

Metropolitan Edison Company
Price to Compare Default Service Rider Rate Calculation¹
Residential Class: March 2013 - May 2013

Line No.	Residential Class	Auction				Weighting
		Number of Tranches	Clearing Price	Summer 1.06	Winter 0.97	
Fixed Price Tranche Purchases (\$ per MWh)						
1	May 2010 Auction	4	68.55	0	3	797.92
2	Oct 2010 Auction	4	66.66	0	3	775.92
3	Jan 2011 Auction	4	70.69	0	3	822.83
4	Mar 2011 Auction	3	70.09	0	3	611.89
5	Jan 2012 Auction	3	56.19	0	3	490.54
6	Mar 2012 Auction	3	55.83	0	3	487.40
7		21	3	63		3,986.50
8	Total Average Fixed Price Tranche				\$ 63.28	
9	Times Fixed portion of Residential Load				100%	Fixed Portion
10	Total Fixed Price Residential Cost				\$ 63.28	dollar cost
11	Percentage of Total Load				75%	
12	Total Cost Fixed Price Tranche				\$ 47.46	
Fixed Price Block & Spot Purchases (\$ per MWh)						
			MWhs	Auction Clearing Price	Load Weighted Clearing Price	
13	48 Month Block Price		110,400	\$59.77	30.83	
14	May 2011 On-Peak Average Price		23,650	\$61.62	6.81	
15	May 2011 Off-Peak Average Price		37,325	\$45.28	7.90	
16	Oct 2011 On-Peak Average Price		17,875	\$58.16	4.86	
17	Oct 2011 Off-Peak Average Price		24,775	\$43.52	5.04	
18			214,025		55.43	
19	Total Average Fixed Price Block & Spot			\$ 55.43		
20	Times Fixed portion of Residential Load			104%	Fixed Portion	
21	Total Fixed Price Residential Cost			\$ 57.79	dollar cost	
22	Average Variable Hourly Price Tranche			\$ 8.86		
23	Times Variable portion of Residential Load			-4%	Variable Portion	
24	Total Variable Priced Hourly Residential Cost			\$ (0.38)	dollar cost	
25	Capacity Adder			\$ 11.26		
26	AEPS Adder			\$ 0.09		
27	Ancillary Service Adder			\$ 2.60		
28	Block & Spot Subtotal			\$ 71.35		
29	Percentage of Total Load			25%		
30	Total Cost - Block and Spot			\$ 17.84		
31	Price to Compare Weighted Average Price			\$ 65.30	per MWh	
32	PTC _{Current} Cost Component (line 31 / 1000)			\$ 0.06530	per kWh	
33	Times Loss Factor			1.0515		
34	Subtotal (line 32 x line 33)			\$ 0.06866	per kWh	
35	Admin Costs including estimated interest @ 6%			\$ 0.00021	per kWh	
36	NITS charge			\$ 0.00339	per kWh	
37	Subtotal (line 34 + line 35 + line 36)			\$ 0.07226	per kWh	
38	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)			1.062699		
39	PTC_{Current} Residential Class (line 37 x line 38)			\$ 0.07679	per kWh	
40	E Reconciliation Rate			\$ 0.00929	per kWh	
41	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)			1.062699		
42	E Reconciliation Rate x GRT			0.00987		
43	PTC_{Default} Residential Class (line 39 + line 42)			\$ 0.08665	per kWh	

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

Note 3: Line 43 represents the rate that is incorporated into the PTC Default Service Rate Rider. The Rate including -0.12% **\$ 0.08655** per kWh

Metropolitan Edison Company
Price to Compare Default Service Rider Rate Calculation
Residential Class
Computation of Residential Class E Reconciliation Factor
Effective March 1, 2013 Through May 31, 2013

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of January 31, 2013	\$ 17,672,031
2	Projected February 2013 through April 2013 (over)/under collection adjustment	(5,126,756)
3	Projected February 2013 E Factor revenue adjustment	(5,348,858)
4	Net Cumulative Residential Class (Over) / Under Collection as of January 31, 2013 (Line 1 + Line 2 + Line 3)	\$ 7,196,417
5	Projected Residential Class kilowatt hour sales - March 1, 2013 to May 1, 2013 (Line 12)	775,049,642 kWhs
6	Residential Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ 0.00929 per kWh
7	PA Gross Receipt Gross-Up [1/(1-T) with T = 5.9% Pa Gross Receipts Tax]	<u>1.062699</u>
8	Residential Class Reconciliation Factor Rate with PA Gross Receipts Tax (Line 6 X Line 7)	<u>\$ 0.00987 per kWh</u>
 Projected Residential Class kilowatt hour sales (March 1, 2013 through May 31, 2013)		
9	Mar-13	312,301,578
10	Apr-13	252,201,303
11	May-13	<u>210,546,761</u>
12	Total projected Residential class kWh sales	<u><u>775,049,642</u></u>

**Metropolitan Edison Company Default Service Program
Residential Customer Class Deferrals
November 2012 through January 2013**

<u>Line No.</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Jan-13</u>
1 Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 14,750,092	\$ 19,184,516	\$ 20,536,794
2 Default Service Plan Revenues With Pa GRT	20,588,118	24,930,008	34,139,807
3 Pa GRT Included in Line 2	<u>\$ 1,214,699</u>	<u>\$ 1,470,870</u>	<u>\$ 2,014,249</u>
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 19,373,419	\$ 23,459,138	\$ 32,125,558
<u>Expenses</u>			
5 Amortization of Start Up Costs Through 12/31/10 [DSexp1]	\$ 46,524	\$ 46,524	\$ 46,524
6 Current Month cost to provide Default Service [DSexp2]	\$ 22,386,372	\$ 23,330,224	\$ 27,812,848
7 Amortization of January 2011 Residential Undercollection and Interest starting 3/1/2011 over 12 months [DSexp3]	\$ -	\$ -	\$ -
8 Cumulative costs for month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSexp4]	\$ 1,290,322	\$ 1,335,612	\$ 1,306,139
9 Total Expenses for Month	<u>\$ 23,723,218</u>	<u>\$ 24,712,360</u>	<u>\$ 29,165,511</u>
10 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 4,349,799	\$ 1,253,222	\$ (2,960,047)
11 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 19,099,891	\$ 20,437,738	\$ 17,576,747
12 Interest for Current Month	<u>\$ 84,625</u>	<u>\$ 99,056</u>	<u>\$ 95,284</u>
13 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 11 + Line 12)	<u>\$ 19,184,516</u>	<u>\$ 20,536,794</u>	<u>\$ 17,672,031</u>