**Metropolitan Edison Company**
**Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only**
**Industrial Class: December 2011 - February 2012**

| Line No. | Industrial Class HP Energy Charge | | | |
|---|---|---|---|---|
| 1 | | $\sum$ (kWh$_t$ x | | kWh for each hour in billing period |
| 2 | | (LMP$_t$ + HPAnc) | | LMP = Real Time PJM Load Weighted average LMP for PN Zone for each hour |
| 3 | | | | HPAnc = \$.002 per kWh for Ancillary Services |
| 4 | | HP $_{Energy\ Charge}$ (Line 1 x Line (2+3) | | t = An hour in the Billing Period |
| 5 | | x Loss Factor | | GS Small, Medium Large = 1.0515 |
| | | | | GP = 1.0171 |
| | | | | TP = 1.0007 |
| 6 | | HP Energy Charge Line 4 x Line 5 | | |

*PLUS*

| Line No. | HP Cap-AEPS-Other Purchases (\$/MWh) | Clearing Price | | |
|---|---|---|---|---|
| 7 | January 2011 Auction | \$ 17.88 | *\$/MWh* | |
| | | \$ 0.01788 | *per kWh* | |
| | | x Loss Factor | GS Small, Medium Large = 1.0515 | |
| | January 2011 Auction Grossed up for Line Losses | | GP = 1.0171 | |
| | | | TP = 1.0007 | |

*PLUS*

| 8 | HP $_{Administrative\ Charge}$ | \$ 0.00011 | *per kWh* |
|---|---|---|---|

*PLUS*

| 9 | HP $_{NITS}$ | \$ 0.00284 | *per kWh* |
|---|---|---|---|

PLUS

| 10 | HP Reconciliation Charge | \$ (0.00825) | *per kWh* |
|---|---|---|---|

| 11 | **Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)** | **\$ x.xxxxx** |
|---|---|---|

(A) All Hourly Pricing Service Charge computations will be pursuant to the terms of the Company's "Hourly Pricing Default Service Rider".
(B) All Adders are subject to Quarterly Updates
(C): HP Reconciliation Charge reflects actual results through July 31, 2011 reconciliation.