

January 11, 2019

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

**Re: Penn Power Company Tariff Electric Pa. P.U.C. No. 36,
Changes to the Rules to Include Electric Vehicle Charging: Docket
No. M-2017-2604382**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") is an original copy of Supplement No. 55 to Penn Power Company's ("Penn Power" or the "Company") Tariff Electric Pa. P.U.C. No. 36, which bears an issue date of January 11, 2019. The tariff changes contained in Supplement No. 55 are proposed to be effective on or after March 1, 2019.

On November 8, 2018 the Commission issued a Final Policy Statement instructing electric distribution companies to file a tariff amendment including certain information related to third-party owned electric vehicle charging stations. The purpose of Tariff Supplement No. 55 is to amend Penn Power's tariff in a manner consistent with the Final Policy Statement.

If you have any questions regarding the enclosed documents, please contact me at 610-921-6525 or Kim Bortz at 610-921-6717.

Sincerely,



Charles V. Fullem
Director – Rates & Regulatory Affairs-PA

Enclosures

c: Scott Thomas, sjthomas@pa.gov
Joseph Cardinale, jcardinale@pa.gov
Darren Gill, dgill@pa.gov
As Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Policy Statement on Third Party Electric :
Vehicle Charging – Resale/Redistribution :
of Utility Service Tariff Provisions :

Docket No. M-2017-2604382

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below.

Service by first class mail, as follows:

John R. Evans
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101

Tanya J. McCloskey
Office of Consumer Advocate
555 Walnut Street, 5th Floor Forum Place
Harrisburg, PA 17101

Richard Kanaskie
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Dated: January 11, 2019



Charles V. Fullem
Director – Rates and Regulatory Affairs – PA
FirstEnergy Service Company
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P.O. Box 16001
Reading, Pennsylvania 19612-6001
(610) 921-6525

Supplement No. 55
Electric Pa. P.U.C. No. 36

PENNSYLVANIA POWER COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

**The Territory as Defined on
Page Nos. 8 - 9 of this Tariff**

Issued: January 11, 2019

Effective: March 1, 2019

**By: Samuel L. Belcher, President
Reading, Pennsylvania**

NOTICE

This Supplement 55 makes changes to Table of Contents and General Rules and Regulations.
See Fifty-Second Revised Page 2.

LIST OF MODIFICATIONS

Table of Contents

MISCELLANEOUS PROVISIONS – Rule No. 23 has been added (See Third Revised Page 5).

General Rules and Regulations

Rule 23 – Electric Vehicle Charging – Language has been added (See Third Revised Page 56).

TABLE OF CONTENTS (continued)		Page
Rule		No.
No.		
EMERGENCY CONDITIONS		
18	Load Control	53
19	Energy Conservation	53
MISCELLANEOUS PROVISIONS		
20	Discontinuance	54
21	Service Continuity: Limitation on Liability for Service Interruptions and Variations	55-56
22	Transfer of Electric Generation Supplier	56
23	Electric Vehicle Charging	56 (C)
RATE SCHEDULES		
	Rate RS – Residential Service Rate	57-60
	Rate GS – Small – General Service Secondary Rate Non-Demand Metered	61-65
	Rate GS – Volunteer Fire Company, and Non-Profit Ambulance Service, Rescue Squad and Senior Center Service Rate	66-68
	Rate GM – Medium-General Service Secondary Rate Demand Metered	69-72

(C) Change

GENERAL RULES AND REGULATIONS

Rule 21 – Service Continuity: Limitation on Liability for Service (continued)

To the extent applicable under the Uniform Commercial Code or on any theory of contract or products liability, the Company disclaims and shall not be liable to any Customer or third party for any claims involving and including, but not limited to, strict products liability, breach of contract, and breach of actual or implied warranties of merchantability or fitness for an intended purpose.

If the Company becomes liable under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. §§2806(g) and 2809(f), for Pennsylvania state taxes not paid by an Electric Generation Supplier (EGS), the non-compliant EGS shall indemnify the Company for the amount of additional state tax liability imposed upon the Company by the Pennsylvania Department of Revenue due to the failure of the EGS to pay or remit to the Commonwealth the tax imposed on its gross receipts under Section 1101 of the Tax Report Code of 1971 or Chapter 28 of Title 66.

22. Transfer of Electric Generation Supplier

The Company shall change a Customer's EGS in accordance with 52 Pa. Code Chapter 57, Subchapter M, "Standards for Changing a Customer's Electricity Generation Supplier". Pursuant to the commission's Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 57 Regulations Regarding Standards for Changing a Customer's Electricity Generation Supplier, at Docket No. L-2014-2409383, changes in a Customer's EGS shall be effective within three (3) business days after the enrollment request is processed, regardless of whether the meter reading is actual or estimated.

23. Electric Vehicle Charging

(C)

Electric vehicle charging at third-party owned electric vehicle charging stations shall not be considered resale of electricity as described in 66 Pa. C.S. § 1313. A third-party owned electric vehicle charging station is defined as a charging station owned by a third party open to the public for the sole purpose of electric vehicle charging. An electric vehicle is defined as any vehicle licensed to operate on public roadways that is propelled in whole or in part by electric energy stored on-board for the purpose of propulsion. Types of electric vehicles include, but are not limited to, plug-in hybrid electric vehicles and battery electric vehicles. Electric vehicle charging stations shall be constructed in accordance with the National Electrical Code and the Company's service installation policies. The station must be designed to protect against back flow of electricity to the Company's electrical distribution circuit as required by Company rules. The Customer, who may be either the owner or the host of the third-party owned electric vehicle charging station, shall notify the Company at least one hundred twenty (120) days in advance of the planned installation date and may be required to install metering for the station as determined by the Company. The Customer shall be responsible for all applicable Tariff rates, fees and charges.

(C) Change

Pennsylvania Power Company
***Pro Forma* Supplement to Tariff Electric Pa. P.U.C. No. 36**
Supplemental Information Required by 52 Pa. Code § 53.52(a)

Pennsylvania Power Company (“Penn Power” or “Company”) submits the following information in support of its *Pro Forma* Supplement to Tariff Electric Pa. P.U.C. No. 36. In response to each of the applicable subsections of 52 Pa. Code § 53.52(a), Penn Power states the following:

52 Pa. Code § 53.52(a)(1)

- Q. The specific reasons for each change.
- A. On November 8, 2018 the Commission issued a Final Policy Statement, under Docket No. M-2017-26043832, instructing electric distribution companies to file a tariff amendment including certain information related to third-party owned electric vehicle charging stations. The purpose of this filing is to amend Penn Power’s tariff in a manner consistent with the Final Policy Statement.

52 Pa. Code § 53.52(a)(2)

- Q. The total number of Customers served by the utility.
- A. As of September 30, 2018, the Company served a total of 166,230 Customers.

52 Pa. Code § 53.52(a)(3)

- Q. A calculation of the number of Customers, by tariff subdivision, whose bills could be affected by the change.
- A. There are 145,164 Residential Customers, 20,751 Commercial Customers and 315 Industrial Customers whose bills could be affected by the change.

52 Pa. Code § 53.52(a)(4)

- Q. The effect of the change on the utility’s Customers.
- A. This change clarifies the tariff rules and has no direct effect on the Company’s Customers.

52 Pa. Code § 53.52(a)(5)

- Q. The effect, whether direct or indirect, of the proposed change on the utility’s revenues and expenses.
- A. There will be minimal effect, direct or indirect, on the Company’s revenues or expenses.

52 Pa. Code § 53.52(a)(6)

- Q. The effect of the change on the service rendered by the utility.
- A. There will be no effect on the service rendered by the Company.

52 Pa. Code § 53.52(a)(7)

- Q. A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement as to why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308 (relating to voluntary changes in rates.).
- A. This change is consistent with the Commission's Final Policy Statement entered November 8, 2018, under Docket No. M-2017-2604382.

52 Pa. Code § 53.52(a)(8)

- Q. Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308.
- A. The Company has not performed any specific studies concerning the proposed changes.

52 Pa. Code § 53.52(a)(9)

- Q. Customer polls taken and other documentation which indicates Customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible opposition, an explanation of why the change is in the public interest shall be provided.
- A. The Company did not conduct any Customer polls.

52 Pa. Code § 53.52(a)(10)

- Q. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- A. Other than through the instant filing, the Company has no plans for introducing the changes with respect to its ratepayers. There will be no noticeable change to rates, bills, or service rendered.

52 Pa. Code § 53.52(a)(11)

- Q. F.C.C., F.E.R.C., or Commission orders or rulings applicable to the filing.
- A. See the response to 52 Pa. Code § 53.52(a)(1).

Pennsylvania Power Company
***Pro Forma* Supplement to Tariff Electric Pa. P.U.C. No. 36**
Supplemental Information Required by 52 Pa. Code § 53.52(b)

Pennsylvania Power Company (“Penn Power” or “Company”) submits the following information in support of its *Pro Forma* Supplement to Tariff Electric Pa. P.U.C. No. 36. In response to each of the applicable subsections of 52 Pa. Code § 53.52(b), Penn Power states the following:

52 Pa. Code § 53.52(b)(1)

- Q. The specific reasons for each increase or decrease.
- A. See the response to 52 Pa. Code § 53.52(a)(1).

52 Pa. Code § 53.52(b)(2)

- Q. The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing.
- A. See page 4 of this response for Penn Power’s operating income statement for the twelve months ended September 30, 2018.

52 Pa. Code § 53.52(b)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be increased.
- A. Not applicable.

52 Pa. Code § 53.52(b)(4)

- Q. A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.
- A. Not applicable.

52 Pa. Code § 53.52(b)(5)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.
- A. Not applicable.

52 Pa. Code § 53.52(b)(6)

- Q. A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.
- A. Not applicable.

Pennsylvania Power Company

Statements of Income

(In Thousands)

Unaudited

Line No.	Description	Twelve months	
		Ended September 30, 2018	2017
1	Operating Revenues	<u>\$256,606</u>	<u>\$238,862</u>
	Operating Expenses:		
2	Power purchased and interchange:	\$102,769	\$100,962
3	Nuclear operating costs	-	-
4	Other operation and maintenance	38,519	52,045
5	Depreciation and amortization	29,289	15,352
6	Goodwill Impairment	-	-
7	Taxes, other than income taxes	<u>15,193</u>	<u>13,473</u>
8	Total operating expenses	<u>\$185,770</u>	<u>\$181,832</u>
9	Operating Income Before Income Taxes	<u>\$70,836</u>	<u>\$57,030</u>
10	Income taxes	<u>\$15,750</u>	<u>\$16,103</u>
11	Operating Income	<u>\$55,086</u>	<u>\$40,927</u>
	Other Income and Deductions:		
12	Allowance for other funds used during construction	\$ -	\$ -
13	Other income/(expense), net	(1,506)	(2,159)
14	Income taxes	<u>178</u>	<u>527</u>
15	Total other income and deductions	<u>(\$1,328)</u>	<u>(\$1,632)</u>
16	Income Before Interest Charges	<u>\$56,414</u>	<u>\$42,559</u>
	Interest Charges:		
17	Long term debt	\$8,485	\$8,580
18	Trust preferred securities	-	-
19	Other interest	1,397	1,027
20	Deferred Interest Income	-	-
21	Company-obligated mandatorily redeemable preferred securities	-	-
22	Allowance for borrowed funds used during construction	-	-
23	Total interest charges	<u>\$9,882</u>	<u>\$9,607</u>
24	Income/(Loss) Before Extraordinary Items	\$46,532	\$32,952
25	Extraordinary item	-	-
26	Net Income	\$46,532	\$32,952
27	Preferred stock dividends	-	-
28	Loss on preferred stock reacquisition	-	-
29	Earnings Available for common stock	<u>\$46,532</u>	<u>\$32,952</u>