

May 1, 2019

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

**Re: *Pennsylvania Electric Company Tariff Electric Pa. P.U.C. No. 81,
Supplement No. 77 – Rate Changes in Compliance with Pennsylvania Electric
Company’s Phase III Energy Efficiency and Conservation Plan***

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission (“Commission”) are an original of Pennsylvania Electric Company’s (“Penelec” or the “Company”) Tariff Electric Pa. P.U.C. No. 81, Original (“Tariff No. 81”) bearing an issue date of May 1, 2019. The tariff changes contained in Supplement 77 are proposed to be effective for service rendered on or after June 1, 2019.

Tariff No. 81, Supplement 77 reflects changes in rates consistent with the Commission’s Order entered March 10, 2016 at Docket No. M-2015-2514768, which approved Penelec’s Phase III Energy Efficiency and Conservation Plan for the period ending May 31, 2021.

In support of the proposed changes set forth in Tariff No. 81, Supplement 77, Penelec is also filing Penelec Exhibit A, which provides supporting detail for the Company’s Phase III Energy Efficiency and Conservation Charge (“Phase III EE&C-C”) Rates, pursuant to the Company’s Phase III Energy Efficiency and Conservation Charge Rider (Rider F).

If you have any questions regarding the enclosed documents, please feel free to contact me.

Sincerely,



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

Enclosures

c: As Per Certificate of Service
Paul T. Diskin, Bureau of Technical Utility Services
Lori Burger, Bureau of Audits

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition for Approval of Energy Efficiency and Conservation Plans Phase III of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company	:	Docket No. M-2015-2514767
	:	Docket No. M-2015-2514768
	:	Docket No. M-2015-2514769
	:	Docket No. M-2015-2514772

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of §1.54 (relating to service by a party).

Christy Appleby
Darryl A. Lawrence
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

Susan E. Bruce
Charis Mincavage
Vasiliki Karandrikas
Allesandra L. Hylander
McNees Wallace & Nurick, LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108

Derrick Price Williamson
Barry A. Naum
Spilman, Thomas & Battle PLLC
1100 Bent Creek Blvd., Suite 101
Mechanicsburg, PA 17050

Thomas J. Sniscak
Christopher M. Arfaa
William E. Lehman
Hawke McKeon & Sniscak, LLP
100 N. 10th Street
P.O. Box 1778
Harrisburg, PA 17105-1778

Sarah C. Stoner
Daniel Clearfield
Deanne M. O'Dell
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
P.O. Box 1248
Harrisburg, PA 17101

Patrick M. Cicero, Esquire
Elizabeth R. Marx, Esquire
Joline Price, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101

Scott H. DeBroff, Esquire
Clark Hill
One Oxford Centre
301 Grant Street, 14th Floor
Pittsburgh, PA 15219

Elizabeth Rose Triscari
Office of Small Business Advocate
Suite 202
300 North Second Street, Suite 1102
Harrisburg, PA 17101

May 1, 2019



Joanne M. Savage
Director – Rates & Regulatory Affairs-PA
2800 Pottsville Pike
PO Box 16001
Reading PA 19612-6001
610-921-6525
jmsavage@firstenergycorp.com

PENNSYLVANIA ELECTRIC COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

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

Issued: May 1, 2019

Effective: June 1, 2019

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

NOTICE

Supplement No. 77 makes changes to Rider F.
See Seventy-Fourth Revised Page No. 2.

LIST OF MODIFICATIONS

Riders

Rider F –Phase III Energy Efficiency and Conservation Charge Rider rates have been changed, decreased and increased (See Fifth Revised Page 126).

RIDERS

RIDER F

PHASE III ENERGY EFFICIENCY AND CONSERVATION CHARGE RIDER

An Energy Efficiency and Conservation (“EEC”) Charge (“Phase III EE&C-C”) shall be applied to each Billing Unit during a billing month to Customers served under this Tariff, with the exception of those served under Borderline Service rates. Billing Units are defined as follows:

Residential, Non-profit, Commercial, and Street Lighting Customer Classes: Per kWh

Industrial Customer Class: Per kW PLC

Residential, Non-profit, Commercial, and Street Lighting Customer Class rates will be calculated to the nearest one-thousandth of a cent per kWh. Industrial Customer Class rates will be calculated to the nearest one-hundredth of a dollar per kW PLC. The Phase III EE&C-C rates shall be calculated separately for each Customer Class according to the provisions of this rider.

For service rendered June 1, 2019 through May 31, 2020 the Phase III EE&C-C rates billed by Customer Class are as follows: (C)

Residential Customer Class (Rate RS):

0.346 cents per kWh.

Non-profit Customer Class (Rate GS – Volunteer Fire Company, and Non-Profit Ambulance Service, Rescue Squad and Senior Center Service Rate and Rate H):

0.180 cents per kWh. (D)

Commercial Customer Class (Rate GS-Small, Rate GS-Medium, and Outdoor Lighting Service):

0.088 cents per kWh. (D)

Street Lighting Customer Class (Street Lighting Service, LED Street Lighting Service, and Ornamental Street Lighting Service):

0.229 cents per kWh. (D)

Industrial Customer Class (Rate GS-Large, Rate GP, and Rate LP):

\$ 0.44 per kW PLC. (I)

(C) Change
 (D) Decrease
 (I) Increase

**Calculation of Pennsylvania Electric Company's Phase III Energy Efficiency and Conservation ("EE&C-C") Charge ("EE&C-C") Rates
For the Rate Period June 1, 2019 through May 31, 2020**

Line No.	Description	Penelec Residential Customer Class (1)	Penelec Non-profit Customer Class (2)	Penelec Commercial Customer Class (3)	Penelec Street Lighting Customer Class (4)	Penelec Industrial Customer Class (5)	Penelec Total (6)
1	Total Penelec Projected Program Costs for the period June 1, 2019 through May 31, 2020 subject to 2% cap	\$ 16,148,502	\$ 510,944	\$ 4,718,894	\$ 66,457	\$ 3,658,429	\$ 25,103,226
2	Penelec's Share of Statewide Evaluator Costs (June 1, 2019 through May 31, 2020)	149,242	4,722	43,611	614	33,811	232,000
3	Total Penelec Projected Program Costs including Statewide Evaluator Cost for the period June 1, 2019 through May 31, 2020 (Line 1 + Line 2)	\$ 16,297,744	\$ 515,666	\$ 4,762,505	\$ 67,071	\$ 3,692,240	\$ 25,335,226
4	Estimated kWh or kW for the period April 1, 2019 to May 31, 2019	621,278,940 kWhs	7,391,785 kWhs	560,151,197 kWhs	5,662,371 kWhs	1,689,035 kWhs	
5	Phase III EEC Rate in effect from June 1, 2018- May 31, 2019	\$ 0.00346 per kWh	\$ 0.00414 per kWh	\$ 0.00106 per kWh	\$ 0.00363 per kWh	\$ 0.40 per kW	
6	Projected Penelec Phase III Revenues for the period April 1, 2019 to May 31, 2019 (Line 4 X Line 5)	2,149,625	30,602	593,760	20,554	675,614	3,470,156
7	Phase III over/(under) collection through March 31, 2019	744,233	407,427	1,306,185	(25,101)	(1,220,010)	1,212,734
8	Total to be collected June 1, 2019 to May 31, 2020 (Line 3 - Line 6 - Line 7)	\$ 13,403,886	\$ 77,637	\$ 2,862,560	\$ 71,618	\$ 4,236,636	\$ 20,652,337
9	Customer Class Projected Kilowatt-Hours ("kWh") Delivered or Peak Load Contribution Kilowatt ("kW") for June 1, 2019 - May 31, 2020	4,119,678,675 kWhs	45,708,405 kWhs	3,449,485,191 kWhs	33,281,063 kWhs	10,134,208 kWhs	
10	Phase III - EE&C-C Rates Before Pa Gross Receipts Tax (Line 8 / Line 9)	\$ 0.00325 per kWh	\$ 0.00170 per kWh	\$ 0.00083 per kWh	\$ 0.00215 per kWh	\$ 0.41805 per kW	
11	Pa Gross Receipts Tax Gross-Up Factor [1 / (1-T)] with T = 5.90% Pa Gross Receipts Tax in Base Rates	1.062699	1.062699	1.062699	1.062699	1.062699	
12	Proposed Phase III EE&C-C Rates Effective June 1, 2019 (Line 10 X Line 11)	\$ 0.00346 per kWh	\$ 0.00180 per kWh	\$ 0.00088 per kWh	\$ 0.00229 per kWh	\$ 0.44 per kW	

(A) Pennsylvania's Act 129 of 2008 states that the maximum annual cost recovery for Energy Efficiency and Conservation Programs cannot exceed 2% of the electric distribution company's total annual revenue as of December 31, 2006.

(B) For purposes of the industrial class rate calculation, the billing unit is equal to the Peak Load Share in kWhs.

(C) All costs and revenue estimates are current budgets, and subject to modification at a future date. The Statewide Evaluator Cost utilized is the estimate based on the expense to be incurred for Phase III.

13	Percentage of Projected Program costs to allocate SWE cost	64.33%	2.04%	18.80%	0.26%	14.57%	100.00%
----	--	--------	-------	--------	-------	--------	---------