

May 4, 2020

**VIA ELECTRONIC FILING**

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

**Re: West Penn Power Company Tariff Electric Pa. P.U.C. No. 40 – 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 Supplement No. 74 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 May 4, 2020. The tariff changes contained in Supplement No. 74 are proposed to be effective with service rendered on or after June 1, 2020.

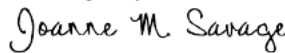
The purpose of Tariff Supplement No. 74 is to reflect default service rate changes for the Residential and Commercial Customer Classes served under the Price to Compare Default Service Rider. These rate changes are consistent with the Commission’s Order entered September 4, 2018 at Docket No. P-2017-2637866.

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

- Schedule 1 provides supporting details for the change to the Commercial Class’s default service rates stated in the tariff’s Price to Compare Default Service Rate Rider.
- Schedule 2 provides supporting details for the changes to the Residential Class’s default service rates 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,

DocuSigned by:  


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

Enclosures

c: Certificate of Service  
Paul Diskin, Bureau of Technical Utility Services (pdiskin@pa.gov)

**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 ELECTRONIC MAIL**

Tanya J. McCloskey  
Darryl A. Lawrence  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
tmccloskey@paoca.org  
dlawrence@paoca.org

Sharon E. Webb  
Office of Small Business Advocate  
Forum Place  
555 Walnut Street, 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
swebb@pa.gov

Allison Kaster  
Gina Miller  
Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
Commerce Keystone Building  
400 North Street  
2nd Floor, F West  
Harrisburg, PA 17120  
akaster@pa.gov  
ginmiller@pa.gov

Charis Mincavage  
Susan Bruce  
Vasiliki Karandrikas  
McNees, Wallace & Nurick, LLC  
100 Pine Street  
Harrisburg, PA 17108-1166  
cmincavage@mcneeslaw.com  
sbruce@mcneeslaw.com  
vkarandrikas@mcneeslaw.com  
*Counsel for MEIUG/PICA/PPUG  
and WPPII*

Thomas J. Sniscak  
William E. Lehman  
Hawke McKeon & Sniscak LLP  
100 North 10th Street  
Harrisburg, PA 17101  
tjsniscak@hmslegal.com  
welehman@hmslegal.com  
*Counsel for Penn State University*

Patrick Cicero  
Elizabeth Marx  
Coalition for Affordable Utility Services and  
Energy Efficiency in Pennsylvania  
118 Locust St  
Harrisburg, PA 17101  
pulp@palegalaid.net  
pciceropulp@palegalaid.net  
emarxpulp@legalaid.net  
*Counsel for CAUSE-PA*

Karen O. Moury  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street  
8<sup>th</sup> Floor  
Harrisburg, PA 17101  
kmoury@eckertseamans.com  
*Counsel for Respond Power LLC*

Todd Stewart  
Hawke McKeon & Sniscak LLP  
100 North Tenth Street  
Harrisburg, PA 17101  
tsstewart@hmslegal.com  
*Counsel for NextEra*

Date: May 4, 2020

Deanne M. O'Dell  
Daniel Clearfield  
Sarah Stoner  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street, 8th Floor  
Harrisburg, PA 17101  
dodell@eckertseamans.com  
dclearfield@eckertseamans.com  
sstoner@eckertseamans.com  
*Counsel for RESA*

Jeanne Dworetzky  
Exelon Corporation  
2301 Market Street, S23-1  
PO BOX 8699  
Philadelphia, PA 19101-8699  
jeanne.dworetzky@exeloncorp.com

Charles E. Thomas, III  
Thomas, Niesen & Thomas, LLC  
212 Locust Street  
Suite 302  
Harrisburg, PA 17101  
cet3@tnlawfirm.com  
*Counsel for Calpine Energy Solutions, LLC*

Todd Stewart  
Hawke McKeon & Sniscak LLP  
100 North Tenth Street  
Harrisburg, PA 17101  
tsstewart@hmslegal.com  
*Counsel for NextEra*

DocuSigned by:  
  
E3AF955FE48649C  
Joanne M Savage  
Director – Rates & Regulatory Affairs – PA  
2800 Pottsville Pike  
P.O. Box 16001  
Reading, PA 19612-6001  
Phone: (610) 921-6525  
jmsavage@firstenergycorp.com

**WEST PENN POWER COMPANY**  
**READING, PENNSYLVANIA**

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**Electric Service Tariff**

**Effective in**

**The Territory as Defined on  
Page Nos. 7 - 14 of this Tariff**

**Issued: May 4, 2020**

**Effective: June 1, 2020**

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

**NOTICE**

This Supplement No. 74 makes changes to Rider H.  
See Seventy-First Revised Page 2.

**LIST OF MODIFICATIONS**

**Riders**

Rider H – Price to Compare Default Service Rate Rider rates have been changed and decreased (See Twenty-Second Revised Page 173).

RIDERS

RIDER H

PRICE TO COMPARE DEFAULT SERVICE RATE RIDER

A Price to Compare Default Service Rate (“PTC<sub>Default</sub>”) 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<sub>Default</sub> 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 June 1, 2020 through August 31, 2020 the PTC<sub>Default</sub> rates billed by Customer Class are as follows: (C)

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

\$0.05602 per kWh. (D)

Residential Customer Class (Rate Schedule 10):

\$0.05125 per kWh (D)

(C) Change  
(D) Decrease

**West Penn Power Company**  
**Price to Compare Default Service Rate Calculation**  
**Commercial Class: For the Default Service Period June 1, 2020 through August 31, 2020**

**Line  
No.**

	<b>Number of Tranches</b>	<b>Clearing Price</b>	<b>Weighted Clearing Price</b>	
	<b><u>Fixed Price Tranche Purchases (\$ per MWh)</u></b>			
1	1	\$ 48.00	\$ 48.00	
2	2	49.64	99.28	
3	2	47.54	95.08	
4	2	43.13	86.26	
5	2	40.41	80.82	
6	5	37.32	186.60	
7	2	40.78	81.56	
8	<u>1</u>	44.88	<u>44.88</u>	
9	17		\$ 722.48	
10		\$ 42.50		
11		<u>100%</u>		
12			\$ 42.50	
13		\$ -		
14		<u>20.00</u>		
15		\$ 20.00		
16		<u>0%</u>		
17			\$ -	
18			\$ 0.04250	
19			<u>1.0899</u>	
20				\$ 0.04632 <i>per kWh</i>
21				\$ 0.00010 <i>per kWh</i>
22				\$ 0.04642
23				<u>1.062699</u>
24				<b>\$ 0.04933 <i>per kWh</i></b>
25				<b>\$ 0.00669 <i>per kWh</i></b>
26				<b>\$ 0.05602 <i>per kWh</i></b>

**West Penn Power Company**  
**Computation of Commercial Class Price to Compare Default Service Rate Reconciliation Factor**  
**Rate Effective June 1, 2020 through August 31, 2020**

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over) / Under Collection as of March 31, 2020 (Page 3, Line 15)	\$ 2,042,060
2	Adjustment for projected Commercial Class E-factor revenue for the remainder of the Default Service Quarter beginning March 1, 2020	<u>\$ (679,500)</u>
3	Total Cumulative Commercial" Class (Over) / Under Collection, as adjusted (Line 1 + Line 2)	\$ 1,362,559
4	Projected Commercial Class kilowatt hour sales - June 1, 2020 - August 31, 2020 (Line 11)	216,532,068 kWh
5	Commercial Class Reconciliation Rate before PA Gross Receipts Tax (Line 3 / Line 4)	\$ 0.00629 per kWh
6	PA Gross Receipt Gross-Up $[1/(1-T)]$ (5.9% Gross Receipts Tax)	<u>1.062699</u>
7	<b>Commercial Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 5 X Line 6)</b>	<b><u>\$ 0.00669 per kWh</u></b>
 <b>Projected Commercial Class kilowatt hour sales June 1, 2020 through August 31, 2020</b>		
8	Jun-20	66,223,670
9	Jul-20	74,247,928
10	Aug-20	<u>76,060,470</u>
11	Total Projected Commercial Class kWh Sales	<u><u>216,532,068</u></u>



**West Penn Power Company**  
**Commercial Class Price to Compare Default Service Rate Reconciliation**  
**January 1, 2020 through March 31, 2020**

Line No.	Description	Jan-20	Feb-20	Mar-20
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ 435,821	\$ 1,890,454	\$ 1,389,024
2	Gross Default Service Plan Revenues	\$ 4,865,471	\$ 6,625,344	\$ 4,251,277
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>287,063</u>	<u>390,895</u>	<u>250,825</u>
4	PTC <sub>Rev</sub> Net Default Service Plan Revenues	\$ 4,578,408	\$ 6,234,449	\$ 4,000,452
5	Plus: Prior Period E-factor Amortization	<u>\$ 85,427</u>	<u>\$ 85,429</u>	<u>\$ (145,274)</u>
6	Revenue Available for Current Deferral	\$ 4,663,835	\$ 6,319,878	\$ 3,855,178
	<u>Expenses</u>			
7	DS <sub>Exp1</sub> Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS <sub>Exp2</sub> Cost to provide Default Service	\$5,998,696	5,745,523	\$4,643,876
9	DS <sub>Exp2</sub> Cost of Network Integration Transmission Service (NITS)	<u>-</u>	<u>-</u>	<u>-</u>
10	Total Expenses	\$ 5,998,696	\$ 5,745,523	\$ 4,643,876
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ 1,334,861	\$ (574,355)	\$ 788,698
12	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
13	Current Month Interest Rate	4.75%	4.75%	3.25%
14	DS <sub>Int</sub> Interest on Current Month Deferral (Line 11 X Line 12 X (Line 13/12))	<u>\$ 34,345</u>	<u>\$ (12,504)</u>	<u>\$ 9,612</u>
15	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 11 + Line 14)	<u>\$ 1,890,454</u>	<u>\$ 1,389,024</u>	<u>\$ 2,042,060</u>

**West Penn Power Company**  
**Price to Compare Default Service Rate Calculation**  
**Residential Class: For the Default Service Period June 1, 2020 through August 31, 2020**

**Line  
No.**

	<b>Number of Tranches</b>	<b>Clearing Price</b>	<b>Weighted Clearing Price</b>	
	<b><u>Fixed Price Tranche Purchases (\$ per MWh)</u></b>			
1	4	\$ 47.35	\$ 189.40	
2	4	49.40	197.60	
3	5	47.61	238.05	
4	4	44.10	176.40	
5	4	41.11	164.44	
6	2	44.07	88.14	
7	5	42.31	211.55	
8	2	45.39	90.78	
9	30		\$ 1,356.36	
10	Total Average Fixed Price Tranche		\$ 45.21	
11	Times Fixed Portion of Load		95%	
12	Total Fixed Price Cost (Line 10 X Line 11)		\$ 42.95	
13	Average Variable Hourly Price Tranche		\$21.57	
14	Capacity, Anc. Serv. and AEPS Adder (\$20/MWh)		20.00	
15	Variable Hourly Priced Cost (Line 13 + Line 14)		\$41.57	
16	Times Variable Portion of Load		5%	
17	Total Variable Hourly Priced Cost (Line 15 X Line 16)		\$ 2.08	
18	Price to Compare Weighted Average Price ((Line 12 + Line 17) / 1000)		\$ 0.04503	
19	Times PTC Loss <sub>Current</sub>		1.0910	
20	Price to Compare Weighted Average Price, including line losses (Line 18 X Line 19)		\$ 0.04913	<i>per kWh</i>
21	<u>PTC</u> Administrative Charge		\$ 0.00006	<i>per kWh</i>
22	PTC <sub>Current</sub> before PA Gross Receipts Tax (Line 20 + Line 21)		\$ 0.04919	
23	PA Gross Receipt Gross-Up $[1/(1-T)]$ (5.9% Gross Receipts Tax)		1.062699	
24	<b>PTC<sub>Current</sub> Residential Class including PA Gross Receipts Tax (Line 22 X Line 23)</b>		<b>\$ 0.05227</b>	<i>per kWh</i>
25	<b>E Reconciliation Rate, including PA Gross Receipts Tax (Page 2, Line 8)</b>		<b>\$ (0.00102)</b>	<i>per kWh</i>
26	<b>PTC<sub>Default</sub> Residential Class (Line 24 + Line 25)</b>		<b>\$ 0.05125</b>	<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 Residential Class Price to Compare Default Service Rate Reconciliation Factor**  
**Rate Effective June 1, 2020 through August 31, 2020**

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of March 31, 2020 (Page 3, Line 17)	\$ (1,498,009)
2	Adjustment for projected Residential Class (Over) / Under Collection through August 2020	-
3	Adjustment for projected Residential Class E-factor revenue for the remainder of the Default Service Quarter beginning March 1, 2020	<u>258,523</u>
4	Total Cumulative Residential Class (Over) / Under Collection, as adjusted (Lines 1 + 2 + 3)	\$ (1,239,486)
5	Projected Residential Class kilowatt hour sales - June 1, 2020 - August 31, 2020 (Line 12)	1,294,264,168 kWh
6	Residential Class Reconciliation Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ (0.00096) per kWh
7	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)	<u>1.062699</u>
8	<b>Residential Class Reconciliation Factor Rate including PA Gross Receipts Tax (Line 6 X Line 7)</b>	<b><u>\$ (0.00102) per kWh</u></b>
 <b>Projected Residential Class kilowatt hour sales June 1, 2020 through August 31, 2020</b>		
9	Jun-20	376,353,930
10	Jul-20	442,766,417
11	Aug-20	<u>475,143,821</u>
12	Total Projected Residential Class kWh Sales	<u>1,294,264,168</u>

**West Penn Power Company**  
**Residential Class Price to Compare Default Service Rate Reconciliation**  
**January 1, 2020 through March 31, 2020**

Line No.	Description	Jan-20	Feb-20	Mar-20
1	Cumulative (Over)/Under Collection at Beginning of Month	\$ (384,979)	\$ (873,090)	\$ (3,204,789)
2	Gross Default Service Plan Revenues	\$28,433,704	\$ 28,606,825	\$ 22,083,600
3	Less: Gross Receipts Tax (Line 2 x 5.9%)	<u>1,677,589</u>	<u>1,687,803</u>	<u>1,302,932</u>
4	PTC <sub>Rev</sub> Net Default Service Plan Revenues	\$ 26,756,115	\$ 26,919,023	\$ 20,780,668
5	Plus: Prior Period E-factor Amortization	<u>776,218</u>	<u>776,218</u>	<u>128,326</u>
6	Revenue Available for Current Deferral	\$ 27,532,333	\$ 27,695,241	\$ 20,908,994
	<u>Expenses</u>			
7	DS <sub>Exp1</sub> Amortization of Start Up Costs	\$ -	\$ -	\$ -
8	DS <sub>Exp2</sub> Cost to provide Default Service	26,016,911	24,600,423	22,416,961
9	DS <sub>Exp2</sub> Cost of Network Integration Transmission Service (NITS)	<u>282,807</u>	<u>53,121</u>	<u>51,481</u>
10	Total Expenses	\$ 26,299,718	\$ 24,653,544	\$ 22,468,442
11	Current Month (Over)/Under Collection (Line 10 - Line 6)	\$ (1,232,615)	\$ (3,041,697)	\$ 1,559,448
12	Prior Period Revenue Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
13	Total (Over)/Under Collection (Line 11 + Line 12)	\$ (1,232,615)	\$ (3,041,697)	\$ 1,559,448
14	Months to the Midpoint of the Next Reconciliation Period	6.5	5.5	4.5
15	Current Month Interest Rate	4.75%	4.75%	3.25%
16	DS <sub>Int</sub> Interest on Current Month Deferral (Line 11 X Line 14 X (Line 15/12))	<u>(31,714)</u>	<u>(66,220)</u>	<u>19,006</u>
17	Cumulative (Over) / Under Collections at End of Month Including Interest (Line 1 + Line 5 + Line 13 + Line 16)	<u>\$ (873,090)</u>	<u>\$ (3,204,789)</u>	<u>\$ (1,498,009)</u>