

Conectiv Mid-Merit Inc.  
Balance Sheet  
(Dollars in Thousands)  
Unaudited

	Actual December 31, 2002
<b>ASSETS</b>	
<b>Taxes receivable</b>	*
<b>Investments and Other Assets</b>	
Investment in Energy Systems	*
Note receivable - Energy Systems	*
	*
<b>Property, Plant and Equipment</b>	
Property, plant and equipment	*
Less accumulated depreciation	*
	*
Construction work-in-progress	*
	*
<b>Deferred Charges and Other Assets</b>	
Deferred income taxes	*
PS&I charges	*
	*
<b>Total Assets</b>	*
<b>LIABILITIES AND OWNER'S EQUITY</b>	
<b>Current Liabilities</b>	
Accounts payable	*
Accounts payable to associated companies	*
Interest accrued	*
	*
<b>Note Payable to Pepco Holdings, Inc.</b>	*
<b>Deferred Credits</b>	
Construction loan	*
Other comprehensive loss	*
Retained deficit	*
	*
Total capitalization	*
<b>Total Capitalization and Liabilities</b>	*

\* Filed under request for confidential treatment pursuant to Rule 104(b) of the Public Utility Holding Company Act of 1935.