PotomacEdison
A FirstEnergy Company

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December 12, 2025

VIA ELECTRONIC FILING

Andrew S. Johnston, Executive Secretary
Maryland Public Service Commission
William Donald Schaefer Tower
6 St. Paul Street, 16th Floor
Baltimore, MD 21202T

Re: Case No. 9778 and PC44– The Potomac Edison Company's Tariff for the Maryland Cost Allocation Method

Dear Secretary Johnston:

Pursuant to COMAR 20.50.09.06 R., The Potomac Edison Company ("Potomac Edison" or "Company") is hereby filing its proposed tariff for a Maryland Cost Allocation Method ("MCAM") Rider, which utilities were required to propose no later than December 12, 2025.

In addition to the proposed MCAM Rider, Potomac Edison is also enclosing a clean and red-lined version of Page 3-3 to its Maryland Tariff, Electric P.S.C. Md. No. 54. The Company will use the next available page number for the MCAM Rider upon approval by the Maryland Public Service Commission ("Commission").

The Company is requesting an effective date of March 1, 2026 and respectfully requests a Commission Order no later than January 30, 2026, to allow time for any revisions to be incorporated into its systems. Should you have any questions, please let me know.

Respectfully submitted,

/s/

Jessica M. Raba
Counsel to The Potomac Edison Company

Enclosures

CLEAN

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MARYLAND COST ALLOCATION METHOD ("MCAM") RIDER

AVAILABILITY

The MCAM is applicable to all eligible small generator facility primary interconnecting Customers interconnecting at greater than 600 volts or small generator facility secondary Customers interconnecting at 600 volts or less. An interconnection request will be eligible for hosting capacity cost sharing and allocation unless exempted for the reasons identified in COMAR 20.50.09.06R(1)(c).

Additionally, any proposed interconnections to the Company's sub-transmission system are exempted from the MCAM and all provisions of this rider.

If an interconnection request is not eligible to participate as exempted above, then the request will fall under standard interconnection regulations, and the Interconnection Customer ("IC") shall pay all interconnection costs as determined by the Company.

HOSTING CAPACITY FEES

A Hosting Capacity Fee ("HCF") will be assessed to all Customers meeting the requirements of availability in this rider tariff who request interconnection to the Company's distribution system according to the Hosting Capacity Feeder Category, service voltage, and Customer class. Hosting Capacity means the amount of aggregate generation that can be accommodated on an electric distribution system or area, or a system component, without requiring infrastructure upgrades.

Hosting Capacity Fee Schedule

Primary Voltage HCF ($/kW) (PHCF)	Administrative Fee	Feeder Category
$95	$1,450	Lightly Constrained (2501 - 15000 kW)
$186	$1,450	Medium Constrained (1301 - 2500kW)
$459	$1,450	Highly Constrained (1 - 1300kW)

Secondary Voltage HCF	Administrative Fee
Residential ($/App) ($XSV_R$)	
$105	$35.00
Commercial ($/kW) ($XSV_C$)	
$91	$75

MARYLAND COST ALLOCATION METHOD ("MCAM") RIDER (Continued)

The Company will determine the Feeder Category during the feasibility study and the final HCF at the completion of the facilities study.

A Direct Connection Fee ("DCF") are the Company costs for either extending or upgrading electric service that are not included in MCAM calculations and shall be paid for by a non-residential IC.

HCF FORMULATION

Primary – Hosting Capacity Not Available

If sufficient hosting capacity is not available at a point of interconnection for a primary voltage IC, the Company will identify system upgrades required to accommodate the interconnection to the IC(s). Pursuant to the calculations below, the IC(s) will pay a portion of the system upgrade cost, DCF, and the associated Primary Voltage fee ("XPV").

Cumulative Unallocated Upgrade Cost ("CUUC") Locational Value

Unallocated hosting capacity upgrade costs for primary voltage IC's will be shared and allocated to other primary voltage IC's using a primary voltage hosting capacity cost sharing and allocation methodology. This total CUUC is then distributed according to the available hosting capacity for each Feeder Category to determine the Primary Hosting Capacity Fee ("PHCF"). The Company may elect to present CUUC for recovery in a base rate case,

CUUC ($) = Cumulative sum of all Hosting Capacity upgrade costs minus all collected Hosting Capacity upgrade revenues

Single Primary Voltage Project

The Company shall charge the primary voltage IC a HCF for its share of the primary voltage Hosting Capacity upgrade cost proportional to the IC's utilization of Hosting Capacity for the project or the Upgrade Cost Utilization Percentage ("UCUP")

Multiple Primary Voltage Projects

If more than one interconnection request exists in the interconnection queue that will benefit from the proposed Hosting Capacity upgrade project, the IC's shall be clustered together for the purpose of calculating HCFs.

HCFs for clustered IC's shall be calculated proportionately to each IC's utilization of the Hosting Capacity created by the Hosting Capacity upgrade project.

All Hosting Capacity upgrade costs in excess of HCFs collected will be accumulated as CUUC.

MARYLAND COST ALLOCATION METHOD ("MCAM") RIDER (Concluded)

Primary Voltage

Hosting Capacity Available

When Hosting Capacity is available and the distributed generator does not require a Hosting Capacity upgrade the calculation is as follows:

$$XPV(\$) = DG_{kw} \times PHCF \text{ per kW} + \text{Administrative Fee}$$

Primary Voltage Fee ("XPV") = Nameplate Capacity ("DG_{kw}") multiplied by the Primary Voltage dollar per kilowatt ("PHCF") plus Administrative Fee

Hosting Capacity Not Available

When hosting capacity is not available and the distributed generator requires a single primary voltage project the calculation is as follows:

$$XPV(\$) = DG_{kw} \times PHCF \text{ per kW} + \text{Administrative Fee} + UCUP$$

Primary Voltage Fee ("XPV") = Nameplate Capacity ("DG_{kw}") multiplied by the Primary Voltage dollar per kilowatt ("PHCF") plus Administrative Fee plus the Upgrade Cost Utilization Percentage ("UCUP").

Secondary Voltage

For ICs proposing to connect to the Company's distribution system at less than 600 volts, a HCF will be charged regardless of whether system upgrades are necessary. All system upgrade costs will be included in the calculation of Total Secondary Upgrade Costs ("TSUC"). Secondary HCF will be calculated for residential and commercial Customers separately as outlined below.

Residential

$$XSV_R (\$/App) = (TSUC_R + Carryover_R) / FApps + \text{Administrative Fee}$$

Residential Secondary Voltage Fee ("XSV_R") = Previous Year $TSUC_R$ plus the dollar adjustment from the Previous Year Collections ("$Carryover_R$") divided by the sum of the Number of Residential Applications ("FApps") plus the Administrative Fee.

Commercial

$$XSV_C (\$/kW) = (TSUC_C + Carryover_C) / FSize + \text{Administrative Fee}$$

Commercial Secondary Voltage Fee ("XSV_C") = Previous Year $TSUC_C$ plus the dollar adjustment from the Previous Year Collections ("$Carryover_C$") divided by the sum of the Total Forecasted Nameplate kW of Commercial Applications ("FSize") plus the Administrative Fee.

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