

Metropolitan Edison Company
 PTC Default Rate Sample Calculation¹
 Residential Class: March 2012 - May 2012

Line No.	Residential Class	Auction			Weighting	
		Number of Tranches	Clearing Price	Summer 1.06		Winter 0.97
Fixed Price Tranche Purchases (\$ per MWh)						
1	June 2010 Auction	4	68.55	0	3	797.92
2	Oct 2010 Auction	4	66.66	0	3	775.92
3	Jan 2011 Auction	3	67.43	0	3	588.66
4	Jan 2011 Auction	4	70.69	0	3	822.83
5	Mar 2011 Auction	3	67.35	0	3	587.97
6	Mar 2011 Auction	3	70.09	0	3	611.89
7		21	3	63		4,185.19
8	Total Average Fixed Price Tranche				\$ 66.43	
9	Times Fixed portion of Residential Load				100%	Fixed Portion
10	Total Fixed Price Residential Cost				\$ 66.43	dollar cost
11	Percentage of Total Load				75%	
12	Total Cost Fixed Price Tranche				\$ 49.82	
Fixed Price Block & Spot Purchases (\$ per MWh)						
		MWhs	Auction Clearing Price			Load Weighted Clearing Price
13	June 2010 On-Peak Average Price	110,400	\$59.77			26.63
14	June 2010 Off-Peak Average Price	34,800	\$57.41			8.06
15	Oct 2010 On-Peak Average Price	39,000	\$42.88			6.75
16	Oct 2010 Off-Peak Average Price	34,400	\$55.07			7.64
17	48 Month Block Price	29,200	\$40.81			4.81
18		247,800				53.89
19	Total Average Fixed Price Block & Spot		\$ 52.32			
20	Times Fixed portion of Residential Load				81%	Fixed Portion
21	Total Fixed Price Residential Cost		\$ 45.02			dollar cost
22	Average Variable Hourly Price Tranche		\$ 49.86			
23	Times Variable portion of Residential Load				19%	Variable Portion
24	Total Variable Priced Hourly Residential Cost		\$ 9.43			dollar cost
25	Capacity Adder		\$ 9.56			
26	AEPS Adder		\$ 0.10			
27	Ancillary Service Adder		\$ 1.86			
28	Block & Spot Subtotal		\$ 65.98			
29	Percentage of Total Load				25%	
30	Total Cost - Block and Spot		\$ 16.49			
31	Price to Compare Weighted Average Price		\$ 66.32			per MWh
32	PTC _{Current Cost Component} (line 31 / 1000)		\$ 0.06632			per kWh
33	Times Loss Factor		1.0515			
34	Subtotal (line 32 x line 33)		\$ 0.06973			per kWh
35	Admin Costs including estimated interest @ 6%		\$ 0.00021			per kWh
36	NITS charge		\$ 0.00339			per kWh
37	Subtotal (line 34 + line 35 + line 36)		\$ 0.07333			per kWh
38	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)		1.062699			
39	PTC_{Current Residential Class} (line 37 x line 38)		\$ 0.07793			per kWh
40	E Reconciliation Rate		\$ 0.00199			per kWh
41	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)		1.062699			
42	E Reconciliation Rate x GRT		0.00211			
43	PTC_{Default Residential Class} (line 39 + line 42)		\$ 0.08004			per kWh

Note 1: All Price to Compare rate computations will be pursuant to terms of Company's "Price to Compare Default Service Rate Rider".

Note 2: All Adders are subject to Quarterly Updates

Note 3: Line 43 represents the rate that is incorporated into the PTC Default Service Rate Rider. The Rate including STAS is equal to:

-0.12% \$ 0.07994 per kWh