Case No. 9820
Potomac Electric Power Company
For the Twelve Months Ended September 30, 2025
Revenue Requirement Comparison
(Thousands of Dollars)

		Pepco (Surrebuttal)				**Staff (Post Hearing)**			
Conversion		1.3972				1.3972			
ROR		7.85%	Rate Base	Operating Income	Revenue Requirement	7.28%	Rate Base	Operating Income	Revenue Requirement
	Unadjusted Amounts		$ 3,038,275	$ 189,841	$ 67,866		$ 3,038,275	$ 189,841	$ 43,796
	Uncontested Adjustments		4,244	(2,321)	$ 3,708		4,244	(2,321)	$ 3,675
RMA	**Contested Adjustments**								
1	Annualization of Test Year Reliability Plant Closings		49,683	(2,067)	$ 8,335		49,683	(2,067)	$ 7,942
2	Inclusion of Post Test Year Reliability Closings (Oct-25 - Mar-26) [1]		67,586	(2,598)	$ 11,040		67,586	(2,598)	$ 10,505
3	Inclusion of Post Test Year Reliability Closings (Apr-26 - Jul-26) [2]		16,774	(1,121)	$ 3,405		-	-	$ -
4	Inclusion of Post Test Year Reliability Closings (Aug-26 - Jul-27) [2]		33,584	(1,410)	$ 5,652		-	-	$ -
6	Annualization of MD Case No. 9702 Revenue			482	$ (673)			482	$ (673)
9	July 2023 Major Storm Costs		5,371	(1,194)	$ 2,257		5,371	(1,194)	$ 2,215
10	Current Rate Case Expenses		846	(338)	$ 565		-	(254)	$ 355
13	Reflection of Supplier Consolidated Billing Costs		(443)	(1,038)	$ 1,402		(443)	(1,038)	$ 1,405
20	Annualization of Wage Increases			(3,636)	$ 5,080			(3,636)	$ 5,080
25	Reflection of 5-year Average Inflation on Non-Labor O&M Expense			(3,929)	$ 5,490			(3,929)	$ 5,490
26	Annualization of Test Year Property Tax Increase			(4,056)	$ 5,667			-	$ -
27	Reflection of Rate Effective Period Property Tax Increase			(3,412)	$ 4,767			(3,412)	$ 4,767
29	Removal of Industry Contributions and Jet Costs			742	$ (1,037)			742	$ (1,037)
35	AFUDC Synchronization			832	$ (1,162)			202	$ (282)
36	Cash Working Capital Adjustment [3]		(8,236)		$ (903)		(8,392)		$ (854)
37	Interest Synchronization [3]			1,136	$ (1,587)			780	$ (1,090)
	Smart Fault Sensors Adjustment						(843)	15	$ (107)
	Property Taxes							694	$ (970)
	Removal of NOLC								
	White Flint Projects								
	Commercial New Business Projects								
	Total		$ 3,207,684	$ 165,913	$ 119,872		$ 3,155,481	$ 172,307	$ 80,216

Capital Structure	Ratio	Cost	Wt'd Return	Ratio	Cost	Wt'd Return
Long-Term Debt	48.47%	5.03%	2.44%	49.50%	5.00%	2.48%
Common Equity	51.53%	10.50%	5.41%	50.50%	9.50%	4.80%
Rate of Return	100.00%		7.85%	100.00%		7.28%

[1] Reflects actual reliability plant closings through March 31, 2026

[2] In responding to a Staff data request Pepco discovered that forecast subtransmission plant closings reflected in RMAs 3 and 4 were not correctly allocated to Maryland

[3] Flowthrough adjustments

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Revenue Requirement Comparison
(Thousands of Dollars)

		Pepco (Rebuttal)				**OPC (Hearing)**				**AOBA**				**MEA**			
Conversion		1.3972				1.3972				1.3972				1.3972			
ROR		7.85%	Rate	Operating	Revenue	6.18%	Rate	Operating	Revenue	7.24%	Rate	Operating	Revenue	7.07%	Rate	Operating	Revenue
			Base	Income	Requirement		Base	Income	Requirement		Base	Income	Requirement		Base	Income	Requirement
	Unadjusted Amounts		$ 3,038,275	$ 189,841	$ 67,866		$ 3,038,275	$ 189,841	$ (3,053)		$ 3,038,275	$ 189,841	$ 41,901		$ 3,038,275	$ 189,841	$ 35,056
	Uncontested Adjustments		4,242	(2,320)	$ 3,707		4,242	(2,320)	$ 3,608		4,242	(2,320)	$ 3,670		4,242	(2,320)	$ 3,661
<u>RMA</u>	**<u>Contested Adjustments</u>**																
1	Annualization of Test Year Reliability Plant Closings		49,683	(2,067)	$ 8,335		(10,192)	(927)	$ 416		49,683	(2,067)	$ 7,911		49,683	(2,067)	$ 7,799
2	Inclusion of Post Test Year Reliability Closings (Oct-25 - Mar-26) [1]		55,039	(1,991)	$ 8,816		55,039	(1,991)	$ 7,531		-	-	$ -		55,039	(1,991)	$ 8,222
3	Inclusion of Post Test Year Reliability Closings (Apr-26 - Jul-26) [1]		19,306	(1,170)	$ 3,751		6,422	(193)	$ 824		-	-	$ -		19,306	(1,170)	$ 3,543
4	Inclusion of Post Test Year Reliability Closings (Aug-26 - Jul-27) [1]		39,865	(1,907)	$ 7,035		-	-	$ -		-	-	$ -		39,865	(1,907)	$ 6,605
6	Annualization of MD Case No. 9702 Revenue			482	$ (673)			482	$ (673)			482	$ (673)			482	$ (673)
9	July 2023 Major Storm Costs		5,371	(1,194)	$ 2,257		5,371	(1,194)	$ 2,132		-	-	$ -		5,371	(1,194)	$ 2,199
10	Current Rate Case Expenses		846	(338)	$ 565		-	-	$ -		-	-	$ -		846	(338)	$ 556
13	Reflection of Supplier Consolidated Billing Costs		(443)	(1,038)	$ 1,402		(443)	(1,038)	$ 1,412		-	-	$ -		(443)	(1,038)	$ 1,407
20	Annualization of Wage Increases			(3,636)	$ 5,080			(2,111)	$ 2,949			(3,636)	$ 5,080			(3,636)	$ 5,080
25	Reflection of 5-year Average Inflation on Non-Labor O&M Expense			(3,929)	$ 5,490			(2,168)	$ 3,029			(2,411)	$ 3,369			(3,929)	$ 5,490
26	Annualization of Test Year Property Tax Increase			(4,056)	$ 5,667			(4,056)	$ 5,667			(1,143)	$ 1,597			(4,056)	$ 5,667
27	Reflection of Rate Effective Period Property Tax Increase			(3,412)	$ 4,767			(1,674)	$ 2,339			(2,435)	$ 3,402			(3,412)	$ 4,767
29	Removal of Industry Contributions and Jet Costs			742	$ (1,037)			763	$ (1,066)			742	$ (1,037)			742	$ (1,037)
35	AFUDC Synchronization			832	$ (1,162)			(1,024)	$ 1,431			832	$ (1,162)			832	$ (1,162)
36	Cash Working Capital Adjustment		(8,225)		$ (902)		(9,547)		$ (824)		(8,225)		$ (831)		(8,225)		$ (813)
37	Interest Synchronization			1,111	$ (1,552)			(5)	$ 7			1,111	$ (1,552)			1,111	$ (1,552)
	Smart Fault Sensors Adjustment																
	Property Taxes																
	Removal of NOLC						(51,509)	1,039	$ (5,897)		(51,509)	1,039	$ (6,659)				
	White Flint Projects										(181,400)		$ (18,338)		(136,600)		$ (13,502)
	Commercial New Business Projects										(54,059)		$ (5,465)				
	Cash Working Capital (Base)										(11,209)		$ (1,133)				
	Per Books Interest Synchronization (reflected in OPC unadjusted OI)							3,584	$ (5,008)								
	Total		$ 3,203,959	$ 165,950	$ 119,412		$ 3,037,658	$ 177,008	$ 14,824		$ 2,785,798	$ 180,035	$ 30,078		$ 3,067,359	$ 165,950	$ 71,312

<u>Capital Structure</u>	<u>Ratio</u>	<u>Cost</u>	<u>Wt'd Return</u>	<u>Ratio</u>	<u>Cost</u>	<u>Wt'd Return</u>	<u>Ratio</u>	<u>Cost</u>	<u>Wt'd Return</u>	<u>Ratio</u>	<u>Cost</u>	<u>Wt'd Return</u>
Long-Term Debt	48.47%	5.03%	2.44%	57.00%	5.03%	2.87%	49.50%	5.03%	2.49%	48.47%	5.03%	2.44%
Common Equity	<u>51.53%</u>	10.50%	<u>5.41%</u>	<u>43.00%</u>	7.70%	<u>3.31%</u>	<u>50.50%</u>	9.40%	<u>4.75%</u>	<u>51.53%</u>	9.00%	<u>4.64%</u>
Rate of Return	100.00%		7.85%	100.00%		6.18%	100.00%		7.24%	100.00%		7.07%

[1] Pepco revised adjustment in surrebuttal testimony (see attached)