

Pennsylvania Electric Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: September 1, 2013 - November 30, 2013

Line	<u>No.</u>	<u>Industrial Class</u>	
		<u>HP Energy Charge</u>	
1		\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>	
		<u>HP Cap-AEPS-Other Purchases (\$/MWh)</u>	
		Clearing	
		Price	
7	Estimate	\$ 20.02	\$/MWh
		\$ 0.02002	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	\$ (0.00390)	per kWh
10	Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9)	<hr/> \$ x.xxxxx <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

Pennsylvania Electric Company
PTC Default Rate Calculation
Computation of Industrial Class Reconciliation Factor
Rate Effective September 1, 2013 Through November 30, 2013

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of June 30, 2013 (page 2, line 12, col. 3)	\$ (488,463) See Page 3
2	Projected Industrial Class kilowatt hour sales - September 1, 2013 through November 30, 2013 (Line 11)	33,287,195 kWhs
3	Industrial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ (0.01467) 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)	\$ (0.00367) per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
7	Industrial Classes Reconciliation Factor Rate with PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ (0.00390) per kWh</u>
Projected Industrial Class kilowatt hour sales (September 1, 2013 through November 30, 2013)		
8	Sep-13	11,193,715
9	Oct-13	11,122,684
10	Nov-13	<u>10,970,796</u>
11	Total Projected Industrial Class kWh Sales	<u>33,287,195</u>

**Pennsylvania Electric Company Default Service Program
Reconciliation - Hourly Pricing Default Service Rider
Hourly Pricing (Industrial) Customer Class Deferral
February 1, 2013 through June 30, 2013**

	<u>Apr-13</u>	<u>May-13</u>	<u>Jun-13</u>
1 Cumulative (Over) Under Collection at Beginning of Month Including Interest	\$ (9,259)	\$ 44,647	\$ (274,398)
2 Default Service Plan Revenues With Pa GRT	\$ 920,658	\$ 1,151,028	\$ 1,131,440
3 Pa GRT Included in "A"	\$ 54,319	\$ 67,911	\$ 66,755
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 866,339	\$ 1,083,117	\$ 1,064,685
<u>Expenses</u>			
5 Allocated portion of incremental start-up costs incurred by Company through 12/31/2010 [DSHPExp1]	\$ 11,897	\$ 11,897	\$ 779
6 Current Month cost to provide Default Service [DSHPExp2] (Line 22)	\$ 889,364	\$ 733,237	\$ 635,867
7 Cumulative costs for Month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSHPExp3]	\$ 18,897	\$ 19,701	\$ 216,508
8 Total PA Jurisdictional Expenses for Month	\$ 920,158	\$ 764,835	\$ 853,154
9 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 53,819	\$ (318,282)	\$ (211,531)
10 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 44,559	\$ (273,635)	\$ (485,928)
11 Interest for Current Month for Both Regulatory and Accounting Reporting Purposes	\$ 88	\$ (763)	\$ (2,535)
12 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory and Accounting Reporting Purposes (Line 10 + Line 11)	<u>\$ 44,647</u>	<u>\$ (274,398)</u>	<u>\$ (488,463)</u>