

April 20, 2015

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Metropolitan Edison Company Tariff Electric Pa. P.U.C. No. 51 – Rate  
Changes in Compliance with Metropolitan Edison Company’s Default Service  
Plan, Docket No. P-2013-2391368**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is an original copy of Supplement No. 73 to Metropolitan Edison Company’s (“Met-Ed” or the “Company”) Tariff Electric Pa. P.U.C. No. 51, which bears an issue date of April 20, 2015. The tariff changes contained in Supplement No. 73 are proposed to be effective with service rendered on or after June 1, 2015.

The purpose of Tariff Supplement No. 73 is to reflect: (1) default service rate changes for the Commercial and Residential Customer Classes served under the Price to Compare Default Service Rider; and (2) default service rate changes for customers served under the Hourly Pricing Default Service Rider. These rate changes are consistent with the Commission’s Order entered July 24, 2014 at Docket No. P-2013-2391368.

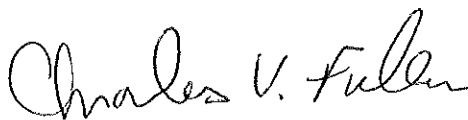
As support for the rate changes, the following schedules accompany this tariff filing:

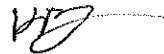
- Schedule 1 provides supporting details for the changes to the Commercial Class’s default service rates stated in the tariff’s Price to Compare Default Service Rate Rider.
- Schedule 2 provides supporting details for the changes to the Residential Class’s default service rates stated in the tariff’s Price to Compare Default Service Rate Rider.
- Schedule 3 provides supporting details for the change to the Hourly Pricing Default Service Reconciliation Charge rate contained in the Hourly Pricing Default Service Rider.

Enclosed please find an extra copy of this letter for you to date stamp and return in the enclosed stamped, addressed envelope in order to indicate receipt of this filing.

If you have any questions regarding the enclosed documents, please contact me at (610) 921-6063.

Sincerely,



Charles V. Fullem   
Director of Rates & Regulatory Affairs-PA  
610-921-6525

Enclosures

c: Certificate of Service  
Paul Diskin, TUS

**METROPOLITAN EDISON COMPANY**  
**READING, PENNSYLVANIA**

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**Electric Service Tariff**

**Effective in**

**The Territory as Defined on  
Page Nos. 8 - 10 of this Tariff**

**Issued: April 20, 2015**

**Effective: June 1, 2015**

**By: Charles E. Jones, Jr., President  
Reading, Pennsylvania**

**NOTICE**

Supplement No. 73 changes Riders N and O.  
See Seventy-third Revised Page No. 2.

LIST OF MODIFICATIONS

Riders

Rider N – Price to Compare Default Service Rate Rider rates have been changed decreased and increased in this Tariff (See Nineteenth Revised Page 180).

Rider O – Hourly Pricing Default Service Rider rates have been changed pursuant to Docket No. P-2013-2391368 (See Revised Pages 188-193).

## RIDERS

## RIDER N

## PRICE TO COMPARE DEFAULT SERVICE RATE RIDER

A Price to Compare Default Service Rate ("PTC<sub>Default</sub>") shall be applied to each kWh of Default Service that Met-Ed delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The PTC<sub>Default</sub> rate shall be billed to Customers receiving Default Service from the Company under this rider. The rates shall be calculated according to the provisions of this rider.

For service rendered June 1, 2015 through August 31, 2015 the PTC<sub>Default</sub> rates billed by Customer Class are as follows:

Commercial Customer Class (Rate GS-Small, Rate GS-Medium, Rate MS, Borderline Service, Street Lighting Service, Ornamental Street Lighting, and Outdoor Lighting Service):

\$0.08356 per kWh.

Residential Customer Class (Rate RS, Rate RT, and Rate GS – Volunteer Fire Company, Non-Profit Ambulance Service, Rescue Squad and Senior Center Service Rate):

\$0.07843 per kWh

(C) Change  
(I) Increase  
(D) Decrease

RIDERS

RIDER O  
 HOURLY PRICING DEFAULT SERVICE RIDER

**AVAILABILITY:**

The charges billed under this rider are applicable to all Customers on Rate Schedules GS-Large, GP, and TP who elect to take Default Service from the Company. These charges are also applicable to Customers on Rate Schedules GS-Small and GS-Medium on a voluntary basis who meet the metering requirements of this rider. Rates shall be billed under this rider on the next scheduled meter reading date after electing Default Service.

All GS-Small and GS-Medium Customers electing service under this rider must have Smart Meter technology installed as part of the Company’s Smart Meter Plan filed with and approved by the Commission.

**Hourly Pricing Service Charges:**

Customers participating in the Hourly Pricing Default Service Rider will be billed for usage based on the following calculation:

$$\text{Hourly Pricing Service Charges} = (\text{HP}_{\text{Energy Charge}} + \text{HP}_{\text{Cap-AEPS-Other Charge}} + \text{HP}_{\text{Administrative Charge}} + \text{HP}_{\text{Unc}} + \text{HP}_{\text{Reconciliation Charge}}) \times [1 / (1-T)] \quad (C)$$

**HP Energy Charge per kWh:**

$$\text{HP}_{\text{Energy Charge}} = \sum_{t=1}^n (\text{kWh}_t \times (\text{LMP}_t + \text{HP}_{\text{Oth}}) \times \text{HP}_{\text{Loss Multiplier}})$$

Where:

n = Total number of hours in the billing period

t = An hour in the billing period

LMP = the “Real Time” PJM load-weighted average Locational Marginal Price for the ME Transmission Zone. (C)

HP<sub>Oth</sub> = \$0.00400 per kWh per KWh for estimate of capacity, ancillary services, NITS, AEPS compliance and other supply components. (C)

(C) Change

RIDERS

Rider O (continued)

HP Loss Multipliers:	GS-Small	1.0515
	GS-Medium	1.0515
	GS-Large	1.0515
	GP	1.0171
	TP	1.0007

These HP Loss Multipliers exclude transmission losses.

**HP Cap-AEPS-Other Charge:**

\$0.03050 per kWh representing the costs paid by the Company to the Supplier for Capacity, AEPS costs, and any other costs incurred by the Supplier multiplied by the HP Loss Multipliers. This charge is subject to quarterly adjustments.

(I)

**HP Administrative Charge:**

\$0.00008 per kWh representing the administrative costs incurred by the Company associated with providing Hourly Pricing Service.

(I)

**HP Uncollectibles Charge:**

\$0.00015 per KWh representing the generation-related unbundled uncollectible accounts expense associated with Hourly Pricing Default Service. This charge is subject to annual adjustment on June 1 of each year.

(C)

(C) Change  
 (I) Increase

RIDERS

Rider O (continued)

**HP Reconciliation Charge:**

The HP Reconciliation Charge Rate (“E<sub>HP</sub>”) shall be applied to each kWh of Default Service that Met-Ed delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The E<sub>HP</sub> rate shall be included as a non-bypassable component billed to Customers receiving Default Service from the Company under this rider. The rate shall be calculated according to the provisions of this rider.

For service rendered June 1, 2015 through August 31, 2015, the E<sub>HP</sub> rate is as follows: (C)

HP Reconciliation Charge Rate = \$0.00359 per kWh (I)

The E<sub>HP</sub> rate will be calculated at the end of each Default Service Quarter (three months ending March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>) to be effective for the three-month period beginning on the first day of the third calendar month following the end of that Default Service Quarter (June 1<sup>st</sup>, September 1<sup>st</sup>, December 1<sup>st</sup>, and March 1<sup>st</sup>). The E<sub>HP</sub> rate shall be calculated in accordance with the formula set forth below:

$$E_{HP} = ((DS_{HPExp1} + DS_{HPExp2}) - PTC_{HPRev} + DS_{HPInt}) / DS_{HPSales}$$

Where:

E<sub>HP</sub> = The rate determined to the nearest one-thousandth of a cent per kWh to be applied to each kWh of Default Service delivered to Customers under this rider. (C)

DS<sub>HPExp1</sub> = An allocated portion of the incremental start-up costs incurred by the Company through May 31, 2015 in connection with the Company’s Default Service Supply Plan to provide Default Service amortized over the twenty-four (24) month period ending May 31, 2017 including but not limited to:

(C) Change  
 (I) Increase



## RIDERS

## Rider O (continued)

- Incremental start-up administrative costs including metering and billing costs incurred and other costs as necessary to provide service to Retail Default Service Customers
- Other start-up costs incurred to develop and implement the competitive bid process for the Retail Default Service Supply Plan including legal, customer notice, and consultant fees.

Interest will be calculated monthly on the average of the beginning and the end of month balances of these costs and included in the determination of the monthly amortized amount. The monthly interest rate will be based upon the 41 P.S. § 202 statutory rate.

(C)

$DS_{HPExp2} =$

The cumulative costs to provide Hourly Pricing Default Service incurred by the Company through the end of the previous Default Service Quarter including but not limited to the following:

- Payments made to winning bidders (C)
- Any PJM related charges other than Non-Market Based Services Transmission Charges identified in Rider R associated with the procurement of Hourly Pricing Default Service
- AEPS expenses incurred by Met-Ed related to amendments to the AEPS Act and/or related laws or regulations occurring subsequent to the effective date of the Supplier Master Agreement for the Default Service Supply Plan excluding such costs recovered through the Company's Solar Photovoltaic Requirements Charge Rider
- An allocated portion of incremental administrative costs including metering and billing costs incurred and other costs as necessary to provide service to retail Default Service Customers
- All contingency plan implementation costs incurred during the supply period
- An allocated portion of other costs incurred to develop and implement the competitive bid process for retail Default Service including legal, customer notice, and consultant fees.
- The cost of credit when the Company is considered by PJM to be the load serving entity

(C) Change

## RIDERS

Rider O (continued)

(C)

- $PTC_{HPRev}$  = The cumulative revenues, any revenues associated with the HP Uncollectibles charge excluding applicable Pennsylvania gross receipts tax, through the end of the most recent Default Service Quarter billed to Hourly Pricing Default Service Customers under this rider including the applicable  $E_{HP}$  rates.
- $DS_{HPInt}$  = The cumulative amount of carrying charges calculated on a monthly basis through the end of the most recent Default Service Quarter. Interest will be calculated monthly on the average balance of 1) the respective month's beginning balance of prior months' cumulative over or under collection of  $PTC_{HPRev}$  compared to the sum of the amortized portion of  $DS_{HPExp1}$  costs and  $DS_{HPExp2}$  costs incurred to date including cumulative interest calculated thereon through the beginning of the month; and 2) the respective month's ending balance of cumulative over or under collection of  $PTC_{HPRev}$  compared to the amortized portion of  $DS_{HPExp1}$  costs and  $DS_{HPExp2}$  costs incurred to date including cumulative interest calculated thereon through the beginning of the month. The monthly interest rate will be based upon the 41 P.S. § 202 statutory annual rate for under collections and the 41 P.S. § 202 statutory annual rate plus two percent for (over) collections.
- $DS_{HPSales}$  = The Company's projected Hourly Pricing Default Service kWh sales to Retail Customers for the three-month billing period that the  $E_{HP}$  rate will be in effect.

**Gross Receipts Tax:**

- T = The Pennsylvania gross receipts tax rate in effect during the billing month expressed in decimal form as reflected in the Company's base rates.

(C) Change

## RIDERS

Rider O (continued)

**General:**

(C)

Each change in the E<sub>HP</sub> rate as well as other rates within this rider will be filed with the Commission by the later of (a) forty-five (45) days prior to the effective date of the rate changes; or (b) seven (7) days after the last supply auction. The Company shall file details in support of the revised rates.

At the conclusion of the duration of this reconciliation rider, the Company is authorized to recover or refund any remaining amounts not reconciled at that time under such mechanism as approved by the Commission.

Application of the E<sub>HP</sub> rate shall be subject to annual review and audit by the Commission.

**Adjustment for Meter Location:**

Where the Company meters distribution secondary voltage service on the primary side of the transformers, the demand and energy registrations shall each be reduced by two and one-half percent (2.5%). Where the Company meters service supplied at voltages higher than the distribution secondary voltage on the secondary side of the transformers, either compensating - metering equipment will be used to correct for transformer losses or the demand and energy meter registration shall each be increased by two and one-half percent (2.5%).

**Metering:**

The Customer is responsible for providing a working dedicated telephone line for metering purposes at each metering point or shall pay the Company any and all expenses for providing communications to the interval equipment at the Customer's location(s). Maintenance of the meter(s) will be the responsibility of the Company, which will own the meter(s).

(C) Change

**Metropolitan Electric Company  
PTC Default Service Rider Rate Calculation  
Commercial Class: Default Service Period Beginning June 1, 2015 - August 31, 2015**

Line  
No.

	Number of Tranches	Auction Clearing Price	Summer 1	Winter 1	Weighted Clearing Price
<b>Fixed Price Tranche Purchases (\$ per MWh)</b>					
1	2	\$ 86.56	3	0	\$ 519.36
2	2	\$ 89.56	3	0	\$ 537.36
3	2	\$ 66.09	3	0	\$ 396.54
4	2	\$ 66.53	3	0	\$ 399.18
5	3	\$ 67.20	3	0	\$ 604.80
6	1	\$ 65.03	3	0	\$ 195.09
7	1	\$ 65.15	3	0	\$ 195.45
	13	3	39		
8	Total Average Fixed Price Tranche				\$ 73.02
9	Percentage of Total Load				100%
10	Total Cost Fixed Price Tranche				\$ 73.02
11	Variable Percentage of Total Load				0%
12	Total Variable Priced Hourly Commercial Cost				\$ -
13	Price to Compare Weighted Average Price (line 10 + line 15)				\$ 73.02 per MWh
14	PTC <sub>Current Cost Component</sub> (line 16 / 1000)				\$ 0.07302 per kWh
15	Times Loss Factor				1.0515
16	Subtotal (line 17 x line 18)				\$ 0.07678 per kWh
17	Admin Costs including estimated interest @ 6%				\$ 0.00014 per kWh
18	Subtotal (line 19 + line 20)				\$ 0.07692 per kWh
19	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699
20	PTC <sub>Current</sub> Commercial Class (line 21 x line 22)				\$ 0.08174 per kWh
21	E Reconciliation Rate (page 2, line 5)				0.00171 per kWh
22	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699
23	E Reconciliation Rate x GRT				\$ 0.00182
24	PTC <sub>Default</sub> Commercial Class (line 23 + line 26)				\$ 0.08356 per kWh

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

**Metropolitan Edison Company**  
**Price to Compare Default Service Rider Rate Calculation**  
**Commercial Class**  
**Computation of Commercial Class Reconciliation Factor**  
**Effective June 1, 2015 Through August 31, 2015**

Line No.	Description	Amounts
1	Cumulative Commercial Class (Over) / Under Collection as of March 31, 2015	\$ 908,149
2	Projected April and May 2015 E Factor revenue adjustment	<u>\$ (508,820)</u>
3	Net Cumulative Commercial Class (Over) / Under Collection as of March 31, 2015 (Line 1 + Line 2)	\$ 399,329
4	Projected Commercial Class kilowatt hour sales - June 1, 2015 through August 31, 2015 (Line 11)	233,134,607 kWhs
5	Commercial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 3/ Line 4)	\$ 0.00171 per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) with T = 5.9% Pa Gross Receipts Tax]	<u>1.062699</u>
7	Commercial Class Reconciliation Factor Rate with PA Gross Receipts Tax (Line 5 X Line 6)	<u>\$ 0.00182 per kWh</u>
<b>Projected Commercial Class kilowatt hour sales (June 1, 2015 through August 31, 2015)</b>		
8	Jun-15	71,840,570
9	Jul-15	78,453,311
10	Aug-15	<u>82,840,726</u>
11	Total Projected Commercial Class kWh Sales	<u>233,134,607</u>

**Metropolitan Edison Company Default Service  
Commercial Customer Class Deferrals  
January through March 2015**

<u>Line No.</u>		<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>
1	Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 598,690	\$ 1,212,211	\$ 1,126,748
2	Default Service Plan Revenues With Pa GRT	\$ 5,800,699	\$ 6,270,433	\$ 6,400,313
3	Pa GRT Included in Line 2	<u>\$ 342,241</u>	<u>\$ 369,956</u>	<u>\$ 377,618</u>
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT [PTCRev]	\$ 5,458,458	\$ 5,900,477	\$ 6,022,695
	<u>Expenses</u>			
5	Amortization of Start Up Costs [DSExp1]	\$ 13,552	\$ 13,552	\$ 13,552
6	Current Month cost to provide Default Service [DSExp2]	\$ 6,037,839	\$ 5,776,918	\$ 5,790,308
7	Cumulative costs for month of Transmission cost incurred by the Company [DSExp2]	\$ 16,072	\$ 18,710	\$ (4,840)
8	Total Expenses for Month	<u>\$ 6,067,463</u>	<u>\$ 5,809,180</u>	<u>\$ 5,799,020</u>
9	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 609,005	\$ (91,296)	\$ (223,675)
10	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 1,207,695	\$ 1,120,915	\$ 903,074
11	Interest for Current Month [DSInt]	<u>\$ 4,516</u>	<u>\$ 5,833</u>	<u>\$ 5,075</u>
12	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting (Line 10 + Line 11 )	<u>\$ 1,212,211</u>	<u>\$ 1,126,748</u>	<u>\$ 908,149</u>

**Metropolitan Electric Company  
PTC Default Service Rider Rate Calculation  
Residential Class: Default Service Period Beginning June 1, 2015 - August 31, 2015**

Line No.	Residential Class	Number of Tranches	Auction Clearing Price	Summer 1	Winter 1	Weighted Clearing Price
	<u>Fixed Price Tranche Purchases (\$ per MWh)</u>					
1	October 2014 Auction (June 15 through May 16)	4	\$ 77.89	3	0	934.68
2	October 2014 Auction (June 15 through May 17)	4	\$ 76.82	3	0	921.84
3	January 2015 Auction (June 15 through May 16)	4	\$ 65.74	3	0	788.88
4	January 2015 Auction (June 15 through May 17)	4	\$ 66.03	3	0	792.36
5	April 2015 Auction (June 15 through May 16)	5	\$ 66.53	3	0	997.95
6	April 2015 Auction (June 15 through May 17)	4	\$ 66.44	3	0	797.28
		25	3	75		
7	Total Average Fixed Price Tranche				\$ 69.77	
8	Times Fixed Portion of Residential Load				95%	Fixed Portion
9	Total Fixed Price Residential Cost				\$ 66.28	dollar cost
10	Average Variable Hourly Price Tranche				\$ 38.80	
11	Capacity, Anc. Serv. and AEPS Adder (\$20/MWh)				\$ 20.00	
12	Variable Priced Hourly Residential Cost				\$ 58.80	
13	Times Variable Portion of Residential Load				5%	Variable Portion
14	Total Variable Priced Hourly Residential Cost				\$ 2.94	dollar cost
15	<b>Price to Compare Weighted Average Price (line 5 + line 10)</b>				\$ 69.22	per MWh
16	PTC <sub>Current</sub> Cost Component (line 15 / 1000)				\$ 0.06922	per kWh
17	Times Loss Factor				1.0515	
18	Subtotal (line 16 x line 17)				\$ 0.07279	per kWh
19	Admin Costs including estimated interest @ 6%				\$ 0.00014	per kWh
20	Subtotal (line 18 + line 19)				\$ 0.07293	per kWh
21	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
22	<b>PTC <sub>Current</sub> Residential Class (line 20 x line 21)</b>				\$ 0.07750	per kWh
23	E Reconciliation Rate (page 2, line 6)				0.00087	per kWh
24	Multiplied by [1/(1-T)] (5.9% Gross Receipts Tax)				1.062699	
25	<b>E Reconciliation Rate x GRT</b>				\$ 0.00092	
	<b>PTC <sub>Default</sub> Residential Class (line 22 + line 25)</b>				\$ 0.07843	per kWh

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

**Metropolitan Edison Company**  
**Price to Compare Default Service Rider Rate Calculation**  
**Residential Class**  
**Computation of Residential Class E Reconciliation Factor**  
**Effective June 1, 2015 Through August 31, 2015**

Line No.	Description	Amounts
1	Cumulative Residential Class (Over) / Under Collection as of March 31, 2015	\$ 4,729,712
2	Projected April 2015 through August 2015 (over)/under collection adjustment	(1,100,878)
3	Projected April and May 2015 E Factor revenue adjustment	<u>(2,808,568)</u>
4	Total (Over)/Under Collection (Line 1 + Line 2 + Line 3)	\$ 820,266
5	Projected Residential Class kilowatt hour sales - June 1, 2015 to August 31, 2015 (Line 12)	943,990,624 kWhs
6	Residential Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 4 / Line 5)	\$ 0.00087 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>\$ 0.00092 per kWh</u>
<b>Projected Residential Class kilowatt hour sales (June 1, 2015 through August 31, 2015)</b>		
9	Jun-15	271,889,906
10	Jul-15	325,181,405
11	Aug-15	<u>346,919,313</u>
12	Total Projected Residential Class kWh Sales	<u>943,990,624</u>



**Metropolitan Edison Company Default Service Program  
Residential Customer Class Deferrals  
January through March 2015**

<u>Line No.</u>		<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>
1	Cumulative (Over) Under Collections at Beginning of Month Including Interest	\$ 1,393,364	\$ 3,944,540	\$ 6,718,408
2	Default Service Plan Revenues With Pa GRT	\$ 25,302,424	\$ 28,904,985	\$ 30,368,073
3	Pa GRT Included in Line 2	\$ 1,492,843	\$ 1,705,394	\$ 1,791,716
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT [PTCRev]	\$ 23,809,581	\$ 27,199,591	\$ 28,576,357
	<u>Expenses</u>			
5	Amortization of Start Up Costs [DSExp1]	\$ 34,148	\$ 34,148	\$ 34,148
6	Current Month cost to provide Default Service [DSExp2]	\$ 25,310,629	\$ 29,581,660	\$ 25,659,781
7	Cumulative costs for month of Transmission cost incurred by the Company	\$ 1,002,669	\$ 331,060	\$ 865,183
8	Total Expenses for Month	\$ 26,347,446	\$ 29,946,868	\$ 26,559,112
9	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 2,537,865	\$ 2,747,277	\$ (2,017,245)
10	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 3,931,229	\$ 6,691,817	\$ 4,701,163
11	Interest for Current Month [DSInt]	\$ 13,311	\$ 26,591	\$ 28,549
12	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory Reporting Purposes (Line 10 + Line 11)	\$ 3,944,540	\$ 6,718,408	\$ 4,729,712

(1) Beginning June 1, 2013 Transmission Service cost in line 8 above is allocated based on the Residential Block and Spot kwh over Total kwh for Residential Block and Spot and Industrial kWh

Metropolitan Edison Company  
Hourly Pricing Service Charge Sample Calculation - Illustrative Purposes Only  
Industrial Class: June 1, 2015 - August 31, 2015

Line			
No.	<u>Industrial Class</u>		
	<u>HP<sub>Energy Charge</sub></u>	$HP_{Energy\ Charge} = \sum (kWh_t \times (LMP_t + HP_{Och})) \times HP_{Loss\ Multiplier}$	
1		$\sum (kWh_t \times$	kWh for each hour in billing period
2		$(LMP_t$	LMP = Real Time PJM Load Weighted average LMP for PN Zone for each hour
3		$+ HP_{Och}))$	HP <sub>Och</sub> = \$.004 per kWh for Ancillary Services
4		$HP_{Energy\ Charge} = (\text{Line 1} \times (\text{Line 2} + \text{Line 3}))$	t = An hour in the Billing Period
5		$\times HP_{Loss\ Multiplier}$	GS Small, Medium, Large = 1.0515 GP = 1.0171 TP = 1.0007
6		<u>HP<sub>Energy Charge</sub> (Line 4 x Line 5)</u>	
	<i>PLUS</i>		
	<u>HP<sub>Cap-AEFS-Other Purchases (\$/kWh)</sub></u>	<u>Clearing Price</u>	
7	January 2015 (June 15 through May 16)	\$ 30.50	\$/kWh
		\$ 0.03050	per kWh
		$\times HP_{Loss\ Multiplier}$	GS Small, Medium, Large = 1.0515 GP = 1.0171 TP = 1.0007
	Grossed up for Line Losses		
	<i>PLUS</i>		
8	<u>HP<sub>Administrative Charge</sub></u>	\$ 0.00008	per kWh
	<i>PLUS</i>		
9	<u>HP<sub>Uncollectibles Charge</sub></u>	\$ 0.00015	per kWh
	<i>PLUS</i>		
10	<u>HP<sub>Reconciliation Charge</sub></u>	\$ 0.00359	per kWh
11	<b>Hourly Pricing Service Charge (Line 6 + 7 + 8 + 9 + 10)</b>	<u><u>\$ x.xxxxx</u></u>	

(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  
(C) HP Reconciliation Charge reflects actual results through March 2015 reconciliation.

**Metropolitan Edison Company  
PTC Default Rate Calculation  
Computation of Industrial Class Reconciliation Factor  
Rate Effective June 1, 2015 Through August 31, 2015**

Line No.	Description	Amounts
1	Cumulative Industrial Class (Over) / Under Collection as of March 31, 2015	\$ 209,738 See Schedule 3, Page 3, Line 1.
2	Projected Industrial Class kilowatt hour sales - June 1, 2015 - August 31, 2015 ( Line 11)	62,082,053 kWhs
3	Industrial Class Reconciliation Factor Rate before PA Gross Receipts Tax (Line 1 / Line 2)	\$ 0.00338 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)	\$ 0.00338 per kWh
6	PA Gross Receipt Gross-Up [1/(1-T) (5.9% Gross Receipts Tax)	<u>1.062699</u>
7	<b>Industrial Class Reconciliation Factor Rate with PA Gross Receipts Tax (Line 5 X Line 6)</b>	<b><u>\$ 0.00359 per kWh</u></b>
<b>Projected Industrial Class kilowatt hour sales (June 1, 2015 through August 31, 2015)</b>		
8	Jun-15	20,353,778
9	Jul-15	20,615,325
10	Aug-15	<u>21,112,950</u>
11	<b>Total Projected Industrial Class kWh Sales</b>	<b><u>62,082,053</u></b>

<b>Metropolitan Edison Company Default Service Program Reconciliation - Hourly Pricing Default Service Rider Hourly Pricing Customer Charges Deferrals January 1, 2015 through March 31, 2015</b>				
	<u>Jan-15</u>	<u>Feb-15</u>	<u>Mar-15</u>	
1	Cumulative (Over) Under Collection at Beginning of Month Including Interest	\$ (202,582)	\$ 278,665	\$ 558,070
2	Default Service Plan Revenues With Pa GRT	\$ 628,114	\$ 859,317	\$ 870,699
3	Pa GRT Included in Line 2	\$ 37,059	\$ 52,470	\$ 51,321
4	Default Service Plan Revenues Including E Factor Revenues, Excluding Pa GRT [DSHPDRev]	\$ 591,055	\$ 836,847	\$ 819,328
<b>Expenses</b>				
5	Allocated portion of incremental start-up costs incurred by Company [DSHPExp1]	\$ 695	\$ 695	\$ 695
6	Current Month cost to provide Default Service [DSHPExp2]	\$ 1,069,672	\$ 1,110,974	\$ 468,832
7	Cumulative costs for Month of Network Integration Transmission Service (NITS) cost incurred by the Company [DSHPExp2]	\$ 1,745	\$ 2,496	\$ (445)
8	Total Expenses for Month	\$ 1,072,112	\$ 1,114,165	\$ 469,082
9	Monthly (Over)/Under Collections Recognized for Regulatory and Accounting Reporting Purposes	\$ 481,057	\$ 277,318	\$ (350,246)
10	Cumulative (Over)/Under Collections and Prior Months' Interest Before Current Month Interest Calculation	\$ 278,475	\$ 555,983	\$ 207,823
11	Interest for Current Month for Both Regulatory and Accounting Reporting Purposes [DSHPInt]	\$ 190	\$ 2,687	\$ 1,915
12	Cumulative (Over) / Under Collections at End of Month Including Interest for Regulatory and Accounting Reporting Purposes (Line 10 + Line 11)	\$ 278,665	\$ 558,070	\$ 209,738

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**JOINT PETITION OF METROPOLITAN :  
EDISON COMPANY, PENNSYLVANIA : DOCKET NO. M-2015-2462671  
ELECTRIC COMPANY, PENNSYLVANIA :  
POWER COMPANY AND WEST PENN :  
POWER COMPANY FOR APPROVAL OF :  
THEIR DEFAULT SERVICE PROGRAMS :**

**CERTIFICATE OF SERVICE**

I hereby certify and affirm that I have this day served copies of the foregoing Letter to Secretary Chiavetta on behalf of Metropolitan Edison Company, upon the following persons, in the matter specified below, in accordance with the requirements of 52 Pa. Code § 1.54:

**VIA FIRST CLASS MAIL**

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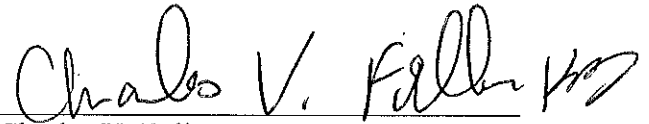
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Dated: April 20, 2015



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