

Pennsylvania Power Company
Price to Compare Default Service Rider Rate Calculation¹
Commercial Class: September - November 2011

Line No.	Commercial Class	Number of	Auction	Summer	Winter	
		Tranches	Clearing	1.06	0.97	Weighting
	Fixed Price Tranche Purchases (\$ per M		Price			
1	Jan 2011 Auction	3	57.88	1	2	520.92
2	Mar 2011 Auction	4	56.03	1	2	672.36
3		7	3	21		1,193.28
4	Total Average Fixed Price Tranche				\$ 56.82	
5	Times Fixed portion of Commercial Load				90%	<i>Fixed Portion</i>
6	Total Fixed Price Commercial Cost				\$ 51.14	<i>dollar cost</i>
7	Average Variable Hourly Price Tranche including fixed Anc. Serv. adder (\$9/MWh)				\$ 51.83	
8	Times Variable portion of Commercial Load				10%	<i>Variable Portion</i>
9	Total Variable Priced Hourly Commercial Cost				\$ 5.18	<i>dollar cost</i>
10	Price to Compare Weighted Average Price				\$ 56.32	<i>per MWh</i>
11	PTC _{Current Cost Component} (line 10 / 1000)				\$ 0.05632	<i>per kWh</i>
12	Times Loss Factor				1.0515	
13	Subtotal (line 11 x line 12)				\$ 0.05922	<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)				\$ 0.06153	<i>per kWh</i>
17	Multiplied by [1/(1-T)] (4.4% Gross Receipts Tax)				1.046025	
18	PTC_{Current} Commercial Class (line 16 x line 17)				\$ 0.06436	<i>per kWh</i>
19	E Reconciliation Rate				0.02201	<i>per kWh</i>
20	Multiplied by [1/(1-T)] (4.4% Gross Receipts Tax)				1.046025	
21	E Reconciliation Rate x GRT				0.02302	
22	PTC_{Default} Commercial Class (line 18 + line 21)				\$ 0.08738	<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".