

West Penn Power Company
Hourly Pricing Service Charge Calculation
Industrial Class: September - November 2013
Rates Effective September 1, 2013 through November 30, 2013

Line No.	<u>Industrial Class</u> <u>HP Energy Charge</u>			
1		\sum (kWh, x		kWh for each hour in billing period
2		(LMP ₁ + HPAnc)		LMP = Real Time PJM Load Weighted average LMP for APS Zone for each
3				HPAnc = \$.002 per kWh for Ancillary Services
4		<hr/> HP _{Energy Charge} (Line 1 x Line 2)		t = An hour in the Billing Period
5		x HP _{Loss Multiplier}		Rates 20, 22, 23, 24, and 30 = 1.0899
				Rate 30 = 1.0678
				Rates 40, 41, 44, 46, and 86 = 1.0356
6		<hr/> HP Energy Charge Line 4 x Line 5		
	PLUS			
			Clearing Price	
7	<u>HP Cap-AEPS-Other Purchases-Cost of Credit (\$/MWh)</u>			
	Estimate	\$ 4.36		\$/MWh
		\$ 0.00436		per kWh
		x Loss Multiplier		Rates 20, 22, 23, 24, and 30 = 1.0899
	Grossed up for Line Losses			Rate 30 = 1.0678
				Rates 40, 41, 44, 46, and 86 = 1.0356
	PLUS			
8	HP Administrative Charge	\$ 0.00002		per kWh
	PLUS			
9	HP Reconciliation Charge	\$ 0.00812		per kWh
10	Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9)		<hr/> \$ 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

**West Penn Power Company
Hourly Pricing Service Rider**

**Computation of Hourly Pricing Service (HPS) Reconciliation Rate Charge
Effective September 1, 2013 Through November 30, 2013**

Line No.	Description	Amounts
1	Cumulative HPS Class (Over) / Under Collection as of June 30, 2013	\$ 1,657,348 Page 3, line 15
2	Projected HPS kilowatt-hour sales - September 1, 2013 through November 30, 2013 (Line 11)	216,923,324 kWhs
3	HPS Classes Reconciliation Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ 0.00764 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)	\$ 0.00764 per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) with T = 5.9% Gross Receipts Tax Rate]	<u>1.062699</u>
7	Hourly Pricing Service Classes Reconciliation Rate with PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ 0.00812 per kWh</u>

**West Penn Power Company Default Service Program Reconciliation
Hourly Customer Class Deferrals
February 2013 through June 2013**

Line No.		Feb-13	Mar-13	Apr-13	May-13	Jun-13
1	Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 1,452,313	\$ 1,606,136	\$ 2,013,259	\$ 2,144,258	\$ 2,408,338
2	Default Service Plan Revenues With Pa GRT	\$ 3,114,259	\$ 2,979,488	\$ 3,065,777	\$ 2,715,464	\$ 3,207,375
3	Pa GRT Included in Line 2	\$ 183,741	\$ 175,790	\$ 180,881	\$ 160,212	\$ 189,235
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 2,930,518	\$ 2,803,698	\$ 2,884,896	\$ 2,555,252	\$ 3,018,140
	<u>Expenses</u>					
5	Amortization of Start Up Costs through 5/31/15				\$ 1,343	
6	Current Month Default Service Generation Cost	\$ 2,926,411	\$ 3,038,212	\$ 2,841,134	\$ 2,639,903	\$ 1,974,884
7	Current Month Transmission Service Cost	\$ 150,303	\$ 163,583	\$ 164,393	\$ 168,076	\$ 280,784
8	Total Expenses for Month	\$ 3,076,714	\$ 3,201,795	\$ 3,005,527	\$ 2,807,979	\$ 2,257,011
9	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 146,196	\$ 398,097	\$ 120,631	\$ 252,727	\$ (761,129)
10	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 1,598,509	\$ 2,004,233	\$ 2,133,890	\$ 2,396,985	\$ 1,647,209
11	Interest for Current Month	\$ 7,627	\$ 9,026	\$ 10,368	\$ 11,353	\$ 10,139
12	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 10 + Line 11)	\$ 1,606,136	\$ 2,013,259	\$ 2,144,258	\$ 2,408,338	\$ 1,657,348