

Metropolitan Edison Company
PTC Default Rate Calculation¹
Commercial Class: September - November 2011
Rate Effective September 1, 2011 through November 30, 2011

| Line No. | <u>Commercial Class</u> | Number of Tranches | Auction Clearing Price | Summer 1.06 | Winter 0.97 | Weighting |
|-----------------|--|---------------------------|-------------------------------|--------------------|--------------------|-------------------------|
| | <u>Fixed Price Tranche Purchases (\$ per Mwh)</u> | | | | | |
| 1 | June 2010 Auction | 5 | 66.32 | 1 | 2 | 994.80 |
| 2 | Oct 2010 Auction | 6 | 63.97 | 1 | 2 | 1,151.46 |
| 3 | Jan 2011 Auction | 6 | 69.97 | 1 | 2 | 1,259.46 |
| 4 | Mar 2011 Auction | 6 | 67.34 | 1 | 2 | 1,212.12 |
| 5 | | 23 | 3 | 69 | | 4,617.84 |
| 6 | Total Average Fixed Price Tranche | | | | \$ 66.93 | |
| 7 | Times Fixed portion of Commercial Load | | | | 90% | <i>Fixed Portion</i> |
| 8 | Total Fixed Price Commercial Cost | | | | \$ 60.23 | <i>dollar cost</i> |
| 9 | Average Variable Hourly Price Tranche including fixed Anc. Serv. adder (\$9/MWh) | | | | \$ 57.27 | |
| 10 | Times Variable portion of Commercial Load | | | | 10% | <i>Variable Portion</i> |
| 11 | Total Variable Priced Hourly Commercial Cost | | | | \$ 5.73 | <i>dollar cost</i> |
| 12 | Price to Compare Weighted Average Price | | | | \$ 65.96 | <i>per MWh</i> |
| 13 | PTC <small>Current Cost Component</small> (line 12 / 1000) | | | | \$ 0.06596 | <i>per kWh</i> |
| 14 | Times Loss Factor | | | | 1.0515 | |
| 15 | Subtotal (line 12 x line 13) | | | | \$ 0.06936 | <i>per kWh</i> |
| 16 | Admin Costs including estimated interest @ 6% | | | | \$ 0.00034 | <i>per kWh</i> |
| 17 | NITS charge | | | | \$ 0.00358 | <i>per kWh</i> |
| 18 | Subtotal (line 15 + line 16 + line 17) | | | | \$ 0.07328 | <i>per kWh</i> |
| 19 | Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax) | | | | 1.062699 | |
| 20 | PTC <small>Current</small> Commercial Class (line 17 x line 18) | | | | \$ 0.07787 | <i>per kWh</i> |
| 21 | E Reconciliation Rate | | | | 0.01701 | <i>per kWh</i> |
| 22 | Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax) | | | | 1.062699 | |
| 23 | E Reconciliation Rate x GRT | | | | 0.01807 | |
| 24 | PTC <small>Default</small> Commercial Class (line 20 + line 23) | | | | \$ 0.09594 | <i>per kWh</i> |