

December 31, 2019

Subject: Fourth Quarter 2019 AFUDC Rate

The following table provides the 2019 AFUDC rate and the allocation for borrowed and equity funds. The 4rd quarter 2019 analysis resulted in a 10 basis point increase of the annual gross nominal rate to 6.57% from 6.47%.

- Immaterial changes in annual average CWIP, annual average short-term general-purpose financing and short-term general purpose weighted average rate.

The change is less than the 25 basis points required by FERC, therefore, there will be no update to the AFUDC rate for 4rd quarter 2019.

Effective Month	Gross Nominal Rate	Power Plan System Rate / Monthly System Rate	Allocation of Gross Funds Borrowed (%) / Equity (%)
January 2019	6.894805%	6.797808% 0.566484%	32.47% / 67.53%
March 2019	5.547362%	5.484312% 0.457026%	49.74% / 50.26%
June 2019	6.468913%	6.383412% 0.531951%	37.81% / 62.19%
September 2019	6.468913%	6.383412% 0.531951%	37.81% / 62.19%
December 2019	6.468913%	6.383412% 0.531951%	37.81% / 62.19%

If you have any questions regarding this information, please contact me at PAX 21923.

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