

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

As of June 30,  
2004

**ASSETS**

**Current Assets**

Cash and cash equivalents	*
Accounts receivable	*
Inventories, at average cost	*
Income tax benefit receivable	*
Other prepayments	*
	*

**Investments**

Funds held by trustee	*
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**Property, Plant and Equipment**

Property, plant and equipment	*
Less: Accumulated depreciation	*
	*

**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 <sup>(1)</sup>	*
Total capitalization	*

**Total Capitalization and Liabilities**

\*

<sup>(1)</sup> 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, 2004**

**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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Utility Holding Company Act of 1935.