

**Pennsylvania Power Company  
Hourly Pricing Service Charge Calculation  
Industrial Class: June - August 2012  
Rates Effective June 1, 2012 through August 31, 2012**

<b>Line No.</b>	<b>Industrial Class</b>		
	<b><u>HP Energy Charge</u></b>		
1		$\sum (kWh_t \times$	kWh for each hour in billing period
2		$(LMP_t + HP_{Anc})$	LMP = Real Time PJM Load Weighted average LMP for ME Zone for each hc
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 Adjustment Factor	Up to, but not including, 23 kV = 3.0% 23 kV up to, but not including, 69 kV = 0.1% 69 kV or greater = 0%
6		<hr/> HP Energy Charge Line 4 x Line 5	
	<i>PLUS</i>		
	<b><u>HP Cap-AEPS-Other Purchases (\$/MWh)</u></b>	<b>Clearing Price</b>	
7	Estimate	\$ 6.54	\$/MWh
		\$ 0.00654	per kWh
		x Loss Adjustment Factor	Up to, but not including, 23 kV = 3.0% 23 kV up to, but not including, 69 kV = 0.1% 69 kV or greater = 0%
	Grossed up for Line Losses		
	<i>PLUS</i>		
8	<b>HP Administrative Charge</b>	\$ 0.00007	per kWh
	<i>PLUS</i>		
9	<b>HP NTS</b>	\$ 0.00186	per kWh
	<i>PLUS</i>		
10	<b>HP Reconciliation Charge</b>	\$ (0.01097)	per kWh
11	<b>Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)</b>	<hr/> <b>\$ x.xxxxx</b> <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