

**Pennsylvania Electric Company**  
**PTC Default Service Rider Rate Calculation**  
**Residential Class: Default Service Period Beginning September 1, 2013 - November 30, 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	1	2	1,666.19
2	February 2013 Auction	9	64.39	1	2	1,754.76
		18	3	54		
3	Total Average Fixed Price Tranche				\$ 63.35	
4	Times Fixed Portion of Residential Load				90%	Fixed Portion
5	Total Fixed Price Residential Cost				\$ 57.02	dollar Cost
6	Average Variable Hourly Price Tranche				\$ 36.02	
7	Capacity, Anc. Serv. and AEPS Adder (\$19/MWh)				\$ 19.00	
8	Variable Priced Hourly Residential Cost				\$ 55.02	
9	Times Variable Portion of Residential Load				10%	Variable Portion
10	Total Variable Priced Hourly Residential Cost				\$ 5.50	dollar cost
11	Percentage of Total Load				85.7%	
12	<b>Total Cost Fixed/Variable Price Tranche</b>				<b>\$ 53.58</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				119.52%	Fixed Portion
15	Total Fixed Price Residential cost				\$ 64.99	dollar Cost
16	Average Variable Hourly Price Tranche				\$ 28.40	
17	Times Variable Portion of Residential Load				-19.52%	Variable Portion
18	Total Variable Priced Hourly Residential Cost				\$ (5.54)	dollar cost
19	Capacity Adder				\$ 34.39	
20	AEPS Adder				\$ 0.12	
21	Ancillary Adder				\$ 0.74	
22	NITS				\$ 3.16	
23	Block & Spot Subtotal				\$ 97.87	
24	Percentage of Total Load				14.3%	
25	<b>Total Cost - Block and Spot</b>				<b>13.99</b>	
26	<b>Price to Compare Weighted Average Price (line 12 + line 25)</b>				<b>\$ 67.57</b>	<i>per MWh</i>
27	PTC <sub>Current</sub> Cost Component (line 26 / 1000)				\$ 0.06757	<i>per kWh</i>
28	Times Loss Factor				1.0573	
29	Subtotal (line 27 x line 28)				\$ 0.07144	<i>per kWh</i>
30	Admin Costs including estimated interest @ 6%				\$ 0.00012	<i>per kWh</i>
31	Subtotal (line 29 + line 30)				\$ 0.07157	<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>\$ 0.07606</b>	<i>per kWh</i>
34	E Reconciliation Rate (page 2, line 6)				0.00448	<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>\$ 0.00476</b>	
37	<b>PTC <sub>Default</sub> Residential Class (line 33 + line 36)</b>				<b>\$ 0.08081</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 September 1, 2013 Through November 30, 2013**

Line No.	Description	Amounts
1	Cumulative Residential Class (Over)/Under Collection as of June 31, 2013	\$ 5,618,695
2	Projected July 2013 through October 2013 (Over)/Under Collection Adjustment	(62,518)
3	Projected July & August 2013 E Factor revenue adjustment	<u>(2,736,618)</u>
4	Total (Over)/Under Collection (Line 1 + Line 2 + Line 3)	\$ 2,819,560
5	Projected Residential Class kilowatt hour sales - June 1, 2013 through August 31, 2013 (line 12)	629,593,886 kWhs
6	Residential Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 4/ Line 5)	\$ 0.00448 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>\$ 0.00476 per kWh</u></b>
<b>Projected Residential Class kilowatt hour sales (September 1, 2013 through November 30, 2013)</b>		
9	Sep-13	220,894,351
10	Oct-13	196,124,365
11	Nov-13	<u>212,575,170</u>
12	Total Projected Residential Class kWh Sales	<u>629,593,886</u>

**Pennsylvania Electric Company Default Service  
Program Reconciliation  
Residential Customer Class Deferrals  
November 2013 through June 2013**

<u>Line No.</u>		<u>Apr-13</u>	<u>May-13</u>	<u>Jun-13</u>
1	Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 6,788,121	\$ 4,874,091	\$ 4,872,699
2	Default Service Plan Revenues With Pa GRT	\$ 17,345,990	\$ 14,758,486	\$ 15,551,373
3	Pa GRT Included in Line 2	\$ 1,023,413	\$ 870,751	\$ 917,531
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 16,322,577	\$ 13,887,735	\$ 14,633,842
	<u>Expenses</u>			
5	Amortization of Start Up Costs Through 12/31/10 [DSexp1]	\$ 36,254	\$ 36,254	\$ 33,282
6	Current Month cost to provide Default Service [DSexp2] (Line 32)	\$ 12,742,071	\$ 12,254,745	\$ 14,377,002
7	Amortization of January 2011 Residential Undercollection and Interest starting 3/1/2011 over 12 months [DSexp3]	\$ -	\$ -	\$ -
8	Cumulative costs for month of Transmission cost incurred by the Company [DSexp4] (1)	\$ 1,601,139	\$ 1,571,038	\$ 943,391
9	Total PA Jurisdictional Expenses for Month	\$ 14,379,464	\$ 13,862,037	\$ 15,353,675
10	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ (1,943,113)	\$ (25,698)	\$ 719,833
11	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 4,845,008	\$ 4,848,393	\$ 5,592,532
12	Interest for Current Month	\$ 29,083	\$ 24,306	\$ 26,163
13	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 11 + Line 12)	<u>\$ 4,874,091</u>	<u>\$ 4,872,699</u>	<u>\$ 5,618,695</u>

(1) Beginning June 1, 2013 Transmission Service cost in line 8 above is allocated based on the Residential Block and Spot kwh over Total kwh for Residential Block and Spot and Industrial kWh