

West Penn Power Company
PTC Default Service Rider Rate Calculation
Residential Class: Default Service Period Beginning December 1, 2013 - February 28, 2014

Line No.	Residential Class	Number of Tranches	Auction Clearing Price	Summer 1.086	Winter 0.971	Weighted Clearing Price
<u>Fixed Price Tranche Purchases (\$ per MWh)</u>						
1	January 2013 Auction	15	\$ 51.04	0	3	2,230.19
2	February 2013 Auction	15	\$ 46.53	0	3	2,033.13
		30	3	90		
3	Total Average Fixed Price Tranche				\$ 47.37	
4	Percentage of Total Load				90%	
5	Total Cost Fixed Price Tranche				\$ 42.63	
6	Average Variable Hourly Price Tranche				\$ 38.84	
7	Capacity, Anc. Serv. and AEPS Adder (\$19/MWh)				\$ 19.00	
8	Variable Priced Hourly Residential Cost				\$ 57.84	
9	Percentage of Total Load				10%	
10	Total Variable Priced Hourly Residential Cost				\$ 5.78	
11	Price to Compare Weighted Average Price (line 5 + line 10)				\$ 48.42	<i>per MWh</i>
12	PTC _{Current} Cost Component (line 11 / 1000)				\$ 0.04842	<i>per kWh</i>
13	Times Loss Factor				1.0910	
14	Subtotal (line 12 x line 13)				\$ 0.05282	<i>per kWh</i>
15	Admin Costs including estimated interest @ 6%				\$ 0.00006	<i>per kWh</i>
16	Subtotal (line 14 + line 15)				\$ 0.05289	<i>per kWh</i>
17	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
18	PTC _{Current} Residential Class (line 16 x line 17)				\$ 0.05620	<i>per kWh</i>
19	E Reconciliation Rate (page 2, line 6)				0.00022	<i>per kWh</i>
20	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
21	E Reconciliation Rate x GRT				\$ 0.00023	
22	PTC _{Default} Residential Class (line 18 + line 21)				\$ 0.05643	<i>per kWh</i>

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

West Penn Power Company
Price to Compare Default Service Rider Rate Calculation
Residential Class
Computation of Residential Class E Reconciliation Factor
Effective December 1, 2013 Through February 28, 2014

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of September 30, 2013	\$ 303,463
2	Projected October 2013 through February 2014 (over)/under collection adjustment	
3	Projected October & November 2013 E Factor revenue adjustment	
4	Net Cumulative Residential Class (Over) / Under Collection as of September 30, 2013 (Line 1 + Line 2 + Line 3)	\$ 303,463
5	Projected Residential Class kilowatt hour sales - December 1, 2013 to February 28, 2014 (Line 12)	1,397,582,675 kWhs
6	Residential Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ 0.00022 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>\$ 0.00023 per kWh</u>
Projected Residential Class kilowatt hour sales (December 1, 2013 through February 28, 2014)		
9	Dec-13	426,604,820
10	Jan-14	484,894,161
11	Feb-14	<u>486,083,694</u>
12	Total Projected Residential Class kWh Sales	<u>1,397,582,675</u>

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

<u>Line No.</u>	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>
1 Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 2,528,075	\$ 189,629	\$ (41,363)
2 Default Service Plan Revenues With Pa GRT	\$ 28,905,653	\$ 26,230,904	\$ 19,449,936
3 Pa GRT Included in Line 2	<u>\$ 1,705,434</u>	<u>\$ 1,547,623</u>	<u>\$ 1,147,546</u>
4 Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT	\$ 27,200,219	\$ 24,683,281	\$ 18,302,390
<u>Expenses</u>			
5 Amortization of Start Up Costs through 5/31/15	\$ 30,724	\$ 30,724	\$ 30,724
5 Current Month Default Service Generation Cost	\$ 24,824,272	\$ 24,226,543	\$ 18,547,822
6 Current Month Transmission Service Cost	\$ -	\$ 194,652	\$ 68,016
7 Total Expenses for Month	<u>\$ 24,854,996</u>	<u>\$ 24,451,919</u>	<u>\$ 18,646,562</u>
8 Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ (2,345,223)	\$ (231,362)	\$ 344,172
9 Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 182,852	\$ (41,733)	\$ 302,809
10 Interest for Current Month	<u>\$ 6,777</u>	<u>\$ 370</u>	<u>\$ 654</u>
11 Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 9 + Line 10)	<u>\$ 189,629</u>	<u>\$ (41,363)</u>	<u>\$ 303,463</u>

1) Beginning the month of June 2013, Generation and Transmission cost convert to Default Service Cost.