

PENNSYLVANIA ELECTRIC COMPANY
Waverly Service Territory - NYPSC Jurisdiction
Gross Revenue Tax Factor Calculation
Effective 1/1/2020

Line No.		T&D Charges		Commodity Charges	
		<u>Residential</u>	<u>C&I</u>	<u>Residential</u>	<u>C&I</u>
	<u>Gross Income Tax Factor:</u>				
1	Gross Income Tax (Effective 1/1/2020)	0.000000 ^A	0.000000	0.000000	0.000000
2	Tax Expense Reconciliation: Total Tax (Over)/Under Collection	(\$30,131)	(\$30,131)	(\$30,131)	(\$30,131)
3	Total Projected 2019 Revenues	\$4,653,681	\$4,653,681	\$4,653,681	\$4,653,681
4	(Over)/Under Collection Rate (L.2 / L.3)	(0.006475)	(0.006475)	(0.006475)	(0.006475)
5	Net Tax Rate (L.1 + L.4)	(0.006475)	(0.006475)	(0.006475)	(0.006475)
6	Effective Tax Rate $\frac{1}{1 - T}$	1.000000	1.000000	1.000000	1.000000
7	Gross Income Tax Factor (L.5 x L.6)	-0.006475	-0.006475	-0.006475	-0.006475
8	Expressed as a percent	-0.6475%	-0.6475%	-0.6475%	-0.6475%

Notes:

A On May 18, 2018, the State of New York Public Service Commission issued an Order at Case No. 17-E-0685 granting Pennsylvania Electric Company a rate increase. Gross Income Taxes and State Income Taxes are now included in base rates. Therefore, this surcharge calculation consists only of the Passback of the 2018 Overcollection.