

August 21, 2018

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

**Re: Pennsylvania Electric Company Tariff Pa. P.U.C. No. 81, Supplement No. 60 –  
Changes for Non-Utility Generation Charge Rider Rates Related to Default  
Service Plan, Docket No. P-2009-2093054**

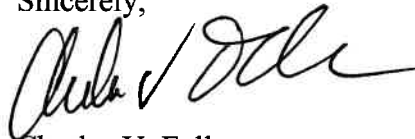
Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is Supplement No. 60 to Pennsylvania Electric Company's ("Penelec" or the "Company") Tariff Electric Pa. P.U.C. No. 81, which bears an issue date of August 21, 2018. The tariff changes contained in Supplement No. 60 are proposed to be effective with service rendered on or after September 1, 2018.

The purpose of Tariff Supplement No. 60 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,



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

Enclosures

c: Paul Diskin — PaPUC Bureau of Technical Utility Services  
Lori Burger — PaPUC 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 that I have this day served a true copy of Pennsylvania Electric Company's Tariff Electric Pa. P.U.C. No. 81 – Supplement No. 60 and accompanying supporting documentation upon the individuals listed below in accordance with the requirements of 52 Pa. Code § 1.54:

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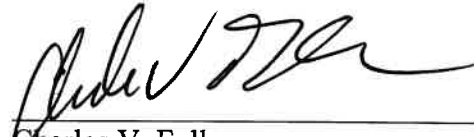
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August 21, 2018



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**PENNSYLVANIA ELECTRIC COMPANY**

**READING, PENNSYLVANIA**

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**Electric Service Tariff**

**Effective in**

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

**In accordance with Commission Order at Docket No. M-2018-2641242 adopted and entered on March 15, 2018, the current rates and riders in this tariff are declared to be temporary rates pursuant to Section 1310 (d) of the Public Utility Code, 66 Pa.C.S. § 1310(d) for a trial period ending September 15, 2018.**

**Issued: August 21, 2018**

**Effective: September 1, 2018**

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

**NOTICE**

Supplement No. 60 changes Rider P.  
See Fifty-Seventh Revised Page No. 2.

LIST OF MODIFICATIONS

**Riders**

Rider P – NUG Rider rates have been increased (See Fourteenth 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.

**Table 1**

<b><u>NUG Rate Group</u></b>	<b><u>NUG Rate Group Allocation Factors</u></b>	<b><u>NUG Rate By Group In Cents per kWh</u></b>
NUG Rate Group 1 - Rate Schedule RS	.30716	0.354 (I)
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	0.336 (I)
NUG Rate Group 3 - Rate Schedule GP	.12306	0.277 (I)
NUG Rate Group 4 - Rate Schedule LP	.21459	0.321 (I)

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

**Pennsylvania Electric Company**  
**NUG Charge Rider**  
Rates to be Effective from September 1, 2018 through November 30, 2018  
(Cents/kWh)

Line No.	Description	GSS/GSM/GSL GSV/H/OL/ST/					Total Company
		RS	BRD	GP	LP	(5)	
1	NUG-C Delta Market (page 2, line 5, col. 4)	\$ 4,301,153	\$ 4,301,153	\$ 4,301,153	\$ 4,301,153		\$ 4,301,153
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)	\$ 1,321,142	\$ 1,527,727	\$ 529,300	\$ 922,984		\$ 4,301,153
4	E-Factor (pages 4, 6, 8, & 10, line 4, col. 7)	\$ 1,793,514	\$ 2,057,631	\$ 721,928	\$ 1,297,851		\$ 5,870,924
5	Total NUG Costs (line 3 + line 4)	\$ 3,114,656	\$ 3,585,358	\$ 1,251,228	\$ 2,220,835		\$ 10,172,077
6	Three Months Delivery Sales from Forecast - kWh (page 3, line 4)	<u>935,199,542</u>	<u>1,134,711,696</u>	<u>480,633,762</u>	<u>736,228,660</u>		3,286,773,660
7	NUG Charge Rate Before Tax Gross Up in cents/kWh [(line 5 / line 6) x 100]	0.333	0.316	0.260	0.302		
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)	0.354	0.336	0.277	0.321		



**Pennsylvania Electric Company**  
**NUG Charge Rider**  
**NUG Cost and Market Value 2018 Forecast**

<u>Line No.</u>	<u>Description</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>3 Month</u>
		(1)	(2)	(3)	<u>Total</u>
<u>OPERATING NUGS</u>					
1	Total NUG cost	\$ 6,554,048	\$ 6,727,127	\$ 6,554,048	\$ 19,835,223
2	Market value of NUGs	<u>4,992,011</u>	<u>5,126,306</u>	<u>5,397,741</u>	<u>15,516,059</u>
3	Above market NUG cost	\$ 1,562,037	\$ 1,600,820	\$ 1,156,307	\$ 4,319,164
4	Jurisdictional Allocation Factor				<u>0.99583</u>
5	Total Jurisdictional Above Market NUG Cost (line 3 x line 4)				<u>\$ 4,301,153</u>

**Pennsylvania Electric Company**  
**NUG Charge Rider**  
**Sales Forecast -- 2018**  
**(kWh)**

Line No.	Month	GSS/GSM/GSL/ GSV/H/OL/ST/				
		RS (1)	BRD (2)	GP (3)	LP (4)	Total (5)
1	September	322,973,367	393,048,016	161,834,347	240,012,208	1,117,867,938
2	October	295,536,356	377,755,323	167,599,523	239,273,104	1,080,164,306
3	November	316,689,819	363,908,356	151,199,892	256,943,348	1,088,741,415
4	Total Sales - kWh (line 1 + line 2 + line 3)	<u>935,199,542</u>	<u>1,134,711,696</u>	<u>480,633,762</u>	<u>736,228,660</u>	<u>3,286,773,660</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 2018	\$ 287,406	\$ (258,502)	\$ 545,908	\$ 837,821	\$ 291,913		
2	June	451,592	427,124	24,468	948,654	924,186		
3	July	824,701	427,124	397,577	974,993	577,416		
4	Quarter	\$ 1,563,699	\$ 595,745	\$ 967,954	\$ 2,761,468	\$ 1,793,514	\$ -	\$ 1,793,514
5	Total	\$ 1,563,699	\$ 595,745	\$ 967,954	\$ 2,761,468	\$ 1,793,514		

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

Line No.	Month	Prior Period (Over)/Under Collection to be Amortized (1)	NUG Revenues Applied to Prior Period Amortization (2)	Total (Over)/Under Collection Balance (3)
1	Beg. Balance at April 30, 2018			\$ (258,502)
2	May 2018	-	\$ (258,502)	-
3	June	1,281,372	427,124	854,248
4	July	-	427,124	427,124
5	August	-	427,124	-
6	Total		\$ 1,022,869	

**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 2018	\$ 431,912	\$ (234,079)	\$ 665,991	\$ 968,830	\$ 302,839		
2	June	607,983	517,496	90,487	1,096,993	1,006,506		
3	July	896,661	517,496	379,165	1,127,451	748,286		
4	Quarter	\$ 1,936,557	\$ 800,914	\$ 1,135,643	\$ 3,193,274	\$ 2,057,631	\$ -	\$ 2,057,631
5	Total	\$ 1,936,557	\$ 800,914	\$ 1,135,643	\$ 3,193,274	\$ 2,057,631		

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

Line No.	Month	Prior Period (Over)/Under Collection to be Amortized (1)	NUG Revenues Applied to Prior Period Amortization (2)	Total (Over)/Under Collection Balance (3)
1	Beg. Balance at April 30, 2018			\$ (234,079)
2	May 2018	\$ -	(234,079)	\$ -
3	June	1,552,489	517,496	1,034,993
4	July	-	517,496	517,496
5	August	-	517,496	-
6	Total		<u>\$ 1,318,410</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 2018	\$ 162,204	\$ (71,516)	\$ 233,720	\$ 335,663	\$ 101,943		
2	June	210,348	187,263	23,085	380,067	356,982		
3	July	314,879	187,263	127,616	390,619	263,003		
4	Quarter	\$ 687,431	\$ 303,010	\$ 384,421	\$ 1,106,349	\$ 721,928	\$ -	\$ 721,928
5	Total	\$ 687,431	\$ 303,010	\$ 384,421	\$ 1,106,349	\$ 721,928		

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

Line No.	Month	Prior Period (Over)/Under Collection to be Amortized (1)	NUG Revenues Applied to Prior Period Amortization (2)	Total (Over)/Under Collection Balance (3)
1	Beg. Balance at April 30, 2018			\$ (71,516)
2	May 2018	\$ -	\$ (71,516)	-
3	June	561,789	187,263	374,526
4	July	-	187,263	187,263
5	August	-	187,263	-
15	Total		<u>\$ 490,273</u>	



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

Line No.	Month	NUG Revenues	NUG Revenues Applied to Prior Period E - Factor	Current NUG Revenues	Above Market NUG Cost Retail Sales	Current (Over)/Under Collection	Unamortized Prior Period E-Factor Balance	Total E - Factor
		(1)	(2)	(3) = (1) - (2)	(4)	(5) = (4) - (3)	(6)	(7) = (5) + (6)
1	May 2018	\$ 217,384	\$ (185,766)	\$ 403,150	\$ 585,324	\$ 182,174		
2	June	331,169	299,281	31,888	662,755	630,867		
3	July	495,626	299,281	196,346	681,156	484,810		
4	Quarter	\$ 1,044,180	\$ 412,796	\$ 631,384	\$ 1,929,235	\$ 1,297,851	\$ -	\$ 1,297,851
5	Total	\$ 1,044,180	\$ 412,796	\$ 631,384	\$ 1,929,235	\$ 1,297,851		

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

Line No.	Month	Prior Period (Over)/Under Collection to be Amortized  (1)	NUG Revenues Applied to Prior Period Amortization  (2)	Total (Over)/Under Collection Balance  (3)
1	Beg. Balance at April 30, 2018			\$ (185,766)
2	May 2018	\$ -	(185,766)	\$ -
3	June	897,842	299,281	598,561
4	July	-	299,281	299,280
5	August	-	299,281	-
15	Total		<u>\$ 712,076</u>	