

Conectiv Thermal Systems, Inc.
Consolidated Balance Sheet
(Dollars in Thousands)
(Unaudited)

| | As of June 30, 2003 |
|---|------------------------|
| ASSETS | |
| Current Assets | |
| Cash and cash equivalents | * |
| Accounts receivable | * |
| Inventories, at average cost | |
| Fuel (coal, oil and gas) | * |
| Materials and supplies | * |
| Income tax benefit receivable | * |
| Other prepayments | * |
| | * |
| Investments | |
| Funds held by trustee | * |
| Property, Plant and Equipment | |
| Property, plant and equipment | * |
| Less: Accumulated depreciation | * |
| Net Plant | * |
| Intangibles | * |
| Construction work-in-progress | * |
| | * |
| Deferred Charges and Other Assets | |
| Unamortized debt expense | * |
| Other | * |
| | * |
| Total Assets | * |
| LIABILITIES AND OWNER'S EQUITY | |
| Current Liabilities | |
| Accounts payable | * |
| Accounts payable to associated companies | * |
| Interest accrued | * |
| Notes receivable to associated companies | * |
| Other | * |
| | * |
| Deferred Credits and Other Liabilities | |
| Pension and OPEB | * |
| Deferred income taxes, net | * |
| Other | * |
| | * |
| Capitalization | |
| Additional paid-in capital | * |
| Retained deficit | * |
| Conectiv money pool loan | * |
| Total equity | * |
| Variable rate demand bonds (1) | * |
| Total capitalization | * |
| Total Capitalization and Liabilities | * |

(1) Classified as current liability for external reporting

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

Conectiv Thermal Systems, Inc.
Consolidated Statements of Income
(Dollars in Thousands)
(Unaudited)

Six Months
Ended June 30,
2003

OPERATING REVENUES

*

OPERATING EXPENSES

Cost of sales

*

Operation and maintenance

*

Depreciation and amortization

*

Taxes other than income taxes

*

*

OPERATING INCOME

*

OTHER INCOME

*

INTEREST EXPENSE

Interest charges

*

Allowance for borrowed funds used during
construction and capitalized interest

*

*

INCOME BEFORE INCOME TAXES

*

INCOME TAXES

*

NET INCOME

*

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Public Utility Holding Company Act of 1935.