

**Pennsylvania Electric Company**  
**Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only**  
**Industrial Class: December 2011 - February 2012**

<b>Line No.</b>	<b><u>Industrial Class</u></b>		
	<b><u>HP Energy Charge</u></b>		
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		<hr/> $HP_{Energy\ Charge} (Line\ 1 \times Line\ (2+3))$	t = An hour in the Billing Period
5		$\times$ Loss Factor	GS Small, Medium Large = 1.0573 GP = 1.0234 LP = 1.0035
6		<hr/> $HP\ Energy\ Charge\ Line\ 4 \times Line\ 5$	
	<i>PLUS</i>		
	<b><u>HP Cap-AEPS-Other Purchases (\$/MWh)</u></b>	<b>Clearing Price</b>	
7	Auction	\$ 16.49	\$/MWh
		\$ 0.01649	per kWh
		<u>x Loss Factor</u>	GS Small, Medium Large = 1.0573 GP = 1.0234 LP = 1.0035
	January 2011 Auction Grossed up for Line Losses		
	<i>PLUS</i>		
8	<b>HP</b> Administrative Charge	\$ 0.00017	per kWh
	<i>PLUS</i>		
9	<b>HP</b> NITS	\$ 0.00286	per kWh
	<i>PLUS</i>		
10	<b>HP</b> Reconciliation Charge	\$ (0.00333)	per kWh
11	<b>Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)</b>	<hr/> <b>\$ x.xxxxx</b> <hr/>	

(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 July 31, 2011 reconciliation.