

Metropolitan Edison Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: December 1, 2012 - February 28, 2013

Line			
No.	Industrial Class		
	<u>HP Energy Charge</u>		
1		$\sum (\text{kWh}_t \times$	kWh for each hour in billing period
2		$(\text{LMP}_t + \text{HPAnc})$	LMP = Real Time PJM Load Weighted average LMP for PN Zone for each hour
3			HPAnc = \$.002 per kWh for Ancillary Services
4		<hr/>	
5		HP Energy Charge (Line 1 x Line (2+3))	t = An hour in the Billing Period
		x 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	
	<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	\$ (0.00417)	per kWh
11	Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)	<hr/> <hr/>	\$ x.xxxxx

(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 October 2012 reconciliation.

Metropolitan Edison Company
PTC Default Rate Calculation
Computation of Industrial Class Reconciliation Factor
Rate Effective December 1, 2012 Through February 28, 2013

<u>Line No.</u>	<u>Description</u>	<u>Amounts</u>
1	Cumulative Industrial Class (Over) / Under Collection as of October 31, 2012	\$ (530,833) See Schedule 3, Page 3
2	Projected Industrial Class kilowatt hour sales - December 1, 2012 - February 28, 2013	33,808,095 kWhs
3	Industrial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ (0.01570) per kWh
4	HPS Classes Reconciliation Rate Adjustment Factor	<u>25.00%</u>
5	HPS Classes Reconciliation Rate with Adjustment before PA Gross Receipts Tax (Line 3 X Line 4)	\$ (0.00393) 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><u>\$ (0.00417) per kWh</u></u>
 Projected Industrial Class kilowatt hour sales (December 1, 2012 through February 28, 2013)		
	Dec-12	11,181,651
	Jan-13	11,035,979
	Feb-13	<u>11,590,465</u>
	Total projected Industrial class kWh sales	33,808,095

**Metropolitan Edison Company Default Service Program
Reconciliation - Hourly Pricing Default Service Rider
Hourly Pricing Customer Classes Deferrals
December 1, 2012 through February 28, 2013**

	<u>Aug-12</u>	<u>Sep-12</u>	<u>Oct-12</u>
1 Cumulative (Over) Under Collection at Beginning of Month Including Interest	\$ (1,373,237)	\$ (1,031,896)	\$ (765,314)
2 Default Service Plan Revenues With Pa GRT	\$ 472,531	\$ 457,889	\$ 604,939
3 Pa GRT Included in Line 2	<u>\$ 27,879</u>	<u>\$ 27,015</u>	<u>\$ 35,691</u>
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 444,652	\$ 430,874	\$ 569,248
<u>Expenses</u>			
5 Allocated portion of incremental start-up costs incurred by Company through 12/31/2010 [DSHPExp1]	\$ 9,403	\$ 9,403	\$ 9,403
6 Current Month cost to provide Default Service [DSHPExp2] (Line 18)	\$ 755,547	\$ 663,439	\$ 745,525
7 Cumulative costs for Month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSHPExp3]	<u>\$ 29,034</u>	<u>\$ 30,585</u>	<u>\$ 53,107</u>
8 Total Expenses for Month	<u>\$ 793,984</u>	<u>\$ 703,427</u>	<u>\$ 808,035</u>
9 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 349,332	\$ 272,553	\$ 238,787
10 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ (1,023,905)	\$ (759,343)	\$ (526,527)
11 Interest for Current Month for Both Regulatory and Accounting Reporting Purposes	<u>\$ (7,991)</u>	<u>\$ (5,971)</u>	<u>\$ (4,306)</u>
12 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory and Accounting Reporting Purposes (Line 10 + Line 11)	<u>\$ (1,031,896)</u>	<u>\$ (765,314)</u>	<u>\$ (530,833)</u>