	1,114,110		1,188,970
136	(582) Station Expenses	24,520		62,948
137	(583) Overhead Line Expenses	1,578,883		1,678,168
138	(584) Underground Line Expenses	892,515		854,197
139	(585) Street Lighting and Signal System Expenses	92,025		79,969
140	(586) Meter Expenses	681,041		703,542
141	(587) Customer Installations Expenses			
142	(588) Miscellaneous Expenses	6,189,202		5,980,103
143	(589) Rents			
144	TOTAL Operation (Enter Total of lines 134 thru 143)	10,679,111		10,701,075
145	Maintenance			
146	(590) Maintenance Supervision and Engineering	660,501		610,522
147	(591) Maintenance of Structures			
148	(592) Maintenance of Station Equipment	2,910,448		2,782,613
149	(593) Maintenance of Overhead Lines	19,825,491		14,730,053
150	(594) Maintenance of Underground Lines	897,208		751,774
151	(595) Maintenance of Line Transformers	35,321		24,888
152	(596) Maintenance of Street Lighting and Signal Systems	567,834		544,725
153	(597) Maintenance of Meters	1,229,512		1,101,903
154	(598) Maintenance of Miscellaneous Distribution Plant	168,387		149,538
155	TOTAL Maintenance (Total of lines 146 thru 154)	26,294,702		20,696,016
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	36,973,813		31,397,091
157	5. CUSTOMER ACCOUNTS EXPENSES			
158	Operation			
159	(901) Supervision			
160	(902) Meter Reading Expenses	4,477,719		4,236,885
161	(903) Customer Records and Collection Expenses	4,760,184		4,796,552
162	(904) Uncollectible Accounts	2,419,782		2,587,432
163	(905) Miscellaneous Customer Accounts Expenses	362,250		388,126
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	12,019,935		12,008,995

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	353,194	404,111
168	(908) Customer Assistance Expenses	16,103,919	11,371,390
169	(909) Informational and Instructional Expenses	575	1,050
170	(910) Miscellaneous Customer Service and Informational Expenses	2,504,611	2,283,542
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	18,962,299	14,060,093
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	69,099	90,144
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)	69,099	90,144
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	2,430,357	1,675,234
182	(921) Office Supplies and Expenses	272,911	587,646
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	26,433,852	20,623,071
185	(924) Property Insurance	41,643	58,333
186	(925) Injuries and Damages	944,969	683,842
187	(926) Employee Pensions and Benefits	3,233,782	4,462,155
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	2,221,857	2,080,073
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	61,022	46,138
192	(930.2) Miscellaneous General Expenses	486,557	264,580
193	(931) Rents	48,079	195,715
194	TOTAL Operation (Enter Total of lines 181 thru 193)	36,175,029	30,676,785
195	Maintenance		
196	(935) Maintenance of General Plant	820,093	222,144
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	36,995,122	30,898,929
198	TOTAL Elec Op and Maint Exps (Total 80,112,131,156,164,171,178,197)	715,879,803	640,655,316

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

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

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

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

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

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

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

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

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

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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 megawatt-hours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatt-hours 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)	
29,224				1,610,903		1,610,903	1
4,370				193,856		193,856	2
1,146,450			70,175,403	37,704,992	70,430	107,950,825	3
2,629				99,820		99,820	4
1,783,988				102,257,126		102,257,126	5
69,585				2,107,003		2,107,003	6
353,019				20,011,606		20,011,606	7
628,442				35,829,862		35,829,862	8
901,348				50,131,320		50,131,320	9
					5,564,170	5,564,170	10
					69,206	69,206	11
					94,083	94,083	12
					880,552	880,552	13
							14
4,919,055			70,175,403	249,946,488	6,678,441	326,800,332	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Associated Company.

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

Associated Company.

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

Associated Company.

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

Represents power purchased from awarded suppliers through the auction.

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

Represents power purchased from PJM Interconnections, LLC.

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

Represents power purchased from awarded suppliers through the auction.

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

Represents power purchased from awarded suppliers through the auction.

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

Represents power purchased from awarded suppliers through the auction.

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

Associated Company.

Schedule Page: 326 Line No.: 13 Column: b

Miscellaneous PJM Billing Line Items including inadvertent interchange charges, monthly charges for corrections to metered energy values and locational reliability charges for unforced capacity obligation.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Financial Transmission Rights Auction	Various	Various	OS
2	Transmission Ancillaries	Various	Various	OS
3	Network Integrated Transmission	PJM Network	PJM Network	FNO
4	Point-to-Point Transmission	Various	Various	OS
5	Tax Cuts and Jobs Act	Various	Various	OS
6				
7				
8				
9				
10				
11				
12				
13				
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31				
32				
33				
34				
	TOTAL			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.

7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.

8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
6	Various	Various				1
6	Various	Various				2
6	PJM Network	PJM Network				3
6	Various	Various				4
N/A	Various	Various				5
						6
						7
						8
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						29
						30
						31
						32
						33
						34
			0	0	0	

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.
		56,228	56,228	1
		716,596	716,596	2
18,319,656			18,319,656	3
304,785			304,785	4
		-1,028,546	-1,028,546	5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
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				24
				25
				26
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				32
				33
				34
18,624,441	0	-255,722	18,368,719	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Revenues associated with Respondent's membership with PJM as an RTO.

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

Revenues associated with Respondent's membership with PJM as an RTO.

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

NITS revenue is based on the previous year's peak load, the number of days in the period and the NITS rate.

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

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

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

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION OF ELECTRICITY BY ISO/RTOs

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

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1	Potomac Edison:				
2	Financial Transmission Rights Auction	OS	6	56,228	56,228
3	Transmission Ancillaries	OS	6	716,596	716,596
4	Network Integrated Transmission	FNO	6	18,319,656	18,319,656
5	Point-to-Point Transmission	OS	6	304,785	304,785
6	Tax Cuts and Jobs Act	OS	N/A	(1,028,546)	(1,028,546)
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
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27					
28					
29					
30					
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36					
37					
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39					
40	TOTAL			18,368,719	18,368,719

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

Schedule Page: 331 Line No.: 6 Column: a

Deferred Excess Revenue Related to the Tax Cuts and Jobs Act.

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

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

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	PJM Interconnection, LLC	OS					54,855,716	54,855,716
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL						54,855,716	54,855,716

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	52,273			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses				
4	Pub & Dist Info to Stkhldrs...exprn servicing outstanding Securities				
5	Oth Exprn >=5,000 show purpose, recipient, amount. Group if < \$5,000				
6	Bank Fees	86,183			
7	Finance Administration Fees	78,419			
8	Corporated Dues - Trade	100,753			
9	Corporate Dues -civic	12,909			
10	Licenses, Permits and Regulations	155,999			
11	Misc.	21			
12					
13					
14					
15					
16					
17					
18					
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45					
46	TOTAL	486,557			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

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

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			2,899,065		2,899,065
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant					
7	Transmission Plant	11,439,285	89			11,439,374
8	Distribution Plant	46,823,169				46,823,169
9	Regional Transmission and Market Operation					
10	General Plant	3,845,754	346			3,846,100
11	Common Plant-Electric					
12	TOTAL	62,108,208	435	2,899,065		65,007,708

B. Basis for Amortization Charges

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

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13							
14							
15							
16							
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	MD PSC Intrastate Revenue Assessment	888,756		888,756	
2					
3	WV PSC Intrastate Revenue Assessment	967,582		967,582	
4					
5	WV PSC Property Value Assessment	156,872		156,872	
6					
7	MD PSC 2018 Distribution Base Rate Case				
8					
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46	TOTAL	2,013,210		2,013,210	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
Electric	928	888,756					1
							2
Electric	928	967,582					3
							4
Electric	928	156,872					5
							6
Electric	928	208,647	208,647			208,647	7
							8
							9
							10
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		2,221,857	208,647			208,647	46

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

- a. Overhead
- b. Underground

(1) Generation

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

(3) Distribution

(4) Regional Transmission and Market Operation

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$50,000.)

(7) Total Cost Incurred

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

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

(2) Transmission

Line No.	Classification (a)	Description (b)
1	A (1)	ED Transmission Line Research (Int)
2		
3		
4	Total	
5		
6		
7		
8		
9		
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12		
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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)		
1,154		188	1,154	5,716	1
					2
					3
1,154			1,154	5,716	4
					5
					6
					7
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production			
4	Transmission	63,846		
5	Regional Market			
6	Distribution	2,196,736		
7	Customer Accounts	4,490,032		
8	Customer Service and Informational	295,632		
9	Sales			
10	Administrative and General	-30,217		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	7,016,029		
12	Maintenance			
13	Production			
14	Transmission	1,577,034		
15	Regional Market			
16	Distribution	10,226,066		
17	Administrative and General	280,617		
18	TOTAL Maintenance (Total of lines 13 thru 17)	12,083,717		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)			
21	Transmission (Enter Total of lines 4 and 14)	1,640,880		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	12,422,802		
24	Customer Accounts (Transcribe from line 7)	4,490,032		
25	Customer Service and Informational (Transcribe from line 8)	295,632		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	250,400		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	19,099,746		19,099,746
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminating and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminating and Processing			
47	Transmission			

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	19,099,746		19,099,746
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	17,642,489		17,642,489
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	17,642,489		17,642,489
72	Plant Removal (By Utility Departments)			
73	Electric Plant	2,985,358		2,985,358
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	2,985,358		2,985,358
77	Other Accounts (Specify, provide details in footnote):			
78	Jobbing and Contracting	34,871		34,871
79	Temporary Facilities	86,771		86,771
80	Storm Mutual Assistance Support	315,839		315,839
81	Work Performed for Associated Companies	1,576,480		1,576,480
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	2,013,961		2,013,961
96	TOTAL SALARIES AND WAGES	41,741,554		41,741,554

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COMMON UTILITY PLANT AND EXPENSES

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8	Purchases (Account 555)				
9	Day Ahead (DA)				
10	Real Time (RT)	1,040,713	855,897	853,005	743,171
11					
12	Sales (Account 447)				
13	Day Ahead (DA)	(15,901,515)	(9,198,795)	(9,817,903)	(8,249,812)
14	Real Time (RT)	(344,858)	(397,218)	(359,939)	(258,973)
15					
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45					
46	TOTAL	(15,205,660)	(8,740,116)	(9,324,837)	(7,765,614)

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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PURCHASES AND SALES OF ANCILLARY SERVICES

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

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

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

Line No.	Type of Ancillary Service (a)	Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
		Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch		MWh	19,341		MWh	
2	Reactive Supply and Voltage	3,120	MWd	16,300		MWd	-716,596
3	Regulation and Frequency Response	421	MWh	12,539		MWh	
4	Energy Imbalance						
5	Operating Reserve - Spinning			4,982			
6	Operating Reserve - Supplement			57,668			
7	Other			4,191			
8	Total (Lines 1 thru 7)	3,541		115,021			-716,596

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FOOTNOTE DATA

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

Black Start Service Chgs	\$ 3,822
Market Monitor	<u>369</u>
Total	\$ 4,191

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MONTHLY TRANSMISSION SYSTEM PEAK LOAD

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

NAME OF SYSTEM: Allegheny Power

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	3,416	5	2000	917	2,499				
2	February	2,839	2	1900	765	2,074				
3	March	2,359	14	2100	609	1,750				
4	Total for Quarter 1				2,291	6,323				
5	April	2,146	9	900	566	1,580				
6	May	2,247	29	1700	536	1,711				
7	June	2,660	18	1900	637	2,023				
8	Total for Quarter 2				1,739	5,314				
9	July	2,789	3	1800	631	2,158				
10	August	2,759	28	1800	659	2,100				
11	September	2,776	5	1800	653	2,123				
12	Total for Quarter 3				1,943	6,381				
13	October	2,220	8	1700	523	1,697				
14	November	2,540	28	1900	652	1,888				
15	December	2,853	11	800	778	2,075				
16	Total for Quarter 4				1,953	5,660				
17	Total Year to Date/Year				7,926	23,676				

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FOOTNOTE DATA			

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

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

NAME OF SYSTEM:

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

Name of Respondent THE POTOMAC EDISON COMPANY		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	10,836,821
3	Steam	3,880,755	23	Requirements Sales for Resale (See instruction 4, page 311.)	35,302
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	1,146,450
5	Hydro-Conventional		25	Energy Furnished Without Charge	-3,484,307
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	5,486
7	Other		27	Total Energy Losses	260,058
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	8,799,810
9	Net Generation (Enter Total of lines 3 through 8)	3,880,755			
10	Purchases	4,919,055			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	8,799,810			

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MONTHLY PEAKS AND OUTPUT

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

NAME OF SYSTEM: Potomac Edison

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	1,017,512	123,857	3,498	5	800
30	February	740,017	95,649	2,880	3	800
31	March	875,030	121,837	2,440	14	800
32	April	605,132	55,887	2,178	5	800
33	May	616,556	115,894	2,327	15	1800
34	June	654,060	102,169	2,660	18	1900
35	July	761,885	107,939	2,789	3	1800
36	August	760,454	123,241	2,777	29	1700
37	September	621,250	66,818	2,777	6	1700
38	October	534,484		2,221	7	1800
39	November	766,615	118,059	2,540	28	1900
40	December	846,815	115,100	2,853	11	800
41	TOTAL	8,799,810	1,146,450			

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a term 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)		
6	Net Peak Demand on Plant - MW (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Continuous Plant Capability (Megawatts)		
9	When Not Limited by Condenser Water		
10	When Limited by Condenser Water		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipment Costs		
16	Asset Retirement Costs		
17	Total Cost	0	0
18	Cost per KW of Installed Capacity (line 17/5) Including	0	0
19	Production Expenses: Oper, Supv, & Engr		
20	Fuel		
21	Coolants and Water (Nuclear Plants Only)		
22	Steam Expenses		
23	Steam From Other Sources		
24	Steam Transferred (Cr)		
25	Electric Expenses		
26	Misc Steam (or Nuclear) Power Expenses		
27	Rents		
28	Allowances		
29	Maintenance Supervision and Engineering		
30	Maintenance of Structures		
31	Maintenance of Boiler (or reactor) Plant		
32	Maintenance of Electric Plant		
33	Maintenance of Misc Steam (or Nuclear) Plant		
34	Total Production Expenses		
35	Expenses per Net KWh		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)		
38	Quantity (Units) of Fuel Burned		
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)		
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year		
41	Average Cost of Fuel per Unit Burned		
42	Average Cost of Fuel Burned per Million BTU		
43	Average Cost of Fuel Burned per KWh Net Gen		
44	Average BTU per KWh Net Generation		

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

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

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
			1
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Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

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

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

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr) / /	Year/Period of Report End of <u>2018/Q4</u>
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

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

FERC Licensed Project No. Plant Name: (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			11
			12
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			38

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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GENERATING PLANT STATISTICS (Small Plants)

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

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
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3						
4						
5						
6						
7						
8						
9						
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11						
12						
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46						

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

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

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
						2
						3
						4
						5
						6
						7
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						9
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						11
						12
						13
						14
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						45
						46

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Bedington	Doubs	500.00	500.00	TWR	32.18		1
2	Bismark	Doubs 583	500.00	500.00	TWR	2.86		1
3	Black Oak	Bedington	500.00	500.00	TWR	60.03		1
4	Doubs	Brighton	500.00	500.00	TWR	6.33		1
5	Doubs	Goose Creek	500.00	500.00	TWR	15.29		1
6	Front Royal	Meadow Brook	500.00	500.00	TWR	5.28		1
7	Greenland Gap	Meadow Brook	500.00	500.00	TWR	12.40		1
8	Hatfield	Black Oak	500.00	500.00	TWR	33.96		1
9	Total 500kv					168.33		8
10								
11	Aqueduct	Dickerson	230.00	230.00	TWR; SP	1.44		1
12	Aqueduct	Doubs	230.00	230.00	TWR	6.52	0.14	1
13	Carroll	Mount Airy	230.00	230.00	WPH; WP; SP	12.72		1
14	Damascus	Montgomery	230.00	230.00	SP; WPH; WP	4.97		1
15	Doubs	Dickerson	230.00	230.00	SP	0.24	7.76	1
16	Doubs	Lime Kiln 207	230.00	230.00	TWR; WP	3.35	3.35	1
17	Doubs	Lime Kiln 231	230.00	230.00	TWR; WPH;	6.71		1
18	Doubs	Monocacy	230.00	230.00	TWR; SP	24.88		1
19	Frederick A	Monocacy	230.00	230.00	SP	1.75		1
20	Frostown Jct	Boonsboro-Doubs-Ringgold	230.00	230.00	TWR; WPH;	16.77	14.48	1
21	Lime Kiln	McCain	230.00	230.00	SP; SPH; WP	4.21		1
22	Lime Kiln	Monocacy	230.00	230.00	SP; WP	4.03	2.64	1
23	Lime Kiln	Montgomery	230.00	230.00	WPH; WP	12.28		1
24	McCain	Frederick A	230.00	230.00	SP	0.47	5.10	1
25	Monocacy	Eaglehead	230.00	230.00	SP; WPH; WP	6.16	0.70	1
26	Monocacy	Ringgold	230.00	230.00	WPH	0.44	23.11	1
27	Mount Airy	Damascus	230.00	230.00	SP; WP	10.41		1
28	Mount Airy	New Market	230.00	230.00	WPH; WP;	3.79	2.09	1
29	New Market	Eaglehead	230.00	230.00	WPH; SP; WP	7.39	0.72	1
30	Total 230kv					128.53	60.09	19
31								
32	Albright	Cross School AFA	138.00	138.00	WPH; WP;	26.75		1
33	Albright	Garrett	138.00	138.00	WPH; WP	6.40		1
34	Albright	Kelso Gap	138.00	138.00	WPH; WP	10.56		1
35	Albright	William	138.00	138.00	WPH; WP	4.53		1
36					TOTAL	1,095.35	144.12	104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION LINE STATISTICS

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

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Antietam	East Hagerstown	138.00	138.00	SP; WPH;	9.94		1
2	Antietam	Reid	138.00	138.00	WPH; WP; SP;	4.01	2.75	1
3	Baker	Hardy	138.00	138.00	WPH; WP	14.38		1
4	Bartonville	Meadow Brook	138.00	138.00	SP; WP	6.04		1
5	Bartonville	Stephenson	138.00	138.00	SP	12.47	0.02	1
6	Bedington	Eagle	138.00	138.00	SP	4.02		1
7	Bedington	Marlowe BMA	138.00	138.00	WPH; WP;	9.36		1
8	Bedington	Marlowe BMR	138.00	138.00	TWR; WPH;	13.87	1.98	1
9	Bedington	Opequon	138.00	138.00	WPH; TWR;	8.44		1
10	Bedington	Reid	138.00	138.00	SP	16.76	3.65	1
11	Bedington	Shepherdstown	138.00	138.00	WPH; WP	2.26	6.40	1
12	Black Oak	Cross School	138.00	138.00	WPH; WP	8.59		1
13	Black Oak	Cumberland	138.00	138.00	WPH; TWR;	17.09		1
14	Carroll	Lehigh Portland Cement	138.00	138.00	WP	0.37		1
15	Catoctin	Carroll Cub	138.00	138.00	WP; WPH	12.68		1
16	Catoctin	Monocacy	138.00	138.00	WPH; SP; WP	16.14		1
17	Cherry Run	McConnellsburg	138.00	138.00	WPH; WP;	7.91	0.46	1
18	Double Toll Gate	Greenwood	138.00	138.00	WPH; WP; SP	7.84		1
19	Double Toll Gate	Millville	138.00	138.00	WPH; WP;	24.18		1
20	East Hagerstown	Ringgold	138.00	138.00	WPH; WP	3.13	4.48	1
21	Finzel	Hazelton	138.00	138.00	TWR; SP	25.22		1
22	Finzel	Ridgeley	138.00	138.00	TWR; SP	13.55	0.11	1
23	French's Mill	Hampshire	138.00	138.00	WPH; WP	8.95		1
24	Garrett	Ridgeley	138.00	138.00	WPH; WP	30.69	1.20	1
25	Germantown	Carroll	138.00	138.00	WPH; WP	16.17		1
26	Gore	Hampshire	138.00	138.00	WPH	6.42		1
27	Gore	Stonewall	138.00	138.00	WPH; WP	15.20		1
28	Greenwood	Redbud	138.00	138.00	WPH; WP	4.56	1.02	1
29	Halfway	Marlowe	138.00	138.00	SP	5.15	0.18	1
30	Halfway	Paramount No1	138.00	138.00	SP	0.50	6.31	1
31	Hampshire	Meadow Brook	138.00	138.00	WPH; WP;	19.47		1
32	Hampshire	Ridgeley	138.00	138.00	WPH; SPH;	29.76		1
33	Hardy	North Petersburg	138.00	138.00	WPH; WP	8.29		1
34	Harmony Jct	Bedington-Cherry Run-Marlow	138.00	138.00	SP; WPH	12.15	7.76	1
35	Inwood	Kearneysville	138.00	138.00	WPH; WP	11.58		1
36					TOTAL	1,095.35	144.12	104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	Inwood	Stonewall	138.00	138.00	WPH; WP; SP	5.59	2.25	1
2	Junction	Black Oak	138.00	138.00	WPH; WP	18.67		1
3	Junction	French's Mill	138.00	138.00	WPH; WP	11.29		1
4	Junction	Hardy	138.00	138.00	WPH; WP	21.48		1
5	Kearneysville	Opequon	138.00	138.00	WPH; WP	2.43	2.82	1
6	Kelso Gap	Parr Run	138.00	138.00	TWR; WP;	10.91		1
7	Marlowe	Boonsboro	138.00	138.00	SP	12.20		1
8	Meadow Brook	Double Toll Gate MBG	138.00	138.00	SP	7.45		1
9	Meadow Brook	Double Toll Gate MDT	138.00	138.00	SP	0.07	7.39	1
10	Meadow Brook	Redbud	138.00	138.00	WPH; SP; WP	1.08	15.36	1
11	Meadow Brook	Riverton	138.00	138.00	SP; WP; WPH	0.98	7.35	1
12	Meadow Brook	Strasburg	138.00	138.00	WP; WPH;	7.86	1.50	1
13	Messick Road	Morgan	138.00	138.00	WPH; WP	28.56		1
14	Messick Road	Ridgeley	138.00	138.00	SP; WPH; WP	3.67	1.34	1
15	Millville	Doubs MVF	138.00	138.00	WP; WPH	15.33		1
16	Morgan	Cherry Run	138.00	138.00	WPH; WP	8.03		1
17	North Shenandoah	Page	138.00	138.00	WP; SP; WPH	23.01		1
18	Page	Sperryville	138.00	138.00	WP; SP	10.12	3.65	1
19	Paramount No1	Reid	138.00	138.00	SPH; SP	0.13	1.67	1
20	Parr Run	Junction	138.00	138.00	WPH; WP;	12.21	4.27	1
21	Reid	Guilford	138.00	138.00	WPH; WP	0.43		1
22	Reid	Ringgold	138.00	138.00	WPH; WP	7.43		1
23	Ridgeley	Cumberland	138.00	138.00	TWR	0.98		1
24	Ringgold	Catoctin	138.00	138.00	WPH; WP	9.74		1
25	Ringgold	West Waynesboro	138.00	138.00	WPH; WP	3.99		1
26	Riverton	Double Toll Gate	138.00	138.00	WPH; WP;	7.10		1
27	Riverton	Page	138.00	138.00	WPH; WP	26.74		1
28	Riverton	Viscose	138.00	138.00	WPH; WP	7.03	0.11	1
29	Seneca Caverns	North Petersburg	138.00	138.00	WP; WPH;	14.28		1
30	Shepherdstown	Sleepy Hollow	138.00	138.00	WPH; WP	7.48		1
31	Sleepy Hollow	Millville	138.00	138.00	WPH; WP	4.25		1
32	Stephenson	Stonewall	138.00	138.00	WPH; WP; SP	2.11		1
33	Stonewall	Millville	138.00	138.00	WPH; WP	16.21		1
34	Total 138kv					764.22	84.03	72
35								
36					TOTAL	1,095.35	144.12	104

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TRANSMISSION LINE STATISTICS

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

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	115 KV Lines		115.00	115.00		20.21		3
2	69KV Lines		69.00	69.00		14.06		2
3								
4	Operation and Maintenance							
5	Expense							
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32								
33								
34								
35								
36					TOTAL	1,095.35	144.12	104

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
2032 ACSR	670,084	5,530,719	6,200,803					1
1113 ACSS		14,174,564	14,174,564					2
2032 ACSR	989,679	9,324,469	10,314,148					3
2300 ACSR	321,301	1,284,954	1,606,255					4
2049.5 AAC	456,275	3,744,336	4,200,611					5
2032 ACSR		980,359	980,359					6
2032 ACSR	903,795	2,356,662	3,260,457					7
2032 ACSR	619,231	4,959,331	5,578,562					8
	3,960,365	42,355,394	46,315,759					9
								10
1622 ACSS	12,163	583,758	595,921					11
1622 ACSS	44,229	2,122,755	2,166,984					12
1272 ACSR	1,148,192	2,278,363	3,426,555					13
1272 ACSR	683,104	1,170,118	1,853,222					14
1622 ACSS	54,181	2,600,375	2,654,556					15
1272 ACSR	75,984	919,117	995,101					16
1272 ACSR	64,164	776,143	840,307					17
1272 ACSR	169,182	1,795,275	1,964,457					18
1272 ACSR	20,262	245,098	265,360					19
1272 ACSR	209,829	2,226,607	2,436,436					20
1272 ACSR	62,476	755,718	818,194					21
1272 ACSR	67,541	816,993	884,534					22
1272 ACSR	165,476	2,001,632	2,167,108					23
1272 ACSR	77,673	939,541	1,017,214					24
1272 ACSR	4,120,500	2,706,348	6,826,848					25
1272 ACSR	165,886	1,760,302	1,926,188					26
1272 ACSR	2,095,886	3,590,135	5,686,021					27
1272 ACSR	3,422,110	2,247,645	5,669,755					28
1272 ACSR	4,399,856	2,889,829	7,289,685					29
	17,058,694	32,425,752	49,484,446					30
								31
556.5 ACSR	89,530	2,253,365	2,342,895					32
556.5 ACSR	87,803	572,601	660,404					33
556.5 ACSR	61,816	1,460,985	1,522,801					34
556.5 ACSR	60,225	688,267	748,492					35
	46,933,826	236,750,053	283,683,879	211,441	4,585,398	20,890	4,817,729	36

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954 ACSR	271,019	1,657,489	1,928,508					1
954 ACSR	191,972	1,174,055	1,366,027					2
954 ACSR	1,098,756	4,911,060	6,009,816					3
795 ACSS	514,426	2,265,567	2,779,992					4
(a)	933,315	4,110,387	5,043,702					5
954 ACSR	854,844	2,688,493	3,543,337					6
954 ACSR	211,036	1,242,658	1,453,694					7
954 ACSR	271,188	1,444,896	1,716,084					8
954 ACSR	272,648	1,277,312	1,549,960					9
954 ACSR	872,133	3,259,166	4,131,299					10
(a)	249,543	1,169,065	1,418,608					11
556.5 ACSR	21,769	497,044	518,813					12
954 ACSR	466,655	3,390,164	3,856,819					13
556.5 ACSR	11,037	144,090	155,127					14
336.4 ACSR	28,809	5,325,338	5,354,147					15
(b)	223,486	1,262,558	1,486,044					16
954 ACSR	608,157	2,107,132	2,715,289					17
(a)	117,101	1,722,469	1,839,570					18
(a)	48,533	9,005,546	9,054,079					19
954 ACSR	218,321	1,335,200	1,553,521					20
954 ACSR	122,715	3,311,990	3,434,705					21
954 ACSR	115,709	3,152,827	3,268,536					22
556.5 ACSR	54,880	555,935	610,815					23
556.5 ACSR	405,602	3,623,006	4,028,608					24
(a)	573,758	2,398,167	2,971,925					25
556.5 ACSR	36,494	414,972	451,466					26
556.5 ACSR	67,865	1,063,702	1,131,567					27
(a)	86,285	1,269,188	1,355,473					28
954 ACSR	237,572	788,076	1,025,648					29
954 ACSR	333,288	1,067,564	1,400,852					30
954 ACSR	74,925	2,757,039	2,831,964					31
336.4 ACSR	38,414	2,959,063	2,997,477					32
954 ACSR	225,832	1,260,038	1,485,870					33
(a)	633,099	2,965,961	3,599,060					34
(a)	388,178	1,818,545	2,206,723					35
	46,933,826	236,750,053	283,683,879	211,441	4,585,398	20,890	4,817,729	36

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
954 ACSR	234,496	1,088,036	1,322,532					1
(a)	273,588	2,209,754	2,483,342					2
556.5 ACSR	61,076	618,701	679,777					3
556.5 ACSR	54,214	1,177,188	1,231,402					4
(a)	184,848	865,974	1,050,820					5
(a)	61,057	1,084,434	1,145,491					6
1272 ACSR	1,774,188	4,272,023	6,046,209					7
954 ACSR	695,103	1,344,561	2,039,664					8
954 ACSR	695,103	1,344,561	2,039,664					9
954 ACSR	1,352,204	5,955,206	7,307,410					10
954 ACSR	36,462	1,203,152	1,239,614					11
795 ACSR	96,973	834,089	931,042					12
556.5 ACSR	520,912	2,898,551	3,419,463					13
(a)	125,089	692,926	818,015					14
954 ACSR	73,102	1,202,152	1,275,254					15
556.5 ACSR	207,952	974,221	1,182,173					16
954 ACSR	1,899,956	4,131,746	6,031,702					17
954 ACSR	576,785	3,324,136	3,900,921					18
954 ACSR	108,681	348,119	456,800					19
(a)	101,793	1,031,169	1,132,962					20
954 ACSR	1,403	33,555	34,958					21
954 ACSR	85,300	481,892	567,192					22
336.4 ACSR	10,970	2,611,019	2,621,989					23
336.4 ACSR	134,774	761,390	896,164					24
556.5 ACSR	15,267	94,633	109,900					25
556.5 ACSR	5,013	8,202,157	8,207,170					26
336.4 ACSR	110,328	1,121,138	1,231,466					27
(c)	88,477	373,505	461,982					28
954 ACSR	1,322,324	2,306,011	3,628,335					29
556.5 ACSR	272,648	1,277,312	1,549,960					30
556.5 ACSS	143,256	671,130	814,386					31
556.5 ACSR	124,932	550,209	675,141					32
556.5 ACSR	98,543	1,078,364	1,176,907					33
	22,725,550	140,533,974	163,259,524					34
								35
	46,933,826	236,750,053	283,683,879	211,441	4,585,398	20,890	4,817,729	36

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSMISSION LINE STATISTICS (Continued)

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

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
		2,560,676	2,560,676					1
	3,189,217	18,874,257	22,063,474					2
								3
				211,441	4,585,398	20,890	4,817,729	4
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	46,933,826	236,750,053	283,683,879	211,441	4,585,398	20,890	4,817,729	36

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FOOTNOTE DATA			

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

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

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

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

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

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

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

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TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.

2. Provide separate subheadings for overhead and under-ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

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

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

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- 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.
- 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	ADAMSTOWN, Adamstown, MD	D-U	34.50	13.09	
2	ANTIETAM, Hagerstown, MD	D-U	138.00	13.09	
3	ANTIETAM, Hagerstown, MD	T-U	138.00	36.30	
4	AQUEDUCT, Dickerson, MD	T-U	230.00	36.30	
5	BAKER, Baker, WV	D-U	34.50	13.09	
6	BAKER, Baker, WV	T-U	138.00	36.30	
7	BALLENGER CREEK, Ballenger Creek, MD	D-U			
8	BARDANE, Bardane, WV	D-U	34.50	13.09	
9	BEALLSVILLE, Beallsville, MD	D-U	34.50	13.09	
10	BEDFORD ROAD, Dickens, MD	D-U	34.50	13.09	
11	BEDINGTON, Bedington, WV	T-U	500.00	138.00	
12	BEDINGTON, Bedington, WV	T-U			
13	BEDINGTON, Bedington, WV	T-U			
14	BERKELEY SPRINGS, Berkeley Springs, WV	D-U	34.50	13.09	
15	BLACK OAK, Danville, MD	T-U	500.00	138.00	
16	BLACK OAK, Danville, MD	T-U			
17	BLACK OAK, Danville, MD	T-U			
18	BOLIVAR, Harpers Ferry, WV	D-U	34.50	13.09	
19	BOONSBORO, Boonsboro, MD	D-U	34.50	13.09	
20	BOONSBORO, Boonsboro, MD	T-U	138.00	36.30	
21	BOONSBORO, Boonsboro, MD	T-U	230.00	138.00	
22	BRADDOCK HEIGHTS, Braddock Heights, MD	D-U	34.50	13.09	
23	BRUNSWICK, Brunswick, MD	D-U	34.50	13.09	
24	CAPON BRIDGE, Capon Bridge, WV	D-U	34.50	13.09	
25	CARLOS JUNCTION, Frostburg, MD	D-U	138.00	36.30	
26	CARROLL, Union Bridge, MD	T-U	138.00	36.30	
27	CARROLL, Union Bridge, MD	T-U	230.00	138.00	
28	CARROLL, Union Bridge, MD	D-U	34.50	13.09	
29	CATOCTIN, Thurmont, MD	T-U	138.00	36.30	
30	CATOCTIN, Thurmont, MD	D-U	34.50	13.09	
31	CHARLES TOWN, Ranson, WV	D-U	34.50	13.09	
32	CHERRY RUN-MRTINSBRG, Hedgesville, WV	D-U	34.50	13.09	
33	CHERRY RUN-MRTINSBRG, Hedgesville, WV	T-U	138.00	36.30	
34	CLEAR SPRING, Four Locks, MD	D-U	34.50	13.09	
35	CORRIGANVILLE, Corrigansville, MD	D-U	34.50	13.09	
36	COVERWOOD, Cresaptown, MD	D-U	34.50	13.09	
37	CRESAPTOWN, Cumberland, MD	D-U	34.50	13.09	
38	CUMBERLAND, Cumberland, MD	T-U	138.00	36.30	
39	CUMBERLAND, Cumberland, MD	D-U	34.50	13.09	
40	DAMASCUS, Damascus, MD	T-U	230.00	13.09	

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 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	DAMASCUS, Damascus, MD	T-U	230.00	36.30	
2	DAVIS MILL, Clarksburg, MD	D-U	34.50	0.48	
3	DAVIS MILL, Clarksburg, MD	D-U	34.50	13.09	
4	DOUBLE TOLL GATE, White Post, WV	T-U			
5	DOUBS, Adamstown, MD	T-U	138.00	138.00	
6	DOUBS, Adamstown, MD	T-U	230.00	138.00	
7	DOUBS, Adamstown, MD	T-U	500.00	230.00	
8	EAGLE, Martinsburg, WV	D-U	138.00	13.09	
9	EAGLE, Martinsburg, WV	T-U	138.00	36.30	
10	EAGLEHEAD, New Market, MD	D-U	230.00	13.09	
11	EAST CHARLES TOWN, Charles Town, WV	D-U	34.50	13.09	
12	EAST HAGERSTOWN, Hagerstown, MD	D-U	138.00	13.09	
13	EMMITSBURG, Emmitsburg, MD	D-U	34.50	13.09	
14	FAIRHILL, Germantown, MD	D-U	34.50	13.09	
15	FEAGANS MILL, Charles Town, WV	D-U	138.00	13.09	
16	FLINTSTONE, Flintstone, MD	D-U	34.50	13.09	
17	FREDERICK A, Frederick, MD	T-U	230.00	36.30	
18	FREDERICK A, Frederick, MD	D-U	230.00	13.09	
19	Frederick B, Frederick, MD	D-U	135.00	13.09	
20	FRENCHS MILL, Augusta, WV	T-U	138.00	36.30	
21	FRENCHS MILL, Augusta, WV	D-U	138.00	36.30	
22	FROSTBURG NO. 1, Frostburg, MD	D-U	138.00	13.09	
23	GARRETT, McHenry, MD	T-U	138.00	36.30	
24	GARRETT, McHenry, MD	D-U	138.00	13.09	
25	GARRETT, McHenry, MD	D-U	34.50	13.09	
26	GENERAL MOTORS, Berkeley, WV	D-U	34.50	13.09	
27	GENERAL OFFICE, Williamsport, MD	D-U	34.50	13.09	
28	GORMAN, Gorman, MD	D-U	69.00	13.09	
29	GREEN VALLEY, Monrovia, MD	D-U	34.50	13.09	
30	HALFWAY, Halfway, MD	T-U	138.00	36.30	
31	HALFWAY, Halfway, MD	D-U	138.00	13.09	
32	HANCOCK, Hancock, MD	D-U	34.50	13.09	
33	HARDY, Moorefield, WV	D-U	138.00	36.30	
34	HARDY, Moorefield, WV	T-U	138.00	36.30	
35	HARDY, Moorefield, WV	T-U	138.00	13.09	
36	HIGHFIELD, Cascade, MD	D-U	34.50	13.09	
37	HOYES, Hoyes, MD	D-U	34.50	13.09	
38	HUYETTS, Huyetts, MD	D-U	34.50	13.09	
39	INWOOD, Inwood, WV	D-U	138.00	13.09	
40	INWOOD, Inwood, WV	T-U	138.00	36.30	

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			Primary (c)	Secondary (d)	Tertiary (e)
1	JEFFERSON, Jefferson, MD	D-U	34.50	13.09	
2	JENNINGS, Grantsville, MD	D-U	34.50	13.09	
3	JENNINGS, Grantsville, MD	D-U	138.00	36.30	
4	JUNCTION, Romney, WV	D-U	34.50	13.09	
5	JUNCTION, Romney, WV	D-U	138.00	36.30	
6	KEARNEYSVILLE, Kearneysville, WV	D-U	138.00	13.09	
7	KEARNEYSVILLE, Kearneysville, WV	T-U	138.00	36.30	
8	KEY MALL, Frederick, MD	D-U	34.50	13.09	
9	KEYSER, Keyser, WV	D-U	34.50	13.09	
10	LAPPANS, Lappans, MD	D-U	34.50	13.09	
11	LAVALLE, Lavale, MD	D-U	34.50	13.09	
12	LEGORE, Woodsboro, MD	D-U	34.50	13.09	
13	LIME KILN, Buckeystown, MD	D-U	230.00	13.09	
14	LIME KILN, Buckeystown, MD	T-U	230.00	36.30	
15	LONACONING, Lonaconing, MD	D-U	34.50	13.09	
16	MAIDSTONE, Marlowe, WV	D-U	34.50	13.09	
17	MAPLE AVENUE, Hagerstown, MD	D-U	34.50	13.09	
18	MARLOWE, Falling Waters, WV	T-U	138.00	36.30	
19	MARTINSBURG, Martinsbug, WV	D-U	34.50	13.09	
20	MARTINSBURG, Martinsbug, WV	D-U	34.50	4.36	
21	MCCAIN, Frederick, MD	D-U	230.00	13.09	
22	MCCAIN, Frederick, MD	T-U	230.00	36.30	
23	MEADOW BROOK, Stephens City, VA	T-U			
24	MEADOW BROOK, Stephens City, VA	T-U	500.00	138.00	
25	MESSICK ROAD, Cumberland, MD	D-U	138.00	13.09	
26	MIDDLETOWN - MD, Middletown, MD	D-U	34.50	13.09	
27	MIDDLEWAY, Keamysville, WV	D-U	34.50	13.09	
28	MILLVILLE, Keyes Ferry Acres, WV	D-U	34.50	13.09	
29	MILLVILLE, Keyes Ferry Acres, WV	T-U	138.00	36.30	
30	MONOCACY, Frederick, MD	T-U	138.00	36.30	
31	MONOCACY, Frederick, MD	D-U	230.00	13.09	
32	MONOCACY, Frederick, MD	T-U	230.00	138.00	
33	MONTGOMERY, Clarksburg, MD	D-U	230.00	13.09	
34	MONTGOMERY, Clarksburg, MD	D-U			
35	MONTGOMERY, Clarksburg, MD	T-U	230.00	36.30	
36	MOOREFIELD, Moorefield, WV	D-U	34.50	24.94	
37	MORGAN, Berkeley Springs, WV	D-U	138.00	36.30	
38	MOUNT AIRY, Mt Airy, MD	D-U	230.00	13.09	
39	MOUNT AIRY, Mt Airy, MD	T-U	230.00	36.30	
40	MT. LENA, Mt. Lena, MD	D-U	34.50	13.09	

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	MT. ZION, East Vindex, MD	T-U	138.00	36.30	
2	MYERSVILLE, Myersville, MD	D-U	34.50	13.09	
3	NEW MARKET, New Market, MD	D-U	230.00	13.09	
4	NEW MARKET, New Market, MD	T-U	230.00	34.50	
5	NIPETOWN, Falling Waters, WV	D-U	138.00	13.09	
6	NIPETOWN, Falling Waters, WV	T-U	138.00	36.30	
7	NORTH MARTINSBURG, North Martinsburg, WV	D-U	34.50	13.09	
8	NORTH PETERSBURG, Petersburg, WV	T-U	138.00	36.30	
9	OAK PARK, Oakland, MD	D-U	138.00	13.09	
10	OLD FARM, Clover Hill, MD	D-U	230.00	13.09	
11	OPEQUON, Martinsburg, WV	D-U	138.00	13.09	
12	OPEQUON, Martinsburg, WV	T-U	138.00	36.30	
13	PARAMOUNT NO.1, Hagerstown, MD	D-U	138.00	13.09	
14	PARAMOUNT, Paramount, MD	D-U	34.50	13.09	
15	PARR RUN, Keyser, WV	D-U	138.00	13.09	
16	PARR RUN, Keyser, WV	T-U	138.00	36.30	
17	PETERSBURG, Petersburg, WV	D-U	34.50	13.09	
18	PETERSVILLE, Rosemont, MD	D-U	34.50	13.09	
19	PGH PLATE GLASS, CUMBERLAND, MD	D-U	34.50	13.09	
20	PLAZA, Cumberland, MD	D-U	34.50	13.09	
21	REID, Maugansville, MD	T-U	138.00	36.30	
22	RIDGELEY, Carpendale, WV	T-U	138.00	36.30	
23	RIDGELEY, Carpendale, WV	T-U	34.50	13.09	
24	RIDGELEY, Carpendale, WV	T-U			
25	RIDGEVILLE, Mt. Airy, MD	D-U	34.50	13.20	
26	RINGGOLD, Smithburg, MD	D-U	138.00	13.09	
27	RINGGOLD, Smithburg, MD	T-U	230.00	138.00	138.00
28	Riverton, Front Royal, VA	T-U			
29	ROMNEY, Romney, WV	D-U	34.50	13.09	
30	SHARPSBURG, Sharpsburg, MD	D-U	34.50	13.09	
31	SHEPHERDSTOWN, Shepherdstown, WV	D-U	138.00	13.09	
32	SHORT GAP NO. 1, Short Gap, WV	D-U	138.00	13.09	
33	SHORT GAP NO. 1, Short Gap, WV	T-U	138.00	36.30	
34	SHOWALTER, Maugansville, MD	D-U	34.50	13.09	
35	SLEEPY HOLLOW, Shenandoah Junction Halltown, WV	D-U	138.00	13.09	
36	SLEEPY HOLLOW, Shenandoah Junction Halltown, WV	T-U	138.00	36.30	
37	SOUTH FREDERICK, Frederick, MD	D-U	34.50	13.09	
38	SOUTH MARTINSBURG, Martinsburg, WV	D-U	34.50	13.09	
39	SPRING MILLS-WV, North Mountain, WV	D-U	34.50	13.09	
40	Standard Lime/Cement Martin, WV	D-U			

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Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Strasburg, Strasburg MD	T-U			
2	TABLER, Tablers Station, WV	D-U	34.50	13.09	
3	TANEYTOWN NO. 1, Taneytown, MD	D-U	138.00	13.09	
4	TANEYTOWN NO. 2, Taneytown, MD	D-U	34.50	13.09	
5	THAYERVILLE, Thayerville, MD	D-U	34.50	13.09	
6	THOMAS STREET, Cumberland, MD	D-U	34.50	13.09	
7	UNIONVILLE, Unionville, MD	D-U	34.50	13.09	
8	URBANA, Urbana, MD	D-U	34.50	13.09	
9	WALKERSVILLE, Walkersville, MD	D-U	138.00	13.09	
10	WARDENSVILLE, Wardensville, WV	D-U	34.50	13.09	
11	WEST FREDERICK, Frederick, MD	D-U	34.50	13.09	
12	WEST MARTINSBURG, Martinsburg, WV	D-U	34.50	13.09	
13	WESTERNPORT, Westernport, MD	D-U	34.50	13.09	
14	WILLIAMSPORT, Williamsport, MD	D-U	34.50	13.09	
15	WILSON-MD, Wilson, MD	D-U	34.50	13.09	
16	YELLOW SPRINGS, Clover Hill, MD	D-U	34.50	13.09	
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
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)	
11	1					1
56	2		Capacitor-34.5KV	1	12,000	2
179	2					3
39	1		Capacitor-34.5KV	1	12,000	4
21	2					5
39	1		Capacitor - 34.5 KV	1	9,000	6
			Capacitor-34.5kv	1	12,000	7
22	2					8
21	2					9
11	1		Capacitor-34.5KV	1	6,000	10
1050	3		Capacitor-138KV	1	48,000	11
			Capacitor-500KV	1	216,000	12
			Capacitor-500KV	1	216,000	13
21	2		Capacitor-34.5KV	1	6,000	14
392	1		Capacitor-138KV	1	48,000	15
			Capacitor-500KV	1	216,000	16
			Capacitor-500KV	1	216,000	17
11	1					18
21	2			1	12,000	19
134	2					20
224	1	1				21
21	2					22
21	2					23
12	2					24
25	1					25
90	2		Capacitor-34.5KV	1	12,000	26
200	1		Capacitor-138KV	1	48,000	27
21	2					28
134	2		Capacitor-34.5KV	1	12,000	29
11	1					30
25	2		Capacitor-34.5KV	1	9,000	31
5	1					32
39	1					33
11	1					34
11	1					35
11	1					36
21	2					37
90	1		Capacitor-138KV	1	23,400	38
21	2					39
134	3					40

SUBSTATIONS (Continued)

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			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
90	1					1
11	1		Capacitor-34.5KV	1	12,000	2
14	1		Capacitor-34.5KV	1	12,000	3
			Capacitor - 138kv	1	23,400	4
200	1	1	Capacitor-230KV	1	107,000	5
200	1	2	Capacitor-230KV	1	107,000	6
		1	Capacitor-500KV	1	326,400	7
57	2					8
67	1					9
67	2					10
11	1					11
56	2					12
21	2					13
113	4					14
56	2					15
11	1					16
90	1					17
90	2		Capacitor - 34.5kv	1	12,000	18
		1				19
39	1		Capacitor-34.5KV	1	9,600	20
25	1					21
67	2					22
39	1					23
34	1					24
11	1		Capacitor - 34.5kv	1	6,000	25
9	2					26
45	2					27
11	1	1				28
11	1		Capacitor-34.5KV	1	4,800	29
67	1					30
101	3					31
21	2		Capacitor-34.5KV	1	6,000	32
25	1		Capacitor- 34.5 KV	1	6,000	33
39	1		Capacitor-138kv	1	20,800	34
35	1					35
35	1					36
15	2					37
11	1					38
67	2					39
39	1					40

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			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
11	1					1
11	1					2
28	1					3
5	1					4
25	1		Capacitor-34.5KV	1	6,000	5
34	1					6
67	1		Capacitor- 34.5kv	1	12,000	7
32	3					8
14	2					9
21	2					10
21	2					11
21	2					12
90	2	1	Capacitor-34.5KV	1	12,000	13
90	1					14
11	1					15
21	2		Capacitor-34.5KV	1	6,000	16
21	2		Capacitor-34.5KV	1	15,000	17
150	2		Capacitor-138KV	1	48,000	18
11	1					19
6	1					20
135	3		Capacitor-34.5KV	1	12,000	21
90	1					22
			Capacitor-500kv	1	266,000	23
1050	3	1	Capacitor-138kv	1	48,000	24
45	2					25
21	2					26
21	2		Capacitor-34.5KV	1	6,000	27
21	2		Capacitor-34.5kv	1	12,000	28
157	2		Capacitor-138kv	1	48,000	29
67	1		Capacitor-34.5KV	1	12,000	30
101	3		Capacitor-138KV	1	33,600	31
224	1					32
90	2		Capacitor-34.5 KV	1	12,000	33
			Capacitor-230KV	1	84,000	34
179	2		Capacitor-34.5KV	1	12,000	35
10	1					36
64	2					37
112	3		Capacitor-34.5KV	1	12,000	38
39	1		Capacitor-34.5KV	1	12,000	39
11	1					40

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			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
11	1					1
21	2					2
67	2					3
90	1					4
69	2					5
67	1					6
21	2					7
78	2		Capacitor-34.5KV	1	6,000	8
56	2					9
34	1					10
67	2		Capacitor-34.5KV	1	12,000	11
134	2		Capacitor-34.5KV	1	12,000	12
35	1					13
11	1					14
34	1		Capacitor-34.5kv	1	12,000	15
39	1					16
21	2					17
21	2					18
21	2					19
11	1					20
134	2		Capacitor-34.5KV	1	12,000	21
134	2		Capacitor-34.5KV	1	12,000	22
5	1		Capacitor- 34.5KV	1	12,000	23
			Capacitor - 138KV	1	20,400	24
28	2					25
45	2		Capacitor-138KV	1	72,000	26
424	2					27
			Capacitor - 138kv	1	31,200	28
15	2		Capacitor - 34.5kv	1	4,200	29
21	2					30
67	2					31
22	1					32
39	1					33
21	2					34
57	2					35
67	1					36
21	2					37
11	1					38
14	2					39
			Capacitor-34,5KV	1	9,000	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)	
			Capacitor - 138kv	1	27,000	1
21	2		Capacitor - 34.5	1	12,000	2
34	1					3
11	1		Capacitor-34.5KV	1	7,800	4
21	2					5
28	3					6
21	2					7
33	2		Capacitor-34.5KV	1	7,800	8
45	2					9
11	1					10
32	3					11
21	2		Capacitors-34.5KV	1	6,000	12
12	2		Capacitor-34.5KV	1	6,000	13
11	1					14
11	1					15
21	2					16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
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						39
						40

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- 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".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Provide Chairman of the Board Support	FirstEnergy Service Company	923	36
3	Provide Chief Executive Officer Support	FirstEnergy Service Company	923	83,595
4	Provide President of FirstEnergy Utilities Support	FirstEnergy Service Company	Various	255,254
5	Provide Transmission & Distribution Support	FirstEnergy Service Company	Various	13,945,919
6	Provide Utility Operations Support	FirstEnergy Service Company	Various	70,020
7	Provide Compliance & Regulated Services Support	FirstEnergy Service Company	Various	685,591
8	Provide Customer Service Support	FirstEnergy Service Company	Various	5,310,614
9	Provide Energy Efficiency Support	FirstEnergy Service Company	Various	1,845,615
10	Provide Environmental Support	FirstEnergy Service Company	Various	148,541
11	Provide Chief Financial Officer Support	FirstEnergy Service Company	923	62,508
12	Provide Corporate Services &			
13	Chief Information Officer Support	FirstEnergy Service Company	Various	6,832,570
14	Provide Supply Chain Support	FirstEnergy Service Company	Various	194,931
15	Provide Accounting Support	FirstEnergy Service Company	Various	2,628,667
16	Provide Treasury Support	FirstEnergy Service Company	923	117,608
17	Provide Business Development Support	FirstEnergy Service Company	923	86,934
18	Provide Integrated System Planning Support	FirstEnergy Service Company	Various	75,059
19				
20	Non-power Goods or Services Provided for Affiliate			
21	Interest Income - Regulated Money Pool	FirstEnergy Corp.	419	-730,275
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
1	Non-power Goods or Services Provided by Affiliated			
2	Provide Corporate Risk Support	FirstEnergy Service Company	923	207,628

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

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

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
3	Provide Internal Audit Support	FirstEnergy Service Company	923	132,767
4	Provide Legal Support	FirstEnergy Service Company	Various	1,381,971
5	Provide Rates & Regulatory Affairs Support	FirstEnergy Service Company	Various	925,095
6	Provide Corp Real Estate/Record Management Support	FirstEnergy Service Company	Various	715,294
7	Provide Corporate Affairs Support	FirstEnergy Service Company	923	386,563
8	Provide External Affairs & Communication Support	FirstEnergy Service Company	Various	999,877
9	Provide Federal Affairs & Energy Policy Support	FirstEnergy Service Company	923	96,560
10	Provide Local Affairs &			
11	Economic Development Support	FirstEnergy Service Company	Various	165,141
12	Provide State Affairs Support	FirstEnergy Service Company	923	110,721
13	Provide Human Resources Support	FirstEnergy Service Company	Various	8,860,024
14	Provide Marketing & Branding Support	FirstEnergy Service Company	Various	398,634
15				
16	Provide Failure & Safety Training Support	FirstEnergy Service Company	Various	150,236
17	Inventory Carrying Charges on			
18	Service Company Assets	FirstEnergy Service Company	923	1,162,452
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	Rent - Monongahela Power Headquarter Facility	Trans-Allegheny Interstate Line Company	588	1,175,806
3	Rent - Greensburg Corporate Center	West Penn Power Company	588	815,060
4				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2018/Q4
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TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

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

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
5				
6				
7	Allocation Factors			
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				
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31				
32				
33				
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42				

Name of Respondent THE POTOMAC EDISON COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2018/Q4
FOOTNOTE DATA			

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

	Account		Amount
Provide Chairman of the Board Support	923	\$	36
Cost Allocation Factors Used - MA			.

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

	Account		Amount
Provide Chief Executive Officer Support	923	\$	83,595
Cost Allocation Factors Used - Direct, MA			

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

	Account		Amount
Provide President of FirstEnergy Utilities Support	923	\$	255,148
Cost Allocation Factors Used - MU	107		106
		\$	255,254

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

	Account		Amount
Provide Transmission & Distribution Support	560	\$	41,438
Cost Allocation Factors Used - Direct, MT, MU, ST, TX	561		674,823
	561.5		77,198
	566		39,419
	568		324,408
	571		113,475
	581		2,574,627
	586		312,975
	588		3,466,404
	590		1,279,605
	905		427,328
	923		166,000
	107		4,144,602
	108		230,805
	185		2,423
	186		70,389
		\$	13,945,919

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

	Account		Amount
Provide Utility Operations Support	588	\$	54,351
Cost Allocation Factors Used - Direct, MU	905		13,454
	107		1,582
	108		633
		\$	70,020

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

	Account		Amount
Provide Compliance & Regulated Services Support	568	\$	491,659
Cost Allocation Factors Used - Direct, MT, MU, TX	923		183,683
	107		10,039
	108		210
		\$	685,591

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FOOTNOTE DATA			

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

	Account	Amount
Provide Customer Service Support	902	\$ 232,141
Cost Allocation Factors Used - Direct, CR, MU	903	1,259,649
	910	2,788,753
	923	666,997
	107	337,333
	108	25,741
		<u>5,310,614</u>
		\$ 5,310,614

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

	Account	Amount
Provide Energy Efficiency Support	590	\$ 23,979
Cost Allocation Factors Used - CR, MU	903	148,422
	923	1,641,949
	107	30,920
	108	345
		<u>1,845,615</u>
		\$ 1,845,615

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

	Account	Amount
Provide Environmental Support	568	\$ 110
Cost Allocation Factors Used - Direct, ENV, MT, MU	570	(291)
	571	(1,127)
	590	157
	592	(306)
	593	(2,036)
	923	133,919
	107	15,866
	108	2,249
		<u>148,541</u>
		\$ 148,541

Schedule Page: 429 Line No.: 11 Column: c

	Account	Amount
Provide Chief Financial Officer Support	923	\$ 62,508
Cost Allocation Factors Used - MA		

Schedule Page: 429 Line No.: 13 Column: c

	Account	Amount
Provide Corporate Services & Chief Information Officer Support	566	\$ 1
Cost Allocation Factors Used - Direct, CR, DW, GUS,	569.1	1,235
MA, MT, MU, NIS, NS	569.2	7,532
PV, SSC, TX, WS	569.3	30
	588	5
	598	54,249
	903	832,164
	923	4,495,904
	107	1,438,159
	108	3,291
		<u>6,832,570</u>
		\$ 6,832,570

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

	Account	Amount
Provide Supply Chain Support	923	\$ 141,846
Cost Allocation Factors Used - Direct, MT, MU	107	52,851
	108	234
		<u>194,931</u>
		\$ 194,931

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FOOTNOTE DATA			

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

	Account		Amount
Provide Accounting Support	416	\$	8,533
Cost Allocation Factors Used - Direct, HC, MA, MT, MU	560		1,492
	561		32,210
	561.5		2,611
	566		1,738
	568		30,368
	571		5,234
	581		122,510
	586		14,538
	588		127,539
	590		53,350
	902		8,796
	903		73,978
	905		9,163
	910		96,469
	911		4,280
	923		1,996,542
	107		38,636
	108		680
		\$	2,628,667

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

	Account		Amount
Provide Treasury Support	923	\$	117,608
Cost Allocation Factors Used - MA, MU			

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

	Account		Amount
Provide Business Development Support	923	\$	86,934
Cost Allocation Factors Used -MA, MU			

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

	Account		Amount
Provide Integrated System Planning Support	923	\$	64,144
Cost Allocation Factors Used -MA	107		10,915
		\$	75,059

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

	Account		Amount
Provide Corporate Risk Support	923	\$	207,628
Cost Allocation Factors Used - MA, MT, MU			

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

	Account		Amount
Provide Internal Audit Support	923	\$	132,767
Cost Allocation Factors Used - Direct, MA, MU, TX			

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

	Account		Amount
Provide Legal Support	921	\$	320,826
Cost Allocation Factors Used - Direct, MA, MT, MU, TMI, TX	923		1,028,965
	107		24,135
	108		8,045
		\$	1,381,971

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FOOTNOTE DATA			

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

	Account		Amount
Provide Rates & Regulatory Affairs Support	923	\$	921,181
Cost Allocation Factors Used - Direct, CR, MU	107		3,219
	108		695
		\$	925,095

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

	Account		Amount
Provide Corp Real Estate/Record Management Support	923	\$	626,065
Cost Allocation Factors Used - Direct, MA, MT, MU, SF	107		89,192
	108		37
		\$	715,294

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

	Account		Amount
Provide Corporate Affairs Support	923	\$	386,563
Cost Allocation Factors Used - MA, MT, MU			

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

	Account		Amount
Provide External Affairs & Communication Support	923	\$	998,948
Cost Allocation Factors Used - Direct, MA, MU	107		665
	108		264
		\$	999,877

Schedule Page: 429.1 Line No.: 9 Column: c

	Account		Amount
Provide Federal Affairs & Energy Policy Support	923	\$	96,560
Cost Allocation Factors Used - MA			

Schedule Page: 429.1 Line No.: 11 Column: c

	Account		Amount
Provide Local Affairs & Economic Development Support	923	\$	164,346
Cost Allocation Factors Used - Direct, MT, MU, SH	107		568
	108		227
		\$	165,141

Schedule Page: 429.1 Line No.: 12 Column: c

	Account		Amount
Provide State Affairs Support	923	\$	110,721
Cost Allocation Factors Used - Direct, MU			

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FOOTNOTE DATA			

Schedule Page: 429.1 Line No.: 13 Column: c

	Account		Amount
Provide Human Resources Support	416	\$	30,210
Cost Allocation Factors Used - Direct, HC, MA, MU	426.2		24,097
	431		208,805
	580		5,210
	561		110,433
	561.5		9,233
	566		5,516
	568		105,714
	571		18,488
	581		380,110
	586		40,808
	588		323,604
	590		177,405
	902		30,711
	903		260,595
	905		31,462
	910		319,629
	911		13,919
	923		6,047,405
	926		716,670
		\$	8,860,024

Schedule Page: 429.1 Line No.: 14 Column: c

	Account		Amount
Provide Marketing & Branding Support	416	\$	264,585
Cost Allocation Factors Used - Direct, CR, MA, MT, MU	911		134,047
	107		2
		\$	398,634

Schedule Page: 429.1 Line No.: 16 Column: c

	Account		Amount
Provide Failure & Safety Training Support	923	\$	148,937
Cost Allocation Factors Used - Direct, MN, MT, MU	107		1,246
	108		53
		\$	150,236

Schedule Page: 429.1 Line No.: 18 Column: c

	Account		Amount
Inventory Carrying Charges on Service Company Assets	923	\$	1,162,452
Cost Allocation Factors Used - Direct			

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FOOTNOTE DATA			

Schedule Page: 429.2 Line No.: 7 Column: a

Factor Abbreviations

MA	Multiple Factor – All
MN	Multiple Factor Non-Utility
MT	Multiple Factor Utility & Non-Utility
MU	Multiple Factor Utility
TX	Multiple Factor Utility - Transmission
CR	Customer Ratio
DW	Development Work
ENV	Environmental Factor
GS	Gigabytes SAP
GUS	Gigabytes Unix
HC	Head Count
IS	Inserting Service
NIS	Number of Intel Servers
NS	Network Services
PE	Participating Employees
PV	Print Volume
SF	Square Footage
SH	Shopping Customers
SSC	Server Support Composite
ST	Stores Factor
TMI	Three Mile Island Ownership
WS	Workstation Support

'Direct' indicates that 100% of the costs assess to one legal entity

MA – Each Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs. The FirstEnergy Holding Co bears 5% of the product or service costs being allocated. The remaining 95% of the costs will be allocated between the Utility and Non-Utility Subsidiaries based on FirstEnergy's equity investment in the respective groups. A subsequent step then allocates among the Utility Subsidiaries based upon the "Multiple Factor - Utility" (MU) method and among the Non-Utility Subsidiaries based upon the "Multiple Factor - Non-Utility" (MN) method, both explained below.

MN – Each Non-Utility Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs based upon the total assets of each Non-Utility Subsidiary, including the generating assets under operating leases to the Utility Subsidiaries.

MT – The product or service costs being charged are allocated 100% between Utility and Non-Utility Subsidiaries in the same manner as MA above. Unlike MA, FirstEnergy Holding Co does not bear any of the allocation.

MU – Each Utility Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs based upon the sum of the weighted averages of (1) Gross transmission and/or distribution plant; (2) Operating and maintenance expense excluding purchase power and fuel costs; and (3) Transmission and/or distribution revenues, excluding transactions with affiliates. Each of the 3 components is weighted equally.

TX – Each Utility Subsidiary benefiting from receiving the product or service will be charged a proportion of the Indirect Costs based upon the sum of the weighted averages of (1) Gross transmission plant; (2) Transmission operating and maintenance expense excluding transmission by others (FERC 565) and (3) Transmission revenues, excluding transactions with affiliates. Each of the 3 components is weighted equally.

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