

# WV Regulatory Filing

Filed 5/31/23; Settlement Agreement filed 1/23/24; Approved 3/26/24; Rates effective 3/27/24 (Case No. 23-0460-E-42T)

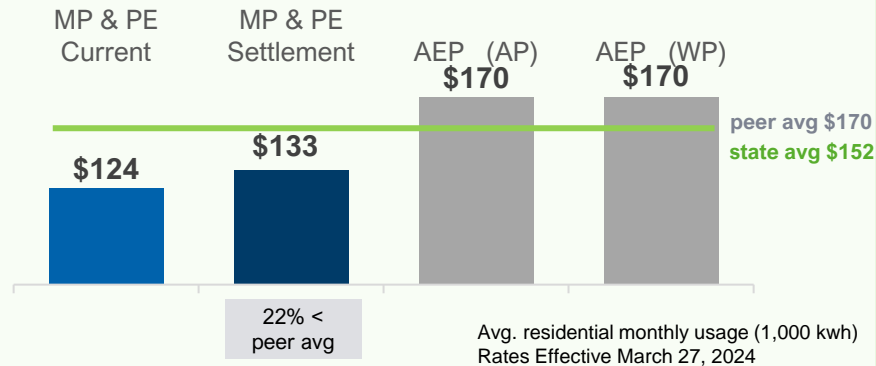


## Key Statistics

	Settlement	Prior
Rate Base	\$3.2B <sup>(1)</sup>	\$2.5B <sup>(1)</sup>
Return on Equity	9.80%	Settled
Cap Structure (Debt / Equity)	50.4% / 49.6%	53.5% / 46.5%
Test Year	2022	2013

Revenue Increase: \$105M

## Commitment to Affordability



Represents an 8% residential rate increase and a 6.4% overall increase in MP and PE's rates

## Filing Summary

Rate adjustment supports distribution, transmission, and generation investments, addresses depreciation rates for generation assets and provides for a new low-income assistance program, while keeping rates affordable for customers

## Key Components

- Revenue increase of \$105M supports increase of \$700M in rate base since prior base rate case. Settlement reflects an increase in depreciation expense of \$33M.
- An Infrastructure Investment Pilot Program to enhance reliability in rural areas by funding specific, targeted projects. Investment of \$5-10M per year for 3 years; will receive regulatory asset treatment.
- Launch of an Energy Assistance Outreach Team to enhance the company's ongoing efforts to increase awareness, education and participation in energy assistance programs available to eligible, low-income customers; includes financial assistance for health and safety improvements.
- Ability to pursue the implementation of a Pension/OPEB Normalization Mechanism (PON) to establish a regulatory asset/liability for differences between actual expense and test year expense (using the delayed recognition method) in a separate proceeding
- Recovery of costs incurred by Mon Power and Potomac Edison from: (1) the impact of major storms; (2) retired generation assets; and (3) COVID-19

(1) Includes Distribution, Generation, and Transmission