

February 3, 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 – Revised Rate Changes in Compliance with West Penn Power Company’s Default Service Plan, Docket No. M-2020-3016178**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is a copy of revised Supplement No. 69 to West Penn Power Company’s (“West Penn Power” or the “Company”) Tariff Electric Pa. P.U.C. No. 40, bearing an issue date of January 16, 2020. The tariff changes contained in revised Supplement No. 69 are proposed to be effective with service rendered on or after March 1, 2020.

The purpose of this revised supplement is to reflect: 1) default service rate changes for the Commercial Customer Class served under the Price to Compare Default Service Rider; and 2) revise the Residential Customer Class default service rate due to a change in Purchase Power . 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 changes to the Commercial Class’s default service rate stated in the tariff’s Price to Compare Default Service Rate Rider.
- Schedule 2 (REVISED) provides supporting details for the changes to the Residential 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:

**Service by e-mail as follows:**

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Date: February 3, 2020

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**LIST OF MODIFICATIONS**

**Riders**

Rider H – Price to Compare Default Service Rate Rider rates have been changed, increased and decreased (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<sub>Default</sub>”) 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<sub>Default</sub> 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<sub>Default</sub> rates billed by Customer Class are as follows: (C)

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

\$0.05849 per kWh. (I)

Residential Customer Class (Rate Schedule 10):

\$0.05637 per kWh (D)

(C) Change  
(I) Increase  
(D) Decrease

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

**Line  
No.**

	<b>Number of Tranches</b>	<b>Clearing Price</b>	<b>Weighted Clearing Price</b>	
	<b>Fixed Price Tranche Purchases (\$ per MWh)</b>			
1	2	\$ 49.55	\$ 99.10	
2	1	48.00	48.00	
3	2	\$ 50.75	\$ 101.50	
4	2	49.64	99.28	
5	3	48.71	146.13	
6	2	47.54	95.08	
7	<u>5</u>	38.68	193.40	
8	17		\$ 782.49	
9		\$ 46.03		
10		<u>100%</u>		
11			\$ 46.03	
12		\$ -		
13		<u>20.00</u>		
14		\$ 20.00		
15		<u>0%</u>		
16			\$ -	
17			\$ 0.04603	
18			<u>1.0899</u>	
19				\$ 0.05017 <i>per kWh</i>
20				\$ 0.00010 <i>per kWh</i>
21				\$ 0.05027
22				<u>1.062699</u>
23				\$ 0.05342 <i>per kWh</i>
24				\$ 0.00507 <i>per kWh</i>
25				\$ 0.05849 <i>per kWh</i>

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

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over) / Under Collection as of December 31, 2019 (Page 3, Line 15)	\$ 435,821
2	Adjustment for projected Commercial Class E-factor revenue for the remainder of the Default Service Quarter beginning December 1, 2019	<u>\$ 558,554</u>
3	Total Cumulative Commercial" Class (Over) / Under Collection, as adjusted (Line 1 + Line 2)	\$ 994,374
4	Projected Commercial Class kilowatt hour sales - March 1, 2020 - May 31, 2020 (Line 11)	208,317,830 kWh
5	Commercial Class Reconciliation Rate before PA Gross Receipts Tax (Line 3 / Line 4)	\$ 0.00477 per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
7	<b>Commercial Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 5 X Line 6)</b>	<b><u>\$ 0.00507 per kWh</u></b>
 <b>Projected Commercial Class kilowatt hour sales March 1, 2020 through May 31, 2020</b>		
8	Mar-20	74,294,072
9	Apr-20	68,135,409
10	May-20	<u>65,888,350</u>
11	Total Projected Commercial Class kWh Sales	<u>208,317,830</u>

**West Penn Power Company**  
**Commercial 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	\$ (256,283)	\$ (112,342)	\$ (498,391)
2	Gross Default Service Plan Revenues	\$ 4,642,278	\$ 5,777,140	\$ 5,715,566
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>273,894</u>	<u>340,851</u>	<u>337,218</u>
4	PTC <sub>Rev</sub> Net Default Service Plan Revenues	\$ 4,368,384	\$ 5,436,288	\$ 5,378,348
5	Plus: Prior Period E-factor Amortization	<u>\$ (233,798)</u>	<u>\$ (233,798)</u>	<u>\$ 85,427</u>
6	Revenue Available for Current Deferral	\$ 4,134,586	\$ 5,202,490	\$ 5,463,775
<u>Expenses</u>				
7	DS <sub>Exp1</sub> Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS <sub>Exp2</sub> Cost to provide Default Service	\$4,502,850	5,053,483	\$6,297,706
9	DS <sub>Exp2</sub> Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 4,502,850	\$ 5,053,483	\$ 6,297,706
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ 368,264	\$ (149,007)	\$ 833,931
12	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
13	Current Month Interest Rate	4.75%	4.75%	4.75%
14	DS <sub>Int</sub> Interest on Current Month Deferral (Line 11 X Line 12 X (Line 13/12))	<u>\$ 9,475</u>	<u>\$ (3,244)</u>	<u>\$ 14,854</u>
15	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 11 + Line 14)	<u>\$ (112,342)</u>	<u>\$ (498,391)</u>	<u>\$ 435,821</u>



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

**Line  
No.**

	<b>Number of Tranches</b>	<b>Clearing Price</b>	<b>Weighted Clearing Price</b>	
	<b><u>Fixed Price Tranche Purchases (\$ per MWh)</u></b>			
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 <sub>Current</sub>			<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 <sub>Current</sub> 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	<b>PTC<sub>Current</sub> Residential Class including PA Gross Receipts Tax (Line 20 X Line 21)</b>		\$	<b>0.05671</b> <i>per kWh</i>
23	<b>E Reconciliation Rate, including PA Gross Receipts Tax (Page 2, Line 8)</b>		\$	<b>(0.00034)</b> <i>per kWh</i>
24	<b>PTC<sub>Default</sub> Residential Class (Line 22 + Line 23)</b>		\$	<b>0.05637</b> <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 (REVISED)**  
**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)	\$ (384,979)
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)	\$ (407,591)
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)	\$ (0.00032) per kWh
7	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
8	<b>Residential Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 6 X Line 7)</b>	<b><u>\$ (0.00034) per kWh</u></b>
<b>Projected Residential Class kilowatt hour sales March 1, 2020 through May 31, 2020</b>		
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 (REVISED)**  
**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)	\$ (951,417)	\$ (978,121)
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 <sub>Rev</sub> 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 <sub>Exp1</sub> Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS <sub>Exp2</sub> Cost to provide Default Service	18,121,273	23,344,535	29,305,933
9	DS <sub>Exp2</sub> Cost of Network Integration Transmission Service (NITS)	<u>495,800</u>	<u>53,236</u>	<u>51,860</u>
10	Total Expenses	\$ 18,617,073	\$ 23,397,771	\$ 29,357,793
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ (326,539)	\$ (1,701,831)	\$ (179,872)
12	Prior Period Revenue Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ (326,539)	\$ (1,701,831)	\$ (179,872)
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 <sub>Int</sub> Interest on Current Month Deferral (Line 11 X Line 14 X (Line 15/12))	<u>\$ (8,402)</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>\$ (951,417)</u>	<u>\$ (978,121)</u>	<u>\$ (384,979)</u>