

November 20, 2019

VIA ELECTRONIC FILING

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**Re: Pennsylvania Electric Company Tariff Pa. P.U.C. No. 81, Supplement No. 86 –
Changes for Non-Utility Generation Charge Rider Rates Related to Default
Service Plan, Docket No. P-2009-2093054**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is Supplement No. 86 to Pennsylvania Electric Company's ("Penelec" or the "Company") Tariff Electric Pa. P.U.C. No. 81, which bears an issue date of November 20, 2019. The tariff changes contained in this filing are proposed to be effective with service rendered on or after December 1, 2019.

The purpose of this supplement is to reflect changes to the Non-Utility Generation ("NUG") Charge Rider rates. The attached file provides supporting details for the changes to the NUG Charge Rider rates. These rate changes are consistent with the Commission's Order at Docket No. P-2009-2093054.

If you have any questions regarding the enclosed documents, please contact me at (610) 921-6525.

Sincerely,



Joanne M. Savage
Director of Rates & Regulatory Affairs-PA
610-921-6525

Enclosures

c: Paul Diskin — Bureau of Technical Utility Services
Lori Burger — Bureau of Audits
Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

JOINT PETITION OF : **Docket No. P-2009-2093054**
PENNSYLVANIA ELECTRIC :
COMPANY FOR APPROVAL OF :
THEIR DEFAULT SERVICE :
PROGRAMS :

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the forgoing documents upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54:

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November 20, 2019


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PENNSYLVANIA ELECTRIC COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

**The Territory as Defined on
Page Nos. 8 - 15 of this Tariff**

Issued: November 20, 2019

Effective: December 1, 2019

**By: Samuel L. Belcher, President
Reading, Pennsylvania**

NOTICE

Supplement No. 86 changes Rider P.
See Eighty-Third Revised Page No. 2.

LIST OF MODIFICATIONS

Riders

Rider P – NUG Rider rates have been increased and decreased (See Nineteenth Revised Page 178).

RIDERS

Rider P (continued)

- S = The Company’s total Delivery Service kWh sales by NUG Rate Group projected for the NUG Billing Quarter that the NUC-C rates will be in effect.
- T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in the same decimal form used to express the Pennsylvania gross receipts tax rate that is employed in the Company’s base rates.

<u>Table 1</u>	<u>NUG Rate Group Allocation Factors</u>	<u>NUG Rate By Group In Cents per kWh</u>
NUG Rate Group 1 - Rate Schedule RS	.30716	0.259 (D)
NUG Rate Group 2 - Rate Schedule GS Volunteer Fire Company Non-Profit Ambulance Service, Rescue Squad and Senior Center Service, GS – Small, GS – Medium, GS Large, H, OAL, STLT, SLED, and BRD	.35519	0.401 (I)
NUG Rate Group 3 - Rate Schedule GP	.12306	0.317 (D)
NUG Rate Group 4 - Rate Schedule LP	.21459	0.328 (D)

All capitalized terms not otherwise defined in this Rider shall have the definitions specified in Section 2 of this Tariff.

The NUG-C rates shall be filed quarterly with the Commission 10 days prior to the effective date of the rate changes.

The Non-Utility Generation Charge Rider shall be subject to review and audit by the Commission.

(I) Increase
 (D) Decrease

Pennsylvania Electric Company
NUG Charge Rider
Rates to be Effective from December 1, 2019 through February 29, 2020
(Cents/kWh)

<u>Line No.</u>	<u>Description</u>	<u>GSS/GSM/GSL/ GSV/H/OL/ST/</u>				<u>Total Company</u>
		<u>RS</u>	<u>BRD</u>	<u>GP</u>	<u>LP</u>	
		(1)	(2)	(3)	(4)	(5)
1	NUG-C Delta Market (page 2, line 5, col. 4)	\$ 9,555,201	\$ 9,555,201	\$ 9,555,201	\$ 9,555,201	
2	NUG Rate Group Allocation Factor	<u>0.30716</u>	<u>0.35519</u>	<u>0.12306</u>	<u>0.21459</u>	
3	Above Market NUG Cost (line 1 x line 2)	\$ 2,934,976	\$ 3,393,912	\$ 1,175,863	\$ 2,050,451	\$ 9,555,202
4	E- Factor (pages 4, 6, 8, & 10, line 8, col. 7)	\$ 56,020	\$ 246,418	\$ 125,458	\$ 102,761	\$ 530,657
5	Total NUG Costs (line 3 + line 4)	\$ 2,990,996	\$ 3,640,330	\$ 1,301,321	\$ 2,153,212	\$ 10,085,859
6	Three Months Delivery Sales from Forecast - kWh (page 3, line 4)	<u>1,228,085,913</u>	<u>963,957,406</u>	<u>435,964,402</u>	<u>698,413,097</u>	3,326,420,819
7	NUG Charge Rate Before Tax Gross Up in cents/kWh [(line 5 / line 6) x 100]	0.244	0.378	0.298	0.308	
8	Tax Gross Up [1/ (1-T)] T=5.9%	<u>1.062699</u>	<u>1.062699</u>	<u>1.062699</u>	<u>1.062699</u>	
9	NUG Charge Rates (line 7 x line 8)	0.259	0.401	0.317	0.328	

**Pennsylvania Electric Company
NUG Charge Rider
NUG Cost and Market Value 2019 - 2020 Forecast**

<u>Line No.</u>	<u>Description</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>3 Month Total</u>
		(1)	(2)	(3)	(4)
	<u>OPERATING NUGS</u>				
1	Total NUG cost	\$ 6,727,127	\$ 6,514,517	\$ 6,207,891	\$ 19,449,535
2	Market value of NUGs	<u>2,724,007</u>	<u>3,891,171</u>	<u>3,239,144</u>	<u>9,854,322</u>
3	Above market NUG cost	\$ 4,003,119	\$ 2,623,346	\$ 2,968,748	\$ 9,595,213
4	Jurisdictional Allocation Factor				<u>0.99583</u>
5	Total Jurisdictional Above Market NUG Cost (line 3 x line 4)				<u>\$ 9,555,201</u>

Pennsylvania Electric Company
NUG Charge Rider
Sales Forecast -- 2019 - 2020
(kWh)

<u>Line No.</u>	<u>Month</u>	<u>GSS/GSM/GSL/ GSV/H/OL/ST/</u>				<u>Total</u>
		<u>RS</u>	<u>BRD</u>	<u>GP</u>	<u>LP</u>	
		(1)	(2)	(3)	(4)	(5)
1	December	364,928,131	309,860,085	146,372,503	235,041,257	1,056,201,976
2	January	432,335,722	325,276,295	141,733,412	228,150,390	1,127,495,820
3	February	<u>430,822,059</u>	<u>328,821,026</u>	<u>147,858,487</u>	<u>235,221,451</u>	<u>1,142,723,023</u>
4	Total Sales - kwh (line 1 + line 2 + line 3)	<u>1,228,085,913</u>	<u>963,957,406</u>	<u>435,964,402</u>	<u>698,413,097</u>	<u>3,326,420,819</u>

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rate RS**

Line No.	Month	NUG Revenues (1)	NUG Revenues Applied to Prior Period E - Factor (2)	Current NUG Revenues (3) = (1) - (2)	Above Market NUG Cost Retail Sales (4)	(Over)/Under Collection (5) = (4) - (3)	Unamortized Prior Period E-Factor Balance (6)	Total E - Factor (7) = (5) + (6)
1	May 2019	\$ 809,634	\$ 375,105	\$ 434,530	\$ 1,135,664	\$ 701,134		
2	June	879,654	389,741	489,913	767,053	277,140		
3	July	<u>1,274,838</u>	<u>389,741</u>	<u>885,097</u>	<u>1,030,146</u>	<u>145,049</u>		
4	Quarter	\$ 2,964,127	\$ 1,154,587	\$ 1,809,539	\$ 2,932,863	\$ 1,123,324	\$ -	\$ 1,123,324
5	August	\$ 1,448,625	\$ 389,741	\$ 1,058,884	\$ 1,099,187 (A)	\$ 40,303		
6	September	1,265,548	374,441	891,106	1,201,025	309,919		
7	October	<u>1,150,784</u>	<u>374,441</u>	<u>776,343</u>	<u>482,141</u>	<u>(294,202)</u>		
8	Quarter	\$ 3,864,957	\$ 1,138,624	\$ 2,726,333	\$ 2,782,353	\$ 56,020	\$ -	\$ 56,020
9	Total	<u>\$ 6,829,083</u>	<u>\$ 2,293,211</u>	<u>\$ 4,535,872</u>	<u>\$ 5,715,216</u>	<u>\$ 1,179,344</u>		

(A) An adjustment of \$47,900 for the period of August 2018 through July 2019 was made in August 2019 for PJM expenses that were erroneously charged to an incorrect general ledger account.

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rate RS**

Line No.	Month	Prior Period (Over)/Under Collection to be Amortized	NUG Revenues Applied to Prior Period Amortization	Total (Over)/Under Collection Balance
		(1)	(2)	(3)
1	Beg. Balance at April 30, 2019			\$ 375,105
2	May 2019	\$ -	\$ 375,105	\$ -
3	June	1,169,224	389,741	779,482
4	July	-	389,741	389,741
5	August	-	389,741	-
6	September	1,123,324	374,441	748,882
7	October	-	374,441	374,441
8	November	-	<u>374,441</u>	-
9	Total		<u>\$ 2,667,652</u>	

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rates GS, et. al**

Line No.	Month	NUG Revenues (1)	NUG Revenues Applied to Prior Period E - Factor (2)	Current NUG Revenues (3) = (1) - (2)	Above Market NUG Cost Retail Sales (4)	Current (Over)/Under Collection (5) = (4) - (3)	Unamortized Prior Period E-Factor Balance (6)	Total E - Factor (7) = (5) + (6)
1	May 2019	\$ 1,175,502	\$ 569,723	\$ 605,779	\$ 1,313,246	\$ 707,467		
2	June	1,246,490	499,746	746,744	886,996	140,252		
3	July	<u>1,431,540</u>	<u>499,746</u>	<u>931,794</u>	<u>1,191,228</u>	<u>259,434</u>		
4	Quarter	\$ 3,853,532	\$ 1,569,215	\$ 2,284,317	\$ 3,391,470	\$ 1,107,153	\$ -	\$ 1,107,153
5	August	\$ 1,516,018	\$ 499,746	\$ 1,016,272	\$ 1,271,065 (A)	\$ 254,793		
6	September	1,424,707	369,051	1,055,656	1,388,827	333,171		
7	October	<u>1,268,128</u>	<u>369,051</u>	<u>899,077</u>	<u>557,532</u>	<u>(341,545)</u>		
8	Quarter	\$ 4,208,853	\$ 1,237,848	\$ 2,971,006	\$ 3,217,424	\$ 246,418	\$ -	\$ 246,418
9	Total	<u>\$ 8,062,385</u>	<u>\$ 2,807,062</u>	<u>\$ 5,255,323</u>	<u>\$ 6,608,894</u>	<u>\$ 1,353,571</u>		

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**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rates GS, et al**

<u>Line No.</u>	<u>Month</u>	<u>Prior Period (Over)/Under Collection to be Amortized</u>	<u>NUG Revenues Applied to Prior Period Amortization</u>	<u>Total (Over)/Under Collection Balance</u>
		(1)	(2)	(3)
1	Beg. Balance at April 30, 2019			\$ 569,723
2	May 2019	\$ -	\$ 569,723	\$ -
3	June	1,499,237	499,746	999,492
4	July	-	499,746	499,745
5	August	-	499,746	-
6	September	1,107,153	369,051	738,102
7	October	-	369,051	369,051
8	November	-	<u>369,051</u>	-
9	Total		<u>\$ 3,176,113</u>	

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rate GP**

Line No.	Month	NUG Revenues (1)	NUG Revenues Applied to Prior Period E - Factor (2)	Current NUG Revenues (3) = (1) - (2)	Above Market NUG Cost Retail Sales (4)	Current (Over)/Under Collection (5) = (4) - (3)	Unamortized Prior Period E-Factor Balance (6)	Total E - Factor (7) = (5) + (6)
1	May 2019	\$ 407,831	\$ 201,672	\$ 206,159	\$ 454,990	\$ 248,831		
2	June	442,330	189,098	253,231	307,311	54,080		
3	July	<u>495,653</u>	<u>189,098</u>	<u>306,555</u>	<u>412,716</u>	<u>106,161</u>		
4	Quarter	\$ 1,345,814	\$ 579,869	\$ 765,945	\$ 1,175,017	\$ 409,072	\$ -	\$ 409,072
5	August	\$ 521,195	\$ 189,098	\$ 332,097	\$ 440,376 (A)	\$ 108,279		
6	September	501,728	136,357	365,370	481,176	115,806		
7	October	<u>428,148</u>	<u>136,357</u>	<u>291,791</u>	<u>193,164</u>	<u>(98,627)</u>		
8	Quarter	\$ 1,451,071	\$ 461,813	\$ 989,258	\$ 1,114,716	\$ 125,458	\$ -	\$ 125,458
9	Total	<u>\$ 2,796,885</u>	<u>\$ 1,041,682</u>	<u>\$ 1,755,203</u>	<u>\$ 2,289,733</u>	<u>\$ 534,530</u>		

(A) An adjustment of \$47,900 for the period of August 2018 through July 2019 was made in August 2019 for PJM expenses that were erroneously charged to an incorrect general ledger account.

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rate GP**

<u>Line No.</u>	<u>Month</u>	<u>Prior Period (Over)/Under Collection to be Amortized</u> (1)	<u>NUG Revenues Applied to Prior Period Amortization</u> (2)	<u>Total (Over)/Under Collection Balance</u> (3)
1	Beg. Balance at April 30, 2019			\$ 201,672
2	May 2019	\$ -	\$ 201,672	\$ -
3	June	567,295	189,098	378,197
4	July	-	189,098	189,099
5	August	-	189,098	-
6	September	409,072	136,357	272,715
7	October	-	136,357	136,358
8	November	-	<u>136,357</u>	-
9	Total		<u>\$ 1,178,039</u>	

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rate LP**

Line No.	Month	NUG Revenues (1)	NUG Revenues Applied to Prior Period E - Factor (2)	Current NUG Revenues (3) = (1) - (2)	Above Market NUG Cost Retail Sales (4)	Current (Over)/Under Collection (5) = (4) - (3)	Unamortized Prior Period E-Factor Balance (6)	Total E - Factor (7) = (5) + (6)
1	May 2019	\$ 716,511	\$ 320,343	\$ 396,168	\$ 793,405	\$ 397,237		
2	June	797,028	301,693	495,335	535,883	40,548		
3	July	<u>877,197</u>	<u>301,693</u>	<u>575,504</u>	<u>719,687</u>	<u>144,183</u>		
4	Quarter	\$ 2,390,736	\$ 923,729	\$ 1,467,007	\$ 2,048,975	\$ 581,968	\$ -	\$ 581,968
5	August	\$ 891,316	\$ 301,693	\$ 589,623	\$ 767,921 (A)	\$ 178,298		
6	September	793,845	193,989	599,856	839,067	239,211		
7	October	<u>845,573</u>	<u>193,989</u>	<u>651,584</u>	<u>336,836</u>	<u>(314,748)</u>		
8	Quarter	\$ 2,530,734	\$ 689,671	\$ 1,841,063	\$ 1,943,824	\$ 102,761	\$ -	\$ 102,761
9	Total	<u>\$ 4,921,470</u>	<u>\$ 1,613,400</u>	<u>\$ 3,308,070</u>	<u>\$ 3,992,799</u>	<u>\$ 684,729</u>		

(A) An adjustment of \$47,900 for the period of August 2018 through July 2019 was made in August 2019 for PJM expenses that were erroneously charged to an incorrect general ledger account.

**Pennsylvania Electric Company
NUG Charge Rider
E - Reconciliation Factor
Rate LP**

Line No.	Month	Prior Period (Over)/Under Collection to be Amortized	NUG Revenues Applied to Prior Period Amortization	Total (Over)/Under Collection Balance
		(1)	(2)	(3)
1	Beg. Balance at April 30, 2019			\$ 320,343
2	May 2019	\$ -	\$ 320,343	\$ -
3	June	905,079	301,693	603,386
4	July	-	301,693	301,693
5	August	-	301,693	-
6	September	581,968	193,989	387,978
7	October	-	193,989	193,989
8	November	-	<u>193,989</u>	-
9	Total		<u>\$ 1,807,389</u>	