

November 4, 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-2017-2637857**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is an original copy of revised Supplement No. 85 to Pennsylvania Electric Company’s (“Penelec” or the “Company”) Tariff Electric Pa. P.U.C. No. 81, which bears an issue date of October 17, 2019. The tariff changes contained in revised Supplement No. 85 are proposed to be effective with service rendered on or after December 1, 2019.

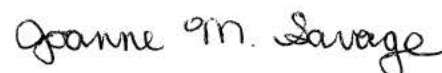
The purpose of revised Tariff Supplement No. 85 is to reflect default service rate changes for the Commercial Customer Class served under the Price to Compare Default Service Rider. These rate changes are consistent with the Commission’s Order entered September 4, 2018 at Docket No. P-2017-2637857.

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 rate 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,



Joanne M. Savage
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 Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs :
: **Docket No. P-2017-2637855, et al.**
:
:
:

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the foregoing documents of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company on the following persons in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA FIRST CLASS MAIL

Tanya J. McCloskey
Darryl A. Lawrence
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
tmccloskey@paoca.org
dlawrence@paoca.org

Sharon E. Webb
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
swebb@pa.gov

Allison Kaster
Gina Miller
Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commerce Keystone Building
400 North Street
2nd Floor, F West
Harrisburg, PA 17120
akaster@pa.gov
ginmiller@pa.gov

Charis Mincavage
Susan Bruce
Vasiliki Karandrikas
McNees, Wallace & Nurick, LLC
100 Pine Street
Harrisburg, PA 17108-1166
cmincavage@mcneeslaw.com
sbruce@mcneeslaw.com
vkandrikas@mcneeslaw.com
*Counsel for MEIUG/PICA/PPUG
and WPPH*

Thomas J. Sniscak
William E. Lehman
Hawke McKeon & Sniscak LLP
100 North 10th Street
Harrisburg, PA 17101
tjsniscak@hmslegal.com
welehman@hmslegal.com
Counsel for Penn State University

Patrick Cicero
Elizabeth Marx
Coalition for Affordable Utility Services and
Energy Efficiency in Pennsylvania
118 Locust St
Harrisburg, PA 17101
pulp@palegalaid.net
Counsel for CAUSE-PA

Karen O. Moury
Eckert Seamans Cherin & Mellott, LLC
213 Market Street
8th Floor
Harrisburg, PA 17101
kmoury@eckertseamans.com
Counsel for Respond Power LLC

Todd Stewart
Hawke McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
tsstewart@hmslegal.com
Counsel for NextEra

Date: November 4, 2019

Deanne M. O'Dell
Daniel Clearfield
Sarah Stoner
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
dodell@eckertseamans.com
dclearfield@eckertseamans.com
sstoner@eckertseamans.com
Counsel for RESA

H. Rachel Smith
Exelon Corporation
701 9th Street, NW
Mailstop EP 2205
Washington, DC 20068-0001
Holly.smith@exeloncorp.com

Charles E. Thomas, III
Thomas, Niesen & Thomas, LLC
212 Locust Street
Suite 302
Harrisburg, PA 17101
cet3@tntlawfirm.com
Counsel for Calpine Energy Solutions, LLC


Joanne M Savage
Director – Rates & Regulatory Affairs – PA
2800 Pottsville Pike
P.O. Box 16001
Reading, PA 19612-6001
Phone: (610) 921-6525
jmsavage@firstenergycorp.com

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.

For service rendered December 1, 2019 through February 29, 2020 the PTC_{Default} rates billed by Customer Class are as follows:

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

\$0.05998 per kWh.

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

\$0.06445 per kWh

(C) Change
(I) Increase

Pennsylvania Electric Company
Price to Compare Default Service Rate Calculation
Commercial Class: For the Default Service Period December 1, 2019 through February 29, 2020

**Line
No.**

	Number of Tranches	Clearing Price	Weighted Clearing Price	
	<u>Fixed Price Tranche Purchases (\$ per MWh)</u>			
1	1	50.45	\$ 50.45	
2	1	49.31	\$ 49.31	
3	2	52.40	\$ 104.80	
4	1	51.25	\$ 51.25	
5	2	51.08	\$ 102.16	
6	2	50.01	\$ 100.02	
7	5	61.32	\$ 306.60	
8	14		\$ 764.59	
9		\$ 54.61		
10		<u>100%</u>		
11			\$ 54.61	
12		\$ -		
13		<u>20.00</u>		
14		\$ 20.00		
15		<u>0%</u>		
16			\$ -	
17			\$ 0.05461	
18			<u>1.0573</u>	
19				\$ 0.05774 <i>per kWh</i>
20				\$ 0.00004 <i>per kWh</i>
21				\$ 0.05779
22				<u>1.062699</u>
23				\$ 0.06141 <i>per kWh</i>
24				\$ (0.00143) <i>per kWh</i>
25				\$ 0.05998 <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 December 1, 2019 through February 29, 2020

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over) / Under Collection as of September 30, 2019 (See Page 3, Line 17)	\$ (751,869)
2	Adjustment for projected Commercial Class E-factor revenue for the remainder of the Default Service Quarter beginning September 1, 2019	<u>491,795</u>
3	Total Cumulative Commercial Class (Over) / Under Collection, as adjusted (Line 1 + Line 2)	\$ (260,074)
4	Projected Commercial Class kilowatt hour sales - December 1, 2019 - February 29, 2020 (Line 11)	193,418,656 kWh
5	Commercial Class Reconciliation Rate before PA Gross Receipts Tax (Line 3 / Line 4)	\$ (0.00134) 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><u>\$ (0.00143) per kWh</u></u>

Projected Commercial Class kilowatt hour sales December 1, 2019 through February 29, 2020

8	Dec-19	61,376,372
9	Jan-20	66,170,707
10	Feb-20	<u>65,871,577</u>
11	Total Projected Commercial Class kWh Sales	<u><u>193,418,656</u></u>

Pennsylvania Electric Company
Commercial Class Price to Compare Default Service Rate Reconciliation
July 1, 2019 through September 30, 2019

Line No.	Description	Jul-19	Aug-19	Sep-19
1	Cumulative (Over)/Under Collection at Beginning of Month 1	\$ (925,889)	\$ (193,840)	\$ (355,285)
2	Gross Default Service Plan Revenues	\$ 3,976,807	\$ 4,266,729	\$ 3,899,512
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>234,632</u>	<u>251,737</u>	<u>230,071</u>
4	PTC _{Rev} Net Default Service Plan Revenues	\$ 3,742,176	\$ 4,014,992	\$ 3,669,441
5	Plus: Prior Period E-factor Amortization	<u>\$ (110,896)</u>	<u>\$ (110,896)</u>	<u>\$ 308,630</u>
6	Revenue Available for Current Deferral	\$ 3,631,280	\$ 3,904,096	\$ 3,978,071
	<u>Expenses</u>			
7	DS _{Exp1} Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{Exp2} Cost to provide Default Service	4,449,839	3,854,735	3,310,180
9	DS _{Exp2} Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 4,449,839	\$ 3,854,735	\$ 3,310,180
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ 818,559	\$ (49,361)	\$ (667,891)
12	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
13	Current Month Interest Rate	5.50%	5.25%	5.00%
14	DS _{Int} Interest on Current Month Deferral (Line 11 X Line 12 X (Line 13/12))	<u>\$ 24,386</u>	<u>\$ (1,188)</u>	<u>\$ (12,523)</u>
15	June 1, 2015 through May 31, 2017 Audit Period Adjustment	\$ -	\$ -	\$ (17,869)
16	Interest on June 1, 2015 through May 31, 2017 Audit Period Adjustment through 9/30/19	<u>-</u>	<u>-</u>	<u>(6,931)</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 11 + Line 14 + Line 15 + Line 16)	<u>\$ (193,840)</u>	<u>\$ (355,285)</u>	<u>\$ (751,869)</u>