

facilities included in the Mortgaged and Pledged Property used primarily and principally in the electric, gas, steam and/or water generating, manufacturing, transmitting, transporting and/or distributing business (with all interdepartmental items eliminated), and after deducting (a) an amount equal to the cost to the Company of electricity, gas, steam, water or other products (if the revenues received therefrom are included in such Adjusted Gross Operating Revenues), purchased for exchange or resale, (b) an amount equal to the cost of rentals paid by the Company for properties leased from others used or to be used primarily and principally in its electric, gas, steam and/or water generating, manufacturing, transmitting, transporting and/or distributing business, or, at the option of the Company, the revenues, received directly from customers, derived from the operation of such properties leased from others (if readily ascertainable in accordance with sound accounting practice and if the revenues received therefrom are included in such Adjusted Gross Operating Revenues), and (c) an amount equal to charges to the Company for generating, manufacturing, transmitting, transporting, and/or distributing electricity, gas, steam and/or water (if the revenues received therefrom are included in such Adjusted Gross Operating Revenues) by others; provided, however, that any such revenue earned beginning January 1, [*], which is in controversy as a result of any litigation or which has been impounded shall be included in the Adjusted Gross Operating Revenues for the purpose of this computation, but only after, and in the year in which, any such revenue in controversy or impounded is recovered or, at the option of the Company, after, and in the year in which, it shall have been finally determined that such operating revenues belong to the Company or any such lessee."

* Here will be inserted the calendar year following the last calendar year for which an Officers' Certificate of Replacements is filed under the original subsection (I) of Section 39.