

**Pennsylvania Electric Company**  
**PTC Default Service Rider Rate Calculation**  
**Residential Class: Default Service Period Beginning June 1, 2013 - August 31 2013**

Line No.	Residential Class	Auction Number of Tranches	Auction Clearing Price	Summer 1.086	Winter 0.971	Weighted Clearing Price
<b>Fixed Price Tranche Purchases (\$ per MWh)</b>						
1	January 2013 Auction	9	61.14	3	0	1,792.75
2	February 2013 Auction	9	64.39	3	0	1,888.04
		18	3	54		
3	Total Average Fixed Price Tranche				\$ 68.16	
4	Times Fixed Portion of Residential Load				90%	Fixed Portion
5	Total Fixed Price Residential Cost				\$ 61.35	dollar Cost
6	Average Variable Hourly Price Tranche				\$ 42.04	
7	Capacity, Anc. Serv. and AEPS Adder (\$19/MWh)				\$ 19.00	
8	Variable Priced Hourly Residential Cost				\$ 61.04	
9	Times Variable Portion of Residential Load				10%	Variable Portion
10	Total Variable Priced Hourly Residential Cost				\$ 6.10	dollar cost
11	Percentage of Total Load				85.7%	
12	<b>Total Cost Fixed/Variable Price Tranche</b>				<b>\$ 57.81</b>	
<b>Fixed Price Block &amp; Spot Purchases (\$ per MWh)</b>						
13	Total Fixed Block & Spot Price				\$ 54.38	
14	Times Fixed Portion of Residential Load				123.46%	Fixed Portion
15	Total Fixed Price Residential cost				\$ 67.14	dollar Cost
16	Average Variable Hourly Price Tranche				\$ 24.98	
17	Times Variable Portion of Residential Load				-23.46%	Variable Portion
18	Total Variable Priced Hourly Residential Cost				\$ (5.86)	dollar cost
19	Capacity Adder				\$ 33.39	
20	AEPS Adder				\$ 0.12	
21	Ancillary Adder				\$ 4.37	
22	NITS				\$ 3.16	
23	Block & Spot Subtotal				\$ 102.31	
24	Percentage of Total Load				14.3%	
25	<b>Total Cost - Block and Spot</b>				<b>14.63</b>	
26	<b>Price to Compare Weighted Average Price (line 12 + line 25)</b>				<b>\$ 72.44</b>	<i>per MWh</i>
27	PTC <sub>Current</sub> Cost Component (line 26 / 1000)				\$ 0.07244	<i>per kWh</i>
28	Times Loss Factor				1.0573	
29	Subtotal (line 27 x line 28)				\$ 0.07659	<i>per kWh</i>
30	Admin Costs including estimated interest @ 6%				\$ 0.00012	<i>per kWh</i>
31	Subtotal (line 29 + line 30)				\$ 0.07671	<i>per kWh</i>
32	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
33	<b>PTC <sub>Current</sub> Residential Class (line 31 x line 32)</b>				<b>\$ 0.08152</b>	<i>per kWh</i>
34	E Reconciliation Rate (page 2, line 6)				0.00543	<i>per kWh</i>
35	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
36	<b>E Reconciliation Rate x GRT</b>				<b>\$ 0.00577</b>	
37	<b>PTC <sub>Default</sub> Residential Class (line 33 + line 36)</b>				<b>\$ 0.08729</b>	<i>per kWh</i>

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

**Pennsylvania Electric Company  
Price to Compare Default Service Rider Rate Calculation  
Residential Class  
Computation of Residential Class Reconciliation Factor  
Rate Effective June 1, 2013 Through August 31, 2013**

Line No.	Description	Amounts
1	Cumulative Residential Class (Over)/Under Collection as of March 31, 2013	\$ 6,788,121
2	Projected April 2013 through July 2013 (Over)/Under Collection Adjustment	(2,253,124)
3	Projected April & May 2013 E Factor revenue adjustment	<u>(973,270)</u>
4	Total (Over)/Under Collection (Line 1 + Line 2 + Line 3)	\$ 3,561,727
5	Projected Residential Class kilowatt hour sales - June 1, 2013 through August 31, 2013 (line 12)	655,679,655 kWhs
6	Residential Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 4/ Line 5)	\$ 0.00543 per kWh
7	PA Gross Receipt Gross-Up [1/(1-T) with T = 5.9% Pa Gross Receipts Tax]	<u>1.062699</u>
<b>8</b>	<b>Residential Classes Reconciliation Factor Rate with PA Gross Receipts Tax (Line 6 X Line 7)</b>	<b><u>\$ 0.00577 per kWh</u></b>
 <b>Projected Residential Class kilowatt hour sales (June 1, 2013 through August 31, 2013)</b>		
9		Jun-13 198,809,402
10		Jul-13 221,210,743
11		Aug-13 <u>235,659,510</u>
12	Total Projected Residential Class kWh Sales	<u>655,679,655</u>

**Pennsylvania Electric Company Default Service  
Program Reconciliation  
Residential Customer Class Deferrals  
February 2013 through March 2013**

<u>Line No.</u>		<u>Feb-13</u>	<u>Mar-13</u>
1	Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 7,342,842	\$ 6,253,212
2	Default Service Plan Revenues With Pa GRT	\$ 20,947,222	\$ 19,265,349
3	Pa GRT Included in Line 2	\$ 1,235,886	\$ 1,136,656
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 19,711,336	\$ 18,128,693
	<u>Expenses</u>		
5	Amortization of Start Up Costs Through 12/31/10 [DSexp1]	\$ 36,254	\$ 36,254
6	Current Month cost to provide Default Service [DSexp2] (Line 32)	\$ 16,673,209	\$ 16,943,909
7	Amortization of January 2011 Residential Undercollection and Interest starting 3/1/2011 over 12 months [DSexp3] Cumulative costs for month of Network Integration	\$ -	\$ -
8	Transmission Service (NITS) cost incurred by the Company [DSexp4]	\$ 1,878,338	\$ 1,650,918
9	Total PA Jurisdictional Expenses for Month	\$ 18,587,801	\$ 18,631,081
10	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ (1,123,535)	\$ 502,388
11	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 6,219,307	\$ 6,755,599
12	Interest for Current Month	\$ 33,905	\$ 32,522
13	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 11 + Line 12)	<u>\$ 6,253,212</u>	<u>\$ 6,788,121</u>