

Pennsylvania Electric Company
PTC Default Rate Calculation¹
Commercial Class: March 2013 - May 2013
Rate Effective March 1, 2013 through May 31, 2013

<u>Line No.</u>	<u>Commercial Class</u>	<u>Auction</u>	<u>Summer</u>	<u>Winter</u>		
		<u>Number of</u>	<u>Clearing</u>	<u>1.06</u>	<u>0.97</u>	
	<u>Fixed Price Tranche Purchases (\$ per Mwh)</u>	<u>Tranches</u>	<u>Price</u>		<u>Weighting</u>	
1	May 2011 Auction	5	64.45	0	3	937.75
2	Oct 2011 Auction	5	60.08	0	3	874.16
3	Jan 2012 Auction	5	51.25	0	3	745.69
4	Mar 2012 Auction	5	51.66	0	3	751.65
5		20	3	60		3,309.25
6	Total Average Fixed Price Tranche				\$ 55.15	
7	Times Fixed portion of Commercial Load				90%	<i>Fixed Portion</i>
8	Total Fixed Price Commercial Cost				\$ 49.64	<i>dollar cost</i>
9	Average Variable Hourly Price Tranche including fixed Anc. Serv. adder (\$9/MWh)				\$ 43.64	
10	Times Variable portion of Commercial Load				10%	<i>Variable Portion</i>
11	Total Variable Priced Hourly Commercial Cost				\$ 4.36	<i>dollar cost</i>
12	Price to Compare Weighted Average Price				\$ 54.00	<i>per MWh</i>
13	PTC <small>Current Cost Component</small> (line 12 / 1000)				\$ 0.05400	<i>per kWh</i>
14	Times Loss Factor				1.0573	
15	Subtotal (line 12 x line 13)				\$ 0.05710	<i>per kWh</i>
16	Admin Costs including estimated interest @ 6%				\$ 0.00039	<i>per kWh</i>
17	NITS charge				\$ 0.00391	<i>per kWh</i>
18	Subtotal (line 15 + line 16 + line 17)				\$ 0.06141	<i>per kWh</i>
19	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
20	PTC <small>Current</small> Commercial Class (line 17 x line 18)				\$ 0.06526	<i>per kWh</i>
21	E Reconciliation Rate				0.00457	<i>per kWh</i>
22	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
23	E Reconciliation Rate x GRT				0.00486	
24	PTC <small>Default</small> Commercial Class (line 20 + line 23)				\$ 0.07011	<i>per kWh</i>

Pennsylvania Electric Company
PTC Default Rate Calculation
Commercial Class
Computation of Commercial Class Reconciliation Factor
Rate Effective March 1, 2013 through May 31, 2013

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over)/Under Collection as of January 31, 2013	\$ 2,075,297
2	Projected February 2013 through April 2013 (Over)/Under Collection Adjustment	(676,736)
3	Projected February 2013 E Factor revenue adjustment	<u>\$ (311,676)</u>
4	Total (Over)/Under Collection (Line 1 + Line 2 + Line 3)	\$ 1,086,886
5	Projected Commercial Class kilowatt hour sales - March 1, 2013 through May 31, 2013 (line 12)	237,871,990 kWhs
6	Commercial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ 0.00457 per kWh
7	PA Gross Receipt Gross-Up [1/(1-T) with T = 5.9% Pa Gross Receipts Tax]	<u>1.062699</u>
8	Commercial Class Reconciliation Factor Rate with PA Gross Receipts Tax (Line 6 X Line 7)	<u>\$ 0.00486 per kWh</u>
 Projected Commercial Class kilowatt hour sales (March 1, 2012 through May 31, 2013)		
9	Mar-13	85,525,642
10	Apr-13	78,216,715
11	May-13	<u>74,129,632</u>
12	Total projected Commercial class kWh sales	237,871,990

**Pennsylvania Electric Company Default
Service Program Reconciliation**
Commercial Customer Class Deferrals
February 1, 2011 through October 31, 2012

<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	\$ 892,952	\$ 1,495,912	\$ 1,684,811
2	Default Service Plan Revenues With Pa GRT	\$ 5,711,368	\$ 6,198,044	\$ 6,797,736
3	Pa GRT Included in Line 2	<u>\$ 336,971</u>	<u>\$ 365,685</u>	<u>\$ 401,066</u>
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 5,374,397	\$ 5,832,359	\$ 6,396,670
	<u>Expenses</u>			
5	Amortization of Start Up Costs Through 12/31/10 [DSexp1]	\$ 21,017	\$ 21,017	\$ 21,017
6	Current Month cost to provide Default Service [DSexp2] (Line 27)	\$ 5,604,284	\$ 5,663,168	\$ 6,492,137
7	Amortization of January 2011 Commercial 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]	\$ 346,099	\$ 329,141	\$ 264,625
9	Total PA Jurisdictional Expenses for Month	\$ 5,971,400	\$ 6,013,326	\$ 6,777,779
10	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 597,003	\$ 180,967	\$ 381,109
11	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 1,489,955	\$ 1,676,879	\$ 2,065,920
12	Interest for Current Month	\$ 5,957	\$ 7,932	\$ 9,377
13	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting (Line 11 + Line 14)	<u>\$ 1,495,912</u>	<u>\$ 1,684,811</u>	<u>\$ 2,075,297</u>