

**Pennsylvania Power Company**  
**Price to Compare Default Service Rider Rate Calculation<sup>1</sup>**  
**Commercial Class: March - May 2012**  
**Rate Effective March 1, 2012 through May 31, 2012**

<b>Line No.</b>	<b>Commercial Class</b>	<b>Number of</b>	<b>Auction Clearing</b>	<b>Summer 1.06</b>	<b>Winter 0.97</b>	<b>Weighting</b>
<b>Fixed Price Tranche Purchases (\$ per M)</b>		<b>Tranches</b>	<b>Price</b>			
1	Jan 2011 Auction	3	57.88	0	3	505.29
2	Mar 2011 Auction	4	56.03	0	3	652.19
3		7	3	21		1,157.48
4	Total Average Fixed Price Tranche				\$ 55.12	
5	Times Fixed portion of Commercial Load				90%	<i>Fixed Portion</i>
6	Total Fixed Price Commercial Cost				\$ 49.61	<i>dollar cost</i>
7	Average Variable Hourly Price Tranche including fixed Anc. Serv. adder (\$9/MWh)				\$ 46.23	
8	Times Variable portion of Commercial Load				10%	<i>Variable Portion</i>
9	Total Variable Priced Hourly Commercial Cost				\$ 4.62	<i>dollar cost</i>
10	<b>Price to Compare Weighted Average Price</b>				<b>\$ 54.23</b>	<i>per MWh</i>
11	PTC <sub>Current Cost Component</sub> (line 10 / 1000)				\$ 0.05423	<i>per kWh</i>
12	Times Loss Factor				1.0515	
13	Subtotal (line 11 x line 12)				\$ 0.05702	<i>per kWh</i>
14	Admin Costs including estimated interest @ 6%				\$ 0.00031	<i>per kWh</i>
15	NITS charge				\$ 0.00200	<i>per kWh</i>
16	Subtotal (line 13 + line 14 + line 15)				\$ 0.05933	<i>per kWh</i>
17	Multiplied by [1/(1-T)] (4.4% Gross Receipts Tax)				1.046025	
18	<b>PTC<sub>Current</sub> Commercial Class (line 16 x line 17)</b>				<b>\$ 0.06206</b>	<i>per kWh</i>
19	E Reconciliation Rate				(0.00381)	<i>per kWh</i>
20	Multiplied by [1/(1-T)] (4.4% Gross Receipts Tax)				1.046025	
21	E Reconciliation Rate x GRT				(0.00399)	
22	<b>PTC<sub>Default</sub> Commercial Class (line 18 + line 21)</b>				<b>\$ 0.05807</b>	<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".