

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY
COMMISSION**

v.

PENNSYLVANIA POWER COMPANY

**Docket Nos. R-2014-2428744
M-2013-2341993**

**JOINT PETITION FOR
PARTIAL SETTLEMENT OF RATE INVESTIGATION**

February 3, 2015

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**TO THE HONORABLE DENNIS J. BUCKLEY AND KATRINA L. DUNDERDALE,
ADMINISTRATIVE LAW JUDGES:**

Pennsylvania Power Company (“Penn Power” or the “Company”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), the Bureau of Investigation and Enforcement (“I&E”), the Penn Power Users Group (“PPUG”), Wal-Mart Stores East, LP and Sam’s East, Inc. (collectively, “Walmart”), and the Environmental Defense Fund (“EDF”) (collectively, the “Joint Petitioners”), by their respective counsel, submit this Joint Petition For Partial Settlement Of Rate Investigation (“Joint Petition”) and request that the Administrative Law Judges (“ALJs”): (1) approve the partial settlement of this proceeding as set forth in this Joint Petition (the “Settlement”) without modification; and (2) recommend that the Pennsylvania Public Utility Commission (“Commission”) adopt the Settlement without modification and permit Penn Power to file the tariff annexed hereto as Exhibit 1 (“Settlement

Rates”) to become effective pursuant to the terms set forth therein.¹ In support of this Settlement, the Joint Petitioners represent as follows:

I. BACKGROUND

1. On August 4, 2014, Penn Power filed with the Commission Tariff Electric – Pa. P.U.C. No. 36 (“Tariff No. 36”) which reflects an increase in annual distribution revenues of \$28.5 million, or 8.7% of its total electric operating revenues. The proposed increase consisted of an increase in distribution base rate operating revenues of \$29.557 million, including the roll-in to base rates of the smart meter revenue requirement, and proposed decreases in the Default Service Support and Hourly Pricing Default Service Riders totaling \$1.074 million (see Penn Power Statement No. 1, p. 8). On the same date, requests for an increase in distribution rates were filed by Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), and West Penn Power Company (“West Penn”). On October 2, 2014, the Commission adopted an Order (the “Suspension Order”) suspending each of the tariff filings and referring the same to the Office of Administrative Law Judge for investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations proposed by Met-Ed, Penelec, Penn Power and West Penn. Accordingly, Penn Power’s Tariff No. 36 was suspended by operation of law until May 3, 2015.

¹ Noble Americas Energy Solution LLC (“Noble Americas”) does not oppose the Settlement. The Pennsylvania State University (“PSU”) and the Coalition for Affordable Utility Services and Energy (“CAUSE-PA”) have not signed the Joint Petition because they did not participate actively, through the submission of testimony or other evidence, in this proceeding. However, they both have submitted letters of non-opposition and support for the Settlement, which are appended to this Joint Petition, expressing their views that the Settlement is in the public interest. Citizens for Pennsylvania’s Future (“PennFuture”) does not join in the Settlement based upon the sole issue of PennFuture’s disagreement with Penn Power’s proposed rate for light-emitting diode (“LED”) lighting, as more fully explained in Paragraph 9, *infra*.

2. In an earlier proceeding related to the Company's Smart Meter Deployment Plan, the Commission directed Penn Power to provide information on cost savings measures achieved from the deployment of smart meters and an explanation of how cost savings will be calculated in future Smart Meter Technologies Charge ("SMT-C") rate filings. *See* Docket No. M-2013-2341993. The Company requested that cost savings measures be addressed in the Company's rate proceeding, instead of its August 1, 2014, annual SMT-C filing. Accordingly, as part of its August 4, 2014 base rate filing, Penn Power proposed a baseline for purposes of measuring savings achieved from the deployment of smart meters as well as the means for determining how cost savings resulting from smart meter deployment will be identified and flowed through to customers.

3. In the Suspension Order (p.5), the Commission found that the smart meter cost savings issue should be considered in Penn Power's base rate proceeding, ordering as follows:

That West Penn Power Company's filing at Docket M-2013-2341991, Pennsylvania Electric Company's filing at Docket M-2013-2341994, Pennsylvania Power Company's filing at Docket M-2013-22341993 and Metropolitan Edison Company's filing at Docket M-2013-2341990 regarding how cost saving measures achieved from the deployment of smart meters will be calculated in the SMT-C Rider services be addressed in the general base rate case.

4. Notices of Appearance were served on behalf of I&E on September 9, 2014, OSBA on August 22, 2014, OCA on August 13, 2014 and September 29, 2014, and PPUG on November 25, 2014. The OSBA and OCA also filed Formal Complaints on August 22 and September 8, 2014, respectively. On September 12, 2014, a Formal Complaint was filed by

PPUG,² and on September 29, 2014, a Formal Complaint was filed by PSU. Several Formal Complaints were also filed by individual residential customers. On October 3, 2014, a Petition to Intervene was filed by Noble Americas and a Joint Petition to Intervene was filed by EDF and PennFuture. CAUSE-PA filed their Petition to Intervene on October 6, 2014, and Walmart filed a Petition to Intervene on October 14, 2014.

5. A prehearing conference was held on October 8, 2014, at which a schedule was established for the submission of testimony and the conduct of evidentiary and public input hearings. Specifically, and consistent with Commission practice, a schedule was adopted whereby all case-in-chief, rebuttal and surrebuttal testimony would be submitted in advance of hearings and oral rejoinder could be offered at the hearings. To effectuate this schedule, Penn Power agreed to request an extension of the suspension period until May 19, 2015. This agreement provided that at the time any compliance filings are made, the Company may recoup through a surcharge revenues lost at the approved rates for the period from the statutorily prescribed end of suspension (i.e., May 3, 2015) through the date the Commission makes those rates effective by approving the compliance filing. All parties agreed to the terms of the conditional extension of the suspension period, and it was approved by the ALJs. A suspension tariff supplement reflecting the terms of the conditional extension of the suspension period was filed on October 29, 2014. In subsequent Orders, the ALJs found that the rate case dockets for Met-Ed, Penelec, Penn Power and West Penn would not be consolidated and further scheduled an evidentiary hearing for Penn Power on January 13, 2015 to address the base rate filing as well as smart meter cost savings issues.

² PPUG's complaint was filed jointly with the Met-Ed Industrial Users Group ("MEIUG") and Penelec Industrial Customer Alliance ("PICA"), such that the Complaint was lodged in this case with respect to PPUG and at the applicable dockets for Met-Ed and Penelec with respect to MEIUG and PICA, respectively.

6. Twelve public input hearings were held as follows, which included a location within the Company's service area (New Castle, PA):

Date	Location	Time
11.05.2014	Warren, PA	1:00 p.m.
11.05.2014	Warren, PA	6:00 p.m.
11.07.2014	New Castle, PA	1:00 p.m.
11.07.2014	New Castle, PA	6:00 p.m.
11.10.2014	Erie, PA	1:00 p.m.
11.10.2014	Erie, PA	6:00 p.m.
11.13.2014	Washington, PA	1:00 p.m.
11.13.2014	Uniontown, PA	6:00 p.m.
11.17.2014	East Stroudsburg, PA	1:00 p.m.
11.17.2014	East Stroudsburg, PA	6:00 p.m.
11.18.2014	Reading, PA	1:00 p.m.
11.18.2014	Reading, PA	6:00 p.m.

7. Accompanying Tariff No. 36, the Company presented complete and separate data for the historic test year ended March 31, 2014, the future test year ending March 31, 2015 and the fully projected future test year ending April 30, 2016. The Company's supporting information included the prepared direct testimony of ten initial witnesses and the various exhibits sponsored by them. Considerable additional information was supplied in response to approximately 854 interrogatories and data requests.

8. In accordance with the previously established schedule, on November 24, 2014 Complainant/Intervenor direct testimony and accompanying exhibits were served by I&E, OCA, OSBA, EDF/PennFuture and Walmart. On December 18, 2014, rebuttal testimony and accompanying exhibits were served by Penn Power, OCA, and OSBA.³ On December 26, 2014, Penn Power submitted two statements of supplemental testimony addressing issues identified in the ALJs' December 5, 2014 Prehearing Order. Finally, on January 6, 2015, surrebuttal

³ Penn Power Statement No. 11-R was resubmitted in revised form on January 13, 2014.

testimony and accompanying exhibits were served by Penn Power, I&E, OCA, OSBA, EDF/PennFuture and Walmart.

9. Negotiations were conducted by the Joint Petitioners to try to achieve a settlement of the issues in this case. As a result of those negotiations, the Joint Petitioners were able to agree to the Settlement set forth herein which resolves all issues among the Joint Petitioners. However, the Settlement does not resolve the issue raised by PennFuture concerning the scope and pricing of Penn Power's proposed LED street lighting offering. This issue is reserved for briefing. In light of the Settlement and the fact that all parties to this proceeding waived cross-examination, a hearing was held on January 14, 2015 solely for the purpose of entering testimony and exhibits into the record.⁴

10. The Joint Petitioners acknowledge that, except to the extent specifically set forth herein, they have not sought, nor would they be able, to agree upon the specific rate case adjustments which support their respective conclusions. Nonetheless, they are in full agreement that this Settlement is in the best interest of customers and the Company and, therefore, is in the public interest.

II. TERMS AND CONDITIONS OF SETTLEMENT

11. The Settlement consists of the following terms and conditions:

A. Revenue Requirement

1. The rates set forth in Exhibit 1 have been designed to produce an increase in distribution base rate operating revenues of \$17 million for the twelve months ending April 30, 2016, to become effective no later than May 19, 2015, as shown in the proof of revenues

⁴ A complete listing of all parties' testimony and accompanying exhibits admitted into the record is set forth in the transcript of the January 14, 2015 hearing.

provided as Exhibit 2. As agreed upon in exchange for an extension of the statutory suspension period, the Company will recoup, through a surcharge, revenues lost at the final approved rates for the period from May 3, 2015 (the end of the statutory suspension period) through May 19, 2015, the date the Settlement Rates must become effective.⁵ The Company will implement such a surcharge at the same time it begins to charge the Settlement Rates. The surcharge will be calculated separately for residential, commercial, and industrial customer classes, with the residential and commercial classes determined consistently with the definition of those classes set forth in the Company's Price to Compare Default Service Rider, while the industrial class shall be determined consistently with the first paragraph of the Availability section of the Company's Hourly Pricing Default Service Rider. The surcharge will be stated on a per-kWh basis for the residential and commercial classes and on a per kW basis for the industrial class. The surcharge will remain in effect, for each class, until the lost revenue, determined for such class, is collected over a period not to exceed three months from the date the surcharge is initiated.

2. The Company's total revenue requirement includes \$12.483 million associated with smart meter deployment. Once the aggregate investment and expense revenue requirements exceed \$12.483 million, the Company may begin deferring costs that are eligible for recovery under its SMT-C Rider (Rider G). When the \$12.483 million threshold is exceeded and the Company begins deferring costs in excess of that amount, the Company will file a smart meter rate under Rider G to recover all investment and expense revenue requirements in excess of the \$12.483 million included in base distribution rates.

⁵ If the Commission makes the Settlement Rates effective prior to May 19, 2015, this surcharge will recoup lost revenues from May 3, 2015 through the Commission ordered Settlement Rates effective date.

3. The Company's unamortized investment associated with legacy meters will be amortized over a five-year period, beginning on the date the Settlement Rates become effective.

4. A Storm Reserve Account will be established and maintained on the Company's balance sheet beginning on the date the Settlement Rates become effective. The Company's total revenue requirement includes \$1 million to be recovered for purposes of funding this reserve, which represents a five-year average of historical expenses. Penn Power's historical expenses for that period did not include any expenses related to damage from extraordinary storm events which the Company received Commission approval to defer. Expenses related to storm damage, excluding those expenses related to damage from extraordinary storm events, will be recorded in the Storm Reserve Account in order to eliminate any impact of such expenses on the Company's income statement. Expenses related to damage from extraordinary storm events will be accounted for separately in accordance with the current practice of petitioning the Commission for approval to defer such expenses. Both revenues received and costs incurred by the Company in support of other regulated utilities, including other jurisdictional and non-jurisdictional affiliated companies, for assisting during storm events will be reflected in the reserve account.

5. On or before August 1, 2015, the Company will provide to the statutory advocates an update to Penn Power Exhibit RAD-47, which will include actual capital expenditures, plant additions, and retirements by month for the twelve months ended March 31, 2015. On or before July 1, 2016, the Company will provide to the statutory advocates an update to Penn Power Exhibit RAD-46, which will include actual capital expenditures, plant additions, and retirements by month for the twelve months ended April 30, 2016. In Penn Power's next

base rate proceeding, the Company will prepare a comparison of its actual expenses and rate base additions for the twelve months ended April 30, 2016 to its projections in this case. However, it is recognized by the Joint Petitioners that this is a black box settlement that is a compromise of Joint Petitioners' positions on various issues.

6. The Joint Petitioners agree and hereby stipulate that the Company shall use the rate of return on equity as calculated for electric utilities and published in the "Bureau of Technical Utility Services Report on the Quarterly Earnings of Jurisdictional Utilities" for the most recent quarter for the following purposes:

a. Calculating a distribution system improvement charge ("DSIC") if a DSIC is hereafter proposed by the Company and approved by the Commission; and

b. Calculating the incremental revenue requirement associated with smart meter deployment that exceeds the smart meter revenue requirement being recovered in the Settlement Rates as described in paragraph 11(A)(2) of this Joint Petition and therefore eligible for recovery through the Company's SMT-C Rider.

7. Penn Power's State Tax Adjustment Surcharge ("STAS") is being rolled into the Settlement Rates. Accordingly, as of the effective date of the Settlement Rates, Penn Power's STAS will be reduced to zero. Penn Power's STAS applies to rates imposed under the following Riders set forth in its existing tariff: Universal Service Cost ("USC") Rider, Phase II Energy Efficiency and Conservation Charge Rider, Price to Compare Default Service Rider, Hourly Pricing Default Service Rider, Default Service Support Rider, and Solar Photovoltaic Requirements Charge Rider. Consequently, as a result of the roll-in of Penn Power's STAS to base rates, the rates to be imposed under the foregoing riders, from and after the effective date of

the Settlement Rates, have been adjusted, as set forth in Exhibit 1, to recover, on a grossed-up basis, the Revenue Neutral Reconciliation rate of 1.5% and the Gross Receipts Tax rate of 4.4% (in aggregate 5.9%) that are currently recovered under the STAS.

B. Revenue Allocation And Rate Design

1. The revenue allocation to each rate schedule reflected in the Settlement Rates is set forth in Exhibit 3 to this Joint Petition. Rate design for each rate schedule comprising the Settlement Rates is explained in Exhibit 4 to this Joint Petition. The allocations and rates set forth in Exhibits 3 and 4 and incorporated in the Settlement Rates reflect the Joint Petitioners' agreement with regard to rate structure, rate design and distribution of the increase in revenues in this case.

C. Uncollectible Accounts Expense And Universal Service

1. Default service-related uncollectible accounts expense has been revised and \$1.031 million will be recovered, beginning on the date the Settlement Rates become effective, through the Company's Default Service Support Rider for the residential and commercial classes, and through the Hourly Pricing Default Service Rider for industrial class customers. The Distribution-related uncollectible account expense has been revised and \$0.579 million will be recovered through the Settlement Rates. The amounts of uncollectible accounts expense shall be those set forth in Penn Power Exhibits LWG-1 and LWG-2, copies of which are appended hereto as Exhibit 5.

2. In the event that the average annual Customer Assistance Plan ("CAP") participation in the preceding reconciliation year exceeded 5,700 participants, actual costs recovered through Penn Power's USC Rider shall reflect CAP Credits and actual Pre-Program

Arrearage Forgiveness Credits for all customers up to the 5,700 participation level. The Company shall offset the average annual CAP Credits and Pre-Program Arrearage Forgiveness Credits by 14.3% per participant for the preceding reconciliation year for any and all CAP customers exceeding the 5,700 participation level.

D. Customer Service And Operations

1. Regarding call answering times, the Company agrees to achieve and maintain an annual call answer rate of at least 80% of calls answered within thirty seconds beginning with the twelve-month period ended December 31, 2016.

2. Regarding the number of residential disputes that did not receive a response within thirty days, the Company agrees to reduce this number to no more than sixty beginning with the twelve-month period ended December 31, 2016.

3. The Company agrees to take necessary actions to: (i) consistently meet the twelve-month performance standards established by the Commission for SAIFI, SAIDI and CAIDI by the end of the first reporting quarter of 2016 (i.e., March 31, 2016); (ii) consistently meet the three-year performance standards established by the Commission for SAIFI, SAIDI, and CAIDI by the end of the calendar year 2017; and (iii) to strive towards the achievement of reliability performance that is at or better than the performance benchmarks established by the Commission.⁶

4. In each calendar year until the Company files its next base rate case filing where the performance standards are not met by the Company, the Company agrees to provide a

⁶ The Company is not precluded by this provision from seeking Commission revision of its established Standard and Benchmark metrics through normal Commission procedures.

report to the statutory advocates discussing the reasons for the performance failure and outlining corrective actions the Company will take to achieve the missed performance standard. The Company agrees to convene a collaborative to discuss the corrective actions and receive additional input if such a collaborative is requested by the statutory advocates.

5. The Company shall continue its policies and procedures to read meters at least every month.

6. The Company shall document the specific basis for failure to issue a bill based on an actual meter reading each month pursuant to Chapter 56 if such occurs. The documentation shall categorize the reasons for not reading the meters every month and provide total numbers of failed readings by category. The Company shall provide this documentation through an annual report to be submitted to the statutory advocates on or before March 31 of each year until the Company files its next base rate case.

7. The Company shall revise its website and customer education materials within ninety days of the Final Order in this proceeding to explicitly inform its customers, in plain language, of the Company's standard policy to issue bills based on actual meter readings every month. The Company's website shall also explain, in plain language, that customers may provide actual readings in months when the Company might otherwise provide an estimated monthly bill and the procedure for self-readings.

8. The Company shall provide its recently modified estimated billing algorithm to the statutory advocates and furnish Company personnel to answer questions about the operation of the algorithm. The Company shall also audit the accuracy and performance of

the new algorithm and provide a report of its accuracy, and any modifications if necessary, within ninety days of the conclusion of the first full year of utilizing the modified algorithm.

E. Smart Meters And Energy Efficiency

1. For purposes of measuring savings achieved from the Company's deployment of smart meters, a cost baseline will be set as of April 30, 2016 from which savings will be measured for the following categories: (1) meter reading; (2) meter services; (3) back-office; (4) contact center; (5) theft of service; (6) revenue enhancements; (7) distribution operations; and (8) load research. Savings in an additional category, avoided capital costs, will be measured using March 31, 2014 as the baseline from which to calculate savings. The cost savings baselines shall be those set forth in Penn Power Exhibit LWG-3. A copy of Penn Power Exhibit LWG-3 is appended to the Joint Petition as Exhibit 6.

2. The Company will add the following reporting metrics to its Annual Progress Report under its Smart Meter Technology Procurement and Installation Plan filed at Docket No. M-2013-2341993:

- Home area network ("HAN") devices: Number of utility AMI meters with consumer devices registered to operate with the HAN chip.
- AMI meter installs: Number of smart meters installed, number of smart meters that have been installed and registered.
- Customer complaints: Number of formal and informal PUC complaints related to AMI meter deployment, broken down by type of complaint and resolution. AMI meter deployment includes installation, functioning or accuracy of the AMI meter, and HAN device registration.

- Reduction in greenhouse gas (“GHG”) emissions: reduction associated with reduced truck rolls associated with meter readings and increased efficiencies. This reporting will commence once the realization of this benefit has been determined and reflected in the smart meter operations baseline savings as of April 30, 2016.
- Voltage and VAR controls: Number and percentage of distribution lines using sensing from an AMI meter as part of utility’s voltage regulation scheme.

3. The Company agrees to host an informational meeting with representatives of EDF and any interested statutory parties in Akron, Ohio, with respect to the Company’s smart meter and smart grid deployment efforts, including discussion of customer data access, Volt/VAR best practices, and measuring GHG emission reductions.

F. General

1. Nothing contained herein is intended to limit the authority of the Commission, the Bureau of Consumer Services, the Bureau of Safety and Compliance, or other Bureaus of the Commission from performing their duties.

2. Nothing in these terms waives or alters any party’s right to seek an audit or investigation of any of the Company’s reliability, customer service, or estimated billing issues with the Commission, as well as evaluate the impact of the reforms recently adopted by the Company and as described by Mr. Strah in his rebuttal testimony (Penn Power Statement No. 11-R).

3. The Company agrees that should it fail to consistently meet the requirements set forth in this settlement regarding reliability, customer service, or estimated meter reading, it shall not make a request for any return on equity premium award based on reliability or customer service performance in its next base rate proceeding.

4. The terms provided for in this Settlement do not encompass all of the changes made to Chapter 14 of the Pennsylvania Public Utility Code, 66 Pa.C.S. § 1401 et seq., by Act 155 of 2014, as the Commission had not provided guidance on how to incorporate Act 155 of 2014 into tariffs at the time this Settlement was negotiated. Nothing contained herein shall preclude the Company from proposing further tariff changes at a later date based on Commission directives or guidance relating to implementing the provisions of Act 155 of 2014, or as otherwise necessary to implement the changes contained in Act 155 of 2014.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST

12. Penn Power, OCA, I&E, OSBA, PPUG, Walmart and EDF have attached hereto as Statements A-G, Statements in Support setting forth the bases upon which they believe that the Settlement, including the Settlement Rates, is fair, just, reasonable, non-discriminatory, lawful and in the public interest. Additionally, letters of non-opposition and support from PSU and CAUSE-PA are appended hereto.

13. The Joint Petitioners submit that the Settlement is in the public interest for the following additional reasons:

- The Settlement provides for an increase in annual base rate distribution revenues of \$17 million, or approximately 5.2% (based on total electric operating revenue), in lieu of the \$29.557 million, or 9.0% (based on total

electric operating revenue), increase in annual base rate distribution revenues originally requested.

- The Settlement amicably and expeditiously resolves a number of important and potentially contentious issues. The administrative burden and costs to litigate these matters to conclusion would be significant.
- The Settlement Rates will allocate the agreed upon revenue requirement to each customer class in a manner that is reasonable in light of the rate structure/cost of service positions of all Joint Petitioners.
- The Joint Petitioners arrived at the Settlement terms after conducting extensive discovery, submitting testimony and engaging in in-depth discussions. The Settlement terms and conditions constitute a carefully crafted package representing reasonable negotiated compromises on the issues addressed herein. Thus, the Settlement is consistent with the Commission's rules and practices encouraging negotiated settlements (*see* 52 Pa. Code §§ 5.231, 69.391, 69.401), and is supported by a substantial record.

IV. ADDITIONAL TERMS AND CONDITIONS

14. The Commission's approval of the Settlement shall not be construed as approval of any Joint Petitioner's position on any issue, except to the extent required to effectuate the terms and agreements of the Settlement. Accordingly, this Settlement may not be cited as precedent in any future proceeding, except to the extent required to implement this Settlement.

15. It is understood and agreed among the Joint Petitioners that the Settlement is the result of compromise and does not necessarily represent the position(s) that would be advanced by any Joint Petitioner in this or any other proceeding, if it were fully litigated.

16. This Settlement is being presented only in the context of this proceeding in an effort to partially resolve the issues presented in this proceeding in a manner that is fair and reasonable. The Settlement is the product of compromise. This Settlement is presented without prejudice to any position which any of the Joint Petitioners may have advanced and without prejudice to the position any of the Joint Petitioners may advance on the merits of the issues in future proceedings, except to the extent necessary to effectuate the terms and conditions of this Settlement.

17. This Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. In reaching this Settlement, the Joint Petitioners thoroughly considered all issues, including those related to the Company's reliability and operations, raised in the testimony and evidence presented by the parties to this proceeding and during public input hearings. As a result of that consideration, the Joint Petitioners believe that the settlement agreement meaningfully addresses all such issues raised and therefore should be approved without modification. If the Commission should disapprove the Settlement or modify any terms and conditions herein, this Settlement may be withdrawn upon written notice to the Commission and all active parties within five business days following entry of the Commission's Order by any of the Joint Petitioners and, in such event, shall be of no force and effect. In the event that the Commission disapproves the Settlement or the Company or any other Joint Petitioner elects to withdraw the Settlement as provided above, the Joint Petitioners reserve their respective rights to fully litigate this case, including, but not limited to, presentation of witnesses, cross-examination and legal argument through submission of Briefs, Exceptions and Replies to Exceptions.

18. All Joint Petitioners shall support the Settlement and make reasonable and good faith efforts to obtain approval of the Settlement by the ALJs and the Commission without modification. If the ALJs, in their Recommended Decision, recommend that the Commission adopt the Settlement as herein proposed without modification, the Joint Petitioners agree to waive the filing of Exceptions with respect to any issues resolved by the Settlement. However, to the extent any terms and conditions of the Settlement are modified, or additional matters are proposed by the ALJs in their Recommended Decision, the Joint Petitioners do not waive their rights to file Exceptions in support of the Settlement. The Joint Petitioners also reserve the right to file Replies to any Exceptions that may be filed. The Joint Petitioners further reserve the right to file Exceptions to the compliance filing in the event that any of the exhibits therein are inconsistent with the Joint Petition and the exhibits attached thereto.

19. This Joint Petition may be executed in one or more counterparts, each of which is an original and all of which together constitute one and the same instrument.

WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request as follows:

1. That Administrative Law Judges Buckley and Dunderdale and the Commission approve the Settlement embodied in this Joint Petition, including all terms and conditions thereof, without modification; and

2. That the Commission find the Settlement Rates to be just and reasonable and grant the Company permission to file the tariff attached hereto as Exhibit 1 to become effective

no later than May 19, 2015 for service rendered on and after May 3, 2015, which is designed to produce an increase in annual base rate distribution revenues of \$17 million.

Respectfully submitted,

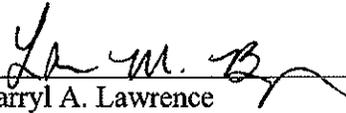


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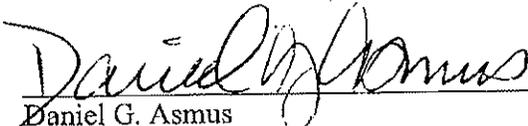
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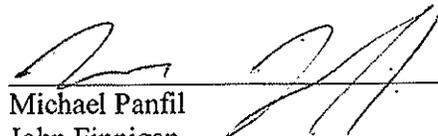
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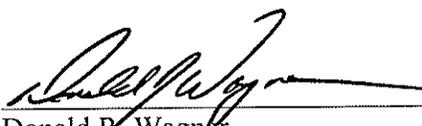
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Pennsylvania Power Company
Summary of Distribution of Revenues
Tariff Pa. PUC No.35 as Compared to Tariff Pa. PUC No. 36

Line No.	Rate Group (1)	End of Period Customers (2)	Normalized Sales (MWH) (3)	Normalized Demand (KW) (4)	Present Rates					Base Rev Percent Increase (10)	Base Revenue Increase (11)	Proposed Rates					Net Overall Increase (17)
					Normalized Base Revenues (5)	Smart Meter and STAS Charges (6)	Subtotal Base Dist. Rev. plus Rider Changes (7)	Other Rider Charges (8)	Total Present Rates (9)			Base Revenues After Increase (12)	Smart Meter and STAS Charges (13)	Subtotal Base Dist. Rev. plus Rider Changes (14)	Specific Other Rider Charges (15)	Total Revenue After Increase (16)	
1	RS	123,995	1,331,626	0	\$ 42,751,439	\$ 6,255,823	\$ 49,007,262	\$ 85,890,463	\$ 134,897,725	18.93%	\$ 9,278,881	\$ 58,286,143	\$ -	\$ 58,286,143	\$ 86,736,321	\$ 145,022,464	7.51%
2	RH	12,445	312,141	0	\$ 6,201,648	\$ 784,301	\$ 6,985,949	\$ 20,683,079	\$ 27,669,028	63.27%	\$ 4,420,009	\$ 11,405,958	\$ -	\$ 11,405,958	\$ 20,683,079	\$ 32,089,037	15.97%
3	WH	5,071	12,684	0	\$ 420,046	\$ 347,862	\$ 767,908	\$ 850,334	\$ 1,618,242	-100.00%	\$ (767,908)	\$ -	\$ -	\$ -	\$ -	\$ -	-100.00%
4	GSR	71	1,725	0	\$ 45,766	\$ 3,729	\$ 49,495	\$ 117,016	\$ 166,511	27.91%	\$ 13,813	\$ 63,308	\$ -	\$ 63,308	\$ 117,016	\$ 180,324	8.30%
	TOT RES	141,582	1,658,176	0	\$ 49,418,899	\$ 7,391,715	\$ 56,810,614	\$ 107,540,892	\$ 164,351,506	22.79%	\$ 12,944,795	\$ 69,755,409	\$ -	\$ 69,755,409	\$ 107,536,416	\$ 177,291,825	7.87%
5																	
6	GS	17,987	428,450	1,248,997	\$ 8,724,111	\$ 649,555	\$ 9,373,666	\$ 26,308,607	\$ 35,682,273	-6.89%	\$ (646,250)	\$ 8,727,416	\$ -	\$ 8,727,416	\$ 26,313,083	\$ 35,040,499	-1.80%
7	GM	1,367	862,739	2,765,982	\$ 7,752,935	\$ 384,118	\$ 8,137,053	\$ 52,975,714	\$ 61,112,767	45.62%	\$ 3,711,754	\$ 11,848,807	\$ -	\$ 11,848,807	\$ 52,975,714	\$ 64,824,521	6.07%
	GL																
8	OH	321	27,418	0	\$ 397,743	\$ 22,562	\$ 420,305	\$ 1,699,065	\$ 2,119,370	-57.96%	\$ (243,613)	\$ 176,692	\$ -	\$ 176,692	\$ 1,699,065	\$ 1,875,757	-11.49%
9	OL	832	2,913	0	\$ 273,859	\$ -	\$ 273,859	\$ 178,753	\$ 452,612	32.13%	\$ 88,000	\$ 361,859	\$ -	\$ 361,859	\$ 178,753	\$ 540,612	19.44%
10	PNP	95	2,378	0	\$ 63,950	\$ 5,067	\$ 69,017	\$ 158,038	\$ 227,055	21.72%	\$ 14,991	\$ 84,008	\$ -	\$ 84,008	\$ 158,038	\$ 242,046	6.60%
	TOT COM	20,602	1,323,898	4,014,979	\$ 17,212,598	\$ 1,061,302	\$ 18,273,900	\$ 81,320,177	\$ 99,594,077	16.01%	\$ 2,924,882	\$ 21,198,782	\$ -	\$ 21,198,782	\$ 81,324,653	\$ 102,523,435	2.94%
11																	
12	GP	106	370,492	957,733	\$ 1,599,415	\$ 5,536	\$ 1,604,951	\$ 13,738,909	\$ 15,343,860	45.42%	\$ 728,999	\$ 2,333,950	\$ -	\$ 2,333,950	\$ 13,738,909	\$ 16,072,859	4.75%
13	GT	40	1,383,006	3,671,012	\$ 1,287,141	\$ 2,084	\$ 1,289,225	\$ 44,820,713	\$ 46,109,938	15.51%	\$ 199,997	\$ 1,489,222	\$ -	\$ 1,489,222	\$ 44,820,713	\$ 46,309,935	0.43%
14	QF	2	0	0	\$ (3,588)	\$ -	\$ (3,588)	\$ -	\$ (3,588)	0.00%	\$ -	\$ (3,588)	\$ -	\$ (3,588)	\$ -	\$ (3,588)	0.00%
15	TOT IND	148	1,753,498	4,628,745	\$ 2,882,968	\$ 7,620	\$ 2,890,588	\$ 58,559,622	\$ 61,450,210	32.14%	\$ 928,996	\$ 3,819,584	\$ -	\$ 3,819,584	\$ 58,559,622	\$ 62,379,206	1.51%
16	STLT	86	6,189	0	\$ 1,073,448	\$ -	\$ 1,073,448	\$ 377,755	\$ 1,451,203	18.63%	\$ 199,999	\$ 1,273,447	\$ -	\$ 1,273,447	\$ 377,755	\$ 1,651,202	13.78%
17	TOTAL PA	162,418	4,741,761	8,643,724	\$ 70,587,913	\$ 8,460,637	\$ 79,048,550	\$ 247,798,446	\$ 326,846,996	21.50%	\$ 16,998,672	\$ 96,047,222	\$ -	\$ 96,047,222	\$ 247,798,446	\$ 343,845,668	5.20%
18	REDUCTION IN DSS & HPS DEFAULT SERVICE RIDER TO REFLECT LOWER UNCOLLECTIBLE CHARGE								0		0	0		0	\$ (1,074,000)	\$ (1,074,000)	
19	TOTAL								\$ 326,846,996		\$ 16,998,672	\$ 96,047,222	\$ -	\$ 96,047,222	\$ 246,724,446	\$ 342,771,668	4.87%

Rate Schedule	Current Distribution Revenue	Current Smart Meter Revenue	Proposed Distribution Revenue	Distribution Revenue Increase	Settlement Increase
RS	\$ 49,375,711	\$ 7,385,408	\$ 69,692,101	\$ 12,930,982	\$ 12,941,000
GSR	\$ 45,766	\$ 3,729	\$ 63,308	\$ 13,813	\$ 4,000
TOT RES				\$ 12,944,795	\$ 12,945,000
GS	\$ 2,818,175	\$ 652,133	\$ 4,593,418	\$ 1,123,110	\$ 1,124,000
GM	\$ 11,472,642	\$ 400,404	\$ 13,014,831	\$ 1,141,785	\$ 1,142,000
GL	\$ 2,581,394	\$ 6,276	\$ 3,144,666	\$ 556,996	\$ 557,000
PNP	\$ 63,950	\$ 5,067	\$ 84,008	\$ 14,991	\$ 15,000
TOT COM	\$ 16,936,161	\$ 1,063,880	\$ 20,836,923	\$ 2,836,882	\$ 2,838,000
GP				\$ 728,999	\$ 729,000
GT				\$ 199,997	\$ 200,000
QF				\$ -	\$ -
TOT IND				\$ 928,996	\$ 929,000
OL				\$ 88,000	\$ 88,000
STLT				\$ 199,999	\$ 200,000
TOTAL PA				\$ 16,998,672	\$ 17,000,000

* Residential includes all WH dollars

Rate Schedule	Distribution Revenue	Settlement Allocation
RS	\$ 69,692,101	\$ 69,702,119
GSR	\$ 63,308	\$ 53,495
TOT RES	\$ 69,755,409	\$ 69,755,614
GS	\$ 4,593,418	\$ 4,594,308
GM	\$ 13,014,831	\$ 13,015,046
GL	\$ 3,144,666	\$ 3,144,670
PNP	\$ 84,008	\$ 84,017
TOT COM	\$ 20,836,923	\$ 20,838,041
GP	\$ 2,333,950	\$ 2,333,951
GT	\$ 1,489,222	\$ 1,489,225
QF	\$ (3,588)	\$ (3,588)
TOT IND	\$ 3,819,584	\$ 3,819,588
OL	\$ 361,859	\$ 361,859
STLT	\$ 1,273,447	\$ 1,273,448
TOTAL PA	\$ 96,047,222	\$ 96,048,550

Penn Power

Rate Schedule	Revised Rev. Allocation	Net Increase
RS	69,702,119	12,941,000
RH		
GS-R	53,495	4,000
GS Small	4,594,308	1,124,000
GS Medium	12,519,741	1,067,000
GS Large	3,144,670	557,000
PNP	84,017	15,000
OH	495,305	75,000
GP	2,333,951	729,000
GT	1,489,225	200,000
QF	(3,588)	-
OL	361,859	88,000
SL	1,273,448	200,000
Total	96,048,550	17,000,000

**Pennsylvania Power Company
Rate RS - Residential Service & WH - Residential Controlled Water Heating Service
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36			
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)	
<u>DISTRIBUTION CHARGES</u>							
<u>CUSTOMER CHARGE</u>							
1	RS Customer Charge	\$8.89	1,434,246	\$12,750,447			
2	OCS - Controlled Water Heating	\$9.91	26,682	\$264,419			
3	OCS - Controlled Add-On Electric Heat Pump or Centralized Resistance Heating	\$9.91	27,012	\$267,689			
4	WH	\$2.29	60,401	\$138,313			
5	Proposed RS		1,548,341	\$13,420,868	\$ 10.85	1,487,940	\$16,144,149
6	<u>DEMAND CHARGES</u>			\$2.00	-	\$0	
<u>ENERGY CHARGES</u>							
7	RS kWh	\$0.02213	1,331,626,054	\$29,468,884			
8	WH kWh	\$0.02213	12,616,191	\$279,186			
9	Proposed RS		1,344,242,245	\$29,748,070	\$0.03135	1,344,242,245	\$42,141,994
10	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - RS			\$42,751,439			
11	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - WH			\$417,499			
12	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES			\$43,168,938		\$58,286,143	
11	RS - Smart Meter Technologies Charge (Per Bill)	\$4.20	1,487,940	\$6,255,823	\$0	1,487,940	\$0
12	WH - RES Smart Meter Technologies Charge (Per Bill)	\$5.72	60,401	\$345,284			
13	RS - STAS - Distribution and rider changes	0.00%		\$0	0%		\$0
14	WH - RES STAS - Distribution and rider changes	0.00%		\$0			
15	TOTAL DISTRIBUTION INCLUDING RIDER CHARGES			\$49,770,045		\$58,286,143	
<u>RIDER CHARGES</u>							
16	RS - Consumer Education	\$0.00009	1,331,626,054	\$0	\$0.00009	1,344,242,245	\$0
17	WH - Res Consumer Education	\$0.00009	12,616,191	\$0			
18	RS - Energy Efficiency and Conservation Charge	\$0.00016	1,331,626,054	\$0	\$0.00016	1,344,242,245	\$0
19	WH - Res Energy Efficiency and Conservation Charge	\$0.00016	12,616,191	\$0			
20	RS - Default Service Support Charge	\$0.00139	1,331,626,054	\$1,798,998	\$0.00139	1,344,242,245	\$1,822,221
21	WH - Res Default Service Support Charge	\$0.00139	12,616,191	\$23,223			
22	RS - Universal Service Charge	\$0.00276	1,331,626,054	\$3,561,862	\$0.00276	1,344,242,245	\$3,607,841
23	WH - Res Universal Service Charge	\$0.00276	12,616,191	\$45,979			
24	RS - Solar Photovoltaic Requirements Charge	\$0.00018	1,331,626,054	\$232,295	\$0.00018	1,344,242,245	\$235,294
25	WH - Res Solar Photovoltaic Requirements Charge	\$0.00018	12,616,191	\$2,999			
26	RS - Phase II Energy Efficiency and Conservation Charge	\$0.00291	1,331,626,054	\$3,755,442	\$0.00291	1,344,242,245	\$3,803,920
27	WH - RES Phase II Energy Efficiency and Conservation Charge	\$0.00291	12,616,191	\$48,478			
28	RS - PTC*	\$0.05748	1,331,626,054	\$76,541,866	\$0.05748	1,344,242,245	\$77,267,045
29	WH - RES PTC*	\$0.05748	12,616,191	\$725,179			
30	RS - STAS - Rider charges	0.74%		\$0	0%		\$0
31	WH - RES STAS - Rider charges	0.74%		\$0			
32	Total RS Energy and Revenue		1,331,626,054	\$134,897,725		1,344,242,245	\$145,022,464
33	Total WH - Res Energy and Revenue		12,616,191	\$1,608,641			
34	Total Energy and Revenue			\$136,506,366			\$145,022,464
35	RS Avg Rate per kWh			\$0.10130			\$0.10788
36	WH - Res Avg Rate per kWh			\$0.12751			
37	Proposed Increase RS					\$	10,124,739
	Proposed Increase WH					\$	(1,608,641)
38	Percent Increase						7.51%

**Pennsylvania Power Company
Rate RH - Residential Service
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36		
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)
<u>DISTRIBUTION CHARGES</u>						
<u>CUSTOMER CHARGES</u>						
1	RH Customer Charge	\$8.86	49,593			\$439,394
2	RH Water Heating Option Customer Charge	\$9.89	99,747			\$986,498
3	RS Proposal (to RS)		149,340	\$10.85	149,340	\$1,620,339
4	<u>DEMAND CHARGES</u>					
<u>ENERGY CHARGES</u>						
5	RH kWh	\$0	86,129,244	\$0	86,129,244	\$0
6	RH Water Heating Option kWh	\$0	226,011,720	\$0	226,011,720	\$0
7	All kWh	\$0.01530	312,140,964			\$4,775,756
8	RS Proposal (to RS)			\$0.03135	312,140,964	\$9,785,619
9	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>					\$11,405,958
10	Smart Meter Technologies Charge (Per Bill)	\$5.25	149,340	\$0	149,340	\$0
11	STAS - Distribution and rider changes	0.00%		0%		\$0
12	<u>TOTAL DISTRIBUTION INCLUDING RIDER CHANGES</u>					\$11,405,958
<u>RIDER CHARGES</u>						
13	Consumer Education	\$0.00009	312,140,964	\$0.00009	312,140,964	\$0
14	Energy Efficiency and Conservation Charge	\$0.00016	312,140,964	\$0.00016	312,140,964	\$0
15	Default Service Support Charge	\$0.00139	312,140,964	\$0.00139	312,140,964	\$527,506
16	Universal Service Charge	\$0.00276	312,140,964	\$0.00276	312,140,964	\$1,044,417
17	Solar Photovoltaic Requirements Charge	\$0.00018	312,140,964	\$0.00018	312,140,964	\$68,114
18	Phase II Energy Efficiency and Conservation Charge	\$0.00291	312,140,964	\$0.00291	312,140,964	\$1,101,179
19	PTC*	\$0.05748	312,140,964	\$0.05748	312,140,964	\$17,941,863
20	STAS - Rider charges	0.00%		0%		\$0
21	Total Energy and Revenue		312,140,964		312,140,964	\$32,089,037
22	Avg rate per kWh		\$0.08864			\$0.10280
23	Proposed Increase					\$4,420,009
24	Percent Increase					15.97%

Pennsylvania Power Company
Rate GS - Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads and Non-Profit Ambulance Service
Revenue Effects of Proposed Rates - FTY 4/30/16

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36			
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)	
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGES</u>						
1	Customer Charge	\$8.89	852	\$7,579	\$ 10.85	852	\$9,244
2	<u>DEMAND CHARGES</u>						
	<u>ENERGY CHARGES</u>						
3	All kWh	\$0.02213	1,724,538	\$38,187	\$0.03135	1,724,538	\$54,064
4	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$45,766			\$63,308
5	Smart Meter Technologies Charge (Per Bill)	\$4.38	852	\$3,729	\$0	852	\$0
6	STAS - Distribution and rider changes	0.00%		\$0	0%		\$0
7	<u>TOTAL DISTRIBUTION INCLUDING RIDER CHANGES</u>			\$49,495			\$63,308
	<u>RIDER CHARGES</u>						
8	Consumer Education	\$0.00009	1,724,538	\$0	\$0.00009	1,724,538	\$0
9	Energy Efficiency and Conservation Charge	(\$0.00029)	1,724,538	\$0	(\$0.00029)	1,724,538	\$0
10	Default Service Support Charge	\$0.00139	1,724,538	\$2,345	\$0.00139	1,724,538	\$2,345
11	Universal Service Charge	\$0.00276	1,724,538	\$4,643	\$0.00276	1,724,538	\$4,643
12	Solar Photovoltaic Requirements Charge	\$0.00018	1,724,538	\$303	\$0.00018	1,724,538	\$303
13	Phase II Energy Efficiency and Conservation Charge	\$0.00630	1,724,538	\$10,599	\$0.00630	1,724,538	\$10,599
14	PTC*	\$0.05748	1,724,538	\$99,126	\$0.05748	1,724,538	\$99,126
15	STAS - Rider charges	0.00%		\$0	0%		\$0
16	Total Energy and Revenue		1,724,538	\$166,511		1,724,538	\$180,324
17	Avg rate per kWh			\$0.09655			\$0.10456
18	Proposed Increase						\$13,813
19	Percent Increase						8.30%

* Total wires kWh used for illustrative purposes

**Pennsylvania Power Company
Rate GS-Small and GS-Medium - General Service
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36			
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)	
DISTRIBUTION CHARGES							
CUSTOMER CHARGES							
1	GS-Small Customer Charge <=1,500 kWh/month (to GS-Small)	\$14.44	142,706	\$2,060,674	\$19.24	142,706	\$2,745,663
2	GS-Small Optional Controlled Service Customer Charge <=1,500 kWh/month (to GS-Small)	\$7.87	4,571	\$35,974	\$0	0	\$0
3	GS-Small Customer Charge >1,500 kWh/month (to GS-Medium)	\$14.44	66,445	\$959,466	\$19.11	66,445	\$1,269,764
4	GS-Small Optional Controlled Service Customer Charge >1,500 kWh/month (to GS-Medium)	\$7.87	2,122	\$16,700	\$0	0	\$0
5	WH-Non Residential (to GS-Small)	\$2.29	451	\$1,035	\$0	0	\$0
			216,295	\$3,073,849		209,151	\$4,015,427
6	GS-Medium Customer Charge <400 kW (to GS-Medium)	\$0.00	16,671	\$0	\$19.11	17,103	\$326,838
7	GS-Medium Optional Controlled Service Customer Charge <400 kW (to GS-Medium)	\$7.87	432	\$3,400	\$0.00	0	\$0
8	GS-Medium Customer Charge >=400 kW (to GS-Large)	\$0.00	1,386	\$0	\$74.49	1,423	\$105,999
9	GS-Medium Optional Controlled Service Customer Charge >=400 kW (to GS-Large)	\$7.87	37	\$291	\$0.00	0	\$0
			18,526	\$3,691		18,526	\$432,837
10	PNP Customer Charge	\$8.89	1,140	\$10,136	\$13.33	1,140	\$15,196
DEMAND CHARGES							
11	GS-Small kW Over 3 kW <= 1,500 kWh/month (to GS-Small)	\$4.357	155,778	\$678,725	\$0.000	155,977	\$0
12	GS-Small kW Over 3 kW > 1,500 kWh/month (to GS-Medium)	\$4.357	1,093,219	\$4,763,154	\$ 2.62	1,093,219	\$2,864,234
13	WH-Non Residential Over 3 kW	\$0	199	\$0	\$0.000	0	\$0
			1,249,196	\$5,441,879		1,249,196	\$2,864,234
14	GS-Small All kW <=1,500 kWh/month (to GS-Small)	\$0	385,231	\$0	\$0	409,135	\$0
15	GS-Small Optional Controlled Service kW <=1,500 kWh/month (to GS-Small)	\$0	23,621	\$0	\$0	0	\$0
16	GS-Small All kW > 1,500 kWh/month (to GS-Medium)	\$0	1,292,554	\$0	\$ 2.62	1,371,807	\$3,594,134
17	GS-Small Optional Controlled Service kW > 1,500 kWh/month (to GS-Medium)	\$0	79,253	\$0	\$0	0	\$0
18	WH-Non Residential All kW (to GS-Small)	\$0	283	\$0	\$0	0	\$0
			1,780,942	\$0		1,780,942	\$3,594,134
19	GS-Medium kVA <400 kW (to GS-Medium)	\$2.770	1,845,401	\$5,111,480	\$0.000	1,845,401	\$0
20	GS-Medium kVA >=400 kW (to GS-Large)	\$2.770	920,581	\$2,549,869	\$0.000	920,581	\$0
			2,765,982	\$7,661,349		2,765,982	\$0
21	GS-Medium kW <400 kW (to GS-Medium)	\$0	1,770,687	\$0	\$ 2.62	1,791,991	\$4,695,016
22	GS-Medium Optional Controlled Service kW <400 kW (to GS-Medium)	\$0	21,304	\$0	\$0	0	\$0
23	GS-Medium kW >=400 kW (to GS-Large)	\$0	883,310	\$0	\$ 3.35	893,938	\$2,994,692
24	GS-Medium Optional Controlled Service kW >=400 kW (to GS-Large)	\$0	10,628	\$0	\$0	0	\$0
			2,685,929	\$0		2,685,929	\$7,689,708
25	GS-Medium kVA <400 kW (to GS-Medium)	\$0	435,523	\$0	\$0.20	440,763	\$88,153
26	GS-Medium Optional Controlled Service kVA <400 kW (to GS-Medium)	\$0	5,240	\$0	\$0.00	0	\$0
27	GS-Medium kVA >=400 kW (to GS-Large)	\$0	217,261	\$0	\$0.20	219,875	\$43,975
28	GS-Medium Optional Controlled Service kVA >=400 kW (to GS-Large)	\$0	2,614	\$0	\$0	0	\$0
			660,638	\$0		660,638	\$132,128
29	PNP kW	\$0	27,813	\$0	\$0	27,813	\$0
ENERGY CHARGES							
30	GS-Small OCS kWh <= 1,500 kWh/month (to GS-Small)	\$0.01340	3,499,436	\$46,892	\$0	0	\$0
31	GS-Small kWh <= 1,500 kWh/month (to GS-Small)	\$0	92,369,821	\$0	\$0.01926	95,937,455	\$1,847,755
32	GS-Small OCS kWh > 1,500 kWh/month (to GS-Medium)	\$0.01340	12,128,816	\$162,526	\$0	0	\$0
33	GS-Small kWh > 1,500 kWh/month (to GS-Medium)	\$0	320,452,310	\$0	\$0	332,581,126	\$0
34	WH-Non Residential (to GS-Small)	\$0.02213	68,198	\$1,512	\$0	0	\$0
			428,518,581	\$210,930		428,518,581	\$1,847,755
35	GS-Medium OCS kWh <400 kW (to GS-Medium)	\$0.00857	6,611,966	\$56,661	\$0	0	\$0
36	GS-Medium kWh < 400 kW (to GS-Medium)	\$0	549,551,222	\$0	\$0	556,163,188	\$0
37	GS-Medium OCS kWh >=400 kW (to GS-Large)	\$0.00857	3,644,739	\$31,234	\$0	0	\$0
38	GS-Medium kWh >= 400 kW (to GS-Large)	\$0	302,931,225	\$0	\$0	306,575,964	\$0
			862,739,152	\$87,895		862,739,152	\$0
39	PNP kWh	\$0.02263	2,377,755	\$53,814	\$0.02894	2,377,755	\$68,812
40	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - GS SM AND MED			\$16,477,046			\$20,576,223
41	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - WH			\$2,547			\$0
42	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - PNP			\$63,950			\$84,008
43	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES			\$16,543,543			\$20,660,231

**Pennsylvania Power Company
Rate GS-Small and GS-Medium - General Service
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36		
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)
44	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - PROPOSED GS SM					\$4,593,418
45	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - PROPOSED GS MED					\$12,838,139
46	17,582,283.00		\$11,074,899			\$3,144,666
47	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - PROPOSED GS LG					\$84,008
47			\$63,950			\$84,008
47	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - PN					
48	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES - PROPOSED					\$20,660,231
48			\$16,543,543			\$20,660,231
49		147,277	\$649,555		147,277	\$0
50		85,670	\$377,842		85,670	\$0
51		1,423	\$6,276			\$0
52	\$4.41	234,370	\$1,033,673	\$0	227,677	\$0
53	\$5.72	451	\$2,578	\$0	-	\$0
54	\$4.44	1,140	\$5,067	\$0	1,140	\$0
54		235,961	\$1,041,318		228,817	\$0
55		\$1,038,740.00	\$0			\$0
56			\$0			\$0
57			\$0			\$0
58	0.00%		\$0	0%		\$0
59	0.00%		\$0	0%		\$0
60	0.00%		\$0	0%		\$0
61	TOTAL DISTRIBUTION INCLUDING RIDER CHANGES					\$20,660,231
61			\$17,584,861			\$20,660,231
RIDER CHARGES						
62	\$0.00002	1,291,189,535	\$0	\$0.00002	1,291,257,733	\$0
63	\$0.00002	68,198	\$0			\$0
64	\$0.00002	2,377,755	\$0	\$0.00002	2,377,755	\$0
65	(\$0.00001)	1,291,189,535	\$0	(\$0.00001)	1,291,257,733	\$0
66	(\$0.00001)	68,198	\$0			\$0
		746,456	\$0		746,456	\$0
67	(\$0.00029)	2,377,755	\$0	(\$0.00029)	2,377,755	\$0
68	\$0.00028	95,869,257	\$26,308	\$0.00028	95,937,455	\$26,434
69	\$0.00033	68,198	\$126			\$0
70	\$0.00033	888,744,314	\$272,004	\$0.00033	888,744,314	\$272,004
71		760,591	\$96,862		760,591	\$96,862
72	\$0.00033	2,377,755	\$767	\$0.00033	2,377,755	\$767
73	\$0	0	\$0	\$0	0	\$0
74	\$0.00018	1,291,189,535	\$230,428	\$0.00018	1,291,257,733	\$230,444
75	\$0.00018	68,198	\$16			\$0
76	\$0.00018	2,377,755	\$425	\$0.00018	2,377,755	\$425
77	\$0.00122	1,291,189,535	\$1,561,792	\$0.00122	1,291,257,733	\$1,562,054
78	\$0.00122	68,198	\$262			\$0
79		746,456	\$0		746,456	\$0
80	\$0.00630	2,377,755	\$14,870	\$0.00630	2,377,755	\$14,870
81	\$0.05971	1,291,189,535	\$77,096,927	\$0.05971	1,291,257,733	\$77,100,999
82	\$0.05971	68,198	\$4,072			\$0
83	\$0.05971	2,377,755	\$141,976	\$0.05971	2,377,755	\$141,976
84	0.00%		\$0	0%		\$0
85	0.00%		\$0	0%		\$0
86	0.00%		\$0	0%		\$0

**Pennsylvania Power Company
Rate GS-Small and GS-Medium - General Service
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36		
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)
87	GS- Small, Medium, and Large Total Energy and Revenue -GS Small		\$35,682,273			\$38,630,157
88	GS- Small, Medium, and Large Total Energy and Revenue - GS Medium		\$61,112,767			\$61,234,863
89	GS- Small, Medium, and Large Total Energy and Revenue	1,291,189,535	\$96,795,040	1,291,257,733		\$99,865,020
90	WH-Non Res Total Energy and Revenue	68,198	\$9,601	-		\$0
91	PNP Total Energy and Revenue	2,377,755	\$227,055	2,377,755		\$242,046
92	GS-Small & Medium Avg rate per kWh		\$0.07497			\$0.07734
93	WH-Non Res Avg Rate per kWh		\$0.14078			
94	PNP Avg Rate per kWh		\$0.09549			\$0.10180
95	GS - Small & Medium Proposed Increase - GS Small					2,947,884
96	GS - Small & Medium Proposed Increase - GS Medium					122,096
97	GS - Small & Medium Proposed Increase					\$3,069,980
98	PNP Proposed Increase					\$14,991
99	GS-Small & Medium Percent Increase - GS Small					8.26%
100	GS-Small & Medium Percent Increase - GS Medium					0.20%
101	GS-Small & Medium Percent Increase					3.18%
102	PNP Increase					6.60%
	GS - Small & Medium Proposed Increase - GS Small		\$9,359,620			\$10,480,183
	GS - Small & Medium Proposed Increase - GS Medium		\$66,025,279			\$67,410,677
	GS - Small & Medium Proposed Increase - GS Large		\$21,412,689			\$21,969,685
			\$96,797,587			\$99,860,544
1	GS - Small & Medium Proposed Increase - GS Small					1,120,563
2	GS - Small & Medium Proposed Increase - GS Medium					1,385,398
3	GS - Small & Medium Proposed Increase -GS Large					556,996
						3,062,957
1	GS-Small & Medium Percent Increase - GS Small					11.97%
2	GS-Small & Medium Percent Increase - GS Medium					2.10%
3	GS-Small & Medium Percent Increase					2.60%

**Pennsylvania Power Company
Rate Schedule OH - Commercial and Industrial Optional Heating
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36		
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)
<u>DISTRIBUTION CHARGES</u>						
<u>CUSTOMER CHARGES</u>						
1	\$7.87	978	\$7,697	\$ 19.11	978	\$18,690
2	\$7.87	2,874	\$22,620	\$ 19.11	2,874	\$54,922
		3,852	\$30,317			
3				\$ 19.11	3,852	\$73,612
<u>DEMAND CHARGES</u>						
4	\$0.00	25,667	\$0			
5	\$0.00	16,093	\$0			
6	\$0.00	12,074	\$0			
7	\$0.00	4,902	\$0			
8				\$0		\$0
9				\$ 2.62	37,741	\$98,881
10				\$ 0.20	20,995	\$4,199
11				\$0.000	43,188	\$0
<u>ENERGY CHARGES</u>						
12	\$0.0134	21,016,594	\$281,640	\$0	21,016,594	\$0
13	\$0.0134	6,401,512	\$85,786	\$0	6,401,512	\$0
14	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>					\$176,692
15	\$5.86	3,852	\$22,562	\$0	3,852	\$0
16	0.00%		\$0	0%		\$0
17	<u>TOTAL DISTRIBUTION INCLUDING RIDER CHANGES</u>					\$176,692
<u>RIDER CHARGES</u>						
18	\$0.00002	27,418,106	\$0	\$0.00002	27,418,106	\$0
19	(\$0.00001)	27,418,106	\$0	(\$0.00001)	27,418,106	\$0
20	\$0.00033	27,418,106	\$11,668	\$0.00033	27,418,106	\$11,668
21	\$0	0	\$0	\$0	0	\$0
22	\$0.00018	27,418,106	\$6,462	\$0.00018	27,418,106	\$6,462
23	\$0.00122	27,418,106	\$43,800	\$0.00122	27,418,106	\$43,800
24	\$0.05971	27,418,106	\$1,637,135	\$0.05971	27,418,106	\$1,637,135
25	0.00%		\$0	0%		\$0
26		27,418,106	\$2,119,370		27,418,106	\$1,875,757
27			\$0.07730			\$0.06841
28						(\$243,613)
29						-13%

**Pennsylvania Power Company
Rate GP - General Service Primary
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36			
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)	
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGES</u>						
1	Customer Charge	\$0	1,272	\$0	\$ 90.73	1,272	\$115,409
	<u>DEMAND CHARGES</u>						
2	kW	\$0	814,533	\$0	\$ 2.60	814,533	\$2,117,786
3	All kVA	\$1.670	957,733	\$1,599,415	\$0.000	957,733	\$0
4	rkVA	\$0	503,774	\$0	\$ 0.20	503,774	\$100,755
	<u>ENERGY CHARGES</u>						
5	All kWh	\$0	370,492,350	\$0	\$0	370,492,350	\$0
6	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>						\$2,333,950
7	Smart Meter Technologies Charge (Per Bill)	\$4.35	1,272	\$5,536	\$0	1,272	\$0
8	STAS - Distribution and rider changes	0.00%		\$0	0%		\$0
9	<u>TOTAL DISTRIBUTION INCLUDING RIDER CHANGES</u>						\$2,333,950
	<u>RIDER CHARGES</u>						
10	Energy Efficiency and Conservation Charge (Per kW PLC)	(\$0.01)	680,151	\$0	(\$0.01)	680,151	\$0
11	Default Service Support Charge (Per kW NSPL)	\$0.096	693,031	\$66,244	\$0.10	693,031	\$66,244
12	Phase II Energy Efficiency and Conservation Charge (Per kW PLC)	\$0.28	680,151	\$190,442	\$0.28	680,151	\$190,442
13	Consumer Education	\$0	0	\$0	\$0	0	\$0
14	Universal Service Charge	\$0	0	\$0	\$0	0	\$0
15	Solar Photovoltaic Requirements Charge	\$0.00018	370,492,350	\$66,695	\$0.00018	370,492,350	\$66,695
16	Hourly Priced Generation*	\$0.03621	370,492,350	\$13,415,528	\$0.03621	370,492,350	\$13,415,528
17	STAS - Rider charges	0.29%		\$0	0%		\$0
18	Total Energy and Revenue		370,492,350	\$15,343,860		370,492,350	\$16,072,859
19	Avg rate per kWh			\$0.04141			\$0.04338
20	Proposed Increase						\$728,999
21	Percent Increase						4.75%

**Pennsylvania Power Company
Rate GT - General Service Transmission
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.	Tariff No. 35, Supplement No. 101			Tariff No. 36			
	Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)	
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGES</u>						
1	Customer Charge	\$0	480	\$0	\$ 258.42	480	\$124,042
	<u>DEMAND CHARGES</u>						
2	All kVA	\$0.364	3,671,012	\$1,336,247	\$0.000	3,671,012	\$0
3	rkVA	\$0	1,696,921	\$0	\$ 0.20	1,696,921	\$339,384
4	kW	\$0	3,255,271	\$0	\$ 0.39	3,255,271	\$1,269,556
5	Voltage Discount - 69 kV	-3%		(\$6,404)	0%		\$0
6	Voltage Discount - 138 kV	-5%		(\$42,702)	0%		\$0
6	kW (Transmission 115 kV Credit)			(0.13)	1,875,075		(\$243,760)
7	<u>ENERGY CHARGES</u>						
8	All kWh	\$0	1,383,005,573	\$0	\$0	1,383,005,573	\$0
9	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$1,287,141			\$1,489,222
10	Smart Meter Technologies Charge (Per Bill)	\$4.13	505	\$2,084	\$0	505	\$0
	STAS - Distribution and rider changes	0.00%		\$0			\$0
11	<u>TOTAL DISTRIBUTION INCLUDING RIDER CHANGES</u>			\$1,289,225			\$1,489,222
12	<u>RIDER CHARGES</u>						
13	Energy Efficiency and Conservation Charge (Per kW PLC)	(\$0.01)	1,362,545	\$0	(\$0.01)	1,362,545	\$0
14	Default Service Support (kW NSPL)	\$0.096	1,398,598	\$133,686	\$0.096	1,398,598	\$133,686
15	Phase II Energy Efficiency (Per kW PLC)	\$0.28	1,362,545	\$381,513	\$0.28	1,362,545	\$381,513
16	Consumer Education	\$0	0	\$0	\$0	0	\$0
17	Universal Service Charge	\$0	0	\$0	\$0	0	\$0
18	Solar Photovoltaic Requirements Charge	\$0.00018	1,108,061,623	\$248,984	\$0.00018	1,108,061,623	\$248,984
19	Hourly Priced Generation- Energy	\$0.03976	1,108,061,623	\$44,056,530	\$0.03976	1,108,061,623	\$44,056,530
20	STAS - Rider charges	0.29%		\$0			\$0
21	Total Energy and Revenue		1,108,061,623	\$46,109,938		1,108,061,623	\$46,309,935
22	Avg rate per kWh			\$0.04161			\$0.04179
	Proposed Increase						\$199,997
	Percent Increase						0.43%

**Pennsylvania Power Company
Purchase of Energy from Cogeneration and Small Power Production Facilities
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.		Tariff No. 35, Supplement No. 101			Tariff No. 36		
		Current Rate	Billing Units	Revenues	Proposed Rate	Billing Units	Proposed Revenue
		(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGES</u>						
1	Cogen Energy Credit	\$0	0	(\$4,308)	\$0	-	(\$4,308)
2	Cogen Customer Charge	\$10.00	12	\$120	\$10	12	\$120
3	STAS	0.00%		\$0	0%		\$0
4	Total Distribution			(\$4,188)			(\$4,188)
5	Total Revenue			(\$4,188)			(\$4,188)

**Pennsylvania Power Company
Partial Service Rider
Revenue Effects of Proposed Rates - FTY 4/30/16**

	Tariff No. 35, Supplement No. 101			Tariff No. 36			
	Current Rate	Billing Units	Revenues	Proposed Rate	Billing Units	Proposed Revenue	
	(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)	
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGES</u>						
6	Customer Charge	\$50	12	\$600	\$50	12	\$600
1	QF Backup Secondary KW	0	-	\$0	\$2.51	-	\$0
2	QF Maint Secondary KW	0	0	\$0	\$2.01	-	\$0
3	QF Backup Primary KW	0	-	\$0	\$1.95	-	\$0
4	QF Maint Primary KW	0	0	\$0	\$1.56	-	\$0
5	QF Backup Transmission KW	\$0.00	-	\$0	\$0.29	-	\$0
6	QF Maint Transmission KW	\$0.16	0	\$0	\$0.23	-	\$0
7	STAS	0.00%		0	0%		
8	Total Distribution			\$600			\$600
9	Total Revenue			\$600			\$600

**Pennsylvania Power Company
Rate PLS - Private Outdoor Lighting Service
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.		Tariff No. 35, Supplement No. 101			Tariff No. 36		
		Current Rate (1)	Billing Units (2)	Revenues (3)	Proposed Rate (4)	Billing Units (5)	Proposed Revenue (6)=(4)x(5)
LAMPS							
1	175 W Mercury Vapor	\$7.21	159	\$1,146	9.52	159	\$1,514
2	175 W Mercury Vapor - PT	\$13.12	59	\$774	17.33	59	\$1,022
3	400 W MERCURY VAPOR	\$6.19	262	\$1,622	8.19	262	\$2,146
4	70 W SODIUM VAPOR	\$9.00	108	\$972	11.89	108	\$1,284
5	100 W SODIUM VAPOR - PT	\$13.80	4,509	\$62,225	18.23	4,509	\$82,199
6	100 W SODIUM VAPOR	\$9.05	3,624	\$32,797	11.96	3,624	\$43,343
7	150 W SODIUM VAPOR	\$8.73	1,188	\$10,371	11.53	1,188	\$13,698
8	250 W SODIUM VAPOR	\$9.15	5,490	\$50,234	12.09	5,490	\$66,374
9	400 W SODIUM VAPOR	\$9.07	5,800	\$52,606	11.98	5,800	\$69,484
10	250 Metal Halide	\$11.29	584	\$6,593	14.92	584	\$8,713
11	400 Metal Halide	\$9.64	3,140	\$30,270	12.74	3,140	\$40,004
12	1,000 Metal Halide	\$4.09	1,128	\$4,614	5.44	1,128	\$6,136
POLES							
13	30' or 35' Pole Charge	\$5.48	2,428	\$13,306	7.24	2,428	\$17,579
14	40' Pole Charge	\$6.38	992	\$6,329	8.43	992	\$8,363
15	TOTAL BASE NORMALIZED DISTRIBUTION REVENUES			\$273,859			\$361,859
16	Smart Meter Technologies Charge (Per Bill)	\$0	0	\$0	\$0	0	\$0
17	STAS - Distribution and rider changes	0.00%		<u>\$0</u>	0%		<u>\$0</u>
18	TOTAL DISTRIBUTION INCLUDING RIDER CHANGES			\$273,859			\$361,859
RIDER CHARGES							
18	Consumer Education	\$0.00002	2,912,987	\$0	\$0.00002	2,912,987	\$0
19	Energy Efficiency and Conservation Charge	(\$0.00001)	2,912,987	\$0	(\$0.00001)	2,912,987	\$0
20	Default Service Support Charge	\$0.00033	2,912,987	\$904	\$0.00033	2,912,987	\$904
21	Universal Service Charge	\$0	0	\$0	\$0	0	\$0
22	Solar Photovoltaic Requirements Charge	\$0.00018	2,912,987	\$523	\$0.00018	2,912,987	\$523
23	Phase II Energy Efficiency and Conservation Charge	\$0.00122	2,912,987	\$3,392	\$0.00122	2,912,987	\$3,392
24	PTC*	\$0.05971	2,912,987	\$173,934	\$0.05971	2,912,987	\$173,934
25	STAS - Rider charges	0.00%		\$0	0%		\$0
26	Total Revenue			\$452,612			\$540,612
27	Proposed Increase						\$88,000

**Pennsylvania Power Company
Rate Schedule SV - High Pressure Sodium Vapor
Revenue Effects of Proposed Rates - FTY 4/30/16**

Line No.		Tariff No. 35, Supplement No. 101			Tariff No. 36		
		Current Rate	Billing Units	Revenues	Proposed Rate	Billing Units	Proposed Revenue
		(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
	<u>HIGH PRESSURE SODIUM VAPOR</u>						
1	70 WATTS	\$9.00	34,920	\$314,280	\$ 10.67	34,920	\$372,596
2	100 WATTS	\$9.05	57,396	\$519,434	\$ 10.74	57,396	\$616,433
3	150 WATTS	\$8.74	8,604	\$75,199	\$ 10.37	8,604	\$89,223
4	250 WATTS	\$9.15	12,204	\$111,667	\$ 10.85	12,204	\$132,413
5	400 WATTS	\$9.07	2,664	\$24,162	\$ 10.77	2,664	\$28,691

**Pennsylvania Power Company
Rate Schedule SVD - High Pressure Sodium Vapor Divided Ownership
Revenue Effects of Proposed Rates - HTY 12/31/05**

<u>HIGH PRESSURE SODIUM VAPOR</u>							
6	70 WATTS	\$3.79	7,008	\$26,560	\$ 4.50	\$7,008.00	\$31,536
7	100 WATTS	\$3.74	564	\$2,109	\$ 4.45	\$564.00	\$2,510
8	150 WATTS	\$3.33	-	\$0	\$ 3.95	\$0	\$0
9	250 WATTS	\$3.64	-	\$0	\$ 4.32	\$0	\$0
10	400 WATTS	\$3.06	12	\$37	\$ 3.79	\$12.00	\$45

**Pennsylvania Power Company
Rate Schedule SM - Mercury Vapor
Revenue Effects of Proposed Rates - HTY 12/31/05**

<u>INCANDESCENT</u>							
11	175 WATTS	\$11.75	-	\$0	\$ 13.94	0	\$0
12	400 WATTS	\$12.56	-	\$0	\$ 14.90	0	\$0
13	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$1,073,448			\$1,273,447
14	Smart Meter Technologies Charge (Per Bill)	\$0	0	\$0	\$0	0	\$0
15	STAS - Distribution and rider changes	0.00%		\$0	0%		\$0
16	<u>TOTAL DISTRIBUTION INCLUDING RIDER CHANGES</u>			1,073,448			1,273,447
<u>Energy Charges</u>							
17	Consumer Education	\$0.00002	6,189,168	\$0	\$0.00002	6,189,168	\$0
18	Energy Efficiency and Conservation Charge	\$0.00192	6,189,168	\$0	\$0.00192	6,189,168	\$0
19	Default Service Support Charge	\$0.00033	6,189,168	\$2,011	\$0.00033	6,189,168	\$2,011
20	Universal Service Charge	\$0	0	\$0	\$0	0	\$0
21	Solar Photovoltaic Requirements Charge	\$0.00018	6,189,168	\$1,114	\$0.00018	6,189,168	\$1,114
22	Phase II Energy Efficiency and Conservation Charge	\$0.00082	6,189,168	\$5,075	\$0.00082	6,189,168	\$5,075
23	PTC*	\$0.05971	6,189,168	\$369,555	\$0.05971	6,189,168	\$369,555
24	STAS - Rider charges	0.00%		\$0	0%		\$0
25	Total Revenue			1,451,203			1,651,202
26	Proposed Increase						\$199,999
27	Percent Increase						13.78%

Pennsylvania Power Company
Default Service Support Charge Rider / Hourly Pricing Default Service Rider
 Default Service Related Uncollectible Accounts Expense
 Based on 12 months ending April 30, 2016
 (000's)

<u>Line No.</u>	<u>Description</u>	<u>DSS Rider</u>		<u>HPS Rider</u>	<u>Total Company</u>
		<u>Residential</u> (1)	<u>Commercial</u> (2)	<u>Industrial</u> (3)	
1	Total Company Revenue and billed EGS revenue at April 30, 2016				\$ 262,553
2	Default Service Revenue at April 30, 2016				83,942
3	Residential and Commercial Generation Revenues billed for EGSs at April 30, 2016				<u>83,967</u>
4	Total Generation and Transmission Revenues (line 2 + line 3)				\$ 167,909
5	Percentage of Generation/Transmission Revenue to Total Revenue (line 4 / line 1)				64%
6	Uncollectible Accounts Expense at April 30, 2016				<u>1,610</u>
7	Default Service Related Uncollectible Accounts Expense at April 30, 2016 (line 5 X line 6)				\$ 1,031
8	Allocation of Default Service Related Uncollectible Accounts Expense to Rate Classes (A)	97.19%	2.51%	0.30%	100.00%
9	Default Service Related Uncollectible Accounts Expense by Customer Class (Line 7 X Line 8)	\$ 1,002	\$ 26	\$ 3	\$ 1,031
10	kWh at April 30, 2016	<u>1,658,176</u>	<u>1,330,088</u>	<u>1,753,498</u>	4,741,762
11	Default Service Related Uncollectible Accounts Expense (line 9 / line 10)	<u>0.06043</u> cents per kWh	<u>0.00195</u> cents per kWh	<u>0.00018</u> cents per kWh	

(A) Allocated based on a 2 year average of net write offs.

**Metropolitan Edison Company
Pennsylvania Electric Company
Penn Power Company
West Penn Power Company**

Unbundled Uncollectible Accounts Expense

<u>Line No.</u>	<u>Company</u>	<u>Description</u>	<u>Normalized Uncollectibles in FFTY</u>	<u>per Budget Uncollectibles in FFTY</u>	<u>Uncollectibles in Base Rates A&G Normalization</u>
1	Met-Ed	Total	12,136	12,136	
2		Default Service	7,403	8,077	(674)
3		Distribution	4,733	4,059	674
4	Penelec	Total	8,959	8,959	
5		Default Service	4,927	5,420	(493)
6		Distribution	4,032	3,539	493
7	Penn Power	Total	1,610	1,610	
8		Default Service	1,031	2,042	(1,011)
9		Distribution	579	(432)	1,011
10	West Penn	Total	10,642	10,642	
11		Default Service	6,917	-	6,917
12		Distribution	3,725	10,642	(6,917)

**Metropolitan Edison Company
Pennsylvania Electric Company
Pennsylvania Power Company
West Penn Power Company**

Cost Baseline for Savings as a Result of the Deployment of Smart Meters

<u>Line No.</u>	<u>Description</u>	<u>Met-Ed</u>	<u>Penelec</u>	<u>Penn Power</u>	<u>West Penn</u>	<u>Total PA Companies</u>
1	Meter reading (Page 2)	\$ 5,596,570	\$ 5,760,672	\$ 1,548,187	\$ 7,338,454	\$ 20,243,883
2	Meter services (Page 4)	2,424,995	1,942,292	515,189	1,716,634	6,599,110
3	Back-office (Page 6)	686,873	729,613	192,340	1,353,074	2,961,900
4	Contact Center (Page 8)	2,741,626	2,940,535	778,626	3,258,602	9,719,389
5	Theft of service reduction	0	0	0	0	0
6	Revenue enhancement (Page 10)	500,000	484,000	130,000	500,000	1,614,000
7	Avoided capital costs (Page 10)	42,697	54,561	6,135	59,352	162,745
8	Distribution operations	0	0	0	0	0
9	Load research (Page 11)	<u>9,525</u>	<u>13,923</u>	<u>381</u>	<u>5,502</u>	<u>29,331</u>
10	Total	<u>\$ 12,002,286</u>	<u>\$ 11,925,596</u>	<u>\$ 3,170,858</u>	<u>\$ 14,231,618</u>	<u>\$ 41,330,358</u>

**Meter Reading
 Cost Baseline for Smart Meter Benefit
 For the Twelve Months Ending April 2016**

Line No.

<u>Total Meter Reading Costs</u>		<u>Total Headcount</u>	<u>Total</u>	
1	<i>Met-Ed</i>	68	\$ 5,596,570	
2	<i>Penelec</i>	71	\$ 5,760,672	
3	<i>Penn Power</i>	18	\$ 1,548,187	
4	<i>West Penn Power</i>	89	\$ 7,338,454	
<u>Labor Costs</u>		<u>Headcount</u>	<u>Salary</u>	<u>Severance Costs</u>
5	<i>Met-Ed</i>	68	\$ 4,975,224	\$ _____
6	<i>Penelec</i>	71	\$ 5,216,531	\$ _____
7	<i>Penn Power</i>	18	\$ 1,400,051	\$ _____
8	<i>West Penn Power</i>	89	\$ 6,422,219	\$ _____
<u>Uniforms/Supplies</u>		<u>Uniforms/ Supplies Costs</u>		
9	<i>Met-Ed</i>	\$ 27,735		
10	<i>Penelec</i>	\$ 37,080		
11	<i>Penn Power</i>	\$ 40,885		
12	<i>West Penn Power</i>	\$ 48,328		
<u>Fleet Costs</u>		<u>Fleet Costs</u>		
13	<i>Met-Ed</i>	\$ 593,611		
14	<i>Penelec</i>	\$ 507,061		
15	<i>Penn Power</i>	\$ 107,251		
16	<i>West Penn Power</i>	\$ 867,907		
<u>Handheld Costs</u>		<u>Replacement Costs</u>	<u>Maintenance Costs</u>	
17	<i>Met-Ed</i>	\$ _____	\$ _____	
18	<i>Penelec</i>	\$ _____	\$ _____	
19	<i>Penn Power</i>	\$ _____	\$ _____	
20	<i>West Penn Power</i>	\$ _____	\$ _____	
<u>Claims</u>		<u>Claims Costs</u>		
21	<i>Met-Ed</i>	\$ _____		
22	<i>Penelec</i>	\$ _____		
23	<i>Penn Power</i>	\$ _____		
24	<i>West Penn Power</i>	\$ _____		

(1) Inputs for Cost Centers 440021 - ME Meter Reading, 450020 - PN Meter Reading South, 450022 - PN Meter Reading North, 433251 - Penn Power Meter Reading, 490144 - West Penn Meter Reading Excluding Waynesboro, 490201 - West Penn Meter Reading Waynesboro from Budget

Meter Reading Cost Baseline for Smart Meter Benefit by FERC Accounts For the Twelve Months Ending April 2016

Line No.

Salary

<i>Met-Ed</i>				
1	FERC Account	593	Maintenance Overhead Lines	\$ 177,440
2	FERC Account	902	Meter Reading Expense	4,797,784
3			Total	\$ 4,975,224
<i>Penelec</i>				
4	FERC Account	593	Maintenance Overhead Lines	\$ 102,034
5	FERC Account	902	Meter Reading Expense	5,114,497
6			Total	\$ 5,216,531
<i>Penn Power</i>				
7	FERC Account	593	Maintenance Overhead Lines	\$ 7,884
8	FERC Account	902	Meter Reading Expense	1,392,167
9			Total	\$ 1,400,051
<i>West Penn Power</i>				
10	FERC Account	593	Maintenance Overhead Lines	\$ 111,800
11	FERC Account	902	Meter Reading Expense	6,310,419
12			Total	\$ 6,422,219
<u>Uniform/Supplies Costs</u>				
<i>Met-Ed</i>				
13	FERC Account	902	Meter Reading Expense	\$ 27,735
<i>Penelec</i>				
14	FERC Account	902	Meter Reading Expense	\$ 37,080
<i>Penn Power</i>				
15	FERC Account	902	Meter Reading Expense	\$ 40,885
<i>West Penn Power</i>				
16	FERC Account	902	Meter Reading Expense	\$ 48,328
<u>Fleet Costs</u>				
<i>Met-Ed</i>				
17	FERC Account	593	Maintenance Overhead Lines	\$ 21,165
18	FERC Account	902	Meter Reading Expense	572,446
19			Total	\$ 593,611
<i>Penelec</i>				
20	FERC Account	593	Maintenance Overhead Lines	\$ 9,898
21	FERC Account	902	Meter Reading Expense	497,163
22			Total	\$ 507,061
<i>Penn Power</i>				
23	FERC Account	593	Maintenance Overhead Lines	\$ 603
24	FERC Account	902	Meter Reading Expense	106,648
25			Total	\$ 107,251
<i>West Penn Power</i>				
26	FERC Account	593	Maintenance Overhead Lines	\$ 15,083
27	FERC Account	902	Meter Reading Expense	852,824
28			Total	\$ 867,907

(1) Inputs for Cost Centers 440021 - ME Meter Reading, 450020 - PN Meter Reading South, 450022 - PN Meter Reading North, 433251 - Penn Power Meter Reading, 490144 - West Penn Meter Reading Excluding Waynesboro, 490201 - West Penn Meter Reading Waynesboro from Budget
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Meter Services
Cost Baseline for Smart Meter Benefit
For the Twelve Months Ending April 2016

Line No.

<u>Total Meter Services Costs</u>		Total Headcount	Salary
1	Met-Ed	37	\$ 2,424,995
2	Penelec	35	\$ 1,942,292
3	Penn Power	9	\$ 515,189
4	West Penn Power	26	\$ 1,716,634

<u>Labor Costs - Original Roles</u>		Headcount	Salary	Severance Costs
5	Met-Ed	37	\$ 2,113,014	\$ _____
6	Penelec	35	\$ 1,700,276	\$ _____
7	Penn Power	9	\$ 467,411	\$ _____
8	West Penn Power	26	\$ 1,453,666	\$ _____

<u>Uniforms/Supplies</u>		Uniforms/Supplies Cost
9	Met-Ed	\$ 112,572
10	Penelec	\$ 145,714
11	Penn Power	\$ 4,450
12	West Penn Power	\$ 117,252

<u>Fleet Costs</u>		Fleet Costs
13	Met-Ed	\$ 199,409
14	Penelec	\$ 96,302
15	Penn Power	\$ 43,328
16	West Penn Power	\$ 145,716

<u>Original Tablet Costs</u>		Replacement Costs	Maintenance Costs
17	Met-Ed	\$ _____	\$ _____
18	Penelec	\$ _____	\$ _____
19	Penn Power	\$ _____	\$ _____
20	West Penn Power	\$ _____	\$ _____

<u>New Device Costs</u>		Costs
21	Met-Ed	\$ _____
22	Penelec	\$ _____
23	Penn Power	\$ _____
24	West Penn Power	\$ _____

<u>Staff Retraining Costs</u>		Cost
25	Met-Ed	\$ _____
26	Penelec	\$ _____
27	Penn Power	\$ _____
28	West Penn Power	\$ _____

<u>Labor Costs - New Roles</u>		Headcount	Salary
29	Met-Ed	_____	\$ _____
30	Penelec	_____	\$ _____
31	Penn Power	_____	\$ _____
32	West Penn Power	_____	\$ _____

(1) Inputs for Cost Centers 440204 Eastern Penn Region Meter Services, 450115 Meter Services, 450116 Meter Services-Northeast L459, 450117 Meter Services-Northwest L459, 450118 Meter Services - South L459, 450119 Meter Services - South L180, 433401 Meter Services - PPCO, 490145 WP Meter Services from Budget

Meter Services
Cost Baseline for Smart Meter Benefit by FERC Accounts
For the Twelve Months Ending April 2016

Line No.				
	Salary			
	Met-Ed			
1	FERC Account	586	Meter Expenses	\$ 425,140
2	FERC Account	593	Maintenance of Overhead Lines	48,026
3	FERC Account	597	Maintenance of Meters	1,629,700
4	FERC Account	920	Admin & Gen Salaries	10,148
5			Total	\$ 2,113,014
	Penelec			
6	FERC Account	586	Meter Expenses	\$ 189,879
7	FERC Account	593	Maintenance of Overhead Lines	147,406
8	FERC Account	597	Maintenance of Meters	1,362,991
9			Total	\$ 1,700,276
	Penn Power			
10	FERC Account	570	Maintenance of Station Equipment	\$ 102
11	FERC Account	588	Misc Distribution Expenses	(1,754)
12	FERC Account	593	Maintenance of Overhead Lines	17,780
13	FERC Account	597	Maintenance of Meters	451,157
14	FERC Account	920	Admin & Gen Salaries	126
15			Total	\$ 467,411
	West Penn Power			
16	FERC Account	586	Meter Expenses	\$ 6,209
17	FERC Account	593	Maintenance of Overhead Lines	64,569
18	FERC Account	597	Maintenance of Meters	1,382,888
19			Total	\$ 1,453,666
	Uniform/Supplies Costs			
	Met-Ed			
20	FERC Account	586	Meter Expenses	\$ 56,290
21	FERC Account	597	Maintenance of Meters	56,282
22			Total	\$ 112,572
	Penelec			
23	FERC Account	586	Meter Expenses	\$ 72,857
24	FERC Account	597	Maintenance of Meters	72,857
25			Total	\$ 145,714
	Penn Power			
26	FERC Account	597	Maintenance of Meters	\$ 4,450
27			Total	\$ 4,450
	West Penn Power			
28	FERC Account	586	Meter Expenses	\$ 117,252
	Fleet Costs			
	Met-Ed			
29	FERC Account	586	Meter Expenses	\$ 40,161
30	FERC Account	593	Maintenance of Overhead Lines	4,540
31	FERC Account	597	Maintenance of Meters	153,765
32	FERC Account	920	Admin & Gen Salaries	943
33			Total	\$ 199,409
	Penelec			
34	FERC Account	586	Meter Expenses	\$ 10,794
35	FERC Account	593	Maintenance of Overhead Lines	8,325
36	FERC Account	597	Maintenance of Meters	77,183
37			Total	\$ 96,302
	Penn Power			
38	FERC Account	570	Maintenance of Station Equipment	\$ 9
39	FERC Account	588	Misc Distribution Expenses	(162)
40	FERC Account	593	Maintenance of Overhead Lines	1,637
41	FERC Account	597	Maintenance of Meters	41,835
42	FERC Account	920	Admin & Gen Salaries	9
43			Total	\$ 43,328
	West Penn Power			
44	FERC Account	586	Meter Expenses	\$ 635
45	FERC Account	593	Maintenance of Overhead Lines	6,472
46	FERC Account	597	Maintenance of Meters	138,609
47			Total	\$ 145,716

(1) Inputs for Cost Centers 440204 Eastern Penn Region Meter Services, 450115 Meter Services, 450116 Meter Services-Northeast L459, 450117 Meter Services-Northwest L459, 450118 Meter Services - South L459, 450119 Meter Services - South L180, 433401 Meter Services - PPCO, 490145 WP Meter Services from Budget

**Back Office
 Cost Baseline for Smart Meter Benefit
 For the Twelve Months Ending April 2016**

Line No.

<u>Total Back Office Costs</u>		Headcount	Salary
1	<i>Met-Ed</i>	9	\$ 686,873
2	<i>Penelec</i>	10	\$ 729,613
3	<i>Penn Power</i>	3	\$ 192,340
4	<i>West Penn Power</i>	23	\$ 1,353,074

<u>Labor Costs</u>		Headcount	Salary	Severance Costs
5	<i>Met-Ed</i>	9	\$ 686,873	\$ -
6	<i>Penelec</i>	10	\$ 729,613	\$ -
7	<i>Penn Power</i>	3	\$ 192,340	\$ -
8	<i>West Penn Power</i>	23	\$ 1,353,074	\$ -

(1) Inputs for Cost Centers 509035 – Customer Accounting (OH), 506208 – Customer Accounting (South), 509061 – Customer Accounting (NJ) from Budget

Back Office
Cost Baseline for Smart Meter Benefit by FERC Accounts
For the Twelve Months Ending April 2016

<u>Line No.</u>		<u>FERC Account</u>	<u>Description</u>	<u>Amount</u>
	<u>Salary</u>			
	<i>Met-Ed</i>			
1	FERC Account	903	Cust Rcrd & Collect Exp	\$ 686,873
2			Total	\$ 686,873
	<i>Penelec</i>			
3	FERC Account	903	Cust Rcrd & Collect Exp	\$ 729,613
4			Total	\$ 729,613
	<i>Penn Power</i>			
5	FERC Account	902	Meter Reading Expense	\$ 134,636
6	FERC Account	903	Cust Rcrd & Collect Exp	57,704
7			Total	\$ 192,340
	<i>West Penn Power</i>			
8	FERC Account	902	Meter Reading Expense	\$ 448,242
9	FERC Account	923	Outside Svcx Employed	904,832
10			Total	\$ 1,353,074

(1) Inputs for Cost Centers 509035 – Customer Accounting (OH), 506208 – Customer Accounting (South), 509061 – Customer Accounting (NJ) from Budget

**Contact Center
 Cost Baseline for Smart Meter Benefit
 For the Twelve Months Ending April 2016**

Line No.

<u>Total Contact Center Costs</u>		Total Headcount	Salary
1	<i>Met-Ed</i>	59	\$ 2,741,626
2	<i>Penelec</i>	63	\$ 2,940,535
3	<i>Penn Power</i>	17	\$ 778,626
4	<i>West Penn Power</i>	70	\$ 3,258,602

<u>Labor Costs</u>		Headcount	Salary	Severance Costs
5	<i>Met-Ed</i>	59	\$ 2,741,626	\$ -
6	<i>Penelec</i>	63	\$ 2,940,535	\$ -
7	<i>Penn Power</i>	17	\$ 778,626	\$ -
8	<i>West Penn Power</i>	70	\$ 3,258,602	\$ -

(1) Inputs for Cost Centers 509057 - FECC Command Center, 509053 - FECC Ops Akron, 509051 - FECC Admin Akron, 509058 - FECC Admin Reading, 509059 - FECC Ops Reading, 509086 - FECC Ops Akron - Toledo, 509321 - FECC Ops Fairmont, 509322 - FECC Admin Fairmont, 501088 - FECC Quality Monitoring, 509351 - Customer Self-Service, from Budget

Contact Center
Cost Baseline for Smart Meter Benefit by FERC Accounts
For the Twelve Months Ending April 2016

<u>Line No.</u>		<u>FERC Account</u>	<u>Description</u>	<u>Amount</u>
	<u>Salary</u>			
	<i>Met-Ed</i>			
1	FERC Account	903	Cust Rcrd & Collect Exp	\$ 285,781
2	FERC Account	910	Misc Cust Svc & Info Exp	<u>2,455,845</u>
3			Total	\$ 2,741,626
	<i>Penelec</i>			
4	FERC Account	903	Cust Rcrd & Collect Exp	\$ 320,876
5	FERC Account	910	Misc Cust Svc & Info Exp	<u>2,619,659</u>
6			Total	\$ 2,940,535
	<i>Penn Power</i>			
7	FERC Account	903	Cust Rcrd & Collect Exp	\$ 70,191
8	FERC Account	910	Misc Cust Svc & Info Exp	<u>708,435</u>
9			Total	\$ 778,626
	<i>West Penn Power</i>			
10	FERC Account	902	Meter Reading Expense	\$ 2,859,928
11	FERC Account	903	Cust Rcrd & Collect Exp	252,159
12	FERC Account	910	Misc Cust Svc & Info Exp	<u>146,515</u>
13			Total	\$ 3,258,602

(1) Inputs for Cost Centers 509057 - FECC Command Center, 509053 - FECC Ops Akron, 509051 - FECC Admin Akron, 509058 - FECC Admin Reading, 509059 - FECC Ops Reading, 509086 - FECC Ops Akron - Toledo, 509321 - FECC Ops Fairmont, 509322 - FECC Admin Fairmont, 501088 - FECC Quality Monitoring, 509351 - Customer Self-Service, from Budget

Revenue Enhancement and Avoided Capital Costs Cost Baseline for Smart Meter Benefit For the Twelve Months Ending April 2016
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Revenue Enhancement -- Change 1.5 day lag in Cash Working Capital

<u>Line No.</u>	<u>Met-Ed</u>	<u>Penelec</u>	<u>Penn Power</u>	<u>West Penn</u>	<u>Total</u>	
1	1.5 day lag for billing difference in CWC	\$ 3,336,000	\$ 3,206,000	\$ 867,000	\$ 3,384,000	\$ 10,793,000
2	Associated Rev Req	\$ 500,000	\$ 484,000	\$ 130,000	\$ 500,000	\$ 1,614,000

Avoided Capital Costs -- Material and Supply Inventories at March 31, 2014

<u>Line No.</u>	<u>Met-Ed</u>	<u>Penelec</u>	<u>Penn Power</u>	<u>West Penn</u>	<u>Total</u>	
3	Total meters in inventory	\$ 423,493	\$ 493,802	\$ 85,054	\$ 602,254	\$ 1,604,603
4	Smart Meters in inventory	139	130	44	207	520
5	Legacy meters in inventory (Line 1 - Line 2)	\$ 423,354	\$ 493,672	\$ 85,010	\$ 602,047	\$ 1,604,083
6	Handheld devices in inventory	-	-	-	-	-
7	Total inventory (Line 3 + Line 4)	\$ 423,354	\$ 493,672	\$ 85,010	\$ 602,047	\$ 1,604,083
8	Revenue requirement	\$ 42,697	\$ 54,561	\$ 6,135	\$ 59,352	\$ 162,745

**Load Research
Cost Baseline for Smart Meter Benefit
For the Twelve Months Ending April 2016**

<u>Line No</u>	<u>Description</u>	<u>Met-Ed</u>	<u>Penelec</u>	<u>Penn Power</u>	<u>West Penn</u>	<u>Total</u>
1	Number of load research meters in field	196	284	14	238	732
2	Cost of load research meters	\$ 400	\$ 400	\$ 400	\$ 400	\$ 1,600
3	Cost of Normal meters	50	50	50	50	200
4	Net Cost of load research Meters (Line 2 - Line 3)	350	350	350	350	1,400
5	Capital Cost of load research Meters (line 1 X line 4)	68,600	99,400	4,900	83,300	256,200
6	Depreciation Reserve per meter	87	87	215	226	616
7	Accumulated Depreciation Reserve (Line 1 X Line 6)	<u>17,081</u>	<u>24,780</u>	<u>3,012</u>	<u>53,887</u>	98,761
8	Net load research Meters in Rate Base (Line 5 - Line 7)	\$ 51,519	\$ 74,620	\$ 1,888	\$ 29,413	\$ 157,439
9	Carrying Charge	<u>12.91%</u>	<u>12.93%</u>	<u>13.16%</u>	<u>12.76%</u>	
10	Revenue requirement for rate base (Line 8 X Line 9)	\$ 6,651	\$ 9,648	\$ 248	\$ 3,753	\$ 20,301
11	Depreciation Rate of meters	4.19%	4.30%	2.70%	2.10%	
12	Depreciation expense (Line 5 X Line 11)	<u>2,874</u>	<u>4,274</u>	<u>132</u>	<u>1,749</u>	<u>9,030</u>
13	Revenue requirement (Line 10 + Line 12)	<u>\$ 9,525</u>	<u>\$ 13,923</u>	<u>\$ 381</u>	<u>\$ 5,502</u>	<u>\$ 29,331</u>