

December 16, 2020

VIA ELECTRONIC FILING

Hon. Michelle L. Phillips, Secretary
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

Re: Case 00-M-1556, In the Matter of the Proposed Accounting and Ratemaking for the Tax Law Changes Included in the 2000 – 2002 New York State Budget

Dear Secretary Phillips:

Transmitted herewith for filing with The New York State Public Service Commission ("Commission") is a copy of Pennsylvania Electric Company Waverly District's ("Penelec" or the "Company") P.S.C. No. 7 – Revenue Tax Surcharges Statement No. 3 ("RTS") issued December 16, 2020. The statement updates contained in this filing are proposed to become effective January 9, 2021.

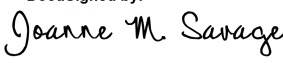
This revision to the tariff is being filed to set the surcharge factor for collection of New York State Income Taxes to zero. In compliance with the September 18, 2019 Letter from the Director of the Office of Accounting, Audits and Finance of the New York State Department of Public Service, the Company has refunded the authorized amount of the surcharge factor for collection of New York State taxes for the taxable year ending December 31, 2020. Attachment 1 shows the gross revenue and state income tax factor calculations supporting the surcharge factor.

Whenever (1) the State of New York repeals or changes the rate of State Income Tax; or (2) a city or village levies, repeals, or changes the rate of a tax on the Company's gross revenue, the Company shall file a new statement not less than fifteen (15) business days before the date on which it is proposed to be effective.

If you have any questions regarding the enclosed documents, please feel free to contact me.

Sincerely,

DocuSigned by:



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Joanne M. Savage
Director of Rates & Regulatory Affairs-PA
610-921-6525

Enclosures
C: Anthony DiGiacomo