

Allocation of Pymt (To)/From Subs

1 % of Pymt Due
2 Annualization Factor
3 Environmental Tax
4 Quarter

Code:

	Potomac Capital Markets Corp.	Potomac Capital Joint Leasing	PCI Queensland	PCI Energy Corp.	Potomac Nevada Corp.	PCI Nevada Corp.	Potomac Nev. Leasing Corp.	Potomac Harmans Corp.	Potomac Nev. Invest. Corp.	Potomac Cap. Invest. Corp.	Potomac Air Leasing Corp.	American Energy Corp.	PCI-BT Investing
Regular Tax													
Regular Taxable Income													
Tax Rate													
Tax Expense (Benefit)													
Tax Annualized													
Percent of Tax Due													
ES Pymt Required													
Regular Taxable Income													
Add: Adjustments													
Dep MACRS > ADS													
Adjusted Gain or Loss													
Add: Preferences													
ACE Adjustment @ 75%													
ALT MIN Taxable Income													
ALT MIN Tax Rate													
ALT MIN Tax													
Annualized ALT MIN Tax													
Percent of Tax Due													
Pymt Required													
TMT/Regular Tax Liability													
Excess TMT Companies													
Consolidated AMT Allocation													
Regular Estimated Tax													
Tax Sharing Agreement													
Step 1: Regular tax allocated to companies w/Taxable Inc													
Step 2: Allocation of excess separate regular Tax Liability													
Step 2A: Allocation of Non Acquisition Debt													
Step 3: Allocation to companies with regular taxable losses													
Total Tax by entity													
Carryforward NOL													
Utilization of NOL													
Utilization of NOL (Non-Acq Debt)													
Balance of NOL													
Total Tax Due by Entity after NOL Carryforward													
AMT													
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Total Tax Due by Entity after NOL Carryforward													
Overpayment (Allocated to profitable entities)													
Net Payment <to> from Subs @ 4/15/05													
Net Payment <to> from Subs @ 6/15/05													
Net Payment <to> from Subs @ 9/15/05													
Net Payment <to> from Subs @ 12/15/05													
Adjustment for Overpayment													
Additional Payment <to> from Subs													
Total Payment <to> from Subs													

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Regular Tax	Edison Place LLC	Potomac Air Leasing Corp.	Potomac Equip. Leasing Corp.	Severn	Pepco Enterprises	Nextgate	Edison Capital	Pepco Technologies	W.A. Chester	Pepco Communications	Pepco Energy Services Losses	Pepco Energy Services Income	Connecticut	Delmarva Power	Atlantic City Electric
Regular Taxable Income															
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Regular Tax	PHI Operating Services Co.	DE Operating Services Co.	PHI Service Company	Conectiv Prop. & Inv.	Conectiv Mid Merit LLC	Conectiv Oper. Services Co.	DCTC Burney	Conectiv Energy Supply	Conectiv Del. Generation	ACE REIT	Conectiv Atl. Generaion	Conectiv Mid-Merit	Conectiv Energy Holding	Conectiv Bethlehem	Conectiv Plumbing
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	Conectiv Services	Conectiv Communications	Conectiv Penn. Generation	Pedrick General, Inc.	Atlantic Southern Prop.	Atlantic Generation	Vineland Limited, Inc.	Vineland General, Inc.	Binghamton Limited, Inc.	Binghamton General, Inc.	ATE Investment	Conectiv Solutions	Conectiv Thermal, Inc.	Atlantic Jersey Thermal Systems	ATS Operating Services Co.
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	Conectiv Penn Generation LLC	King Street Associates	Potomac Electric Power Co.	Total Subsidiaries	PEPCO Holdings (Non- Acq. Debt)	PEPCO Holdings (Acq. Debt)	PEPCO Holdings	Consolidated	Income	Loss	Check	PHI (Acquisition Debt)	PHI Non- Acquisition Debt)
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