PotomacEdison
A FirstEnergy Company

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November 17, 2025

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 2026 through December 2026.

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 2026 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, 2025. 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, 2026, 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 (2024 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 2026 provided a decrease in the surcharge rate for all rate schedules with the exception of residential Schedule R. An average residential customer using 1,000 kilowatt-hours would see their current surcharge of $8.33/month increase to $8.62/month beginning January 1, 2026.

Potomac Edison respectfully requests an alternative allocation for this year's surcharge to address that using the current allocation, only the residential class would see an increase in the surcharge rate. The Company proposes to blend the billing determinants and total revenues less the revenues from the Cogeneration PURPA Project Termination Agreement Surcharge from the prior *two* years (2023 and 2024) to allocate the capacity and energy related expenses to each respective rate schedule. The results of this allocation provide *all* schedules with a reduction to the surcharge rate in 2026. Under the Company's alternative allocation, an average residential customer using 1,000 kilowatt hours would see their current surcharge of $8.33/month *decrease* to $8.06/month beginning January 1, 2026.

The Company is providing both clean and red-lined tariff pages, as well as the associated workpapers for each calculation with this filing. Exhibit 1 shows the resulting rates using the Company-preferred alternative allocation, while Exhibit 2 shows the resulting rates using the original allocation method. The Company respectfully requests the Maryland Public Service Commission hear this item at its December 17, 2025 Administrative Meeting and approve the rates shown in Exhibit 1, effective January 1, 2026, to decrease the surcharge for all customer classes, including, importantly, for residential customers.

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

EXHIBIT 1

Proposed Alternative Allocation

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Effective for all Service rendered on and after January 1, 2026, 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		$0.00806
C		0.00953
G		0.00953
C-A		0.01050
CSH		0.01050
PH	$1.87	0.00421
AGS	1.87	0.00421
PP	0.917	0.00198
OL		0.01335
AL		0.01335
MSL		0.01335
EMU		0.01335
MU		0.01335
LED		0.01335
Fred/Hag		0.00953

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

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Effective for all Service rendered on and after January 1, ~~2025~~2026, 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		$0.~~00833~~00806
C		0.~~01172~~00953
G		0.~~01172~~00953
C-A		0.~~01409~~01050
CSH		0.~~01409~~01050
PH	$~~2~~1.~~27~~87	0.~~00510~~00421
AGS	~~2~~1.~~27~~87	0.~~00510~~00421
PP	~~1~~0.~~076~~917	0.~~00233~~00198
OL		0.~~01742~~01335
AL		0.~~01742~~01335
MSL		0.~~01742~~01335
EMU		0.~~01742~~01335
MU		0.~~01742~~01335
LED		0.~~01742~~01335
Fred/Hag		0.~~01172~~00953

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

Summary Calculation of
Total Revenue Requirement
For the Period January 2026 - December 2026

(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, 2025	$	(422,634.26)
(g) Interest Accrued on Average Remaining Balance at Prime through December 31, 2025	$	160,613.71
(h) Interest Accrued on Average Remaining Balance at Prime through December 31, 2026	$	(9,170.73)
(i) Federal Income Tax Effect on 2025 Interest	$	16,864.44
(j) Maryland Gross Receipts Tax & MD PSC Assessment Fee	$	1,298,725.26
(k) Revenue Requirement = (e) + (f) + (g) + (h) + (i) + (j)	$	55,967,475.26

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 2026 - December 2026

	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026	Sept 2026	Oct 2026	Nov 2026	Dec 2026	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, 2026	$ 54,923,076.84
Estimated (Over)/Under Recovery as of December 31, 2025	$ (422,634.26)
Interest Accrued on Average Remaining Balance at Prime through December 31, 2025	$ 160,613.71
Interest Accrued on Average Remaining Balance at Prime through December 31, 2026	$ (9,170.73)
Federal Income Tax Effect on 2025 Interest	$ 16,864.44
Maryland Gross Receipts Tax & MD PSC Assessment Fee	$ 1,298,725.26
Revenue Requirement	$ 55,967,475.26

Maryland Warrior Run PURPA Project
2026 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 2025	$	(262,020.55)					
Jan 2026	$	(240,185.50)	$	21,835.05	$	(1,464.77)	$	(1,464.77)
Feb 2026	$	(218,350.46)	$	21,835.05	$	(1,337.40)	$	(2,802.17)
Mar 2026	$	(196,515.41)	$	21,835.05	$	(1,210.03)	$	(4,012.20)
Apr 2026	$	(174,680.37)	$	21,835.05	$	(1,082.65)	$	(5,094.85)
May 2026	$	(152,845.32)	$	21,835.05	$	(955.28)	$	(6,050.13)
June 2026	$	(131,010.28)	$	21,835.05	$	(827.91)	$	(6,878.04)
July 2026	$	(109,175.23)	$	21,835.05	$	(700.54)	$	(7,578.58)
Aug 2026	$	(87,340.18)	$	21,835.05	$	(573.17)	$	(8,151.75)
Sept 2026	$	(65,505.14)	$	21,835.05	$	(445.80)	$	(8,597.55)
Oct 2026	$	(43,670.09)	$	21,835.05	$	(318.43)	$	(8,915.98)
Nov 2026	$	(21,835.05)	$	21,835.05	$	(191.06)	$	(9,107.04)
Dec 2026	$	0.00	$	21,835.05	$	(63.69)	$	(9,170.73)

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

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
2025								$ 6,011,343.52				
January	$ 4,576,984.28	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 6,638,263.30	$ 2,061,279.02	$ 3,950,064.50	7.50%	0.6250%	$ 31,129.40	$ 31,129.40
February	$ 4,576,998.49	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,670,809.56	$ 1,093,811.07	$ 2,887,382.83	7.50%	0.6250%	$ 21,464.30	$ 52,593.70
March	$ 4,576,981.51	$ 0.00	$ 0.00	$ 1,880.90	$ 0.00	$ 4,958,934.98	$ 383,834.37	$ 2,525,012.76	7.50%	0.6250%	$ 16,980.81	$ 69,574.51
April	$ 4,576,995.54	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,420,352.35	$ (156,643.19)	$ 2,698,636.76	7.50%	0.6250%	$ 16,376.97	$ 85,951.48
May	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,248,341.92	$ (328,581.15)	$ 3,043,594.88	7.50%	0.6250%	$ 17,995.65	$ 103,947.13
June	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,074,999.60	$ 498,076.53	$ 2,563,514.00	7.50%	0.6250%	$ 17,578.45	$ 121,525.58
July	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,884,381.96	$ 1,307,458.89	$ 1,273,633.56	7.50%	0.6250%	$ 12,046.02	$ 133,571.60
August	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,054,167.10	$ 477,244.03	$ 808,435.55	7.50%	0.6250%	$ 6,544.11	$ 140,115.71
September	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,426,780.75	$ (150,142.32)	$ 965,121.98	7.25%	0.6042%	$ 5,377.39	$ 145,493.10
October	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,291,744.97	$ (285,178.10)	$ 1,255,677.47	7.00%	0.5833%	$ 6,493.02	$ 151,986.12
November (Est)	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,862,369.27	$ 285,446.20	$ 976,724.29	7.00%	0.5833%	$ 6,530.11	$ 158,516.23
December (Est)	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,824,295.50	$ 1,247,372.43	$ (264,118.03)	7.00%	0.5833%	$ 2,097.48	$ 160,613.71
Total Estimated Balance at December 31, 2025								**$ (262,020.55)**				

Project Name AES WARRIOR RUN

	Energy Payment $	Total Payment $	Projected Revenue from Capacity Sales $
Jan 2026	$ 4,576,923.07	$ 4,576,923.07	
Feb 2026	$ 4,576,923.07	$ 4,576,923.07	
Mar 2026	$ 4,576,923.07	$ 4,576,923.07	
Apr 2026	$ 4,576,923.07	$ 4,576,923.07	
May 2026	$ 4,576,923.07	$ 4,576,923.07	
June 2026	$ 4,576,923.07	$ 4,576,923.07	
July 2026	$ 4,576,923.07	$ 4,576,923.07	
Aug 2026	$ 4,576,923.07	$ 4,576,923.07	
Sept 2026	$ 4,576,923.07	$ 4,576,923.07	
Oct 2026	$ 4,576,923.07	$ 4,576,923.07	
Nov 2026	$ 4,576,923.07	$ 4,576,923.07	
Dec 2026	$ 4,576,923.07	$ 4,576,923.07	
Total	$ 54,923,076.84	$ 54,923,076.84	$ 0.00

2026 Dispatch & Consultant Fee	$ 0.00
PJM Market Charges Estimate	$ 0.00
Average/month	$ 0.00

THE POTOMAC EDISON COMPANY - MARYLAND

Calculation of 2026 Warrior Run PURPA Surcharge

Rate Schedule (a)	2026 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) / 0.976795	2026 Forecast kWh (k)	2026 Forecast kW (l)	2026 Warrior Run PURPA Surcharge $/kWh (m)	2026 Warrior Run PURPA Surcharge $/kW (n)	Resultant Warrior Run PURPA Collection (o)
R	0.498645	$ 17,883,779	0.501975	$ 9,566,800	**$ 27,450,579**	$ (126,819)	$ -	$ 27,323,760	**$ 27,972,870**	3,469,694,234	--	**$ 0.00806**	**--**	$ 27,972,870
C	0.015279		0.011741							76,324,988	--	**$ 0.00953**	**--**	$ 727,314
G	0.141281		0.123202							798,286,099	--	**$ 0.00953**	**--**	$ 7,607,004
Hag & Fred	0.000104		0.000171							1,396,763	--	**$ 0.00953**	**--**	$ 13,310
	0.156664	$ 5,618,712	0.135114	$ 2,575,053	**$ 8,193,765**	$ (39,844)	$ -	$ 8,153,921	**$ 8,347,628**	876,007,850				$ 8,347,628
C-A	0.002189		0.001732							10,326,086	--	**$ 0.01050**	**--**	$ 108,447
CSH	0.001859		0.001525							9,774,229	--	**$ 0.01050**	**--**	$ 102,651
	0.004047	$ 145,157	0.003257	$ 62,071	**$ 207,228**	$ (1,029)	$ -	$ 206,199	**$ 211,098**	20,100,315				$ 211,098
PH, AGS	0.275085	$ 9,865,843	0.258458	$ 4,925,771	**$ 14,791,614**	$ (69,961)	$ -	$ 14,721,653	**$ 15,071,384**	1,703,074,138	4,228,668	**$ 0.00421**	**$ 1.87**	$ 15,071,384
PP	0.056734	$ 2,034,742	0.097445	$ 1,857,142	**$ 3,891,884**	$ (14,429)	$ -	$ 3,877,455	**$ 3,969,569**	1,020,779,871	2,121,329	**$ 0.00198**	**$ 0.917**	$ 3,969,569
Lighting	0.008826	$ 316,536	0.003750	$ 71,471	**$ 388,007**	$ (2,245)	$ -	$ 385,762	**$ 394,926**	29,573,717	--	**$ 0.01335**		$ 394,926
TOTALS	**1.000000**	**$ 35,864,769**	**1.000000**	**$ 19,058,308**	**$ 54,923,077**	**$ (254,327)**	**$ -**	**$ 54,668,750**	**$ 55,967,475**	**7,119,230,125**	**6,349,997**			**$ 55,967,475**

Notes:
1) Allocation ratios in columns (b) and (d) from 2024 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 $-254,327 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 2023 + 2024 Billing Determinants on
Warrior Run PURPA Allocation

	Existing Allocators					**Allocators using 2023 + 2024 Billing Determinants**				
Rate Schedule	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	0.444446	$ 15,939,947	0.491356	$ 9,364,420	$ 25,304,367	0.498645	$ 17,883,779	0.501975	$ 9,566,800	$ 27,450,579
C	0.017246		0.011874			0.015279		0.011741		
G	0.155940		0.122018			0.141281		0.123202		
Hag & Fred	0.000110		0.000175			0.000104		0.000171		
	0.173296	$ 6,215,225	0.134067	$ 2,555,082	$ 8,770,307	0.156664	$ 5,618,712	0.135114	$ 2,575,053	$ 8,193,765
C-A	0.002612		0.001802			0.002189		0.001732		
CSH	0.002295		0.001573			0.001859		0.001525		
	0.004907	$ 175,971	0.003375	$ 64,324	$ 240,295	0.004047	$ 145,157	0.003257	$ 62,071	$ 207,228
PH & AGS	0.305341	$ 10,951,001	0.264846	$ 5,047,521	$ 15,998,522	0.275085	$ 9,865,843	0.258458	$ 4,925,771	$ 14,791,614
PP	0.063098	$ 2,263,007	0.102858	$ 1,960,292	$ 4,223,299	0.056734	$ 2,034,742	0.097445	$ 1,857,142	$ 3,891,884
Lighting[3]	0.008912	$ 319,618	0.003498	$ 66,669	$ 386,287	0.008826	$ 316,536	0.003750	$ 71,471	$ 388,007
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 2023 + 2024 total revenue (less PURPA) percent-to-total
[2]Based upon 2023 + 2024 metered kWh percent-to-total
[3]Includes Schedules OL, AL, MSL, EMU, MU and LED
[4]Capacity and Energy values based upon 2026 Warrior Run contract payments

THE POTOMAC EDISON CO. - MARYLAND

2023 + 2024 Billing Determinants

Rate Schedule	Distribution kWh[1]		Total Revenue less PURPA
R	6,988,306,719	$	743,246,976.26
C	163,460,088	$	22,773,632.99
G	1,715,165,726	$	210,583,416.76
Hag/Fred	2,385,878	$	155,726.93
	1,881,011,692	$	233,512,776.68
C-A	24,110,002	$	3,262,461.72
CSH	21,231,404	$	2,770,238.99
	45,341,406	$	6,032,700.71
PH	3,589,153,549	$	410,010,824.81
AGS	8,998,655	$	12,023.80
	3,598,152,204	$	410,022,848.61
PP	1,356,595,212	$	84,563,543.72
Lighting[2]	52,207,643	$	13,155,205.23
TOTAL	13,921,614,876	$	1,490,534,051.21

[1]Per SAP, 12 months ended December 2023 & December 2024
[2]Includes Schedules OL, AL, MSL, EMU, MU and LED

EXHIBIT 2

Original Allocation

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Effective for all Service rendered on and after January 1, 2026, 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		$0.00862
C		0.00893
G		0.00893
C-A		0.00901
CSH		0.00901
PH	$1.73	0.00391
AGS	1.73	0.00391
PP	0.847	0.00183
OL		0.01341
AL		0.01341
MSL		0.01341
EMU		0.01341
MU		0.01341
LED		0.01341
Fred/Hag		0.00893

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

COGENERATION PURPA PROJECT TERMINATION AGREEMENT SURCHARGE

Effective for all Service rendered on and after January 1, ~~2025~~2026, 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		$0.~~00833~~00862
C		0.~~01172~~00893
G		0.~~01172~~00893
C-A		0.~~01409~~00901
CSH		0.~~01409~~00901
PH	$~~2~~1.~~27~~73	0.~~00510~~00391
AGS	~~2~~1.~~27~~73	0.~~00510~~00391
PP	~~1~~0.~~076~~847	0.~~00233~~00183
OL		0.~~01742~~01341
AL		0.~~01742~~01341
MSL		0.~~01742~~01341
EMU		0.~~01742~~01341
MU		0.~~01742~~01341
LED		0.~~01742~~01341
Fred/Hag		0.~~01172~~00893

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

Summary Calculation of
Total Revenue Requirement
For the Period January 2026 - December 2026

(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, 2025	$	(422,634.26)
(g) Interest Accrued on Average Remaining Balance at Prime through December 31, 2025	$	160,613.71
(h) Interest Accrued on Average Remaining Balance at Prime through December 31, 2026	$	(9,170.73)
(i) Federal Income Tax Effect on 2025 Interest	$	16,864.44
(j) Maryland Gross Receipts Tax & MD PSC Assessment Fee	$	1,298,725.26
(k) Revenue Requirement = (e) + (f) + (g) + (h) + (i) + (j)	$	55,967,475.26

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 2026 - December 2026

	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026	Sept 2026	Oct 2026	Nov 2026	Dec 2026	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, 2026	$ 54,923,076.84
Estimated (Over)/Under Recovery as of December 31, 2025	$ (422,634.26)
Interest Accrued on Average Remaining Balance at Prime through December 31, 2025	$ 160,613.71
Interest Accrued on Average Remaining Balance at Prime through December 31, 2026	$ (9,170.73)
Federal Income Tax Effect on 2025 Interest	$ 16,864.44
Maryland Gross Receipts Tax & MD PSC Assessment Fee	$ 1,298,725.26
Revenue Requirement	$ 55,967,475.26

Maryland Warrior Run PURPA Project

2026 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 2025	$ (262,020.55)			
Jan 2026	$ (240,185.50)	$ 21,835.05	$ (1,464.77)	$ (1,464.77)
Feb 2026	$ (218,350.46)	$ 21,835.05	$ (1,337.40)	$ (2,802.17)
Mar 2026	$ (196,515.41)	$ 21,835.05	$ (1,210.03)	$ (4,012.20)
Apr 2026	$ (174,680.37)	$ 21,835.05	$ (1,082.65)	$ (5,094.85)
May 2026	$ (152,845.32)	$ 21,835.05	$ (955.28)	$ (6,050.13)
June 2026	$ (131,010.28)	$ 21,835.05	$ (827.91)	$ (6,878.04)
July 2026	$ (109,175.23)	$ 21,835.05	$ (700.54)	$ (7,578.58)
Aug 2026	$ (87,340.18)	$ 21,835.05	$ (573.17)	$ (8,151.75)
Sept 2026	$ (65,505.14)	$ 21,835.05	$ (445.80)	$ (8,597.55)
Oct 2026	$ (43,670.09)	$ 21,835.05	$ (318.43)	$ (8,915.98)
Nov 2026	$ (21,835.05)	$ 21,835.05	$ (191.06)	$ (9,107.04)
Dec 2026	$ 0.00	$ 21,835.05	$ (63.69)	$ (9,170.73)

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

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
2025								$ 6,011,343.52				
January	$ 4,576,984.28	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 6,638,263.30	$ 2,061,279.02	$ 3,950,064.50	7.50%	0.6250%	$ 31,129.40	$ 31,129.40
February	$ 4,576,998.49	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,670,809.56	$ 1,093,811.07	$ 2,887,382.83	7.50%	0.6250%	$ 21,464.30	$ 52,593.70
March	$ 4,576,981.51	$ 0.00	$ 0.00	$ 1,880.90	$ 0.00	$ 4,958,934.98	$ 383,834.37	$ 2,525,012.76	7.50%	0.6250%	$ 16,980.81	$ 69,574.51
April	$ 4,576,995.54	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,420,352.35	$ (156,643.19)	$ 2,698,636.76	7.50%	0.6250%	$ 16,376.97	$ 85,951.48
May	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,248,341.92	$ (328,581.15)	$ 3,043,594.88	7.50%	0.6250%	$ 17,995.65	$ 103,947.13
June	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,074,999.60	$ 498,076.53	$ 2,563,514.00	7.50%	0.6250%	$ 17,578.45	$ 121,525.58
July	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,884,381.96	$ 1,307,458.89	$ 1,273,633.56	7.50%	0.6250%	$ 12,046.02	$ 133,571.60
August	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,054,167.10	$ 477,244.03	$ 808,435.55	7.50%	0.6250%	$ 6,544.11	$ 140,115.71
September	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,426,780.75	$ (150,142.32)	$ 965,121.98	7.25%	0.6042%	$ 5,377.39	$ 145,493.10
October	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,291,744.97	$ (285,178.10)	$ 1,255,677.47	7.00%	0.5833%	$ 6,493.02	$ 151,986.12
November (Est)	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 4,862,369.27	$ 285,446.20	$ 976,724.29	7.00%	0.5833%	$ 6,530.11	$ 158,516.23
December (Est)	$ 4,576,923.07	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 5,824,295.50	$ 1,247,372.43	$ (264,118.03)	7.00%	0.5833%	$ 2,097.48	$ 160,613.71
Total Estimated Balance at December 31, 2025								**$ (262,020.55)**				

Project Name AES WARRIOR RUN

	Energy Payment $	Total Payment $	Projected Revenue from Capacity Sales $
Jan 2026	$ 4,576,923.07	$ 4,576,923.07	
Feb 2026	$ 4,576,923.07	$ 4,576,923.07	
Mar 2026	$ 4,576,923.07	$ 4,576,923.07	
Apr 2026	$ 4,576,923.07	$ 4,576,923.07	
May 2026	$ 4,576,923.07	$ 4,576,923.07	
June 2026	$ 4,576,923.07	$ 4,576,923.07	
July 2026	$ 4,576,923.07	$ 4,576,923.07	
Aug 2026	$ 4,576,923.07	$ 4,576,923.07	
Sept 2026	$ 4,576,923.07	$ 4,576,923.07	
Oct 2026	$ 4,576,923.07	$ 4,576,923.07	
Nov 2026	$ 4,576,923.07	$ 4,576,923.07	
Dec 2026	$ 4,576,923.07	$ 4,576,923.07	
Total	$ 54,923,076.84	$ 54,923,076.84	$ 0.00

2026 Dispatch & Consultant Fee	$ 0.00
PJM Market Charges Estimate	$ 0.00
Average/month	$ 0.00

THE POTOMAC EDISON COMPANY - MARYLAND

Calculation of 2026 Warrior Run PURPA Surcharge

Rate Schedule (a)	2026 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) / 0.976795	2026 Forecast kWh (k)	2026 Forecast kW (l)	2026 Warrior Run PURPA Surcharge $/kWh (m)	2026 Warrior Run PURPA Surcharge $/kW (n)	Resultant Warrior Run PURPA Collection (o)
R	0.546933	$ 19,615,613	0.511605	$ 9,750,334	**$ 29,365,947**	$ (139,100)	$ -	$ 29,226,847	**$ 29,921,168**	3,469,694,234	--	**$ 0.00862**	**--**	$ 29,921,168
C	0.013526		0.011621							76,324,988	--	**$ 0.00893**	**--**	$ 681,861
G	0.128220		0.124275							798,286,099	--	**$ 0.00893**	**--**	$ 7,131,608
Hag & Fred	0.000100		0.000169							1,396,763	--	**$ 0.00893**	**--**	$ 12,478
	0.141845	$ 5,087,256	0.136065	$ 2,593,165	**$ 7,680,421**	$ (36,075)	$ -	$ 7,644,346	**$ 7,825,947**	876,007,850				$ 7,825,947
C-A	0.001812		0.001668							10,326,086	--	**$ 0.00901**	**--**	$ 93,036
CSH	0.001470		0.001482							9,774,229	--	**$ 0.00901**	**--**	$ 88,064
	0.003282	$ 117,704	0.003150	$ 60,028	**$ 177,732**	$ (835)	$ -	$ 176,897	**$ 181,099**	20,100,315				$ 181,099
PH, AGS	0.248127	$ 8,899,034	0.252665	$ 4,815,359	**$ 13,714,393**	$ (63,105)	$ -	$ 13,651,288	**$ 13,975,592**	1,703,074,138	4,228,668	**$ 0.00391**	**$ 1.73**	$ 13,975,592
PP	0.051063	$ 1,831,371	0.092537	$ 1,763,596	**$ 3,594,967**	$ (12,987)	$ -	$ 3,581,980	**$ 3,667,074**	1,020,779,871	2,121,329	**$ 0.00183**	**$ 0.847**	$ 3,667,074
Lighting	0.008749	$ 313,791	0.003979	$ 75,826	**$ 389,617**	$ (2,225)	$ -	$ 387,392	**$ 396,595**	29,573,717	--	**$ 0.01341**		$ 396,595
TOTALS	**1.000000**	**$ 35,864,769**	**1.000000**	**$ 19,058,308**	**$ 54,923,077**	**$ (254,327)**	**$ -**	**$ 54,668,750**	**$ 55,967,475**	**7,119,230,125**	**6,349,997**			**$ 55,967,475**

Notes:
1) Allocation ratios in columns (b) and (d) from 2024 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 $-254,327 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 2024 Billing Determinants on
Warrior Run PURPA Allocation

Rate Schedule	Existing Allocators					Allocators using 2024 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	0.444446	$ 15,939,947	0.491356	$ 9,364,420	$ 25,304,367	0.546933	$ 19,615,613	0.511605	$ 9,750,334	$ 29,365,947
C	0.017246		0.011874			0.013526		0.011621		
G	0.155940		0.122018			0.128220		0.124275		
Hag & Fred	0.000110		0.000175			0.000100		0.000169		
	0.173296	$ 6,215,225	0.134067	$ 2,555,082	$ 8,770,307	0.141845	$ 5,087,256	0.136065	$ 2,593,165	$ 7,680,421
C-A	0.002612		0.001802			0.001812		0.001668		
CSH	0.002295		0.001573			0.001470		0.001482		
	0.004907	$ 175,971	0.003375	$ 64,324	$ 240,295	0.003282	$ 117,704	0.003150	$ 60,028	$ 177,732
PH & AGS	0.305341	$ 10,951,001	0.264846	$ 5,047,521	$ 15,998,522	0.248127	$ 8,899,034	0.252665	$ 4,815,359	$ 13,714,393
PP	0.063098	$ 2,263,007	0.102858	$ 1,960,292	$ 4,223,299	0.051063	$ 1,831,371	0.092537	$ 1,763,596	$ 3,594,967
Lighting[3]	0.008912	$ 319,618	0.003498	$ 66,669	$ 386,287	0.008749	$ 313,791	0.003979	$ 75,826	$ 389,617
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 2024 total revenue (less PURPA) percent-to-total
[2]Based upon 2024 metered kWh percent-to-total
[3]Includes Schedules OL, AL, MSL, EMU, MU and LED
[4]Capacity and Energy values based upon 2026 Warrior Run contract payments

THE POTOMAC EDISON CO. - MARYLAND

2024 Billing Determinants

Rate Schedule	Distribution kWh[1]		Total Revenue less PURPA
R	3,735,087,437	$	431,120,058.08
C	84,843,076	$	10,662,038.52
G	907,297,201	$	101,069,178.41
Hag/Fred	1,230,426	$	78,587.39
	993,370,703	$	111,809,804.31
C-A	12,177,927	$	1,428,104.23
CSH	10,817,206	$	1,158,834.97
	22,995,133	$	2,586,939.21
PH	1,843,162,774	$	195,581,729.42
AGS	1,469,856	$	4,906.54
	1,844,632,630	$	195,586,635.96
PP	675,585,513	$	40,250,637.22
Lighting[2]	29,046,727	$	6,896,634.90
TOTAL	7,300,718,143	$	788,250,709.69

[1]Per SAP, 12 months ended December 2024

[2]Includes Schedules OL, AL, MSL, EMU, MU and LED