

# Understanding Transmission Costs

It's easier to understand how your transmission costs are calculated when you have all the information you need in one place. This quick reference guide gives you everything you need to calculate your costs.

## Transmission Terms

- **Network Service Peak Load (NSPL)** - Your electric distribution company (EDC) determines how your transmission peak is set and is responsible for publishing it. Please consult your EDC's tariff for more information.
- **Open Access Transmission Tariff (OATT)** - The Federal Energy Regulatory Commission (FERC) approves request from EDCs for cost recovery of transmission services. This results in your Network Integrated Transmission Service (NITS) charges, published by PJM.

Transmission Billed by  
Generation Supplier

| EDC               | NITS Rate (\$/MW-Yr) |
|-------------------|----------------------|
| ComEd             | \$38,531             |
| BGE               | \$55,851             |
| Delmarva          | \$61,897             |
| PEPCO             | \$54,683             |
| Potomac Edison    | \$25,051             |
| Atlantic Electric | \$103,398            |
| JCP&L             | \$39,842             |
| PSEG              | \$176,708            |
| DLCO              | \$63,699             |
| Met-Ed            | \$82,591             |
| PECO              | \$25,611             |
| Penelec           | \$82,591             |
| Penn Power        | \$88,389             |
| PPL               | \$108,614            |
| West Penn Power   | \$25,051             |

Transmission Billed by EDC\*

| EDC                            | NITS Rate (\$/MW-Yr) |
|--------------------------------|----------------------|
| Ameren IL                      | \$80,046             |
| American Electric Power (AEP)  | \$130,204            |
| AES (fka Dayton Power & Light) | \$45,060             |
| Duke Energy Ohio (Duke)        | \$45,820             |
| FirstEnergy Ohio               | \$88,389             |

\*Consult the EDC's transmission tariff for details.

\*\*MISO EDCs NSPL is set monthly. PJM EDCs NSPL is set annually.

If you know your Network Service Peak Load (NSPL), you can use the input table below to calculate your Transmission Cost.

Example: customer located in Penelec consuming 10,000 MWh/year.

| NSPL |   | NITS Rate (\$/MW-Yr) |   | Transmission Cost                                   |
|------|---|----------------------|---|---|
| 1.75 | X | \$82,591             | = | \$144,5347 / yr.<br>\$12,045 / mo.<br>\$14.45 / MWh |

For term other than 12-months; divide NITS rate by 12, then multiple by number of months.

| NSPL |   | NITS Rate (\$/MW-Yr) |   | Transmission Cost   |
|------|---|----------------------|---|---|
|      | X |                      | = | To calculate transmission cost by MWh,<br>divide this by your annual usage. |

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