WV Inflation and Investment Adjustment

Filed 5/15/26; Approved 7/31/26; Rates effective 8/1/26 (Case No: 26-0508-E-42T)

Summary

Mon Power and Potomac Edison-WV (The Companies) Inflation and Investment Adjustment levelizes and moderates the magnitude of future rate increase requests, extends the timing of the next base rate case, and incentivizes the Companies to control costs. Development considered inflation indices, substantial increases in capital investment since the prior base rate case, customer affordability, and rate gradualism.

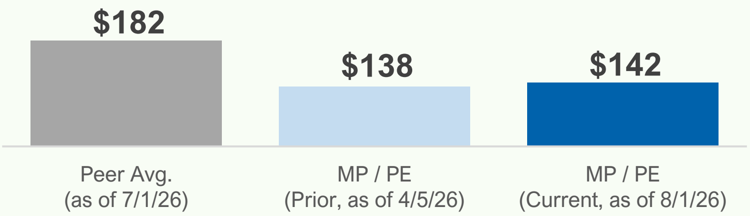
Key Statistics

	Prior	Current
Rate Base	$3.2B[(1)]	$4.3B[(1)]
Return on Equity	9.80%	9.80%
Cap Structure (Debt / Equity)	50.4% / 49.6%	50.4% / 49.6%
Test Year	2022	2025

(1) Includes Distribution, Generation, and Transmission

Commitment to Affordability

Avg. residential monthly usage (1,000 kwh)



FE current rates 22% below peer avg.

Key Components

- Inflation and Investment Adjustment results in a revenue increase of $76M
  - $38M annual increase effective August 1, 2026
  - $38M annual increase effective June 1, 2027
- Average residential bills to increase 3.0% on August 1, 2026, and 2.9% on June 1, 2027
- The Effluent Limitation Guidelines and Standards Surcharge and the Renewable Electricity Surcharge are rolled into base rates
- The Companies agree to withdraw its May 15, 2026, base rate case filing
- The Companies agree to not file a base rate case prior to April 1, 2028

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