

Federal Income Tax Allocation
4Q2004
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 Energy Services Pymt From</u>	<u>Pepco Commun. Pymt From</u>	<u>Connectiv Pymt To</u>	<u>Connectiv Pymt From</u>	<u>Potomac Electric Power Pymt From</u>	<u>Pepco Holdings Pymt From</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.	*	*								
Pepco Energy Services, Inc.	*			*						
Pepco Enterprises, Inc.	*									
W.A. Chester, LLC	*				*					
Energy & Telecommunications Services	*									
Seyern Cable/Seyern Construction LLC	*			*						
Pepco Communications, Inc.	*					*				
Edison Capital Reserves Corporation	*									
Connectiv	*							*		
Delmarva Power & Light Company	*						*			
Atlantic City Electric Company	*							*		
PHI Operating Services Company	*						*			
Delaware Operating Services Company	*							*		
PHI Service Company	*						*			
Connectiv Properties and Investments, Inc.	*						*			
Connectiv Mid Merit, LLC	*						*			
Connectiv Operating Services Company	*									
DCTC-Burney, Inc.	*								*	
Connectiv Energy Supply, Inc.	*								*	
Connectiv Delmarva Generation, Inc.	*						*			
Connectiv Atlantic Generation, L.L.C.	*								*	
Connectiv Mid-Merit, Inc.	*						*			
Connectiv Energy Holding Company	*								*	
Connectiv Bethlehem, LLC	*						*			
Connectiv Services, Inc.	*						*			
Connectiv Communications, Inc.	*						*			
Connectiv 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.	*						*			
Connectiv Solutions LLC	*						*			
Connectiv Thermal Systems, Inc.	*						*			
Atlantic Jersey Thermal Systems, Inc.	*								*	
Connectiv Pennsylvania Generation, LLC	*						*			
King Street Assurance Ltd.	*								*	
Potomac Electric Power Company	*								*	
Pepco Holdings, Inc.	*									*
TOTAL	----- =====	----- =====	----- =====	----- =====	----- =====	----- =====	----- =====	----- =====	----- =====	----- =====

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