



Jeffrey P. Trout

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November 30, 2023

VIA E-FILE

Mr. Andrew 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
Case No. 9695 – January 2024 Customer Bill Credit**

Dear Mr. Johnston:

In its Case No. 9695 distribution base rate filing submitted on March 22, 2023, The Potomac Edison Company (“PE” or “Company”) included a proposal to refund \$1,668,447, inclusive of compounded interest, to customers due to certain costs from its prior distribution base rate case that were improperly classified, misallocated, or lacked proper supporting documentation. In its March 22 filing, the Company explained that it proposed to issue a one-time fixed bill credit to customers during January 2024 to discharge the \$1,668,447 regulatory liability. The Company further explained that it would submit a filing to the Commission in November 2023 with a calculation of credits substantially similar to the example provided in Exhibit RV-5 to the direct testimony of Raymond E. Valdes, so that refunds can be provided to customers during the month of January 2024.

Accordingly, the Company reports that Attachment A hereto shows the credit to be paid for each customer class, as well as how the credits were calculated. The credits will be paid over the January 2024 billing cycle on a bills-rendered basis and will be reflected on each bill as a separate line item labeled “Refund for Non-eligible costs.” As contained in the Company’s March 22 proposal, to ensure the full amount of refunds are provided to customers, the refund is designed as a fixed credit per rate schedule¹ since the use of a kWh credit can unfortunately result in a high degree of variability due in large part to unpredictable changes in weather during the winter.

Additionally, following the distribution of the one-time refunds, the Company will submit an informational filing to the Commission that reports the actual refunds distributed to customers after completion of the distribution of refunds.

¹ The customer credits will be a fixed dollar amount per rate schedule, with the exception of streetlighting customers (which will have a per kWh credit due to their fixed kWh consumption per month) and Schedule PP customers (which due to their unique size will have individual credits for each of the customers on that rate schedule).

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The Company requests Commission approval to implement the customer credits as contained in Attachment A so that those credits can be provided to customers during the January 2024 billing cycle. Should there be questions concerning the filing, please contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jeff Trout", written in a cursive style.

Jeffrey P. Trout
Senior Corporate Counsel

JPT/dml

Enclosures

cc: Case No. 9695 Service List

Attachment A

THE POTOMAC EDISON COMPANY - MARYLAND
January 2024 Customer Refund Calculation

Schedule	2019 Distribution ¹		Regulatory Liability with Interest	January 2024 Forecast ²		January 2024 ³	
	Revenue	%-to-Total		Customers	kWh	Credit/Cust	Credit/kWh
R	\$ 73,832,904	62.4%	\$ (1,041,572)	254,449		\$ (4.19)	
G	\$ 19,374,083	16.4%	\$ (273,313)	27,707		\$ (10.09)	
C	\$ 2,940,608	2.5%	\$ (41,484)	4,012		\$ (10.58)	
C-A & CSH	\$ 471,049	0.4%	\$ (6,645)	301		\$ (22.58)	
PH	\$ 15,586,131	13.2%	\$ (219,876)	1,707		\$ (131.75)	
AGS	\$ 7,283	0.0%	\$ (103)	1		\$ (105.08)	
PP	\$ 1,178,518	1.0%	\$ (16,626)		see below		
Hag & Fred	\$ 21,747	0.0%	\$ (307)		103,468		\$ (0.00303)
Street Lighting	\$ 4,857,261	4.1%	\$ (68,522)		1,944,380		\$ (0.03605)
Total	\$ 118,269,584	100.0%	\$ (1,668,447)				

Schedule PP	Customer #	Actual kWh ²	12 ME Sep 2023	January 2024 Credit/Customer ³
	1	46,381,918		(\$1,133.36)
	2	30,597,871		(\$747.67)
	3	69,828,144		(\$1,706.28)
	4	27,712,331		(\$677.16)
	5	19,431,478		(\$474.82)
	6	151,940,811		(\$3,712.73)
	7	291,518,362		(\$7,123.35)
	8	12,103,083		(\$295.74)
	9	38,058,759		(\$929.98)
	10	8,352,495		(\$204.10)
		695,925,252		

¹Per Potomac Edison Tariff Compliance filing dated March 25, 2019 in Case No. 9490 (Maillog #224435)

²Forecast updated for November 2023 filing for credits effective during January 2024; Schedule PP credits allocated from actual billed kWh for 12 months ended September 2023

³Rates grossed-up for 2% GRT and 0.2325% Assessment Factor