

July 29, 2011

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd 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 Pennsylvania Power Company Tariff Pa. P.U.C. No. 35, Supplement No. 76 – Change in Smart Meter Technologies Charge Rates

Dear Secretary Chiavetta:

Transmitted herewith for filing with the Pennsylvania Public Utility Commission ("Commission") are an original and three (3) copies of Supplement No. 76 to Pennsylvania Power Company's ("Penn Power" or the "Company") Tariff Electric Pa. P.U.C. No. 35, which bear an issue date of July 29, 2011. The tariff changes contained in Supplement No. 76 are proposed to be effective with service rendered on or after January 1, 2012.

The purpose of Supplement No. 76 is to reflect in Penn Power'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, 2012 through December 31, 2012. Supplement No. 76 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.

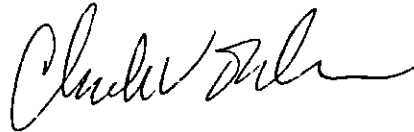
Supporting details for the computation of the Penn Power SMT-C rates are provided in Exhibit A, Schedules 1, 2, 3, 4, and 5 that accompany this filing.

RECEIVED
2011 AUG - 1 AM 10:20
PA.P.U.C.
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 me at (610) 921-6525.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles V. Fullem". The signature is fluid and cursive, with a prominent initial "C" and a long, sweeping underline.

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

Enclosures

c: Certificate of Service

PENNSYLVANIA POWER COMPANY

**Schedule of Rates, Rules and Regulations
for
Electric Service
For List of Communities Served,
See Pages 5 and 6**

ISSUED: July 29, 2011

EFFECTIVE: January 1, 2012

**Issued by
Charles E. Jones, Jr.
President
233 Frenz Drive
New Castle, PA 16101**

**RECEIVED
2011 AUG - 1 AM 10:45
PA P.U.C.
SECRETARY'S BUREAU**

NOTICE

This Supplement Makes Changes to Existing Tariff -- See Seventieth Revised Sheet No. 1

LIST OF MODIFICATIONS

Rider

Change

The Smart Meter Technologies Charge Rider rates have been changed in this Tariff (See Sixth Revised Sheet No. 61.1).

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 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, 2012 through December 31, 2012 the SMT-C rates billed by Customer Class are as follows:

Residential Customer Class (Rate Schedules RS; RS Optional Controlled Service Rider; RH; RH Water Heating Option; WH; and GS Special Provision for Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-Profit Ambulance Services):

\$1.36 per month.

Commercial Customer Class (Rate Schedules GS, GS Special Provision GSDS, GS Optional Controlled Service Rider, PNP, GM, GM Optional Controlled Service Rider, OH with Cooling Capabilities, OH Without Cooling Capabilities, and WH Non-Residential):

\$1.43 per month.

Industrial Customer Class (Rate Schedules GP and GT):

\$1.43 per month.

(C) Change
(I) Increase

PENNSYLVANIA POWER COMPANY
Computation of Proposed Smart Meter Technologies Charges ("SMT-C") by Customer Class
For the Twelve Months Ending December 31, 2012

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

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 Schedules 2 for Support)	\$ 1,890,171	\$ 1,661,343	\$ 227,121	\$ 1,707
2	E = Cumulative Prior Reconciliation Period's Net Over / (Under) Collections (See Schedule 4 for Support)	\$ (617,057)	\$ (531,277)	\$ (85,017)	\$ (763)
3	ACCC = Projected Average Customer Class Count for the SMT-C Computation Year for the Twelve Months Ending December 31, 2012 (See Schedule 5 for Support)		140,621 Avg. Count	18,936 Avg. Count	150 Avg. Count
4	{SMTc - E} / ACCC / 12 Month [({Line 1 - Line 2} / Line 3) / 12 Months]		\$ 1.30 per Month	\$ 1.37 per Month	\$ 1.37 per Month
5	1 / (1 - T): (T = 4.40% PA Gross Receipts Tax in Base Rates)		1.046025	1.046025	1.046025
6	SMTc = Smart Meter Technologies Charge (Line 4 X Line 5)		\$ 1.36 per Month	\$ 1.43 per Month	\$ 1.43 per Month

PENNSYLVANIA POWER COMPANY
Projected Smart Meter Technologies Costs ("SMTc") by Customer Class
For the Smart Meter Technologies Charge ("SMT-C") Computation Year
Twelve Months Ending December 31, 2012

Smart Meter 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)	\$ 1,890,171	\$ 1,661,343	\$ 227,121	\$ 1,707
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	Total SMTc Costs (Line 1 + Line 2 - Line 3 + Line 4)	<u>\$ 1,890,171</u>	<u>\$ 1,661,343</u>	<u>\$ 227,121</u>	<u>\$ 1,707</u>

PENNSYLVANIA POWER 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, 2012

Projected Smart Meter Technologies Direct and Common Costs														
Line No.	Smart Meter Technologies Direct and Common Assessment Period Costs Descriptions	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	12 Months Ending December 2012
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(6)	(13)
1	Internal Administration Labor	\$ 38,896.02	\$ 38,444.52	\$ 38,736.59	\$ 38,400.87	\$ 38,901.65	\$ 24,122.38	\$ 23,271.77	\$ 23,271.62	\$ 23,271.78	\$ 23,271.84	\$ 23,698.43	\$ 24,550.37	\$ 358,838.14
2	Dues, Fees, Licenses	48,981.36	8,480.10	-	21,595.07	3,289.42	-	83,782.53	62,187.40	-	21,595.13	-	-	249,911.01
3	General Business and Travel	1,014.52	1,010.01	1,012.93	1,009.57	1,014.58	709.75	709.75	709.75	709.75	709.75	709.75	709.75	10,029.83
4	Materials	68,168.70	37,939.23	39,942.50	23,043.75	26,884.38	37,607.40	83,541.28	15,208.88	-	-	-	1,229.00	333,565.10
5	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Outside Professional and Contractor Services	146,189.23	109,409.49	111,867.40	111,621.69	111,498.78	49,166.76	49,166.76	49,781.26	49,781.26	49,781.26	49,781.26	49,781.26	937,626.52
7	Total Projected Smart Meter Technologies Direct and Common Costs (Lines 1 through 6)	\$ 303,249.84	\$ 195,283.36	\$ 191,559.60	\$ 195,671.06	\$ 181,688.81	\$ 111,606.29	\$ 240,472.08	\$ 161,169.10	\$ 73,782.80	\$ 85,357.97	\$ 74,189.43	\$ 76,270.38	\$ 1,890,170.60

Allocation of Projected Direct and Common Common Costs based on Actual Customer Class Meter Counts for June 2011 determined as follows:				
Line No.	Customer Class	June 2011 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, 2012 (Rounded)
		A	B	C = B X Line 7, Col.13
8	Residential Customer Class	147,905	87.8938%	\$ 1,661,343
9	Commercial Customer Class	20,220	12.0159%	\$ 227,121
10	Industrial Customer Class	152	0.0903%	\$ 1,707
11	Total Meter Count	168,277	100.0000%	\$ 1,890,171

PENNSYLVANIA POWER COMPANY
Smart Meter Technologies Charge ("SMT-C") Reconciliation Statement
Residential Customer Class
For the SMT-C Reconciliation Year Ended June 30, 2011

Line No.	Month	SMT-C Revenues Applied to Current Month's Costs Excluding PA GRT	Smart Meter Technologies Costs for Month	Monthly Over / (Under) Collection	Annual Interest Rate Per 41 P.S. § 202	Monthly Interest Rate	Number of Months to Mid-Point of Next SMT-C Rate Billing Period from Current Month (A)	Interest Amount on Monthly Over / (Under) Collection	Cumulative Over / (Under) Collections and Interest
	(1)	(2)	(3)	(4) = (2) - (3)	(5)	(6) = (5) / 12	(7)	(8) = (4) X (6) X (7)	(9)
1	July, 2010	\$ -	\$ -	\$ -	6.0000%	0.5000%	24	\$ -	\$ -
2	August, 2010	58,957	204,655	(145,698)	6.0000%	0.5000%	23	(16,755)	(162,453)
3	September, 2010	186,050	248,600	(62,550)	6.0000%	0.5000%	22	(6,881)	(231,884)
4	October, 2010	192,506	265,309	(72,803)	6.0000%	0.5000%	21	(7,644)	(312,331)
5	November, 2010	192,311	300,635	(108,324)	6.0000%	0.5000%	20	(10,832)	(431,487)
6	December, 2010	192,595	203,966	(11,371)	6.0000%	0.5000%	19	(1,080)	(443,938)
7	January, 2011	180,907	236,361	(55,454)	6.0000%	0.5000%	18	(4,991)	(504,383)
8	February, 2011	151,785	233,418	(81,633)	6.0000%	0.5000%	17	(6,939)	(592,955)
9	March, 2011	148,746	47,017	101,729	6.0000%	0.5000%	16	8,138	(483,088)
10	April, 2011	149,712	154,254	(4,542)	6.0000%	0.5000%	15	(341)	(487,971)
11	May, 2011	148,592	148,077	515	6.0000%	0.5000%	14	36	(487,420)
12	June 2011	148,283	189,463	(41,180)	6.0000%	0.5000%	13	(2,677)	(531,277)
13	Residential Customer Class Totals for SMT-C Reconciliation Year Ended June 30, 2011	<u>\$ 1,750,444</u>	<u>\$ 2,231,755</u>	<u>\$ (481,311)</u>				<u>\$ (49,966)</u>	<u>\$ (531,277)</u>

(A) Mid-point of the next SMT-C Rate Billing Period is June 30, 2012 during which the net over / (under) recoveries, including interest, for the SMT-C Reconciliation Year ended June 30, 2011 will be refunded to / (recouped from) Penn Power customers served under the SMT-C Rider defined Residential Customer Class rate schedules.

PENNSYLVANIA POWER COMPANY
Smart Meter Technologies Charge ("SMT-C") Reconciliation Statement
Commercial Customer Class
For the SMT-C Reconciliation Year Ended June 30, 2011

Line No.	Month (1)	SMT-C Revenues Applied to Current Month's Costs Excluding PA GRT (2)	Smart Meter Technologies Costs for Month (3)	Monthly Over / (Under) Collection (4) = (2) - (3)	Annual Interest Rate Per 41 P.S. § 202 (5)	Monthly Interest Rate (6) = (5) / 12	Number of Months to Mid-Point of Next SMT-C Rate Billing Period from Current Month (A) (7)	Interest Amount on Monthly Over / (Under) Collection (8) = (4) X (6) X (7)	Cumulative Over / (Under) Collections and Interest (9)
1	July, 2010	\$ -	\$ -	\$ -	6.0000%	0.5000%	24	\$ -	\$ -
2	August, 2010	7,651	27,832	(20,181)	6.0000%	0.5000%	23	(2,321)	(22,502)
3	September, 2010	24,232	33,808	(9,576)	6.0000%	0.5000%	22	(1,053)	(33,131)
4	October, 2010	24,848	36,080	(11,232)	6.0000%	0.5000%	21	(1,179)	(45,542)
5	November, 2010	24,927	40,885	(15,958)	6.0000%	0.5000%	20	(1,596)	(63,096)
6	December, 2010	24,948	27,738	(2,790)	6.0000%	0.5000%	19	(265)	(66,151)
7	January 2011	23,516	32,144	(8,628)	6.0000%	0.5000%	18	(776)	(75,555)
8	February, 2011	19,330	31,743	(12,413)	6.0000%	0.5000%	17	(1,055)	(89,023)
9	March, 2011	19,240	6,394	12,846	6.0000%	0.5000%	16	1,028	(75,149)
10	April, 2011	19,216	20,977	(1,761)	6.0000%	0.5000%	15	(132)	(77,042)
11	May, 2011	19,225	20,137	(912)	6.0000%	0.5000%	14	(64)	(78,018)
12	June 2011	19,194	25,766	(6,572)	6.0000%	0.5000%	13	(427)	(85,017)
13	Commercial Customer Class Totals for SMT-C Reconciliation Year Ended June 30, 2011	<u>\$ 226,327</u>	<u>\$ 303,504</u>	<u>\$ (77,177)</u>				<u>\$ (7,840)</u>	<u>\$ (85,017)</u>

(A) Mid-point of the next SMT-C Rate Billing Period is June 30, 2012 during which the net over / (under) recoveries, including interest, for the SMT-C Reconciliation Year ended June 30, 2011 will be refunded to / (recouped from) Penn Power customers served under the SMT-C Rider defined Commercial Customer Class rate schedules.

PENNSYLVANIA POWER COMPANY
Smart Meter Technologies Charge ("SMT-C") Reconciliation Statement
Industrial Customer Class
For the SMT-C Reconciliation Year Ended June 30, 2011

Line No.	Month	SMT-C Revenues Applied to Current Month's Costs Excluding PA GRT	Smart Meter Technologies Costs for Month	Monthly Over / (Under) Collection	Annual Interest Rate Per 41 P.S. § 202	Monthly Interest Rate	Number of Months to Mid-Point of Next SMT-C Rate Billing Period from Current Month (A)	Interest Amount on Monthly Over / (Under) Collection	Cumulative Over / (Under) Collections and Interest
	(1)	(2)	(3)	(4) = (2) - (3)	(5)	(6) = (5) / 12	(7)	(8) = (4) X (6) X (7)	(9)
1	July, 2010	\$ -	\$ -	\$ -	6.0000%	0.5000%	24	\$ -	\$ -
2	August, 2010	45	216	(171)	6.0000%	0.5000%	23	(20)	(191)
3	September, 2010	179	262	(83)	6.0000%	0.5000%	22	(9)	(283)
4	October, 2010	186	280	(94)	6.0000%	0.5000%	21	(10)	(387)
5	November, 2010	185	317	(132)	6.0000%	0.5000%	20	(13)	(532)
6	December, 2010	178	215	(37)	6.0000%	0.5000%	19	(4)	(573)
7	January 2011	176	249	(73)	6.0000%	0.5000%	18	(7)	(653)
8	February, 2011	141	246	(105)	6.0000%	0.5000%	17	(9)	(767)
9	March, 2011	142	49	93	6.0000%	0.5000%	16	7	(667)
10	April, 2011	141	163	(22)	6.0000%	0.5000%	15	(2)	(691)
11	May, 2011	126	156	(30)	6.0000%	0.5000%	14	(2)	(723)
12	June 2011	161	199	(38)	6.0000%	0.5000%	13	(2)	(763)
13	Industrial Customer Class Totals for SMT-C Reconciliation Year Ended June 30, 2011	\$ 1,660	\$ 2,352	\$ (692)				\$ (71)	\$ (763)

(A) Mid-point of the next SMT-C Rate Billing Period is June 30, 2012 during which the net over / (under) recoveries, including interest, for the SMT-C Reconciliation Year ended June 30, 2011 will be refunded to / (recouped from) Penn Power customers served under the SMT-C Rider defined Industrial Customer Class rate schedules.

PENNSYLVANIA ELECTRIC COMPANY
Smart Meter Technologies Charge ("SMT-C") Reconciliation Statement
All Customer Classes
For the SMT-C Reconciliation Year Ended June 30, 2011

Line No.	Month	SMT-C Revenues Applied to Current Month's Costs Excluding PA GRT	Smart Meter Technologies Costs for Month	Monthly Over / (Under) Collection	Annual Interest Rate Per 41 P.S. § 202	Monthly Interest Rate	Number of Months to Mid-Point of Next SMT-C Rate Billing Period from Current Month (A)	Interest Amount on Monthly Over / (Under) Collection	Cumulative Over / (Under) Collections and Interest
	(1)	(2)	(3)	(4) = (2) - (3)	(5)	(6) = (5) / 12	(7)	(8) = (4) X (6) X (7)	(9)
1	July, 2010	\$ -	\$ -	\$ -	6.0000%	0.5000%	24	\$ -	\$ -
2	August, 2010	66,653	232,703	(166,050)	6.0000%	0.5000%	23	(19,096)	(185,146)
3	September, 2010	210,461	282,670	(72,209)	6.0000%	0.5000%	22	(7,943)	(265,298)
4	October, 2010	217,540	301,669	(84,129)	6.0000%	0.5000%	21	(8,833)	(358,260)
5	November, 2010	217,423	341,837	(124,414)	6.0000%	0.5000%	20	(12,441)	(495,115)
6	December, 2010	217,721	231,919	(14,198)	6.0000%	0.5000%	19	(1,349)	(510,662)
7	January 2011	204,599	268,754	(64,155)	6.0000%	0.5000%	18	(5,774)	(580,591)
8	February, 2011	171,256	265,407	(94,151)	6.0000%	0.5000%	17	(8,003)	(682,745)
9	March, 2011	168,128	53,460	114,668	6.0000%	0.5000%	16	9,173	(558,904)
10	April, 2011	169,069	175,394	(6,325)	6.0000%	0.5000%	15	(475)	(565,704)
11	May, 2011	167,943	168,370	(427)	6.0000%	0.5000%	14	(30)	(566,161)
12	June 2011	167,638	215,428	(47,790)	6.0000%	0.5000%	13	(3,106)	(617,057)
13	All Customer Classes Totals for SMT-C Reconciliation Year Ended June 30, 2011	<u>\$ 1,978,431</u>	<u>\$ 2,537,611</u>	<u>\$ (559,180)</u>				<u>\$ (57,877)</u>	<u>\$ (617,057)</u>

(A) Mid-point of the next SMT-C Rate Billing Period is June 30, 2012 during which the net over / (under) recovers, including interest, for the SMT-C Reconciliation Year ended June 30, 2011 will be refunded to / (recouped from) Penn Power customers served under the SMT-C Rider defined rate schedules.

PENNSYLVANIA POWER 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, 2012

Line No.	Month	Residential Customer Class Count	Commercial Customer Class Count	Industrial Customer Class Count
	(1)	(2)	(3)	(4)
1	January 2012	140,395	18,908	149
2	February 2012	140,408	18,911	149
3	March 2012	140,422	18,914	149
4	April 2012	140,437	18,916	149
5	May 2012	140,454	18,919	149
6	June 2012	140,473	18,921	149
7	July 2012	140,493	18,924	149
8	August 2012	140,516	18,926	149
9	September 2012	140,540	18,929	149
10	October 2012	140,566	18,931	149
11	November 2012	140,593	18,933	149
12	December 2012	140,621	18,936	150
13	Projected Average Customer Class Counts ("ACCC") for the Twelve Months Ending December 31, 2012	140,621	18,936	150

Charis Mincavage, Esquire
Vasiliki Karandrikas, Esquire
Carl J. Zwick, Esquire
McNees Wallace & Nurick, LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

Cynthia Baldwin
Vice President & General Counsel
The Pennsylvania State University
Office of General Counsel
108 Old Main
University Park, PA 16802

Ian Salada
Manager, Engineering Services
The Pennsylvania State University
101P Office of Physical Plant
University Park, PA 16802

Richard Harris
Utility Engineer
The Pennsylvania State University
113 Office of Physical Plant
University Park, PA 16802

James L. Crist
Lumen Group, Inc.
4226 Yarmouth Drive, Suite 101
Allison Park, PA 15101

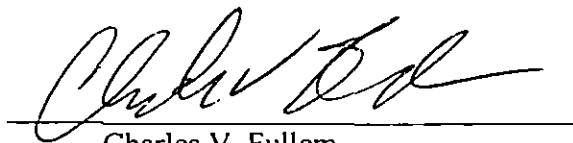
Divesh Gupta, Esquire
Senior Counsel
Constellation Energy
111 Market Place, Suite 500
Baltimore, MD 21202

Rob Cooper, P.E.
Director, Energy and Engineering
The Pennsylvania State University
208 Office of Physical Plant
University Park, PA 16802

Mike Prinkey, P.E.
Energy Engineer
The Pennsylvania State University
152M Office of Physical Plant
University Park, PA 16802

Thomas J. Sniscak, Esquire
Hawke McKeon & Sniscak LLP
100 North 10th Street
P.O. Box 1778
Harrisburg, PA 17105

Dated: July 29, 2011



Charles V. Fullem
Director
Rates Regulatory Affairs - PA
(610) 921-6525
cvfullem@firstenergycorp.com
FirstEnergy Service Company
2800 Pottsville Pike
P.O. Box 16001
Reading, PA 19612-6001