

P.S.C. No. 7 Electricity
PENNSYLVANIA ELECTRIC COMPANY
Initial Effective Date: 10/06/2019

Leaf: 139
Revision: 0
Superseding Revision:

Rider A (continued)

- Payments made to generation suppliers
- Net energy costs associated with the procurement of fixed energy blocks; these net energy costs will reflect the net proceeds from sales in the wholesale market of any excess energy purchased by the Company to provide Default Service that exceeds actual energy used
- Any PJM-related charges for energy capacity, operating reserve, ancillary services, and transmission related costs other than Network Integration Transmission Service charges and
- PJM RTEP charges, PJM Expansion Cost Recovery, as well as any other FERC-approved PJM transmission charges that will not be reconciled through the Company's Default Service Support Rider.
- The administrative costs associated with any procurements
- Administrative costs including metering and billing costs incurred and other costs as necessary to provide service to retail default generation supply customers
- Contingency plan implementation costs incurred as a result of supplier(s) default either prior to or during the supply period.
- Other costs incurred to develop and implement the competitive bid process for retail Default Service including legal, customer notice, and consultant fees

$DS_{Exp3} =$ The cumulative costs of Network Integration Transmission Service incurred by the Company pursuant to the PJM Open Access Transmission Tariff and any direct transmission owner charge expenses imposed by PJM.

$PTC_{Rev} =$ The cumulative revenues billed to retail Customers for Default Service under the Price to Compare Default Service Rate Rider, excluding applicable New York Gross Revenue Tax and State Income Tax Factors, through the end of the most recent Default Service Year billed under the $PTC_{Default}$ rates.

$DS_{Int} =$ The cumulative amount of carrying charges calculated on a monthly basis. Interest will be calculated monthly on the average balance of 1) the respective month's beginning balance of prior months' cumulative over or under collection of PTC_{Rev} compared to the sum of the amortized portion of DS_{Exp1} costs, DS_{Exp2} costs incurred to date, and DS_{Exp3} costs incurred to date including cumulative interest calculated thereon through the beginning of the month; and 2) the respective month's ending balance of cumulative over or under collection of PTC_{Rev} compared to the amortized portion of DS_{Exp1} costs, DS_{Exp2} costs incurred to date, and DS_{Exp3} costs incurred to date including cumulative interest calculated thereon through the beginning of the month. The monthly interest rate will be the interest rate for Investor-Owned Utilities, Other Customer, Provided Capital Rate as posted annually by the New York Public Service Commission.