

Exhibit MM-2, Sheet 4 of 5

	Dollars per MWh (from 2013 SOM Report, Volume 1; Table 8 (used to be table 9)) >>> basis											basis for												
	Description	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	estimate		2014	2015	2016	2017	2018	2019	2020	2021
Operating Reserves (Uplift)	DA and RT operating reserves	\$1.07	\$0.69	\$0,86	\$0.93	\$0,97	\$0,45	\$0.63	\$0,61	\$0,48	\$0.79	\$0.79	\$0.79	\$0.59	2015 + 2%	2.0%	\$1.18	\$0.38	\$0.17	\$0,38	\$0.39	\$0.40	\$0,40	\$0.41
Reactive	Reactive Supply and Voltage Control	\$0.22	\$0.20	\$0.24	\$0.25	\$0.26	\$0.29	\$0.31	\$0.32	\$0.36	\$0.44	\$0.42	\$0.43	\$0.80	2016 + 2%	2.0%	\$0.40	\$0.37	\$0.39	\$0.40	\$0.41	\$0.41	\$0.42	\$0.43
PJM Administrative Fees	Advance control center, Sch 9 FERC/OPSI/MMU	\$0_36	\$0.43	\$0.54	\$0.50	\$0,38	\$0.40	\$0.38	\$0.24	\$0.31	\$0.36	\$0,37	\$0.42	\$0.43	2016 + 2%	2.0%	\$0.44	\$0.44	\$0.45	\$0.46	\$0.47	\$0.48	\$0.49	\$0.50
Transmission Enhancement Cost Recovery	T upgrades (e.g., TrAIL, PATH)									\$0.09	\$0.21	\$0,29	\$0,34	\$0,39	2016 + 2%	14.0%	\$0.42	\$0.51	\$0.52	\$0.64	\$0.73	\$0.83	\$0.95	\$1,08
Regulation	Regulation procured through Reg market	\$0.50	\$0.42	\$0,50	\$0.50	\$0,79	\$0,53	\$0.63	\$0,70	\$0.34	\$0,35	\$0,32	\$0.26	\$0.24	2015 + 2%	2.0%	\$0.33	\$0.23	\$0.11	\$0.23	\$0.23	\$0.24	\$0.25	\$0.26
Transmission Owner (Schedule 1A)	5ch 1A charged to T customers	\$0.08	\$0.07	\$0,07	\$0.11	\$0,09	\$0.09	\$0.09	\$0.09	\$0.08	\$0.09	\$0.09	\$0.08	\$0.08	2016 + 2%	2.0%	\$0.09	\$0,09	\$0.09	50.27	\$0.27	\$0.28	\$0.29	\$0.29
Day Ahead Scheduling Reserve (DASR)	Procured through DASR market								\$0,00	\$0.00	\$0.01	\$0.05	\$0.05	\$0.06	2016 + 2%	2.0%	\$0.05	\$0.10	\$0.07	\$0.07	\$0.07	\$0.07	\$0.08	\$0.08
Synchronized Reserves	Procured through Synch Res market		\$0.11	\$0.19	\$0.16	\$0.15	\$0.10	\$0.11	\$0.09	\$0.05	\$0.06	\$0.09	\$0.04	\$0.04	2016 + 2%	2.0%	\$0.21	\$0.12	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.06
Black Start	Avg cost of Black Start service		\$0.00	\$0.02	\$0.01	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.03	\$0.14	2016 + 2%	2.0%	\$0.08	\$0.06	\$0.08	\$0.08	\$0.08	\$0.08	\$0.09	\$0.09
NERC/RFC	Avg cost of NERC and RFC charges							\$0.01	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02	\$0.02	2016 + 2%	2.0%	\$0.02	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
RTO Startup and Expansion	AEP, ComEd, DAY integration expenses		\$0.04	\$0.05	\$0.10	\$0,37	\$0,15	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	2016		\$0.01	\$0.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Load Response -	DA and RT load response charges to LSEs	\$0,00	\$0.00	\$0.02	\$0,00	\$0.00	\$0.03	\$0.07	\$0.03	\$0.00	\$0.00	\$0.01	\$0.01	\$0.07	2016		\$0.08	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Transmission Facility Charges	Ramapo project charged to PJM Mid-Atlantic	\$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	2016		\$0.00	\$0,00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Non-Synchronized Reserves	Procured through Non-Synch market												\$0.00	\$0.00	2016		\$0.02	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Estimated Applicable AS and PJM Fees	Aggregate estimate based on historical, fuel, etc.	\$2.23	\$1.96	\$2,49	\$2.56	\$3,03	\$2.06	\$2.26	\$2,12	\$1,75	\$2.36	\$2,48	\$2,48	\$2.87			\$3,33	\$2,38	\$1,98	\$2,63	\$2.76	\$2,90	\$3,06	\$3.24
										Ancillar	y Services	excluding 1	Transmissi	ion Enhance	ement Cost Recovery (TECR))	\$2.91	\$1,87	\$1,46	\$1,99	\$2.03	\$2,07	\$2.11	\$2.16
					SOM																			
					TECR		%age		SOM = St	tate of th	e Marke	t report					\$4.39	\$2.78	\$2.89	\$3.06	\$3.12	\$3.18	\$3.28	\$3.43
			Period		Charges		Change													9/22/2015				
															Gas Prices in Model >>	The second second	The state of the s	\$2.78	\$2.89	\$3,06	\$3.12	_	\$3.28	\$3,43
			2012-13		\$0.34											Using EKPO	CONTROL DESIGNATION		The second second		2000	12 The 3 West		
			2013-14		\$0,39		15.5%									Using SON					ecovery 1	or 2017	and	X
			2014-15		\$0.42		8.9%									escalating	g at the hi	storic ra	te of 14%	6				
			2015-16		\$0.51		19.2%																	
			2016-17		\$0.52		2.1%																	
			2017-18		\$0.64		24.2%																	

Sum of Percentage Change

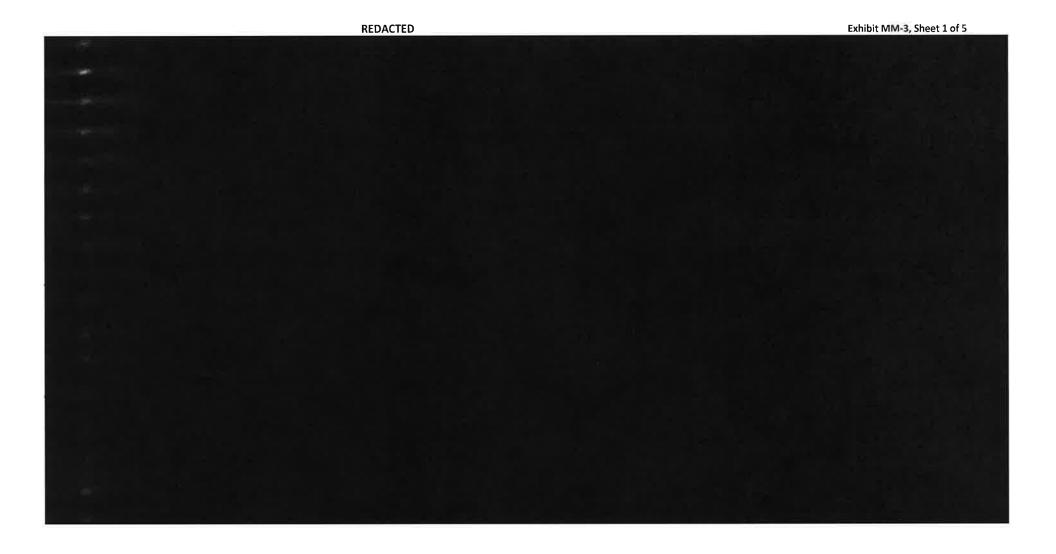
Average for 5 years

69.9%

Exhibit MM-2, Sheet 5 of 5

Assumptions for Adders to Proposals

	2011	2012	2013	2014	<u>2015</u>	<u>2016</u>	2017	<u>2018</u>	2019	2020	2021
NITS \$/MW-year (per PJM T Rev Req'ts & Rate) equivalent \$/kW-month			escalation >> \$19,440 \$1.620	n/a \$20,020 \$1.668	n/a \$25,753 \$2.146	n/a \$19,660 \$1.638	n/a \$21,334 \$1.778	n/a \$26,424 \$2.202	8,1% \$28,556 \$2,380	8.1% \$30,860 \$2.572	8.1% \$33,350 \$2.779
Ancillary Services (\$/MWh)	EKPC transmiss	ion rate, for	year ending N	lay 31st.							
Total Ancillary Service Charges	\$2.48	\$2.48	\$2.87	\$3.33	\$2.38	\$1.98	\$2.63	\$2.76	\$2.90	\$3.06	\$3.24
Ancillary without Transmission Enhance- ment Cost Recovery Transmission Enhancement Cost Recovery (TECR)				\$2.91 \$0.42	\$1.87 \$0.51	\$1.46 \$0.52	\$1.99 \$0.64	\$2.03 \$0.73	\$2.07 \$0.83	\$2.11 \$0.95	\$2.16 \$1.08
	actual >>					6	estimated >>				
						SOM		SOM = PJM Sta	ite of Market	Report	
	Period		EKPC Rate (\$kW/mo)	%age Change		SOM Trans. Serv. Charges	%age Change	SOM = PJM Sta	te of Market	Report	
	Period 2012-13			-		Trans. Serv.	%age	SOM = PJM Sta	ite of Market	Report	
			(\$kW/mo)	-		Trans. Serv. Charges	%age	SOM = PJM Sta	ite of Market	Report	
	2012-13 2013-14 2014-15		\$1.620 \$1.668 \$2.146	2.963% 28.657%		\$4.78 \$5.20 \$5.95	%age Change 8.7% 14.5%	SOM = PJM Sta	ite of Market	Report	
	2012-13 2013-14 2014-15 2015-16		\$1.620 \$1.668 \$2.146 \$1.638	2.963% 28.657% -23.672%		\$4.78 \$5.20 \$5.95 \$7.08	%age Change 8.7% 14.5% 19.0%	SOM = PJM Sta	ite of Market	Report	
	2012-13 2013-14 2014-15 2015-16 2016-17		\$1.620 \$1.668 \$2.146 \$1.638 \$1.778	2.963% 28.657% -23.672% 8.547%		\$4.78 \$5.20 \$5.95 \$7.08 \$7.81	%age Change 8.7% 14.5% 19.0% 10.1%	SOM = PJM Sta	ite of Market	Report	
	2012-13 2013-14 2014-15 2015-16		\$1.620 \$1.668 \$2.146 \$1.638	2.963% 28.657% -23.672%		\$4.78 \$5.20 \$5.95 \$7.08	%age Change 8.7% 14.5% 19.0%	SOM = PJM Sta	ite of Market	Report	
	2012-13 2013-14 2014-15 2015-16 2016-17	age Change	\$1.620 \$1.668 \$2.146 \$1.638 \$1.778 \$2.202	2.963% 28.657% -23.672% 8.547%		\$4.78 \$5.20 \$5.95 \$7.08 \$7.81	%age Change 8.7% 14.5% 19.0% 10.1%	SOM = PJM Sta	ite of Market	Report	





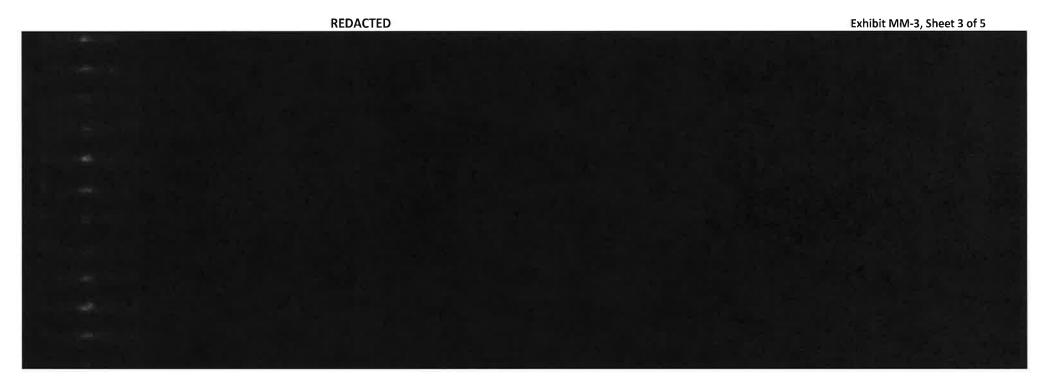


Exhibit MM-3, Sheet 4 of 5

		Dollars	per MWh	(from 2	013 SOM	Report,	Volume 1	l; Table	8 (used t	o be tabl	e 9)) >>>	>			basis for									
	Description	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	estimate		2014	2015	2016	2017	2018	2019	2020	2021
Operating Reserves (Uplift)	DA and RT operating reserves	\$1,07	\$0,69	\$0,86	\$0,93	\$0,97	\$0,45	\$0,63	\$0.61	\$0.48	\$0.79	\$0.79	\$0.79	\$0,59	2015 + 2%	2.0%	\$1.18	\$0.38	\$0.17	\$0.38	\$0,39	\$0.40	\$0.40	\$0 41
Reactive	Reactive Supply and Voltage Control	\$0.22	\$0.20	\$0,24	\$0.25	\$0.26	\$0,29	\$0.31	\$0.32	\$0.36	\$0.44	\$0.42	\$0.43	\$0.80	2016 + 2%	2.0%	\$0.40	\$0.37	\$0.39	\$0.40	\$0.41	\$0.41	\$0.42	\$0,43
PJM Administrative Fees	Advance control center, Sch 9 FERC/OPSI/MMU	\$0,36	\$0.43	\$0,54	\$0.50	\$0.38	\$0,40	\$0.38	\$0_24	\$0.31	\$0.36	\$0.37	\$0.42	\$0.43	2016 + 2%	2.0%	\$0.44	\$0.44	\$0.45	\$0.46	\$0.47	\$0.48	\$0.49	\$0.50
Transmission Enhancement Cost Recovery	T upgrades (e.g., TrAIL, PATH)									\$0.09	\$0.21	\$0.29	\$0.34	\$0,39	2016 + 2%	14.0%	\$0.42	\$0.51	\$0.52	\$0.64	\$0,73	\$0.83	\$0,95	\$1,08
Regulation	Regulation procured through Reg market	\$0,50	\$0.42	\$0,50	\$0,50	\$0.79	\$0,53	\$0,63	\$0.70	\$0.34	\$0.35	\$0.32	\$0.26	\$0,24	2015 + 2%	2.0%	\$0.33	\$0.23	\$0.11	\$0.23	\$0,23	\$0.24	\$0.25	\$0,26
Transmission Owner (Schedule 1A)	Sch 1A charged to T customers	\$0,08	\$0.07	\$0,07	\$0.11	\$0,09	\$0,09	\$0,09	\$0.09	\$0.08	\$0.09	\$0.09	\$0.08	\$0,08	2016 + 2%	2.0%	\$0.09	\$0.09	\$0.09	\$0.27	\$0,27	\$0.28	\$0,29	\$0,29
Day Ahead Scheduling Reserve (DASR)	Procured through DASR market								\$0.00	\$0.00	\$0.01	\$0.05	\$0.05	\$0,06	2016 + 2%	2.0%	\$0.05	\$0.10	\$0.07	\$0.07	\$0,07	\$0.07	\$0.08	\$0,08
Synchronized Reserves	Procured through Synch Res market		\$0.11	\$0.19	\$0.16	\$0.15	\$0,10	\$0.11	\$0.09	\$0.05	\$0.06	\$0.09	\$0.04	\$0.04	2016 + 2%	2.0%	\$0.21	\$0.12	\$0.05	\$0.05	\$0,05	\$0,05	\$0,05	\$0.06
Black Start	Avg cost of Black Start service		\$0,00	\$0,02	\$0,01	\$0.02	\$0,02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.03	\$0.14	2016 + 2%	2.0%	\$0.08	\$0.06	\$0.08	\$0.08	\$0.08	\$0.08	\$0.09	\$0.09
NERC/RFC	Avg cost of NERC and RFC charges							\$0,01	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02	\$0.02	2016 + 2%	2.0%	\$0.02	\$0.03	\$0.03	\$0.03	\$0,03	\$0,03	\$0,03	\$0.03
RTO Startup and Expansion	AEP, ComEd, DAY integration expenses		\$0,04	\$0.05	\$0,10	\$0,37	\$0,15	\$0,01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0,01	2016		\$0.01	\$0.01	\$0.00	\$0.00	\$0,00	\$0,00	\$0.00	\$0.00
Load Response -	DA and RT load response charges to LSEs	\$0.00	\$0,00	\$0.02	\$0.00	\$0.00	\$0,03	\$0,07	\$0.03	\$0.00	\$0.00	\$0.01	\$0.01	\$0.07	2016		\$0.08	\$0.02	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0,01
Transmission Facility Charges	Ramapo project charged to PJM Mid-Atlantic	\$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	2016		\$0.00	\$0.00	\$0.00	50.00	\$0,00	\$0.00	\$0.00	\$0,00
Non-Synchronized Reserves	Procured through Non-Synch market												\$0.00	\$0.00	2016		\$0.02	\$0.02	\$0.01	\$0.01	\$0,01	\$0.01	\$0.01	\$0.01
Estimated Applicable AS and PJM fees	Aggregate estimate based on historical, fuel, etc.	\$2,23	\$1,96	\$2,49	\$2,56	\$3,03	\$2,06	\$2,26	\$2,12	\$1,75	\$2,36	\$2.48	\$2,48	\$2,87			\$3,33	\$2,38	\$1,98	\$2,63	\$2,76	\$2,90	\$3,06	\$3,24
reconstant de constant de										Ancilla	ry Services	excluding	Transmissi	ion Enhance	ement Cost Recovery (TECR))	\$2,91	\$1.87	\$1.46	\$1.99	\$2.03	\$2.07	\$2,11	\$2.16
					SOM																			
					TECR		%age		SOM = S	tate of th	ne Marke	t report					\$4.39	\$2.78	\$2.89	\$3.06	\$3.12	\$3.18	\$3.28	\$3.43
			Period		Charges		Change										12/18/13	12/18/14	2/26/15	9/22/2015	5 >>>			
															Gas Prices in Model >>		\$4.39	\$2.78	\$2.89	\$3.06	\$3.12	53.18	\$3.28	\$3.43
			2012-13		\$0.34											Using EKPO	C Ancillar	y Schedu	ie 1-A; e:	scalate as	original	ly model	ed.	
			2013-14		\$0,39		15.5%									Using SON	1 Transmi	ssion Enl	nanceme	nt Cost R	ecovery	for 2017	and	
			2014-15		\$0.42		8,9%									escalating	g at the h	istoric ra	te of 149	6)				
			2015-16		\$0.51		19,2%																	
			2016-17		\$0.52		2.1%																	
			2017-18		\$0.64		24.2%																	

Sum of Percentage Change

Average for 5 years

69,9%

Exhibit MM-3, Sheet 5 of 5

Assumptions for Adders to Proposals

	<u>2011</u>	2012	2013	2014	2015	2016	2017	2018	<u>2019</u>	<u>2020</u>	<u>2021</u>
NITS \$/MW-year (per PJM T Rev Req'ts & Rate) equivalent \$/kW-month			escalation >> \$19,440 \$1.620	n/a \$20,020 \$1.668	n/a \$25,753 \$2.146	n/a \$19,660 \$1.638	n/a \$21,334 \$1.778	n/a \$26,424 \$2.202	8.1% \$28,556 \$2.380	8.1% \$30,860 \$2.572	8.1% \$33,350 \$2.779
	EKPC transmiss	ion rate, for	year ending N	lay 31st.							
Ancillary Services (\$/MWh)											
Total Ancillary Service Charges	\$2.48	\$2.48	\$2.87	\$3.33	\$2.38	\$1.98	\$2.63	\$2.76	\$2.90	\$3.06	\$3.24
Ancillary without Transmission Enhance-											
ment Cost Recovery				\$2.91	\$1.87	\$1.46	\$1.99	\$2.03	\$2.07	\$2.11	\$2.16
Transmission Enhancement Cost Recovery (TE	CR)			\$0.42	\$0.51	\$0.52	\$0.64	\$0.73	\$0.83	\$0.95	\$1.08
							er a las				

actual >> estimated >>

			SOM		SOM = PJM State of Market Report
	EKPC Rate	%age	Trans. Serv.	%age	
Period	(\$kW/mo)	Change	Charges	Change	<u> </u>
2012-13	\$1.620		\$4.78		
2013-14	\$1.668	2.963%	\$5.20	8.7%	
2014-15	\$2.146	28.657%	\$5.95	14.5%	
2015-16	\$1.638	-23.672%	\$7.08	19.0%	•
2016-17	\$1.778	8.547%	\$7.81	10.1%	
2017-18	\$2.202	23.847%	\$8.84	13.1%	
Sum of Percentage Change	•	40.342%		65.4%	
Average for 5 years		8.068%		13.1%	