

PENNSYLVANIA ELECTRIC COMPANY
Rate Base At Original Cost
For the Rate Year Ended June 30, 2022
(\$000)

Line No.	Description	Actuals Per Books (1)	Adjustments and Normalizations (2)	Adj No.	Total (3)	New York Jurisdictional Allocation % (4)	New York Jurisdictional (5)	PA Jurisdictional (6)	Total (7) = (5) + (6)
Net Utility Plant:									
1	Electric Plant in Service	\$ 3,453,278	\$ (403)	1	\$ 3,452,876	0.58%	\$ 20,127	\$ 3,432,749	\$ 3,452,876
2	Less: Accumulated Depreciation	1,089,744	(348)	2	1,089,396	0.58%	6,350	1,083,046	1,089,396
3	Total Net Utility Plant	\$ 2,363,535	\$ (55)		\$ 2,363,480		\$ 13,777	\$ 2,349,703	\$ 2,363,480
Additions:									
4	Cash Working Capital	\$ -	\$ 160,886	3	\$ 160,886	0.58%	\$ 936	\$ 159,950	\$ 160,886
5	Materials and Supplies Inventory	-	16,316	4	16,316	0.58%	95	16,221	16,316
6	Regulatory Assets - Storms	34,138			34,138		-	34,138	34,138
7	Total Additions	\$ 34,138	\$ 177,202		\$ 211,340		\$ 1,031	\$ 210,309	\$ 211,340
Deductions:									
8	Customer Deposits	\$ 27,653	\$ -		\$ 27,653	0.06%	\$ 17	\$ 27,635	\$ 27,653
9	Liberalized Depreciation	612,136	(629)	5	611,507	0.58%	3,559	607,948	611,507
10	Operating reserves (net of taxes)	2,612	-		2,612	0.58%	15	2,597	2,612
11	Total deductions	\$ 642,401	\$ (629)		\$ 641,772		\$ 3,592	\$ 638,180	\$ 641,772
12	Rate Base	\$ 1,755,272	\$ 177,776		\$ 1,933,048		\$ 11,217	\$ 1,921,831	\$ 1,933,048

PENNSYLVANIA ELECTRIC COMPANY
Normalization Adjustment No. 1
(\$000)

Adjustment of Electric Plant in Service

To adjust the gross plant in service to eliminate the Asset Retirement Costs ("ARC"). The ARC and related reserve are excluded from the Rate Base, while the associated depreciation expense is excluded from the Income Statement. This treatment is in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations.

Line No.	Description	Adjustments (1)	Plant in Service (2)
1	Plant in Service per books at 6/30/2022		\$ 3,453,278
2	Eliminate ARC	\$ (403)	
3	Normalization adjustment		<u>(403)</u>
4	Plant in Service per books at 6/30/2022, as adjusted		<u>\$ 3,452,876</u>

PENNSYLVANIA ELECTRIC COMPANY
Normalization Adjustment No. 2
(\$000)

Adjustment of Depreciation Reserves - Plant In Service

To adjust the plant in service depreciation reserves to eliminate the Asset Retirement Costs ("ARC"). An ARC increases the carrying amount of a long-lived asset when a liability for an asset retirement obligation ("ARO") is recognized. The ARC is depreciated over the life of the asset. The ARC and related reserve are excluded from Rate Base, while the associated depreciation expense is excluded from the Income Statement. This treatment is in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations.

Received: 11/30/2022

Line No.	Description	Depreciation Reserves	
		Adjustments	Plant in Service
		(1)	(2)
1	Plant in Service depreciation reserves per books at 6/30/2022		\$ 1,089,744
2	Eliminate ARC	\$ (348)	
3	Normalization adjustment		(348)
4	Plant in Service depreciation reserves per books at 6/30/2022, as adjusted		\$ 1,089,396

PENNSYLVANIA ELECTRIC COMPANY
 Normalization Adjustment No. 3
 (\$000)

Received: 11/30/2022

Adjustment of Cash Working Capital

To recognize cash working capital as approved in the 2016 Penelec rate case at Docket # R-2016-2537352.

Line No.	Description	Cash Working Capital	
		(1)	(2)
1	Cash working capital at 6/30/22		\$ -
2	Cash working capital	<u>\$ 160,886</u>	
3	Normalization Adjustment		<u>160,886</u>
4	Cash working capital at 6/30/2022, as adjusted		<u>\$ 160,886</u>

PENNSYLVANIA ELECTRIC COMPANY
Normalization Adjustment No. 4
(\$000)

Received: 11/30/2022

Adjustment of Material and Supplies Inventory

To recognize Penelec's distribution portion of FirstEnergy Service Company material and services ("M&S") inventory levels at 6/30/2022.

Line No.	Description	M&S Inventories	
		(1)	(2)
1	M&S Inventory at 6/30/2022		\$ -
2	M&S Inventory allocated to Penelec	<u>\$ 16,316</u>	
3	Normalization adjustment		<u>16,316</u>
4	M&S inventory at 6/30/2022, as adjusted		<u><u>\$ 16,316</u></u>

PENNSYLVANIA ELECTRIC COMPANY
Normalization Adjustment No. 5
(\$000)

Adjustment of Accumulated Deferred Income Taxes - Liberalized Depreciation

To adjust the deferred tax balances for liberalized depreciation (excluding the impact of SFAS No. 109 deferrals) to:
 Received 11/30/2022
 (1) eliminate the deferred income taxes - liberalized depreciation balances associated with Three Mile Island Unit 2 ("TMI-2"); and (2) eliminate other excludable items (capital leases).

Line No.	Description	Accumulated Reserve for Deferred Taxes - Liberalized Depreciation	
		Adjustments (1)	(2)
1	Deferred taxes - liberalized depreciation per books at 6/30/2022		\$ 612,136
	<u>Normalizing adjustments:</u>		
2	Eliminate deferred income taxes - liberalized depreciation associated with TMI-2	\$ 567	
3	Eliminate federal deferred income taxes - liberalized depreciation for other excludable items (capital leases)	<u>(1,196)</u>	
4	Normalization adjustments		<u>(629)</u>
5	Deferred taxes - liberalized depreciation per books at 6/30/2022, as adjusted		<u>\$ 611,507</u>

PENNSYLVANIA ELECTRIC COMPANY
Rate of Return at June 30, 2022
(\$000)

Received: 11/30/2022

Line No.	Description	Capital Amounts (1)	Capital Ratios (2)	Cost Rate (3)	Weighted Cost Rate (4) = (2) X (3)
1	Total long-term debt	\$ 1,298,930	49.9%	4.21%	2.10%
2	Total preferred stock	-	0.0%	0.00%	0.00%
3	Total Common Equity	<u>1,304,817</u>	<u>50.1%</u>	6.53%	<u>3.27%</u>
4	Total Capitalization	<u><u>\$ 2,603,747</u></u>	<u><u>100.0%</u></u>		<u><u>5.37%</u></u>

Pennsylvania Electric Company
Statement of Operating Income, 12 Months Ended June 30, 2022, Normalized and Adjusted
to Reflect Revenue Necessary to Achieve Allowable Return
(\$'000)

Line No.	Description	Per Books (1)	Normalizations & Adjustments (2)	Adj. No.	Actuals as Adjusted (3)=(1)+(2)	Total Distribution (4) = (3) - (9) through (19)	NY Jurisdictional Allocation % (5)	NY			NY Riders			PA Riders						
								NY Jurisdictional (6)	PA Jurisdictional (7)	Total Distribution (8) = (6) + (7)	Default Service Support (9)	Price to Compare (10)	NUG (11)	Smart Meter (12)	DSIC (13)	Price to Compare (14)	Universal Service (15)	Energy Efficiency (16)	Default Service Support (17)	Solar (18)
1	Operating revenues																			
2	Retail sales	\$ 881,295	\$ (262)	1	\$ 881,032	\$ 446,193		\$ 2,197	\$ 443,996	\$ 446,193	\$ 219	\$ 3,131	\$ (8)	\$ (2,760)	\$ 11,868	\$ 325,253	\$ 30,721	\$ 11,775	\$ 52,014	\$ 2,625
3	Sales for resale	2,812	-		2,812	-	0.59%	-	-	-	-	-	-	-	-	2,812	-	-	-	-
4	Other operating revenue	5,972	-		5,972	5,850		35	5,815	5,850	-	-	-	-	-	-	-	-	122	-
4	Total operating revenue	\$ 890,079	\$ (262)		\$ 889,816	\$ 452,043		\$ 2,231	\$ 449,812	\$ 452,043	\$ 219	\$ 3,131	\$ (8)	\$ (2,760)	\$ 11,868	\$ 328,065	\$ 30,721	\$ 11,775	\$ 52,137	\$ 2,625
5	Operating expenses																			
6	Price To Compare	\$ 310,265	\$ -		\$ 310,265	\$ -		\$ -	\$ -	\$ -	\$ (17)	\$ 3,512	\$ -	\$ -	\$ -	\$ 305,962	\$ -	\$ -	\$ (2,738)	\$ 3,546
7	Distribution	132,882	-		132,882	89,794	0.62%	557	89,237	89,794	260	-	-	-	-	(1)	-	-	42,828	-
8	Customer accounts	23,232	-		23,232	17,243	1.12%	193	17,050	17,243	-	-	-	(5,494)	-	186	-	-	11,297	-
9	Customer service & info	46,734	-		46,734	5,365	0.21%	11	5,354	5,365	-	-	-	-	-	-	34,965	6,399	5	-
10	Admin & gen expense	(34,916)	99,305	2	64,389	58,983		325	58,658	58,983	-	-	-	-	-	-	-	5,407	-	-
11	Depreciation - accrual	82,637	-		82,637	80,811	0.44%	356	80,455	80,811	-	-	-	-	1,827	-	-	-	-	-
12	Amortization and Accretion	9,046	(22,173)	3	(13,127)	(8,497)		-	(8,497)	(8,497)	(24)	(382)	(8)	3,434	367	2,102	(5,643)	(652)	(2,735)	(1,088)
13	Taxes other than income	55,058	-	4	55,058	29,971		282	29,689	29,971	5	4	(0)	(139)	690	18,831	1,808	699	3,038	152
13	Operating expense before tax	\$ 624,939	\$ 77,132		\$ 702,071	\$ 273,670		\$ 1,723	\$ 271,947	\$ 273,670	\$ 224	\$ 3,134	\$ (6)	\$ (2,200)	\$ 2,883	\$ 327,061	\$ 31,130	\$ 11,853	\$ 51,696	\$ 2,610
14	Operating income before income tax	\$ 265,140	\$ (77,394)		\$ 187,746	\$ 178,373		\$ 508	\$ 177,865	\$ 178,373	\$ (5)	\$ (3)	\$ 0	\$ (559)	\$ 8,985	\$ 984	\$ (409)	\$ (78)	\$ 441	\$ 15
15	Income taxes																			
16	Federal income tax - current	\$ 10,791	\$ 23,728	5	\$ 34,520	\$ 32,748		\$ 71	\$ 32,677	\$ 32,748	\$ (1)	\$ (1)	\$ 0	\$ (106)	\$ 1,698	\$ 186	\$ (77)	\$ (15)	\$ 83	\$ 3
17	State income tax - current	2,698	15,532	5	18,230	17,294		24	17,270	17,294	(0)	(0)	0	(56)	898	98	(41)	(8)	44	1
18	Deferred income tax - federal	23,112	(18,390)	6	4,722	4,722		27	4,695	4,722	-	-	-	-	-	-	-	-	-	-
19	Deferred income tax - state	9,912	(9,912)	6	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
20	Investment tax credit	(18)	-		(18)	(18)		-	(18)	(18)	-	-	-	-	-	-	-	-	-	-
20	Total tax expense	\$ 46,495	\$ 10,959		\$ 57,454	\$ 54,746		\$ 123	\$ 54,624	\$ 54,746	\$ (1)	\$ (1)	\$ 0	\$ (162)	\$ 2,596	\$ 284	\$ (118)	\$ (23)	\$ 127	\$ 4
21	Total operating expenses	\$ 671,434	\$ 88,091		\$ 759,525	\$ 328,416		\$ 1,846	\$ 326,570	\$ 328,416	\$ 223	\$ 3,133	\$ (8)	\$ (2,362)	\$ 5,479	\$ 327,365	\$ 31,012	\$ 11,830	\$ 51,823	\$ 2,614
22	Operating Income	\$ 218,645	\$ (88,353)		\$ 130,291	\$ 123,627		\$ 386	\$ 123,241	\$ 123,627	\$ (4)	\$ (2)	\$ 0	\$ (398)	\$ 6,389	\$ 700	\$ (291)	\$ (55)	\$ 313	\$ 11

Pennsylvania Electric Company
Summary of Revenue Requirements - New York Territory
Distribution
\$000

Received: 11/30/2022

<u>Line No.</u>	<u>Description</u>	<u>Actuals as Adjusted</u> (1)	<u>Revenue Adjustment Required</u> (2)	<u>Allowable Revenue</u> (3)
	<u>Operating revenues</u>			
1	Retail sales	\$ 2,197	\$ 300	\$ 2,497
2	Sales for resale	-	-	-
3	Other operating revenue	35	-	35
4	Total operating revenue	\$ 2,231	\$ 300	\$ 2,531
	<u>Operating expenses</u>			
7	PTC	\$ -	\$ -	\$ -
8	Distribution	557	-	557
9	Customer accounts	193	-	193
10	Customer service & info	11	-	11
11	Admin & gen expense	325	-	325
12	Depreciation - accrual	356	-	356
13	Amortization	-	-	-
14	Taxes other than income	282	6	288
15	Operating expense before tax	\$ 1,723	\$ 6	\$ 1,729
16	Operating income before tax	\$ 508	\$ 294	\$ 802
	<u>Income taxes</u>			
17	Federal income tax - current	\$ 71	\$ 58	\$ 129
18	State income tax - current	24	19	43
19	Deferred income tax - federal	27	-	27
20	Deferred income tax - state	-	-	-
21	Investment tax credit	-	-	-
22	Total tax expense	\$ 123	\$ 77	\$ 199
23	Total operating expenses	\$ 1,846	\$ 83	\$ 1,929
24	Operating Income	\$ 386	\$ 217	\$ 603
25	Rate Base	\$ 11,217		\$ 11,217
26	Rate of Return overall	3.44%		5.37%
27	Return on Equity	2.67%		6.53%

Pennsylvania Electric Company
Summary of Revenue Requirements - New York Territory
Distribution
\$000

Received: 11/30/2022

<u>Line No.</u>	<u>Description</u>	<u>Actuals as Adjusted</u> (1)	<u>Revenue Adjustment Required</u> (2)	<u>Allowable Revenue</u> (3)
	<u>Operating revenues</u>			
1	Retail sales	\$ 2,197	\$ 527	\$ 2,724
4	Sales for resale	-	-	-
5	Other operating revenue	35	-	35
6	Total operating revenue	\$ 2,231	\$ 527	\$ 2,758
	<u>Operating expenses</u>			
7	PTC	\$ -	\$ -	\$ -
8	Distribution	557	-	557
9	Customer accounts	193	-	193
10	Customer service & info	11	-	11
11	Admin & gen expense	325	-	325
12	Depreciation - accrual	356	-	356
13	Amortization	-	-	-
14	Taxes other than income	282	11	293
15	Operating expense before tax	\$ 1,723	\$ 11	\$ 1,734
16	Operating income before tax	\$ 508	\$ 516	\$ 1,024
	<u>Income taxes</u>			
17	Federal income tax - current	\$ 71	\$ 101	\$ 173
18	State income tax - current	24	34	57
19	Deferred income tax - federal	27	-	27
20	Deferred income tax - state	-	-	-
21	Investment tax credit	-	-	-
22	Total tax expense	\$ 123	\$ 135	\$ 257
23	Total operating expenses	\$ 1,846	\$ 145	\$ 1,991
24	Operating Income	\$ 386	\$ 381	\$ 767
25	Rate Base	\$ 11,217		\$ 11,217
26	Rate of Return overall	3.44%		6.84%
27	Return on Equity	2.67%		9.45%

Pennsylvania Electric Company
Normalization Adjustment No. 1
\$000

Received: 11/30/2022

Adjustment of Operating Revenues

To adjust Penelec New York operating revenues for favorable weather for the twelve-months ended June 30, 2022.

Line No.	Description	Amount	
		(1)	(2)
1	Penelec New York distribution operating revenues per books for the 12 months ended 6/30/2022		2,199
2	Penelec favorable weather adjustment	\$ (262)	
3	New York revenue allocation factor	<u>0.59%</u>	
4	Total normalizing adjustment		<u>(2)</u>
5	Penelec New York distribution operating revenues per books for the 12 months ended 6/30/2022, as adjusted	\$	<u>2,197</u>

Pennsylvania Electric Company
Normalization Adjustment No. 2
\$000

Adjustment of Administrative and General Expense

To adjust administrative and general expenses (1) to reflect Other Post Employment Benefits (OPEB) expense at service cost level, (2) to reflect pension expense at the ten year cash level, and (3) to adjust to reflect rate case expenses incurred in this proceeding.

Line No.	Description	Amount	
		(1)	(2)
1	Administrative & general expense per books for the 12 months ended 6/30/2022		\$ (34,916)
2	Adjust OPEB expense to service cost level (Supporting Schedule No. 1, Line 3, Column 2)	\$ 26,944	
3	Adjust pension expense to ten year cash level (Supporting Schedule No. 2, Line 19, Column 3)	<u>72,361</u>	
4	Total normalizing adjustment		<u>99,305</u>
5	Administrative and general expense per books for the 12 months ended 6/30/2022, as adjusted		\$ 64,389
6	Adjust for Energy Efficiency Rider administrative and general expenses		<u>(5,407)</u>
7	Total Distribution Administrative and general expenses for the 12 months ended 6/30/2022		\$ 58,983
8	New York administrative and general allocation factor		<u>0.54%</u>
9	Penelec New York jurisdictional administrative and general expenses (Lines 7 x 8)		\$ 319
10	Adjust for Penelec New York rate case expenses - Customer Notifications		<u>6</u>
11	Penelec New York administrative & general expense for the 12 months ended 6/30/22, as adjusted		<u><u>\$ 325</u></u>

Pennsylvania Electric Company
Supporting Schedule No. 1 to Normalizing Adjustment No. 2
\$000

Adjustment for OPEB Expense

Received: 11/30/2022

To adjust OPEB expense to the test year service cost. The service cost represents the actuarial present value of benefit liabilities accrued under the plan benefit formula for services rendered. Inclusion of the service cost in rates provides for recovery of the current cost of benefits earned by plan participants. Any excess or shortfall related to the expected return on plan assets are not included because their inclusion would artificially reduce or increase total costs and result in the recovery of more or less than the actual normal cost of service. The adjustment for OPEB expense to the current service cost amount was adopted by the PaPUC at Docket Number R-00061367, and included at Docket Nos. R-2014-2428743; and R-2016-2537352.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	
		(1)	(2)
1	Eliminate Company OPEB Finance Costs, Prior Year Service Costs and Mark-to-Market	\$ (26,114)	
2	Eliminate FirstEnergy Service Company OPEB Finance Costs, Prior Year Service Costs and Mark-to-Market allocated to the Company	<u>(830)</u>	
3	Total OPEB Expense Adjustment (Line 1 + Line 2)		<u><u>\$ 26,944</u></u>

Pennsylvania Electric Company
Supporting Schedule No. 2 to Normalizing Adjustment No. 2
\$000

Adjustment for Pension Expense

To adjust pension expense to a ten year historical average level of actual cash contributions under the methodology that was adopted by the PaPUC at Docket Numbers R-0061367, and included at Docket Nos. R-2014-2428743; and R-2016-2537352.

Line No.	Description	Amount		
		(1) Total	(2) O&M %	(3) O&M
	<u>Company Cash Contributions</u>			
1	2016 Cash Pension Contribution	\$ 181,000	48.08%	\$ 87,025
2	2018 Cash Pension Contribution	55,000	41.48%	22,812
3	2018 Cash Pension Contribution	10,000	41.48%	4,148
4	2019 Cash Pension Contribution	<u>1,000</u>	41.22%	<u>412</u>
5	Total Company Cash Pension Contributions	\$ 247,000		\$ 114,397
	<u>FirstEnergy Service Company Cash Contributions</u>			
6	2016 Pension Contribution	\$ 25,000	48.08%	\$ 12,020
7	2016 Pension Contribution	166,000	48.08%	79,813
8	2018 Pension Contribution	200,000	41.48%	82,953
9	2018 Pension Contribution	573,000	41.48%	237,659
10	2019 Pension Contribution	<u>434,000</u>	41.22%	<u>178,902</u>
11	Total Company Pension Contributions	\$ 1,398,000		\$ 591,346.95
12	Company Allocation Factor	<u>6.45%</u>		<u>6.45%</u>
13	Service Company Pension Contribution allocated to the Company	\$ 90,171		\$ 38,142
14	Total FirstEnergy Service Company Cash Pension Contributions allocated to the Company	\$ 90,171		\$ 38,142
15	Total Pension cash contributions (Line 5 + Line 14)	\$ 337,171		\$ 152,539
16	Number of years amortization	<u>10</u>		<u>10</u>
17	Pension expense cash contribution, averaged over 10 years	\$ 33,717		\$ 15,254
18	O&M Pension Expense included in actuals			<u>(57,107)</u>
19	Adjustment to Pension Expense (Line 17 - Line 18)			<u>\$ 72,361</u>

Pennsylvania Electric Company
Normalization Adjustment No. 3
\$000

Adjustment of Amortization & Accretion Expense

Received: 11/30/2022

To adjust amortization & accretion expense to (1) eliminate non-jurisdictional tax amortizations, (2) eliminate non-jurisdictional smart meter amortizations, and (3) eliminate ARO amortization expense.

Line No.	Description	Amount	
		(1)	(2)
1	Amortization expense per books for the 12 months ended 6/30/2022	\$	9,046
2	Tax amortization adjustment for Tax Cuts and Jobs Act Voluntary Surcharge Rider	(24,716)	
3	Smart Meter revenue requirement amortization adjustment for Smart Meter Technologies Charge Rider	2,262	
4	Eliminate Asset Retirement Obligation amortization expense	281	
5	Total normalizing adjustment		<u>(22,173)</u>
6	Amortization expense per books for the 12 months ending 6/30/2022, as adjusted	\$	(13,127)
7	New York administrative and general allocation factor		0.00%
8	Penelec New York Amortization & Accretion Expenses for the 12 months ended 6/30/22, as adjusted		<u><u>0</u></u>

Pennsylvania Electric Company
Normalization Adjustment No. 4
\$000

Adjustment of Taxes Other Than Income

To adjust Penelec New York taxes other than income for the twelve-months ended June 30, 2022.
Received: 11/30/2022

Line No.	Description	Amount	
		(1)	(2)
1	New York Property/Real Estate Tax	\$ 167	
2	Village of Waverly Gross Income Tax	33	
3	Waverly Income/Franchise Tax	-	
4	New York Utility Gross Income Tax	31	
4	New York General Business Franchise Tax	10	
5	Payroll Taxes	<u>40</u>	
6	Penelec New York Taxes Other Than Income for the 12 months ended 6/30/2022		<u>\$ 282</u>

Pennsylvania Electric Company
Normalization Adjustment No. 5
\$000

Computation of Federal & State Income Taxes - Normalized (Col. 4 of Income Statement)

To adjust federal and state income taxes to reflect the revenue and expense levels shown on Exhibit 2, Page 1, Column 4 - Total Distribution.

Line No.	Description	Total Distribution Calculated Taxes (1)	New York Calculated Taxes (2)	PA Calculated Taxes (3)	Total Distribution Calculated Taxes (4) = (2) + (3)
1	Total operating revenue	\$ 452,043	\$ 2,231	\$ 449,812	\$ 452,043
2	Less: Total O& M expense	\$ 171,385	\$ 1,086	\$ 170,299	\$ 171,385
3	Depreciation - accrual	80,811	356	80,455	80,811
4	Amortization and Accretion	(8,497)	-	(8,497)	(8,497)
5	Taxes other than income taxes	29,971	282	29,689	29,971
6	Total deductions	\$ 273,670	\$ 1,723	\$ 271,947	\$ 273,670
7	Net operating income before income taxes	\$ 178,373	\$ 508	\$ 177,865	\$ 178,373
8	Less: Interest Charges (A)	40,643	236	40,407	40,643
9	Net income before income taxes	<u>\$ 137,730</u>	<u>\$ 272</u>	<u>\$ 137,458</u>	<u>\$ 137,730</u>
<u>Adjustment to taxable income:</u>					
10	Adj. of book depreciation to tax basis (B)	\$ 35,508	\$ 92	\$ 35,416	\$ 35,508
11	Income subject to state income tax (Line 9 + Line 10)	\$ 173,238	\$ 364	\$ 172,874	\$ 173,238
<u>Adjustments to state taxable income:</u>					
12	State income tax NY @ 6.5%, PA @ 9.99%	\$ 17,294	\$ 24	\$ 17,270	\$ 17,294
13	Taxes (excluding PA and NY Riders)	1,762	-	1,762	1,762
14	Adjustment to state income tax	<u>\$ 15,532</u>	<u>\$ 24</u>	<u>\$ 15,509</u>	<u>\$ 15,532</u>
15	Income subject to federal income tax	\$ 155,944	\$ 340	\$ 155,604	\$ 155,944
16	Federal income tax @ 21%	\$ 32,748	\$ 71	\$ 32,677	\$ 32,748
17	Total federal tax	\$ 32,748	\$ 71	\$ 32,677	\$ 32,748
18	Taxes (excluding PA and NY Riders)	9,020	-	9,020	9,020
19	Adjustment to federal income tax	<u>\$ 23,728</u>	<u>\$ 71</u>	<u>\$ 23,657</u>	<u>\$ 23,728</u>
<hr/>					
(A)	Computation of Interest charges				
	Total rate base	\$ 1,933,048	\$ 11,217	\$ 1,921,831	\$ 1,933,048
	Debt ratio	49.89%	49.89%	49.89%	49.89%
	Cost of debt	4.21%	4.21%	4.21%	4.21%
	Interest expense	\$ 40,643	\$ 236	\$ 40,407	\$ 40,643
(B)	Adjustment of book depreciation to tax basis:				
	Tax depreciation	\$ 45,303	\$ 264	\$ 45,040	\$ 45,303
	Book depreciation	80,811	356	80,455	80,811
	Depreciation adjustment	<u>\$ (35,508)</u>	<u>\$ (92)</u>	<u>\$ (35,416)</u>	<u>\$ (35,508)</u>

Pennsylvania Electric Company
Normalization Adjustment No. 6
\$000

Adjustment of Provision for Deferred Income Taxes

To adjust the provision for deferred income taxes (1) to eliminate miscellaneous federal deferred taxes not associated with liberalized depreciation, and (2) to eliminate all state deferred income taxes associated with liberalized depreciation.

Received: 11/30/2022

Line No.	Description	Provision for Deferred Taxes - Net	
		Federal (1)	State (2)
1	Deferred taxes per books for the 12 months ended 6/30/2022	\$ 23,112	\$ 9,912
2	Deferred taxes - liberalized depreciation	4,722	
3	Adjustment to deferred tax expense (Line 2 - Line 1)	<u>(18,390)</u>	<u>(9,912)</u>
4	Deferred taxes per books for the 12 months ended 6/30,2022, as adjusted	\$ 4,722	\$ -
5	New York jurisdictional allocation factor	0.58%	
6	Penelec New York jurisdictional deferred taxes - liberalized depreciation (Lines 4 x 5)	<u>\$ 27</u>	

Waverly Income Statement Cost of Service Allocators

Income Statement Group	Income Statement Line	Non-Coincident Peaks	Customer Deposits	Customers and Customer Service Expenses & Revenues	Meter Expenses	Write-offs
Operating Revenues	Other Operating Revenues	X		X	X	
Operating Expenses	Distribution	X		X	X	
	Customer accounts		X	X		X
	Customer service & info			X		
	Admin & gen expense	X		X	X	
	Depreciation - accrual	X	X	X	X	X
	Taxes other than income	X	X	X	X	X
Income Taxes	Investment tax credit	X		X	X	
	Depreciation Adjustment	X		X	X	

Waverly Rate Based Cost of Service Allocators

Rate Base Group	Rate Base Line	Non-Coincident Peaks	Customer Deposits	Customers and Customer Service Expenses & Revenues	Meter Expenses	Write-offs
Electric Plant	Plant in service	X	X	X	X	X
Depreciation & Amortization	Reserve: Plant in service	X	X	X	X	X
Additions	Cash Working Capital	X	X	X	X	X
	Other M&S inventories	X		X	X	
Deductions	Customer deposits		X			
	Accum. Deferred income taxes	X		X	X	
	- Liberalized depreciation Operating reserves (net of taxes)	X		X	X	

Pennsylvania Electric Company - Waverly District
Summary of Distribution of Revenues
Current P.C.S. 7 as Compared to Proposed P.C.S. 7

Line No.	Rate Group (1)	Current Rates				Base Rev Percent Increase (5)	Base Revenue Increase (6)	Proposed Rates			Net Overall Increase (10)
		Base Revenues (2)	Other Rider Charges (3)	Total Present Rates (4)	Base Revenues After Increase (7)			Other Rider Charges (8)	Total Revenue After Increase (9)		
1	RS	\$ 1,262,574	\$ 2,743,623	\$ 4,006,197	14.05%	\$ 177,339	\$ 1,439,913	\$ 2,743,623	\$ 4,183,536	4.43%	
2	RT	\$ 138,562	\$ 330,555	\$ 469,117	14.04%	\$ 19,459	\$ 158,021	\$ 330,555	\$ 488,576	4.15%	
3	GSS	\$ 631,813	\$ 2,936,336	\$ 3,568,149	14.04%	\$ 88,681	\$ 720,494	\$ 2,936,336	\$ 3,656,830	2.49%	
4	GSP	\$ 64,945	\$ 417,886	\$ 482,831	14.01%	\$ 9,101	\$ 74,046	\$ 417,886	\$ 491,932	1.88%	
5	LP	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	0.00%	
6	POL	\$ 8,635	\$ 7,164	\$ 15,798	14.02%	\$ 1,211	\$ 9,845	\$ 7,164	\$ 17,009	7.66%	
7	STLT	\$ 29,961	\$ 20,302	\$ 50,263	14.04%	\$ 4,207	\$ 34,167	\$ 20,302	\$ 54,469	8.37%	
8	TOTAL	\$ 2,136,489	\$ 6,455,865	\$ 8,592,354	14.04%	\$ 299,997	\$ 2,436,487	\$ 6,455,865	\$ 8,892,351	3.49%	
9				Total Increase		\$ 299,997					

*Includes billed kW, minimum kW, and standby kW

**Pennsylvania Electric Company - Waverly District
Service Classification No. 1 - Residential Service**

Line No.		Current P.S.C. No. 7			Proposed P.S.C. No. 7		
		<u>Current Rate</u> (1)	<u>Billing Units</u> (2)	<u>Billed Revenue</u> (3)	<u>Proposed Rate</u> (4)	<u>Billing Units</u> (5)	<u>Proposed Revenue</u> (6)=(4)x(5)
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGE</u>						
1	RS	\$ 7.49	38,045	\$ 284,954	\$ 8.54	38,045	\$ 324,901
	<u>ENERGY CHARGES</u>						
2	All KWH	\$ 0.03387	28,863,891	\$ 977,620	\$ 0.03863	28,863,891	\$ 1,115,012
3	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$ 1,262,574			\$ 1,439,913
	<u>RIDER CHARGES</u>						
4	NUG	\$ (0.00013)	28,863,891	\$ (3,792)	(\$0.00013)	28,863,891	\$ (3,792)
5	Default Service Support Charge	\$ 0.00355	28,863,891	\$ 102,328	\$ 0.00355	28,863,891	\$ 102,328
6	TSAS	\$ -	28,863,891	\$ -	\$ -	28,863,891	\$ -
7	PTC*	\$ 0.09164	28,863,891	\$ 2,645,087	\$ 0.09164	28,863,891	\$ 2,645,087
8	Total Energy and Revenue		28,863,891	\$ 4,006,197		28,863,891	\$ 4,183,536
9	Avg rate per kWh			\$0.13880			\$0.14494
10	Proposed Increase						\$177,339
11	Percent Increase						4.43%

Pennsylvania Electric Company - Waverly District
Service Classification No. 2 - Residential Time of Day Service

Line No.		Current P.S.C. No. 7			Proposed P.S.C. No. 7		
		<u>Current Rate</u>	<u>Billing Units</u>	<u>Billed Revenue</u>	<u>Proposed Rate</u>	<u>Billing Units</u>	<u>Proposed Revenue</u>
		(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGE</u>						
1	RT	\$ 10.81	2,808	\$ 30,354	\$ 12.33	2,808	\$ 34,622
	<u>ENERGY CHARGES</u>						
2	On-Peak kWh	\$ 0.06620	1,232,710	\$ 81,605	\$ 0.07550	1,232,710	\$ 93,070
3	Off-Peak kWh	\$ 0.01185	2,244,954	\$ 26,603	\$ 0.01351	2,244,954	\$ 30,329
4	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$ 138,562			\$ 158,021
	<u>RIDER CHARGES</u>						
5	NUG	\$ (0.00013)	3,477,665	\$ (461)		3,477,665	\$ (461)
6	Default Service Support Charge	\$ 0.00354	3,477,665	\$ 12,322		3,477,665	\$ 12,322
7	TSAS	\$ -	3,477,665	\$ -		3,477,665	\$ -
8	PTC*	\$ 0.09164	3,477,665	\$ 318,693		3,477,665	\$ 318,693
9	Total Energy and Revenue		3,477,665	\$ 469,117		3,477,665	\$ 488,576
10	Avg rate per kWh			\$0.13489			\$0.14049
11	Proposed Increase						\$19,459
12	Percent Increase						4.15%

Pennsylvania Electric Company - Waverly District
Service Classification No. 3 - General Service Secondary

Line No.	Current P.S.C. No. 7			Proposed P.S.C. No. 7		
	<u>Current Rate</u> (1)	<u>Billing Units</u> (2)	<u>Billed Revenue</u> (3)	<u>Proposed Rate</u> (4)	<u>Billing Units</u> (5)	<u>Proposed Revenue</u> (6)=(4)x(5)
<u>DISTRIBUTION CHARGES</u>						
<u>CUSTOMER CHARGE</u>						
1 Single Phase	\$ 9.26	4,688	\$ 43,414	\$ 10.56	4,688	\$ 49,509
2 Three Phase	\$ 18.18	1,044	\$ 18,979	\$ 20.76	1,044	\$ 21,672
3 Space Heating Service (May 2, 1980)	\$ 7.18	96	\$ 689	\$ 8.20	96	\$ 787
<u>DEMAND CHARGES</u>						
4 First 5 kW	\$ -			\$ -		
5 All KW over 5	\$ 2.15	54,878	\$ 117,988	\$ 2.45	54,878	\$ 134,452
6 per KVAR	\$ 0.341	16,040	\$ 5,470	\$ 0.390	16,040	\$ 6,255
<u>ENERGY CHARGES</u>						
7 demand less than or equal to 5 first 2000 kWh	\$ 0.03475	1,296,196	\$ 45,043	\$ 0.03963	1,296,196	\$ 51,368
8 demand less than or equal to 5 more than 2000 kWh	\$ 0.02028	94,181	\$ 1,910	\$ 0.02313	94,181	\$ 2,178
9 demand greater than 5 first 2000 kWh	\$ 0.03475	2,881,108	\$ 100,118	\$ 0.03963	2,881,108	\$ 114,178
10 demand greater than 5 over 2000 kWh & less than 2000 kWh	\$ 0.02028	8,685,397	\$ 176,140	\$ 0.02313	8,685,397	\$ 200,893
11 demand greater than 5 over 200 hours use	\$ 0.01253	7,240,480	\$ 90,723	\$ 0.01429	7,240,480	\$ 103,466
12 demand greater than 5 over 400 hours use	\$ 0.00456	5,056,502	\$ 23,058	\$ 0.00520	5,056,502	\$ 26,294
13 for Space Heating Service (May 2, 1980)	\$ 0.02681	308,849	\$ 8,280	\$ 0.03057	308,849	\$ 9,442
14 AVERAGE	\$ 0.01742	25,562,711	\$ 445,272			
15 <u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$ 631,813			\$ 720,494
<u>RIDER CHARGES</u>						
16 NUG	\$ (0.00013)	25,562,711	\$ (3,299)		25,562,711	\$ (3,299)
17 Default Service Support Charge	\$ 0.00356	25,562,711	\$ 90,926		25,562,711	\$ 90,926
18 TSAS	\$ -	25,562,711	\$ -		25,562,711	\$ -
19 PTC*	\$ 0.11144	25,562,711	\$ 2,848,709		25,562,711	\$ 2,848,709
20 Total Energy and Revenue		25,562,711	\$ 3,568,149		25,562,711	\$ 3,656,830
21 Avg rate per kWh			\$0.13958			\$0.14305
22 Proposed Increase						\$88,681
23 Percent Increase						2.49%

Pennsylvania Electric Company - Waverly District
Service Classification No. 4 - General Service Primary

Line No.		Current P.S.C. No. 7			Proposed P.S.C. No. 7		
		<u>Current Rate</u>	<u>Billing Units</u>	<u>Billed Revenue</u>	<u>Proposed Rate</u>	<u>Billing Units</u>	<u>Proposed Revenue</u>
		(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
	<u>DISTRIBUTION CHARGES</u>						
	<u>CUSTOMER CHARGE</u>						
1	GP	\$ 234.41	12	\$ 2,813	\$ 267.33	12	\$ 3,208
	<u>DEMAND CHARGES</u>						
2	All KW	\$ 4.99	11,818	\$ 58,969	\$ 5.69	11,818	\$ 67,242
3	per KVAR	\$ 0.344	7,820	\$ 2,690	\$ 0.39	7,820	\$ 3,050
	<u>ENERGY CHARGES</u>						
4	On & Off Peak (ALL KWH)	\$ 0.00013	3,638,308	\$ 473	\$ 0.00015	3,638,308	\$ 546
5	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$ 64,945			\$ 74,046
	<u>RIDER CHARGES</u>						
6	NUG	\$ (0.00014)	3,638,308	\$ (509)		3,638,308	\$ (509)
7	Default Service Support Charge	\$ 0.00356	3,638,308	\$ 12,942		3,638,308	\$ 12,942
8	TSAS	\$ -	3,638,308	\$ -		3,638,308	\$ -
9	PTC*	\$ 0.11144	3,638,308	\$ 405,453		3,638,308	\$ 405,453
10	Total Energy and Revenue		3,638,308	\$ 482,831		3,638,308	\$ 491,932
11	Avg rate per kWh			\$0.13271			\$0.13521
12	Proposed Increase						\$9,101
13	Percent Increase						1.88%

Pennsylvania Electric Company - Waverly District
Service Classification No. 5 - Large Primary

Line No.		Current P.S.C. No. 7			Proposed P.S.C. No. 7		
		<u>Current Rate</u>	<u>Billing Units</u>	<u>Billed Revenue</u>	<u>Proposed Rate</u>	<u>Billing Units</u>	<u>Proposed Revenue</u>
		(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
	<u>CUSTOMER CHARGE</u>						
1	LP	\$ 837.17	-	\$ -	\$ 954.71	-	\$ -
	<u>DEMAND CHARGES</u>						
2	All KW	\$ 1.70	-	\$ -	\$ 1.94	-	\$ -
3	per KVAR	\$ 0.32	-	\$ -	\$ 0.36	-	\$ -
	<u>ENERGY CHARGES</u>						
4	On Peak	\$ 0.0001060	-	\$ -	\$ 0.0001210	-	\$ -
5	Off Peak	\$ 0.0000471	-	\$ -	\$ 0.0000540	-	\$ -
6	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>			\$ -			\$ -
	<u>RIDER CHARGES</u>						
7	NUG		-	\$ -		-	\$0
8	Default Service Support Charge		-	\$ -		-	\$0
9	TSAS		-	\$ -		-	\$0
10	PTC*		-	\$ -		-	\$0
11	Total Energy and Revenue		-	\$ -		-	\$ -
12	Avg rate per kWh						
13	Proposed Increase						\$0
14	Percent Increase						0.00%

Pennsylvania Electric Company - Waverly District
Service Classification No. 6 - Private Outdoor Lighting Service

Line	Current P.S.C. No. 7			Proposed P.S.C. No. 7		
	<u>Current Rate</u>	<u>Billing Units</u>	<u>Billed Revenue</u>	<u>Proposed Rate</u>	<u>Billing Units</u>	<u>Proposed Revenue</u>
	(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
	<u>HIGH PRESSURE SODIUM VAPOR</u>					
1	70 WATTS	\$ 7.96	50 \$ 398	\$ 9.08	50 \$ 454	
2	100 WATTS	\$ 7.71	491 \$ 3,789	\$ 8.80	491 \$ 4,321	
3	200 WATTS	\$ 11.16	74 \$ 826	\$ 12.73	74 \$ 942	
	<u>MERCURY VAPOR</u>					
4	100 WATTS	\$ 5.69	432 \$ 2,460	\$ 6.49	432 \$ 2,804	
5	175 WATTS	\$ 6.37	61 \$ 389	\$ 7.26	61 \$ 443	
6	250 WATTS	\$ 9.03	63 \$ 569	\$ 10.30	63 \$ 649	
	<u>ADDITIONAL FACILITIES</u>					
7	WOOD POLE - Per Pole Per Lamp (Per Pole a Month)	\$ 1.01	173 \$ 174	\$ 1.15	173 \$ 199	
8	WOOD POLE - Each Pole in Excess of One Per Lamp (Per Pole a Month)	\$ 2.48	12 \$ 30	\$ 2.83	12 \$ 34	
9	<u>TOTAL REVENUES</u>		\$ 8,635			\$ 9,845
	<u>RIDER CHARGES</u>					
10	NUG	\$ (0.00014)	61,297 \$ (9)		61,297 \$ (9)	
11	Default Service Support Charge	\$ 0.00557	61,297 \$ 341		61,297 \$ 341	
12	TSAS	\$ -	61,297 \$ -		61,297 \$ -	
13	PTC*	\$ 0.11144	61,297 \$ 6,831		61,297 \$ 6,831	
14	Total Energy and Revenue		61,297 \$ 15,798		61,297 \$ 17,009	
15	Avg rate per kWh		\$0.25773			\$0.27748
16	Proposed Increase				\$ 1,211	
17	Percent Increase					7.66%

Pennsylvania Electric Company - Waverly District
Service Classification No. 7 - Municipal Street Lighting Service

Line	Current P.S.C. No. 7			Proposed P.S.C. No. 7		
	<u>Current Rate</u>	<u>Billing Units</u>	<u>Billed Revenue</u>	<u>Proposed Rate</u>	<u>Billing Units</u>	<u>Proposed Revenue</u>
	(1)	(2)	(3)	(4)	(5)	(6)=(4)x(5)
<u>High Pressure Sodium Vapor Units</u>						
<u>Overhead Existing Wood Pole</u>						
1	70 WATTS	\$ 6.62	3,338 \$	22,101	\$ 7.55	3,338 \$ 25,202
2	100 WATTS	\$ 6.10	394 \$	2,404	\$ 6.96	394 \$ 2,742
3	150 WATTS	\$ 6.03	173 \$	1,044	\$ 6.88	173 \$ 1,190
4	200 WATTS	\$ 8.94	371 \$	3,317	\$ 10.20	371 \$ 3,784
5	400 WATTS	\$ 8.60	12 \$	106	\$ 10.11	12 \$ 121
<u>Mercury Vapor Units</u>						
<u>Overhead Existing Wood Pole</u>						
6	175 WATTS	\$ 5.57	177 \$	989	\$ 6.37	177 \$ 1,127
7	Earth Construction	\$ 0.02355	- \$	-	\$ 0.02686	\$ -
8	Paving or sidewalks, per ft.	\$ 0.25905	- \$	-	\$ 0.29542	\$ -
9	<u>TOTAL BASE NORMALIZED DISTRIBUTION REVENUES</u>		\$ 29,961			\$ 34,167
<u>RIDER CHARGES</u>						
10	NUG	\$ (0.00014)	173,715 \$	(24)	173,715 \$	(24)
11	Default Service Support Charge	\$ 0.00557	173,715 \$	968	173,715 \$	968
12	TSAS	\$ -	173,715 \$	-	173,715 \$	-
13	PTC*	\$ 0.11144	173,715 \$	19,359	173,715 \$	19,359
14	Total Energy and Revenue		173,715 \$	50,263	173,715 \$	54,469
15	Avg rate per kWh			\$0.28934		\$0.31356
16	Proposed Increase					\$4,207
17	Percent Increase					8.37%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 1 - RESIDENTIAL SERVICE

ENERGY USAGE

All kWh	0	50	100	250	500	750	900	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000
Total Energy Usage	0	50	100	250	500	750	900	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000

WAVERLY RATES - Current

Distribution																
Distribution Charge @ \$7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49
All kWh @ 3.387 ¢/kWh	-	1.69	3.39	8.47	16.94	25.40	30.48	33.87	50.81	67.74	84.68	101.61	118.55	135.48	152.42	169.35
Sub-Total	\$ 7.49	\$ 9.18	\$ 10.88	\$ 15.96	\$ 24.43	\$ 32.89	\$ 37.97	\$ 41.36	\$ 58.30	\$ 75.23	\$ 92.17	\$ 109.10	\$ 126.04	\$ 142.97	\$ 159.91	\$ 176.84
Riders																
Default Service Support @\$ 0.0056 /kWh	-	0.28	0.56	1.39	2.79	4.18	5.01	5.57	8.36	11.14	13.93	16.71	19.50	22.28	25.07	27.85
NUG @ -0.014 ¢/kWh	-	(0.01)	(0.01)	(0.04)	(0.07)	(0.11)	(0.13)	(0.14)	(0.21)	(0.28)	(0.35)	(0.42)	(0.49)	(0.56)	(0.63)	(0.70)
PTC Charge																
All kWh @\$ 0.09164 /kWh	\$ -	\$ 4.58	\$ 9.16	\$ 22.91	\$ 45.82	\$ 68.73	\$ 82.48	\$ 91.64	\$ 137.46	\$ 183.28	\$ 229.10	\$ 274.92	\$ 320.74	\$ 366.56	\$ 412.38	\$ 458.20
Gross Receipts Tax Sub Total	\$ 7.49	\$ 7.76	\$ 8.04	\$ 8.84	\$ 10.21	\$ 11.56	\$ 12.37	\$ 12.92	\$ 15.64	\$ 18.35	\$ 21.07	\$ 23.78	\$ 26.50	\$ 29.21	\$ 31.93	\$ 34.64
Gross Receipts Tax @ 2.0000 %	0.15	0.16	0.16	0.18	0.20	0.23	0.25	0.26	0.31	0.37	0.42	0.48	0.53	0.58	0.64	0.69
Total Bill	\$ 7.64	\$ 14.19	\$ 20.75	\$ 40.40	\$ 73.17	\$ 105.92	\$ 125.58	\$ 138.69	\$ 204.22	\$ 269.74	\$ 335.27	\$ 400.79	\$ 466.32	\$ 531.83	\$ 597.37	\$ 662.88

WAVERLY RATES - Proposed

Distribution																
Distribution Charge @ \$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54	\$8.54
All kWh @ 3.863 ¢/kWh	-	1.93	3.86	9.66	19.32	28.97	34.77	38.63	57.95	77.26	96.58	115.89	135.21	154.52	173.84	193.15
Sub-Total	\$ 8.54	\$ 10.47	\$ 12.40	\$ 18.20	\$ 27.86	\$ 37.51	\$ 43.31	\$ 47.17	\$ 66.49	\$ 85.80	\$ 105.12	\$ 124.43	\$ 143.75	\$ 163.06	\$ 182.38	\$ 201.69
Riders																
Default Service Support @\$ 0.00557 /kWh	-	0.28	0.56	1.39	2.79	4.18	5.01	5.57	8.36	11.14	13.93	16.71	19.50	22.28	25.07	27.85
NUG @ -0.014 ¢/kWh	-	(0.01)	(0.01)	(0.04)	(0.07)	(0.11)	(0.13)	(0.14)	(0.21)	(0.28)	(0.35)	(0.42)	(0.49)	(0.56)	(0.63)	(0.70)
PTC Charge																
All kWh @\$ 0.09164 /kWh	\$ -	\$ 4.58	\$ 9.16	\$ 22.91	\$ 45.82	\$ 68.73	\$ 82.48	\$ 91.64	\$ 137.46	\$ 183.28	\$ 229.10	\$ 274.92	\$ 320.74	\$ 366.56	\$ 412.38	\$ 458.20
Gross Receipts Tax Sub Total	\$8.54	\$8.81	\$9.09	\$9.89	\$11.26	\$12.61	\$13.42	\$13.97	\$16.69	\$19.40	\$22.12	\$24.83	\$27.55	\$30.26	\$32.98	\$35.69
Gross Receipts Tax @ 2.0000 %	0.17	0.18	0.18	0.20	0.23	0.25	0.27	0.28	0.33	0.39	0.44	0.50	0.55	0.61	0.66	0.71
Total Bill	\$ 8.71	\$ 15.50	\$ 22.29	\$ 42.66	\$ 76.63	\$ 110.56	\$ 130.94	\$ 144.52	\$ 212.43	\$ 280.33	\$ 348.24	\$ 416.14	\$ 484.05	\$ 551.95	\$ 619.86	\$ 687.75
% Increase	14.01%	9.23%	7.42%	5.59%	4.73%	4.38%	4.27%	4.20%	4.02%	3.93%	3.87%	3.83%	3.80%	3.78%	3.76%	3.75%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 2 - RESIDENTIAL TIME-OF-DAY SERVICE

ENERGY USAGE

Total Energy Usage	0	100	300	500	700	900	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000
On Peak	-	38	114	190	266	342	380	570	760	950	1,140	1,330	1,520	1,710	1,900
Off Peak	-	62	186	310	434	558	620	930	1,240	1,550	1,860	2,170	2,480	2,790	3,100
Total Energy Usage	0	100	300	500	700	900	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000

WAVERLY RATES - Current

Distribution																
Distribution Charge @ \$10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81	\$ 10.81
On Peak @ 6.620 ¢/kWh	-	2.52	7.55	12.58	17.61	22.64	25.16	37.73	50.31	62.89	75.47	88.05	100.62	113.20	125.78	125.78
Off Peak @ 1.185 ¢/kWh	-	0.73	2.20	3.67	5.14	6.61	7.35	11.02	14.69	18.37	22.04	25.71	29.39	33.06	36.74	36.74
Sub-Total	\$ 10.81	\$ 14.06	\$ 20.56	\$ 27.06	\$ 33.56	\$ 40.06	\$ 43.31	\$ 59.56	\$ 75.82	\$ 92.07	\$ 108.32	\$ 124.57	\$ 140.82	\$ 157.07	\$ 173.33	\$ 173.33
Riders																
Default Service Support @\$ 0.0056 /kWh	-	0.56	1.67	2.79	3.90	5.01	5.57	8.36	11.14	13.93	16.71	19.50	22.28	25.07	27.85	27.85
NUG @ -0.014 ¢/kWh	-	(0.01)	(0.04)	(0.07)	(0.10)	(0.13)	(0.14)	(0.21)	(0.28)	(0.35)	(0.42)	(0.49)	(0.56)	(0.63)	(0.70)	(0.70)
PTC Charge																
All kWh @\$ 0.09164 /kWh	\$ -	\$ 9.16	\$ 27.49	\$ 45.82	\$ 64.15	\$ 82.48	\$ 91.64	\$ 137.46	\$ 183.28	\$ 229.10	\$ 274.92	\$ 320.74	\$ 366.56	\$ 412.38	\$ 458.20	\$ 458.20
Gross Receipts Tax Sub Total	\$ 10.81	\$ 11.35	\$ 12.44	\$ 13.53	\$ 14.61	\$ 15.70	\$ 16.24	\$ 18.96	\$ 21.67	\$ 24.39	\$ 27.10	\$ 29.82	\$ 32.53	\$ 35.25	\$ 37.96	\$ 37.96
Gross Receipts Tax @ 2.0000 %	0.22	0.23	0.25	0.27	0.29	0.31	0.32	0.38	0.43	0.49	0.54	0.60	0.65	0.70	0.76	0.76
Total Bill	\$ 11.03	\$ 23.99	\$ 49.93	\$ 75.87	\$ 101.80	\$ 127.74	\$ 140.71	\$ 205.55	\$ 270.39	\$ 335.23	\$ 400.07	\$ 464.91	\$ 529.75	\$ 594.59	\$ 659.43	\$ 659.43

WAVERLY RATES -- Proposed

Distribution																
Distribution Charge @ \$12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33	\$ 12.33
On Peak @ 7.550 ¢/kWh	-	2.87	8.61	14.35	20.08	25.82	28.69	43.04	57.38	71.73	86.07	100.42	114.76	129.11	143.45	143.45
Off Peak @ 1.351 ¢/kWh	-	0.84	2.51	4.19	5.86	7.54	8.38	12.56	16.75	20.94	25.13	29.32	33.50	37.69	41.88	41.88
Sub-Total	\$ 12.33	\$ 16.04	\$ 23.45	\$ 30.86	\$ 38.28	\$ 45.69	\$ 49.40	\$ 67.93	\$ 86.46	\$ 105.00	\$ 123.53	\$ 142.06	\$ 160.59	\$ 179.13	\$ 197.66	\$ 197.66
Riders																
Default Service Support @\$ 0.00557 /kWh	-	0.56	1.67	2.79	3.90	5.01	5.57	8.36	11.14	13.93	16.71	19.50	22.28	25.07	27.85	27.85
NUG @ -0.014 ¢/kWh	-	(0.01)	(0.04)	(0.07)	(0.10)	(0.13)	(0.14)	(0.21)	(0.28)	(0.35)	(0.42)	(0.49)	(0.56)	(0.63)	(0.70)	(0.70)
PTC Charge																
All kWh @\$ 0.09164 /kWh	\$ -	\$ 9.16	\$ 27.49	\$ 45.82	\$ 64.15	\$ 82.48	\$ 91.64	\$ 137.46	\$ 183.28	\$ 229.10	\$ 274.92	\$ 320.74	\$ 366.56	\$ 412.38	\$ 458.20	\$ 458.20
Gross Receipts Tax Sub Total	\$ 12.33	\$ 12.87	\$ 13.96	\$ 15.05	\$ 16.13	\$ 17.22	\$ 17.76	\$ 20.48	\$ 23.19	\$ 25.91	\$ 28.62	\$ 31.34	\$ 34.05	\$ 36.77	\$ 39.48	\$ 39.48
Gross Receipts Tax @ 2.0000 %	0.25	0.26	0.28	0.30	0.32	0.34	0.36	0.41	0.46	0.52	0.57	0.63	0.68	0.74	0.79	0.79
Total Bill	\$ 12.58	\$ 26.00	\$ 52.85	\$ 79.70	\$ 106.55	\$ 133.40	\$ 146.82	\$ 213.94	\$ 281.07	\$ 348.19	\$ 415.31	\$ 482.43	\$ 549.56	\$ 616.68	\$ 683.80	\$ 683.80
% Increase	14.06%	8.36%	5.85%	5.05%	4.66%	4.43%	4.34%	4.08%	3.95%	3.87%	3.81%	3.77%	3.74%	3.71%	3.70%	3.70%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 3 - GENERAL SERVICE - SECONDARY

At Average Levels of kWh Use

KW Demand

Total KW	0	3	3	3	3	3	3	3	4	4	4	4	4	4	4
Hrs Use	0	100	200	300	400	500	600	730	100	200	300	400	500	600	730
Reactive Demand															
All KVAR of Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

ENERGY USAGE

Monthly Energy Usage	0	300	600	900	1,200	1,500	1,800	2,190	400	800	1,200	1,600	2,000	2,400	2,920
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WAVERLY RATES - Current

Distribution															
Customer Charge @ \$9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26
All KVAR @ \$0.341/KVAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First 2,000 kWh @ 3.475 ¢/kWh	-	10.43	20.85	31.28	41.70	52.13	62.55	69.50	13.90	27.80	41.70	55.60	69.50	69.50	69.50
Over 2,000 kWh @ 2.028 ¢/kWh	-	-	-	-	-	-	-	3.85	-	-	-	-	-	8.11	18.66
Sub-Total	\$ 9.26	\$ 19.69	\$ 30.11	\$ 40.54	\$ 50.96	\$ 61.39	\$ 71.81	\$ 82.61	\$ 23.16	\$ 37.06	\$ 50.96	\$ 64.86	\$ 78.76	\$ 86.87	\$ 97.42
Riders															
Default Service Support @\$ 0.0056 /kWh	-	1.67	3.34	5.01	6.68	8.36	10.03	12.20	2.23	4.46	6.68	8.91	11.14	13.37	16.26
NUG @ -0.014 ¢/kWh	-	(0.04)	(0.08)	(0.13)	(0.17)	(0.21)	(0.25)	(0.31)	(0.06)	(0.11)	(0.17)	(0.22)	(0.28)	(0.34)	(0.41)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 33.43	\$ 66.86	\$ 100.30	\$ 133.73	\$ 167.16	\$ 200.59	\$ 244.05	\$ 44.58	\$ 89.15	\$ 133.73	\$ 178.30	\$ 222.88	\$ 267.46	\$ 325.40
Gross Receipts Tax Sub Total	\$ 9.26	\$ 10.89	\$ 12.52	\$ 14.15	\$ 15.78	\$ 17.41	\$ 19.03	\$ 21.15	\$ 11.43	\$ 13.60	\$ 15.78	\$ 17.95	\$ 20.12	\$ 22.29	\$ 25.12
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 9.26	\$ 54.75	\$ 100.23	\$ 145.72	\$ 191.20	\$ 236.69	\$ 282.18	\$ 338.56	\$ 69.91	\$ 130.56	\$ 191.20	\$ 251.85	\$ 312.50	\$ 367.36	\$ 438.68

WAVERLY RATES -- Proposed

Distribution															
Customer Charge @ \$10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56
All KVAR @ \$0.390/KVAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First 2,000 kWh @ 3.963 ¢/kWh	-	11.89	23.78	35.67	47.56	59.45	71.33	79.26	15.85	31.70	47.56	63.41	79.26	79.26	79.26
Over 2,000 kWh @ 2.313 ¢/kWh	-	-	-	-	-	-	-	4.39	-	-	-	-	-	9.25	21.28
Sub-Total	\$ 10.56	\$ 22.45	\$ 34.34	\$ 46.23	\$ 58.12	\$ 70.01	\$ 81.89	\$ 94.21	\$ 26.41	\$ 42.26	\$ 58.12	\$ 73.97	\$ 89.82	\$ 99.07	\$ 111.10
Riders															
Default Service Support @\$ 0.00557 /kWh	-	1.67	3.34	5.01	6.68	8.36	10.03	12.20	2.23	4.46	6.68	8.91	11.14	13.37	16.26
NUG @ -0.014 ¢/kWh	-	(0.04)	(0.08)	(0.13)	(0.17)	(0.21)	(0.25)	(0.31)	(0.06)	(0.11)	(0.17)	(0.22)	(0.28)	(0.34)	(0.41)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 33.43	\$ 66.86	\$ 100.30	\$ 133.73	\$ 167.16	\$ 200.59	\$ 244.05	\$ 44.58	\$ 89.15	\$ 133.73	\$ 178.30	\$ 222.88	\$ 267.46	\$ 325.40
Gross Receipts Tax Sub Total	\$ 10.56	\$ 12.19	\$ 13.82	\$ 15.45	\$ 17.08	\$ 18.71	\$ 20.33	\$ 22.45	\$ 12.73	\$ 14.90	\$ 17.08	\$ 19.25	\$ 21.42	\$ 23.59	\$ 26.42
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 10.56	\$ 57.51	\$ 104.46	\$ 151.41	\$ 198.36	\$ 245.31	\$ 292.26	\$ 350.16	\$ 73.16	\$ 135.76	\$ 198.36	\$ 260.96	\$ 323.56	\$ 379.56	\$ 452.36
% Increase	14.04%	5.05%	4.22%	3.91%	3.74%	3.64%	3.57%	3.43%	4.65%	3.99%	3.74%	3.62%	3.54%	3.32%	3.12%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 3 - GENERAL SERVICE - SECONDARY

KW Demand

Total KW	0	20	20	20	20	20	20	20	200	200	200	200	200	200	200
Hrs Use	0	100	200	300	400	500	600	730	100	200	300	400	500	600	730

Reactive Demand

All KVAR of Demand	0	0	0	0	0	0	0	0	12	12	12	12	12	12	12
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ENERGY USAGE

Monthly Energy Usage	0	2,000	4,000	6,000	8,000	10,000	12,000	14,600	20,000	40,000	60,000	80,000	100,000	120,000	146,000
First 2,000 kWh	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Energy for declining block	0	0	2,000	4,000	6,000	8,000	10,000	12,600	18,000	38,000	58,000	78,000	98,000	118,000	144,000
Over 2,000 kWh & Under 200 hrs Use	0	0	2,000	2,000	2,000	2,000	2,000	2,000	18,000	38,000	38,000	38,000	38,000	38,000	38,000
Over 200 hrs Use	0	0	0	2,000	4,000	4,000	4,000	4,000	0	0	20,000	40,000	40,000	40,000	40,000
Over 400 hrs Use	0	0	0	0	0	2,000	4,000	6,600	0	0	0	0	20,000	40,000	66,000
Total Energy Usage	-	2,000	4,000	6,000	8,000	10,000	12,000	14,600	20,000	40,000	60,000	80,000	100,000	120,000	146,000

WAVERLY RATES - Current

Distribution															
Customer Charge @ \$9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26	\$ 9.26
Over 5 KW to 195 KW @ \$2.15/kW	-	32.25	32.25	32.25	32.25	32.25	32.25	32.25	32.25	419.25	419.25	419.25	419.25	419.25	419.25
All Over 200 KW @ \$2.15/kW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All KVAR @ \$0.341/KVAR	-	-	-	-	-	-	-	-	4.09	4.09	4.09	4.09	4.09	4.09	4.09
First 2,000 kWh @ 3.475 ¢/kWh	-	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50
Over 2,000 kWh and Under 200 Hours Use @ 2.028 ¢/kWh	-	-	40.56	40.56	40.56	40.56	40.56	40.56	365.04	770.64	770.64	770.64	770.64	770.64	770.64
Next 200 Hours Use @ 1.253 ¢/kWh	-	-	25.06	50.12	50.12	50.12	50.12	50.12	-	250.60	501.20	501.20	501.20	501.20	501.20
Over 400 Hours Use @ 0.456 ¢/kWh	-	-	-	-	-	9.12	18.24	30.10	-	-	-	91.20	182.40	300.96	300.96
Sub-Total	\$ 9.26	\$ 111.01	\$ 151.57	\$ 176.63	\$ 201.69	\$ 210.81	\$ 219.93	\$ 231.79	\$ 867.14	\$ 1,272.74	\$ 1,523.34	\$ 1,773.94	\$ 1,865.14	\$ 1,956.34	\$ 2,074.90
Riders															
Default Service Support @\$ 0.0056 /kWh	-	11.14	22.28	33.42	44.56	55.70	66.84	81.32	111.40	222.80	334.20	445.60	557.00	668.40	813.22
NUG @ -0.014 ¢/kWh	-	(0.28)	(0.56)	(0.84)	(1.12)	(1.40)	(1.68)	(2.04)	(2.80)	(5.60)	(8.40)	(11.20)	(14.00)	(16.80)	(20.44)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 222.88	\$ 445.76	\$ 668.64	\$ 891.52	\$ 1,114.40	\$ 1,337.28	\$ 1,627.02	\$ 2,228.80	\$ 4,457.60	\$ 6,686.40	\$ 8,915.20	\$ 11,144.00	\$ 13,372.80	\$ 16,270.24
Gross Receipts Tax Sub Total	\$ 9.26	\$ 20.12	\$ 30.98	\$ 41.84	\$ 52.70	\$ 63.56	\$ 74.42	\$ 88.54	\$ 117.86	\$ 226.46	\$ 335.06	\$ 443.66	\$ 552.26	\$ 660.86	\$ 802.04
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 9.26	\$ 344.75	\$ 619.05	\$ 877.85	\$ 1,136.65	\$ 1,379.51	\$ 1,622.37	\$ 1,938.09	\$ 3,204.54	\$ 5,947.54	\$ 8,535.54	\$ 11,123.54	\$ 13,552.14	\$ 15,980.74	\$ 19,137.92

WAVERLY RATES -- Proposed

Distribution															
Customer Charge @ \$10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56	\$ 10.56
Over 5 KW to 195 KW @ \$2.45/kW	-	36.75	36.75	36.75	36.75	36.75	36.75	36.75	36.75	477.75	477.75	477.75	477.75	477.75	477.75
All Over 200 KW @ \$2.45/kW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All KVAR @ \$0.390/KVAR	-	-	-	-	-	-	-	-	4.68	4.68	4.68	4.68	4.68	4.68	4.68
First 2,000 kWh @ 3.963 ¢/kWh	-	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26
Over 2,000 kWh and Under 200 Hours Use @ 2.313 ¢/kWh	-	-	46.26	46.26	46.26	46.26	46.26	46.26	416.34	878.94	878.94	878.94	878.94	878.94	878.94
Next 200 Hours Use @ 1.429 ¢/kWh	-	-	28.58	57.16	57.16	57.16	57.16	57.16	-	285.80	571.60	571.60	571.60	571.60	571.60
Over 400 Hours Use @ 0.520 ¢/kWh	-	-	-	-	-	10.40	20.80	34.32	-	-	-	104.00	208.00	343.20	343.20
Sub-Total	\$ 10.56	\$ 126.57	\$ 172.83	\$ 201.41	\$ 229.99	\$ 240.39	\$ 250.79	\$ 264.31	\$ 988.59	\$ 1,451.19	\$ 1,736.99	\$ 2,022.79	\$ 2,126.79	\$ 2,230.79	\$ 2,365.99
Riders															
Default Service Support @\$ 0.0056 /kWh	-	11.14	22.28	33.42	44.56	55.70	66.84	81.32	111.40	222.80	334.20	445.60	557.00	668.40	813.22
NUG @ -0.014 ¢/kWh	-	(0.28)	(0.56)	(0.84)	(1.12)	(1.40)	(1.68)	(2.04)	(2.80)	(5.60)	(8.40)	(11.20)	(14.00)	(16.80)	(20.44)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 222.88	\$ 445.76	\$ 668.64	\$ 891.52	\$ 1,114.40	\$ 1,337.28	\$ 1,627.02	\$ 2,228.80	\$ 4,457.60	\$ 6,686.40	\$ 8,915.20	\$ 11,144.00	\$ 13,372.80	\$ 16,270.24
Gross Receipts Tax Sub Total	\$ 10.56	\$ 21.42	\$ 32.28	\$ 43.14	\$ 54.00	\$ 64.86	\$ 75.72	\$ 89.84	\$ 119.16	\$ 227.76	\$ 336.36	\$ 444.96	\$ 553.56	\$ 662.16	\$ 803.34
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 10.56	\$ 360.31	\$ 640.31	\$ 902.63	\$ 1,164.95	\$ 1,409.09	\$ 1,653.23	\$ 1,970.61	\$ 3,325.99	\$ 6,125.99	\$ 8,749.19	\$ 11,373.39	\$ 13,813.79	\$ 16,255.19	\$ 19,429.01
% Increase	14.04%	4.51%	3.43%	2.82%	2.49%	2.14%	1.90%	1.68%	3.79%	3.00%	2.50%	2.24%	1.93%	1.72%	1.52%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 3 - GENERAL SERVICE - SECONDARY

KW Demand

Total KW	0	300	300	300	300	300	300	300	500	500	500	500	500	500	500
Hrs Use	0	100	200	300	400	500	600	730	100	200	300	400	500	600	730

Reactive Demand

All KVAR of Demand	0	6	6	6	6	6	6	6	12	12	12	12	12	12	12
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ENERGY USAGE

Monthly Energy Usage	0	30,000	60,000	90,000	120,000	150,000	180,000	219,000	50,000	100,000	150,000	200,000	250,000	300,000	365,000
First 2,000 kWh	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Energy for declining block	0	28,000	58,000	88,000	118,000	148,000	178,000	217,000	48,000	98,000	148,000	198,000	248,000	298,000	363,000
Over 2,000 kWh & Under 200 hrs Use	0	28,000	58,000	58,000	58,000	58,000	58,000	58,000	48,000	98,000	98,000	98,000	98,000	98,000	98,000
Over 200 hrs Use	0	0	0	30,000	60,000	60,000	60,000	60,000	0	0	50,000	100,000	100,000	100,000	100,000
Over 400 hrs Use	0	0	0	0	0	30,000	60,000	99,000	0	0	0	0	50,000	100,000	165,000
Total Energy Usage	-	30,000	60,000	90,000	120,000	150,000	180,000	219,000	50,000	100,000	150,000	200,000	250,000	300,000	365,000

WAVERLY RATES - Current

Distribution																
Customer Charge @ \$9.26	\$	9.26	\$	9.26	\$	9.26	\$	9.26	\$	9.26	\$	9.26	\$	9.26	\$	9.26
Over 5 KW to 195 KW @ \$2.15/kW	-	419.25		419.25		419.25		419.25		419.25		419.25		419.25		419.25
All Over 200 KW @ \$2.15/kW	-	215.00		215.00		215.00		215.00		215.00		645.00		645.00		645.00
All KVAR @ \$0.341/KVAR	-	2.05		2.05		2.05		2.05		2.05		4.09		4.09		4.09
First 2,000 kWh @ 3.475 ¢/kWh	-	69.50		69.50		69.50		69.50		69.50		69.50		69.50		69.50
Over 2,000 kWh and Under 200 Hours Use @ 2.028 ¢/kWh	-	567.84		1,176.24		1,176.24		1,176.24		1,176.24		973.44		1,987.44		1,987.44
Next 200 Hours Use @ 1.253 ¢/kWh	-	-		-		375.90		751.80		751.80		751.80		626.50		1,253.00
Over 400 Hours Use @ 0.456 ¢/kWh	-	-		-		-		136.80		273.60		451.44		-		228.00
Sub-Total	\$	9.26	\$	1,282.90	\$	1,891.30	\$	2,267.20	\$	2,643.10	\$	2,779.90	\$	2,916.70	\$	3,094.54
Riders																
Default Service Support @\$ 0.0056 /kWh	-	167.10		334.20		501.30		668.40		835.50		1,002.60		1,219.83		278.50
NUG @ -0.014 ¢/kWh	-	(4.20)		(8.40)		(12.60)		(16.80)		(21.00)		(25.20)		(30.66)		(7.00)
PTC Charge																
All kWh @\$ 0.11144 /kWh	\$	-	\$	3,343.20	\$	6,686.40	\$	10,029.60	\$	13,372.80	\$	16,716.00	\$	20,059.20	\$	24,405.36
Gross Receipts Tax Sub Total	\$	9.26	\$	172.16	\$	335.06	\$	497.96	\$	660.86	\$	823.76	\$	986.66	\$	1,198.43
Gross Receipts Tax Tax @ 0.0000 %	-	-		-		-		-		-		-		-		-
Total Bill	\$	9.26	\$	4,789.00	\$	8,903.50	\$	12,785.50	\$	16,667.50	\$	20,310.40	\$	23,953.30	\$	28,689.07

WAVERLY RATES -- Proposed

Distribution																
Customer Charge @ \$10.56	\$	10.56	\$	10.56	\$	10.56	\$	10.56	\$	10.56	\$	10.56	\$	10.56	\$	10.56
Over 5 KW to 195 KW @ \$2.45/kW	-	477.75		477.75		477.75		477.75		477.75		477.75		477.75		477.75
All Over 200 KW @ \$2.45/kW	-	245.00		245.00		245.00		245.00		245.00		245.00		245.00		245.00
All KVAR @ \$0.390/KVAR	-	2.34		2.34		2.34		2.34		2.34		2.34		2.34		2.34
First 2,000 kWh @ 3.963 ¢/kWh	-	79.26		79.26		79.26		79.26		79.26		79.26		79.26		79.26
Over 2,000 kWh and Under 200 Hours Use @ 2.313 ¢/kWh	-	647.64		1,341.54		1,341.54		1,341.54		1,341.54		1,110.24		2,266.74		2,266.74
Next 200 Hours Use @ 1.429 ¢/kWh	-	-		-		428.70		857.40		857.40		857.40		1,429.00		1,429.00
Over 400 Hours Use @ 0.520 ¢/kWh	-	-		-		-		156.00		312.00		514.80		1,029.60		1,543.80
Sub-Total	\$	10.56	\$	1,462.55	\$	2,156.45	\$	2,585.15	\$	3,013.85	\$	3,169.85	\$	3,325.85	\$	3,528.65
Riders																
Default Service Support @\$ 0.0056 /kWh	-	167.10		334.20		501.30		668.40		835.50		1,002.60		1,219.83		1,497.06
NUG @ -0.014 ¢/kWh	-	(4.20)		(8.40)		(12.60)		(16.80)		(21.00)		(25.20)		(30.66)		(35.10)
PTC Charge																
All kWh @\$ 0.11144 /kWh	\$	-	\$	3,343.20	\$	6,686.40	\$	10,029.60	\$	13,372.80	\$	16,716.00	\$	20,059.20	\$	24,405.36
Gross Receipts Tax Sub Total	\$	10.56	\$	173.46	\$	336.36	\$	499.26	\$	662.16	\$	825.06	\$	987.96	\$	1,199.73
Gross Receipts Tax Tax @ 0.0000 %	-	-		-		-		-		-		-		-		-
Total Bill	\$	10.56	\$	4,968.65	\$	9,168.65	\$	13,103.45	\$	17,038.25	\$	20,700.35	\$	24,362.45	\$	29,123.18
% Increase		14.04%		3.75%		2.98%		2.49%		2.22%		1.92%		1.71%		1.51%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 3 - GENERAL SERVICE - SECONDARY

At Average Levels of kWh Use

KW Demand

Total KW	0	3	3	3	3	3	3	3	4	4	4	4	4	4	4
Hrs Use	0	100	200	300	400	500	600	730	100	200	300	400	500	600	730
Reactive Demand															
All KVAR of Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

ENERGY USAGE

Monthly Energy Usage	0	300	600	900	1,200	1,500	1,800	2,190	400	800	1,200	1,600	2,000	2,400	2,920
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WAVERLY RATES - Current

Distribution															
Customer Charge @ \$18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18
All KVAR @ \$0.341/KVAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First 2,000 kWh @ 3.475 ¢/kWh	-	10.43	20.85	31.28	41.70	52.13	62.55	69.50	13.90	27.80	41.70	55.60	69.50	69.50	69.50
Over 2,000 kWh @ 2.028 ¢/kWh	-	-	-	-	-	-	-	3.85	-	-	-	-	-	8.11	18.66
Sub-Total	\$ 18.18	\$ 28.61	\$ 39.03	\$ 49.46	\$ 59.88	\$ 70.31	\$ 80.73	\$ 91.53	\$ 32.08	\$ 45.98	\$ 59.88	\$ 73.78	\$ 87.68	\$ 95.79	\$ 106.34
Riders															
Default Service Support @\$ 0.0056 /kWh	-	1.67	3.34	5.01	6.68	8.36	10.03	12.20	2.23	4.46	6.68	8.91	11.14	13.37	16.26
NUG @ -0.014 ¢/kWh	-	(0.04)	(0.08)	(0.13)	(0.17)	(0.21)	(0.25)	(0.31)	(0.06)	(0.11)	(0.17)	(0.22)	(0.28)	(0.34)	(0.41)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 33.43	\$ 66.86	\$ 100.30	\$ 133.73	\$ 167.16	\$ 200.59	\$ 244.05	\$ 44.58	\$ 89.15	\$ 133.73	\$ 178.30	\$ 222.88	\$ 267.46	\$ 325.40
Gross Receipts Tax Sub Total	\$ -	\$ 301.63	\$ 603.26	\$ 904.89	\$ 1,206.52	\$ 1,508.15	\$ 1,809.77	\$ 2,201.89	\$ 402.17	\$ 804.34	\$ 1,206.52	\$ 1,608.69	\$ 2,010.86	\$ 2,413.03	\$ 2,935.86
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 18.18	\$ 63.67	\$ 109.15	\$ 154.64	\$ 200.12	\$ 245.61	\$ 291.10	\$ 347.48	\$ 78.83	\$ 139.48	\$ 200.12	\$ 260.77	\$ 321.42	\$ 376.28	\$ 447.60

WAVERLY RATES -- Proposed

Distribution															
Customer Charge @ \$20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76
All KVAR @ \$0.390/KVAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First 2,000 kWh @ 3.963 ¢/kWh	-	11.89	23.78	35.67	47.56	59.45	71.33	79.26	15.85	31.70	47.56	63.41	79.26	79.26	79.26
Over 2,000 kWh @ 2.313 ¢/kWh	-	-	-	-	-	-	-	4.39	-	-	-	-	-	9.25	21.28
Sub-Total	\$ 20.76	\$ 32.65	\$ 44.54	\$ 56.43	\$ 68.32	\$ 80.21	\$ 92.09	\$ 104.41	\$ 36.61	\$ 52.46	\$ 68.32	\$ 84.17	\$ 100.02	\$ 109.27	\$ 121.30
Riders															
Default Service Support @\$ 0.00557 /kWh	-	1.67	3.34	5.01	6.68	8.36	10.03	12.20	2.23	4.46	6.68	8.91	11.14	13.37	16.26
NUG @ -0.014 ¢/kWh	-	(0.04)	(0.08)	(0.13)	(0.17)	(0.21)	(0.25)	(0.31)	(0.06)	(0.11)	(0.17)	(0.22)	(0.28)	(0.34)	(0.41)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 33.43	\$ 66.86	\$ 100.30	\$ 133.73	\$ 167.16	\$ 200.59	\$ 244.05	\$ 44.58	\$ 89.15	\$ 133.73	\$ 178.30	\$ 222.88	\$ 267.46	\$ 325.40
Gross Receipts Tax Sub Total	\$ 18.18	\$ 65.30	\$ 112.41	\$ 159.53	\$ 206.64	\$ 253.76	\$ 300.87	\$ 359.37	\$ 81.00	\$ 143.82	\$ 206.64	\$ 269.46	\$ 332.28	\$ 389.31	\$ 463.45
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 20.76	\$ 67.71	\$ 114.66	\$ 161.61	\$ 208.56	\$ 255.51	\$ 302.46	\$ 360.36	\$ 83.36	\$ 145.96	\$ 208.56	\$ 271.16	\$ 333.76	\$ 389.76	\$ 462.56
% Increase	14.19%	6.35%	5.05%	4.51%	4.22%	4.03%	3.90%	3.71%	5.75%	4.65%	4.22%	3.98%	3.84%	3.58%	3.34%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 3 - GENERAL SERVICE - SECONDARY

KW Demand

Total KW	0	20	20	20	20	20	20	20	200	200	200	200	200	200	200
Hrs Use	0	100	200	300	400	500	600	730	100	200	300	400	500	600	730

Reactive Demand

All KVAR of Demand	0	0	0	0	0	0	0	0	169	169	169	169	169	169	169
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ENERGY USAGE

Monthly Energy Usage	0	2,000	4,000	6,000	8,000	10,000	12,000	14,600	20,000	40,000	60,000	80,000	100,000	120,000	146,000
First 2,000 kWh	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Energy for declining block	0	0	2,000	4,000	6,000	8,000	10,000	12,600	18,000	38,000	58,000	78,000	98,000	118,000	144,000
Over 2,000 kWh & Under 200 hrs Use	0	0	2,000	2,000	2,000	2,000	2,000	2,000	18,000	38,000	38,000	38,000	38,000	38,000	38,000
Over 200 hrs Use	0	0	0	2,000	4,000	4,000	4,000	4,000	0	0	20,000	40,000	40,000	40,000	40,000
Over 400 hrs Use	0	0	0	0	0	2,000	4,000	6,600	0	0	0	0	20,000	40,000	66,000
Total Energy Usage	-	2,000	4,000	6,000	8,000	10,000	12,000	14,600	20,000	40,000	60,000	80,000	100,000	120,000	146,000

WAVERLY RATES - Current

Distribution															
Customer Charge @ \$18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18
Over 5 KW to 195 KW @ \$2.15/kW	-	32.25	32.25	32.25	32.25	32.25	32.25	32.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25
All Over 200 KW @ \$2.15/kW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All KVAR @ \$0.341/KVAR	-	-	-	-	-	-	-	-	57.74	57.74	57.74	57.74	57.74	57.74	57.74
First 2,000 kWh @ 3.475 ¢/kWh	-	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50
Over 2,000 kWh and Under 200 Hours Use @ 2.028 ¢/kWh	-	-	40.56	40.56	40.56	40.56	40.56	40.56	365.04	770.64	770.64	770.64	770.64	770.64	770.64
Next 200 Hours Use @ 1.253 ¢/kWh	-	-	-	25.06	50.12	50.12	50.12	50.12	-	-	250.60	501.20	501.20	501.20	501.20
Over 400 Hours Use @ 0.456 ¢/kWh	-	-	-	-	-	9.12	18.24	30.10	-	-	-	91.20	182.40	300.96	300.96
Sub-Total	\$ 18.18	\$ 119.93	\$ 160.49	\$ 185.55	\$ 210.61	\$ 219.73	\$ 228.85	\$ 240.71	\$ 929.71	\$ 1,335.31	\$ 1,585.91	\$ 1,836.51	\$ 1,927.71	\$ 2,018.91	\$ 2,137.47
Riders															
Default Service Support @\$ 0.0056 /kWh	-	11.14	22.28	33.42	44.56	55.70	66.84	81.32	111.40	222.80	334.20	445.60	557.00	668.40	813.22
NUG @ -0.014 ¢/kWh	-	(0.28)	(0.56)	(0.84)	(1.12)	(1.40)	(1.68)	(2.04)	(2.80)	(5.60)	(8.40)	(11.20)	(14.00)	(16.80)	(20.44)

PTC Charge

All kWh @\$ 0.11144 /kWh	\$ -	\$ 222.88	\$ 445.76	\$ 668.64	\$ 891.52	\$ 1,114.40	\$ 1,337.28	\$ 1,627.02	\$ 2,228.80	\$ 4,457.60	\$ 6,686.40	\$ 8,915.20	\$ 11,144.00	\$ 13,372.80	\$ 16,270.24
Gross Receipts Tax Sub Total	\$ 18.18	\$ 29.04	\$ 39.90	\$ 50.76	\$ 61.62	\$ 72.48	\$ 83.34	\$ 97.46	\$ 126.78	\$ 235.38	\$ 343.98	\$ 452.58	\$ 561.18	\$ 669.78	\$ 810.96
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 18.18	\$ 353.67	\$ 627.97	\$ 886.77	\$ 1,145.57	\$ 1,388.43	\$ 1,631.29	\$ 1,947.01	\$ 3,267.11	\$ 6,010.11	\$ 8,598.11	\$ 11,186.11	\$ 13,614.71	\$ 16,043.31	\$ 19,200.49

WAVERLY RATES -- Proposed

Distribution															
Customer Charge @ \$20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76
Over 5 KW to 195 KW @ \$2.45/kW	-	36.75	36.75	36.75	36.75	36.75	36.75	36.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75
All Over 200 KW @ \$2.45/kW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All KVAR @ \$0.390/KVAR	-	-	-	-	-	-	-	-	66.03	66.03	66.03	66.03	66.03	66.03	66.03
First 2,000 kWh @ 3.963 ¢/kWh	-	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26
Over 2,000 kWh and Under 200 Hours Use @ 2.313 ¢/kWh	-	-	46.26	46.26	46.26	46.26	46.26	46.26	416.34	878.94	878.94	878.94	878.94	878.94	878.94
Next 200 Hours Use @ 1.429 ¢/kWh	-	-	-	28.58	57.16	57.16	57.16	57.16	-	-	285.80	571.60	571.60	571.60	571.60
Over 400 Hours Use @ 0.520 ¢/kWh	-	-	-	-	-	10.40	20.80	34.32	-	-	-	-	104.00	208.00	343.20
Sub-Total	\$ 20.76	\$ 136.77	\$ 183.03	\$ 211.61	\$ 240.19	\$ 250.59	\$ 260.99	\$ 274.51	\$ 1,060.14	\$ 1,522.74	\$ 1,808.54	\$ 2,094.34	\$ 2,198.34	\$ 2,302.34	\$ 2,437.54
Riders															
Default Service Support @\$ 0.0056 /kWh	-	11.14	22.28	33.42	44.56	55.70	66.84	81.32	111.40	222.80	334.20	445.60	557.00	668.40	813.22
NUG @ -0.014 ¢/kWh	-	(0.28)	(0.56)	(0.84)	(1.12)	(1.40)	(1.68)	(2.04)	(2.80)	(5.60)	(8.40)	(11.20)	(14.00)	(16.80)	(20.44)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 222.88	\$ 445.76	\$ 668.64	\$ 891.52	\$ 1,114.40	\$ 1,337.28	\$ 1,627.02	\$ 2,228.80	\$ 4,457.60	\$ 6,686.40	\$ 8,915.20	\$ 11,144.00	\$ 13,372.80	\$ 16,270.24
Gross Receipts Tax Sub Total	\$ 20.76	\$ 31.62	\$ 42.48	\$ 53.34	\$ 64.20	\$ 75.06	\$ 85.92	\$ 100.04	\$ 129.36	\$ 237.96	\$ 346.56	\$ 455.16	\$ 563.76	\$ 672.36	\$ 813.54
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 20.76	\$ 370.51	\$ 650.51	\$ 912.83	\$ 1,175.15	\$ 1,419.29	\$ 1,663.43	\$ 1,980.81	\$ 3,397.54	\$ 6,197.54	\$ 8,820.74	\$ 11,443.94	\$ 13,885.34	\$ 16,326.74	\$ 19,500.56
% Increase	14.19%	4.76%	3.59%	2.94%	2.58%	2.22%	1.97%	1.74%	3.99%	3.12%	2.59%	2.30%	1.99%	1.77%	1.56%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
SERVICE CLASSIFICATION NO. 3 - GENERAL SERVICE - SECONDARY

KW Demand

Total KW	0	300	300	300	300	300	300	300	500	500	500	500	500	500	500
Hrs Use	0	100	200	300	400	500	600	730	100	200	300	400	500	600	730

Reactive Demand

All KVAR of Demand	0	254	254	254	254	254	254	254	423	423	423	423	423	423	423
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ENERGY USAGE

Monthly Energy Usage	0	30,000	60,000	90,000	120,000	150,000	180,000	219,000	50,000	100,000	150,000	200,000	250,000	300,000	365,000
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First 2,000 kWh	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Energy for declining block	0	28,000	58,000	88,000	118,000	148,000	178,000	217,000	48,000	98,000	148,000	198,000	248,000	298,000	363,000
Over 2,000 kWh & Under 200 hrs Use	0	28,000	58,000	58,000	58,000	58,000	58,000	58,000	48,000	98,000	98,000	98,000	98,000	98,000	98,000
Over 200 hrs Use	0	0	0	30,000	60,000	60,000	60,000	60,000	0	0	50,000	100,000	100,000	100,000	100,000
Over 400 hrs Use	0	0	0	0	0	30,000	60,000	99,000	0	0	0	0	50,000	100,000	165,000
Total Energy Usage	-	30,000	60,000	90,000	120,000	150,000	180,000	219,000	50,000	100,000	150,000	200,000	250,000	300,000	365,000

WAVERLY RATES - Current

Distribution															
Customer Charge @ \$18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.18
Over 5 KW to 195 KW @ \$2.15/kW	-	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25	419.25
All Over 200 KW @ \$2.15/kW	-	215.00	215.00	215.00	215.00	215.00	215.00	215.00	645.00	645.00	645.00	645.00	645.00	645.00	645.00
All KVAR @ \$0.341/KVAR	-	86.61	86.61	86.61	86.61	86.61	86.61	86.61	144.34	144.34	144.34	144.34	144.34	144.34	144.34
First 2,000 kWh @ 3.475 ¢/kWh	-	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50	69.50
Over 2,000 kWh and Under 200 Hours Use @ 2.028 ¢/kWh	-	567.84	1,176.24	1,176.24	1,176.24	1,176.24	1,176.24	1,176.24	973.44	1,987.44	1,987.44	1,987.44	1,987.44	1,987.44	1,987.44
Next 200 Hours Use @ 1.253 ¢/kWh	-	-	-	375.90	751.80	751.80	751.80	751.80	-	-	626.50	1,253.00	1,253.00	1,253.00	1,253.00
Over 400 Hours Use @ 0.456 ¢/kWh	-	-	-	-	136.80	273.60	451.44	-	-	-	-	-	228.00	456.00	752.40
Sub-Total	\$ 18.18	\$ 1,376.38	\$ 1,984.78	\$ 2,360.68	\$ 2,736.58	\$ 2,873.38	\$ 3,010.18	\$ 3,188.02	\$ 2,269.71	\$ 3,283.71	\$ 3,910.21	\$ 4,536.71	\$ 4,764.71	\$ 4,992.71	\$ 5,289.11
Riders															
Default Service Support @\$ 0.0056 /kWh	-	167.10	334.20	501.30	668.40	835.50	1,002.60	1,219.83	278.50	557.00	835.50	1,114.00	1,392.50	1,671.00	2,033.05
NUG @ -0.014 ¢/kWh	-	(4.20)	(8.40)	(12.60)	(16.80)	(21.00)	(25.20)	(30.66)	(7.00)	(14.00)	(21.00)	(28.00)	(35.00)	(42.00)	(51.10)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 3,343.20	\$ 6,686.40	\$ 10,029.60	\$ 13,372.80	\$ 16,716.00	\$ 20,059.20	\$ 24,405.36	\$ 5,572.00	\$ 11,144.00	\$ 16,716.00	\$ 22,288.00	\$ 27,860.00	\$ 33,432.00	\$ 40,675.60
Gross Receipts Tax Sub Total	\$ 18.18	\$ 181.08	\$ 343.98	\$ 506.88	\$ 669.78	\$ 832.68	\$ 995.58	\$ 1,207.35	\$ 289.68	\$ 561.18	\$ 832.68	\$ 1,104.18	\$ 1,375.68	\$ 1,647.18	\$ 2,000.13
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 18.18	\$ 4,882.48	\$ 8,996.98	\$ 12,878.98	\$ 16,760.98	\$ 20,403.88	\$ 24,046.78	\$ 28,782.55	\$ 8,113.21	\$ 14,970.71	\$ 21,440.71	\$ 27,910.71	\$ 33,982.21	\$ 40,053.71	\$ 47,946.66

WAVERLY RATES -- Proposed

Distribution															
Customer Charge @ \$20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76	\$ 20.76
Over 5 KW to 195 KW @ \$2.45/kW	-	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75	477.75
All Over 200 KW @ \$2.45/kW	-	245.00	245.00	245.00	245.00	245.00	245.00	245.00	735.00	735.00	735.00	735.00	735.00	735.00	735.00
All KVAR @ \$0.390/KVAR	-	99.05	99.05	99.05	99.05	99.05	99.05	99.05	165.09	165.09	165.09	165.09	165.09	165.09	165.09
First 2,000 kWh @ 3.963 ¢/kWh	-	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26	79.26
Over 2,000 kWh and Under 200 Hours Use @ 2.313 ¢/kWh	-	647.64	1,341.54	1,341.54	1,341.54	1,341.54	1,341.54	1,341.54	1,110.24	2,266.74	2,266.74	2,266.74	2,266.74	2,266.74	2,266.74
Next 200 Hours Use @ 1.429 ¢/kWh	-	-	-	428.70	857.40	857.40	857.40	857.40	-	-	714.50	1,429.00	1,429.00	1,429.00	1,429.00
Over 400 Hours Use @ 0.520 ¢/kWh	-	-	-	-	156.00	312.00	514.80	-	-	-	-	-	260.00	520.00	858.00
Sub-Total	\$ 20.76	\$ 1,569.46	\$ 2,263.36	\$ 2,692.06	\$ 3,120.76	\$ 3,276.76	\$ 3,432.76	\$ 3,635.56	\$ 2,588.10	\$ 3,744.60	\$ 4,459.10	\$ 5,173.60	\$ 5,433.60	\$ 5,693.60	\$ 6,031.60
Riders															
Default Service Support @\$ 0.0056 /kWh	-	167.10	334.20	501.30	668.40	835.50	1,002.60	1,219.83	278.50	557.00	835.50	1,114.00	1,392.50	1,671.00	2,033.05
All kWh @ -0.014 ¢/kWh	-	(4.20)	(8.40)	(12.60)	(16.80)	(21.00)	(25.20)	(30.66)	(7.00)	(14.00)	(21.00)	(28.00)	(35.00)	(42.00)	(51.10)
PTC Charge															
All kWh @\$ 0.11144 /kWh	\$ -	\$ 3,343.20	\$ 6,686.40	\$ 10,029.60	\$ 13,372.80	\$ 16,716.00	\$ 20,059.20	\$ 24,405.36	\$ 5,572.00	\$ 11,144.00	\$ 16,716.00	\$ 22,288.00	\$ 27,860.00	\$ 33,432.00	\$ 40,675.60
Gross Receipts Tax Sub Total	\$ 20.76	\$ 183.66	\$ 346.56	\$ 509.46	\$ 672.36	\$ 835.26	\$ 998.16	\$ 1,209.93	\$ 292.26	\$ 563.76	\$ 835.26	\$ 1,106.76	\$ 1,378.26	\$ 1,649.76	\$ 2,002.71
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$ 20.76	\$ 5,075.56	\$ 9,275.56	\$ 13,210.36	\$ 17,145.16	\$ 20,807.26	\$ 24,469.36	\$ 29,230.09	\$ 8,431.60	\$ 15,431.60	\$ 21,989.60	\$ 28,547.60	\$ 34,651.10	\$ 40,754.60	\$ 48,689.15
% Increase	14.19%	3.95%	3.10%	2.57%	2.29%	1.98%	1.76%	1.55%	3.92%	3.08%	2.56%	2.28%	1.97%	1.75%	1.55%

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
RATE GP
At Average Levels of kWh Use

KW Demand

All KW of Demand	0	250	250	250	250	500	500	500	500	750	750	750	750	1000	1000	1000	1000
Hrs Use	0	100	300	500	730	100	300	500	730	100	300	500	730	100	300	500	730
Reactive Demand																	
All KVAR of Demand	0	215	215	215	215	430	430	430	430	645	645	645	645	860	860	860	860

ENERGY USAGE

Total Energy Usage	0	25,000	75,000	125,000	182,500	50,000	150,000	250,000	365,000	75,000	225,000	375,000	547,500	100,000	300,000	500,000	730,000
On Peak	-	9,500	28,500	47,500	69,350	19,000	57,000	95,000	138,700	28,500	85,500	142,500	208,050	38,000	114,000	190,000	277,400
Off Peak	-	15,500	46,500	77,500	113,150	31,000	93,000	155,000	226,300	46,500	139,500	232,500	339,450	62,000	186,000	310,000	452,600
Total Energy Usage	-	25,000	75,000	125,000	182,500	50,000	150,000	250,000	365,000	75,000	225,000	375,000	547,500	100,000	300,000	500,000	730,000

WAVERLY RATES - Current

Distribution																		
Customer Charge @ \$234.41	\$	234.41	\$	234.41	\$	234.41	\$	234.41	\$	234.41	\$	234.41	\$	234.41	\$	234.41	\$	234.41
All KW @ \$4.99/kW	-	1,247.50	1,247.50	1,247.50	1,247.50	2,495.00	2,495.00	2,495.00	2,495.00	3,742.50	3,742.50	3,742.50	3,742.50	4,990.00	4,990.00	4,990.00	4,990.00	
All KVAR @ \$0.344/KVAR	-	73.97	73.97	73.97	73.97	147.95	147.95	147.95	147.95	221.92	221.92	221.92	221.92	295.90	295.90	295.90	295.90	
All On-Peak kWh @ 0.013 ¢/kWh	-	1.24	3.71	6.18	9.02	2.47	7.41	12.35	18.03	3.71	11.12	18.53	27.05	4.94	14.82	24.70	36.06	
All Off-Peak kWh @ 0.013 ¢/kWh	-	2.02	6.05	10.08	14.71	4.03	12.09	20.15	29.42	6.05	18.14	30.23	44.13	8.06	24.18	40.30	58.84	
Sub-Total	\$	234.41	\$	1,559.13	\$	1,565.63	\$	1,572.13	\$	1,579.61	\$	2,883.86	\$	2,896.86	\$	2,909.86	\$	2,924.81
Riders																		
Default Service Support @\$ 0.0056 /kWh	-	139.25	417.75	696.25	1,016.53	278.50	835.50	1,392.50	2,033.05	417.75	1,253.25	2,088.75	3,049.58	557.00	1,671.00	2,785.00	4,066.10	
NUG @ -0.014 ¢/kWh	-	(3.50)	(10.50)	(17.50)	(25.55)	(7.00)	(21.00)	(35.00)	(51.10)	(10.50)	(31.50)	(52.50)	(76.65)	(14.00)	(42.00)	(70.00)	(102.20)	
PTC Charge																		
All kWh @\$ 0.11144 /kWh	\$	-	\$	2,786.00	\$	8,358.00	\$	13,930.00	\$	20,337.80	\$	5,572.00	\$	16,716.00	\$	27,860.00	\$	40,675.60
Gross Receipts Tax Sub Total	\$	234.41	\$	370.16	\$	641.66	\$	913.16	\$	1,225.39	\$	505.91	\$	1,048.91	\$	1,591.91	\$	2,216.36
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	234.41	\$	4,480.88	\$	10,330.88	\$	16,180.88	\$	22,908.38	\$	8,727.36	\$	20,427.36	\$	32,127.36	\$	45,582.36

WAVERLY RATES - Proposed

Distribution																					
Customer Charge @ \$267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	\$	267.33	
All KW @ \$5.69/kW	-		1,422.50		1,422.50		1,422.50		2,845.00		2,845.00		2,845.00		2,845.00		4,267.50		4,267.50		5,690.00
All KVAR @ \$0.390/KVAR	-		83.87		83.87		83.87		167.73		167.73		167.73		251.60		251.60		251.60		335.47
All On-Peak kWh @ 0.015 ¢/kWh	-		1.43		4.28		7.13		10.40		2.85		8.55		14.25		20.81		31.21		5.70
All Off-Peak kWh @ 0.015 ¢/kWh	-		2.33		6.98		11.63		16.97		4.65		13.95		23.25		33.95		49.98		74.61
Sub-Total	\$	267.33	\$	1,777.45	\$	1,784.95	\$	1,792.45	\$	1,801.07	\$	3,287.56	\$	3,302.56	\$	3,317.56	\$	3,334.81	\$	4,797.68	
Riders																					
Default Service Support @\$ 0.0056 /kWh	-		139.25		417.75		696.25		1,016.53		278.50		835.50		1,392.50		2,033.05		417.75		1,253.25
NUG @ -0.014 ¢/kWh	-		(3.50)		(10.50)		(17.50)		(25.55)		(7.00)		(21.00)		(35.00)		(51.10)		(10.50)		(31.50)
PTC Charge																					
All kWh @\$ 0.11144 /kWh	\$	-	\$	2,786.00	\$	8,358.00	\$	13,930.00	\$	20,337.80	\$	5,572.00	\$	16,716.00	\$	27,860.00	\$	40,675.60	\$	8,358.00	
Gross Receipts Tax Sub Total	\$	234.41	\$	370.16	\$	641.66	\$	913.16	\$	1,225.39	\$	505.91	\$	1,048.91	\$	1,591.91	\$	2,216.36	\$	641.66	
Gross Receipts Tax Tax @ 0.0000 %	-		-		-		-		-		-		-		-		-		-		-
Total Bill	\$	267.33	\$	4,699.20	\$	10,550.20	\$	16,401.20	\$	23,129.85	\$	9,131.06	\$	20,833.06	\$	32,535.06	\$	45,992.36	\$	13,562.93	
% Increase		14.04%		4.87%		2.12%		1.36%		0.97%		4.63%		1.99%		1.27%		0.90%		4.54%	

PENNSYLVANIA ELECTRIC COMPANY
BILL COMPARISON: CURRENT WAVERLY RATES VS. PROPOSED WAVERLY RATES
RATE LP
At Average Levels of kWh Use

KW Demand

All KW of Demand	0	25,000	25,000	25,000	25,000	30,000	30,000	30,000	30,000	35,000	35,000	35,000	35,000	40,000	40,000	40,000	40,000
Hrs Use	0	100	300	500	730	100	300	500	730	100	300	500	730	100	300	500	730

Reactive Demand

All KVAR of Demand	-	21,504	21,504	21,504	21,504	25,805	25,805	25,805	25,805	30,106	30,106	30,106	30,106	34,407	34,407	34,407	34,407
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ENERGY USAGE

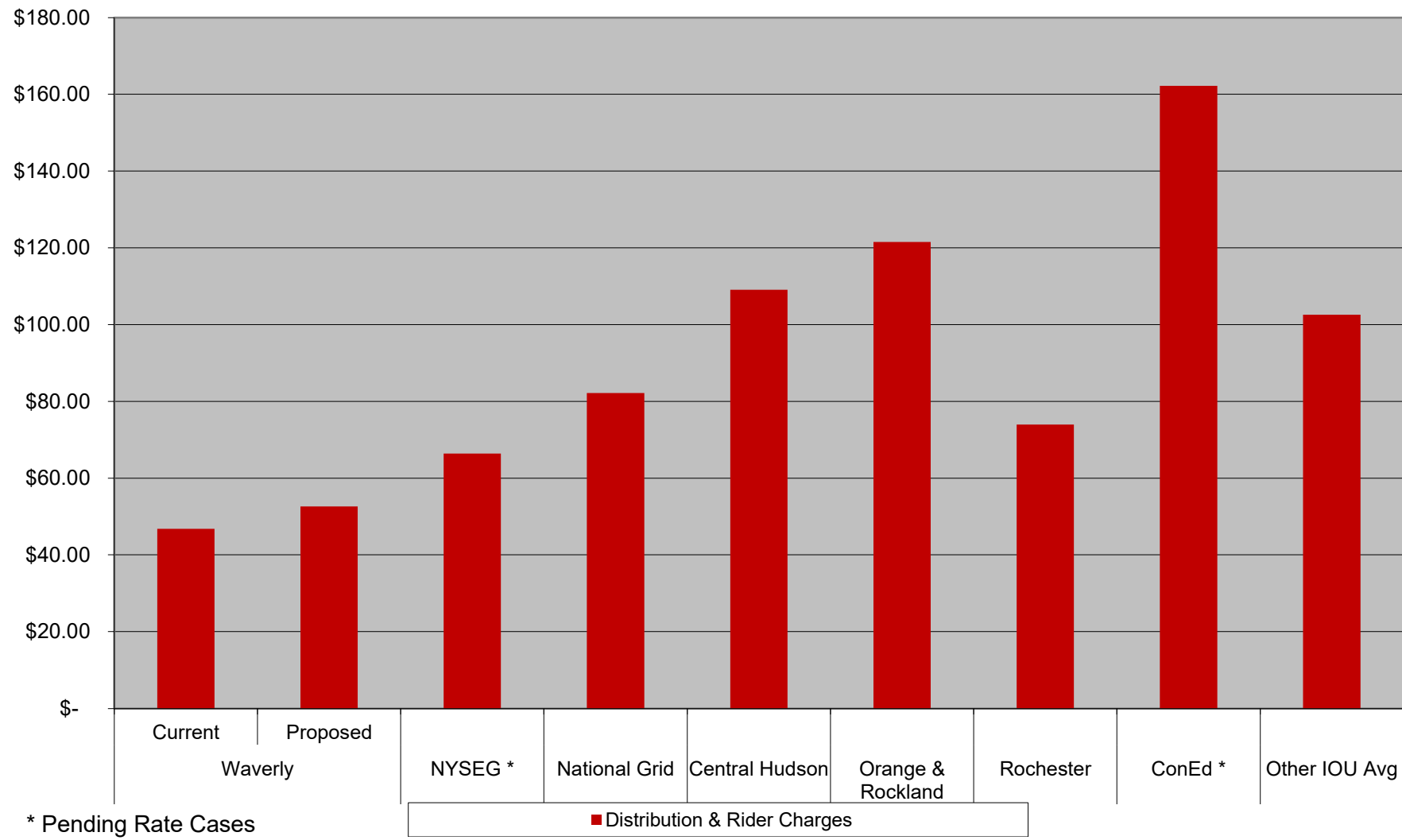
Total Energy Usage	0	2,500,000	7,500,000	12,500,000	18,250,000	3,000,000	9,000,000	15,000,000	21,900,000	3,500,000	10,500,000	17,500,000	25,550,000	4,000,000	12,000,000	20,000,000	29,200,000
On Peak	-	950,000	2,850,000	4,750,000	6,935,000	1,140,000	3,420,000	5,700,000	8,322,000	1,330,000	3,990,000	6,650,000	9,709,000	1,520,000	4,560,000	7,600,000	11,096,000
Off Peak	-	1,550,000	4,650,000	7,750,000	11,315,000	1,860,000	5,580,000	9,300,000	13,578,000	2,170,000	6,510,000	10,850,000	15,841,000	2,480,000	7,440,000	12,400,000	18,104,000
Total Energy Usage	-	2,500,000	7,500,000	12,500,000	18,250,000	3,000,000	9,000,000	15,000,000	21,900,000	3,500,000	10,500,000	17,500,000	25,550,000	4,000,000	12,000,000	20,000,000	29,200,000

WAVERLY RATES - Current

Distribution																		
Customer Charge @ \$837.17	\$	837.17	\$	837.17	\$	837.17	\$	837.17	\$	837.17	\$	837.17	\$	837.17	\$	837.17	\$	837.17
Alli KW @ \$1.70/kW	-	42,500.00	42,500.00	42,500.00	42,500.00	51,000.00	51,000.00	51,000.00	51,000.00	59,500.00	59,500.00	59,500.00	59,500.00	68,000.00	68,000.00	68,000.00	68,000.00	
Alli KVAR @ \$0.320/KVAR	-	6,881.34	6,881.34	6,881.34	6,881.34	8,257.61	8,257.61	8,257.61	8,257.61	9,633.88	9,633.88	9,633.88	9,633.88	11,010.15	11,010.15	11,010.15	11,010.15	
Alli On-Peak kWh @ 0.011 ¢/kWh	-	100.70	302.10	503.50	735.11	120.84	362.52	604.20	882.13	140.98	422.94	704.90	1,029.15	161.12	483.36	805.60	1,176.18	
All Off-Peak kWh @ 0.005 ¢/kWh	-	73.01	219.02	365.03	532.94	87.61	262.82	438.03	639.52	102.21	306.62	511.04	746.11	116.81	350.42	584.04	852.70	
Sub-Total	\$	837.17	\$	50,392.22	\$	50,739.63	\$	51,087.04	\$	51,486.56	\$	60,303.23	\$	60,720.12	\$	61,137.01	\$	61,616.44
Riders																		
Default Service Support @\$ 0.0056 /kWh	-	13,925.00	41,775.00	69,625.00	101,652.50	16,710.00	50,130.00	83,550.00	121,983.00	19,495.00	58,485.00	97,475.00	142,313.50	22,280.00	66,840.00	111,400.00	162,644.00	
NUG @ -0.014 ¢/kWh	-	(350.00)	(1,050.00)	(1,750.00)	(2,555.00)	(420.00)	(1,260.00)	(2,100.00)	(3,066.00)	(490.00)	(1,470.00)	(2,450.00)	(3,577.00)	(560.00)	(1,680.00)	(2,800.00)	(4,088.00)	
PTC Charge																		
Alli kWh @\$ 0.11144 /kWh	\$	-	\$	278,600.00	\$	835,800.00	\$	1,393,000.00	\$	2,033,780.00	\$	334,320.00	\$	1,002,960.00	\$	1,671,600.00	\$	2,440,536.00
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
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Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
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Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
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Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Bill	\$	837.17	\$	342,567.22	\$	927,264.63	\$	1,511,962.04	\$	2,184,364.06	\$	410,913.23	\$	1,112,550.12	\$	1,814,187.01	\$	2,621,069.44
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-														

WAVERLY RATES - Proposed

Distribution																		
Customer Charge @ \$954.71	\$	954.71	\$	954.71	\$	954.71	\$	954.71	\$	954.71	\$	954.71	\$	954.71	\$	954.71	\$	954.71
All KW @ \$1.94/kW	-	48,500.00	48,500.00	48,500.00	48,500.00	58,200.00	58,200.00	58,200.00	58,200.00	67,900.00	67,900.00	67,900.00	67,900.00	77,600.00	77,600.00	77,600.00	77,600.00	77,600.00
All KVAR @ \$0.360/KVAR	-	7,741.51	7,741.51	7,741.51	7,741.51	9,289.81	9,289.81	9,289.81	9,289.81	10,838.12	10,838.12	10,838.12	10,838.12	12,386.42	12,386.42	12,386.42	12,386.42	12,386.42
All On-Peak kWh @ 0.012 ¢/kWh	-	114.95	344.85	574.75	839.14	137.94	413.82	689.70	1,006.96	160.93	482.79	804.65	1,174.79	183.92	551.76	919.60	1,342.62	
All Off-Peak kWh @ 0.005 ¢/kWh	-	83.70	251.10	418.50	611.01	100.44	301.32	502.20	733.21	117.18	351.54	585.90	855.41	133.92	401.76	669.60	977.62	
Sub-Total	\$	954.71	\$	57,394.87	\$	57,792.17	\$	58,189.47	\$	58,646.37	\$	68,682.90	\$	69,159.66	\$	69,636.42	\$	70,184.70
Riders																		
Default Service Support @\$ 0.0056 /kWh	-	13,925.00	41,775.00	69,625.00	101,652.50	16,710.00	50,130.00	83,550.00	121,983.00	19,495.00	58,485.00	97,475.00	142,313.50	22,280.00	66,840.00	111,400.00	162,644.00	
NUG @ -0.014 ¢/kWh	-	(350.00)	(1,050.00)	(1,750.00)	(2,555.00)	(420.00)	(1,260.00)	(2,100.00)	(3,066.00)	(490.00)	(1,470.00)	(2,450.00)	(3,577.00)	(560.00)	(1,680.00)	(2,800.00)	(4,088.00)	
PTC Charge																		
All kWh @\$ 0.11144 /kWh	\$	-	\$	278,600.00	\$	835,800.00	\$	1,393,000.00	\$	2,033,780.00	\$	334,320.00	\$	1,002,960.00	\$	1,671,600.00	\$	2,440,536.00
	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Sub Total	\$	837.17	\$	14,412.17	\$	41,562.17	\$	68,712.17	\$	99,934.67	\$	17,127.17	\$	49,707.17	\$	82,287.17	\$	119,754.17
Gross Receipts Tax Tax @ 0.0000 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bill	\$	954.71	\$	349,569.87	\$	934,317.17	\$	1,519,064.47	\$	2,191,523.87	\$	419,292.90	\$	1,120,989.66	\$	1,822,686.42	\$	2,629,637.70
% Increase		14.04%		2.04%		0.76%		0.47%		0.33%		2.04%		0.76%		0.47%		0.33%

NY 1,000 kWh Residential Delivery Bill Comparison (as of Jan 1, 2022)

Pennsylvania Electric Company - Waverly District
 LED Street Lighting Monthly Fixture Charges
 Service Classification No. 7 - Municipal Street Lighting Service

Fixture Information			Monthly Unit Cost
Type	Lumens	Wattage	
Cobra Head	4000	50	\$ 8.29
	7000	90	\$ 9.88
	11500	130	\$ 11.14
	24000	260	\$ 17.30
Received: 11/30/2022			
Colonial	2500	50	\$ 13.37
	5000	90	\$ 14.71
Acorn	2500	50	\$ 22.30
	5000	90	\$ 23.58

**FINAL _ Bortz - Affidavit.pdf**

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E-Signature Summary**E-Signature 1: Kimberlie L. Bortz (KLB)**

November 23, 2022 14:50:15 -5:00 [CCD949F2F727] [64.67.82.92]
kbortz@firstenergycorp.com (Principal) (Personally Known)

E-Signature Notary: Kori Rebecca Auman-Krebs (KRK)

November 23, 2022 14:50:15 -5:00 [C919343C0588] [98.237.82.177]
kauman@firstenergycorp.com
I, Kori Rebecca Auman-Krebs, did witness the participants named above electronically sign this document.



**BEFORE THE
NEW YORK STATE PUBLIC SERVICE COMMISSION**

PENNSYLVANIA ELECTRIC
COMPANY
Received: 11/30/2022

Case _ - _ -

**Affidavit
of
Kimberlie L. Bortz**

I, Kimberlie L. Bortz, being duly sworn according to law, depose and say the following:

I. INTRODUCTION

1. My name is Kimberlie L. Bortz, and my business address is 2800 Pottsville Pike, Reading, PA 19605.

2. I am employed by FirstEnergy Service Company, which is a direct subsidiary of FirstEnergy Corp. ("FirstEnergy"), as a Rates Advisor – Rates and Regulatory Affairs – Pennsylvania.

3. The Pennsylvania Rate Department of FirstEnergy Service Company provides regulatory support for each of FirstEnergy's wholly-owned Pennsylvania operating companies including Metropolitan Edison Company, Pennsylvania Electric Company ("Penelec" or "the Company"), Pennsylvania Power Company and West Penn Power Company (collectively, the "Operating Companies").

4. As a Rates Advisor, I am responsible to the Director of Rates & Regulatory Affairs – Pennsylvania for the development, coordination, preparation and presentation of the Operating Companies' accounting and financial data in their rate-related matters before the Pennsylvania

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Public Utility Commission (“PaPUC”) and New York State Public Service Commission (“NYPSC”). Also, I am responsible for tariff interpretation, tariff filings, and the design and development of retail electric rates.

5. I have a Bachelor of Science degree in Accounting from the University of Maryland, and I am a Certified Public Accountant in Pennsylvania (inactive). I have over twenty-nine years of experience with FirstEnergy.

II. RELEVANT BACKGROUND

6. Penelec provides service to approximately 590,000 electric utility customers in New York and Pennsylvania, with approximately 3,900 of those electric utility customers located in the Village of Waverly and portions of the Town of Barton in Tioga County along New York state’s southern tier (collectively referred to as the “Waverly District”). The Waverly District is subject to the jurisdiction of the NYPSC.

7. Penelec has served the Village of Waverly, New York and the surrounding vicinity since 1956 following Penelec’s merger with Northern Pennsylvania Power Company, as a result of Penelec’s lease of the territory held by its subsidiary, The Waverly Electric Light and Power Company (“Waverly Electric”).

8. On April 26, 2021, in Case 21-E-0252, Penelec, Waverly Electric, and Tri-County Rural Electric Cooperative, Inc. (“Tri-County”) jointly filed a petition with the NYPSC seeking (1) a declaratory ruling abstaining from review under Section 70 of the New York Public Service Law (“NYPL”) of a wholly intra-corporate reorganization that will accommodate the merger of Waverly Electric into Penelec (the “Intra-Corporate Reorganization”) and, (2) an order authorizing the transfer of certain utility assets, property, and franchise rights from Penelec to Tri-County pursuant to NYPSL Section 70 (the “Asset Transfer”). Following extensive settlement



negotiations in Case 21-E-0252, on September 30, 2022, Penelec, Waverly Electric and Tri-County jointly decided to forego the proposed Asset Transfer and requested to withdraw the portion of the petition seeking an order authorizing the Asset Transfer and to remove Tri-County as a petitioner in that case. Penelec and Waverly Electric further notified the NYPSC that they will continue to seek to move forward with the Intra-Corporate Reorganization.

9. On November 22, 2022, the NYPSC issued an order authorizing the Intra-Corporate Reorganization pursuant to NYPSL Section 70. The Intra-Corporate Reorganization, which resulted in the merger of Waverly Electric into Penelec. As the date of this filing, the Company is working to fully effectuate the merger.

10. In the instant case, Penelec is proposing to increase distribution base rates for residential, commercial and industrial customers in the Waverly District to maintain and enhance reliability and customer service.

11. The purpose of this Affidavit is to provide an overview of the principal factors driving the distribution base rate increase that the Company is proposing for the Waverly District and for which it seeks NYPSC approval, as well as to explain: (i) various accounting and other financial data that are found within Penelec Exhibits 1 and 2; (ii) the ratemaking adjustments to the rate base and operating income statement; (iii) the jurisdictional allocation factors utilized to determine Penelec's New York jurisdictional rate base and operating income statement found in Penelec Exhibit 3; (iv) the revenue requirement calculation; and (v) customer notice.

II. ALLOCATION OF EXPENSES TO THE WAVERLY DISTRICT

12. Prior to 2018, distribution base rates for the Waverly District became effective on January 1, 1988 by order of the NYPSC issued November 10, 1987.¹ In the 1987 decision, the

¹ See Case C29667 et al., Pennsylvania Electric Company – Electric Rates, Proceeding Authorizing Electric Rate Plan (issued November 24, 1987).



NYPSC placed substantial focus on Penelec's 1987 Pennsylvania rate proceeding at Docket No. R-860413 to derive rates and rate treatment for the Waverly District. In fact, historically, the NYPSC has accepted the PaPUC's most recently approved ratemaking for Pennsylvania retail customers as an appropriate basis for the Company's Waverly District rates. Even prior to the rate increase approved in 1987, the approach of utilizing the most recently approved Pennsylvania jurisdictional allocation factors for application to the Company's Waverly District had been approved by the NYPSC in the last several rate cases.

13. Current distribution base rates for the Waverly District became effective on June 1, 2018 by order issued May 18, 2018. The 2018 minor increase of \$300,000 in annual electric revenues was the first increase in base rates in more than 30 years.²

14. In the 2018 Rate Case, Penelec allocated its expenses between its Pennsylvania operations and the Waverly District using jurisdictional allocation factors, consistent with those used during its most recent Pennsylvania distribution rate case settlement at Docket No. R-2016-2537352, effective January 27, 2017 ("2016 Pennsylvania Settlement"). In the 2018 Rate Case decision, the NYPSC found that the allocation methodology used by Penelec was appropriate and consistent with the methodology adopted by the NYPSC in previous New York rate proceedings.³ Specifically, the NYPSC approved the use of the jurisdictional allocation factors which were developed using a cost of service study rather than the Massachusetts formula in developing the

² Minor Rate Filing of Pennsylvania Electric Company to Increase its Annual Revenues by about \$300,000 or 5.2%, Case No. 17-E-0685, at 3 (May 18, 2018) ("2018 Rate Case").

³ 2018 Rate Case at 4. ("With little or no direct cost data available, and no New York specific employees, the allocation method used by Penelec is appropriate and is consistent with that adopted by the Commission in the previous New York rate proceedings.")



jurisdictional allocation factors used to allocate expenses to the Waverly District.⁴ As detailed further in the section below, the same factual basis for using a cost of service study exists today.

15. Given this extensive precedent, Penelec again proposes to use the jurisdictional allocation factors from its most recent Pennsylvania rate case. Specifically, Penelec has utilized the jurisdictional allocation factors for Penelec's Waverly District, approved by the PaPUC in Penelec's 2016 Pennsylvania Settlement, in this proceeding for the jurisdictional allocation of costs to the Waverly District for the historical test year, as defined below. The expenses allocated to the Waverly District are equal to those excluded from the Company's Pennsylvania service territory.

16. The reasonableness of Penelec's proposed cost allocations was tested by developing a test allocator which weighed the number of customers located in the Waverly District as compared to the rest of the Penelec territory. The test allocator was applied to Penelec's total operating expenses and produced similar results, which did not result in any material adjustment to the cost of service elements or the resulting revenue requirement.

17. The distribution base rate filing being proposed is based on a historical test year for the twelve months ended June 30, 2022 ("Historical Test Year").

18. The Company is proposing a general rate increase of \$300,000 to its distribution rates for its Waverly District, effective May 1, 2023.

III. ACCOUNTING AND FINANCIAL DATA

19. The Company's accounting records are maintained in conformity with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission ("FERC").

⁴ *Id.* at 3-4. ("Since Penelec does not have employees located in the Waverly District and does not separately record all plant assets used to provide service in the New York service territory, the use of the Massachusetts formula is not practicable.")



20. Penelec's financial records are audited at least annually by an independent certified public accounting firm.

21. FERC conducts periodic compliance audits to confirm that the Company is keeping its accounts in conformity with the Uniform System of Accounts.

22. ^{Received: 11/30/2022} Apart from conducting its own audits, the staff of the PaPUC reviews the findings of FERC's financial audits.

23. Other independent agencies also have the authority to audit the Company's records on a recurring basis, including the Internal Revenue Service and the Securities and Exchange Commission. In addition, the NYPSC and PaPUC audit staff, and the Pennsylvania Department of Revenue staff perform annual audits of the cost recovery rider mechanisms and sales and use tax filings.

24. An original cost determination was made of Penelec's utility plant as of December 31, 1943, by PaPUC Order dated January 15, 1945 at Docket Nos. EOC 32, MGOC 17, EOC 7, EOC 13, EOC 14, EOC 22 and EOC 44.

25. Original cost determinations were also made for the following major companies which were later merged into Penelec: Pennsylvania Edison Company at PaPUC Docket Nos. EOC 31 and MGOC 16 by Order dated November 1, 1946 approving balances at July 2, 1946; Northern Pennsylvania Power Company at PaPUC Docket No. EOC 29 by Order dated January 2, 1946 approving balances at December 31, 1944; and Home Electric Company at PaPUC Docket No. EOC 21 by Order dated August 20, 1945 approving balances at January 1, 1938.

26. Penelec does not track the specific costs of rendering service to the Waverly District. Further, there are no employees located in New York. The electric service revenues and number of customers in the Waverly District comprise less than one percent of those for the entire



Company. Accordingly, the jurisdictional allocation factors used to allocate expenses between the Company's Pennsylvania operations and the Waverly District are based on a cost of service study.

27. For purposes of determining the cost of service for this increase request, Penelec relies upon the most current cost of service study that it performed, which also formed the basis for its most recent Pennsylvania base rate increase request and, ultimately, the 2016 Pennsylvania Settlement and resultant rates approved by the PaPUC and in effect in Pennsylvania today. The cost of service study was developed following the guidelines in the Electric Utility Cost Allocation Manual ("CAM") published by the National Association of Regulatory Utility Commissioners ("NARUC"). That cost of service study, and related testimony as submitted to the PaPUC, were used in the 2018 Rate Case to establish the current rates in the Waverly District.⁵ As such, the Company relies on the same cost of service study in this proceeding.

IV. RATEMAKING ADJUSTMENTS TO HISTORICAL TEST YEAR DATA

28. Penelec Exhibit 1 sets forth the Company's proposed overall distribution rate base at June 30, 2022 and Penelec Exhibit 2 contains the statement of net utility operating income for the twelve months ended June 30, 2022.

29. Page one of each of these exhibits shows a column labeled "New York Jurisdictional Allocation %". This column identifies Penelec New York jurisdictional rate base and expenses.

30. Consistent with previously accepted practices, in this proceeding Penelec allocates its expenses and plant assets to the Waverly District using the same jurisdictional allocations which were approved under the 2016 Pennsylvania Settlement and form the basis for Penelec's Pennsylvania distribution rates in effect today.

⁵ 2018 Rate Case at 2.



31. The same jurisdictional allocations that were accepted by the PaPUC to exclude the Waverly District's costs from the Company's Pennsylvania jurisdictional revenue requirement calculation were utilized to allocate revenues, expenses and plant assets to its customers in New York, except where specific direct assignment was appropriate - such as Waverly District base rate revenues and taxes other than income taxes.

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A. Rate Base at June 30, 2022

32. Column 1 on page 1 of Penelec Exhibit 1 provides Penelec's total actual rate base data at June 30, 2022 per the Company's books; column 2 adjusts various components; column 3 reflects the adjusted rate base; column 4 shows the Penelec New York jurisdictional allocation factors; column 5 provides the Penelec New York jurisdictional rate base; column 6 shows the Penelec Pennsylvania jurisdictional rate base; and column 7 shows the total of the New York and Pennsylvania jurisdictional rate bases.

33. The adjustments to the actual rate base data, along with a detailed explanation of each adjustment, are contained on pages 2 through 6 of Penelec Exhibit 1 and are referenced on page 1 by adjustment number. The adjustments are designed to:

- Remove asset retirement costs ("ARCs") (Exhibit 1, p. 2);
- Reflect adjusted depreciation reserves (Exhibit 1, p. 3);
- Reflect cash working capital requirements (Exhibit 1, p. 4);
- Reflect material and supplies ("M&S") inventories (Exhibit 1, p. 5); and
- Adjust accumulated deferred income taxes – liberalized depreciation (Exhibit 1, p. 6).

34. After taking into account the foregoing adjustments and appropriate jurisdictional allocation factors described in paragraphs 38 and 39 of this Affidavit, Penelec's claimed distribution rate base for the Waverly District equals \$11,217,000.



35. Page 7 of Penelec Exhibit 1 sets forth Penelec's calculated overall rate of return, including its proposed capital structure ratio, weighted average cost of long-term debt⁶ and default return on common equity based on the capped \$300,000 base rate request as summarized below:

Penelec	Capital Structure Ratio	Cost Rate	Weighted Cost Rate
Long-Term Debt Received: 11/30/2022	49.9%	4.21%	2.10%
Preferred Stock	---	---	---
Common Equity	<u>50.1%</u>	6.53%	<u>3.27 %</u>
	100.0%		5.37%

While the calculated return on equity ("ROE") with the \$300,000 base rate request is inadequate in relation to the \$527,000 the Company could have requested using an ROE of 9.45%, the Company has elected to limit its requested increase to temper the rate increase impact on customers (respecting the gradualism principle and rate-shock avoidance) and to facilitate use of the minor rate filing, thus minimizing administrative expenses.

B. Statement Of Operating Income For The Historical Test Year

36. Penelec Exhibit 2 contains the actual and pro forma statements of net utility operating income for the twelve-month period ended June 30, 2022. The first page summarizes the actual and adjusted results of operations; page 2 breaks down the Waverly District distribution revenue requirement of \$300,000 at present and proposed rates; page 3 shows the distribution revenue requirement using the PaPUC benchmark ROE of 9.45%; and the remaining pages, starting at page 4, document the specific adjustments made to normalize the data.

37. The adjustments are designed to:

- Eliminate the impact to revenues of favorable weather during the test year (Exhibit 2, p. 4);

⁶ The Waverly District does not issue its own debt. Penelec issues long-term debt to support the entire Company, including the Waverly District.



- Normalize other post-employment benefits to reflect the actual ongoing level of service costs charged to expense consistent with the approach approved by the PaPUC in prior proceedings (Exhibit 2, pp. 5-6);
- Normalize pension expense to reflect a ten-year average of cash contributions consistent with the approach approved by the PaPUC in prior proceedings (Exhibit 2, pp. 5, 7);
- Normalize rate case expenses to reflect recovery in the current period (Exhibit 2, p. 5);
- Adjust amortization expenses none of which are being claimed in Waverly distribution rates (Exhibit 2, p. 8);
- Adjust NY Taxes Other Than Income for estimated New York taxes (Exhibit 2, p. 9);
- Adjust federal and state current income taxes (Exhibit 2, p. 10); and
- Eliminate non-jurisdictional deferred income taxes (Exhibit 2 p. 11).

38. The retail sales amount reported on page 1, line 1 in the New York Jurisdictional column of Penelec Exhibit 2 excludes Waverly District revenues associated with the following tariff riders: Price To Compare Default Service and Default Service Support Rate, to derive Penelec New York distribution revenues.

V. JURISDICTIONAL ALLOCATION FACTORS

39. As mentioned above, the jurisdictional allocation factors included in the 2016 Pennsylvania Settlement were developed using a cost of service study following the guidelines in the Electric Utility CAM published by the NARUC. These jurisdiction allocation factors were used to derive the amounts in the New York Jurisdictional Allocation % column of Penelec Exhibits 1 and 2.

40. The allocation factors are as follows:

- Plant and other rate base line items .58%;
- Other operating revenues allocation factor .59%;
- Distribution allocation factor .62%;



- Customer Accounts allocation factor 1.12%;
- Customer Service & information allocation factor .21%;
- Administrative & general expense allocation factor .54%;
- Depreciation allocation factor .44%.

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VI. REVENUE REQUIREMENT

41. Penelec Exhibit 2, page 2 shows the revenue requirement calculation for Penelec New York using the amounts shown in the New York Jurisdictional column found in each of Penelec Exhibits 1 and 2.

42. Similar to the 2018 Rate Case, the Company could demonstrate that an increase that exceeds \$300,000 would be prudent and reasonable as shown on Penelec Exhibit 2, page 3. Instead, it is filing a minor rate case for a proposed distribution revenue requirement increase of \$300,000 for its New York territory.

43. Penelec management has successfully controlled expenses, which has enabled the Company to extend the period between base rate cases, to the benefit of its customers. As a result, prior to the minor base rate increase in 2018, the base distribution rates for Waverly District customers have not increased in more than thirty years.

44. The Company must continue to make investments in new plant and existing infrastructure during a period of ever-increasing inflation of operation and maintenance expenses.

45. The amount requested is designed to support the Company's costs to furnish safe and reliable distribution service and to provide it an opportunity to earn a return on its investment in distribution assets that will remain significantly below its permissible cost of equity.



46. Accordingly, it is important that the Company receive the rate relief it is requesting in this case to continue benefitting customers with continued safe, reliable, and high-quality service.

47. By limiting its request, Penelec is, in recognition of the ratemaking principle of gradualism, mitigating the impact of the rate increase that Waverly District customers will experience. Limiting the amount requested is also expected to result in a more efficient process for all parties involved.

48. The amount requested is reasonable because, even if approved without modification, the return it would provide is less than the return on equity of recently litigated or settled New York distribution rate cases and less than the PaPUC-established ROE of 9.45% that Penelec would charge for recovery of investments through a distribution system investment charge. Specifically, the request as proposed would result in a return on equity that is limited to 6.53%, as shown on page 2 of Penelec Exhibit 2.

49. If Penelec were to propose to apply a ROE of 9.45%, which is in line with the PaPUC benchmark, Penelec's current request would increase from \$300,000 to \$527,000, as shown on page 3 of Penelec Exhibit 2. Similarly, if Penelec were to apply a ROE of 9.2%, which is in line with the acceptable range of ROEs for the NYPSC, the request would increase to \$507,000.

VII. CUSTOMER NOTICE

50. Notice will be made to the public in local newspapers for four consecutive weeks to notify customers of the rate case filing for the Waverly District. Notice will also be made in the same local newspaper for four consecutive weeks no later than six weeks after issuance of the NYPSC order in this proceeding. The costs associated with both notices have been incorporated into the revenue requirements developed in Penelec Exhibit 2.



51. Penelec will provide all customers with notice of their distribution retail rates via a bill message. This notice will enable customers to analyze how the distribution rates will affect their bills.


52. I am authorized to submit this Affidavit for and on behalf of Penelec and represent that the facts set forth herein are true and correct to the best of my knowledge, information and belief.

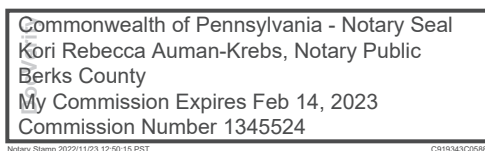
Received: 11/30/2022

Kimberlie L. Bortz
Signed on 2022/11/23 14:50:15 -5:00
Kimberlie L. Bortz

COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF YORK :

Sworn and subscribed before me this 23rd
day of November, 2022.


Signed on 2022/11/23 14:50:15 -5:00
Kori Rebecca Auman-Krebs
Notary Public
My Commission Expires on: February 14, 2023



Notarial act performed by audio-visual communication



**FINAL_Zieger - Affidavit.pdf**

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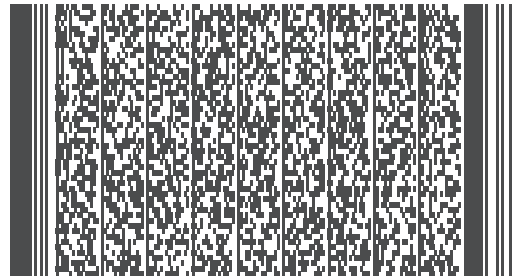
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E-Signature Summary**E-Signature 1: Stephanie R. Zieger (SRZ)**

November 28, 2022 10:08:30 -5:00 [1E9413FBA811] [174.59.204.55]
swentzel@firstenergycorp.com (Principal) (Personally Known)

E-Signature Notary: Kori Rebecca Auman-Krebs (KRK)

November 28, 2022 10:08:30 -5:00 [C1E86F06CFAE] [98.237.82.177]
kauman@firstenergycorp.com
I, Kori Rebecca Auman-Krebs, did witness the participants named above electronically sign this document.



**BEFORE THE
NEW YORK STATE PUBLIC SERVICE COMMISSION**

**PENNSYLVANIA ELECTRIC
COMPANY**

Received: 11/30/2022

Case _-_-

**Affidavit
of
Stephanie R. Zieger**

I, Stephanie R. Zieger, being duly sworn according to law, depose and say the following:

I. INTRODUCTION AND PURPOSE

1. My name is Stephanie R. Zieger, and my business address is 2800 Pottsville Pike, Reading, PA 19605.

2. I am employed by FirstEnergy Service Company, which is a direct subsidiary of FirstEnergy Corp. ("FirstEnergy"), as an Analyst III in the Rates and Regulatory Affairs Department – Pennsylvania.

3. The Pennsylvania Rate Department of FirstEnergy Service Company provides regulatory support for each of FirstEnergy's wholly-owned Pennsylvania operating companies including: Metropolitan Edison Company, Pennsylvania Electric Company ("Penelec" or "the Company"), Pennsylvania Power Company and West Penn Power Company (collectively, the "Operating Companies").

4. As an Analyst III, I report to the Director of Rates & Regulatory Affairs – Pennsylvania and am responsible for the development, coordination, preparation and presentation of the Operating Companies' accounting and financial data in their rate-related matters before the Pennsylvania Public Utility Commission ("PaPUC") and New York State Public Service



Commission (“NYPSC”). Also, I am responsible for tariff interpretation, tariff filings, and the design and development of retail electric rates.

5. I obtained a Master’s Degree in Applied Statistics from West Chester University in 2016. I am also a graduate of Elizabethtown College, where I received Bachelor of Science degrees in both Mathematics and Economics.

Received: 11/30/2022

6. This affidavit is offered on behalf of Penelec in support of Penelec’s request for approval of an increase to its distribution rates for its Waverly District, as defined in the Affidavit of Kimberlie L. Bortz accompanying this filing.

7. This affidavit specifically addresses: (i) the rate design methodology used to develop the distribution rates proposed in this proceeding; (ii) the proof of revenue analysis provided in Penelec Exhibit 4; (iii) the customer impact analysis reflected in Penelec Exhibit 5, which compares bills at current and proposed rates; (iv) the comparison of Penelec’s proposed rates to other New York jurisdictional electric distribution companies’ (“EDCs”) rates depicted in Penelec Exhibit 6; (v) proposed light emitting diode (“LED”) streetlighting monthly charges, per fixture, as shown in Penelec Exhibit 7; and (vi) several proposed cleanup changes to Penelec’s Schedule for Electric Service Applicable in Waverly District, P.S.C. No. 7 – Electricity (“Tariff”), which are reflected in Penelec Exhibit 8.

II. RATE DESIGN

8. To determine the increase applicable to each Penelec rate schedule for customers served in the Waverly District, the requested revenue requirement as reflected in Penelec Exhibit 2 has been allocated by applying an average proportional increase amongst not only all rate classes, but also across all charges within each schedule.

9. As a result, for each rate schedule, the proportion of revenue collected from fixed customer charges compared to variable usage charges will remain the same.



10. Using this approach maintains the existing relationships among rate schedules and allows the increase to be spread on a levelized basis across all rate classes.

III. PROOF OF REVENUE ANALYSIS AND BILL COMPARISONS

11. A proof of revenue analysis provides the total billing units for the historical test year of July 1, 2021 through June 30, 2022, including pro forma ratemaking adjustments, summarized by rate components for each rate schedule and multiplied by the applicable unit rates to derive the base rate revenues that proposed rates will produce. Penelec Exhibit 4 contains the Company's proof of revenue analysis.

12. Penelec Exhibit 5 sets forth the Company's comparison of bills at current and proposed rates for the Company's residential, commercial and industrial customers at selected ranges of usage. Penelec Exhibit 5 also shows, among other things, the percentage impact on a customer's total electric service bill based on the proposed rates.

13. Under rates in effect as of January 2022, residential customers of other NYPSC-jurisdictional EDCs (i.e., New York State Electric & Gas Corporation, National Grid (Niagara Mohawk Power Corporation), Central Hudson Gas & Electric Corporation, Orange & Rockland Utilities, Inc., Rochester Gas & Electric Corporation, and Consolidated Edison Company of New York) using an average of 1,000 kWh per month would receive a monthly bill ranging between \$66.41 and \$162.18, excluding generation and transmission-related costs.

14. In comparison, residential customers of Penelec's Waverly District would pay just \$52.60 in delivery costs under the proposed increase.

15. As a result, under the proposed distribution base rates, the bills of residential customers in the Penelec Waverly District using an average of 1,000 kWh per month would continue to have the lowest-priced residential rates within New York. Penelec Exhibit 6 features a graph depicting the billing differences mentioned above.



16. The total increase across all classes if approved as proposed will result in a percentage change over revenues at existing rates per rate schedule as provided in the table below:

Received: 11/30/2022

Rate Schedule	Percentage Increase
RS	4.43%
RT	4.15%
GSS	2.49%
GP	1.88%
POL	7.66%
STLT	8.37%

IV. TARIFF REVISIONS

17. In addition to the necessary revisions to the Tariff to effectuate the proposed rate increases, the Company is proposing to add tariff provisions to implement new LED street lighting services, as well as certain cleanup revisions to its Tariff as part of its proposal. These revisions either amend provisions that are inconsistent with the Company's operations or eliminate provisions no longer in use.

18. Specifically, the Company proposes to add LED street lighting services to Service Classification No. 7. This service will be available to any customer eligible to receive or currently receiving service under Service Classification No. 7 and interested in updating their High Pressure Sodium Vapor or Mercury Vapor Street Lighting Service. All current Charges, Terms and General Provisions that apply to Service Classification No. 7 shall apply to the new LED offerings.

19. The Company's proposed monthly fixed charges for the new LED Street Lighting fixtures are derived from Penelec's current Pennsylvania tariff rates which were approved in the



most recent Pennsylvania base rate case. The proposed monthly charges, by fixture, are provided in Penelec Exhibit 7 to this filing.

20. The Company also proposes to remove from the Tariff those lighting options that are part of rate schedules that have been replaced with newer technologies and have no customers currently being served under those options, which include certain mercury vapor and sodium vapor units.

21. The Tariff defines an Advanced Meter as “[a] meter (i) capable of storing electric consumption data at specified time intervals of no greater than one-half hour and in conformance with applicable performance specifications, and (ii) capable of remote meter reading. Advanced Meters may be utilized for billing purposes for the retail access program.” The Company proposes to amend this definition to no greater than sixty-minute intervals and no less than 15-minute intervals in order to align with its current operational meters. No current customers will be affected by this change.

22. Finally, the Company has a revision to tariff Rule 22, Discontinuance of Service in Section A, Residential Customers, second paragraph, which reads “[i]f the Customer has specified to the Company in writing an alternate address for billing purposes, the notice shall be sent to such alternate address rather than to the premises where service is rendered.” The Company proposes to change “rather than” to “and” in order to ensure consistency with applicable regulations.

23. These proposed cleanup revisions, as well as the necessary revisions to reflect the requested increase in base rates, are reflected in Penelec Exhibit 8 to this filing.



24. I am authorized to submit this Affidavit for and on behalf of Penelec and represent that the facts set forth herein are true and correct to the best of my knowledge, information and belief.


Signed on 2022/11/28 10:08:30 -5:00
Stephanie R. Zieger

Received: 11/30/2022

COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF YORK :

Sworn and subscribed before me this 28th
day of November, 2022 by Stephanie R. Zieger.


Signed on 2022/11/28 10:08:30 -5:00
Kori Rebecca Auman-Krebs
Notary Public

My Commission Expires on: February 14, 2023

Commonwealth of Pennsylvania - Notary Seal
Kori Rebecca Auman-Krebs, Notary Public
Berks County
My Commission Expires Feb 14, 2023
Commission Number 1345524

Notary Stamp 2022/11/28 08:08:30 PST

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