

November 4, 2019

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: West Penn Power Company Tariff Electric Pa. P.U.C. No. 40 – Revised Rate
Changes in Compliance with West Penn Power Company’s Default Service
Plan, Docket No. P-2017-2637866**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission (“Commission”) are original copies of revised Supplement No. 63 to West Penn Power Company’s (“West Penn Power” or the “Company”) Tariff Electric Pa. P.U.C. No. 40, bearing an issue date of October 17, 2019. The tariff changes contained in revised Supplement No. 63 are proposed to be effective with service rendered on or after December 1, 2019.


The purpose of revised Tariff Supplement No. 63 is to reflect default service rate changes for the Commercial Customer Class served under the Price to Compare Default Service Rider. These rate changes are consistent with the Commission’s Order entered September 4, 2018 at Docket No. P-2017-2637866.

As support for the rate changes, the following schedules accompany this tariff filing:

- Schedule 1 provides supporting details for the changes to the Commercial Class’s default service rate stated in the tariff’s Price to Compare Default Service Rate Rider.

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

Sincerely,



Joanne M. Savage
Director of Rates & Regulatory Affairs-PA
610-921-6525

Enclosures

c: Certificate of Service
Paul Diskin, TUS

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs :
: **Docket No. P-2017-2637855, et al.**
:
:
:

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the foregoing documents of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company on the following persons in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA FIRST CLASS MAIL

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RIDERS

RIDER H

PRICE TO COMPARE DEFAULT SERVICE RATE RIDER

A Price to Compare Default Service Rate (“PTC_{Default}”) shall be applied to each kWh of Default Service that West Penn Power delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The PTC_{Default} rate shall be billed to Customers receiving Default Service from the Company under this rider. The rates shall be calculated according to the provisions of this rider.

For service rendered December 1, 2019 through February 29, 2020 the PTC_{Default} rates billed by Customer Class are as follows:

Commercial Customer Class (Rate Schedules 20, 30 (PTC), 51 - 58, 71 and 72):

\$0.05722 per kWh.

Residential Customer Class (Rate Schedule 10):

\$0.05760 per kWh

(C) Change
(I) Increase

West Penn Power Company
Price to Compare Default Service Rate Calculation
Commercial Class: For the Default Service Period December 1, 2019 through February 29, 2020

**Line
No.**

	Number of Tranches	Clearing Price	Weighted Clearing Price	
	Fixed Price Tranche Purchases (\$ per MWh)			
1	2	\$ 49.55	\$ 99.10	
2	1	48.00	48.00	
3	2	50.75	101.50	
4	2	49.64	99.28	
5	3	48.71	146.13	
6	2	47.54	95.08	
7	<u>5</u>	<u>57.78</u>	<u>288.90</u>	
8	17		\$ 877.99	
9		\$ 51.65		
10		<u>100%</u>		
11			\$ 51.65	
12		\$ -		
13		<u>20.00</u>		
14		\$ 20.00		
15		<u>0%</u>		
16			\$ -	
17			\$ 0.05165	
18			<u>1.0899</u>	
19				\$ 0.05629 <i>per kWh</i>
20				\$ 0.00010 <i>per kWh</i>
21				\$ 0.05639
22				<u>1.062699</u>
23				\$ 0.05993 <i>per kWh</i>
24				\$ (0.00271) <i>per kWh</i>
25				\$ 0.05722 <i>per kWh</i>

(A) All Price to Compare computations will be pursuant to the terms of the Company's "Price to Compare Default Service Rate Rider"

(B) All Adders are subject to Quarterly Updates

West Penn Power Company
Computation of Commercial Class Price to Compare Default Service Rate Reconciliation Factor
Rate Effective December 1, 2019 through February 29, 2020

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over) / Under Collection as of September 30, 2019 (Page 3, Line 21)	\$ (256,283)
2	Adjustment for projected Commercial Class E-factor revenue for the remainder of the Default Service Quarter beginning September 1, 2019	<u>\$ (519,818)</u>
3	Total Cumulative Commercial" Class (Over) / Under Collection, as adjusted (Line 1 + Line 2)	\$ (776,101)
4	Projected Commercial Class kilowatt hour sales - December 1, 2019 - February 29, 2020 (Line 11)	304,894,574 kWh
5	Commercial Class Reconciliation Rate before PA Gross Receipts Tax (Line 3 / Line 4)	\$ (0.00255) per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)	<u>1.062699</u>
7	Commercial Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ (0.00271) per kWh</u>

Projected Commercial Class kilowatt hour sales December 1, 2019 through February 29, 2020

8	Dec-19	98,786,237
9	Jan-20	106,299,098
10	Feb-20	<u>99,809,240</u>
11	Total Projected Commercial Class kWh Sales	<u><u>304,894,574</u></u>

West Penn Power Company
Commercial Class Price to Compare Default Service Rate Reconciliation
July 1, 2019 through September 30, 2019

Line No.	Description	Jul-19	Aug-19	Sep-19
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ 701,394	\$ (598,093)	\$ 28,935
2	Gross Default Service Plan Revenues	\$ 8,219,087	\$ 5,087,200	\$ 5,316,517
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>484,926</u>	<u>300,145</u>	<u>313,675</u>
4	PTC _{Rev} Net Default Service Plan Revenues	\$ 7,734,161	\$ 4,787,055	\$ 5,002,843
5	Plus: Prior Period E-factor Amortization	<u>\$ (1,993)</u>	<u>\$ (1,993)</u>	<u>\$ (233,798)</u>
6	Revenue Available for Current Deferral	\$ 7,732,168	\$ 4,785,062	\$ 4,769,045
<u>Expenses</u>				
7	DS _{Exp1} Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS _{Exp2} Cost to provide Default Service	6,472,210	5,399,303	\$4,639,616
9	DS _{Exp2} Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 6,472,210	\$ 5,399,303	\$ 4,639,616
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ (1,259,958)	\$ 614,241	\$ (129,429)
12	Prior Period Revenue Adjustment *	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ (1,259,958)	\$ 614,241	\$ (129,429)
14	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
15	Current Month Interest Rate	5.50%	5.25%	5.00%
16	DS _{Int} Interest on Current Month Deferral (Line 13 X Line 14 X (Line 15/12))	<u>\$ (37,536)</u>	<u>\$ 14,780</u>	<u>\$ (2,427)</u>
17	April 2018 misallocation of revenues between rate classes	\$ -	\$ -	\$ 40,312
18	Interest through 9/30/19 on April 2018 misallocation adjustment	-	-	4,369
19	June 1, 2015 through May 31, 2017 Audit Period Adjustment	-	-	25,859
20	Interest on June 1, 2015 through May 31, 2017 Audit Period Adjustment through 9/30/19	<u>-</u>	<u>-</u>	<u>9,895</u>
21	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 16 + Line 17 + Line 18 + Line 20)	<u>\$ (598,093)</u>	<u>\$ 28,935</u>	<u>\$ (256,283)</u>