

April 21, 2020

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**Re: Metropolitan Edison Company Tariff Electric Pa. P.U.C. No. 52, Supplement
No. 84, Changes for Solar Photovoltaic Requirements Charge Rates**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission (“Commission”) is an original of Supplement No. 84 to Metropolitan Edison Company’s (“Met-Ed” or the “Company”) Tariff Electric Pa. P.U.C. No. 52 bearing an issue date of April 21, 2020. The tariff changes contained in Supplement No. 84 are proposed to be effective for service rendered on or after June 1, 2020.


This supplement reflects changes in rates consistent with the Commission’s Order entered September 4, 2018 at Docket No. P-2017-2637855, which approved Met-Ed’s Default Service Program for the period of June 1, 2019 through May 31, 2023.

In support of the proposed changes set forth in this supplement, Met-Ed is also filing the following enclosed schedule:

- Supporting details for rates under the Solar Photovoltaic Requirements Charge, pursuant to the Company’s Solar Photovoltaic Requirements Charge Rider (Rider N).

If you have any questions regarding the enclosed documents, please feel free to contact me.

Sincerely,

DocuSigned by:

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Joanne M. savage
Director – Rates and Regulatory Affairs – PA
610-921-6525

Enclosures

c: Certificate of Service
Paul T. Diskin, Bureau of Technical Utility Services (pdiskin@pa.gov)
Lori Burger, Bureau of Audits (lburger@pa.gov)

METROPOLITAN EDISON COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

**The Territory as Defined on
Page Nos. 8 - 10 of this Tariff**

Issued: April 21, 2020

Effective: June 1, 2020

**By: Samuel L. Belcher, President
Reading, Pennsylvania**

NOTICE

Supplement No. 84 makes changes to Rider N.
See Eighty-First Revised Page No. 2.

LIST OF MODIFICATIONS

Riders

Rider N – Solar Photovoltaic Requirements Charge Rider rates have been changed and decreased (See Sixth Revised Page 163).

RIDER N

SOLAR PHOTOVOLTAIC REQUIREMENTS CHARGE RIDER

A Solar Photovoltaic Requirements Charge (“SPVRC”), determined to the nearest one-thousandth of a cent per kWh, shall be applied to each kWh delivered during a billing month to all Delivery Service Customers not qualifying for Solar Photovoltaic (“SPV”) self-generation exclusion. The SPVRC shall be non-bypassable.

For service rendered June 1, 2020 through May 31, 2021, the SPVRC shall be equal to 0.030 cents per kWh for all kWh. (C)

The SPVRC shall be calculated annually in accordance with the formula set forth below: (D)

$$SPVRC = [(SPVRC_C - E) / S] X [1 / (1 - T)]$$

$$SPVRC_C = SPVRC_{Exp1} + SPVRC_{Exp2} + SPVRC_{Exp3} + SPVRC_{Exp4}$$

Where:

SPVRC = The charge in cents per kWh to be applied to each kWh delivered to Delivery Service Customers served under this tariff.

SPVRC_C = Solar Photovoltaic Requirements Charge Costs calculated in accordance with the formula shown above.

E = The over or under-collection of SPVRC costs that results from billing the SPVRC during the SPVRC Reconciliation Year (an over-collection is denoted by a positive E and an under-collection by a negative E), including applicable interest. The E rate shall be applied to each kWh delivered to Delivery Service Customers. Interest shall be computed monthly at the legal rate determined pursuant to 41 P.S. § 202, from the month in which the over or under-collection occurs to the month in which the over-collection is refunded to or the under-collection is recovered from all Delivery Service Customers.

SPVRC_{Exp1} = A projection of the costs incurred to acquire the Solar Photovoltaic Alternative Energy Credits (“SPAECs”) to be retired during the SPVRC Computational Year obtained from winning bidders selected in the competitive procurement process to fulfill the Company’s SPV obligations imposed by the AEPS Act and related laws and regulations, as the same may be amended from time to time (“AEPS Laws And Regulations”).

(C) Change
(D) Decrease

Metropolitan Edison Company
Solar Photovoltaic Requirements Charge Rider Rates
Rates to be Effective from June 1, 2020 through May 31, 2021

<u>Budgeted SPVRC</u>				<u>SPVRC Rate w/o</u>		<u>SPVRC Rate</u>
<u>Costs</u>	<u>E factor</u>	<u>Total SPVRC Costs</u>	<u>Sales (kWh)</u>	<u>GRT</u>	<u>Tax Factor</u>	<u>(cents/kwh)</u>
(1)	(2)	(3) = (1) - (2)	(4)	((5) = (3) / (4)) X 100	(6) = 1 / (1-T)	(7) = (5) X (6)
(Page 2)	(Page 6)		(Page 4)		T = 5.9%	
\$ 3,950,175	\$ 102,746	\$ 3,847,429	13,961,806,972	0.028	1.062699	0.030

Metropolitan Edison Company
Solar Photovoltaic Requirements Charge Rider Rates
Forecasted Expenses from June 1, 2020 through May 31, 2021

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Forecasted Distribution - MWh (Page 4, Line 13)	13,961,807
2	Solar Photovoltaic Requirement (%)	0.50%
3	Total SPAECs Required (Line 1 x Line 2)	69,809
4	SPAECs Under Contract (Page 3, Column 3 Line 12)	35,000
5	SPAECs Under Contract Costs (Page 3, Column 4 Line 12)	\$ 2,554,185
6	SPAEC Position (Short)/Long (Line 4 - Line 3)	(34,809)
7	SPAEC Market Quote	\$ 39.50
8	SPAEC Spot Market Cost (Line 6 x Line 7)	<u>\$ 1,374,956</u>
9	Estimated Annual SPAEC Cost (Line 5 + Line 8)	<u>\$ 3,929,141</u>
10	Administrative Costs (Page 5, Column 13, Line 22)	21,035
11	Incremental Start-Up Costs	-
12	Carrying Charges on SPAECs Inventory (A)	-
13	Total Projected SPVRC Costs (Lines 9+10+11+12)	<u><u>\$ 3,950,175</u></u>
(A)	Unrecovered SPAECs Investment as of 4/1/2020	\$ -
	Interest	6%
	Carrying Charges on SPAECs Investment	<u>\$ -</u>

Metropolitan Edison Company
Solar Photovoltaic Requirements Charge Rider Rates
SPAEC Under Contract for Delivery from June 1, 2020 through May 31, 2021

<u>Line No.</u>	<u>Trade Date</u> (1)	<u>Price</u> (2)	<u>Amount</u> (3)	<u>Total Cost</u> (4) = (2) x (3)
1	11/20/2012	\$ 65	1,500	\$ 97,500
2	11/20/2012	60	3,500	211,505
3	11/20/2012	60	500	30,000
4	11/20/2013	50	1,000	49,970
5	11/20/2013	65	3,000	196,200
6	11/20/2013	79	1,000	79,240
7	3/6/2019	81	1,500	122,160
8	3/6/2019	63	2,000	125,000
9	3/6/2019	65	2,000	129,900
10	3/6/2019	80	10,000	800,000
11	3/6/2019	79	9,000	712,710
12	Total		<u>35,000</u>	<u>\$ 2,554,185</u>

Metropolitan Edison Company
Solar Photovoltaic Requirements Charge Rider Rates
Solar Photovoltaic Requirements Charge Forecasted kWh Sales from June 1, 2020 - May 31, 2021

<u>Line No.</u>	<u>Month</u>	<u>kWh</u>
1	June-20	1,114,420,225
2	July	1,236,167,546
3	August	1,303,405,571
4	September	1,225,320,456
5	October	1,089,408,974
6	November	1,035,414,884
7	December	1,132,640,356
8	January-21	1,253,240,753
9	February	1,260,306,018
10	March	1,193,450,918
11	April	1,101,741,087
12	May	<u>1,016,290,183</u>
13	Total	<u>13,961,806,972</u>

Metropolitan Edison Company
Solar Photovoltaic Requirements Charge Rider Rates
Solar Photovoltaic Requirements Charge Over/(Under) Collection from April 2019 - March 2020

Line No.	Description	<u>Apr-19</u> (1)	<u>May-19</u> (2)	<u>Jun-19</u> (3)	<u>Jul-19</u> (4)	<u>Aug-19</u> (5)	<u>Sep-19</u> (6)	<u>Oct-19</u> (7)	<u>Nov-19</u> (8)	<u>Dec-19</u> (9)	<u>Jan-20</u> (10)	<u>Feb-20</u> (11)	<u>Mar-20</u> (12)	Total Current Over/(Under) Collection (13)
<u>Revenues</u>														
1	Met-Ed SPVRC Revenues	\$ 33,146	\$ 30,681	\$ 145,963	\$ 437,294	\$ 479,873	\$ 441,286	\$ 389,527	\$ 371,809	\$ 409,897	\$ 429,212	\$ 423,921	\$ 443,134	\$ 4,035,742
2	Gross Receipts Tax @ 5.9%	1,956	1,810	8,612	25,800	28,313	26,036	22,982	21,937	24,184	25,323	25,011	26,145	238,109
3	SPVRC Revenues net of GRT [Line 1 - Line 2]	\$ 31,190	\$ 28,871	\$ 137,351	\$ 411,494	\$ 451,561	\$ 415,250	\$ 366,545	\$ 349,872	\$ 385,713	\$ 403,888	\$ 398,909	\$ 416,989	\$ 3,797,633
4	SPVRC Revenues Applied to E Factor	(209,477)	(193,902)	(5,195)	(44,871)	(49,752)	(45,752)	(40,386)	(38,549)	(42,497)	(48,956)	(48,353)	(50,544)	(818,234)
5	SPVRC Revenues Available for Current Deferral [Line 3 - Line 4]	\$ 240,667	\$ 222,773	\$ 142,546	\$ 456,365	\$ 501,313	\$ 461,002	\$ 406,931	\$ 388,421	\$ 428,210	\$ 452,844	\$ 447,262	\$ 467,533	\$ 4,615,867
<u>Expenses</u>														
6	Cost of Acquiring SPAECs	\$ 248,660	\$ 186,394	\$ 433,874	\$ 432,806	\$ 432,806	\$ 96,748	\$ 458,127	\$ 461,823	\$ 440,644	\$ 440,012	\$ 443,701	\$ 439,084	\$ 4,514,681
7	SPVRC Administrative Costs	17,572	-	-	1,500	-	-	-	-	1,500	-	462	-	21,035
8	SPVRC Start-up Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Sale/Purchase of Excess, Unused, and/or Additional SPAECs	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Carrying Charges on Inventory	-	-	-	-	-	-	775	775	-	-	-	-	1,550.83
11	Total SPVRC Expenses [Line 6 + Line 7 + Line 8 + Line 9 + Line 10]	\$ 266,233	\$ 186,394	\$ 433,874	\$ 434,306	\$ 432,806	\$ 96,748	\$ 458,127	\$ 462,598	\$ 442,920	\$ 440,012	\$ 444,164	\$ 439,084	\$ 4,537,266
12	Net Over/(Under) Collection for the Month [Line 5 - Line 12]	\$ (25,566)	\$ 36,379	\$ (291,328)	\$ 22,059	\$ 68,507	\$ 364,254	\$ (51,196)	\$ (74,177)	\$ (14,710)	\$ 12,832	\$ 3,098	\$ 28,449	\$ 78,601
<u>Interest</u>														
13	Annual Interest Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
14	Monthly Interest Rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
15	Number of Months to mid-point of next SPVRC Rider Rate Billing Period From Current Month	20	19	18	17	16	15	14	13	12	11	10	9	
16	Interest Expense for Regulatory Purposes	\$ (2,557)	\$ 3,456	\$ (26,220)	\$ 1,875	\$ 5,481	\$ 27,319	\$ (3,584)	\$ (4,822)	\$ (883)	\$ 706	\$ 155	\$ 1,280	\$ 2,206
17	Total Over/(Under) Collection [Line 12 + Line 16]	\$ (28,123)	\$ 39,835	\$ (317,548)	\$ 23,934	\$ 73,988	\$ 391,573	\$ (54,780)	\$ (78,999)	\$ (15,593)	\$ 13,538	\$ 3,253	\$ 29,729	\$ 80,807

**Metropolitan Edison Company
Solar Photovoltaic Requirements Charge Rider Rates
E-Factor Balances**

<u>Line No.</u>	<u>Month</u>		<u>Revenue Applied to E-Factor (1)</u>	<u>Current Period Over/(Under) Collection (2)</u>	<u>Cumulative E-Factor Balance (3)</u>
1	Beginning Balance at March 31, 2019				\$ 920,806
	<u>2019</u>				
2	April	actual	\$ (209,477)		\$ 711,329
3	May	actual	(193,902)		517,427
4	June	actual	(5,195)		512,232
5	July	actual	(44,871)		467,361
6	August	actual	(49,752)		417,609
7	September	actual	(45,752)		371,857
8	October	actual	(40,386)		331,471
9	November	actual	(38,549)		292,922
10	December	actual	(42,497)		250,425
	<u>2020</u>				
11	January	actual	(48,956)		201,469
12	February	actual	(48,353)		153,116
13	March	actual	(50,544)		102,572
14	April	budget	(39,299)		63,273
15	May	budget	(41,334)		21,939
16	Total		\$ (898,867)		
17	E-Factor for Current Reconciliation Period Ended March 31, 2020 (Page 5, Line 17, Col.13)			\$ 80,807	
18	Total E-Factor to include in rates (Line 15, Col. 3 + Line 17, Col. 2)				<u>\$ 102,746</u>