

Pennsylvania Electric Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: March 1, 2013 - May 31, 2013

Line No.	<u>Industrial Class</u>			
1	HP Energy Charge	\sum (kWh, 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		<hr/> HP Energy Charge (Line 1 x Line (2+3)		t = An hour in the Billing Period
5		x Loss Factor		GS Small, Medium Large = 1.0573
				GP = 1.0234
				LP = 1.0035
6		<hr/> HP Energy Charge Line 4 x Line 5		
	<i>PLUS</i>			
	HP Cap-AEPS-Other Purchases (\$/MWh)	Clearing Price		
7	Auction	\$ 9.80		\$/MWh
		\$ 0.00980		per kWh
		<hr/> x Loss Factor		GS Small, Medium Large = 1.0573
	January 2011 Auction Grossed up for Line Losses			GP = 1.0234
				LP = 1.0035
	<i>PLUS</i>			
8	HP Administrative Charge	\$ 0.00017		per kWh
	<i>PLUS</i>			
9	HP NITS	\$ 0.00269		per kWh
	<i>PLUS</i>			
10	HP Reconciliation Charge	\$ 0.02809		per kWh
11	Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)	<hr/> \$ x.xxxxx <hr/>		

(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

**Pennsylvania Electric Company
PTC Default Rate Calculation
Computation of Industrial Class Reconciliation Factor
Rate Effective March 1, 2013 Through May 31, 2013**

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of January 31, 2013 (page 2, line 12, col. 3)	\$ 767,637 See Page 3
2	Projected Industrial Class kilowatt hour sales - March 1, 2013 through May 31, 2013	29,046,176 kWhs
3	Industrial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ 0.02643 per kWh
4	HPS Classes Reconciliation Rate Adjustment Factor	<u>100.00%</u>
5	HPS Classes Reconciliation Rate with Adjustment before PA Gross Receipts Tax (Line 3 X Line 4)	\$ 0.02643 per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)]	<u>1.062699</u>
7	IndustrialClasses Reconciliation Factor Rate with PA Gross Receipts Tax (Line 5\ X Line 6)	<u>\$ 0.02809 per kWh</u>
Projected Industrial Class kilowatt hour sales (March 1, 2013 through May 31, 2013)		
8	Mar-13	9,572,086
9	Apr-13	9,725,077
10	May-13	<u>9,749,013</u>
11	Total projected Industrial class kWh sales	<u><u>29,046,176</u></u>

**Pennsylvania Electric Company Default Service
Program Reconciliation - Hourly Pricing Default Service
Rider
Hourly Pricing (Industrial) Customer Class Deferral
August 1, 2012 through Jan 31, 2013**

	<u>Nov-12</u>	<u>Dec-12</u>	<u>Jan-13</u>
1 Cumulative (Over) Under Collection at Beginning of Month Including Interest	\$ 778,792	\$ 639,801	\$ 731,926
2 Default Service Plan Revenues With Pa GRT	\$ 620,818	\$ 737,626	\$ 604,201
3 Pa GRT Included in "A"	\$ 36,628	\$ 43,520	\$ 35,648
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	<u>\$ 584,190</u>	<u>\$ 694,106</u>	<u>\$ 568,553</u>
<u>Expenses</u>			
5 Allocated portion of incremental start-up costs incurred by Company through 12/31/2010 [DSHPExp1]	\$ 11,897	\$ 11,897	\$ 11,897
6 Current Month cost to provide Default Service [DSHPExp2] (Line 22)	\$ 398,926	\$ 735,194	\$ 572,041
7 Cumulative costs for Month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSHPExp3]	<u>\$ 30,839</u>	<u>\$ 35,718</u>	<u>\$ 16,586</u>
8 Total PA Jurisdictional Expenses for Month	<u>\$ 441,662</u>	<u>\$ 782,809</u>	<u>\$ 600,524</u>
9 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ (142,528)	\$ 88,703	\$ 31,971
10 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	<u>\$ 636,263</u>	<u>\$ 728,505</u>	<u>\$ 763,897</u>
11 Interest for Current Month for Both Regulatory and Accounting Reporting Purposes	<u>\$ 3,538</u>	<u>\$ 3,421</u>	<u>\$ 3,740</u>
12 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory and Accounting Reporting Purposes (Line 10 + Line 11)	<u>\$ 639,801</u>	<u>\$ 731,926</u>	<u>\$ 767,637</u>