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December 29, 2010
PA P.U.C.
SECRETARY'S BUREAU

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

**Re: Pennsylvania Electric Company – Docket No. M-2009-2123950
Supplement No. 3 – Change in Smart Meter Technologies Charge Rates**

Dear Secretary Chiavetta:

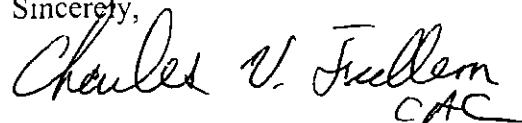
Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") are eight (8) copies of Supplement No. 3 to Pennsylvania Electric Company's ("Penelec" or the "Company") Tariff Electric Pa. P.U.C. No. 80. The tariff changes contained in Supplement No. 3 are proposed to be effective with service rendered on or after January 1, 2011.

The purpose of Supplement No. 3 is to reflect in Penelec's tariff the 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. 3 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.

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 Chuck Cober at (610) 921-6055.

Sincerely,



Charles V. Fullem
CAC

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

Enclosures

PENNSYLVANIA ELECTRIC COMPANY
READING, PENNSYLVANIA

Electric Service Tariff

Effective in

**The Territory as Defined on
Page Nos. 8 - 15 of this Tariff**

RECEIVED

DEC 29 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Issued: December 29, 2010

Effective: January 1, 2011

By: Anthony J. Alexander, CEO
Reading, Pennsylvania

NOTICE

Supplement No. 3 decreases and changes Rate Schedules and Rider M.
See Third Revised Page No. 2.

LIST OF MODIFICATIONS

Rate SchedulesDecreases

Rate RS – Residential Service Rate, Smart Meter Technologies Charge has been decreased (See Second Revised Page 73).

Rate RT – Residential Time of Day, Smart Meter Technologies Charge has been decreased (See Second Revised Page 77).

Rate GS – Volunteer Fire Company and Non-Profit Ambulance Service, Rescue Squad and Senior Center Service Rate – Non-Time of Day Option, Smart Meter Technologies Charge has been decreased (See Second Revised Page 81).

Rate GS – Volunteer Fire Company and Non-Profit Ambulance Service, Rescue Squad and Senior Center Service Rate – Time of Day Option, Smart Meter Technologies Charge has been decreased (See Second Revised Page 84).

Rate GS – Small – General Service Secondary Rate – Non Demand Metered, Smart Meter Technologies Charge has been decreased (See First Revised Page 88).

Rate GS – Medium – General Service Secondary Rate – Demand Metered, Smart Meter Technologies Charge has been decreased (See First Revised Page 91).

Rate GS – Large – General Service Secondary – Time-of-Day Rate, Smart Meter Technologies Charge has been decreased (See First Revised Page 97).

Rate GP – General Service – Primary Rate, Smart Meter Technologies Charge has been decreased (See First Revised Page 101).

Rate LP – Large Primary Rate, Smart Meter Technologies Charge has been decreased (See First Revised Page 107).

Rate H – All Electric School, Church and Hospital Rate, Smart Meter Technologies Charge has been decreased (See First Revised Page 120).

RidersChanges

Rider M – Smart Meter Technologies Charge Rider Rates have been changed in this Tariff (See First Revised Page 181).

RATE SCHEDULES

Rate RS (continued)

Energy Efficiency and Conservation Charge

0.366 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.07 per month

(D)

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

0.098 cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Universal Service Charge

0.904 cents per kWh for all kWh

From January 1, 2008 forward, the Company will calculate and develop the Universal Service Charge in accordance with the provisions of Rider D - Universal Service Cost Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Solar Photovoltaic Requirements Charge

0.007 cents per kWh for all kWh

The Company will provide and charge for Solar Photovoltaic Requirements to Customers taking Delivery Service in accordance with the provisions of Rider Q – Solar Photovoltaic Requirements Charge Rider, which charge shall apply to all kWh billed under this Rate Schedule.

(D) Decrease

RATE SCHEDULES

Rate RT (continued)

Energy Efficiency and Conservation Charge

0.366 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.07 per month

(D)

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

0.015 cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Universal Service Charge

0.904 cents per kWh for all kWh

From January 1, 2008 forward, the Company will calculate and develop the Universal Service Charge in accordance with the provisions of Rider D - Universal Service Cost Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Solar Photovoltaic Requirements Charge

0.007 cents per kWh for all kWh

(D) Decrease

RATE SCHEDULES

Rate GS (continued)

Energy Efficiency and Conservation Charge

0.141 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

(D)

Smart Meter Technologies Charge

\$1.07 per month

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M.– Smart Meter Technologies Charge Rider.

Default Service Support

0.098 cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R.– Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Universal Service Charge

0.904 cents per kWh for all kWh

From January 1, 2008 forward, the Company will calculate and develop the Universal Service Charge in accordance with the provisions of Rider D - Universal Service Cost Rider, which charge shall apply to all kWh billed under this Rate Schedule.

(D) Decrease

RATE SCHEDULES

Rate GS (continued)

Energy Efficiency and Conservation Charge

0.141 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.07 per month

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

0.098 cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Universal Service Charge

0.904 cents per kWh for all kWh

From January 1, 2008 forward, the Company will calculate and develop the Universal Service Charge in accordance with the provisions of Rider D - Universal Service Cost Rider, which charge shall apply to all kWh billed under this Rate Schedule.

(D) Decrease

RATE SCHEDULES

Rate GS Small (continued)

The Company will charge for Consumer Education Charges to Customers taking Delivery Service in accordance with the provisions of Rider Q – Consumer Education Program Cost Recovery Rider.

Energy Efficiency and Conservation Charge

0.134 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.07 per month

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

(0.077) cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Solar Photovoltaic Requirements Charge

0.007 cents per kWh for all kWh

The Company will provide and charge for Solar Photovoltaic Requirements to Customers taking Delivery Service in accordance with the provisions of Rider Q – Solar Photovoltaic Requirements Charge Rider, which charge shall apply to all kWh billed under this Rate Schedule.

DEFAULT SERVICE CHARGES:

For Customers receiving Default Service from the Company, Rider N – Price to Compare Default Service Rate Rider applies unless the Customer elects to receive Default Service from the Company under Rider O – Hourly Pricing Default Service Rider.

(D) Decrease

RATE SCHEDULES

Rate GS-Medium (continued)

NUG Charge

0.038 cents per kWh for all billed kWh

The Company will charge for NUG Charges to Customers taking Delivery Service in accordance with the provisions of Rider P – NUG Charge Rider, which charge shall apply to all kWh billed under this Rate Schedule

Consumer Education Charge

0.000 cents per kWh for all kWh

The Company will charge for Consumer Education Charges to Customers taking Delivery Service in accordance with the provisions of Rider Q – Consumer Education Program Cost Recovery Rider.

Energy Efficiency and Conservation Charge

0.134 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.07 per month

(D)

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

(0.077) cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

(D) Decrease

RATE SCHEDULES

Rate GS-Large (continued)

Energy Efficiency and Conservation Charge

\$0.34 per kW

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.01 per month

(D)

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

(0.074) cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Solar Photovoltaic Requirements Charge

0.007 cents per kWh for all kWh

The Company will provide and charge for Solar Photovoltaic Requirements to Customers taking Delivery Service in accordance with the provisions of Rider Q – Solar Photovoltaic Requirements Charge Rider, which charge shall apply to all kWh billed under this Rate Schedule.

DEFAULT SERVICE CHARGES:

For Customers receiving Default Service from the Company, the Hourly Pricing Default Service Rider, Rider O, rates apply.

(D) Decrease

RATE SCHEDULES

Rate GP (continued)

NUG Charge

0.655 cents per kWh for all kWh

The Company will charge for NUG Charges to Customers taking Delivery Service in accordance with the provisions of Rider P – NUG Charge Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Consumer Education Charge

0.000 cents per kWh for all kWh

The Company will charge for Consumer Education Charges to Customers taking Delivery Service in accordance with the provisions of Rider Q – Consumer Education Program Cost Recovery Rider.

Energy Efficiency and Conservation Charge

\$0.34 per kW

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.01 per month

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

(0.068) cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Special provision for GP Customers who were shopping with an EGS for the entire period from January 1, 2005 through December 31, 2010, the following DSS Rate under Rider R would apply:

0.007 cents per kWh for all kWh

(D) Decrease

RATE SCHEDULES

Rate LP (continued)

Energy Efficiency and Conservation Charge

\$0.34 per kW

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.01 per month

(D)

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

Default Service Support

(0.058) cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R - Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

Special provision for LP Customers who were shopping with an EGS for the entire period from January 1, 2005 through December 31, 2010, the following DSS Rate under Rider R would apply:

0.007 cents per kWh for all kWh

(D) Decrease

RATE SCHEDULES

Rate H (continued)

Energy Efficiency and Conservation Charge

0.141 cents per kWh

The Company will charge for Energy Efficiency and Conservation Charges to Customers taking Delivery Service in accordance with the provisions of Rider L – Energy Efficiency and Conservation Charge Rider.

Smart Meter Technologies Charge

\$1.07 per month

The Company will charge a Smart Meter Technologies Charge to Customers taking Delivery Service in accordance with the provisions of Rider M – Smart Meter Technologies Charge Rider.

(D)

Default Service Support

(0.046) cents per kWh for all kWh

The Company will provide and charge for Default Service Support to Customers taking Delivery Service in accordance with the provisions of Rider R – Default Service Support Rider, which charge shall apply to all kWh billed under this Rate Schedule.

(D) Decrease

RIDERS

RIDER M

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):

\$1.07 per month.

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

\$1.07 per month.

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

\$1.01 per month.

(C) Change
(D) Decrease

FirstEnergy.

**2800 Pottsville Pike
Reading, PA 19605**

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**Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Bldg.
2nd FL., Room -N201
400 North Street
Harrisburg, PA 17120**