

Federal Income Tax Allocation
2Q2003

Payment (to) from Subs

	<u>Amount</u>	<u>Potomac Capital Inv. Corp Pymt To</u>	<u>Potomac Capital Inv. Corp Pymt From</u>	<u>Pepco Energy Services Pymt To</u>	<u>Pepco Commun Pymt To</u>	<u>Conectiv Pymt To</u>	<u>Conectiv Pymt From</u>	<u>Potomac Electric Power Pymt From</u>	<u>Pepco Holdings Pymt To</u>
Potomac Capital Investment Corp.	*	*							
Potomac Capital Joint Leasing Corp.	*	*							
Potomac Capital Markets Corp.	*		*						
PCI Energy Corporation	*		*						
American Energy Corporation	*	*							
Potomac Nevada Corporation	*		*						
Potomac Nevada Leasing Corporation	*		*						
Potomac Harmans Corporation	*		*						
Potomac Nevada Investment, Inc.	*	*							
Potomac Aircraft Leasing Corp.	*	*							
Potomac Land Corporation	*	*							
PCI Nevada Corporation	*		*						
PCI Queensland Corporation	*	*							
PCI-BT Investing L.L.C.	*		*						
Pepco Technologies LLC	*	*							
Potomac Delaware Leasing Corp.	*		*						
Potomac Equipment Leasing Corp.	*		*						
Nexgate Communications, Inc.	*	*							
Edison Place LLC	*		*						
Pepco Enterprises, Inc.	*	*							
W.A. Chester, LLC	*		*						
Energy & Telecommunications Services	*		*						
Severn Cable/Severn Construction LLC	*	*							
Pepco Energy Services, Inc.	*			*					
Pepco Communications, Inc.	*				*				
Edison Capital Reserves Corporation	*							*	
Conectiv	*					*			
Delmarva Power & Light Company	*						*		
Atlantic City Electric Company	*						*		
PHI Service Company	*						*		
Conectiv Properties and Investments, Inc.	*						*		
DCI II, Inc.	*								
Conectiv Operating Services Company	*						*		
DCTC-Burney, Inc.	*								
Conectiv Energy Supply, Inc.	*					*			
Conectiv Delmarva Generation, Inc.	*						*		
Conectiv Atlantic Generation, L.L.C.	*					*			
Conectiv Mid-Merit, Inc.	*					*			
Conectiv Energy Holding Company	*					*			
Conectiv Bethlehem, LLC	*					*			
Conectiv Communications, Inc.	*						*		
Conectiv Pennsylvania Generation, Inc.	*					*			
Pedrick Gen., Inc.	*					*			
Atlantic Southern Properties, Inc.	*					*			
Atlantic Generation, Inc.	*						*		
Vineland Ltd., Inc.	*					*			
Vineland General, Inc.	*					*			
Binghamton Limited, Inc.	*					*			
Binghamton General, Inc.	*					*			
ATE Investment, Inc.	*					*			
Conectiv Solutions LLC	*					*			
Conectiv Thermal Systems, Inc.	*					*			
Atlantic Jersey Thermal Systems, Inc.	*					*			
King Street Assurance Ltd.	*						*		
Potomac Electric Power Company	*							*	
Pepco Holdings, Inc.	*								*
TOTAL	*	*	*	*	*	*	*	*	*
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* Filed under request for confidential treatment pursuant to Rule 104(b) of the Public Utility Holding Company Act of 1935.