

January 16, 2020

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

Re: West Penn Power Company Tariff Electric Pa. P.U.C. No. 40 and West Penn Power Company-The Pennsylvania State University Tariff Electric Pa. P.U.C. No. 38 – Rate Changes in Compliance with West Penn Power Company’s Default Service Plan, Docket No. P-2017-2637866

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") are original copies of Supplement No. 69 to West Penn Power Company’s (“West Penn Power” or the “Company”) Tariff Electric Pa. P.U.C. No. 40 and Supplement No. 43 to West Penn Power Company – The Pennsylvania State University’s (“West Penn Power-PSU”) Tariff Electric Pa. P.U.C. No. 38, bearing issue dates of January 16, 2020. The tariff changes contained in Supplement Nos. 69 and 43 are proposed to be effective with service rendered on or after March 1, 2020.

The purpose of these supplements are to reflect: (1) default service rate changes for the Residential Customer Class served under the Price to Compare Default Service Rider; and (2) default service rate changes for customers served under the Hourly Pricing Default Service Rider. These rate changes are consistent with the Commission’s Order entered September 4, 2018 at Docket No. P-2017-2637866.

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

- Schedule 1 provides supporting details for the change to the Hourly Pricing Default Service Reconciliation Charge rate contained in the Hourly Pricing Default Service Rider.
- Schedule 2 provides supporting details for the changes to the Residential 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,


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:

Service by e-mail as follows:

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
Forum Place
555 Walnut Street, 1st Floor
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 WPPII*

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

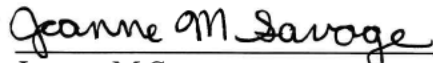
Todd Stewart
Hawke McKeon & Sniscak LLP
100 North Tenth Street
Harrisburg, PA 17101
tsstewart@hmslegal.com
Counsel for NextEra

Date: January 16, 2020

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

WEST PENN POWER COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

**The Territory as Defined on
Page Nos. 7 - 14 of this Tariff**

Issued: January 16, 2020

Effective: March 1, 2020

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

NOTICE

This Supplement No. 69 makes changes to Rider H and I.
See Sixty-Sixth Revised Page 2.

LIST OF MODIFICATIONS

Riders

Rider H – Price to Compare Default Service Rate Rider rates have been changed and increased (See Twenty-First Revised Page 173).

Rider I – Hourly Pricing Default Service Rider rates have been changed and decreased (See Twentieth Revised Page 181).

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 West Penn Power 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 March 1, 2020 through May 31, 2020 the PTC_{Default} rates billed by Customer Class are as follows: (C)

Commercial Customer Class (Rate Schedules 20, 30 (PTC), 51 - 58, 71 and 72):

\$0.05722 per kWh.

Residential Customer Class (Rate Schedule 10):

\$0.06059 per kWh

(I)

(C) Change

(I) Increase

RIDERS

Rider I (continued)

HP _{Loss Multipliers} :	Rates 20 and 30	1.0899
	Rate 35	1.0678
	Rates 40, 44 and 46	1.0356

HP Cap-AEPS-Other Charge:

\$0.01343 per kWh representing the costs paid by the Company to the supplier for capacity, AEPS costs, and any other costs incurred by the supplier multiplied by the HP_{Loss Multipliers}. This charge is subject to quarterly adjustments.

HP Administrative Charge:

\$0.00056 per kWh representing the administrative costs incurred by the Company associated with providing Hourly Pricing Service.

HP Uncollectibles Charge:

\$0.00012 per kWh representing the default service-related uncollectible accounts expense associated with Hourly Pricing Default Service. This charge is subject to annual adjustment on June 1 of each year.

HP Reconciliation Charge:

The HP Reconciliation Charge Rate (“E_{HP}”) shall be applied to each kWh of Default Service that the Company delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The E_{HP} rate shall be included as a non-bypassable component billed to Customers receiving Default Service from the Company under this rider. The rate shall be calculated according to the provisions of this rider, and shall be calculated and applied equally to Customers under this rider.

For service rendered March 1, 2020 through May 31, 2020, the E_{HP} rate is as follows: (C)

HP Reconciliation Charge Rate = (\$0.00226) per kWh (D)

(C) Change
 (D) Decrease

WEST PENN POWER COMPANY

RATES, TERMS, AND CONDITIONS

GOVERNING

INTERCHANGE OF ELECTRIC ENERGY

WITH

THE PENNSYLVANIA STATE UNIVERSITY

Issued: January 16, 2020

Effective: March 1, 2020

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

NOTICE

Supplement No. 43 makes changes to Rider I.
See Forty-Second Revised Page No. 2.

WEST PENN POWER COMPANY

Electric-Pa. P. U. C. No. 38 (Supp. 43)
Forty-Second Revised Page 2
Superseding Forty-First Revised Page 2

LIST OF MODIFICATIONS

Rider I – Hourly Pricing Default Service Rider rates have been changed and decreased (See Twentieth Revised Page 23).

Issued: January 16, 2020

Effective: March 1, 2020

RIDERS

Rider I (continued)

HP Cap-AEPS-Other Charge:

\$0.01343 per kWh representing the costs paid by the Company to the supplier for capacity, AEPS costs, and any other costs incurred by the supplier multiplied by the HP_{Loss} Multipliers. This charge is subject to quarterly adjustments.

HP Administrative Charge:

\$0.00056 per kWh representing the administrative costs incurred by the Company associated with providing Hourly Pricing Service.

HP Uncollectibles Charge:

\$0.00012 per kWh representing the default service-related uncollectible accounts expense associated with Hourly Pricing Default Service. This charge is subject to annual adjustment on June 1 of each year.

HP Reconciliation Charge:

The HP Reconciliation Charge Rate (“ E_{HP} ”) shall be applied to each kWh of Default Service that the Company delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The E_{HP} rate shall be included as a non-bypassable component billed to Customers receiving Default Service from the Company under this rider. The rate shall be calculated according to the provisions of this rider, and shall be calculated and applied equally to Customers under this rider.

For service rendered March 1, 2020 through May 31, 2020, the E_{HP} rate is as follows: (C)

HP Reconciliation Charge Rate = (\$0.00226) per kWh (D)

The E_{HP} rate will be calculated at the end of each Default Service Quarter (three months ending March 31st, June 30th, September 30th, and December 31st) to be effective for the three-month period beginning on the first day of the third calendar month following the end of that Default Service Quarter (June 1st, September 1st, December 1st, and March 1st). The E_{HP} rate shall be calculated in accordance with the formula set forth below:

$$E_{HP} = ((DS_{HPExp1} + DS_{HPExp2}) - PTC_{HPRev} + DS_{HPInt}) / DS_{HPSales}$$

Where:

E_{HP} = The rate determined to the nearest one-thousandth of a cent per kWh to be applied to each kWh of Default Service delivered to Customers under this rider.

(C) Change
(D) Decrease

Issued: January 16, 2020

Effective: March 1, 2020

West Penn Power Company
Hourly Pricing Default Service Rate Calculation (for Illustrative Purposes Only)
Industrial Class: For the Default Service Period March 1, 2020 through May 31, 2020

**Line
No.**

1	HP Energy Charge = $\sum (\text{kWh}_t \times (\text{LMP}_t + \text{HPOth}) \times \text{HP}_{\text{Loss Multiplier}}$	kWh for each hour in billing period
2	$\sum (\text{kWh}_t \times (\text{LMP}_t + \text{HPOth})$	LMP = Real Time PJM Load Weighted average LMP for APS Zone for each hour
3		HP _{Oth} = \$.004 per kWh for Ancillary Services
4	<hr/> HP Energy Charge (Line 1 x Line 2)	t = An hour in the Billing Period
5	x HP Loss Multiplier	Rates 20 and 30 = 1.0899 Rate 35 = 1.0678 Rates 40, 44, 46, and PSU = 1.0356
6	<hr/> HP Energy Charge (Line 4 x Line 5)	
7	HP Cap-AEPS-Other Purchases (\$/MWh) January 2019 (June 19 through May 20)	Price \$ 13.43 \$/MWh
8		\$ 0.01343 per kWh
9	x HP Loss Multiplier	Rates 20 and 30 = 1.0899 Rate 35 = 1.0678 Rates 40, 44, 46, and PSU = 1.0356
10	<hr/> HP Cap-AEPS-Other Purchases (\$/MWh) (Line 8 x Line 9)	
11	HP Administrative Charge	\$ 0.00056 per kWh
12	HP Uncollectibles Charge	\$ 0.00012 per kWh
13	HP Reconciliation Charge	<u>\$ (0.00226) per kWh</u>
14	Hourly Pricing Service Charge (Lines 6 + 10 + 11 + 12 + 13)	<u><u>\$ x.xxxxx</u></u>

- (A) All Hourly Pricing Service Charge computations will be pursuant to the terms of the Company's "Hourly Pricing Default Service Rider".
(B) All Adders are subject to Quarterly Updates

West Penn Power Company
Computation of Industrial Class Hourly Pricing Default Service Rate Reconciliation Factor
Rate Effective March 1, 2020 through May 31, 2020

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of December 31, 2019 (Page 3, Line 17)	\$ (1,351,604)
2	Projected Industrial Class kilowatt hour sales - March 1, 2020 - May 31, 2020 (Line 11)	158,962,405 kWh
3	Industrial Class Reconciliation Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ (0.00850) per kWh
4	Industrial Class Reconciliation Rate Adjustment Factor	<u>25.00%</u>
5	Industrial Class Reconciliation Rate before PA Gross Receipts Tax, as adjusted (Line 3 X Line 4)	\$ (0.00213) per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
7	Industrial Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ (0.00226) per kWh</u>
 Projected Industrial Class kilowatt hour sales March 1, 2020 through May 31, 2020		
8	Mar-20	54,866,470
9	Apr-20	53,062,522
10	May-20	<u>51,033,412</u>
11	Total Projected Industrial Class kWh Sales	<u><u>158,962,405</u></u>

West Penn Power Company
Industrial Class Hourly Pricing Default Service Rate Reconciliation
October 1, 2019 through December 31, 2019

Line No.	Description	Oct-19	Nov-19	Dec-19
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ (448,486)	\$ (460,882)	\$ (91,057)
2	Gross Default Service Plan Revenues	\$ 2,739,806	\$ 2,830,332	\$ 2,843,220
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>161,649</u>	<u>166,990</u>	<u>167,750</u>
4	PTC _{HPR_{rev}} Net Default Service Plan Revenues	\$ 2,578,157	\$ 2,663,342	\$ 2,675,470
5	Plus: Prior Period E-factor Amortization	<u>\$ 401,976</u>	<u>\$ 401,977</u>	<u>\$ 149,495</u>
6	Revenue Available for Current Deferral	\$ 2,980,133	\$ 3,065,319	\$ 2,824,965
7	Less: Revenue Allocated to Uncollectibles, net of GRT	<u>\$ 5,840</u>	<u>\$ 5,920</u>	<u>\$ 7,424</u>
8	Revenue Available for Current Deferral	\$ 2,974,293	\$ 3,059,399	\$ 2,817,541
<u>Expenses</u>				
9	DS _{HPExp1} Amortization of Start Up Costs	\$0	\$0	\$0
10	DS _{HPExp2} Cost to provide Default Service	2,570,315	3,027,932	1,432,176
11	DS _{HPExp2} Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
12	Total Expenses	\$ 2,570,315	\$ 3,027,932	\$ 1,432,176
13	Current Month (Over)/Under Collection (Line 12 - Line 8)	\$ (403,978)	\$ (31,467)	\$ (1,385,365)
14	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
15	Current Month Interest Rate	4.75%	4.75%	4.75%
16	DS _{Int} Interest on Current Month Deferral (Line 13 X Line 14 X (Line 15/12))	<u>\$ (10,394)</u>	<u>\$ (685)</u>	<u>\$ (24,677)</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 16)	<u>\$ (460,882)</u>	<u>\$ (91,057)</u>	<u>\$ (1,351,604)</u>

West Penn Power Company
Price to Compare Default Service Rate Calculation
Residential Class: For the Default Service Period March 1, 2020 through May 31, 2020

**Line
No.**

	Number of Tranches	Clearing Price	Weighted Clearing Price	
	<u>Fixed Price Tranche Purchases (\$ per MWh)</u>			
1	5	48.96	\$	244.80
2	4	47.35		189.40
3	6	51.03		306.18
4	4	49.40		197.60
5	6	49.17		295.02
6	<u>5</u>	47.61		<u>238.05</u>
7	30		\$	1,471.05
8	Total Average Fixed Price Tranche		\$	49.04
9	Times Fixed Portion of Load			<u>95%</u>
10	Total Fixed Price Cost (Line 8 X Line 9)		\$	46.58
11	Average Variable Hourly Price Tranche			\$25.48
12	Capacity, Anc. Serv. and AEPS Adder (\$20/MWh)			<u>20.00</u>
13	Variable Hourly Priced Cost (Line 11 + Line 12)		\$	45.48
14	Times Variable Portion of Load			<u>5%</u>
15	Total Variable Hourly Priced Cost (Line 13 X Line 14)		\$	<u>2.27</u>
16	Price to Compare Weighted Average Price ((Line 10 + Line 15) / 1000)		\$	0.04886
17	Times PTC Loss _{Current}			<u>1.0910</u>
18	Price to Compare Weighted Average Price, including line losses (Line 16 X Line 17)		\$	0.05330 <i>per kWh</i>
19	<u>PTC</u> Administrative Charge		\$	<u>0.00006</u> <i>per kWh</i>
20	PTC _{Current} before PA Gross Receipts Tax (Line 18 + Line 19)		\$	0.05336
21	PA Gross Receipt Gross-Up $[1/(1-T)]$ (5.9% Gross Receipts Tax)			<u>1.062699</u>
22	PTC_{Current} Residential Class including PA Gross Receipts Tax (Line 20 X Line 21)		\$	0.05671 <i>per kWh</i>
23	E Reconciliation Rate, including PA Gross Receipts Tax (Page 2, Line 8)		\$	0.00388 <i>per kWh</i>
24	PTC_{Default} Residential Class (Line 22 + Line 23)		\$	0.06059 <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

West Penn Power Company
Computation of Residential Class Price to Compare Default Service Rate Reconciliation Factor
Rate Effective March 1, 2020 through May 31, 2020

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of December 31, 2019 (Page 3, Line 17)	\$ 4,668,425
2	Adjustment for projected Residential Class (Over) / Under Collection through May 2020	-
3	Adjustment for projected Residential Class E-factor revenue for the remainder of the Default Service Quarter beginning December 1, 2019	(22,612)
4	Total Cumulative Residential Class (Over) / Under Collection, as adjusted (Lines 1 + 2 + 3)	\$ 4,645,813
5	Projected Residential Class kilowatt hour sales - March 1, 2020 - May 31, 2020 (Line 12)	1,272,035,934 kWh
6	Residential Class Reconciliation Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ 0.00365 per kWh
7	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
8	Residential Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 6 X Line 7)	<u>\$ 0.00388 per kWh</u>
 Projected Residential Class kilowatt hour sales March 1, 2020 through May 31, 2020		
9	Mar-20	511,672,812
10	Apr-20	414,740,156
11	May-20	<u>345,622,966</u>
12	Total Projected Residential Class kWh Sales	<u><u>1,272,035,934</u></u>

West Penn Power Company
Residential Class Price to Compare Default Service Rate Reconciliation
October 1, 2019 through December 31, 2019

Line No.	Description	Oct-19	Nov-19	Dec-19
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ (2,328,654)	\$ 4,101,984	\$ 4,075,282
2	Gross Default Service Plan Revenues	\$18,311,832	\$ 24,853,799	\$ 30,564,768
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>1,080,398</u>	<u>1,466,374</u>	<u>1,803,321</u>
4	PTC _{Rev} Net Default Service Plan Revenues	\$ 17,231,434	\$ 23,387,425	\$ 28,761,447
5	Plus: Prior Period E-factor Amortization	\$ 1,712,178	\$ 1,712,177	\$ 776,218
6	Revenue Available for Current Deferral	\$ 18,943,612	\$ 25,099,602	\$ 29,537,665
	<u>Expenses</u>			
7	DS _{Exp1} Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{Exp2} Cost to provide Default Service	23,047,915	23,344,537	29,305,934
9	DS _{Exp2} Cost of Network Integration Transmission Service (NITS)	<u>495,800</u>	<u>53,236</u>	<u>51,860</u>
10	Total Expenses	\$ 23,543,715	\$ 23,397,773	\$ 29,357,794
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ 4,600,103	\$ (1,701,829)	\$ (179,871)
12	Prior Period Revenue Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ 4,600,103	\$ (1,701,829)	\$ (179,871)
14	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
15	Current Month Interest Rate	4.75%	4.75%	4.75%
16	DS _{Int} Interest on Current Month Deferral (Line 11 X Line 14 X (Line 15/12))	<u>\$ 118,357</u>	<u>\$ (37,050)</u>	<u>\$ (3,204)</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 16)	<u>\$ 4,101,984</u>	<u>\$ 4,075,282</u>	<u>\$ 4,668,425</u>