

Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
Tel: 215.963.5000
Fax: 215.963.5001
www.morganlewis.com

Morgan Lewis
C O U N S E L O R S A T L A W

Anthony C. DeCusatis
Of Counsel
215.963.5034
adecusatis@MorganLewis.com

February 25, 2015

VIA FEDERAL EXPRESS

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

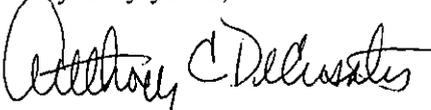
Re: Pennsylvania Public Utility Commission v. Pennsylvania Electric Company
Docket Nos. R-2014-2428743 and M-2013-2341994

Dear Secretary Chiavetta:

Enclosed are **Customer Class Rate Impact Analyses on behalf of Pennsylvania Electric Company** that are being filed in the above-referenced docket in compliance with the request of the presiding Administration Law Judges ("ALJs"). In addition to one hard copy, we have enclosed a CD containing a PDF of the Customer Class Rate Impact Analyses.

As evidenced by the enclosed Certificate of Service, copies of the Customer Class Rate Impact Analyses are being served on all parties, the presiding ALJs and the ALJs' technical advisors.

Very truly yours,


Anthony C. DeCusatis

ACD/tp
Enclosures

c: Per Certificate of Service

RECEIVED

FEB 25 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Almaty Astana Beijing Boston Brussels Chicago Dallas Dubai Frankfurt Harrisburg Hartford Houston London Los Angeles Miami Moscow
New York Orange County Paris Philadelphia Pittsburgh Princeton San Francisco Santa Monica Silicon Valley Tokyo Washington Wilmington

Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
Tel: 215.963.5000
Fax: 215.963.5001
www.morganlewis.com

Morgan Lewis
C O U N S E L O R S A T L A W

Anthony C. DeCusatis
Of Counsel
215.963.5034
adecusatis@morganlewis.com

February 25, 2015

**VIA ELECTRONIC AND
FEDERAL EXPRESS**

The Honorable Dennis J. Buckley
Administrative Law Judge
Office of Administrative Law Judge
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
400 North Street
Harrisburg, PA 17120

The Honorable Katrina L. Dunderdale
Administrative Law Judge
Office of Administrative Law Judge
Pennsylvania Public Utility Commission
Pittsburgh District Office
Piatt Place, Suite 220
301 5th Avenue
Pittsburgh, PA 15222

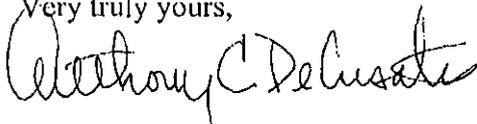
**Re: Pennsylvania Public Utility Commission v. Pennsylvania Electric Company
Docket Nos. R-2014-2428743 and M-2013-2341994**

Dear Judge Buckley and Judge Dunderdale:

Pursuant to your request on February 23, 2015, enclosed are the **Customer Class Rate Impact Analyses on behalf of Pennsylvania Electric Company** in the above-captioned matter.

As evidenced by the enclosed Certificate of Service, copies of the Customer Class Rate Impact Analyses are being served on all parties of record and your technical advisors.

Very truly yours,



Anthony C. DeCusatis

ACD/tp

Enclosures

cc: Per Certificate of Service

RECEIVED

FEB 25 2015

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

RECEIVED

**Pennsylvania Electric Company
Customer Class Rate Impact Analyses**

FEB 25 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**Residential Class**

Under the Settlement Rates, the monthly residential distribution customer charge will increase \$2.01 (or 25.2%) from \$7.98 to \$9.99. This increase in the distribution customer charge is in lieu of the Company's proposed monthly distribution customer charge of \$11.92, which represents a \$3.94 increase (or 49.4%). In addition, under the Settlement Rates, the bill for a typical Residential customer that uses 1,000 kWh per month will increase by \$15.76 per month, from \$120.46 to \$136.22¹ (or 13.1%), including default service generation, taxes and other rider surcharges. In comparison, in the Company's proposed filing, the bill for a typical Residential customer that uses 1,000 kWh per month would have increased by \$19.58 per month, from \$120.46 to \$140.04² (or 16.3%), including default service generation, taxes, and other rider surcharges.

Commercial Class

Under the Settlement Rates, the monthly distribution customer charge for a Rate Schedule GS Medium, three-phase customer will increase \$11.06 (or 74.0%) from \$14.95 to \$26.01. This increase in the distribution customer charge is in lieu of the Company's proposed monthly distribution customer charge of \$25.99, which represents a \$11.04 increase (or 73.8%). In addition, under the Settlement Rates, the bill for a typical Rate Schedule GS Medium, three-phase customer with monthly billing demand of 40 kW per month and 250 hours use of demand will increase by \$39.93 per month, from \$973.39 to \$1,013.32 (or 4.1%), including default service generation, taxes and other rider surcharges. In comparison, in the Company's proposed filing, the bill for a typical Rate Schedule GS Medium, three-phase customer with monthly billing demand of 40 kW per month and 250 hours use of demand would have increased by \$70.59 per month, from \$973.39 to \$1,043.98 (or 7.3%), including default service generation, taxes, and other rider surcharges.

Industrial Class

Under the Settlement Rates, the monthly distribution customer charge for a Rate Schedule LP customer will increase \$1,826.38 (or 147.5%) from \$1,238.62 to \$3,065.00. This increase in the distribution customer charge is in lieu of the Company's proposed monthly distribution customer charge of \$1,674.49, which represents a \$435.87 increase (or 35.2%). In addition, under the Settlement Rates, the bill for a typical Rate Schedule LP customer with monthly billing demand of 20 MW and 474 hours use of demand will increase by \$2,954.16 per month, from \$574,720.44 to \$577,674.60 (or 0.5%), including default service generation, taxes and other rider surcharges. In comparison, in the Company's proposed filing, the bill for a typical Rate

¹ All calculations use riders in effect at 7-1-2014 and the price-to-compare from 9-1-14, which assures that the rates are being compared on a consistent basis.

² Penelec Statement No. 1 (Direct Testimony of Charles V. Fullem), p. 10.

Schedule LP customer with monthly billing demand of 20 MW and 474 hours use of demand would have increased by \$4,954.38 per month, from \$574,720.44 to \$579,674.81 (or 0.9%), including default service generation, taxes, and other rider surcharges.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY
COMMISSION**

v.

PENNSYLVANIA ELECTRIC COMPANY

**Docket Nos. R-2014-2428743
M-2013-2341994**

CERTIFICATE OF SERVICE

I hereby certify that I served, on behalf of **Pennsylvania Electric Company**, on the following persons in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54, a true and correct copy of the **Customer Class Rate Impact Analyses**.

VIA ELECTRONIC MAIL AND FEDERAL EXPRESS

Dennis J. Buckley
Administrative Law Judge
Office of Administrative Law Judge
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
400 North Street
Harrisburg, PA 17120
debuckley@pa.gov

Honorable Katrina L. Dunderdale
Administrative Law Judge
Office of Administrative Law Judge
Pennsylvania Public Utility Commission
Pittsburgh District Office
Piatt Place, Suite 220
301 5th Avenue
Pittsburgh, PA 15222
kdunderdal@pa.gov

RECEIVED

FEB 25 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA ELECTRONIC MAIL AND FIRST CLASS MAIL

Aron J. Beatty
Darryl A. Lawrence
Brandon J. Pierce
Kristine E. Robinson
Lauren M. Burge
Hobart J. Webster
Office of Consumer Advocate
555 Walnut Street, 5th Floor, ForUm Place
Harrisburg, PA 17101-1923
abeatty@paoca.org
dlawrence@paoca.org
bpierce@paoca.org
krobinson@paoca.org
lburge@paoca.org
hwebster@paoca.org

Allison C. Kaster
Carrie B. Wright
Scott B. Granger
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120
akaster@pa.gov
carwright@pa.gov
sgranger@pa.gov

Daniel G. Asmus
Assistant Small Business Advocate
Office of Small Business Advocate
Commerce Tower – Suite 202
300 North Second Street
Harrisburg, PA 17101
dasmus@pa.gov

Thomas J. Sniscak
William E. Lehman
Hawke, McKeon & Sniscak LLP
P.O. Box 1778
100 North Tenth Street
Harrisburg, PA 17105-1778
tjsniscak@hmslegal.com
welchman@hmslegal.com
Counsel for Pennsylvania State University

Charis Mincavage
Vasiliki Karandrikas
Teresa K. Schmittberger
Elizabeth P. Trinkle
McNees, Wallace & Nurick, LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
cmincavage@mwn.com
vkandrikas@mwn.com
tschmittberger@mwn.com
ctrinkle@mwn.com
Counsel for MEIUG/PICA/PPUG

Scott J. Rubin
333 Oak Lane
Bloomsburg, PA 17815-2036
scott.j.rubin@gmail.com
*Counsel for International Brotherhood
of Electrical Workers Local 777*

Thomas T. Niesen
Thomas, Niesen & Thomas, LLC
212 Locust Street, Suite 600
Harrisburg, PA 17101
tniesen@tntlawfirm.com
*Counsel for Pennsylvania Rural Electric
Association and Allegheny Electric
Cooperative, Inc.*

David J. Dulick
General Counsel
Pennsylvania Rural Electric Association
Allegheny Electric Cooperative, Inc.
212 Locust Street
P.O. Box 1266
Harrisburg, PA 17108-1266
david_dulick@ccsenergy.com
*Counsel for Pennsylvania Rural
Electric Association and Allegheny
Electric Cooperative, Inc.*

Charles E. Thomas, III, Esquire
Thomas, Niesen & Thomas, LLC
212 Locust Street, Suite 600
P.O. Box 9500
Harrisburg, PA 17108-9500
cet3@tntlawfirm.com
bmerola@noblesolutions.com
*Counsel for Noble Americas Energy
Solutions LLC*

Michael Panfil
John Finnigan
EDF
1875 Connecticut Avenue, N.W.
Washington, DC 20009
mpanfil@edf.org
jfinnigan@edf.org
Counsel for Environmental Defense Fund

Heather Langeland
200 First Avenue, Suite 200
Pittsburgh, PA 15222
langeland@pennfuture.org
Counsel for PennFuture

Harry S. Geller
Elizabeth R. Marx
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101-1414
pulp@palegalaid.net
Counsel for CAUSE-PA

Donald R. Wagner
Linda R. Evers
Michael A. Gruin
Stevens & Lee
111 North Sixth Street
Reading, PA 19601
drw@stevenslee.com
lre@stevenslee.com
mag@stevenslee.com
Counsel for Wal-Mart

William J. Welch
P.O. Box 3108
Highland Road
Eric, PA 16506
billwelch40@yahoo.com

VIA ELECTRONIC MAIL ONLY

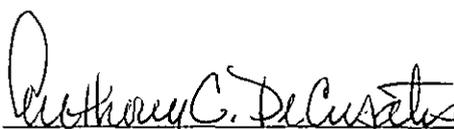
Debra Backer
dbacker@pa.gov

Lee Yalcin
lyalcin@pa.gov

David Washko
dawashko@pa.gov

Marc Hoffer
mhoffer@pa.gov

Andrew Herster
aherster@pa.gov



Anthony C. DeCusatis (Pa. I.D. No. 25700)
Catherine G. Vasudevan (Pa. I.D. No. 210254)
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
215.963.5234 (dir)
215.963.5001 (fax)
adecusatis@morganlewis.com
cvasudevan@morganlewis.com

Counsel for Pennsylvania Electric Company

Date: February 25, 2015

RECEIVED

FEB 25 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU