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October 28, 2021

**VIA ELECTRONIC FILING**Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120**Re:   *Securities Certificate of Pennsylvania Electric Company in Respect of the  
Proposed Issuance and Sale of Debt Securities and/or Credit Facilities;  
Docket No. \_\_\_\_\_***

Dear Secretary Chiavetta:

Enclosed for filing pursuant to Section 1901 of the Public Utility Code (66 Pa.C.S. § 1901) is the Securities Certificate of Pennsylvania Electric Company (“Penelec”) in the above-referenced matter for which Penelec seeks approval of this registration no later than January 13, 2021. Please note that Penelec hereby voluntarily extends the 30-day consideration period contemplated by 66 Pa.C.S. § 1903(a).

Should you have any questions or concerns regarding this information, please feel free to contact me.

Sincerely,



Tori L. Giesler

kbw  
Enclosuresc:   Paul Diskin, Bureau of Technical Utility Services  
      Marc Hoffer, Bureau of Technical Utility Services  
      David Huff, Bureau of Technical Utility Services  
      Erin Laudenslauger, Bureau of Technical Utility Services

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re: Securities Certificate of  
Pennsylvania Electric Company  
in respect of the Proposed Issuance  
and Sale of Debt Securities  
and/or Credit Facilities

SECURITIES CERTIFICATE  
No. \_\_\_\_\_

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pennsylvania Electric Company (the "Applicant") submits this Securities Certificate for registration by the Pennsylvania Public Utility Commission under Chapter 19 of the Public Utility Code, 66 Pa. C.S. §§1901 through 1904, and under regulations promulgated by the Public Utility Commission at 52 Pa. Code §3.601.

1. Name and address of the public utility filing this Securities Certificate:

Pennsylvania Electric Company  
5404 Evans Road  
Erie, Pennsylvania 16509

2. Name and address of Applicant's attorney:

Tori L. Giesler  
FirstEnergy Service Company  
2800 Pottsville Pike  
P.O. Box 16001  
Reading, PA 19612-6001

3. Applicant is a corporation organized under the laws of the Commonwealth of Pennsylvania on June 10, 1919. Its charter provides that the term of existence of Applicant shall be perpetual. It is vested with lawful authority to render electric service for light, heat and power, and is now rendering such service to the public in Armstrong, Bedford, Blair, Bradford, Cambria, Centre, Clarion, Clearfield, Crawford, Cumberland, Erie, Forest, Franklin, Huntingdon,

Indiana, Jefferson, Juniata, Lycoming, McKean, Mifflin, Perry, Potter, Somerset, Sullivan, Susquehanna, Tioga, Venango, Warren, Wayne, Westmoreland and Wyoming Counties, Pennsylvania. Applicant provides electric distribution service to approximately 588,000 customers.

4. Applicant is a public utility and is regulated by the Pennsylvania Public Utility Commission (“Commission”) under the provisions of the Public Utility Code and, of particular relevance, under Chapter 19 of the Public Utility Code, 66 Pa. C.S. §§ 1901-1904, relating to issuance of securities. Applicant is wholly owned subsidiary of FirstEnergy Corp. (“FirstEnergy”). Applicant and FirstEnergy have their corporate headquarters and principal place of business in the City of Erie, Erie County, Pennsylvania and the City of Akron, Summit County, Ohio, respectively.

5. Applicant seeks sufficient flexibility from the Commission to meet its present and future financing needs so that it can respond quickly to then current market conditions when seeking such financing. Applicant believes that it is prudent to secure the necessary Commission approvals for addressing its financing needs, as Applicant has no remaining debt capacity under prior Commission-authorized securities certificates.

Therefore, Applicant, upon Commission approval, proposes from time to time to issue and sell unsecured long or medium-term notes, debentures, and other debt securities, or secured first mortgage bonds (collectively “the Debt Securities”), or any combination thereof, in one or more series, to enter into one or more secured or unsecured loan arrangements (each a “Credit Facility”), or to issue and sell or enter into any combination of Debt Securities and/or Credit Facilities with one or more commercial banks, financial institutions or other institutional

investors, in an aggregate principal amount outstanding at any time with respect to all Debt Securities and Credit Facilities of up to \$500 million.

6. Applicant will issue and sell Debt Securities or enter into the Credit Facilities pursuant to one or more note purchase agreements, indentures, credit agreements, loan agreements, reimbursement agreements, conditional or installment sales agreements or leases, and security agreements or ancillary agreements as applicable.

7. (a) (i) The Debt Securities may be issued in one or more series, each such series to have a term or maturity not to exceed sixty (60) years from the nominal date(s) of issuance. Call provisions, if any, will be determined at time of issuance.

(ii) If the Debt Securities are either unsecured long or medium term notes, debentures, or other debt securities they will be issued under that certain Indenture dated as of April 1, 1999, from Applicant to The Bank of New York Mellon Trust Company, N.A., as trustee, with an address of 4449 Easton Way, Office 2041, Columbus, Ohio (as supplemented or otherwise modified from time to time, the "Note Indenture"). The Applicant currently has \$1.3 billion of Debt Securities outstanding under the Note Indenture. If such Debt Securities are issued under a new indenture between Applicant and a trustee yet to be determined, the Applicant will provide the Commission with the necessary information regarding such trustee, once known, as required by the Commission.

(iii) If the Debt Securities are first mortgage bonds, they will be issued under a new first mortgage bond indenture between Applicant and a trustee yet to be determined (the "First Mortgage Indenture"). The Applicant will provide the Commission with the necessary information regarding such trustee, once known, as required by the Commission. The First

Mortgage Indenture would constitute a first mortgage lien on substantially all of Applicant's utility assets.

(iv) Neither The Bank of New York Mellon Trust Company, N.A., nor any other trustee is or will be an "affiliated interest" of Applicant as that term is defined in Section 2101 of the Public Utility Code, 66 Pa. C.S. § 2101.

(b)(i) Any Credit Facility will be for periods of not more than seven (7) years, and Applicant may in connection with any Credit Facility issue notes ("Credit Notes") that will mature not later than the maturity date with respect to such Credit Facility. A Credit Facility may be used for letter of credit issuances as credit support.

(ii) Prepayment provisions on any Credit Note, if any, will be determined at time of issuance.

(iii) No commercial banks, financial institutions or other institutional investors (the "Lenders") participating in such Credit Facility (including any agents therefore) will be an "affiliated interest" of Applicant as that term is defined in Section 2101 of the Public Utility Code, 66 Pa.C.S. § 2101.

8. (a)(i) The annual interest rate to be borne by each series of Debt Securities, the price to be paid to Applicant, and the compensation to be paid to the underwriters, will be determined at the time of issuance dependent on length of maturity and current market conditions. Further, such interest rate may be fixed or variable or some combination of fixed and variable rates. Applicant will provide the Commission with these associated expenses and rates when they become known.

(ii) Applicant will sell the Debt Securities from time to time through independent underwriters, dealers or agents unaffiliated with Applicant and/or directly to other

purchasers in either negotiated or competitively bid transactions. The applicable offering document will set forth the purchase price of the Debt Securities offered and the proceeds to Applicant from such sale, any underwriting, discounts and other items constituting underwriters' compensation, any initial public offering price and any discounts or concessions allowed or re-allowed or paid to dealers and other specific terms of the particular Debt Securities. The Debt Securities may also be offered and sold by Applicant directly or through agents designated by Applicant from time to time. Any agent involved in the offer or sale of Debt Securities in respect of which an offering document is delivered will be named in, and any commission payable by Applicant to such agent will be set forth in, the applicable offering document.

(iii) The payment dates for interest and principal on the Debt Securities will be determined at time of issuance.

(iv) There will be no assumption by Applicant of taxes on the Debt Securities.

(v) Any sinking fund and other fund provisions will be dependent upon market conditions at the time of issuance.

(b)(i) The annual interest rate to be borne under a Credit Note (as hereinafter defined) and the commitment or facility fees, and other fees and commissions to be paid by Applicant in connection with a Credit Facility (including, but not limited to, arrangement fees, syndication fees and agent fees, and letter of credit exposure and utilization fees) will be determined in negotiations with the Lenders and are dependent on length of maturity and current market conditions. Further, such interest rate may be fixed or variable or some combination of fixed and variable rates. Applicant will provide the Commission with these figures when they become known.

(ii) The payment dates for interest and principal on the Credit Notes will be determined at time of issuance.

(iii) There will be no assumption by Applicant of taxes in connection with the Credit Facilities except for any stamp or documentation taxes that may be imposed in connection with loans under the Credit Facilities.

(c)(i) Applicant's regulatory capitalization as of June 30, 2021 was approximately 51.27% equity and 48.73% debt.

(ii) Applicant's long-term unsecured non-credit enhanced indebtedness currently has a Standard & Poor's credit rating of BB+, a Moody's Investor Services, Inc. credit rating of Baa1, and a Fitch Ratings credit rating of BBB.

9. Applicant's obligations under a Credit Facility may, if market conditions warrant, be secured by Applicant's issuance of Debt Securities pursuant to a First Mortgage Indenture. Such Debt Securities will provide security for the loans and other obligations under a Credit Facility and will have payment and interest rate provisions that match the provisions of loans under the Credit Facility, as the case may be. Applicant would not be required to make any payments of principal and interest pursuant to such Debt Securities so long as all amounts required to be paid under or pursuant to a Credit Facility are paid.

10. Applicant requests that any Commission approval granted to issue the Debt Securities or enter into Credit Facilities, or any combination thereof, not be conditioned on issuance by a date certain and that the Commission's authorization remain in place for up to three years from the date of the Commission's order approving this Securities Certificate.

11. Applicant will incur trustee's fees, trustee's expenses and legal expenses in connection with the issuance of the Debt Securities. In addition, Application may also incur the following fees:

- Independent accountants
- Printing
- Recordation fees and taxes
- Rating Agency fee
- Blue sky fees and expenses
- Miscellaneous

Note that the actual expenses cannot be ascertained prior to issuance and will be provided when they are known.

12. Applicant's current sources of liquidity are (a) cash flows generated from operations; (b) the FirstEnergy Utility Money Pool (the "Money Pool"), participation in which was extended without need for an expiration date by the Commission (see Commission Secretarial Letter dated November 28, 2018 at Docket No. G-00020956) and (c) the Credit Agreement dated as of December 6, 2016 among FirstEnergy, Applicant, the other borrowers named therein, Mizuho Bank, LTD, New York Branch, as administrative agent, and the lending banks, fronting banks and swing line lenders identified therein (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). The Applicant plans to work with its bank group to evaluate and refinance the Credit Agreement with the goal of completing this initiative before the end of the year.

13. The net proceeds from the issuance of Debt Securities and Credit Facilities will be used to: (i) refinance existing indebtedness, including amounts outstanding under the Money Pool and Credit Agreement, if any; (ii) fund capital expenditures; (iii) fund general corporate purposes; or (iv) fund any combination of the above.

14. Any indebtedness issued pursuant to this Securities Certificate will be by private placement and therefore no registration statement will be filed with respect to the Debt Securities and Credit Facilities.

15. Appended hereto (unless otherwise indicated) and made a part hereof are the following exhibits:

- A. Balance Sheet of Applicant at June 30, 2021 (Exhibit A).
- B. Statements of Income and Retained Earnings of Applicant for the twelve months ended June 30, 2021 (Exhibit B).
- C. Statement with respect to utility plant accounts of Applicant as of June 30, 2021 (Exhibit C).
- D. Statement of securities of other corporations owned by Applicant as of June 30, 2021 (Exhibit D).
- E. Statement showing the status of funded debt of Applicant outstanding as of June 30, 2021 (Exhibit E).
- F. Statement showing the status of the outstanding capital stock of Applicant as of June 30, 2021 (Exhibit F).
- G. Proposed journal entries to record the issuance of Debt Securities and the entering into Credit Facilities (Exhibit G).
- H. Copy of resolution of the Board of Directors of Applicant authorizing the proposed transaction covered by this Securities Certificate (to be supplied when available in connection with the issuance of Debt Securities or entering into Credit Facilities).
- I. Copy of Note Indenture.

J. An Affidavit executed by an officer of Applicant is appended to this Securities Certificate.

WHEREFORE, Applicant requests that the Pennsylvania Public Utility Commission register this Securities Certificate pursuant to Chapter 19 of the Public Utility Code, 66 Pa. C.S. § 1901, et seq., as necessary or proper for the present and probable future capital needs of Applicant.

Respectfully submitted,

Date: October 28, 2021



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*Attorney for Pennsylvania Electric Company*

**PENNSYLVANIA ELECTRIC COMPANY**  
**COMPARATIVE BALANCE SHEET (Assets and Other Debits)**

**As of June 30, 2021**

**UTILITY PLANT**

Utility Plant (101-106, 114)	3,390,085,531
Construction Work in Progress (107)	54,257,101
TOTAL Utility Plant (Total of lines 2 and 3)	3,444,342,632
(Less) Accum. Prov. for Depr. Amort. Depl. (108,110,111,115)	1,058,364,957
Net Utility Plant (Total of line 4 less line 5)	2,385,977,675
Nuclear Fuel (120.1-120.4, 120.6)	-
(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	-
Net Nuclear Fuel	-
Net Utility Plant	2,385,977,675

**OTHER PROPERTY AND INVESTMENTS**

Nonutility Property (121)	2,609,139
(Less) Accum. Prov. for Depr. and Amort. (122)	1,750,673
Investments in Associated Companies (123)	-
Investment in Subsidiary Companies (123.1)	470,490,166
	-
Noncurrent Portion of Allowances	-
Other Investments (124)	40,145
Sinking Funds (125)	-
Depreciation Fund (126)	-
Amortization Fund - Federal (127)	-
Other Special Funds (128)	98,301
Special Funds (Non-major only) (129)	-
Long-Term Portion of Derivative Assets (175)	-
Long-Term Portion of Derivative Assets - Hedges (176)	-
TOTAL Other Property and Investments	471,487,078

**PENNSYLVANIA ELECTRIC COMPANY**  
**COMPARATIVE BALANCE SHEET (Assets and Other Debits)**

As of June 30, 2021

**UTILITY PLANT****CURRENT AND ACCRUED ASSETS**

Cash and Working Funds (Non-major only) (130)	-
Cash (131)	-
Special Deposits (132-134)	-
Working Fund (135)	-
Temporary Cash Investments (136)	-
Notes Receivable (141)	-
Customer Accounts Receivable (142)	94,146,744
Other Accounts Receivable (143)	9,710,153
(Less) Accum. Prov. for Uncollectible Acct. - Credit (144)	22,452,456
Notes Receivable from Associated Companies (145)	-
Accounts Receivable from Assoc. Companies (146)	16,329,175
Fuel Stock (151)	-
Fuel Stock Expenses Undistributed (152)	-
Residuals (Elec) and Extracted Products (153)	-
Plant Materials and Operating Supplies (154)	-
Merchandise (155)	-
Other Materials and Supplies (156)	-
Nuclear Materials Held for Sale (157)	-
Allowances (158.1 and 158.2)	-
(Less) Noncurrent Portion of Allowances	-
Stores Expense Undistributed (163)	-
Gas Stored Underground - Current (164.1)	-
Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	-
Prepayments (165)	34,607,502
Advances for Gas (166-167)	-
Interest and Dividends Receivable (171)	-
Rents Receivable (172)	4,014,878
Accrued Utility Revenues (173)	46,673,056
Miscellaneous Current and Accrued Assets (174)	-
Derivative Instrument Assets (175)	-
(Less) Long-Term Portion of Derivative Instrument Assets (175)	-
Derivative Instrument Assets - Hedges (176)	-
(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)	-
Total Current and Accrued Assets	183,029,052

**DEFERRED DEBITS**

Unamortized Debt Expenses (181)	7,477,572
Extraordinary Property Losses (182.1)	-
Unrecovered Plant and Regulatory Study Costs (182.2)	-
Other Regulatory Assets (182.3)	222,729,719
Prelim. Survey and Investigation Charges (Electric) (183)	(41,378)
Preliminary Natural Gas Survey and Investigation Charges (183.1)	-
Other Preliminary Survey and Investigation Charges (183.2)	-
Clearing Accounts (184)	27,189
Temporary Facilities (185)	9,741
Miscellaneous Deferred Debits (186)	645,193,264
Def. Losses from Disposition of Utility Plt. (187)	-
Research Devel. and Demonstration Expend. (188)	25,996
Unamortized Loss on Reacquired Debt (189)	1,234,640
Accumulated Deferred Income Taxes (190)	352,355,872
Unrecovered Purchased Gas Costs (191)	-
Total Deferred Debits	1,229,012,615
<b>TOTAL ASSETS</b>	4,269,506,420

**PENNSYLVANIA ELECTRIC COMPANY**  
**COMPARATIVE BALANCE SHEET (Liabilities and Other Credits)**

As of June 30, 2021

**PROPRIETARY CAPITAL**

Common Stock Issued (201)	88,551,540
Preferred Stock Issued (204)	-
Capital Stock Subscribed (202, 205)	-
Stock Liability for Conversion (203, 206)	-
Premium on Capital Stock (207)	859,868,324
Other Paid-In Capital (208-211)	166,353,116
Installments Received on Capital Stock (212)	-
(Less) Discount on Capital Stock (213)	-
(Less) Capital Stock Expense (214)	-
Retained Earnings (215, 215.1, 216)	225,185,726
Unappropriated Undistributed Subsidiary Earnings (216.1)	25,033,446
(Less) Reacquired Capital Stock (217)	-
Noncorporate Proprietorship (Non-major only) (218)	-
Accumulated Other Comprehensive Income (219)	1,564,452
Total Proprietary Capital	<u>1,366,556,604</u>

**LONG-TERM DEBT**

Bonds (221)	-
(Less) Reacquired Bonds (222)	-
Advances from Associated Companies (223)	-
Other Long-Term Debt (224)	1,300,000,000
Unamortized Premium on Long-Term Debt (225)	-
(Less) Unamortized Discount on Long-Term Debt - Debit (226)	1,237,310
Total Long-Term Debt	<u>1,298,762,690</u>

**OTHER NONCURRENT LIABILITIES**

Obligations Under Capital Leases - Noncurrent (227)	27,358,496
Accumulated Provision for Property Insurance (228.1)	-
Accumulated Provision for Injuries and Damages (228.2)	983,962
Accumulated Provision for Pensions and Benefits (228.3)	167,889,580
Accumulated Miscellaneous Operating Provisions (228.4)	-
Accumulated Provision for Rate Refunds (229)	-
Long-Term Portion of Derivative Instrument Liabilities	-
Long-Term Portion of Derivative Instrument Liabilities - Hedges	-
Asset Retirement Obligations (230)	4,165,401
Total Other Noncurrent Liabilities (Total lines 26-34)	<u>200,397,439</u>

**CURRENT AND ACCRUED LIABILITIES**

**PENNSYLVANIA ELECTRIC COMPANY**  
**COMPARATIVE BALANCE SHEET (Liabilities and Other Credits)**

**As of June 30, 2021**

**PROPRIETARY CAPITAL**

Notes Payable (231)	-
Accounts Payable (232)	46,540,224
Notes Payable to Associated Companies (233)	16,859,509
Accounts Payable to Associated Companies (234)	520,900
Customer Deposits (235)	25,674,377
Taxes Accrued (236)	10,082,679
Interest Accrued (237)	11,904,717
Dividends Declared (238)	-
Matured Long-Term Debt (239)	-
Matured Interest (240)	-
Tax Collections Payable (241)	544,593
Miscellaneous Current and Accrued Liabilities (242)	20,871,080
Obligations Under Capital Leases - Current (243)	7,003,382
Derivative Instrument Liabilities (244)	-
(Less) Long-Term Portion of Derivative Instrument Liabilities	-
Derivative Instrument Liabilities - Hedges (245)	-
(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges	-
Total Current and Accrued Liabilities	140,001,461

**DEFERRED CREDITS**

Customer Advances for Construction (252)	-
Accumulated Deferred Investment Tax Credits (255)	17,902
Deferred Gains from Disposition of Utility Plant (256)	-
Other Deferred Credits (253)	189,342,548
Other Regulatory Liabilities (254)	359,127,266
Unamortized Gain on Reacquired Debt (257)	252,537
Accum. Deferred Income Taxes - Accel. Amort (281)	-
Accum. Deferred Income Taxes - Other Property (282)	565,824,896
Accum. Deferred Income Taxes - Other (283)	149,223,077
Total Deferred Credits (Total lines 56-64)	1,263,788,226
TOTAL Liabilities and Stockholder Equity	4,269,506,420

**Exhibit B**

**PENNSYLVANIA ELECTRIC COMPANY  
STATEMENT OF INCOME**

**12 Months Ended  
June 30, 2021**

**ACCOUNT**

Operating Revenues (400)	797,504,449
Operating Expenses	-
Operation Expenses (401)	363,300,120
Maintenance Expenses (402)	52,944,431
Depreciation Expense (403)	73,628,590
Depreciation Expense for Asset Retirement Costs (403.1)	10,710
Amort. & Depletion of Utility Plant (404-405)	7,516,835
Amort. of Utility Plant Acq. Adj. (406)	-
Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)	-
Amort. of Conversion Expenses (407)	-
Regulatory Debits (407.3)	2,354,918
(Less) Regulatory Credits (407.4)	16,072,315
Taxes Other Than Income Taxes (408.1)	50,964,305
Income Taxes - Federal (409.1)	14,696,900
Income Taxes - Other (409.1)	3,417,868
Provision for Deferred Income Taxes (410.1)	203,633,330
(Less) Provision for Deferred Income Taxes - Cr. (411.1)	200,273,364
Investment Tax Credit Adj. - Net (411.4)	(221,155)
(Less) Gains from Disp. of Utility Plant (411.6)	-
Losses from Disp. of Utility Plant (411.7)	-
(Less) Gains from Disposition of Allowances (411.8)	-
Losses from Disposition of Allowances (411.9)	-
Accretion Expense (411.10)	4,527,435
<b>TOTAL Utility Operating Expenses</b>	<b>560,428,608</b>
Net Utility Operating Income	237,075,841
Other Income and Deductions	-
Other Income	-
Nonutility Operating Income	-
Revenues From Merchandising, Jobbing and Contract Work (415)	4,483,179
(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)	3,261,692
Revenues From Nonutility Operations (417)	-
(Less) Expenses of Nonutility Operations (417.1)	1,856
Nonoperating Rental Income (418)	(42,628)
Equity in Earnings of Subsidiary Companies (418.1)	38,055,564
Interest and Dividend Income (419)	2,538,327
Allowance for Other Funds Used During Construction (419.1)	2,196,779
Miscellaneous Nonoperating Income (421)	1,334,040
Gain on Disposition of Property (421.1)	7,406,099
<b>TOTAL Other Income</b>	<b>52,707,812</b>
Other Income Deductions	-
Loss on Disposition of Property (421.2)	152,925
Miscellaneous Amortization (425)	-
Donations (426.1)	157,665
Life Insurance (426.2)	(1,206,532)
Penalties (426.3)	9,011
Exp. for Certain Civic, Political & Related Activities (426.4)	239,498
Other Deductions (426.5)	30,649
<b>TOTAL Other Income Deductions</b>	<b>(616,784)</b>
Taxes Applic. to Other Income and Deductions	

**Exhibit B**

**PENNSYLVANIA ELECTRIC COMPANY  
STATEMENT OF INCOME**

**12 Months Ended  
June 30, 2021**

<b>ACCOUNT</b>	
Taxes Other Than Income Taxes (408.2)	-
Income Taxes - Federal (409.2)	1,378,983
Income Taxes - Other (409.2)	723,815
Provision for Deferred Inc. Taxes (410.2)	2,386,051
(Less) Provision for Deferred Income Taxes - Cr. (411.2)	400,653
Investment Tax Credit Adj. - Net (411.5)	-
(Less) Investment Tax Credits (420)	-
<b>TOTAL Taxes on Other Income and Deductons</b>	<b>4,088,196</b>
Net Other Income and Deductons	49,236,400
Interest Charges	
Interest on Long-Term Debt (427)	53,375,000
Amort. of Debt Disc. and Expense (428)	1,065,816
Amortization of Loss on Reaquired Debt (428.1)	146,905
(Less) Amort. of Premium on Debt - Credit (429)	-
(Less) Amortization of Gain on Reaquired Debt - Credit (429.1)	70,491
Interest on Debt to Assoc. Companies (430)	88,133
Other Interest Expense (431)	3,363,832
(Less) Allowance for Borrowed Funds Used During Construction - Cr. (432)	1,047,558
<b>Net Interest Charges</b>	<b>56,921,637</b>
Income Before Extraordinary Items	229,390,604
Extraordinary Items	
Extraordinary Income (434)	-
(Less) Extraordinary Deductions (435)	-
Net Extraordinary Items	-
Income Taxes - Federal and Other (409.3)	-
Extraordinary Items After Taxes	-
<b>Net Income</b>	<b>229,390,604</b>

Exhibit B

PENNSYLVANIA ELECTRIC COMPANY  
STATEMENT OF RETAINED EARNINGS  
12 MONTHS ENDED JUNE 30, 2021

Balance, as of June 30, 2020	168,293,210
<b>Add:</b>	
Net income	229,390,604
Adjust for Equity in Earnings of Subsidiary	<u>(38,055,564)</u>
	<u>359,628,250</u>
<b>Deduct:</b>	
Purchase accounting adjustments	-
Cash dividends paid on common stock	(170,000,000)
Adjust for dividends received	<u>35,557,476</u>
	<u>(134,442,524)</u>
Balance, as of June 30, 2021	<u><u>\$ 225,185,726</u></u>

**EXHIBIT C**

**UTILITY PLANT ACCOUNTS  
PENNSYLVANIA ELECTRIC COMPANY  
June 30, 2021**

<u>Account Number</u>	<u>Utility</u>	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Balance June 30, 2021</u>
101	Electric Plant in Service	\$3,185,549,691	\$148,657,142	\$83,852,454	(\$8,685,514)	\$3,241,668,865
101.1	Property Under Capital Lease	\$33,228,666	\$2,937,094	\$803,705	(\$35,292)	\$35,326,764
101.2	Asset Retirement Obligation	\$0				\$0
105	Held for Future Use	\$675,823				\$675,823
106	Completed Construction Not Classified	\$103,362,685	\$9,051,394			\$112,414,079
107	Construction Work in Progress	\$54,053,223	\$203,878			\$54,257,101
114	Acquisition Adjustment	\$0				\$0
		<u>\$3,376,870,088</u>	<u>\$160,849,508</u>	<u>\$84,656,159</u>	<u>(\$8,720,806)</u>	<u>\$3,444,342,632</u>
121	Non-utility Plant	\$2,609,139	\$0	\$0	\$0	\$2,609,139
	<b>Total Utility and Non-Utility Plant</b>	<u><b>\$3,379,479,227</b></u>	<u><b>\$160,849,508</b></u>	<u><b>\$84,656,159</b></u>	<u><b>(\$8,720,806)</b></u>	<u><b>\$3,446,951,771</b></u>

**EXHIBIT D**

**PENNSYLVANIA ELECTRIC COMPANY  
SECURITIES OF OTHER CORPORATIONS OWNED  
June 30, 2021**

<b><u>Name of Issuer</u></b>	<b><u>Title of Security</u></b>	<b><u>Amount Owned</u></b>	<b><u>Date Acquired</u></b>	<b><u>Amount Price Paid</u></b>	<b><u>Book Value</u></b>
The Waverly Electric Light and Power Company	Capital Stock	600 shares	1956	\$15,000	\$15,000

**EXHIBIT E**

**PENNSYLVANIA ELECTRIC COMPANY  
STATUS OF FUNDED DEBT OUTSTANDING  
June 30, 2021**

DESCRIPTION OF OBLIGATION	RATE	DATES INTEREST PAYABLE	TERM (YEARS)	DATE OF MATURITY	TOTAL PRINCIPAL AMOUNT AUTHORIZED	TOTAL PRINCIPAL AMOUNT OUTSTANDING	TOTAL PRINCIPAL AMOUNT		
							REACQUIRED AND HELD IN TREASURY	PLEGDED	IN SINKING OR OTHER FUNDS
Senior Unsecured Notes	4.150%	Semi-annual; Apr 15, Oct 15	11	4/15/2025	\$ 200,000,000	\$ 200,000,000	None	None	None
Senior Unsecured Notes	6.150%	Semi-annual; Apr 1, Oct 1	29	10/1/2038	\$ 250,000,000	\$ 250,000,000	None	None	None
Senior Unsecured Notes	3.250%	Semi-annual; Mar 15, Sep 15	10	3/15/2028	\$ 300,000,000	\$ 300,000,000	None	None	None
Senior Unsecured Notes	3.600%	Semi-annual; Jun 1, Dec 1	10	6/1/2029	\$ 300,000,000	\$ 300,000,000	None	None	None
Senior Unsecured Notes	3.610%	Semi-annual; May 1, Nov 1	12	5/1/2032	\$ 125,000,000	\$ 125,000,000	None	None	None
Senior Unsecured Notes	3.710%	Semi-annual; May 1, Nov 1	15	5/1/2035	\$ 125,000,000	\$ 125,000,000	None	None	None

**EXHIBIT F**

**PENNSYLVANIA ELECTRIC COMPANY  
STATUS OF OUTSTANDING CAPITAL STOCK  
June 30, 2021**

<u>Designated by Kind and Class</u>	<u>Number of Shares Authorized</u>	<u>Par Value Per Share</u>	<u>Amount Authorized</u>	<u>Amount Outstanding (Not Held by the Public Utility)</u>	<u>Held by the Public Utility</u>			<u>Book Value of Outstanding Stock at Par Value as of Date of</u>
					<u>Reacquired and Held in Treasury</u>	<u>Pledged</u>	<u>In Sinking or Other Funds</u>	
Common	5,400,000	\$20	\$108,000,000	4,427,577	None	None	None	\$88,551,540
Preferred	11,435,000	No Par	\$0	0	None	None	None	\$0

## EXHIBIT G

### PENNSYLVANIA ELECTRIC COMPANY PROPOSED JOURNAL ENTRIES

A. Charges and Credits to be made on the Books of Pennsylvania Electric Company as a result of the proposed issuance of Debt Securities or Credit Facilities, constituting long-term indebtedness. The following pro forma journal entries are based on maximum borrowing amount requested of \$500 million as of June 30, 2021.

**1. Issue long-term indebtedness.**

Debit	Cash	\$	500,000,000
Credit	Long-term Indebtedness	\$	500,000,000

**2. Use of proceeds for long-term indebtedness maturity**

Debit	Long-term Indebtedness	\$	200,000,000
Credit	Cash	\$	200,000,000

**3. Use of proceeds to repay money pool borrowings**

Debit	Short-term Indebtedness	\$	16,859,509
Credit	Cash	\$	16,859,509

**4. Investment of proceeds in Money Pool**

Debit	Investment in Money Pool	\$	283,140,491
Credit	Cash	\$	283,140,491

*Supplemental Indenture No. 1*

---

PENNSYLVANIA ELECTRIC COMPANY

and

UNITED STATES TRUST COMPANY OF NEW YORK,

Trustee

---

*Dated as of May 1, 2001*

---

*Supplemental to Indenture,  
dated as of April 1, 1999*

---

*Creating A Series of Notes Designated  
Senior Notes, Bank Series*

---

**SUPPLEMENTAL INDENTURE NO. 1**, dated as of May 1, 2001, between PENNSYLVANIA ELECTRIC COMPANY (hereinafter sometimes called (the "Company")), a corporation organized and subsisting under the laws of the Commonwealth of Pennsylvania, and UNITED STATES TRUST COMPANY OF NEW YORK, as trustee (the "Trustee"), under the Indenture, dated as of April 1, 1999 (hereinafter called the "Original Indenture"), this Supplemental Indenture No. 1 being supplemental thereto (the Original Indenture as supplemented hereby, and as it may from time to time be further supplemented, modified, altered or amended by any supplemental indenture entered into in accordance with and pursuant to the provisions thereof, is hereinafter called the "Indenture").

#### RECITALS OF THE COMPANY

WHEREAS the Original Indenture was authorized, executed and delivered by the Company to provide for the issuance from time to time of its Notes (such term and all other capitalized terms used herein without definition having the meanings assigned to them in the Original Indenture), to be issued in one or more series as therein contemplated;

WHEREAS, Section 5.06 of the Original Indenture provides that, so long as any Notes are Outstanding, the Company will not issue, assume, guarantee or permit any Debt secured by any Lien on any Operating Property of the Company without effectively securing the Outstanding Notes equally and ratably with such Debt (but only so long as such Debt is so secured);

WHEREAS, Section 5.09 of the Original Indenture provides that, after the issuance of the first series of Notes, the Company shall not issue any additional First Mortgage Bonds under the First Mortgage;

WHEREAS, Section 12.01(a) of the Original Indenture provides that the Company and the Trustee may, without the consent of the Holders of any Notes at the time Outstanding, enter into an indenture supplemental to the Indenture for the purposes, among others, of adding to the security for the Notes and to make any other change that is not prejudicial to the Holders in any material respect;

WHEREAS, the Company proposes to establish a series of Notes designated "Senior Notes, Bank Series" and to be limited in aggregate principal amount (except as contemplated in Section 2.07 of the Original Indenture) to \$150,000,000, such series of Notes and such Notes to be hereinafter sometimes called "Bank Senior Notes";

WHEREAS, subject to the terms and provisions hereof, the Company may deliver Senior Note First Mortgage Bonds (as hereinafter defined) to the Trustee to hold in trust for the benefit of the respective Holders from time to time of the Notes or require the Trustee to deliver to the Company, for cancellation, any and all Senior Note First Mortgage Bonds held by the Trustee; and

WHEREAS, all acts and proceedings required by law and by the articles of incorporation and by-laws of the Company, including all action requisite on the part of its shareholders, directors and officers, necessary to make the Bank Senior Notes, when executed by the Company, authenticated and delivered by the Trustee and duly issued, the valid, binding and

legal obligations of the Company, and to constitute this Supplemental Indenture a valid, binding and legal instrument, in accordance with its and their terms, have been done and taken; and the execution and delivery of this Supplemental Indenture No. 1 have been in all respects duly authorized.

NOW THEREFORE, THIS SUPPLEMENTAL INDENTURE NO. 1 WITNESSETH:

That in order to declare the terms and conditions upon which the Bank Senior Notes are, and are to be authenticated, issued and delivered, and in consideration of the premises, of the purchase and acceptance of the Notes by the Holders thereof and of the sum of one dollar duly paid to it by the Trustee at the execution of this Supplemental Indenture No. 1, the receipt whereof is hereby acknowledged, the Company, intending to be legally bound hereby, covenants and agrees with the Trustee for the equal and proportionate benefit of the respective Holders from time to time of the Notes, as follows:

## ARTICLE I

### ADDITIONAL DEFINITIONS

Section 1.01 Applicability of Article. For all purposes of this Supplemental Indenture No. 1, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Article shall have the meanings herein specified and include the plural as well as the singular.

Section 1.02 Additional Definitions.

**“Administrative Agent”** shall mean The Chase Manhattan Bank, in its capacity as Administrative Agent under the Credit Agreement.

**“Credit Agreement”** shall mean the Amended and Restated Credit Agreement, dated as of May 1, 2001, among the Company, GPU, Inc., Jersey Central Power & Light Company, Metropolitan Edison Company, the lenders parties thereto, and The Chase Manhattan Bank, as Administrative Agent, as amended, supplemented or otherwise modified from time to time.

**“Interest Payment Date”** shall mean each day upon which interest is payable on Advances pursuant to the Credit Agreement.

**“Release Date”** shall mean the date that all Bank Senior Notes (as hereinafter defined) have been retired (whether at, before or after the maturity thereof) through payment, redemption, purchase, defeasance or otherwise; provided that the Company shall have delivered to the Trustee (A) an Officers’ Certificate stating the existence of the above facts and that, upon giving effect to the Release Date, no Event of Default or event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default will have occurred and be continuing, (B) the certificate of an Expert required pursuant to Section 4.04 of this Supplemental Indenture No. 1 and (C) the Officers’ Certificate and Opinion of Counsel required pursuant to Section 14.05 of the Original Indenture.

“Senior Note First Mortgage Bonds” shall mean the First Mortgage Bonds issued by the Company under the First Mortgage pursuant to the Supplemental Indenture dated as of May 1, 2001, to the First Mortgage.

“Senior Note First Mortgage Bond Period” shall mean the period commencing on the Collateral Note Delivery Date and ending on the Release Date.

The following terms shall have the meanings specified in the Credit Agreement: “Advances”, Escrow Agent”, “Escrow Agreement” and “Collateral Note Delivery Date”.

## ARTICLE II

### BANK SENIOR NOTES

Section 2.01 Bank Senior Notes. There is hereby established a series of Notes having the following terms and characteristics:

(a) the title of the Notes of such series shall be “Senior Notes, Bank Series” (such Notes being hereinafter sometimes called the “Bank Senior Notes”);

(b) the aggregate principal amount of Bank Senior Notes which may be authenticated and delivered under the Indenture shall be limited to \$150,000,000, except as contemplated in Section 2.07 of the Original Indenture;

(c) the Bank Senior Notes shall mature on February 1, 2002;

(d) the Bank Senior Notes shall bear interest at the rate of ten per centum (10%) per annum; interest on the Bank Senior Notes shall accrue from and including the date of the first authentication and delivery of the Bank Senior Notes, except as otherwise provided in the form of note attached hereto as Exhibit A; interest on the Bank Senior Notes shall be payable on each Interest Payment Date and at Maturity, and the Regular Record Date for the interest payable on each Interest Payment Date shall be the day next preceding such Interest Payment Date; interest payable at Maturity shall be paid to the Person to whom principal shall be paid; and interest on the Bank Senior Notes during any period for which payment is made shall be computed in accordance with the Credit Agreement;

(e) the office of the Trustee in New York, New York, shall be the office or agency of the Company in The City of New York where (i) the principal of the Bank Senior Notes and interest payable thereon at Maturity shall be payable upon presentation thereof, (ii) notices, presentations and demands to or upon the Company in respect of the Bank Senior Notes or the Indenture may be served or made and (iii) Bank Senior Notes may be surrendered for registration of transfer or exchange; interest payable on the Bank Senior Notes prior to Maturity shall be paid by the Company directly to the Holders thereof.

(f) the Bank Senior Notes shall not be redeemable, in whole or in part, at the option of the Company;

(g) upon (i) the occurrence of an Event of Default under the Credit Agreement, and further upon the condition that, in accordance with the terms of the Credit Agreement, the Commitments shall have been or shall have terminated and the Advances of the Company shall have been declared to be or shall have otherwise become due and payable immediately and the Administrative Agent shall have delivered to the Company a notice demanding redemption of the Bank Senior Notes which notice states that it is being delivered pursuant to Section 6.2 of the Credit Agreement, or (ii) the occurrence of an Event of Default relating to the Company or any Significant Subsidiary of the Company under clause (e) or (f) of Section 6.1 of the Credit Agreement, then all Bank Senior Notes shall be redeemed immediately at the principal amount thereof plus accrued interest to the date of redemption;

(h) the Bank Senior Notes shall be issued in denominations of \$1,000 and any amount in excess thereof;

(i) no service charge shall be made for the registration of transfer or exchange of Bank Senior Notes;

(j) (i) the Bank Senior Notes are to be issued and upon the Collateral Note Delivery Date, delivered to the Administrative Agent in order to further evidence the obligation of the Company under the Credit Agreement to pay the Advances, to the extent and subject to the limitations set forth in clauses (ii) and (iii) of this subdivision;

(ii) the obligation of the Company to pay interest on the Bank Senior Notes on any Interest Payment Date prior to Maturity (a) shall be deemed to have been satisfied and discharged in full in the event that all amounts then due in respect of interest payable on the Advances shall have been paid and (b) shall be deemed to remain unsatisfied in an amount equal to the aggregate amount then due in respect of interest payable on the Advances and remaining unpaid (not in excess, however, of the amount otherwise then due in respect of interest on the Bank Senior Notes);

(iii) the obligation of the Company to pay the principal of and accrued interest on the Bank Senior Notes at or after Maturity (x) shall be deemed to have been satisfied and discharged in full in the event that all amounts then due in respect of the Advances shall have been paid and (y) shall be deemed to remain unsatisfied in an amount equal to the aggregate amount then due in respect of the Advances and remaining unpaid (not in excess, however, of the amount otherwise then due in respect of principal of and accrued interest on the Bank Senior Notes);

(iv) the Trustee shall be entitled to presume that the obligation of the Company to pay the principal of and interest on the Bank Senior Notes as the same shall become due and payable shall have been fully satisfied and discharged unless and until it shall have received a written notice from the Administrative Agent, signed by an authorized officer thereof, stating that the principal of and/or interest on the Bank Senior Notes has become due and payable and has not been fully paid, and specifying the amount of funds required to make such payment;

(v) upon the surrender for cancellation, at any time or from time to time, of Bank Senior Notes by the Administrative Agent as the Escrow Agent, the Bank Senior

Notes so surrendered shall be deemed satisfied and discharged and the obligations of the Company thereunder shall be terminated, and such Bank Senior Notes shall be cancelled by the Trustee and delivered to the Company;

(k) in the event of an application by the Administrative Agent for a substituted Bank Senior Note pursuant to Section 2.07 of the Original Indenture, the Administrative Agent shall not be required to provide any indemnity or pay any expenses or charges as contemplated in said Section 2.07; and

(l) the Bank Senior Notes shall have such other terms as are set forth in the form of note attached hereto as Exhibit A, which form is hereby designated as the form of the Bank Senior Notes.

### ARTICLE III

#### DELIVERY OF SENIOR NOTE FIRST MORTGAGE BONDS

Section 3.01 Issuance of Senior Note First Mortgage Bonds. The Company shall, concurrently with the initial authentication and delivery of the Bank Senior Notes, issue the Senior Note First Mortgage Bonds registered in the name of the Senior Note Trustee in an aggregate principal amount \$420,000,000.00. The Company shall cause the Senior Note First Mortgage Bonds to be delivered to the Escrow Agent to hold pursuant to the Escrow Agreement.

Section 3.02 Delivery of Senior Note First Mortgage Bonds. (a) If the Collateral Note Delivery Date shall occur, the Administrative Agent shall, in accordance with the Credit Agreement and pursuant to the Escrow Agreement, cause the Escrow Agent to deliver the Senior Note First Mortgage Bonds to the Trustee.

(b) The Trustee shall receive the Senior Note First Mortgage Bonds from the Escrow Agent and shall hold the Senior Note First Mortgage Bonds, and any and all sums payable thereon or with respect thereto or realized therefrom, in trust for the equal and ratable benefit of the holders of the Notes, as herein provided. All payments made by or on behalf of the Company to the Trustee on any Senior Note First Mortgage Bonds shall be deemed to be a payment by the Company pursuant to Section 2.12 of the Original Indenture and shall be applied by the Trustee or pay, when due, principal of, premium, if any, and/or interest on the Notes and, to the extent so applied, shall satisfy the Company's obligations on such Notes or shall, to the extent that an Event of Default has occurred and shall be continuing, applied in accordance with the provisions of Article VII of the Original Indenture.

(c) Prior to the Collateral Note Delivery Date, the Trustee shall have no right, title or interest in or to the Senior Note First Mortgage Bonds.

### ARTICLE IV

#### SENIOR NOTE FIRST MORTGAGE BONDS

Section 4.01 Senior Note First Mortgage Bonds Held By The Trustee. During the Senior Note First Mortgage Bond Period, the Trustee shall, as the holder of Senior Note First Mortgage

Bonds, attend such meeting or meetings of bondholders under the First Mortgage or, at its option, deliver its proxy in connection therewith, as relate to matters with respect to which it is entitled to vote or consent. The Trustee shall vote all Senior Note First Mortgage Bonds then held by it, or consent with respect thereto, proportionally with the vote or consent of the holders of all other First Mortgage Bonds which are outstanding under the First Mortgage, the holders of which are eligible to vote or consent; provided, however, that the Trustee shall not so vote in favor of, or so consent to, any amendment or modification of the First Mortgage which, if it were an amendment or modification of this Indenture, would require the consent of the Holders, without the prior consent, obtained in the manner prescribed in Section 12.02 of the Original Indenture, of the Holders of Outstanding Notes which would be required under said Section 12.02 for such an amendment or modification of the Indenture.

Section 4.02 No Transfer of Senior Note First Mortgage Bonds; Exceptions. Except (i) as required to effect an assignment to a successor trustee under this Indenture, (ii) pursuant to Section 4.03 hereof, or (iii) in compliance with a final order of a court of competent jurisdiction in connection with any bankruptcy or reorganization proceeding of the Company, the Trustee shall not sell, assign or transfer the Senior Note First Mortgage Bonds and the Company shall issue stop transfer instructions to the Mortgage trustee and any transfer agent under the First Mortgage to effect compliance with this Section 4.02.

Section 4.03 Deliver To The Company Of All Senior Note First Mortgage Bonds. On the date when the obligation of the Company to make payment with respect to the principal of all Senior Note First Mortgage Bonds shall be satisfied or deemed satisfied pursuant to Section 4.06 hereof, the Trustee shall, upon written request of the Company in the form on an Officers' Certificate and receipt of the certificate of the Expert described in Section 4.04 hereof (if such certificate is then required by Section 4.04 hereof), deliver to the Company without charge therefor all of the Senior Note First Mortgage Bonds, together with such appropriate instruments of transfer or release as may be reasonably requested by the Company. All Senior Note First Mortgage Bonds delivered to the Company in accordance with this Section 4.03 shall be delivered by the Company to the Mortgage Trustee for cancellation.

Section 4.04 Fair Value Certificate. If Senior Note First Mortgage Bonds are delivered or surrendered to the Company pursuant to Section 4.03 hereof, the Company shall simultaneously therewith deliver to the Trustee a certificate of an Expert (1) stating that it is familiar with the provisions of such Senior Note First Mortgage Bonds and of this Indenture, (2) stating the principal amount of such Senior Note First Mortgage Bonds so delivered, the stated interest rate (or method of calculation of interest) of such Senior Note First Mortgage Bonds (if any) and the Stated Maturity date of such Senior Note First Mortgage Bonds, (3) if applicable, identifying the Notes, the payment of the interest on and principal of which has been discharged hereunder, and (4) stating that such delivery and release will not impair the lien of this Indenture in contravention of the provisions of this Indenture. If, prior to the Release Date, the fair value of the Senior Note First Mortgage Bonds so delivered and released, as described in the certificate to be delivered pursuant to this Section 4.04, both (1) is equal to or exceeds (A) \$25,000 and (B) 1% of the principal amount of the Outstanding Notes at the date of release of such Senior Note First Mortgage Bonds and (2) together with the fair value as described in the certificates to be delivered pursuant to this Section 4.04, of all other Senior Note First Mortgage Bonds released from the lien of this Indenture since the commencement of the then current calendar year, is

equal to or exceeds 10% of the principal amount of the Notes Outstanding at the date of release of such Senior Note First Mortgage Bonds, then the certificate required by this Section 4.04 shall be delivered by an Expert who shall be independent of the Company.

If, in connection with a release of outstanding Senior Note First Mortgage Bonds, the Company provides to the Trustee an Opinion of Counsel stating that the certificate described by this Section 4.04 is not required by law, such certificate shall not be required to be delivered thereunder in connection with such delivery or release.

Section 4.05 Further Assurances. During the Senior Note First Mortgage Bond Period, the Company, at its own expense, shall do such further lawful acts and things, and execute and deliver such additional conveyances, assignments, assurances, agreements, financing statements and instruments, as may be necessary in order to better assign, assure and confirm to the Trustee its interest in the Senior Note First Mortgage Bonds and for maintaining, protecting and preserving such interest.

Section 4.06 Senior Note First Mortgage Bonds As Security For Notes. Until the Release Date and subject to Article V hereof, Senior Note First Mortgage Bonds delivered to the Trustee, for the benefit of the Holders of the Notes, shall constitute part of the trust estate and security for any and all obligations of the Company under the Notes, including, but not limited to (1) the full and prompt payment of the principal of and premium, if any, on such Notes when and as the same shall become due and payable in accordance with the terms and provisions of this Indenture or the Notes, either at the Stated Maturity thereof, upon acceleration of the Maturity thereof or upon redemption, and (2) the full and prompt payment of any interest on such Notes when and as the same shall become due and payable in accordance with the terms and provisions of this Indenture or the Notes.

Notwithstanding anything in this Indenture to the contrary, from and after the Release Date, the obligation of the Company to make payment with respect to the principal of, and interest on the Senior Note First Mortgage Bonds shall be deemed satisfied and discharged as provided in the supplemental indenture to the First Mortgage creating such Senior Note First Mortgage Bonds, and the Senior Note First Mortgage Bonds shall cease to secure in any manner Notes theretofore or subsequently issued.

The Company shall notify the Trustee promptly of the occurrence of the Release Date. Notice of the occurrence of the Release Date shall be given by the Trustee to the Holders of the Notes in the manner provided in Section 14.10 of the Original Indenture not later than 30 days after the Release Date.

## ARTICLE V

### AMENDED PROVISIONS

Section 5.01 Amended Provisions. (a) Section 4.01(a) of the Original Indenture is hereby amended to add the following at the end thereof:

During the Senior Note First Mortgage Bond Period, if the Notes are deemed paid and discharged pursuant to this Section 4.01(a), the obligation of the

Company to make payment with respect to the principal of, and interest on the Senior Note First Mortgage Bonds shall be satisfied and discharged and the Senior Note First Mortgage Bonds shall cease to secure the Notes in any manner.

(a) Clause (v) of Section 5.06 of the Original Indenture is hereby amended to add the words "or when such Debt consists of Senior Note First Mortgage Bonds" after the word "above".

(b) Section 5.09 of the Original Indenture is hereby amended to add the words "other than the Senior Note First Mortgage Bonds" at the end thereof.

(c) Section 7.01(a) of the Original Indenture is hereby amended by (i) deleting the word "or" at the end of clause (4) of the first paragraph; (ii) inserting the word "or" at the end of clause (5) of the first paragraph and (iii) deleting the provisions thereof following clause (5) of the first paragraph and substituting therefore the following:

(6) during the Senior Note First Mortgage Bond Period, a completed default (as defined in the First Mortgage) has occurred and is continuing; provided, however, that anything in this Indenture to the contrary notwithstanding, the waiver or cure of such default under the First Mortgage and the rescission and annulment of the consequences thereof under the First Mortgage shall constitute a waiver of the corresponding Event of Default hereunder and a rescission and annulment of the consequences thereof hereunder;

then, unless the principal of all of the Notes shall have already become due and payable, either the Trustee or the Holders of a majority in aggregate principal amount of the Notes then Outstanding, by notice in writing to the Company (and to the Trustee if given by such Holders), may declare the principal of and interest on all the Notes to be due and payable immediately and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Notes contained to the contrary notwithstanding and, during the Senior Note First Mortgage Bond Period, upon the Notes being declared to be due and payable, the Trustee shall immediately file with the Mortgage Trustee a written demand for redemption of all Senior Note First Mortgage Bonds to the extent provided in the applicable provisions of the First Mortgage.

The foregoing paragraph, however, is subject to the condition that if, at any time after the principal of the Notes shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, and during the Senior Note First Mortgage Bond Period, prior to the acceleration of all of the first mortgage bonds issued and outstanding under the First Mortgage, the Company shall pay or shall deposit with the Trustee a sum sufficient to pay all matured installments of interest upon all of the Notes and the principal of and any premium on any and all Notes which shall have become due otherwise than by acceleration (with interest on overdue installments of interest, to the extent that payment of such interest is enforceable under applicable law, and on such principal and any applicable premium at the rate borne by the Notes to the date of such payment or deposit) and all sums paid or advanced by the Trustee hereunder, the

reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 8.06 hereof, and any and all defaults under this Indenture, other than the non-payment of principal of and accrued interest on Notes which shall have become due solely by acceleration of Maturity, shall have been cured or waived (including any defaults under the First Mortgage, as evidenced by notice thereof from the Mortgage Trustee to the Trustee) -- then and in every such case such payment or deposit shall cause an automatic waiver of the Event of Default and its consequences (including, if given, the written demand for redemption of all Senior Note First Mortgage Bonds) and shall cause an automatic rescission and annulment of the acceleration of the Notes; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default, or shall impair any right consequent thereon.

(d) Article VII of the Original Indenture as hereby amended by adding a new Section 7.12 thereto as follows:

Section. 7.12 Defaults Under The First Mortgage. In addition to every other right and remedy provided herein, during the Senior Note First Mortgage Bond Period, the Trustee may exercise any right or remedy available to the Trustee in its capacity as owner and holder of Senior Note First Mortgage Bonds which arises as a result of a completed default under the First Mortgage whether or not an Event of Default under this Indenture shall then have occurred and be continuing.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

Section 6.01 Miscellaneous Provisions. This Supplemental Indenture No. 1 is a supplement to the Original Indenture. As heretofore supplemented and further supplemented by this Supplemental Indenture No. 1, the Original Indenture is in all respects ratified approved and confirmed, and the Original Indenture as heretofore supplemented and this Supplemental Indenture No. 1 shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed the instrument on behalf of the respective portion hereto as of the date first above written.

PENNSYLVANIA ELECTRIC COMPANY

By:   
Name: T. G. Howson  
Title: Vice President

UNITED STATES TRUST COMPANY OF  
NEW YORK

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed the instrument on behalf of the respective portion hereto as of the date first above written.

PENNSYLVANIA ELECTRIC COMPANY

By: \_\_\_\_\_  
Name: T. G. Howson  
Title: Vice President

UNITED STATES TRUST COMPANY OF  
NEW YORK


By: \_\_\_\_\_   
Name: **LOUIS P. YOUNG**  
Title: **VICE PRESIDENT**

Exhibit A

[Form of Note]  
This note is non-transferable,  
except to a successor Administrative Agent under the  
Credit Agreement referred to herein.

No. \_\_\_\_\_

\$ \_\_\_\_\_

PENNSYLVANIA ELECTRIC COMPANY

SENIOR NOTE, BANK SERIES

DUE FEBRUARY 1, 2002

PENNSYLVANIA ELECTRIC COMPANY, a corporation of the Commonwealth of Pennsylvania (hereinafter sometimes called the Company), for valued received, promises to pay to

as Administrative Agent under the Credit Agreement hereinafter referred to (for the benefit of the Lenders referred to in such Credit Agreement) or registered assigns, the principal sum of

DOLLARS

on February 1, 2002, in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts, at the office or agency of the Company in The City of New York, upon presentation hereof, and on each Interest Payment Date (as defined in Supplemental Indenture No. 1 hereinafter referred to), and at Maturity (as defined in Supplemental Indenture No. 1 hereinafter referred to), to pay interest thereon in like coin or currency at the rate specified below, from the date hereof on each Interest Payment Date until the Company's obligation with respect to such principal sum shall be discharged.

The notes of this series shall bear interest at the rate of ten per centum (10%) per annum. Interest on the notes of this series during the period of which payment is made shall be computed in accordance with the Credit Agreement.

This note is one of an issue of notes of the Company, issued and to be issued in one or more series under and equally and ratably secured (except as any sinking, amortization, improvement, renewal or other fund, established in accordance with the provisions of the indenture hereinafter mentioned, may afford additional security for the notes of any particular series) by the Indenture, dated as of April 1, 1999 (the "Original Indenture"), between the Company and United States Trust Company of New York, trustee (the "Trustee"), as supplemented by Supplemental Indenture No. 1, dated as of May 1, 2001 (the Original Indenture, as so supplemented, and such Supplemental Indenture being hereafter called the "Indenture" and "Supplemental Indenture No. 1", respectively), to which Indenture reference is hereby made for a description of the rights and limitations of rights of the Company, the Trustee and the holders of said notes with respect to any security provided by the Indenture, the powers, duties and immunities of the Trustee, the terms and conditions upon which such notes are and are to be secured, and the circumstances under which additional notes may be issued. The acceptance of this note shall be deemed to constitute the consent and agreement by the holder hereof to all of the terms and provisions of the Indenture. This note is one of a series of notes designated as the Senior Notes, Bank Series, of the Company.

The Company has issued and delivered the notes of this series to The Chase Manhattan Bank, as Administrative Agent (the "Administrative Agent") and for the benefit of the Lenders under the Amended and Restated Credit Agreement, dated as of May 1, 2001, among the Company, GPU, Inc., Jersey Central Power & Light Company, Metropolitan Edison Company, the lenders parties thereto, and the Administrative Agent, as amended, supplemented or otherwise modified from time to time (the "Credit Agreement") in order to provide further evidence of the obligation of the Company thereunder to pay the Advances (as defined in Supplement Indenture No. 1) and interest thereon as specified in the Credit Agreement.

Upon the occurrence of an Event of Default under the Credit Agreement, and further upon such additional conditions as are set forth in Section 2.01(g) of Supplemental Indenture No. 1 then all notes of this series shall be redeemed immediately at the principal amount thereof plus accrued interest to the date of redemption.

The obligation of the Company to pay interest on the notes of this Series on any Interest Payment Date prior to Maturity (a) shall be deemed to have been satisfied and discharged in full in the event that all amounts then due in respect of interest payable on the Advances shall have been paid and (b) shall be deemed to remain unsatisfied in an amount equal to the aggregate amount then due in respect of interest payable on the Advances and remaining unpaid (not in excess, however, of the amount otherwise then due in respect of interest on the notes of this Series).

The obligation of the Company to pay the principal of and accrued interest on the notes of this series at or after Maturity (x) shall be deemed to have been satisfied and discharged in full in the event that all amounts then due in respect of the Advances shall have been paid or (y) shall be deemed to remain unsatisfied in an amount equal to the aggregate amount then due in

respect of the Advances and remaining unpaid interest (not in excess, however, of the amount otherwise then due in respect of principal of and accrued interest on the notes of the series).

The principal of this note and the interest accrued hereon may become or be declared due and payable before the stated maturity hereof, on the conditions, in the manner and at the times set forth in the Indenture, upon the happening of a default as therein provided.

This note is non-transferable except as required to effect transfer to any successor administrative agent under the Credit Agreement, any such transfer to be made at the office or agency of the Company in The City of New York, upon surrender and cancellation of this note, and upon any such transfer a new note of this series, for the same aggregate principal amount and having the same stated maturity date, will be issued to the transferee in exchange herefor. Prior to due presentment for registration of transfer, the Company and the Trustee may deem and treat the person in whose name this note is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes. This note, alone or with other notes of this series, may in like manner be exchanged at such office or agency for one or more notes of this series of the same aggregate principal amount and having the same stated maturity date and interest rate, all as provided in the Indenture.

No recourse shall be had for the payment of the principal of or interest on this note, or for any claim based hereon or otherwise in respect hereof or of the Indenture, against any incorporator, shareholder, director or officer, as such, past, present or future, of the Company or of any predecessor or successor corporation, either directly or through the Company or any predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise howsoever (including, without limiting the generality of the foregoing, any proceeding to enforce any claimed liability of shareholders of the Company, based upon any theory of disregarding the corporate entity of the Company or upon any theory that the Company was acting as the agent or instrumentality of the shareholders); all such liability being, by the acceptance hereof and as a part of the consideration for the issuance hereof, expressly waived and released by every holder hereof, and being likewise waived and released by the terms of the Indenture under which this note is issued, as more fully provided in said Indenture.

The Company, at its option, and subject to the terms and conditions provided in the Indenture, will be discharged from any and all obligations in respect of the notes (except for certain obligations including obligations to register the transfer or exchange of the notes, replace stolen, lost or mutilated notes, maintain paying agencies and hold monies for payment in trust, all as set forth in the Indenture) if the Company deposits with the Trustee cash, U.S. Government Obligations which through the payment of interest thereon and principal thereof in accordance with their terms will provide cash, or a combination of cash and U.S. Government Obligations, in any event in an amount sufficient, without reinvestment, to pay all the principal of and any premium and interest on the notes on the dates such payments are due in accordance with the terms of the notes.

If an Event of Default shall occur and be continuing, the principal of the notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modifications of the rights and obligations of the Company and the rights of the note holders under the Indenture at any time by the Company and the Trustee with the consent of the holders of not less than a majority in principal amount of the outstanding notes. Any such consent or waiver by the holder of this note shall be conclusive and binding upon such holder and upon all future holders of this note and of any note issued upon the registration of transfer hereof or in exchange therefor or in lieu thereof whether or not notation of such consent or waiver is made upon the note.

As set forth in and subject to the provisions of the Indenture, no holder of any notes will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder unless such holder shall have previously given to the Trustee written notice of a continuing Event of Default with respect to such notes, the holders of not less than a majority in principal amount of the outstanding notes affected by such Event of Default shall have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as Trustee and the Trustee shall have failed to institute such proceeding within 60 days; provided, however, that such limitations do not apply to a suit instituted by the holder hereof for the enforcement of payment of the principal of and premium or interest on this note on or after the respective due dates expressed here.

No reference herein to the Indenture and to provisions of this note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this note at the times, places and rates and the coins or currency prescribed in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this note may be transferred only as permitted by the legend hereto.

All terms used in this note which are defined in the Indenture shall have the meaning assigned to them.

This note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by United States Trust Company of New York, or its successor, as Trustee under the Indenture.

IN WITNESS WHEREOF, the Company has caused this note to be signed in its name by the manual or facsimile signature of its President or one of its Vice Presidents, and its corporate seal, or a facsimile thereof, to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries.

Dated

PENNSYLVANIA ELECTRIC COMPANY

By: \_\_\_\_\_

Attest:

\_\_\_\_\_

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the notes, of the series designated therein, described in the within-mentioned Indenture.

UNITED STATES TRUST COMPANY  
OF NEW YORK

By: \_\_\_\_\_


**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**ABBREVIATED SECURITIES                    :**  
**CERTIFICATE OF PENNSYLVANIA            :**  
**ELECTRIC COMPANY FOR THE                :**  
**ISSUANCE OF UP TO \$500,000,000 OF    :**  
**LONG-TERM DEBT                            :**


**AFFIDAVIT**

State of Ohio                                    )  
  ) SS.  
County of Summit                             )

Steven R. Staub, being duly sworn according to law, deposes and says that he is the Vice President and Treasurer of Pennsylvania Electric Company; that he is authorized to and does make this Affidavit for it; and that the facts set forth in the foregoing Abbreviated Securities Certificate are true and correct to the best of his knowledge, information and belief and that he expects the said Pennsylvania Electric Company to be able to prove the same at any hearing hereof.

  
\_\_\_\_\_  
Steven R. Staub

Sworn to and subscribed before  
me this 22 day of October 2021

  
\_\_\_\_\_  
Notary Public  
Stephanie J. Berner, Attorney at Law  
Resident Medina County  
Notary Public, State of Ohio  
My Commission Has No Expiration Date  
Sec 147.03 RC



**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re: Securities Certificate of Pennsylvania : Securities Certificate  
Electric Company in Respect of the Proposed :  
Issuance and Sale of Debt Securities and/or : Docket No. S-\_\_\_\_\_  
Credit Facilities :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).


Service by electronic mail, as follows:

Steven Gray  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101  
Sgray@pa.gov

Christine Hoovevr  
Office of Consumer Advocate  
555 Walnut Street – 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923  
Choover@paoca.org

Richard Kanaskie  
Bureau of Investigation & Enforcement  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265  
rkanaskie@pa.gov

Dated: October 28, 2021

  
\_\_\_\_\_  
Tori L. Giesler  
Attorney No. 207742  
FirstEnergy Service Company  
2800 Pottsville Pike  
P.O. Box 16001  
Reading, Pennsylvania 19612-6001  
(610) 921-6685  
tgiesler@firstenergycorp.com