

July 30, 2010

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor - 1 North  
Harrisburg, PA 17120

**Re: Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Approval of Smart Meter Technology Procurement and Installation Plan – Docket No. M-2009-2123950  
Metropolitan Edison Company Tariff Supplement No. 22 – Change in Smart Meter Technologies Charge Rates**

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") are eight (8) copies of Supplement No. 22 to Metropolitan Edison Company's ("Met-Ed" or the "Company") Tariff Electric Pa. P.U.C. No. 50 in compliance with the Commission's Order at Docket No. M-2009-2123950, which bear an issue date of July 30, 2010. The tariff changes contained in Supplement No. 22 are proposed to be effective with service rendered on or after January 1, 2011.

The purpose of Supplement No. 22 is to reflect in Met-Ed's tariff changes in the Smart Meter Technologies Charge ("SMT-C") rates for the Commercial, Residential, and Industrial Customer Classes for service rendered on or after January 1, 2011 through December 31, 2011. Supplement No. 22 is being filed pursuant to the Commission's Order at Docket No. M-2009-2123950 entered June 9, 2010 and under the provisions of the PaPUC-approved Smart Meter Technologies Charge Rider.

Supporting details for the computation of the Met-Ed SMT-C rates are provided in Exhibit A, Schedules 1, 2, 3, and 4 that accompany this filing.

**RECEIVED**

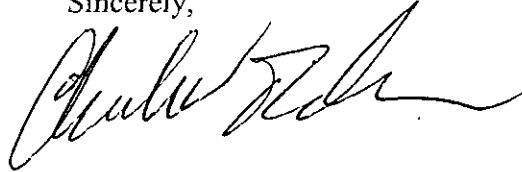
JUL 30 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Enclosed please find an extra copy of this letter for you to date stamp and return in the enclosed stamped, addressed envelope in order to indicate receipt of this filing.

If you have any questions regarding the enclosed documents, please contact Ray Parrish at (610) 921-6837.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles V. Fullem". The signature is fluid and cursive, with a long horizontal flourish at the end.

Charles V. Fullem  
Director of Rates & Regulatory Affairs-PA  
(610) 921-6525

Enclosures

c: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Petition of Metropolitan Edison :  
Company, Pennsylvania Electric Company :                   Docket No. M-2009-2123950  
and Pennsylvania Power Company for :  
Approval of Smart Meter Technology :  
Procurement and Installation Plan . :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code §1.54 (relating to service by a participant).

Service by First Class Mail, as follows:

Daniel G. Asmus, Esquire  
Lauren M Lepkoski, Esquire  
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Commerce Building, Suite 1102  
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Harrisburg, PA 17101-1503

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Charis Mincavage, Esquire  
Vasiliki Karandrikas, Esquire  
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Constellation Energy  
111 Market Place, Suite 500  
Baltimore, MD 21202

Dated: July 30, 2010



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Charles V. Fullem  
Director  
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2800 Pottsville Pike  
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Reading, PA 19612-6001

**METROPOLITAN EDISON COMPANY**  
**READING, PENNSYLVANIA**

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**Electric Service Tariff**

**Effective in**

**The Territory as Defined on  
Page Nos. 11 - 13 of this Tariff**

**RECEIVED**

JUL 30 2010

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Issued: July 30, 2010**

**Effective: January 1, 2011**

**By: Anthony J. Alexander, CEO**  
**Reading, Pennsylvania**

**NOTICE**

Supplement 22 changes rates in Rider P – Smart Meter Technologies Charge Rider  
See Twenty-second Revised Page No. 2.

LIST OF MODIFICATIONS

Riders

Changes

Rider *P* – Smart Meter Technologies Charge Rider rates have been changed in this Tariff (See First Revised Page 182).

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RIDERS

RIDER P

SMART METER TECHNOLOGIES CHARGE RIDER

A Smart Meter Technologies ("SMT") Charge ("SMT-C") shall be applied as a monthly Customer charge during each billing month to metered Customers served under this Tariff, with the exception of those served under Borderline Service rates, determined to the nearest cent. The SMT-C rates shall be calculated separately for each Customer Class according to the provisions of this rider.

For service rendered January 1, 2011 through December 31, 2011 the SMT-C rates billed by Customer Class are as follows:

Residential Customer Class (Rate RS, Rate RT, and Rate GS – Volunteer Fire Company, and Non-Profit Ambulance Service, Rescue Squad and Senior Center Service Rate):

\$1.05 per month.

Commercial Customer Class (Rate GS-Small, Rate GS-Medium, and Rate MS):

\$1.07 per month.

Industrial Customer Class (Rate GS-Large, Rate GP, and Rate TP):

\$0.95 per month

(C)

(D)

(D)

(D)

(C) Change

(D) Decrease

**METROPOLITAN EDISON COMPANY**  
**Computation of Proposed Smart Technologies Charges ("SMT-C") by Customer Class**  
**For the Twelve Months Months Ending December 31, 2011**

Smart Technologies Charge = SMT-C =  $[(SMTc - E) / ACCC] / 12 \times [1 / (1 - T)]$

Line No.	Description	All Customer Classes Amounts	Residential Customer Class Computations	Commercial Customer Class Computations	Industrial Customer Class Computations
	(1)	(2)	(3)	(4)	(5)
1	SMTc = Smart Meter Technologies Costs by Customer Class (See Schedule 2 for Support)	\$ 6,597,607	\$ 5,808,798	\$ 778,504	\$ 10,305
2	E = Cumulative Prior Reconciliation Period's Net Over / (Under) Collections	\$ -	\$ -	\$ -	\$ -
3	ACCC = Projected Average Customer Class Count for the SMT-C Computation Year for the Twelve Months Ending December 31, 2011 (See Schedule 4 for Support)		490,167 Avg. Count	64,026 Avg. Count	962 Avg. Count
4	$(SMTc - E) / ACCC / 12$ Month [[Line 1 + Line 2] / Line 3] / 12 Months]		\$ 0.99 per Month	\$ 1.01 per Month	\$ 0.89 per Month
5	1 / (1 - T): (T = 5.90% PA Gross Receipts Tax in Base Rates)		<u>1.062699</u>	<u>1.062699</u>	<u>1.062699</u>
6	<b>SMTc = Smart Meter Technologies Charge (Line 4 X Line 5)</b>		<u>\$ 1.05 per Month</u>	<u>\$ 1.07 per Month</u>	<u>\$ 0.95 per Month</u>

**METROPOLITAN EDISON COMPANY**  
**Projected Smart Technologies Costs ("SMTc") by Customer Class**  
**For the Smart Meter Technologies Charge ("SMT-C") Computation Year**  
**Twelve Months Ending December 31, 2011**

Smart Technologies Costs = SMTc = SMTexp1 + SMTexp2

Line No.	Description	Total All Customer Classes Costs	Residential Customer Class Costs	Commercial Customer Class Costs	Industrial Customer Class Costs
	(1)	(2)	(3)	(4)	(5)
1	SMTexp1 Costs (See Schedule 3 for Supporting Details)	\$ 6,597,607	\$ 5,808,798	\$ 778,504	\$ 10,305
2	SMTexp1 Cost Recovery of SMT Capital Expenditures	\$ -	\$ -	\$ -	\$ -
3	SMTexp1 Offsetting Reduction in Operating Expenses and Capital Expenditures due to Smart Meter Program	\$ -	\$ -	\$ -	\$ -
4	SMTexp2 Costs	\$ -	\$ -	\$ -	\$ -
5	<b>Total SMTc Costs (Line 1 + Line 2 - Line 3 + Line 4)</b>	<b>\$ 6,597,607</b>	<b>\$ 5,808,798</b>	<b>\$ 778,504</b>	<b>\$ 10,305</b>

METROPOLITAN EDISON COMPANY  
 Projected Smart Meter Technologies Assessment Period Direct and Common Costs Recoverable Through Smart Meter Technologies Charges ("SMT-C")  
 For the Twelve Months Ending December 31, 2011

Projected Smart Meter Technologies Direct and Common Costs

Smart Meter Technologies Direct and Common Assessment Period Costs		Projected Smart Meter Technologies Direct and Common Costs												12 Months Ending
Line No.	Descriptions	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	December 2011
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(13)
1	Internal Administration Labor	\$ 221,207.85	\$ 211,494.99	\$ 207,252.59	\$ 143,839.87	\$ 137,308.81	\$ 138,201.94	\$ 134,573.57	\$ 135,829.55	\$ 134,154.92	\$ 134,154.92	\$ 133,317.60	\$ 129,295.00	\$ 1,860,631.61
2	Dues, Fees, Licenses	\$ 65,133.32	\$ -	\$ -	\$ 74,396.67	\$ -	\$ 1,862.96	\$ 74,396.67	\$ -	\$ -	\$ 74,396.67	\$ -	\$ -	\$ 290,186.29
3	General Business and Travel	\$ 2,293.79	\$ 2,196.67	\$ 2,154.24	\$ 1,520.11	\$ 1,454.80	\$ 1,463.74	\$ 1,427.45	\$ 1,440.01	\$ 1,423.27	\$ 1,423.27	\$ 1,414.89	\$ 1,374.67	\$ 19,586.91
4	Materials	\$ 57,751.76	\$ -	\$ -	\$ 79,387.50	\$ 92,618.75	\$ 92,618.75	\$ 92,618.75	\$ 92,618.75	\$ 79,387.50	\$ -	\$ -	\$ -	\$ 587,001.76
5	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Outside Professional and Contractor Services	\$ 710,637.69	\$ 612,379.97	\$ 605,396.71	\$ 550,520.01	\$ 315,965.55	\$ 231,631.56	\$ 156,403.28	\$ 130,336.07	\$ 129,405.10	\$ 162,920.09	\$ 119,164.41	\$ 115,440.52	\$ 3,840,200.96
7	Total Projected Smart Meter Technologies Direct and Common Costs (Lines 1 through 6)	\$ 1,057,024.41	\$ 826,071.63	\$ 814,803.54	\$ 849,664.16	\$ 547,347.91	\$ 465,778.95	\$ 459,419.72	\$ 360,224.38	\$ 344,370.79	\$ 372,894.95	\$ 253,896.90	\$ 246,110.19	\$ 6,597,607.53

Allocation of Projected Direct and Common Common Costs based on Actual Customer Class Meter Counts for May 2010 determined as follows:

Line No.	Customer Class	May 2010 Meter Count by Customer Class	Percentage Customer Class to All Customer Classes	Allocation of Projected Direct and Common Costs for 12 Months Ending December 31, 2011 (Rounded)
		A	B	C = B X Line 13, Col.13
8	Residential Customer Class	485,936	88.0440%	\$ 5,808,798
9	Commercial Customer Class	65,126	11.7998%	\$ 778,504
10	Industrial Customer Class	862	0.1562%	\$ 10,305
11	Total Meter Count	551,924	100.0000%	\$ 6,597,607

**METROPOLITAN EDISON COMPANY**  
**Projected Average Customer Class Count ("ACCC") by Customer Class**  
**For the Smart Meter Technologies Charge ("SMT-C") Computation Year**  
**Twelve Months Ending December 31, 2011**

Line No.	Month	Residential Customer Class Count	Commercial Customer Class Count	Industrial Customer Class Count
	(1)	(2)	(3)	(4)
1	January 2011	488,814	63,793	961
2	February 2011	489,067	63,834	962
3	March 2011	489,318	63,877	962
4	April 2011	489,567	63,917	962
5	May 2011	489,812	63,960	962
6	June 2011	490,057	64,003	964
7	July 2011	490,301	64,043	962
8	August 2011	490,542	64,086	961
9	September 2011	490,780	64,131	961
10	October 2011	491,014	64,177	961
11	November 2011	491,248	64,222	961
12	December 2011	491,479	64,265	961
<b>13</b>	<b>Projected Average Customer Class Counts ("ACCC") for the Twelve Months Ending December 31, 2011</b>	<b>490,167</b>	<b>64,026</b>	<b>962</b>