

Metropolitan Edison Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: March 2012 - May 2012

| | | | |
|-----------------|--|--|---|
| Line No. | <u>Industrial Class</u> | | |
| | <u>HP Energy Charge</u> | | |
| 1 | | $\sum (kWh_t \times$ | kWh for each hour in billing period |
| 2 | | $(LMP_t + HPAnc)$ | LMP = Real Time PJM Load Weighted average LMP for PN Zone for each hour |
| 3 | | | HPAnc = \$.002 per kWh for Ancillary Services |
| 4 | | $HP_{Energy\ Charge} (Line\ 1 \times Line\ (2+3))$ | t = An hour in the Billing Period |
| 5 | | $\times Loss\ Factor$ | GS Small, Medium Large = 1.0515 GP = 1.0171 TP = 1.0007 |
| 6 | | <hr/> | |
| | | HP Energy Charge Line 4 x Line 5 | |
| | <i>PLUS</i> | | |
| | | Clearing Price | |
| 7 | <u>HP Cap-AEPS-Other Purchases (\$/MWh)</u> | | |
| | January 2011 Auction | \$ 17.88 | \$/MWh |
| | | \$ 0.01788 | per kWh |
| | | <u>x Loss Factor</u> | GS Small, Medium Large = 1.0515 |
| | January 2011 Auction Grossed up for Line Losses | | GP = 1.0171 TP = 1.0007 |
| | <i>PLUS</i> | | |
| 8 | HP Administrative Charge | \$ 0.00011 | per kWh |
| | <i>PLUS</i> | | |
| 9 | HP NITS | \$ 0.00284 | per kWh |
| | <i>PLUS</i> | | |
| 10 | HP Reconciliation Charge | \$ (0.00754) | per kWh |
| | | <hr/> | |
| 11 | Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10) | <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
 (C): HP Reconciliation Charge reflects actual results through January 31, 2012 reconciliation.