

**Metropolitan Edison Company**  
**PTC Default Rate Calculation**  
**Residential Class: December 2011 - February 2012**  
**Rate Effective December 1, 2011 through February 28, 2012**

Line No.	Residential Class	Auction			Weighting	
		Number of Tranches	Clearing Price	Summer 1.06	Winter 0.97	
<b>Fixed Price Tranche Purchases (\$ per MWh)</b>						
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	<b>Total Cost Fixed Price Tranche</b>				\$ 49.82	
<b>Fixed Price Block &amp; Spot Purchases (\$ per MWh)</b>						
		MWhs	Auction Clearing Price		Load Weighted Clearing Price	
13	June 2010 On-Peak Average Price	50,400	\$57.41			8.61
14	June 2010 Off-Peak Average Price	58,800	\$42.88			7.50
15	Oct 2010 On-Peak Average Price	58,800	\$55.07			9.64
16	Oct 2010 Off-Peak Average Price	58,800	\$40.81			7.14
17	48 Month Block Price	109,200	\$59.77			19.43
18		336,000				52.32
19	Total Average Fixed Price Block & Spot		\$ 52.32			
20	Times Fixed portion of Residential Load				80%	Fixed Portion
21	Total Fixed Price Residential Cost		\$ 41.89			dollar cost
22	Average Variable Hourly Price Tranche		\$ 64.18			
23	Times Variable portion of Residential Load				20%	Variable Portion
24	Total Variable Priced Hourly Residential Cost		\$ 12.79			dollar cost
25	Capacity Adder		\$ 9.00			
26	AEPS Adder		\$ 0.09			
27	Ancillary Service Adder		\$ 1.12			
28	Block & Spot Subtotal		\$ 64.90			
29	Percentage of Total Load				25%	
30	<b>Total Cost - Block and Spot</b>		\$ 16.22			
31	<b>Price to Compare Weighted Average Price</b>		\$ 66.05			per MWh
32	PTC Current Cost Component (line 31 / 1000)		\$ 0.06605			per kWh
33	Times Loss Factor		1.0515			
34	Subtotal (line 32 x line 33)		\$ 0.06945			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)		\$ 0.07305			per kWh
38	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)		1.062699			
39	<b>PTC Current Residential Class (line 37 x line 38)</b>		\$ 0.07763			per kWh
40	E Reconciliation Rate		0.01250			per kWh
41	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)		1.062699			
42	E Reconciliation Rate x GRT		0.01328			
43	<b>PTC Default Residential Class (line 39 + line 42)</b>		\$ 0.09091			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: E Reconciliation Rate reflects actual results for December 2011 through February 2012.