Maillog #336604

PotomacEdison
A FirstEnergy Company

341 White Pond Drive
Akron, OH 44320

Jessica M. Raba, Esq.

Telephone: 610.816.9303
Fax: 330.436.8124
jraba@firstenergycorp.com

November 20, 2026

VIA EFILE

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

RE: The Potomac Edison Company
Retail Tariff Filing for Cogeneration PURPA
Project Termination Agreement Surcharge
Case No. 8797

Dear Secretary Johnston:

Enclosed for filing in the above referenced matter please find the clean and red-lined version of Page No. 5-1 to The Potomac Edison Company's ("Potomac Edison" or "Company") Maryland Tariff, Electric P.S.C. Md. No. 54. This revised tariff page is an update of the Cogeneration PURPA Project Termination Agreement Surcharge for the period of January 2027 through December 2027.

The methodology used to derive the surcharge is in accordance with the Commission Letter Order (ML# 302441) issued on June 21, 2023, which approved the termination of the Warrior Run PURPA contract effective August 1, 2023.

The Warrior Run cost for the period of January through December 2027 is based upon the Commission-approved Termination Agreement for the same period. The cost is combined with the projected over-collection, including accrued interest,[1] in the deferred surcharge account as of December 31, 2026. Maryland State Gross Receipts Tax and the Maryland PSC Assessment Factor are then applied to the balance to produce a total revenue requirement.

The development of the surcharge for January 1 through December 31, 2027, is shown in the accompanying schedules. Because the Termination Agreement expenses are neither capacity-related nor energy-related, the Company used the ratio of capacity-related and energy-related expenses for Warrior Run from 2014-2023 and allocated expenses to the various Company rate schedules using the results which are 65.30% capacity-related and 34.70% energy-related.

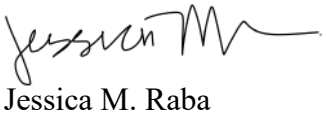
[1] Interest accrues at the prime rate as published in the Wall Street Journal, which is currently 7.00%

The Company uses the billing determinants and total revenues less the revenues from the Cogeneration PURPA Project Termination Agreement Surcharge from the prior year (2025 for this year's surcharge calculation) to allocate the capacity-related and energy-related expenses to each respective rate schedule. The results of this calculation for 2027 provided a decrease in the surcharge rate for all rate schedules. An average residential customer using 1,000 kilowatt-hours would see their current surcharge of $8.06/month decrease to $7.68/month beginning January 1, 2027.

Attached as Exhibit 1 are both clean and red-lined tariff pages and Exhibit 2 are the associated workpapers supporting the surcharge calculation. The Company respectfully requests the Maryland Public Service Commission to hear this item at its December 16, 2026 Administrative Meeting and approve the proposed rates.

Should there be questions concerning the filing, please contact me.

Respectfully submitted,



Jessica M. Raba

Enclosures

cc: Lloyd Spivak PSC
William Fields, OPC
Mark Szybist, OPC

Maillog #336604

THE POTOMAC EDISON COMPANY

Electric P.S.C. Md. No. 54
Tenth Revision of
Original Page No. 5-1
Canceling
Ninth Revision of
Original Page No. 5-1

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Effective for all Service rendered on and after January 1, 2027, there shall be a surcharge at rates set forth below to recover costs associated with the Agreement between the Company and AES WR Limited Partnership to terminate the parties' former COGENERATION PURPA PROJECT Agreement. The Termination Agreement was approved by the Commission on June 21, 2023. Applicable bills rendered shall include an amount equal to the surcharge rate times the number of kilowatts and kilowatt-hours used in the billing period. The resulting charge is in addition to any minimum charge set out in the Rate Schedule and is added to the Customer's charges before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late pay charges.

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Schedule	Rate Per kW	Rate Per kWh
R/R-TOU		$0.00768
C		0.00788
G		0.00788
C-A		0.00888
CSH		0.00888
PH	$1.65	0.00373
AGS	1.65	0.00373
PP	0.515	0.00112
OL		0.01181
AL		0.01181
MSL		0.01181
EMU		0.01181
MU		0.01181
LED		0.01181
Fred/Hag		0.00788

Rates for Service under each of the Company's Rate Schedules are subject to this surcharge.

ISSUED BY CHRISTIAN T. BEAM, PRESIDENT

Issued November 20, 2026

Effective January 1, 2027

Maillog #336604

THE POTOMAC EDISON COMPANY

Electric P.S.C. Md. No. 54
~~Ninth~~ Tenth Revision of
Original Page No. 5-1
Canceling
~~Eighth~~ Ninth Revision of
Original Page No. 5-1

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Effective for all Service rendered on and after January 1, ~~2026~~2027, there shall be a surcharge at rates set forth below to recover costs associated with the Agreement between the Company and AES WR Limited Partnership to terminate the parties' former COGENERATION PURPA PROJECT Agreement. The Termination Agreement was approved by the Commission on June 21, 2023. Applicable bills rendered shall include an amount equal to the surcharge rate times the number of kilowatts and kilowatt-hours used in the billing period. The resulting charge is in addition to any minimum charge set out in the Rate Schedule and is added to the Customer's charges before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late pay charges.

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Schedule	Rate Per kW	Rate Per kWh
R/R-TOU		$0.~~00806~~00768
C		0.~~00953~~00788
G		0.~~00953~~00788
C-A		0.~~01050~~00888
CSH		0.~~01050~~00888
PH	$1.~~87~~65	0.~~00421~~00373
AGS	1.~~87~~65	0.~~00421~~00373
PP	0.~~917~~515	0.~~00198~~00112
OL		0.~~01335~~01181
AL		0.~~01335~~01181
MSL		0.~~01335~~01181
EMU		0.~~01335~~01181
MU		0.~~01335~~01181
LED		0.~~01335~~01181
Fred/Hag		0.~~00953~~00788

Rates for Service under each of the Company's Rate Schedules are subject to this surcharge.

ISSUED BY ~~K. JON TAYLOR~~CHRISTIAN T. BEAM, ~~SENIOR VICE~~ PRESIDENT

Issued November ~~17~~20, ~~2025~~2026

Effective January 1, ~~2026~~2027

~~Approved at Public Service Commission Administrative Meeting of December 23, 2025 in Case No. 8797.~~

Maillog #336604

Summary Calculation of
Total Revenue Requirement
For the Period January 2027 - December 2027

(a) Total Projected Warrior Run Cost	$	54,923,076.84
(b) Projected Revenue from Market Sales	$	0.00
(c) Projected Reactive Revenue	$	0.00
(d) Projected Warrior Run Consultant Fee, Dispatch and PJM Market Charges	$	0.00
(e) Projected Cost to be Collected from MD Retail Customers = (a) - (b) - (c) + (d)	$	54,923,076.84
(f) Estimated (Over)/Under Recovery as of December 31, 2026	$	(2,206,397.08)
(g) Interest Accrued on Average Remaining Balance at Prime through December 31, 2026	$	(134,587.30)
(h) Interest Accrued on Average Remaining Balance at Prime through December 31, 2027	$	(81,934.45)
(i) Federal Income Tax Effect on 2026 Interest	$	(14,131.67)
(j) Maryland Gross Receipts Tax & MD PSC Assessment Fee	$	1,253,748.96
(k) Revenue Requirement = (e) + (f) + (g) + (h) + (i) + (j)	$	53,739,775.30

Maillog #336604

Maryland Warrior Run PURPA Project
Calculation of Projected Cost of
Warrior Run Output net of Revenue Received
from Sale of Output on Wholesale Market
For the Period January 2027 - December 2027

	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	June 2027	July 2027	Aug 2027	Sept 2027	Oct 2027	Nov 2027	Dec 2027	Totals
Total Warrior Run Cost	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 54,923,076.84
Projected Revenue from Market Sales	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Projected Reactive Revenue	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Projected Consultant Fee, Dispatch and PJM Market Charges	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Projected Cost Remaining for MD Retail Customers	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 4,576,923.07	$ 54,923,076.84

Projected Net Cost for twelve months ended December 31, 2027	$ 54,923,076.84
Estimated (Over)/Under Recovery as of December 31, 2026	$ (2,206,397.08)
Interest Accrued on Average Remaining Balance at Prime through December 31, 2026	$ (134,587.30)
Interest Accrued on Average Remaining Balance at Prime through December 31, 2027	$ (81,934.45)
Federal Income Tax Effect on 2026 Interest	$ (14,131.67)
Maryland Gross Receipts Tax & MD PSC Assessment Fee	$ 1,253,748.96
Revenue Requirement	$ 53,739,775.30

Maryland Warrior Run PURPA Project
2027 Interest Accrual on (Over)/Under Recovery

	Warrior Run Surcharge Balance at Month End	Monthly Collected Amount	Interest Calculated at Current Prime Rate [1]	Cumulative Interest Balance
Dec 2026	$ (2,340,984.38)			
Jan 2027	$ (2,145,902.35)	$ 195,082.03	$ (13,086.75)	$ (13,086.75)
Feb 2027	$ (1,950,820.32)	$ 195,082.03	$ (11,948.77)	$ (25,035.52)
Mar 2027	$ (1,755,738.29)	$ 195,082.03	$ (10,810.80)	$ (35,846.32)
Apr 2027	$ (1,560,656.25)	$ 195,082.03	$ (9,672.82)	$ (45,519.14)
May 2027	$ (1,365,574.22)	$ 195,082.03	$ (8,534.84)	$ (54,053.98)
June 2027	$ (1,170,492.19)	$ 195,082.03	$ (7,396.86)	$ (61,450.84)
July 2027	$ (975,410.16)	$ 195,082.03	$ (6,258.88)	$ (67,709.72)
Aug 2027	$ (780,328.13)	$ 195,082.03	$ (5,120.90)	$ (72,830.62)
Sept 2027	$ (585,246.10)	$ 195,082.03	$ (3,982.92)	$ (76,813.54)
Oct 2027	$ (390,164.06)	$ 195,082.03	$ (2,844.95)	$ (79,658.49)
Nov 2027	$ (195,082.03)	$ 195,082.03	$ (1,706.97)	$ (81,365.46)
Dec 2027	$ 0.00	$ 195,082.03	$ (568.99)	$ (81,934.45)

1 Current Prime Rate as stated in the Wall Street Journal is 7.00%

Maillog #336604

Maryland Warrior Run PURPA Payment Reconciliation

	506934/182299 AES Warrior Run Cost Energy & Demand	447609 Revenue from sale of Warrior Run	456008 Revenue from Reactive	447001 PJM RPM Auction/ RPM Auction Cr	996853 PJM	Retail Revenue Tariff Surcharge without GRT & PSC Assessment	557116 Entry Amount	557116 (Over)/Under Balance	Prime Rate	Monthly Rate	Monthly Interest	Cumulative Interest
2026								$ (509,374.37)				
January	$ 4,576,988.31	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 6,035,404.49	$ 1,458,416.18	$ (1,967,790.55)	6.75%	0.5625%	$ (6,967.03)	$ (6,967.03)
February	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,664,063.55	$ 1,087,140.48	$ (3,061,898.06)	6.75%	0.5625%	$ (14,127.50)	$ (21,094.53)
March	$ 4,576,922.69	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,405,079.73	$ (171,842.96)	$ (2,904,182.60)	6.75%	0.5625%	$ (16,819.34)	$ (37,913.87)
April	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 3,984,083.30	$ (592,839.77)	$ (2,328,162.17)	6.75%	0.5625%	$ (14,763.27)	$ (52,677.14)
May	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 3,978,100.30	$ (598,822.77)	$ (1,744,102.67)	6.75%	0.5625%	$ (11,494.77)	$ (64,171.91)
June	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,144,976.87	$ (431,946.20)	$ (1,323,651.24)	6.75%	0.5625%	$ (8,660.39)	$ (72,832.30)
July	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,163,016.46	$ 586,093.39	$ (1,918,405.02)	6.75%	0.5625%	$ (9,142.64)	$ (81,974.94)
August	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,876,296.70	$ 299,373.63	$ (2,226,921.29)	6.75%	0.5625%	$ (11,684.44)	$ (93,659.38)
September	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,275,415.88	$ (301,507.19)	$ (1,937,098.54)	7.00%	0.5833%	$ (12,179.14)	$ (105,838.52)
October	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,021,461.27	$ (555,461.80)	$ (1,393,815.88)	7.00%	0.5833%	$ (9,750.69)	$ (115,589.21)
November (Est)	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,559,259.64	$ (17,663.43)	$ (1,385,903.14)	7.00%	0.5833%	$ (8,135.95)	$ (123,725.16)
December (Est)	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,513,006.22	$ 936,083.15	$ (2,330,122.24)	7.00%	0.5833%	$ (10,862.14)	$ (134,587.30)
Total Estimated Balance at December 31, 2026								**$ (2,340,984.38)**				

Maillog #336604

Project Name AES WARRIOR RUN

	Energy Payment $	Total Payment $	Projected Revenue from Capacity Sales $
Jan 2027	$ 4,576,923.07	$ 4,576,923.07	
Feb 2027	$ 4,576,923.07	$ 4,576,923.07	
Mar 2027	$ 4,576,923.07	$ 4,576,923.07	
Apr 2027	$ 4,576,923.07	$ 4,576,923.07	
May 2027	$ 4,576,923.07	$ 4,576,923.07	
June 2027	$ 4,576,923.07	$ 4,576,923.07	
July 2027	$ 4,576,923.07	$ 4,576,923.07	
Aug 2027	$ 4,576,923.07	$ 4,576,923.07	
Sept 2027	$ 4,576,923.07	$ 4,576,923.07	
Oct 2027	$ 4,576,923.07	$ 4,576,923.07	
Nov 2027	$ 4,576,923.07	$ 4,576,923.07	
Dec 2027	$ 4,576,923.07	$ 4,576,923.07	
Total	$ 54,923,076.84	$ 54,923,076.84	$ 0.00

2027 Dispatch & Consultant Fee	$ 0.00
PJM Market Charges Estimate	$ 0.00
Average/month	$ 0.00

THE POTOMAC EDISON COMPANY - MARYLAND

Calculation of 2027 Warrior Run PURPA Surcharge

Rate Schedule (a)	2027 Warrior Run Contract Payments: Capacity Allocation Ratio (b)	Capacity Allocation (c)	Energy Allocation Ratio (d)	Energy Allocation (e)	Capacity & Energy Allocation (f) = (c)+(e)	Over Recovery Allocation (g)	Market Proceeds Allocation (h)	Net Warrior Run PURPA Allocation (pre-tax) (i) = (f)+(g)+(h)	Net Warrior Run PURPA Allocation (post-tax) (j)=(i) / 0.976670	2027 Forecast kWh (k)	2027 Forecast kW (l)	2027 Warrior Run PURPA Surcharge $/kWh (m)	2027 Warrior Run PURPA Surcharge $/kW (n)	Resultant Warrior Run PURPA Collection (o)
R	0.495199	$ 17,760,213	0.520892	$ 9,927,320	**$ 27,687,533**	$ (1,206,826)	$ -	$ 26,480,707	**$ 27,113,260**	3,531,731,943	--	**$ 0.00768**	**--**	$ 27,113,260
C	0.013287		0.011173							73,616,207	--	**$ 0.00788**	**--**	$ 580,008
G	0.131518		0.123041							887,276,787	--	**$ 0.00788**	**--**	$ 6,990,687
Hag & Fred	0.000107		0.000162							1,431,085	--	**$ 0.00788**	**--**	$ 11,275
	0.144913	$ 5,197,256	0.134376	$ 2,560,986	**$ 7,758,242**	$ (353,159)	$ -	$ 7,405,083	**$ 7,581,970**	962,324,079				$ 7,581,970
C-A	0.001791		0.001601							9,853,066	--	**$ 0.00888**	**--**	$ 87,454
CSH	0.001453		0.001475							9,416,315	--	**$ 0.00888**	**--**	$ 83,578
	0.003243	$ 116,327	0.003076	$ 58,620	**$ 174,947**	$ (7,905)	$ -	$ 167,042	**$ 171,032**	19,269,381				$ 171,032
PH, AGS	0.280304	$ 10,053,050	0.250152	$ 4,767,483	**$ 14,820,533**	$ (683,116)	$ -	$ 14,137,417	**$ 14,475,122**	1,842,548,770	4,610,031	**$ 0.00373**	**$ 1.65**	$ 14,475,122
PP	0.068181	$ 2,445,302	0.087691	$ 1,671,247	**$ 4,116,549**	$ (166,161)	$ -	$ 3,950,388	**$ 4,044,752**	1,803,247,661	3,947,650	**$ 0.00112**	**$ 0.515**	$ 4,044,752
Lighting	0.008159	$ 292,621	0.003812	$ 72,652	**$ 365,273**	$ (19,884)	$ -	$ 345,389	**$ 353,639**	29,947,470	--	**$ 0.01181**		$ 353,639
TOTALS	**1.000000**	**$ 35,864,769**	**1.000000**	**$ 19,058,308**	**$ 54,923,077**	**$ (2,437,051)**	**$ -**	**$ 52,486,026**	**$ 53,739,775**	**8,189,069,304**	**8,557,681**			**$ 53,739,775**

Notes:

1) Allocation ratios in columns (b) and (d) from 2025 billing determinants
2) Column (c) calculated as the total Capacity Allocation of $35,864,769 multiplied by the Capacity Allocation Ratio in column (b)
3) Column (e) calculated as the total Energy Allocation of $19,058,308 multiplied by the Energy Allocation Ratio in column (d)
4) Column (g) calculated as the total Over Recovery of $-2,437,051 multiplied by the Capacity Allocation Ratio in column (b)
5) Column (h) calculated as the total Market Proceeds Allocation of $0 multiplied by the %-to-total allocation in column (f)
6) Lighting includes Schedules OL, AL, MSL, EMU, MU and LED

THE POTOMAC EDISON COMPANY - MARYLAND

Impact of 2025 Billing Determinants on
Warrior Run PURPA Allocation

Rate Schedule	Existing Allocators					Allocators using 2025 Billing Determinants				
	Capacity Allocation Ratio	Capacity Allocation	Energy Allocation Ratio	Energy Allocation	Capacity & Energy Allocation	Capacity Allocation Ratio[1]	Capacity Allocation	Energy Allocation Ratio[2]	Energy Allocation	Capacity & Energy Allocation
R	0.498645	$ 17,883,779	0.501975	$ 9,566,800	$ 27,450,579	0.495199	$ 17,760,213	0.520892	$ 9,927,320	$ 27,687,533
C	0.015279		0.011741			0.013287		0.011173		
G	0.141281		0.123202			0.131518		0.123041		
Hag & Fred	0.000104		0.000171			0.000107		0.000162		
	0.156664	$ 5,618,712	0.135114	$ 2,575,053	$ 8,193,765	0.144913	$ 5,197,256	0.134376	$ 2,560,986	$ 7,758,242
C-A	0.002189		0.001732			0.001791		0.001601		
CSH	0.001859		0.001525			0.001453		0.001475		
	0.004047	$ 145,157	0.003257	$ 62,071	$ 207,228	0.003243	$ 116,327	0.003076	$ 58,620	$ 174,947
PH & AGS	0.275085	$ 9,865,843	0.258458	$ 4,925,771	$ 14,791,614	0.280304	$ 10,053,050	0.250152	$ 4,767,483	$ 14,820,533
PP	0.056734	$ 2,034,742	0.097445	$ 1,857,142	$ 3,891,884	0.068181	$ 2,445,302	0.087691	$ 1,671,247	$ 4,116,549
Lighting[3]	0.008826	$ 316,536	0.003750	$ 71,471	$ 388,007	0.008159	$ 292,621	0.003812	$ 72,652	$ 365,273
TOTALS[4]	1.000000	$ 35,864,769	1.000000	$ 19,058,308	$ 54,923,077	1.000000	**$ 35,864,769**	1.000000	**$ 19,058,308**	$ 54,923,077

[1]Based upon 2025 total revenue (less PURPA) percent-to-total
[2]Based upon 2025 metered kWh percent-to-total
[3]Includes Schedules OL, AL, MSL, EMU, MU and LED
[4]Capacity and Energy values based upon 2027 Warrior Run contract payments

THE POTOMAC EDISON CO. - MARYLAND

2025 Billing Determinants

Rate Schedule	Distribution kWh[1]		Total Revenue less PURPA
R	3,957,674,035	$	436,613,068.06
C	84,893,111	$	11,715,434.73
G	934,851,402	$	115,958,537.89
Hag/Fred	1,230,757	$	94,206.34
	1,020,975,270	$	127,768,178.97
C-A	12,165,867	$	1,578,742.65
CSH	11,203,791	$	1,281,020.07
	23,369,658	$	2,859,762.72
PH	1,900,002,380	$	247,141,769.08
AGS	625,749	$	158.67
	1,900,628,129	$	247,141,927.75
PP	666,267,606	$	60,114,761.05
Lighting[2]	28,963,814	$	7,193,735.22
TOTAL	7,597,878,512	$	881,691,433.77

[1]Per SAP, 12 months ended December 2025
[2]Includes Schedules OL, AL, MSL, EMU, MU and LED