

PENNSYLVANIA POWER & LIGHT COMPANY

R-00 973954

**Exhibit OGK 2
Proposed Tariff**

Witness: Oliver G. Kasper

ANDERSON

PENNSYLVANIA POWER & LIGHT COMPANY

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Witness: Oliver G. Kasper

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Pennsylvania Power & Light Company

GENERAL TARIFF

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

In the territory listed on pages 4 and 4A
and in the adjacent territory served.

ISSUED April 1, 1997

EFFECTIVE January 1, 1999

Issued by
WILLIAM F. HECHT, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

THIS TARIFF MAKES CHANGES IN EXISTING RATES AND RULES. SEE PAGE TWO.

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rule 1 Page No. 5	Under B. Supply of Electric Service, (1) Basic Utility Supply Service and (2) Delivery Service are defined.
Rule 6 Page No. 10	Under B. Minimum Charge, a paragraph is added to indicate that a customer specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to one hundred (100) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to customers who elect to install on-site generation on or after January 1, 1999 if the customer obtains Auxiliary Service from the Company.
Rule 6A Page Nos. 10B, 10C, 10D, 10E, and 10F	Paragraph B(2) is changed to add "or fuel supply disruptions." Paragraph E(2)(c) is changed to show Delivery Charges and Competitive Transition Charges for Back-up Power. Paragraph E(3)(b) is changed to show Delivery Charges and Competitive Transition Charges for Maintenance Power. Paragraph E(4) is added to indicate that the Capacity and Energy Rider included in this Tariff applies to customers served under this rider. Paragraph E(5) is added to indicate that a customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to one hundred (100) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to customers who elect to install on-site generation on or after January 1, 1999 if the customer obtains Stand-by Service from the Company.
Rule 9 Page No. 13B	H. Transmission and Universal Service Fund Charges is added.
Energy Cost Rate Page Nos. 15, 15A, and 15B	The Energy Cost Rate is eliminated.
State Tax Adjustment Surcharge Page No. 16	Reference to the Energy Cost Rate is eliminated.
Special Base Rate Credit Adjustment Page No. 18	The Special Base Rate Credit Adjustment is eliminated.
Economic Development Initiatives Rider Page Nos. 19 and 19A	Sentence is added to indicate that service under this rider is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Interruptible Service by Agreement Page No. 19B	Under General Conditions, the second paragraph is changed to indicate that the billing adjustment under this rider will continue through December 31, 2005. All provisions of the rider will terminate on January 1, 2006.
Electric Vehicle Rider (Experimental) Page Nos. 19C	Under General Conditions, the third paragraph is changed to eliminate reference to the Special Base Rate Credit Adjustment and Energy Cost Rate.
Industrial Development Initiatives Rider Page No. 19D and 19D.1	In title, an "(R)" is added to designate that this service is restricted. Sentence is added indicating that the Interruptible Service by Agreement rider is available only to existing service locations supplied hereunder on and continuously after January 1, 1999.
Competitive Rate Rider (Experimental) (R) Page No. 19E and 19E.1	The Electric Vehicle Rider is eliminated.
Retail Competition Pilot Rider (Experimental) Page Nos. 19H and 19I	Sentence is added to indicate that service under this rider is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act.
	Under General Conditions, the second paragraph is changed to indicate that the billing adjustment under this rider will continue through December 31, 2005. All provisions of the rider will terminate on January 1, 2006.
	Under General Conditions, the third paragraph is changed to eliminate reference to the Special Base Rate Credit Adjustment and Energy Cost Rate.
	In the title, the word "EXPERIMENTAL" is eliminated.
	In title, an "(R)" is added to designate that the rider is restricted. Sentence is added indicating that interruptible service under this rider is available only to existing service locations supplied hereunder on and continuously after January 1, 1999.
	Under Purpose, the word "experimental" is eliminated.
	Under General Conditions, item 7., the reference to the Special Base Rate Credit Adjustment and Energy Cost Rate is eliminated.
	Under General Conditions, item 11., the paragraph on termination date is eliminated.
	The Retail Competition Pilot Rider is eliminated.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Capacity and Energy Rider Page Nos. 19J, 19K, 19L, and 19M	New Capacity and Energy Rider is added.
Rate Schedules RS, RTD, GS-1, GS-3, LP-4, LP-5, LP-6, LPEP, IS-1, IS-P, IS-T, BL, SA, SM, SHS, SE, TS(R), SI-1(R), GH-1(R), and GH-2(R) Page Nos. 20, 20A, 21, 22, 24, 24A, 25, 25A, 27, 27A, 28, 28A, 28B, 28C, 29, 29A, 30, 30.1, 30A, 30B, 30C, 30D, 33, 33A, 34, 35, 35A, 35B, 35C, 35E, 35F, 36, 36A, 36B, 37, 39, 40, 40A, 41, 41A, 42 and 42A	Net Monthly Rate is changed to a Delivery Charge and a Competitive Transition Charge. Reference to the Energy Cost Rate is eliminated. Reference to Capacity and Energy Rider is added.
Rate Schedules, RS, RTS, RTD Page Nos. 20A, 20B, 21A, and 22A	Optional Competitive Transition Charge is added. Monthly Minimum Bill is added.
Rate Schedule RS Page No. 20B, 20C, and 20D	Off-Peak Water Heating is changed to indicate that this provision is available for a customer who does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. Rate is changed to a Delivery Charge and a Competitive Transition Charge.
Rate Schedule RS Page No. 20B, 20C, and 20D	Multiple Dwelling Unit Application is changed to refer to Delivery Charge and Competitive Transition Charge. Separate Water Heating Service is changed to indicate that this provision is available for a customer who does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. Rate is changed to a Delivery Charge and a Competitive Transition Charge.
Rate Schedules RS, RTS, RTD, GS-1, GS-3, IS-1, GH-1(R), and GH-2(R) Page Nos. 20C, 21B, 22B, 24D, 25E, 30.2, 41B, and 42A	Budget Billing is changed to indicate that this provision is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.
Rate Schedules RS, RTS, RTD, GS-1, GS-3, LP-4, LP-5, LP-6, IS-P, IS-T, GH-1(R) Page Nos. 20C, 21B, 22B, 24A, 25B, 27B, 28A.1, 28C, 30B.2, 30F, and 41B	Reference to Electric Vehicle Rider is eliminated.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rate Schedules RS, RTS, RTD,
GS-1, GS-3, LP-4, LP-5, LP-6,
IS-P, and IS-T.

Reference to Retail Competition Pilot Rider is
eliminated.

Page Nos. 20C, 21B, 22B, 24B, 25B, 27B,
28A.1, 28C, 30B.2, and 30F

Rate Schedules RS, RTS, RTD,
GS-1, GS-3, LP-4, LP-5, LP-6,
LPEP, IS-1, IS-P, IS-T, PR-1, PR-2,
BL, SA, SM, SHS, SE, TS(R), SI-I(R),
GH-1(R), and GH-2(R)

Reference to the Special Base Rate Credit
Adjustment is eliminated.

Page Nos. 20D, 21B, 22B, 24D, 25E, 27C,
28A.1, 28D, 29B, 30.2, 30B.2, 30F,
31B, 32B, 33A, 34A, 35G, 36D, 37C,
39A, 40B, 41B, and 42B

Rate Schedules RS, RTS, RTD,
GS-1, GS-3, LP-4, LP-5, LP-6, LPEP,
IS-1, IS-P, IS-T, PR-1, PR-2, BL,
SA, SM, SHS, SE, TS(R), SI-I(R),
GH-1(R), and GH-2(R)

State Tax Adjustment Surcharge is changed to
eliminate reference to the Energy Cost Rate.

Page Nos. 20D, 21B, 22B, 24D, 25E, 27C,
28A.1, 28D, 29B, 30.2, 30B.2, 30F,
31B, 32B, 33A, 34A, 35G, 36D,
37C, 39A, 40B, 41B, and 42A

Rate Schedules RS, RTS, RTD,
GS-1, GS-3, LP-4, LP-5, LP-6, LPEP,
IS-1, IS-P, IS-T, PR-1, PR-2, BL,
SA, SE, TS(R), GH-1(R), and GH-2(R)

Contract Period is changed from "not less than one
year" to "an initial term of one (1) year from the date
service is first rendered and thereafter for one (1) year
terms until canceled by one month's prior written
notice."

Page Nos. 20D, 21B, 22B, 24D, 25E, 27C,
28A.1, 28D, 29B, 30.2, 30B.2, 30F,
31B, 32B, 33A, 34A, 37C, 39A, 41B,
and 42B

Rate Schedules RTS, RTD, IS-1, IS-P,
IS-T, PR-1, PR-2, GH-1(R), and
GH-2(R)

Sentence is added indicating that service under this
rate schedule is available only to customers who
do not choose an alternative generation supplier and
for whom the Company supplies all of the
customer's capacity and energy on and continuously
after January 1, 1999 pursuant to Section 2807 (E)
(3) of the Customer Choice Act.

Page Nos. 21, 22, 30, 30C, 31, 32, 41,
and 42

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rate Schedules GS-1, GS-3, LP-4, LP-5,
LP-6, LPEP, IS1(R), IS-P, IS-T, TS(R)
GH-1(R), and GH-2(R)

Page Nos. 24A, 25A, 27A, 28A, 28C, 29A
30.1, 30B, 30D, 39A, 41A, and 42A

Rate Schedules GS-1, GS-3, LP-4, LP-5,
LP-6, and LPEP

Page Nos. 24A, 25B, 27A, 28A, 28C,
and 29A

Rate Schedules GS-1, GS-3, LP-4, LP-5,
LP-6, and LPEP

Page Nos. 24A, 25B, 27A, 28A, 28C,
and 29B

Rate Schedules GS-1, GS-3, and LP-4
Page Nos. 24B, 25C and 27B

Rate Schedules GS-1 and GS-3
Page Nos. 24C and 25C

Rate Schedules LP-5, LP-6, and LPEP
Page Nos. 28A.1, 28D, and 29B

Monthly Minimums is added.

Billing KW is changed to indicate that Time-of-Day metering and billing is available on request for customers who do not choose an alternative generation supplier and for which the Company supplies all of their capacity and energy on and continuously after January 1, 1999 pursuant to section 2807 (E) (3) of the Customer Choice Act.

On-Peak Hours is changed to indicate that on-peak hours for billing purposes is for customers who do not choose an alternative generation supplier and for which the Company supplies all of their capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act.

Off-Peak Space Conditioning and Water Heating is changed to indicate that this provision is available to customers who do not choose an alternative generation supplier and for which the Company supplies all of their capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. Rate is changed to a Delivery Charge and a Competitive Transition Charge.

Under Service to Volunteer Fire Companies and Non-Profit Senior Citizen Centers, the rate is changed to a Delivery Charge and a Competitive Transition Charge. Reference to the Energy Cost Rate is eliminated.

Demand Free Days is changed to indicate that this provision is available to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. The termination date of this provision is changed from January 1, 1999 to January 1, 2006. The criteria for canceling Demand Free Day is changed from "the sum of the trailing block energy rate under this rate schedule and the Energy Cost Rate" to "4.024 cts. per KWH".

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rate Schedule IS-1, IS-P, IS-T, and PR-2
Page Nos. 30, 30A, 30C, and 32

In title, an "(R)" is added to designate that the rate is restricted. Sentence is added indicating that interruptible service under this rate is available only to existing service locations on and continuously after January 1, 1999.

Rate Schedules IS-P and IS-T
Page Nos. 30B.1, 30E, and 30F

Hours of Interruption, the 1st paragraph is changed to clarify the frequency of interruptions for emergencies and for economic purposes. In the third paragraph, "PJM Interconnection billing rate" is changed to "replacement capacity and energy."

Rate Schedules PR-1 and PR-2
Page Nos. 31, 31A, 31B,
32A, and 32B

In the title, the word "EXPERIMENTAL" is eliminated.

Sentence is added indicating that service under 32, this Rate Schedule is available only to customers who do not yet have the opportunity to purchase electric energy from their choice of electric generation suppliers.

Under Application Provisions, references to the pilot program are eliminated. The monthly maximum demand of "1000 KW or greater" is changed to "300 KW or greater." Sentence added indicating that service under this Rate Schedule will terminate on January 1, 2001.

Under Definitions, 1. Customer Baseline Load (CBL) in the first paragraph, "as determined by the Company" is added after "year." In the third paragraph, "customer participation in the pilot program" is changed to "service under this Rate Schedule." Also, "during the pilot program" is changed to "during the term of the contract."

Under Definitions, 2. Marginal Operating Cost, "or its successor, if any" is added after "PJM Interconnection Association."

Under Definitions, 4. a new definition is added for Delivery Charge.

Under Definitions, 6. Risk Adjustment Factor, "1.0 cent per KWH" is changed to "3.0 cents per KWH."

Under Definitions, 7. Real Time Price (RTP), in the first paragraph, "Delivery Charge" is added. In the fifth paragraph, "a telephone isolation device, if required," is added and "both" is changed to "all."

Under Net Monthly Rate, in paragraph a), "under the RTP pilot program" is changed to "under this Rate Schedule."

Reference to the Energy Cost Rate is eliminated.

Under Program Charge, "under the RTP program" is changed to "under this rate schedule."

Under Customer Owned Equipment, the rate is changed to a Delivery Charge and a Competitive Transition Charge. Reference to the Energy Cost Rate is eliminated.

Rate Schedule SM
Page No. 35E

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TERRITORY COVERED BY THIS TARIFF

BERKS COUNTY

Boroughs of New Morgan, Robesonia, Shillington, Sinking Spring, Wernersville, West Lawn, Womelsdorf, Wyomissing, and Wyomissing Hills. Townships of Caernarvon, Cumru, Heidelberg, Lower Heidelberg, South Heidelberg, and Spring.

BUCKS COUNTY

Boroughs of Richlandtown, Sellersville, Silverdale, Telford, and Turmbauersville. Townships of East Rockhill, Haycock, Hilltown, Milford, Richland, Springfield, and West Rockhill.

CARBON COUNTY

Boroughs of Beaver Meadows, Bowmanstown, East Side, Jim Thorpe, Lansford, Nesquehoning, Palmerton, Parryville, Summit Hill, and Weissport. Townships of Banks, East Penn, Franklin, Kidder, Lausanne, Lehigh, Lower Towamensing, Mahoning, Packer, Penn Forest, and Towamensing.

CHESTER COUNTY

Boroughs of Atglen, Elverson, and Honey Brook. Townships of Honey Brook, West Nantmeal, and West Sadsbury.

CLINTON COUNTY

City of Lock Haven. Boroughs of Avis, Flemington, Loganton, Mill Hall, Renovo, and South Renovo. Townships of Allison, Bald Eagle, Castanea, Chapman, Colebrook, Crawford, Dunnstable, Gallagher, Greene, Grugan, Logan, Noyes, Pine Creek, Wayne, and Woodward.

COLUMBIA COUNTY

Town of Bloomsburg. Boroughs of Ashland, Benton, Berwick, Briar Creek, Centralia, Millville, Orangeville, and Stillwater. Townships of Beaver, Benton, Briar Creek, Catawissa, Cleveland, Conyngham, Fishing Creek, Franklin, Greenwood, Hemlock, Jackson, Locust, Madison, Main, Mifflin, Montour, Mount Pleasant, North Centre, Orange, Pine, Roaring Creek, Scott, South Centre, and Sugarloaf.

CUMBERLAND COUNTY

Boroughs of Camp Hill, Carlisle, Lemoyne, Mechanicsburg, New Cumberland, Newville, Shiremanstown, West Fairview, and Wormleysburg. Townships of Dickinson, East Pennsboro, Hampden, Lower Allen, Middlesex, Monroe, North Middleton, North Newton, Penn, Silver Spring, South Middleton, South Newton, Upper Allen, and West Pennsboro.

DAUPHIN COUNTY

City of Harrisburg. Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Pillow, Steelton, and Williamstown. Townships of Derry, East Hanover, Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover, Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco, and Williams.

JUNIATA COUNTY

Boroughs of Mifflin, Mifflintown, Port Royal, and Thompsettown. Townships of Delaware, Fayette, Fermanagh, Greenwood, Milford, Monroe, Susquehanna, Turbett, and Walker.

LACKAWANNA COUNTY

Cities of Carbondale and Scranton. Boroughs of Archbald, Blakely (part), Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Moscow, Old Forge, Olyphant (part), Taylor, Throop, and Vandling. Townships of Abington, Benton, Carbondale, Clifton, Covington, Elmhurst, Fell, Glenburn, Greenfield, Jefferson, La Plume, Lehigh, Madison, Newton, North Abington, Ransom, Roaring Brook, Scott, South Abington, Spring Brook, and West Abington.

LANCASTER COUNTY

City of Lancaster. Boroughs of Adamstown, (part), Akron, Christiana, Columbia, Denver, East Petersburg, Elizabethtown, Ephrata (part), Litz, Manheim, Marietta, Millersville, Mount Joy, Mountville, New Holland, Quarryville, Strasburg, and Terre Hill. Townships of Bart, Brecknock, Caernarvon, Clay, Colerain, Conestoga, Conoy, Drumore, Earl, East Cocalico, East Donegal, East Drumore, East Earl, East Hempfield, East Lampeter, Eden, Elizabeth, Ephrata, Fulton, Lancaster, Leacock, Little Britain, Manheim, Manor, Martick, Mount Joy, Paradise, Penn, Pequea, Providence, Rapho, Sadsbury, Salisbury, Strasburg, Upper Leacock, Warwick, West Cocalico, West Donegal, West Earl, West Hempfield, and West Lampeter.

LEBANON COUNTY

Borough of Richland. Townships of Heidelberg and Millcreek.

LEHIGH COUNTY

Cities of Allentown and Bethlehem. Boroughs of Alburtis, Catasauqua, Coopersburg, Coplay, Emmaus, Fountain Hill, Macungie, and Slatington. Townships of Hanover, Heidelberg, Lower Macungie, Lower Milford, Lowhill, North Whitehall, Salisbury, South Whitehall, Upper Macungie, Upper Milford, Upper Saucon, Washington, and Whitehall.

LUZERNE COUNTY

Cities of Hazleton, Pittston, and Wilkes-Barre. Boroughs of Ashley, Avoca, Bear Creek Village, Conyngham, Dupont, Duryea, Exeter, Freeland, Hughestown, Jeddo, Laflin, Laurel Run, Nescopeck, Nuangola, Penn Lake Park, West Hazleton, West Pittston, White Haven, and Yatesville. Townships of Bear Creek, Black Creek, Buck, Butler, Dennison, Dorrance, Exeter, Fairview, Foster, Hanover, Hazle, Hollenbach, Jenkins, Nescopeck, Pittston, Plains, Rice, Salem, Slocum, Sugarloaf, Wilkes-Barre, and Wright.

TERRITORY COVERED BY THIS TARIFF (CONTINUED)

LYCOMING COUNTY

City of Williamsport.
Boroughs of Duboistown, Hughesville, Jersey Shore, Montgomery, Montoursville, Muncy, Picture Rocks, Salladasburg, and South Williamsport.
Townships of Anthony, Armstrong, Bastress, Brady, Clinton, Eldred, Fairfield, Franklin, Hepburn, Jordan, Limestone, Loyalsock, Lycoming, Mifflin, Mill Creek, Moreland, Muncy, Muncy Creek, Nippenose, Old Lycoming, Penn, Piatt, Porter, Shrewbury, Susquehanna, Upper Fairfield, Washington, Watson, Wolf, and Woodward.

MONROE COUNTY

Boroughs of East Stroudsburg (part), Mount Pocono, and Stroudsburg (part).
Townships of Barrett, Chestnuthill, Coolbaugh, Eldred, Jackson, Paradise, Pocono, Polk, Price, Smithfield, Stroud, Tobyhanna, and Tunkhannock.

MONTGOMERY COUNTY

Boroughs of East Greenville, Pennsburg, Red Hill, Souderton, and Telford.
Townships of Franconia, Hatfield, and Upper Hanover.

MONTOUR COUNTY

Boroughs of Danville and Washingtonville.
Townships of Anthony, Cooper, Derry, Liberty, Limestone, Mahoning, Mayberry, Valley and West Hemlock.

NORTHAMPTON COUNTY

City of Bethlehem.
Boroughs of Freemansburg, Hellertown, Nazareth (part), North Catasauqua, Northampton, Pen Argyl (part), Stockerton, Tatamy, and Walnutport.
Townships of Allen, Bethlehem, Bushkill, East Allen, Forks, Hanover, Lehigh, Lower Mount Bethel, Lower Nazareth, Lower Saucon, Moore, Palmer, Plainfield, Upper Nazareth, Washington, and Williams.

NORTHUMBERLAND COUNTY

Cities of Shamokin and Sunbury.
Boroughs of Herndon, Kulpmont, Marion Heights, McEwensville, Milton, Mount Carmel, Northumberland, Riverside, Snyderstown, and Turbotville.
Townships of Coal, Delaware, East Cameron, East Chillisquaque, Jackson, Jordan, Lewis, Little Mahanoy, Lower Augusta, Lower Mahanoy, Mount Carmel, Point, Ralpho, Rockefeller, Rush, Shamokin, Turbot, Upper Augusta, Upper Mahanoy, Washington, West Cameron, West Chillisquaque, and Zerbe.

PERRY COUNTY

(C)

Boroughs of New Bloomfield, Landisburg, Liverpool, Marysville, Millerstown, New Buffalo, and Newport.
Townships of Buffalo, Carroll, Centre, Greenwood, Howe, Juniata, Liverpool, Miller, Northeast Madison, Oliver, Penn, Rye, Saville, Southwest Madison, Spring, Tuscarora, Tyrone, Watts, and Wheatfield.

PIKE COUNTY

Townships of Blooming Grove, Greene, Lackawaxen, Palmyra, Porter, and Shohola.

SCHUYLKILL COUNTY

City of Pottsville.
Boroughs of Ashland, Auburn, Coaldale, Cressona, Deer Lake, Frackville, Gilberton, Girardville, Gordon, Landingville, Mahanoy City, McAdoo, Mechanicsville, Middleport, Minersville, Mount Carbon, New Philadelphia, New Ringgold, Orwigsburg, Palo Alto, Pine Grove, Port Carbon, Port Clinton, Ringtown, Shenandoah, Tamaqua, Tower City, and Tremont.
Townships of Barry, Blythe, Branch, Butler, Cass, Delano, East Brunswick, East Norwegian, East Union, Eldred, Foster, Frailey, Hegins, Hubley, Kline, Mahanoy, New Castle, North Manheim, North Union, Norwegian, Pine Grove, Porter, Reilly, Rush, Ryan, Schuylkill, South Manheim, Tremont, Union, Upper Mahantongo, Walker, Washington, Wayne, West Brunswick, West Mahanoy, and West Penn.

SNYDER COUNTY

Boroughs of Beavertown, Freeburg, McClure, Middleburg, Selinsgrove, and Shamokin Dam.
Townships of Adams, Beaver, Centre, Chapman, Franklin, Jackson, Middlecreek, Monroe, Penn, Perry, Spring, Union, Washington, West Beaver, and West Perry.

TERRITORY COVERED BY THIS TARIFF (CONTINUED)

SUSQUEHANNA COUNTY

Boroughs of Forest City and Union Dale.
Townships of Clifford and Herrick.

UNION COUNTY

Boroughs of Hartleton and New Berlin.
Townships of Gregg, Hartley, Kelly, Lewis,
Limestone, Union, West Buffalo and White Deer.

WAYNE COUNTY

Boroughs of Bethany, Hawley, Honesdale, Prompton,
and Waymart.
Townships of Berlin, Canaan, Cherry Ridge, Clinton,
Damascus, Dreher, Dyberry, Lake, Lebanon,
Lehigh, Mount Pleasant, Oregon, Palmyra,
Paupack, Salem, South Canaan, Sterling, and
Texas.

WYOMING COUNTY

Borough of Factoryville.
Townships of Clinton, Nicholson, Overfield, and
Tunkhannock.

YORK COUNTY

Boroughs of East Prospect and Wrightsville.
Townships of Fairview, Hellam and Lower Windsor.

RULES FOR ELECTRIC SERVICE**RULE 1 - ELECTRIC SERVICE TARIFF****A. FILING AND INSPECTION**

A copy of this tariff containing the Pennsylvania Power & Light Company's rules and rate schedules for all electric service supplied by the Company in the territory covered by this tariff is on file with the Pennsylvania Public Utility Commission. A copy is available for inspection in each Company office in the territory covered by this tariff where payment for service is received. This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Tariff Regulations of the Pennsylvania Public Utility Commission.

B. SUPPLY OF ELECTRIC SERVICE**(C)**

The supply of electric service includes delivery service and may also include basic utility supply service.

(1) Basic Utility Supply Service

The supply of basic utility supply service referred to in these rules, rate schedules and in contracts with customers means readiness and ability on the Company's part to provide electric energy and capacity to:

- (a) customers who do not have the opportunity to purchase electric energy from their choice of electric generation suppliers;
- (b) customers who have the opportunity to purchase electric energy from their choice of electric generation suppliers, do not choose an alternative supplier and continue to purchase electric energy from the Company, as the electric distribution company and supplier of last resort as provided in Section 2807 (E) (3) of the Customer Choice Act.
- (c) customers who contract with an alternative supplier for electric energy but who do not receive delivery of such electric energy; and
- (d) customers who choose an alternative supplier for electric energy and subsequently desire to purchase, basic utility supply service from the Company, as the electric distribution company and supplier of last resort as provided in Section 2807 (E) (3) of the Customer Choice Act.

(2) Delivery Service

The supply of delivery service referred to in these rules, rate schedules and in contracts with customers means readiness and ability on the Company's part to provide transmission and distribution of electric energy at the point of delivery sufficient to meet the needs of all electric generation suppliers' customers on the Company's system.

C. RESPONSIBILITY

Every Company employee is responsible for applying the provisions of this tariff without unlawful preference or advantage to any customer. No Company employee is authorized to modify any provision of this tariff or to bind Company by any promise or statement contrary thereto. No promise of any Company employee is binding unless made in writing over the signature of a duly authorized representative of Company. The failure by Company to enforce any of the provisions of this tariff or standard practices thereunder, shall not be deemed a waiver of Company's rights to do so.

RULES FOR ELECTRIC SERVICE
RULE 2 - REQUIREMENTS FOR SERVICE

A. SERVICE BY APPLICATION

The Company may connect service on request or Company may, for the convenience of a new customer, leave a service energized at a premises which has become vacant. The customer shall notify Company the date service is desired or use of service begun and shall give information necessary for Company to properly supply the service and apply the provisions of this tariff.

B. SERVICE CONTRACTS

(1) Every applicant for electric service may be required to sign a contract specifying the intended use of service, the applicable rate schedule and other service conditions. A contract between Company and customer is valid only when accepted in writing by a duly authorized Company representative. The customer shall abide by the terms and conditions of the contract and the provisions of this tariff. Service is for an initial term of one year except as otherwise specifically provided.

(2) Acceptance or use of service is deemed a request for the supply of such service and constitutes a contract to pay for the service under these rules and the applicable rate schedule. The receipt of electric service makes the receiver a customer of the Company.

(3) Contracts with the Commonwealth of Pennsylvania for service under a street lighting service rate schedule which provides for an initial contract term extending beyond the end of the current fiscal period for which the Commonwealth may contract, shall specify an initial contract term to the end of said fiscal period with provision for renewal for subsequent full fiscal periods. Contracts for new installation shall include a provision that should service be discontinued before the end of the initial term specified in the rate schedule, then the Commonwealth shall pay Company's estimated expense due to such discontinuance.

C. SELECTION OF SCHEDULES

(1) When more than one rate schedule is applicable to a service, the Company applies the rate schedule which is most advantageous to customer, based on customer's advice to Company regarding customer's anticipated service conditions. However, customer has the option of contracting for service under any applicable rate schedule.

(2) When customer's requirements change permanently and another rate schedule becomes more advantageous, Company will, after receiving notice of change in service conditions from the customer, recommend a new contract under the more favorable rate schedule for an initial term of not less than one year from the last meter reading date.

(3) When, through any cause, a contract is entered into with customer on a rate schedule not applicable to the service, Company will transfer the service to the rate schedule applicable, so notify customer and adjust the charges for service already supplied.

(Continued)

RULE 2 - REQUIREMENTS FOR SERVICE (CONTINUED)

D. SECURITY DEPOSITS

(1) The Company may require deposits or guarantees satisfactory to Company as security for the payment of service bills before Company commences or continues to supply service. The need for deposit or guarantee is based on the credit risk of the individual. For residential service, the deposit may be provided by a qualified composite credit group of which the individual is a member, or a guarantee may be provided by a third party who is a responsible ratepayer.

(2) The amount of deposit shall not exceed Company's estimate of the average bill for one billing period plus one month, with a minimum of \$5.00. Interest at the rate of the average of 1-year Treasury Bills for September, October, and November of the previous year, is paid annually on all deposits made to secure the payment of bills for service. Interest ceases upon refund of deposit or upon discontinuance or termination of service, whichever occurs first.

RULES FOR ELECTRIC SERVICE

RULE 3 - EXTENSION OF SERVICE

A. GENERAL PROVISIONS

(1) A line extension is any construction to extend the distribution system to the customer's property, consisting of more than the normal service facilities which are the transformers, transformer devices, service drop and meter. The Company constructs line extensions from the nearest suitable and available distribution line to supply new customers, or to change the supply to existing customers, under Company's standard rate schedules subject to the provisions of this rule. However, the estimated cost of facilities subject to annual charges under Rule 4 or customer contributions-in-aid-of-construction are not subject to the provisions of this rule.

(2) All provisions of these rules and of the applicable rate schedule, including any provisions relating to net and gross payments, apply to service supplied and charges made under this rule except as specifically provided herein.

(3) The length of a line extension is the total length of new pole line installed by the Company to the property line of the customers served from that extension, plus the length of any line installed on existing poles where the existing facilities are unsuitable.

(4) The Company requires, before construction, that:

- (a) Customers supplied from a line extension for which an annual guarantee is required, sign contracts acceptable to the Company with an initial term of not more than five years. A contract may be canceled at the request of the customer before the end of the initial term by immediately fulfilling all contract obligations for the remainder of the initial term.
- (b) Customers install wiring and other facilities necessary to use the Company's service.
- (c) Satisfactory right-of-way and other necessary permits are granted to Company to construct the line extension along the route selected by the Company.
- (d) Customer agrees to pay to the Company any initial and recurring right-of-way rental fees in excess of a nominal amount that are incurred by the Company in constructing and maintaining the line extension.

B. LINE EXTENSIONS

(1) The Company requires a minimum revenue guarantee for installation of any length of single phase line extension in excess of 2,500 ft. along the normal route of development of the distribution system, and for installation of all multi-phase line extensions. The guarantee period is 5 years or less.

(2) Minimum revenue guarantees for single phase extensions are based only on the contractor costs, if any, and the direct labor costs and direct material costs attributable to construction of the line extension beyond 2,500 ft. Guarantees for multi-phase extensions are based on fully allocated costs, and are credited with the equivalent single phase length allowance for up to 2,500 ft. of new pole line along the normal route of development of the distribution system.

(Continued)

RULE 3 - EXTENSION OF SERVICE (CONTINUED)

(3) Any length of line extension on, or through, restricted lands is excluded from the single phase length allowance and is subject to a line extension guarantee.

(4) The excess cost of construction other than would normally be required for installation of the line extension, is paid by the customer prior to installation.

C. SPECULATIVE LINE EXTENSIONS

(1) A line extension is speculative when, in the Company's judgment, the continued future use of the facilities by any customer is uncertain.

(2) The Company requires a minimum revenue guarantee for speculative line extensions equal to the Company's estimated fully allocated installation and removal costs, less salvage, with no length allowance. Prior to construction, the Company may require from the customer a surety bond, or other security acceptable to Company, in the amount of the guarantee in addition to any deposit required to secure payment of service bills.

(3) Guarantees for speculative line extensions include service extension facilities as well as distribution line facilities.

D. EXTENSIONS FOR INDIVIDUAL SERVICE

All service extensions off the Company's distribution system to serve individual customers are installed under Tariff Rule 4.

E. LINE EXTENSIONS FOR DEVELOPMENT AREAS

The Company constructs line extensions to supply service to customers in residential, commercial or industrial developments in specific areas, with annual guarantees determined in accordance with Section B or C hereof, based on the number of customers which the Company knows are to be served in the development within two years from initial construction. The developer (or property owner) provides, without charge to the Company, right-of-way for lines and equipment which is suitable in the opinion of the Company for the installation of Company facilities throughout the development. Suitable right-of-way includes, but is not limited to, providing ground line clearing of trees, brush and other obstructions, rough grading, and access by mechanical construction equipment.

F. ANNUAL GUARANTEE

(1) The total guarantee for a line extension is divided among the customers to be supplied initially from the line extension to determine the total amount to be guaranteed per customer which is then divided by the number of years in the initial term of the contract to determine the customer's annual guarantee. A customer may assume more than a pro rata share of the guarantee for the line extension.

(2) The Company reserves the right to determine the guarantee of a customer on the proportionate length of the line extension used in common with other customers plus the additional length required to serve the individual customer.

(Continued)

RULE 3 - EXTENSION OF SERVICE (CONTINUED)

F. ANNUAL GUARANTEE (Continued)

(3) Each customer agrees that when the net service bills rendered during the period from the start of the initial term of the contract to the end of the current year total less than the sum of the customer's annual guarantee over that period, then the difference becomes due and payable.

G. TEMPORARY SERVICE

The Company supplies temporary service in accordance with the provisions of Rule 7.

H. REAPPORTIONMENT AND WAIVER OF LINE EXTENSION GUARANTEE

(1) When additional customers are connected to an existing or additional line extension, the remaining total amount to be guaranteed for the existing line extension is reapportioned for all customers including the new customers, providing such reapportionment does not increase the guarantees of the existing customers. Otherwise, the additional line extension is considered as a new line extension.

(2) When the accumulated revenue from the start of the initial term of contract equals the total amount to be guaranteed by the customer, service is supplied without the application of the annual guarantee determined under this rule.

I. TAXES ON CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER ADVANCES

Any contribution in aid of construction (CIAC), customer advance or other like amounts received from the customer which shall constitute taxable income as defined by the Internal Revenue Service will have the income taxes segregated in a deferred account for inclusion in rate base in a future rate case proceeding. Such income taxes associated with a CIAC or customer advance will not be charged to the specific contributor of the capital.

RULES FOR ELECTRIC SERVICE

RULE 4 - SUPPLY OF SERVICE

A. CHARACTERISTICS OF SUPPLY

(1) The Company's standard service is single or three phase, sixty Hertz alternating current at standard voltages as specified in the Company's "Rules for Electric Meter and Service Installations." All nonstandard service is in the process of elimination and no new or additional nonstandard service will be supplied.

(2) When a rate schedule specifies service at secondary voltage or specifies no particular voltage, Company furnishes, where necessary, one standard transformation at the point of delivery from the line voltage to a standard secondary voltage. Where the rate schedule specifies service at 12,000 volts or higher, service is supplied from the nearest available line of not less than that voltage and customer furnishes all equipment necessary to transform the energy from the line voltage.

(3) The Company extends service facilities from its distribution lines to the customer's point of delivery. The customer pays the estimated cost of service extension length over 500 ft. and the additional cost of facilities other than those which the Company would normally install to meet the customer's load requirements.

(4) The Customer provides, without charge to the Company, suitable right-of-way across property owned or controlled by the customer (or property owner) including but not limited to: ground line clearing of trees, brush and other obstructions, rough grading, and access by mechanical construction equipment.

(5) The point of delivery is the point designated by Company where Company's service conductors are connected to customer's service entrance conductors, terminals, or bus. Company installs and maintains facilities to the point of delivery and shall not be required to install or maintain any conductors, meter base, equipment or apparatus except meter and meter accessories beyond that point.

(6) The Company normally supplies energy to only one point of delivery to a premises. The Company may provide a separate point of delivery at the customer's request as a speculative line and/or service extension.

B. SPECULATIVE SERVICE EXTENSIONS

(1) A service extension is speculative when, in the Company's opinion, there is doubt as to the continued use of the new facilities by the customer. This may include, but is not limited to, seasonal service, separate points of delivery, and service at locations which are relatively inaccessible or remote, or where the customer has less investment than is required by the Company to supply service.

(2) When a service extension is speculative, the Company requires a minimum revenue guarantee equal to the Company's estimated fully allocated cost of installation and removal of all facilities less any contribution in aid of construction by the customer. The guarantee is for a five year period or less.

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

(3) The Company may require, in addition to any deposit necessary to secure payment of service bills, a surety bond or other security acceptable to the Company, to guarantee the fulfillment of the agreement.

(4) Where the customer requires a speculative service extension to be disconnected and Company facilities left in place for subsequent reconnection, an annual minimum revenue guarantee may be required beyond the initial five year period. In addition, for each reconnection of service the customer pays the cost of connection and disconnection.

(5) A speculative service extension guarantee may be discontinued prior to expiration of the contract whenever the service becomes non-speculative in nature.

C. METHOD OF SUPPLY

(1) The Company furnishes and installs all electric service line facilities extending from its distribution supply lines at or near the customer's property line to the customer's point of delivery using normal construction for load conditions according to Company standards except as follows:

- (a) The Company may at its discretion install other than normal service facilities at the customer's request and at the customer's expense.
- (b) The customer provides all mechanical facilities on his property, other than poles and guys, which are required to accommodate the installation of the Company's electric facilities. All electric facilities, and all mechanical facilities installed by the customer on the Company's side of the point of delivery which are not in, on or under buildings shall, after installation, be owned and maintained by the Company and be available for further extension.
- (c) The customer at his option may install all service lines and related facilities on his property. Such facilities shall be on the customer's side of the point of delivery and shall be owned and thereafter maintained by the customer.
- (d) When a customer requests service in the vicinity of Company underground distribution facilities, the Company may require the customer to take underground service under the same terms and conditions which would apply if the Company supply were overhead.

(2) The Company may establish an underground system at its own option except as provided in (3) below when in the Company's opinion the circumstances justify the investment, and at the customer's request on condition that Company installs the complete electrical system to the point of delivery and the customer installs the mechanical facilities; ownership and maintenance of all facilities in the development on Company's side of the point of delivery that are not in or under buildings shall vest in the Company; the developer grants the Company, free-of-charge by perpetual easement, the sole right to move, maintain, and extend these facilities. The developer agrees to pay the Company, in advance, the Company's estimated excess cost over normal overhead construction.

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)**C. METHOD OF SUPPLY (Continued)****(3) Underground Electric Service in New Residential Developments**

The Company installs only underground distribution and service facilities in residential developments of five or more adjoining lots for the construction of single-family residences, detached or otherwise, mobile homes, or apartment houses intended for year round occupancy, when service requires the extension of primary voltage lines. It does not apply to tracts of land which are subdivided, but not developed into utility-ready lots by a bona fide developer.

The applicant for electric service to a development shall conform with the following:

- (a) At its own cost, provide the Company with a copy of the recorded development plot plan identifying property boundaries, and with easements satisfactory to the Company for occupancy by distribution, service and street-light lines and related facilities.
- (b) At its own cost, clear the ground in which the lines and related facilities are to be laid of trees, stumps and other obstructions, provide the excavating and backfilling subject to the inspection and approval of the Company, and rough grade it to within six inches of final grade, so that the Company's part of the installation shall consist only of laying of the lines and installing other service-related facilities. Excavating and backfilling performed or provided by the applicant shall follow the Company's underground construction standards and specifications set forth by the Company in written form and presented to the applicant at the time of application for service and presentation of the recorded plot plan to the Company. If the Company's specifications have not been met by the applicant's excavating and backfilling, such excavating and backfilling shall be corrected or redone by the applicant or its authorized agent. Failure to comply with the Company's construction standards and specifications permits the Company to refuse service until such standards and specification are met.
- (c) Request electric service at such time that the lines may be installed before curbs, pavements and sidewalks are laid; carefully coordinate scheduling of the Company's line and facility installation with the general project construction schedule, including coordination with any other Company sharing the same trench; keep the route of lines clear of machinery and other obstructions when the line installation crew is scheduled to appear; and otherwise cooperate with the Company to avoid unnecessary cost and delay.
- (d) Pay to the Company any necessary and additional costs incurred by the Company as a result of the following:
 1. Installation of underground facilities that deviate from the Company's underground construction standards and specifications if such deviation is requested by the applicant for electric service and is acceptable to the Company.
 2. A change in the plot plan by the applicant for electric service after the Company has completed engineering for the project and/or has commenced installation of its facilities.

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)**C. METHOD OF SUPPLY (Continued)**

3. Physical characteristics such as oversized lots or lots with extreme set-back where under the Company's line extension policy contained in its tariff a charge is mandated for overhead service.
- (e) No charges other than those described in paragraph (d) shall be borne by the applicant for electric service or by another utility sharing the same trench, even if the Company elects to perform its own excavating and backfilling.

(4) The Company may supply service, upon request, in a manner which requires additional facilities or related services to be performed, which are over and above those that the Company would normally install or provide, if the customer agrees to pay the Company at a fair and nondiscriminatory price for those additional facilities or related services.

D. ALTERNATE SUPPLY

The Company furnishes one source of supply to a single point of delivery to a premises. However, when a customer requests an alternate source of supply, the Company will install the additional facilities required providing the customer agrees to compensate the Company for the estimated cost of the additional facilities maintained for the alternate supply.

E. CAPACITY

The Company's facilities have a limited capacity. Therefore, to assure satisfactory operation of customers' equipment and to protect both customer's and Company's facilities against damage, each customer shall notify the Company of any substantial increase in use of service so that additional facilities may be provided in accordance with the applicable provisions in this tariff.

F. CONTINUITY

(1) The Company uses reasonable diligence to preserve continuity of service, but in the event of interruption or curtailment of service, Company shall not be subject to any liability, penalty or payment for or on account of any such interruption or curtailment nor shall the application of the rate schedule to the regular billing period be affected.

(2) The Company may temporarily suspend service for the purpose of making necessary repairs and makes every reasonable effort to notify customers in advance, except in cases of emergency.

G. EMERGENCY LOAD CONTROL

(1) A load emergency situation exists whenever:

(a) the demands for power on all or part of the utility's system exceed or threaten to exceed the capacity then actually available to supply such demands;

(b) system instability or cascading outages could result from actual or expected transmission overloads or other contingencies; or

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)**G. EMERGENCY LOAD CONTROL (Continued)**

(c) such conditions exist in the system or another public utility or power pool with which the utility's system is interconnected and cause a reduction in the capacity available to the utility from that source or threaten the integrity of the utility's system.

(2) In such case, the utility shall take such reasonable steps as the time available permits to bring the demands within the then-available capacity or to otherwise control load. Such steps shall include but shall not be limited to reduction or interruption of service to one or more customers, in accordance with the utility's procedures for controlling load.

H. EMERGENCY ENERGY CONSERVATION

An emergency energy conservation situation exists whenever events result or, in the judgment of the utility, threaten to result in a restriction of the fuel supplies available to the utility or its energy vendors, such that the amount of electric energy which the utility is able to supply is or will be adversely affected. In the event of an emergency energy conservation situation, the utility shall take such reasonable measures as it believes necessary and proper to conserve available fuel supplies. Such measures may include, but shall not be limited to reduction, interruption or suspension of service to one or more of its customers or classes of customers in accordance with the utility's procedure for emergency energy conservation.

I. RELOCATION OF FACILITIES

(1) The relocation of customer's facilities due to moving or rearranging Company's facilities at the direction of either the federal, state or local government is the customer's responsibility and expense.

(2) The relocation of Company facilities when done at the request of others is at the applicant's expense and payment of the Company's estimated cost of the relocation is required in advance of construction. When the request is from an affected property owner, the charges for relocation of distribution system facilities are limited to contractor costs and direct labor and material costs, less an amount equal to any maintenance expense avoided as a result of the relocation.

(3) The Company may waive charges under this rule if, in Company's judgment, the location of the Company's existing distribution and/or service facilities on the customer's property restricts the growth of the customer's operations.

J. EMERGENCY ASSISTANCE

The Company may, upon request, assist in emergencies to correct defects in and make temporary repairs to the customer's installation. Any such assistance shall be accepted by the customer without involving responsibility on the part of the Company.

K. CHANGE IN SERVICE CONDITIONS

The Company may, upon request, make a change in service conditions provided the customer pays the estimated fully allocated cost to be incurred by the Company.

RULES FOR ELECTRIC SERVICE

RULE 5 - USE OF SERVICE

A. CUSTOMER'S RESPONSIBILITY

The customer assumes full responsibility for the energy and facilities at and beyond the point of delivery. The customer's use of service shall not cause damage to Company's equipment or impair the service to other customers.

B. PURPOSE AND LOCATION

Service shall not be used for any purpose or at any location other than that stipulated in the contract or this tariff.

C. PERMANENT CHANGE OF USE

When a customer notifies Company in writing of any permanent change which reduces the capacity Company is required to have available, and when required, executes a new service contract, the Company will as of the first meter reading date thereafter apply the rate schedule applicable to the changed conditions for subsequent billing.

D. SERVICE DURING CONSTRUCTION OR EMERGENCY

(1) The Company suspends the contract term for a period not exceeding six consecutive months--

(a) following the initial connection of service for gradual installation of equipment or development of customer's operation as contemplated under the contract.

(b) upon written request from the customer following a forced temporary suspension of a portion of all of customer's operation due to an emergency such as an accident, fire, flood or other act of God, but not due to strike, lockout, seasonal curtailment or other business conditions.

(2) Bills for service during the suspension period are based on demands and energy supplied during such period applying the rates and minimum charges of the applicable rate schedule most advantageous to the customer. When the period in which the suspension starts is less than a normal billing period, bills are prorated. The suspension period ceases with the billing month in which the establishment or restoration of normal service occurs or after six full billing months whichever is the earlier. The initial contract term is extended for an equal period, including any extension guarantee period required thereunder.

E. ABNORMAL DEMAND AND USAGE

All metered demands and usage, including abnormal demands and usage which are inconsistent with the customer's normal use pattern, are billed as metered in the billing period in which they occur. This provision may be waived at the Company's option.

(Continued)

RULE 5 - USE OF SERVICE (CONTINUED)**F. REDISTRIBUTION OF SERVICE**

(1) Energy purchased from the Company shall not be submetered and resold to another party except as permitted under 5F(2) and 5F(4). It is the Company's intent to meter and bill each tenant as an individual customer. Tenant is defined as an occupant of a multi-tenancy commercial building or parcel where it is expected that tenure shall be for a year or more. For the purpose of this rule, the term multi-tenancy commercial building shall include any structure which contains or houses 3 or more separate and distinct residential or commercial units.

(2) Where installation of electric service was completed by May 21, 1980, electric energy may be redistributed and submetered to tenants provided service to the premises is to one point of delivery through a single meter under the applicable general rate schedule, and charges for electric service to such tenants do not exceed charges as computed under the Company's applicable rate schedule for comparable service.

(3) At the service locations covered hereunder connected after May 21, 1980, each tenant shall be served, metered and billed individually by the Company under the appropriate rate schedule except where a definite commitment has been made as of that date to permit master metering with the resale provision of 5F(2). Upon application, affidavit, and proof presented to the Company, any owner (or his duly authorized representative) of a new multi-tenancy commercial building may seek an exception to Tariff Rule 5(F) by demonstrating that the installation of individual electric meters at each separate unit within the building is neither feasible nor practical from a financial, technical, or engineering point of view or by citing any other valid reason; all of which must be designed to prove that the installation of individual electric meters within the building will not achieve any notable reduction in the consumption of electricity by the tenants in the building beyond that which would be accomplished through the use of a master metering system with efficient heat controls.

(4) Company, at its discretion, may permit submetering for both existing and new service locations in accordance with the resale provisions of 5F(2) when all of the following conditions are present:

- (a) It is impractical for the Company to separately bill each tenant.
- (b) Each tenant has control of the majority of his electric energy use.
- (c) That substantial energy conservation will be effected.

G. VANDALISM

When Company street light facilities at a location are repeatedly vandalized, the customer shall reimburse the Company for all costs to repair such vandalism after the second recorded incident over a consecutive 24 month period.

RULES FOR ELECTRIC SERVICE
RULE 6 - AUXILIARY SERVICE
FOR NON-QUALIFYING FACILITIES

A. APPLICATION

(1) Service to customers who have another source of power which can be substituted for Company's service for any of customer's operations. Service is supplied under the terms of this rule unless such other source of power is maintained solely for use in case of interruption of the Company's service. Service to Qualifying Facilities (QFs) is provided for under Rule 6A.

(2) Service is supplied only where Company has available the capacity and facilities adequate for the service and only under a contract for an initial term of one or more years under a general service rate schedule with measured demands. Bills for service are based on charges specified in the rate schedule, subject to a minimum charge as described in this rule.

(3) The customer's equipment may not be operated concurrently by means of service supplied by Company and by such other source of electric or mechanical power except upon written agreement setting forth the conditions of such operation.

B. MINIMUM CHARGE

The minimum monthly charge is the KW demand and KWH energy charges in the rate schedule for 100 hours use of the kilowatts of Reserved Capacity, plus the succeeding KW charge in the rate schedule for any kilowatts of the Billing KW in excess of the kilowatts of Reserved Capacity.

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to one hundred (100) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to customers who elect to install on-site generation on or after January 1, 1999 if the customer obtains Auxiliary Service from the Company.

(C)

C. RESERVED CAPACITY

(1) When customer's entire power requirements exceed the capacity of such other source of power and no load limiter is installed, the Reserved Capacity is the rated capacity in kilowatts (at unity power factor) of customer's other source of power. In all other cases the Reserved Capacity is the average kilowatts, supplied during the single 15 minute period of maximum use during the current billing month or any of the preceding 11 months, but not less than the kilowatt setting of a load limiter, or, when no limiter is installed, not less than Company's estimate of the number of kilowatts of customer's entire power requirements as stated in the contract.

(2) The customer has the option of furnishing, installing, and maintaining a load limiter for service supplied by Company, which shall be approved, set, and sealed by Company. The limiter will be set at approximately the number of kilowatts of Reserved Capacity contracted for by the customer.

D. PURCHASE OF ENERGY FROM SPECIFIC CUSTOMER-OWNED GENERATING EQUIPMENT (Limited 3-1-88).

The Company will purchase the net electric energy output from a customer's generating facility provided: (1) the facility uses biomass (excluding direct combustion of the biomass resource), municipal solid waste, solar, wind, or small hydro (5 MW or less) as the energy source; (2) the customer's system is installed in accordance with Company specifications and the receipt of the facility's output is not

(Continued)

(C) Indicates Change

RULES FOR ELECTRIC SERVICE

RULE 6 - AUXILIARY SERVICE
FOR NON-QUALIFYING FACILITIES (CONTINUED)D. PURCHASE OF ENERGY FROM SPECIFIC CUSTOMER-OWNED GENERATING EQUIPMENT
(Limited 3-1-88) (Continued)

detrimental to the operation of the Company's distribution system or to other customers; and (3) the customer compensates the Company for the estimated cost of interconnection and metering facilities in excess of what is required for normal service. Any subsequent maintenance and modification of such facilities to adjust to changing conditions on the Company's electrical system is at the selling customer's expense. For these provisions to be applicable to a municipal solid waste project, the proposed operator/owner of such project must demonstrate that governmental agencies having the right to approve or reject the operation and location of such project have been informed of the planned source of all waste to be processed, and assent to the processing of such waste, as evidenced in a letter or statement duly executed.

Energy output is purchased, as available, from the customer's qualifying facility at the rate of \$0.06 per KWH or at the calendar year weighted average value of the Company's interchange energy sales and purchases when such rate exceeds \$0.06 per KWH. Payments so determined are limited to purchases made prior to January 1, 1990. Thereafter, payments will be maintained at the rate in effect for 1989. Payment on the basis of \$0.06 per KWH is made monthly for energy received from the qualifying generating facility in the preceding month with reconciliation with the annual rate as soon as the calendar year data is available. At the Company's option, when purchases are less than 150 KWH per month, payment may be made annually.

The rate in this rule is available to developers who contacted the Company regarding the application of this rule to a specific project prior to March 1, 1988, or who can demonstrate that they made substantial progress toward the development of a specific project or facility prior to March 1, 1988. The following constitute evidence of substantial progress toward developing a project:

- (1) FERC certification granting qualifying status to the facility,
- (2) a statement of project definition including preliminary project design,
- (3) a letter of intent or similar evidence of host site control,
- (4) evidence of adequate fuel supply consistent with anticipated project life and energy production,
- (5) a plan for obtaining all necessary project licensing, and
- (6) preliminary evidence of the project's financial feasibility and a preliminary financing plan.

A developer unable to reach agreement with the Company concerning the substantial progress criteria must initiate a formal proceeding with the Commission within ninety (90) days of the effective date of this tariff supplement.

Additionally, the rate is available only to those developers who satisfy the above criteria and who sign a power purchase agreement applicable to the project prior to January 1, 1990, or who began negotiations on the agreement within a reasonable period of time after the effective date of this tariff supplement, but have been unable to sign a power purchase agreement prior to January 1, 1990, due to a legitimate contract dispute.

The rate under this rule expires January 1, 2010.

RULES FOR ELECTRIC SERVICE

RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES

A. APPLICATION

(1) The Company will supply Stand-by Service under terms of this Rule to: (a) Qualifying Facilities (QFs) as defined in the Public Utility Regulatory Policies Act of 1978, or (b) a customer that contracts with a QF and that must be served under the requirements of either federal or state law.

(2) Stand-by Service is supplied only where the Company has available capacity and facilities adequate for the service requested and only pursuant to a power purchase or interconnection agreement with the Company.

B. TYPES OF STAND-BY SERVICE AVAILABLE

(1) Supplementary Power is electric energy or capacity supplied by the Company and regularly used in addition to that energy or capacity supplied by that QF. All energy or capacity supplied by the Company under this rule shall be Supplementary Power unless it is provided as Back-up Power or Maintenance Power as defined below.

(2) Back-up Power is electric energy or capacity supplied by the Company to replace energy or capacity regularly supplied by the QF's equipment when such equipment is not available during an outage for other than prescheduled maintenance or fuel supply disruptions. Back-up Power shall be limited to 1,314 hours during the most recent consecutive twelve-month billing periods. Any additional power supplied above the 1,314 hour limit shall be billed as Supplementary Power. The QF must provide the Company with a written notification of the use of Back-up Power within seven business days after conclusion of the use. This notification must include the day and time at which the use of Back-up

Power began, the reason for the usage, and the actual duration of the use of Back-up Power.

(C)

(3) Maintenance Power is electric energy or capacity supplied by the Company during a prescheduled maintenance outage of the QF's generating equipment. Maintenance Power is available for not more than 70 days per year and must be scheduled during the periods March 16 to May 31, and September 16 to November 30. The QF must confirm with the Company in writing 60 days before receiving such power and indicate the required capacity and proposed duration of Maintenance Power use. The required capacity and proposed duration of Maintenance Power use can be changed after the 60-day notice is given, but before the outage occurs, by mutual written agreement between the Company and the QF. The QF must provide the Company a written notification of the use of Maintenance Power within seven business days after the conclusion of the use. This notification must include the day and time at which the use of Maintenance Power began and the actual duration of the use of Maintenance Power.

C. INTERCONNECTED AND PARALLEL OPERATION

The QF shall comply with all Company requirements concerning interconnected or parallel operations. These requirements are on file with the Commission as part of the Company's annual PURPA Section 210 filing and/or are contained in power purchase and interconnection agreements between the Company and QFs.

(Continued)

(C) Indicates Change

**RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES (CONTINUED)****D. INTERRUPTIBLE OPTION**

Back-up Power is available on an Interruptible basis to QFs with generators rated in excess of 500 KW. Interruptible Back-up Power may be interrupted when, in the Company's opinion, any generation, transmission, or distribution capacity limitations exist or during periods of economic load control. Whenever possible, the QF will be notified in advance of a probable interruption and the estimated duration of the interruption. If the QF fails to interrupt, a penalty of \$24.95 per KW shall be billed for each KW that has not been interrupted, in addition to applicable Back-up Power charges. The Company will notify the QF by telephone at the conclusion of the interruption. A credit of \$0.35/KW for Service at 480 volts or less, \$0.30/KW for Service at 12,470 volts, \$0.25/KW for Service at 69,000 volts or higher will be applied to the QF's monthly bill for each KW interrupted in any month in which an interruption is requested. No credits will be applied if the QF fails to interrupt all Back-up Power.

E. RATES FOR STAND-BY SERVICE

- (1) Supplementary Power is metered and billed separately under the Company's applicable general service rate schedule.
- (2) (a) Back-up Power is billed separately. The billing is based on KW demand and KWH registered on the Company's meters. Where such actual KW demand use exceeds the KW specified under paragraph G, such excess KW and, on a percentage basis, the associated KWH shall be billed as Supplementary Power. When metered KW demand use is not available, the KW demand billed will be based on the KW of Back-up Power specified under paragraph G. When metered KWH use is not available, the KWH energy billed under the Back-up Power rates will be calculated by multiplying the KW of Back-up Power specified under paragraph G by the number of hours of the unscheduled outage.
- (b) The QF will pay a Monthly Reservation Charge equal to the KW of Back-up Power specified under paragraph G multiplied by the Back-up Power capacity charge. The monthly minimum bill shall be the greater of the Monthly Reservation Charge or charges for actual Back-up Power usage.

(Continued)

**RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES (CONTINUED)**

RATES FOR STAND-BY SERVICE (Continued)

(c) Back-up Power will be billed using the following charges:

(C)

	Service at 480 Volts or Less	Service at 12,470 Volts	Service at 69,000 Volts or Higher
Delivery Charge (Effective 1-1-99)	1.438¢/KWH	0.800¢/KWH	0.366¢/KWH
Competitive Transition Charge (Effective 1-1-99)	\$-0.20/KW 0.965¢/KWH	\$-0.42/KW 1.404¢/KWH	\$ 0.82/KW 1.449¢/KWH
Competitive Transition Charge (Effective 1-1-00)	\$-0.81/KW 0.945¢/KWH	\$-1.08/KW 1.382¢/KWH	\$-1.46/KW 1.424
Competitive Transition Charge (Effective 1-1-01)	\$-1.60/KW 0.872¢/KWH	\$-1.94/KW 1.312¢/KWH	\$-2.29/KW 1.355¢/KWH
Competitive Transition Charge (Effective 1-1-02)	\$-2.65/KW 0.855¢/KWH	\$-3.08/KW 1.294¢/KWH	\$-3.16/KW 1.337¢/KWH
Competitive Transition Charge (Effective 1-1-03)	\$-2.56/KW 0.785¢/KWH	\$-2.98/KW 1.229¢/KWH	\$-3.31/KW 1.279¢/KWH
Competitive Transition Charge (Effective 1-1-04)	\$-2.48/KW 0.727¢/KWH	\$-2.89/KW 1.173¢/KWH	\$-3.21/KW 1.227¢/KWH
Competitive Transition Charge (Effective 1-1-05 through 12-31-05)	\$-2.13/KW 0.691¢/KWH	\$-2.51/KW 1.136¢/KWH	\$-2.85/KW 1.187¢/KWH

The State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

- (3) (a) Maintenance Power is billed separately. The billing is based on the KWH registered on the Company's meters. When metered KWH use is not available, the KWH energy billed under the Maintenance Power rates will be calculated by multiplying the KW of Maintenance Power specified under paragraph G by the number of hours of the use of Maintenance Power.

(Continued)

RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES (CONTINUED)

(b) Maintenance Power will be billed using the following charges:

(C)

	Service at 480 Volts <u>or Less</u>	Service at 12,470 Volts	Service at 69,000 Volts <u>or Higher</u>
Delivery Charge (Effective 1-1-99)	1.438¢/KWH	0.800¢/KWH	0.366¢/KWH
Competitive Transition Charge (Effective 1-1-99)	0.965¢/KWH	1.404¢/KWH	1.449¢/KWH
Competitive Transition Charge (Effective 1-1-00)	0.945¢/KWH	1.382¢/KWH	1.424¢/KWH
Competitive Transition Charge (Effective 1-1-01)	0.872¢/KWH	1.312¢/KWH	1.355¢/KWH
Competitive Transition Charge (Effective 1-1-02)	0.855¢/KWH	1.294¢/KWH	1.337¢/KWH
Competitive Transition Charge (Effective 1-1-03)	0.785¢/KWH	1.229¢/KWH	1.279¢/KWH
Competitive Transition Charge (Effective 1-1-04)	0.727¢/KWH	1.173¢/KWH	1.227¢/KWH
Competitive Transition Charge (Effective 1-1-05 through 12-13-05)	0.691¢/KWH	1.136¢/KWH	1.187¢/KWH

The State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

(4) The Capacity and Energy Rider included in this Tariff applies to customers served under this rider.

(C)

(5) A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to one hundred (100) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to customers who elect to install on-site generation on or after January 1, 1999 if the customer obtains Stand-by Service from the Company.

(C)

F. KW DEMAND

The KW Demand is the average number of Kilowatts supplied during the 15 minute period of maximum use during the current billing period.

(Continued)

(C) Indicates Change

RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES (CONTINUED)

G. DATA REQUIREMENTS

The QF must supply the Company with an annual written notice, on or before September 1, of its Stand-by Service needs for the subsequent calendar year. This notice must contain the following information necessary to implement this Tariff:

- KW of Back-up Power
- Designation of Back-up Power as Firm or Interruptible
- KW of Maintenance Power and preliminary schedule for use thereof

The QF shall provide any data, books or records that Company may request to confirm or check the extent, type or duration of any QF outages.

H. PAYMENT

The rates stated in this Tariff apply when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date the bill is mailed. When not so paid, a one time late payment charge equal to 5% of the first \$200.00 of the then unpaid balance plus 2% on the remainder will be added to the unpaid amount.

RULES FOR ELECTRIC SERVICE
RULE 7 - TEMPORARY SERVICE

A. TEMPORARY SERVICE

(1) Temporary service is service for less than one year or for a year or more when Company must install facilities that will be used solely for a service that is known to be limited in duration. Service is supplied under contract for not less than one month at the applicable rate schedule subject to the provisions of this rule. In no event is service billed for a total period of less than one month.

(2) The customer pays, in advance, a non-refundable temporary connection charge equal to the Company's estimated installed cost and net removal cost of all necessary facilities other than transformer, service drop, and metering, required to provide the temporary service. Where it is necessary to install and remove a transformer, service drop and meter, or to energize facilities already in place, the customer also pays a non-refundable connection and disconnection charge representing the cost of performing this work. The Company may require that the customer pay the connection and disconnection charge in advance.

(3) Company has the option to supply service without the application of this rule for prearranged tests or demonstrations.

(4) The Company may remove all facilities used solely to supply temporary service upon discontinuance of service by the customer.

(5) The provisions in this rule for temporary service do not apply for service to permanent residences on a residential service rate schedule.

RULES FOR ELECTRIC SERVICE
RULE 8 - MEASUREMENT OF SERVICE

A. LOCATION AND METHOD OF MEASUREMENT

(1) The customer provides free of expense to Company, at a location designated by Company, a suitable place for the Company meters which is readily accessible to Company employees at all reasonable hours.

(2) The Company installs and maintains the metering equipment. Where energy is metered at a point other than the point of delivery or at a voltage other than the supply voltage, readings of the meters are corrected to conform to measurement at the point of delivery and voltage supply.

B. METER INSTALLATIONS

Service at each point of delivery is metered through one or more meters as required by the applicable rate schedules. Measurements from two or more sets of metering equipment are never combined for billing purposes except temporarily pending completion of necessary changes in Company's facilities.

In residential and commercial complexes and multiple occupancy buildings connected after May 21, 1980, each independent occupant is separately metered and billed by the Company as an individual customer unless redistribution of service is authorized by the Company. The Company does not provide service to two or more customers through a single meter except as specifically provided for in Tariff Rule 5F or the applicable rate schedule.

C. UNMETERED SERVICE

The Company, at its option, may determine kilowatt hours and billing demands by computation instead of by measurement for installations having a fixed load or demand value controlled to operate for a definite number of hours during a billing period.

D. METER TESTING

The testing and adjustment of meters, the charges therefor, and adjustments due to inaccuracies are made in accordance with any applicable law and any regulation issued thereunder.

E. DETERMINATION OF DEMAND

(1) The fractional part of the demand billing unit specified in the rate schedule in excess of the minimum is taken as a whole when equal to one-half or more, otherwise, the fractional part is disregarded.

(2) Where the rate schedule provides that the demand is determined by quantities supplied during two or more periods of use, not more than one such period is taken from any one day's measurements that apply to such determination.

(3) Where the charges are based on a connected load, the customer's connected load is determined by inspection whenever Company deems necessary. Company will estimate the connected load of any customer who does not permit Company's representative to make such inspection.

RULES FOR ELECTRIC SERVICE

RULE 9 - BILLING AND PAYMENT FOR SERVICE

A. BILLING PERIOD

(1) Bills for service supplied during the preceding billing period, other than initial and final bills, are rendered monthly. Normal billing is for a period of approximately 30 days and is based on meter readings taken by Company at the end of each period.

(2) When a billing period is more or less than a month, such as for initial or final bills, the monthly rate is prorated.

B. ESTIMATED BILLS

(1) Company may render an appropriately marked estimated bill when a meter reading is not obtained. Company may read meters for longer than monthly intervals and may under such circumstances render estimated interim bills for normal billing periods.

(2) Estimated bills shall be paid in accordance with the provisions of this rule and the applicable rate schedule. If unusual circumstances occur during a period for which an estimated bill has been issued and are brought to the Company's attention, an appropriate adjustment will be made by Company.

(3) Upon request, the Company will supply any customer with a billing schedule and a card form upon which he may record his meter readings at the end of each normal billing period which otherwise would be estimated. If such card is received by the Company by the date specified on the schedule, except where it is apparent to the Company that the information is erroneous, the bill for such period will be computed from the meter reading shown on the card.

(4) The Company will take reasonable measures to obtain meter readings, however, the Company may prepare an estimated bill for any customer if extreme weather conditions, emergencies, equipment failure, work stoppages, or other circumstances prevent actual meter readings or if Company personnel are unable to gain access to obtain an actual meter reading.

C. DUE DATE

The due date specified on the bill is not less than 15 days from the date bill is mailed except that for service under, or billed in conjunction with, residential rate schedules the due date is not less than 20 days from the date bill is mailed and for service to federal, state or local governments or to any governmental department, institution or authority, the due date is not less than 30 days from the date bill is mailed.

When the due date for residential service occurs from the 21st day of the month through the 5th day of the following month, the due date may be extended upon request to the 6th day of the latter month for customers receiving Social Security or equivalent monthly checks on or about the first of the month.

D. PAYMENT

(1) Bills are considered as received by customer when delivered at or mailed to the premises where the service is supplied or an address mutually agreed upon. Delay in the receipt of or failure to receive bill does not extend the due date.

(2) Bills may be paid during business hours at any commercial office or collection agency of the Company authorized to receive payments.

(3) Payment of bills by mail will be accepted as paid when postmarked before midnight on the due date or when received by the Company within five days after the due date.

(4) Payment of bills after the due date specified on the bill is subject to a late payment charge, as provided for in the applicable rate schedule.

(5) The customer is responsible for payment for use up to discontinuance or termination of service.

(Continued)

RULE 9 - BILLING AND PAYMENT FOR SERVICE (CONTINUED)

D. PAYMENT (Continued)

(6) In the event of discontinuance or termination of service at a residence or dwelling, the Company may transfer any unpaid balance to any other residential account of the same ratepayer, or in the event of termination, to a third-party guarantor's account to the extent of the cash deposit requirement.

(7) Regular employees who are head of a family and mainly responsible for the maintenance of the premises they occupy may secure up to 50% reduction in their bills for service under Residential Rate Schedule RS in lieu of other benefits available to other employees. This option is in the process of elimination and is limited to employees who are presently receiving such reduction and continue to live and work in the area previously served by the former Tariff Electric Pa. P.U.C. No. 196 (Scranton).

(8) Payments which are insufficient to pay for both a balance due for prior use and billing for current use are first applied to the balance due for prior use, except when an unpaid bill is a disputed bill or when a payment plan for an overdue balance is agreed upon.

E. BUDGET BILLING

Budget billing is available upon request for service under residential and general service rate applications except for temporary, seasonal, and speculative service. Budget billing may start in any month, for new or existing customers, and may be discontinued upon request at which time any difference between budget billing and billing based on actual use becomes due and payable. In any month when the amount billed for the previous billing period is overdue, budget billing may be terminated; any difference owed the Company is immediately due, and bills thereafter are rendered based on metered use.

When a customer elects budget billing, the Company bills the customer each month an amount equal to one-twelfth, for residential service customers, or one-eleventh, for general service customers, of the estimated annual charges under the rate schedule. The monthly charge is adjusted, as required, so that total payments at the end of the budget billing cycle approximately equal actual charges. When billing based on actual use exceeds charges at the end of the twelfth month, the excess is added to regular billing in equal increments over the succeeding four months with no penalty.

Each month, interest at the rate of one-twelfth of the average of 1-year Treasury Bills for the months of September, October, and November of the previous year is applied to funds in the customer's account which are the result of payments for the billed amount in excess of actual charges for service to date. No interest is charged when there is a negative balance.

F. RETURNED CHECK CHARGE

If a check received in payment of a customer's account is returned to the Company unpaid by the customer's bank and cannot be redeposited by the Company for payment on the second attempt, the Company will charge the customer \$7.00 for processing the returned check, plus any charges assessed by the bank or other financial institution to the Company.

G. SMALL CREDIT BALANCES ON INACTIVE ACCOUNTS

The Company may transfer any customer credit balance less than \$1 from a customer's inactive account to the Company's Operation HELP program instead of refunding the credit amount to the customer. This transfer will occur only after the Company has been unsuccessful in its efforts to transfer the credit balance to an active account of the customer, and only if the customer does not request a refund of the credit balance.

(Continued)

RULE 9 - BILLING AND PAYMENT FOR SERVICE (CONTINUED)

H. TRANSMISSION AND UNIVERSAL SERVICE FUND CHARGES (Effective 1-1-99)

(C)

The following Transmission and Universal Service Fund Charges are included in the Delivery Charges in this Tariff.

<u>Customer Group</u>	<u>Transmission Charge ¢/KWH</u>	<u>Universal Service Fund Charge ¢/KWH</u>
Residential	0.360	0.048
General Service	0.469	0.008
Primary	0.367	0
Subtransmission	0.327	0

The transmission charges are subject to approval of and modification by the Federal Energy Regulatory Commission.

RULES FOR ELECTRIC SERVICE**RULE 10 - DISCONNECTION AND RECONNECTION OF SERVICE****A. CONTRACT CANCELLATION**

(1) Contracts are canceled by Company after the expiration of the initial term thereof, upon notification from the customer, as provided in the contract, that service is no longer required at the premises being supplied.

(2) Contracts are canceled by Company before the expiration of the initial term thereof, at the request of the customer, upon the immediate payment at customer's option of either of the following:

- (a) All the remaining obligations under the contract for the initial term.
- (b) The charges for service to date of discontinuance as calculated under the tariff provisions applicable for the period of service actually supplied less the sum of payments already made. This option applies only when the customer completely ceases operations and only when Rule 3, Extension of Service, is not involved. Commercial and industrial customers agree that if operations are resumed before the date when the initial term expires, then the initial obligation of contract is considered as still in force.

B. TERMINATION

(1) Termination of service does not constitute cancellation of any contract during the initial term thereof except by Company consent.

(2) The Company may terminate the supply of electric service and remove Company's equipment from customer's premises, upon notice to customer when appropriate, under any of the following conditions:

- (a) Nonpayment of an undisputed delinquent account.
- (b) The customer's installation, in Company's judgment, has become dangerous or defective or Company has received notice of such a condition, or the customer's equipment or use thereof may impair the equipment of Company or the service to the other customers.
- (c) The Company's property on customer's premises has been interfered with, or evidence is found that the wires, meters, entrance switch or other appurtenances up to and including the point of measurement have been tampered with.
- (d) Energy has been used that has not been registered on the meter.
- (e) A writ of execution is issued against customer, or the premises at which service is supplied is levied upon, or there is an assignment or act of bankruptcy on the part of customer, and Company has not received any written acceptance of responsibility for continuance of service.
- (f) The customer violates any of these rules or any of the terms and conditions of the contract or has made misrepresentations to Company with respect to the use of electric service and customer refuses to correct the situation or execute a contract appropriate for such service.

RULE 10 - DISCONNECTION AND RECONNECTION OF SERVICE (CONTINUED)**B. TERMINATION (Continued)**

- (g) The Company's meter readers or other authorized representatives cannot gain admittance or are refused admittance to the premises for the purpose of reading meters, making repairs, making inspections, or removing Company property, or the customer interferes with Company representatives in the performance of their duties, or the meters or other equipment of the Company are not accessible during reasonable hours.
- (h) The customer neglects or refuses to reimburse Company for repairs to or loss of Company's property used to supply service when such repairs are necessitated, or loss occasioned, by negligence on the part of customer.
- (i) Failure to post a deposit, provide a guarantee, or establish credit.
- (j) Failure to comply with the material terms of a settlement or amortization agreement.
- (k) Fraud or material misrepresentation of identity for the purpose of obtaining utility service.
- (l) Unauthorized use of the utility service delivered on or about the affected dwelling or other service location.

(3) The Company shall not terminate, or refuse to restore service to any premises when any occupant residing therein is certified by a physician to be seriously ill or affected with a medical condition which will be aggravated by a cessation of service or failure to restore service. The validity of such certification may be contested before the Pennsylvania Public Utility Commission.

(4) Except in emergencies, service to residential customers will not be terminated: on Friday, Saturday or Sunday; on a bank holiday or the day preceding a bank holiday; on a day or a day preceding a day when the Company's business offices are closed; or on a holiday or the day preceding a holiday observed by the Pennsylvania Public Utility Commission.

(5) The customer may avoid termination under the above conditions by eliminating the cause for termination and fulfilling the appropriate conditions for reconnection under Rule 10C hereof prior to termination.

C. RECONNECTION

Whenever a service has been terminated under any of the above provisions, Company will require payment of a \$15 (\$21 if done during other than the normal working hours of the physical forces reconnecting the service) disconnection and reconnection charge and will, before reconnection, require customer to eliminate the cause of disconnection and fulfill any of the following conditions that are reasonably applicable:

- (1) Establish credit, make a security deposit, or provide a written guarantee acceptable to Company.
- (2) Correct any unsafe or nonstandard conditions in customer's service entrance facilities.
- (3) Make full payment of, or arrange time payments for the charges for energy used but not metered and, all costs of Company investigation and property damage associated therewith, plus the cost of measures considered necessary by the Company to prevent recurrence.
- (4) Make payment of, or arrange for the payment of, all amounts currently due according to a settlement or amortization agreement.

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STATE TAX ADJUSTMENT SURCHARGE

In addition to the charges and credits provided for in this tariff, and except for charges or credits under Rate Schedules PR-1 and PR-2 for incremental or decremental kilowatt-hour usage, a surcharge of 0.00% will be charged for all service rendered on and after January 1, 1997.

(C)

The State Tax Adjustment Surcharge will be recomputed using the elements prescribed by the Commission in its regulations at 52 Pa. Code §69.51, et seq.:

- on March 21, 1997, and each year thereafter until the surcharge is rolled into base rates, and
- whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge due to a change in the applicable tax rates or in the basis of calculating such tax rates.

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recomputation. If the recomputed surcharge is less than the one in effect, the utility will, or if the recomputed surcharge is more than the one in effect the utility may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge. The effective date of such tariff or supplement shall be 10 days after filing. Any charges or credits in the surcharge shall be rolled into base rates in the Company's next base rate proceeding.

(C) Indicates Change

**EMERGENCY ENERGY CONSERVATION RIDER (5-22-81)
MODIFICATION OF RATE SCHEDULE APPLICATION
PURSUANT TO TARIFF RULE 4H**

PURPOSE

This rider is applicable in conjunction with Tariff Rule 4H, Emergency Energy Conservation. It provides for deviation from and modification to the charges and practices otherwise applicable to certain customers as a result of compliance with or non-compliance with energy conservation curtailment levels ordered by an appropriate governmental authority under emergency energy conservation conditions resulting from actual or potential shortage of fuel for electric generation.

APPLICABILITY

Applicable to individual electric customer accounts served under this tariff with recorded use of 10 Million KWH's or higher, in a recent period of 12 months or less prior to the emergency energy conservation condition. Customers designated by the procedures of Rule 4H or by Pennsylvania Public Utility Commission, will be exempt from the provisions of this rider.

PROVISIONS**Base Period Energy Use**

The base energy use for a weekly period shall be determined by the Company for each applicable electric customer account based upon a consideration of the customer's actual past or current electric consumption and the customer's existing operations.

Curtailment Energy Use Level Target

The Curtailment Energy Use Level Target for each applicable customer shall be that percentage of base period energy use ordered pursuant to the emergency energy conservation procedures provided by Tariff Rule 4H or as a result of the order of an appropriate governmental authority.

Current Energy Use

Current period use will be monitored on a weekly basis commencing one week after the emergency is declared.

Compliance

When the energy consumption in any weekly period during the period of the emergency energy conservation condition is equal to or less than the curtailment energy use level target, the customer will be deemed to have complied.

If the curtailment energy use level target is not met, the customer will be deemed to be in non-compliance. In the event of continued non-compliance, the Company, upon notice to the Commission, may discontinue service.

BILLING

During the emergency, billing for those customers deemed to be in compliance will be based on meter readings especially made to identify the demand established and energy used during the current energy use period. Customers in compliance with conservation orders will be excused from minimum bills and any demands which otherwise might have been imposed, and will be billed instead on the basis of current consumption and demand whenever the normal calculation method would produce a greater bill.

These customers will be individually notified of this special billing provision prior to the implementation of the emergency energy conservation procedure.

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ECONOMIC DEVELOPMENT INITIATIVES RIDER

Service under this rider is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. (C)

PURPOSE

This rider provides for an incentive rate billing option to existing commercial and industrial customers and new industrial customers to encourage economic development in the Company's service area.

APPLICATION PROVISIONS

This rider is applicable to existing commercial and industrial customers and new industrial customers served under Rate Schedules GS-3, LP-4, LP-5, and PR-1 with at least a one month Billing KW of 500 KW or greater under contract with the Company. Existing customers must sign a contract agreeing to (1) increase production or (2) expand physical plant at the service location.

This rider is applied to customer baseline load, but is not applied to incremental or decremental kilowatt or kilowatt-hour usage under Rate Schedule PR-1.

DEFINITIONS

1. Base Period -- The base period is normally the twelve months ended December 31, 1986. If twelve months of billing history are unavailable for the period ended December 31, 1986, the base period is the first full twelve months of billing. If less than twelve months of billing history are available, the Company determines a base period use pattern prior to rider application. If, in the opinion of the Company, any billing month(s) during the base period is not representative of the customer's normal usage pattern, the Company may change the base period to reflect normal use conditions.

The base period established when this rider is applied initially at a service location to a customer's bill shall remain the base period for all subsequent applications of this rider at the same service location for the same customer.

2. Sales Tax Exemption Certificate -- A Pennsylvania Sales Tax Exemption Certificate submitted by the customer to the Company which indicates the service address and certifies that, on an annual basis, more than fifty percent of the electricity purchased is exempt from sales tax because it is used in manufacturing operations.

3. Service Location -- A location having one or more points of delivery for electric service billed by the Company under a single rate application.

4. New Service Location -- A service shown on the Sales Tax Exemption Certificate which (a) previously has not been supplied electric service by the Company, (b) previously has been supplied electric service, provided the new service is for a different manufacturing operation than the previous operation, or (c) was disconnected at least twelve months prior to application for service under this rider.

(Continued)

(C) Indicates Change

ECONOMIC DEVELOPMENT INITIATIVES RIDER (Continued)

DEFINITIONS (Continued)

5. **Qualifying Service Location** – A new service location identified on the Sales Tax Exemption Certificate or an existing service location which qualifies under the application provisions of this rider.

6. **Billing Adjustments - Existing Customers.** A reduction of \$2 per kilowatt and 1 cent per kilowatt-hour shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the base period for service supplied to a customer's Qualifying Service Location.

7. **Billing Adjustments - New Customers.** A reduction of 1 cent per kilowatt-hour shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's Qualifying Service location.

GENERAL CONDITIONS

The provisions of this rider are available to customers who became eligible on or before December 31, 1989, and are subject to any modifications ordered by the Pennsylvania Public Utility Commission in an interim base rate proceeding.

The billing adjustment under this rider will continue through December 31, 2005. All provisions of this rider will terminate on January 1, 2006. (C)

The rate reduction under this rider are applicable to base rate charges before application of the State Tax Adjustment Surcharge included in this tariff. (C)

Minimum bills under the applicable rate schedule are not reduced by the application of this rider.

This rider applies only once per customer. Eligible customers who elect to receive billing adjustments under this rider as new customers subsequently may not elect to receive billing adjustments under this rider as existing customers.

This rider does not apply to customers who have another source of power which can be substituted for the Company's service unless the other source of power is maintained solely for use in case of interruption of Company's service.

An electric service contract is required for billing under this rider.

The Company will monitor the effects of this rider and make appropriate modifications or close the rider to additional applications as approved by the Pennsylvania Public Utility Commission.

(C) Indicates Change

INTERRUPTIBLE SERVICE BY AGREEMENT (R)**(C)**

Service under this rate schedule is available only to existing service locations supplied on and continuously after January 1, 1999 and only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act.

(C)**APPLICATION**

This Service is available to large general service customers who take service from available transmission lines of 69,000 volts or higher. The customer furnishes and maintains all equipment necessary to transform the energy from line voltage. This Service is available only to customers who require interruptible service which is different than that provided in the Company's Rate Schedules. It is available only to customers who accept service interruptions pursuant to a service agreement.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

NET MONTHLY SERVICES CHARGES

Charges for service shall be mutually agreed upon by the Company and the customer in a signed service agreement. The agreement's effectiveness will be conditioned upon Pennsylvania Public Utility Commission approval.

CONDITIONS OF SERVICE

A service agreement between the Company and the customer must include, at a minimum, the following:

- the term of the agreement for interruptible service,
- the delivery point location and characteristics of service,
- the metering for the customer's firm and interruptible service,
- the estimated firm power service level (KW),
- the maximum number of interruptions per year,
- the maximum duration of interruption per interruption period and the maximum aggregate hours of interruption per year and in any billing month,
- the amount of advance notice of an interruption given to a customer,
- the additional charge for continued use (KWH) of interruptible load (KW) during a period of economic load control,
- the penalty for failure to interrupt load (KW) when called for during an emergency interruption period,
- the basis for calculating billing demand (KW),
- the minimum billing demand (KW),
- the power factor acceptable to the Company at the delivery point,
- the monthly rate for firm and interruptible demand and energy, and the monthly minimum bill,
- terms for payments of bills rendered by the Company, and
- conditions for termination of the agreement.

(C) Indicates Change

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INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

Service under this rider is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. (C)

PURPOSE

This rider provides for an incentive rate billing option to existing and new industrial customers to encourage economic development in the Company's service area.

APPLICATION PROVISIONS

This rider is applicable to existing and new industrial customers served under Rate Schedules GS-3, LP-4, LP-5, and PR-1 with at least a one month Billing KW of 100 KW or greater. Existing customers must sign a contract agreeing to (1) increase production or (2) expand physical plant at the service location.

This rider is applied to customer baseline load, but is not applied to incremental or decremental kilowatt or kilowatt-hour usage under Rate Schedule PR-1.

DEFINITIONS

1. **Base Period** -- For customers entering the program on or after the effective date of this rider, the base period is the twelve months ended December 31, 1991. If billing history is unavailable for the twelve months ended December 31, 1991, the base period will be the first full twelve months of billing. If less than twelve months of billing history is available, the Company will determine a base period prior to application of the rider. If, in the opinion of the Company, usage during any billing month(s) of the base period is not representative of the customer's expected normal usage pattern, the Company may change the base period Billing KW and kilowatt-hours to reflect normal usage.

The base period established when this rider is applied initially to a customer's bill at a service location shall remain unchanged for all subsequent applications of this rider at the same service location for the same customer.

2. **Industrial Customer** -- A customer holding a Pennsylvania Sales Tax Exemption Certificate which indicates the service address and certifies that, on an annual basis, more than fifty percent of the electricity purchased is exempt from sales tax because it is used in manufacturing operations. The customer shall submit the Pennsylvania Sales Tax Exemption Certificate to the Company.

3. **New Service Location** -- A service location shown on the Pennsylvania Sales Tax Exemption Certificate which (a) previously has not been supplied electric service by the Company, (b) previously has been supplied electric service, but the new service is for a different manufacturing operation than the previous operation, or (c) was disconnected at least twelve months prior to application for service under this rider.

4. **Billing Adjustments - Existing Customers.** A reduction of \$2 per kilowatt and 1 cent per kilowatt-hour shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the Base Period for service supplied to a customer's existing service location.

(Continued)

(C) Indicates Change

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER (CONTINUED)

DEFINITIONS (Continued)

5. Billing Adjustments - New Customers. A reduction of 1 cent per kilowatt-hour shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's New Service Location.

GENERAL CONDITIONS

The provisions of this rider are available to customers who become eligible on or before December 31, 1997, and are subject to any modifications ordered by the Pennsylvania Public Utility Commission in an interim base rate proceeding.

The billing adjustments under this rider will continue through December 31, 2005. All provisions of this rider will terminate on January 1, 2006. (C)

The rate reductions under this rider are applicable to base rate charges before application of the State Tax Adjustment Surcharge included in this Tariff. (C)

Minimum bills under the applicable rate schedule are not reduced by the application of this rider.

This rider applies only once per customer. Eligible customers who elect to receive billing adjustments under this rider as a new customer may not elect subsequently to receive billing adjustments under this rider as an existing customer.

This rider does not apply to customers who have another source of power which can be substituted for the Company's service unless the other source of power is maintained solely for use in case of interruption of Company's service.

An electric service contract is required for billing under this rider.

The Company will monitor the effects of this rider and make appropriate modifications or close the rider to additional applications as ordered by the Pennsylvania Public Utility Commission.

(C) Indicates Change

COMPETITIVE RATE RIDER (R)**(C)**

Interruptible service under this rider is available only to existing service locations supplied hereunder on and continuously after January 1, 1999.

(C)**PURPOSE**

This rider provides competitive rates to existing and new commercial and industrial customers served under Rate Schedules LP-5, LP-6, and IS-T who can demonstrate that they have a viable competitive alternative to purchasing electric service from the Company and intend to select that alternative to the detriment of the Company and its ratepayers.

(C)**APPLICATION PROVISIONS**

This rider is applicable to existing and new commercial and industrial customers with a monthly maximum demand of 5,000 KW or greater year-round who are served, or who qualify to be served, under Rate Schedules LP-5, LP-6, and IS-T.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

GENERAL CONDITIONS

1. The customer must demonstrate that it has a viable competitive alternative to service under Rate Schedule LP-5, LP-6, or IS-T to be eligible for this rider. The customer must provide written information, satisfactory to Company, documenting the customer's competitive alternative. Because of the proprietary nature of the customer's information, this information shall remain confidential.

2. The customer also must demonstrate, to the satisfaction of the Company, that the customer intends to implement the competitive alternative and is financially able to do so.

3. The Company will provide, upon request, a written description of the information that the customer must provide to the Company.

4. The Company shall be the sole judge of whether or not a competitive rate under this rider is appropriate based on the information provided by the customer.

5. The Company will develop competitive rates and terms, on a case-by-case basis, if the Company, in its sole judgement, determines that they are appropriate. The Company is not obligated to match the customer's costs for an alternative source of energy. The rate shall be sufficient to recover all of the Company's appropriate short-run marginal costs of the service and make a contribution to the Company's fixed costs, but shall not exceed the rate for comparable service under Rate Schedule LP-5, LP-6, or IS-T.

6. To promote energy conservation and efficiency, the Company may require that the customer implement energy efficiency measures prescribed by the Company.

(Continued)

(C) Indicates Change

COMPETITIVE RATE RIDER (R) (CONTINUED)

(C)

GENERAL CONDITIONS (Continued)

7. The State Tax Adjustment Surcharge is applicable to service under this rider. (C)
8. The Economic Development Initiatives Rider and Industrial Development Initiatives Rider provisions of Rate Schedule LP-5 and the Demand Free Day provision of Rate Schedules LP-5 and LP-6 included in this tariff are not applicable to service under this rider.
9. This rider does not apply to customers who have another source of power which can be substituted for the Company's service, unless the other source of power is maintained solely for use in case of interruption of Company's service.
10. An electric service contract is required for billing under this rider. The competitive rate shall be specified in the contract. A contract under this rider shall have a term of at least five (5) years. Because of the proprietary nature of the terms of the contract, the terms shall remain confidential.

(C)

(C) Indicates Change

**OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL
(EXPERIMENTAL)**

PURPOSE

This experimental rider sets forth the conditions under which residential customers may receive POWER WATCH™ Service. POWER WATCH™ Service is an outage detection service that continuously monitors electric service to the customer's home and automatically calls the Company and, optionally, the customer or a customer designated third party by telephone if the customer's electric service is interrupted for any reason for longer than one minute.

APPLICATION

POWER WATCH™ Service under this rider is available, upon application, in accordance with the conditions set forth below, to any customer receiving single-phase service from the Company under Rate Schedules RS, RTS, or RTD. To be eligible for this service, the customer's premises must have: (1) an active telephone line with pulse or tone dialing, (2) a standard RJ11 telephone jack, and (3) a 120-Volt electrical outlet available for use. The electrical outlet for the plug-in POWER WATCH™ sensor may not be switchable, may not have ground fault protection at the outlet or at the service panel for the outlet, and must be available only for the plug-in POWER WATCH™ sensor. POWER WATCH™ Service is not available where it is incompatible with the customer's telephone equipment or system, or where it will interfere with the automatic telephone notification features of the customer's security or fire alarm system. This experimental rider will terminate on December 31, 2000, and all then existing POWER WATCH™ Service will be terminated at that time.

NET MONTHLY RATE

POWER WATCH™ Service	\$3.50 per service location
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In addition to the Net Monthly Rate, the customer shall pay an Application Fee of \$19.95 per service location when applying for POWER WATCH™ Service, provided, however, that customers applying for POWER WATCH™ Service during the period August 14, 1996 through December 31, 1996 shall receive a \$5.00 rebate of the normal Application Fee. The customer may pay the Application Fee by credit card, check, or money order.

The charges to the customer for POWER WATCH™ Service will be separate from the charges billed monthly to the customer for electric service.

PAYMENT OPTIONS FOR NET MONTHLY RATE

The customer may elect one of the following payment options for the Net Monthly Rate.

- (a) Pre-payment. - The customer may pre-pay the Net Monthly Rate annually by credit card, check, or money order or biannually by credit card only. Customers electing to pre-pay the Net Monthly Rate annually when applying for POWER WATCH™ Service will receive one month of POWER WATCH™ Service free of charge each year.
- (b) Post-payment. - The customer may post-pay the Net Monthly Rate monthly by credit card only. The Company will automatically bill the Net Monthly Rate to the customer's credit card account at the end of each month of POWER WATCH™ Service.

(Continued)

**OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL
(EXPERIMENTAL)****EQUIPMENT AND SERVICE**

The Company will furnish the plug-in POWER WATCH™ sensor, which shall, at all times, remain the property of the Company; however, the customer is responsible for installing this equipment.

EXCLUSIVE REMEDIES

If the customer is dissatisfied for any reason with the POWER WATCH™ Service during the first 90 days after the POWER WATCH™ sensor is shipped to the customer, the customer may return the POWER WATCH™ sensor to the Company, and either request a replacement POWER WATCH™ sensor, at no additional cost to the customer, or terminate POWER WATCH™ Service. If the customer chooses to terminate POWER WATCH™ Service within this 90-day period, the Company will refund any monies paid by the customer to the Company for this service, including the Application Fee, upon return of the POWER WATCH™ sensor.

THE COMPANY MAKES NO WARRANTIES OF ANY KIND WITH RESPECT TO THE POWER WATCH™ SENSOR OR THE POWER WATCH™ SERVICE, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR TO THE PERFORMANCE OR RELIABILITY OF THE POWER WATCH™ SENSOR OR POWER WATCH™ SERVICE.

The Company's total liability to any person or entity for any loss, injury, damage or expense suffered or incurred by any person or entity arising out of, or in any manner relating to, any defect, malfunction or other problem with the POWER WATCH™ sensor, or failure of performance of the POWER WATCH™ Service, whether such claim is based upon breach of contract, strict liability, tort (including negligence) or otherwise, and whether such damages are direct, indirect, special, incidental, consequential or otherwise, shall be limited to \$500. The customer's sole and exclusive remedy and the Company's sole obligation and liability in connection with the POWER WATCH™ Service and POWER WATCH™ sensor are as stated above.

TERMINATION OF SERVICE

Service under this rider may be terminated for non-payment or upon request by the customer. Upon termination of POWER WATCH™ Service, customers utilizing this service shall contact the Company in order to arrange for the return of the POWER WATCH™ sensor(s) to the Company, in the manner specified by the Company. Upon receipt of the POWER WATCH™ sensor, the Company will return to the customer a prorata share of any pre-payment of the Net Monthly Rate made by the customer for whole months of POWER WATCH™ Service not actually received.

**OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL
(EXPERIMENTAL)****EQUIPMENT AND SERVICE**

The Company will furnish the plug-in POWER WATCH™ sensor, which shall, at all times, remain the property of the Company; however, the customer is responsible for installing this equipment.

EXCLUSIVE REMEDIES

If the customer is dissatisfied for any reason with the POWER WATCH™ Service during the first 90 days after the POWER WATCH™ sensor is shipped to the customer, the customer may return the POWER WATCH™ sensor to the Company, and either request a replacement POWER WATCH™ sensor, at no additional cost to the customer, or terminate POWER WATCH™ Service. If the customer chooses to terminate POWER WATCH™ Service within this 90-day period, the Company will refund any monies paid by the customer to the Company for this service, including the Application Fee, upon return of the POWER WATCH™ sensor.

THE COMPANY MAKES NO WARRANTIES OF ANY KIND WITH RESPECT TO THE POWER WATCH™ SENSOR OR THE POWER WATCH™ SERVICE, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR TO THE PERFORMANCE OR RELIABILITY OF THE POWER WATCH™ SENSOR OR POWER WATCH™ SERVICE.

The Company's total liability to any person or entity for any loss, injury, damage or expense suffered or incurred by any person or entity arising out of, or in any manner relating to, any defect, malfunction or other problem with the POWER WATCH™ sensor, or failure of performance of the POWER WATCH™ Service, whether such claim is based upon breach of contract, strict liability, tort (including negligence) or otherwise, and whether such damages are direct, indirect, special, incidental, consequential or otherwise, shall be limited to \$500. The customer's sole and exclusive remedy and the Company's sole obligation and liability in connection with the POWER WATCH™ Service and POWER WATCH™ sensor are as stated above.

TERMINATION OF SERVICE

Service under this rider may be terminated for non-payment or upon request by the customer. Upon termination of POWER WATCH™ Service, customers utilizing this service shall contact the Company in order to arrange for the return of the POWER WATCH™ sensor(s) to the Company, in the manner specified by the Company. Upon receipt of the POWER WATCH™ sensor, the Company will return to the customer a prorata share of any pre-payment of the Net Monthly Rate made by the customer for whole months of POWER WATCH™ Service not actually received.

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CAPACITY AND ENERGY RIDER

(C)

PURPOSE

This rider provides charges for capacity (KW) and energy (KWH) to eligible customers served in the territory covered by this Tariff.

APPLICATION PROVISIONS

This rider is applicable to:

(a) customers who do not have the opportunity to purchase electric energy from their choice of electric generation suppliers;

(b) customers who have the opportunity to purchase electric energy from their choice of electric generation suppliers, do not choose an alternative supplier and continue to purchase electric energy from the Company, as the electric distribution company and supplier of last resort as provided in Section 2807 (E) (3) of the Customer Choice Act.

(c) customers who contract with an alternative supplier for electric energy but do not receive delivery of such electric energy; and

(d) customers who choose an alternative supplier for electric energy and subsequently desire to purchase basic utility supply service from the Company, as the electric distribution company and supplier of last resort as provided in Section 2807(E)(3) of the Customer Choice Act.

NET MONTHLY CAPACITY CHARGES

The following charges for capacity (KW) reflect an eighteen (18) percent reserve requirement and the Pennsylvania Gross Receipts Tax. There is no charge for off-peak capacity.

(Continued)

(C) Indicates Change

CAPACITY AND ENERGY RIDER (Continued)

(C)

NET MONTHLY CAPACITY CHARGES (CONTINUED)

Rate Schedules	(Effective 1-1-99) On-Peak Capacity Charge (¢/KWH)	(Effective 1-1-99) On-Peak Capacity Charge (\$/KW)	(Effective 1-1-00) On-Peak Capacity Charge (¢/KWH)	(Effective 1-1-00) On-Peak Capacity Charge (\$/KW)
RS	0.586	—	0.772	—
Off Peak Water Heating	0.586	—	0.772	—
Separate Water Heating Service	0.586	—	0.772	—
RTS	—	5.70 (in excess of 2 KW)	—	5.70 (in excess of 2 KW)
RTD	0.390	—	0.513	—
GS-1	—	1.86 (in excess of 5 KW)	—	2.45 (in excess of 5 KW)
Off-Peak Space Conditioning and Water Heating	—	1.86 (for any on-peak Billing KW)	—	2.45 (for any on-peak Billing KW)
Volunteer Fire Co./Sr. Citizen Centers	0.586	—	0.772	—
GS-3	—	1.92	—	2.53
Off-Peak Space Conditioning and Water Heating	—	1.92 (for any on-peak Billing KW)	—	2.53 (for any on-peak Billing KW)
Volunteer Fire Co./Sr. Citizen Centers	0.586	—	0.772	—
IS-1	—	2.22	—	2.78
BL	0.309	—	0.418	—
SA	0.339	—	0.447	—
SM	0.339	—	0.447	—
SHS	0.339	—	0.447	—
SE	0.339	—	0.447	—
TS(R)	0.339	—	0.447	—
SI-1(R)	0.339	—	0.447	—
GH-1(R)	—	1.40	—	1.85
GH-2(R)	0.517	—	0.681	—
LP-4	—	2.09	—	2.75
IS-P	—	1.50	—	1.98
LP-5	—	2.03	—	2.67
LP-6	—	1.92	—	2.54
LPEP	—	1.46	—	1.92
IS-T	—	1.49	—	1.96

(Continued)

(C) Indicates Change

CAPACITY AND ENERGY RIDER (CONTINUED)

(C)

NET MONTHLY ENERGY CHARGES

The following charges for energy (KWH) reflect transmission and distribution electrical losses from the generation voltage level (500 KW or 230 KV) to the service voltage level of the customer. They also reflect the Pennsylvania Gross Receipts Tax.

<u>Rate Schedules</u>	<u>(Effective 1-1-99) Energy Charge (¢/KWH)</u>	<u>(Effective 1-1-00) Energy Charge (¢/KWH)</u>
RS	2.381	2.414
Off-Peak Water Heating	2.281	2.414
Separate Water Heating Service	2.381	2.414
RTS	2.346	2.391
RTD	2.381	2.414
GS-1	2.420	2.438
Off-Peak Space Conditioning and Water Heating	2.420	2.438
Volunteer Fire Co./Sr. Citizen Centers	2.381	2.414
GS-3	2.416	2.436
Off-Peak Space Conditioning and Water Heating	2.416	2.436
Volunteer Fire Co./Sr. Citizen Centers	2.381	2.414
IS-1	2.292	2.341
BL	2.420	2.438
SA	2.299	2.363
SM	2.299	2.363
SHS	2.299	2.363
SE	2.299	2.363
TS(R)	2.299	2.363
SI-1(R)	2.299	2.363
GH-1(R)	2.398	2.419
GH-2(R)	2.398	2.419
LP-4	2.347	2.369
Off-Peak Space Conditioning and Water Heating	2.347	2.369
IS-P	2.335	2.361
LP-5	2.270	2.295
LP-6	2.266	2.294
LPEP	2.243	2.279
IS-T	2.262	2.291

(Continued)

(C) Indicates Change

CAPACITY AND ENERGY RIDER (CONTINUED)

(C)

CREDITS TO CAPACITY AND ENERGY CHARGES

Credits under the Economic Development Initiatives Rider and Industrial Development Initiatives Riders shall be applied to the Capacity and Energy Charges under this rider.

Credits for capacity and energy will be given to customers who qualify under paragraphs (b), (c), or (d) of the Application Provisions of this rider.

CAPACITY AND ENERGY CHARGES FOR STAND-BY SERVICE

The following charges for capacity and energy apply to stand-by service for qualifying facilities under Rule 6A included in this Tariff.

Back-up Power will be billed using the following capacity and energy charges:

	Service at 480 Volts <u>Or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
(Effective 1-1-99)			
Capacity Charge	\$1.92/KW	\$2.09/KW	\$2.03/KW
Energy Charge	2.416¢/KWH	2.347¢/KWH	2.270¢/KWH
	Service at 480 Volts <u>Or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
(Effective 1-1-00)			
Capacity Charge	\$2.53/KW	\$2.75/KW	\$2.67/KW
Energy Charge	2.436¢/KWH	2.369¢/KWH	2.295¢/KWH

Maintenance Power will be billed using the following energy charges:

	Service at 480 Volts <u>Or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
(Effective 1-1-99)			
Energy Charge	2.416¢/KWH	2.347¢/KWH	2.270¢/KWH
	Service at 480 Volts <u>Or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
(Effective 1-1-00)			
Energy Charge	2.436¢/KWH	2.369¢/KWH	2.295¢/KWH

The State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

(Continued)

**RATE SCHEDULE RS
RESIDENTIAL SERVICE****APPLICATION**

This rate schedule is for single phase residential service in accordance with the APPLICATION PROVISIONS hereof. The Multiple Dwelling Unit Application is restricted to eight or less dwelling units for applications after August 26, 1976, and further to buildings converted to multiple dwelling units for application after June 28, 1980. Separate Water Heating Service is available only to service locations served under this application on and continuously after April 26, 1985.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)

\$6.47 per month plus
1.961 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

3.917 cts. per KWH for the first 200 KWH.
2.919 cts. per KWH for the next 600 KWH.
2.320 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-00)

3.698 cts. per KWH for the first 200 KWH.
2.700 cts. per KWH for the next 600 KWH.
2.101 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-01)

3.387 cts. per KWH for the first 200 KWH.
2.389 cts. per KWH for the next 600 KWH.
1.790 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-02)

3.044 cts. per KWH for the first 200 KWH.
2.046 cts. per KWH for the next 600 KWH.
1.447 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-03)

3.017 cts. per KWH for the first 200 KWH.
2.019 cts. per KWH for the next 600 KWH.
1.420 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE RS (CONTINUED)**Competitive Transition Charge (Effective 1-1-04)**

2.990 cts. per KWH for the first 200 KWH.
1.992 cts. per KWH for the next 600 KWH.
1.393 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

3.053 cts. per KWH for the first 200 KWH.
2.055 cts. per KWH for the next 600 KWH.
1.456 cts. per KWH for all additional KWH.

OPTIONAL FIXED COMPETITIVE TRANSITION CHARGE (Effective 1-1-99)**(C)**

Upon request from the customer, the Company will develop a customer-specific, fixed, per month Competitive Transition Charge (CTC) which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve. This fixed, per month CTC is in addition to the following variable CTC.

Variable CTC (Effective 1-1-99)

1.959 cts. per KWH for the first 200 KWH.
1.460 cts. per KWH for the next 600 KWH.
1.160 cts. per KWH for the all additional KWH.

Variable CTC (Effective 1-1-00)

1.849 cts. per KWH for the first 200 KWH.
1.350 cts. per KWH for the next 600 KWH.
1.051 cts. per KWH for the all additional KWH.

Variable CTC (Effective 1-1-01)

1.694 cts. per KWH for the first 200 KWH.
1.195 cts. per KWH for the next 600 KWH.
0.895 cts. per KWH for the all additional KWH.

Variable CTC (Effective 1-1-02)

1.522 cts. per KWH for the first 200 KWH.
1.023 cts. per KWH for the next 600 KWH.
0.724 cts. per KWH for the all additional KWH.

Variable CTC (Effective 1-1-03)

1.509 cts. per KWH for the first 200 KWH.
1.010 cts. per KWH for the next 600 KWH.
0.710 cts. per KWH for the all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE RS (CONTINUED)

Variable CTC (Effective 1-1-04)

- 1.495 cts. per KWH for the first 200 KWH.
- 0.996 cts. per KWH for the next 600 KWH.
- 0.697 cts. per KWH for the all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

- 1.527 cts. per KWH for the first 200 KWH.
- 1.028 cts. per KWH for the next 600 KWH.
- 0.728 cts. per KWH for the all additional KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUM BILL

(C)

The Monthly Minimum Bill is \$6.47.

OFF-PEAK WATER HEATING (Effective 1-1-99)

(C)

When a customer has an electric water heater supplied through the RS meter which meets all the requirements of this provision and who does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, the per month charge of the Delivery Charge rate and the Monthly Minimum Bill are increased by \$6.00 to \$12.47 per month, and a block of 400 KWH is billed at the following CTC (Optional CTC) after the first 200 KWH is billed under the (variable) CTC rate. All additional KWH is billed at the trailing steps of the (variable) CTC rate.

<u>Effective</u>	<u>CTC</u>	<u>Optional CTC</u>
1-1-99	-0.274 cts. per KWH	-0.137 cts. per KWH
1-1-00	-0.493 cts. per KWH	-0.247 cts. per KWH
1-1-01	-0.804 cts. per KWH	-0.402 cts. per KWH
1-1-02	-1.147 cts. per KWH	-0.574 cts. per KWH
1-1-03	-1.174 cts. per KWH	-0.587 cts. per KWH
1-1-04	-1.201 cts. per KWH	-0.601 cts. per KWH
1-1-05 through 12-31-05	-1.138 cts. per KWH	-0.569 cts. per KWH

When the regular blocks of the CTC rate are increased by the multiple dwelling unit application, the added \$6.00 per month charge is applied only once to the Delivery Charge rate, and the 400 KWH water heating block is applied only once after the multiple application of the 200 KWH block in the (variable) CTC.

(Continued)

(C) Indicates Change

RATE SCHEDULE RS (CONTINUED)**OFF PEAK WATER HEATING (Continued)****(C)**

Water heater operation is limited under this provision to any consecutive 14 hours starting and ending on the hour, within the 16-hour period of 5 p.m. to 9 a.m. local time and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Service hours may be changed by the Company as required to correspond to system off-peak demand, but in no event will water heater service be available for less than 14 hours in any 24 hour period. Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted.

The customer provides, installs and maintains the control device specified by the Company to automatically control the water heater operation.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.

(C)**MULTIPLE DWELLING UNIT APPLICATION**

When multiple dwelling units are supplied through one meter, the per month charge of the Delivery Charge rate and the Monthly Minimum Bill (including the fixed, per month CTC under the Optional Fixed CTC provision), plus each block of the (variable) Competitive Transition Charge rate is multiplied by the number of dwelling units in the determination of the net monthly bill under this Rate Schedule. Demand billing does not apply under this provision.

(C)**(C)****OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)**

The Optional POWER WATCH™ Service Rider - Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

(C)**SEPARATE WATER HEATING SERVICE (Limited 4-26-85)****(C)**

When water heating use is supplied exclusively through a separate meter and is equipped with automatic timing controls and the customer does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, water heating service rate is billed separately at the Delivery Charge rate of \$6.00 per month, plus the following CTC. The Monthly Minimum Bill is \$6.00.

(Continued)

(C) Indicates Change

RATE SCHEDULE RS (CONTINUED)

SEPARATE WATER HEATING SERVICE (Limited 4-26-85) (Continued) (C)

<u>Effective</u>	<u>CTC</u>
1-1-99	-0.773 cts. per KWH
1-1-00	-0.992 cts. per KWH
1-1-01	-1.303 cts. per KWH
1-1-02	-1.646 cts. per KWH
1-1-03	-1.673 cts. per KWH
1-1-04	-1.700 cts. per KWH
1-1-05 through 12-31-05	-1.637 cts. per KWH

Service through the water heater meter is limited to any consecutive 12 hours starting and ending on the hour, within the 14-hour period of 7 p.m. to 9 a.m. local time and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Service hours may be changed by the Company as required to correspond to system off-peak demand, but in no event will water heater service be available for less than 12 hours in any 24 hour period. Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted.

The customer provides the separate meter base and service entrance at the same point of delivery and at the same voltage as the general use service. The customer also provides and installs any control device specified by the Company to automatically control the water heater operation.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule. (C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 20 days from the date bill is mailed. After the due date, the Company may initiate collection procedures and a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice. (C)

(Continued)

(C) Indicates Change

RATE SCHEDULE RS (CONTINUED)

APPLICATION PROVISIONS

(1) This rate schedule is for single phase electric service for:

- (a) A single family dwelling and appurtenant detached buildings.
- (b) A separate dwelling unit in an apartment house.
- (c) A single farm dwelling and general farm uses.
- (d) A building previously wired for single meter service which is converted to not more than 8 separate dwelling units served through one meter.

(2) This rate schedule does not apply to:

- (a) Residential service that includes more than 2,000 watts of connected load attributable to commercial or professional use exclusive of space heating and air conditioning in *common with the residence*.
- (b) Residential service combined with any commercial or professional use outside the residence or in a section of a multi-use building that is separate from the dwelling unit.
- (c) Service which includes common use in excess of 5,500 watts of connected load for halls, basement, or other portions of an apartment building.
- (d) Single meter service to multiple dwelling units in buildings constructed after June 28, 1980.
- (e) Establishments recognized by name, notice or advertisement, such as hotels, clubs, fraternities, boarding houses, institutions, orphanages, rest homes, tourist homes and rooming houses with more than 3 rooms available for such use and rectories and convents with accommodations for more than 5 adults.
- (f) Residential service locations connected on or after September 28, 1995, which include more than 2,000 watts of general farm load.

(3) Where any use of service at a residence or on a farm is not eligible for the application of this rate schedule, customer has the option to provide separate circuits so that the portion that is applicable can be metered and billed separately hereunder and the remaining portion can be billed under the applicable *general service rate schedule*. When separate circuits are not provided, the entire service is billed under the applicable general service rate schedule.

(4) Electric water heaters served hereunder must be equipped with thermostatically controlled noninductive heating elements so connected that not more than 5500 watts can be operated at one time. The Company reserves the right to install necessary devices to control the operation of electric water heaters at its option.

**RATE SCHEDULE RTS
RESIDENTIAL SERVICE - THERMAL STORAGE**

Applications for service under this rate schedule for new service locations will be accepted only until December 31, 1995. Service will be provided to existing service locations supplied hereunder through the life of the existing thermal storage units. Service under this rate schedule is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. (C)

APPLICATION RATE SCHEDULE RTS

This rate schedule is for single phase residential service in accordance with load management capabilities in accordance with the APPLICATION PROVISIONS hereof.

NET MONTHLY RATE (C)

Delivery Charge (Effective 1-1-99)
\$14.97 per month plus
0.238 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
1.271 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-00)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
1.226 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-01)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
1.156 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-02)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
1.131 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-03)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
1.088 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-04)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
1.041 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)
\$0.090 per kilowatt of on-peak billing KW in excess of 2 KW.
0.990 cts. per KWH for all KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE RTS (CONTINUED)

OPTIONAL FIXED COMPETITIVE TRANSITION CHARGE (Effective 1-1-99)

(C)

Upon request from the customer, the Company will develop a customer-specific, fixed, per month Competitive Transition Charge (CTC) which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996. This fixed, per month CTC is in addition to the following variable CTC.

Variable CTC (Effective 1-1-99)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.636 cts. per KWH for all KWH.

Variable CTC (Effective 1-1-00)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.613 cts. per KWH for all KWH.

Variable CTC (Effective 1-1-01)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.578 cts. per KWH for all KWH.

Variable CTC (Effective 1-1-02)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.566 cts. per KWH for all KWH.

Variable CTC (Effective 1-1-03)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.544 cts. per KWH for all KWH.

Variable CTC (Effective 1-1-04)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.521 cts. per KWH for all KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$0.045 per kilowatt of on-peak billing KW in excess of 2 KW.
0.495 cts. per KWH for all KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers under this Rate Schedule.

MONTHLY MINIMUM BILL

(C)

The Monthly Minimum Bill is \$14.97.

BILLING KW

The billing demand is the average kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

(Continued)

(C) Indicates Change

RATE SCHEDULE RTS (CONTINUED)

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 5 p.m., 8 a.m. to 6 p.m., or 9 a.m. to 7 p.m. local time at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rate Rider if the customer receives capacity and energy from the Company.

(C)

(C)

OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 20 days from the date bill is mailed. After the due date, the Company may initiate collection procedures and a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one year (1) year terms until canceled by one month's prior written notice. In the event this Rate Schedule is withdrawn from the Tariff within 10 years of the date of its application to a specific location, the Company will pay \$50.00 to the ratepayer of record each month after such withdrawal for the remainder of the 10-year period.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE RTS (CONTINUED)**APPLICATION PROVISIONS**

1. This rate schedule is applicable to service which would otherwise qualify under Rate Schedule RS except for the following:

- (a) Service to two or more separate dwelling units supplied through a single meter.
- (b) Seasonal service and seasonal use customers.
- (c) Service with separate meter controlled water heater service.
- (d) Residential service with general farm use which includes more than 2,000 watts of connected general farm load.

2. Any changes in service entrance equipment to accommodate metering under this rate are made by the customer at his own expense.

3. Load management capability is the positive automatic control of the operation of any thermal storage system for space heating which is acceptable to the Company as being effective in limiting on-peak use of electric service. The Company reserves the right to inspect such systems at reasonable times and may discontinue billing under this rate schedule whenever, in the Company's sole judgment, the system no longer qualifies.

4. The maximum electric thermal unit that may be connected under this rate schedule is 75 KW. Heating elements must be switched in stages not in excess of 7.5 KW per stage.

5. The Company reserves the right to install necessary devices to control the operation of the electric components of the thermal storage system at its option.

6. Customers who elect to take service under this rate agree to allow the Company to install load survey meters.

RATE SCHEDULE RTD
RESIDENTIAL SERVICE - TIME-OF-DAY

Service under this rate schedule is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. (C)

APPLICATION RATE SCHEDULE RTD

This rate schedule is for single phase residential service metered and billed to recognize time-of-day use in accordance with the APPLICATION PROVISIONS hereof.

NET MONTHLY RATE (C)

Delivery Charge (Effective 1-1-99)
\$12.47 per month plus.
1.961 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)
10.499 cts. per KWH for all on-peak KWH.
0.222 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-00)
10.343 cts. per KWH for all on-peak KWH.
0.066 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-01)
10.108 cts. per KWH for all on-peak KWH.
-0.169 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-02)
9.880 cts. per KWH for all on-peak KWH.
-0.397 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-03)
9.847 cts. per KWH for all on-peak KWH.
-0.430 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-04)
9.813 cts. per KWH for all on-peak KWH.
-0.464 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)
9.832 cts. per KWH for all on-peak KWH.
-0.445 cts. per KWH for all off-peak KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE RTD (CONTINUED)**OPTIONAL FIXED COMPETITIVE TRANSITION CHARGE (Effective 1-1-99)****(C)**

Upon request from the customer, the Company will develop a customer-specific, fixed, per month Competitive Transition Charge (CTC) which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve. This fixed, per month CTC is in addition to the following variable CTC.

Variable CTC (Effective 1-1-99)

5.250 cts. per KWH for all on-peak use.

0.111 cts. per KWH for all off-peak use.

Variable CTC (Effective 1-1-00)

5.172 cts. per KWH for all on-peak use.

0.033 cts. per KWH for all off-peak use.

Variable CTC (Effective 1-1-01)

5.054 cts. per KWH for all on-peak use.

-0.085 cts. per KWH for all off-peak use.

Variable CTC (Effective 1-1-02)

4.940 cts. per KWH for all on-peak use.

-0.199 cts. per KWH for all off-peak use.

Variable CTC (Effective 1-1-03)

4.924 cts. per KWH for all on-peak use.

-0.215 cts. per KWH for all off-peak use.

Variable CTC (Effective 1-1-04)

4.907 cts. per KWH for all on-peak use.

-0.232 cts. per KWH for all off-peak use.

Variable CTC (Effective 1-1-05 through 12-31-05)

4.916 cts. per KWH for all on-peak use.

-0.223 cts. per KWH for all off-peak use.

CAPACITY AND ENERGY RIDER**(C)**

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUM BILL**(C)**

The Monthly Minimum Bill is \$12.47.

(Continued)

(C) Indicated Change

RATE SCHEDULE RTD (CONTINUED)

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 5 p.m., 8 a.m. to 6 p.m., or 9 a.m. to 7 p.m. local time at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.

(C)

(C)

OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 20 days from the date bill is mailed. After the due date, the Company may initiate collection procedures and a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

APPLICATION PROVISIONS

- (1) This rate schedule is for single phase electric service for:
 - (a) A single family dwelling and appurtenant detached building.
 - (b) A separate dwelling unit in an apartment house.

(Continued)

(C) Indicates Change

RATE SCHEDULE RTD (CONTINUED)

APPLICATION PROVISIONS (Continued)

- (2) This rate schedule does not apply to:
- (a) Residential service that includes more than 2,000 watts of connected load attributable to commercial or professional use exclusive of space heating and air conditioning in common with the residence.
 - (b) Residential service combined with farm use or with any commercial or professional use outside the residence or in a section of a multi-use building that is separate from the dwelling unit.
 - (c) Service which includes common use in excess of 5,500 watts of connected load for halls, basement, or other portions of an apartment building.
 - (d) Single meter service to multiple dwelling units.
 - (e) Establishments recognized by name, notice or advertisement, such as hotels, clubs, fraternities, boarding houses, institutions, orphanages, rest homes, tourist homes and rooming houses with more than 3 rooms available for such use and rectories and convents with accommodations for more than 5 adults.
- (3) Where any use of service at a residence or on a farm is not eligible for the application of this rate schedule, customer has the option to provide separate circuits so that the portion that is applicable can be metered and billed separately hereunder and the remaining portion can be billed under the applicable general service rate schedule. When separate circuits are not provided, the entire service is billed under the applicable general service rate schedule.

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RATE SCHEDULE GS-1
SMALL GENERAL SERVICE
AT SECONDARY VOLTAGE OR HIGHER

APPLICATION RATE SCHEDULE GS-1

This rate schedule is for small general service at secondary voltage or at a higher available voltage at the option of the customer. The billing demand is limited to 5 KW for accounts served under discontinued rate schedule FC as of June 28, 1980.

NET MONTHLY RATE (C)

Delivery Charge (Effective 1-1-99)

\$7.48 per month plus
3.104 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$0.070 per kilowatt for all Billing KW in excess of 5 KW.
2.456 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
1.158 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$-0.520 per kilowatt for all Billing KW in excess of 5 KW.
2.438 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
1.141 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$-1.280 per kilowatt for all Billing KW in excess of 5 KW.
2.367 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
1.069 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

\$-2.300 per kilowatt for all Billing KW in excess of 5 KW.
2.349 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
1.051 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

\$-2.210 per kilowatt for all Billing KW in excess of 5 KW.
2.275 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
0.977 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-1 (CONTINUED)

Variable CTC (Effective 1-1-04)

\$-2.130 per kilowatt for all Billing KW in excess of 5 KW.
2.216 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
0.918 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$-1.790 per kilowatt for all Billing KW in excess of 5 KW.
2.183 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
0.885 cts. per KWH for all additional KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 5 KW.

The Monthly Minimum Bill is \$7.48.

BILLING KW

Where no demand meter is installed, Billing KW is 5 KW.

The Company installs a demand meter when it estimates that the demand exceeds 5 KW. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the current billing period taken to the nearest ½ kilowatt.

Time-of-Day metering and billing is available on request for customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

(C)

ON-PEAK HOURS

For customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, on-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time at the option of the customer, Mondays to Fridays inclusive, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

(C)

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-1 (CONTINUED)

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Commercial included in this Tariff is available to eligible customers served under this Rate Schedule.

(C)

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-99)

(C)

For customers served under this Rate Schedule who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E)(3) of the Customer Choice Act, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate meter and billed separately at a charge of \$14.97 per month, plus a Delivery Charge rate of 3.104 cts. per KWH, and the following Competitive Transition Charge, with a monthly minimum charge of \$14.97. Any Billing KW resulting from usage during other than the off-peak hours is billed at the rate shown below.

- Competitive Transition Charge (1-1-99)
\$16.100 per kilowatt for any on-peak Billing KW.
-1.673 cts. per KWH for all KWH.
- Competitive Transition Charge (1-1-00)
\$15.510 per kilowatt for any on-peak Billing KW.
-1.691 cts. per KWH for all KWH.
- Competitive Transition Charge (1-1-01)
\$14.750 per kilowatt for any on-peak Billing KW.
-1.762 cts. per KWH for all KWH.
- Competitive Transition Charge (1-1-02)
\$13.730 per kilowatt for any on-peak Billing KW.
-1.780 cts. per KWH for all KWH.
- Competitive Transition Charge (1-1-03)
\$13.820 per kilowatt for any on-peak Billing KW.
-1.854 cts. per KWH for all KWH.
- Competitive Transition Charge (1-1-04)
\$13.900 per kilowatt for any on-peak Billing KW.
-1.913 cts. per KWH for all KWH.
- Competitive Transition Charge (1-1-05 through 12-31-05)
\$14.240 per kilowatt for any on-peak Billing KW.
-1.946 cts. per KWH for all KWH.

Service through the separate meter may be used between the off-peak hours of 7 p.m. to 7 a.m. local time, Mondays to Fridays inclusive, and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-1 (CONTINUED)

SERVICE TO VOLUNTEER FIRE COMPANIES AND NON-PROFIT SENIOR CITIZEN CENTERS (C)

Upon application and acceptance by the Company, Pursuant to Act 103 of 1985, Volunteer Fire Companies and Non-Profit Senior Citizen Centers may, for a minimum one year period, elect to have electric service rendered pursuant to the following charges.

Delivery Charge (Effective 1-1-99)

\$6.47 per month plus
1.961 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

3.917 cts. per KWH for the first 200 KWH.
2.919 cts. per KWH for the next 600 KWH.
2.320 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-00)

3.698 cts. per KWH for the first 200 KWH.
2.700 cts. per KWH for the next 600 KWH.
2.101 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-01)

3.387 cts. per KWH for the first 200 KWH.
2.389 cts. per KWH for the next 600 KWH.
1.790 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-02)

3.044 cts. per KWH for the first 200 KWH.
2.046 cts. per KWH for the next 600 KWH.
1.447 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-03)

3.017 cts. per KWH for the first 200 KWH.
2.019 cts. per KWH for the next 600 KWH.
1.420 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-04)

2.990 cts. per KWH for the first 200 KWH.
1.992 cts. per KWH for the next 600 KWH.
1.393 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-1 (CONTINUED)

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

- 3.053 cts. per KWH for the first 200 KWH.
- 2.055 cts. per KWH for the next 600 KWH.
- 1.456 cts. per KWH for all additional KWH.

VOLUNTEER FIRE COMPANY is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this service location shall be to support the activities of the volunteer fire company.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

NON-PROFIT SENIOR CITIZEN CENTER is defined as a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.

The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.

(C)
(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)
(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

**RATE SCHEDULE GS-3
LARGE GENERAL SERVICE
AT SECONDARY VOLTAGE OR HIGHER**

APPLICATION RATE SCHEDULE GS-3

This rate schedule is for large general service at secondary voltage, or at a higher available voltage at the option of the customer. Where necessary, the Company furnishes and maintains one transformation from line voltage to a lower Company standard service voltage. However, service from a 69,000 volt line or higher is supplied at not less than 2,300 volts.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)

1.438 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customers estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$2.510 per kilowatt for all kilowatts of the Billing KW.

1.295 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.596 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.498 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$1.900 per kilowatt for all kilowatts of the Billing KW.

1.275 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.577 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.477 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$1.110 per kilowatt for all kilowatts of the Billing KW.

1.202 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.504 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.402 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)

Variable CTC (Effective 1-1-02)

\$0.060 per kilowatt for all kilowatts of the Billing KW.

1.185 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.487 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.385 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

\$0.150 per kilowatt for all kilowatts of the Billing KW.

1.115 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.417 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.315 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$0.230 per kilowatt for all kilowatts of the Billing KW.

1.057 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.359 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.257 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$0.580 per kilowatt for all kilowatts of the Billing KW.

1.021 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.323 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.221 cts. per KWH for all additional KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 25 KW for service from lines below 69,000 volts and 300 KW from lines of 69,000 volts and higher.

The Monthly Minimum Bill is \$173.50 for service from lines below 69,000 volts and \$2,082.00 from lines of 69,000 volts and higher.

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)**BILLING KW**

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the current billing period.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year for customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

(C)

ON-PEAK HOURS

For customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, on-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time at the option of the customer, Mondays to Fridays inclusive, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

(C)

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

(C)

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Commercial included in this Tariff is available to eligible customers served under this Rate Schedule.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-99)

(C)

For customers served under this Rate Schedule who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E)(3) of the Customer Choice Act, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate meter and billed separately at a charge of \$14.97 per month, plus a Delivery Charge rate of 1.438 cts. per KWH, and the following Competitive Transition Charge rate, with a monthly minimum charge of \$14.97. Any Billing KW resulting from usage during other than the off-peak hours is billed at the rate shown below.

Competitive Transition Charge (Effective 1-1-99)
\$16.040 per kilowatt for any on-peak Billing KW.
-0.003 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-00)
\$15.430 per kilowatt for any on-peak Billing KW.
-0.023 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-01)
\$14.640 per kilowatt for any on-peak Billing KW.
-0.096 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-02)
\$13.590 per kilowatt for any on-peak Billing KW.
-0.113 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-03)
\$13.680 per kilowatt for any on-peak Billing KW.
-0.183 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-04)
\$13.760 per kilowatt for any on-peak Billing KW.
-0.241 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)
\$14.110 per kilowatt for any on-peak Billing KW.
-0.277 cts. per KWH for all KWH.

Service through the separate meter may be used between the off-peak hours of 7 p.m. to 7 a.m. local time, Mondays to Fridays inclusive, and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

SERVICE TO VOLUNTEER FIRE COMPANIES AND NON-PROFIT SENIOR CITIZEN CENTERS

(C)

Upon application and acceptance by the Company, Pursuant to Act 103 of 1985, Volunteer Fire Companies and Non-Profit Senior Citizen Centers may, for a minimum one year period, elect to have electric service rendered pursuant to the following charges.

(Continued)

(C) Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)**Delivery Charge (Effective 1-1-99)**

\$6.47 per month plus
1.961 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

3.917 cts. per KWH for the first 200 KWH.
2.919 cts. per KWH for the next 600 KWH.
2.320 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-00)

3.698 cts. per KWH for the first 200 KWH.
2.700 cts. per KWH for the next 600 KWH.
2.101 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-01)

3.387 cts. per KWH for the first 200 KWH.
2.389 cts. per KWH for the next 600 KWH.
1.790 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-02)

3.044 cts. per KWH for the first 200 KWH.
2.046 cts. per KWH for the next 600 KWH.
1.447 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-03)

3.017 cts. per KWH for the first 200 KWH.
2.019 cts. per KWH for the next 600 KWH.
1.420 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-04)

2.990 cts. per KWH for the first 200 KWH.
1.992 cts. per KWH for the next 600 KWH.
1.393 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

3.053 cts. per KWH for the first 200 KWH.
2.055 cts. per KWH for the next 600 KWH.
1.456 cts. per KWH for all additional KWH.

VOLUNTEER FIRE COMPANY is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this service location shall be to support the activities of the volunteer fire company.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

(Continued)

RATE SCHEDULE GS-3 (CONTINUED)

NON-PROFIT SENIOR CITIZEN CENTER is defined as a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.

The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

(C)

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Schedule is for an initial term of one(1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

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RATE SCHEDULE LP-4
LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER

APPLICATION RATE SCHEDULE LP-4

This rate schedule is for large general service supplied from available lines of 12,470 volts or higher when customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

NET MONTHLY RATE**(C)****Delivery Charge (Effective 1-1-99)**

0.800 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$2.175 per kilowatt for all kilowatts of the Billing KW.

1.490 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.

0.791 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

0.492 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$1.515 per kilowatt for all kilowatts of the Billing KW.

1.468 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.

0.770 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

0.468 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$0.655 per kilowatt for all kilowatts of the Billing KW.

1.398 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.

0.700 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

0.398 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

\$-0.485 per kilowatt for all kilowatts of the Billing KW.

1.380 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.

0.682 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

0.380 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-4 (CONTINUED)

Variable CTC (Effective 1-1-03)

\$-0.385 per kilowatt for all kilowatts of the Billing KW.
1.315 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.617 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.315 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$-0.295 per kilowatt for all kilowatts of the Billing KW.
1.259 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.561 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.259 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$0.085 per kilowatt for all kilowatts of the Billing KW.
1.222 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.524 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.222 cts. per KWH for all additional KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 25 KW.

The Monthly Minimum Bill is \$161.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the current billing period.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year for customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

(C)

ON-PEAK HOURS

For customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, on-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays except holidays.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-4 (CONTINUED)

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-99)

For customers served under this Rate Schedule who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E)(3) of the Customer Choice Act, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate submeter and billed separately at a charge of \$14.97 per month, plus a Delivery Charge rate of 0.800 cts. per KWH, and the following Competitive Transition Charge rate, with a monthly minimum charge of \$14.97. Any billing KW resulting from usage during other than the off-peak hours is billed at Rate Schedule charges.

Competitive Transition Charge (Effective 1-1-99)
0.585 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-00)
0.563 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-01)
0.493 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-02)
0.476 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-03)
0.410 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-04)
0.354 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)
0.317 cts. per KWH for all KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-4 (CONTINUED)

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-99) (Continued)

(C)

Service through the separate meter may be used between the off-peak hours of 7 p.m. to 7 a.m. local time, Mondays to Fridays inclusive, and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

**RATE SCHEDULE LP-5
LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER**

APPLICATION RATE SCHEDULE LP-5

This rate schedule is for large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage. It applies to 3 phase, 60 Hertz service.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)
0.366 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$1.980 per kilowatt for all kilowatts of the Billing KW.
1.393 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.994 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.693 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$1.340 per kilowatt for all kilowatts of the Billing KW.
1.368 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.968 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.669 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$0.510 per kilowatt for all kilowatts of the Billing KW.
1.299 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.899 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.600 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

-\$0.600 per kilowatt for all kilowatts of the Billing KW.
1.280 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.880 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.581 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

-\$0.510 per kilowatt for all kilowatts of the Billing KW.
1.223 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.823 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.524 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-5 (CONTINUED)

Variable CTC (Effective 1-1-04)

- \$-0.410 per kilowatt for all kilowatts of the Billing KW.
- 1.171 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
- 0.771 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
- 0.472 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05)

- \$-0.050 per kilowatt for all kilowatts of the Billing KW.
- 1.131 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
- 0.731 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
- 0.432 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 volts.

CAPACITY AND ENERGY RIDER (C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS (C)

The Minimum Billing Demand is 300 kW.

The Monthly Minimum Bill is \$1,797.00

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the current billing period, except that where a 1 hr. period of maximum use was in effect as of August 28, 1981 it may be continued for that customer.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year for customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. The Billing KW is the average number of kilowatts supplied during the 15 minute (1 hr.) period of maximum use during the on-peak hours of the current billing period. (C)

ON-PEAK HOURS

For customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, on-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays. (C)

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-5 (CONTINUED)

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

(C)
(C)

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater, who does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E)(3) of the Customer Choice Act, is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision is limited to customers who are taking service under this provision by January 1, 1998. This provision will terminate on January 1, 2006.

(C)

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than 4.024 cts. per KWH, or the local distribution system has insufficient capacity to meet the expected load.

(C)
(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

**RATE SCHEDULE LP-6
LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER**

APPLICATION RATE SCHEDULE LP-6

This rate schedule is for large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)
0.367 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$2.035 per kilowatt for all kilowatts of the Billing KW.
1.194 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.247 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.054 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$1.415 per kilowatt for all kilowatts of the Billing KW.
1.167 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.218 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.083 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$0.635 per kilowatt for all kilowatts of the Billing KW.
1.097 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.148 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.153 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

-\$0.415 per kilowatt for all kilowatts of the Billing KW.
1.079 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.130 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.171 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-6 (CONTINUED)

Variable CTC (Effective 1-1-03)

\$-0.325 per kilowatt for all kilowatts of the Billing KW.
1.026 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.077 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.224 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$-0.245 per kilowatt for all kilowatts of the Billing KW.
0.975 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.026 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.275 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$0.105 per kilowatt for all kilowatts of the Billing KW.
0.932 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
-0.017 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
-0.318 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 volts.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 10,000 KW. The minimum billing usage is 400 KWH per kilowatt of the billing KW.

The Monthly Minimum Bill is \$260,780.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the current billing period, except that where a 1 hr. period of maximum use was in effect as of August 28, 1981, it may be continued for that customer.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year for customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. The Billing KW is the average number of kilowatts supplied during the 15 minute (1 hr.) period of maximum use during the on-peak hours of the current billing period.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE LP-6 (CONTINUED)

ON-PEAK HOURS

For customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E) (3) of the Customer Choice Act, on-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

(C)
(C)
(C)

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater, who does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision is limited to customers who are taking service under this provision by January 1, 1998. This provision will terminate on January 1, 2006.

(C)

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than 4.024 cts. per KWH, or the local distribution system has insufficient capacity to meet the expected load.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

RATE SCHEDULE LPEP
POWER SERVICE TO ELECTRIC PROPULSION

APPLICATION RATE SCHEDULE

This rate schedule is available for electric propulsion service from the Company's high voltage lines of 69,000 volts or higher, when the customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

NET MONTHLY RATE (C)

Delivery Charge (Effective 1-1-99)

0.410 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customers estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$2.265 per kilowatt for all kilowatts of the Billing KW.
1.284 cts. per KWH for the first 1,200,000 KWH.
1.134 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.287 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$1.805 per kilowatt for all kilowatts of the Billing KW.
1.248 cts. per KWH for the first 1,200,000 KWH.
1.098 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.251 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$1.205 per kilowatt for all kilowatts of the Billing KW.
1.188 cts. per KWH for the first 1,200,000 KWH.
1.038 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.191 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

\$0.405 per kilowatt for all kilowatts of the Billing KW.
1.163 cts. per KWH for the first 1,200,000 KWH.
1.013 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.166 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE LPEP (CONTINUED)

(C)

Variable CTC (Effective 1-1-03)

\$0.475 per kilowatt for all kilowatts of the Billing KW.
1.104 cts. per KWH for the first 1,200,000 KWH.
0.957 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.109 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$0.545 per kilowatt for all kilowatts of the Billing KW.
1.053 cts. per KWH for the first 1,200,000 KWH.
0.903 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.056 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$0.805 per kilowatt for all kilowatts of the Billing KW.
1.017 cts. per KWH for the first 1,200,000 KWH.
0.867 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.020 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to the Billing KW when the Company does not utilize its 69,000 volt or 138,000 volt "3 phase" facilities to provide service to the customer.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 20,000 KW.

The Monthly Minimum Bill is \$119,800.00.

FACILITY CHARGE

In addition to the above charges, the customer pays the Company \$3,410.00 per month charge for use of the Company's 25 Hertz facilities.

(C)

BILLING KW

The Billing KW is the average of the weekly demands supplied during the one-hour period of maximum use during the current billing period. Time-of-day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year for customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. The Billing KW is the average of the weekly demands supplied during the one-hour period of maximum use during the on-peak hours of the current billing period.

(C)

(Continued)

RATE SCHEDULE LPEP (CONTINUED)

(C)

ON-PEAK HOURS

For customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E)(3) of the Customer Choice Act, on-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

(C)

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater, who does not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act, is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision is limited to customers who are taking service under this provision by January 1, 1998. This provision will terminate on January 1, 2006.

(C)

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than 4.024 cts. per KWH, or the local distribution system has insufficient capacity to meet the expected load.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

**RATE SCHEDULE IS-1(R)
INTERRUPTIBLE SERVICE TO GREENHOUSES**

(C)

Service under this rate schedule is available only to existing service locations supplied on and continuously after January 1, 1999 and only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act.

(C)

APPLICATION RATE SCHEDULE IS-1

This rate schedule is for general service at secondary voltage to greenhouses or other environmentally controlled growing facilities which use a minimum of 300 KW of interruptible lighting load as a daylight supplement.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)

\$359.24 per month plus
1.438 cts. per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$3.530 per kilowatt for all kilowatts of the Billing KW.
0.510 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
0.010 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)

\$2.970 per KWH for all kilowatts of the Billing KW.
0.460 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
-0.039 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$1.860 per KWH for all kilowatts of the Billing KW.
0.376 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
-0.123 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-1(R) (CONTINUED)

(C)

Variable CTC (Effective 1-1-02)

\$0.750 per KWH for all kilowatts of the Billing KW.
0.360 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
-0.139 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

\$0.750 per KWH for all kilowatts of the Billing KW.
0.329 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
-0.168 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$1.310 per KWH for all kilowatts of the Billing KW.
0.301 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
-0.198 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$1.310 per KWH for all kilowatts of the Billing KW.
0.225 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
-0.272 cts. per KWH for all additional KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUM

(C)

The Monthly Minimum Bill is \$359.24.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use from 7 a.m.-3 p.m., 8 a.m.-4 p.m., or 9 a.m.-5 p.m. at the option of the customer, Monday to Friday inclusive daily during the current billing period excluding New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

LOAD INTERRUPTION

A total predetermined block of interruptible load (300 KW minimum) equivalent to 60% of the monthly maximum registered demand is to be disconnected by the customer on one-hour notice from the Company during the hours 7 a.m. to 9 p.m. as requested. Interruptions will be limited to a total of 240 hours per year.

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-1(R) (CONTINUED)

(C)

Compliance by the customer with a request from the Company for interruption of the committed block of load is determined by the Company from recording meter records. If the customer does not comply, all recorded demands for that 24-hour day are applicable in determining the Billing KW for the billing period. If the customer does not have the interruptible load operating at the time interruption is requested, Billing KW is determined as described in the section above with no penalty.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice. The Company will agree to provide this service to applicable customers for a minimum period of five years during which rate levels are subject to change.

(C)

(C) Indicates Change

RATE SCHEDULE IS-P(R)
INTERRUPTIBLE LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER

(C)

Service under this rate schedule is available only to existing service locations supplied on and continuously after January 1, 1999 and only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807(E)(3) of the Customer Choice Act.

(C)

APPLICATION RATE SCHEDULE IS-P

This rate schedule is for interruptible large general service supplied from available lines of 12,470 volts or higher when customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

INTERRUPTIBLE POWER

Interruptible service under this rate schedule is available to customers with at least 1,000 KW of year-round Interruptible Power who contract to accept interruptible service for at least one year, as detailed in this rate schedule.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)
0.755 cts. per KWH for all KWH use.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)
\$3.390 per kilowatt for all kilowatts of the Billing KW.
1.100 cts. per KWH for first 400 hours use of Billing KW.
0.121 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)
\$2.910 per kilowatt for all kilowatts of the Billing KW.
1.072 cts. per KWH for first 400 hours use of Billing KW.
0.096 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)
\$2.290 per kilowatt for all kilowatts of the Billing KW.
1.002 cts. per KWH for first 400 hours use of Billing KW.
0.026 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

Variable CTC (Effective 1-1-02)

\$1.470 per kilowatt for all kilowatts of the Billing KW.

0.984 cts. per KWH for first 400 hours use of Billing KW.
0.006 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

\$1.540 per kilowatt for all kilowatts of the Billing KW.

0.923 cts. per KWH for first 400 hours use of Billing KW.
-0.053 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$1.610 per kilowatt for all kilowatts of the Billing KW.

0.868 cts. per KWH for first 400 hours use of Billing KW.
-0.108 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$1.880 per kilowatt for all kilowatts of the Billing KW.

0.828 cts. per KWH for first 400 hours use of Billing KW.
-0.148 cts. per KWH for all additional KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 25 KW.

The Monthly Minimum Bill is \$207.00.

TIME-OF-DAY METERING AND BILLING CHARGE

In addition to the above charges, the customer pays to the Company \$14.97 per month for Time-of-Day metering and billing.

(C)

BILLING KW

The monthly Billing KW is calculated as:

Billing KW = Firm Power + [Interruptible Power X (1 - Average On-peak Load Factor)]

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 7 p.m. local time, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

MAXIMUM ON-PEAK DEMAND

Maximum On-peak Demand is the average number of kilowatts supplied during the 15 minute period of maximum use during the On-peak Hours of the current billing period.

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

ON-PEAK LOAD FACTOR

On-peak Load Factor for billing purposes is the ratio of the kilowatt-hours supplied during the On-peak Hours to the product of the Maximum On-peak Demand and the number of On-peak Hours for a billing period.

AVERAGE ON-PEAK LOAD FACTOR

Average On-peak Load Factor is the average of the On-peak Load Factors for the twelve months of the prior calendar year. Average On-peak Load Factor is recalculated annually and applied to service billed on and after April 1 of the current year under this Rate Schedule. The Company may modify the On-peak Load Factors for the twelve months of the prior calendar year to reflect operations expected under this rate.

FIRM POWER

Firm Power is the level of KW demand which the customer has no obligation to curtail during an interruption of service called by the Company. The initial level of Firm Power shall be specified in the contract. This initial level will be adjusted by the Company to the level of Firm Power actually achieved by the customer during an emergency or an emergency test interruption period. The adjusted level shall become the level of Firm Power for the remaining term of the contract or until a new level of Firm Power is achieved during a subsequent emergency or an emergency test interruption period. The level of Firm Power shall not be adjusted below the initial level of Firm Power specified in the contract.

INTERRUPTIBLE POWER

Interruptible Power is the Maximum On-Peak Demand less the Firm Power.

HOURS OF INTERRUPTION

Load interruptions may be called by the Company as required for economic load control, for system and local emergencies, and for tests of the customer's ability and readiness to interrupt load during an emergency. The frequency of load interruptions for emergencies shall be no more than 20 per calendar year with such interruptions being no more than 10 hours in any one day; or more often than five days in any single month; or more than 200 hours in a calendar year. The frequency and duration of economic interruptions shall be unlimited. Whenever possible, the customer will be notified in advance of a probable interruption and the estimated duration of the interruption. The customer is obligated to interrupt load during emergencies and emergency tests, but has the option to interrupt, or accept an additional charge for continued use, during periods of economic load control.

(C)

The Company may cancel the contract for interruptible service if the customer fails to interrupt during an emergency or an emergency test interruption period.

The charge for continued use (KWH) of interruptible load (KW) during a period of economic load control is the sum of the charges under the rate plus the Company's estimated replacement capacity and energy cost applied to all KWH used during the interruption period.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

The additional charge for not interrupting load (KW) when called for during an emergency or an emergency test interruption period is: \$24.95 per KW for all KW by which the maximum 15 minute demand (KW) for the period of requested interruption exceeds the Firm Power (KW). This penalty shall be applied separately for each requested interruption, and shall be in addition to all other charges provided for under the Rate Schedule.

(C)

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from time date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice. (C)

(C) Indicates Change

RATE SCHEDULE IS-T (R)
INTERRUPTIBLE LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

(C)

Service under this rate schedule is available only to existing service locations supplied on and continuously after January 1, 1999 and only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act.

(C)

APPLICATION RATE SCHEDULE IS-T

This rate schedule is for interruptible large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage. It applies to 3 phase, 60 Hertz service.

INTERRUPTIBLE POWER

Interruptible service under this rate schedule is available to customers with at least 1,000 KW of year-round Interruptible Power who contract to accept interruptible service for at least one year, as detailed in this rate schedule.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)
0.446 cts. per KWH for all KWH use.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customer's estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)
\$3.145 per kilowatt for all kilowatts of the Billing KW.
1.054 cts. per KWH for first 400 hours use of Billing KW.
0.257 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-00)
\$2.675 per kilowatt for all kilowatts of the Billing KW.
1.025 cts. per KWH for first 400 hours use of Billing KW.
0.228 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

Variable CTC (Effective 1-1-01)

\$2.065 per kilowatt for all kilowatts of the Billing KW.

0.956 cts. per KWH for first 400 hours use of Billing KW.

0.159 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

\$1.255 per kilowatt for all kilowatts of the Billing KW.

0.937 cts. per KWH for first 400 hours use of Billing KW.

0.140 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

\$1.325 per kilowatt for all kilowatts of the Billing KW.

0.885 cts. per KWH for first 400 hours use of Billing KW.

0.088 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$1.395 per kilowatt for all kilowatts of the Billing KW.

0.834 cts. per KWH for first 400 hours use of Billing KW.

0.037 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$1.665 per kilowatt for all kilowatts of the Billing KW.

0.791 cts. per KWH for first 400 hours use of Billing KW.

-0.006 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 Volts.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 300 KW.

The Monthly Minimum Bill is \$2,334.00

TIME-OF-DAY METERING AND BILLING CHARGE

In addition to the above charges, the customer pays to the Company \$14.97 per month for Time-of-Day metering and billing.

(C)

BILLING KW

The monthly Billing KW is calculated as:

Billing KW = Firm Power + [Interruptible Power X (1 - Average On-peak Load Factor)]

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 7 p.m. local time, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

MAXIMUM ON-PEAK DEMAND

Maximum On-peak Demand is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the On-peak Hours of the current billing period, except that where a 1 hour period of maximum use was in effect as of August 28, 1981, it may be continued for that customer.

ON-PEAK LOAD FACTOR

On-peak Load Factor for billing purposes is the ratio of the kilowatt-hours supplied during the On-peak Hours to the product of the Maximum On-peak Demand and the number of On-peak Hours for a billing period.

AVERAGE ON-PEAK LOAD FACTOR

Average On-peak Load Factor is the average of the On-peak Load Factors for the twelve months of the prior calendar year. Average On-peak Load Factor is recalculated annually and applied to service billed on and after April 1 of the current year under this Rate Schedule. The Company may modify the On-peak Load Factors for the twelve months of the prior calendar year to reflect operations expected under this rate.

FIRM POWER

Firm Power is the level of KW demand which the customer has no obligation to curtail during an interruption of service called by the Company. The initial level of Firm Power shall be specified in the contract. This initial level will be adjusted by the Company to the level of Firm Power actually achieved by the customer during an emergency or an emergency test interruption period. The adjusted level shall become the level of Firm Power for the remaining term of the contract or until a new level of Firm Power is achieved during a subsequent emergency or an emergency test interruption period. The level of Firm Power shall not be adjusted below the initial level of Firm Power specified in the contract.

INTERRUPTIBLE POWER

Interruptible Power is the Maximum On-Peak Demand less the Firm Power.

HOURS OF INTERRUPTION

Load interruptions may be called by the Company as required for economic load control, for system and local emergencies, and for tests of the customer's ability and readiness to interrupt load during an emergency. The frequency of load interruptions for emergencies shall be no more than 20 per calendar year with such interruptions being no more than 10 hours in any one day; or more often than five days in

(Continued)

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

any single month; or more than 200 hours in a calendar year. The frequency and duration of economic interruptions shall be unlimited. Whenever possible, the customer will be notified in advance of a probable interruption and the estimated duration of the interruption. The customer is obligated to interrupt load during emergencies and emergency tests, but has the option to interrupt, or accept an additional charge for continued use, during periods of economic load control.

(C)

The Company may cancel the contract for interruptible service if the customer fails to interrupt during an emergency or an emergency test interruption period.

The charge for continued use (KWH) of interruptible load (KW) during a period of economic load control is the sum of the charges under the rate plus the Company's estimated replacement capacity and energy costs applied to all KWH used during the interruption period.

(C)

The additional charge for not interrupting load (KW) when called for during an emergency or an emergency test interruption period is: \$24.95 per KW for all KW by which the maximum 15 minute (1 hr. for 230,000 volt service) demand (KW) for the period of requested interruption exceeds the Firm Power (KW). This penalty shall be applied separately for each requested interruption, and shall be in addition to all other charges provided for under the rate.

(C)

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

RATE SCHEDULE PR-1
PRICE RESPONSE SERVICE
FIRM POWER

(C)

Service under this rate schedule is available only to existing service locations supplied on and continuously after January 1, 1999 and only to customers who do not have the opportunity to purchase electric energy from their choice of electric generation suppliers.

(C)

APPLICATION PROVISIONS

This rate schedule is applicable to industrial and commercial customers with firm power requirements who have a monthly maximum demand of 300 KW or greater year round and are served under Rate Schedule LP-4, LP-5, or LP-6. An electric service contract is required for billing under this rate schedule.

(C)

(C)

Service under this Rate Schedule will terminate on January 1, 2001.

(C)

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule LP-4, LP-5, or LP-6 for one complete year, as determined by the Company. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule LP-4, LP-5, or LP-6.

(C)

If less than one complete year of billing history is available, the Company will determine an appropriate CBL level prior to the application of the real time pricing rate. If usage during any billing month(s) of the CBL period is not representative of the customer's normal usage pattern, the Company may adjust the CBL to reflect normal usage.

Agreement on the CBL level by the customer and the Company is a precondition for service under this Rate Schedule. The Company will not change the CBL during the contract term, except as indicated.

(C)

2. Marginal Operating Cost -- is a forecasted hourly short-run marginal cost based on an evaluation of the value of Company generation, transactions with the PJM Interconnection Association or its successor, if any, and two-party transactions between the Company and other companies.

(C)

3. Marginal Capacity Cost -- is a forecasted hourly short-run marginal cost associated with the effect that a change in customer load has on the Company's generation and transmission systems.

4. Delivery Charge -- is the charge for the transmission and distribution of electric capacity and energy from the Company to the customer.

(C)

5. Loss Adjustment Factor -- is an adjustment for losses between the generator and the customer's metering point.

6. Risk Adjustment Factor -- is an adder, not to exceed 3.0 cents per KWH, which provides a margin over costs on incremental sales and compensates the Company for the risk that hourly energy prices, quoted a day in advance, may vary from actual energy costs.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE PR-1 (CONTINUED)

7. Real Time Price (RTP) -- is an hourly price determined by the Company from its estimated Marginal Operating Cost, Marginal Capacity Cost, Delivery Charge, Loss Adjustment Factor, and Risk Adjustment Factor.

The Company will send to the customer, by 4:00 p.m. each day, a message containing 24 hourly firm Real Time Prices that will be charged the next day.

The Company will send weekend and Monday hourly prices by 4:00 p.m. on Friday of each week. The Company may send more than one-day-ahead prices for holidays identified in the Company's Tariff. The Company may revise these prices by 4:00 p.m. the day before they become effective.

The Company is not responsible for failure of the customer to receive and act upon the hourly prices. The customer is responsible for notifying the Company if the customer does not receive the hourly prices.

The customer will provide a telephone line, a telephone isolation device, if required, and a personal computer with a modem, all acceptable to the Company, for the Company to read the customer's meter remotely and for the customer to receive price information from the Company.

NET MONTHLY RATE (Effective 12-6-94)

$$\text{Bill}_{\text{Real-Time}} = \text{Bill}_{\text{CBL}} + \sum_{t=1}^n [(\text{KWH}_{\text{Real-Time}_t} - \text{KWH}_{\text{CBL}_t}) \times \text{RTP}_t]$$

Where:

- a) $\text{Bill}_{\text{Real-Time}}$ is the net monthly bill under this Rate Schedule. Bills will be prepared on a calendar month basis.
- b) Bill_{CBL} is the net monthly bill under current Rate Schedule LP-4, LP-5, or LP-6, including all appropriate riders, for the CBL of the current billing month.
- c) $\text{KWH}_{\text{Real-Time}_t}$ is the actual KWH used by the customer in an hour of the billing month.
- d) $\text{KWH}_{\text{CBL}_t}$ is the customer baseline KWH usage during the corresponding hour of the billing month.
- e) RTP_t is the real time price for the corresponding hour of the billing month.
- f) n is the number of hours in the billing month.

(Continued)

RATE SCHEDULE PR-1 (CONTINUED)

(C)

PROGRAM CHARGE

In addition to charges under the NET MONTHLY RATE, the customer shall pay a charge of \$349.27 per billing month to compensate the Company for the additional cost of metering equipment, price transmission equipment, software, program development, and administration required for billing under this Rate Schedule.

(C)

GROSS RECEIPTS TAX

The Pennsylvania gross receipts tax in effect during the billing month is applied to additional revenue or credits received under the above rate from incremental or decremental KWH usage and the Program Charge.

APPLICATION OF RIDERS

The Economic Development Initiatives Rider and Industrial Development Initiatives Rider included in this Tariff are applied to the CBL under Rate Schedule LP-4 or LP-5, but are not applied to incremental or decremental KW or KWH usage.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule for the CBL, but is not applied to charges or credits under this rate schedule for incremental or decremental KWH usage.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date the bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C)

(C)

(C) Indicates Change

RATE SCHEDULE PR-2 (R)
PRICE RESPONSE SERVICE
INTERRUPTIBLE POWER

(C)

Service under this rate schedule is available only to existing service locations supplied on and continuously after January 1, 1999 and only to customers who do not have the opportunity to purchase electric energy from their choice of electric generation suppliers.

(C)

APPLICATION PROVISIONS

This rate schedule is applicable to industrial and commercial customers with interruptible power requirements with a monthly maximum demand of 300 KW or greater year-round and currently are served under Rate Schedule IS-P or IS-T. An electric service contract is required for billing under this rate schedule.

(C)

(C)

Service under this Rate Schedule will terminate on January 1, 2001.

(C)

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5, for one complete year, as determined by Company. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5.

(C)

If less than one complete year of billing history is available, the Company will determine an appropriate CBL level prior to the application of the real time pricing rate. If usage during any billing month(s) of the CBL period is not representative of the customer's normal usage pattern, the Company may adjust the CBL to reflect normal usage.

Agreement on the CBL level by the customer and the Company is a precondition for service under this Rate Schedule. The Company will not change the CBL during the term of the contract, except as indicated.

(C)

2. Marginal Operating Cost -- is a forecasted hourly short-run marginal cost based on an evaluation of the value of Company generation, transactions with the PJM Interconnection Association or its successor, if any, and two-party transactions between the Company and other companies.

(C)

3. Marginal Capacity Cost -- is a forecasted hourly short-run marginal cost associated with the effect that a change in customer load has on the Company's generation and transmission systems.

4. Delivery Charge -- is the charge for the transmission and distribution of electric capacity and energy from the Company to the customer.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE PR-2 (R) (CONTINUED)

(C)

5. Loss Adjustment Factor -- is an adjustment for losses between the generator and the customer's metering point.

6. Risk Adjustment Factor -- is an adder, not to exceed 3.0 cents per KWH, which provides a margin over costs on incremental sales and compensates the Company for the risk that hourly energy prices, quoted a day in advance, may vary from actual energy costs.

(C)

7. Real Time Price (RTP) -- is an hourly price determined by the Company from its estimated Marginal Operating Cost, Marginal Capacity Cost, Delivery Charge, Loss Adjustment Factor, and Risk Adjustment Factor.

(C)

The Company will send to the customer, by 4:00 p.m. each day, a message containing 24 hourly firm Real Time Prices that will be charged the next day.

The Company will send weekend and Monday hourly prices by 4:00 p.m. on Friday of each week. The Company may send more than one-day-ahead prices for holidays identified in the Company's Tariff. The Company may revise these prices by 4:00 p.m. the day before they become effective.

The Company is not responsible for failure of the customer to receive and act upon the hourly prices. The customer is responsible for notifying the Company if the customer does not receive the hourly prices.

The customer will provide a telephone line, a telephone isolation device, if required, and a personal computer with a modem, all acceptable to the Company, for the Company to read the customer's meter remotely and for the customer to receive price information from the Company.

(C)

NET MONTHLY RATE (Effective 12-6-94)

$$\text{Bill}_{\text{Real-Time}} = \text{Bill}_{\text{CBL}} + \sum_{t=1}^n [(\text{KWH}_{\text{Real-Time}_t} - \text{KWH}_{\text{CBL}_t}) \times \text{RTP}_t]$$

Where:

- a) $\text{Bill}_{\text{Real-Time}}$ is the net monthly bill under this Rate Schedule. Bills will be prepared on a calendar month basis.
- b) Bill_{CBL} is the net monthly bill under current Rate Schedule IS-P or IS-T, including all appropriate riders, for the CBL of the current billing month.
- c) $\text{KWH}_{\text{Real-Time}_t}$ is the actual KWH used by the customer in an hour of the billing month.
- d) $\text{KWH}_{\text{CBL}_t}$ is the customer baseline KWH usage during the corresponding hour of the billing month.
- e) RTP_t is the real time price for the corresponding hour of the billing month.
- f) n is the number of hours in the billing month.

(C)

(Continued)

RATE SCHEDULE PR-2 (R) (CONTINUED)

PROGRAM CHARGE

In addition to charges under the NET MONTHLY RATE, the customer shall pay a charge of \$349.27 per billing month to compensate the Company for the additional cost of metering equipment, price transmission equipment, software, program development, and administration required for billing under this Rate Schedule.

GROSS RECEIPTS TAX

The Pennsylvania gross receipts tax in effect during the billing month is applied to additional revenue or credits received under the above rate from incremental or decremental KWH usage and the Program Charge.

OBLIGATION TO INTERRUPT

a) Customers will be required to interrupt in accordance with Rate Schedule IS-P or IS-T. Failure to interrupt during emergencies and emergency tests will subject the customer to the applicable penalties.

b) During an interruption, the CBL will be reduced to the customer's Firm Power level after a two hour notice.

APPLICATION OF RIDERS

The Economic Development Initiatives Rider and Industrial Development Initiatives Rider included in this Tariff are not applied to customers served under this Rate Schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule for the CBL, but is not applied to charges or credits under this rate schedule for incremental or decremental KWH usage.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date the bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C) Indicates Change

RATE SCHEDULE BL
BORDERLINE SERVICE - ELECTRIC SERVICE

APPLICATION OF RATE SCHEDULE BL

This rate schedule is for borderline service to public utility companies for resale in adjacent territory under reciprocal agreements subject to the following conditions:

1. Request is made in writing for each point of supply where service is desired under said agreement.
2. Service is supplied when Company has available capacity in lines, transformers, generating apparatus or other equipment over and above that required to meet the demands, present and prospective, for service in its own territory, of which fact Company's determination is final.
3. When such service is supplied, the potential, phase and period of service at the desired point of supply shall be mutually agreed upon.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)

3.104 cts. per KWH plus 1% on Company's investment in facilities necessary to deliver and meter the service.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

3.106 cts. per KWH

Competitive Transition Charge (Effective 1-1-00)

2.979 cts. per KWH

Competitive Transition Charge (Effective 1-1-01)

2.781 cts. per KWH

Competitive Transition Charge (Effective 1-1-02)

2.600 cts. per KWH

Competitive Transition Charge (Effective 1-1-03)

2.925 cts. per KWH

(Continued)

(C) Indicates Change

RATE SCHEDULE BL (CONTINUED)

Competitive Transition Charge (Effective 1-1-04)

2.485 cts. per KWH

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

2.833 cts. per KWH

The energy may be metered at the point of supply or at the nearest suitable point, or the energy may be estimated from the sum of the meter readings of purchaser's customers, plus an agreed upon correction to cover transformation and the line losses from the point of supply.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

PAYMENT

Payment shall be made on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

RATE SCHEDULE SA
PRIVATE AREA LIGHTING SERVICE

APPLICATION OF RATE SCHEDULE SA

This rate schedule is for the lighting of yards, private roadways, alleys and other areas supplied from existing overhead secondary distribution.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)
\$9.110 per lamp.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)
\$1.028 per lamp.

Competitive Transition Charge (Effective 1-1-00)
\$0.904 per lamp.

Competitive Transition Charge (Effective 1-1-01)
\$0.750 per lamp.

Competitive Transition Charge (Effective 1-1-02)
\$0.596 per lamp.

Competitive Transition Charge (Effective 1-1-03)
\$0.599 per lamp.

Competitive Transition Charge (Effective 1-1-04)
\$0.584 per lamp.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)
\$0.574 per lamp.

The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

EQUIPMENT AND SERVICE

Company installs and maintains the bracket, luminaire, lamp and photoelectric control on a Company owned wood pole. Lamp is lighted from dusk to dawn or for approximately 4,300 hours per annum.

(Continued)

(C) Indicates Change

RATE SCHEDULE SA (CONTINUED)

EQUIPMENT AND SERVICE (Continued)

A mercury vapor lamp of a nominal 6,650 lumens or a high pressure sodium lamp of a nominal 9,500 lumens is installed in a luminaire on a 30 inch bracket. Lamp replacements are normally made on the first working day after outage notification by the customer to a Company office. There is no credit for outages.

Company installs up to one span of secondary not exceeding 150 feet from an existing secondary voltage supply and one pole for each lamp provided the location of the pole is accessible by a service truck for the installation and maintenance of the lamp and provided the Company is furnished a suitable right-of-way.

Upon request and at the Company's discretion, the Company may install an area light fixture on a suitable customer-owned support.

Where a secondary supply is not available at the desired lamp location and/or where the distance is more than one span, the Company may furnish the service providing the customer reimburses Company for the Company's estimated added investment required to supply the service in each case.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed or not less than 20 days when billed in conjunction with a residential rate schedule. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof except, when billed in conjunction with rate schedules RS, RTS and RTD, in which case a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

**RATE SCHEDULE SM
MERCURY VAPOR STREET LIGHTING SERVICE**

The application of this rate schedule to all service is limited as indicated in the Application section of Rate Schedule SM.

APPLICATION RATE SCHEDULE SM

This rate schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers, when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this rate schedule is limited as follows:

- (a) 10,500 lumen and 34,000 lumen mercury vapor lamps - fixtures installed on or before and supplied continuously after June 2, 1973, and also prospective fixtures where a definite rate commitment has been made as of that date as long as service is continuous thereafter, and fixtures previously supplied under Hershey Electric Company SMVO rate.
- (b) metal pole overhead - poles installed on or before and in service continuously after June 2, 1973, and fixtures previously supplied under Hershey Electric Company SMVO and S rates.
- (c) customer owned equipment - customers served on or before and supplied continuously after August 26, 1976.
- (d) 20,000 lumen and 51,000 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after August 22, 1983, and additions at locations adjacent to such existing installations.
- (e) 3,350 lumen and 6,650 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after April 28, 1987, and additions at locations adjacent to or interspersed with such existing installations.

NET MONTHLY RATE

(C)

(1) Lamp Prices

Delivery Charge (Effective 1-1-99)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 7.417	—	\$11.989	\$13.133	—	—
Mercury Vapor	6,650	175	9.207	\$14.257	14.048	15.155	\$16.913	\$ 7.711
Mercury Vapor	10,500	250	11.865	16.878	—	—	19.294	10.857
Mercury Vapor	20,000	400	15.243	20.345	—	—	22.942	13.589
Mercury Vapor	34,000	700	25.021	30.241	—	—	33.648	23.510
Mercury Vapor	51,000	1,100	31.859	37.278	—	—	40.724	30.323

(Continued)

(C) Indicates Change

RATE SCHEDULE SM (CONTINUED)

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 1.109	—	\$2.634	\$3.017	—	—
Mercury Vapor	6,650	175	0.936	\$2.622	2.552	2.922	\$3.508	\$ 0.437
Mercury Vapor	10,500	250	0.974	2.647	—	—	3.454	0.635
Mercury Vapor	20,000	400	0.356	2.059	—	—	2.924	(0.195)
Mercury Vapor	34,000	700	0.286	2.031	—	—	3.164	(0.219)
Mercury Vapor	51,000	1,100	(0.514)	1.302	—	—	2.445	(1.023)

Competitive Transition Charge (Effective 1-1-00)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 1.024	—	\$2.549	\$2.932	—	—
Mercury Vapor	6,650	175	0.804	\$2.490	2.420	2.790	\$3.376	\$ 0.305
Mercury Vapor	10,500	250	0.790	2.463	—	—	3.270	0.451
Mercury Vapor	20,000	400	0.064	1.767	—	—	2.632	(0.487)
Mercury Vapor	34,000	700	(0.212)	1.533	—	—	2.666	(0.717)
Mercury Vapor	51,000	1,100	(1.202)	0.614	—	—	1.757	(1.711)

Competitive Transition Charge (Effective 1-1-01)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 0.918	—	\$2.443	\$2.826	—	—
Mercury Vapor	6,650	175	0.641	\$2.327	2.257	2.627	\$3.213	\$ 0.142
Mercury Vapor	10,500	250	0.560	2.233	—	—	3.040	0.221
Mercury Vapor	20,000	400	(0.300)	1.403	—	—	2.268	(0.851)
Mercury Vapor	34,000	700	(0.831)	0.914	—	—	2.047	(1.336)
Mercury Vapor	51,000	1,100	(2.058)	(0.242)	—	—	0.901	(2.567)

(Continued)

RATE SCHEDULE SM (CONTINUED)

Competitive Transition Charge (Effective 1-1-02)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	Nominal <u>Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	Low <u>Mounting</u>	High <u>Mounting</u>	Additional <u>Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 0.815	—	\$2.340	\$2.723	—	—
Mercury Vapor	6,650	175	0.477	\$2.163	2.093	2.463	\$3.049	\$(0.022)
Mercury Vapor	10,500	250	0.332	2.005	—	—	2.812	(0.007)
Mercury Vapor	20,000	400	(0.661)	1.042	—	—	1.907	(1.212)
Mercury Vapor	34,000	700	(1.448)	0.297	—	—	1.430	(1.953)
Mercury Vapor	51,000	1,100	(2.911)	(1.095)	—	—	0.048	(3.420)

Competitive Transition Charge (Effective 1-1-03)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	Nominal <u>Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	Low <u>Mounting</u>	High <u>Mounting</u>	Additional <u>Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 0.817	—	\$2.342	\$2.725	—	—
Mercury Vapor	6,650	175	0.481	\$2.167	2.097	2.467	\$3.053	\$(0.018)
Mercury Vapor	10,500	250	0.338	2.011	—	—	2.818	(0.001)
Mercury Vapor	20,000	400	(0.653)	1.050	—	—	1.915	(1.204)
Mercury Vapor	34,000	700	(1.434)	0.311	—	—	1.444	(1.939)
Mercury Vapor	51,000	1,100	(2.891)	(1.075)	—	—	0.068	(3.400)

Competitive Transition Charge (Effective 1-1-04)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	Nominal <u>Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	Low <u>Mounting</u>	High <u>Mounting</u>	Additional <u>Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 0.807	—	\$2.332	\$2.715	—	—
Mercury Vapor	6,650	175	0.465	\$2.151	2.081	2.451	\$3.037	\$(0.034)
Mercury Vapor	10,500	250	0.315	1.988	—	—	2.795	(0.024)
Mercury Vapor	20,000	400	(0.689)	1.014	—	—	1.879	(1.240)
Mercury Vapor	34,000	700	(1.494)	0.251	—	—	1.384	(1.999)
Mercury Vapor	51,000	1,100	(2.975)	(1.159)	—	—	(0.016)	(3.484)

(Continued)

RATE SCHEDULE SM (CONTINUED)

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$ 0.800	—	\$2.325	\$2.708	—	—
Mercury Vapor	6,650	175	0.454	\$2.140	2.070	2.440	\$3.026	\$(0.045)
Mercury Vapor	10,500	250	0.300	1.973	—	—	2.780	(0.039)
Mercury Vapor	20,000	400	(0.712)	0.991	—	—	1.856	(1.263)
Mercury Vapor	34,000	700	(1.535)	0.210	—	—	1.343	(2.040)
Mercury Vapor	51,000	1,100	(3.031)	(1.215)	—	—	(0.072)	(3.540)

(2) The number of KWH supplied is based upon the average hours use and input wattage of each luminaire. (C)

(3) The Company, at its option, may offer appropriate overhead rates set forth above to customers in recognition of their either installing, owning and/or paying for portions of a street lighting installation.

(4) Whenever customer requests an installation hereunder which requires an investment by the Company greater than five (5) times the estimated annual revenue, the Company, at its option, may install the lamps as requested upon payment by the customer of such estimated excess costs.

CAPACITY AND ENERGY RIDER (C)

The Capacity and Energy Rider included in the Tariff applies to customers served under this Rate Schedule.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by Company and are connected to Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by Company at the time service is originally contracted for.

Wood Pole Overhead Service. Lamps are mounted on Company's wood poles or on other supports not supplied by Company specifically for street lighting purposes, and are supplied by overhead wires. Lamp fixtures are mounted on brackets or mast arms. A standard installation under the above rates includes one span of secondary per location.

Metal Pole Overhead Service. Lamps are mounted on steel street lighting poles not exceeding 35 feet in height and supplied by overhead wires. A standard installation under the above rates includes one span of secondary per location.

Wood Pole Underground Service. Lamps are mounted on Company's wood or fiberglass street lighting poles and are supplied by underground wires. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

(Continued)

(C) Indicates Change

RATE SCHEDULE SM (CONTINUED)**STANDARD INSTALLATION AND SERVICE (Continued)**

Low Mounting Underground Service. Lamps are mounted on Company's low mounting street lighting poles and are supplied by underground cable. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

High Mounting Underground Service. Lamps are mounted on metal street lighting poles not exceeding 35 feet in height and supplied by underground cable. A standard installation under the above rates includes a maximum of 175 circuit feet of cable and trenching and backfilling.

All lamps are lighted from dusk to dawn every night, or for approximately 4,300 hours per annum.

CONTINUOUS OPERATION

At customer request, individual lamps may be operated continuously 24 hours per day. The net monthly rate for continuous operation shall be 160% of the aforementioned applicable net monthly rates.

SPECIAL INSTALLATIONS

Whenever customer requests an installation that is not in conformity with the aforementioned STANDARD INSTALLATION AND SERVICE provisions, Company may, at its option, install the lamps as requested upon payment in advance by the customer of the estimated installed cost of facilities required in excess of that required for standard installation or of the excess investment in special equipment over that of standard equipment. The maintenance of special equipment is subject to (1) time and ability to obtain replacement, and (2) advance payment of the then excess cost over standard for each replacement.

CUSTOMER CONTRIBUTION

When the Company permits the customer to finance all or a portion of the Company's cost of a street lighting installation, the Company will recognize this financing by crediting customer's street lighting account over 120 consecutive bills with an amount equal to customer's contribution plus interest.

REMOVALS

If customer requests Company to remove any part of a mercury vapor street lighting system to install another mercury vapor street lighting system or any other type of street lighting system and if the mercury vapor luminaires, supporting brackets, poles and/or conductors which are removed as a result of any requested removal, are less than ten years old, Company will charge for and Customer shall pay for such a change. The charge will be based upon Company's estimated costs for removal and rehabilitation plus the estimated remaining life value of the removed equipment less salvage. However, if the Customer's request is made to upgrade the lighting on the street to Illuminating Engineering Society standards, the Company may waive the charge calculated hereunder.

(Continued)

RATE SCHEDULE SM (CONTINUED)

CUSTOMER OWNED EQUIPMENT

(C)

Whenever the customer furnishes, installs and owns the entire lighting system using equipment approved by and installed in a manner acceptable to the Company, the company may, at its discretion, operate and maintain the system at the following net monthly rates.

Delivery Charge (Effective 1-1-99)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$ 4.305
175	6,650		6.177
250	10,500		8.311
400	20,000		11.958

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$ 0.070
175	6,650		(0.075)
250	10,500		(0.212)
400	20,000		(0.740)

Competitive Transition Charge (Effective 1-1-00)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$(0.015)
175	6,650		(0.207)
250	10,500		(0.396)
400	20,000		(1.032)

Competitive Transition Charge (Effective 1-1-01)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$(0.121)
175	6,650		(0.370)
250	10,500		(0.626)
400	20,000		(1.396)

(Continued)

(C) Indicates Change

RATE SCHEDULE SM (CONTINUED)

Competitive Transition Charge (Effective 1-1-02)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$(0.224)
175	6,650		(0.534)
250	10,500		(0.854)
400	20,000		(1.757)

Competitive Transition Charge (Effective 1-1-03)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$(0.222)
175	6,650		(0.530)
250	10,500		(0.848)
400	20,000		(1.749)

Competitive Transition Charge (Effective 1-1-04)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$(0.232)
175	6,650		(0.546)
250	10,500		(0.871)
400	20,000		(1.785)

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum Initial Lumens</u>		
100	3,350		\$(0.239)
175	6,650		(0.557)
250	10,500		(0.886)
400	20,000		(1.808)

The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

(C)

(Continued)

RATE SCHEDULE SM (CONTINUED)

The Company's responsibility under the aforementioned charges for maintaining the customer owned lighting system is limited to relamping, cleaning fixtures, and painting poles requiring paint but does not include relocating or replacing all or any part of the street lighting facilities.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed for municipalities and other governmental agencies and 15 days for private owner or agencies. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

(C) Indicates Change

RATE SCHEDULE SHS
HIGH PRESSURE SODIUM STREET LIGHTING SERVICE

APPLICATION OF RATE SCHEDULE SHS

This rate schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this rate schedule is limited as follows:

- (a) metal pole overhead - existing locations served under another of the Company's street lighting rate schedules and locations previously served under Hershey Electric Company Rate Schedule SMVO.

NET MONTHLY RATE

(C)

(1) Lamp Prices

Delivery charge (Effective 1-1-99)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 7.244	\$10.199	\$11.868	\$11.973	—	\$ 6.488
H.P.Sodium	9,500	100	8.143	10.888	12.901	12.976	\$15.692	7.350
H.P.Sodium	16,000	150	9.184	11.802	—	—	16.591	7.732
H.P.Sodium	25,500	250	12.928	15.210	—	—	23.043	10.683
H.P.Sodium	50,000	400	17.047	19.022	—	—	26.975	13.171

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.589	\$ 2.576	\$3.132	\$3.167	—	\$ 1.337
H.P.Sodium	9,500	100	1.528	2.446	3.117	3.142	\$4.048	1.264
H.P.Sodium	16,000	150	1.315	2.191	—	—	3.788	0.832
H.P.Sodium	25,500	250	1.159	1.920	—	—	4.535	0.410
H.P.Sodium	50,000	400	0.737	1.396	—	—	4.051	(0.556)

(Continued)

(C) Indicates Change

RATE SCHEDULE SHS (CONTINUED)

Competitive Transition Charge (Effective 1-1-00)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.538	\$ 2.525	\$ 3.081	\$ 3.116	—	\$ 1.286
H.P.Sodium	9,500	100	1.455	2.373	3.044	3.069	\$ 3.975	1.191
H.P.Sodium	16,000	150	1.208	2.084	—	—	3.681	0.725
H.P.Sodium	25,500	250	0.965	1.726	—	—	4.341	0.216
H.P.Sodium	50,000	400	0.431	1.090	—	—	3.745	(0.862)

Competitive Transition Charge (Effective 1-1-01)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.475	\$ 2.462	\$ 3.018	\$ 3.053	—	\$ 1.223
H.P.Sodium	9,500	100	1.364	2.282	2.953	2.978	\$ 3.884	1.100
H.P.Sodium	16,000	150	1.073	1.949	—	—	3.546	0.590
H.P.Sodium	25,500	250	0.722	1.483	—	—	4.098	(0.027)
H.P.Sodium	50,000	400	0.050	0.709	—	—	3.364	(1.243)

Competitive Transition Charge (Effective 1-1-02)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.411	\$ 2.398	\$ 2.954	\$ 2.989	—	\$ 1.159
H.P.Sodium	9,500	100	1.273	2.191	2.862	2.887	\$ 3.793	1.009
H.P.Sodium	16,000	150	0.940	1.816	—	—	3.413	0.457
H.P.Sodium	25,500	250	0.481	1.242	—	—	3.857	(0.268)
H.P.Sodium	50,000	400	(0.327)	0.332	—	—	2.987	(1.620)

(Continued)

RATE SCHEDULE SHS (CONTINUED)

Competitive Transition Charge (Effective 1-1-03)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	Nominal <u>Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	Low <u>Mounting</u>	High <u>Mounting</u>	Additional <u>Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.412	\$ 2.399	\$ 2.955	\$ 2.990	—	\$ 1.160
H.P.Sodium	9,500	100	1.275	2.193	2.864	2.889	\$ 3.795	1.011
H.P.Sodium	16,000	150	0.943	1.819	—	—	3.416	0.460
H.P.Sodium	25,500	250	0.487	1.248	—	—	3.863	(0.262)
H.P.Sodium	50,000	400	(0.319)	0.340	—	—	2.995	(1.612)

Competitive Transition Charge (Effective 1-1-04)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	Nominal <u>Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	Low <u>Mounting</u>	High <u>Mounting</u>	Additional <u>Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.406	\$ 2.393	\$ 2.949	\$ 2.984	—	\$ 1.154
H.P.Sodium	9,500	100	1.266	2.184	2.855	2.880	\$ 3.786	1.002
H.P.Sodium	16,000	150	0.930	1.806	—	—	3.403	0.447
H.P.Sodium	25,500	250	0.463	1.224	—	—	3.839	(0.286)
H.P.Sodium	50,000	400	(0.356)	0.303	—	—	2.958	(1.649)

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	Nominal <u>Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	Low <u>Mounting</u>	High <u>Mounting</u>	Additional <u>Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$ 1.402	\$ 2.389	\$ 2.945	\$ 2.980	—	\$ 1.150
H.P.Sodium	9,500	100	1.260	2.178	2.849	2.874	\$ 3.780	0.996
H.P.Sodium	16,000	150	0.921	1.797	—	—	3.394	0.438
H.P.Sodium	25,500	250	0.447	1.208	—	—	3.823	(0.302)
H.P.Sodium	50,000	400	(0.381)	0.278	—	—	2.933	(1.674)

(2) The number of KWH supplied is based upon the average house use and input wattage of each luminaire.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE SHS (CONTINUED)

(3) The Company, at its option, may offer appropriate overhead rates set forth above to customers in recognition of their either installing, owning and/or paying for portions of a street lighting installation.

(4) Whenever customer requests an installation hereunder which requires an investment by the Company greater than five (5) times the estimated annual revenue, the Company, at its option, may install the lamps as requested upon payment by the customer of such estimated excess costs.

CAPACITY AND ENERGY RIDER**(C)**

The Capacity and Energy Rider included in the Tariff applies to customers served under this Rate Schedule.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by Company and are connected to Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by Company at the time service is contracted for.

Wood Pole Overhead Service. Lamps are mounted on Company's wood poles, or other supports not supplied by Company specifically for street lighting purposes, and are supplied by overhead wires. Luminaires are mounted on brackets or mast arms. A standard installation under the above rates includes one span of secondary conductor per location.

Metal Pole Overhead Service. Lamps are mounted on Company's existing metal poles served by overhead wires. No new overhead supplied metal pole installations will be made under this rate schedule.

Wood Pole Underground Service. Lamps are mounted on Company's wood or fiberglass street lighting poles and are supplied by underground wires. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

Low Mounting Underground Service. Lamps are mounted on Company's low mounting street lighting poles and are supplied by underground cable. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

High Mounting Underground Service. Lamps are mounted on Company's high mounting metal street lighting poles not exceeding 35 feet in height and are supplied by underground cable. A standard installation under the above rates includes a maximum of 175 circuit feet of cable and trenching and backfilling.

Multiple Unit Service. When practical, each additional lamp after the first mounted on a street lighting pole is billed under the above Multiple Unit rate. A standard installation under the above rates includes only the luminaire, lamp, photocontrol, bracket or mast arm and wire in the bracket or mast arm.

All lamps are lighted from dusk to dawn every night, or for approximately 4,300 hours per annum.

(Continued)

(C) Indicates Change

RATE SCHEDULE SHS (CONTINUED)**CONTINUOUS OPERATION**

At customer request, individual lamps may be operated continuously 24 hours per day. The net monthly rate for continuous operation shall be 160% of the aforementioned applicable net monthly rates.

SPECIAL INSTALLATIONS

Whenever customer requests an installation that is not in conformity with the aforementioned STANDARD INSTALLATION AND SERVICE provisions, Company may, at its option, install the lamps as requested upon payment in advance by the customer of the estimated installed cost of facilities required in excess of that required for standard installation or of the excess investment in special equipment over that of standard equipment. The maintenance of special equipment is subject to (1) time and ability to obtain replacement, and (2) advance payment of the then excess cost over standard for each replacement.

CUSTOMER CONTRIBUTION

When the Company permits the customer to finance all or a portion of the Company's cost of a street lighting installation, the Company will recognize this financing by crediting customer's street lighting account over 120 consecutive bills with an amount equal to customer's contribution plus interest.

REMOVALS

If customer requests Company to remove any part of a mercury vapor street lighting system to install high pressure sodium street lighting equipment or to remove any part of a high pressure sodium street lighting system to install another high pressure sodium street lighting system or any other type of street lighting system and if the mercury vapor or high pressure sodium luminaires, supporting brackets, poles and/or conductors which are to be removed as a result of any requested removal, are less than ten years old, Company will charge for and Customer shall pay for such a change. The charge will be based upon Company's estimated costs for removal and rehabilitation plus the estimated remaining life value of the removed equipment less salvage. However, if the Customer's request is made to upgrade the lighting on the street to Illuminating Engineering Society standards, the Company may waive the charge calculated hereunder.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

(Continued)

(C) Indicates Change

RATE SCHEDULE SHS (CONTINUED)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed for municipalities and other governmental agencies and 15 days for private owner or agencies. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

**RATE SCHEDULE SE
ENERGY ONLY STREET LIGHTING SERVICE**

APPLICATION OF RATE SCHEDULE SE

This rate schedule is available only to municipalities or other governmental agencies for the operation of mercury vapor, high pressure sodium, or metal halide street lighting systems on public areas such as streets, highways, bridges and parks where the municipality or other governmental agency provides for the installation, ownership, operation and maintenance of the street lighting equipment.

NET MONTHLY RATE

(C)

(1) Delivery Charge (Effective 1-1-99)

Street Lighting Equipment on Company Pole.....	6.306 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	2.871 cts. per KWH

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)	
Street Lighting Equipment on Company Pole.....	(0.682) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(1.828) cts. per KWH
Competitive Transition Charge (Effective 1-1-00)	
Street Lighting Equipment on Company Pole.....	(0.854) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(2.000) cts. per KWH
Competitive Transition Charge (Effective 1-1-01)	
Street Lighting Equipment on Company Pole.....	(1.068) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(2.214) cts. per KWH
Competitive Transition Charge (Effective 1-1-02)	
Street Lighting Equipment on Company Pole.....	(1.281) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(2.427) cts. per KWH
Competitive Transition Charge (Effective 1-1-03)	
Street Lighting Equipment on Company Pole.....	(1.276) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(2.422) cts. per KWH
Competitive Transition Charge (Effective 1-1-04)	
Street Lighting Equipment on Company Pole.....	(1.297) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(2.443) cts. per KWH
Competitive Transition Charge (Effective 1-1-05 through 12-31-05)	
Street Lighting Equipment on Company Pole.....	(1.311) cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	(2.457) cts. per KWH

(Continued)

(C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

(2) Service hereunder is unmetered with the number of KWH billed for each size lamp calculated based upon the estimated input wattage of the luminaire and 4,300 burning hours per year.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in the Tariff applies to customers served under this Rate Schedule.

MINIMUM SYSTEM

Application is limited to mercury vapor, high pressure sodium, or metal halide street lights in systems of a minimum of 100 contiguous lamps of one customer. Customer-owned street lights served hereunder may not be intermixed with street lights served under the Company's other street lighting rate schedules.

The 100 lamp minimum may, at Company's option, be waived when a customer desires to take service for its entire street lighting requirements hereunder and said total requirement is less than the 100 lamp minimum.

INITIAL SYSTEM AND FUTURE ADDITIONS

The Customer provides advance written notice to Company (at least 90 days for initial systems or 30 days for additions to existing systems) of its intentions to install customer-owned street lighting hereunder. The notification includes the location, wattage, lumen size, type of equipment and proposed installation date. In addition, for customer-owned street lighting proposed for installation on Company's poles the customer provides the construction specifications for Company's approval.

STANDARD INSTALLATION AND SERVICE

Street Lighting Equipment on Company Wood Pole: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket and the wire from the luminaire to the point of connection with the Company's overhead general distribution system. The Company provides, installs, operates and maintains the wood pole and the overhead secondary wire from Company's general distribution system to the point of connection with customer's wire. Generally, the customer will attach its street lighting system to Company's existing poles; but the Company at its option provides, installs, operates and maintains a maximum of one wood pole and one span of secondary conductor to new locations requested by the customer. The installation by Company in excess of one wood pole and one span of secondary conductor to serve a customer-owned street light is at customer's expense.

Street Lighting Equipment on Customer Pole or Support: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket, pole or support, foundation and wire between poles or supports. The Company provides, installs, operates and maintains one span of overhead secondary conductor to a group of street lights, as defined by Company, on customer-owned poles or supports. The installation by Company in excess of one span of overhead secondary to a group of customer-owned street lights is at customer's expense.

(Continued)

(C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

STANDARD INSTALLATION AND SERVICE (Continued)

Customer-owned street lighting installed as multiple units on a Company or other utility pole are billed at the rate for Street Lighting Equipment on customer Pole or Support. Multiple units are defined hereunder as additional lamps installed on a Company or other utility pole already supporting customer-owned street lighting equipment.

Customer-owned street lighting equipment is installed in accordance with Company and industry safety codes and, where installed on Company poles, in accordance with general Company specifications for similar equipment.

Any rearrangements, replacements or relocations of Company's electric distribution system required solely for the installation, operation or maintenance of customer's street lighting equipment are at customer's expense.

The Company makes all connections of customer's street lighting system to the Company's available general distribution system. Generally customer-owned street lighting equipment will be served at 120 volts or 240 volts. However, at Company's option, customer-owned street lighting equipment mounted on customer pole or support may be served at other available secondary voltages.

All luminaires served hereunder are operated at alternating current, 60 hertz, single phase and are controlled by photocontrol for dusk to dawn operation every night, approximately 4,300 hours per year.

All relocations of customer-owned street lighting equipment are at customer's expense.

CONTINUOUS OPERATION

When the customer operates individual lamps continuously 24 hours per day, the KWH billed hereunder is doubled for those individual lamps operated continuously.

IDENTIFICATION

Each customer-owned luminaire and support bracket served hereunder must be marked by customer with two adjacent wraps of 2 inch wide, yellow and black diagonal striped, pressure sensitive tape, clearly identifiable by a groundlevel observer, that indicates customer ownership of the equipment. Company will supply customer with sufficient tape to mark the equipment. In addition, customer notifies the public of customer's ownership of and responsibility for the street lighting equipment in the areas served hereunder and advertises a customer telephone number for public use in reporting malfunctioning equipment.

CHANGE IN SIZE AND TYPE OF STREET LIGHTING UNIT

Written notice of any change in size or type of any components of customer's street lighting system by location is furnished by customer to Company not more than 14 days after the date of such change.

(Continued)

RATE SCHEDULE SE (CONTINUED)

AUDITING

The Company has the right to periodically audit the number and size of lamps of customer's street lighting system. The customer agrees to cooperate with Company during such audits.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

ATTACHMENT AGREEMENT

Customer signs the Company's standard Attachment Agreement for those luminaires mounted by customer on Company's poles. Said Attachment Agreement includes indemnification of Company by customer and provides for purchase of public liability and property damage insurance by customer.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice or terminated in accordance with contract provisions.

(C)

(C) Indicates Change

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RATE SCHEDULE TS(R)
MUNICIPAL TRAFFIC SIGNAL LIGHTING SERVICE

This rate schedule is in the process of elimination and service hereunder is available only to existing locations continuously supplied hereunder as of August 26, 1976.

APPLICATION OF RATE SCHEDULE TS(R)

This rate schedule is for traffic signal lighting service to cities, boroughs, and townships. The minimum under this rate schedule is 50 watts.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)

6.397 cts. per watt of connected load.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

0.102 cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-00)

(0.019) cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-01)

(0.176) cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-02)

(0.331) cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-03)

(0.328) cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-04)

(0.343) cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

(0.353) cts. per watt of connected load.

(Continued)

(C) Indicates Change

RATE SCHEDULE TS(R) (CONTINUED)

The number of KWH supplied is based upon the average hours use and size of lamps.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUM BILL

(C)

The minimum charge is \$4.21.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

Payment shall be made on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice.

(C)

(C) Indicates Change

**RATE SCHEDULE SI-1(R)
MUNICIPAL STREET LIGHTING SERVICE**

The application of this rate schedule to all service will be eliminated as of January 1, 2002. The rates for available incandescent lamps are limited to those fixtures and lamp sizes installed on or before and supplied continuously after March 28, 1972. No new incandescent street lighting installations will be provided by the Company.

APPLICATION OF RATE SCHEDULE SI-1(R)

This rate schedule is for municipal lighting service on public streets, highways, bridges, parks, etc., to municipalities or other governmental agencies when all such service is supplied under the Company's standard form of contract in accordance with the various laws applicable thereto.

NET MONTHLY RATE

(C)

Delivery Charge (Effective 1-1-99)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$4.169	---
Incandescent	1,000	5.180	---
Incandescent	4,000	---	\$15.434

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Competitive Transition Charge (Effective 1-1-99)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.813	---
Incandescent	1,000	0.700	---
Incandescent	4,000	---	\$1.887

Competitive Transition Charge (Effective 1-1-00)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.777	---
Incandescent	1,000	0.637	---
Incandescent	4,000	---	\$1.685

Competitive Transition Charge (Effective 1-1-01)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.732	---
Incandescent	1,000	0.558	---
Incandescent	4,000	---	\$1.434

(Continued)

(C) Indicates Change

RATE SCHEDULE SI-1(R) (CONTINUED)

Competitive Transition Charge (Effective 1-1-02)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.688	----
Incandescent	1,000	0.479	----
Incandescent	4,000	----	\$1.186

Competitive Transition Charge (Effective 1-1-03)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.689	----
Incandescent	1,000	0.481	----
Incandescent	4,000	----	\$1.191

Competitive Transition Charge (Effective 1-1-04)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.685	----
Incandescent	1,000	0.473	----
Incandescent	4,000	----	\$1.167

Competitive Transition Charge (Effective 1-1-05 through 12-31-05)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.682	----
Incandescent	1,000	0.468	----
Incandescent	4,000	----	\$1.150

The number of KWH supplied is based upon the average hours use and size of lamps.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

(Continued)

(C) Indicates Change

RATE SCHEDULE SI-1(R) (CONTINUED)

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by the Company and are connected to the Company's general distribution system.

Wood Pole Overhead Service. Lamps are mounted on the Company's wood poles or on other supports not supplied by the Company specifically for street lighting purposes, and are supplied by overhead wires.

Low Mounting Underground Service. Lamps are mounted on street lighting poles approximately 14 feet in height and supplied by underground cable.

All lamps are lighted from dusk-to-dawn each and every night, or for approximately 4,300 hours per annum.

All relocations of lamps ordered by the customer are at the customer's expense.

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

(C) Indicates Change

RATE SCHEDULE GH-1(R)
SINGLE METER COMMERCIAL SPACE HEATING SERVICE

This rate schedule is in the process of elimination and is available only to service locations supplied hereunder continuously on or after August 21, 1972, and to locations served under discontinued Rate Schedule GH-4 as of September 26, 1984. Service under this rate schedule is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. (C)

APPLICATION RATE SCHEDULE GH-1(R)

This rate schedule is for all electric commercial service supplied through one meter when electricity is the sole source of all of the customer's energy requirements including electric space heating in accordance with the APPLICATION PROVISIONS hereof. Applications may include wholesale and retail trade and associated warehousing operations, office buildings, and establishments providing professional, personal or business services.

Electric space heating facilities shall be permanently installed and operated for personal comfort. Service hereunder is supplied at secondary voltage or at a higher voltage at Company's option, is available only for service supplied continuously throughout the year and is not available for temporary service for less than one year.

NET MONTHLY RATE (C)

Delivery Charge (Effective 1-1-99)

\$14.97 per month plus
1.756 cts per KWH for all KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customers estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

\$-0.050 per KW of Billing KW
2.292 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.
1.694 cts. per KWH for all additional KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE GH-1(R) (CONTINUED)

Variable CTC (Effective 1-1-00)

\$-0.500 per KW of Billing KW

2.271 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.

1.673 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-01)

\$-1.070 per KW of Billing KW

2.199 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.

1.601 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-02)

\$-1.840 per KW of Billing KW

2.179 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.

1.581 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-03)

\$-1.780 per KW of Billing KW

2.106 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.

1.508 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-04)

\$-1.710 per KW of Billing KW

2.050 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.

1.452 cts. per KWH for all additional KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

\$-1.460 per KW of Billing KW

2.017 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.

1.419 cts. per KWH for all additional KWH.

Net Monthly Billing is reduced by 0.05 cts. per KWH for customers, formerly on Rate Schedule GH-3(R) Total Electric Service - Schools and Churches, taking primary service at 12,000 volts or higher, but billing may not be reduced below the minimum provisions hereof.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in this Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUM

The Monthly Minimum Bill is \$14.97.

(Continued)

(C) Indicates Change

RATE SCHEDULE GH-1(R) (CONTINUED)

BILLING KW

The Billing KW is the average kilowatts supplied during the 15 minute period of maximum use during the current billing period.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period. (C)

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company. (C)

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Commercial included in this Tariff is available to eligible customers served under this Rate Schedule. (C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule. (C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bills, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice. (C)

(Continued)

(C) Indicates Change

RATE SCHEDULE GH-1(R) (CONTINUED)

APPLICATION PROVISIONS

(1) This rate schedule applies to single meter service for all of customer's energy requirements, under the following conditions:

- (a) The facilities for electric space heating are, in Company's judgment, a significant and integral portion of customer's total energy requirements to be supplied hereunder.
- (b) Service supplied hereunder includes all energy requirements on customer's premises in a building.
- (c) All service in one building is supplied at one voltage from one service connection.
- (d) Another form of energy may be used for classroom instruction, for emergency lighting generators and, upon Company approval, for other similar uses.
- (e) When customer occupies an entire building, service hereunder may include uses of service outside the building only when they are directly incident to the principal use of service in the building.

(2) Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted in conjunction with service supplied hereunder without violating the total electric energy requirement of the rate. Any customer system of this type that produces electric energy may not be operated concurrently with service supplied by the Company except under written agreement setting forth the conditions of such operation.

RATE SCHEDULE GH-2(R)
SEPARATE METER GENERAL SPACE HEATING SERVICE

This rate schedule is in the process of elimination and is available only to service locations supplied hereunder continuously on or after August 21, 1972, and also to prospective service locations where a definite rate commitment has been made as of that date for so long as service is continuous thereafter. Service under this rate is available only to customers who do not choose an alternative generation supplier and for whom the Company supplies all of the customer's capacity and energy on and continuously after January 1, 1999 pursuant to Section 2807 (E) (3) of the Customer Choice Act. (C)

APPLICATION OF RATE SCHEDULE GH-2(R)

This rate schedule is for separately metered electric space heating service to customers whose general use is supplied under some other general service rate schedule in accordance with the APPLICATION PROVISIONS hereof and may include service for general use in an all electric apartment building when individual living units in the building are metered separately under a residential rate schedule.

Electric space heating facilities shall be permanently installed and operated for personal comfort. Service hereunder is supplied at secondary voltage or at a higher voltage at Company's option, is available only for service supplied continuously throughout the year and is not available for temporary service for less than one year.

NET MONTHLY RATE (C)

Delivery Charge (Effective 1-1-99)

\$17.46 including 200 KWH, plus

0.898 cts. per KWH for all additional KWH.

The Delivery Charge may be adjusted to reflect changes in the Company's interstate retail transmission rate schedule as required by the Federal Energy Regulatory Commission. The Delivery Charge may be adjusted to include charges for ancillary services which are subject to approval by the Federal Energy Regulatory Commission.

Fixed Competitive Transition Charge (Effective 1-1-99)

A customer-specific, fixed, per month Competitive Transition Charge (CTC) developed by the Company, which is equal to fifty (50) percent of the customers estimated CTC revenue for the twelve months ended December 31, 1996, divided by twelve, applies to service under this Rate Schedule. Additionally, the following variable CTC applies.

Variable CTC (Effective 1-1-99)

2.159 cts. per KWH for all KWH in excess of 200 KWH.

Variable CTC (Effective 1-1-00)

1.974 cts. per KWH for all KWH in excess of 200 KWH.

(Continued)

(C) Indicates Change

RATE SCHEDULE GH-2(R) (CONTINUED)

Variable CTC (Effective 1-1-01)

1.691 cts. per KWH for all KWH in excess of 200 KWH.

Variable CTC (Effective 1-1-02)

1.390 cts. per KWH for all KWH in excess of 200 KWH.

Variable CTC (Effective 1-1-03)

1.340 cts. per KWH for all KWH in excess of 200 KWH.

Variable CTC (Effective 1-1-04)

1.308 cts. per KWH for all KWH in excess of 200 KWH.

Variable CTC (Effective 1-1-05 through 12-31-05)

1.369 cts. per KWH for all KWH in excess of 200 KWH.

CAPACITY AND ENERGY RIDER

(C)

The Capacity and Energy Rider included in the Tariff applies to customers served under this Rate Schedule.

MONTHLY MINIMUM

(C)

The Net Monthly Rate Minimum is \$17.46 which includes 200 KWH use.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule and charges under the Capacity and Energy Rider if the customer receives capacity and energy from the Company.

(C)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

(Continued)

(C) Indicates Change

RATE SCHEDULE GH-2(R) (CONTINUED)

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered and thereafter for one (1) year terms until canceled by one month's prior written notice. (C)

APPLICATION PROVISIONS

Service hereunder is applicable under the following conditions:

- (a) All the space heating requirements on customer's premises, or in customer's building or newly constructed section thereof, are supplied hereunder through a separate meter from the same point of delivery and at the same voltage as the general service.
- (b) Use of service for comfort cooling air conditioning, for commercial cooking and for automatic storage type water heaters with thermostatically controlled noninductive heating units, may be included hereunder in connection with and on the same premises as the space heating equipment. This does not include ventilating fans, water for process purposes and plug-in commercial cooking appliances not used with commercial electric ovens and ranges.
- (c) Supplemental use of renewable energy sources such as wood, solar, wind, and water is permitted in conjunction with service supplied hereunder without violating the total electric energy requirement of the rate. Any customer system of this type that produces electric energy may not be operated concurrently with service supplied by the Company except under written agreement setting forth the conditions of such operation.



PENNSYLVANIA POWER & LIGHT COMPANY
ORIGINAL TARIFF ELECTRIC - PA. P.U.C. NO. 201
SUPPLEMENTAL INFORMATION REQUIRED BY 52 PA. CODE § 53.52(a) and (b)

Pennsylvania Power & Light Company ("PP&L") hereby submits the following information in support of Original Tariff Electric - Pa. P.U.C. No. 201. This new tariff proposes rate changes for PP&L's restructuring plan. In response to each of the applicable subsections of 52 Pa. Code § 53.52(a) and (b), PP&L states the following:

52 Pa. Code § 53.52(a)(1)

- Q. The specific reasons for each change.
- A. See PP&L's Statement of Reasons.

52 Pa. Code § 53.52(a)(2)

- Q. The total number of customers served by the utility.
- A. As of December 31, 1996, PP&L served a total of 1,236,260 customers.

52 Pa. Code § 53.52(a)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.
- A. For the 12 months ended December 31, 1996, the Company's average system coincident peak demand for retail customers was approximately 5,286 MW.

Thirty-three (33) percent (January 1, 1999) and sixty-six (66) percent (January 1, 2000) of the Company's system peak load are about 1,744 MW and 3,489 MW, respectively.

The following tabulation shows the approximate number of customers by major customer class who may participate under the Customer Choice Act and the proposed tariff based on their contribution to these peak loads.

Approximate Number of Participating Customers		
<u>Major Customer Class</u>	<u>January 1, 1999</u>	<u>January 1, 2000</u>
Residential	314,000	628,000
General Service	42,000	84,000
Primary	256	512
Transmission/Subtransmission	42	84

All customers will be served under the Customer Choice Act as of January 1, 2001.

52 Pa. Code § 53.52(a)(4)

- Q. The effect of the change on the utility's customers.
- A. See PP&L's responses to 52 Pa. Code § 53.52(a)(3) and 52 Pa. Code § 53.52(a)(5).

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. At this time, it is not possible to predict the number of eligible existing and new customers that will apply to participate under the Customer Choice Act or the alternative suppliers who will be selected by those participating customers. For this reason, it is not possible to

estimate with any certainty the effect of the proposed change on PP&L's revenues and expenses.

52 Pa. Code § 53.52(a)(6)

- Q. The effect of the change on the service rendered by the utility.
- A. Under the Customer Choice Act, PP&L will not provide capacity and energy to any participating customers who select an alternative supplier. Original Tariff Electric - Pa. P.U.C. No. 201 will not have any other effect on the service rendered by PP&L.

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. See PP&L's Statement of Reasons.

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 proposed change is filed in accordance with the Electric Generation Customer Choice and Competition Act. No additional studies were undertaken by PP&L to draft this proposed change.

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. No formal customer polls were taken.

52 Pa. Code § 53.52(a)(10)

- Q. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- A. After Commission approval of the Company's proposed restructuring plan, the Company will send special bill inserts to all customers. These bill inserts will describe the applicable rates under the restructuring plan and the eligibility requirements. Eligible customers will be invited to apply to participate under the Customer Choice Act by writing a letter, calling, sending in a coupon, or signing up on the Internet. The Company also plans to inform customers about the applicable rates under the restructuring plan through a news release, newsletters, pamphlets, and PP&L's home page on the Internet. In addition, see PP&L's Statement of Reasons.

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. There are no F.C.C. or F.E.R.C. orders specifically applicable to this filing. The Commission's Final Order at Docket No. M-00960890, Re: Electric Utility Restructuring Filings Made Pursuant to 66 Pa. C.S. § 2806(E) is applicable to this filing.

52 Pa. Code § 53.52(b)(1)

- Q. The specific reasons for each increase or decrease.
- A. The specific reasons for each increase or decrease in rates are explained in PP&L's Statement of Reasons.

52 Pa. Code § 53.52(b)(2)

- Q. The operating income statement for the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing. Water and sewer utilities with annual revenues under \$100,000 and municipal corporation subject to Commission jurisdiction may provide operating income statements for a 12-month period, the end of which may not be more than 180 days prior to filing.
- A. Pages 7 and 8 of this response provide a statement of PP&L's operating income for PP&L for the twelve months ended December 31, 1996.

52 Pa. Code § 53.52(b)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be increased.
- A. The approximate number of customers who may participate under the Customer Choice Act is detailed in PP&L's response to 52 Pa. Code § 53.52(a)(3). A participating customer's bill may increase or decrease based on actual arrangements with an alternative supplier.

52 Pa. Code § 53.52(b)(4)

- Q. A calculation of total increases, in dollars, by tariff subdivision, projected to an annual basis.
- A. See PP&L's response to 52 Pa. Code § 53.52(a)(5).

52 Pa. Code § 53.52(b)(5)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.
- A. See PP&L's response to 52 Pa. Code § 53.52(b)(3).

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. See PP&L's response to 52 Pa. Code § 53.52(a)(5).

PENNSYLVANIA POWER & LIGHT COMPANY
STATEMENT OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 1996

	12 MONTHS ENDED DEC 1996
OPERATING REVENUES	\$ 2909,086,657.75
OPERATING EXPENSES	
OPERATION	1356,259,042.63
MAINTENANCE	188,258,566.04
TOTAL OPERATION & MAINTENANCE	<u>1544,517,608.67</u>
DEPRECIATION	293,694,306.48
AMORTIZED DEPRECIATION	69,451,524.00
REGULATORY DEBITS/CREDITS	9,566,750.35
INCOME TAXES	
PROVISION - FEDERAL	189,886,494.00
STATE	63,502,121.00
TOTAL PROVISION	<u>253,388,615.00</u>
DEFERRED INCOME TAXES	
FEDERAL	117,783,625.00
STATE	29,637,100.00
	<u>147,420,725.00</u>
DEFERRED INCOME TAXES - CREDIT	
FEDERAL	114,343,329.50
STATE	22,821,919.00
	<u>137,165,248.50</u>
DEFERRED TAXES - NET	<u>10,255,476.50</u>
INVESTMENT TAX CREDIT	
DEFERRED	
AMORTIZATION OF DEFERMENTS	9,919,020.00
TOTAL INVESTMENT TAX CREDITS	<u>9,919,020.00</u>
TOTAL INCOME TAXES	<u>253,725,871.50</u>
TAXES OTHER THAN INCOME	203,343,603.28
(GAINS) FROM DISP OF UTILITY PLANT	
LOSS FROM DISP OF UTILITY PLANT	
(GAINS) FROM DISP OF EMISSION ALLOWANC	755,238.33
TOTAL OPERATING EXPENSES	<u>2546,418,125.25</u>
OPERATING INCOME	<u>554,676,532.50</u>
OTHER INCOME AND DEDUCTIONS	
ALLOW FOR EQUITY FUNDS USED FOR CONSTR	5,698,871.52
OTHER INCOME	
NONUTILITY OPERATING INCOME	552,132.20
EQUITY IN EARNINGS OF SUBSID CO - (A	5,775,694.97
INTEREST & DIVIDEND INCOME	6,518,566.32
MISCELLANEOUS NONOPERATING	4,687,283.97
GAIN ON DISPOSITION OF PROPERTY	75,186.82
TOTAL OTHER INCOME	<u>16,496,599.80</u>
OTHER INCOME DEDUCTIONS	
LOSS ON DISPOSITION OF PROPERTY	32,128.28
MISCELLANEOUS INCOME DEDUCTIONS	6,365,150.06
TOTAL INCOME DEDUCTIONS	<u>6,397,278.34</u>
TAXES APPLIC TO OTHER INCOME & DEDUC	
TAXES OTHER THAN INCOME	86,852.00
INCOME TAXES	
PROVISION (CREDIT)	
FEDERAL	42,624.00
STATE	1,892.00
DC	28,199.00
	<u>61,731.00</u>
DEFERRED - NET	
FEDERAL	58,289.00
STATE	22,296.00
	<u>80,585.00</u>
INVESTMT TAX CR ADJ - NONUTILITY	
TOTAL INCOME TAXES	<u>142,316.00</u>
NET OTHER INCOME & DEDUCTIONS	15,561,025.06
INCOME BEFORE INTEREST CHARGES	<u>570,237,557.56</u>

PENNSYLVANIA POWER & LIGHT COMPANY
STATEMENT OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 1996

	12 MONTHS ENDED <u>DEC 1996</u>
INTEREST CHARGES	
LONG-TERM DEBT	
MORTGAGE BONDS	206,769,821.20
PROMISSORY NOTES	
PROPERTY PURCHASE AGREEMENTS	
TOTAL LONG-TERM DEBT INTEREST	<u>206,769,821.20</u>
SHORT-TERM DEBT	
BANK LOANS	157,316.64
COMMERCIAL PAPER	1,467,476.82
TOTAL SHORT-TERM DEBT INTEREST	<u>1,624,793.46</u>
OTHER INTEREST CHARGES	
ECR OVERCOLLECTION	45,928.00
STAS REFUND	
AMORTIZATION OF DEBT DISC & EXPENSE	2,384,894.13
AMORTIZATION OF LOSS ON REACQ'D DEBT	7,221,105.01
AMORTIZATION OF PREMIUM ON DEBT	22,929.06
AMORTIZATION OF GAIN ON REACQ'D DEBT	
COMMITMENT FEES	342,817.34
CUSTOMERS' DEPOSITS	56,423.58
BUDGET BILLINGS	386,167.66
CUSTOMER ADV FOR CONSTR - ST LIGHT	2,172.00
TAXES ASSUMED ON INTEREST	162,432.91
MISCELLANEOUS	10,679,011.57
TOTAL OTHER INTEREST CHARGES	<u>10,679,011.57</u>
ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION	5,578,179.11
NET INTEREST CHARGES	<u>213,395,447.12</u>
NET INCOME	356,842,118.44
DIVIDENDS ON PREFERRED STOCK	27,768,474.76
DIVIDENDS ON PREFERENCE STOCK	
TOTAL DIVIDENDS	<u>27,768,474.76</u>
EARNINGS APPLICABLE TO COMMON STOCK	329,073,635.68

PENNSYLVANIA POWER & LIGHT COMPANY

ORIGINAL

Exhibit OGK 3

Supplement 65 to Current Tariff

RECEIVED

Witness: Oliver G. Kasper

00973954

APR 01 1997

PENNSYLVANIA POWER & LIGHT COMPANY

Exhibit OGK 3
Supplement 65 to Current Tariff

Witness: Oliver G. Kasper

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ERM

PP&L

Pennsylvania Power & Light Company

GENERAL TARIFF

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

In the territory listed on pages 4 and 4A
and in the adjacent territory served.

ISSUED April 1, 1997

EFFECTIVE January 1, 1998

Issued by
WILLIAM F. HECHT, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

THIS TARIFF MAKES CHANGES IN EXISTING RULES AND RATES. SEE PAGE TWO.

ERM

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rule 4
 Page No. 8B

Paragraph C(4) is changed to indicate that the Company may supply service, upon request, in a manner which requires related services to be performed by the Company, which are over and above those that the Company would normally provide, if the customer agrees to pay the Company at a fair and nondiscriminatory price for those related services.

Rule 9
 Page No. 13A

In the third paragraph under E. Budget Billing, the interest rate is changed from 1% per month to a monthly rate equal to one-twelfth of the average of 1-year Treasury Bills for the months of September, October, and November of the previous year.

Economic Development Initiatives Rider
 Page No. 19

Under General Conditions, the second paragraph is changed to indicate that the billing adjustment under this rider will continue through December 31, 1998. All provisions of the rider will terminate on January 1, 1999.

Interruptible Service by Agreement
 Page No. 19B

Under Application, 2nd paragraph, last sentence on determining amount of interruptible power is eliminated.

Industrial Development Initiatives Rider
 Page No. 19D

Under General Conditions, the second paragraph is changed to indicate that the billing adjustment under this rider will continue through December 31, 1998. All provisions of the rider will terminate on January 1, 1999.

Competitive Rate Rider (Experimental)
 Page No. 19E

Under Application Provisions, 2nd paragraph, the last sentence on determining amount of interruptible power is eliminated.

Under General Conditions, item 11., the termination date is changed from December 31, 1997 to January 1, 1999.

Rate Schedules LP-5, LP-6, and LPEP
 Page Nos. 28, 28B, and 29

Demand Free Days is limited to customers who are eligible for this provision by January 1, 1998.

The termination date of the Demand Free Days provision is changed from January 1, 1998 to January 1, 1999.

Rate Schedule IS-1
 Page No. 30

Rate Schedule IS-P
 Page No. 30A

Rate Schedule IS-T
 Page No. 30C

Rate Schedule PR-2
 Page No. 32

Under Application, 2nd paragraph, the last sentence on determining amount of interruptible power is eliminated.

Rate Schedules PR-1 and PR-2
 Page Nos. 31 and 32

Under Application Provisions, the monthly maximum demand of "2000 KW or greater" is changed to "1000 KW or greater." The maximum number of customers that the Company will select is increased from twenty-five (25) to thirty-five (35). The date that the pilot program and billing under this rate schedule will end is changed from December 31, 1997 to January 1, 1999.

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C. METHOD OF SUPPLY (Continued)

2. A change in the plot plan by the applicant for electric service after the Company has completed engineering for the project and/or has commenced installation of its facilities.
 3. Physical characteristics such as oversized lots or lots with extreme set-back where under the Company's line extension policy contained in its tariff a charge is mandated for overhead service.
- (e) No charges other than those described in paragraph (d) shall be borne by the applicant for electric service or by another utility sharing the same trench, even if the Company elects to perform its own excavating and backfilling.

(4) The Company may supply service, upon request, in a manner which requires additional facilities or related services to be performed, which are over and above those that the Company would normally install or provide, if the customer agrees to pay the Company at a fair and nondiscriminatory price for those additional facilities or related services. (C)

D. ALTERNATE SUPPLY

The Company furnishes one source of supply to a single point of delivery to a premises. However, when a customer requests an alternate source of supply, the Company will install the additional facilities required providing the customer agrees to compensate the Company for the estimated cost of the additional facilities maintained for the alternate supply.

E. CAPACITY

The Company's facilities have a limited capacity. Therefore, to assure satisfactory operation of customers' equipment and to protect both customer's and Company's facilities against damage, each customer shall notify the Company of any substantial increase in use of service so that additional facilities may be provided in accordance with the applicable provisions in this tariff.

F. CONTINUITY

(1) The Company uses reasonable diligence to preserve continuity of service, but in the event of interruption or curtailment of service, Company shall not be subject to any liability, penalty or payment for or on account of any such interruption or curtailment nor shall the application of the rate schedule to the regular billing period be affected.

(2) The Company may temporarily suspend service for the purpose of making necessary repairs and makes every reasonable effort to notify customers in advance, except in cases of emergency.

G. EMERGENCY LOAD CONTROL

(1) A load emergency situation exists whenever:

(a) the demands for power on all or part of the utility's system exceed or threaten to exceed the capacity then actually available to supply such demands;

(b) system instability or cascading outages could result from actual or expected transmission overloads or other contingencies; or

(c) such conditions exist in the system or another public utility or power tool with which the utility's system is interconnected and cause a reduction in the capacity available to the utility from that source or threaten the integrity of the utility's system.

(2) In such case, the utility shall take such reasonable steps as the time available permits to bring the demands within the then-available capacity or to otherwise control load. Such steps shall include but shall not be limited to reduction or interruption of service to one or more customers, in accordance with the utility's procedures for controlling load.

(Continued)

(C) Indicates Change

RULE 9 - BILLING AND PAYMENT FOR SERVICE (CONTINUED)

D. PAYMENT (Continued)

(6) In the event of discontinuance or termination of service at a residence or dwelling, the Company may transfer any unpaid balance to any other residential account of the same ratepayer, or in the event of termination, to a third-party guarantor's account to the extent of the cash deposit requirement.

(7) Regular employees who are head of a family and mainly responsible for the maintenance of the premises they occupy may secure up to 50% reduction in their bills for service under Residential Rate Schedule RS in lieu of other benefits available to other employees. This option is in the process of elimination and is limited to employees who are presently receiving such reduction and continue to live and work in the area previously served by the former Tariff Electric Pa. P.U.C. No. 196 (Scranton).

(8) Payments which are insufficient to pay for both a balance due for prior use and billing for current use are first applied to the balance due for prior use, except when an unpaid bill is a disputed bill or when a payment plan for an overdue balance is agreed upon.

E. BUDGET BILLING

Budget billing is available upon request for service under residential and general service rate applications except for temporary, seasonal, and speculative service. Budget billing may start in any month, for new or existing customers, and may be discontinued upon request at which time any difference between budget billing and billing based on actual use becomes due and payable. In any month when the amount billed for the previous billing period is overdue, budget billing may be terminated; any difference owed the Company is immediately due, and bills thereafter are rendered based on metered use.

When a customer elects budget billing, the Company bills the customer each month an amount equal to one-twelfth, for residential service customers, or one-eleventh, for general service customers, of the estimated annual charges under the rate schedule. The monthly charge is adjusted, as required, so that total payments at the end of the budget billing cycle approximately equal actual charges. When billing based on actual use exceeds charges at the end of the twelfth month, the excess is added to regular billing in equal increments over the succeeding four months with no penalty.

Each month, interest at the rate of one-twelfth of the average of 1-year Treasury Bills for the months of September, October, and November of the previous year is applied to funds in the customer's account which are the result of payments for the billed amount in excess of actual charges for service to date. No interest is charged when there is a negative balance.

F. RETURNED CHECK CHARGE

If a check received in payment of a customer's account is returned to the Company unpaid by the customer's bank and cannot be redeposited by the Company for payment on the second attempt, the Company will charge the customer \$7.00 for processing the returned check, plus any charges assessed by the bank or other financial institution to the Company.

G. SMALL CREDIT BALANCES ON INACTIVE ACCOUNTS

The Company may transfer any customer credit balance less than \$1 from a customer's inactive account to the Company's Operation HELP program instead of refunding the credit amount to the customer. This transfer will occur only after the Company has been unsuccessful in its efforts to transfer the credit balance to an active account of the customer, and only if the customer does not request a refund of the credit balance.

(C) Indicates Change

ECONOMIC DEVELOPMENT INITIATIVES RIDER

PURPOSE

This rider provides for an incentive rate billing option to existing commercial and industrial customers and new industrial customers to encourage economic development in the Company's service area.

APPLICATION PROVISIONS

This rider is applicable to existing commercial and industrial customers and new industrial customers served under Rate Schedules GS-3, LP-4, LP-5, and PR-1 with at least a one month Billing KW of 500 KW or greater under contract with the Company. Existing customers must sign a contract agreeing to (1) increase production or (2) expand physical plant at the service location.

This rider is applied to customer baseline load, but is not applied to incremental or decremental kilowatt or kilowatt-hour usage under Rate Schedule PR-1.

DEFINITIONS

1. Base Period -- The base period is normally the twelve months ended December 31, 1986. If twelve months of billing history are unavailable for the period ended December 31, 1986, the base period is the first full twelve months of billing. If less than twelve months of billing history are available, the Company determines a base period use pattern prior to rider application. If, in the opinion of the Company, any billing month(s) during the base period is not representative of the customer's normal usage pattern, the Company may change the base period to reflect normal use conditions.

The base period established when this rider is applied initially at a service location to a customer's bill shall remain the base period for all subsequent applications of this rider at the same service location for the same customer.

2. Sales Tax Exemption Certificate -- A Pennsylvania Sales Tax Exemption Certificate submitted by the customer to the Company which indicates the service address and certifies that, on an annual basis, more than fifty percent of the electricity purchased is exempt from sales tax because it is used in manufacturing operations.

3. Service Location -- A location having one or more points of delivery for electric service billed by the Company under a single rate application.

4. New Service Location -- A service shown on the Sales Tax Exemption Certificate which (a) previously has not been supplied electric service by the Company, (b) previously has been supplied electric service, provided the new service is for a different manufacturing operation than the previous operation, or (c) was disconnected at least twelve months prior to application for service under this rider.

5. Qualifying Service Location -- A new service location identified on the Sales Tax Exemption Certificate or an existing service location which qualifies under the application provisions of this rider.

6. Billing Adjustments - Existing Customers. A reduction of \$2 per kilowatt and 1 cent per kilowatt-hour shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the base period for service supplied to a customer's Qualifying Service Location.

7. Billing Adjustments - New Customers. A reduction of 1 cent per kilowatt-hour shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's Qualifying Service location.

GENERAL CONDITIONS

The provisions of this rider are available to customers who became eligible on or before December 31, 1989, and are subject to any modifications ordered by the Pennsylvania Public Utility Commission in an interim base rate proceeding.

The billing adjustment under this rider will continue through December 31, 1998. All provisions of this rider will terminate on January 1, 1999. (C)

The rate reduction under this rider are applicable to base rate charges after application of the Special Base Rate Credit Adjustment, before application of the State Tax Adjustment Surcharge, and before application of the Energy Cost Rate included in this tariff.

(Continued)

(C) Indicates Change

INTERRUPTIBLE SERVICE BY AGREEMENT**APPLICATION**

This Service is available to large general service customers who take service from available transmission lines of 69,000 volts or higher. The customer furnishes and maintains all equipment necessary to transform the energy from line voltage. This Service is available only to customers who require interruptible service which is different than that provided in the Company's Rate Schedules. It is available only to customers who accept service interruptions pursuant to a service agreement.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. (C)

NET MONTHLY SERVICES CHARGES

Charges for service shall be mutually agreed upon by the Company and the customer in a signed service agreement. The agreement's effectiveness will be conditioned upon Pennsylvania Public Utility Commission approval.

CONDITIONS OF SERVICE

A service agreement between the Company and the customer must include, at a minimum, the following:

- the term of the agreement for interruptible service,
- the delivery point location and characteristics of service,
- the metering for the customer's firm and interruptible service,
- the estimated firm power service level (KW),
- the maximum number of interruptions per year,
- the maximum duration of interruption per interruption period and the maximum aggregate hours of interruption per year and in any billing month,
- the amount of advance notice of an interruption given to a customer,
- the additional charge for continued use (KWH) of interruptible load (KW) during a period of economic load control,
- the penalty for failure to interrupt load (KW) when called for during an emergency interruption period,
- the basis for calculating billing demand (KW),
- the minimum billing demand (KW),
- the power factor acceptable to the Company at the delivery point,
- the monthly rate for firm and interruptible demand and energy, and the monthly minimum bill,
- terms for payments of bills rendered by the Company, and
- conditions for termination of the agreement.

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

PURPOSE

This rider provides for an incentive rate billing option to existing and new industrial customers to encourage economic development in the Company's service area.

APPLICATION PROVISIONS

This rider is applicable to existing and new industrial customers served under Rate Schedules GS-3, LP-4, LP-5, and PR-1 with at least a one month Billing KW of 100 KW or greater. Existing customers must sign a contract agreeing to (1) increase production or (2) expand physical plant at the service location.

This rider is applied to customer baseline load, but is not applied to incremental or decremental kilowatt or kilowatt-hour usage under Rate Schedule PR-1.

DEFINITIONS

1. Base Period -- For customers entering the program on or after the effective date of this rider, the base period is the twelve months ended December 31, 1991. If billing history is unavailable for the twelve months ended December 31, 1991, the base period will be the first full twelve months of billing. If less than twelve months of billing history is available, the Company will determine a base period prior to application of the rider. If, in the opinion of the Company, usage during any billing month(s) of the base period is not representative of the customer's expected normal usage pattern, the Company may change the base period Billing KW and kilowatt-hours to reflect normal usage.

The base period established when this rider is applied initially to a customer's bill at a service location shall remain unchanged for all subsequent applications of this rider at the same service location for the same customer.

2. Industrial Customer -- A customer holding a Pennsylvania Sales Tax Exemption Certificate which indicates the service address and certifies that, on an annual basis, more than fifty percent of the electricity purchased is exempt from sales tax because it is used in manufacturing operations. The customer shall submit the Pennsylvania Sales Tax Exemption Certificate to the Company.

3. New Service Location -- A service location shown on the Pennsylvania Sales Tax Exemption Certificate which (a) previously has not been supplied electric service by the Company, (b) previously has been supplied electric service, but the new service is for a different manufacturing operation than the previous operation, or (c) was disconnected at least twelve months prior to application for service under this rider.

4. Billing Adjustments - Existing Customers. A reduction of \$2 per kilowatt and 1 cent per kilowatt-hour shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the Base Period for service supplied to a customer's existing service location.

5. Billing Adjustments - New Customers. A reduction of 1 cent per kilowatt-hour shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's New Service Location.

GENERAL CONDITIONS

The provisions of this rider are available to customers who become eligible on or before December 31, 1997, and are subject to any modifications ordered by the Pennsylvania Public Utility Commission in an interim base rate proceeding.

The billing adjustments under this rider will continue through December 31, 1998. All provisions of this rider will terminate on January 1, 1999.

The rate reductions under this rider are applicable to base rate charges after application of the Special Base Rate Credit Adjustment, before application of the State Tax Adjustment Surcharge, and before application of the Energy Cost Rate included in this Tariff.

Minimum bills under the applicable rate schedule are not reduced by the application of this rider.

This rider applies only once per customer. Eligible customers who elect to receive billing adjustments under this rider as a new customer may not elect subsequently to receive billing adjustments under this rider as an existing customer.

This rider does not apply to customers who have another source of power which can be substituted for the Company's service unless the other source of power is maintained solely for use in case of interruption of Company's service.

An electric service contract is required for billing under this rider.

The Company will monitor the effects of this rider and make appropriate modifications or close the rider to additional applications as ordered by the Pennsylvania Public Utility Commission.

(C) Indicates Change

COMPETITIVE RATE RIDER (EXPERIMENTAL)

PURPOSE

This experimental rider provides competitive rates to existing and new commercial and industrial customers served under Rate Schedules LP-5, LP-6, and IS-T who can demonstrate that they have a viable competitive alternative to purchasing electric service from the Company and intend to select that alternative to the detriment of the Company and its ratepayers.

APPLICATION PROVISIONS

This rider is applicable to existing and new commercial and industrial customers with a monthly maximum demand of 5,000 KW or greater year-round who are served, or who qualify to be served, under Rate Schedules LP-5, LP-6, and IS-T.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. (C)

GENERAL CONDITIONS

1. The customer must demonstrate that it has a viable competitive alternative to service under Rate Schedule LP-5, LP-6, or IS-T to be eligible for this rider. The customer must provide written information, satisfactory to Company, documenting the customer's competitive alternative. Because of the proprietary nature of the customer's information, this information shall remain confidential.

2. The customer also must demonstrate, to the satisfaction of the Company, that the customer intends to implement the competitive alternative and is financially able to do so.

3. The Company will provide, upon request, a written description of the information that the customer must provide to the Company.

4. The Company shall be the sole judge of whether or not a competitive rate under this rider is appropriate based on the information provided by the customer.

5. The Company will develop competitive rates and terms, on a case-by-case basis, if the Company, in its sole judgement, determines that they are appropriate. The Company is not obligated to match the customer's costs for an alternative source of energy. The rate shall be sufficient to recover all of the Company's appropriate short-run marginal costs of the service and make a contribution to the Company's fixed costs, but shall not exceed the rate for comparable service under Rate Schedule LP-5, LP-6, or IS-T.

6. To promote energy conservation and efficiency, the Company may require that the customer implement energy efficiency measures prescribed by the Company.

7. The Special Base Rate Credit Adjustment, Energy Cost Rate, and State Tax Adjustment Surcharge are applicable to service under this rider.

8. The Economic Development Initiatives Rider and Industrial Development Initiatives Rider provisions of Rate Schedule LP-5 and the Demand Free Day provision of Rate Schedules LP-5 and LP-6 included in this tariff are not applicable to service under this rider.

9. This rider does not apply to customers who have another source of power which can be substituted for the Company's service, unless the other source of power is maintained solely for use in case of interruption of Company's service.

10. An electric service contract is required for billing under this rider. The competitive rate shall be specified in the contract. A contract under this rider shall have a term of at least five (5) years. Because of the proprietary nature of the terms of the contract, the terms shall remain confidential.

11. This rider is experimental and will terminate on January 1, 1999. When this rider terminates, all existing contracts will continue until the scheduled expiration dates contained in the contracts. (C)

(C) Indicates Change

**RATE SCHEDULE LP-5
LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER**

APPLICATION RATE SCHEDULE LP-5

This rate schedule is for large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage. It applies to 3 phase, 60 Hertz service.

NET MONTHLY RATE (Effective 1-1-97)

\$5.99 per kilowatt for all kilowatts of the Billing KW.

5.422 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.

4.623 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

4.024 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 volts.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 300 KW.

The Net Monthly Rate Minimum is \$1,797.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the current billing period, except that where a 1 hr. period of maximum use was in effect as of August 28, 1981 it may be continued for that customer.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute (1 hr.) period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

RETAIL COMPETITION PILOT RIDER (EXPERIMENTAL)

The Retail Competition Pilot Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision is limited to customers who are taking service under this provision by January 1, 1998. This provision will terminate on January 1, 1999.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than the sum of the trailing block energy rate under this schedule and the Energy Cost Rate, or the local distribution system has insufficient capacity to meet the expected load.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(C) Indicates Change

RATE SCHEDULE LP-6
LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

APPLICATION RATE SCHEDULE LP-6

This rate schedule is for large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage.

NET MONTHLY RATE (Effective 1-1-97)

\$5.99 per kilowatt for all kilowatts of the Billing KW.

5.022 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.

3.126 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

2.525 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 volts.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 10,000 KW. The Minimum Billing Usage is 400 KWH per kilowatt of the Billing KW.

The Net Monthly Rate Minimum is \$260,780.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the current billing period, except that where a 1 hr. period of maximum use was in effect as of August 28, 1981, it may be continued for that customer.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute (1 hr.) period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

RETAIL COMPETITION PILOT RIDER (EXPERIMENTAL)

The Retail Competition Pilot Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision is limited to customers who are taking service under this provision by January 1, 1998. This provision will terminate on January 1, 1999.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than the sum of the trailing block energy rate under this schedule and the Energy Cost Rate, or the local distribution system has insufficient capacity to meet the expected load.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(C) Indicates Change

PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 65
Electric Pa. P.U.C. No. 200
Sixth Revised Page No. 29
Canceling Fifth Revised Page No. 29

RATE SCHEDULE LPEP POWER SERVICE TO ELECTRIC PROPULSION

APPLICATION RATE SCHEDULE

This rate schedule is available for electric propulsion service from the Company's high voltage lines of 69,000 volts or higher, when the customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

NET MONTHLY RATE (Effective 1-1-97)

\$5.99 per kilowatt for all kilowatts for the Billing KW.

5.221 cts. per KWH for the first 1,200,000 KWH.
4.922 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
3.227 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to the Billing KW when the Company does not utilize its 69,000 volt or 138,000 volt "3 phase" facilities to provide service to the customer.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 20,000 KW.

Net Monthly Rate minimum is \$119,800.00.

FACILITY CHARGE

In addition to the above charges, the customer pays the Company \$3,410.00 per month for use of the Company's 25 Hertz facilities.

BILLING KW

The Billing KW is the average of the weekly demands supplied during the one-hour period of maximum use during the current billing period.

Time-of-day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average of the weekly demands supplied during the one-hour period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The competitive market on-peak period is 7 a.m. to 11 p.m. local time, weekdays excluding holidays.

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision is limited to customers who are taking service under this provision by January 1, 1998. This provision will terminate on January 1, 1999.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than the sum of the trailing block energy rate under this schedule and the Energy Cost Rate, or the local distribution system has insufficient capacity to meet the expected load.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

(C) Indicates Change

Issued April 1, 1997

Effective January 1, 1998

RATE SCHEDULE IS-1
INTERRUPTIBLE SERVICE TO GREENHOUSES**APPLICATION RATE SCHEDULE IS-1**

This rate schedule is for general service at secondary voltage to greenhouses or other environmentally controlled growing facilities which use a minimum of 300 KW of interruptible lighting load as a daylight supplement.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. (C)

NET MONTHLY RATE (Effective 1-1-97)

\$359.24 per month plus
\$9.28 per Billing KW

4.749 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
3.751 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Net Monthly Rate Minimum is \$359.24.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use from 7 a.m.-3 p.m., 8 a.m.-4 p.m., or 9 a.m.-5 p.m. at the option of the customer, Monday to Friday inclusive daily during the current billing period excluding New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

LOAD INTERRUPTION

A total predetermined block of interruptible load (300 KW minimum) equivalent to 60% of the monthly maximum registered demand is to be disconnected by the customer on one-hour notice from the Company during the hours 7 a.m. to 9 p.m. as requested. Interruptions will be limited to a total of 240 hours per year.

Compliance by the customer with a request from the Company for interruption of the committed block of load is determined by the Company from recording meter records. If the customer does not comply, all recorded demands for that 24-hour day are applicable in determining the Billing KW for the billing period. If the customer does not have the interruptible load operating at the time interruption is requested, Billing KW is determined as described in the section above with no penalty.

BUDGET BILLING

Budget Billing is available at the option of the customer.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year. The Company will agree to provide this service to applicable customers for a minimum period of five years during which rate levels are subject to change.

(C) Indicates Change

RATE SCHEDULE IS-P
INTERRUPTIBLE LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER

APPLICATION RATE SCHEDULE IS-P

This rate schedule is for interruptible large general service supplied from available lines of 12,470 volts or higher when customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

INTERRUPTIBLE POWER

Interruptible service under this rate schedule is available to customers with at least 1,000 KW of year-round interruptible power who contract to accept interruptible service for at least one year, as detailed in this rate schedule.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

(C)

NET MONTHLY RATE (Effective 1-1-97)

\$8.28 per kilowatt for all kilowatts of the Billing KW.

5.289 cts. per KWH for first 400 hours use of Billing KW
 3.333 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 25 KW.

The Net Monthly Rate Minimum is \$207.00.

TIME-OF-DAY METERING AND BILLING CHARGE

In addition to the above charges, the customer pays to the Company \$14.97 per month for Time-of-Day metering and billing.

BILLING KW

The monthly Billing KW is calculated as:

$$\text{Billing KW} = \text{Firm Power} + [\text{Interruptible Power} \times (1 - \text{Average On-peak Load Factor})]$$

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 7 p.m. local time, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

MAXIMUM ON-PEAK DEMAND

Maximum On-peak Demand is the average number of kilowatts supplied during the 15 minute period of maximum use during the On-peak Hours of the current billing period.

ON-PEAK LOAD FACTOR

On-peak Load Factor for billing purposes is the ratio of the kilowatt-hours supplied during the On-peak Hours to the product of the Maximum On-peak Demand and the number of On-peak Hours for a billing period.

AVERAGE ON-PEAK LOAD FACTOR

Average On-peak Load Factor is the average of the On-peak Load Factors for the twelve months of the prior calendar year. Average On-peak Load Factor is recalculated annually and applied to service billed on and after April 1 of the current year under this Rate Schedule. The Company may modify the On-peak Load Factors for the twelve months of the prior calendar year to reflect operations expected under this rate.

FIRM POWER

Firm Power is the level of KW demand which the customer has no obligation to curtail during an interruption of service called by the Company. The initial level of Firm Power shall be specified in the contract. This initial level will be adjusted by the Company to the level of Firm Power actually achieved by the customer during an emergency or an emergency test interruption period. The adjusted level shall become the level of Firm Power for the remaining term of the contract or until a new level of Firm Power is achieved during a subsequent emergency or an emergency test interruption period. The level of Firm Power shall not be adjusted below the initial level of Firm Power specified in the contract.

INTERRUPTIBLE POWER

Interruptible Power is the Maximum On-Peak Demand less the Firm Power.

(Continued)

(C) Indicates Change

RATE SCHEDULE IS-T
INTERRUPTIBLE LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

APPLICATION RATE SCHEDULE IS-T

This rate schedule is for interruptible large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage. It applies to 3 phase, 60 Hertz service.

INTERRUPTIBLE POWER

Interruptible service under this rate schedule is available to customers with at least 1,000 KW of year-round interruptible Power who contract to accept interruptible service for at least one year, as detailed in this rate schedule.

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW.

(C)

NET MONTHLY RATE (Effective 1-1-97)

\$7.78 per kilowatt for all kilowatts of the Billing KW.

4.817 cts. per KWH for first 400 hours use of Billing KW

3.222 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 Volts.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 300 KW.

The Net Monthly Rate Minimum is \$2,334.00.

TIME-OF-DAY METERING AND BILLING CHARGE

In addition to the above charges, the customer pays to the Company \$14.97 per month for Time-of-Day metering and billing.

BILLING KW

The monthly Billing KW is calculated as:

$$\text{Billing KW} = \text{Firm Power} + [\text{Interruptible Power} \times (1 - \text{Average On-peak Load Factor})]$$

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 7 p.m. local time, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

MAXIMUM ON-PEAK DEMAND

Maximum On-peak Demand is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the On-peak Hours of the current billing period, except that where a 1 hour period of maximum use was in effect as of August 28, 1981, it may be continued for that customer.

ON-PEAK LOAD FACTOR

On-peak Load Factor for billing purposes is the ratio of the kilowatt-hours supplied during the On-peak Hours to the product of the Maximum On-peak Demand and the number of On-peak Hours for a billing period.

AVERAGE ON-PEAK LOAD FACTOR

Average On-peak Load Factor is the average of the On-peak Load Factors for the twelve months of the prior calendar year. Average On-peak Load Factor is recalculated annually and applied to service billed on and after April 1 of the current year under this Rate Schedule. The Company may modify the On-peak Load Factors for the twelve months of the prior calendar year to reflect operations expected under this rate.

FIRM POWER

Firm Power is the level of KW demand which the customer has no obligation to curtail during an interruption of service called by the Company. The initial level of Firm Power shall be specified in the contract. This initial level will be adjusted by the Company to the level of Firm Power actually achieved by the customer during an emergency or an emergency test interruption period. The adjusted level shall become the level of Firm Power for the remaining term of the contract or until a new level of Firm Power is achieved during a subsequent emergency or an emergency test interruption period. The level of Firm Power shall not be adjusted below the initial level of Firm Power specified in the contract.

INTERRUPTIBLE POWER

Interruptible Power is the Maximum On-Peak Demand less the Firm Power.

(Continued)

(C) Indicates Change

RATE SCHEDULE PR-1
PRICE RESPONSE SERVICE (EXPERIMENTAL)
FIRM POWER

APPLICATION PROVISIONS

This experimental rate is applicable to industrial and commercial customers with firm power requirements who are selected by the Company for a real time pricing pilot program. Customers selected for this pilot program must have a monthly maximum demand of 1000 KW or greater year-round and be served under Rate Schedule LP-4, LP-5, or LP-6. An electric service contract is required for billing under the pilot program. (C)

The Company will select a maximum of thirty-five (35) customers with firm or interruptible power requirements for the pilot program. (C)

The pilot program and billing under this rate schedule will end on January 1, 1999. (C)

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule LP-4, LP-5, or LP-6 for one complete year. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule LP-4, LP-5, or LP-6.

If less than one complete year of billing history is available, the Company will determine an appropriate CBL level prior to the application of the real time pricing rate. If usage during any billing month(s) of the CBL period is not representative of the customer's normal usage pattern, the Company may adjust the CBL to reflect normal usage.

Agreement on the CBL level by the customer and the Company is a precondition for customer participation in the pilot program. The Company will not change the CBL during the pilot program, except as indicated.

2. Marginal Operating Cost -- is a forecasted hourly short-run marginal cost based on an evaluation of the value of Company generation, transactions with the PJM Interconnection Association, and two-party transactions between the Company and other companies.

3. Marginal Capacity Cost -- is a forecasted hourly short-run marginal cost associated with the effect that a change in customer load has on the Company's generation and transmission systems.

4. Loss Adjustment Factor -- is an adjustment for losses between the generator and the customer's metering point.

5. Risk Adjustment Factor -- is an adder, not to exceed 1.0 cent per KWH, which provides a margin over costs on incremental sales and compensates the Company for the risk that hourly energy prices, quoted a day in advance, may vary from actual energy costs.

6. Real Time Price (RTP) -- is an hourly price determined by the Company from its estimated Marginal Operating Cost, Marginal Capacity Cost, Loss Adjustment Factor, and Risk Adjustment Factor.

The Company will send to the customer, by 4:00 p.m. each day, a message containing 24 hourly firm Real Time Prices that will be charged the next day.

The Company will send weekend and Monday hourly prices by 4:00 p.m. on Friday of each week. The Company may send more than one-day-ahead prices for holidays identified in the Company's Tariff. The Company may revise these prices by 4:00 p.m. the day before they become effective.

The Company is not responsible for failure of the customer to receive and act upon the hourly prices. The customer is responsible for notifying the Company if the customer does not receive the hourly prices.

The customer will provide a telephone line and a personal computer with a modem, both acceptable to the Company, for the Company to read the customer's meter remotely and for the customer to receive price information from the Company.

(C) Indicates Change

**RATE SCHEDULE PR-2
PRICE RESPONSE SERVICE (EXPERIMENTAL)
INTERRUPTIBLE POWER**

APPLICATION PROVISIONS

This experimental rate is applicable to industrial and commercial customers with interruptible power requirements selected by the Company for a real time pricing pilot program. Customers selected for this pilot program must have a monthly maximum demand of 1000 KW or greater year-round and currently be served under Rate Schedule IS-P or IS-T. An electric service contract is required for billing under the pilot program. (C)

The Company will select a maximum of thirty-five (35) customers with firm or interruptible power requirements for the pilot program. (C)

The pilot program and billing under this rate schedule will end on January 1, 1999. (C)

The Company will not enter into new contracts for interruptible service if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. (C)

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5, for one complete year. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5.

If less than one complete year of billing history is available, the Company will determine an appropriate CBL level prior to the application of the real time pricing rate. If usage during any billing month(s) of the CBL period is not representative of the customer's normal usage pattern, the Company may adjust the CBL to reflect normal usage.

Agreement on the CBL level by the customer and the Company is a precondition for customer participation in the pilot program. The Company will not change the CBL during the pilot program, except as indicated.

2. Marginal Operating Cost -- is a forecasted hourly short-run marginal cost based on an evaluation of the value of Company generation, transactions with the PJM Interconnection Association, and two-party transactions between the Company and other companies.

3. Marginal Capacity Cost -- is a forecasted hourly short-run marginal cost associated with the effect that a change in customer load has on the Company's generation and transmission systems.

4. Loss Adjustment Factor -- is an adjustment for losses between the generator and the customer's metering point.

5. Risk Adjustment Factor -- is an adder, not to exceed 1.0 cent per KWH, which provides a margin over costs on incremental sales and compensates the Company for the risk that hourly energy prices, quoted a day in advance, may vary from actual energy costs.

6. Real Time Price (RTP) -- is an hourly price determined by the Company from its estimated Marginal Operating Cost, Marginal Capacity Cost, Loss Adjustment Factor, and Risk Adjustment Factor.

The Company will send to the customer, by 4:00 p.m. each day, a message containing 24 hourly firm Real Time Prices that will be charged the next day.

The Company will send weekend and Monday hourly prices by 4:00 p.m. on Friday of each week. The Company may send more than one-day-ahead prices for holidays identified in the Company's Tariff. The Company may revise these prices by 4:00 p.m. the day before they become effective.

The Company is not responsible for failure of the customer to receive and act upon the hourly prices. The customer is responsible for notifying the Company if the customer does not receive the hourly prices.

The customer will provide a telephone line and a personal computer with a modem, both acceptable to the Company, for the Company to read the customer's meter remotely and for the customer to receive price information from the Company.

(C) Indicates Change

PENNSYLVANIA POWER & LIGHT COMPANY

SUPPLEMENT NO. 65 TO TARIFF ELECTRIC - PA. P.U.C. NO. 200

SUPPLEMENTAL INFORMATION REQUIRED BY 52 PA. CODE § 53.52(a) and (b)

Pennsylvania Power & Light Company ("PP&L") hereby submits the following information in support of Supplement No. 65 to Tariff Electric - Pa. P.U.C. No. 200. This tariff supplement proposes transitional changes in rules, riders, and rates for PP&L's restructuring plan. In response to each of the applicable subsections of 52 Pa. Code § 53.52(a) and (b), PP&L states the following:

52 Pa. Code § 53.52(a)(1)

- Q. The specific reasons for each change.
- A. See PP&L's Statement of Reasons.

52 Pa. Code § 53.52(a)(2)

- Q. The total number of customers served by the utility.
- A. As of December 31, 1996, PP&L served a total of 1,236,260 customers.

52 Pa. Code § 53.52(a)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.
- A. Four hundred six (406) customers receive billing credits under the Economic Development Initiatives (EDI) Rider. Three hundred ninety-six (396) customers receive billing credits under the Industrial Development Initiatives (IDI) Rider. These customers will continue to receive billing credits under the EDI and IDI riders until January 1, 1999.

Twenty-four (24) customers receive service under the Demand Free Days provision of Rate Schedules LP-5, LP-6, and LPEP. These customers will continue to receive service under the Demand Free Days provision until January 1, 1999.

Seventy-seven (77) customers receive interruptible service under the Interruptible Service by Agreement rider, the Competitive Rate Rider, and Rate Schedules IS-1, IS-P, IS-T, and PR-2. These existing customers will not be affected by the proposed change.

Two hundred sixty-seven (267) customers with firm power requirements and a monthly maximum demand of 1000 KW or greater year-round are served under Rate Schedules LP-4, LP-5, and LP-6. These customers are eligible for service under proposed Rate Schedule PR-1.

Forty-one (41) customers with a monthly maximum demand of 1000 KW or greater year-round are served under Rate Schedules IS-P and IS-T. These customers are eligible for service under proposed Rate Schedule PR-2.

Twenty-five (25) customers with firm or interruptible service requirements were selected by the Company to receive service under experimental Rate Schedules PR-1 and PR-2 under the existing pilot program. These customers may continue to receive service under Rate Schedules PR-1 and PR-2 under the expanded pilot program. Additional eligible customers may receive service under Rate Schedules PR-1 and PR-2, up to a maximum number of thirty-five (35) customers.

The change in Rule 4 proposed in this filing will not change present rate charges. Therefore, no current bills for electric service will be affected by the proposed change.

One hundred sixty-four thousand four hundred nineteen (164,419) eligible customers have elected Budget Billing under Rule 9. These customers will receive a lower rate of monthly interest on funds in the customer's account which are the result of payments for the billed amount in excess of actual charges for service to date.

52 Pa. Code § 53.52(a)(4)

- Q. The effect of the change on the utility's customers.
- A. See PP&L's response to 52 Pa. Code § 53.52(a)(3).

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. The proposed changes in the Economic Development Initiatives Rider, the Industrial Development Initiatives Rider, and the Demand Free Days provision will not change the current level of revenue received from customers served under these riders and provisions.

The proposed changes to the Interruptible Service by Agreement rider, the Competitive Rate Rider, and Rate Schedules IS-1, IS-P, IS-T, and PR-2 will not change the revenue or expenses for these customers.

At this time, it is not possible to predict the number of new and existing customers that will elect to participate in the expanded pilot program under proposed Rate Schedules PR-1 and PR-2. For this reason, it is not possible to estimate with any certainty the effect of the proposed change on PP&L's revenues and expenses.

The proposed change in Rule 4 could increase revenues by charging customers for non-standard services performed for the customer by PP&L that are related to supplying electric service.

The proposed change in Rule 9 will reduce PP&L's interest expense for eligible customers who elected Budget Billing.

52 Pa. Code § 53.52(a)(6)

- Q. The effect of the change on the service rendered by the utility.
- A. Supplement No. 65 will not affect the service rendered by PP&L.

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. See PP&L's Statement of Reasons.

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. Other than the information contained in PP&L's Statement of Reasons, no specific additional studies were undertaken in order to draft the proposed change.

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. No formal customer polls were taken.

52 Pa. Code § 53.52(a)(10)

- Q. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- A. After the Commission approves this filing, PP&L will notify eligible customers of the changes in the normal course of business.

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. There are no F.C.C. or F.E.R.C. orders specifically applicable to this filing. The Commission's Final Order at Docket No. M-00960890, Re: Electric Utility Restructuring Filings Made Pursuant to 66 Pa. C.S. § 2806(E) is applicable to this filing.

52 Pa. Code § 53.52(b)(1)

- Q. The specific reasons for each increase or decrease.
- A. The specific reasons for each increase or decrease in rates are explained in PP&L's Statement of Reasons.

52 Pa. Code § 53.52(b)(2)

- Q. The operating income statement for the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing. Water and sewer utilities with annual revenues under \$100,000 and municipal corporation subject to Commission jurisdiction may provide operating income statements for a 12-month period, the end of which may not be more than 180 days prior to filing.
- A. Pages 7 and 8 of this response provide PP&L's statement of operating income for the twelve months ended December 31, 1996.

52 Pa. Code § 53.52(b)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be increased.
- A. See PP&L's response to 52 Pa. Code § 53.52(a)(3).

52 Pa. Code § 53.52(b)(4)

- Q. A calculation of total increases, in dollars, by tariff subdivision, projected to an annual basis.
- A. See PP&L's response to 52 Pa. Code § 53.52(a)(5).

52 Pa. Code § 53.52(b)(5)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.
- A. See PP&L's response to 52 Pa. Code § 53.52(a)(3).

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. See PP&L's response to 52 Pa. Code § 53.52(a)(5).

PENNSYLVANIA POWER & LIGHT COMPANY
STATEMENT OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 1996

	12 MONTHS ENDED <u>DEC 1996</u>
OPERATING REVENUES	\$ 2909,086,657.75
OPERATING EXPENSES	
OPERATION	1356,259,042.63
MAINTENANCE	188,258,500.04
TOTAL OPERATION & MAINTENANCE	<u>1544,517,542.67</u>
DEPRECIATION	293,694,306.48
AMORTIZED DEPRECIATION	69,451,524.00
REGULATORY DEBITS/CREDITS	9,566,750.35
INCOME TAXES	
PROVISION - FEDERAL	169,886,494.00
STATE	63,502,121.00
TOTAL PROVISION	<u>233,388,615.00</u>
DEFERRED INCOME TAXES	
FEDERAL	117,783,625.00
STATE	29,637,100.00
	<u>147,420,725.00</u>
DEFERRED INCOME TAXES - CREDIT	
FEDERAL	114,343,329.50
STATE	22,821,919.00
	<u>137,165,248.50</u>
DEFERRED TAXES - NET	<u>10,255,476.50</u>
INVESTMENT TAX CREDIT	
DEFERRED	
AMORTIZATION OF DEFERMENTS	9,919,020.00
TOTAL INVESTMENT TAX CREDITS	<u>9,919,020.00</u>
TOTAL INCOME TAXES	<u>253,725,871.50</u>
TAXES OTHER THAN INCOME	283,343,603.28
(GAINS) FROM DISP OF UTILITY PLANT	
LOSS FROM DISP OF UTILITY PLANT	
(GAINS) FROM DISP OF EMISSION ALLOWANC	755,238.33
TOTAL OPERATING EXPENSES	<u>2354,410,125.25</u>
OPERATING INCOME	<u>554,676,532.50</u>
OTHER INCOME AND DEDUCTIONS	
ALLOW FOR EQUITY FUNDS USED FOR CONSTR	5,690,871.52
OTHER INCOME	
NONUTILITY OPERATING INCOME	552,132.20
EQUITY IN EARNINGS OF SUBSID CO - (A	5,775,694.97
INTEREST & DIVIDEND INCOME	6,518,566.32
MISCELLANEOUS NONOPERATING	4,687,283.97
GAIN ON DISPOSITION OF PROPERTY	75,186.82
TOTAL OTHER INCOME	<u>16,496,599.80</u>
OTHER INCOME DEDUCTIONS	
LOSS ON DISPOSITION OF PROPERTY	32,128.28
MISCELLANEOUS INCOME DEDUCTIONS	6,365,150.06
TOTAL INCOME DEDUCTIONS	<u>6,397,278.34</u>
TAXES APPLIC TO OTHER INCOME & DEDUC	
TAXES OTHER THAN INCOME	86,852.00
INCOME TAXES	
PROVISION (CREDIT)	
FEDERAL	42,624.00
STATE	1,892.00
DC	20,199.00
	<u>44,715.00</u>
DEFERRED - NET	
FEDERAL	58,289.00
STATE	22,296.00
	<u>80,585.00</u>
INVESTMT TAX CR ADJ - NONUTILITY	
TOTAL INCOME TAXES	<u>142,316.00</u>
NET OTHER INCOME & DEDUCTIONS	15,561,025.04
INCOME BEFORE INTEREST CHARGES	<u>570,237,557.56</u>

PENNSYLVANIA POWER & LIGHT COMPANY
STATEMENT OF INCOME
TWELVE MONTHS ENDED DECEMBER 31, 1996

	12 MONTHS ENDED <u>DEC 1996</u>
INTEREST CHARGES	
LONG-TERM DEBT	
MORTGAGE BONDS	206,769,821.20
PROMISSORY NOTES	
PROPERTY PURCHASE AGREEMENTS	
TOTAL LONG-TERM DEBT INTEREST	<u>206,769,821.20</u>
SHORT-TERM DEBT	
BANK LOANS	157,316.84
COMMERCIAL PAPER	1,467,476.82
TOTAL SHORT-TERM DEBT INTEREST	<u>1,624,793.66</u>
OTHER INTEREST CHARGES	
ECR OVERCOLLECTION	45,920.00
STAS REFUND	
AMORTIZATION OF DEBT DISC & EXPENSE	2,384,894.13
AMORTIZATION OF LOSS ON REACQ'D DEBT	7,221,105.01
AMORTIZATION OF PREMIUM ON DEBT	22,929.06-
AMORTIZATION OF GAIN ON REACQ'D DEBT	
COMMITMENT FEES	342,817.34
CUSTOMERS' DEPOSITS	56,423.58
BUDGET BILLINGS	386,167.66
CUSTOMER ADV FOR CONSTR - ST LIGHT	
TAXES ASSUMED ON INTEREST	2,172.00
MISCELLANEOUS	162,432.91
TOTAL OTHER INTEREST CHARGES	<u>10,579,011.57</u>
ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION	5,578,179.11-
NET INTEREST CHARGES	<u>213,395,447.12</u>
NET INCOME	356,842,110.44
DIVIDENDS ON PREFERRED STOCK	27,768,474.76
DIVIDENDS ON PREFERENCE STOCK	
TOTAL DIVIDENDS	<u>27,768,474.76</u>
EARNINGS APPLICABLE TO COMMON STOCK	329,073,635.68

PENNSYLVANIA POWER & LIGHT COMPANY

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Exhibit OGK 4

APR 01 1997
Calculations and Proof of Revenues

PA PUBLIC UTILITY COMMISSION

PROTHONOTARY'S OFFICE

Witness: Oliver G. Kasper

R -00 973954

PENNSYLVANIA POWER AND LIGHT COMPANY

Exhibit OGK-4

SECRET
APR 02 1997

Proof of Revenues
12 Months Ending December 31, 1996

Witness: Oliver G. Kasper

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Summary of Proofs of Revenue
 Pennsylvania Power and Light Company
 12 Month Period Ended December 31, 1996

Line No.	Rate Schedule	Number of Customers	Sales (KWH)	Present Base Rate Revenue	Special Base Rate Credit Adjustment -0.30%	Economic Development Initiatives	State Tax Adjustment Surcharge	Energy Cost Rate	Present Rate Total Revenue
1	RS	1,066,678	11,471,662,409	983,046,658	(2,949,140)				980,097,518
2	RTS	14,580	426,659,446	23,300,998	(69,903)				23,231,095
3	RTD	295	5,333,400	423,839	(1,272)				422,567
4	GS-1	122,688	1,451,259,374	160,767,190	(482,302)				160,284,888
5	GS-3	20,065	7,218,323,046	563,792,405	(1,691,377)	(3,753,276)			558,347,752
6	LP-4	824	4,314,697,840	287,987,147	(663,961)	(13,412,576)			273,710,610
7	IS-P	32	433,036,223	21,151,965	(63,456)				21,088,509
8	LP-5	98	2,558,598,821	150,893,511	(452,681)	(11,376,163)			139,064,667
9	IS-T	30	2,246,169,237	91,240,211	(273,721)				90,966,490
10	LP-6	5	555,861,730	30,170,291	(90,511)				30,079,780
11	LPEP	1	67,986,000	4,684,484	(14,053)				4,670,431
12	ISM	1	550,689,000	22,639,863	(67,920)	(2,020,114)			20,551,829
13	PR-1 ⁽¹⁾	15	103,326,344	2,931,106					2,931,106
14	PR-2 ⁽¹⁾	10	84,116,737	2,391,479					2,391,479
15	IS-1	4	4,484,253	216,946	(651)				216,295
16	BL	15	4,751,439	445,127	(1,335)				443,792
17	SA	-	26,815,080	4,472,399	(13,417)				4,458,982
18	SM	117	7,065,903	1,256,496	(3,769)				1,252,727
19	SHS	869	61,384,710	16,617,673	(49,853)				16,567,820
20	SE	61	10,675,203	445,493	(1,336)				444,157
21	TS(R)	17	503,644	58,151	(174)				57,977
22	SI-1	3	189,759	38,152	(114)				38,038
23	GH-1	1,321	398,577,858	33,164,350	(99,493)				33,064,857
24	GH-2	2,846	87,190,577	7,176,816	(21,530)				7,155,286
25	Standby	10	12,101,668	1,113,259	(3,340)				1,109,919
Total		1,230,585	32,101,459,701	2,410,426,009	(7,215,310)	(30,562,129)	-	-	2,372,648,570

¹ Represents the incremental energy used under the schedule.
 The SBRCA, STAS, and ECR are not applied to charges under the rate schedule for incremental KWH usage.

Summary of Proofs of Revenues
 Pennsylvania Power and Light Company
 12 Month Period Ended December 31, 1996

Line No.	Rate Schedule	Number of Customers	Sales (KWH)	Delivery ¹ Revenue	Competitive ³ Transition Charge Revenue	Forecasted ² Market Value Energy Revenue	Forecasted ² Market Value Capacity Revenue	Proposed Base Rate Revenue	Special Base Rate Credit Adjustment -0.30%	Economic Development Initiatives	Proposed Rate Total Revenue	Total Revenue Change (\$)	(%)
1	RS	1,066,678	11,471,662,409	308,964,028	333,718,400	273,140,288	67,223,942	983,046,658	(2,949,140)		980,097,518	0	0.00
2	RTS	14,580	426,659,446	3,645,349	5,488,490	10,009,431	4,157,728	23,300,998	(69,903)		23,231,095	0	0.00
3	RTD	295	5,333,400	149,355	126,695	126,988	20,800	423,838	(1,272)		422,566	(1)	(0.00)
4	GS-1	122,688	1,451,259,374	55,987,252	61,322,832	35,113,323	8,341,875	160,765,282	(482,296)		160,282,986	(1,902)	(0.00)
5	GS-3	20,065	7,218,323,046	104,299,903	245,144,331	174,393,400	39,945,695	563,783,329	(1,691,350)	(3,753,276)	558,338,703	(9,049)	(0.00)
6	LP-4	824	4,314,697,840	34,595,082	132,018,732	101,265,958	20,102,891	287,982,663	(863,948)	(13,412,576)	273,706,139	(4,471)	(0.00)
7	IS-P	32	433,036,223	3,275,171	7,137,843	10,111,396	627,051	21,151,461	(63,454)		21,088,007	(502)	(0.00)
8	LP-5	98	2,558,598,821	9,376,089	73,622,410	58,080,193	9,812,707	150,891,399	(452,674)	(11,376,163)	139,062,562	(2,105)	(0.00)
9	IS-T	30	2,246,169,237	10,023,514	28,418,704	50,808,348	1,986,985	91,237,551	(273,713)		90,963,838	(2,652)	(0.00)
10	LP-6	5	555,861,730	2,040,732	13,688,489	12,595,827	1,843,031	30,168,079	(90,504)		30,077,575	(2,205)	(0.00)
11	LPEP	1	67,986,000	108,309	2,687,648	1,524,926	363,340	4,684,223	(14,053)		4,670,170	(261)	(0.00)
12	ISM	1	550,689,000	2,670,672	7,230,012	12,533,682	203,400	22,637,766	(67,913)	(2,020,114)	20,549,739	(2,090)	(0.00)
13	PR-1 ⁴	15	103,326,344					2,931,106	-		2,931,106	-	0.00
14	PR-2 ⁴	10	84,116,737					2,391,479	-		2,391,479	-	0.00
15	IS-1	4	4,484,253	82,087	27,632	102,779	4,440	216,938	(651)		216,287	(8)	(0.00)
16	BL	15	4,751,439	167,881	147,580	114,985	14,682	445,128	(1,335)		443,793	1	0.00
17	SA	-	26,815,080	3,383,454	381,799	616,153	90,993	4,472,399	(13,417)		4,458,982	(0)	(0.00)
18	SM	117	7,065,903	949,926	120,182	162,440	23,948	1,256,496	(3,769)		1,252,727	(0)	(0.00)
19	SHS	869	61,384,710	12,527,707	2,470,108	1,411,407	208,450	16,617,672	(49,853)		16,567,819	(1)	(0.00)
20	SE	61	10,675,203	345,880	(182,000)	245,423	36,189	445,492	(1,336)		444,156	(1)	(0.00)
21	TS(R)	17	503,644	44,132	704	11,590	1,725	58,151	(174)		57,977	(0)	(0.00)
22	SI-1	3	189,759	28,817	4,330	4,363	642	38,152	(114)		38,038	(0)	(0.00)
23	GH-1	1,321	398,577,858	7,232,854	14,096,310	9,557,897	2,276,971	33,164,032	(99,492)		33,064,540	(317)	(0.00)
24	GH-2	2,846	87,190,577	1,324,781	3,493,583	1,940,160	418,291	7,176,815	(21,530)		7,155,285	(1)	(0.00)
25	Standby	10	12,101,668	42,354	(434,078)	430,375	1,074,609	1,113,260	(3,340)		1,109,920	1	0.00
Total		1,230,585	32,101,459,701	561,265,329	930,730,736	754,301,332	158,780,385	2,405,077,782	(7,215,233)	(30,562,129)	2,372,623,005	(25,566)	(0)

¹ Delivery includes transmission, distribution, and universal service charges.

² Market Energy/Market Capacity Revenue Requirements - These two terms were derived according to the testimony of Scott Jones.

³ Competitive Transition Charge(CTC) - This item was derived by taking the difference of the original base rate revenue (page 1) and the revenue from the T&D revenue requirement, market energy, and market capacity of each rate schedule.

⁴ Represents the incremental energy used under the schedule.
 The SBRCA, STAS, and ECR are not applied to charges under the rate schedule for incremental KWH usage.

Pennsylvania Power & Light Company
 Rate Schedule RS
 Residential Service
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	12,978,046	\$6.47	\$83,967,958
<u>KWH BLOCKS</u>			
First 200 KWH	2,439,652,156	\$0.08845	\$215,787,233
Next 200 KWH	4,801,509,505	\$0.07847	\$376,774,451
Excess KWH	4,223,976,447	\$0.07248	\$306,153,813
Subtotal	11,465,138,108		\$898,715,497
RWO (See p. 2)			\$211,225
RW1 (See p. 3)			\$151,978
Total Rate Revenue			<u>\$983,046,658</u>
<u>PROPOSED RATE</u>			
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	12,978,046	\$6.47	\$83,967,958
<u>KWH BLOCKS</u>			
Delivery - All KWH	11,465,138,108	\$0.01961	\$224,831,358
Energy - All KWH	11,465,138,108	\$0.02381	\$272,984,938
Capacity - All KWH	11,465,138,108	\$0.00586	\$67,185,709
<u>COMPETITIVE TRANSITION CHARGE</u>			
First 200 KWH	2,439,652,156	\$0.03917	\$95,561,175
Next 600 KWH	4,801,509,505	\$0.02919	\$140,156,062
Excess KWH	4,223,976,447	\$0.02320	\$97,996,254
Subtotal	11,465,138,108		\$333,713,491
RWO (See p. 2)			\$211,225
RW1 (See p. 3)			\$151,978
Total Rate Revenue			<u>\$983,046,658</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$983,046,658
Total Present Rate			\$983,046,658
Rate Change: Amount			\$0
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule RS
 RS with Off-Peak Water Heating-Separate Meter (RWO)
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	3,574	\$6.00	\$21,444
<u>KWH BLOCKS</u>			
All KWH	4,567,543	\$0.04155	\$189,781
Total Rate Revenue			<u>\$211,225</u>
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	3,574	\$6.00	\$21,444
<u>KWH BLOCKS</u>			
Delivery - All KWH	4,567,543	\$0.01961	\$89,570
Energy - All KWH	4,567,543	\$0.02381	\$108,758
Capacity - All KWH	4,567,543	\$0.00586	\$26,766
<u>COMPETITIVE TRANSITION CHARGE</u>			
All KWH	4,567,543	(\$0.00773)	(\$35,312)
Total Rate Revenue			<u>\$211,225</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$211,225
Total Present Rate			\$211,225
Rate Change: Amount			(\$0)
Percent			(0.00)

Pennsylvania Power & Light Company
 RS with Off-Peak Water Heating-Single Meter (RW1)
 Residential Service
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	1,229	\$12.47	\$15,326
<u>KWH BLOCKS</u>			
First 200 KWH	245,727	\$0.08845	\$21,735
Next 400 KWH	479,833	\$0.04654	\$22,331
Next 600 KWH	559,075	\$0.07847	\$43,871
Excess KWH	672,123	\$0.07248	\$48,715
Subtotal	1,956,758		\$136,652
Total Rate Revenue			<u>\$151,978</u>
<u>PROPOSED RATE</u>			
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	1,229	\$12.47	\$15,326
<u>KWH BLOCKS</u>			
Delivery - All KWH	1,956,758	\$0.01961	\$38,372
Energy - All KWH	1,956,758	\$0.02381	\$46,592
Capacity - All KWH	1,956,758	\$0.00586	\$11,467
<u>COMPETITIVE TRANSITION CHARGE</u>			
First 200 KWH	245,727	\$0.03917	\$9,625
Next 400 KWH	479,833	(\$0.00274)	(\$1,315)
Next 600 KWH	559,075	\$0.02919	\$16,319
Excess KWH	672,123	\$0.02320	\$15,593
Subtotal	1,956,758		\$40,221
Total Rate Revenue			<u>\$151,978</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$151,978
Total Present Rate			\$151,978
Rate Change: Amount			\$0
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule RTD
 Residential Service - Time-of-Day
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	3,590	\$12.47	\$44,767
<u>KWH BLOCKS</u>			
On-peak KWH	1,117,589	\$0.15231	\$170,220
Off-peak KWH	4,215,811	\$0.04954	\$208,851
Subtotal	5,333,400		\$379,071
Total Rate Revenue			<u>\$423,839</u>
<u>PROPOSED RATE</u>			
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	3,590	\$12.47	\$44,767
<u>KWH BLOCKS</u>			
Delivery - All KWH	5,333,400	\$0.01961	\$104,588
Energy - All KWH	5,333,400	\$0.02381	\$126,988
Capacity - All KWH	5,333,400	\$0.00390	\$20,800
<u>COMPETITIVE TRANSITION CHARGE</u>			
On-peak KWH	1,117,589	\$0.10499	\$117,336
Off-peak KWH	4,215,811	\$0.00222	\$9,359
Subtotal			\$126,695
Total Rate Revenue			<u>\$423,839</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$423,839
Total Present Rate			\$423,839
Rate Change: Amount			\$0
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule RTS
 Residential Service - Thermal Storage
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	175,678	\$14.97	\$2,629,900
<u>BILLING KW BLOCKS</u>			
First 2 on-peak KW	342,006	\$0.00	\$0
Excess on-peak KW	729,426	\$5.79	\$4,223,377
Subtotal	1,071,432		\$4,223,377
<u>KWH BLOCKS</u>			
All KWH	426,659,446	\$0.03855	\$16,447,722
Total Rate Revenue			<u>\$23,300,998</u>
<u>PROPOSED RATE</u>			
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	175,678	\$14.97	\$2,629,900
<u>BILLING KW BLOCKS</u>			
Capacity - First 2 on-peak KW	342,006	\$0.00	\$0
Capacity - Excess on-peak KW	729,426	\$5.70	\$4,157,728
Subtotal	1,071,432		\$4,157,728
<u>KWH BLOCKS</u>			
Delivery - All KWH	426,659,446	\$0.00238	\$1,015,449
Energy - All KWH	426,659,446	\$0.02346	\$10,009,431
<u>COMPETITIVE TRANSITION CHARGE</u>			
Excess on-peak KW	729,426	\$0.09000	\$65,648
All KWH	426,659,446	\$0.01271	\$5,422,842
Subtotal			\$5,488,490
Total Rate Revenue			<u>\$23,300,998</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$23,300,998
Total Present Rate			\$23,300,998
Rate Change: Amount			\$0
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule GS-1
 Small General Service at Secondary Voltage
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	1,461,726	\$7.48	\$10,933,710
<u>BILLING KW BLOCKS</u>			
First 5 KW	7,308,630	\$0.00	\$0
Excess KW	4,425,997	\$2.00	\$8,851,994
Subtotal	11,734,627		\$8,851,994
<u>KWH BLOCKS</u>			
First 150 KWH/KW	1,048,678,199	\$0.10436	\$109,440,057
Excess KWH	379,310,783	\$0.07841	\$29,741,758
Subtotal	1,427,988,982		\$139,181,815
T. O. D. Metering	10,068	\$14.97	\$150,718
G1V (See p. 7)			\$1,428,021
G1C (See p. 8)			\$220,931
Total Rate Revenue			<u>\$160,767,190</u>

PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	1,461,726	\$7.48	\$10,933,710
<u>BILLING KW BLOCKS</u>			
Capacity - Excess KW	4,425,997	\$1.86	\$8,232,354
<u>KWH BLOCKS</u>			
Delivery - All KWH	1,427,988,982	\$0.03104	\$44,324,778
Energy - All KWH	1,427,988,982	\$0.02420	\$34,557,333
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$30,459,671
Excess KW	4,425,997	\$0.07000	\$309,820
First 150 KWH/KW	1,048,678,199	\$0.02456	\$25,755,537
Excess KWH	379,310,783	\$0.01158	\$4,392,419
Subtotal			\$60,917,446
T. O. D. Metering	10,068	\$14.97	\$150,718
G1V (See p. 7)			\$1,428,039
G1C (See p. 8)			\$220,931
Total Rate Revenue			<u>\$160,765,311</u>

Calculated Revenue from Distribution

Total Proposed Rate	\$160,765,311
Total Present Rate	\$160,767,190

Rate Change: Amount (\$1,879)
 Percent (0.00)

Pennsylvania Power & Light Company
 Rate Schedule GS-1
 Off-Peak Space Conditioning and Water Heating (G1C)
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

<u>PRESENT RATE</u>	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Excess KW	943	\$17.96	\$16,936
<u>KWH BLOCKS</u>			
All KWH	4,880,079	\$0.03851	\$187,932
T. O. D. Metering	1,073	\$14.97	\$16,063
Total Rate Revenue			<u>\$220,931</u>
<u>PROPOSED RATE</u>	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - Excess KW	943	\$1.86	\$1,754
<u>KWH BLOCKS</u>			
Delivery - All KWH	4,880,079	\$0.03104	\$151,478
Energy - All KWH	4,880,079	\$0.02420	\$118,098
<u>COMPETITIVE TRANSITION CHARGE</u>			
Excess KW	943	\$16.10000	\$15,182
All KWH	4,880,079	(\$0.01673)	(\$81,644)
Subtotal	4,881,022		(\$66,461)
T. O. D. Metering	1,073	\$14.97	\$16,063
Total Rate Revenue			<u>\$220,931</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$220,931
Total Present Rate			\$220,931
Rate Change: Amount			\$0
- Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule GS-1
 Volunteer Fire Co./Sr. Citizens Centers (G1V)
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	7,708	\$6.47	\$49,871
<u>KWH BLOCKS</u>			
First 200 KWH	1,408,733	\$0.08845	\$124,602
Next 200 KWH	3,793,484	\$0.07847	\$297,675
Excess KWH	13,188,096	\$0.07248	\$955,873
Subtotal	18,390,313		\$1,378,150
RWO (See p. 2)			\$211,184
RW1 (See p. 3)			\$151,396
Total Rate Revenue			<u>\$1,428,021</u>

PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	7,708	\$6.47000	\$49,871
<u>KWH BLOCKS</u>			
Delivery - All KWH	18,390,313	\$0.01961	\$360,634
Energy - All KWH	18,390,313	\$0.02381	\$437,892
Capacity - All KWH	18,390,313	\$0.00586	\$107,767
<u>COMPETITIVE TRANSITION CHARGE</u>			
First 200 KWH	1,408,733	\$0.03917	\$55,180
Next 600 KWH	3,793,484	\$0.02919	\$110,732
Excess KWH	13,188,096	\$0.02320	\$305,964
Subtotal	18,390,313		\$471,876
Total Rate Revenue			<u>\$1,428,039</u>

Calculated Revenue from Distribution

Total Proposed Rate	\$1,428,039
Total Present Rate	\$1,428,021

Rate Change: Amount	\$18
Percent	0.00

Pennsylvania Power & Light Company
 Rate Schedule GS-3
 Large General Service at Secondary Voltage
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
All KW	20,778,289	\$6.94	\$144,201,326
<u>KWH BLOCKS</u>			
First 200 Hours	4,015,514,457	\$0.06444	\$258,759,752
Next 200 Hours	2,483,030,742	\$0.05047	\$125,318,562
Excess KWH	691,976,710	\$0.04849	\$33,553,951
Subtotal	7,190,521,909		\$417,632,264
T. O. D. Metering	30,733	\$14.97	\$460,073
G3V (See p. 7)			\$272,684
G3C (See p. 8)			\$1,226,058
Total Rate Revenue			<u>\$563,792,405</u>
<u>PROPOSED RATE</u>			
	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	20,778,289	\$1.92	\$39,894,315
<u>KWH BLOCKS</u>			
Delivery - All KWH	7,190,521,909	\$0.01438	\$103,399,705
Energy - All KWH	7,190,521,909	\$0.02416	\$173,723,009
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$122,408,276
All KW	20,778,289	\$2.51000	\$52,153,505
First 200 Hours	4,015,514,457	\$0.01295	\$52,000,912
Next 200 Hours	2,483,030,742	\$0.00596	\$14,798,863
Excess KWH	691,976,710	\$0.00498	\$3,446,044
Subtotal	7,190,521,909		\$244,807,601
T. O. D. Metering	30,733	\$14.97	\$460,073
G3V (See p. 7)			\$272,688
G3C (See p. 8)			\$1,226,058
Total Rate Revenue			<u>\$563,783,449</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$563,783,449
Total Present Rate			\$563,792,405
Rate Change: Amount			(\$8,956)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule GS-3
 Off-Peak Space Conditioning and Water Heating (G3C)
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

<u>PRESENT RATE</u>	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Excess KW	15,532	\$17.96	\$278,955
<u>KWH BLOCKS</u>			
All KWH	24,122,163	\$0.03851	\$928,944
T. O. D. Metering	1,213	\$14.97	\$18,159
Total Rate Revenue			<u>\$1,226,058</u>
<u>PROPOSED RATE</u>	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - Excess KW	15,532	\$1.92	\$29,821
<u>KWH BLOCKS</u>			
Delivery - All KWH	24,122,163	\$0.01438	\$346,877
Energy - All KWH	24,122,163	\$0.02416	\$582,791
<u>COMPETITIVE TRANSITION CHARGE</u>			
Excess KW	15,532	\$16.04000	\$249,133
All KWH	24,122,163	(\$0.00003)	(\$724)
Subtotal			<u>\$248,410</u>
T. O. D. Metering	1,213	\$14.97	\$18,159
Total Rate Revenue			<u>\$1,226,058</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$1,226,058
Total Present Rate			\$1,226,058
Rate Change: Amount			\$0
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule GS-3
 Volunteer Fire Co./Sr. Citizens Centers (G3V)
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	455	\$6.47	\$2,944
<u>KWH BLOCKS</u>			
First 200 KWH	91,000	\$0.08845	\$8,049
Next 200 KWH	273,000	\$0.07847	\$21,422
Excess KWH	3,314,974	\$0.07248	\$240,269
Subtotal	3,678,974		\$269,741
Total Rate Revenue			\$272,684
<hr/>			
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	455	\$6.47	\$2,944
<u>KWH BLOCKS</u>			
Delivery - All KWH	3,678,974	\$0.01961	\$72,145
Energy - All KWH	3,678,974	\$0.02381	\$87,600
Capacity - All KWH	3,678,974	\$0.00586	\$21,559
<u>COMPETITIVE TRANSITION CHARGE</u>			
First 200 KWH	91,000	\$0.03917	\$3,564
Next 600 KWH	273,000	\$0.02919	\$7,969
Excess KWH	3,314,974	\$0.02320	\$76,907
Subtotal	3,678,974		\$88,441
Total Rate Revenue			\$272,688
<hr/>			
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$272,688
Total Present Rate			\$272,684
Rate Change: Amount			\$4
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule LP-4
 Large General Service at 12,000 Volts or Higher
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

<u>PRESENT RATE</u>	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
All KW	9,618,608	\$6.44	\$61,943,836
<u>KWH BLOCKS</u>			
First 200 Hours	1,895,050,067	\$0.06127	\$116,109,718
Next 200 Hours	1,655,665,058	\$0.04730	\$78,312,957
Excess KWH	761,633,717	\$0.04130	\$31,455,473
Subtotal	4,312,348,842		\$225,878,147
T. O. D. Metering L4C (See p. 13)	5,118	\$14.97	\$76,616 \$88,548
Total Rate Revenue			<u>\$287,987,147</u>
<u>PROPOSED RATE</u>			
	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	9,618,608	\$2.09	\$20,102,891
<u>KWH BLOCKS</u>			
Delivery - All KWH	4,312,348,842	\$0.00800	\$34,498,791
Energy - All KWH	4,312,348,842	\$0.02347	\$101,210,827
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$66,004,736
All KW	9,618,608	\$2.17500	\$20,920,472
First 200 Hours	1,895,050,067	\$0.01490	\$28,236,246
Next 200 Hours	1,655,665,058	\$0.00791	\$13,096,311
Excess KWH	761,633,717	\$0.00492	\$3,747,238
Subtotal	4,312,348,842		\$132,005,003
T. O. D. Metering L4C (See p. 13)	5,118	\$14.97	\$76,616 \$88,548
Total Rate Revenue			<u>\$287,982,676</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$287,982,676
Total Present Rate			\$287,987,147
Rate Change: Amount			(\$4,471)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule LP-4
 Off-Peak Space Conditioning and Water Heating (L4C)
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

<u>PRESENT RATE</u>	Units	Rate	Rate Revenue
<u>KWH BLOCKS</u>			
All KWH	2,348,998	\$0.03732	\$87,665
T. O. D. Metering	59	\$14.97	\$883
Total Rate Revenue			<u>\$88,548</u>
<u>PROPOSED RATE</u>			
<u>KWH BLOCKS</u>			
Delivery - All KWH	2,348,998	\$0.00800	\$18,792
Energy - All KWH	2,348,998	\$0.02347	\$55,131
<u>COMPETITIVE TRANSITION CHARGE</u>			
All KWH	2,348,998	\$0.00585	\$13,742
Subtotal			<u>\$13,742</u>
T. O. D. Metering	59	\$14.97	\$883
Total Rate Revenue			<u>\$88,548</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$88,548
Total Present Rate			\$88,548
Rate Change: Amount			\$0
Percent			0.00

Pennsylvania Power & Light Company
 Rate Schedule LP-5
 Large General Service at 69,000 Volts or Higher
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
All KW	4,833,846	\$5.99	\$28,954,738
<u>KWH BLOCKS</u>			
First 200 Hours	960,763,170	\$0.05422	\$52,092,579
Next 200 Hours	924,486,035	\$0.04623	\$42,738,989
Excess KWH	673,349,616	\$0.04024	\$27,095,589
Subtotal	2,558,598,821		\$121,927,157
T. O. D. Metering	776	\$14.97	\$11,617
Total Rate Revenue			<u>\$150,893,511</u>
<u>PROPOSED RATE</u>			
	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	4,833,846	\$2.03	\$9,812,707
<u>KWH BLOCKS</u>			
Delivery - All KWH	2,558,598,821	\$0.00366	\$9,364,472
Energy - All KWH	2,558,598,821	\$0.02270	\$58,080,193
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$36,812,260
All KW	4,833,846	\$1.98000	\$9,571,015
First 200 Hours	960,763,170	\$0.01393	\$13,383,431
Next 200 Hours	924,486,035	\$0.00994	\$9,189,391
Excess KWH	673,349,616	\$0.00693	\$4,666,313
Subtotal	2,558,598,821		\$73,622,410
T. O. D. Metering	776	\$14.97	\$11,617
Total Rate Revenue			<u>\$150,891,399</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$150,891,399
Total Present Rate			\$150,893,511
Rate Change: Amount			(\$2,112)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule LP-6
 Large General Service at 69,000 Volts or Higher
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
All KW	959,912	\$5.99	\$5,749,873
<u>KWH BLOCKS</u>			
First 400 Hours (Mandatory)	383,964,800	\$0.05022	\$19,282,712
Next 200 Hours	132,544,130	\$0.03126	\$4,143,330
Excess KWH	39,352,800	\$0.02525	\$993,658
Subtotal	555,861,730		\$24,419,700
T. O. D. Metering	48	\$14.97	\$719
Total Rate Revenue			<u>\$30,170,291</u>
<u>PROPOSED RATE</u>			
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	959,912	\$1.92	\$1,843,031
<u>KWH BLOCKS</u>			
Delivery - All KWH	555,861,730	\$0.00367	\$2,040,013
Energy - All KWH	555,861,730	\$0.02266	\$12,595,827
<u>COMPETTITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$6,844,395
All KW	959,912	\$2.03500	\$1,953,421
First 200 Hours	383,964,800	\$0.01194	\$4,584,540
Next 200 Hours	132,544,130	\$0.00247	\$327,384
Excess KWH	39,352,800	(\$0.00054)	(\$21,251)
Subtotal	555,861,730		\$13,688,489
T. O. D. Metering	48	\$14.97	\$719
Total Rate Revenue			<u>\$30,168,078</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$30,168,078
Total Present Rate			\$30,170,291
Rate Change: Amount			(\$2,213)
Percent			(0.01)

Pennsylvania Power & Light Company
 Rate Schedule ISP
 Interruptible Large General Service at 12,470 Volts or Higher
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
All KW	418,034	\$8.28	\$3,461,322
<u>KWH BLOCKS</u>			
First 400 Hours	166,247,320	\$0.05289	\$8,792,821
Excess KWH	266,788,903	\$0.03333	\$8,892,074
Subtotal	433,036,223		\$17,684,895
T. O. D. Metering	384	\$14.97	\$5,748
Total Rate Revenue			<u>\$21,151,965</u>
<u>PROPOSED RATE</u>			
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	418,034	\$1.50	\$627,051
<u>KWH BLOCKS</u>			
Delivery - All KWH	433,036,223	\$0.00755	\$3,269,423
Energy - All KWH	433,036,223	\$0.02335	\$10,111,396
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$3,569,173
All KW	418,034	\$3.39000	\$1,417,135
First 400 Hours	166,247,320	\$0.01100	\$1,828,721
Excess KWH	266,788,903	\$0.00121	\$322,815
Subtotal	433,036,223		\$7,137,843
T. O. D. Metering	384	\$14.97	\$5,748
Total Rate Revenue			<u>\$21,151,462</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$21,151,462
Total Present Rate			\$21,151,965
Rate Change: Amount			(\$503)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule IS1
 Interruptible Service to Greenhouses
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	49	\$359.24	\$17,603
<u>BILLING KW BLOCKS</u>			
All KW	2,000	\$9.28	\$18,560
<u>KWH BLOCKS</u>			
First 730 Hours	1,260,450	\$0.04749	\$59,859
Excess KWH	3,223,803	\$0.03751	\$120,925
Subtotal	4,484,253		\$180,784
Total Rate Revenue			<u>\$216,946</u>
<u>PROPOSED RATE</u>			
<u>MONTHLY</u>			
Total Bills - Delivery	49	\$359.24	\$17,603
Capacity - All KW	2,000	\$2.22	\$4,440
<u>KWH BLOCKS</u>			
Delivery - All KWH	4,484,253	\$0.01438	\$64,484
Energy - All KWH	4,484,253	\$0.02292	\$102,779
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$13,821
All KW	2,000	\$3.53000	\$7,060
First 730 Hours	1,260,450	\$0.00510	\$6,428
Excess KWH	3,223,803	\$0.00010	\$322
Subtotal	4,484,253		\$27,632
Total Rate Revenue			<u>\$216,937</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$216,937
Total Present Rate			\$216,946
Rate Change: Amount			(\$9)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule LPEP
 Power Service to Electric Propulsion
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Facility Charge	12	\$3,410.00	\$40,920
<u>BILLING KW BLOCKS</u>			
All KW	248,863	\$5.99	\$1,490,689
<u>KWH BLOCKS</u>			
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.05221	\$751,824
Next 250 Hours	52,105,250	\$0.04922	\$2,564,620
Excess KWH	1,480,750	\$0.03227	\$47,784
Subtotal	67,986,000		\$3,364,228
T. O. D. Metering	12	\$14.97	\$180
230 KV Credit	248,863	(\$0.85)	(\$211,534)
Total Rate Revenue			<u>\$4,684,484</u>
PROPOSED RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	248,863	\$1.46	\$363,340
<u>KWH BLOCKS</u>			
Delivery - All KWH	67,986,000	\$0.00410	\$278,743
Energy - All KWH	67,986,000	\$0.02243	\$1,524,926
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$1,343,954
All KW	248,863	\$2.26500	\$563,675
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.01284	\$184,896
Next 250 Hours	52,105,250	\$0.01134	\$590,874
Excess KWH	1,480,750	\$0.00287	\$4,250
Subtotal	67,986,000		\$2,687,648
T. O. D. Metering	12	\$14.97	\$180
Facility Charge	12	\$3,410.00	\$40,920
230 KV Credit	248,863	(\$0.85)	(\$211,534)
Total Rate Revenue			<u>\$4,684,223</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$4,684,223
Total Present Rate			\$4,684,484
Rate Change: Amount			(\$261)
Percent			(0.01)

Pennsylvania Power & Light Company
 Rate Schedule IST
 Interruptible Large General Service at 69,000 Volts or Higher
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
All KW	1,333,547	\$7.78	\$10,374,996
<u>KWH BLOCKS</u>			
First 400 Hours	532,165,755	\$0.04817	\$25,634,424
Excess KWH	1,714,003,482	\$0.03222	\$55,225,192
Subtotal	2,246,169,237		\$80,859,617
T. O. D. Metering	374	\$14.97	\$5,599
Total Rate Revenue			<u>\$91,240,211</u>
PROPOSED RATE	Units	Rate	Rate Revenue
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	1,333,547	\$1.49	\$1,986,985
<u>KWH BLOCKS</u>			
Delivery - All KWH	2,246,169,237	\$0.00446	\$10,017,915
Energy - All KWH	2,246,169,237	\$0.02262	\$50,808,348
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$14,210,683
All KW	1,333,547	\$3.14500	\$4,194,005
First 400 Hours	532,165,755	\$0.01054	\$5,609,027
Excess KWH	1,714,003,482	\$0.00257	\$4,404,989
Subtotal	2,246,169,237		\$28,418,704
T. O. D. Metering	374	\$14.97	\$5,599
Total Rate Revenue			<u>\$91,237,551</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$91,237,551
Total Present Rate			\$91,240,211
Rate Change: Amount			(\$2,660)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule ISM
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	12	\$21,095.61	\$253,147
<u>BILLING KW BLOCKS</u>			
All KW	90,000	\$5.62	\$505,800
<u>KWH BLOCKS</u>			
First 5,475,000 KWH	65,700,000	\$0.04264	\$2,801,448
Excess KWH	484,989,000	\$0.03934	\$19,079,467
Subtotal	550,689,000		\$21,880,915
Total Rate Revenue			<u>\$22,639,863</u>
<u>PROPOSED RATE</u>			
<u>MONTHLY</u>			
Total Bills - Delivery	12	\$21,095.61	\$253,147
Capacity - All KW	90,000	\$2.26	\$203,400
<u>KWH BLOCKS</u>			
Delivery - All KWH	550,689,000	\$0.00439	\$2,417,525
Energy - All KWH	550,689,000	\$0.02276	\$12,533,682
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$3,616,054
All KW	90,000	\$1.68000	\$151,200
First 5,475,000 KWH	65,700,000	\$0.00775	\$509,175
Excess KWH	484,989,000	\$0.00609	\$2,953,583
Subtotal	550,689,000		\$7,230,012
Total Rate Revenue			<u>\$22,637,766</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$22,637,766
Total Present Rate			\$22,639,863
Rate Change: Amount			(\$2,097)
Percent			(0.01)

Pennsylvania Power & Light Company
 Rate Schedule GH-1(R)
 Single Meter Commercial Space Heating Service
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	14,598	\$14.97	\$218,532
<u>BILLING KW BLOCKS</u>			
All KW	1,626,408	\$1.30	\$2,114,330
<u>KWH BLOCKS</u>			
First 150 Hours (6000 KWH max)	63,111,957	\$0.08739	\$5,515,354
Excess KWH	335,465,901	\$0.07542	\$25,300,838
Subtotal	398,577,858		\$30,816,192
T.O.D. Metering	1,393	\$14.97	\$20,853
12 KV Credit	11,116,000	(\$0.00050)	(\$5,558)
Total Rate Revenue			<u>\$33,164,350</u>
<u>PROPOSED RATE</u>			
<u>MONTHLY</u>			
Total Bills - Delivery	14,598	\$14.97	\$218,532
<u>BILLING KW BLOCKS</u>			
Capacity - All KW	1,626,408	\$1.40	\$2,276,971
<u>KWH BLOCKS</u>			
Delivery - All KWH	398,577,858	\$0.01756	\$6,999,027
Energy - All KWH	398,577,858	\$0.02398	\$9,557,897
<u>COMPETTITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$7,048,312
All KW	1,626,408	(\$0.05000)	(\$81,320)
First 150 Hours (6000 KWH max)	63,111,957	\$0.02292	\$1,446,526
Excess KWH	335,465,901	\$0.01694	\$5,682,792
Subtotal			<u>\$14,096,310</u>
T.O.D. Metering	1,393	\$14.97	\$20,853
12 KV Credit	11,116,000	(\$0.00050)	(\$5,558)
Total Rate Revenue			<u>\$33,164,033</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$33,164,033
Total Present Rate			\$33,164,350
Rate Change: Amount			(\$317)
Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule GH-2(R)
 Single Meter General Space Heating Service
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills	34,263	\$17.46	\$598,232
<u>KWH BLOCKS</u>			
First 200 KWH	6,283,134	\$0.00000	\$0
Excess KWH	80,907,443	\$0.08131	\$6,578,584
Subtotal	87,190,577		\$6,578,584
Total Rate Revenue			<u>\$7,176,816</u>
<u>PROPOSED RATE</u>			
PROPOSED RATE	Units	Rate	Rate Revenue
<u>MONTHLY</u>			
Total Bills - Delivery	34,263	\$17.46	\$598,232
<u>KWH BLOCKS</u>			
Delivery - Excess KWH	80,907,443	\$0.00898	\$726,549
Energy - Excess KWH	80,907,443	\$0.02398	\$1,940,160
Capacity - Excess KWH	80,907,443	\$0.00517	\$418,291
<u>COMPETITIVE TRANSITION CHARGE</u>			
Customer-specific fixed charge			\$1,746,791
First 200 KWH	6,283,134	\$0.00000	\$0
Excess KWH	80,907,443	\$0.02159	\$1,746,792
Subtotal			\$3,493,583
Total Rate Revenue			<u>\$7,176,815</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$7,176,815
Total Present Rate			\$7,176,816
Rate Change: Amount			(\$1)
_ Percent			(0.00)

Pennsylvania Power & Light Company
 Rate Schedule BL
 Borderline Service - Electric Service
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>KWH BLOCKS</u>			
All KWH	4,751,439	\$0.08939	\$424,731
Facility Charge			\$20,396
Total Rate Revenue			<u>\$445,127</u>
PROPOSED RATE	Units	Rate	Rate Revenue
<u>KWH BLOCKS</u>			
Delivery - All KWH	4,751,439	\$0.03104	\$147,485
Energy - All KWH	4,751,439	\$0.02420	\$114,985
Capacity - All KWH	4,751,439	\$0.00309	\$14,682
<u>COMPETITIVE TRANSITION CHARGE</u>			
All KWH	4,751,439	\$0.03106	\$147,580
Facility Charge			\$20,396
Total Rate Revenue			<u>\$445,127</u>
<u>Calculated Revenue from Distribution</u>			
Total Proposed Rate			\$445,127
Total Present Rate			\$445,127
Rate Change: Amount			(\$0)
Percent			(0.00)

Pennsylvania Power & Light Company
 Tariff Rule 6A
 Stand-By Service for Qualifying Facilities
 Calculation of Effect of Proposed Rate
 Based on Bill Frequency Distribution for 12 months ended December 1996

PRESENT RATE	Units	Rate	Rate Revenue
<u>Back-Up Power Capacity Charge:</u>			
Service at 480 Volts or Less	0	\$1.72	\$0
Service at 12 KV	0	\$1.67	\$0
Service at 69 KV or Higher	529,364	\$1.21	\$640,530
Subtotal	529,364		\$640,530
<u>Back-Up Power KWH Charge:</u>			
Service at 480 Volts or Less	0	\$0.04819	\$0
Service at 12 KV	0	\$0.04551	\$0
Service at 69 KV or Higher	8,771,084	\$0.04085	\$358,299
Subtotal	8,771,084		\$358,299
<u>Maintenance Power KWH Charge:</u>			
Service at 480 Volts or Less	0	\$0.04819	\$0
Service at 12 KV	0	\$0.04551	\$0
Service at 69 KV or Higher	2,801,220	\$0.04085	\$114,430
Subtotal	2,801,220		\$114,430
Total Rate Revenue			\$1,113,259

PROPOSED RATE	Units	Rate	Rate Revenue
<u>Back-Up Power Capacity Charge:</u>			
Service at 480 Volts or Less	0	\$1.92	\$0
Service at 12 KV	0	\$2.09	\$0
Service at 69 KV or Higher	529,364	\$2.03	\$1,074,609
Subtotal	529,364		\$1,074,609
<u>KWH BLOCKS</u>			
<u>Back-Up Power Delivery Charge:</u>			
Service at 480 Volts or Less	0	\$0.01438	\$0
Service at 12 KV	0	\$0.00800	\$0
Service at 69 KV or Higher	8,771,084	\$0.00366	\$32,102
Subtotal	8,771,084		\$32,102
<u>Back-Up Power Energy Charge:</u>			
Service at 480 Volts or Less	0	\$0.02416	\$0
Service at 12 KV	0	\$0.02347	\$0
Service at 69 KV or Higher	8,771,084	\$0.02270	\$199,104
Subtotal	8,771,084		\$199,104
<u>Maintenance Power Energy Charge:</u>			
Service at 480 Volts or Less	0	\$0.02416	\$0
Service at 12 KV	0	\$0.02347	\$0
Service at 69 KV or Higher	2,801,220	\$0.02270	\$63,588
Subtotal	2,801,220		\$63,588
<u>Maintenance Power Delivery Charge:</u>			
Service at 480 Volts or Less	0	\$0.01438	\$0
Service at 12 KV	0	\$0.00800	\$0
Service at 69 KV or Higher	2,801,220	\$0.00366	\$10,252
Subtotal	2,801,220		\$10,252

Pennsylvania Power & Light Company
 Tariff Rule 6A
 Stand-By Service for Qualifying Facilities
 Calculation of Effect of Proposed Rate

Based on Bill Frequency Distribution for 12 months ended December 1996

COMPETITIVE TRANSITION CHARGE

Back-Up Power Capacity Charge:

Service at 480 Volts or Less	0	(\$0.20000)	\$0
Service at 12 KV	0	(\$0.42000)	\$0
Service at 69 KV or Higher	529,364	(\$0.82000)	(\$434,078)
Subtotal	529,364		(\$434,078)

Back-Up Power KWH Charge:

Service at 480 Volts or Less	0	\$0.00965	\$0
Service at 12 KV	0	\$0.01404	\$0
Service at 69 KV or Higher	8,771,084	\$0.01449	\$127,093
Subtotal	8,771,084		\$127,093

Maintenance Power KWH Charge:

Service at 480 Volts or Less	0	\$0.00965	\$0
Service at 12 KV	0	\$0.01404	\$0
Service at 69 KV or Higher	2,801,220	\$0.01449	\$40,590
Subtotal	2,801,220		\$40,590

Total Rate Revenue	\$1,113,259
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Calculated Revenue from Distribution

Total Proposed Rate	\$1,113,259
Total Present Rate	\$1,113,259

Rate Change: Amount	(\$0)
Percent	(0.00)

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE SA
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 1996

<u>TYPE OF SERVICE</u>	<u>LUMEN</u>	<u>NUMBER</u>	<u>ANNUAL</u> <u>KWH</u>	<u>MONTHLY RATE</u>					
				<u>PRESENT</u>	<u>PROPOSED</u>			<u>CTC</u>	
				<u>ENERGY</u>	<u>CAPACITY</u>	<u>DELIVERY</u>			
OVERHEAD									
WOOD POLE	6650	26,159	22,664,158	\$ 12.042	\$ 1.659	\$ 0.245	\$ 9.110	\$ 1.028	
	9500	4,791	4,150,922	\$ 12.042	\$ 1.659	\$ 0.245	\$ 9.110	\$ 1.028	
CALCULATED ANNUAL REVENUE				\$ 4,472,399	\$ 616,153	\$ 90,993	\$ 3,383,454	\$ 381,799	
TOTAL PRESENT REVENUE				\$ 4,472,399					
TOTAL PROPOSED REVENUE								\$ 4,472,399	
RATE CHANGE: AMOUNT								\$ -	
PERCENT									0%

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE SHS
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 1996

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE					
				PRESENT	ENERGY	CAPACITY	DELIVERY	CTC	
OVERHEAD									
WOOD POLE	5800	33,216	11,858,112	\$ 9.618	\$ 0.684	\$ 0.101	\$ 7.244	\$ 1.589	
	9500	42,948	21,989,376	\$ 10.797	\$ 0.981	\$ 0.145	\$ 8.143	\$ 1.528	
	16000	12,260	9,231,780	\$ 12.155	\$ 1.443	\$ 0.213	\$ 9.184	\$ 1.315	
	25500	3,633	4,937,247	\$ 17.075	\$ 2.604	\$ 0.384	\$ 12.928	\$ 1.159	
	50000	330	703,890	\$ 22.473	\$ 4.086	\$ 0.603	\$ 17.047	\$ 0.737	
METAL POLE	5800	132	47,124	\$ 13.560	\$ 0.684	\$ 0.101	\$ 10.199	\$ 2.576	
	9500	626	320,512	\$ 14.460	\$ 0.981	\$ 0.145	\$ 10.888	\$ 2.446	
	16000	619	466,107	\$ 15.649	\$ 1.443	\$ 0.213	\$ 11.802	\$ 2.191	
	25500	246	334,314	\$ 20.118	\$ 2.604	\$ 0.384	\$ 15.210	\$ 1.920	
	50000	15	31,995	\$ 25.107	\$ 4.086	\$ 0.603	\$ 19.022	\$ 1.396	
UNDERGROUND									
WOOD POLE	5800	1,095	390,915	\$ 15.785	\$ 0.684	\$ 0.101	\$ 11.868	\$ 3.132	
	9500	2,303	1,179,136	\$ 17.144	\$ 0.981	\$ 0.145	\$ 12.901	\$ 3.117	
LOW MOUNT	5800	4,213	1,504,041	\$ 15.925	\$ 0.684	\$ 0.101	\$ 11.973	\$ 3.167	
	9500	5,365	2,746,880	\$ 17.244	\$ 0.981	\$ 0.145	\$ 12.976	\$ 3.142	
HIGH MOUNT	9500	1,344	688,128	\$ 20.866	\$ 0.981	\$ 0.145	\$ 15.692	\$ 4.048	
	16000	2,082	1,567,746	\$ 22.035	\$ 1.443	\$ 0.213	\$ 16.591	\$ 3.788	
	25500	1,664	2,261,376	\$ 30.566	\$ 2.604	\$ 0.384	\$ 23.043	\$ 4.535	
	50000	235	501,255	\$ 35.715	\$ 4.086	\$ 0.603	\$ 26.975	\$ 4.051	
MULTIPLE UNIT	5800	25	8,925	\$ 8.610	\$ 0.684	\$ 0.101	\$ 6.488	\$ 1.337	
	9500	229	117,248	\$ 9.740	\$ 0.981	\$ 0.145	\$ 7.350	\$ 1.264	
	16000	173	130,269	\$ 10.220	\$ 1.443	\$ 0.213	\$ 7.732	\$ 0.832	
	25500	180	244,620	\$ 14.081	\$ 2.604	\$ 0.384	\$ 10.683	\$ 0.410	
	50000	58	123,714	\$ 17.304	\$ 4.086	\$ 0.603	\$ 13.171	\$ (0.556)	
CALCULATED ANNUAL REVENUE				\$ 16,617,673	\$ 1,411,407	\$ 208,450	\$ 12,527,707	\$ 2,470,108	
TOTAL PRESENT REVENUE				\$ 16,617,673					
TOTAL PROPOSED REVENUE							\$ 16,617,673		
RATE CHANGE: AMOUNT							\$ -		
PERCENT								0%	

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE SE
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 1996

<u>TYPE OF SERVICE</u>	<u>LUMEN</u>	<u>NUMBER</u>	<u>ANNUAL</u> <u>KWH</u>	<u>MONTHLY RATE</u>				
				<u>PRESENT</u>	<u>ENERGY</u>	<u>CAPACITY</u>	<u>DELIVERY</u>	<u>CTC</u>
UTILITY POLE	3350	94	55,366	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
	6650	31	28,520	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
	5800	293	104,601	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
	9500	674	345,088	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
	16000	304	228,912	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
	25500	275	373,725	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
	50000	5	10,665	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)
CUSTOMER POLE	3350	11	6,479	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	6650	232	213,440	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	10500	716	920,776	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	20000	427	870,226	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	34000	24	83,376	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	51000	130	624,130	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	5800	200	71,400	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	9500	374	191,488	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	16000	997	750,741	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	25500	1,013	1,376,667	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	50000	1,578	3,365,874	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	22000	916	905,924	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
	14000	115	103,845	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)
37000	28	43,960	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
CALCULATED ANNUAL REVENUE				\$ 445,493	\$ 245,423	\$ 36,189	\$ 345,880	\$ (182,000)
TOTAL PRESENT REVENUE				\$ 445,493				
TOTAL PROPOSED REVENUE								\$ 445,493
RATE CHANGE: AMOUNT								\$ 0
PERCENT								0%

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE TS(R)
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 1996

<u>TYPE OF SERVICE</u>	<u>WATTS</u>	<u>NUMBER</u>	<u>ANNUAL KWH</u>	<u>MONTHLY RATE</u>				
				<u>PRESENT</u>	<u>ENERGY</u>	<u>CAPACITY</u>	<u>DELIVERY</u>	<u>CTC</u>
TRAFFIC SIGNAL	25	2	439	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	50	7	3,066	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	60	424	222,854	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	67	209	122,641	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	69	189	114,307	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	100	5	4,380	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	104	2	1,798	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	107	12	11,246	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	116	17	17,279	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	125	3	3,287	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
	134	2	2,347	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102
CALCULATED ANNUAL REVENUE				\$ 58,151	\$ 11,590	\$ 1,725	\$ 44,132	\$ 704
TOTAL PRESENT REVENUE				\$ 58,151				
TOTAL PROPOSED REVENUE								\$ 58,151
RATE CHANGE: AMOUNT								\$ -
PERCENT								0%

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE SA
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 1996

<u>TYPE OF SERVICE</u>	<u>LUMEN</u>	<u>NUMBER</u>	<u>ANNUAL</u> <u>KWH</u>	<u>MONTHLY RATE</u>					
				<u>PRESENT</u>	<u>ENERGY</u>	<u>CAPACITY</u>	<u>DELIVERY</u>	<u>CTC</u>	
OVERHEAD									
WOOD POLE	6650	26,159	22,664,158	\$ 12.042	\$ 1.659	\$ 0.245	\$ 9.110	\$ 1.028	
	9500	4,791	4,150,922	\$ 12.042	\$ 1.659	\$ 0.245	\$ 9.110	\$ 1.028	
CALCULATED ANNUAL REVENUE				\$ 4,472,399	\$ 616,153	\$ 90,993	\$ 3,383,454	\$ 381,799	
TOTAL PRESENT REVENUE				\$ 4,472,399					
TOTAL PROPOSED REVENUE								\$ 4,472,399	
RATE CHANGE: AMOUNT								\$ -	
PERCENT									0%

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE SE
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 1996

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TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE					
				PRESENT	PROPOSED			CTC	
					ENERGY	CAPACITY	DELIVERY		
UTILITY POLE	3350	94	55,366	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
	6650	31	28,520	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
	5800	293	104,601	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
	9500	674	345,088	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
	16000	304	228,912	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
	25500	275	373,725	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
	50000	5	10,665	\$ 0.08262	\$ 0.02299	\$ 0.00339	\$ 0.06306	\$ (0.00682)	
CUSTOMER POLE	3350	11	6,479	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	6650	232	213,440	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	10500	716	920,776	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	20000	427	870,226	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	34000	24	83,376	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	51000	130	624,130	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	5800	200	71,400	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	9500	374	191,488	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	16000	997	750,741	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	25500	1,013	1,376,667	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	50000	1,578	3,365,874	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	22000	916	905,924	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	14000	115	103,845	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
	37000	28	43,960	\$ 0.03681	\$ 0.02299	\$ 0.00339	\$ 0.02871	\$ (0.01828)	
CALCULATED ANNUAL REVENUE				\$	445,493	\$ 245,423	\$ 36,189	\$ 345,880	\$ (182,000)
TOTAL PRESENT REVENUE				\$	445,493				
TOTAL PROPOSED REVENUE							\$ 445,493		
RATE CHANGE: AMOUNT							\$ 0		
PERCENT							0%		

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE SI-1(R)
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 1996

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE									
				PRESENT	ENERGY	CAPACITY	DELIVERY	CTC					
OVERHEAD													
WOOD POLE	600	218	54,282	\$ 5.529	\$ 0.477	\$ 0.070	\$ 4.169	\$ 0.813					
	1000	17	7,531	\$ 6.854	\$ 0.849	\$ 0.125	\$ 5.180	\$ 0.700					
UNDERGROUND													
LOW MOUNT	4000	91	127,946	\$ 20.412	\$ 2.694	\$ 0.397	\$ 15.434	\$ 1.887					
CALCULATED ANNUAL REVENUE				\$	38,152	\$	4,363	\$	642	\$	28,817	\$	4,330
TOTAL PRESENT REVENUE				\$	38,152								
TOTAL PROPOSED REVENUE												\$	38,152
RATE CHANGE: AMOUNT												\$	-
PERCENT													0%

PENNSYLVANIA POWER & LIGHT COMPANY
 RATE SCHEDULE TS(R)
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 1996

TYPE OF SERVICE	WATTS	NUMBER	ANNUAL KWH	MONTHLY RATE					
				PRESENT	PROPOSED			CTC	
					ENERGY	CAPACITY	DELIVERY		
TRAFFIC SIGNAL	25	2	439	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	50	7	3,066	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	60	424	222,854	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	67	209	122,641	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	69	189	114,307	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	100	5	4,380	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	104	2	1,798	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	107	12	11,246	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	116	17	17,279	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	125	3	3,287	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
	134	2	2,347	\$ 0.08429	\$ 0.01680	\$ 0.00250	\$ 0.06397	\$ 0.00102	
CALCULATED ANNUAL REVENUE				\$	58,151	\$ 11,590	\$ 1,725	\$ 44,132	\$ 704
TOTAL PRESENT REVENUE				\$	58,151				
TOTAL PROPOSED REVENUE								\$ 58,151	
RATE CHANGE: AMOUNT								\$	
PERCENT									0%