

Metropolitan Edison Company
Price to Compare Default Service Rider Rate Calculation¹
Residential Class: December 2012 - February 2013

Line No.	Residential Class	Auction				Weighting
		Number of Tranches	Clearing Price	Summer 1.06	Winter 0.97	
Fixed Price Tranche Purchases (\$ per MWh)						
1	May 2010 Auction	4	68.55	0	3	797.92
2	Oct 2010 Auction	4	66.66	0	3	775.92
3	Jan 2011 Auction	4	70.69	0	3	822.83
4	Mar 2011 Auction	3	70.09	0	3	611.89
5	Jan 2012 Auction	3	56.19	0	3	490.54
6	Mar 2012 Auction	3	55.83	0	3	487.40
7		21	3	63		3,986.50
8	Total Average Fixed Price Tranche				\$ 63.28	
9	Times Fixed portion of Residential Load				100%	Fixed Portion
10	Total Fixed Price Residential Cost				\$ 63.28	dollar cost
11	Percentage of Total Load				75%	
12	Total Cost Fixed Price Tranche				\$ 47.46	
Fixed Price Block & Spot Purchases (\$ per MWh)						
			MWhs	Auction Clearing Price		Load Weighted Clearing Price
13	48 Month Block Price		108,000	\$59.77		21.57
14	May 2011 On-Peak Average Price		33,550	\$61.62		6.91
15	May 2011 Off-Peak Average Price		74,450	\$45.28		11.26
16	Oct 2011 On-Peak Average Price		33,550	\$58.16		6.52
17	Oct 2011 Off-Peak Average Price		49,775	\$43.52		7.24
18	Total		299,325			53.49
19	Total Average Fixed Price Block & Spot				\$ 53.49	
20	Times Fixed portion of Residential Load				97.73%	Fixed Portion
21	Total Fixed Price Residential Cost				\$ 52.28	dollar cost
22	Average Variable Hourly Price Tranche				\$ 67.52	
23	Times Variable portion of Residential Load				2.27%	Variable Portion
24	Total Variable Priced Hourly Residential Cost				\$ 1.53	dollar cost
25	Capacity Adder				\$ 7.88	
26	AEPS Adder				\$ 0.09	
27	Ancillary Service Adder				\$ 1.86	
28	Block & Spot Subtotal				\$ 63.64	
29	Percentage of Total Load				25%	
30	Total Cost - Block and Spot				\$ 15.91	
31	Price to Compare Weighted Average Price				\$ 63.37	per MWh
32	PTC Current Cost Component (line 31 / 1000)				\$ 0.06337	per kWh
33	Times Loss Factor				1.0515	
34	Subtotal (line 32 x line 33)				\$ 0.06663	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)				\$ 0.07023	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)				\$ 0.07463	per kWh
40	E Reconciliation Rate				\$ 0.01363	per kWh
41	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
42	E Reconciliation Rate x GRT				\$ 0.01448	
43	PTC Default Residential Class (line 39 + line 42)				\$ 0.08911	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 -0.12% **\$ 0.08901** per kWh

Metropolitan Edison Company
Price to Compare Default Service Rider Rate Calculation
Residential Class
Computation of Residential Class E Reconciliation Factor
Effective December 1, 2012 Through February 28, 2013

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of October 31, 2012	\$ 14,750,093
2	Projected November 2012 through January 2013 (Over) / Under Collection adjustment	\$ -
3	Projected Residential Class kilowatt hour sales - December 1, 2012 to February 28, 2013 (Line 9)	1,082,493,874 kWhs
4	Residential Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 2 / Line 3)	\$ 0.01363 per kWh
5	PA Gross Receipt Gross-Up [1/(1-T) with T = 5.9% Pa Gross Receipts Tax]	<u>1.062699</u>
6	Residential Class Reconciliation Factor Rate with PA Gross Receipts Tax (Line 3 X Line 4)	<u>\$ 0.01448 per kWh</u>
Projected Residential Class kilowatt hour sales (December 1, 2012 through February 28, 2013)		
7	Dec-12	341,254,747
8	Jan-13	371,842,830
9	Feb-13	<u>369,396,298</u>
10	Total projected Residential class kWh sales	<u><u>1,082,493,874</u></u>

Metropolitan Edison Company Default Service Program Reconciliation
Residential Customer Class Deferrals
August 2012 through October 2012

<u>Line No.</u>	<u>Aug-12</u>	<u>Sep-12</u>	<u>Oct-12</u>
1 Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ (1,656,789)	\$ 985,140	\$ 2,127,511
2 Default Service Plan Revenues With Pa GRT	27,458,403	24,522,033	19,347,807
3 Pa GRT Included in Line 2	<u>\$ 1,620,046</u>	<u>\$ 1,446,800</u>	<u>\$ 1,141,521</u>
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 25,838,357	\$ 23,075,233	\$ 18,206,286
<u>Expenses</u>			
5 Amortization of Start Up Costs Through 12/31/10 [DSexp1]	\$ 46,524	\$ 46,524	\$ 46,524
6 Current Month cost to provide Default Service [DSexp2]	\$ 27,021,483	\$ 22,829,361	\$ 29,412,764
7 Amortization of January 2011 Residential Undercollection and Interest starting 3/1/2011 over 12 months [DSexp3]	\$ -	\$ -	\$ -
8 Cumulative costs for month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSexp4]	\$ 1,414,511	\$ 1,333,957	\$ 1,327,491
9 Total Expenses for Month	<u>\$ 28,482,518</u>	<u>\$ 24,209,842</u>	<u>\$ 30,786,779</u>
10 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 2,644,161	\$ 1,134,609	\$ 12,580,493
11 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 987,372	\$ 2,119,749	\$ 14,708,004
12 Interest for Current Month	<u>\$ (2,232)</u>	<u>\$ 7,762</u>	<u>\$ 42,089</u>
13 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 11 + Line 12)	<u>\$ 985,140</u>	<u>\$ 2,127,511</u>	<u>\$ 14,750,093</u>