

Metropolitan Edison Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: September 1, 2012 - November 30, 2012

Line			
No.	Industrial Class		
	<u>HP Energy Charge</u>		
1		$\sum (kWh_t \times$	kWh for each hour in billing period
2		$(LMP_t + HP_{Anc})$	LMP = Real Time PJM Load Weighted average LMP for PN Zone for each hour
3			HPAnc = \$.002 per kWh for Ancillary Services
4		<u>HP Energy Charge (Line 1 x Line (2+3)</u>	t = An hour in the Billing Period
5		x Loss Factor	GS Small, Medium Large = 1.0515
			GP = 1.0171
			TP = 1.0007
6		<u>HP Energy Charge Line 4 x Line 5</u>	
	<i>PLUS</i>		
		Clearing	
	<u>HP Cap-AEPS-Other Purchases (\$/MWh)</u>	Price	
7	March 2012 Auction	\$ 13.75	\$/MWh
		\$ 0.01375	per kWh
		x Loss Factor	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	\$ (0.01043)	per kWh
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 April 30, 2012 reconciliation.

Metropolitan Edison Company
PTC Default Rate Calculation
Computation of Industrial Class Reconciliation Factor
Rate Effective September 1, 2012 Through November 30, 2012

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of July 31, 2012	\$ (1,373,237) See Schedule 3, Page 3
2	Projected Industrial Class kilowatt hour sales - September 1, 2012 - November 30, 2012	34,973,768 kWhs
3	Industrial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ (0.03926) per kWh
4	HPS Classes Reconciliation Rate Adjustment Factor (A)	<u>25.00%</u>
5	HPS Classes Reconciliation Rate with Adjustment before PA Gross Receipts Tax (Line 3 X Line 4)	\$ (0.00982) 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 with PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ (0.01043) per kWh</u>

Projected Industrial Class kilowatt hour sales (September 1, 2012 through November 30, 2012)

Sep-12	12,022,499
Oct-12	11,549,966
Nov-12	<u>11,401,303</u>
Total projected Industrial class kWh sales	34,973,768

(A) In order to mitigate the unintentional pricing signal of a large negative Reconciliation Rate Charge being billed to Hourly Pricing Service Classes for the three months ending August 30, 2012, Met-Ed is adjusting the supported Reconciliation Rate Charge. The reconciliation of actual revenues billed to actual costs incurred will continue for the three months ending August 30, 2012, including the accrual of interest on the cumulative net over or under collected balance, as described in Met-Ed's Hourly Pricing Service Default Service Rider.

**Metropolitan Edison Company Default Service
Program Reconciliation - Hourly Pricing Default
Service Rider
Hourly Pricing Customer Classes Deferrals
September 1, 2012 through November 30, 2012**

	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	
1	Cumulative (Over) Under Collection at Beginning of Month Including Interest																		
	\$ 10,288,761	\$ 6,078,132	\$ 4,816,006	\$ 3,427,840	\$ 1,672,273	\$ 1,020,441	\$ 941,493	\$ (658,324)	\$ (1,383,924)	\$ (1,870,591)	\$ (1,820,153)	\$ (1,857,485)	\$ (1,634,964)	\$ (1,887,769)	\$ (2,238,411)	\$ (2,258,487)	\$ (1,908,780)	\$ (1,829,359)	
2	Default Service Plan Revenues With Pa GRT																		
	\$ 10,064,818	\$ 4,303,886	\$ 3,814,270	\$ 3,392,780	\$ 2,957,273	\$ 2,678,214	\$ 3,147,072	\$ 1,622,340	\$ 1,040,541	\$ 686,578	\$ 684,892	\$ 500,697	\$ 697,567	\$ 811,471	\$ 593,711	\$ 247,195	\$ 523,166	\$ 378,504	
3	Pa GRT Included in Line 2																		
	\$ 593,824	\$ 253,929	\$ 225,042	\$ 200,174	\$ 174,479	\$ 158,015	\$ 185,677	\$ 95,718	\$ 61,392	\$ 40,508	\$ 40,409	\$ 29,541	\$ 41,156	\$ 47,877	\$ 35,029	\$ 14,585	\$ 30,867	\$ 22,332	
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT																		
	\$ 9,470,994	\$ 4,049,957	\$ 3,589,228	\$ 3,192,606	\$ 2,782,794	\$ 2,520,199	\$ 2,961,395	\$ 1,526,622	\$ 979,149	\$ 646,070	\$ 644,483	\$ 471,156	\$ 656,411	\$ 763,594	\$ 558,682	\$ 232,610	\$ 492,299	\$ 356,172	
	Expenses																		
5	Allocated portion of incremental start-up costs incurred by Company through 12/31/2010 [DSHPExp1]																		
	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	\$ 9,403	
6	Current Month cost to provide Default Service [DSHPExp2] (Line 18)																		
	\$ 5,057,972	\$ 2,635,917	\$ 1,809,000	\$ 1,301,623	\$ 2,021,287	\$ 2,346,718	\$ 1,273,105	\$ 741,511	\$ 437,856	\$ 658,316	\$ 572,424	\$ 662,768	\$ 367,572	\$ 382,850	\$ 500,716	\$ 531,534	\$ 536,909	\$ 781,819	
7	Cumulative costs for Month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSHPExp3]																		
	\$ 303,147	\$ 179,902	\$ 144,733	\$ 113,296	\$ 93,557	\$ 80,237	\$ 78,365	\$ 56,893	\$ 56,036	\$ 41,051	\$ 37,543	\$ 33,109	\$ 38,335	\$ 34,408	\$ 43,428	\$ 55,226	\$ 37,827	\$ 31,712	
8	Total Expenses for Month																		
	\$ 5,370,522	\$ 2,825,222	\$ 1,963,136	\$ 1,424,322	\$ 2,124,247	\$ 2,436,358	\$ 1,360,873	\$ 807,807	\$ 503,295	\$ 708,770	\$ 619,370	\$ 705,280	\$ 415,310	\$ 426,661	\$ 553,547	\$ 596,163	\$ 584,139	\$ 822,934	
9	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes																		
10	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation																		
	\$ (4,100,472)	\$ (1,224,735)	\$ (1,626,092)	\$ (1,768,284)	\$ (658,546)	\$ (83,841)	\$ (1,600,522)	\$ (718,815)	\$ (475,854)	\$ 62,700	\$ (25,113)	\$ 234,124	\$ (241,101)	\$ (336,933)	\$ (5,135)	\$ 363,553	\$ 91,841	\$ 466,762	
11	Interest for Current Month for Both Regulatory and Accounting Reporting Purposes																		
	\$ 6,188,289	\$ 5,004,747	\$ 3,406,741	\$ 1,659,557	\$ 1,013,726	\$ 936,600	\$ (659,030)	\$ (1,377,139)	\$ (1,859,778)	\$ (1,807,891)	\$ (1,845,266)	\$ (1,623,361)	\$ (1,876,065)	\$ (2,224,702)	\$ (2,243,546)	\$ (1,894,935)	\$ (1,816,939)	\$ (1,362,597)	
12	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory and Accounting Reporting Purposes (Line 10 + Line 11)																		
	\$ 6,229,482	\$ 5,032,833	\$ 3,427,840	\$ 1,672,273	\$ 1,020,441	\$ 941,493	\$ (658,324)	\$ (1,383,924)	\$ (1,870,591)	\$ (1,820,153)	\$ (1,857,485)	\$ (1,634,964)	\$ (1,887,769)	\$ (2,238,411)	\$ (2,258,487)	\$ (1,908,780)	\$ (1,829,359)	\$ (1,373,237)	