

July 16, 2018

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-2015-2511356

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") are original copies of Supplement No. 43 to West Penn Power Company’s (“West Penn Power” or the “Company”) Tariff Electric Pa. P.U.C. No. 40 and Supplement No. 28 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 July 16, 2018. The tariff changes contained in Supplement Nos. 43 and 28 are proposed to be effective with service rendered on or after September 1, 2018.

The purpose of Tariff Supplement Nos. 43 and 28 are to reflect: (1) default service rate changes for the Commercial and 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 May 19, 2016 at Docket No. P-2015-2511356.

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.
- Schedule 2 provides supporting details for the change to the Residential Class’s default service rates for West Penn Power Tariff Electric Pa. P.U.C. No. 40 stated in the tariff’s Price to Compare Default Service Rate Rider.
- Schedule 3 provides supporting details for the changes to the Hourly Pricing Default Service Reconciliation Charge rate for West Penn Power Tariff Electric Pa. P.U.C. No. 40 and West Penn Power-PSU Tariff Electric Pa. P.U.C. No. 38 contained in the Hourly Pricing Default Service 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: July 16, 2018



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WEST PENN POWER COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

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

Issued: July 16, 2018

Effective: September 1, 2018

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

NOTICE

This Supplement No. 43 makes changes to Rider H and I.
See Fortieth Revised Page 2.

LIST OF MODIFICATIONS

Riders

Rider H – Price to Compare Default Service Rate Rider rates have been changed and decreased (See Fourteenth Revised Page 173).

Rider I – Hourly Pricing Default Service Rider rates have been changed and decreased (See Fourteenth 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.

(C)

For service rendered September 1, 2018 through November 30, 2018 the PTC_{Default} rates billed by Customer Class are as follows:

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

\$0.04249 per kWh. (D)

Residential Customer Class (Rate Schedule 10):

\$0.05595 per kWh (D)

(C) Change
(D) Decrease

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:

\$0.01069 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:

\$0.00054 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 September 1, 2018 through November 30, 2018, the E_{HP} rate is as follows:

HP Reconciliation Charge Rate = \$0.02618 per kWh

(C)
(D)

(C) Change
(D) Decrease

WEST PENN POWER COMPANY

RATES, TERMS, AND CONDITIONS

GOVERNING

INTERCHANGE OF ELECTRIC ENERGY

WITH

THE PENNSYLVANIA STATE UNIVERSITY

Issued: July 16, 2018

Effective: September 1, 2018

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

NOTICE

Supplement No. 28 makes changes to Rider I.
See Twenty-Seventh Revised Page No. 2.

WEST PENN POWER COMPANY

Electric-Pa. P. U. C. No. 38 (Supp. 28)
Twenty-Seventh Revised Page No. 2
Superseding Twenty-Sixth Revised Page No. 2

LIST OF MODIFICATIONS

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

Issued: July 16, 2018

Effective: September 1, 2018

RIDERS

Rider I (continued)

HP Cap-AEPS-Other Charge:

\$0.01069 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:

\$0.00054 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 September 1, 2018 through November 30, 2018, the E_{HP} rate is as follows: (C)

HP Reconciliation Charge Rate = \$0.02618 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

West Penn Power Company
Price to Compare Default Service Rate Calculation
Commercial Class: For the Default Service Period September 1, 2018 through December 31, 2018

**Line
No.**

	Number of Tranches	Clearing Price	Weighted Clearing Price	
Fixed Price Tranche Purchases (\$ per MWh)				
1	3	\$ 52.91	\$ 158.73	
2	3	53.64	160.92	
3	1	53.11	53.11	
4	2	51.95	103.90	
5	2	51.90	103.80	
6	3	55.20	165.60	
7	5	52.78	263.90	
8	5	<u>51.64</u>	<u>258.20</u>	
9	24		\$ 1,268.16	
10	Total Average Fixed Price Tranche		\$ 52.84	
11	Times Fixed Portion of Load		<u>100%</u>	
12	Total Fixed Price Cost (Line 10 X Line 11)		\$ 52.84	
13	Average Variable Hourly Price Tranche		\$ -	
14	Capacity, Anc. Serv. and AEPS Adder (\$20/MWh)		<u>20.00</u>	
15	Variable Priced Hourly Cost (Line 13 + Line 14)		\$ 20.00	
16	Times Variable Portion of Load		<u>0%</u>	
17	Total Variable Hourly Priced Cost (Line 15 X Line 16)		\$ -	
18	Price to Compare Weighted Average Price ((Line 12 + Line 17) / 1000)		\$ 0.05284	
19	Times PTC Loss _{Current}		<u>1.0899</u>	
20	Price to Compare Weighted Average Price, including line losses (Line 18 X Line 19)		\$ 0.05759	<i>per kWh</i>
21	PTC _{Administrative Charge}		<u>\$ 0.00016</u>	<i>per kWh</i>
22	PTC _{Current} before PA Gross Receipts Tax (Line 20 + Line 21)		\$ 0.05775	
23	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]		<u>1.062699</u>	
24	PTC _{Current} Commercial Class including PA Gross Receipts Tax (Line 22 X Line 23)		\$ 0.06137	<i>per kWh</i>
25	E Reconciliation Rate, including PA Gross Receipts Tax (Page 2, Line 7)		\$ (0.01888)	<i>per kWh</i>
26	PTC _{Default} Commercial Class (Line 24 + Line 25)		\$ 0.04249	<i>per kWh</i>

- (A) All Price to Compare computations will be pursuant to the terms of the
(B) All Adders are subject to Quarterly Updates

West Penn Power Company
Computation of Commercial Class Price to Compare Default Service Rate Reconciliation Factor
Rate Effective September 1, 2018 through December 31, 2018

<u>Line No.</u>	<u>Description</u>	<u>Amounts</u>
1	Cumulative Commercial Class (Over) / Under Collection as of June 30, 2018 (Page 3, Line 17)	\$ (7,212,129)
2	Adjustment for projected Commercial Class E-factor revenue for the remainder of the Default Service Quarter beginning June 1, 2018	<u>\$ 1,401,588</u>
3	Total Cumulative Commercial" Class (Over) / Under Collection, as adjusted (Line 1 + Line 2)	\$ (5,810,541)
4	Projected Commercial Class kilowatt hour sales - September 1, 2018 - December 31, 2018 (Line 11)	326,986,810 kWh
5	Commercial Class Reconciliation Rate before PA Gross Receipts Tax (Line 3 / Line 4)	\$ (0.01777) 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>\$ (0.01888) per kWh</u>

Projected Commercial Class kilowatt hour sales September 1, 2018 through December 31, 2018

8	Sep-18	121,039,914
9	Oct-18	105,800,698
10	Nov-18	<u>100,146,198</u>
11	Total Projected Commercial Class kWh Sales	<u>326,986,810</u>

West Penn Power Company
Commercial Class Price to Compare Default Service Rate Reconciliation
April 1, 2018 through June 30, 2018

Line No.	Description	Apr-18	May-18	Jun-18
1	Cumulative (Over)/Under Collection at Beginning of Month *	\$ (9,034,070)	\$ (8,091,424)	\$ (8,367,175)
2	Gross Default Service Plan Revenues	\$ 5,543,181	\$ 6,189,072	\$ 5,937,800
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>327,048</u>	<u>365,155</u>	<u>350,330</u>
4	PTC _{Rev} Net Default Service Plan Revenues	\$ 5,216,133	\$ 5,823,917	\$ 5,587,469
5	Plus: Prior Period E-factor Amortization	<u>\$ 3,860,653</u>	<u>\$ 3,860,654</u>	<u>\$ 3,011,357</u>
6	Revenue Available for Current Deferral	\$ 9,076,786	\$ 9,684,571	\$ 8,598,826
	<u>Expenses</u>			
7	DS _{Exp1} Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{Exp2} Cost to provide Default Service	6,231,974	5,636,300	6,776,680
9	DS _{Exp2} Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 6,231,974	\$ 5,636,300	\$ 6,776,680
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ (2,844,812)	\$ (4,048,271)	\$ (1,822,146)
12	Prior Period Revenue Adjustment *	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ (2,844,812)	\$ (4,048,271)	\$ (1,822,146)
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%	5.00%
16	DS _{Int} Interest on Current Month Deferral (Line 13 X Line 14 X (Line 15/12))	<u>\$ (73,195)</u>	<u>\$ (88,134)</u>	<u>\$ (34,165)</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 15)	<u>\$ (8,091,424)</u>	<u>\$ (8,367,175)</u>	<u>\$ (7,212,129)</u>

* An adjustment was made to the revenues recorded in the books for March 2018 of (\$101,878) after the filing of the June 2018 PTC for West Penn Power Commercial. This adjustment plus the corresponding interest of (\$1,814) modified the ending balance as of March 31, 2018 from (\$9,137,862) to (\$9,034,070).

West Penn Power Company
Price to Compare Default Service Rate Calculation
Residential Class: For the Default Service Period September 1, 2018 through December 31, 2018

**Line
No.**

	Number of Tranches	Clearing Price	Weighted Clearing Price
<u>Fixed Price Tranche Purchases (\$ per MWh)</u>			
1	4	53.02	\$ 212.08
2	5	54.14	270.70
3	5	54.27	271.35
4	4	52.16	208.64
5	5	52.62	263.10
6	5	54.92	274.60
7	28		\$ 1,500.47
8	Total Average Fixed Price Tranche		\$ 53.59
9	Times Fixed Portion of Load		95%
10	Total Fixed Price Cost (Line 8 X Line 9)		\$ 50.91
11	Average Variable Hourly Price Tranche		\$ 29.66
12	Capacity, Anc. Serv. and AEPS Adder (\$20/MWh)		20.00
13	Variable Hourly Priced Cost (Line 11 + Line 12)		\$ 49.66
14	Times Variable Portion of Load		5%
15	Total Variable Hourly Priced Cost (Line 13 X Line 14)		\$ 2.48
16	Price to Compare Weighted Average Price ((Line 10 + Line 15) / 1000)		\$ 0.05339
17	Times PTC Loss _{Current}		1.0910
18	Price to Compare Weighted Average Price, including line losses (Line 16 X Line 17)		\$ 0.05825 <i>per kWh</i>
19	<u>PTC</u> Administrative Charge		\$ 0.00016 <i>per kWh</i>
20	PTC _{Current} before PA Gross Receipts Tax (Line 18 + Line 19)		\$ 0.05841
21	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]		1.062699
22	PTC_{Current} Residential Class including PA Gross Receipts Tax (Line 20 X Line 21)		\$ 0.06207 <i>per kWh</i>
23	E Reconciliation Rate, including PA Gross Receipts Tax (Page 2, Line 8)		\$ (0.00612) <i>per kWh</i>
24	PTC_{Default} Residential Class (Line 22 + Line 23)		\$ 0.05595 <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 September 1, 2018 through December 31, 2018

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of June 30, 2018 (Page 3, Line 17)	\$ (3,186,676)
2	Adjustment for projected Residential Class (Over) / Under Collection through December 2018	-
3	Adjustment for projected Residential Class E-factor revenue for the remainder of the Default Service Quarter beginning June 1, 2018	<u>(3,020,222)</u>
4	Total Cumulative Residential Class (Over) / Under Collection, as adjusted (Lines 1 + 2 + 3)	\$ (6,206,898)
5	Projected Residential Class kilowatt hour sales - September 1, 2018 - December 31, 2018 (Line 12)	1,077,269,054 kWh
6	Residential Class Reconciliation Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ (0.00576) 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>\$ (0.00612) per kWh</u>

Projected Residential Class kilowatt hour sales September 1, 2018 through December 31, 2018

9	Sep-18	399,656,861
10	Oct-18	323,972,174
11	Nov-18	<u>353,640,020</u>
12	Total Projected Residential Class kWh Sales	<u>1,077,269,054</u>

West Penn Power Company
Residential Class Price to Compare Default Service Rate Reconciliation
April 1, 2018 through June 30, 2018

Line No.	Description	Apr-18	May-18	Jun-18
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ 2,652,448	\$ 3,390,347	\$ 2,314,000
2	Gross Default Service Plan Revenues	\$ 23,433,908	\$ 22,933,716	\$ 27,664,216
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>1,382,601</u>	<u>1,353,089</u>	<u>1,632,189</u>
4	PTC _{Rev} Net Default Service Plan Revenues	\$ 22,051,307	\$ 21,580,627	\$ 26,032,027
5	Plus: Prior Period E-factor Amortization	<u>\$ 1,292,720</u>	<u>\$ 1,292,719</u>	<u>\$ (884,149)</u>
6	Revenue Available for Current Deferral	\$ 23,344,027	\$ 22,873,346	\$ 25,147,878
	<u>Expenses</u>			
7	DS _{Exp1} Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{Exp2} Cost to provide Default Service	22,751,350	20,504,049	20,527,321
9	DS _{Exp2} Cost of Network Integration Transmission Service (NITS)	<u>51,772</u>	<u>50,710</u>	<u>88,997</u>
10	Total Expenses	\$ 22,803,122	\$ 20,554,759	\$ 20,616,318
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ (540,905)	\$ (2,318,587)	\$ (4,531,560)
12	Prior Period Revenue Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ (540,905)	\$ (2,318,587)	\$ (4,531,560)
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%	5.00%
16	DS _{Int} Interest on Current Month Deferral (Line 11 X Line 14 X (Line 15/12))	<u>\$ (13,917)</u>	<u>\$ (50,478)</u>	<u>\$ (84,967)</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 16)	<u>\$ 3,390,347</u>	<u>\$ 2,314,001</u>	<u>\$ (3,186,676)</u>

West Penn Power Company
Hourly Pricing Default Service Rate Calculation (for Illustrative Purposes Only)
Industrial Class: For the Default Service Period September 1, 2018 through December 31, 2018

**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	<hr/>	HP _{Oth} = \$.004 per kWh for Ancillary Services
4	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)	Price
8	January 2018 (June 18 through May 19)	\$ 10.69 \$/MWh
9	x HP Loss Multiplier	\$ 0.01069 per kWh 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	\$ 0.00054 per kWh
12	HP Uncollectibles Charge	\$ 0.00012 per kWh
13	HP Reconciliation Charge	<u>\$ 0.02618 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 September 1, 2018 through December 31, 2018

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of June 30, 2018 (Page 3, Line 17)	\$ 3,169,812
2	Projected Industrial Class kilowatt hour sales - September 1, 2018 - December 31, 2018 (Line 11)	128,652,802 kWh
3	Industrial Class Reconciliation Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ 0.02464 per kWh
4	Industrial Class Reconciliation Rate Adjustment Factor	<u>100.00%</u>
5	Industrial Class Reconciliation Rate before PA Gross Receipts Tax, as adjusted (Line 3 X Line 4)	\$ 0.02464 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>\$ 0.02618 per kWh</u>

Projected Industrial Class kilowatt hour sales September 1, 2018 through December 31, 2018

8	Sep-18	41,709,086
9	Oct-18	42,595,316
10	Nov-18	<u>44,348,400</u>
11	Total Projected Industrial Class kWh Sales	<u>128,652,802</u>

West Penn Power Company
Industrial Class Hourly Pricing Default Service Rate Reconciliation
April 1, 2018 through June 30, 2018

Line No.	Description	Apr-18	May-18	Jun-18
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ 7,236,251	\$ 6,030,864	\$ 4,876,968
2	Gross Default Service Plan Revenues	\$ 2,814,251	\$ 2,634,168	\$ 3,317,740
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>166,041</u>	<u>155,416</u>	<u>195,747</u>
4	PTC _{HPR} Rev Net Default Service Plan Revenues	\$ 2,648,211	\$ 2,478,752	\$ 3,121,993
5	Plus: Prior Period E-factor Amortization	<u>\$ (3,125,755)</u>	<u>\$ (3,125,755)</u>	<u>\$ (2,412,084)</u>
6	Revenue Available for Current Deferral	\$ (477,544)	\$ (647,003)	\$ 709,909
	<u>Expenses</u>			
7	DS _{HPE} exp1 Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{HPE} exp2 Cost to provide Default Service	1,394,654	1,282,842	1,401,863
9	DS _{HPE} exp2 Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 1,394,654	\$ 1,282,842	\$ 1,401,863
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ 1,872,198	\$ 1,929,845	\$ 691,954
12	Prior Period Revenue Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ 1,872,198	\$ 1,929,845	\$ 691,954
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%	5.00%
16	DS _{int} Interest on Current Month Deferral (Line 11 X Line 14 X (Line 15/12))	<u>\$ 48,170</u>	<u>\$ 42,014</u>	<u>\$ 12,974</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 16)	<u>\$ 6,030,864</u>	<u>\$ 4,876,968</u>	<u>\$ 3,169,812</u>

* An adjustment was made to the revenues recorded in the books for March 2018 of \$101,878 after the filing of the June 2018 Hourly Pricing for West Penn Power Industrial. This adjustment plus the corresponding interest of \$1,814 modified the ending balance as of March 31, 2018 from \$7,340,045 to \$7,236,251.