

FOR ILLUSTRATIVE PURPOSES ONLY

**COMPANY NAME
REVENUE REQUIREMENT RECONCILIATION
Supporting Schedule**

Schedule 26

Col (1)	Col (2) Net of Tax Overall Cost of Capital	Col (3) Required AOI (1)*(2)	Col (4) 1-FIT Rate	Col (5) Subtotal (3)*(4)	Col (6) Gross-up Factor	Col (7) Revenue Requirement (5)/(6)
<u>Amounts</u>	<u>of Capital</u>	<u>AOI</u>	<u>1-FIT Rate</u>	<u>Subtotal</u>	<u>Factor</u>	<u>Revenue Requirement</u>
		(1)*(2)		(3)*(4)		(5)/(6)
Per Books Revenue Deficiency						
Capital Structure Items:						
ROE from 11.5% to 10.5% (midpoint of range)						
Capital Structure Changes						
Total Capital Structure Changes						
Rate Base Update:						
Rate Base Update						
Customer Growth						
Late Payment Revenues						
Depreciation Expense						
Property Tax Expense						
Liberalized Depreciation						
Liberalized Depreciation - New Rates						
Clover Allocation Factor						
Accumulated Depreciation- Current Rates						
Total Rate Base Update						
Other Rate Base Adjustments:						
Deferred Fuel at 100%						
Contra-AFC Correction						
Cash Working Capital on Sch. D and E						
Total Other Rate Base Adjustments						
Payroll, Benefits and Payroll Taxes:						
Employee Payroll						
Fringe Benefits						
Incentive Pay						
OPEB Expense						
Payroll Taxes						
Total Payroll, Benefits and Payroll Taxes						
Storm Damage:						
Storm Damage Expense & Related OT						
Storm Damage Payroll Taxes						
Total Storm Damage						
Other Revenue Adjustments:						
Transmission Service Revenues						
Wholesale Contract Renegotiations						
Total Other Revenue Adjustments						
Other Miscellaneous Adjustments:						
FIT on per books ITC						
FIT on other Interest and Preferred Dividends						
Computer Leases						
Obsolete Inventory Amortization						
Nonoperating Expenses						
Fuel Handling Expense						
West Virginia State Income Taxes						
Interest on Customer Deposits						
Advertising Expense						
Miscellaneous						
Charitable Donations						
Total Other Miscellaneous Adjustments						
Company Proposed Revenue Requirement						