

July 8, 2016

610-929-3601

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

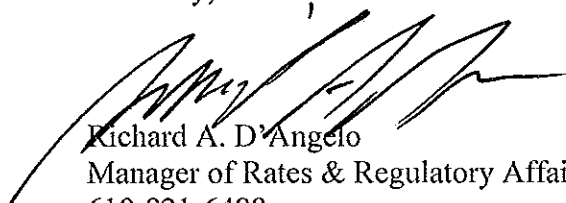
**Re: Correction to Metropolitan Edison Company Electric Pa. P.U.C. No. 52,
Supplement 25 – DSIC Compliance Filing, Docket No. P-2015-2508942**

Dear Secretary Chiavetta:

Transmitted herewith is Pages 58, 61, 63, 70, 74, 82, 84, 175 and 178 which are replacement pages to make corrections to the original DSIC Compliance filing made June 20th. These pages were Issued on June 20, 2016 with an Effective Date of July 1, 2016.

If you have any questions regarding the enclosed documents, please contact me at (610)-921-6498.

Sincerely,



Richard A. D'Angelo
Manager of Rates & Regulatory Affairs-PA
610-921-6498

Enclosures

c: Certificate of Service
Marissa Boyle

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PETITION OF METROPOLITAN : Docket No. P-2015-2508942
EDISON COMPANY FOR APPROVAL :
TO AND IMPLEMENT A :
DISTRIBUTION :
SYSTEM IMPROVEMENT CHARGE :

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a copy of the **Metropolitan Edison Company's Supplement No. 25 to Tariff Electric Pa. P.U.C. No. 52** and accompanying schedules on the following persons in the matter specified in accordance with the requirements of 52 Pa. Code § 1.54:

VIA ELECTRONIC AND FIRST CLASS MAIL

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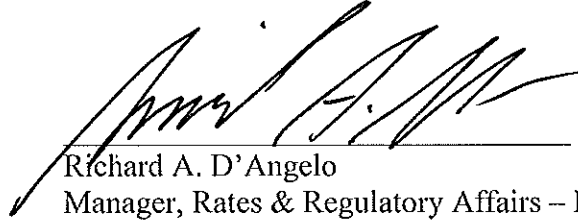
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Respectfully submitted,



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Dated: July 8, 2016

RATE SCHEDULES

RATE RS
RESIDENTIAL SERVICE RATE

AVAILABILITY:

This Rate is available to Residential Customers using the Company's standard, single phase service through a single meter including not more than 2,000 watts of non-residential connected load served through the same meter.

All of the following general monthly charges are applicable to Delivery Service Customers:

GENERAL MONTHLY CHARGES:

Distribution Charge

\$10.25 per month (Customer Charge), plus
3.599 cents per kWh for all kWh

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

Rider A – Tax Adjustment Surcharge

Rider C – Universal Service Cost Rider

Rider F – Phase II Energy Efficiency and Conservation Charge

Rider G – Smart Meter Technologies Charge

Rider J – Default Service Support Charge

Rider N – Solar Photovoltaic Requirements Charge

Rider P – Non-Utility Generation Charge

Rider R – Distribution System Improvement Charge

(C)

(C) Change

RATE SCHEDULES

RATE GS

VOLUNTEER FIRE COMPANY AND NON-PROFIT AMBULANCE SERVICE, RESCUE SQUAD AND SENIOR CENTER SERVICE RATE

AVAILABILITY:

This Rate Schedule is restricted to Volunteer Fire Companies, Non-Profit Ambulance Services, Non-Profit Rescue Squads and Non-Profit Senior Citizen Centers that sign a one (1) year contract.

All of the following general monthly charges are applicable to Delivery Service Customers:

GENERAL MONTHLY CHARGES:

Distribution Charge

\$10.25 per month (Customer Charge), plus
3.599 cents per kWh for all kWh

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

- Rider A – Tax Adjustment Surcharge
- Rider C – Universal Service Cost Charge
- Rider F – Phase II Energy Efficiency and Conservation Charge
- Rider G – Smart Meter Technologies Charge
- Rider J – Default Service Support Charge
- Rider N – Solar Photovoltaic Requirements Charge
- Rider P – Non-Utility Generation Charge
- Rider R – Distribution System Improvement Charge (C)

(C) Change

RATE SCHEDULES

RATE GS-SMALL

GENERAL SERVICE SECONDARY RATE – NON DEMAND METERED

AVAILABILITY:

Available to non-Residential Customers without demand meters that use electric service through a single delivery location for lighting, heating and/or power service. Secondary voltage shall be supplied to Customers at a single transformer location when load does not require transformer capacity in excess of 2,500 KVA. Upon a Customer’s request, the Company may, at its option, provide transformers having a capacity of greater than 2,500 KVA.

If an existing Customer’s total consumption exceeds 1,500 KWH per month for two (2) consecutive months, the Customer shall no longer be eligible for service under this Rate Schedule GS-Small. Based upon the Company’s then estimate of the Customer’s new demand, the Customer shall be placed on Rate Schedule GS-Medium or such other Rate Schedule for which such Customer most qualifies.

All of the following general monthly charges are applicable to Delivery Service Customers:

GENERAL MONTHLY CHARGES:

Distribution Charge

\$16.53 per month for single phase (Customer Charge), plus

2.680 cents per kWh for all billed kWh

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

Rider A – Tax Adjustment Surcharge

Rider F – Phase II Energy Efficiency and Conservation Charge

Rider G – Smart Meter Technologies Charge

Rider J – Default Service Support Charge

Rider N – Solar Photovoltaic Requirements Charge

Rider P – Non-Utility Generation Charge

Rider R – Distribution System Improvement Charge

(C)

(C) Change

RATE SCHEDULES

RATE GS-LARGE
GENERAL SERVICE SECONDARY RATE

AVAILABILITY:

This Rate is available to non-Residential Customers using electric service through a single delivery location for lighting, heating and/or power service whose registered demand is equal to or greater than 400 KW in two (2) consecutive months. Secondary voltage shall be supplied to Customers at a single transformer location when load does not require transformer capacity in excess of 2,500 KVA. Upon a Customer's request, the Company may, at its option, provide transformers having a capacity of greater than 2,500 KVA.

New Customers requiring transformer capacity in excess of 2,500 KVA and existing Customers whose load increases such that a transformer change is required (over 2,500 KVA) shall be required to take untransformed service.

All of the following general monthly charges are applicable to Delivery Service Customers:

GENERAL MONTHLY CHARGES:

Distribution Charge

\$143.31 per month (Customer Charge), plus

\$3.02 per kW for all billing kW

\$0.20 for each rkVA of Reactive Billing Demand

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

Rider A – Tax Adjustment Surcharge

Rider F – Phase II Energy Efficiency and Conservation Charge

Rider G – Smart Meter Technologies Charge

Rider J – Default Service Support Charge

Rider N – Solar Photovoltaic Requirements Charge

Rider P – Non-Utility Generation Charge

Rider R – Distribution System Improvement Charge

(C)

(C) Change

RATE SCHEDULES

Rate GP (continued)

GENERAL MONTHLY CHARGES:

Distribution Charge

\$748.37 per month, plus

Demand

\$2.04 per kW for all billed kW

\$0.20 for each rkVA of Reactive Billing Demand

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

Rider A – Tax Adjustment Surcharge

Rider F – Phase II Energy Efficiency and Conservation Charge

Rider G – Smart Meter Technologies Charge

Rider J – Default Service Support Charge

Rider N – Solar Photovoltaic Requirements Charge

Rider P – Non-Utility Generation Charge

Rider R – Distribution System Improvement Charge

(C)

DEFAULT SERVICE CHARGES:

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

(C) Change

RATE SCHEDULES

RATE MS
MUNICIPAL SERVICE RATE

AVAILABILITY (RESTRICTED):

THE AVAILABILITY OF THIS RATE SCHEDULE TO CUSTOMERS HAS BEEN RESTRICTED SINCE OCTOBER 19, 1983.

Municipal lighting, and/or power and/or heating service used by counties, cities, boroughs, townships and public school districts for public purposes only and not applicable to service where counties, cities, boroughs, townships or public school districts are compensated in any form (other than admissions collected by such bodies) for the use of any of the facilities for which service is supplied.

Secondary Voltage: Secondary voltage will be supplied by the Company to Customers at a single transformer location when load does not require transformer capacity in excess of 2,500 KVA.

Primary Voltage: New Customers requiring transformer capacity in excess of 2,500 KVA and existing Customers whose load increases such that a transformer change is required (over 2,500 KVA) shall be required to take untransformed service.

All of the following general monthly charges are applicable to Delivery Service Customers:

GENERAL MONTHLY CHARGES:

Distribution Charge

\$34.37 per month (Customer Charge), plus
2.613 cents per kWh for all kWh

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

- Rider A – Tax Adjustment Surcharge
- Rider F – Phase II Energy Efficiency and Conservation Charge
- Rider G – Smart Meter Technologies Charge
- Rider J – Default Service Support Charge
- Rider N – Solar Photovoltaic Requirements Charge
- Rider P – Non-Utility Generation Charge
- Rider R – Distribution System Improvement Charge (C)

(C) Change

SERVICES

BORDERLINE SERVICE

AVAILABILITY:

Borderline Service is available to public utility companies for resale in adjacent service territory to the Company under reciprocal agreements between the Company and other public utility companies, subject to the following conditions:

- A. A request shall be made in writing for each point of supply where service is desired.
- B. Borderline service may be supplied in the Company's sole and exclusive discretion when it has available adequate capacity to serve the requested location(s).
- C. When such service is supplied, energy shall be supplied at sixty (60) cycle alternating current, at such potential and of such phase as may be mutually agreed upon.

All of the following general monthly charges are applicable to Delivery Service Customers.

GENERAL MONTHLY CHARGES:

Distribution Charge

2.960 cents per kWh for all kWh

RIDERS

Bills rendered under this schedule are subject to the following applicable Rider Charges:

- Rider A – Tax Adjustment Surcharge
- Rider J – Default Service Support Charge
- Rider N – Solar Photovoltaic Requirements Charge
- Rider P – Non-Utility Generation Charge
- Rider R – Distribution System Improvement Charge (C)

(C) Change

RIDERS

RIDER R
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

In addition to the net charges provided for in this Tariff, a charge of 0.04% will apply consistent with the Commission Order dated June 9, 2016 at Docket No. P-2015-2508942, approving the Distribution System Improvement Charge ("DSIC"). This charge will be effective during the period July 1, 2016 through September 30, 2016.

1. General Description

- A. Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide Metropolitan Edison Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

- B. Eligible Property: The DSIC-eligible property will consist of the following:

- Poles and towers (account 364);
- Overhead conductors (account 365) and underground conduit and conductors (accounts 366 and 367);
- Line transformers (account 368) and substation equipment (account 362);
- Any fixture or device related to eligible property listed above, including insulators, circuit breakers, fuses, reclosers, grounding wires, crossarms and brackets, relays, capacitors, converters and condensers;
- Unreimbursed costs related to highway relocation projects where an electric distribution company must relocate its facilities; and
- Other related capitalized costs.

- C. Effective Date: The DSIC will become effective July 1, 2016.

RIDERS

Rider R (Continued)

3. Quarterly Updates:

Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

4. Customer Safeguards

- A. Cap: The DSIC is capped at 5.0% of the amount billed to customers for distribution service (including all applicable clauses and riders) as determined on an annualized basis.
- B. Audit/Reconciliation: The DSIC is subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, *et seq.*, shall be credited to customer accounts. The DSIC is subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year. The revenue received under the DSIC for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on over-collections and credits will be calculated at the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, *et seq.*) and will be refunded in the same manner as an over-collection.
- C. New Base Rates: The DSIC will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had previously been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in Metropolitan Edison Company's rates or rate base will be reflected in the quarterly updates of the DSIC.
- D. Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.
- E. Customer classes: Effective July 1, 2016, the DSIC shall be applied equally to all customer classes except Rate Schedule TP
- F. Earning Reports: The DSIC will also be reset at zero if, in any quarter, data filed with the Commission in the Company's then most recent Annual or Quarterly Earnings reports show that the Utility would earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the pre-tax return section.