

Pennsylvania Electric Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: December 1, 2013 - February 28, 2014

<u>Line No.</u>	<u>Industrial Class</u>			
1	HP Energy Charge	\sum (kWh, x		kWh for each hour in billing period
2		(LMP _t + 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/> HP Energy Charge (Line 1 x Line (2+3)		t = An hour in the Billing Period
5		x HP Loss Multiplier		GS Small, Medium, and Large = 1.0573
				GP = 1.0234
				LP = 1.0035
6		<hr/> HP Energy Charge Line 4 x Line 5		#
	<i>PLUS</i>			
	HP Cap-AEPS-Other Purchases (\$/MWh)	Clearing		
		Price		
7	Estimate	\$ 12.99		\$/MWh
		\$ 0.01299		per kWh
		x <u>Loss Multiplier</u>		GS Small, Medium Large = 1.0573
	Grossed up for Line Losses			GP = 1.0234
				LP = 1.0035
	<i>PLUS</i>			
8	HP Administrative Charge	\$ 0.00004		per kWh
	<i>PLUS</i>			
9	HP Reconciliation Charge	\$ (0.00607)		per kWh
10	Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9)	<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

**Pennsylvania Electric Company
PTC Default Rate Calculation
Computation of Industrial Class Reconciliation Factor
Rate Effective December 1, 2013 Through February 28, 2014**

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of September 30, 2013 (page 2, line 12, col. 3)	\$ (446,032) See Page 3
2	Projected Industrial Class kilowatt hour sales - December 1, 2013 through February 28, 2014 (Line 11)	19,544,121 kWhs
3	Industrial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ (0.02282) 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)	\$ (0.00571) per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)	<u>1.062699</u>
7	IndustrialClasses Reconciliation Factor Rate with PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ (0.00607) per kWh</u>
Projected Industrial Class kilowatt hour sales (December 1, 2013 through February 28, 2014)		
8	Dec-13	6,499,734
9	Jan-14	6,309,694
10	Feb-14	<u>6,734,693</u>
11	Total Projected Industrial Class kWh Sales	<u>19,544,121</u>

**Pennsylvania Electric Company Default Service Program
Reconciliation - Hourly Pricing Default Service Rider
Hourly Pricing (Industrial) Customer Class Deferral
July 2013 through September 2013**

	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>
1 Cumulative (Over) Under Collection at Beginning of Month Including Interest	\$ (488,463)	\$ (208,227)	\$ (330,104)
2 Default Service Plan Revenues With Pa GRT	<u>\$ 1,089,911</u>	<u>\$ 1,014,753</u>	<u>\$ 867,629</u>
3 Pa GRT Included in "A"	<u>\$ 64,305</u>	<u>\$ 59,870</u>	<u>\$ 51,190</u>
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 1,025,606	\$ 954,883	\$ 816,439
<u>Expenses</u>			
5 Allocated portion of incremental start-up costs incurred by Company through 12/31/2010 [DSHPExp1]	\$ 779	\$ 779	\$ 779
6 Current Month cost to provide Default Service [DSHPExp2] (Line 22)	\$ 1,192,401	\$ 257,841	\$ 397,848
7 Cumulative costs for Month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSHPExp3]	<u>\$ 114,977</u>	<u>\$ 576,175</u>	<u>\$ 304,463</u>
8 Total PA Jurisdictional Expenses for Month	\$ 1,308,157	\$ 834,795	\$ 703,090
9 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 282,551	\$ (120,088)	\$ (113,349)
10 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ (205,912)	\$ (328,315)	\$ (443,453)
11 Interest for Current Month for Both Regulatory and Accounting Reporting Purposes	<u>\$ (2,315)</u>	<u>\$ (1,789)</u>	<u>\$ (2,579)</u>
12 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory and Accounting Reporting Purposes (Line 10 + Line 11)	<u>\$ (208,227)</u>	<u>\$ (330,104)</u>	<u>\$ (446,032)</u>