

January 25, 2019

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Pennsylvania Electric Company Tariff Electric Pa. P.U.C. No. 81 – Revised
Rate Changes in Compliance with Pennsylvania Electric Company’s Default
Service Plan, Docket No. P-2015-2511351**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is an original copy of Supplement No. 70 Revised to Pennsylvania Electric Company’s (“Penelec” or the “Company”) Tariff Electric Pa. P.U.C. No. 81, which bears an issue date of January 15, 2019. The tariff changes contained in Supplement No. 70 Revised are proposed to be effective with service rendered on or after March 1, 2019.

The purpose of Tariff Supplement No. 70 Revised is to reflect default service rate changes for the Commercial Customer Class served under the Price to Compare Default Service Rider. This rate changes are consistent with the Commission’s Order entered May 19, 2016 at Docket No. P-2015-2511351.

As support for the rate changes, the following schedules accompany this tariff filing:

- Schedule 1 provides supporting details for the changes to the Commercial Class’s default service rates stated in the tariff’s Price to Compare Default Service Rate Rider.

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

Sincerely,



Charles V. Fullem
Director of Rates & Regulatory Affairs-PA
610-921-6525

Enclosures
c: Certificate of Service
Paul Diskin, TUS

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition of Metropolitan Edison	:	Docket Nos. P-2015-2511333
Company, Pennsylvania Electric Company,	:	P-2015-2511351
Pennsylvania Power Company and West	:	P-2015-2511355
Penn Power Company for Approval of	:	P-2015-2511356
their Default Service Program	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant.)

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Dated: January 25, 2019



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RIDERS

RIDER H

PRICE TO COMPARE DEFAULT SERVICE RATE RIDER

A Price to Compare Default Service Rate (“PTC_{Default}”) shall be applied to each kWh of Default Service that Penelec delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The PTC_{Default} rate shall be billed to Customers receiving Default Service from the Company under this rider. The rates shall be calculated according to the provisions of this rider.

(C)

For service rendered March 1, 2019 through May 31, 2019 the PTC_{Default} rates billed by Customer Class are as follows:

Commercial Customer Class (Rate GS-Small, Rate GS-Medium, Rate H, Borderline Service, Street Lighting Service, Ornamental Street Lighting, LED Street Lighting Service, and Outdoor Lighting Service):

\$0.06571 per kWh (D)

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

\$0.05747 per kWh (D)

(C) Change
(D) Decrease

**Pennsylvania Electric Company
Price to Compare Default Service Rate Calculation
Commercial Class: For the Default Service Period March 1, 2019 through May 31, 2019**

**Line
No.**

	Number of Tranches	Clearing Price	Weighted Clearing Price
<u>Fixed Price Tranche Purchases (\$ per MWh)</u>			
1	2	53.62	\$ 107.24
2	3	54.33	\$ 162.99
3	1	54.59	\$ 54.59
4	2	53.98	\$ 107.96
5	2	52.17	\$ 104.34
6	2	53.97	\$ 107.94
7	4	57.22	\$ 228.88
8	<u>16</u>		<u>\$ 873.94</u>
9		\$ 54.62	
10		<u>100%</u>	
11			\$ 54.62
12		\$ -	
13		<u>20.00</u>	
14		\$ 20.00	
15		<u>0%</u>	
16			<u>\$ -</u>
17			\$ 0.05462
18			<u>1.0573</u>
19			\$ 0.05775 <i>per kWh</i>
20			\$ 0.00022 <i>per kWh</i>
21			\$ 0.05797
22			<u>1.062699</u>
23			\$ 0.06160 <i>per kWh</i>
24			\$ 0.00411 <i>per kWh</i>
25			\$ 0.06571 <i>per kWh</i>

(A) All Price to Compare computations will be pursuant to the terms of the Company's "Price to Compare Default Service Rate Rider".
(B) All Adders are subject to Quarterly Updates

Pennsylvania Electric Company
Computation of Commercial Class Price to Compare Default Service Rate Reconciliation Factor
Rate Effective March 1, 2019 through May 31, 2019

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over) / Under Collection as of December 31, 2018 (See Page 3, Line 15)	\$ 1,277,515
2	Adjustment for projected Commercial Class E-factor revenue for the remainder of the Default Service Quarter beginning December 1, 2018	<u>(407,438)</u>
3	Total Cumulative Commercial Class (Over) / Under Collection, as adjusted (Line 1 + Line 2)	\$ 870,077
4	Projected Commercial Class kilowatt hour sales - March 1, 2019 - May 31, 2019 (Line 11)	224,946,713 kWh
5	Commercial Class Reconciliation Rate before PA Gross Receipts Tax (Line 3 / Line 4)	\$ 0.00387 per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
7	Commercial Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ 0.00411 per kWh</u>

Projected Commercial Class kilowatt hour sales March 1, 2019 through May 31, 2019

8	Mar-19	74,074,253
9	Apr-19	78,379,967
10	May-19	<u>72,492,493</u>
11	Total Projected Commercial Class kWh Sales	<u><u>224,946,713</u></u>

Pennsylvania Electric Company
Commercial Class Price to Compare Default Service Rate Reconciliation
October 1, 2018 through December 31, 2018

Line No.	Description	Oct-18	Nov-18	Dec-18
1	Cumulative (Over)/Under Collection at Beginning of Month 1	\$ 335,721	\$ 518,193	\$ 852,963
2	Gross Default Service Plan Revenues	\$ 4,421,722	\$ 4,347,686	\$ 5,217,908
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>260,882</u>	<u>256,513</u>	<u>307,857</u>
4	PTC _{Rev} Net Default Service Plan Revenues	\$ 4,160,840	\$ 4,091,173	\$ 4,910,051
5	Plus: Prior Period E-factor Amortization	<u>\$ 367,484</u>	<u>\$ 367,483</u>	<u>\$ (111,907)</u>
6	Revenue Available for Current Deferral	\$ 4,528,324	\$ 4,458,656	\$ 4,798,144
	<u>Expenses</u>			
7	DS _{Exp1} Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{Exp2} Cost to provide Default Service	4,348,428	4,426,712	5,323,762
9	DS _{Exp2} Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 4,348,428	\$ 4,426,712	\$ 5,323,762
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ (179,896)	\$ (31,944)	\$ 525,618
12	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
13	Current Month Interest Rate	5.25%	5.25%	5.50%
14	DS _{Int} Interest on Current Month Deferral (Line 11 X Line 12 X (Line 13/12))	<u>\$ (5,116)</u>	<u>\$ (769)</u>	<u>\$ 10,841</u>
15	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 11 + Line 14)	<u>\$ 518,193</u>	<u>\$ 852,963</u>	<u>\$ 1,277,515</u>

1 The WSJ Prime Rate changed from 5% to 5.25% on September 27, 2018.

The correction to the beginning balance reflects the update the September interest rate.