Met-Ed/Penelec/Penn Power/West Penn
Statement No. 5

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

METROPOLITAN EDISON COMPANY
DOCKET NO. R-2014-2428745

PENNSYLVANIA ELECTRIC COMPANY
DOCKET NO. R-2014-2428743

PENNSYLVANIA POWER COMPANY
DOCKET NO. R-2014-2428744

WEST PENN POWER COMPANY
DOCKET NO. R-2014-2428742

Direct Testimony
of
Hillary E. Stewart

List of Topics Addressed

Cost of Service Studies
Jurisdictional Separation Studies

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DIRECT TESTIMONY
OF
HILLARY E. STEWART

I. INTRODUCTION, QUALIFICATIONS AND PURPOSE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Hillary E. Stewart. My business address is 76 South Main Street, Akron, Ohio 44308.

Q. By whom are you employed and in what capacity?

A. I am a Rates Analyst in the Rates and Regulatory Affairs Department of FirstEnergy Service Company.

Q. What are your duties as a Rates Analyst?

A. My direct responsibilities involve analyzing customer behavior by performing various studies and surveys and, as part of this overall role, developing Cost of Service Studies ("COSSs") for submission in utility regulatory proceedings.

Q. What is your educational and professional background?

A. My educational and professional background is described in Appendix A of this testimony.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of Metropolitan Edison Company (Met-Ed"), Pennsylvania Electric Company ("Penelec"), Pennsylvania Power Company ("Penn Power"), and West Penn Power Company ("West Penn") (collectively, the

"Companies") for whom I prepared, and am sponsoring, COSSs for the fully projected future test year ending April 30, 2016. My testimony and accompanying COSSs are being submitted in support of the Companies' filings with the Pennsylvania Public Utility Commission ("Commission") to increase their distribution base rates.

Q. What is the purpose of your testimony in this proceeding?

A. I will explain the cost of service principles underlying the COSSs that I performed, the methods and procedures employed to perform those studies and the results those studies produced. To assure a common understanding of technical terms germane to the COSSs, I have provided a glossary of commonly used terms as Appendix C to my testimony. Terms defined in the glossary are denoted in the testimony with an asterisk (*). I will also provide the results of a jurisdictional separation study that was prepared under my supervision.

Q. What exhibits are you sponsoring in this proceeding?

A. I am sponsoring Exhibits HES-1 and HES-2 for each of the Companies, which consist of the following:

Exhibits HES – 1 contain the COSS for each Company using the Non-coincident Peak Demand* allocation method. These studies were performed using the revenue requirements for the fully projected future test year and revenues at both existing and proposed revenues. They also provide details of the Federal Energy Regulatory Commission's ("FERC")

Uniform System of Accounts that were employed to record, by account, the components of revenue requirement that formed the basis for the studies.

Exhibits HES – 2 contain the supporting studies for functionalizing costs and developing allocation factors used in the COSSs. An explanation of the supporting studies is contained within Exhibits HES-2, and I provide an overview of those studies later in my testimony.

II. GENERAL DESCRIPTION OF COSS PROCESS

Q. Describe briefly the steps employed in performing a COSS.

A. Typically, a COSS follows the three basic steps prescribed in the *Electric Utility Cost Allocation Manual* published by the National Association of Regulatory Commissioners ("NARUC") for arranging accounting data into a format that facilitates assigning the total cost of service to individual rate schedules or service classifications within an electric utility's rate structure. These steps consist of the following:

1. **Functionalization** is the process of identifying the functions (e.g., generation, transmission, distribution) associated with a company's assets used, and expenses incurred, to furnish utility service in order to determine the particular rate schedules that should share responsibility for each of those assets and expenses. Within the distribution function, it may be

necessary to separate costs into sub-functions, as I explain later in my testimony.

2. **Classification** is the process of classifying costs as customer-related, demand-related, or energy-related in order to facilitate assigning such costs to rate schedules in accordance with identifiable characteristics. The way costs are classified will determine the manner in which they should be allocated to the rate schedules. Some facilities may serve more than one classification and, if so, the costs recorded in those accounts are divided between classifications accordingly.

3. **Allocation** is the process of assigning costs to rate schedules based upon measurable characteristics. For example, customer costs generally vary on the basis of the number of customers (or customer accounts) and, therefore, are allocated based on the number of customers (or customer accounts). In some cases, costs can be traced in company records in sufficient detail to directly assign them to a particular rate schedule. Street lighting fixtures are an example of a cost that can be directly assigned.

Q. Please describe the software you used in performing the Companies' COSSs.

A. The COSSs were prepared using a model developed internally by FirstEnergy Service Company employing Microsoft Excel as the underlying platform for manipulating the cost of service data and reporting the results of the COSSs.

Q. How are the results of the COSSs intended to be used in developing proposed rates?

A. As explained by Kevin M. Siedt in Met-Ed/Penelec/Penn Power/West Penn Statement No. 4, the COSS provides the starting point for the development of the Companies' Rate Design.* A COSS allocates a company's total cost of service to each of its rate schedules. The cost of service for each rate schedule is compared to the revenues produced, or projected to be produced, under existing rates. For purposes of my COSSs, pro forma revenues for the fully projected future test year were furnished by Mr. Siedt. From these inputs, the earnings level, typically expressed in the form of a class rate of return or Unitized Return,* is calculated for each rate schedule. These data indicate, based on a snapshot at a single point in time, whether a particular rate schedule is providing revenue that is less than, equal to, or more than the cost to furnish service to customers on that rate schedule.

As Mr. Siedt explains, the rate designer uses the results of the COSS along with various other factors and the exercise of professional judgment to determine the portion of the total revenue increase assigned to each rate schedule. Once the revenue increases, by rate schedule, are determined, the COSS is used to calculate the resulting rates of return, by rate schedule, under proposed rates. Comparing the results of the COSS under existing and proposed rates provides an indication of whether, and to what extent, the proposed increases move each rate schedule closer to its cost of service. Also, because the COSS provides a breakdown of costs by classification (e.g., customer-related or demand-related) for each rate

schedule, the results of the COSS are used to identify the level of costs that should be recovered in each component of a rate (e.g., customer charge or demand charge).

Q. What allocation method was used in the COSSs to allocate demand-related costs among rate schedules?

A. The Non-coincident Peak Demand* allocation method was used to allocate costs classified as demand-related. As its name implies, this method allocates demand costs among rate schedules in proportion to their Non-coincident Peak Demands. As employed by the Companies, this method allocates demand costs for certain large distribution plant accounts based on the Non-coincident Peak Demands of three groups of customers served by the Companies.

The first group, identified as "PRI" in the COSS, consists of customers that receive service at primary voltage and, therefore, use only the Primary Distribution* system. The second group, identified as "SEC" in the COSS, consists of those customers that receive service at secondary voltage but use both Primary Distribution* and Secondary Distribution* plant assets to obtain that service. The third group, identified as "PRI_SEC" in the COSS, consists of all customers using the distribution system or, in other words, the aggregate of the PRI and SEC groups. The manner in which these groupings are used to allocate sub-functionalized costs is discussed later in my testimony.

Q. Have you prepared a diagram that illustrates how customers in each of the three groups discussed above and the facilities serving them were identified?

A. Yes. Appendix B to my testimony is a realistic representation of a portion of a distribution system showing how primary and secondary facilities are used to serve each of the three groups of customers. As Appendix B shows: (1) portions of the Primary Distribution system serve only primary voltage customers; (2) portions of the Primary Distribution system serve both primary and secondary voltage customers; and (3) portions of the Primary Distribution system are used only to deliver power to the Secondary Distribution system and, therefore, serve only secondary voltage customers. Appendix B also shows that the Secondary Distribution system serves only secondary voltage customers.

III. DETAILED DESCRIPTION OF THE COSS PRESENTED IN THIS CASE

Q. Please describe Exhibits HES-1.

A. Exhibits HES-1 are divided into two sections, as follows:

Section 1 contains the COSS based on revenues at existing rates. Page 1 shows the calculation of each rate schedule's rate of return. The remainder of Section 1 shows in detail how each FERC account associated with the line items on page 1 was functionalized and how each functionalized cost was allocated among rate schedules.

Section 2 shows the results of the COSS based on revenues at proposed rates, as well at the revenues required for each rate schedule to produce a rate of return

equal to the applicable Company's claimed overall rate of return. Page 1 shows the calculation of each rate schedule's rate of return at proposed rates, and page 2 shows the calculation at rates of return equal to the applicable Company's claimed overall rate of return. Associated income taxes are also shown on each page.

Q. Please describe each Companies' Exhibit HES-2.

A. Exhibits HES-2 contain the supporting studies used to develop the COSS. A brief description of each supporting study is provided below. A more detailed description of each supporting schedule is provided in Exhibits HES-2.

Study No.	Title	Description
1	Demand Allocators	This study develops the allocation factors for distribution plant.
2	Plant Functionalization (Accounts 301-303, 389-398)	This study shows how General Plant was functionalized.
3	Customer Deposits Allocation	This study allocates among rate schedules customer deposits, which are treated as a rate base deduction in developing revenue requirement.
4	Customer Account and Information Expenses Allocation	This study allocates expenses in the applicable accounts to rate schedules based on straight or weighted customer counts.
5	Labor (O&M)	This study identifies the labor component of operation and maintenance expenses by FERC account.
6	Meter Plant Allocation (Account 370)	This study allocates the cost of metering equipment to rate schedules.
7	Minimum Grid and Primary/Secondary Studies	Two studies are set forth in this portion of Exhibit HES-2. The minimum grid study determines the cost of minimum-sized distribution facilities recorded in FERC Plant Accounts* 364-368. The primary/secondary study shows how the cost of distribution assets recorded in

		FERC Plant Accounts 364-367 was divided into two parts corresponding to: (1) the cost of distribution plant used to furnish service to customers that use only Primary Distribution facilities; and (2) the cost distribution plant used to furnish service to customers that use both Primary Distribution and Secondary Distribution facilities.
8	Street Lighting Study	This study allocates the costs recorded in FERC Plant Accounts 364 (distribution poles) to street lighting customers.
9	Allocation of Other Revenue	This study functionalizes Other Revenues.
10	Line Losses	This study shows the line losses that are stated in each Company's Supplier Tariff.

Q. Please describe the function(s) included in the COSSs.

A. Following the restructuring of the electric industry in Pennsylvania, the Companies ceased to own or operate generating facilities used to provide jurisdictional retail service in the state. Additionally, the transmission facilities of Met-Ed, Penelec and West Penn (Penn Power has no FERC jurisdictional transmission facilities) are subject to FERC jurisdiction and are under the operational control of PJM Interconnection LLC, which is the FERC-approved regional transmission organization for each Company's control area. Accordingly, the generation and transmission functions are excluded from the Pennsylvania jurisdictional costs that are used to determine the Companies' distribution rates. Therefore, the only function that is relevant for functionalizing costs for distribution service in the COSS is "distribution," which comprises the rate base and operating and maintenance expenses of the Companies' distribution systems, customer premises facilities and customer accounting, billing and information systems. All of the costs functionalized as distribution were derived

from the costs recorded in accounts that the Companies maintain in accordance with the FERC's Uniform System of Accounts.

Q. Was there a need to further divide the distribution function into sub-functions?

A. Yes. The functionalized distribution plant data did not provide adequate detail because customers take service at different voltage levels. Therefore, it was necessary to sub-functionalize distribution plant costs recorded in FERC Plant Accounts 361 – 368 based on voltage peak responsibility to properly allocate such costs among rate schedules. As previously mentioned, Supporting Study No. 7 includes the study conducted to sub-functionalize those accounts. This study sub-divided the plant accounts into amounts to be apportioned between primary service voltage rate schedules included in the PRI and SEC groups. The following table shows how cost responsibility is shared among the three groups I previously identified with respect to each of the aforementioned plant accounts:

ACCOUNT	DESCRIPTION	GROUP
361	Structures	PRI_SEC
362	Station Equipment	PRI_SEC
364P	Poles-Primary	PRI
364S	Poles-Secondary	SEC
364Z	Poles-Streetlight	SEC
365P	Primary Overhead Conductor	PRI
365S	Secondary Overhead Conductor	SEC
366P	Primary Underground Conduit	PRI
366S	Secondary Underground Conduit	SEC

367P	Primary Underground Conductor	PRI
367S	Secondary Underground Conductor	SEC
368	Transformers	SEC

Q. How was the sub-functionalization performed?

A. As more fully explained in Supporting Study No. 7, the sub-functionalization was done by tracing distribution circuits from primary power customers back to the substations that serve them and identifying the portions of the primary distribution facilities that are used by such primary power customers. The remainder of the primary distribution system, which is not used by these customers, serves only secondary voltage load.

Q. Please describe classification, which is the second step in the development of the COSS.

A. The Companies adhered to, and followed, the NARUC Cost Allocation Manual and the cost of service principles set forth therein to classify their distribution assets and operating costs. The NARUC Cost Allocation Manual (pp. 96-98) states that an electric utility's distribution-related facilities are, from a design and operational perspective, sized to meet the maximum kW load (demand) requirements of customers. In addition, the NARUC Cost Allocation Manual (p. 89) states that all distribution costs should be classified as either customer or demand related, or as a combination of those two factors. In accordance with NARUC's recommendations, the Companies sub-functionalized their facilities into primary and secondary voltage level components as discussed previously

and, with respect to distribution mass property accounts (Plant Accounts 364-369), identified the customer and demand-related components.

Q. How were the customer and demand components determined?

A. As the NARUC Cost Allocation Manual also recommends, the customer component was determined by a minimum grid study, which is set forth in Supporting Study No. 7. A minimum grid study identifies the costs of poles, conductors, transformers, and service drops of the minimum size that would be required to serve a customer. The remainder of the costs recorded in each account therefore comprise the demand component. The customer component is allocated to rate schedules based on the number of customer accounts. The demand component is allocated on the basis of Non-coincident Peak Demands.

Q. Please describe the process of allocation, which is the third step in the development of the COSS.

A. Sub-functionalized, classified costs are allocated among rate schedules based upon measurable characteristics. The method used to allocate costs in each account included in the COSSs is shown in Section No. 1 of each Company's Exhibit HES-1 on pages 40-43 for Met-Ed, pages 35-38 for Penelec, pages 42-46 for Penn Power and pages 34-37 for West Penn. In some cases, the allocation factor for a particular account is a factor developed by aggregating the allocation of a group of other accounts, which is referred to as a "pattern group." This is done when the account being allocated exhibits characteristics that are a blend of the various characteristics of each account in the pattern group. In some

instances, allocation is not used because the Companies have recorded costs in sufficient detail to be able to directly assign those costs to one or more rate schedules. This is the case with Plant Account 373, which is directly assigned to street lighting customers because the facilities represented by costs recorded in that account serve street lighting customers exclusively.

Q. Why was the Non-coincident Peak Demand method used to allocate demand-related distribution costs?

A. Load diversity affects system design and, therefore, consistent with cost-causation principles, it also influences how costs are allocated among rate schedules. At the very highest voltage levels of the electric grid – specifically, the bulk transmission portion – individual customer and customer class loads are consolidated within the totality of energy moving on the system. At this level, load is considered to be the most diverse because the peak loads of any individual customer or class are most likely occurring at times that do not coincide with the overall system peak. Moving down the delivery system from bulk transmission to the distribution of electricity to a customer location, load becomes less diverse; that is, the peak for total load on the distribution facilities is much more likely to coincide with customers' peak load. In other words, because distribution facilities serve load that is much more localized than the consolidated loads served at the bulk transmission level, distribution facilities must be sized to meet maximum demands that can be, and often are, imposed on them at any time of the year, not just at the time of the system coincident peak. This characteristic of the distribution system and the loads it carries warrants the use of Non-coincident

Peak Demand to allocate demand-related costs, as the NARUC Cost Allocation Manual (p. 97) expressly provides:

> Local area loads are the major factors in sizing distribution equipment. Consequently, customer-class noncoincident demands (NCPs) and individual customer maximum demands are the load characteristics that are normally used to allocate the demand component of distribution facilities.

Q. How did the Companies determine Non-coincident Peak Demands?

A. The Load Data* available to the Companies make it possible for them to identify with reasonable accuracy the maximum Non-coincident Peak Demands of each rate schedule.

Q. How were costs allocated for Accounts 360, 369, 370, 371 and 373?

A. Costs recorded in Account 360 – Land and Land Rights were allocated using the distribution plant accounts 361 to 369 as a pattern group. That is, the costs in that account were allocated in proportion to the totality of those other plant costs. Costs recorded in Account 369 – Services were allocated on a customer basis to all secondary customers because each secondary customer has a service. Costs recorded in Account 370 were allocated based on a meter-cost weighting of the number of customers, as explained in more detail in Supporting Study No. 6. Costs recorded in Account 371 and 372 were directly assigned to the area lighting rate schedule. Costs recorded in Account 373 were directly assigned to the street lighting rate schedules, as I previously noted.

Q. Why were Met-Ed Rate Schedule TP (Transmission Power), Penelec Rate Schedule LP (Large Primary Power) and West Penn Rate Schedule PP (Primary Power) 40 assigned primary distribution costs?

A. Customers served under the terms and conditions of these rate schedules can take service at either distribution voltages or transmission voltages. Only the loads of those customers receiving primary distribution service were included in the demand allocation factors for these rate schedules.

Q. How were distribution costs assigned or allocated to Rate Schedules TP, LP, and PP40?

A. Met-Ed Rate Schedule TP was divided into sub-rate schedules TP_P and TP_A. Penelec Rate Schedule LP was divided into sub-rate schedules LP_P and LP_A. Sub-classes TP_P and LP_P formed the basis for allocating distribution plant to customers on Rate Schedules TP and LP that take service at distribution (primary) voltage. Sub-classes TP_A and LP_A formed the basis for allocating expenses and distribution plant used by both primary and transmission customers taking service under Rate Schedules TP or LP. Cost allocated to sub-classes TP_A and LP_A include, for example, Customer Account and Information expenses and Meters and associated expenses. The same approach was used for West Penn Rate Schedule PP40.

Q. Does Penelec provide retail electric service to customers located outside Pennsylvania?

A. Yes, it provides retail electric service to customers located in the Waverly District of New York. Penelec provides service in New York under and subject to the jurisdiction of the New York Public Service Commission.

Q. Were appropriate portions of Penelec's expenses and asset costs allocated to customers in the Waverly District?

A. Yes, they were. Penelec allocated expenses and plant assets to those customers in the same manner it allocated such costs to its customers in the Commonwealth of Pennsylvania. The Penelec COSS includes Waverly District rate schedules in the proper rate schedule groupings to ensure costs are allocated accurately across all customers with similar characteristics. The revenues, expenses, assets and other operating costs associated with Penelec's service to Waverly District customers were eliminated from Penelec's Pennsylvania jurisdictional revenue requirement developed by Richard A. D'Angelo as discussed in Met-Ed/Penelec/Penn Power/West Penn Statement No. 2.

Q. Please summarize the results of the COSS.

A. The rates of return and Unitized Returns for each rate schedule of each of the Companies at existing and proposed rates are summarized in the charts below:

Distribution Rates of Return												
COSS Rates of Return			COSS Rates of Return - Unitized			COSS Rates of Return			COSS Rates of Return - Unitized		
Rate	Existing	Proposed	Rate	Existing	Proposed	Rate	Existing	Proposed	Rate	Existing	Proposed
ME_RS	1.49%	7.67%	ME_RS	0.71	0.95	PP_RS	3.5%	8.2%	PP_RS	0.87	0.96
ME_GSV	11.54%	25.68%	ME_GSV	5.48	3.19	PP_GSR	8.5%	15.6%	PP_GSR	2.13	1.83
ME_GSS	-1.50%	2.97%	ME_GSS	(0.71)	0.37	PP_GSS	0.7%	2.0%	PP_GSS	0.17	0.23
ME_GSM	9.10%	14.53%	ME_GSM	4.33	1.80	PP_GSM	11.1%	16.3%	PP_GSM	2.78	1.92
ME_GSL	3.26%	8.26%	ME_GSL	1.55	1.03	PP_GSL	10.8%	16.2%	PP_GSL	2.72	1.91
ME_GP	-1.07%	5.46%	ME_GP	(0.51)	0.68	PP_GP	-5.3%	-0.6%	PP_GP	(1.32)	(0.07)
ME_TP	-0.01%	4.94%	ME_TP	(0.01)	0.61	PP_OH	6.1%	0.3%	PP_OH	1.54	0.04
ME_BRD	2.85%	8.48%	ME_BRD	1.35	1.05	PP_PNP	6.8%	8.5%	PP_PNP	1.71	1.00
ME_MS	16.32%	30.43%	ME_MS	7.76	3.78	PP_POL	-0.9%	1.3%	PP_POL	(0.24)	0.15
ME_POL	1.86%	5.23%	ME_POL	0.88	0.65	PP_STLT	6.9%	8.7%	PP_STLT	1.74	1.02
ME_STLT	8.55%	9.81%	ME_STLT	4.06	1.22	PP_GT	24.7%	34.7%	PP_GT	6.21	4.08
Meted Total	2.10%	8.05%	Meted Total	1.00	1.00	Penn Power Total	4.0%	8.5%	Penn Power Total	1.00	1.00
PN_RS	3.1%	7.67%	PN_RS	0.77	0.92	WP_RS	3.7%	7.5%	WP_RS	0.77	0.92
PN_GSV	10.8%	18.69%	PN_GSV	2.69	2.25	WP_GS10	12.1%	17.7%	WP_GS10	2.54	2.18
PN_GSS	-1.5%	1.77%	PN_GSS	(0.38)	0.21	WP_GSS	-4.0%	-0.9%	WP_GSS	(0.84)	(0.11)
PN_GSM	13.6%	19.05%	PN_GSM	3.40	2.29	WP_GSM	15.4%	16.7%	WP_GSM	3.22	2.05
PN_GSL	11.9%	12.02%	PN_GSL	2.98	1.45	WP_PP40	-1.4%	4.9%	WP_PP40	(0.29)	0.60
PN_GP	1.0%	4.60%	PN_GP	0.26	0.55	WP_GSL	11.4%	12.0%	WP_GSL	2.38	1.48
PN_LP	5.0%	8.40%	PN_LP	1.24	1.01	WP_POL	20.2%	34.9%	WP_POL	4.24	4.28
PN_BRD	20.7%	24.95%	PN_BRD	5.17	3.00	WP_PSU	6.5%	11.7%	WP_PSU	1.36	1.43
PN_H	15.9%	17.31%	PN_H	3.96	2.08	WP_PP44	-4.2%	1.4%	WP_PP44	(0.87)	0.17
PN_POL	11.3%	15.41%	PN_POL	2.83	1.85	WP_PP46	-0.8%	4.6%	WP_PP46	(0.16)	0.56
PN_STLT	-3.8%	-2.73%	PN_STLT	(0.95)	(0.33)	WP_AGS	21.7%	71.0%	WP_AGS	4.54	8.72
PA JURIS	4.0%	8.31%	PA JURIS	1.00	1.00	WP_STLT	5.0%	0.8%	WP_STLT	1.04	0.09
NY JURIS	5.2%		NY JURIS	1.29		West Penn Total	4.8%	8.1%	West Penn Total	1.00	1.00
Penelec Total	4.0%		Penelec Total	1.00							

IV. FERC JURISDICTIONAL SEPARATION STUDIES

Q. Did you prepare separation studies for the purpose of identifying the portions of the plant in service and labor expenses of each of the Companies that relate to the provision of FERC jurisdictional transmission service?

A. Yes. Under my supervision, Met-Ed, Penelec and West Penn performed detailed analyses of their non-jurisdictional labor expenses and plant in service similar to the analyses performed for purposes of Met-Ed's and Penelec's 2006 base rate cases to identify the portions of each Companies' O&M expenses and plant costs that relate to FERC-jurisdictional service. A separation study is not required for Penn Power because it does not provide FERC jurisdictional transmission service and, therefore, all of its assets and operating costs are associated with Pennsylvania jurisdictional service. For Met-Ed, Penelec and West Penn, the percentage allocations to FERC jurisdictional service are shown below:

	Labor Allocation	Plant Allocation
Met-Ed	10.43%	22.30%
Penelec	4.83%	23.60%
West Penn	9.00%	19.58%

Q. Does this conclude your direct testimony?

A. Yes, it does.

Appendix A

Hillary E. Stewart
Rates Analyst
FirstEnergy Corporation
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Akron, Ohio 44308
330.252.1499

SUMMARY

I am a rate analyst in Forecasting & Load Evaluation, where I have been responsible for developing and preparing the load and revenue forecast for Meted, Penelec, and Penn Power. Additionally, I have been responsible for several projects related to customer behavior, regulatory financial analysis, load research and forecasting, and energy efficiency.

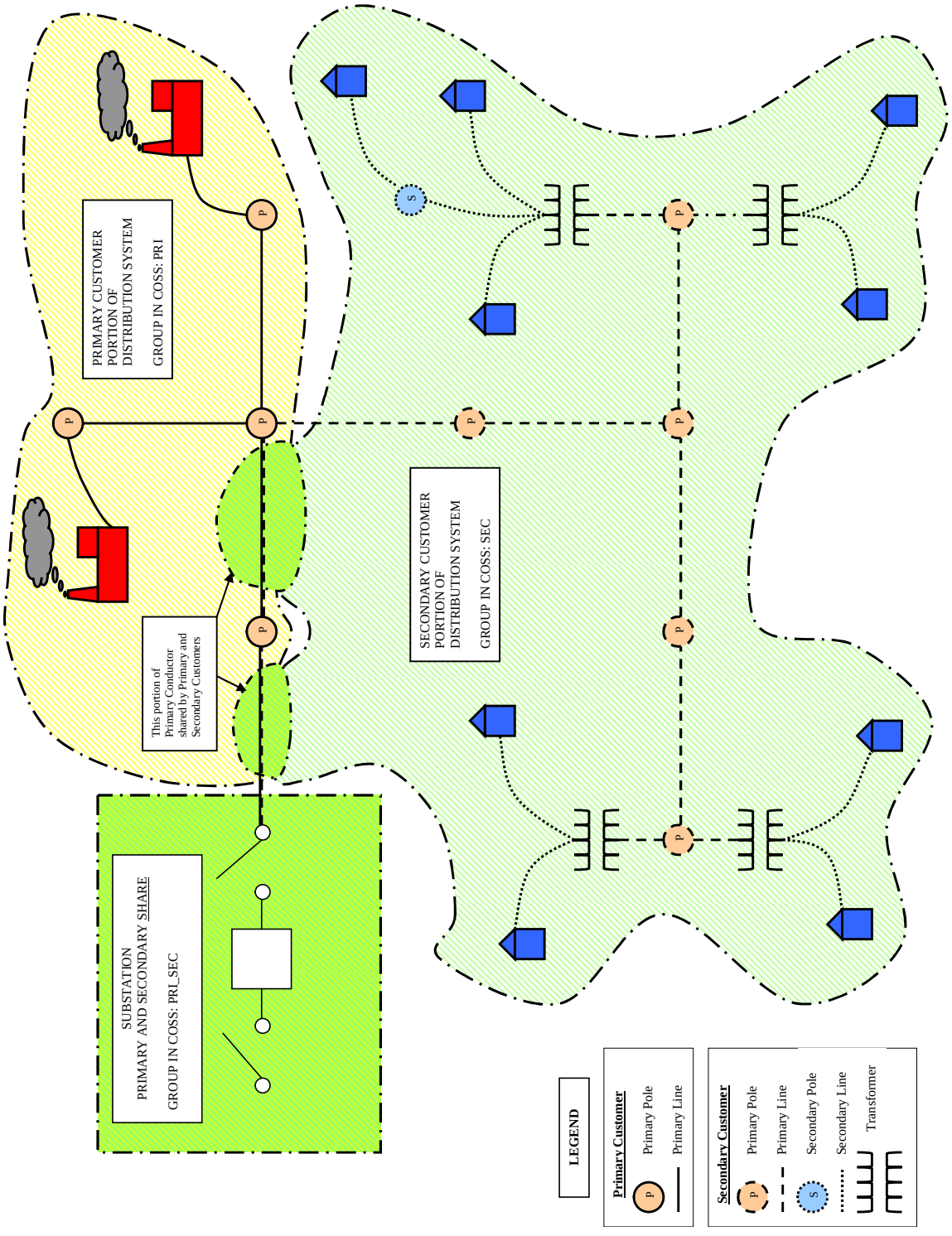
PROFESSIONAL EMPLOYMENT

2008 to Present	**FirstEnergy Service Company** Rates Analyst – Rates and Regulatory Affairs

EDUCATION / CERTIFICATIONS

University of Akron, BS, Applied Mathematics, 2007
University of Akron, MA, Economics, 2008
University of Akron, MS, Statistics, 2014 (Expected)

Appendix B


PRIMARY CUSTOMER
PORTION OF
DISTRIBUTION SYSTEM
GROUP IN COSS: PRI
SECONDARY CUSTOMER
PORTION OF
DISTRIBUTION SYSTEM
GROUP IN COSS: SEC
This portion of
Primary Conductor
shared by Primary and
Secondary Customers
SUBSTATION
PRIMARY AND SECONDARY SHARE
GROUP IN COSS: PRI_SEC
P
S
LEGEND
Primary Customer
Primary Pole
Primary Line
Secondary Customer
Primary Pole
Primary Line
Secondary Pole
Secondary Line
Transformer

Appendix C

Glossary of Terms

Allocation Method – A theoretical basis for apportioning a cost that is incurred to provide service to all customers or a sub-set of customers.

Annual Average Demand – the kWh of a rate schedule or group of rate schedules divided by 8,760 (the number of hours in a year).

Coincident Peak Demand – the demand of a rate schedule at the time of the Company's maximum hourly demand.

Load Data –Typically expressed is Megawatt Hours or Kilowatt Hours, this represents the amount of peak demand or total energy consumption imposed on a utility system by a customer group or rate schedule.

Load Factor - As used in this COSS, load factor is the ratio of the Company's annual average demand divided by the Company's maximum hourly demand.

Non-coincident Peak Demand – the maximum demand of a rate schedule at any time. This demand may or may not be at the time of the coincident peak demand.

Plant Account –A component of the accounting system under which property used to provide utility service is grouped for accounting purposes according to a defined set of common characteristics.

Primary Distribution – The portion of the electric distribution system that consists of conductors, poles, transformers and associated plant that distributes service at voltage levels lower than transmission facilities and higher than secondary distribution facilities.

Rate Design – The development of tariff rates that, when applied to billing determinants, produce a total authorized revenue requirement.

Sales Forecast –A projection of future levels of demand and energy consumption by customers on a Megawatt Hour or Kilowatt Hour basis for a given period of time.

Secondary Distribution – The portion of the electric distribution system that consists of conductors, poles, transformers and associated plant that distributes service at voltage levels lower than Primary Distribution Facilities.

Standard Filing Requirements –The data filed by a public utility pursuant to the Pennsylvania Public Utility Commission regulations specifying the supporting data required in rate change filings.

Appendix C

Glossary of Terms

Unitized Return – The ratio of the individual rate schedule rate of the return to the Company overall rate of return.

Voltage Peak Demand – the maximum hourly demand of a group of rate schedules being served by the voltages specified for the group.

Met-Ed / Penelec / Penn Power / West Penn Power
Exhibit HES – 2
Witness: H. E. Stewart

Cost of Service
Supporting Studies

Exhibit HES – 2
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Exhibit HES-2
Supporting Study No. 1
Demand Allocators

Metropolitan Edison
Coincident Peak Demands

Date	Hour	ME_BRD	ME_GP	ME_GSL	ME_GSM	ME_GSS	ME_GSV	ME_MS	ME_OL	ME_RS	ME_RT	ME_STLT	ME_TP_PRIM	ME_TP_Trans
4/4/2013	8	100	396,175	140,216	356,560	26,525	1,479	4,767	202	714,797	165,316	11	155,707	105,147
5/31/2013	16	116	434,068	165,053	587,701	25,249	2,614	3,775	292	917,880	68,469	7	144,311	97,466
6/24/2013	15	133	450,762	167,961	605,726	12,113	2,759	3,376	308	1,001,313	100,201	9	127,525	98,815
7/18/2013	18	169	463,934	164,571	611,702	37,565	2,937	3,284	311	1,259,098	120,137	9	127,095	109,186
8/27/2013	18	142	447,259	158,739	544,614	28,316	2,405	2,889	254	955,296	95,417	11	145,899	107,759
9/11/2013	14	143	448,296	180,221	682,437	23,544	3,273	4,034	346	1,057,339	56,917	16	136,697	95,738
10/4/2013	17	102	382,274	139,821	485,680	10,581	2,215	2,978	226	653,198	66,068	7	127,409	96,442
11/25/2013	19	104	340,603	114,314	353,195	25,408	1,551	2,001	1,516	1,000,160	130,418	6,093	104,576	86,061
12/12/2013	19	143	395,239	128,737	382,470	26,810	1,764	2,359	1,647	1,127,103	171,889	6,088	136,591	102,159
1/7/2014	19	135	400,745	131,467	435,001	29,731	1,969	2,609	1,752	1,244,253	205,730	6,353	116,012	101,242
2/12/2014	8	101	430,073	152,231	443,883	33,180	1,909	2,795	29	983,978	222,826	2	155,208	105,785
3/4/2014	8	165	430,581	147,742	481,837	35,873	2,035	3,022	24	875,085	198,569	2	141,904	108,161

Metropolitan Edison
Non-coincident Peak Demands

Year	Month	ME_BRD	ME_GP	ME_GSL	ME_GSM	ME_GSS	ME_GSV	ME_MS	ME_OL	ME_RS	ME_RT	ME_STLT	ME_TP	ME_TP_TRANS	ME_TP_PRIM
2013	4	166	463,406	163,284	538,875	35,225	2,353	3,377	1,844	1,246,112	247,428	7,141	276,386	111,668	167,114
2013	5	189	435,912	155,118	508,691	42,167	2,210	3,126	1,809	1,056,000	231,160	7,533	260,993	108,152	153,740
2013	6	251	446,904	157,018	541,614	46,184	2,327	3,480	2,013	1,058,265	226,376	8,689	266,412	113,965	157,516
2013	7	133	425,962	155,988	457,021	30,601	1,964	6,052	2,159	799,688	165,396	8,999	279,176	119,299	161,742
2013	8	123	484,537	187,712	603,336	32,323	2,649	5,901	2,509	1,024,596	111,116	10,501	282,210	114,099	172,039
2013	9	148	520,256	183,534	605,726	30,652	2,759	3,630	2,488	1,067,036	126,676	10,458	276,910	122,125	163,295
2013	10	193	542,785	200,879	685,799	37,565	3,189	3,782	2,748	1,317,001	133,615	10,941	283,245	121,953	170,668
2013	11	165	486,427	186,191	575,545	32,655	2,593	3,468	2,399	979,388	110,500	10,086	276,554	117,250	164,867
2013	12	192	589,917	226,147	733,777	40,183	3,375	4,515	2,457	1,073,024	159,353	10,132	303,841	127,610	177,489
2014	1	112	461,380	172,618	507,948	30,911	2,321	3,415	1,916	872,450	128,637	7,889	276,256	111,964	186,639
2014	2	144	440,254	156,242	467,858	36,482	1,935	2,894	1,815	1,048,406	169,391	7,400	271,876	122,055	163,570
2014	3	204	479,304	169,171	494,152	44,069	2,142	3,145	1,901	1,205,156	216,661	7,353	284,944	114,260	172,586
	NCP	251	589,917	226,147	733,777	46,184	3,375	6,052	2,748	1,317,001	247,428	10,941	303,841	127,610	186,639

Metropolitan Edison Company
Demand Allocators

	kWh	Average Demand	Non-Coincident Peak Demand	Excess Demand	Excess Adjusted to Peak	Coincident Peak Demand	Average & Excess
	(1)	(2) = (1)/8760	(3)	(4) = (3) - (2)	(5)	(6)	(7) =(2)+(5)
ME_RS	4,609,406,893	526,188	1,317,001	790,813	536,907	1,259,098	1,063,095
ME_RT	668,224,288	76,281	247,428	171,146	116,196	120,137	192,478
ME_GSV	11,301,578	1,290	3,375	2,085	1,416	2,937	2,706
ME_GSS	181,032,482	20,666	46,184	25,519	17,325	37,565	37,991
ME_GSM	2,608,557,954	297,781	733,777	435,997	296,011	611,702	593,792
ME_GSL	889,925,658	101,590	226,147	124,558	84,566	164,571	186,156
ME_GP	2,728,495,248	311,472	589,917	278,445	189,044	463,934	500,517
ME_MS	17,173,751	1,960	6,052	4,091	2,778	3,284	4,738
ME_TP	1,696,923,154	193,713	303,841	110,129	74,770	236,281	268,482
ME_TP_PRIM	994,435,462	113,520	186,639	73,119	49,643	127,095	163,163
ME_TP_TRAN	702,487,692	80,193	127,610	47,417	32,193	109,186	112,386
ME_BRD	858,225	98	251	153	104	169	202
ME_POL	5,870,117	670	2,748	2,078	1,411	311	2,081
ME_STLT	29,123,813	3,325	10,941	7,616	5,171	9	8,496

Pennsylvantia Electric Company
Coincident Peak Demands

Date	Hour	PN_BRD	PN_GSL	PN_GSM	PN_GSS	PN_GSV	PN_H	PN_POL	PN_RS	PN_RT	PN_STLT	PN_GP	PN_LP_PRIM	PN_LP_TRAN
4/4/2013	0700	60	187,667	502,333	44,004	3,008	7,555	411	597,052	70,059	11	333,740	378,743	14,788
5/31/2013	1500	45	189,428	674,751	43,394	2,966	4,150	560	619,784	26,511	21	292,635	295,865	29,301
6/24/2013	1300	53	216,799	685,170	46,007	3,507	3,209	533	697,863	32,866	17	341,442	362,518	33,649
7/18/2013	1300	51	236,196	712,840	50,840	4,073	3,426	561	878,030	36,136	17	369,490	340,669	30,459
8/27/2013	1300	47	233,344	665,441	48,103	3,383	4,221	563	602,664	28,870	17	370,051	315,939	22,791
9/11/2013	1300	87	278,116	745,896	52,292	3,560	5,285	421	499,260	23,245	19	434,969	342,402	34,473
10/28/2013	0800	61	172,226	465,795	33,779	2,285	5,990	284	560,859	44,861	13	288,776	313,232	28,242
11/25/2013	0900	58	177,781	592,178	47,406	3,015	8,795	378	623,398	45,726	16	299,329	339,484	17,025
12/12/2013	1900	64	155,090	462,754	44,570	2,816	5,745	4,009	970,576	62,064	7,316	284,363	291,665	28,213
1/7/2014	1900	112	152,423	519,607	52,358	3,205	7,536	4,048	1,077,974	82,546	7,666	263,966	274,313	26,253
2/12/2014	0800	77	184,860	558,074	47,340	2,620	10,407	46	830,511	80,949	0	319,150	356,299	25,997
3/4/2014	0800	141	181,610	624,837	56,457	2,977	10,297	62	727,621	66,295	0	312,778	300,811	23,277

Date	Hour	WV_BRD	WV_GS	WV_POL	WV_RS	WV_RT	WV_STLT	WV_GP
4/4/2013	0700	1	3,451	2	3,951	744	0	621
5/31/2013	1500	0	4,977	3	4,176	400	0	606
6/24/2013	1300	45	5,135	2	4,595	426	0	871
7/18/2013	1300	12	4,776	2	5,526	440	0	210
8/27/2013	1300	47	4,384	2	4,075	372	0	753
9/11/2013	1300	56	5,410	3	3,561	412	0	346
10/28/2013	0800	48	3,370	2	3,495	405	0	721
11/25/2013	0900	33	3,999	2	4,037	467	0	652
12/12/2013	1900	37	2,595	16	7,419	1,002	35	127
1/7/2014	1900	59	3,063	17	7,783	1,213	36	705
2/12/2014	0800	0	3,909	0	6,201	964	0	753
3/4/2014	0800	79	4,651	0	5,135	936	0	804

Pennsylvantia Electric Company
Non-Coincident Peak Demands

Year	Month	PN_BRD	PN_GP	PN_GSL	PN_GSM	PN_GSS	PN_GSV	PN_H	PN_POL	PN_LP	PN_LP_PRIM	PN_LP_TRAN	PN_RS	PN_RT	PN_STLT
2013	4	158	348,963	206,552	713,894	82,056	5,584	11,389	4,801	420,956	389,866	35,580	1,087,983	110,545	9,521
2013	5	90	344,377	199,521	665,689	61,687	3,456	11,508	4,969	407,356	379,953	30,838	995,075	103,264	9,821
2013	6	162	347,598	196,925	684,685	64,803	4,191	11,332	5,743	426,108	406,655	29,080	981,904	115,182	10,943
2013	7	70	333,740	187,667	601,738	51,237	3,837	8,221	5,846	464,577	445,707	34,051	796,274	79,026	11,954
2013	8	61	362,281	225,746	699,159	44,674	3,251	5,607	6,405	453,543	431,424	34,881	802,713	61,488	13,839
2013	9	70	348,458	216,799	706,060	48,727	4,345	3,943	6,706	470,250	436,000	37,399	850,141	46,223	13,376
2013	10	81	391,631	251,019	783,456	55,779	4,737	3,802	7,155	496,775	465,795	38,487	989,916	49,122	13,603
2013	11	63	382,422	233,344	676,322	50,437	3,607	4,239	7,023	405,915	376,611	35,640	740,788	43,740	12,916
2013	12	200	434,969	278,116	787,879	53,171	4,480	5,486	6,197	441,219	409,567	39,242	939,121	55,273	12,048
2014	1	83	331,972	202,740	578,623	42,520	3,325	6,201	5,049	416,513	385,294	36,221	753,576	59,403	10,398
2014	2	75	323,632	187,305	620,471	50,946	3,527	8,977	4,791	400,284	376,074	27,283	916,333	83,301	9,879
2014	3	114	338,247	195,994	633,569	54,110	3,263	9,466	4,570	433,181	403,854	33,993	982,855	95,629	8,627
	NCP	200	434,969	278,116	787,879	82,056	5,584	11,508	7,155	496,775	465,795	39,242	1,087,983	115,182	13,839

Year	Month	WV_BRD	WV_GP	WV_GS	WV_POL	WV_RS	WV_RT	WV_STLT
2013	4	95	977	4,696	20	8,015	1,213	45
2013	5	80	952	4,537	23	7,802	1,325	46
2013	6	83	925	4,792	26	7,803	1,403	52
2013	7	45	880	4,522	24	6,086	865	56
2013	8	55	953	5,070	27	5,727	654	65
2013	9	61	922	5,495	29	6,947	641	63
2013	10	53	975	5,392	29	6,690	647	64
2013	11	56	830	4,793	29	5,405	782	61
2013	12	148	865	5,911	26	6,755	693	57
2014	1	55	917	4,174	20	5,034	636	49
2014	2	52	917	4,295	19	6,154	943	47
2014	3	63	862	3,970	18	7,603	1,025	41
	NCP	148	977	5,911	29	8,015	1,403	65

Pennsylvania Electric Company
Demand Allocators

	kWh	Average Demand	Non-Coincident Peak Demand	Excess Demand	Excess Adjusted to Peak	Coincident Peak Demand	Average & Excess
	(1)	(2) = (1)/8760	(3)	(4) = (3) - (2)	(5)	(6)	(7) =(2)+(5)
PN_RS	3,925,693,145	448,138	1,087,983	639,845	393,243	878,030	841,381
PN_RT	281,990,787	32,191	115,182	82,991	51,005	36,136	83,196
PN_GSV	16,737,405	1,911	5,584	3,674	2,258	4,073	4,168
PN_GSS	246,580,313	28,148	82,056	53,908	33,131	50,840	61,280
PN_GSM	3,113,269,529	355,396	787,879	432,483	265,800	712,840	621,196
PN_GSL	1,035,941,122	118,258	278,116	159,858	98,247	236,196	216,505
PN_GP	1,922,421,084	219,454	434,969	215,515	132,453	369,490	351,908
PN_H	29,550,218	3,373	11,508	8,134	4,999	3,426	8,373
PN_LP	2,420,602,154	276,324	496,775	220,451	135,487	371,128	411,811
PN_LP_PRIM	2,240,084,072	255,717	465,795	210,077	129,112	340,669	384,829
PN_LP_TRAN	180,518,082	20,607	39,242	18,635	11,453	30,459	32,060
PN_BRD	636,088	73	200	127	78	51	151
PN_POL	16,070,475	1,835	7,155	5,320	3,270	561	5,104
PN_STLT	38,036,893	4,342	13,839	9,497	5,837	17	10,179
WV_BRD	179,066	20	148	128	79	12	99
WV_GP	2,889,810	330	977	647	397	210	727
WV_GS	21,250,343	2,426	5,911	3,486	2,142	4,776	4,568
WV_POL	82,177	9	29	20	12	2	21
WV_RS	29,773,928	3,399	8,015	4,616	2,837	5,526	6,236
WV_RT	4,056,472	463	1,403	940	578	440	1,041
WV_STLT	170,964	20	65	46	28	-	48

Pennsylvania Power Company
Coincident Peak Demands

Peak Date	Hour	PP_GM	PP_GP	PP_GS	PP_GSR	PP_GSW	PP_GT	PP_OH	PP_PNP	PP_POL	PP_RH	PP_RS	PP_RSW	PP_RT	PP_STLT	PP_MISC
4/4/2013	7	136,233	51,609	71,122	275	13	140,100	6,209	318	0	97,648	202,362	2,583	9,001	0	630
5/31/2013	16	193,166	65,144	99,007	380	20	198,665	6,086	635	0	32,751	215,698	2,475	8,342	0	468
6/25/2013	15	209,695	65,831	113,223	460	17	198,461	6,736	765	0	42,996	266,695	2,331	9,732	0	526
7/16/2013	13	229,168	68,348	125,670	607	15	185,857	6,673	994	0	38,459	255,556	2,028	9,247	0	683
8/21/2013	16	178,113	62,455	90,946	387	16	179,226	5,551	667	0	39,307	244,537	2,169	8,566	0	497
9/11/2013	13	248,024	75,420	127,294	551	16	202,935	6,015	874	0	23,460	175,752	1,784	6,120	0	760
10/4/2013	15	180,084	56,467	90,283	381	14	176,168	4,979	571	0	22,350	144,649	1,602	4,990	0	585
11/25/2013	10	180,687	48,748	102,080	450	13	172,521	8,314	487	0	68,123	169,967	1,758	6,453	0	982
12/10/2013	19	108,857	50,381	55,636	197	12	181,681	6,796	185	658	94,029	273,737	2,757	10,344	1,422	462
1/29/2014	9	204,626	63,274	130,361	558	15	213,999	14,173	413	0	124,650	258,941	2,340	9,338	0	1,441
2/28/2014	8	170,974	56,343	102,735	412	13	163,363	10,019	391	0	108,306	224,921	2,129	7,958	0	1,132
3/6/2014	11	199,933	58,772	121,755	496	13	159,177	10,412	471	0	72,261	186,999	1,873	6,668	0	1,245

Pennsylvania Power Company
Non-Coincident Peak Demands

Year	Month	PP_GM	PP_GS	PP_GP	PP_GSR	PP_GSW	PP_GT	PP_OH	PP_PNP	PP_POL	PP_RH	PP_RS	PP_RSW	PP_RT	PP_STLT
2013	4	172,792	95,018	53,040	380	16	200,768	7,701	597	997	102,027	227,292	2,973	9,858	2,197
2013	5	229,822	122,177	70,028	509	20	198,665	6,784	942	1,099	58,123	301,358	3,270	11,087	2,367
2013	6	225,191	122,656	69,084	507	17	198,461	6,896	848	1,129	54,846	351,794	3,372	13,203	2,340
2013	7	229,168	125,670	70,909	607	17	203,058	6,896	994	1,144	59,353	386,516	3,225	14,259	2,516
2013	8	212,650	110,950	67,244	511	17	188,766	6,398	891	1,089	49,855	311,032	2,994	11,184	2,306
2013	9	248,024	127,294	75,420	551	19	204,137	6,360	874	1,122	45,449	339,235	3,174	11,373	2,437
2013	10	193,062	98,225	59,424	427	14	190,968	5,156	647	1,106	66,028	225,944	2,624	8,088	2,351
2013	11	184,876	104,235	53,635	466	13	214,431	8,314	530	903	107,563	290,221	3,146	11,158	2,027
2013	12	203,405	112,873	68,573	473	15	232,999	9,924	457	924	110,052	298,944	3,026	11,148	1,999
2014	1	207,276	131,904	64,168	562	16	240,069	14,173	425	861	150,756	344,944	3,214	12,451	1,839
2014	2	181,214	113,542	56,343	462	14	205,259	12,077	418	825	123,786	305,150	2,847	10,763	1,644
2014	3	199,933	122,178	59,218	515	14	220,976	10,583	485	908	121,990	296,135	3,016	10,678	1,949
	NCP	248,024	131,904	75,420	607	20	240,069	14,173	994	1,144	150,756	386,516	3,372	14,259	2,516

Pennsylvania Power Company
Demand Allocators

	kWh	Average Demand	Non-Coincident Peak Demand	Excess Demand	Excess Adjusted to Peak	Coincident Peak Demand	Average & Excess
	(1)	(2) = (1)/8760	(3)	(4) = (3) - (2)	(5)	(6)	(7) =(2)+(5)
PP_RS	1,316,437,064	150,278	400,775	250,497	174,040	268,279	324,318
PP_RH	347,121,842	39,626	150,756	111,131	77,211	132,608	116,837
PP_RSW	13,050,025	1,490	3,372	1,882	1,308	9,008	2,797
PP_GSR	1,656,762	189	607	418	290	558	479
PP_GS	430,282,064	49,119	131,904	82,785	57,517	130,361	106,636
PP_GM	857,247,669	97,859	248,024	150,165	104,332	204,626	202,191
PP_OH	34,890,717	3,983	14,173	10,190	7,080	14,173	11,063
PP_PNP	2,209,830	252	994	742	516	413	768
PP_POL	2,833,460	323	1,144	820	570	-	893
PP_OH	34,890,717	3,983	14,173	10,190	7,080	14,173	11,063
PP_GP	375,452,727	42,860	75,420	32,560	22,622	63,274	65,482
PP_GT	1,153,358,889	131,662	240,069	108,407	75,319	213,999	206,981
PP_STLT	6,225,920	711	2,516	1,805	1,254	-	1,965

West Pennsylvania Power Company
Coincident Peak Demands

Date	Hour (HE EPT)	Monthly Peak (kWh)	WP_AGR	WP_GS10	WP_GS20	WP_GS22	WP_GS23	WP_GS24	WP_GS30L	WP_GS30S	WP_MISC	WP_POL	WP_PP40
4/4/2013	8	2,989,469	8	2,988	435,906	5,645	-	1	300,795	283,499	480	2	568,353
5/21/2013	18	3,283,756	12	3,557	460,881	4,526	-	1	323,570	306,235	510	4	556,535
6/24/2013	18	3,424,135	12	4,156	485,244	4,595	-	3	322,663	304,032	3,124	4	525,277
7/18/2013	17	3,798,227	13	4,681	564,131	5,410	-	1	352,207	346,648	631	4	625,906
8/30/2013	17	3,425,151	13	4,090	547,361	5,251	-	5	342,419	355,791	659	4	614,903
9/10/2013	17	3,608,040	44	3,495	499,577	4,856	-	4	422,193	378,142	56	5	732,336
10/24/2013	20	2,799,680	8	2,837	366,848	4,245	162	6	244,364	230,186	39	6,201	506,434
11/25/2013	9	3,187,367	11	3,267	492,111	6,293	-	2	319,164	317,210	62	4	581,961
12/12/2013	19	3,508,592	8	3,098	416,025	6,159	76	5	297,826	264,206	60	5,988	628,737
1/7/2014	20	3,922,742	10	3,445	469,381	7,361	87	3	309,543	289,938	68	6,438	642,032
2/28/2014	8	3,592,207	10	2,905	474,498	6,765	-	2	310,274	310,426	72	-	611,314
3/4/2014	8	3,493,253	11	3,071	488,558	6,956	-	2	318,331	306,082	79	-	588,996

Date	Hour (HE EPT)	WP_PP40_TRAN	WP_PP40_PRIM_SEC	WP_PP41	WP_PP44	WP_PP46	WP_PSU	WP_RS	WP_STLT
4/4/2013	8	30,391	537,961	11,340	7,956	111,877	22,292	1,233,635	-
5/21/2013	18	16,943	539,591	5,614	8,910	259,087	38,397	1,311,753	-
6/24/2013	18	8,017	517,260	17,188	8,918	240,840	42,443	1,460,740	-
7/18/2013	17	17,528	608,378	15,335	9,285	190,033	52,399	1,625,673	-
8/30/2013	17	643	614,259	17,811	9,938	220,901	52,046	1,248,508	-
9/10/2013	17	675	731,661	18,194	10,726	287,315	62,896	1,182,618	-
10/24/2013	20	575	505,859	13,514	8,112	231,936	26,047	1,144,272	10,510
11/25/2013	9	51,748	530,214	6,447	8,247	209,533	24,808	1,212,276	-
12/12/2013	19	49,192	579,544	16,085	30	247,560	27,545	1,579,399	9,865
1/7/2014	20	53,028	589,004	11,455	1,892	229,533	24,836	1,907,793	10,831
2/28/2014	8	51,615	559,699	7,510	31	209,785	25,446	1,625,399	-
3/4/2014	8	51,199	537,797	11,748	29	181,903	24,089	1,556,475	-

West Pennsylvania Power Company
Non-Coincident Peak Demands

Year	Month	WP_AGR	WP_GS10	WP_GS20	WP_GS22	WP_GS23	WP_GS24	WP_GS30L	WP_GS30S	WP_MISC	WP_POL	WP_PP40
2013	4	83	4,059	533,911	7,258	228	2	356,429	311,625	578	8,958	656,734
2013	5	26	3,902	525,186	4,893	190	2	398,196	371,715	615	9,553	644,159
2013	6	13	5,271	576,973	5,577	179	4	372,536	364,939	4,110	10,298	626,976
2013	7	14	5,531	645,609	6,068	173	3	396,242	395,624	1,579	10,425	661,728
2013	8	14	4,238	575,954	5,625	286	5	391,601	386,424	715	10,624	686,984
2013	9	74	5,100	605,151	6,083	288	6	467,920	434,097	57	9,874	766,280
2013	10	93	4,115	495,074	5,031	321	6	360,018	339,283	48	9,521	675,278
2013	11	12	4,134	545,583	7,455	181	6	352,382	343,235	67	7,422	708,522
2013	12	11	3,488	532,719	7,171	108	6	334,058	331,458	70	6,977	677,258
2014	1	14	6,722	896,802	13,608	98	6	356,803	418,765	99	7,123	720,985
2014	2	12	3,663	559,709	8,175	105	2	326,965	342,139	85	7,082	691,499
2014	3	12	4,620	594,977	9,382	168	2	341,504	349,971	85	8,977	759,262
	NCP	93	6,722	896,802	13,608	321	6	467,920	434,097	4,110	10,624	766,280

Year	Month	WP_PP40_PRIM_SEC	WP_PP40_TRAN	WP_PP41	WP_PP44	WP_PP46	WP_PSU	WP_RS	WP_STLT
2013	4	628,567	39,487	28,005	9,578	264,741	42,075	1,266,355	16,416
2013	5	627,725	31,332	28,048	9,893	274,731	45,840	1,409,985	16,400
2013	6	610,664	20,645	28,205	10,608	276,731	49,595	1,569,139	18,120
2013	7	644,335	24,971	30,559	10,623	280,422	55,280	1,722,517	17,555
2013	8	686,562	2,571	30,226	11,140	277,594	54,707	1,505,858	17,364
2013	9	765,563	22,491	28,159	13,105	299,493	64,379	1,394,152	16,644
2013	10	674,747	15,053	23,316	12,325	270,901	61,713	1,309,551	15,295
2013	11	665,380	59,575	26,541	10,220	296,384	35,881	1,512,578	12,531
2013	12	635,543	62,163	25,144	10,084	268,441	37,509	1,613,374	11,541
2014	1	667,814	68,469	25,092	10,231	273,825	33,260	1,956,422	11,383
2014	2	636,945	62,277	25,654	9,689	271,350	31,805	1,646,591	13,254
2014	3	714,038	69,859	18,594	11,050	286,203	32,124	1,653,385	14,994
	NCP	765,563	69,859	30,559	13,105	299,493	64,379	1,956,422	18,120

West Pennsylvania Power Company
Demand Allocators

	kWh	Average Demand	Non-Coincident Peak Demand	Excess Demand	Excess Adjusted to Peak	Coincident Peak Demand	Average & Excess
	(1)	(2) = (1)/8760	(3)	(4) = (3) - (2)	(5)	(6)	(7) =(2)+(5)
WP_AGR	-	-	93	93	55	10	55
WP_GS10	19,028,167	2,172	6,722	4,550	2,678	3,445	4,850
WP_GS20	2,609,741,975	297,916	896,802	598,886	352,528	469,381	650,444
WP_GS22	29,999,009	3,425	13,608	10,183	5,994	7,361	9,419
WP_GS23	545,597	62	321	259	153	87	215
WP_GS24	14,585	2	6	5	3	3	5
WP_GS30L	2,020,481,214	230,649	467,920	237,272	139,668	309,543	370,316
WP_GS30S	1,752,002,096	200,000	434,097	234,097	137,799	289,938	337,799
WP_POL	26,567,154	3,033	10,624	7,591	4,469	6,438	7,501
WP_PP40	4,365,064,052	498,295	766,280	267,985	157,747	642,032	656,042
WP_PP40_PRIM_SEC	4,219,383,847	481,665	765,563	283,898	167,114	589,004	648,779
WP_PP40_TRAN	145,680,205	16,630	69,859	53,229	31,333	53,028	47,963
WP_PP41	85,962,009	9,813	30,559	20,746	12,212	11,455	22,025
WP_PP44	64,185,779	7,327	13,105	5,778	3,401	1,892	10,728
WP_PP46	1,465,895,705	167,340	299,493	132,154	77,791	229,533	245,131
WP_PSU	212,485,334	24,256	64,379	40,123	23,618	24,836	47,874
WP_RS	7,090,452,673	809,412	1,956,422	1,147,010	675,176	1,907,793	1,484,588
WP_STLT	47,082,616	5,375	18,120	12,745	7,502	10,831	12,877

Exhibit HES-2
Supporting Study No. 2
Plant Allocator

Company	Utility Acct	Total Gross Plant	Total Reserve	Total Net plant	Transmission %	Distribution%	General Plant Gross - Transmission	General Plant Gross - Distribution	General Plant Reserves - Transmission	General Plant Reserves - Distribution	General Plant Net Book - Transmission	General Plant Net Book - Distribution
	30300 - Misc. Intangible Plant Total	38,675,264.58	30,402,370.74	8,272,893.84	16.75%	83.25%	6,477,720.06	32,197,544.52	5,092,093.08	25,310,277.66	1,385,626.99	6,887,266.85
	38910 - Fee Land Total	2,672,807.80	0.00	2,672,807.80	16.75%	83.25%	447,668.58	2,225,139.22	-	-	447,668.58	2,225,139.22
	38920 - Easements Total	18,077.52	15,206.56	2,870.96	16.75%	83.25%	3,027.80	15,049.72	2,546.95	12,659.61	480.86	2,390.10
	39010 - Structures, Improvements Total	85,738,056.96	44,283,604.17	41,454,452.79	16.75%	83.25%	14,360,267.16	71,377,789.80	7,417,060.86	36,866,543.31	6,943,206.30	34,511,246.49
	39020 - Clearing, Grading of Land Total	12,466,281.69	7,360,715.60	5,105,566.09	16.75%	83.25%	2,087,977.52	10,378,304.17	1,232,846.26	6,127,869.34	855,131.27	4,250,434.83
	39030 - Struct Imprv, Leasehold Imp Total	16,753.91	4,293.31	12,460.60	16.75%	83.25%	2,806.11	13,947.80	719.09	3,574.22	2,087.03	10,373.57
	39110 - Office Furn., Mech. Equip. Total	16,630,775.00	14,646,200.96	1,984,574.04	16.75%	83.25%	2,785,488.50	13,845,286.50	2,453,092.20	12,193,108.76	332,396.31	1,652,177.74
	39115 - Office Machines Total	5,920,633.10	5,920,633.10	0.00	16.75%	83.25%	991,646.84	4,928,986.26	991,646.84	4,928,986.26	-	-
	39120 - Data Processing Equipment Total	5,529,519.82	2,326,264.88	3,203,254.94	16.75%	83.25%	926,139.27	4,603,380.55	389,626.11	1,936,638.78	536,513.17	2,666,741.77
	39125 - Information System Total	(11,738.36)	(2,944.46)	(8,793.90)	16.75%	83.25%	(1,966.06)	(9,772.30)	(493.17)	(2,451.29)	(1,472.89)	(7,321.01)
	39200 - Transportation Equipment Total	1,066,971.10	619,389.10	447,582.00	16.75%	83.25%	178,706.99	888,264.11	103,741.48	515,647.62	74,965.51	372,616.49
	39300 - Stores Equipment Total	1,411,421.83	1,404,210.39	7,211.44	16.75%	83.25%	236,399.04	1,175,022.79	235,191.20	1,169,019.19	1,207.84	6,003.60
	39400 - Tools, Shop, Garage Equip. Total	11,711,828.47	6,684,476.22	5,027,352.25	16.75%	83.25%	1,961,614.15	9,750,214.32	1,119,582.92	5,564,893.30	842,031.23	4,185,321.02
	39500 - Laboratory Equipment Total	3,047,683.99	3,047,683.99	0.00	16.75%	83.25%	510,456.59	2,537,227.40	510,456.59	2,537,227.40	-	-
	39600 - Power Operated Equipment Total	751,657.85	613,115.25	138,542.60	16.75%	83.25%	125,895.17	625,762.68	102,690.67	510,424.58	23,204.50	115,338.10
	39700 - Communication Equipment Total	34,023,088.25	23,913,531.21	10,109,557.04	53.00%	47.00%	18,032,236.77	15,990,851.48	12,674,171.54	11,239,359.67	5,358,065.23	4,751,491.81
	39800 - Misc. Equipment Total	2,586,559.95	2,505,459.74	81,100.21	16.75%	83.25%	433,222.93	2,153,337.02	419,639.45	2,085,820.29	13,583.47	67,516.74
MTED Metropolitan Edison Total		222,255,643.46	143,744,210.76	78,511,432.70	22.30%	77.70%	49,559,307.44	172,696,336.02	32,744,612.06	110,999,598.70	16,814,695.39	61,696,737.31
	30300 - Misc. Intangible Plant Total	40,517,785.60	29,315,896.66	11,201,888.94	17.32%	82.68%	7,018,490.82	33,499,294.78	5,078,099.62	24,237,797.04	1,940,391.20	9,261,497.73
	38910 - Fee Land Total	1,384,075.48	0.00	1,384,075.48	17.32%	82.68%	239,749.55	1,144,325.93	-	-	239,749.55	1,144,325.93
	38920 - Easements Total	21,378.19	11,870.49	9,507.70	17.32%	82.68%	3,703.13	17,675.06	2,056.21	9,814.28	1,646.92	7,860.78
	39010 - Structures, Improvements Total	55,225,145.82	26,135,006.75	29,090,139.07	17.32%	82.68%	9,566,099.76	45,659,046.06	4,527,105.87	21,607,900.88	5,038,993.89	24,051,145.18
	39020 - Clearing, Grading of Land Total	7,342,584.69	4,374,808.94	2,967,775.75	17.32%	82.68%	1,271,882.52	6,070,702.17	757,804.40	3,617,004.53	514,078.12	2,453,697.64
	39030 - Struct Imprv, Leasehold Imp Total	18,348.67	788.03	17,560.64	17.32%	82.68%	3,178.36	15,170.31	136.50	651.53	3,041.85	14,518.79
	39110 - Office Furn., Mech. Equip. Total	5,902,315.25	5,902,315.25	0.00	17.32%	82.68%	1,022,399.05	4,879,916.20	1,022,399.05	4,879,916.20	-	-
	39115 - Office Machines Total	1,718,127.58	1,718,153.69	(26.11)	17.32%	82.68%	297,614.06	1,420,513.52	297,618.58	1,420,535.11	(4.52)	(21.59)
	39120 - Data Processing Equipment Total	3,576,117.96	811,836.97	2,764,280.99	17.32%	82.68%	619,455.15	2,956,662.81	140,626.40	671,210.57	478,828.75	2,285,452.24
	39200 - Transportation Equipment Total	3,496,047.52	1,857,140.26	1,638,907.26	17.32%	82.68%	605,585.35	2,890,462.17	321,693.84	1,535,446.42	283,891.52	1,355,015.75
	39300 - Stores Equipment Total	1,528,101.97	1,526,063.05	2,038.92	17.32%	82.68%	264,697.82	1,263,404.15	264,344.64	1,261,718.41	353.18	1,685.74
	39400 - Tools, Shop, Garage Equip. Total	13,236,826.77	7,070,061.37	6,166,765.40	17.32%	82.68%	2,292,883.13	10,943,943.64	1,224,676.03	5,845,385.34	1,068,207.10	5,098,558.30
	39500 - Laboratory Equipment Total	6,088,985.59	6,088,985.59	0.00	17.32%	82.68%	1,054,734.08	5,034,251.51	1,054,734.08	5,034,251.51	-	-
	39600 - Power Operated Equipment Total	5,143,382.14	4,510,108.59	633,273.55	17.32%	82.68%	890,936.65	4,252,445.49	781,241.01	3,728,867.58	109,695.64	523,577.91
	39700 - Communication Equipment Total	31,713,741.48	22,484,458.35	9,229,283.13	53.00%	47.00%	16,808,282.98	14,905,458.50	11,916,762.92	10,567,695.42	4,891,520.06	4,337,763.07
	39800 - Misc. Equipment Total	3,331,355.74	3,190,867.82	140,487.92	17.32%	82.68%	577,057.44	2,754,298.30	552,722.12	2,638,145.70	24,335.32	116,152.60
PELE Pennsylvania Electric Total		180,244,320.45	114,998,361.80	65,245,958.65	23.60%	76.40%	42,536,749.87	137,707,570.58	27,942,021.28	87,056,340.52	14,594,728.59	50,651,230.05
	30300 - Misc. Intangible Plant Total	39,991,847.40	10,537,644.20	29,454,203.20	14.16%	85.84%	5,661,645.84	34,330,201.56	1,491,814.29	9,045,829.91	4,169,831.55	25,284,371.65
	38910 - Fee Land Total	2,130,319.95	0.00	2,130,319.95	14.16%	85.84%	301,589.40	1,828,730.55	-	-	301,589.40	1,828,730.55
	38920 - Easements Total	205,390.18	13,378.78	192,011.40	14.16%	85.84%	29,077.09	176,313.09	1,894.03	11,484.75	27,183.05	164,828.35
	39010 - Structures, Improvements Total	69,444,516.24	4,886,676.35	64,557,839.89	14.16%	85.84%	9,831,260.16	59,613,256.08	691,806.77	4,194,869.58	9,139,453.39	55,418,386.49
	39030 - Struct Imprv, Leasehold Imp Total	613,473.03	567,024.45	46,448.58	14.16%	85.84%	86,849.38	526,623.65	80,273.65	486,750.80	6,575.73	39,872.85
	39110 - Office Furn., Mech. Equip. Total	4,671,778.18	1,521,226.47	3,150,551.71	14.16%	85.84%	661,383.64	4,010,394.54	215,360.03	1,305,866.44	446,023.61	2,704,528.10
	39115 - Office Machines Total	312,391.07	139,182.49	173,208.58	14.16%	85.84%	44,225.20	268,165.87	19,704.07	119,478.42	24,521.14	148,687.44
	39120 - Data Processing Equipment Total	7,664,739.34	3,638,155.64	4,026,583.70	14.16%	85.84%	1,085,097.15	6,579,642.19	515,053.69	3,123,101.95	570,043.45	3,456,540.24
	39200 - Transportation Equipment Total	2,383,947.30	254,655.51	2,129,291.79	14.16%	85.84%	337,495.42	2,046,451.88	36,051.58	218,603.93	301,443.84	1,827,847.95
	39300 - Stores Equipment Total	371,472.30	86,128.45	285,343.85	14.16%	85.84%	52,589.33	318,882.97	12,193.20	73,935.25	40,396.13	244,947.72
	39400 - Tools, Shop, Garage Equip. Total	6,942,297.26	1,765,844.63	5,176,452.63	14.16%	85.84%	982,821.02	5,959,476.24	249,990.62	1,515,854.00	732,830.40	4,443,622.23
	39500 - Laboratory Equipment Total	776,231.78	186,567.87	589,663.91	14.16%	85.84%	109,891.13	666,340.65	26,412.41	160,155.46	83,478.72	506,185.19
	39600 - Power Operated Equipment Total	63,994.93	14,316.98	49,677.95	14.16%	85.84%	9,059.76	54,935.17	2,026.85	12,290.13	7,032.91	42,645.04
	39700 - Communication Equipment Total	22,342,223.02	3,177,697.44	19,164,525.58	53.00%	47.00%	11,841,378.20	10,500,844.82	1,684,179.64	1,493,517.80	10,157,198.56	9,007,327.02
	39800 - Misc. Equipment Total	1,977,870.92	553,512.76	1,424,358.16	14.16%	85.84%	280,007.19	1,697,863.73	78,360.80	475,151.95	201,646.39	1,222,711.78
WPCO West Penn Power Total		159,892,492.90	27,342,012.02	132,550,480.88	19.58%	80.42%	31,314,369.91	128,578,122.99	5,105,121.66	22,236,890.36	26,209,248.25	106,341,232.63
Grand Total		587,823,586.50	300,987,899.42	286,835,687.08								

Exhibit HES-2

Supporting Study No. 3

Customer Deposits

Metropolitan Edison Company
Customer Deposits 2013

Rate Category	Deposit Amount
BORD	$ 347.84
GP	$ 1,231,847.91
GS	$ 6,253,874.43
GST	$ 468,358.94
GSV	$ 15,095.57
MS	$ 3,318.49
OL	$ 1,309.41
RS	$ 9,253,667.36
RT	$ 876,593.19
TP	$ 131,551.29
TOTAL	$ 18,235,964.43

Source: SAP Report of GL - Deposit Amount

Pennsylvania Electric Company
Customer Deposits 2013

Rate Category	Deposit Amount
GP	$ 671,426.56
GS	$ 5,963,189.81
GST	$ 336,817.06
GSV	$ 24,233.59
H	$ 1,849.32
LP	$ 83,157.29
RS	$ 7,459,606.57
RT	$ 352,478.26
TOTAL	$ 14,892,758.46

Source: SAP Report of GL - Deposit Amount

Pennsylvania Power Company
Customer Deposits 2013

Rate Category	Deposit Amount
GM	$ 466,657.20
GP	$ 40,365.22
GS	$ 947,111.37
GSR	$ 2,194.54
GT	$ 137,993.94
PNP	$ 4,906.02
RH	$ 196,426.43
RS	$ 1,562,053.54
WH	$ 74,786.99
TOTAL	$ 3,432,495.26

Source: SAP Report of GL - Deposit Amount

West Penn Power Company
Customer Deposits 2013

Rate Category	Deposit Amount
GP	$ 1,456,608.80
GS	$ 7,964,694.33
GSV	$ 28,191.68
OL	$ 15,502.83
RS	$ 8,975,208.52
STLT	$ 4,303.76
TOTAL	$ 18,444,509.91

Source: SAP Report of GL - Deposit Amount

Exhibit HES-2

Supporting Study No. 4

Customer Accounting & Information

FERC Customer Accounting Analysis

Metropolitan Edison Company

Year Ending December 2013

FERC 902 Meter Reading Expenses

Overview

The allocation methodology required a two-step process. First, a weighting factor was calculated for each rate class based on the number of meters in that rate class and the read time for those meters. Then, these weight factors were used to determine the allocation of the FERC balance across the rate classes.

Source of Data

FERC 902 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

A Brio query was run from EDW to obtain the number of meters in each rate category by Customer Service Systems.

Read times for each meter by rate class was obtained from Customer Service Analytics. Streetlights were excluded from the calculations as a majority of those accounts are not metered.

Allocation Methodology

- The average number of customers (a) for each rate category is based on the FERC form 1.
- The weighted factor (b) is based on the read time for each rate category and represents the minutes per meter to obtain a reading.
- The Weighted Customer Count (c) is the Customer Count (a) X Weighted factor (b)
- Total $ by Rate (d) was calculated by taking the Weighted Customer Count by rate class (c) divided by Total Weighted Customer Count X Total FERC Balance equals FERC balance by rate class.

Example:

Customers By Rate Class	Average Number of Customers (a)	Weighted Factor (b)	Weighted Customer Count (c) = (a) * (b)	Total $ by Rate (d)
Residential				
Rate RS	444,991	1.04388	464,517	$2,973,472
Rate RT	42,713	1.59968	68,327	$437,377
Rate GSV	270	2.22220	600	$3,841
Total Residential	**487,974**		**533,445**	**$3,414,690**
Commercial				
Rate GSS	40,198	1.54490	62,102	$397,528
Rate GSM	23,722	2.01104	47,706	$305,375
Rate MS	142	2.69956	383	$2,454
Rate OL	1,095	-	-	-
Total Commercial	**65,157**		**110,191**	**$705,356**
Industrial				
Rate GST	350	2.00000	700	$4,481
Rate GP	502	2.00000	1,004	$6,427
Rate TP	23	2.10382	48	$310
Total Industrial	**875**		**1,752**	**$11,217**
Public St & Highway Lighting				
Public St & Highway Lighting	590	-	-	-
Total Public St & Highway Lighting	**590**		-	-
Total	**554,596**		**645,388**	**$4,131,264**

FERC 903 Customer Records Collection Expenses

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 903.

Source of Data

FERC 903 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 903 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
Rate RS	444,991	0.8024	$5,020,433
Rate RT	42,713	0.0770	$481,892
Rate GSV	270	0.0005	$3,046
Total Residential	**487,974**	**0.8799**	**$5,505,372**
Commercial			
Rate GSS	40,198	0.0725	$453,518
Rate GSM	23,722	0.0428	$267,634
Rate MS	142	0.0003	$1,602
Rate OL	1,095	0.0020	$12,354
Total Commercial	**65,157**	**0.1175**	**$735,108**
Industrial			
Rate GST	350	0.0006	$3,949
Rate GP	502	0.0009	$5,664
Rate TP	23	0.0000	$259
Total Industrial	**875**	**0.0016**	**$9,872**
Public St & Highway Lighting			
Public St & Highway Lighting	590	0.0011	$6,656
Total Public St & Highway Lighting	**590**	**0.0011**	**$6,656**
Total	**554,596**		**$6,257,008**

FERC 904 Uncollectible Accounts

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 904.

Source of Data

FERC 904 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 904 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
Rate RS	444,991	0.8024	$11,500,557
Rate RT	42,713	0.0770	$1,103,895
Rate GSV	270	0.0005	$6,978
Total Residential	**487,974**	**0.8799**	**$12,611,430**
Commercial			
Rate GSS	40,198	0.0725	$1,038,896
Rate GSM	23,722	0.0428	$613,083
Rate MS	142	0.0003	$3,670
Rate OL	1,095	0.0020	$28,300
Total Commercial	**65,157**	**0.1175**	**$1,683,948**
Industrial			
Rate GST	350	0.0006	$9,046
Rate GP	502	0.0009	$12,974
Rate TP	23	0.0000	$594
Total Industrial	**875**	**0.0016**	**$22,614**
Public St & Highway Lighting			
Public St & Highway Lighting	590	0.0011	$15,248
Total Public St & Highway Lighting	**590**	**0.0011**	**$15,248**
Total	**554,596**		**$14,333,240**

FERC 905 Miscellaneous Customer Accounts Expenses

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 905.

Source of Data

FERC 905 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 905 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
Rate RS	444,991	0.8024	$191,086
Rate RT	42,713	0.0770	$18,342
Rate GSV	270	0.0005	$116
Total Residential	**487,974**	**0.8799**	**$209,544**
Commercial			
Rate GSS	40,198	0.0725	$17,262
Rate GSM	23,722	0.0428	$10,187
Rate MS	142	0.0003	$61
Rate OL	1,095	0.0020	$470
Total Commercial	**65,157**	**0.1175**	**$27,979**
Industrial			
Rate GST	350	0.0006	$150
Rate GP	502	0.0009	$216
Rate TP	23	0.0000	$10
Total Industrial	**875**	**0.0016**	**$376**
Public St & Highway Lighting			
Public St & Highway Lighting	590	0.0011	$253
Total Public St & Highway Lighting	**590**	**0.0011**	**$253**
Total	**554,596**		**$238,152**

FERC 450 & 451 Forfeited Discounts and Miscellaneous Service Revenues

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 450 and 451 expenses.

Source of Data

FERC 450 and 451 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 450 and 451 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
Rate RS	444,991	0.8024	($4,728,372)
Rate RT	42,713	0.0770	($453,858)
Rate GSV	270	0.0005	($2,869)
Total Residential	**487,974**	**0.8799**	**($5,185,099)**
Commercial			
Rate GSS	40,198	0.0725	($427,135)
Rate GSM	23,722	0.0428	($252,064)
Rate MS	142	0.0003	($1,509)
Rate OL	1,095	0.0020	($11,635)
Total Commercial	**65,157**	**0.1175**	**($692,343)**
Industrial			
Rate GST	350	0.0006	($3,719)
Rate GP	502	0.0009	($5,334)
Rate TP	23	0.0000	($244)
Total Industrial	**875**	**0.0016**	**($9,298)**
Public St & Highway Lighting			
Public St & Highway Lighting	590	0.0011	($6,269)
Total Public St & Highway Lighting	**590**	**0.0011**	**($6,269)**
Total	**554,596**		**($5,893,009)**

FERC 908 Customer Assistance Expenses

Overview

Expenses for PA Act 129 charges were excluded from the FERC 908 account balance for 2013. The remaining FERC 908 account balance for 2013 was allocated over RS and RT rate class based on Factors calculated from total number of customers participating in low income programs

Source of Data

FERC 908 account balance for 2013 excluding PA Act 129 charges

Brio Reports run from EDW by Human Services

Allocation Methodology

- RT and RS factors were calculated by dividing the number of customers in each rate (a) by the sum of total customers (b)
- The RS and RT factors were applied to the total FERC balances to determine balances by rate (d & e)

Example:

Company	Balance	RS Balance (d)	RT Balance (e)
Met-Ed	26,388,455	$25,239,093	$1,149,361

Calculations

Customer Count RS (a)	Customer Count RT (a)	Customer Count (b)	RS Factor	RT Factor
17,238	785	18,023	0.956445	0.043555

FERC 910 Miscellaneous Customer Service and Information Expenses

Overview

FERC 910 account balances were distributed based on actual call volume for 2013. Ratios for rate class call volumes were calculated based on call volume and FERC Form 1 Customer Count and then applied to the total FERC balance to distribute the dollars across the rate classes.

Source of Data

FERC 910 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Call Volumes from the IVR Calls by Call Report for 2013

Allocation Methodology

- Cost Allocations by Call Category was done by multiplying the FERC Form 910 Costs by the Percentage of Calls in each category (Residential, Commercial & Industrial, and Streetlight) compared to the total Call Volume. Since commercial and industrial call cannot be broken out, a percentage was established for commercial and for industrial based on the FERC Form 1 average number of customers. This percentage was then applied in order to allocate costs to each of the categories.

Example:

Calls by Customer Category	Count	Percentage	$
Residential	1,691,461	97.99%	$5,070,279
Commercial & Industrial	33,558	1.94%	$100,593
Commercial (Based on Customer Count)[1]	-	*98.67%*	*$99,260*
Industrial (Based on Customer Count)[2]	-	*1.33%*	*$1,333*
Public St & Highway Lighting	1,052	0.06%	$3,153
Total Calls	**1,726,071**	**100.00%**	**$5,174,025**

[1]Commercial (Based on Customer Count) = Total Commercial Customers/Total Commercial & Industrial Customers OR 65,157 / 66,032

[2]Industrial (Based on Customer Count) = Total Industrial Customers / Total Commercial & Industrial Customers OR 875 / 66,032

- To calculate the distribution of dollars across the rate classes (c) the percentage of customer in each rate category was established (b) based on the average number of customers from the FERC Form 1 (a). This percentage was then multiplied by the dollars allocated to each Call Category (Residential, Commercial, Industrial, and Streetlight) established above to determine the dollars

Example:

Customers By Rate Class	Average Number of Customers (a)	Percentage (b)	Total $ by Rate (c)
Residential			
Rate RS	444,991	91.19%	$4,623,665
Rate RT	42,713	8.75%	$443,808
Rate GSV	270	0.06%	$2,805
Total Residential	**487,974**	**100.00%**	**$5,070,279**
Commercial			
Rate GSS	40,198	61.69%	$61,237
Rate GSM	23,722	36.41%	$36,138
Rate MS	142	0.22%	$216
Rate OL	1,095	1.68%	$1,668
Total Commercial	**65,157**	**100.00%**	**$99,260**
Industrial			
Rate GST	350	40.00%	$533
Rate GP	502	57.37%	$765
Rate TP	23	2.63%	$35
Total Industrial	**875**	**100.00%**	**$1,333**
Public St & Highway Lighting			
Public St & Highway Lighting	590	100.00%	$3,153
Total Public St & Highway Lighting	**590**	**100.00%**	**$3,153**
Total	**554,596**		**$5,174,025**

Metropolitan Edison Company Customer Accounting Total Account Dollars Assigned to Rate Group							
Rate	Meter Reading	Customer Records Collection	Uncollectible Accounts	Miscellaneous Customer Accounts	Forfeited Discounts and Miscellaneous Service Revenues	Cust Asst	MISC
Classes	**902**	**903**	**904**	**905**	**450 & 451**	**908**	**910**
Residential							
Rate RS	$2,973,472	$5,020,433	$11,500,557	$191,086	($4,728,372)	$25,239,093	$4,623,665
Rate RT	$437,377	$481,892	$1,103,895	$18,342	($453,858)	$1,149,361	$443,808
Rate GSV	$3,841	$3,046	$6,978	$116	($2,869)	-	$2,805
Total Residential	**$3,414,690**	**$5,505,372**	**$12,611,430**	**$209,544**	**($5,185,099)**	**$26,388,455**	**$5,070,279**
Commercial							
Rate GSS	$397,528	$453,518	$1,038,896	$17,262	($427,135)	-	$61,237
Rate GSM	$305,375	$267,634	$613,083	$10,187	($252,064)	-	$36,138
Rate MS	$2,454	$1,602	$3,670	$61	($1,509)	-	$216
Rate OL	-	$12,354	$28,300	$470	($11,635)	-	$1,668
Total Commercial	**$705,356**	**$735,108**	**$1,683,948**	**$27,979**	**($692,343)**	**-**	**$99,260**
Industrial							
Rate GST	$4,481	$3,949	$9,046	$150	($3,719)	-	$533
Rate GP	$6,427	$5,664	$12,974	$216	($5,334)	-	$765
Rate TP	$310	$259	$594	$10	($244)	-	$35
Total Industrial	**$11,217**	**$9,872**	**$22,614**	**$376**	**($9,298)**	**-**	**$1,333**
Public St & Highway Lighting							
Public St & Highway Lighting	-	$6,656	$15,248	$253	($6,269)	-	$3,153
Total Public St & Highway Lighting	**-**	**$6,656**	**$15,248**	**$253**	**($6,269)**	**-**	**$3,153**
Total	**$4,131,264**	**$6,257,008**	**$14,333,240**	**$238,152**	**($5,893,009)**	**$26,388,455**	**$5,174,025**

FERC Customer Accounting Analysis

Pennsylvania Electric Company

Year Ending December 2013

FERC 902 Meter Reading Expenses

Overview

Once an adjustment was made for NY customers, the remaining costs were allocated based on a two-step process. First, a weighting factor was calculated for each rate class based on the number of meters in that rate class and the read time for those meters. Then, these weight factors were used to determine the allocation of the FERC balance across the rate classes.

Source of Data

FERC 902 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

A Brio query was run from EDW to obtain the number of meters in each rate category by Customer Service Systems.

Read times for each meter by rate class was obtained from Customer Service Analytics. Streetlights were excluded from the calculations as a majority of those accounts are not metered.

Allocation Methodology

Example:

- The average number of customers (a) for each rate category is based on the FERC form 1.
- The weighted factor (b) is based on the read time for each rate category and represents the minutes per meter to obtain a reading.
- The Weighted Customer Count (c) is the Customer Count (a) X Weighted factor (b)
- Total $ by Rate (d) was calculated by taking the Weighted Customer Count by rate class (c) divided by Total Weighted Customer Count X Total FERC Balance equals FERC balance by rate class.

Example:

Customers By Rate Class	Average Number of Customers (a)	Weighted Factor (b)	Weighted Customer Count (c) = (a) * (b)	Total $ by Rate (d)
Residential				
Rate RS	479,015	1.15929	555,319	$3,078,713
Rate RT	20,627	1.68852	34,829	$193,094
Rate GSV	675	1.80891	1,221	$6,769
Total Residential (Excluding NY)	**500,317**		**591,370**	**$3,278,577**
Commercial				
Rate GSS	52,550	1.74938	91,930	$509,663
Rate GSM	28,501	2.08613	59,457	$329,631
Rate H	152	2.22328	338	$1,874
Rate OL	2,458	-	-	-
Total Commercial (Excluding NY)	**83,661**		**151,725**	**$841,167**
Industrial				
Rate GST	419	2.01755	845	$4,687
Rate GP	431	2.01086	867	$4,805
Rate LP	50	2.08942	104	$579
Total Industrial (Excluding NY)	**900**		**1,817**	**$10,071**
Public St & Highway Lighting				
Rate SV	765	-	-	-
Public St & Highway Lighting (Excluding NY)	**765**		-	-
PA Subtotal	**585,643**		**744,911**	**$4,129,815**
NY				
Residential, Commercial, & Industrial	3,757	1.16550	4,379	$24,276
Public St & Highway Lighting	2	-	-	-
NY Subtotal	**3,759**		**4,379**	**$24,276**
Total	**589,402**		**749,289**	**$4,154,091**

FERC 903 Customer Records and Collection Expenses

Overview

Once NY customers were excluded from the FERC 903 balance, the remaining balance was distribute to the rate categories based on the average number of customers from the FERC form 1.

Source of Data

FERC 903 account balance for 2013

2013 FERC Form 1 data was used for average number of customers

Allocation Methodology

- To calculate the dollars that should be excluded for Waverly, NY, a percentage was established for Waverly Customers and PA Customers based on the FERC Form 1 average number of customers. This percentage was then applied in order to allocate the cost amount to be adjusted out.

Example:

Customers by Category	Average Number of Customers	Percentage	$
Residential	**503,617**	**85.45%**	**$5,663,092**
PA	*500,317*	*99.34%*	*$5,625,984*
NY	*3,300*	*0.66%*	*$37,108*
Commercial	**84,117**	**14.27%**	**$945,882**
PA	*83,661*	*99.46%*	*$940,754*
NY	*456*	*0.54%*	*$5,128*
Industrial	**901**	**0.15%**	**$10,132**
PA	*900*	*99.89%*	*$10,120*
NY	*1*	*0.11%*	*$11*
Public St & Highway Lighting	**767**	**0.13%**	**$8,625**
PA	765	*99.74%*	*$8,602*
NY	2	*0.26%*	*$22*
Total	**589,402**		**$6,627,730**

- Once NY expenses were excluded, the weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the customer counts from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the FERC 903 account balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number of Customers (a)	Factor (b)	Total $ by Rate (c)
Residential			
Rate RS	479,015	0.8179	$5,386,446
Rate RT	20,627	0.0352	$ 231,947
Rate GSV	675	0.0012	$ 7,590
Total Residential (Excluding NY)	**500,317**	**0.8543**	**$5,625,984**
Commercial			
Rate GSS	52,550	0.0897	$ 590,916
Rate GSM	28,501	0.0487	$ 320,489
Rate H	152	0.0003	$ 1,709
Rate OL	2,458	0.0042	$ 27,640
Total Commercial (Excluding NY)	**83,661**	**0.1429**	**$940,754**
Industrial			
Rate GST	419	0.0007	$ 4,712
Rate GP	431	0.0007	$ 4,847
Rate LP	50	0.0001	$ 562
Total Industrial (Excluding NY)	**900**	**0.0015**	**$10,120**
Public St & Highway Lighting			
Rate SV	765	0.0013	$ 8,602
Public St & Highway Lighting (Excluding NY)	**765**	**0.0013**	**8,602**
Grand Total (Excluding NY)	**585,643**		**$6,585,461**

FERC 904 Uncollectible Accounts

Overview

Once NY customers were excluded from the FERC 904 balance, the remaining balance was distribute to the rate categories based on the average number of customers from the FERC form 1.

Source of Data

FERC 904 account balance for 2013

2013 FERC Form 1 data was used for average number of customers

Allocation Methodology

- To calculate the dollars that should be excluded for Waverly, NY, a percentage was established for Waverly Customers and PA Customers based on the FERC Form 1 average number of customers. This percentage was then applied in order to allocate the cost amount to be adjusted out.

Example:

Customers by Category	Average Number of Customers	Percentage	$
Residential	**503,617**	**85.45%**	**$9,973,877**
PA	*500,317*	*99.34%*	*$9,908,522*
NY	*3,300*	*0.66%*	*$65,355*
Commercial	**84,117**	**14.27%**	**$1,665,894**
PA	*83,661*	*99.46%*	*$1,656,863*
NY	*456*	*0.54%*	*$9,031*
Industrial	**901**	**0.15%**	**$17,844**
PA	*900*	*99.89%*	*$17,824*
NY	*1*	*0.11%*	*$20*
Public St & Highway Lighting	**767**	**0.13%**	**$15,190**
PA	*765*	*99.74%*	*$15,150*
NY	*2*	*0.26%*	*$40*
Total	**589,402**		**$11,672,805**

- Once NY expenses were excluded, the weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the customer counts from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the FERC 904 account balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number of Customers (a)	Factor (b)	Total $ by Rate (c)
Residential			
Rate RS	479,015	0.8179	$9,486,647
Rate RT	20,627	0.0352	$408,507
Rate GSV	675	0.0012	$13,368
Total Residential (Excluding NY)	**500,317**	**0.8543**	**$9,908,522**
Commercial			
Rate GSS	52,550	0.0897	$1,040,726
Rate GSM	28,501	0.0487	$564,448
Rate H	152	0.0003	$3,010
Rate OL	2,458	0.0042	$48,679
Total Commercial (Excluding NY)	**83,661**	**0.1429**	**$1,656,863**
Industrial			
Rate GST	419	0.0007	$8,298
Rate GP	431	0.0007	$8,536
Rate LP	50	0.0001	$990
Total Industrial (Excluding NY)	**900**	**0.0015**	**$17,824**
Public St & Highway Lighting			
Rate SV	765	0.0013	$15,150
Public St & Highway Lighting (Excluding NY)	**765**	**0.0013**	**$15,150**
Grand Total (Excluding NY)	**585,643**		**$11,598,360**

FERC 905 Miscellaneous Customer Accounts Expenses

Overview

Once NY customers were excluded from the FERC 905 balance, the remaining balance was distribute to the rate categories based on the average number of customers from the FERC form 1.

Source of Data

FERC 905 account balance for 2013

2013 FERC Form 1 data was used for average number of customers

Allocation Methodology

- To calculate the dollars that should be excluded for Waverly, NY, a percentage was established for Waverly Customers and PA Customers based on the FERC Form 1 average number of customers. This percentage was then applied in order to allocate the cost amount to be adjusted out.

Example:

Customers by Category	Average Number of Customers	Percentage	$
Residential	**503,617**	**85.45%**	**$270,484**
PA	*500,317*	*99.34%*	*$268,712*
NY	*3,300*	*0.66%*	*$1,772*
Commercial	**84,117**	**14.27%**	**$45,178**
PA	*83,661*	*99.46%*	*$44,933*
NY	*456*	*0.54%*	*$245*
Industrial	**901**	**0.15%**	**$484**
PA	*900*	*99.89%*	*$483*
NY	*1*	*0.11%*	*$1*
Public St & Highway Lighting	**767**	**0.13%**	**$412**
PA	765	*99.74%*	*$411*
NY	2	*0.26%*	*$1*
Total	**589,402**		**$316,558**

- Once NY expenses were excluded, the weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the customer counts from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the FERC 905 account balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number of Customers (a)	Factor (b)	Total $ by Rate (c)
Residential			
Rate RS	479,015	0.8179	$ 257,271
Rate RT	20,627	0.0352	$ 11,078
Rate GSV	675	0.0012	$ 363
Total Residential (Excluding NY)	**500,317**	**0.8543**	**$268,712**
Commercial			
Rate GSS	52,550	0.0897	$ 28,224
Rate GSM	28,501	0.0487	$ 15,307
Rate H	152	0.0003	$ 82
Rate OL	2,458	0.0042	$ 1,320
Total Commercial (Excluding NY)	**83,661**	**0.1429**	**$44,933**
Industrial			
Rate GST	419	0.0007	$ 225
Rate GP	431	0.0007	$ 231
Rate LP	50	0.0001	$ 27
Total Industrial (Excluding NY)	**900**	**0.0015**	**$483**
Public St & Highway Lighting			
Rate SV	765	0.0013	$ 411
Public St & Highway Lighting (Excluding NY)	**765**	**0.0013**	**411**
Grand Total (Excluding NY)	**585,643**		**$314,539**

FERC 450 & 451 Forfeited Discounts and Miscellaneous Service Revenues

Overview

Once NY customers were excluded from the FERC 450 and 451 balance, the remaining balance was distribute to the rate categories based on the average number of customers from the FERC form 1.

Source of Data

FERC 450 and 451 account balance for 2013

2013 FERC Form 1 data was used for average number of customers

Allocation Methodology

- To calculate the dollars that should be excluded for Waverly, NY, a percentage was established for Waverly Customers and PA Customers based on the FERC Form 1 average number of customers. This percentage was then applied in order to allocate the cost amount to be adjusted out.

Example:

Customers by Category	Average Number of Customers	Percentage	$
Residential	**503,617**	**85.45%**	**($4,295,932)**
PA	*500,317*	*99.34%*	*($4,267,782)*
NY	*3,300*	*0.66%*	*($28,150)*
Commercial	**84,117**	**14.27%**	**($717,531)**
PA	*83,661*	*99.46%*	*($713,641)*
NY	*456*	*0.54%*	*($3,890)*
Industrial	**901**	**0.15%**	**($7,686)**
PA	*900*	*99.89%*	*($7,677)*
NY	*1*	*0.11%*	*($9)*
Public St & Highway Lighting	**767**	**0.13%**	**($6,543)**
PA	765	*99.74%*	*($6,526)*
NY	2	*0.26%*	*($17)*
Total	**589,402**		**($5,027,691)**

- Once NY expenses were excluded, the weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the customer counts from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the FERC 450 and 451 account balances to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number of Customers (a)	Factor (b)	Total $ by Rate (c)
Residential			
Rate RS	479,015	0.8179	($4,086,073)
Rate RT	20,627	0.0352	($175,952)
Rate GSV	675	0.0012	($5,758)
Total Residential (Excluding NY)	**500,317**	**0.8543**	**($4,267,782)**
Commercial			
Rate GSS	52,550	0.0897	($448,260)
Rate GSM	28,501	0.0487	($243,118)
Rate H	152	0.0003	($1,297)
Rate OL	2,458	0.0042	($20,967)
Total Commercial (Excluding NY)	**83,661**	**0.1429**	**($713,641)**
Industrial			
Rate GST	419	0.0007	($3,574)
Rate GP	431	0.0007	($3,676)
Rate LP	50	0.0001	($427)
Total Industrial (Excluding NY)	**900**	**0.0015**	**($7,677)**
Public St & Highway Lighting			
Rate SV	765	0.0013	($6,526)
Public St & Highway Lighting (Excluding NY)	**765**	**0.0013**	**($6,526)**
Grand Total (Excluding NY)	**585,643**		**($4,995,626)**

FERC 908 Customer Assistance Expenses

Overview

Expenses for PA Act 129 charges were excluded from the FERC 908 account balance for 2013. The remaining FERC 908 account balance for 2013 was allocated over RS and RT rate class based on Factors calculated from total number of customers participating in low income programs

Source of Data

FERC 908 account balance for 2013 excluding PA Act 129 charges

Brio Reports run from EDW by Human Services

Allocation Methodology

- RT and RS factors were calculated by dividing the number of customers in each rate (a) by the sum of total customers (b)
- The RS and RT factors were applied to the total FERC balances to determine balances by rate (d & e)

Example:

Company	Balance	RS Balance (d)	RT Balance (e)
Penelec	29,339,935	$28,510,896	$829,039

Calculations

Customer Count RS (a)	Customer Count RT (a)	Customer Count (b)	RS Factor	RT Factor
24,142	702	24,844	0.971744	0.028256

FERC 910 Miscellaneous Customer Service and Information Expenses

Overview

FERC 910 account balances were distributed based on actual call volume for 2013. Ratios for rate class call volumes were calculated based on call volume and FERC Form 1 Customer Count and then applied to the total FERC balance to distribute the dollars across the rate classes.

Source of Data

FERC 910 account balance for 2013

Customer Counts from FERC Form 1 for 2013

Call Volumes from the IVR Calls by Call Report for 2013

Allocation Methodology

- Cost Allocations by Call Category was done by multiplying the FERC Form 910 Costs by the Percentage of Calls in each category (Residential, Commercial & Industrial, and Streetlight) compared to the total Call Volume. Since commercial and industrial call cannot be broken out, a percentage was established for commercial and for industrial based on the FERC Form 1 customer counts. This percentage was then applied in order to allocate costs to each of the categories.

Example:

Calls by Customer Category	Count	Percentage	$
Residential	2,220,204	98.19%	$5,455,737
Commercial & Industrial	38,964	1.72%	$95,747
Commercial (Based on Customer Count)1	-	*98.94%*	*$94,728*
Industrial (Based on Customer Count)2	-	*1.06%*	*$1,019*
Public St & Highway Lighting	1,880	0.08%	$4,620
Total Calls	**2,261,048**	**100.00%**	**$5,556,104**

[1]Commercial (Based on Customer Count) = Total Commercial Customers/Total Commercial & Industrial Customers OR 84,117 / 85,018

[2]Industrial (Based on Customer Count) = Total Industrial Customers / Total Commercial & Industrial Customers OR 901 / 85,018

- To calculate the dollars that should be excluded for Waverly, NY, a percentage was established for Waverly Customers and PA Customers based on the FERC Form 1 customer counts. This percentage was then applied in order to allocate the cost amount to be adjusted out.

Example:

Calls by Customer Category	Count	Percentage	$
Residential	2,220,204	98.19%	$5,455,737
PA (Based on Customer Count)[3]		*99.34%*	*$5,419,752*
NY (Based on Customer Count)[4]	-	*0.66%*	*$35,985*
Commercial & Industrial	38,964	1.72%	$95,747
Commercial (Based on Customer Count)	-	*98.94%*	*$94,728*
PA (Based on Customer Count)[5]	-	*99.45%*	*$94,211*
NY (Based on Customer Count)[6]	-	*0.55%*	*$516*
Industrial (Based on Customer Count)	-	*1.06%*	*$1,019*
PA (Based on Customer Count)[7]	-	*99.89%*	*$1,018*
NY (Based on Customer Count)[8]	-	*0.11%*	*$1*
Public St & Highway Lighting	1,880	0.08%	$4,620
PA (Based on Customer Count)[9]	-	99.74%	$4,608
NY (Based on Customer Count)[10]	-	0.26%	$12
Total Calls	**2,261,048**	**100.00%**	**$5,556,104**

[3]PA (Based on Customer Count) = Total PA Residential Customers/Total Penelec Residential Customers OR 500,317/ 503,617

[4]NY (Based on Customer Count) = Total NY Residential Customers/Total Penelec Residential Customers OR 3,300 / 503,617

[5]PA (Based on Customer Count) = Total PA Commercial Customers/Total Penelec Commercial Customers OR 83,661 / 84,117

[6]NY (Based on Customer Count) = Total NY Commercial Customers/Total Penelec Commercial Customers OR 456 / 84,117

[7]PA (Based on Customer Count) = Total PA Industrial Customers/Total Penelec Industrial Customers OR 900 / 901

[8]NY (Based on Customer Count) = Total NY Industrial Customers/Total Penelec Industrial Customers OR 1 / 901

[9]PA (Based on Customer Count) = Total PA Streetlight Customers/Total Penelec Streetlight Customers OR 765 / 767

[10]NY (Based on Customer Count) = Total NY Streetlight Customers/Total Penelec Streetlight Customers OR 2 / 767

- To calculate the distribution of dollars across the rate classes (c) the percentage of customer in each rate category was established (b) based on the customer counts from the FERC Form 1 (a). This percentage was then multiplied by the dollars allocated to each Call Category (Residential, Commercial, Industrial, and Streetlight) established above to determine the dollars

Example:

Customers By Rate Class	Average Number of Customers (a)	Percentage (b)	Total $ by Rate (c)
Residential			
Rate RS	479,015	95.74%	$5,188,996
Rate RT	20,627	4.12%	$223,445
Rate GSV	675	0.13%	$7,312
Total Residential (Excluding NY)	**500,317**	**100.00%**	**$5,419,752**
Commercial			
Rate GSS	52,550	62.81%	$59,177
Rate GSM	28,501	34.07%	$32,095
Rate H	152	0.18%	$171
Rate OL	2,458	2.94%	$2,768
Total Commercial (Excluding NY)	**83,661**	**100.00%**	**$94,211**
Industrial			
Rate GST	419	46.56%	$474
Rate GP	431	47.89%	$487
Rate LP	50	5.56%	$57
Total Industrial (Excluding NY)	**900**	**100.00%**	**$1,018**
Public St & Highway Lighting			
Rate SV	765	100.00%	$4,608
Public St & Highway Lighting (Excluding NY)	**765**	**100.00%**	**$4,608**
Grand Total (Excluding NY)	**585,643**		**$5,519,589**

FERC Customer Accounting Analysis

Pennsylvania Power Company

Year Ending December 2013

FERC 902 Meter Reading Expenses

Overview

The allocation methodology required a two-step process. First, a weighting factor was calculated for each rate class based on the number of meters in that rate class and the read time for those meters. Then, these weight factors were used to determine the allocation of the FERC balance across the rate classes.

Source of Data

FERC 902 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

A Brio query was run from EDW to obtain the number of meters in each rate category by Customer Service Systems.

Read times for each meter by rate class was obtained from Customer Service Analytics. Streetlights were excluded from the calculations as a majority of those accounts are not metered.

Allocation Methodology

- The average number of customers (a) for each rate category is based on the FERC form 1.
- The weighted factor (b) is based on the read time for each rate category and represents the minutes per meter to obtain a reading.
- The Weighted Customer Count (c) is the Customer Count (a) X Weighted factor (b)
- Total $ by Rate (d) was calculated by taking the Weighted Customer Count by rate class (c) divided by Total Weighted Customer Count X Total FERC Balance equals FERC balance by rate class.

Example:

Customers By Rate Class	Average Number of Customers (a)	Weighted Factor (b)	Weighted Customer Count (c) = (a) * (b)	Total $ by Rate (d)
Residential				
RS-Residential	121,511	0.88604	107,664	$911,935
RH-Residential Heating	13,612	1.30710	17,792	$150,705
WH-Water Heating	5,868	0.55404	3,251	$27,538
GSPNP-Gen. Service Public or Non-Profit	69	1.57950	109	$923
Total Residential	**141,060**		**128,816**	**$1,091,101**
Commercial				
WH-Water Heating	46	0.30517	14	$119
PLS - Private Outdoor Lighting	831	-	-	-
GS-Gen. Service-Small	17,787	1.19147	21,193	$179,507
GSPNP-Gen. Service Public or Non-Profit	92	1.66855	154	$1,300
GM-Gen. Service-Medium	1,363	1.57950	2,153	$18,235
Total Commercial	**20,119**		**23,513**	**$199,161**
Industrial				
GP-Gen. Service - Prim. Voltage	110	2.16595	238	$2,018
GT-Gen. Service Trans Voltage	40	2.03198	81	$688
Total Industrial	**150**		**320**	**$2,707**
Public St & Highway Lighting				
Public St & Highway Lighting	86	-	-	-
Total Public St & Highway Lighting	**86**	-	-	-
Total	**161,415**		**152,649**	**$1,292,969**

FERC 903 Customer Records and Collection Expenses

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 903 account balances.

Source of Data

FERC 903 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 903 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
RS-Residential	121,511	0.7528	$1,394,017
RH-Residential Heating	13,612	0.0843	$156,162
WH-Water Heating	5,868	0.0364	$67,320
GSPNP-Gen. Service Public or Non-Profit	69	0.0004	$792
Total Residential	**141,060**	**0.8739**	**$1,618,290**
Commercial			
WH-Water Heating	46	0.0003	$528
PLS - Private Outdoor Lighting	831	0.0051	$9,534
GS-Gen. Service-Small	17,787	0.1102	$204,059
GSPNP-Gen. Service Public or Non-Profit	92	0.0006	$1,055
GM-Gen. Service-Medium	1,363	0.0084	$15,637
Total Commercial	**20,119**	**0.1246**	**$230,812**
Industrial			
GP-Gen. Service - Prim. Voltage	110	0.0007	$1,262
GT-Gen. Service Trans Voltage	40	0.0002	$459
Total Industrial	**150**	**0.0009**	**$1,721**
Public St & Highway Lighting			
Public Street & Highway Lighting	86	0.0005	$987
Total Public St & Highway Lighting	**86**	**0.0005**	**$987**
TOTAL	**161,415**		**$1,851,810**

FERC 904 Uncollectible Accounts

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 904 account balances.

Source of Data

FERC 904 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 904 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
RS-Residential	121,511	0.7528	$1,274,405
RH-Residential Heating	13,612	0.0843	$142,762
WH-Water Heating	5,868	0.0364	$61,543
GSPNP-Gen. Service Public or Non-Profit	69	0.0004	$724
Total Residential	**141,060**	**0.8739**	**$1,479,434**
Commercial			
WH-Water Heating	46	0.0003	$482
PLS - Private Outdoor Lighting	831	0.0051	$8,716
GS-Gen. Service-Small	17,787	0.1102	$186,550
GSPNP-Gen. Service Public or Non-Profit	92	0.0006	$965
GM-Gen. Service-Medium	1,363	0.0084	$14,295
Total Commercial	**20,119**	**0.1246**	**$211,008**
Industrial			
GP-Gen. Service - Prim. Voltage	110	0.0007	$1,154
GT-Gen. Service Trans Voltage	40	0.0002	$420
Total Industrial	**150**	**0.0009**	**$1,573**
Public St & Highway Lighting			
Public Street & Highway Lighting	86	0.0005	$902
Total Public St & Highway Lighting	**86**	**0.0005**	**$902**
TOTAL	**161,415**		**$1,692,917**

FERC 905 Miscellaneous Customer Accounts Expenses

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 905 account balances.

Source of Data

FERC 905 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 905 balance to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
RS-Residential	121,511	0.7528	$32,019
RH-Residential Heating	13,612	0.0843	$3,587
WH-Water Heating	5,868	0.0364	$1,546
GSPNP-Gen. Service Public or Non-Profit	69	0.0004	$18
Total Residential	**141,060**	**0.8739**	**$37,170**
Commercial			
WH-Water Heating	46	0.0003	$12
PLS - Private Outdoor Lighting	831	0.0051	$219
GS-Gen. Service-Small	17,787	0.1102	$4,687
GSPNP-Gen. Service Public or Non-Profit	92	0.0006	$24
GM-Gen. Service-Medium	1,363	0.0084	$359
Total Commercial	**20,119**	**0.1246**	**$5,302**
Industrial			
GP-Gen. Service - Prim. Voltage	110	0.0007	$29
GT-Gen. Service Trans Voltage	40	0.0002	$11
Total Industrial	**150**	**0.0009**	**$40**
Public St & Highway Lighting			
Public Street & Highway Lighting	86	0.0005	$23
Total Public St & Highway Lighting	**86**	**0.0005**	**$23**
TOTAL	**161,415**		**$42,534**

FERC 450 & 451 Forfeited Discounts and Miscellaneous Service Revenues

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 450 and 451 account balances.

Source of Data

FERC 450 and 451 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the combined FERC 450 and 451 balances to determine the distribution of dollars across the rate classes (c).

Example:

Title of Rate Schedule	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
RS-Residential	121,511	0.7528	($792,066)
RH-Residential Heating	13,612	0.0843	($88,729)
WH-Water Heating	5,868	0.0364	($38,250)
GSPNP-Gen. Service Public or Non-Profit	69	0.0004	($450)
Total Residential	**141,060**	**0.8739**	**($919,496)**
Commercial			
WH-Water Heating	46	0.0003	($300)
PLS - Private Outdoor Lighting	831	0.0051	($5,417)
GS-Gen. Service-Small	17,787	0.1102	($115,944)
GSPNP-Gen. Service Public or Non-Profit	92	0.0006	($600)
GM-Gen. Service-Medium	1,363	0.0084	($8,885)
Total Commercial	**20,119**	**0.1246**	**($131,145)**
Industrial			
GP-Gen. Service - Prim. Voltage	110	0.0007	($717)
GT-Gen. Service Trans Voltage	40	0.0002	($261)
Total Industrial	**150**	**0.0009**	**($978)**
Public St & Highway Lighting			
Public Street & Highway Lighting	86	0.0005	($561)
Total Public St & Highway Lighting	**86**	**0.0005**	**($561)**
TOTAL	**161,415**		**($1,052,179)**

FERC 908 Customer Assistance Expenses

Overview

Expenses for PA Act 129 charges were excluded from the FERC 908 account balance for 2013. FERC 908 account balance for 2013 was allocated to RS as that was the only rate schedule with customers receiving assistance.

Source of Data

FERC 908 account balance for 2013 excluding PA Act 129 charges

Allocation Methodology

- The FERC 908 account balance was allocated to RS Rate (a)

Example:

Company	Balance	RS Balance (a)
Penn Power	7,570,549	$7,570,549

FERC 910 Miscellaneous Customer Service and Information Expenses

Overview

FERC 910 account balances were distributed based on actual call volume for 2013. Ratios for rate class call volumes were calculated based on call volume and FERC Form 1 Customer Count and then applied to the total FERC balance to distribute the dollars across the rate classes.

Source of Data

FERC 910 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Call Volumes from the IVR Calls by Call Report for 2013

Allocation Methodology

- Cost Allocations by Call Category was done by multiplying the FERC Form 910 Costs by the Percentage of Calls in each category (Residential, Commercial & Industrial, and Streetlight) compared to the total Call Volume. Since commercial and industrial call cannot be broken out, a percentage was established for commercial and for industrial based on the FERC Form 1 average number of customers. This percentage was then applied in order to allocate costs to each of the categories.

Example:

Calls by Customer Category	Count	Percentage	$
Residential	455,622	98.12%	$1,456,551
Commercial & Industrial	8,358	1.80%	$26,719
Commercial (Based on Customer Count) [1]	-	*99.26%*	*$26,521*
Industrial (Based on Customer Count) [2]	-	*0.74%*	*$198*
Public Street & Highway Lighting	355	0.08%	$1,135
Total Calls	**464,335**	**100.00%**	**$1,484,405**

[1]Commercial (Based on Customer Count) = Total Commercial Customers/Total Commercial & Industrial Customers OR 20,119 / 20,269

[2]Industrial (Based on Customer Count) = Total Industrial Customers / Total Commercial & Industrial Customers OR 150 / 20,269

- To calculate the distribution of dollars across the rate classes (c) the percentage of customer in each rate category was established (b) based on the average number of customers from the FERC Form 1 (a). This percentage was then multiplied by the dollars allocated to each Call Category (Residential, Commercial, Industrial, and Streetlight) established above to determine the dollars.

Example:

Customers By Rate Class	Average Number of Customers (a)	Percentage (b)	Total $ by Rate (c)
Residential			
RS-Residential	121,511	86.14%	$1,254,693
RH-Residential Heating	13,612	9.65%	$140,554
WH-Water Heating	5,868	4.16%	$60,592
GSPNP-Gen. Service Public or Non-Profit	69	0.05%	$712
Total Residential	**141,060**	**100.00%**	**$1,456,551**
Commercial			
WH-Water Heating	46	0.23%	$61
PLS - Private Outdoor Lighting	831	4.13%	$1,095
GS-Gen. Service-Small	17,787	88.41%	$23,447
GSPNP-Gen. Service Public or Non-Profit	92	0.46%	$121
GM-Gen. Service-Medium	1,363	6.77%	$1,797
Total Commercial	**20,119**	**100.00%**	**$26,521**
Industrial			
GP-Gen. Service - Prim. Voltage	110	73.33%	$145
GT-Gen. Service Trans Voltage	40	26.67%	$53
Total Industrial	**150**	**100.00%**	**$198**
Public St & Highway Lighting			
Public Street & Highway Lighting	86	100.00%	$1,135
Total Public St & Highway Lighting	**86**	**100.00%**	**$1,135**
Total	**161,415**		**$1,484,405**

FERC Customer Accounting Analysis

West Penn Power Company

Year Ending December 2013

FERC 902 Meter Reading Expenses

Overview

The allocation methodology required a two-step process. First, a weighting factor was calculated for each rate class based on the number of meters in that rate class and the read time for those meters. Then, these weight factors were used to determine the allocation of the FERC balance across the rate classes.

Source of Data

FERC 902 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

A Brio query was run from EDW to obtain the number of meters in each rate category by Customer Service Systems.

Read times for each meter by rate class was obtained from Customer Service Analytics. Streetlights were excluded from the calculations as a majority of those accounts are not metered.

Allocation Methodology

- The average number of customers (a) for each rate category is based on the FERC form 1.
- The weighted factor (b) is based on the read time for each rate category and represents the minutes per meter to obtain a reading.
- The Weighted Customer Count (c) is the Customer Count (a) X Weighted factor (b)
- Total $ by Rate (d) was calculated by taking the Weighted Customer Count by rate class (c) divided by Total Weighted Customer Count X Total FERC Balance equals FERC balance by rate class.

Example:

Customers By Rate Class	Average Number of Customers (a)	Weighted Factor (b)	Weighted Customer Count (c) = (a) * (b)	Total $ by Rate (d)
Residential				
10 - R - Residential	615,369	1.22084	751,269	$6,751,091
20 - General Service	85	1.92199	163	$1,468
22 - Church & School	1	2.23014	2	$20
51 - Street Lighting Service	2	-	-	-
52 - Outdoor Lighting Service	2,718	-	-	-
53 - Street Lighting Service	13	-	-	-
57 - Outdoor Lighting Service - EMU	1,341	-	-	-
58 - Outdoor Lighting	1	-	-	-
59 - Outdoor Lighting - EM	1	-	-	-
Total Residential	**619,531**		**751,435**	**$6,752,579**
Commercial				
20 - General Service	80,301	1.92199	154,338	$1,386,917
22 - Church & School	1,342	2.23014	2,993	$26,895
23 - Athletic Field Service	20	2.58086	52	$464
24 - Fair & Carnival Service	8	2.27673	18	$164
30 - General Power Service	1,696	2.89945	4,917	$44,190
40 - Primary Power Service	22	2.00000	44	$395
51 - Street Lighting Service	42	-	-	-
52 - Outdoor Lighting Service	666	-	-	-
53 - Street Lighting Service	99	-	-	-
57 - Outdoor Lighting Service - EMU	435	-	-	-
58 - Outdoor Lighting Service - MU	11	-	-	-
59 - Outdoor Lighting Service - EM	11	-	-	-
37 - Penn State University	1	2.00000	2	$18
Total Commercial	**84,654**		**162,362**	**$1,459,042**

Industrial				
20 - General Service	12,049	1.92199	23,158	$208,104
30 - General Power Service	883	2.89945	2,560	$23,007
40 - Primary Power Service	104	2.00000	208	$1,869
41 - Primary Power Service	3	2.00000	6	$54
44 - Interr Power Service	1	2.00000	2	$18
46 - Primary Power Service	2	2.00000	4	$36
51 - Street Lighting Service	13	-	-	-
52 - Outdoor Lighting Service	53	-	-	-
53 - Street Lighting Service	10	-	-	-
57 - Outdoor Lighting Service - EMU	26	-	-	-
58 - Outdoor Lighting Service - MU	1	-	-	-
59 - Outdoor Lighting Service - EM	1	-	-	-
86 - Alter. Gen. Rider	4	-	-	-
Total Industrial	**13,150**		**25,938**	**$233,088**
Public St & Highway Lighting				
51 - Street Lighting Service	296	-	-	-
52 - Outdoor Lighting Service	1	-	-	-
53 - Street Lighting Service	1	-	-	-
54 - Street Lighting Service	55	-	-	-
55 - Street Lighting Service	5	-	-	-
56 - Street Lighting Service	3	-	-	-
57 - Street Lighting Service - EMU	193	-	-	-
58 - Street Lighting Service - MU	3	-	-	-
59 - Street Lighting Service - EM	1	-	-	-
71 - Street Lighting Service	1	-	-	-
Total Public St & Highway Lightin	**559**	-	-	-
Total	**717,894**		**939,735**	**$8,444,691**

FERC 903 Customer Records and Collection Expenses

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 903 account balances.

Source of Data

FERC 903 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total customers. This factor (b) was then multiplied by the FERC 903 account balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
10 - R - Residential	615,369	0.85719	$7,659,902
20 - General Service	85	0.00012	$1,058
22 - Church & School	1	0.00000	$12
51 - Street Lighting Service	2	0.00000	$25
52 - Outdoor Lighting Service	2,718	0.00379	$33,833
53 - Street Lighting Service	13	0.00002	$162
57 - Outdoor Lighting Service - EMU	1,341	0.00187	$16,692
58 - Outdoor Lighting	1	0.00000	$12
59 - Outdoor Lighting - EM	1	0.00000	$12
Total Residential	**619,531**	**0.86298**	**$7,711,709**
Commercial			
20 - General Service	80,301	0.11186	$999,559
22 - Church & School	1,342	0.00187	$16,705
23 - Athletic Field Service	20	0.00003	$249
24 - Fair & Carnival Service	8	0.00001	$100
30 - General Power Service	1,696	0.00236	$21,111
40 - Primary Power Service	22	0.00003	$274
51 - Street Lighting Service	42	0.00006	$523
52 - Outdoor Lighting Service	666	0.00093	$8,290
53 - Street Lighting Service	99	0.00014	$1,232
57 - Outdoor Lighting Service - EMU	435	0.00061	$5,415
58 - Outdoor Lighting Service - MU	11	0.00002	$137
59 - Outdoor Lighting Service - EM	11	0.00002	$137
37 - Penn State University	1	0.00000	$12
Total Commercial	**84,654**	**0.11792**	**$1,053,744**

Industrial			
20 - General Service	12,049	0.01678	$149,982
30 - General Power Service	883	0.00123	$10,991
40 - Primary Power Service	104	0.00014	$1,295
41 - Primary Power Service	3	0.00000	$37
44 - Interr Power Service	1	0.00000	$12
46 - Primary Power Service	2	0.00000	$25
51 - Street Lighting Service	13	0.00002	$162
52 - Outdoor Lighting Service	53	0.00007	$660
53 - Street Lighting Service	10	0.00001	$124
57 - Outdoor Lighting Service - EMU	26	0.00004	$324
58 - Outdoor Lighting Service - MU	1	0.00000	$12
59 - Outdoor Lighting Service - EM	1	0.00000	$12
86 - Alter. Gen. Rider	4	0.00001	$50
Total Industrial	**13,150**	**0.01832**	**$163,687**
Public St & Highway Lighting			
51 - Street Lighting Service	296	0.00041	$3,685
52 - Outdoor Lighting Service	1	0.00000	$12
53 - Street Lighting Service	1	0.00000	$12
54 - Street Lighting Service	55	0.00008	$685
55 - Street Lighting Service	5	0.00001	$62
56 - Street Lighting Service	3	0.00000	$37
57 - Street Lighting Service - EMU	193	0.00027	$2,402
58 - Street Lighting Service - MU	3	0.00000	$37
59 - Street Lighting Service - EM	1	0.00000	$12
71 - Street Lighting Service	1	0.00000	$12
Total Public St & Highway Lighting	**559**	**0.00078**	**$6,958**
Total	**717,894**		**$8,936,097**

FERC 904 Uncollectible Accounts

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 904 account balances.

Source of Data

FERC 904 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total

customers. This factor (b) was then multiplied by the FERC 904 account balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
10 - R - Residential	615,369	0.85719	$8,382,790
20 - General Service	85	0.00012	$1,158
22 - Church & School	1	0.00000	$14
51 - Street Lighting Service	2	0.00000	$27
52 - Outdoor Lighting Service	2,718	0.00379	$37,026
53 - Street Lighting Service	13	0.00002	$177
57 - Outdoor Lighting Service - EMU	1,341	0.00187	$18,268
58 - Outdoor Lighting	1	0.00000	$14
59 - Outdoor Lighting - EM	1	0.00000	$14
Total Residential	**619,531**	**0.86298**	**$8,439,487**
Commercial			
20 - General Service	80,301	0.11186	$1,093,891
22 - Church & School	1,342	0.00187	$18,281
23 - Athletic Field Service	20	0.00003	$272
24 - Fair & Carnival Service	8	0.00001	$109
30 - General Power Service	1,696	0.00236	$23,104
40 - Primary Power Service	22	0.00003	$300
51 - Street Lighting Service	42	0.00006	$572
52 - Outdoor Lighting Service	666	0.00093	$9,073
53 - Street Lighting Service	99	0.00014	$1,349
57 - Outdoor Lighting Service - EMU	435	0.00061	$5,926
58 - Outdoor Lighting Service - MU	11	0.00002	$150
59 - Outdoor Lighting Service - EM	11	0.00002	$150
37 - Penn State University	1	0.00000	$14
Total Commercial	**84,654**	**0.11792**	**$1,153,189**

Industrial			
20 - General Service	12,049	0.01678	$164,136
30 - General Power Service	883	0.00123	$12,029
40 - Primary Power Service	104	0.00014	$1,417
41 - Primary Power Service	3	0.00000	$41
44 - Interr Power Service	1	0.00000	$14
46 - Primary Power Service	2	0.00000	$27
51 - Street Lighting Service	13	0.00002	$177
52 - Outdoor Lighting Service	53	0.00007	$722
53 - Street Lighting Service	10	0.00001	$136
57 - Outdoor Lighting Service - EMU	26	0.00004	$354
58 - Outdoor Lighting Service - MU	1	0.00000	$14
59 - Outdoor Lighting Service - EM	1	0.00000	$14
86 - Alter. Gen. Rider	4	0.00001	$54
Total Industrial	**13,150**	**0.01832**	**$179,134**
Public St & Highway Lighting			
51 - Street Lighting Service	296	0.00041	$4,032
52 - Outdoor Lighting Service	1	0.00000	$14
53 - Street Lighting Service	1	0.00000	$14
54 - Street Lighting Service	55	0.00008	$749
55 - Street Lighting Service	5	0.00001	$68
56 - Street Lighting Service	3	0.00000	$41
57 - Street Lighting Service - EMU	193	0.00027	$2,629
58 - Street Lighting Service - MU	3	0.00000	$41
59 - Street Lighting Service - EM	1	0.00000	$14
71 - Street Lighting Service	1	0.00000	$14
Total Public St & Highway Lighting	**559**	**0.00078**	**$7,615**
Total	**717,894**		**$9,779,425**

FERC 905 Miscellaneous Customer Accounts Expenses

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 905 account balances.

Source of Data

FERC 905 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total

customers. This factor (b) was then multiplied by the FERC 905 account balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
10 - R - Residential	615,369	0.85719	$108,513
20 - General Service	85	0.00012	$15
22 - Church & School	1	0.00000	$0
51 - Street Lighting Service	2	0.00000	$0
52 - Outdoor Lighting Service	2,718	0.00379	$479
53 - Street Lighting Service	13	0.00002	$2
57 - Outdoor Lighting Service - EMU	1,341	0.00187	$236
58 - Outdoor Lighting	1	0.00000	$0
59 - Outdoor Lighting - EM	1	0.00000	$0
Total Residential	**619,531**	**0.86298**	**$109,246**
Commercial			
20 - General Service	80,301	0.11186	$14,160
22 - Church & School	1,342	0.00187	$237
23 - Athletic Field Service	20	0.00003	$4
24 - Fair & Carnival Service	8	0.00001	$1
30 - General Power Service	1,696	0.00236	$299
40 - Primary Power Service	22	0.00003	$4
51 - Street Lighting Service	42	0.00006	$7
52 - Outdoor Lighting Service	666	0.00093	$117
53 - Street Lighting Service	99	0.00014	$17
57 - Outdoor Lighting Service - EMU	435	0.00061	$77
58 - Outdoor Lighting Service - MU	11	0.00002	$2
59 - Outdoor Lighting Service - EM	11	0.00002	$2
37 - Penn State University	1	0.00000	$0
Total Commercial	**84,654**	**0.11792**	**$14,928**

Industrial			
20 - General Service	12,049	0.01678	$2,125
30 - General Power Service	883	0.00123	$156
40 - Primary Power Service	104	0.00014	$18
41 - Primary Power Service	3	0.00000	$1
44 - Interr Power Service	1	0.00000	$0
46 - Primary Power Service	2	0.00000	$0
51 - Street Lighting Service	13	0.00002	$2
52 - Outdoor Lighting Service	53	0.00007	$9
53 - Street Lighting Service	10	0.00001	$2
57 - Outdoor Lighting Service - EMU	26	0.00004	$5
58 - Outdoor Lighting Service - MU	1	0.00000	$0
59 - Outdoor Lighting Service - EM	1	0.00000	$0
86 - Alter. Gen. Rider	4	0.00001	$1
Total Industrial	**13,150**	**0.01832**	**$2,319**
Public St & Highway Lighting			
51 - Street Lighting Service	296	0.00041	$52
52 - Outdoor Lighting Service	1	0.00000	$0
53 - Street Lighting Service	1	0.00000	$0
54 - Street Lighting Service	55	0.00008	$10
55 - Street Lighting Service	5	0.00001	$1
56 - Street Lighting Service	3	0.00000	$1
57 - Street Lighting Service - EMU	193	0.00027	$34
58 - Street Lighting Service - MU	3	0.00000	$1
59 - Street Lighting Service - EM	1	0.00000	$0
71 - Street Lighting Service	1	0.00000	$0
Total Public St & Highway Lighting	**559**	**0.00078**	**$99**
Total	**717,894**		**$126,592**

FERC 450 & 451 Forfeited Discounts and Miscellaneous Service Revenues

Overview

The 2013 FERC Form 1 average number of customers was used to calculate a weighted distribution of the FERC 450 and 451 expenses.

Source of Data

FERC 450 and 451 account balance for 2013

2013 FERC Form 1 data was used for the average number of customers

Allocation Methodology

The weighted factor (b) used to distribute the dollars for each rate classes was calculated based on the average number of customers from the FERC Form 1 (a) in each rate category compared to the total

customers. This factor (b) was then multiplied by the combined FERC 450 and 451 balance to determine the distribution of dollars across the rate classes (c).

Example:

Customers By Rate Class	Average Number Customers (a)	Factor (b)	$ Total by Rate (c)
Residential			
10 - R - Residential	615,369	0.85719	($3,568,389)
20 - General Service	85	0.00012	($493)
22 - Church & School	1	0.00000	($6)
51 - Street Lighting Service	2	0.00000	($12)
52 - Outdoor Lighting Service	2,718	0.00379	($15,761)
53 - Street Lighting Service	13	0.00002	($75)
57 - Outdoor Lighting Service - EMU	1,341	0.00187	($7,776)
58 - Outdoor Lighting	1	0.00000	($6)
59 - Outdoor Lighting - EM	1	0.00000	($6)
Total Residential	**619,531**	**0.86298**	**($3,592,524)**
Commercial			
20 - General Service	80,301	0.11186	($465,648)
22 - Church & School	1,342	0.00187	($7,782)
23 - Athletic Field Service	20	0.00003	($116)
24 - Fair & Carnival Service	8	0.00001	($46)
30 - General Power Service	1,696	0.00236	($9,835)
40 - Primary Power Service	22	0.00003	($128)
51 - Street Lighting Service	42	0.00006	($244)
52 - Outdoor Lighting Service	666	0.00093	($3,862)
53 - Street Lighting Service	99	0.00014	($574)
57 - Outdoor Lighting Service - EMU	435	0.00061	($2,522)
58 - Outdoor Lighting Service - MU	11	0.00002	($64)
59 - Outdoor Lighting Service - EM	11	0.00002	($64)
37 - Penn State University	1	0.00000	($6)
Total Commercial	**84,654**	**0.11792**	**($490,890)**

Industrial			
20 - General Service	12,049	0.01678	($69,869)
30 - General Power Service	883	0.00123	($5,120)
40 - Primary Power Service	104	0.00014	($603)
41 - Primary Power Service	3	0.00000	($17)
44 - Interr Power Service	1	0.00000	($6)
46 - Primary Power Service	2	0.00000	($12)
51 - Street Lighting Service	13	0.00002	($75)
52 - Outdoor Lighting Service	53	0.00007	($307)
53 - Street Lighting Service	10	0.00001	($58)
57 - Outdoor Lighting Service - EMU	26	0.00004	($151)
58 - Outdoor Lighting Service - MU	1	0.00000	($6)
59 - Outdoor Lighting Service - EM	1	0.00000	($6)
86 - Alter. Gen. Rider	4	0.00001	($23)
Total Industrial	**13,150**	**0.01832**	**($76,254)**
Public St & Highway Lighting			
51 - Street Lighting Service	296	0.00041	($1,716)
52 - Outdoor Lighting Service	1	0.00000	($6)
53 - Street Lighting Service	1	0.00000	($6)
54 - Street Lighting Service	55	0.00008	($319)
55 - Street Lighting Service	5	0.00001	($29)
56 - Street Lighting Service	3	0.00000	($17)
57 - Street Lighting Service - EMU	193	0.00027	($1,119)
58 - Street Lighting Service - MU	3	0.00000	($17)
59 - Street Lighting Service - EM	1	0.00000	($6)
71 - Street Lighting Service	1	0.00000	($6)
Total Public St & Highway Lighting	**559**	**0.00078**	**($3,242)**
Total	**717,894**		**($4,162,909)**

FERC 908 Customer Assistance Expenses

Overview

Expenses for PA Act 129 charges were excluded from the FERC 908 account balance for 2013. FERC 908 account balance for 2013 was allocated to RS as that was the only rate schedule with customers receiving assistance.

Source of Data

FERC 908 account balance for 2013 excluding PA Act 129 charges

Allocation Methodology

- The FERC 908 account balance was allocated to RS Rate (a)

Example:

Company	Balance	RS Balance (a)
West Penn Power	6,490,065	$6,490,065

FERC 910 Miscellaneous Customer Service and Information Expenses

Overview

FERC 910 account balances were distributed based on actual call volume for 2013. Ratios for rate class call volumes were calculated based on call volume and FERC Form 1 Customer Count and then applied to the total FERC balance to distribute the dollars across the rate classes.

Source of Data

FERC 910 account balance for 2013

Customer Counts from FERC Form 1 for 2013

Call Volumes from the IVR Calls by Call Report for 2013

Allocation Methodology

- Cost Allocations by Call Category was done by multiplying the FERC Form 910 Costs by the Percentage of Calls in each category (Residential, Commercial & Industrial, and Streetlight) compared to the total Call Volume. Since commercial and industrial call cannot be broken out, a percentage was established for commercial and for industrial based on the FERC Form 1 customer accounts. This percentage was then applied in order to allocate costs to each of the categories.

Example:

Calls by Customer Category	Count	Percentage	$
Residential	2,115,346	98.34%	$439,159
Commercial & Industrial	32,930	1.53%	$6,836
Commercial (Based on Customer Count)[1]	-	*86.55%*	*$5,917*
Industrial (Based on Customer Count)[2]	-	*13.45%*	*$919*
Public St & Highway Lighting	2,874	0.13%	$597
Total Calls	**2,151,150**	**100.00%**	**$446,592**

[1]Commercial (Based on Customer Count) = Total Commercial Customers/Total Commercial & Industrial Customers OR 84,654 / 97,804

[2]Industrial (Based on Customer Count) = Total Industrial Customers / Total Commercial & Industrial Customers OR 13,150 / 97,804

- To calculate the distribution of dollars across the rate classes (c) the percentage of customer in each rate category was established (b) based on the customer counts from the FERC Form 1 (a). This percentage was then multiplied by the dollars allocated to each Call Category (Residential, Commercial, Industrial, and Streetlight) established above to determine the dollars

Example:

Customers By Rate Class	Average Number Customers (a)	Percentage (b)	Total $ by Rate (c)
Residential			
10 - R - Residential	615,369	99.33%	$436,209
20 - General Service	85	0.01%	$60
22 - Church & School	1	0.00%	$1
51 - Street Lighting Service	2	0.00%	$1
52 - Outdoor Lighting Service	2,718	0.44%	$1,927
53 - Street Lighting Service	13	0.00%	$9
57 - Outdoor Lighting Service - EMU	1,341	0.22%	$951
58 - Outdoor Lighting	1	0.00%	$1
59 - Outdoor Lighting - EM	1	0.00%	$1
Total Residential	**619,531**	**100.00%**	**$439,159**
Commercial			
20 - General Service	80,301	94.86%	$5,613
22 - Church & School	1,342	1.59%	$94
23 - Athletic Field Service	20	0.02%	$1
24 - Fair & Carnival Service	8	0.01%	$1
30 - General Power Service	1,696	2.00%	$119
40 - Primary Power Service	22	0.03%	$2
51 - Street Lighting Service	42	0.05%	$3
52 - Outdoor Lighting Service	666	0.79%	$47
53 - Street Lighting Service	99	0.12%	$7
57 - Outdoor Lighting Service - EMU	435	0.51%	$30
58 - Outdoor Lighting Service - MU	11	0.01%	$1
59 - Outdoor Lighting Service - EM	11	0.01%	$1
37 - Penn State University	1	0.00%	$0
Total Commercial	**84,654**	**100.00%**	**$5,917**

Industrial			
20 - General Service	12,049	91.63%	$842
30 - General Power Service	883	6.71%	$62
40 - Primary Power Service	104	0.79%	$7
41 - Primary Power Service	3	0.02%	$0
44 - Interr Power Service	1	0.01%	$0
46 - Primary Power Service	2	0.02%	$0
51 - Street Lighting Service	13	0.10%	$1
52 - Outdoor Lighting Service	53	0.40%	$4
53 - Street Lighting Service	10	0.08%	$1
57 - Outdoor Lighting Service - EMU	26	0.20%	$2
58 - Outdoor Lighting Service - MU	1	0.01%	$0
59 - Outdoor Lighting Service - EM	1	0.01%	$0
86 - Alter. Gen. Rider	4	0.03%	$0
Total Industrial	**13,150**	**100.00%**	**$919**
Public St & Highway Lighting			
51 - Street Lighting Service	296	52.95%	$316
52 - Outdoor Lighting Service	1	0.18%	$1
53 - Street Lighting Service	1	0.18%	$1
54 - Street Lighting Service	55	9.84%	$59
55 - Street Lighting Service	5	0.89%	$5
56 - Street Lighting Service	3	0.54%	$3
57 - Street Lighting Service - EMU	193	34.53%	$206
58 - Street Lighting Service - MU	3	0.54%	$3
59 - Street Lighting Service - EM	1	0.18%	$1
71 - Street Lighting Service	1	0.18%	$1
Total Public St & Highway Lighting	**559**	**100.00%**	**$597**
Total	**717,894**		**$446,592**

West Penn Power Customer Accounting Total Account Dollars Assigned to Rate Group							
Rate	Meter Reading	Customer Records Collection	Uncollectible Accounts	Miscellaneous Customer Accounts	Forfeited Discounts and Miscellaneous Service Revenues	Cust Asst	MISC
Classes	**902**	**903**	**904**	**905**	**450 & 451**	**908**	**910**
Residentail							
10 - R - Residential	6,751,091	$7,659,902	$8,382,790	$108,513	($3,568,389)	$6,490,065	$436,209
20 - General Service	1,468	$1,058	$1,158	$15	($493)	-	$60
22 - Church & School	20	$12	$14	$0	($6)	-	$1
51 - Street Lighting Service	-	$25	$27	$0	($12)	-	$1
52 - Outdoor Lighting Service	-	$33,833	$37,026	$479	($15,761)	-	$1,927
53 - Street Lighting Service	-	$162	$177	$2	($75)	-	$9
57 - Outdoor Lighting Service - EMU	-	$16,692	$18,268	$236	($7,776)	-	$951
58 - Outdoor Lighting	-	$12	$14	$0	($6)	-	$1
59 - Outdoor Lighting - EM	-	$12	$14	$0	($6)	-	$1
Total Residential	**6,752,579**	**$7,711,709**	**$8,439,487**	**$109,246**	**($3,592,524)**	**$6,490,065**	**$439,159**
Commercial							
20 - General Service	1,386,917	$999,559	$1,093,891	$14,160	($465,648)	-	$5,613
22 - Church & School	26,895	$16,705	$18,281	$237	($7,782)	-	$94
23 - Athletic Field Service	464	$249	$272	$4	($116)	-	$1
24 - Fair & Carnival Service	164	$100	$109	$1	($46)	-	$1
30 - General Power Service	44,190	$21,111	$23,104	$299	($9,835)	-	$119
40 - Primary Power Service	395	$274	$300	$4	($128)	-	$2
51 - Street Lighting Service	-	$523	$572	$7	($244)	-	$3
52 - Outdoor Lighting Service	-	$8,290	$9,073	$117	($3,862)	-	$47
53 - Street Lighting Service	-	$1,232	$1,349	$17	($574)	-	$7
57 - Outdoor Lighting Service - EMU	-	$5,415	$5,926	$77	($2,522)	-	$30
58 - Outdoor Lighting Service - MU	-	$137	$150	$2	($64)	-	$1
59 - Outdoor Lighting Service - EM	-	$137	$150	$2	($64)	-	$1
37 - Penn State University	18	$12	$14	$0	($6)	-	$0
Total Commercial	**1,459,042**	**$1,053,744**	**$1,153,189**	**$14,928**	**($490,890)**	**-**	**$5,917**

Industrial							
20 - General Service	208,104	$149,982	$164,136	$2,125	($69,869)	-	$842
30 - General Power Service	23,007	$10,991	$12,029	$156	($5,120)	-	$62
40 - Primary Power Service	1,869	$1,295	$1,417	$18	($603)	-	$7
41 - Primary Power Service	54	$37	$41	$1	($17)	-	$0
44 - Interr Power Service	18	$12	$14	$0	($6)	-	$0
46 - Primary Power Service	36	$25	$27	$0	($12)	-	$0
51 - Street Lighting Service	-	$162	$177	$2	($75)	-	$1
52 - Outdoor Lighting Service	-	$660	$722	$9	($307)	-	$4
53 - Street Lighting Service	-	$124	$136	$2	($58)	-	$1
57 - Outdoor Lighting Service - EMU	-	$324	$354	$5	($151)	-	$2
58 - Outdoor Lighting Service - MU	-	$12	$14	$0	($6)	-	$0
59 - Outdoor Lighting Service - EM	-	$12	$14	$0	($6)	-	$0
86 - Alter. Gen. Rider	-	$50	$54	$1	($23)	-	$0
Total Industrial	**233,088**	**$163,687**	**$179,134**	**$2,319**	**($76,254)**	**-**	**$919**
Public St & Highway Lighting							
51 - Street Lighting Service	-	$3,685	$4,032	$52	($1,716)	-	$316
52 - Outdoor Lighting Service	-	$12	$14	$0	($6)	-	$1
53 - Street Lighting Service	-	$12	$14	$0	($6)	-	$1
54 - Street Lighting Service	-	$685	$749	$10	($319)	-	$59
55 - Street Lighting Service	-	$62	$68	$1	($29)	-	$5
56 - Street Lighting Service	-	$37	$41	$1	($17)	-	$3
57 - Street Lighting Service - EMU	-	$2,402	$2,629	$34	($1,119)	-	$206
58 - Street Lighting Service - MU	-	$37	$41	$1	($17)	-	$3
59 - Street Lighting Service - EM	-	$12	$14	$0	($6)	-	$1
71 - Street Lighting Service	-	$12	$14	$0	($6)	-	$1
Total Public St & Highway Lighting	**-**	**$6,958**	**$7,615**	**$99**	**($3,242)**	**-**	**$597**
Total	**8,444,691**	**$8,936,097**	**$9,779,425**	**$126,592**	**($4,162,909)**	**$6,490,065**	**$446,592**

Exhibit HES-2
Supporting Study No. 5
Labor

Metropolitan Edison Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O & M Expense Total	Direct Labor Expense	Percentage of Total w A&G
Power Supply				
Power Supply	514	3,357	0	
Power Supply	518	0	0	
Power Supply	555	278,084	0	
Power Supply	557	-5,707	0	
	TOTAL		**0**	**0.00%**
Transmission	560	58	18	
Transmission	561	1,208	137	
Transmission	562	174	0	
Transmission	563	33	0	
Transmission	564	0	0	
Transmission	565	11,776	0	
Transmission	566	1,198	198	
Transmission	567	472	0	
Transmission	568	920	669	
Transmission	570	2,650	1,934	
Transmission	571	2,347	0	
Transmission	573	93	0	
	TOTAL		**2,956**	**8.91%**
Distribution	580	97	84	
Distribution	581	339	274	
Distribution	582	615	397	
Distribution	583	37	0	
Distribution	584	576	0	
Distribution	585	0	0	
Distribution	586	771	561	
Distribution	588	4,949	3,712	
Distribution	590	390	248	
Distribution	591	16	8	
Distribution	592	4,043	2,430	
Distribution	593	20,233	5,286	
Distribution	594	2,048	1,343	
Distribution	595	0	0	
Distribution	596	250	161	
Distribution	597	1,645	1,235	
Distribution	598	1,428	980	
	TOTAL		**16,719**	**50.40%**

Metropolitan Edison Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O & M Expense Total	Direct Labor Expense	Percentage of Total w A&G
Customer Accounts			0	
Customer Accounts	902	5,026	3,645	
Customer Accounts	903	5,858	2,058	
Customer Accounts	904	12,136	0	
Customer Accounts	905	251	176	
	TOTAL		**5,879**	**17.72%**
Customer Service	907	304	271	
Customer Service	908	34,566	0	
Customer Service	909	130	0	
Customer Service	910	5,696	2,521	
	TOTAL		**2,793**	**8.42%**
A&G (Unfunctionalized)	920	-524	12	
A&G (Unfunctionalized)	921	3,155	0	
A&G (Unfunctionalized)	923	35,388	5,099	
A&G (Unfunctionalized)	924	242	0	
A&G (Unfunctionalized)	925	930	91	
A&G (Unfunctionalized)	926	-745	-374	
A&G (Unfunctionalized)	928	2,632	0	
A&G (Unfunctionalized)	930_1	10	0	
A&G (Unfunctionalized)	930_2	698	0	
A&G (Unfunctionalized)	931	1,612	0	
A&G (Unfunctionalized)	935	801	0	
	TOTAL		**4,827**	**14.55%**

TOTAL w/o A&G	**28,347**
TOTAL w/ A&G	**33,174**

% of Labor Transmission w/o A&G		**10.43%**

Pennsylvania Electric Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O&M Expense TOTAL	Direct Labor Expense	Percentage of Total w A&G
Power Supply				
Power Supply	514	210	0	
Power Supply	518	0	0	
Power Supply	555	342,136	0	
Power Supply	557	-36,077	0	
	TOTAL	**306,269**	**0**	**0.00%**
Transmission	560	70	20	
Transmission	561	1,568	393	
Transmission	562	0	0	
Transmission	563	356	0	
Transmission	564	0	0	
Transmission	565	10,219	0	
Transmission	566	944	196	
Transmission	567	2,760	0	
Transmission	568	1,144	833	
Transmission	570	544	237	
Transmission	571	6,694	0	
Transmission	573	0	0	
	TOTAL	**24,299**	**1,679**	**4.19%**
Distribution	580	104	60	
Distribution	581	434	393	
Distribution	582	0	0	
Distribution	583	53	0	
Distribution	584	839	0	
Distribution	585	0	0	
Distribution	586	648	411	
Distribution	588	8,070	4,160	
Distribution	590	438	279	
Distribution	591	0	0	
Distribution	592	7,621	4,501	
Distribution	593	20,771	10,914	
Distribution	594	52	0	
Distribution	595	0	0	
Distribution	596	1,662	1,179	
Distribution	597	1,496	1,039	
Distribution	598	1,377	906	
	TOTAL	**43,563**	**23,841**	**59.48%**

Pennsylvania Electric Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O&M Expense TOTAL	Direct Labor Expense	Percentage of Total w A&G
Customer Accounts				
Customer Accounts	902	5,028	3,883	
Customer Accounts	903	6,170	2,204	
Customer Accounts	904	8,959	0	
Customer Accounts	905	356	197	
	TOTAL	**26,351,000**	**6,284**	**15.68%**
Customer Service	907	263	231	
Customer Service	908	36,360	0	
Customer Service	909	120	0	
Customer Service	910	5,642	2,687	
	TOTAL	**42,385**	**2,918**	**7.28%**
A&G (Unfunctionalized)	920	-616	12	
A&G (Unfunctionalized)	921	1,644	0	
A&G (Unfunctionalized)	923	37,861	5,979	
A&G (Unfunctionalized)	924	315	0	
A&G (Unfunctionalized)	925	957	158	
A&G (Unfunctionalized)	926	2,757	-803	
A&G (Unfunctionalized)	928	2,378	0	
A&G (Unfunctionalized)	930	0	0	
A&G (Unfunctionalized)	930	0	0	
A&G (Unfunctionalized)	931	1,448	0	
A&G (Unfunctionalized)	935	224	16	
	TOTAL	**46,969**	**5,362**	**13.38%**
TOTAL w/o A&G		**26,767,516**	**34,722**	
TOTAL w/ A&G		**26,814,485**	**40,084**	
% of Labor Transmission w/o A&G				**4.84%**

Pennsylvania Power Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O&M Expense TOTAL	Direct Labor Expense	Percentage of Total w A&G
Power Supply				
Power Supply	514	0	0	
Power Supply	518	0	0	
Power Supply	555	75,519	0	
Power Supply	557	3	0	
	TOTAL	**75,522**	**0**	**0.00%**
Transmission	560	0	0	
Transmission	561	122	0	
Transmission	562	0	0	
Transmission	563	0	0	
Transmission	564	0	0	
Transmission	565	5,715	0	
Transmission	566	83	11	
Transmission	567	0	0	
Transmission	568	4	3	
Transmission	570	3	0	
Transmission	571	-11	-27	
Transmission	573	5	0	
	TOTAL	**5,921**	**-13**	**-0.15%**
Distribution	580	0	0	
Distribution	581	0	0	
Distribution	582	0	0	
Distribution	583	0	0	
Distribution	584	555	19	
Distribution	585	0	0	
Distribution	586	86	58	
Distribution	588	958	554	
Distribution	590	95	61	
Distribution	591	0	0	
Distribution	592	514	177	
Distribution	593	11,004	3,203	
Distribution	594	-15	0	
Distribution	595	0	0	
Distribution	596	1	0	
Distribution	597	379	343	
Distribution	598	345	202	
	TOTAL	**13,921**	**4,618**	**52.81%**

Pennsylvania Power Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O&M Expense TOTAL	Direct Labor Expense	Percentage of Total w A&G
Customer Accounts			0	
Customer Accounts	902	1,547	1,155	
Customer Accounts	903	1,626	548	
Customer Accounts	904	1,610	0	
Customer Accounts	905	39	26	
	TOTAL	**26,351,000**	**1,729**	**19.77%**
Customer Service	907	0	0	
Customer Service	908	9,957	151	
Customer Service	909	129	0	
Customer Service	910	1,498	0	
	TOTAL	**11,585**	**151**	**1.73%**
A&G (Unfunctionalized)	920	101	701	
A&G (Unfunctionalized)	921	489	0	
A&G (Unfunctionalized)	923	9,935	0	
A&G (Unfunctionalized)	924	26	96	
A&G (Unfunctionalized)	925	186	0	
A&G (Unfunctionalized)	926	94	1,458	
A&G (Unfunctionalized)	928	583	0	
A&G (Unfunctionalized)	930	0	0	
A&G (Unfunctionalized)	930	0	5	
A&G (Unfunctionalized)	931	347	0	
A&G (Unfunctionalized)	935	331	0	
	TOTAL	**12,092**	**2,259**	**25.84%**
TOTAL w/o A&G		**26,457,948**	**6,486**	
TOTAL w/ A&G		**26,470,041**	**8,745**	
% of Labor Transmission w/o A&G				**-0.20%**

West Pennsylvania Power Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O&M Expense TOTAL	Direct Labor Expense	Percentage of Total w A&G
Power Supply	514	0	0	
Power Supply	518	0	0	
Power Supply	555	333,711	0	
Power Supply	557	2	0	
	TOTAL	**333,713**	**0**	**0.00%**
Transmission	560	0	0	
Transmission	561	2,032	672	
Transmission	562	1,332	1,291	
Transmission	563	0	0	
Transmission	564	0	0	
Transmission	565	26,808	0	
Transmission	566	334	266	
Transmission	567	0	0	
Transmission	568	395	288	
Transmission	570	367	300	
Transmission	571	1,632	0	
Transmission	573	0	0	
	TOTAL	**32,899**	**2,818**	**7.41%**
Distribution	580	102	72	
Distribution	581	1,235	881	
Distribution	582	1,197	799	
Distribution	583	1,364	187	
Distribution	584	974	0	
Distribution	585	0	0	
Distribution	586	641	305	
Distribution	588	8,150	3,907	
Distribution	590	413	255	
Distribution	591	0	0	
Distribution	592	4,123	2,733	
Distribution	593	33,312	7,222	
Distribution	594	667	447	
Distribution	595	0	0	
Distribution	596	819	561	
Distribution	597	1,544	1,075	
Distribution	598	1,069	714	
	TOTAL	**55,610**	**19,159**	**50.40%**

West Pennsylvania Power Company
Cost of Service Study - Special Study #05
Direct Labor O&M Study

Function	FERC Account Number	O&M Expense TOTAL	Direct Labor Expense	Percentage of Total w A&G
Customer Accounts	902	11,080	7,460	
Customer Accounts	903	9,116	1,181	
Customer Accounts	904	10,642	0	
Customer Accounts	905	134	93	
	TOTAL	**26,351,000**	**8,734**	**22.98%**
Customer Service	907	574	498	
Customer Service	908	20,295	0	
Customer Service	909	53	0	
Customer Service	910	155	113	
	TOTAL	**21,077**	**611**	**1.61%**
A&G (Unfunctionalized)	920	-206	15	
A&G (Unfunctionalized)	921	1,906	0	
A&G (Unfunctionalized)	923	37,350	6,952	
A&G (Unfunctionalized)	924	296	0	
A&G (Unfunctionalized)	925	1,203	139	
A&G (Unfunctionalized)	926	5,596	-414	
A&G (Unfunctionalized)	928	2,467	0	
A&G (Unfunctionalized)	930	0	0	
A&G (Unfunctionalized)	930	0	0	
A&G (Unfunctionalized)	931	2,512	0	
A&G (Unfunctionalized)	935	771	0	
	TOTAL	**51,897**	**6,692**	**17.60%**
TOTAL w/o A&G		**26,794,298**	**31,322**	
TOTAL w/ A&G		**26,846,195**	**38,013**	
% of Labor Transmission w/o A&G				**9.00%**

Exhibit HES-2
Supporting Study No. 6
Meter Plant

Metropolitan Edison
Meter Plant Allocation

Rate Group	End of Period HTY Customer Count	Meter Count	Meter Cost	Meter Labor	PT/CT Cost & Labor	Total Cost	Total Cost per Customer	Weighting Factor	Weighted Customer Allocator
RS	448,405	449,699	10,815,249	6,064,690	73,943	16,953,882	37.81	1.0	448,405
RT	41,810	43,395	3,347,884	588,272	14,779	3,950,936	94.50	2.5	104,496
GSV	269	281	24,673	4,501	12,570	41,744	155.18	4.1	1,104
GSS	40,141	41,211	1,698,906	561,650	154,850	2,415,406	60.17	1.6	63,884
GSM	23,929	25,594	2,033,575	392,260	0	2,425,835	101.38	2.7	64,160
GSL	347	584	246,118	14,098	0	260,216	749.90	19.8	6,882
GP	498	643	243,611	31,331	2,176,055	2,450,996	4,921.68	130.2	64,825
MS	133	137	11,533	2,324	15,425	29,282	220.17	5.8	774
BRD	55	36	2,518	1,857	617	4,992	90.77	2.4	132
TP	23	36	24,911	1,902	651,539	678,352	29,493.56	780.1	17,941

Pennsylvania Electric Company
Meter Plant Allocation

Rate Group	End of Period HTY Customer Count	Meter Count	Meter Cost	Meter Labor	PT/CT Cost & Labor	Total Cost	Total Cost per Customer	Weighting Factor	Weighted Customer Allocator
RS	480,542	484,259	13,076,447	6,931,561	224,311	20,232,320	42.10	1.0	480,542
RT	19,736	20,648	1,871,332	284,135	24,206	2,179,674	110.44	2.6	51,770
GSV	675	696	48,990	9,952	13,382	72,324	107.15	2.5	1,718
GSS	52,471	54,843	2,169,226	757,116	216,552	3,142,895	59.90	1.4	74,648
GSM	28,597	30,712	2,529,151	459,937	1,774,461	4,763,549	166.58	4.0	113,140
GSL	415	690	302,362	16,870	68,015	387,246	933.12	22.2	9,198
GP	427	653	308,156	18,007	377,032	703,195	1,646.83	39.1	16,702
H	152	178	18,301	3,094	29,370	50,764	333.97	7.9	1,206
BRD	15	14	1,169	256	2,504	3,929	261.96	6.2	93
LP	49	81	36,601	2,241	140,762	179,604	3,665.39	87.1	4,266

Pennsylvania Power Company
Meter Plant Allocation

Rate Group	End of Period HTY Customer Count	Meter Count	Meter Cost	Meter Labor	PT/CT Cost & Labor	Total Cost	Total Cost per Customer	Weighting Factor	Weighted Customer Allocator
RS	122,820	130,537	4,233,345	1,771,890	6,106	6,011,340	48.94	1.2	150,223
RH	13,251	14,378	339,590	195,295	3,482	538,367	40.63	1.0	13,454
RSW	5,626	6,176	141,309	83,822	0	225,131	40.02	1.0	5,626
GSR	69	78	4,922	1,104	643	6,668	96.64	2.4	167
GS	17,511	18,023	1,095,528	250,664	210,298	1,556,490	88.89	2.2	38,896
GM	1,375	1,557	205,644	33,855	255,416	494,915	359.94	9.0	12,368
GP	110	142	87,230	3,778	310,653	401,661	3,651.46	91.2	10,037
OH	355	441	31,358	6,424	16,355	54,137	152.50	3.8	1,353
PNP	92	97	6,054	1,448	12,637	20,139	218.90	5.5	503
POL	830							-	-
STLT	86							-	-
GT	40	57	29,095	1,507	891,606	922,208	23,055.19	576.1	23,046

West Pennsylvania Power Company
Meter Plant Allocation

Rate Group	End of Period HTY Customer Count	Meter Count	Meter Cost	Meter Labor	PT/CT Cost & Labor	Total Cost	Total Cost per Customer	Weighting Factor	Weighted Customer Allocator
RS	617,508	616,774	16,844,180	8,318,231	39,199	25,201,610	40.81	1.0	617,508
GS10	522	531	35,018	8,345	21,580	64,943	124.41	3.0	1,591
GS20	91,880	92,201	3,514,144	1,000,159	2,124,813	6,639,116	72.26	1.8	162,676
GS22	1,326	1,345	75,686	20,622	49,837	146,145	110.22	2.7	3,581
GS23	20	20	21	2,142	445	2,608	130.39	3.2	64
GS24	9	9	433	126	57	616	68.40	1.7	15
GS30S	2,100	2,141	521,637	55,927	1,691,965	2,269,529	1,080.73	26.5	55,610
GS30L	516	568	289,402	15,310	1,734,893	2,039,605	3,952.72	96.9	49,976
POL	5,372	0	0	0	0	-		-	-
PSU	1	11	5,151	297	0	5,448	5,447.54	133.5	133
PP40	128	169	114,006	4,540	1,444,427	1,562,973	12,210.73	299.2	38,297
PP41	3	4	3,498	108	90,100	93,706	31,235.20	765.3	2,296
PP44	1	1	962	27	39,000	39,989	39,988.59	979.8	980
PP46	2	26	19,141	701	14,600	34,442	17,221.25	422.0	844
AGS	4	0	0	0	0	-		-	-
STLT	559	0	0	0	0	-		-	-

Exhibit HES-2
Supporting Study No. 7
Primary / Secondary and Minimum Grid

Customer Component of

FERC Account 364 – POLES, TOWERS, AND FIXTURES

FERC Account 365 – OVERHEAD CONDUCTORS & DEVICES

FERC Account 367 – UNDERGROUND CONDUCTORS & DEVICES

FERC Account 368 – LINE TRANSFORMERS

Primary Customer/Secondary Customer Component of

FERC Account 364 – POLES, TOWERS, AND FIXTURES

FERC Account 365 – OVERHEAD CONDUCTORS & DEVICES

FERC Account 366 – UNDERGROUND CONDUIT

FERC Account 367 – UNDERGROUND CONDUCTORS & DEVICES

Table of Contents

SCOPE

This report looks at two concepts, the allocation of certain distribution plant accounts to a customer cost (aka "minimum grid") or demand costs, here after referred to as the Customer Cost Study, and the allocation of certain distribution costs to customers served as primary voltage accounts. NARUC describes the basics of Customer Costs Studies in their publication "Electric Utility Cost Allocation Manual[1]," but the basics of these studies are to serve the purpose of allocating utility costs and/or asset values to different classes of customers.

Customer Cost Study

The Customer Cost Study is designed to separate the asset values into component costs, as follows;

- Customer Related Costs
- Demand Related Costs
- Energy Related Costs

The costs of the distribution system are primarily impacted by demand and the number of customers, so this study serves the purpose of allocating utility costs and/or asset values to those two cost components[2]. The plant accounts considered in this study are:

- FERC Account 364 – POLES, TOWERS, AND FIXTURES
- FERC Account 365 – OVERHEAD CONDUCTORS & DEVICES
- FERC Account 367 – UNDERGROUND C ONDUCTORS & DEVICES
- FERC Account 368 – LINE TRANSFORMERS

Primary/Secondary Customer Cost Study

The primary/secondary customer cost study is aimed at determining the portion of the distribution assets that are used to serve primary voltage customers; for example, the distribution transformer, secondary conductor, and service conductor types of distribution plant are not used to serve these customers. Similarly some accounts have limited assets that are used to provide service to these primary service customers; the Primary/Secondary Customer Cost Study is designed to determine the extent of each of those accounts used by the Primary Voltage Customer[3]. The accounts considered in this study are:

- FERC Account 364 – POLES, TOWERS, AND FIXTURES
- FERC Account 365 – OVERHEAD CONDUCTORS & DEVICES

[1] National Association of Regulatory Utility Commissions (NARUC). *Electric Utility Cost Allocation Manual*, 1992.

[2] ibid, p. 21.

[3] ibid, p. 19.

- FERC Account 366 – UNDERGROUND CONDUIT
- FERC Account 367 – UNDERGROUND CONDUCTORS & DEVICES

DEFINTIONS AND TERMS

A number of large data bases house the information used in the preparation of this report. The following definitions and terms describe: those systems and applications, from which data was extracted; the software tools used to extract, analyze, and summarize that information; and finally references are provided to any external data sources used.

Company Computer Systems, Data and Processes

The Company has a number of computer systems that house data used for this study. As utilities have grown, so has the size and complexity of these systems leading to the need to use software tools like SQL queries to analyze data sets that can no-longer be effectively analyzed using common desktop tools like Excel.

CCS

The Company's CCS or "Customer Care System" is the customer accounting and billing system. With data contained in this system the Company is able to tell the type of customer; the customer's customer rate code. The GIS and CCS customer records are connected though connection object database keys, which enable the Company to determine where, on the geographically represented system, each customer, and customer type, is connected. The CCS is a sub-system of SAP (see SAP below).

CREWS

CREWS is FirstEnergy's work management system, used by the Operating Companies to perform engineering estimates for construction work.

GIS

The Company's GIS or "Geographical Information System" is the computer system providing a geographically referenced, asset database of the installed distribution plant information, including information on poles, primary conductors, fuses, transformers, and switches, and how those pieces of the electric distribution system are electrically interconnected from the substation to the customer. The GIS is used primarily for mapping and detailing the distribution system aiding engineering design, planning and troubleshooting tasks.

SAP

SAP[4] offers bundles of applications and services to enable companies to manage their businesses. These applications can include customer care systems (CCS), billing, financial, purchasing, inventory, and human resources functions.

Software Tools

SQL

Structured Query Language (SQL)[5] is a special programming language designed to manage and extract data held in a relational data base management system (RDBS), like Oracle, Sybase, MySQL, or, Microsoft SQL Server. Most of the Company's data bases, used for the preparation of this report, are Oracle RDBSs.

Brio

Hyperion Intelligence Designer, by Hyperion Solutions Corporation (now owned by Oracle), or BRIO, as it is known within the Company, is a general purpose SQL query and reporting tool that allow the Company to perform and produce Excel-like analysis and reports on data sets too large or complex to handle within Microsoft Excel.

Perl

Perl, by ActiveState[6], is a high-level, general-purpose, scripting language, typically operated in an interpreted (not compiled) form. Perl is used primarily as a tool to encapsulate and run raw SQL queries, and may be used to provide some additional summarization for the purposes of reporting.

External Data Sources

Handy-Whitman Index

The *Handy-Whitman Index of Public Utility Construction*[7] provides asset price indexes and the capital book value against a benchmark year. Handy-Whitman Index numbers serve as a yardstick to estimate the impact of fluctuations in the value of material and labor costs, allowing assets of a known age to be reflected in other years. Average prices and cost trends are used to develop the Handy-Whitman Index. This Index is commonly used by utilities and regulators in

[4] SAP, www.sap.com.

[5] ISO/IEC 9075-1:2011, *Information technology -- Database languages -- SQL -- Part 1: Framework (SQL/Framework)*,

[6] ActiveState, www.activestate.com.

[7] *Handy-Whitman Index of Public Utility Construction*, Whitman, Requardt and Associates, LLP, 801 South Caroline Street, Baltimore, MD 21231,

their calculations of rate base for rate cases and in their valuations of property for insurance purposes.

Electric Utility Cost Allocation Manual[8]

The Electric Utility Cost Allocation Manual, by NARUC**,** was written by a team of utility, public utility commission, and FERC representatives and provides frameworks for costs of service studies. Section II of this Manual contains five chapters that explain the dominant method of cost allocation - the embedded cost study, which is based upon historical or known utility costs. Areas covered are production costs, transmission costs, distribution costs and the classification and allocation of customer-related costs and investments.

[8] National Association of Regulatory Utility Commissions (NARUC). *Electric Utility Cost Allocation Manual*, 1992.

FERC Account 364 – POLES, TOWERS, AND FIXTURES

This plant distribution account is predominately made up of the various wood distribution poles used to support primary and secondary distribution conductors.

Assumptions and Method

- The Company's GIS was used to determine the number of wood distribution poles, by size and install year. In the analysis, these poles were replaced by the minimum size wood distribution poles that have seen common use within the study territory; 35-foot poles for those supporting primary conductors without joint use underbuild.
    - Poles without an install year were omitted
    - Poles with install years < 1914 were omitted
    - Only poles supporting primary conductor were included (i.e., street-light and secondary only poles were omitted).
    - Only poles where POLE_MAT in (D, L, M, N, P, R, W, Z) were considered … the other materials are fiberglass, steel, concrete, aluminum, etc. materials that are unlikely for "distribution" poles.
    - Only poles where HEIGHT in (25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, & 95) were considered, the other pole heights typically indicate either street-light only poles, i.e., HEIGHT in (12, 15, 16, 17, 20, 27) or may reflect erroneous data.
- The current installed cost for each size pole was obtained from CREWS, and trended by size to build a list of costs by pole length for each size wood pole.
- The install years were used to age the current costs for the actual size and minimum size transformers using Handy-Whitman indices, and extended by the number of poles in service for each year, then summed to develop the customer component for this plant account.
- The percentage of minimum size cost (Customer Cost), of the Total Plant Value was calculated as the portion represented by the cost of the minimum sized units, 35 foot poles, as previously defined. The percentage of the demand costs for the account is the remainder, after the customer cost component was removed.
- This study was repeated for each Operating Company.

FERC Account 364 POLES, TOWERS, AND FIXTURES SPLIT OF PLANT					
Company	Total Plant Value	Customer Costs		Demand Costs	
		Percent	Value	Percent	Value
Met-Ed	$346,857,645[9]	78.0%	$270,396,603	22.0%	$76,461,042
Penelec	$475,757,653[10]	79.0%	$375,702,485	21.0%	$100,055,168
PennPower	$94,038,905[11]	84.5%	$79,444,370	15.5%	$14,594,535
West Penn Power	$323,422,350[12]	85.6%	$276,947,117	14.4%	$46,475,233

[9] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[10] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[11] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[12] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

FERC Account 365 - OVERHEAD CONDUCTORS AND DEVICES

This plant distribution account is predominately made up of the various overhead distribution line conductors, operating at either primary or secondary voltage. This study considered primary conductors only, the Company's GIS data is not sufficient to perform a similar analysis on the costs of secondary, service, and/or street-light conductors. The Company's GIS data is not sufficient to perform a Handy-Whitman analysis of the install date for primary conductors.

Assumptions and Method

- The Company's GIS was used to determine the wire miles of overhead distribution primary distribution line conductors, by size. These conductors were categorized into and two sizes, large and small.
  - Conductors with a blank or unknown conductor type/size were omitted
- The current installed cost for each category of primary line conductor was obtained and used to cost out the currently installed system, if rebuilt using one of those two sizes.
- The minimum grid cost was developed using only the cost of the smaller conductor.
- The percentage of minimum size cost (Customer Cost), of the Total Plant Value was calculated as the portion represented by the cost of the system, built with the minimum sized conductor.

FERC Account 365
OVERHEAD CONDUCTORS AND DEVICES
SPLIT OF PLANT

Company	Total Plant Value	Customer Costs		Demand Costs	
		Percent	Value	Percent	Value
Met-Ed	$494,129,448[13]	84.1%	$415,665,486	15.9%	$78,463,962
Penelec	$768,055,055[14]	85.6%	$657,367,243	14.4%	$110,687,812
PennPower	$133,531,965[15]	91.1%	$121,703,672	8.9%	$11,828,290
West Penn Power	$439,672,546[16]	93.1%	$409,199,212	6.9%	$30,473,334

[13] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

[14] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

[15] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

FERC Account 367 - UNDERGROUND CONDUCTORS AND DEVICES

This plant distribution account is predominately made up of the various underground distribution line conductors, operating at either primary or secondary voltage. This study considered primary conductors only, the Company's GIS data is not sufficient to perform a similar analysis on the costs of secondary and/or service conductors.

Assumptions and Method

- The Company's GIS was used to determine the wire miles of underground distribution primary distribution line conductors, by size. These conductors were categorized into and two sizes, large and small.
    - Conductors with a blank or unknown conductor type/size were omitted
    - Conductor segments greater than 2,500' were considered data errors and omitted
- The current installed cost for each category of primary line conductor was obtained and used to cost out the currently installed system, if rebuilt using one of those two sizes.
- The minimum grid cost was developed using only the cost of the smaller conductor.
- The percentage of minimum size cost (Customer Cost), of the Total Plan Value was calculated as the portion represented by the cost of the system, built with the minimum sized conductor.

[16] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

FERC Account 367 UNDERGROUND CONDUCTORS AND DEVICES SPLIT OF PLANT					
Company	Total Plant Value	Customer Costs		Demand Costs	
		Percent	Value	Percent	Value
Met-Ed	$201,130,561[17]	88.4%	$177,717,518	11.6%	$23,413,043
Penelec	$149,308,187[18]	79.7%	$119,060,736	20.3%	$30,247,451
PennPower	$54,917,890[19]	82.3%	$45,176,533	17.7%	$9,741,357
West Penn Power	$128,876,860[20]	85.6%	$110,285,383	14.4%	$18,591,477

[17] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

[18] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

[19] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

[20] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

FERC Account 368 - LINE TRANSFORMERS

This plant distribution account is predominately made up of the various distribution transformers used to step the distribution voltage down to the service-voltage level delivered to the customer. This account includes both overhead and pad-mounted transformers.

Assumptions and Method

- The Company's GIS system was used to determine the number of overhead and pad-mounted distribution transformers, by size and install year, to be replaced by the minimum size (25 KVA) overhead line transformer that is in common use within the study territory.
- The current installed cost for each size line transformer was obtained from CREWS, and trended by size to build a list of costs by size for each size overhead and pad-mounted distribution transformer.
- The install years were used to age the current costs for the actual size and minimum size transformers using Handy-Whitman indices, and extended by the number of transformers in service for each year, then summed to develop the customer component for this plant account.
- Transformers missing install year, construction type, or kVA were omitted.
- The percentage of minimum size cost, of the calculated current cost was calculated as the portion represented by the cost of the minimum sized units.

FERC Account 368 LINE TRANSFOMERS SPLIT OF PLANT					
Company	Total Plant Value	Customer Costs		Demand Costs	
		Percent	Value	Percent	Value
Met-Ed	$391,129,266	56.7%	$221,712,856	43.3%	$169,416,410
Penelec	$357,011,042	68.2%	$243,603,491	31.8%	$113,407,551
PennPower	$97,338,801	66.6%	$64,795,623	33.4%	$32,543,178
West Penn Power	$346,431,279	77.1%	$267,190,838	22.9%	$79,240,441

FERC Account 364 – POLES, TOWERS, AND FIXTURES

This plant distribution account is predominately made up of the various wood distribution poles used to support primary and secondary distribution conductors.

Assumptions and Method

Using data from the Company's GIS, the wood pole plant was separated by poles which have both primary and secondary attached facilities, poles with secondary attached facilities, poles with secondary attached facilities and wood poles with street-lighting facilities. To divide up the value of the account, the raw pole counts were calculated as well as a weighting based upon the cost to install a pole in today dollars.

The Company's pole data allows for the identification of the total wood poles plant, and wood poles with primary facilities attached, but does not allow for the identification of poles with private-outdoor lighting facilities, street-light facilities or secondary facilities. The poles serving primary service customers are allocated to primary rate customers, all other poles will need to be split between all rate classes, except primary service customers.

A list of primary accounts was extracted from the CCS and used as the starting point for traces in the GIS system. From these traces in GIS, for each of the primary accounts and their associated Connection Object were reviewed to determine if multiple primary customers shared primary circuit routes to ensure facilities allocated to primary rate customers were only counted once.

- Only poles supporting primary and secondary conductor were included (i.e., street-light only poles were omitted).
- Only poles where POLE_MAT in (D, L, M, N, P, R, W, Z) were considered … the other materials are fiberglass, steel, concrete, aluminum, etc. materials that are unlikely for "distribution" poles.
- Only poles where HEIGHT in (15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, & 95) were considered, the other pole heights typically indicate either street-light only poles, i.e., HEIGHT in (12, 15, 16, 17, 20, 27) or may reflect erroneous data.

FERC Account 364 POLES, TOWERS, AND FIXTURES SPLIT OF PLANT					
Company	Total Plant Value	Primary Customers		Secondary and Street Light Customers	
		Percent	Value	Percent	Value
Met-Ed	$346,857,645[21]	5.4%	$18,616,460	94.6%	$328,241,185
Penelec	$475,757,653[22]	6.0%	$28,467,269	94.0%	$447,290,384
PennPower	$94,038,905[23]	3.2%	$3,039,423	96.8%	$90,999,482
West Penn Power	$323,422,350[24]	0.5%	$1,657,663	99.5%	$321,764,687

When a device or structure serves multiple primary customers, it is only counted one time in the results. See Figure 1 for a simplified graphical.

[21] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[22] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[23] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[24] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

FERC Account 365 – OVERHEAD CONDUCTORS & DEVICES

This plant distribution account is predominately made up of the various overhead distribution line conductors, operating at either primary or secondary voltage. This study considered primary conductors only, the Company's GIS data is not sufficient to perform a similar analysis on the costs of secondary and/or service conductors.

Assumptions and Method

The primary conductors are allocated to both primary and secondary rates. To simplify the summations the conductors were divided into two sizes: large and small. The unique conductor paths, avoiding the duplicate counting of conductors, were calculated for all the primary customers back to the breaker on each circuit. The primary conductors were separated into small and large size conductors.

The conductor length of unique primary conductor feet is obtained by obtaining the span length of each primary line segment and then, by segment, multiplying by the number of conductors, and summing to obtain the total primary conductor feet used to serve primary customers. The same process is used for determining the total conductor feet for all primary conductors in the system.

A weighting is then used to account for the differences in cost to install a foot of large vs. small conductor. The weighted conductor length for primary conductors feeding primary rate customers is then compared to the weighted total conductor length of all conductors to obtain the percentage of primary conductor used by the primary rate customers.

FERC Account 365 OVERHEAD CONDUCTORS AND DEVICES SPLIT OF PLANT					
Company	Total Plant Value	Primary Customers		Secondary Customers	
		Percent	Value	Percent	Value
Met-Ed	$494,129,448[25]	11.0%	$54,225,199	89.0%	$439,904,249
Penelec	$768,055,055[26]	9.9%	$75,978,791	90.1%	$692,076,264
PennPower	$133,531,965[27]	12.8%	$17,088,420	87.2%	$116,443,545
West Penn Power	$439,672,546[28]	1.2%	$5,277,066	98.8%	$434,395,480

When a device or structure serves multiple primary customers, it is only counted one time in the results. See Figure 1 for a simplified graphical.

[25] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

[26] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

[27] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

[28] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 365, Balance at End of Year, pg. 207.

FERC Account 367 – UNDERGROUND CONDUCTORS & DEVICES

This plant distribution account is predominately made up of the various underground distribution line conductors, operating at either primary or secondary voltage. This study considered primary conductors only, the Company's GIS data is not sufficient to perform a similar analysis on the costs of secondary and/or service conductors.

Assumptions and Method

The primary conductors are allocated to both primary and secondary rates. To simplify the summations the conductors were divided into two sizes: large and small. The unique conductor paths, avoiding the duplicate counting of conductors, were calculated for all the primary customers back to the breaker on each circuit. The primary conductors were separated into small and large size conductors.

- Conductors with a blank or unknown conductor type/size were omitted
- Conductor segments greater than 2,500' were considered data errors and omitted

The conductor length of unique primary conductor feet is obtained by obtaining the span length of each primary line segment and then, by segment, multiplying by the number of conductors, and summing to obtain the total primary conductor feet used to serve primary customers. The same process is used for determining the total conductor feet for all primary conductors in the system.

A weighting is then used to account for the differences in cost to install a foot of large vs. small conductor. The weighted conductor length for primary conductors feeding primary rate customers is then compared to the weighted total conductor length of all conductors to obtain the percentage of primary conductor used by the primary rate customers.

FERC Account 367 UNDERGROUND CONDUCTORS AND DEVICES SPLIT OF PLANT					
Company	Total Plant Value	Primary Customers		Secondary Customers	
		Percent	Value	Percent	Value
Met-Ed	$201,130,561[29]	8.9%	$17,852,958	91.1%	$183,277,603
Penelec	$149,308,187[30]	4.5%	$6,733,754	95.5%	$142,574,433
PennPower	$54,917,890[31]	2.2%	$1,213,117	97.8%	$53,704,773
West Penn Power	$128,876,860[32]	0.9%	$1,193,379	99.1%	$127,683,481

When a device or structure serves multiple primary customers, it is only counted one time in the results. See Figure 1 for a simplified graphical.

[29] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

[30] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

[31] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

[32] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 367, Balance at End of Year, pg. 207.

FERC Account 366 – UNDERGROUND CONDUIT

Conduit systems are used to supply both the primary rate and secondary rate customers. The majority of the conduit system is used to protect primary cable (which can be used to serve both primary customers, and secondary customers via transformation), and of that majority, the bulk of the primary conduit system is installed to protect large primary cables. Said another way, where majority of the large-sized primary cables are installed in conduit, and the majority of the small-sized primary cables are direct buried. The majority of secondary cables are direct buried.

Assumptions and Method

The circuit length of unique large sized, underground primary conductor feet is obtained by obtaining the span length of each primary line segment, and summing to obtain the total primary circuit feet used to serve primary customers. The same process is used for determining the total circuit feet for all large primary conductors in the system.

- Conductors with a blank or unknown conductor type/size were omitted
- Conductor segments greater than 2,500' were considered data errors and omitted

The circuit length for large primary conductors, serving primary rate customers, is then compared to the total large primary circuit length to obtain the percentage of conduit systems used by the primary rate customers.

FERC Account 365 OVERHEAD CONDUCTORS AND DEVICES SPLIT OF PLANT					
Company	Total Plant Value	Primary Customers		Secondary Customers	
		Percent	Value	Percent	Value
Met-Ed	$494,129,448[33]	22.7%	$6,864,314	77.3%	$23,420,557
Penelec	$768,055,055[34]	11.0%	$4,004,614	89.0%	$32,491,580
PennPower	$133,531,965[35]	4.7%	$328,017	95.3%	$6,642,162
West Penn Power	$439,672,546[36]	0.9%	$186,415	99.1%	$20,828,845

[33] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 366, Balance at End of Year, pg. 207.

[34] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 366, Balance at End of Year, pg. 207.

[35] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 366, Balance at End of Year, pg. 207.

[36] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 366, Balance at End of Year, pg. 207.

When a device or structure serves multiple primary customers, it is only counted one time in the results. See Figure 1 for a simplified graphical.

Figure 1 – Primary Customer Connection & Routing

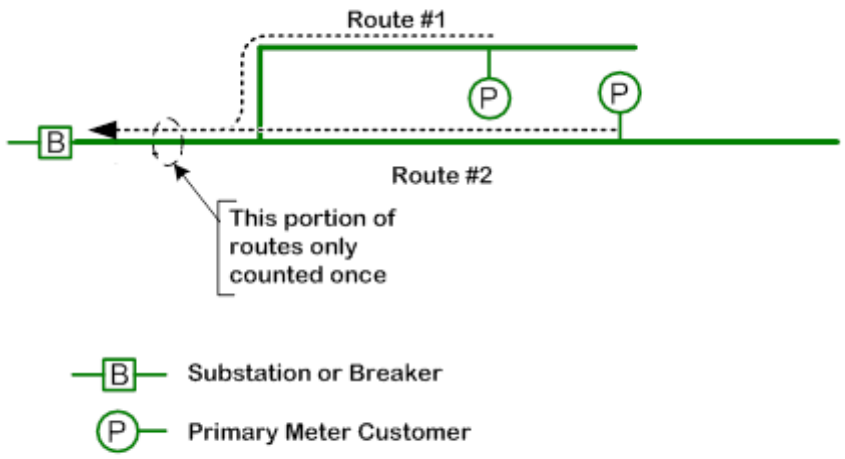

Exhibit HES-2
Supporting Study No. 8
Streetlighting Poles

Streetlights

FERC Account 364 – POLES, TOWERS, AND FIXTURES

FERC Account 364 – POLES, TOWERS, AND FIXTURES

This plant distribution account is predominately made up of the various wood distribution poles used to support primary and secondary distribution conductors.

Assumptions and Method

- The Company's GIS was used to determine the number of street lights on distribution poles, by size and install year of the pole.
  - The count of poles does not identify if the pole is used for anything other than streetlights. (i.e. distribution primary or secondary conductors)
  - Streetlights attached to joint use poles were not included.
- The current installed cost for each size pole was obtained from CREWS, and trended by size to build a list of costs by pole length for each size wood pole.
- The install years were used to age the current costs for the actual size poles using Handy-Whitman indices, and extended by the number of poles in service for each year, then summed to develop the streetlight component for this plant account.
- This study was repeated for each Operating Company.

Company	Total Plant Value	Streetlight Costs	
		Percent	Value
Met-Ed	$346,857,645[1]	3.0%	$10,469,426
Penelec	$475,757,653[2]	1.3%	$6,207,726
PennPower	$94,038,905[3]	4.8%	$4,485,972
West Penn Power	$323,422,350[4]	2.8%	$14,976,450

[1] Per Metropolitan Edison Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[2] Per Pennsylvania Electric Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[3] Per Pennsylvania Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

[4] Per West Penn Power Company, FERC Form No. 1, Year/Period of Report, End of 2013/Q4, Account 364, Balance at End of Year, pg. 207.

Exhibit HES-2
Supporting Study No. 9
Other Revenues

Met-Ed Acct 450 to 456 Revenues

FERC	Cost Element	Description	Total Company	Power Supply	Distribution	Other Trans.	Stranded Costs
945000	450000	**Forfeited Discount**	(3,229,377)	-	(3,229,377)	-	-
945100	451000	Misc Service	(1,850,108)		(1,850,108)		
945100	451009	Misc Service - ME PA Est Reg	(52,400)		(52,400)		
945100		**Total Revenue Miscellaneous Service**					
945400	454000	Merrill Creek	-		-		-
945400	454000	Rent from Electric Property	(1,655,620)		(1,655,620)		
945400	454009	Rent from Elec Prop - ME01 PA Est Reg (Pole Attac	(7,848,157)		(7,848,157)		
945400	454203	Lease/Rental Income - Assoc Cos - Trans Lines & Ir	(6,058,572)			(6,058,572)	
945400	454204	Lease/Rental Income - Building Assoc Cos	(3,914,687)	-	(3,914,687)	-	-
945400		**Total Revenue - Rent from Electric Property**					
945600	456000	Revenues - Transmission (Wheeling)	(14,520)			(14,520)	
945600	456029	Misc other rev	(229,105)			(229,105)	
945600	456122	Sale of scrap	(42,927)		(42,927)		
		Total Revenues - Other Electric Revenues					
945610	456005	PJM - ARR rev	(302,302)	(302,302)			
945610	456078	Rev-Oth Elec-Pjm Non-Firm Pt to Pt Transm Srv	(5,416)	(5,416)			
945610	456081	PJM NTS	(44,818,249)			(44,818,249)	
945610	456082	PJM NTS contra	2,040,000	2,040,000			
945610	456083	Pt to Pt xmission	(385,992)			(385,992)	
945610	456084	AEC wheeling rev & NTS	(2,222,916)			(2,222,916)	
945610	456100	Ancillary services revenue	(1,674,887)			(1,674,887)	
945610		**Total Revs from Transmission of Elec. of Others**					-
		Total Other Revenue	(72,265,235)	1,732,282	(18,593,276)	(55,404,241)	-

Penelec Acct 450 to 454 Revenues

Acct	Description	Total Company	Power Supply	Distribution	TSC Charges	Other Trans.	Waverly
450000	Forfeited Discount	3,423,516		3,409,822			13,694
							-
							-
451 Accounts							-
451000	Misc Service	1,436,028		1,430,284			5,744
451001	Misc Service - OE Cnt Reg	-		-			-
451003	Misc Service - OE Wst Reg	-		-			-
451005	Misc Service - CE01 OH Nth Reg	-		-			-
451008	Misc Service - PP OH Est Reg	-		-			-
451009	Misc Service - ME Est Reg	-		-			-
451010	Misc Service - PN PA Wst Reg	170,096		169,415			680
451011	Misc Service - NJ Nth Reg	-		-			-
451012	Misc Service - JC01 NJ Nth Reg	-		-			-
451100	Misc Service - Temp Fac Clrg - Power Plant Only	-		-			-
451130	Misc Service - Profit Cont Aid Cons - PN01 PA Wst Reg	46,992		46,804			188
835088	Proj Misc Services Rev Settl-Ext-Type 22	-		-			-
Total of 451 Accounts		1,653,116		1,646,503			6,612
							-
							-
454 Accounts							-
454000	Rent from Electric Property- telephone rental	1,296,432		1,291,246			5,186
454010	Rent from Elec Prop - PN01 PA West Reg	5,088,984		5,068,628			20,356
454097	Oth Rental - Assoc Co -- PN ROW Rev	-		-			-
454099	Rent from Elec Prop - Assoc Cos	-		-			-
454126	Rent from Prop - Elec Prop - Land & Bldg	-		-			-
454203	Lease/Rental Income - Assoc Cos - Trans Lines & Inter	22,020		-		22,020	-
454203	NYPA Wheeling Charges	-		-		-	-
454203	Seneca Trans Costs	-	-	-	-	-	-
Total of 454 Accounts		6,407,436	-	6,359,874	-	22,020	25,542
Total 450-451-454		11,484,068	-	11,416,199	-	22,020	45,848

Penelec Acct 456 Revenues

Acct	Description	Power Supply	Distribution	Transmission	Other Trans.	Stranded Costs	Waverly
456000	AEC wheeling NITS		75,381		-		303
456003	Island Rentals			-			
456005	ARR rev	198,898		-			1,381.93
456006	Congestion credit			-			
456008	Ancil serv rev				-		
456020	other wheeling rev				-		
456030	Other elec rev		533,394				2,142
456050	Other Rev - Sale of Obsolete Inventory		-				
456078	PJM Non-firm Pt to Pt Trans Srv	3,375					23
456081	PJM NTS				45,621,873		
456082	PJM NTS contra	(1,251,306)		-			(8,694)
456083	Pt to Pt xmission				874,668		
456084	AEC wheeling rev & NTS				5,851,512		
456100	Ancillary Service - Revenue				1,099,378		
456122	Sale of scrap		46,804				188
456268	Assoc co - outside serv		-				
456278	Other Revenues - TMI Strike Price Pmt	-	-	-	-	-	-
	Total other revenue accts	(1,049,033)	655,579	-	53,447,431	-	(4,656)

Penn Power Acct 450 to 454 Revenues

Acct	Description	Total Company	Power Supply	Distribution	TSC Charges	Other Trans.	Stranded Costs
450000	Forfeited Discount	1,290,912		1,290,912			
451 Accounts							
451000	Misc Service	168,572		168,572			
451001	Misc Service -OE01 OH Cnt Reg	-		-			
451003	Misc Service -OE01 OH Wst Reg	-		-			
451008	Misc Service - PP01 Oh Est Reg	25,801		25,801			
451009	Misc Service -ME01 PA Est Reg	-		-			
451010	Misc Service - PN01 PA Wst Reg	-		-			
451012	Misc Service - JC01 PA Nth Reg	-		-			
451100	Misc Service - Temp Fac Clrgs- Powerplant Only	-		-			
451100	Revenues Misc Serv MP01	-		-			
Total of 451 Accounts		194,373		194,373			
454 Accounts							
454000	Rent from Electric Property	121,815		121,815			
454001	Rent from Elec Prop - PP01 OH Cnt Reg	-					
454008	Rent from Elec Prop - PP01 OH Est Reg	(12)		(12)			
454126	Rent from Prop - Elec Prop - Land & Bldg	-		-			
Total of 454 Accounts		121,803	-	121,803	-	-	-
Total 450-451-454		1,607,088	-	1,607,088	-	-	-

Penn Power Acct 456 Revenues

Acct	Description	Power Supply	Distribution	Transmission	Other Trans.	Stranded Costs
456005	PJM ARR Revenue	3,249				
456006	PJM Congestion Credit -FTR	-				
456020	Rev other Electric	89,400			-	
456028	Other elec rev-PP01 OH Est Reg		-			
456050	Revenues -- Other Electric-Sale of Obsolete Inventory	-	-			
456089	MISO FTR/ARR Revenue	-			-	
456097	Revenues -- ATSI Ground Lease - Assoc Co	-	1,315,932		-	
456112	Other Rev Other	-	-			
456122	Sale of Scrap	-	-			
456255	Telecom-Rent-Wireless Leases	-	-			
456268	Assoc co - outside serv	-	-			
456078	Rev-Oth Elec-PJM Non-Firm Point to Point Trnsm Srv	2,597				
		-	-	-	-	-
	Total other revenue accts	95,246	1,315,932	-	-	-

West Penn Power Acct 450 to 454 Revenues

Acct	Description	Total Company	Power Supply	Distribution	TSC Charges	Other Trans.
450000	Forfeited Discount	(3,000,000)		(3,000,000)		
451 Accounts						
451000	Misc Service	(1,877,000)		(1,877,000)		
451001	Misc Service - OE Cnt Reg	-		-		
451009	Misc Service - ME Est Reg	-		-		
451010	Misc Service - PN PA Wst Reg	-		-		
451144	Misc Service - WP01	(74,364)		(74,364)		
Total of 451 Accounts		(1,951,364)		(1,951,364)		
454 Accounts						
454000	Rent from Electric Property	(617,831)		(617,831)		
454126	Rent from Prop - Elec Prop - Land & Bldg	-		-		
454204	Lease/Rental Income - Buildings - Assoc cos	(9,400,716)	-	(9,400,716)	-	
Total of 454 Accounts		(10,018,547)	-	(10,018,547)	-	-
Total 450-451-454		(14,969,911)	-	(14,969,911)	-	-

Exhibit HES-2

Supporting Study No. 10

Line Losses

The attached schedule supporting the Company's line loss factors is:

Met-Ed, Penelec, and Penn Power: Section 6.3 (page 24)

West Penn Power: Company Line Loss Factor Rider (page 57)

of the Company's Supplier Tariff, on file with the Pennsylvania Public Utility Commission.

Met-Ed

6.3 Line Losses. For purposes of EGS load calculations in Sections 6 and 7 of this Supplier Coordination Tariff, the combined transmission and distribution line losses shall be calculated by multiplying hourly kWh sales delivered to Customer(s) served pursuant to the specified rates by the applicable line loss factor. The applicable line loss factors are:

LOSS FACTORS

ENERGY	MET-ED
Rate Schedule TP	1.0210
GP	1.0374
All other rate schedules	1.0718

The Company reserves the right to file to revise these factors from time to time to reflect changes in system line losses.

Penelec

6.3 Line Losses. For purposes of EGS load calculations in Sections 6 and 7 of this Supplier Coordination Tariff, the combined transmission and distribution line losses shall be calculated by multiplying hourly kWh sales delivered to Customer(s) served pursuant to the specified rates by the applicable line loss factor. The applicable line loss factors are:

LOSS FACTORS

ENERGY	PENELEC
Rate Schedule LP	1.0407
GP	1.0606
All other rate schedules	1.0945

The Company reserves the right to file to revise these factors from time to time to reflect changes in system line losses.

Penn Power

6.3 Distribution Real Power Losses for Energy. Losses will be calculated by multiplying the retail Customer(s) load times the applicable real power loss factor specified below:

Service Voltage Level	Cumulative Loss Factor
23 kV to < 69 kV	0.1%
4.1 kV to < 23 kV	3.0%
4.1 kV	6.2%

The Company will revise these line loss factors if PJM imposes or changes any separate charges on its transmission Customers for the level of line losses that is included in these factors. Any such revision will be filed with the FERC and the Commission, provided to EGSs via electronic mail and posting on the Company's website, and become effective thirty (30) days after filing unless otherwise ordered by the Commission or the FERC (or concurrently with any change in or imposition of separate PJM line loss charges, whichever is later). The Company will make a good faith effort to advise EGSs of any change in these loss factors more than thirty (30) days in advance of a change when warranted.

West Penn

WEST PENN POWER COMPANY

COMPANY LINE LOSS FACTOR RIDER

For purposes of calculating daily load estimates and energy reconciliation in Rules 6, 7 and 8 of the EGS Tariff, the combined real power transmission losses and distribution line losses for Secondary, Primary, Subtransmission with transformer charges, Subtransmission and Transmission voltage levels shall be calculated by multiplying hourly kWh sales delivered to Customer(s) served at these voltage levels by the applicable line loss factor. Line loss factors are time-differentiated as on-peak and off-peak for each voltage classification. The on-peak line loss factors apply to the hours ended 8 a.m. to 11 p.m. Monday through Saturday. The off-peak line loss factors apply to all remaining hours. The applicable on-peak and off-peak line loss factors are:

Voltage served	On-peak line losses	Off-peak line losses
Secondary	9.434%	8.537%
Primary	6.383	5.482
Subtransmission w/ transformer charges	4.282	3.992
Subtransmission	3.578	3.277
Transmission	2.184	1.938

The Company will make available the mapping of the voltage line loss factors to the respective EDC Tariff rate schedules and rate codes on the Company website. The Company reserves the right to file to revise these factors from time to time to reflect changes in system line losses. Any such revision will be filed with the FERC (if required) and the PUC, provided to Registered EGSs via Internet electronic mail and posted on the Company's website, and become effective thirty (30) days after filing unless otherwise ordered by the PUC or the FERC. The Company will make a good faith effort to advise Registered EGSs of any change in these line loss factors more than thirty (30) days in advance of a change when warranted.

Penn Power
Exhibit HES – 1
Witness: H. E. Stewart

Cost of Service Study

Penn Power Exhibit HES – 1
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PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PRESENT RATES, $1,000s

	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
RATE BASE												
Plant in Service	612,330	439,759	285	35,590	63,684	16,063	31,778	3,454	439	6,016	13,013	2,250
Depreciation Reserve	192,225	137,105	85	10,685	18,885	4,802	9,144	1,020	123	3,315	7,065	(3)
Net Plant	420,105	302,654	199	24,904	44,799	11,261	22,634	2,434	316	2,701	5,948	2,254
Rate Base Additions	41,626	30,344	19	2,465	4,133	1,015	2,118	224	29	360	800	119
Rate Base Deductions	102,803	73,703	48	6,607	10,586	2,420	5,033	551	76	1,020	2,219	541
Rate Base Other Total	(61,177)	(43,360)	(29)	(4,141)	(6,453)	(1,405)	(2,914)	(327)	(47)	(660)	(1,420)	(422)
Rate Base Total	358,928	259,294	171	20,763	38,347	9,856	19,720	2,108	269	2,040	4,529	1,832
INCOME STATEMENT												
Revenue												
Tariff Revenue Total	79,049	56,756	49	3,483	11,445	2,588	1,605	420	69	274	1,073	1,286
Other Revenue Total	2,923	2,344	1	196	200	34	77	11	2	22	31	6
Retail Total	81,972	59,100	51	3,679	11,646	2,622	1,681	431	71	296	1,104	1,292
Expenses												
Total Operation & Maintenance Expense	32,732	25,814	14	1,886	1,964	311	2,308	93	18	119	88	117
Depreciation Expense	19,931	14,288	10	1,316	1,888	395	967	103	18	179	410	358
Other Expenses Amortization Expense Total	(382)	(253)	(0)	(40)	(35)	(2)	(15)	(2)	(1)	(0)	(0)	(34)
Taxes Other than Income Taxes Excl GRT	1,714	1,292	1	112	129	23	121	6	1	9	12	10
Gross Receipts Tax	4,664	3,349	3	205	675	153	95	25	4	16	63	76
Total Operating Expense	58,659	44,490	27	3,479	4,621	880	3,476	225	41	323	573	526
Income Before Taxes	23,312	14,610	24	200	7,024	1,742	(1,794)	206	30	(27)	531	766
Income taxes												
Current State Income Tax	1,739	1,049	2	(10)	623	151	(205)	16	3	(6)	43	74
Current Federal Income Tax	5,483	3,307	7	(33)	1,965	476	(645)	50	8	(19)	137	232
Provision for Deferred Income Taxes	1,841	1,322	1	107	191	48	96	10	1	18	39	7
Investent Tax Credit Adjustments	(29)	(21)	(0)	(2)	(3)	(1)	(1)	(0)	(0)	(0)	(1)	(0)
Total Income Tax	9,034	5,656	10	62	2,776	674	(756)	77	12	(8)	218	313
Net Income After Tax	14,278	8,954	14	138	4,248	1,068	(1,038)	129	18	(19)	313	453
Rate of Return	3.98%	3.45%	8.47%	0.67%	11.08%	10.83%	-5.26%	6.14%	6.79%	-0.94%	6.90%	24.72%

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PLANT IN SERVICE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Intangible Plant														
301	Organization	DIST_CUST	17	14	0	1	1	0	1	0	0	0	0	0
		DIST_DEMAND	6	3	0	0	2	1	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	23	17	0	1	2	1	1	0	0	0	0	0
302	Franchise and Consents	DIST_CUST	52	41	0	4	2	0	3	0	0	0	1	0
		DIST_DEMAND	17	9	0	1	5	2	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	69	50	0	4	7	2	4	0	0	0	1	0
303	Intangible Plant	DIST_CUST	12,595	10,443	5	715	446	10	837	19	6	48	31	36
		DIST_DEMAND	1,339	687	1	37	347	120	122	19	1	2	3	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	13,934	11,130	5	752	792	129	959	39	7	49	34	36
	Int Original Cost Plant	**DIST_CUST**	12,664	10,497	5	720	449	10	841	20	6	48	32	37
		DIST_DEMAND	1,362	699	1	38	353	122	123	19	1	2	3	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	14,026	11,197	5	758	802	132	964	39	7	50	36	37
Distribution Plant														
360	P - Land	DIST_CUST	4,699	3,836	2	325	184	3	255	10	2	22	59	0
		DIST_DEMAND	1,702	916	1	50	463	160	78	25	2	2	5	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	6,401	4,752	3	375	647	163	333	35	4	25	64	0
361	P - Structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	1,595	831	1	45	420	145	123	23	2	2	4	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,595	831	1	45	420	145	123	23	2	2	4	0
362	P - Station	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	46,263	24,102	29	1,315	12,175	4,200	3,555	668	47	54	119	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	46,263	24,102	29	1,315	12,175	4,200	3,555	668	47	54	119	0
364P	P - Primary Poles	DIST_CUST	2,566	0	0	0	0	0	2,566	0	0	0	0	0
		DIST_DEMAND	471	0	0	0	0	0	471	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,037	0	0	0	0	0	3,037	0	0	0	0	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PLANT IN SERVICE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
364S	P - Secondary Poles	DIST_CUST	73,784	64,511	31	5,474	3,094	53	0	162	42	378	39	0
		DIST_DEMAND	13,534	7,638	9	417	3,858	1,331	0	212	15	17	38	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	87,318	72,149	40	5,890	6,952	1,384	0	373	57	395	77	0
364Z	P - Streetlight Poles	DIST_CUST	4,556	0	0	0	0	0	0	0	0	0	4,556	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	4,556	0	0	0	0	0	0	0	0	0	4,556	0
365P	P - OH Prim. Conductors	DIST_CUST	15,779	0	0	0	0	0	15,779	0	0	0	0	0
		DIST_DEMAND	1,542	0	0	0	0	0	1,542	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	17,321	0	0	0	0	0	17,321	0	0	0	0	0
365S	P - OH Sec. Conductors	DIST_CUST	107,496	93,987	46	7,975	4,508	77	0	236	61	551	57	0
		DIST_DEMAND	10,502	5,927	7	323	2,994	1,033	0	164	12	13	29	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	117,998	99,913	53	8,298	7,502	1,110	0	400	73	564	86	0
366P	P - U Prim. Conduit	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	154	0	0	0	0	0	154	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	154	0	0	0	0	0	154	0	0	0	0	0
366S	P - U Sec. Conduit	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	6,859	3,871	5	211	1,955	675	0	107	8	9	19	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	6,859	3,871	5	211	1,955	675	0	107	8	9	19	0
367P	P - U Prim. Conductors	DIST_CUST	2,141	0	0	0	0	0	2,141	0	0	0	0	0
		DIST_DEMAND	461	0	0	0	0	0	461	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,602	0	0	0	0	0	2,602	0	0	0	0	0
367S	P - U Sec. Conductors	DIST_CUST	43,421	37,965	18	3,221	1,821	31	0	95	25	222	23	0
		DIST_DEMAND	9,339	5,270	6	288	2,662	918	0	146	10	12	26	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	52,760	43,235	25	3,509	4,483	949	0	241	35	234	49	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PLANT IN SERVICE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
368	P - XFMRs	DIST_CUST	91,986	80,426	39	6,824	3,857	66	0	202	52	471	49	0
		DIST_DEMAND	46,131	26,033	31	1,421	13,151	4,537	0	722	51	58	128	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	138,117	106,459	70	8,245	17,008	4,602	0	923	103	529	177	0
369	P - Services	DIST_CUST	36,086	31,551	15	2,677	1,513	26	0	79	20	185	19	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	36,086	31,551	15	2,677	1,513	26	0	79	20	185	19	0
370	P - Meters	DIST_CUST	23,746	15,721	15	2,468	2,197	100	932	126	47	0	0	2,140
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	23,746	15,721	15	2,468	2,197	100	932	126	47	0	0	2,140
371	P - Customer Premises	DIST_CUST	3,745	0	0	0	0	0	0	0	0	3,745	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,745	0	0	0	0	0	0	0	0	3,745	0	0
372	P - Leased Property Cust. Prem.	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
373	P - Streetlight	DIST_CUST	7,320	0	0	0	0	0	0	0	0	0	7,320	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	7,320	0	0	0	0	0	0	0	0	0	7,320	0
	Dist Original Cost Plant	**DIST_CUST**	417,326	327,996	168	28,964	17,174	355	21,674	908	250	5,575	12,122	2,140
		DIST_DEMAND	138,552	74,588	89	4,070	37,679	12,997	6,383	2,067	145	167	367	-
		DIST_ENERGY	-	-	-	-	-	-	-	-	-	-	-	-
		Total	555,878	402,584	256	33,034	54,853	13,353	28,057	2,975	395	5,742	12,489	2,140
Transmission Plant														
350	P - Land (TRN)	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	10,522	5,482	7	299	2,769	955	808	152	11	12	27	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	10,522	5,482	7	299	2,769	955	808	152	11	12	27	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PLANT IN SERVICE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
352	P - Structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	1,051	548	1	30	277	95	81	15	1	1	3	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,051	548	1	30	277	95	81	15	1	1	3	0
353	P - Station Equipment	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	6,648	3,463	4	189	1,750	604	511	96	7	8	17	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	6,648	3,463	4	189	1,750	604	511	96	7	8	17	0
354	P - Towers And Fixtures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	8	4	0	0	2	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	8	4	0	0	2	1	1	0	0	0	0	0
355	P - Poles And Fixtures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	3,054	1,591	2	87	804	277	235	44	3	4	8	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,054	1,591	2	87	804	277	235	44	3	4	8	0
356	P - Overhd Conductr, Devices	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	1,971	1,027	1	56	519	179	151	28	2	2	5	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,971	1,027	1	56	519	179	151	28	2	2	5	0
357	P - Underground Conduit	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	65	34	0	2	17	6	5	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	65	34	0	2	17	6	5	1	0	0	0	0
358	P - Undergrnd Conductr,Devices	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	36	19	0	1	9	3	3	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	36	19	0	1	9	3	3	1	0	0	0	0
359	P - Roads And Trails	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	6	3	0	0	2	1	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	6	3	0	0	2	1	0	0	0	0	0	0
	Transm Original Cost Plant	**DIST_CUST**	-	-	-	-	-	-	-	-	-	-	-	-
		DIST_DEMAND	23,361	12,171	14	664	6,148	2,121	1,795	337	24	27	60	-
		DIST_ENERGY	-	-	-	-	-	-	-	-	-	-	-	-
		Total	23,361	12,171	14	664	6,148	2,121	1,795	337	24	27	60	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PLANT IN SERVICE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
General Plant														
389	P - Land	DIST_CUST	170	134	0	12	7	0	9	0	0	2	5	1
		DIST_DEMAND	57	30	0	2	15	5	3	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	227	164	0	13	22	5	11	1	0	2	5	1
390	P - Structures	DIST_CUST	4,330	3,403	2	300	178	4	225	9	3	58	126	22
		DIST_DEMAND	1,437	774	1	42	391	135	66	21	2	2	4	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	5,767	4,177	3	343	569	139	291	31	4	60	130	22
391	P - Office Equipment	DIST_CUST	4,556	3,581	2	316	188	4	237	10	3	61	132	23
		DIST_DEMAND	1,513	814	1	44	411	142	70	23	2	2	4	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	6,069	4,395	3	361	599	146	306	32	4	63	136	23
392	P - Transportation	DIST_CUST	257	202	0	18	11	0	13	1	0	3	7	1
		DIST_DEMAND	85	46	0	3	23	8	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	342	248	0	20	34	8	17	2	0	4	8	1
393	P - Stores Equipment	DIST_CUST	137	107	0	9	6	0	7	0	0	2	4	1
		DIST_DEMAND	45	24	0	1	12	4	2	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	182	132	0	11	18	4	9	1	0	2	4	1
394	P - Tools & Garage Equip.	DIST_CUST	1,839	1,446	1	128	76	2	96	4	1	25	53	9
		DIST_DEMAND	611	329	0	18	166	57	28	9	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,450	1,774	1	146	242	59	124	13	2	25	55	9
395	P - Laboratory	DIST_CUST	64	50	0	4	3	0	3	0	0	1	2	0
		DIST_DEMAND	21	11	0	1	6	2	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	85	62	0	5	8	2	4	0	0	1	2	0
396	P - Power Equipment	DIST_CUST	345	271	0	24	14	0	18	1	0	5	10	2
		DIST_DEMAND	115	62	0	3	31	11	5	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	460	333	0	27	45	11	23	2	0	5	10	2
397	P - Communication Equipment	DIST_CUST	2,562	2,014	1	178	105	2	133	6	2	34	74	13
		DIST_DEMAND	851	458	1	25	231	80	39	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,413	2,472	2	203	337	82	172	18	2	35	77	13

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PLANT IN SERVICE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
398	P - Misc. Equipment	DIST_CUST	53	41	0	4	2	0	3	0	0	1	2	0
		DIST_DEMAND	17	9	0	1	5	2	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	70	51	0	4	7	2	4	0	0	1	2	0
	Gen Original Cost Plant	**DIST_CUST**	14,313	11,249	6	993	589	12	743	31	9	191	416	73
		DIST_DEMAND	4,752	2,558	3	140	1,292	446	219	71	5	6	13	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	19,065	13,807	9	1,133	1,881	458	962	102	14	197	428	73
TOTAL PLANT IN SERVICE														
	Rate Base - Plant in Service	**DIST_CUST**	444,304	349,743	178	30,677	18,212	377	23,258	959	264	5,814	12,570	2,250
		DIST_DEMAND	168,026	90,016	107	4,912	45,472	15,686	8,519	2,495	175	201	443	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	612,330	439,759	285	35,590	63,684	16,063	31,778	3,454	439	6,016	13,013	2,250

Plant in Service

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION RESERVE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Intangible Plant														
108_302	AD - Franchise & Consents	DIST_CUST	1	1	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1	1	0	0	0	0	0	0	0	0	0	0
108_303	AD - Intangible	DIST_CUST	8,405	6,968	3	477	297	6	559	13	4	32	21	24
		DIST_DEMAND	893	458	1	25	231	80	81	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	9,298	7,427	4	502	529	86	640	26	5	33	23	24
	Rate Base - Intangible Plant Accumulated Depreciation Total	**DIST_CUST**	**8,406**	**6,969**	**3**	**477**	**297**	**6**	**559**	**13**	**4**	**32**	**21**	**24**
		DIST_DEMAND	**894**	**458**	**1**	**25**	**232**	**80**	**81**	**13**	**1**	**1**	**2**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**9,299**	**7,427**	**4**	**502**	**529**	**86**	**640**	**26**	**5**	**33**	**23**	**24**
Distribution Plant														
108_360	AD - Land	DIST_CUST	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0
		DIST_DEMAND	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(2)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0
108_361	AD - Structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	755	393	0	21	199	69	58	11	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	755	393	0	21	199	69	58	11	1	1	2	0
108_362	AD - Station	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	13,689	7,132	8	389	3,603	1,243	1,052	198	14	16	35	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	13,689	7,132	8	389	3,603	1,243	1,052	198	14	16	35	0
108_364	AD - Poles	DIST_CUST	28,754	22,927	11	1,945	1,100	19	912	57	15	134	1,633	0
		DIST_DEMAND	5,274	2,876	3	157	1,453	501	177	80	6	6	14	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
			34,028	25,803	15	2,102	2,553	520	1,089	137	20	141	1,647	0
108_365	AD - Conductors	DIST_CUST	29,123	22,204	11	1,884	1,065	18	3,728	56	14	130	13	0
		DIST_DEMAND	2,845	1,400	2	76	707	244	364	39	3	3	7	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	31,968	23,604	12	1,960	1,772	262	4,092	94	17	133	20	0
108_366	AD - Underground Conduit	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	2,307	1,273	2	69	643	222	51	35	2	3	6	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,307	1,273	2	69	643	222	51	35	2	3	6	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION RESERVE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
108_367	AD - Underground Conductors	DIST_CUST	17,527	14,604	7	1,239	700	12	824	37	9	86	9	0
		DIST_DEMAND	3,769	2,027	2	111	1,024	353	177	56	4	5	10	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	21,296	16,631	10	1,350	1,724	365	1,001	93	13	90	19	0
108_368	AD - XFMRs	DIST_CUST	21,575	18,864	9	1,601	905	15	0	47	12	111	11	0
		DIST_DEMAND	10,820	6,106	7	333	3,085	1,064	0	169	12	14	30	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	32,395	24,970	16	1,934	3,989	1,079	0	217	24	124	41	0
108_369	AD - Services	DIST_CUST	19,829	17,337	8	1,471	832	14	0	43	11	102	11	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	19,829	17,337	8	1,471	832	14	0	43	11	102	11	0
108_370	AD - Meters	DIST_CUST	(865)	(573)	(1)	(90)	(80)	(4)	(34)	(5)	(2)	0	0	(78)
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(865)	(573)	(1)	(90)	(80)	(4)	(34)	(5)	(2)	0	0	(78)
108_371	AD - Customer Premises	DIST_CUST	2,529	0	0	0	0	0	0	0	0	2,529	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,529	0	0	0	0	0	0	0	0	2,529	0	0
108_372	AD - Leased Property Cust. Prem.	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
108_373	AD - Streetlights	DIST_CUST	4,948	0	0	0	0	0	0	0	0	0	4,948	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	4,948	0	0	0	0	0	0	0	0	0	4,948	0
RWIP_Dist	Retirement Work in Progress - Distribution	DIST_CUST	2,620	2,059	1	182	108	2	136	6	2	35	76	13
		DIST_DEMAND	870	468	1	26	237	82	40	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,490	2,527	2	207	344	84	176	19	2	36	78	13
	Rate Base Accumulated Depreciation Distribution Plant	**DIST_CUST**	**126,037**	**97,420**	**47**	**8,232**	**4,629**	**77**	**5,566**	**242**	**62**	**3,126**	**6,702**	**(65)**
		DIST_DEMAND	**40,329**	**21,676**	**26**	**1,183**	**10,950**	**3,777**	**1,919**	**601**	**42**	**48**	**107**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**166,367**	**119,096**	**73**	**9,415**	**15,579**	**3,854**	**7,485**	**842**	**104**	**3,175**	**6,808**	**(65)**
Transmission Plant														
108_350	AD - Land (TRN)	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
108_352	AD - Structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	636	331	0	18	167	58	49	9	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	636	331	0	18	167	58	49	9	1	1	2	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION RESERVE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
108_353	AD - Station Equipment	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	4,686	2,441	3	133	1,233	425	360	68	5	5	12	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	4,686	2,441	3	133	1,233	425	360	68	5	5	12	0
108_354	AD - Towers And Fixtures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	8	4	0	0	2	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	8	4	0	0	2	1	1	0	0	0	0	0
108_355	AD - Poles And Fixtures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	826	430	1	23	217	75	63	12	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	826	430	1	23	217	75	63	12	1	1	2	0
108_356	AD - Overhd Conductr, Devices	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	896	467	1	25	236	81	69	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	896	467	1	25	236	81	69	13	1	1	2	0
108_357	AD - Underground Conduit	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	54	28	0	2	14	5	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	54	28	0	2	14	5	4	1	0	0	0	0
108_358	AD - Undergrnd Conductr,Devices	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	29	15	0	1	8	3	2	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	29	15	0	1	8	3	2	0	0	0	0	0
108_359	AD - Roads And Trails	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	5	3	0	0	1	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	5	3	0	0	1	0	0	0	0	0	0	0
RWIP_Trnsm	Retirement Work in Progress - Transmission	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	(193)	(100)	(0)	(5)	(51)	(17)	(15)	(3)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(193)	(100)	(0)	(5)	(51)	(17)	(15)	(3)	(0)	(0)	(0)	0
	Rate Base Total Accumulated Depreciation Transmission Plant	**DIST_CUST**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_DEMAND	**6,947**	**3,619**	**4**	**198**	**1,828**	**631**	**534**	**100**	**7**	**8**	**18**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**6,947**	**3,619**	**4**	**198**	**1,828**	**631**	**534**	**100**	**7**	**8**	**18**	**0**
General Plant														
108_389	AD - Land	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
108_390	AD - Structures	DIST_CUST	2,629	2,066	1	182	108	2	137	6	2	35	76	13
		DIST_DEMAND	873	470	1	26	237	82	40	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,502	2,536	2	208	346	84	177	19	2	36	79	13

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION RESERVE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
108_391	AD - Office Equipment	DIST_CUST	2,131	1,675	1	148	88	2	111	5	1	28	62	11
		DIST_DEMAND	708	381	0	21	192	66	33	11	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,839	2,056	1	169	280	68	143	15	2	29	64	11
108_392	AD - Transportation	DIST_CUST	206	162	0	14	8	0	11	0	0	3	6	1
		DIST_DEMAND	68	37	0	2	19	6	3	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	274	198	0	16	27	7	14	1	0	3	6	1
108_393	AD - Stores Equip.	DIST_CUST	86	68	0	6	4	0	4	0	0	1	3	0
		DIST_DEMAND	29	15	0	1	8	3	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	115	83	0	7	11	3	6	1	0	1	3	0
108_394	AD - Tools & Garage Equip.	DIST_CUST	514	404	0	36	21	0	27	1	0	7	15	3
		DIST_DEMAND	170	92	0	5	46	16	8	3	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	684	495	0	41	67	16	35	4	0	7	15	3
108_395	AD - Laboratory	DIST_CUST	46	36	0	3	2	0	2	0	0	1	1	0
		DIST_DEMAND	15	8	0	0	4	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	61	44	0	4	6	1	3	0	0	1	1	0
108_396	AD - Power Equipment	DIST_CUST	150	118	0	10	6	0	8	0	0	2	4	1
		DIST_DEMAND	50	27	0	1	14	5	2	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	200	145	0	12	20	5	10	1	0	2	4	1
108_397	AD - Communication Equip.	DIST_CUST	725	570	0	50	30	1	38	2	0	10	21	4
		DIST_DEMAND	241	130	0	7	65	23	11	4	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	966	700	0	57	95	23	49	5	1	10	22	4
108_398	AD - Misc. Equipment	DIST_CUST	29	23	0	2	1	0	2	0	0	0	1	0
		DIST_DEMAND	10	5	0	0	3	1	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	39	28	0	2	4	1	2	0	0	0	1	0
RWIP_Gen	Retirement Work in Progress - General	DIST_CUST	700	550	0	49	29	1	36	2	0	9	20	4
		DIST_DEMAND	232	125	0	7	63	22	11	3	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	932	675	0	55	92	22	47	5	1	10	21	4
	Rate Base Total Accumulated Depreciation General Plant	**DIST_CUST**	**7,216**	**5,672**	**3**	**501**	**297**	**6**	**375**	**16**	**4**	**96**	**210**	**37**
		DIST_DEMAND	**2,396**	**1,290**	**2**	**70**	**652**	**225**	**110**	**36**	**3**	**3**	**6**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**9,612**	**6,961**	**4**	**571**	**949**	**231**	**485**	**51**	**7**	**99**	**216**	**37**
TOTAL PLANT ACCUMULATED DEPRECIATION														
	Rate Base Total Accumulated Depreciation	**DIST_CUST**	**141,660**	**110,061**	**53**	**9,210**	**5,223**	**90**	**6,499**	**270**	**70**	**3,254**	**6,932**	**(3)**
		DIST_DEMAND	**50,566**	**27,044**	**32**	**1,476**	**13,661**	**4,713**	**2,645**	**750**	**53**	**61**	**133**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**192,225**	**137,105**	**85**	**10,685**	**18,885**	**4,802**	**9,144**	**1,020**	**123**	**3,315**	**7,065**	**(3)**

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
RATE BASE ADJUSTMENTS, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
RATE BASE ADDITIONS														
ADJ_RB_5	RB Adj. M&S	DIST_CUST	2,397	1,884	1	166	99	2	124	5	1	32	70	12
		DIST_DEMAND	796	428	1	23	216	75	37	12	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,193	2,312	1	190	315	77	161	17	2	33	72	12
CWC	Cash Working Capital	DIST_CUST	20,748	16,307	8	1,440	854	18	1,078	45	12	277	603	106
		DIST_DEMAND	6,888	3,708	4	202	1,873	646	317	103	7	8	18	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	27,636	20,015	13	1,642	2,727	664	1,395	148	20	285	621	106
ADJ_RB_6	RB Adj. Storm Damage Normalization	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
ADJ_RB_7	RB Adj. Adjustment for Retired Legacy Meters	DIST_CUST	7,926	6,471	3	549	310	5	430	16	4	38	100	0
		DIST_DEMAND	2,871	1,546	2	84	781	269	132	43	3	3	8	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		PWR_SUP_E	10,797	8,016	5	633	1,091	275	562	59	7	41	107	0
	Rate Base Additions	**DIST_CUST**	**31,071**	**24,661**	**12**	**2,155**	**1,263**	**25**	**1,632**	**67**	**18**	**347**	**772**	**119**
		DIST_DEMAND	**10,555**	**5,682**	**7**	**310**	**2,870**	**990**	**486**	**157**	**11**	**13**	**28**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**41,626**	**30,344**	**19**	**2,465**	**4,133**	**1,015**	**2,118**	**224**	**29**	**360**	**800**	**119**
RATE BASE SUBTRACTIONS														
235	Customer Deposits	DIST_CUST	3,992	2,132	3	737	839	47	47	22	6	0	0	160
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,992	2,132	3	737	839	47	47	22	6	0	0	160
252	Customer Advances	DIST_CUST	33	33	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	33	33	0	0	0	0	0	0	0	0	0	0
RB_DIT_LIB	Deferred Tax - Liberalized Depreciation	DIST_CUST	73,077	57,434	29	5,072	3,007	62	3,795	159	44	976	2,123	375
		DIST_DEMAND	24,261	13,061	16	713	6,598	2,276	1,118	362	25	29	64	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	97,338	70,495	45	5,785	9,605	2,338	4,913	521	69	1,005	2,187	375
RB_OP_RES	Operating Reserves	DIST_CUST	1,081	850	0	75	44	1	56	2	1	14	31	6
		DIST_DEMAND	359	193	0	11	98	34	17	5	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,440	1,043	1	86	142	35	73	8	1	15	32	6
	Rate Base Deductions	**DIST_CUST**	**78,183**	**60,449**	**32**	**5,883**	**3,890**	**110**	**3,898**	**183**	**50**	**991**	**2,154**	**541**
		DIST_DEMAND	**24,620**	**13,254**	**16**	**723**	**6,695**	**2,310**	**1,134**	**367**	**26**	**30**	**65**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**102,803**	**73,703**	**48**	**6,607**	**10,586**	**2,420**	**5,033**	**551**	**76**	**1,020**	**2,219**	**541**
TOTAL RATE BASE ADJUSTMENTS														
	Rate Base Total	**DIST_CUST**	**255,532**	**203,894**	**105**	**17,740**	**10,361**	**202**	**14,493**	**572**	**162**	**1,916**	**4,256**	**1,832**
		DIST_DEMAND	**103,395**	**55,400**	**66**	**3,023**	**27,986**	**9,654**	**5,227**	**1,535**	**108**	**124**	**273**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**358,928**	**259,294**	**171**	**20,763**	**38,347**	**9,856**	**19,720**	**2,108**	**269**	**2,040**	**4,529**	**1,832**

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
REVENUE, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Tariff Revenue														
400_D	Distribution Revenue w/o USR	DIST_CUST	61,725	49,849	35	3,259	4,080	90	1,633	154	49	268	1,022	1,286
		DIST_DEMAND	17,323	6,907	14	224	7,365	2,498	(28)	266	20	6	51	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	79,049	56,756	49	3,483	11,445	2,588	1,605	420	69	274	1,073	1,286
	Tariff Revenue Total	**DIST_CUST**	**61,725**	**49,849**	**35**	**3,259**	**4,080**	**90**	**1,633**	**154**	**49**	**268**	**1,022**	**1,286**
		DIST_DEMAND	**17,323**	**6,907**	**14**	**224**	**7,365**	**2,498**	**(28)**	**266**	**20**	**6**	**51**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**79,049**	**56,756**	**49**	**3,483**	**11,445**	**2,588**	**1,605**	**420**	**69**	**274**	**1,073**	**1,286**
Other Revenues														
450	OR - Forefeited Discount Revenue	DIST_CUST	1,291	1,128	1	96	54	1	1	3	1	7	1	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,291	1,128	1	96	54	1	1	3	1	7	1	0
451	OR - Misc. Service Revenues	DIST_CUST	194	170	0	14	8	0	0	0	0	1	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	194	170	0	14	8	0	0	0	0	1	0	0
454POLE	OR - Pole Rent	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
454RENT	OR - Lease Rent	DIST_CUST	110	87	0	8	5	0	8	0	0	0	0	1
		DIST_DEMAND	12	6	0	0	3	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	122	93	0	8	8	1	9	0	0	0	0	1
456MISC	OR - Misc. Revenue	DIST_CUST	988	777	0	69	41	1	51	2	1	13	29	5
		DIST_DEMAND	328	177	0	10	89	31	15	5	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,316	953	1	78	130	32	66	7	1	14	30	5
456AECNITS	OR - AEC wheeling NITS	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
456SCRAP	OR - NUG/TMI	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Other Revenue Total	**DIST_CUST**	**2,583**	**2,161**	**1**	**186**	**108**	**2**	**60**	**6**	**2**	**21**	**30**	**6**
		DIST_DEMAND	**340**	**183**	**0**	**10**	**92**	**32**	**16**	**5**	**0**	**0**	**1**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**2,923**	**2,344**	**1**	**196**	**200**	**34**	**77**	**11**	**2**	**22**	**31**	**6**
TOTAL REVENUE														
	Retail Total Revenue	**DIST_CUST**	**64,309**	**52,010**	**36**	**3,445**	**4,188**	**92**	**1,693**	**160**	**51**	**290**	**1,052**	**1,292**
		DIST_DEMAND	**17,663**	**7,090**	**14**	**234**	**7,457**	**2,530**	**(12)**	**271**	**20**	**6**	**52**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**81,972**	**59,100**	**51**	**3,679**	**11,646**	**2,622**	**1,681**	**431**	**71**	**296**	**1,104**	**1,292**

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
O & M EXPENSES, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Distribution														
575	Operation-regional market expense	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	22	11	0	1	6	2	2	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	22	11	0	1	6	2	2	0	0	0	0	0
561	OP - Operation supervision and engineering	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	122	64	0	3	32	11	9	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	122	64	0	3	32	11	9	2	0	0	0	0
565	OP - Transmission of electricity by others	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	1,813	944	1	52	477	165	139	26	2	2	5	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,813	944	1	52	477	165	139	26	2	2	5	0
566	OP - Miscellaneous transmission expenses	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	83	43	0	2	22	8	6	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	83	43	0	2	22	8	6	1	0	0	0	0
568	MN - Maintenance supervision and engineering	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	4	2	0	0	1	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	4	2	0	0	1	0	0	0	0	0	0	0
569	MN - Maintenance of structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	53	28	0	2	14	5	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	53	28	0	2	14	5	4	1	0	0	0	0
570	MN - Maintenance of station equipment	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	3	2	0	0	1	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3	2	0	0	1	0	0	0	0	0	0	0
571	MN - Maintenance of overhead lines	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	(11)	(6)	(0)	(0)	(3)	(1)	(1)	(0)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(11)	(6)	(0)	(0)	(3)	(1)	(1)	(0)	(0)	(0)	(0)	0
573	MN - Maintenance of miscellaneous transmission	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	5	3	0	0	1	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	5	3	0	0	1	0	0	0	0	0	0	0
580	OP - Supv. & Engineering	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
O & M EXPENSES, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
581	OP - Dispatching	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
583	OP - Overhead Line	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
584	OP - Underground lines expenses	DIST_CUST	457	381	0	32	18	0	21	1	0	2	0	0
		DIST_DEMAND	98	53	0	3	27	9	5	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	555	433	0	35	45	10	26	2	0	2	0	0
586	OP - Meter	DIST_CUST	86	57	0	9	8	0	3	0	0	0	0	8
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	86	57	0	9	8	0	3	0	0	0	0	8
588	OP - Misc. Expenses	DIST_CUST	719	565	0	50	30	1	37	2	0	10	21	4
		DIST_DEMAND	239	129	0	7	65	22	11	4	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	958	694	0	57	95	23	48	5	1	10	22	4
589	MN - Rents	DIST_CUST	241	189	0	17	10	0	13	1	0	3	7	1
		DIST_DEMAND	80	43	0	2	22	8	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	321	232	0	19	32	8	16	2	0	3	7	1
590	MN - Supv. & Engineering	DIST_CUST	83	63	0	5	3	0	10	0	0	0	0	0
		DIST_DEMAND	12	6	0	0	3	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	95	69	0	6	6	1	12	0	0	0	0	0
591	MN - Structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
592	MN - Station	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	514	268	0	15	135	47	39	7	1	1	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	514	268	0	15	135	47	39	7	1	1	1	0
593	MN - OH Concuctors	DIST_CUST	10,025	7,643	4	648	367	6	1,283	19	5	45	5	0
		DIST_DEMAND	979	482	1	26	243	84	125	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	11,004	8,125	4	675	610	90	1,409	33	6	46	7	0

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ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
594	MN - UG Concuctors	DIST_CUST	(12)	(10)	(0)	(1)	(0)	(0)	(1)	(0)	(0)	(0)	(0)	0
		DIST_DEMAND	(3)	(1)	(0)	(0)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(15)	(12)	(0)	(1)	(1)	(0)	(1)	(0)	(0)	(0)	(0)	0
595	MN - XFMRs	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
596	MN - Streetlights	DIST_CUST	1	0	0	0	0	0	0	0	0	0	1	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1	0	0	0	0	0	0	0	0	0	1	0
597	MN - Meters	DIST_CUST	379	251	0	39	35	2	15	2	1	0	0	34
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	379	251	0	39	35	2	15	2	1	0	0	34
598	MN - Maintenance of miscellaneous	DIST_CUST	259	204	0	18	11	0	13	1	0	3	8	1
		DIST_DEMAND	86	46	0	3	23	8	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	345	250	0	21	34	8	17	2	0	4	8	1
ADJ_IS_4a	IS Adj. Distribution Payroll	DIST_CUST	25	19	0	2	1	0	3	0	0	0	0	0
		DIST_DEMAND	4	2	0	0	1	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	29	21	0	2	2	0	3	0	0	0	0	0
ADJ_IS_4c	IS Adj. Distribution Reaquired Debt	DIST_CUST	309	243	0	21	13	0	16	1	0	4	9	2
		DIST_DEMAND	103	55	0	3	28	10	5	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	412	298	0	24	41	10	21	2	0	4	9	2

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ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
IS_BTL	Balancing Transmission Losses in PTC	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	(1,932)	(1,007)	(1)	(55)	(509)	(175)	(148)	(28)	(2)	(2)	(5)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(1,932)	(1,007)	(1)	(55)	(509)	(175)	(148)	(28)	(2)	(2)	(5)	0
	Total Distribution Expense	**DIST_CUST**	**12,572**	**9,604**	**5**	**842**	**495**	**10**	**1,415**	**26**	**7**	**68**	**50**	**50**
		DIST_DEMAND	**2,274**	**1,166**	**1**	**64**	**589**	**203**	**207**	**32**	**2**	**3**	**6**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**14,845**	**10,771**	**6**	**905**	**1,084**	**213**	**1,622**	**58**	**9**	**70**	**56**	**50**
Customer Accounts														
902	Customer Account Supervision	DIST_CUST	1,547	1,304	1	134	101	2	2	0	1	0	0	1
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,547	1,304	1	134	101	2	2	0	1	0	0	1
903	Customer Account Collections	DIST_CUST	1,626	1,420	1	120	68	1	1	4	1	8	1	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,626	1,420	1	120	68	1	1	4	1	8	1	0
904	Customer Account Uncollectables	DIST_CUST	579	506	0	43	24	0	0	1	0	3	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	579	506	0	43	24	0	0	1	0	3	0	0
905	Customer Account Accounts	DIST_CUST	39	34	0	3	2	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	39	34	0	3	2	0	0	0	0	0	0	0
ADJ_IS_5a	IS Adj. Customer Accounts Payroll	DIST_CUST	32	27	0	3	2	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	32	27	0	3	2	0	0	0	0	0	0	0
ADJ_IS_5b	IS Adj. Customer Accounts Deposits	DIST_CUST	240	128	0	44	50	3	3	1	0	0	0	10
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	240	128	0	44	50	3	3	1	0	0	0	10
ADJ_IS_5c	IS Adj. Customer Accounts Uncollectables	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0

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ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
ADJ_IS_5d	IS Adj. Customer Accounts No. of Cust.	DIST_CUST	2	2	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		#REF!	2	2	0	0	0	0	0	0	0	0	0	0
	Total Customer Account Expense	**DIST_CUST**	**4,065**	**3,422**	**2**	**347**	**248**	**6**	**7**	**6**	**3**	**12**	**1**	**11**
		DIST_DEMAND	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**4,065**	**3,422**	**2**	**347**	**248**	**6**	**7**	**6**	**3**	**12**	**1**	**11**
Customer Information														
907	Customer Info Supervision	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
908	Customer Info Assistance Dist.	DIST_CUST	3,176	3,176	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,176	3,176	0	0	0	0	0	0	0	0	0	0
909	Customer Info Advertising Dist.	DIST_CUST	129	113	0	10	5	0	0	0	0	1	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	129	113	0	10	5	0	0	0	0	1	0	0
910	Customer Info Misc. Expense	DIST_CUST	1,443	1,415	1	15	9	0	0	0	0	1	1	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,443	1,415	1	15	9	0	0	0	0	1	1	0
ADJ_IS_6	IS Adj. Customer Service Payroll	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Total Customer Service and Info Expense	**DIST_CUST**	**4,748**	**4,704**	**1**	**25**	**14**	**0**	**0**	**1**	**0**	**2**	**1**	**0**
		DIST_DEMAND	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**4,748**	**4,704**	**1**	**25**	**14**	**0**	**0**	**1**	**0**	**2**	**1**	**0**
Sales														
913	Advertising expenses	DIST_CUST	7	6	0	1	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	7	6	0	1	0	0	0	0	0	0	0	0

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ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
	Total Sales Expense	**DIST_CUST**	**7**	**6**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_DEMAND	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**7**	**6**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Administrative and General														
920	A&G Salaries	DIST_CUST	91	72	0	7	4	0	7	0	0	0	0	1
		DIST_DEMAND	10	5	0	0	3	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	101	77	0	7	7	1	8	0	0	0	0	1
921	A&G Office Supplies	DIST_CUST	442	349	0	32	20	0	33	1	0	2	1	3
		DIST_DEMAND	47	24	0	1	12	4	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	489	374	0	33	33	5	37	1	0	2	1	3
922	A&G Admin. Expenses	DIST_CUST	(813)	(643)	(0)	(58)	(38)	(1)	(60)	(1)	(1)	(3)	(2)	(6)
		DIST_DEMAND	(87)	(45)	(0)	(2)	(23)	(8)	(8)	(1)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(900)	(688)	(0)	(61)	(60)	(9)	(68)	(3)	(1)	(3)	(2)	(6)
923	A&G Outside Services	DIST_CUST	3,365	2,662	2	241	156	3	249	6	2	13	8	23
		DIST_DEMAND	361	184	0	10	93	32	34	5	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,726	2,846	2	251	249	35	283	11	3	13	9	23
924	A&G Property Insurance	DIST_CUST	20	15	0	1	1	0	1	0	0	0	1	0
		DIST_DEMAND	6	3	0	0	2	1	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	26	19	0	2	3	1	1	0	0	0	1	0
925	A&G Injury and Damages	DIST_CUST	168	133	0	12	8	0	12	0	0	1	0	1
		DIST_DEMAND	18	9	0	1	5	2	2	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	186	142	0	13	12	2	14	1	0	1	0	1
926	A&G Pension and Benefits	DIST_CUST	85	67	0	6	4	0	6	0	0	0	0	1
		DIST_DEMAND	9	5	0	0	2	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	94	72	0	6	6	1	7	0	0	0	0	1
928	Regulatory Commission Expense	DIST_CUST	527	417	0	38	24	1	39	1	0	2	1	4
		DIST_DEMAND	56	29	0	2	15	5	5	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	583	445	0	39	39	6	44	2	0	2	1	4

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ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
930_1	A&G General Advertising	DIST_CUST	1	1	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1	1	0	0	0	0	0	0	0	0	0	0
930_2	A&G Misc. Expense	DIST_CUST	173	136	0	12	8	0	13	0	0	1	0	1
		DIST_DEMAND	18	9	0	1	5	2	2	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	191	146	0	13	13	2	15	1	0	1	0	1
931	A&G Misc. Rent	DIST_CUST	313	248	0	22	15	0	23	1	0	1	1	2
		DIST_DEMAND	34	17	0	1	9	3	3	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	347	265	0	23	23	3	26	1	0	1	1	2
935	A&G Maint. Of General Plant	DIST_CUST	248	195	0	17	10	0	13	1	0	3	7	1
		DIST_DEMAND	83	44	0	2	22	8	4	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	331	240	0	20	33	8	17	2	0	3	7	1
ADJ_IS_7a	IS Adj. Cash Pension	DIST_CUST	3,273	2,589	2	234	152	3	242	6	2	13	8	23
		DIST_DEMAND	351	179	0	10	91	31	33	5	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,624	2,768	2	244	242	35	275	11	2	13	9	23
ADJ_IS_7b	IS Adj. Other Employee Benefit Costs	DIST_CUST	773	611	0	55	36	1	57	1	0	3	2	5
		DIST_DEMAND	83	42	0	2	21	7	8	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	856	654	0	58	57	8	65	3	1	3	2	5
ADJ_IS_7c	IS Adj. A&G Non-Juris. Expense	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
ADJ_IS_7d	IS Adj. A&G Rate Case Expense	DIST_CUST	(612)	(484)	(0)	(44)	(28)	(1)	(45)	(1)	(0)	(2)	(1)	(4)
		DIST_DEMAND	(66)	(34)	(0)	(2)	(17)	(6)	(6)	(1)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(678)	(518)	(0)	(46)	(45)	(6)	(52)	(2)	(0)	(2)	(2)	(4)
ADJ_IS_7e	IS Adj. A&G Legacy Meters	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
ADJ_IS_7f	IS Adj. Accelerated Switching	DIST_CUST	80	64	0	6	4	0	6	0	0	0	0	1
		DIST_DEMAND	10	5	0	0	3	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	90	69	0	6	6	1	7	0	0	0	0	1

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COMPANY PREFERRED ALLOCATION METHOD
O & M EXPENSES, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
	Total A & G Expense	DIST_CUST	8,133	6,432	4	581	375	8	596	14	5	34	27	56
		DIST_DEMAND	933	480	1	26	242	84	84	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	9,067	6,912	4	608	618	92	680	28	6	35	29	56
	Total O & M Expense	DIST_CUST	29,525	24,168	12	1,796	1,132	24	2,018	48	15	115	80	117
		DIST_DEMAND	3,207	1,646	2	90	831	287	290	46	3	4	8	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	32,732	25,814	14	1,886	1,964	311	2,308	93	18	119	88	117

O M

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION & AMORTIZATION, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Depreciation														
403_303	DE - Intangible	DIST_CUST	1,433	1,188	1	81	51	1	95	2	1	5	4	4
		DIST_DEMAND	152	78	0	4	39	14	14	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,585	1,266	1	86	90	15	109	4	1	6	4	4
403_360	DE - Land	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
403_361	DE - Structures	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	33	17	0	1	9	3	3	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	33	17	0	1	9	3	3	0	0	0	0	0
403_362	DE - Station	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	907	473	1	26	239	82	70	13	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	907	473	1	26	239	82	70	13	1	1	2	0
403_364	DE - Poles	DIST_CUST	1,500	1,196	1	101	57	1	48	3	1	7	85	0
		DIST_DEMAND	275	150	0	8	76	26	9	4	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,775	1,346	1	110	133	27	57	7	1	7	86	0
403_365	DE - OH Conductors	DIST_CUST	2,120	1,616	1	137	78	1	271	4	1	9	1	0
		DIST_DEMAND	207	102	0	6	51	18	27	3	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,327	1,718	1	143	129	19	298	7	1	10	1	0
403_366	DE - Underground Conduit	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	122	67	0	4	34	12	3	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	122	67	0	4	34	12	3	2	0	0	0	0
403_367	DE - Underground Conductors	DIST_CUST	1,094	911	0	77	44	1	51	2	1	5	1	0
		DIST_DEMAND	235	127	0	7	64	22	11	4	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,329	1,038	1	84	108	23	62	6	1	6	1	0
403_368	DE - XFMRs	DIST_CUST	1,839	1,608	1	136	77	1	0	4	1	9	1	0
		DIST_DEMAND	923	521	1	28	263	91	0	14	1	1	3	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,762	2,129	1	165	340	92	0	18	2	11	4	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION & AMORTIZATION, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
403_369	DE - Services	DIST_CUST	729	637	0	54	31	1	0	2	0	4	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	729	637	0	54	31	1	0	2	0	4	0	0
403_370	DE - Meters	DIST_CUST	1,584	1,049	1	165	147	7	62	8	3	0	0	143
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,584	1,049	1	165	147	7	62	8	3	0	0	143
403_371	DE - Customer Premises	DIST_CUST	91	0	0	0	0	0	0	0	0	91	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	91	0	0	0	0	0	0	0	0	91	0	0
403_372	DE - Leased Property Cust. Prem.	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
403_373	DE - Streetlight	DIST_CUST	215	0	0	0	0	0	0	0	0	0	215	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	215	0	0	0	0	0	0	0	0	0	215	0
403_389	DE - Land	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
403_390	DE - Structures	DIST_CUST	63	50	0	4	3	0	3	0	0	1	2	0
		DIST_DEMAND	21	11	0	1	6	2	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	84	61	0	5	8	2	4	0	0	1	2	0
403_391	DE - Office Equipment	DIST_CUST	905	711	0	63	37	1	47	2	1	12	26	5
		DIST_DEMAND	300	162	0	9	82	28	14	4	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,205	873	1	72	119	29	61	6	1	12	27	5
403_392	DE - Transportation	DIST_CUST	23	18	0	2	1	0	1	0	0	0	1	0
		DIST_DEMAND	7	4	0	0	2	1	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	30	22	0	2	3	1	2	0	0	0	1	0

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION & AMORTIZATION, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
403_393	DE - Stores Equipment	DIST_CUST	3	2	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	1	1	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	4	3	0	0	0	0	0	0	0	0	0	0
403_394	DE - Tools & Garage Equip.	DIST_CUST	45	35	0	3	2	0	2	0	0	1	1	0
		DIST_DEMAND	15	8	0	0	4	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	60	43	0	4	6	1	3	0	0	1	1	0
403_395	DE - Laboratory	DIST_CUST	2	1	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2	1	0	0	0	0	0	0	0	0	0	0
403_396	DE - Power Equipment	DIST_CUST	20	15	0	1	1	0	1	0	0	0	1	0
		DIST_DEMAND	6	3	0	0	2	1	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	26	19	0	2	3	1	1	0	0	0	1	0
403_397	DE - Communications Equipment	DIST_CUST	81	64	0	6	3	0	4	0	0	1	2	0
		DIST_DEMAND	27	14	0	1	7	3	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	108	78	0	6	11	3	5	1	0	1	2	0
403_398	DE - Misc. Equipment	DIST_CUST	2	2	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	1	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3	2	0	0	0	0	0	0	0	0	0	0
404_5	Amortization and depletion of utility plant	DIST_CUST	610	480	0	42	25	1	32	1	0	8	17	3
		DIST_DEMAND	231	124	0	7	62	22	12	3	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	841	604	0	49	87	22	44	5	1	8	18	3
ADJ_IS_8a	IS Adj - Cost of Removal/Salvage	DIST_CUST	(520)	(408)	(0)	(36)	(21)	(0)	(27)	(1)	(0)	(7)	(15)	(3)
		DIST_DEMAND	(172)	(93)	(0)	(5)	(47)	(16)	(8)	(3)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(692)	(501)	(0)	(41)	(68)	(17)	(35)	(4)	(0)	(7)	(16)	(3)
ADJ_IS_8c	IS Adj - Average net Salvage	DIST_CUST	1,983	1,559	1	138	82	2	103	4	1	26	58	10
		DIST_DEMAND	658	354	0	19	179	62	30	10	1	1	2	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,642	1,913	1	157	261	63	133	14	2	27	59	10

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
DEPRECIATION & AMORTIZATION, $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
ADJ_IS_8d	IS Adj - DE Accelerated Dep. Legacy Meters	DIST_CUST	2,159	1,430	1	224	200	9	85	11	4	0	0	195
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	2,159	1,430	1	224	200	9	85	11	4	0	0	195
	Depreciation Expense	**DIST_CUST**	**15,981**	**12,164**	**7**	**1,200**	**816**	**24**	**780**	**44**	**14**	**174**	**400**	**358**
		DIST_DEMAND	**3,950**	**2,124**	**3**	**116**	**1,073**	**370**	**187**	**59**	**4**	**5**	**10**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**19,931**	**14,288**	**10**	**1,316**	**1,888**	**395**	**967**	**103**	**18**	**179**	**410**	**358**
Amortization														
407_Dist	Amortization - Rate Case Expense	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
407_SMT	Amortization - Smart Meter	DIST_CUST	(382)	(253)	(0)	(40)	(35)	(2)	(15)	(2)	(1)	0	0	(34)
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(382)	(253)	(0)	(40)	(35)	(2)	(15)	(2)	(1)	0	0	(34)
407_SMIP	Amortization - SMIP Legacy Meters	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
411_10	Accretion expense	DIST_CUST	13	11	0	1	1	0	1	0	0	0	0	0
		DIST_DEMAND	5	2	0	0	1	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	18	13	0	1	2	0	1	0	0	0	0	0
ADJ_IS_9	IS Adj - Amortization Expense	DIST_CUST	(13)	(11)	(0)	(1)	(1)	(0)	(1)	(0)	(0)	(0)	(0)	(0)
		DIST_DEMAND	(4)	(2)	(0)	(0)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	(18)	(13)	(0)	(1)	(2)	(0)	(1)	(0)	(0)	(0)	(0)	(0)
	Total Amortization Expense	**DIST_CUST**	**(382)**	**(253)**	**(0)**	**(40)**	**(35)**	**(2)**	**(15)**	**(2)**	**(1)**	**(0)**	**(0)**	**(34)**
		DIST_DEMAND	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**(382)**	**(253)**	**(0)**	**(40)**	**(35)**	**(2)**	**(15)**	**(2)**	**(1)**	**(0)**	**(0)**	**(34)**

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
TAXES OTHER THAN INCOME , $1,000s

ACCOUNT	DESCRIPTION	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
408_1GRT	OT - Gross Receipts Tax	DIST_CUST	3,642	2,941	2	192	241	5	96	9	3	16	60	76
		DIST_DEMAND	1,022	408	1	13	435	147	(2)	16	1	0	3	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	4,664	3,349	3	205	675	153	95	25	4	16	63	76
408_1LND	OT - Property Tax	DIST_CUST	250	197	0	17	10	0	13	1	0	3	7	1
		DIST_DEMAND	95	51	0	3	26	9	5	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	345	248	0	20	36	9	18	2	0	3	7	1
408_1PAY	OT - Payroll Tax	DIST_CUST	1,198	948	1	86	55	1	88	2	1	5	3	8
		DIST_DEMAND	131	67	0	4	34	12	12	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,329	1,015	1	89	89	13	101	4	1	5	4	8
408_1CAP	OT - Capital Stock Tax	DIST_CUST	27	21	0	2	1	0	1	0	0	0	1	0
		DIST_DEMAND	10	5	0	0	3	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	37	27	0	2	4	1	2	0	0	0	1	0
408_1MISC	OT - Misc. Tax	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
ADJ_IS_10a	IS Adj. Payroll Tax	DIST_CUST	2	2	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3	2	0	0	0	0	0	0	0	0	0	0
ADJ_IS_10b	IS Adj. Other Tax	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Total Taxes Other than Income Taxes	**DIST_CUST**	**5,120**	**4,109**	**3**	**297**	**308**	**7**	**200**	**12**	**4**	**24**	**71**	**86**
		DIST_DEMAND	**1,258**	**531**	**1**	**20**	**497**	**169**	**16**	**19**	**1**	**1**	**4**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**6,378**	**4,640**	**4**	**317**	**805**	**176**	**215**	**31**	**5**	**25**	**75**	**86**

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - INCOME TAXES
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PRESENT RATES, $1,000s

DESCRIPTION	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Distribution												
Distribution Revenue	61,725	49,849	35	3,259	4,080	90	1,633	154	49	268	1,022	1,286
Total Operating Expense	29,525	24,168	12	1,796	1,132	24	2,018	48	15	115	80	117
Income Before Taxes	12,351	6,692	19	(434)	5,853	1,441	(2,396)	142	22	(89)	393	710
Tax Deductions	5,054	3,804	2	329	383	69	348	18	3	28	41	28
State Taxable Income	17,405	10,496	21	(105)	6,237	1,510	(2,049)	160	25	(62)	434	738
Current State Income Tax	1,739	1,049	2	(10)	623	151	(205)	16	3	(6)	43	74
Federal Taxable Income	15,667	9,447	19	(94)	5,614	1,359	(1,844)	144	23	(55)	390	664
Current Federal Income Tax	5,483	3,307	7	(33)	1,965	476	(645)	50	8	(19)	137	232
Provision for Deferred Income Taxes	1,841	1,322	1	107	191	48	96	10	1	18	39	7
Investent Tax Credit Adjustments	(29)	(21)	(0)	(2)	(3)	(1)	(1)	(0)	(0)	(0)	(1)	(0)
Total Income Tax	9,034	5,656	10	62	2,776	674	(756)	77	12	(8)	218	313

Income Tax Calculation

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - LABOR
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PRESENT RATES, $1,000s

ACCOUNT	DESCRIPTION		TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
580L	OP - Supv. & Engineering Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
581L	OP - Dispatching Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
582L	OP- Distribution Expense Station Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
583L	OP - Overhead Line Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
586L	OP - Meter Labor	DIST_CUST	58	38	0	6	5	0	2	0	0	0	0	5
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	58	38	0	6	5	0	2	0	0	0	0	5
588L	OP - Misc. Expenses	DIST_CUST	416	327	0	29	17	0	22	1	0	6	12	2
		DIST_DEMAND	138	74	0	4	38	13	6	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	554	401	0	33	55	13	28	3	0	6	12	2
590L	MN- Supv. & Engineering Labor	DIST_CUST	53	40	0	4	2	0	7	0	0	0	0	0
		DIST_DEMAND	8	4	0	0	2	1	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	61	44	0	4	4	1	8	0	0	0	0	0
591L	MN - Structures Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
592L	MN - Station Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	177	92	0	5	47	16	14	3	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	177	92	0	5	47	16	14	3	0	0	0	0

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ACCOUNT	DESCRIPTION		TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
593L	MN - OH Conductors Labor	DIST_CUST	2,918	2,225	1	189	107	2	373	6	1	13	1	0
		DIST_DEMAND	285	140	0	8	71	24	36	4	0	0	1	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	3,203	2,365	1	196	178	26	410	9	2	13	2	0
595L	MN - XFMRs Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
596L	MN - Streetlights Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
597L	MN - Meters Labor	DIST_CUST	343	227	0	36	32	1	13	2	1	0	0	31
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	343	227	0	36	32	1	13	2	1	0	0	31
	Labor Expense - Distribution	**DIST_CUST**	**3,788**	**2,858**	**2**	**263**	**163**	**4**	**417**	**9**	**3**	**19**	**13**	**38**
		DIST_DEMAND	**608**	**311**	**0**	**17**	**157**	**54**	**57**	**9**	**1**	**1**	**2**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**4,396**	**3,168**	**2**	**280**	**320**	**58**	**475**	**17**	**3**	**20**	**15**	**38**
902L	Customer Account Supervision - Labor	DIST_CUST	1,155	974	1	100	76	1	2	0	1	0	0	1
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,155	974	1	100	76	1	2	0	1	0	0	1
903L	Customer Account Collections - Labor	DIST_CUST	548	479	0	41	23	0	0	1	0	3	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	548	479	0	41	23	0	0	1	0	3	0	0
905L	Customer Account Accounts - Labor	DIST_CUST	26	23	0	2	1	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	26	23	0	2	1	0	0	0	0	0	0	0
	Labor Expense - Customer Accounts	**DIST_CUST**	**1,729**	**1,475**	**1**	**143**	**100**	**2**	**2**	**1**	**1**	**3**	**0**	**1**
		DIST_DEMAND	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**1,729**	**1,475**	**1**	**143**	**100**	**2**	**2**	**1**	**1**	**3**	**0**	**1**

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ACCOUNT	DESCRIPTION		TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
907L	Customer Info Supervision Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
908L	Customer Info Assistance Labor	DIST_CUST	151	151	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	151	151	0	0	0	0	0	0	0	0	0	0
909L	Customer Info Advertising Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
910L	Customer Info Misc. Expense Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Labor Expense - Customer Information	**DIST_CUST**	**151**	**151**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_DEMAND	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**151**	**151**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Labor Expense - less A & G	**DIST_CUST**	**5,668**	**4,484**	**3**	**406**	**263**	**6**	**420**	**10**	**4**	**22**	**14**	**39**
		DIST_DEMAND	**608**	**311**	**0**	**17**	**157**	**54**	**57**	**9**	**1**	**1**	**2**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**6,276**	**4,794**	**3**	**423**	**420**	**60**	**477**	**19**	**4**	**22**	**15**	**39**
920L	A&G Salaries Labor	DIST_CUST	633	501	0	45	29	1	47	1	0	2	2	4
		DIST_DEMAND	68	35	0	2	18	6	6	1	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	701	536	0	47	47	7	53	2	0	3	2	4
921L	A&G Office Supplies Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
922L	A&G Admin. Expenses Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
923L	A&G Outside Services Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0

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ACCOUNT	DESCRIPTION		TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
924L	A&G Property Insurance Labor	DIST_CUST	72	57	0	5	3	0	4	0	0	1	3	0
		DIST_DEMAND	24	13	0	1	6	2	1	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	96	69	0	6	9	2	5	1	0	1	3	0
925L	A&G Injury and Damages Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
926L	A&G Pension and Benefits Labor	DIST_CUST	1,317	1,042	1	94	61	1	98	2	1	5	3	9
		DIST_DEMAND	141	72	0	4	36	13	13	2	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	1,458	1,114	1	98	97	14	111	4	1	5	4	9
930_1L	A&G General Advertising Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
930_2L	A&G Misc. Expense Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
931L	A&G Rent Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
935L	A&G Maint. Of General Plant Labor	DIST_CUST	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_DEMAND	0	0	0	0	0	0	0	0	0	0	0	0
		DIST_ENERGY	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Labor Expense - A & G	**DIST_CUST**	**2,022**	**1,599**	**1**	**144**	**93**	**2**	**148**	**4**	**1**	**9**	**7**	**14**
		DIST_DEMAND	**233**	**120**	**0**	**7**	**60**	**21**	**21**	**3**	**0**	**0**	**1**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**2,255**	**1,719**	**1**	**151**	**154**	**23**	**169**	**7**	**2**	**9**	**8**	**14**
	Labor Expense - Total	**DIST_CUST**	**7,690**	**6,083**	**4**	**550**	**356**	**8**	**568**	**14**	**5**	**30**	**21**	**53**
		DIST_DEMAND	**841**	**430**	**1**	**23**	**217**	**75**	**78**	**12**	**1**	**1**	**2**	**0**
		DIST_ENERGY	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
		Total	**8,531**	**6,513**	**4**	**574**	**573**	**83**	**646**	**25**	**6**	**31**	**23**	**53**

PENNSYLVANIA POWER COMPANY
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FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Collections Expense	DIST_CUST	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
Customer Accounting Expenses	DIST_CUST	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
Customer Information Assistance	DIST_CUST	100.0%	100.0%									
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Customer Information Expenses	DIST_CUST	100.0%	98.1%	1.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	98.1%	1.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%
Customers - POL	DIST_CUST	100.0%								100.0%		
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Customers - Residential	DIST_CUST	100.0%	100.0%									
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Customers - Secondary	DIST_CUST	100.0%	87.4%	7.4%	4.2%	0.1%		0.2%	0.1%	0.5%	0.1%	
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.4%	7.4%	4.2%	0.1%	0.0%	0.2%	0.1%	0.5%	0.1%	0.0%
Customers - STLT	DIST_CUST	100.0%									100.0%	
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Customers - Total	DIST_CUST	100.0%	87.4%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.4%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%

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FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
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METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
D & G Net Plant	DIST_CUST	74.8%	59.2%	5.3%	3.2%	0.1%	4.1%	0.2%	0.0%	0.6%	1.4%	0.6%
	DIST_DEMAND	25.2%	13.6%	0.7%	6.9%	2.4%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.8%	6.1%	10.1%	2.4%	5.3%	0.5%	0.1%	0.7%	1.5%	0.6%
D & G Original Cost Plant	DIST_CUST	72.6%	57.1%	5.0%	3.0%	0.1%	3.8%	0.2%	0.0%	0.9%	2.1%	0.4%
	DIST_DEMAND	27.4%	14.7%	0.8%	7.4%	2.6%	1.4%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	71.8%	5.8%	10.4%	2.6%	5.2%	0.6%	0.1%	1.0%	2.1%	0.4%
D Original Cost Plant, 360 Accounts	DIST_CUST	73.4%	59.9%	5.1%	2.9%	0.0%	4.0%	0.2%	0.0%	0.4%	0.9%	
	DIST_DEMAND	26.6%	14.3%	0.8%	7.2%	2.5%	1.2%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	74.2%	5.9%	10.1%	2.5%	5.2%	0.5%	0.1%	0.4%	1.0%	0.0%
D Original Cost Plant, 360 OH	DIST_CUST	91.1%	69.5%	5.9%	3.3%	0.1%	11.7%	0.2%	0.0%	0.4%	0.0%	
	DIST_DEMAND	8.9%	4.4%	0.2%	2.2%	0.8%	1.1%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	73.8%	6.1%	5.5%	0.8%	12.8%	0.3%	0.1%	0.4%	0.1%	0.0%
D Original Cost Plant, 580 Accounts	DIST_CUST	71.3%	55.1%	5.2%	3.3%	0.1%	3.6%	0.2%	0.1%	0.9%	1.8%	1.0%
	DIST_DEMAND	28.7%	16.4%	1.4%	6.5%	2.0%	1.3%	0.4%	0.0%	0.0%	0.1%	0.7%
	DIST_ENERGY											
	Total	100.0%	71.5%	6.6%	9.8%	2.1%	4.9%	0.5%	0.1%	0.9%	1.9%	1.7%
D Original Cost Plant, 590 Accounts	DIST_CUST	87.4%	66.3%	5.8%	3.4%	0.1%	10.9%	0.2%	0.0%	0.4%	0.0%	0.3%
	DIST_DEMAND	12.6%	6.3%	0.3%	3.2%	1.1%	1.4%	0.2%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	72.6%	6.1%	6.6%	1.2%	12.3%	0.4%	0.1%	0.4%	0.1%	0.3%
Demand - Non-Concident Peak	DIST_CUST											
	DIST_DEMAND	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	
	DIST_ENERGY											
	Total	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	0.0%
Deposits	DIST_CUST	100.0%	53.4%	18.5%	21.0%	1.2%	1.2%	0.5%	0.1%			4.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	53.4%	18.5%	21.0%	1.2%	1.2%	0.5%	0.1%	0.0%	0.0%	4.0%
Direct Assignment - Waverly	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY	100.0%										
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Allocation Methods

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Dist Net Plant	DIST_CUST	75.2%	58.9%	5.2%	3.0%	0.1%	3.8%	0.2%	0.0%	1.2%	2.6%	0.3%
	DIST_DEMAND	24.8%	13.3%	0.7%	6.7%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.2%	5.9%	9.8%	2.4%	4.9%	0.5%	0.1%	1.2%	2.7%	0.3%
Dist Original Cost Plant	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Expense - Total A & G Less Adj.	DIST_CUST	89.3%	70.6%	6.4%	4.1%	0.1%	6.5%	0.2%	0.1%	0.4%	0.4%	0.6%
	DIST_DEMAND	10.7%	5.5%	0.3%	2.8%	1.0%	0.9%	0.2%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	76.1%	6.7%	6.9%	1.1%	7.4%	0.3%	0.1%	0.4%	0.4%	0.6%
Expense - Total Less A & G	DIST_CUST	90.4%	74.9%	5.1%	3.2%	0.1%	6.0%	0.1%	0.0%	0.3%	0.2%	0.3%
	DIST_DEMAND	9.6%	4.9%	0.3%	2.5%	0.9%	0.9%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	79.9%	5.4%	5.7%	0.9%	6.9%	0.3%	0.1%	0.4%	0.2%	0.3%
Forfeited Discounts	DIST_CUST	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
Gen Original Cost Plant	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Labor Expense - Customer Accounts	DIST_CUST	100.0%	85.3%	8.3%	5.8%	0.1%	0.1%	0.1%	0.1%	0.2%	0.0%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	85.3%	8.3%	5.8%	0.1%	0.1%	0.1%	0.1%	0.2%	0.0%	0.0%
Labor Expense - Customer Information	DIST_CUST	100.0%	100.0%									
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Labor Expense - Distribution	DIST_CUST	86.2%	65.0%	6.0%	3.7%	0.1%	9.5%	0.2%	0.1%	0.4%	0.3%	0.9%
	DIST_DEMAND	13.8%	7.1%	0.4%	3.6%	1.2%	1.3%	0.2%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	72.1%	6.4%	7.3%	1.3%	10.8%	0.4%	0.1%	0.4%	0.3%	0.9%

Allocation Methods

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Labor Expense - less A & G	DIST_CUST	90.3%	71.4%	6.5%	4.2%	0.1%	6.7%	0.2%	0.1%	0.3%	0.2%	0.6%
	DIST_DEMAND	9.7%	5.0%	0.3%	2.5%	0.9%	0.9%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	76.4%	6.7%	6.7%	1.0%	7.6%	0.3%	0.1%	0.4%	0.2%	0.6%
Labor Expense - Total	DIST_CUST	90.1%	71.3%	6.4%	4.2%	0.1%	6.7%	0.2%	0.1%	0.4%	0.2%	0.6%
	DIST_DEMAND	9.9%	5.0%	0.3%	2.5%	0.9%	0.9%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	76.3%	6.7%	6.7%	1.0%	7.6%	0.3%	0.1%	0.4%	0.3%	0.6%
Meter Plant	DIST_CUST	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%			9.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%	0.0%	0.0%	9.0%
Meter Reading Expense	DIST_CUST	100.0%	84.3%	8.7%	6.5%	0.1%	0.2%		0.1%			0.1%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	84.3%	8.7%	6.5%	0.1%	0.2%	0.0%	0.1%	0.0%	0.0%	0.1%
OH Conductors - Primary	DIST_CUST	0.1%					0.1%					
	DIST_DEMAND	99.9%					99.9%					
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OH Conductors - Secondary	DIST_CUST	15.2%	13.3%	1.1%	0.6%	0.0%		0.0%	0.0%	0.1%	0.0%	
	DIST_DEMAND	84.8%	47.9%	2.6%	24.2%	8.3%		1.3%	0.1%	0.1%	0.2%	
	DIST_ENERGY											
	Total	100.0%	61.1%	3.7%	24.8%	8.4%	0.0%	1.4%	0.1%	0.2%	0.2%	0.0%
Plant - Account 302 (Intangible Plant)	DIST_CUST	74.8%	59.2%	5.3%	3.2%	0.1%	4.1%	0.2%	0.0%	0.6%	1.4%	0.6%
	DIST_DEMAND	25.2%	13.6%	0.7%	6.9%	2.4%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.8%	6.1%	10.1%	2.4%	5.3%	0.5%	0.1%	0.7%	1.5%	0.6%
Plant - Account 303 (Intangible Plant)	DIST_CUST	90.4%	74.9%	5.1%	3.2%	0.1%	6.0%	0.1%	0.0%	0.3%	0.2%	0.3%
	DIST_DEMAND	9.6%	4.9%	0.3%	2.5%	0.9%	0.9%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	79.9%	5.4%	5.7%	0.9%	6.9%	0.3%	0.1%	0.4%	0.2%	0.3%
Plant - Account 360 (Land)	DIST_CUST	73.4%	59.9%	5.1%	2.9%	0.0%	4.0%	0.2%	0.0%	0.4%	0.9%	
	DIST_DEMAND	26.6%	14.3%	0.8%	7.2%	2.5%	1.2%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	74.2%	5.9%	10.1%	2.5%	5.2%	0.5%	0.1%	0.4%	1.0%	0.0%

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Plant - Account 361 (Structures)	DIST_CUST											
	DIST_DEMAND	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	
	DIST_ENERGY											
	Total	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	0.0%
Plant - Account 362 (Station)	DIST_CUST											
	DIST_DEMAND	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	
	DIST_ENERGY											
	Total	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	0.0%
Plant - Account 364 (Poles)	DIST_CUST	85.2%	68.0%	5.8%	3.3%	0.1%	2.7%	0.2%	0.0%	0.4%	4.8%	
	DIST_DEMAND	14.8%	8.0%	0.4%	4.1%	1.4%	0.5%	0.2%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	76.0%	6.2%	7.3%	1.5%	3.2%	0.4%	0.1%	0.4%	4.9%	0.0%
Plant - Account 365 (OH Conductors)	DIST_CUST	91.1%	69.5%	5.9%	3.3%	0.1%	11.7%	0.2%	0.0%	0.4%	0.0%	
	DIST_DEMAND	8.9%	4.4%	0.2%	2.2%	0.8%	1.1%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	73.8%	6.1%	5.5%	0.8%	12.8%	0.3%	0.1%	0.4%	0.1%	0.0%
Plant - Account 366 (UG Conduits)	DIST_CUST											
	DIST_DEMAND	100.0%	55.2%	3.0%	27.9%	9.6%	2.2%	1.5%	0.1%	0.1%	0.3%	
	DIST_ENERGY											
	Total	100.0%	55.2%	3.0%	27.9%	9.6%	2.2%	1.5%	0.1%	0.1%	0.3%	0.0%
Plant - Account 367 (UG Conductors)	DIST_CUST	82.3%	68.6%	5.8%	3.3%	0.1%	3.9%	0.2%	0.0%	0.4%	0.0%	
	DIST_DEMAND	17.7%	9.5%	0.5%	4.8%	1.7%	0.8%	0.3%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	78.1%	6.3%	8.1%	1.7%	4.7%	0.4%	0.1%	0.4%	0.1%	0.0%
Plant - Account 368 (Transformers)	DIST_CUST	66.6%	58.2%	4.9%	2.8%	0.0%		0.1%	0.0%	0.3%	0.0%	
	DIST_DEMAND	33.4%	18.8%	1.0%	9.5%	3.3%		0.5%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	77.1%	6.0%	12.3%	3.3%	0.0%	0.7%	0.1%	0.4%	0.1%	0.0%
Plant - Account 369 (Services)	DIST_CUST	100.0%	87.4%	7.4%	4.2%	0.1%		0.2%	0.1%	0.5%	0.1%	
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.4%	7.4%	4.2%	0.1%	0.0%	0.2%	0.1%	0.5%	0.1%	0.0%
Plant - Account 370 (Meters)	DIST_CUST	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%			9.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%	0.0%	0.0%	9.0%

Allocation Methods

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Plant - Account 371 (Cust Premises)	DIST_CUST	100.0%								100.0%		
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Plant - Account 372 (Leased Propery - Cust Prem.)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plant - Account 373 (Streetlight)	DIST_CUST	100.0%									100.0%	
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Plant - Account 389 (Land - Misc)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 390 (Structures - Misc)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 391 (Office Equipment)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 392 (Transportation)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 393 (Stores)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 394 (Tools & Garage Equipment)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Plant - Account 395 (Laboratory)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 396 (Power Equipment)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 397 (Communications Equipment)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Plant - Account 398 (Misc. Equipment)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Expense - Account 580 (OP - Supv. & Engineering)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 581 (OP - Dispatching)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 583 (OP - Overhead Line)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 586 (OP - Meter)	DIST_CUST	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%			9.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%	0.0%	0.0%	9.0%
Expense - Account 588 (OP - Misc. Expense)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%

Allocation Methods

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Expense - Account 590 (MN - Supv. & Engineering)	DIST_CUST	87.4%	66.3%	5.8%	3.4%	0.1%	10.9%	0.2%	0.0%	0.4%	0.0%	0.3%
	DIST_DEMAND	12.6%	6.3%	0.3%	3.2%	1.1%	1.4%	0.2%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	72.6%	6.1%	6.6%	1.2%	12.3%	0.4%	0.1%	0.4%	0.1%	0.3%
Expense - Account 591 (MN - Structures)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 592 (MN - Station)	DIST_CUST											
	DIST_DEMAND	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	
	DIST_ENERGY											
	Total	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	0.0%
Expense - Account 593 (MN - OH Conductors)	DIST_CUST	91.1%	69.5%	5.9%	3.3%	0.1%	11.7%	0.2%	0.0%	0.4%	0.0%	
	DIST_DEMAND	8.9%	4.4%	0.2%	2.2%	0.8%	1.1%	0.1%	0.0%	0.0%	0.0%	
	DIST_ENERGY											
	Total	100.0%	73.8%	6.1%	5.5%	0.8%	12.8%	0.3%	0.1%	0.4%	0.1%	0.0%
Expense - Account 595 (MN - XFMRs)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 596 (MN - Streetlights)	DIST_CUST	100.0%									100.0%	
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Expense - Account 597 (MN - Meters)	DIST_CUST	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%			9.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	66.2%	10.4%	9.3%	0.4%	3.9%	0.5%	0.2%	0.0%	0.0%	9.0%
Expense - Account 902 (Cust Acct Supervision)	DIST_CUST	100.0%	84.3%	8.7%	6.5%	0.1%	0.2%		0.1%			0.1%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	84.3%	8.7%	6.5%	0.1%	0.2%	0.0%	0.1%	0.0%	0.0%	0.1%
Expense - Account 903 (Cust Acct Collections)	DIST_CUST	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%

Allocation Methods

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Expense - Account 905 (Cust Acct Accounts)	DIST_CUST	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
Expense - Account 907 (Cust Info Supervision)	DIST_CUST											
	DIST_DEMAND											
	DIST_ENERGY											
	Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 908 (Cust Info Assistance)	DIST_CUST	100.0%	100.0%									
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expense - Account 909 (Cust Info Advertising)	DIST_CUST	100.0%	87.4%	7.4%	4.2%	0.1%		0.2%	0.1%	0.5%	0.1%	
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.4%	7.4%	4.2%	0.1%	0.0%	0.2%	0.1%	0.5%	0.1%	0.0%
Expense - Account 910 (Cust Info Misc. Expense)	DIST_CUST	100.0%	98.1%	1.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	98.1%	1.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%
Expense - Account 935 (A&G Maint. General Plant)	DIST_CUST	75.1%	59.0%	5.2%	3.1%	0.1%	3.9%	0.2%	0.0%	1.0%	2.2%	0.4%
	DIST_DEMAND	24.9%	13.4%	0.7%	6.8%	2.3%	1.1%	0.4%	0.0%	0.0%	0.1%	
	DIST_ENERGY											
	Total	100.0%	72.4%	5.9%	9.9%	2.4%	5.0%	0.5%	0.1%	1.0%	2.2%	0.4%
Poles - Primary	DIST_CUST	0.1%					0.1%					
	DIST_DEMAND	99.9%					99.9%					
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Poles - Secondary	DIST_CUST	15.2%	13.3%	1.1%	0.6%	0.0%		0.0%	0.0%	0.1%	0.0%	
	DIST_DEMAND	84.8%	47.9%	2.6%	24.2%	8.3%		1.3%	0.1%	0.1%	0.2%	
	DIST_ENERGY											
	Total	100.0%	61.1%	3.7%	24.8%	8.4%	0.0%	1.4%	0.1%	0.2%	0.2%	0.0%
Transformers	DIST_CUST	15.2%	13.3%	1.1%	0.6%	0.0%		0.0%	0.0%	0.1%	0.0%	
	DIST_DEMAND	84.8%	47.9%	2.6%	24.2%	8.3%		1.3%	0.1%	0.1%	0.2%	
	DIST_ENERGY											
	Total	100.0%	61.1%	3.7%	24.8%	8.4%	0.0%	1.4%	0.1%	0.2%	0.2%	0.0%

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
ALLOCATION METHODS

METHOD	DETAILED ACCOUNT	TOTAL RETAIL	RS	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
Trnsm Original Cost Plant	DIST_CUST											
	DIST_DEMAND	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	
	DIST_ENERGY											
	Total	100.0%	52.1%	2.8%	26.3%	9.1%	7.7%	1.4%	0.1%	0.1%	0.3%	0.0%
UG Conductors - Primary	DIST_CUST	0.1%					0.1%					
	DIST_DEMAND	99.9%					99.9%					
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
UG Conductors - Secondary	DIST_CUST	15.2%	13.3%	1.1%	0.6%	0.0%		0.0%	0.0%	0.1%	0.0%	
	DIST_DEMAND	84.8%	47.9%	2.6%	24.2%	8.3%		1.3%	0.1%	0.1%	0.2%	
	DIST_ENERGY											
	Total	100.0%	61.1%	3.7%	24.8%	8.4%	0.0%	1.4%	0.1%	0.2%	0.2%	0.0%
UG Conduits - Primary	DIST_CUST	0.1%					0.1%					
	DIST_DEMAND	99.9%					99.9%					
	DIST_ENERGY											
	Total	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
UG Conduits - Secondary	DIST_CUST	15.2%	13.3%	1.1%	0.6%	0.0%		0.0%	0.0%	0.1%	0.0%	
	DIST_DEMAND	84.8%	47.9%	2.6%	24.2%	8.3%		1.3%	0.1%	0.1%	0.2%	
	DIST_ENERGY											
	Total	100.0%	61.1%	3.7%	24.8%	8.4%	0.0%	1.4%	0.1%	0.2%	0.2%	0.0%
Uncollectibles	DIST_CUST	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%
	DIST_DEMAND											
	DIST_ENERGY											
	Total	100.0%	87.3%	7.4%	4.2%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%	0.0%

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY
OVERVIEW OF ACCOUNTS

Type	Section	FERC Account	Account Description	Source of Total Dollars	Allocator Method	Method Description	Method Source
Rate Base	Plant in Service	301	Organization	RAD 46 Attach B p 1-2	D & G Net Plant	Allocation follows Distribution and General Net Plant	Plant in Service / Depreciation Reserve
Rate Base	Plant in Service	302	Franchise and Consents	RAD 46 Attach B p 1-2	D & G Net Plant	Allocation follows Distribution and General Net Plant	Plant in Service / Depreciation Reserve
Rate Base	Plant in Service	303	Intangible Plant	RAD 46 Attach B p 1-2	Expense - Total Less A & G	Allocation follows Total O & M Expense, less A & G expenses	O & M
Rate Base	Plant in Service	350	P - Land (TRN)	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	352	P - Structures	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	353	P - Station Equipment	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	354	P - Towers And Fixtures	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	355	P - Poles And Fixtures	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	356	P - Overhd Conductr, Devices	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	357	P - Underground Conduit	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	358	P - Undergrnd Conductr,Devices	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	359	P - Roads And Trails	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	360	P - Land	RAD 46 Attach B p 1-2	D Original Cost Plant, 360 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 361 to 369	Plant in Service
Rate Base	Plant in Service	361	P - Structures	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	362	P - Station	RAD 46 Attach B p 1-2	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Plant in Service	368	P - XFMRs	RAD 46 Attach B p 1-2	Transformers	Transformer Allocation - Uses Minimum Grid Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	369	P - Services	RAD 46 Attach B p 1-2	Customers - Secondary	Allocates to customer charge, based on secondary customer counts	KMS Exhibit 2
Rate Base	Plant in Service	370	P - Meters	RAD 46 Attach B p 1-2	Meter Plant	Customer Component, All Customers - Weighted for Meter Plant Costs	HES Exhibit 2, Study # 08
Rate Base	Plant in Service	371	P - Customer Premises	RAD 46 Attach B p 1-2	Customers - POL	Direct Assignment to POL customer component	NA
Rate Base	Plant in Service	372	P - Leased Property Cust. Prem.	RAD 46 Attach B p 1-2	Customers - POL	Direct Assignment to POL customer component	NA
Rate Base	Plant in Service	373	P - Streetlight	RAD 46 Attach B p 1-2	Customers - STLT	Direct Assignment to STLT customer component	NA
Rate Base	Plant in Service	389	P - Land	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	390	P - Structures	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	391	P - Office Equipment	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	392	P - Transportation	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	393	P - Stores Equipment	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	394	P - Tools & Garage Equip.	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	395	P - Laboratory	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	396	P - Power Equipment	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	397	P - Communication Equipment	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	398	P - Misc. Equipment	RAD 46 Attach B p 1-2	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Plant in Service	364P	P - Primary Poles	RAD 46 Attach B p 1-2	Poles - Primary	Pole Plant Allocation (Primary) - Uses Minimum Grid and Primary / Secondary Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	364S	P - Secondary Poles	RAD 46 Attach B p 1-2	Poles - Secondary	Pole Plant Allocation (Secondary) - Uses Minimum Grid and Primary / Secondary Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	364Z	P - Streetlight Poles	RAD 46 Attach B p 1-2	Customers - STLT	Direct Assignment to STLT customer component	NA
Rate Base	Plant in Service	365P	P - OH Prim. Conductors	RAD 46 Attach B p 1-2	OH Conductors - Primary	Overhead Conductors Allocation (Primary) - Uses Minimum Grid and Primary / Secondary Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	365S	P - OH Sec. Conductors	RAD 46 Attach B p 1-2	OH Conductors - Secondary	Overhead Conductors Allocation (Secondary) - Uses Minimum Grid and Primary / Secondary Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	366P	P - U Prim. Conduit	RAD 46 Attach B p 1-2	UG Conduits - Primary	Underground Conduits Allocation (Primary) - Uses Primary / Secondary Study to assign primary portion, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	366S	P - U Sec. Conduit	RAD 46 Attach B p 1-2	UG Conduits - Secondary	Underground Conduits Allocation (Secondary) - Uses Primary / Secondary Study to assign primary portion, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / HES Exhibit 2, Study # 01

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY
OVERVIEW OF ACCOUNTS

Type	Section	FERC Account	Account Description	Source of Total Dollars	Allocator Method	Method Description	Method Source
Rate Base	Plant in Service	367P	P - U Prim. Conductors	RAD 46 Attach B p 1-2	UG Conductors - Primary	Underground Conductors Allocation (Primary) - Uses Minimum Grid and Primary / Secondary Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCP	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Plant in Service	367S	P - U Sec. Conductors	RAD 46 Attach B p 1-2	UG Conductors - Secondary	Underground Conductors Allocation (Secondary) -Uses Minimum Grid and Primary / Secondary Study to assign customer and demand charges, then allocates customer charges to all customers based on count, and allocates demand charges based on the NCPdemand charges	HES Exhibit 2, Study # 07 / KBS Exhibit 2 / HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_302	AD - Franchise & Consents	RAD 46 Att B p 3	Plant - Account 302 (Intangible Plant)	Allocation follows Original Cost Plant of 302 Account	Plant in Service
Rate Base	Depreciation Reserve	108_303	AD - Intangible	RAD 46 Att B p 3	Plant - Account 303 (Intangible Plant)	Allocation follows Original Cost Plant of 303 Account	Plant in Service
Rate Base	Depreciation Reserve	108_350	AD - Land (TRN)	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_352	AD - Structures	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_353	AD - Station Equipment	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_354	AD - Towers And Fixtures	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_355	AD - Poles And Fixtures	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_356	AD - Overhd Conductr, Devices	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_357	AD - Underground Conduit	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_358	AD - Undergrnd Conductr,Devices	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_359	AD - Roads And Trails	RAD 46 Att B p 3	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Rate Base	Depreciation Reserve	108_360	AD - Land	RAD 46 Att B p 3	D Original Cost Plant, 360 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 361 to 369	Plant in Service
Rate Base	Depreciation Reserve	108_361	AD - Structures	RAD 46 Att B p 3	Plant - Account 361 (Structures)	Allocation follows Original Cost Plant of 361 Account	Plant in Service
Rate Base	Depreciation Reserve	108_362	AD - Station	RAD 46 Att B p 3	Plant - Account 362 (Station)	Allocation follows Original Cost Plant of 362 Account	Plant in Service
Rate Base	Depreciation Reserve	108_364	AD - Poles	RAD 46 Att B p 3	Plant - Account 364 (Poles)	Allocation follows Original Cost Plant of 363 Account	Plant in Service
Rate Base	Depreciation Reserve	108_365	AD - Conductors	RAD 46 Att B p 3	Plant - Account 365 (OH Conductors)	Allocation follows Original Cost Plant of 365 Account	Plant in Service
Rate Base	Depreciation Reserve	108_366	AD - Underground Conduit	RAD 46 Att B p 3	Plant - Account 366 (UG Conduits)	Allocation follows Original Cost Plant of 366 Account	Plant in Service
Rate Base	Depreciation Reserve	108_367	AD - Underground Conductors	RAD 46 Att B p 3	Plant - Account 367 (UG Conductors)	Allocation follows Original Cost Plant of 367 Account	Plant in Service
Rate Base	Depreciation Reserve	108_368	AD - XFMRs	RAD 46 Att B p 3	Plant - Account 368 (Transformers)	Allocation follows Original Cost Plant of 368 Account	Plant in Service
Rate Base	Depreciation Reserve	108_369	AD - Services	RAD 46 Att B p 3	Plant - Account 369 (Services)	Allocation follows Original Cost Plant of 369 Account	Plant in Service
Rate Base	Depreciation Reserve	108_370	AD - Meters	RAD 46 Att B p 3	Plant - Account 370 (Meters)	Allocation follows Original Cost Plant of 370 Account	Plant in Service
Rate Base	Depreciation Reserve	108_371	AD - Customer Premises	RAD 46 Att B p 3	Plant - Account 371 (Cust Premises)	Allocation follows Original Cost Plant of 371 Account	Plant in Service
Rate Base	Depreciation Reserve	108_372	AD - Leased Property Cust. Prem.	RAD 46 Att B p 3	Plant - Account 372 (Leased Propery - Cust Prem.)	Allocation follows Original Cost Plant of 372 Account	Plant in Service
Rate Base	Depreciation Reserve	108_373	AD - Streetlights	RAD 46 Att B p 3	Plant - Account 373 (Streetlight)	Allocation follows Original Cost Plant of 373 Account	Plant in Service
Rate Base	Depreciation Reserve	108_389	AD - Land	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_390	AD - Structures	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_391	AD - Office Equipment	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_392	AD - Transportation	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_393	AD - Stores Equip.	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_394	AD - Tools & Garage Equip.	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_395	AD - Laboratory	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_396	AD - Power Equipment	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_397	AD - Communication Equip.	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	108_398	AD - Misc. Equipment	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	RWIP_Dist	Retirement Work in Progress - Distribu	RAD 46 Att B p 3	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	RWIP_Trnsm	Retirement Work in Progress - Transm	RAD 46 Att B p 3	Trnsm Original Cost Plant	Allocation Follows Transmission Original Cost Plant	Plant in Service
Rate Base	Depreciation Reserve	RWIP_Gen	Retirement Work in Progress - Genera	RAD 46 Att B p 3	Gen Original Cost Plant	General Plant, Original Cost	Plant in Service
Rate Base	Rate Base Adjustments	235	Customer Deposits	RAD 01 Rate Base	Deposits	Customer Component, All Customers - Weighted for Deposits	HES Exhibit 2, Study # 03
Rate Base	Rate Base Adjustments	252	Customer Advances	RAD 01 Rate Base	Customers - Residential	Allocates to customer charge, based on residential accounts	KMS Exhibit 2
Rate Base	Rate Base Adjustments	ADJ_RB_2	RB Adj. Plant Held for Future Use	RAD 01 Rate Base	D Original Cost Plant, 360 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 361 to 369	Plant in Service
Rate Base	Rate Base Adjustments	ADJ_RB_5	RB Adj. M&S	RAD 01 Rate Base	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Rate Base Adjustments	ADJ_RB_6	RB Adj. Storm Damage Normalization	RAD 01 Rate Base	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Rate Base Adjustments	ADJ_RB_7	RB Adj. Adjustment for Retired Legacy Meters	RAD 01 Rate Base	D Original Cost Plant, 360 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 361 to 369	Plant in Service
Rate Base	Rate Base Adjustments	ADJ_RB_9	RB Adj. Operating Reserves	RAD 01 Rate Base	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Rate Base Adjustments	CWC	Cash Working Capital	RAD 01 Rate Base	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Rate Base Adjustments	RB_DIT_LIB	Deferred Tax - Liberalized Depreciation	RAD 01 Rate Base	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Rate Base	Rate Base Adjustments	RB_OP_RES	Operating Reserves	RAD 01 Rate Base	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Revenue	Revenue	450	OR - Forefeited Discount Revenue	Other Revenues 450-454	Forfeited Discounts	Customer Component, All Customers - Weighted for Forfeited Discounts	HES Exhibit 2, Study # 04
Revenue	Revenue	451	OR - Misc. Service Revenues	Other Revenues 450-454	Customers - Secondary	Allocates to customer charge, based on secondary customer counts	KMS Exhibit 2
Revenue	Revenue	454POLE	OR - Pole Rent	HES Exhibit 2, Study # 09	Plant - Account 364 (Poles)	Allocation follows Original Cost Plant of 363 Account	Plant in Service
Revenue	Revenue	454RENT	OR - Lease Rent	HES Exhibit 2, Study # 09	Labor Expense - Total	Allocation follows Total Labor Expense	HES Exhibit 2, Study # 05
Revenue	Revenue	456AECNITS	OR - AEC wheeling NITS	HES Exhibit 2, Study # 09	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Revenue	Revenue	456MISC	OR - Misc. Revenue	HES Exhibit 2, Study # 09	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service

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Type	Section	FERC Account	Account Description	Source of Total Dollars	Allocator Method	Method Description	Method Source
Revenue	Revenue	456SCRAP	OR - NUG/TMI	HES Exhibit 2, Study # 09	D Original Cost Plant, 360 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 361 to 369	Plant in Service
Expense	O & M Expenses	575	Operation-regional market expense	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	561	OP - Operation supervision and engine	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	565	OP - Transmission of electricity by othe	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	566	OP - Miscellaneous transmission exper	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	568	MN - Maintenance supervision and eng	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	569	MN - Maintenance of structures	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	570	MN - Maintenance of station equipmen	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	571	MN - Maintenance of overhead lines	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	573	MN - Maintenance of miscellaneous tra	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	580	OP - Supv. & Engineering	RAD 55 P&L Summary	D Original Cost Plant, 580 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 581 to 589	O & M
Expense	O & M Expenses	581	OP - Dispatching	RAD 55 P&L Summary	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Expense	O & M Expenses	582	OP - Station expenses	RAD 55 P&L Summary	#N/A	#N/A	#N/A
Expense	O & M Expenses	583	OP - Overhead Line	RAD 55 P&L Summary	D Original Cost Plant, 360 OH	Allocation follows Distribution Original Cost Plant, Account 365	Plant in Service
Expense	O & M Expenses	584	OP - Underground lines expenses	RAD 55 P&L Summary	Plant - Account 367 (UG Conductors)	Allocation follows Original Cost Plant of 367 Account	Plant in Service
Expense	O & M Expenses	586	OP - Meter	RAD 55 P&L Summary	Plant - Account 370 (Meters)	Allocation follows Original Cost Plant of 370 Account	Plant in Service
Expense	O & M Expenses	588	OP - Misc. Expenses	RAD 55 P&L Summary	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Expense	O & M Expenses	589	MN - Rents	RAD 55 P&L Summary	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Expense	O & M Expenses	590	MN - Supv. & Engineering	RAD 55 P&L Summary	D Original Cost Plant, 590 Accounts	Allocation follows Distribution Original Cost Plant, Accounts 591 to 599	O & M
Expense	O & M Expenses	591	MN - Structures	RAD 55 P&L Summary	Plant - Account 361 (Structures)	Allocation follows Original Cost Plant of 361 Account	Plant in Service
Expense	O & M Expenses	592	MN - Station	RAD 55 P&L Summary	Plant - Account 362 (Station)	Allocation follows Original Cost Plant of 362 Account	Plant in Service
Expense	O & M Expenses	593	MN - OH Concuctors	RAD 55 P&L Summary	Plant - Account 365 (OH Conductors)	Allocation follows Original Cost Plant of 365 Account	Plant in Service
Expense	O & M Expenses	594	MN - UG Concuctors	RAD 55 P&L Summary	Plant - Account 367 (UG Conductors)	Allocation follows Original Cost Plant of 367 Account	Plant in Service
Expense	O & M Expenses	595	MN - XFMRs	RAD 55 P&L Summary	Plant - Account 368 (Transformers)	Allocation follows Original Cost Plant of 368 Account	Plant in Service
Expense	O & M Expenses	596	MN - Streetlights	RAD 55 P&L Summary	Plant - Account 373 (Streetlight)	Allocation follows Original Cost Plant of 373 Account	Plant in Service
Expense	O & M Expenses	597	MN - Meters	RAD 55 P&L Summary	Plant - Account 370 (Meters)	Allocation follows Original Cost Plant of 370 Account	Plant in Service
Expense	O & M Expenses	598	MN - Maintenance of miscellaneous	RAD 55 P&L Summary	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Expense	O & M Expenses	902	Customer Account Supervision	RAD 55 P&L Summary	Meter Reading Expense	Customer Component, All Customers - Weighted for Meter Reading Expense	HES Exhibit 2, Study # 04
Expense	O & M Expenses	903	Customer Account Collections	RAD 55 P&L Summary	Collections Expense	Customer Component, All Customers - Weighted for Collections Expenses	HES Exhibit 2, Study # 04
Expense	O & M Expenses	904	Customer Account Uncollectables	RAD 55 P&L Summary	Uncollectibles	Customer Component, All Customers - Weighted for Uncollectibles Expenses	HES Exhibit 2, Study # 04
Expense	O & M Expenses	905	Customer Account Accounts	RAD 55 P&L Summary	Customer Accounting Expenses	Customer Component, All Customers - Weighted for Misc. Customer Acctg Expenses	HES Exhibit 2, Study # 04
Expense	O & M Expenses	907	Customer Info Supervision	RAD 55 P&L Summary	Customer Information Expenses	Customer Component, All Customers - Weighted for Information Assistance Expenses	HES Exhibit 2, Study # 04
Expense	O & M Expenses	908	Customer Info Assistance Dist.	RAD 55 P&L Summary	Customer Information Assistance	Customer Component, All Customers - Weighted for Information Expenses	HES Exhibit 2, Study # 04
Expense	O & M Expenses	909	Customer Info Advertising Dist.	RAD 55 P&L Summary	Customers - Secondary	Allocates to customer charge, based on secondary customer counts	KMS Exhibit 2
Expense	O & M Expenses	910	Customer Info Misc. Expense	RAD 55 P&L Summary	Customer Information Expenses	Customer Component, All Customers - Weighted for Information Assistance Expenses	HES Exhibit 2, Study # 04
Expense	O & M Expenses	913	Advertising expenses	RAD 55 P&L Summary	Customers - Total	Allocates to customer charge, based on total customer counts	KMS Exhibit 2
Expense	O & M Expenses	920	A&G Salaries	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	921	A&G Office Supplies	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	922	A&G Admin. Expenses	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	923	A&G Outside Services	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	924	A&G Property Insurance	RAD 55 P&L Summary	Dist Net Plant	Allocation follows Distribution Net Plant	Plant in Service / Depreciation Reserve
Expense	O & M Expenses	925	A&G Injury and Damages	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	926	A&G Pension and Benefits	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	928	Regulatory Commission Expense	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	931	A&G Misc. Rent	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	935	A&G Maint. Of General Plant	RAD 55 P&L Summary	Gen Original Cost Plant	General Plant, Original Cost	Plant in Service
Expense	O & M Expenses	930_1	A&G General Advertising	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	930_2	A&G Misc. Expense	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_4a	IS Adj. Distribution Payroll	RAD 02 Income Statement	Labor Expense - Distribution	Allocation follows Distribution Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_4c	IS Adj. Distribution Reaquired Debt	RAD 02 Income Statement	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Expense	O & M Expenses	ADJ_IS_5a	IS Adj. Customer Accounts Payroll	RAD 02 Income Statement	Labor Expense - Customer Accounts	Allocation follows Customer Accounts Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_5b	IS Adj. Customer Accounts Deposits	RAD 02 Income Statement	Deposits	Customer Component, All Customers - Weighted for Deposits	HES Exhibit 2, Study # 03
Expense	O & M Expenses	ADJ_IS_5c	IS Adj. Customer Accounts Uncollectables	RAD 02 Income Statement	Customers - Residential	Allocates to customer charge, based on residential accounts	KMS Exhibit 2
Expense	O & M Expenses	ADJ_IS_5d	IS Adj. Customer Accounts No. of Cust.	RAD 02 Income Statement	Customers - Total	Allocates to customer charge, based on total customer counts	KMS Exhibit 2
Expense	O & M Expenses	ADJ_IS_6	IS Adj. Customer Service Payroll	RAD 02 Income Statement	Labor Expense - Customer Information	Allocation follows Customer Information Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_7a	IS Adj. Cash Pension	RAD 02 Income Statement	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_7b	IS Adj. Other Employee Benefit Costs	RAD 02 Income Statement	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_7c	IS Adj. A&G Non-Juris. Expense	RAD 02 Income Statement	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Expense	O & M Expenses	ADJ_IS_7d	IS Adj. A&G Rate Case Expense	RAD 02 Income Statement	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05

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Type	Section	FERC Account	Account Description	Source of Total Dollars	Allocator Method	Method Description	Method Source
Expense	O & M Expenses	ADJ_IS_7e	IS Adj. A&G Legacy Meters	RAD 02 Income Statement	Customers - Total	Allocates to customer charge, based on total customer counts	KMS Exhibit 2
Expense	O & M Expenses	ADJ_IS_7e	IS Adj. A&G Accelerated Switching Expense	RAD 02 Income Statement	Customers - Total	Allocates to customer charge, based on total customer counts	KMS Exhibit 2
Expense	O & M Expenses	ADJ_IS_7f	IS Adj. Accelerated Switching	RAD 02 Income Statement	Expense - Total A & G Less Adj.	Allocation follows Total O & M Expense, less adjustments to O & M	O & M
Expense	O & M Expenses	IS_BTL	Balancing Transmission Losses in PTC	Transmission in PTC	Trnsm Original Cost Plant	Allocation Follows Transmission Original Cost Plant	Plant in Service
Other Expense	Depreciation & Amortization	403_303	DE - Intangible	RAD 53 Attach A	Plant - Account 303 (Intangible Plant)	Allocation follows Original Cost Plant of 303 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_350	DE - Land (TRN)	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_352	DE - Structures	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_353	DE - Station Equipment	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_354	DE - Towers And Fixtures	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_355	DE - Poles And Fixtures	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_356	DE - Overhd Conductr, Devices	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_357	DE - Underground Conduit	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_358	DE - Undergrnd Conductr,Devices	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_359	DE - Roads And Trails	RAD 53 Attach A	Demand - Non-Concident Peak	Non-Coincident Peak Contribution to Zonal Peak (1NCP)	HES Exhibit 2, Study # 01
Other Expense	Depreciation & Amortization	403_360	DE - Land	RAD 53 Attach A	Plant - Account 360 (Land)	Allocation follows Original Cost Plant of 360 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_361	DE - Structures	RAD 53 Attach A	Plant - Account 361 (Structures)	Allocation follows Original Cost Plant of 361 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_362	DE - Station	RAD 53 Attach A	Plant - Account 362 (Station)	Allocation follows Original Cost Plant of 362 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_364	DE - Poles	RAD 53 Attach A	Plant - Account 364 (Poles)	Allocation follows Original Cost Plant of 363 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_365	DE - OH Conductors	RAD 53 Attach A	Plant - Account 365 (OH Conductors)	Allocation follows Original Cost Plant of 365 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_366	DE - Underground Conduit	RAD 53 Attach A	Plant - Account 366 (UG Conduits)	Allocation follows Original Cost Plant of 366 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_367	DE - Underground Conductors	RAD 53 Attach A	Plant - Account 367 (UG Conductors)	Allocation follows Original Cost Plant of 367 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_368	DE - XFMRs	RAD 53 Attach A	Plant - Account 368 (Transformers)	Allocation follows Original Cost Plant of 368 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_369	DE - Services	RAD 53 Attach A	Plant - Account 369 (Services)	Allocation follows Original Cost Plant of 369 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_370	DE - Meters	RAD 53 Attach A	Plant - Account 370 (Meters)	Allocation follows Original Cost Plant of 370 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_371	DE - Customer Premises	RAD 53 Attach A	Plant - Account 371 (Cust Premises)	Allocation follows Original Cost Plant of 371 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_372	DE - Leased Property Cust. Prem.	RAD 53 Attach A	Plant - Account 372 (Leased Propery - Cust Prem.)	Allocation follows Original Cost Plant of 372 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_373	DE - Streetlight	RAD 53 Attach A	Plant - Account 373 (Streetlight)	Allocation follows Original Cost Plant of 373 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_389	DE - Land	RAD 53 Attach A	Plant - Account 389 (Land - Misc)	Allocation follows Original Cost Plant of 389 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_390	DE - Structures	RAD 53 Attach A	Plant - Account 390 (Structures - Misc)	Allocation follows Original Cost Plant of 390 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_391	DE - Office Equipment	RAD 53 Attach A	Plant - Account 391 (Office Equipment)	Allocation follows Original Cost Plant of 391 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_392	DE - Transportation	RAD 53 Attach A	Plant - Account 392 (Transportation)	Allocation follows Original Cost Plant of 392 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_393	DE - Stores Equipment	RAD 53 Attach A	Plant - Account 393 (Stores)	Allocation follows Original Cost Plant of 393 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_394	DE - Tools & Garage Equip.	RAD 53 Attach A	Plant - Account 394 (Tools & Garage Equipment)	Allocation follows Original Cost Plant of 394 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_395	DE - Laboratory	RAD 53 Attach A	Plant - Account 395 (Laboratory)	Allocation follows Original Cost Plant of 395 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_396	DE - Power Equipment	RAD 53 Attach A	Plant - Account 396 (Power Equipment)	Allocation follows Original Cost Plant of 396 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_397	DE - Communications Equipment	RAD 53 Attach A	Plant - Account 397 (Communications Equipment)	Allocation follows Original Cost Plant of 397 Account	Plant in Service
Other Expense	Depreciation & Amortization	403_398	DE - Misc. Equipment	RAD 53 Attach A	Plant - Account 398 (Misc. Equipment)	Allocation follows Original Cost Plant of 398 Account	Plant in Service
Other Expense	Depreciation & Amortization	404_5	Amortization and depletion of utility plant	RAD 55 P&L Summary	D & G Original Cost Plant	Allocation follows Distribution and General Original Cost Plant	Plant in Service
Other Expense	Depreciation & Amortization	407_Dist	Amortization - Rate Case Expense	Amortization UIP	Customers - Total	Allocates to customer charge, based on total customer counts	KMS Exhibit 2
Other Expense	Depreciation & Amortization	407_SMIP	Amortization - SMIP Legacy Meters	Amortization UIP	Meter Plant	Customer Component, All Customers - Weighted for Meter Plant Costs	HES Exhibit 2, Study # 08
Other Expense	Depreciation & Amortization	407_SMT	Amortization - Smart Meter	Amortization UIP	Meter Plant	Customer Component, All Customers - Weighted for Meter Plant Costs	HES Exhibit 2, Study # 08
Other Expense	Depreciation & Amortization	407_WAV	Amortization - Waverly	Amortization UIP	Direct Assignment - Waverly	Direct Assignment to Waverly customer component	NA
Other Expense	Depreciation & Amortization	411_1	Accretion expense	RAD 55 P&L Summary	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Other Expense	Depreciation & Amortization	ADJ_IS_8a	IS Adj - Cost of Removal/Salvage	RAD 02 Income Statement	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Other Expense	Depreciation & Amortization	ADJ_IS_8c	IS Adj - Average net Salvage	RAD 02 Income Statement	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Other Expense	Depreciation & Amortization	ADJ_IS_8d	IS Adj - DE Accelerated Dep. Legacy Meters	RAD 02 Income Statement	Meter Plant	Customer Component, All Customers - Weighted for Meter Plant Costs	HES Exhibit 2, Study # 08
Other Expense	Depreciation & Amortization	ADJ_IS_9	IS Adj - Amortization Expense	RAD 02 Income Statement	Dist Original Cost Plant	Allocation Follows Distribution Original Cost Plant	Plant in Service
Other Expense	Taxes other than Income	408_1CAP	OT - Capital Stock Tax	RAD 32 Tax OTI	D & G Original Cost Plant	Allocation follows Distribution and General Original Cost Plant	Plant in Service
Other Expense	Taxes other than Income	408_1LND	OT - Property Tax	RAD 32 Tax OTI	D & G Original Cost Plant	Allocation follows Distribution and General Original Cost Plant	Plant in Service
Other Expense	Taxes other than Income	408_1MISC	OT - Misc. Tax	RAD 32 Tax OTI	D & G Original Cost Plant	Allocation follows Distribution and General Original Cost Plant	Plant in Service
Other Expense	Taxes other than Income	408_1PAY	OT - Payroll Tax	RAD 32 Tax OTI	Labor Expense - Total	Allocation follows Total Labor Expense	HES Exhibit 2, Study # 05
Other Expense	Taxes other than Income	ADJ_IS_10a	IS Adj. Payroll Tax	RAD 02 Income Statement	Labor Expense - Total	Allocation follows Total Labor Expense	HES Exhibit 2, Study # 05
Other Expense	Taxes other than Income	ADJ_IS_10b	IS Adj. Other Tax	RAD 02 Income Statement	Labor Expense - Total	Allocation follows Total Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	580L	OP - Supv. & Engineering Labor	HES Exhibit 2, Study # 05	Expense - Account 580 (OP - Supv. & Engineering)	Allocation follows O & M Expense of 580 Account	O & M
Labor	Labor	581L	OP - Dispatching Labor	HES Exhibit 2, Study # 05	Expense - Account 581 (OP - Dispatching)	Allocation follows O & M Expense of 581 Account	O & M
Labor	Labor	582L	OP- Distribution Expense Station Labor	HES Exhibit 2, Study # 05	Plant - Account 362 (Station)	Allocation follows Original Cost Plant of 362 Account	Plant in Service

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY
OVERVIEW OF ACCOUNTS

Type	Section	FERC Account	Account Description	Source of Total Dollars	Allocator Method	Method Description	Method Source
Labor	Labor	583L	OP - Overhead Line Labor	HES Exhibit 2, Study # 05	Expense - Account 583 (OP - Overhead Line)	Allocation follows O & M Expense of 583 Account	O & M
Labor	Labor	586L	OP - Meter Labor	HES Exhibit 2, Study # 05	Expense - Account 586 (OP - Meter)	Allocation follows O & M Expense of 586 Account	O & M
Labor	Labor	588L	OP - Misc. Expenses	HES Exhibit 2, Study # 05	Expense - Account 588 (OP - Misc. Expense)	Allocation follows O & M Expense of 588 Account	O & M
Labor	Labor	590L	MN- Supv. & Engineering Labor	HES Exhibit 2, Study # 05	Expense - Account 590 (MN - Supv. & Engineering)	Allocation follows O & M Expense of 590 Account	O & M
Labor	Labor	591L	MN - Structures Labor	HES Exhibit 2, Study # 05	Expense - Account 591 (MN - Structures)	Allocation follows O & M Expense of 591 Account	O & M
Labor	Labor	592L	MN - Station Labor	HES Exhibit 2, Study # 05	Expense - Account 592 (MN - Station)	Allocation follows O & M Expense of 592 Account	O & M
Labor	Labor	593L	MN - OH Conductors Labor	HES Exhibit 2, Study # 05	Expense - Account 593 (MN - OH Conductors)	Allocation follows O & M Expense of 593 Account	O & M
Labor	Labor	595L	MN - XFMRs Labor	HES Exhibit 2, Study # 05	Expense - Account 595 (MN - XFMRs)	Allocation follows O & M Expense of 595 Account	O & M
Labor	Labor	596L	MN - Streetlights Labor	HES Exhibit 2, Study # 05	Expense - Account 596 (MN - Streetlights)	Allocation follows O & M Expense of 596 Account	O & M
Labor	Labor	597L	MN - Meters Labor	HES Exhibit 2, Study # 05	Expense - Account 597 (MN - Meters)	Allocation follows O & M Expense of 597 Account	O & M
Labor	Labor	902L	Customer Account Supervision - Labor	HES Exhibit 2, Study # 05	Expense - Account 902 (Cust Acct Supervision)	Allocation follows O & M Expense of 902 Account	O & M
Labor	Labor	903L	Customer Account Collections - Labor	HES Exhibit 2, Study # 05	Expense - Account 903 (Cust Acct Collections)	Allocation follows O & M Expense of 903 Account	O & M
Labor	Labor	905L	Customer Account Accounts - Labor	HES Exhibit 2, Study # 05	Expense - Account 905 (Cust Acct Accounts)	Allocation follows O & M Expense of 905 Account	O & M
Labor	Labor	907L	Customer Info Supervision Labor	HES Exhibit 2, Study # 05	Expense - Account 907 (Cust Info Supervision)	Allocation follows O & M Expense of 907Account	O & M
Labor	Labor	908L	Customer Info Assistance Labor	HES Exhibit 2, Study # 05	Expense - Account 908 (Cust Info Assistance)	Allocation follows O & M Expense of 908 Account	O & M
Labor	Labor	909L	Customer Info Advertising Labor	HES Exhibit 2, Study # 05	Expense - Account 909 (Cust Info Advertising)	Allocation follows O & M Expense of 909 Account	O & M
Labor	Labor	910L	Customer Info Misc. Expense Labor	HES Exhibit 2, Study # 05	Expense - Account 910 (Cust Info Misc. Expense)	Allocation follows O & M Expense of 901 Account	O & M
Labor	Labor	920L	A&G Salaries Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	922L	A&G Admin. Expenses Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	923L	A&G Outside Services Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	924L	A&G Property Insurance Labor	HES Exhibit 2, Study # 05	Dist Net Plant	Allocation follows Distribution Net Plant	Plant in Service / Depreciation Reserve
Labor	Labor	925L	A&G Injury and Damages Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	926L	A&G Pension and Benefits Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	930_1L	A&G General Advertising Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	930_2L	A&G Misc. Expense Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	931L	A&G Rent Labor	HES Exhibit 2, Study # 05	Labor Expense - less A & G	Allocation follows Labor Expense, Less A&G Labor Expense	HES Exhibit 2, Study # 05
Labor	Labor	935L	A&G Maint. Of General Plant Labor	HES Exhibit 2, Study # 05	Expense - Account 935 (A&G Maint. General Plant)	Allocation follows O & M Expense of 935 Account	O & M

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
PROPOSED RATES, $1,000s

	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
RATE BASE												
Plant in Service	612,330	439,759	285	35,590	63,684	16,063	31,778	3,454	439	6,016	13,013	2,250
Depreciation Reserve	192,225	137,105	85	10,685	18,885	4,802	9,144	1,020	123	3,315	7,065	(3)
Net Plant	420,105	302,654	199	24,904	44,799	11,261	22,634	2,434	316	2,701	5,948	2,254
Rate Base Additions	41,626	30,344	19	2,465	4,133	1,015	2,118	224	29	360	800	119
Rate Base Deductions	102,803	73,703	48	6,607	10,586	2,420	5,033	551	76	1,020	2,219	541
Rate Base Other Total	(61,177)	(43,360)	(29)	(4,141)	(6,453)	(1,405)	(2,914)	(327)	(47)	(660)	(1,420)	(422)
Rate Base Total	358,928	259,294	171	20,763	38,347	9,856	19,720	2,108	269	2,040	4,529	1,832
INCOME STATEMENT												
Revenue												
Tariff Revenue Total	108,605	79,164	72	3,983	15,099	3,556	3,260	197	77	356	1,223	1,618
Other Revenue Total	2,923	2,344	1	196	200	34	77	11	2	22	31	6
Retail Total	111,528	81,508	73	4,180	15,300	3,590	3,337	208	79	378	1,253	1,624
Expenses												
Total Operation & Maintenance Expense	32,732	25,814	14	1,886	1,964	311	2,308	93	18	119	88	117
Depreciation Expense	19,931	14,288	10	1,316	1,888	395	967	103	18	179	410	358
Other Expenses Amortization Expense Total	(382)	(253)	(0)	(40)	(35)	(2)	(15)	(2)	(1)	(0)	(0)	(34)
Taxes Other than Income Taxes Excl GRT	1,714	1,292	1	112	129	23	121	6	1	9	12	10
Gross Receipts Tax	6,408	4,671	4	235	891	210	192	12	5	21	72	95
Total Operating Expense	60,403	45,812	28	3,509	4,837	937	3,573	212	41	327	582	546
Income Before Taxes	51,125	35,696	45	671	10,463	2,653	(237)	(4)	38	50	672	1,078
Income taxes												
Current State Income Tax	4,517	3,155	4	37	967	242	(49)	(5)	3	2	57	105
Current Federal Income Tax	14,245	9,949	13	115	3,048	763	(155)	(16)	10	5	181	331
Provision for Deferred Income Taxes	1,841	1,322	1	107	191	48	96	10	1	18	39	7
Investent Tax Credit Adjustments	(29)	(21)	(0)	(2)	(3)	(1)	(1)	(0)	(0)	(0)	(1)	(0)
Total Income Tax	20,574	14,405	18	257	4,203	1,052	(110)	(11)	15	24	277	442
Net Income After Tax	30,551	21,291	27	414	6,260	1,601	(127)	6	23	26	395	636
Rate of Return	8.51%	8.21%	15.60%	1.99%	16.32%	16.24%	-0.64%	0.31%	8.51%	1.27%	8.72%	34.69%

PENNSYLVANIA POWER COMPANY
COST OF SERVICE STUDY - TOTAL SUMMARY
FULLY FUTURE TEST YEAR
COMPANY PREFERRED ALLOCATION METHOD
EQUAL RATES, $1,000s

	TOTAL RETAIL	RS	GSR	GSS	GSM	GSL	GP	OH	PNP	POL	STLT	GT
RATE BASE												
Plant in Service	612,330	439,759	285	35,590	63,684	16,063	31,778	3,454	439	6,016	13,013	2,250
Depreciation Reserve	192,225	137,105	85	10,685	18,885	4,802	9,144	1,020	123	3,315	7,065	(3)
Net Plant	420,105	302,654	199	24,904	44,799	11,261	22,634	2,434	316	2,701	5,948	2,254
Rate Base Additions	41,626	30,344	19	2,465	4,133	1,015	2,118	224	29	360	800	119
Rate Base Deductions	102,803	73,703	48	6,607	10,586	2,420	5,033	551	76	1,020	2,219	541
Rate Base Other Total	(61,177)	(43,360)	(29)	(4,141)	(6,453)	(1,405)	(2,914)	(327)	(47)	(660)	(1,420)	(422)
Rate Base Total	358,928	259,294	171	20,763	38,347	9,856	19,720	2,108	269	2,040	4,529	1,832
INCOME STATEMENT												
Revenue												
Tariff Revenue Total	108,605	80,580	50	6,441	9,658	2,172	6,539	511	77	624	1,206	746
Other Revenue Total	2,923	2,344	1	196	200	34	77	11	2	22	31	6
Retail Total	111,528	82,924	51	6,638	9,858	2,206	6,616	522	79	646	1,236	753
Expenses												
Total Operation & Maintenance Expense	32,732	25,814	14	1,886	1,964	311	2,308	93	18	119	88	117
Depreciation Expense	19,931	14,288	10	1,316	1,888	395	967	103	18	179	410	358
Other Expenses Amortization Expense Total	(382)	(253)	(0)	(40)	(35)	(2)	(15)	(2)	(1)	(0)	(0)	(34)
Taxes Other than Income Taxes Excl GRT	1,714	1,292	1	112	129	23	121	6	1	9	12	10
Gross Receipts Tax	6,408	4,754	3	380	570	128	386	30	5	37	71	44
Total Operating Expense	60,403	45,895	27	3,654	4,516	855	3,767	230	41	343	581	494
Income Before Taxes	51,124	37,028	24	2,984	5,342	1,351	2,849	291	38	303	656	258
Income taxes												
Current State Income Tax	4,517	3,288	2	268	455	112	259	25	3	27	56	23
Current Federal Income Tax	14,245	10,369	7	844	1,435	352	817	77	10	84	176	73
Provision for Deferred Income Taxes	1,841	1,322	1	107	191	48	96	10	1	18	39	7
Investent Tax Credit Adjustments	(29)	(21)	(0)	(2)	(3)	(1)	(1)	(0)	(0)	(0)	(1)	(0)
Total Income Tax	20,574	14,958	10	1,217	2,078	512	1,171	112	15	129	270	102
Net Income After Tax	30,550	22,070	15	1,767	3,264	839	1,678	179	23	174	385	156
Rate of Return	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%	8.51%