

Pennsylvania Power Company
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only
Industrial Class: June - August 2011
Updated Last: 02/01/2011

Line No.	<u>Industrial Class</u>			
	<u>HP Energy Charge</u>			
1		$\sum (\text{kWh}_t \times$		kWh for each hour in billing period
2		$(\text{LMP}_t + \text{HPAnc})$		LMP = Real Time PJM Load Weighted average LMP for ME Zone for each hour
3				HPAnc = \$.002 per kWh for Ancillary Services
4		$\text{HP}_{\text{Energy Charge}} (\text{Line 1} \times \text{Line (2+3)})$		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		HP Energy Charge Line 4 x Line 5		
	<i>PLUS</i>			
	<u>HP Cap-AEPS-Other Purchases (\$/MWh)</u>	Clearing Price		
7	January 2011 Auction	\$ -		<i>\$/MWh per kWh</i>
		x Loss Adjustment Factor		Up to, but not including, 23 kV = 3.0%
	January 2011 Auction Grossed up for Line Losses			23 kV up to, but not including, 69 kV = 0.1%
				69 kV or greater = 0%
	<i>PLUS</i>			
8	HP Administrative Charge	\$ -		<i>per kWh</i>
	<i>PLUS</i>			
9	HP NITS	\$ 0.01321		<i>per kWh</i>
	<i>PLUS</i>			
10	HP Reconciliation Charge	\$ -		<i>per kWh</i>
11	Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)	\$ 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