

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY  
DOCKET NO. R-2024-3047068**

**2024 BASE RATE CASE FILING  
(Volume II of V)**

**FILED: April 2, 2024**

**FE PA STATEMENT NO. 1**  
**Joanne M. Savage**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**DOCKET NO. R-2024-3047068**

**Direct Testimony  
of  
Joanne M. Savage**

**List of Topics Addressed**

**Overview  
Reasons for Increase  
Settlement Commitments  
Refunds to Customers  
Verizon Complaint Impact on Rate Case**

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1 **Q. What is your educational background?**

2 A. I received a Bachelor of Science in Accounting and Finance from Albright College and a  
3 Master of Business Administration in Corporate Finance from Alvernia University. I have  
4 been employed by FESC since 2005 and have held various positions of increasing  
5 responsibility in the Rates and Regulatory Affairs Department during my tenure here. I  
6 assumed my current position in March 2019. My work experience is more fully described  
7 in Appendix A of my testimony.

8 **Q. Have you ever testified before the Commission?**

9 A. Yes. I have testified before the PaPUC in various proceedings, as more fully described in  
10 Appendix A of my testimony.

11 **Q. On whose behalf are you testifying in this proceeding?**

12 A. I am testifying on behalf of FE PA.

13 **Q. What is the purpose of your direct testimony?**

14 A. The purpose of my direct testimony is to:

- 15 1) Provide an overview of FE PA;
- 16 2) Summarize the Company's distribution base rate increase;
- 17 3) Explain why approval of the proposed distribution rate increase is necessary to  
18 provide a fair return to shareholders and to fund investments in infrastructure and  
19 maintenance to enhance reliability and customer service;
- 20 4) Introduce the other witnesses for the Company in this proceeding who will detail  
21 individual aspects of the Company's rate filing in support of a revenue increase  
22 sufficient to cover its costs of service;

- 1           5) Address the settlement commitments from the last base rate case;
- 2           6) Address the proposed rate design for customer refunds; and
- 3           7) Address the impact of a complaint by Verizon Pennsylvania LLC and Verizon
- 4           North LLC (collectively, “Verizon”) on this base rate case.

5   **Q.    Are you sponsoring any exhibits to accompany your testimony?**

6   A.    Yes, I am sponsoring FE PA Exhibits JMS-1 through JMS-3, which provide calculations

7        regarding certain non-recoverable expenses that were included in charges for electric

8        service as a result of prior distribution base rates cases and collected from customers. I

9        also sponsor FE PA HIGHLY CONFIDENTIAL Exhibit JMS-4, which shows the impact

10       of the Verizon complaint. Additionally, I am responsible for the Commission’s base rate

11       filing requirements I-A-2 through I-A-4, I-B-1 through I-B-3, and II-A-3.

12   **II.   OVERVIEW OF THE COMPANY**

13   **Q.    Please describe FE PA.**

14   A    FE PA is a “public utility” and “electric distribution company,” as those terms are defined

15        under Sections 102 and 2803 of the Pennsylvania Public Utility Code, that provides electric

16        distribution service to customers throughout Pennsylvania. FE PA’s roots are those of

17        several predecessor Pennsylvania electric utilities. On January 1, 2024, Metropolitan

18        Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and

19        West Penn Power Company (collectively, the “Predecessor Companies”) merged into FE

20        PA pursuant to the Commission’s Order at Docket Nos. A-2023-3038771, *et al* (“PA

21        Consolidation”). As part of the approvals received in the PA Consolidation, FE PA was

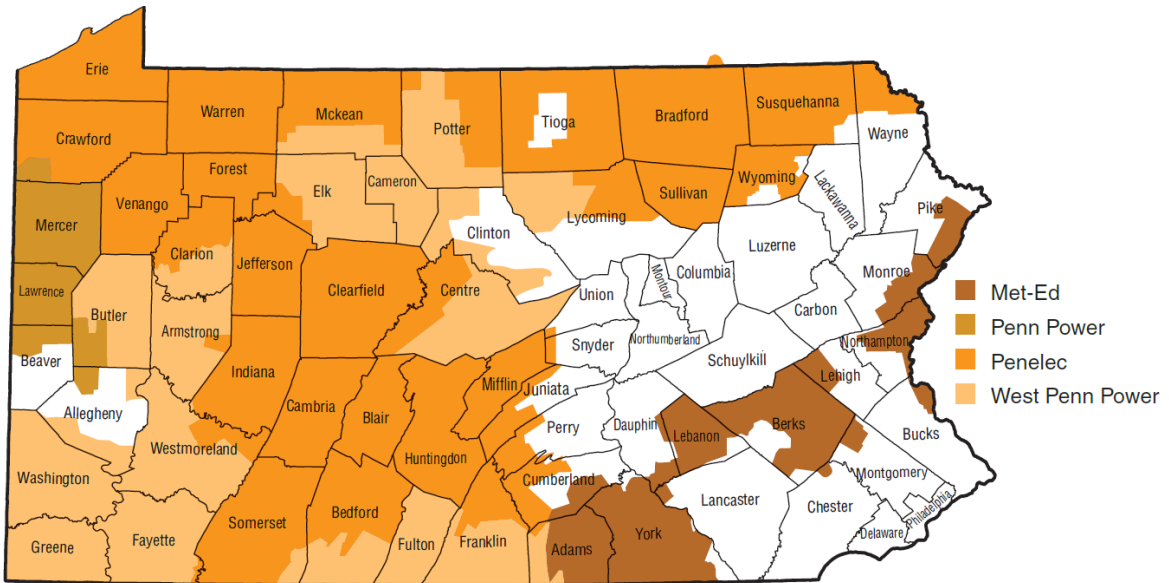
22        certificated as a public utility and authorized to provide public utility service in the

23        territories of the Predecessor Companies. As a part of this approval, the tariffs of the

1 Predecessor Companies were combined into a single tariff for FE PA. FE PA currently  
 2 provides electric distribution service under the same rates, terms, and conditions for service  
 3 as the Predecessor Companies. The single, combined tariff approved as part of the PA  
 4 Consolidation established the Rate Districts, including one for each of the Predecessor  
 5 Companies. Operationally, Company witness Smith describes the features of FE PA (FE  
 6 PA Statement No. 2).

7 **Q. Please describe FE PA’s Rate Districts.**

8 A. FE PA in total has a summer peak load of about 10,078 megawatts (“MW”) based on 2023  
 9 data, with about two-thirds of that load attributable to residential and small commercial  
 10 customers. Its service territory, reflecting the various Rate Districts, is depicted below.



11  
 12 The Met-Ed Rate District provides service to more than 590,000 electric utility  
 13 customers within 3,300 square miles of eastern and south central Pennsylvania. In 2023  
 14 Met-Ed had a summer peak load of about 2,890 MW, with about two-thirds of that load  
 15 attributable to residential and small commercial customers.



1           The Penelec Rate District provides service to more than 589,000 electric utility  
2 customers within 17,600 square miles in western, northern and south central Pennsylvania  
3 and western New York.<sup>2</sup> In 2023 Penelec had a summer peak load of about 2,763 MW,  
4 with about two-thirds of that load attributable residential and small commercial customers.

5           The Penn Power Rate District provides service to about 171,000 electric utility  
6 customers within 1,100 square miles in western Pennsylvania. In 2023 Penn Power had a  
7 summer peak load of about 900 MW, with about three-quarters of that load attributable to  
8 residential and small commercial customers.

9           The West Penn Rate District provides distribution service to about 739,000 electric  
10 utility customers within 10,400 square miles in northern, south central and southwestern  
11 Pennsylvania. In 2023 West Penn had a summer peak load of about 3,706 MW, with about  
12 two-thirds of that load attributable to residential and small commercial customers.

13 **Q. Where is the PSU Rate District?**

14 A. The PSU Rate District is encompassed within the West Penn Rate District. To the extent  
15 that the testimony throughout this case does not specifically mention the PSU Rate District,  
16 it can be assumed that it is included within the West Penn Rate District.

17 **Q. Does FE PA intend to consolidate or unify any of the rates applicable to the Rate**  
18 **Districts as a part of this proceeding?**

19 A. No, it does not. While the PA Consolidation proceeding led to authorization for the merger  
20 of the Predecessor Companies into FE PA as a singular utility, FE PA does not intend to

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<sup>2</sup> See footnote 1, *supra*.

1 consolidate or unify any of the rates applicable to the Rate Districts in this proceeding, and  
2 affirmatively agreed not to in the settlement resolving the PA Consolidation proceeding.

3 **III. OVERVIEW OF THE RATE REQUEST AND REASONS FOR PROPOSED**  
4 **INCREASE**

5 **Q. Please provide an overview of FE PA’s proposed rate relief request.**

6 A. FE PA is proposing an increase in its annual base rate electric operating revenues of  
7 approximately \$502 million or 34% with a proposed effective date of June 1, 2024. On a  
8 Rate District basis, the proposed rate relief increase is as follows: Met-Ed \$146 million or  
9 31%, Penelec \$132 million or 28%, Penn Power \$55 million or 43%, and West Penn \$169  
10 million or 40%. The proposed base rate increase requested in this filing is based on the use  
11 of a Fully Projected Future Test Year (“FPFTY”) ending December 31, 2025. In addition,  
12 FE PA is proposing to roll into distribution base rates its Distribution System Improvement  
13 Charge (“DSIC”) Rider, Smart Meter Technologies Charge (“SMT-C”) Rider, State Tax  
14 Adjustment Surcharge (“STAS”) Rider, and Tax Cuts and Jobs Act (“TCJA”) Voluntary  
15 Surcharge Rider. The Company is also proposing recovery of its storm related deferral and  
16 COVID-19 related deferral.

17 **Q. When were the currently effective base rates applicable to FE PA’s rate districts**  
18 **established?**

19 A. The current distribution base rates for each of the FE PA Rate Districts were established  
20 seven years ago pursuant to the Commission’s Final Order entered January 19, 2017, at  
21 Docket Nos. R-2016-2537349 (Met-Ed), R-2016-2537352 (Penelec), R-2016-2537355  
22 (Penn Power), and R-2016-2537359 (West Penn). These rates became effective January  
23 27, 2017.

1 **Q. Why have neither FE PA nor the Predecessor Companies filed for a distribution rate**  
2 **increase since the current base rates became effective in 2017?**

3 A. Several factors contributed to allow FE PA’s Predecessor Companies to avoid requesting  
4 base rate relief since 2017. Principally, FE PA (through its Predecessor Companies) has  
5 prudently and effectively managed costs since 2017 despite significant shifts in the  
6 economy, such as significant increases in inflation, rising interest rates and growth in  
7 operating and capital costs. In addition, the Predecessor Companies effectively utilized  
8 their DISC Riders to enable the timely recovery of eligible capital investments  
9 implemented pursuant to each of their Commission-approved Long Term Infrastructure  
10 Improvement Plans (“LTIIPs”). Furthermore, FirstEnergy has taken several steps to  
11 improve its balance sheet since the last base rate case, as explained by Company witness  
12 Wang in FE PA Statement No. 11. These steps have benefitted distribution operations and  
13 will continue to benefit those operations in the future.

14 **Q. Since its last base rate case, how has FE PA provided safe, reliable, and reasonable**  
15 **service?**

16 A. Since its Predecessor Companies’ last base rate case, FE PA has invested approximately  
17 \$900 million in electric distribution infrastructure and made significant strides to  
18 modernize and automate the distribution system. As discussed further by Company witness  
19 Smith (FE PA Statement No. 2), many of the projects undertaken as part of LTIIP have  
20 hardened FE PA’s system and resulted in decreased line and equipment failure, which has  
21 had the effect of decreasing the frequency of outages across the system and improving  
22 customer service.

1           Aside from investments, over the past three years, FirstEnergy has received awards  
2 for Emergency Recovery Assistance from the Edison Electric Institute, an association that  
3 represents all investor-owned electric companies in the United States. In 2021, FirstEnergy  
4 received an Emergency Recovery Award for safely and efficiently restoring service to  
5 customers following Tropical Storm Isaias that affected the Pennsylvania service territory.  
6 In 2023, the award was received in recognition of its outstanding response in restoring  
7 power to more than 569,000 customers in portions of its Ohio, Pennsylvania and West  
8 Virginia service areas following severe weather that produced heavy rainfall and high  
9 winds.

10 **Q. Please explain why the Company is pursuing a distribution rate increase at this time.**

11 A. There are many factors contributing to the Company's request for a distribution rate  
12 increase. As an initial matter, since the last base rate case, significant shifts in the economy  
13 have occurred, leading to increases in inflation and interest rates. These shifts in market  
14 dynamics have significantly impacted the Company's operating expenses. Among the  
15 other factors principally driving the need for rate relief at this time are:

16           **Growth in the Company's rate base** – In order to provide continued and enhanced  
17 reliability, prepare for unexpected events such as major storms, and meet increasing  
18 customer service needs, the Company must continue to make investments in new  
19 distribution plant as well as replaced aging infrastructure such as those included in the  
20 Commission-approved LTIP as described by Company witness Smith (FE PA Statement  
21 No. 2). While the Company has effectively used the DSIC Rider to prudently and  
22 efficiently place capital improvement projects into service, it has reached a point where the

1 DSIC Rider alone is not sufficient. Therefore, a roll in and reset of the DSIC Rider is  
2 necessary and can only be accomplished through a distribution base rate case.

3 **Vegetation Management** – FE PA has a need to expand its vegetation management  
4 initiatives. As explained by Company witness Smith (FE PA Statement No. 2), the  
5 proposed vegetation management program is designed to fund enhancements intended to  
6 address the primary issues impacting the reliability of the Company’s service. While the  
7 enhanced vegetation management program is estimated to cost approximately \$100 million  
8 per year over an anticipated ten-year period, it is estimated to significantly improve  
9 distribution service reliability for the Company’s customers.

10 **Storms** – The increase in storm related expenses and recovery of deferred storm  
11 balances are another contributing factor of the requested base rate increase. As explained  
12 by Company witness Smith (FE PA Statement No. 2), the number of storms and expenses  
13 related to storms have increased since the setting the baseline in the storm deferral. There  
14 are three components of the requested increase for storms: (1) the recovery of the storm-  
15 related reserve, (2) the recovery of the extraordinary storm damage balance, and (3) an  
16 update to the historical five-year average of actual storm expenses included in base rates  
17 as described by Company witness Larkin (FE PA Statement No. 3).

18 **Administrative and General (“A&G”)** – As more fully discussed by Company  
19 witness Ashton (FE PA Statement No. 4), effective January 1, 2022, FirstEnergy and,  
20 likewise, FE PA, adjusted its capitalization rate for A&G overhead costs as a result of a  
21 representative labor time study conducted by an independent, third-party entity in response  
22 to an audit report from the Federal Energy Regulatory Commission’s (“FERC”) Division  
23 of Audits and Accounting. The effect of the adjustment to A&G capitalization was to

1 reduce amounts that were capitalized and increase amounts that were charged to operations  
2 and maintenance (“O&M”). For consideration in this base rate case, FE PA has included  
3 these amounts previously capitalized in plant in service as originally capitalized. The  
4 Company proposes to continue to recover these prudently incurred costs until fully  
5 depreciated. This ensures that customer rates are not impacted by this reclassification.  
6 Because the proposed recovery treatment of these costs is the same as it has been  
7 historically, there is no impact on rate base or revenue requirement, and costs impacted  
8 continue to be shown in the appropriately charged plant accounts within this filing.  
9 Because O&M expense has a greater effect on customer rates than capital expenditures,  
10 the effect of the reduction in capitalization percentages means that these same costs now  
11 have a greater impact on customer rates.

12 **Additional Staffing** – FE PA is increasing staffing levels to accommodate the  
13 recent increase in interconnection net metering applications as more fully explained in the  
14 testimony of Company witness Smith (FE PA Statement No. 3).

15 **Energy Assistance Outreach Team (“EAOT”)** – As explained in the testimony  
16 of Company witness Jones (FE PA Statement No. 8), the Company is proposing to create  
17 the EAOT in an effort to increase awareness and participation in the assistance programs  
18 available to low-income customers in the Company’s service territory. The new team will  
19 be in charge of creating educational resources, tools, and technology to facilitate program  
20 participation. The EAOT also will work with local agencies, churches, and local  
21 government to increase participation in the Company’s assistance programs.

22 **Electric Vehicle (“EV”) Pilot** – The Company is proposing an EV Pilot that is  
23 intended to educate customers about EVs and encourage them to adopt EVs by providing

1 incentives and expanding access to EV charging in the FE PA territory. The incentives are  
2 explained in the testimony of Company witness Jones (FE PA Statement No. 8).

3 **Q. Please explain why the Company is proposing to roll into distribution base rates the**  
4 **DSIC Rider, the SMT-C Rider, the STAS Rider, and the TCJA Rider.**

5 A. This rate case provides an opportunity for FE PA to reset some of its distribution-related  
6 riders. FE PA currently has a DSIC Rider and is proposing to roll into distribution base  
7 rates the projected DSIC Rider costs and associated charges and to reset the DSIC Rider to  
8 zero as of the effective date of the new distribution base rates approved in this case. The  
9 DSIC Rider has a revenue cap which each Rate District has reached or is approaching. In  
10 fact, the Penn Power Rate District requested and was granted a temporary increase in its  
11 cap in Docket No. P-2019-3012628. The DSIC Rider will remain at zero until FE PA has  
12 added plant through its Commission-approved LTIP in excess of the claimed amount  
13 included in its estimated December 31, 2025 rate base in the present case.

14 Finally, the Company currently has a SMT-C Rider through which it recovers the  
15 costs of implementing its Smart Meter Plan, net of the associated savings. Because smart  
16 meters have been nearly fully deployed, FE PA proposes to roll into base distribution rates  
17 the projected SMT-C Rider. Likewise, FE PA is also proposing to roll into base  
18 distribution rates the STAS and TCJA Riders.

19 **Q. What is the Company's requested capital structure and return included in its request**  
20 **for rate relief?**

21 A. As more fully described and supported by Company witness Wang, FE PA's requested  
22 capital structure is the Company's actual capital structure on December 31, 2023, with  
23 ratios of 53.81% for common equity and 46.19% for long-term debt. The Company's

1 embedded long-term debt cost rate is 4.56% and, as described and supported by Company  
2 witness D'Ascendis (FE PA Statement No. 10), the requested return on equity is 11.30%.  
3 The resultant rate of return is 8.19%.

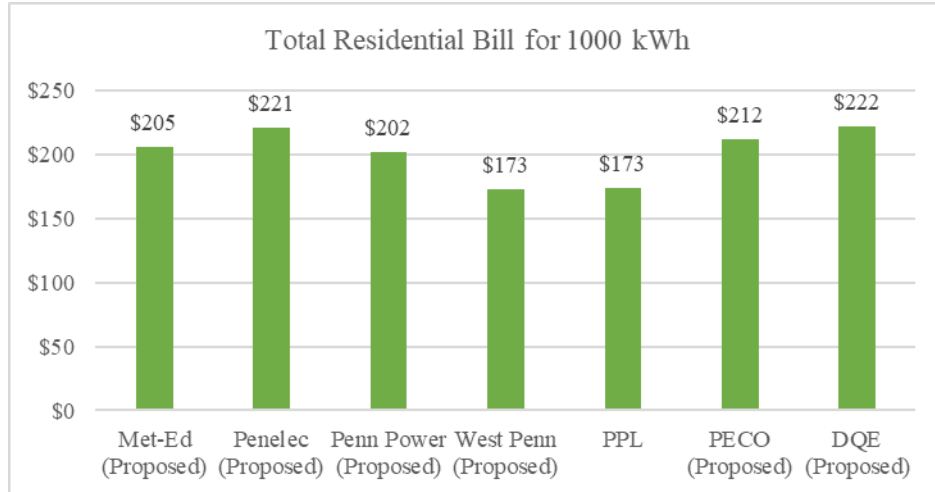
4 **Q. Has the Company evaluated the impact of its proposed base rate increase on average**  
5 **customer bills generally?**

6 A. Yes. As shown in the table below, the March 2024 monthly total bill for a residential  
7 customer using 1,000 kWh per month will reflect a 9.2% increase in the Met-Ed Rate  
8 District, 9.8% increase in the Penelec Rate District, 11.8% increase in the Penn Power Rate  
9 District, and 10.6% increase in the West Penn Rate District,. The proposed increases shown  
10 in in this table are required to support important investments in the improvement, repair,  
11 and replacement of electric infrastructure and to recover the Company's reasonable and  
12 necessary increases in operating expenses.

13 **Q. How will the resulting monthly residential customer bill compare to the current**  
14 **average residential bills of other Pennsylvania EDCs?**

15 A. Even after the proposed rate increase, the FE PA rate districts monthly bill on average will  
16 be in line with the average of the rest of the Pennsylvania utilities.





1  
2

3 FE PA has noted compelling reasons driving the rate increase and even if the increase is  
4 adopted in full, the Company’s individual Rate Districts will remain in line with those  
5 rates charged by its peers.

6 **Q. Why is the Company’s proposed rate increase justified?**

7 A. The Company’s current rates, established in 2017, do not provide it with a reasonable  
8 opportunity to earn a fair rate of return on its investments made to provide safe and reliable  
9 electric distribution service to the public. Specifically, as reflected in FE PA Exhibit PML-  
10 1, page 1, the Company’s operations at present rates are projected to produce an overall  
11 rate of return of just 3.45%, which equates to a return on common equity of only 2.49%  
12 during the FPFTY. Company witness D’Ascendis (FE PA Statement No. 10) explains that  
13 these returns are not adequate based on applicable financial data and the risks confronted  
14 by FE PA. Without the requested rate relief, FE PA’s returns will continue to decline, deny  
15 FE PA the opportunity to earn a fair and reasonable rate of return, and risk undermining its  
16 ability to attract the capital needed to make the system investments necessary to support  
17 and ensure continued system reliability, safety, and customer service performance.

1 Numerous other of the Company’s witnesses explain the necessity for increased spending  
2 in these various areas.

3 **IV. OVERVIEW OF OTHER COMPANY WITNESSES**

4 **Q. Please identify other witnesses submitting direct testimony on behalf of the**  
5 **Applicants in this proceeding**

6 **A.** Ten other witnesses will sponsor direct testimony in this proceeding on behalf of FE PA.  
7 Those witnesses and the topics that they address in their respective testimony are set forth  
8 below.

<b>Wade Smith</b>	Statement No. 2	Operational and investment overview; the proposed enhanced vegetation management program; various operations and maintenance expenses; the current retail interconnection program and the expenses related to the program.
<b>Patricia Larkin</b>	Statement No. 3	Development of the Company’s revenue requirement as well as certain ratemaking adjustments related to the test year expenses, storm reserve, extraordinary storms, COVID recovery, uncollectible, and prior settlement agreements.
<b>Tracy Ashton</b>	Statement No. 4	Development of the Company’s accounting exhibits, service company relationships, charges, allocations, FERC audit, customer refunds, and sponsor of pension and OPEB methodology change.
<b>Gregory Gawlik</b>	Statement No. 5	Development of the Company’s tax exhibits.

<b>Mark Kehl</b>	Statement No. 6	Development of normalized sales and revenues; proposed changes to tariff rules and regulations, rate schedules and riders.
<b>Tim Lyons</b>	Statement No. 7	Development of the Company's cost of service studies; separation studies; cost of service at existing rates and claim for cash working capital.
<b>Mark Jones</b>	Statement No. 8	Development of the Company's customer service and EV proposals.
<b>John Spanos</b>	Statement No. 9	Annual and accrued depreciation rates and service lives.
<b>Dylan D'Ascendis</b>	Statement No. 10	Cost of common equity.
<b>Bill Wang</b>	Statement No. 11	Capitalization ratios; cost rates of long-term debt and common equity; and overall cost of capital.

1 V. **SETTLEMENT COMMITMENTS**

2 Q. **Are there any commitments contained in previously approved settlements entered by**  
3 **the Predecessor Companies and/or FE PA that FE PA needs to address as a part of**  
4 **this proceeding?**

5 A. Yes. Specifically, the Predecessor Companies each entered into a Joint Petition for Partial  
6 Settlement of Rate Investigation in each of their last base rate cases at Docket Nos. R-2016-  
7 2537349 (Met-Ed), R-2016-2537352 (Penelec), R-2016-2537355 (Penn Power), and R-

1 2016-2537359 (West Penn), collectively referred to as the “Rate Case Settlement  
2 Agreements,” that contained specific commitments that must be addressed in the case. In  
3 addition, the Joint Petition for Approval of Settlement of All Issues (the “PA Consolidation  
4 Settlement Agreement”) entered during the PA Consolidation proceeding contained further  
5 commitments that must be addressed.

6 **Q. Please generally describe the commitments contained in the Rate Case Settlement  
7 Agreements entered by the Predecessor Companies during their last base rate cases.**

8 A. The Predecessor Companies made various commitments in the areas of revenue  
9 requirement, distribution rate base stay-outs, the baseline for restarting their respective  
10 DSIC Riders, smart meter implementation, and light-emitting diode (“LED”) street  
11 lighting.

12 **Q. Have the Predecessor Companies and FE PA complied with the commitments  
13 contained in the Rate Case Settlement Agreements?**

14 A. Yes. The Rate Case Settlement Agreement commitments have been complied with by the  
15 Predecessor Companies and FE PA. Specifically:

16 **Distribution base rate stay-out** – The Predecessor Companies agreed not to file  
17 for another general increase to their distribution rates prior to January 27, 2019. As  
18 mentioned above, the current distribution base rates for each of the FE PA Rate Districts  
19 were established seven years ago pursuant to the Commission’s Final Order entered  
20 January 19, 2017. This proceeding is the first base rate increase filed on behalf of the  
21 Predecessor Companies or FE PA since that time.

22 **Baseline for restarting the DSIC** – Similarly, and consistent with the Rate Case  
23 Settlement Agreements, neither the Predecessor Companies nor FE PA restarted the

1 applicable DSIC Riders until the applicable gross plant balances exceeded the gross plant  
2 balances set forth in the applicable settlement per Exhibit RAD-46 from the prior rate base  
3 case.

4 **Q. Under Paragraph 18 of the Rate Case Settlement Agreements, each of the Predecessor**  
5 **Companies agreed to provide a comparison of its actual expenses and rate base**  
6 **additions for the 12 months ended December 31, 2017, to its projections in this case.**  
7 **Has this information been provided in this case?**

8 A. Yes. Company witness Larkin (FE PA Statement No. 3) describes this in her testimony  
9 and associated exhibits, which provide the schedules setting forth this information.

10 **Q. The Predecessor Companies also agreed to: (i) establish a Universal Service Advisory**  
11 **Committee which was to hold meetings at least twice a year; and (ii) complete a filing**  
12 **to increase the maximum credits allowable under the existing customer assistance**  
13 **program by an amount proportionate to 50% of the average increase to residential**  
14 **rates agreed to in the Rate Case Settlement Agreements. Has this commitment been**  
15 **satisfied?**

16 A. Yes, the Predecessor Companies established the committee as prescribed in the Rate Case  
17 Settlement Agreements. In addition, the Predecessor Companies completed the filing to  
18 increase the maximum credit also as prescribed in the Rate Case Settlement Agreements.  
19 For additional information regarding compliance with this settlement commitment, please  
20 see the testimony of Company witness Jones (FE PA Statement No. 8).

1 **Q. Please generally describe the settlement commitments contained in the PA**  
2 **Consolidation Settlement Agreement that must be addressed in this proceeding.**

3 A. The PA Consolidation Settlement Agreement contained a commitment that the Predecessor  
4 Companies (now FE PA) will not propose to reach full base rate distribution rate  
5 unification of all classes until the conclusion of three rate cases, filed on or after January  
6 1, 2025, or a period of ten years from the date of the Commission’s approval of PA  
7 Consolidation, whichever comes first. Consistent with this commitment, the Company is  
8 not proposing to unify the base distribution rates applicable to any of the Rate Districts in  
9 this filing. FE PA is following a rate design by Rate District which is guided by several  
10 principles commonly used throughout the industry as described and supported by Company  
11 witness Lyons (FE PA Statement No. 7).

12 In addition, FE PA has a commitment to track certain savings associated with PA  
13 Consolidation. FE PA is tracking those savings, but due to the proximity of this filing to  
14 the closing of consolidation such savings are immaterial at this time. The Company will  
15 continue to track savings consistent with the PA Consolidation Settlement Agreement and  
16 address those savings in future rate cases.

17 **Q. Are there other commitments contained in the PA Consolidation Settlement**  
18 **Agreement that are applicable to how this rate case must be structured?**

19 A. Consistent with the PA Consolidation Settlement Agreement, FE PA is including four  
20 separate cost of service studies in the current rate base filing. Additionally, FE PA is  
21 including Rate District specific details for the proposed revenue requirement, rate design,  
22 and cash working capital. Presenting this data by Rate District will facilitate the review of  
23 the filing.

1 **Q. Will any aspects of this base rate case be combined?**

2 A. The Company will not look to unify, or move towards unification, any existing base rates  
3 between the jurisdictional Rate Districts in this filing. However, as described by Company  
4 witness Kehl (FE PA Statement No. 6), the Company is proposing unification of certain  
5 administrative fees within its proposed tariff and offering a new voluntary LED rate  
6 schedule for Outdoor Area Lighting ("OAL") services.

7 **VI. REFUNDS TO CUSTOMERS**

8 **Q. Please describe the refunds to FE PA customers that are proposed to be flowed-**  
9 **through in this case.**

10 A. As described by Company witness Ashton (FE PA Statement No. 4), FirstEnergy  
11 performed reviews of certain non-operating or non-recoverable costs and identified certain  
12 costs that were recorded to utility operating accounts. The Controllers Department  
13 identified such costs that were misallocated to the Predecessor Companies and my  
14 department performed a Pennsylvania-specific analysis to determine which such costs were  
15 reflected in the test year from the Predecessor Companies' last base rate cases. Once  
16 determined, the allocations from the Predecessor Companies' prior base rate cases  
17 occurring in 2006, 2014 and 2016 were applied to achieve an FE PA jurisdictional amount.  
18 The workpapers for this calculation are attached to my testimony as FE PA Exhibit JMS-  
19 1, which identified an amount of \$13.6 million that was included in base rates and collected  
20 from customers through electric service charges.

21 **Q. How was the total customer refund determined?**

22 A. The total amount of \$13.6 million was determined as described above. Applicable refund  
23 amounts are approximately \$4.4 million for the Met-Ed Rate District, approximately \$4.3

1 million for the Penelec Rate District, \$1.2 million for the Penn Power Rate District, and  
2 approximately \$3.7 million for the West Penn Rate District. This breakdown is also shown  
3 in FE PA Exhibit JMS-1.

4 **Q. Does FE PA’s refund calculations include and apply interest applicable to the period**  
5 **between the Predecessor Companies’ prior base rate cases and this base rate case?**

6 A. Yes. Compounded interest was applied to the regulatory liability at a rate of 6%.<sup>3</sup> Further,  
7 compounded interest will continue to apply upon conclusion of this base rate case until the  
8 amount in the regulatory liability is fully refunded to customers.

9 **Q. What is the total amount to be refunded to customers?**

10 A. As stated above, the total refund to customers is approximately \$13.6 million. This consists  
11 of approximately \$10.5 million that accumulated since the time of the Predecessor  
12 Companies’ prior distribution base rate cases in 2006, 2014 and 2016, plus compounded  
13 interest amounts of approximately \$3.0 million. Detailed monthly calculations supporting  
14 these amounts are contained in FE PA Exhibit JMS-2.

15 **Q. How does FE PA propose to refund this amount to customers?**

16 A. FE PA proposes to issue a one-time fixed bill credit to customers to discharge the  
17 regulatory liability. Specifically, within 30 days of a final order in this proceeding, FE PA  
18 will file with the Commission the credits that will appear on a monthly bill for each  
19 customer class. FE PA proposes that the \$13.6 million regulatory liability will be allocated  
20 to rate schedules on the basis of 2023 distribution revenue. The format of the filing and  
21 calculation of the credits will be substantially similar to the example provided in FE PA

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<sup>3</sup> This is the legal statutory interest rate per 41 P.S. § 202.



1 Exhibit JMS-3, with the exception that the forecast data will be updated to the most recent  
2 forecast information available. Additionally, following the distribution of the one-time  
3 refunds, FE PA will submit an informational filing to the Commission that reports the  
4 actual refunds distributed to customers not more than 30 days after completion of the  
5 distribution of refunds. FE PA wants to provide the refunds to customers as soon as  
6 practical upon conclusion of this base rate case and does not want to extend the distribution  
7 of customer refunds over an extended period, which is why the refunds will be provided  
8 over a one-month period instead of an annual or multi-year period. Also, to ensure the full  
9 amount of refunds are provided to customers, the refund was designed as a fixed credit per  
10 rate schedule because the use of a kilowatt hour credit can unfortunately result in a high  
11 degree of variability in refunds given that customer consumption can vary from forecasts  
12 due in large part to changes in temperature. The number of customers can be forecasted  
13 with a much greater degree of accuracy. Therefore, FE PA is proposing to provide the  
14 refund using the applicable customers counts for each rate class.

15 **VII. IMPACT OF VERIZON COMPLAINT ON RATE CASE**

16 **Q. You mentioned that the Company incorporated the expected impact of the**  
17 **Commission’s disposition of the complaint filed by Verizon at Docket No. C-2020-**  
18 **3019347 into its FPFTY. Please explain.**

19 **A.** The Company’s FPFTY reflects the estimated level of pole attachment revenues from  
20 Verizon, reflective of the Commission’s directives in its Order entered December 3, 2020,  
21 in Docket No. C-2020-3019347 (“Verizon Complaint”). In that complaint proceeding,  
22 Verizon challenged the rates it paid to attach to poles per its contractual agreements in the  
23 Met-Ed, Penelec, and Penn Power Rate Districts. Ultimately, the Commission ordered that

1 the rates Verizon pays to FE PA be reduced. FE PA's pole attachment revenues are  
2 recorded as other operating revenues and offset each of the respective Rate District's  
3 overall revenue requirement.

4 **Q. Is FE PA proposing to recover any of the impact of the Commission's decision in the**  
5 **Verizon case for periods prior to its FPFTY?**

6 A. Consistent with the Company's position in the ongoing litigation related to the Verizon  
7 Complaint, FE PA proposes to record as a regulatory asset the difference in revenues  
8 produced from the negotiated contract rates and the new, reduced rates ordered by the  
9 Commission. Further, FE PA proposes to recover the difference as part of this rate case.  
10 This difference was calculated to cover the period in which the new rates were effective  
11 through the effective date of new rates in this case, November 20, 2019, to December 31,  
12 2024. The amounts and amortization period are shown in FE PA HIGHLY  
13 CONFIDENTIAL Exhibit JMS-4.

14 **Q. Why is FE PA proposing to reflect the impact of the Commission's Order in the**  
15 **Verizon Complaint despite the fact that this order remains subject to review by an**  
16 **appellate court?**

17 A. In order to ensure that the rates adopted in this case accurately reflect the impacts of the  
18 Commission's decision in the Verizon Complaint, FE PA has reflected the full impact of  
19 the order in its initial filing. To the extent that an appellate court decision affects the  
20 amount by which the rates Verizon pays FE PA should be reduced, FE PA will update its  
21 proposed revenue requirement to reflect such impacts.

1 VIII. CONCLUSION

2 Q. Does this conclude your direct testimony?

3 A. Yes.

Resume: Education and Experience of Joanne M. Savage

Education:

2006 Bachelor of Science Degree in Accounting and Finance – Albright College  
2010 Master of Business Administration Degree in Corporate Finance –  
Alvernia University

Experience:

6/05 – 5/06 Intern – Rates & Regulatory Affairs – Pennsylvania – FirstEnergy  
Service Company  
5/06 – 2/11 Analyst – Rates & Regulatory Affairs – Pennsylvania – FirstEnergy Service  
Company  
2/11 – 4/16 Analyst – Rates & Regulatory Affairs – Ohio – FirstEnergy Service Company  
5/16 – 3/19 Manager, Revenue Requirements – Rates & Regulatory Affairs – Ohio –  
FirstEnergy Service Company  
3/19 – present Director – Rates & Regulatory Affairs – Pennsylvania – FirstEnergy Service  
Company

Prepared and presented testimony in the following rate-related cases:

Pennsylvania Public Utility Commission Cases: Docket No:

M-2010-2162846	Pennsylvania Electric Company Consumer Education Charge Reconciliation Statement
M-2010-2162848	Metropolitan Edison Company Consumer Education Charge Reconciliation Statement
M-2010-2186760	Pennsylvania Electric Company Energy Efficiency and Conservation Charge Reconciliation Statement
M-2010-2186764	Metropolitan Edison Company Energy Efficiency and Conservation Charge Reconciliation Statement
M-2010-2186772	Pennsylvania Power Company Energy Efficiency and Conservation Charge Reconciliation Statement
M-2011-2228497	Metropolitan Edison Company Consumer Education Charge Reconciliation Statement
M-2011-2228617	Pennsylvania Electric Company Consumer Education Charge Reconciliation Statement
P-2019-3012628	Pennsylvania Power Company Waiver of the Distribution System Improvement Charge Cap
C-2020-3019347	Complaint of Verizon Pennsylvania LLC and Verizon North LLC v. Metropolitan Edison Company, Pennsylvania Electric Company and Penn Power Company

C-2021-3026811	Complaint of Office of Consumer Advocate v. Pennsylvania Power Company's Distribution System Improvement Charge
P-2021-3030012	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
P-2021-3030013	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
P-2021-3030014	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
P-2021-3030021	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
A-2023-3038771	Joint Application of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, West Penn Power Company, Keystone Appalachian Transmission Company, Mid-Atlantic Interstate Transmission, LLC, and FirstEnergy Pennsylvania Electric Company for All of the Necessary Authority, Approvals, and Certificates of Public Convenience for the Agreements and Plans of Merger

Public Utilities Commission of Ohio Cases: Case Nos:

13-2145-EL-CSS	Complaint of Material Sciences Corporation, Complainant, v. The Toledo Edison Company, Respondent.
14-1297-EL-SSO	Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Authority to Provide for a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan
16-925-EL-UNC	Determination of the Existence of Significantly Excessive Earnings for 2015 Under the Electric Security Plan of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company

- 17-993-EL-UNC Determination of the Existence of Significantly Excessive Earnings for 2016 Under the Electric Security Plan of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company
- 18-857-EL-UNC Determination of the Existence of Significantly Excessive Earnings for 2017 Under the Electric Security Plan of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company
- 19-361-EL-RDR Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for an Extension of the Distribution Modernization Rider

New York Public Service Commission Case: Case No:

- Case 21-E-0252 Joint Petition of Pennsylvania Electric Company, The Waverly Electric Light and Power Company, and Tri-County Rural Electric Cooperative, Inc. for a Declaratory Ruling Abstaining from Review of the Proposed Intra-Corporate Reorganization and an Order Authorizing the Proposed Asset Transfer Pursuant to Section 70 of the New York Public Service Law
- Case 23-E-0118 Petition of Pennsylvania Electric Company for Authorizing the Proposed Intra-Corporate Merger Pursuant to Section 70 of the New York Public Service Law.

	<b>2006 Rate Case</b>	<b>2014 Rate Case</b>	<b>2016 Rate Case</b>	<b>Interest Rate</b>	<b>Analysis Year</b>
Rates Effective	1/7/2007	5/3/2015	1/27/2017	6%	2024
Through Period	5/3/2015	1/27/2017	1/1/2025		
Days	3038	635	2896		

2006 Base Case Annual Revenue Requirement					
PA Refunds	ME	PN	PP	WP	Total
Vendor Payments - 16 Entities	\$ 21,679	\$ 22,508	\$ -	\$ -	\$ 44,187
<b>Total FE Review of Vendor Payments</b>	<b>\$ 21,679</b>	<b>\$ 22,508</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,187</b>

2014 Base Case Annual Revenue Requirement					
PA Refunds	ME	PN	PP	WP	Total
Vendor Payments - 16 Entities	\$ 136	\$ 156	\$ 35	\$ 98	\$ 426
Internal Lobbying - Direct Labor	\$ 54,690	\$ 94,283	\$ 21,505	\$ 48,609	\$ 219,087
Internal Lobbying - Labor Ancillaries	\$ 4,345	\$ 5,031	\$ 1,273	\$ 4,035	\$ 14,683
Industry and Trade Association Dues - Lobbying	\$ 12	\$ 14	\$ 3	\$ 11	\$ 39
Sports Sponsorships	\$ 126,523	\$ 91,565	\$ 11,729	\$ 128,457	\$ 358,274
FE Foundation - Direct Labor & Labor Ancillaries	\$ 18,086	\$ 20,527	\$ 5,116	\$ 18,508	\$ 62,238
Competitive Products - Labor Ancillaries	\$ 2,745	\$ 3,152	\$ 786	\$ 2,532	\$ 9,216
<b>Total FE Review of Vendor Payments</b>	<b>\$ 136</b>	<b>\$ 156</b>	<b>\$ 35</b>	<b>\$ 98</b>	<b>\$ 426</b>
<b>Total FE Review</b>	<b>\$ 181,212</b>	<b>\$ 185,848</b>	<b>\$ 33,234</b>	<b>\$ 177,067</b>	<b>\$ 577,361</b>
<b>Total CEFS Review</b>	<b>\$ 25,188</b>	<b>\$ 28,725</b>	<b>\$ 7,178</b>	<b>\$ 25,085</b>	<b>\$ 86,176</b>
<b>Total</b>	<b>\$ 206,537</b>	<b>\$ 214,728</b>	<b>\$ 40,447</b>	<b>\$ 202,251</b>	<b>\$ 663,963</b>

2016 Base Case Annual Revenue Requirement					
PA Refunds	ME	PN	PP	WP	Total
Vendor Payments - 16 Entities	\$ 67,402	\$ 77,205	\$ 17,769	\$ 61,076	\$ 223,452
Vendor Payments - Sustainability Funding Alliance	\$ 2,412	\$ 2,680	\$ 624	\$ 1,928	\$ 7,644
External Lobbying	\$ 520	\$ 594	\$ 133	\$ 423	\$ 1,670
Internal Lobbying - Direct Labor	\$ 61,759	\$ 94,203	\$ 23,740	\$ 63,055	\$ 242,757
Internal Lobbying - Labor Ancillaries	\$ 7,077	\$ 8,243	\$ 2,160	\$ 6,875	\$ 24,355
Industry and Trade Association Dues - Lobbying	\$ 34	\$ 107	\$ 7	\$ 30	\$ 178
Sports Sponsorships	\$ 153,437	\$ 85,665	\$ 44,919	\$ 124,769	\$ 408,790
FE Foundation - Direct Labor & Labor Ancillaries	\$ 21,294	\$ 24,238	\$ 6,064	\$ 21,707	\$ 73,302
Competitive Products - Labor Ancillaries	\$ 15,398	\$ 17,817	\$ 4,651	\$ 15,178	\$ 53,044
IT O&M for FE Products	\$ 28,771	\$ 32,108	\$ 8,109	\$ 29,686	\$ 98,674
<b>Total FE Review of Vendor Payments</b>	<b>\$ 69,814</b>	<b>\$ 79,885</b>	<b>\$ 18,393</b>	<b>\$ 63,004</b>	<b>\$ 231,096</b>
<b>Total FE Review</b>	<b>\$ 244,487</b>	<b>\$ 212,570</b>	<b>\$ 76,901</b>	<b>\$ 217,933</b>	<b>\$ 751,892</b>
<b>Total CEFS Review</b>	<b>\$ 43,802</b>	<b>\$ 50,405</b>	<b>\$ 12,881</b>	<b>\$ 43,791</b>	<b>\$ 150,879</b>

Year	Met-Ed Rate District			Penelec Rate District			Penn Power Rate District			West Penn Rate District			Total FE PA		
	Principal	Interest	Cumulative Balance	Principal	Interest	Cumulative Balance	Principal	Interest	Cumulative Balance	Principal	Interest	Cumulative Balance	Principal	Interest	Cumulative Balance
2007	\$ 21,323	\$ 680	\$ 22,003	\$ 22,138	\$ 706	\$ 22,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,461	\$ 1,387	\$ 44,847
2008	\$ 21,738	\$ 1,984	\$ 45,726	\$ 22,570	\$ 2,060	\$ 47,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,308	\$ 4,045	\$ 93,200
2009	\$ 21,679	\$ 3,285	\$ 70,690	\$ 22,508	\$ 3,411	\$ 73,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,187	\$ 6,696	\$ 144,084
2010	\$ 21,679	\$ 4,586	\$ 96,956	\$ 22,508	\$ 4,762	\$ 100,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,187	\$ 9,348	\$ 197,619
2011	\$ 21,679	\$ 5,887	\$ 124,522	\$ 22,508	\$ 6,112	\$ 129,283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,187	\$ 11,999	\$ 253,805
2012	\$ 21,738	\$ 7,191	\$ 153,451	\$ 22,570	\$ 7,466	\$ 159,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,308	\$ 14,657	\$ 312,770
2013	\$ 21,679	\$ 8,492	\$ 183,622	\$ 22,508	\$ 8,817	\$ 190,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,187	\$ 17,309	\$ 374,265
2014	\$ 21,679	\$ 9,793	\$ 215,094	\$ 22,508	\$ 10,167	\$ 223,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,187	\$ 19,960	\$ 438,412
2015	\$ 144,749	\$ 13,846	\$ 373,689	\$ 150,479	\$ 14,380	\$ 388,177	\$ 26,928	\$ 602	\$ 27,530	\$ 134,649	\$ 3,012	\$ 137,661	\$ 456,805	\$ 31,840	\$ 927,057
2016	\$ 207,103	\$ 25,793	\$ 606,585	\$ 215,316	\$ 26,801	\$ 630,294	\$ 40,558	\$ 2,931	\$ 71,019	\$ 202,805	\$ 14,656	\$ 355,121	\$ 665,782	\$ 70,181	\$ 1,663,020
2017	\$ 347,445	\$ 42,451	\$ 996,481	\$ 333,890	\$ 43,292	\$ 1,007,476	\$ 103,386	\$ 7,262	\$ 181,668	\$ 316,112	\$ 30,238	\$ 701,472	\$ 1,100,833	\$ 123,244	\$ 2,887,097
2018	\$ 358,104	\$ 63,941	\$ 1,418,526	\$ 342,860	\$ 63,869	\$ 1,414,205	\$ 108,175	\$ 13,754	\$ 303,597	\$ 324,728	\$ 49,725	\$ 1,075,925	\$ 1,133,867	\$ 191,289	\$ 4,212,254
2019	\$ 358,104	\$ 85,428	\$ 1,862,057	\$ 342,860	\$ 84,440	\$ 1,841,506	\$ 108,175	\$ 20,244	\$ 432,017	\$ 324,728	\$ 69,209	\$ 1,469,862	\$ 1,133,867	\$ 259,321	\$ 5,605,443
2020	\$ 359,085	\$ 106,968	\$ 2,328,110	\$ 343,800	\$ 105,063	\$ 2,290,369	\$ 108,472	\$ 26,751	\$ 567,240	\$ 325,618	\$ 88,742	\$ 1,884,221	\$ 1,136,974	\$ 327,524	\$ 7,069,941
2021	\$ 358,104	\$ 128,459	\$ 2,814,672	\$ 342,860	\$ 125,640	\$ 2,758,870	\$ 108,175	\$ 33,243	\$ 708,659	\$ 324,728	\$ 108,230	\$ 2,317,179	\$ 1,133,867	\$ 395,572	\$ 8,599,380
2022	\$ 358,104	\$ 149,945	\$ 3,322,721	\$ 342,860	\$ 146,211	\$ 3,247,941	\$ 108,175	\$ 39,734	\$ 856,568	\$ 324,728	\$ 127,713	\$ 2,769,620	\$ 1,133,867	\$ 463,604	\$ 10,196,851
2023	\$ 358,104	\$ 171,478	\$ 3,852,303	\$ 342,861	\$ 166,828	\$ 3,757,630	\$ 108,175	\$ 46,238	\$ 1,010,982	\$ 324,728	\$ 147,239	\$ 3,241,587	\$ 1,133,868	\$ 531,783	\$ 11,862,501
2024	\$ 358,104	\$ 192,964	\$ 4,403,371	\$ 342,861	\$ 187,399	\$ 4,287,889	\$ 108,175	\$ 52,729	\$ 1,171,886	\$ 324,728	\$ 166,723	\$ 3,733,038	\$ 1,133,868	\$ 599,815	\$ 13,596,184
<b>Total</b>	<b>\$ 3,380,199</b>	<b>\$ 1,023,172</b>		<b>\$ 3,280,465</b>	<b>\$ 1,007,424</b>		<b>\$ 928,396</b>	<b>\$ 243,490</b>		<b>\$ 2,927,551</b>	<b>\$ 805,488</b>		<b>\$ 10,516,611</b>	<b>\$ 3,079,573</b>	



FirstEnergy Pennsylvania Electric Company  
Principal and Carrying Charge Calculation

Met-Ed Rate District Revenue Requirement				Penelec Rate District Revenue Requirement				Penn Power Rate District Revenue Requirement				West Penn Rate District Revenue Requirement				Total FE PA Revenue Requirement			
2006 \$ 21,679.06				\$ 22,507.97				\$ -				\$ 202,250.56				\$ 44,187.04			
2014 \$ 206,536.97				\$ 214,728.04				\$ 40,447.24				\$ 202,250.56				\$ 663,962.82			
2016 \$ 358,103.76				\$ 342,860.49				\$ 108,175.34				\$ 324,727.90				\$ 1,133,867.49			
Year	Month	Principal	Interest	6% Cumulative Balance	Principal	Interest	6% Cumulative Balance	Principal	Interest	6% Cumulative Balance	Principal	Interest	6% Cumulative Balance	Principal	Interest	6% Cumulative Balance			
2007	Jan	\$ 1,485	\$ 7	\$ 1,492	\$ 1,542	\$ 8	\$ 1,549	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,027	\$ 15	\$ 3,042			
	Feb	\$ 1,663	\$ 16	\$ 3,171	\$ 1,727	\$ 16	\$ 3,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,390	\$ 32	\$ 3,422			
	Mar	\$ 1,841	\$ 25	\$ 5,037	\$ 1,912	\$ 26	\$ 5,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 51	\$ 3,804			
	Apr	\$ 1,782	\$ 34	\$ 6,853	\$ 1,850	\$ 35	\$ 7,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 69	\$ 3,701			
	May	\$ 1,841	\$ 43	\$ 8,737	\$ 1,912	\$ 45	\$ 9,071	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 88	\$ 3,841			
	Jun	\$ 1,782	\$ 52	\$ 10,571	\$ 1,850	\$ 54	\$ 10,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 106	\$ 3,738			
	Jul	\$ 1,841	\$ 61	\$ 12,474	\$ 1,912	\$ 64	\$ 12,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 125	\$ 3,878			
	Aug	\$ 1,841	\$ 70	\$ 14,385	\$ 1,912	\$ 73	\$ 14,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 145	\$ 3,898			
	Sept	\$ 1,782	\$ 79	\$ 16,246	\$ 1,850	\$ 82	\$ 16,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 162	\$ 3,794			
	Oct	\$ 1,841	\$ 89	\$ 18,176	\$ 1,912	\$ 92	\$ 18,871	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 180	\$ 3,931			
	Nov	\$ 1,782	\$ 97	\$ 20,055	\$ 1,850	\$ 101	\$ 20,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 199	\$ 3,831			
	Dec	\$ 1,841	\$ 107	\$ 22,003	\$ 1,912	\$ 111	\$ 22,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 217	\$ 3,970			
2008	Jan	\$ 1,841	\$ 116	\$ 23,960	\$ 1,912	\$ 120	\$ 24,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 236	\$ 4,006			
	Feb	\$ 1,722	\$ 124	\$ 25,807	\$ 1,788	\$ 129	\$ 26,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,511	\$ 254	\$ 3,765			
	Mar	\$ 1,841	\$ 134	\$ 27,782	\$ 1,912	\$ 139	\$ 28,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 272	\$ 3,999			
	Apr	\$ 1,782	\$ 143	\$ 29,706	\$ 1,850	\$ 148	\$ 30,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 291	\$ 3,923			
	May	\$ 1,841	\$ 152	\$ 31,699	\$ 1,912	\$ 158	\$ 32,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 309	\$ 4,000			
	Jun	\$ 1,782	\$ 161	\$ 33,642	\$ 1,850	\$ 167	\$ 34,928	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 327	\$ 3,959			
	Jul	\$ 1,841	\$ 170	\$ 35,653	\$ 1,912	\$ 176	\$ 37,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 346	\$ 4,045			
	Aug	\$ 1,841	\$ 179	\$ 37,673	\$ 1,912	\$ 186	\$ 39,114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 365	\$ 4,080			
	Sept	\$ 1,782	\$ 188	\$ 39,643	\$ 1,850	\$ 195	\$ 41,159	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 383	\$ 4,013			
	Oct	\$ 1,841	\$ 197	\$ 41,681	\$ 1,912	\$ 205	\$ 43,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 402	\$ 4,048			
	Nov	\$ 1,782	\$ 206	\$ 43,669	\$ 1,850	\$ 214	\$ 45,339	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 420	\$ 3,988			
	Dec	\$ 1,841	\$ 215	\$ 45,726	\$ 1,912	\$ 224	\$ 47,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 439	\$ 4,027			
2009	Jan	\$ 1,782	\$ 225	\$ 47,792	\$ 1,912	\$ 233	\$ 49,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 458	\$ 4,065			
	Feb	\$ 1,663	\$ 233	\$ 49,688	\$ 1,727	\$ 242	\$ 51,587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,390	\$ 475	\$ 3,865			
	Mar	\$ 1,841	\$ 242	\$ 51,771	\$ 1,912	\$ 251	\$ 53,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 493	\$ 4,000			
	Apr	\$ 1,782	\$ 251	\$ 53,804	\$ 1,850	\$ 261	\$ 55,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 511	\$ 3,943			
	May	\$ 1,841	\$ 260	\$ 55,905	\$ 1,912	\$ 270	\$ 58,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 530	\$ 4,033			
	Jun	\$ 1,782	\$ 269	\$ 57,956	\$ 1,850	\$ 279	\$ 60,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 548	\$ 3,981			
	Jul	\$ 1,841	\$ 278	\$ 60,075	\$ 1,912	\$ 289	\$ 62,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 567	\$ 4,018			
	Aug	\$ 1,841	\$ 287	\$ 62,204	\$ 1,912	\$ 298	\$ 64,583	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 586	\$ 4,054			
	Sept	\$ 1,782	\$ 296	\$ 64,232	\$ 1,850	\$ 308	\$ 66,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 604	\$ 4,012			
	Oct	\$ 1,841	\$ 306	\$ 66,429	\$ 1,912	\$ 317	\$ 68,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 623	\$ 4,049			
	Nov	\$ 1,782	\$ 315	\$ 68,526	\$ 1,850	\$ 327	\$ 71,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 641	\$ 3,998			
	Dec	\$ 1,841	\$ 324	\$ 70,690	\$ 1,912	\$ 336	\$ 73,393	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 660	\$ 4,035			
2010	Jan	\$ 1,841	\$ 333	\$ 72,865	\$ 1,912	\$ 346	\$ 75,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 679	\$ 4,070			
	Feb	\$ 1,663	\$ 341	\$ 74,869	\$ 1,727	\$ 354	\$ 77,732	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,390	\$ 695	\$ 3,985			
	Mar	\$ 1,841	\$ 350	\$ 77,061	\$ 1,912	\$ 364	\$ 80,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 714	\$ 4,019			
	Apr	\$ 1,782	\$ 359	\$ 79,202	\$ 1,850	\$ 373	\$ 82,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 732	\$ 3,967			
	May	\$ 1,841	\$ 369	\$ 81,412	\$ 1,912	\$ 383	\$ 84,524	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 751	\$ 4,002			
	Jun	\$ 1,782	\$ 377	\$ 83,571	\$ 1,850	\$ 392	\$ 86,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 769	\$ 3,951			
	Jul	\$ 1,841	\$ 387	\$ 85,799	\$ 1,912	\$ 401	\$ 89,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 788	\$ 4,037			
	Aug	\$ 1,841	\$ 396	\$ 88,036	\$ 1,912	\$ 411	\$ 91,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 807	\$ 4,072			
	Sept	\$ 1,782	\$ 405	\$ 90,222	\$ 1,850	\$ 420	\$ 93,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 825	\$ 4,019			
	Oct	\$ 1,841	\$ 414	\$ 92,478	\$ 1,912	\$ 430	\$ 96,014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 844	\$ 4,054			
	Nov	\$ 1,782	\$ 423	\$ 94,682	\$ 1,850	\$ 439	\$ 98,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 862	\$ 3,998			
	Dec	\$ 1,841	\$ 432	\$ 96,956	\$ 1,912	\$ 449	\$ 100,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 881	\$ 4,033			
2011	Jan	\$ 1,841	\$ 441	\$ 99,238	\$ 1,912	\$ 458	\$ 103,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 899	\$ 4,068			
	Feb	\$ 1,663	\$ 450	\$ 101,351	\$ 1,727	\$ 467	\$ 105,226	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,390	\$ 916	\$ 3,976			
	Mar	\$ 1,841	\$ 459	\$ 103,651	\$ 1,912	\$ 476	\$ 107,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 935	\$ 4,011			
	Apr	\$ 1,782	\$ 468	\$ 105,901	\$ 1,850	\$ 486	\$ 109,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 953	\$ 3,965			
	May	\$ 1,841	\$ 477	\$ 108,219	\$ 1,912	\$ 495	\$ 112,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 972	\$ 4,000			
	Jun	\$ 1,782	\$ 486	\$ 110,486	\$ 1,850	\$ 504	\$ 114,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 990	\$ 3,954			
	Jul	\$ 1,841	\$ 495	\$ 112,823	\$ 1,912	\$ 514	\$ 117,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,009	\$ 4,039			
	Aug	\$ 1,841	\$ 504	\$ 115,168	\$ 1,912	\$ 524	\$ 119,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,028	\$ 4,074			
	Sept	\$ 1,782	\$ 513	\$ 117,463	\$ 1,850	\$ 533	\$ 121,955	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,046	\$ 4,019			
	Oct	\$ 1,841	\$ 522	\$ 119,827	\$ 1,912	\$ 542	\$ 124,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,065	\$ 4,054			
	Nov	\$ 1,782	\$ 531	\$ 122,140	\$ 1,850	\$ 552	\$ 126,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,083	\$ 4,000			
	Dec	\$ 1,841	\$ 540	\$ 124,522	\$ 1,912	\$ 561	\$ 129,283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,102	\$ 4,035			
2012	Jan	\$ 1,841	\$ 550	\$ 126,913	\$ 1,912	\$ 571	\$ 131,765	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,120	\$ 4,070			
	Feb	\$ 1,722	\$ 558	\$ 129,193	\$ 1,788	\$ 580	\$ 134,133	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,511	\$ 1,138	\$ 3,969			
	Mar	\$ 1,841	\$ 568	\$ 131,602	\$ 1,912	\$ 589	\$ 136,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,157	\$ 4,004			
	Apr	\$ 1,782	\$ 576	\$ 133,960	\$ 1,850	\$ 598	\$ 139,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,175	\$ 3,953			
	May	\$ 1,841	\$ 586	\$ 136,387	\$ 1,912	\$ 608	\$ 141,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,194	\$ 4,038			
	Jun	\$ 1,782	\$ 595	\$ 138,764	\$ 1,850	\$ 617	\$ 144,059	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,212	\$ 3,987			
	Jul	\$ 1,841	\$ 604	\$ 141,209	\$ 1,912	\$ 627	\$ 146,608	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,231	\$ 4,022			
	Aug	\$ 1,841	\$ 613	\$ 143,663	\$ 1,912	\$ 636	\$ 149,156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,249	\$ 4,057			
	Sept	\$ 1,782	\$ 622	\$ 146,067	\$ 1,850	\$ 646	\$ 151,652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,268	\$ 4,002			
	Oct	\$ 1,841	\$ 631	\$ 148,539	\$ 1,912	\$ 655	\$ 154,218	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,286	\$ 4,037			
	Nov	\$ 1,782	\$ 640	\$ 150,961	\$ 1,850	\$ 664	\$ 156,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,304	\$ 3,987			
	Dec	\$ 1,841	\$ 649	\$ 153,451	\$ 1,912	\$ 674	\$ 159,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,323	\$ 4,022			
2013	Jan	\$ 1,841	\$ 658	\$ 155,951	\$ 1,912	\$ 684	\$ 161,914	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,342	\$ 4,057			
	Feb	\$ 1,663	\$ 667	\$ 158,281	\$ 1,727	\$ 692	\$ 164,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,390	\$ 1,359	\$ 3,962			
	Mar	\$ 1,841	\$ 676	\$ 160,798	\$ 1,912	\$ 702	\$ 166,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,378	\$ 4,037			
	Apr	\$ 1,782	\$ 685	\$ 163,264	\$ 1,850	\$ 711	\$ 169,507	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,396	\$ 3,987			
	May	\$ 1,841	\$ 694	\$ 165,800	\$ 1,912	\$ 721	\$ 172,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,415	\$ 4,022			
	Jun	\$ 1,782	\$ 703	\$ 168,284	\$ 1,850	\$ 730	\$ 174,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 1,433	\$ 3,977			
	Jul	\$ 1,841	\$ 712	\$ 170,838	\$ 1,912	\$ 739	\$ 177,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,753	\$ 1,452	\$ 4,012			



**FirstEnergy Pennsylvania Electric Company - Met-Ed Rate District  
Illustrative Customer Refund Calculation**

<u>Rate Schedule</u>	<u>2023 Distribution Revenue</u>		<u>Regulatory Liability with Interest</u>	<u>2025 Forecast Customers</u>	<u>Estimated January 2025 Credit/Customers</u>
	<u>Revenue</u>	<u>% of Total</u>			
RS	\$ 338,581,153	72.9%	\$ (3,210,430)	523,906	\$ (6.13)
GSV	552,076	0.1%	(5,235)	252	(20.78)
GS Small	17,123,985	3.7%	(162,370)	41,110	(3.95)
GS Medium	57,309,325	12.3%	(543,408)	27,227	(19.96)
MS	168,055	0.0%	(1,594)	55	(28.76)
OL	659,435	0.1%	(6,253)	788	(7.94)
GS Large	10,597,919	2.3%	(100,490)	404	(248.68)
GP	25,994,600	5.6%	(246,481)	588	(419.31)
TP	8,240,935	1.8%	(78,141)	33	(2,334.74)
SL	5,164,660	1.1%	(48,971)	610	(80.28)
	<u>\$ 464,392,142</u>	<u>100.0%</u>	<u>\$ (4,403,371)</u>		

**FirstEnergy Pennsylvania Electric Company - Penelec Rate District  
Illustrative Customer Refund Calculation**

<u>Rate Schedule</u>	<u>2023 Distribution Revenue</u>		<u>Regulatory Liability with Interest</u>	<u>2025 Forecast Customers</u>	<u>Estimated January 2025 Credit/Customers</u>
	<u>Revenue</u>	<u>% of Total</u>			
RS	\$ 319,331,241	66.8%	\$ (2,866,013)	496,082	\$ (5.78)
GSV	971,427	0.2%	(8,719)	621	(14.03)
GSS	19,054,006	4.0%	(171,011)	52,872	(3.23)
GSM	74,134,906	15.5%	(665,364)	30,712	(21.66)
H	800,762	0.2%	(7,187)	141	(51.08)
OL	3,318,846	0.7%	(29,787)	1,941	(15.35)
GSL	19,215,449	4.0%	(172,460)	429	(401.95)
GP	20,632,626	4.3%	(185,179)	456	(405.88)
LP	12,938,154	2.7%	(116,121)	61	(1,908.42)
STLT	7,359,357	1.5%	(66,051)	713	(92.64)
	<u>\$ 477,756,775</u>	<u>100.0%</u>	<u>\$ (4,287,889)</u>		

**FirstEnergy Pennsylvania Electric Company - Penn Power Rate District  
Illustrative Customer Refund Calculation**

<u>Rate Schedule</u>	<u>2023 Distribution Revenue</u>		<u>Regulatory</u>	<u>2025 Forecast</u>	<u>Estimated</u>
	<u>Revenue</u>	<u>% of Total</u>	<u>Liability</u> <u>with Interest</u>	<u>Customers</u>	<u>January 2025</u> <u>Credit/Customers</u>
RS	\$ 89,998,435	74.7%	\$ (874,992)	151,505	\$ (5.78)
GSR	98,323	0.1%	(956)	76	(12.58)
GS	5,467,803	4.5%	(53,160)	11,544	(4.61)
GM	13,549,986	11.2%	(131,737)	8,811	(14.95)
GS Large	89,176	0.1%	(867)	89	(9.73)
PNP	559,356	0.5%	(5,438)	711	(7.65)
OL	3,824,141	3.2%	(37,179)	145	(256.78)
GP	3,846,737	3.2%	(37,399)	128	(291.11)
GT	2,127,552	1.8%	(20,685)	45	(455.14)
STLT	974,362	0.8%	(9,473)	82	(115.52)
	<u>\$ 120,535,870</u>	<u>100.0%</u>	<u>\$ (1,171,886)</u>		

**FirstEnergy Pennsylvania Electric Company - West Penn Rate District  
Illustrative Customer Refund Calculation**

<u>Rate Schedule</u>	<u>2023 Distribution Revenue</u>		<u>Regulatory</u>	<u>2025 Forecast</u>	<u>Estimated</u>
	<u>Revenue</u>	<u>% of Total</u>	<u>Liability with</u> <u>Interest</u>	<u>Customers</u>	<u>January 2025</u> <u>Credit/Customers</u>
RS10	\$ 295,081,189	71.1%	\$ (2,652,330)	635,122	\$ (4.18)
GS10	794,493	0.2%	(7,141)	619	(11.54)
GS20	15,163,590	3.7%	(136,298)	62,166	(2.19)
GP30	58,210,497	14.0%	(523,224)	37,255	(14.04)
GP35	21,291,198	5.1%	(191,375)	906	(211.19)
OL	4,248,888	1.0%	(38,191)	4,139	(9.23)
PP40	11,086,198	2.7%	(99,648)	195	(511.57)
PP44	37,981	0.0%	(341)	1	(244.09)
PP46	2,714,296	0.7%	(24,397)	3	(8,721.93)
PSU	882,114	0.2%	(7,929)	1	(5,669.05)
STLT	5,803,443	1.4%	(52,164)	571	\$ (91.36)
	<u>\$ 415,313,889</u>	<u>100.0%</u>	<u>\$ (3,733,038)</u>		

**FE PA Exhibit JMS-4**  
**(No Public Version Available)**

**FE PA STATEMENT NO. 2**  
**Wade Smith**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**DOCKET NO. R-2024-3047068**

**Direct Testimony  
of  
Wade Smith**

**List of Topics Addressed**

**Operations Overview  
Capital and Operations & Maintenance Expenditures**

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II.	OPERATIONS OVERVIEW .....	3
III.	CAPITAL AND OPERATIONS & MAINTENANCE EXPENDITURES.....	13
IV.	CONCLUSION.....	22





1 **Q. Does this organizational structure follow FirstEnergy’s historical model?**

2 A. No. This is a newly implemented leadership model that is more decentralized. The new  
3 alignment moves accountability and decision-making closer to our customers and where  
4 the work is done so that we can improve our customer experience. As it becomes more  
5 fully implemented, the new state president role will have much greater span of control and  
6 authority. This construct allows for a keen focus on investing in our regulated utilities,  
7 allowing for improvement to resiliency and reliability, as well as addressing unique needs  
8 of each jurisdiction.

9 **Q. On whose behalf are you testifying in this proceeding?**

10 A. I am testifying on behalf of FirstEnergy Pennsylvania Electric Company (“FE PA” or the  
11 “Company”). FE PA consists of the Met-Ed, Penelec, Penn Power, West Penn and  
12 Pennsylvania State University rate districts (individually a “Rate District” and in any  
13 combination the “Rate Districts”).<sup>1</sup> The Rate Districts are further explained in the  
14 testimony of Joanne M. Savage, FE PA Statement No. 1.

15 **Q. What is the purpose of your direct testimony?**

16 A. The purpose of my testimony is to provide an overview of FE PA’s operations, including  
17 its challenges and upcoming opportunities to address those. In doing so, I highlight how  
18 investment decisions are made for the Company and FE PA’s forward-looking investment  
19 plan. I also speak to certain programs or operational changes that are being proposed to  
20 enhance reliability and customer service, and which impact FE PA’s projected operations  
21 and maintenance (“O&M”) reflected in this case.

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<sup>1</sup> FE PA also has a sixth Rate District, the Waverly Rate District, which is not discussed directly in my testimony as it relates to FE PA’s New York jurisdictional rates.

1 **II. OPERATIONS OVERVIEW**

2 **Q. Given your relatively short tenure at FirstEnergy, please explain the approach you've**  
3 **taken to familiarizing yourself with its electric distribution companies' ("EDCs" or**  
4 **"utilities") operations.**

5 A. Despite my having relatively recently joined the FirstEnergy family, I have spent  
6 substantial time in preparation for and since my arrival getting acquainted with our utilities,  
7 including their core features, the various challenges they face, what we are doing well, and  
8 - just as importantly - the opportunities to bring improvements to our system and the service  
9 we provide. In so doing, not only have I been carefully watching for opportunities to gain  
10 efficiencies in our operations, but also where increases in investment and expense levels  
11 may be needed.

12 In order to develop comprehensive strategies for our EDCs – including FE PA – I  
13 have not only leveraged the 35 years of industry experience I brought to FirstEnergy, but I  
14 have spent considerable time working with and learning from our operations teams, both  
15 at the operating company and corporate support levels. I have reviewed our past and  
16 current practices, including those related to emergency response, staffing, budgetary levels,  
17 capital investment focus areas, forestry programs, and more. I have spent particular energy  
18 exploring our reliability performance and the strategies implemented to this point, which  
19 has been critical to determining what has historically worked versus not so as to effectively  
20 inform the strategy and resources that our utilities require looking forward. All of this, of  
21 course, has been undertaken with a keen eye to the unique environments and factors  
22 affecting each utility.

1 **Q. Please describe your vision and philosophy as it relates to the operation of**  
2 **FirstEnergy’s operating companies.**

3 A. Safety, customer focus, operational excellence and culture are key elements of operating a  
4 regulated utility company. There is nothing more important than the safety of our co-  
5 workers and the communities we serve. We have to approach each day with a mindset that  
6 everything we do, we will do safely.

7 We also must be focused on serving our customers well. We should be easy to do  
8 business with, which means we listen to our customers’ needs and are responsive. It also  
9 means providing a safe, reliable, and affordable product, both today and in the future.  
10 Building the energy grid of the future for our customers is a key responsibility.

11 Along with safety and a customer focus, it is important to hold ourselves to a high  
12 standard of performance. When I think of operational excellence, it comes down to  
13 developing and executing a plan and striving to get better every day. Having a plan of  
14 execution provides the framework to ensure you do what you say you are going to do,  
15 which is important to build credibility and to demonstrate integrity.

16 Finally, culture is a key ingredient for a utility company. We strive to provide an  
17 inclusive environment where all of our co-workers can be fully engaged in solving  
18 challenges and serving our customers. Having the right culture helps us respond well when  
19 things do not go according to plan. It is also imperative that we are an active part of the  
20 communities where we work and live. In that light, we are working to ensure the makeup  
21 of our workforce reflects the communities we serve. Our values focused on diversity,  
22 equity and inclusion (“DEI”) are core to building a strong culture. Having an inclusive  
23 culture is key to attracting and retaining the talent that we need.

1 **Q. You mentioned a central focus on the core value of safety. Please explain**  
2 **FirstEnergy’s approach in this realm.**

3 A. Our goals are to provide a safe and healthy work environment; to maintain an accident-  
4 free, injury-free and illness-free workplace for employees, contractors and visitors; and to  
5 promote, support and maintain public safety at all times. To meet these goals, we dedicate  
6 ourselves to creating a world-class safety culture through the involvement and commitment  
7 of all employees. Achieving our goals for employee and public safety requires constant  
8 attention, continuous improvement, focused education and training, and disciplined  
9 adherence to health and safety rules, regulations and practices. These are commitments that  
10 all FirstEnergy’s utilities and employees embrace as a vital part of our daily operations and  
11 culture.

12 **Q. What is FirstEnergy at large and the Company in particular doing to meet these**  
13 **goals?**

14 A. The Company has a number of programs to educate its employees, contractors, and the  
15 public. First, the Company’s “Leading with Safety” (“LWS”) concept is built into our  
16 safety program and provides our organization with the foundation to continually improve  
17 processes and increase awareness to identify hazards and to control exposures to thereby  
18 protect our employees. Eliminating life-changing events is at the forefront of the LWS  
19 concept. The Company studies near miss events as well as actual events to understand and  
20 identify root causes so that we can learn and implement procedures or take action to prevent  
21 life-changing events. The Company continues to enhance our contractor safety program  
22 and the prequalification process, incident reporting requirements, and safety observations  
23 programs to both educate and reinforce the Company’s safety programs. Additionally, the

1 Company works to educate the public about electrical safety through programs such as  
2 “STOP.LOOK.LIVE” which focuses on educating first responders, at-risk contractors, and  
3 school age children on electrical safety.

4 **Q. You mentioned that another guiding principle that informs your philosophy related**  
5 **to how FE PA provides service is the Company’s focus on diversity, equity, and**  
6 **inclusion. Please elaborate.**

7 A. From a hiring perspective, FirstEnergy has worked hard to be able to diversify its  
8 workforce to be more reflective of the communities in which we serve. In 2021,  
9 FirstEnergy boldly aspired to increase its racially- and ethnically-diverse workforce, both  
10 overall and in leadership, by 30% at or before the end of 2025. As of 2023, the overall  
11 racially/ethnically diverse workforce had increased to 10.9%, up from 10.4% in 2022,  
12 while our diverse leadership increased from 8.9% at year-end 2022 to 9.4% at year-end  
13 2023. In 2023, 456 out of 1149 total new hires within the FirstEnergy family were diverse.  
14 In addition, FirstEnergy has partnered with an organization focused on employment for  
15 adults with disabilities to establish a neurodiversity employment program. Since the start  
16 of 2021, there are now 31 employees working on FirstEnergy projects as a result of this  
17 partnership. In fact, I’m proud to say that these types of efforts have led to FirstEnergy  
18 being recently named a “Top 50 Diversity Employer” by Minority Engineer magazine.<sup>2</sup>

19 In addition to focusing on DEI within the FirstEnergy culture, FirstEnergy remains  
20 committed to providing opportunities to small, women-owned, Historically Underutilized  
21 Business Zones, veteran-owned and service-disabled veteran-owned businesses. In 2023,  
22 FirstEnergy spent \$616 million with diverse suppliers and implemented a corporate

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<sup>2</sup> *Top 50 Companies and Top 20 Government Employers*, Minority Engineer, Winter 2023/2024, pp. 22.

1 supplier diversity compensable Key Performance Indicator. FE PA was also awarded the  
2 2023 Done Deal award by the Women’s Business Enterprise Center East (“WBEC-East”)  
3 for spending \$43.5 million dollars with women owned businesses certified by WBEC-East.  
4 Additionally, FE PA participates in the Diverse Supplier Development Program (“DSDP”).  
5 The DSDP program was launched in 2021 and continues to have a positive impact on the  
6 business community. The DSDP also provides opportunities for underrepresented groups  
7 within the FirstEnergy footprint using a three-pronged approach:

- 8 1. Enrollment – Giving companies identified by FirstEnergy the opportunity to  
9 grow their existing relationship and possibly be used as a supplier.
- 10 2. Support – Providing assistance to suppliers enrolled in the program through  
11 mentorship and training.
- 12 3. Investment – Investing in minority-owned funds that are willing and able to  
13 invest in diverse businesses across FE PA’s service territory.

14 Finally, FirstEnergy and its employees are committed to strengthening the social  
15 and economic fabric of the communities where we live and work. Since 2016, the  
16 FirstEnergy Foundation, FE PA, and FirstEnergy employees have infused over \$24 million  
17 dollars into the communities we serve in Pennsylvania.

18 **Q. Please describe FE PA’s service territory.**

19 A. The Company provides service to nearly 2.1 million accounts across Pennsylvania, with  
20 the number of Pennsylvanians relying on quality service from FE PA being a much larger  
21 number. FE PA’s territory covers 32,400 square miles and contains 64,384 distribution  
22 circuit miles. These customers are served by four Rate Districts (i.e., Met-Ed, Penelec,  
23 Penn Power, West Penn and PSU within West Penn) as shown in the map below:



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The Company’s unique service territory is a combination of suburban, rural, and mountainous terrain, with customers within 55 of the 67 Pennsylvania counties. The six major load centers in the Company’s service territory are near the cities of Altoona, Erie, Reading, State College, and York, along with a significant portion of the suburbs surrounding the Pittsburgh metropolitan area.

The Company operates and maintains 1,001 distribution substations, 3,206 distribution circuits, and 538 sub-transmission circuits. The distribution circuits have sixteen different primary voltages ranging from 2.4 kilovolt (“kV”) to 34.5kV, and there are five different sub-transmission voltages ranging from 23kV to 69kV.

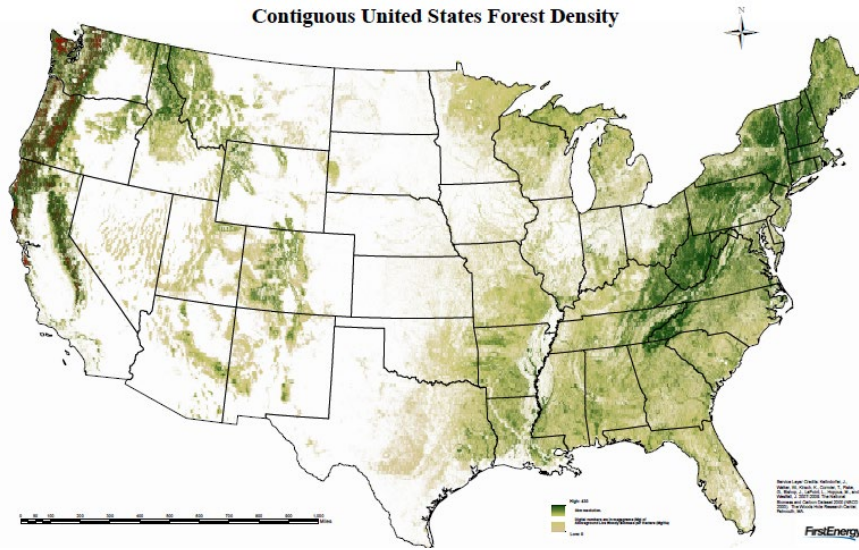
**Q.** You mentioned earlier that you were taking a particular focus with regard to each of FirstEnergy utility’s unique environments and challenges. Please highlight these factors for FE PA as you see them.

**A.** One of the most obvious factors is that Pennsylvania has a higher density of trees compared to most of the United States. This feature, coupled with the mountainous terrain and the rural nature of the Company’s territory, creates significant challenges for vegetation management. This requires a tailored vegetation management investment and operational strategy. In fact, approximately 60% of Pennsylvania is heavily forested, as shown in the Forest Density Maps below.



1

**Forest Density Maps (US & FE PA Rate Districts)**



2



3

4

Due in part to the high tree density across FE PA’s footprint, off-corridor trees are the leading cause of vegetation-caused outages for FE PA. The Company experiences a direct correlation between areas of high tree density and risk from off-corridor tree outages.

5

6

7

There are also other contributors that make the vegetation density in Pennsylvania particularly challenging for the Company. Foremost, a high proportion of FE PA’s

8

9

circuitry traverses rural, densely forested areas, causing more trees to be in range of the Company’s electrical facilities. Weather events in recent years have also occurred with

10

1 increased frequency, causing ever more trees to impact our facilities. Higher tree density  
2 areas are actually more vulnerable to weather events too, where trees may be under or  
3 abnormally developed in highly congested growth areas. As such, I feel strongly that one  
4 key feature of FE PA’s operations moving forward is that the territory’s tree density  
5 necessitates a tailored strategy involving significant increases in vegetation management  
6 to bring greater resiliency and better reliability performance.

7 **Q. Please discuss the reliability performance of the Company’s distribution system.**

8 A. The overall performance of the four Rate Districts had similar trends in the last five years.  
9 Generally speaking, the System Average Interruption Duration Index (“SAIDI”) and  
10 Customer Average Interruption Duration Index (“CAIDI”) have been negatively trending  
11 while the System Average Interruption Frequency Index (“SAIFI”) has improved.

12 **Q. To what do you attribute these trends?**

13 A. SAIFI has improved by 19% since 2019, which I believe is the results of reduced  
14 line/equipment failure related outages and a reduced impact from tree-related outages given  
15 the Company’s more recent capital improvements, including work conducted under the  
16 Company’s two Long-term Infrastructure Improvement Plans<sup>3</sup> (“LTIIPs”) and certain  
17 vegetation management practices and capital projects. However, FE PA’s outage data  
18 reflects that equipment failures, trees and line failures are still the largest contributors to  
19 the Company’s CAIDI and SAIDI performance.

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<sup>3</sup> *Petition of Metropolitan Edison Company, West Penn Power Company, Pennsylvania Electric Company, and Pennsylvania Power Company for Approval of its Long-Term Infrastructure Improvement Plan*, Docket Nos. P-2019-3012618, P-2019-3012617, P-2019-3012615, and P-2019-3012614 (Orders entered January 16, 2020) (“LTIIP I”). *See also Petition of FirstEnergy Companies for Approval to Establish and Implement a Distribution System Improvement Charge*, Docket Nos. P-2015- 2508942, P-2015-2508936, P-2015-2508931, and P-2015-2508948 (Orders entered February 11, 2016) (“LTIIP II”).

1 **Q. Please highlight those capital improvements that have positively contributed to the**  
2 **Company's performance.**

3 A. Between 2016 and 2019, the Company invested \$343M in capital improvements through  
4 LTIIIP I. This program allowed the Company to accelerate projects to replace obsolete or  
5 aging infrastructure, accelerate line rehabilitation work, and accelerate the modernization  
6 and automation of its distribution system in order to enhance system resiliency and  
7 reliability. The projects included in LTIIIP I covered a broad spectrum of distribution-  
8 related equipment and facilities, with the major focus being line rehabilitation.

9 More recently, the Company received approval for its LTIIIP II program, which  
10 began in 2020 and will be completed by the end of 2024. LTIIIP II projects were designed  
11 to maintain and improve reliability of the distribution system and to minimize customer  
12 impact due to outages. LTIIIP II projects focus on deploying electronic devices, increasing  
13 capacity, and implementing additional remote sectionalizing devices, which assist in  
14 detecting outages and can be utilized by our system operators. Between January 2020 and  
15 December 2023, the Company invested \$549M in LTIIIP II projects. The Company expects  
16 to invest an additional \$137M in 2024 through the completion of LTIIIP II.

17 Meanwhile, the Company continues investing in the distribution system through its  
18 baseline capital projects outside of its LTIIIPs. These capital expenditures fall into several  
19 major categories:

20 1. Reliability capital expenditures includes work identified by the Company's  
21 Engineering Department to improve reliability in targeted areas of the system,  
22 which is based on not only Engineering's own analysis but also resulting from

1 suggested projects that are presented by Operations, the Distribution Control  
2 Center, and Forestry;

3 2. Condition-based expenditures includes work associated with engineering or  
4 construction field assessments, inspections and testing that indicates an  
5 increased potential for near-term equipment failure. Replacement is then  
6 planned before the equipment becomes non-functional;

7 3. Storm-related capital repairs and forced line and substation work includes  
8 installation of new plant to resolve equipment-related issues;

9 4. New capacity includes work identified by the Company's Distribution Planning  
10 Engineers necessary to accommodate known near-term customer needs and  
11 anticipate and prepare for long-term projected system growth; and

12 5. New business-related capital expenditures include investments to connect new  
13 residential, commercial, and industrial customers to the distribution system and  
14 include significant investments related to upgrading existing service  
15 connections for increased load.

16 **Q. Why do you believe CAIDI and SAIDI have increased despite those capital  
17 improvements?**

18 A. The capital improvements that have been the recent focus of our reliability improvement  
19 efforts have predominantly targeted hardening the distribution system, reducing outage  
20 exposure, as well as addressing other trouble spots on specific circuits. As a result, the  
21 number of customers affected during weather events has been reduced, resulting in  
22 improvement to SAIFI. The reduction of customers impacted by weather events means  
23 fewer events meet the threshold for a major event that would be excluded from the CAIDI

1 and SAIDI calculations. As a result, the Company has seen an uptick in minor weather  
2 days, which I understand are not excludable under current Commission standards.

3 **III. CAPITAL AND OPERATIONS & MAINTENANCE EXPENDITURES**

4 **Q. Please briefly describe the Company's capital budgeting process.**

5 A. The Company follows a rigorous standardized FirstEnergy capital budgeting process each  
6 year. Capital requests are submitted by the Company through this capital allocation  
7 process, which includes three rounds of presentations and a thorough review of each  
8 business unit's submitted individual programs or projects, with significant technical review  
9 and input from knowledgeable corporate and affiliated FirstEnergy utility experts  
10 regarding the most appropriate use of capital. The corporate technical review process helps  
11 to provide a common perspective across all FirstEnergy utilities. The annual capital  
12 prioritization process includes an initial target investment level based on historical levels  
13 of investment and commitments. Building from that starting point, the actual budget  
14 emerges through the iterative, structured, and standardized process of three rounds of  
15 review to address and meet reliability and other Company targets and objectives for the  
16 coming year.

17 **Q. Please explain how the analysis is performed during this process.**

18 A. Each year, all proposed capital projects are classified, prioritized, and sub-prioritized.  
19 Mandatory projects are given the highest priority, generally followed by reliability,  
20 condition, and value-added projects, in that order. Priority rankings are confirmed for each  
21 project by a cross-functional peer review team from across FirstEnergy, to ensure  
22 appropriate consistency among the FirstEnergy utilities, as indicated above. This review  
23 process ensures that: (i) the necessary engineering rigor and problem-solving approach, as

1 well as project justification, has occurred, (ii) the project scope and cost estimates have  
2 been thoroughly developed, and (iii) the anticipated benefits are accurately represented.

3 **Q. Company witness Wang speaks to FirstEnergy’s work to improve its balance sheet  
4 and its expected positive impact to FE PA in FE PA Statement No. 11. Do you agree,  
5 and how has that impacted the Company’s capital planning process?**

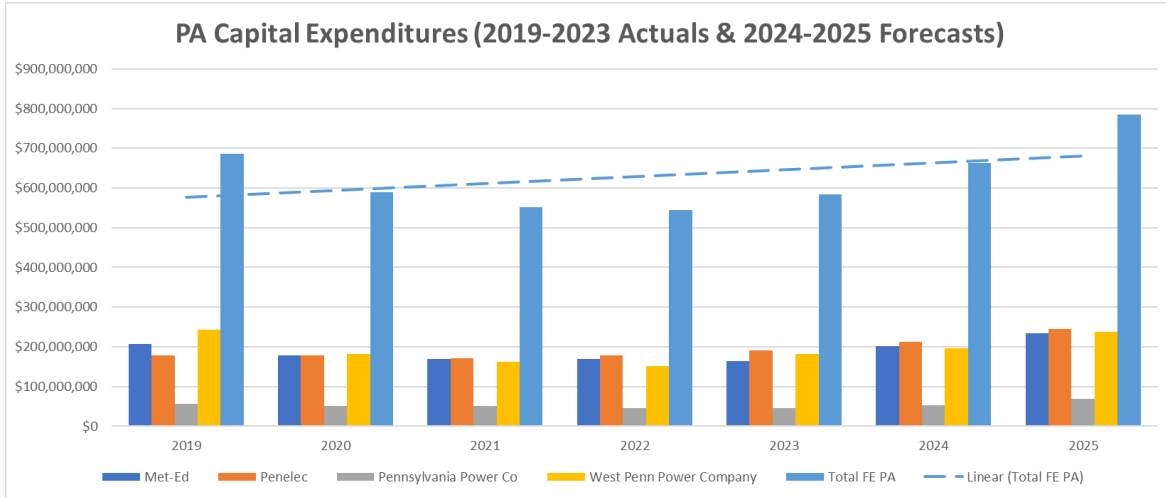
6 A. I absolutely agree. As a result of the work that has been done to improve FirstEnergy’s  
7 overall balance sheet, FE PA will enjoy better access to the capital necessary to undertake  
8 extensive investments in its system which might not have otherwise been possible – at least  
9 not within the near-term period for which we are planning. These are incremental  
10 investments that we know are necessary for FE PA to not only maintain its system  
11 performance as it is today, but to bring the performance improvement our communities and  
12 stakeholders expect, while also ensuring the Company is poised to build the energy grid  
13 expansion we know is on the way.

14 **Q. Please provide the Company’s actual capital expenditures since 2019 and forecasted  
15 capital expenditures through 2025.**

16 A. The Company’s actual (2019-2023) and forecasted (2024-2025) capital expenditures are  
17 shown in Table 12. Total capital expenditures decreased between 2019 and 2022. In 2023,  
18 these expenditures increased slightly and are expected to steadily increase in 2024 and  
19 beyond due to the increased spend for LTIIIP II and base capital projects. In 2025, FE PA  
20 projects placing approximately \$474 million of distribution plant additions in service. This  
21 is not inclusive of the additional investment planned under the Company’s anticipated  
22 LTIIIP III program, which is expected to be filed in mid-2024 for construction beginning in  
23 2025.

1

**Table 12**



2

3 **Q. Are there any other programs contributing to the Company’s projected increased**  
 4 **capital expenditures?**

5 A. Yes. Recently filed changes to increase the frequency of certain of the Company’s  
 6 Inspection & Maintenance (“I&M”) programs are expected to result in increased capital  
 7 expenditures.<sup>4</sup> In particular, beginning in 2025, the Company will transition its distribution  
 8 overhead circuit and overhead transformer inspection and maintenance cycles from five-  
 9 year cycles to two-year inspection cycles. This change in frequency is expected to result  
 10 in an increased number of conditions or facilities identified for near-term repair or  
 11 replacement, resulting in expenditures in 2025 of approximately \$12M in the first year of  
 12 the cycle, and approximately \$29.5M in 2026. The significant increase in capital  
 13 expenditures during the second year of the program is due to the additional conditions,  
 14 repairs, or replacements anticipated to be identified in 2025 and addressed in 2026.

<sup>4</sup> Revised Biennial Inspection, Maintenance, Repair and Replacement Plan for FirstEnergy Pennsylvania Electric Company for the period of January 1, 2025 – December 31, 2026, Docket No. M-2009-2094773, filed February 28, 2024.

1 **Q. Please generally describe the Company’s O&M activities.**

2 A. The Company’s O&M expenses include the costs of day-to-day activities of operating and  
3 maintaining the electric system in accordance with the Company’s plans and engineering  
4 practices. The Company develops its O&M budget based on the estimated costs of its  
5 annual I&M programs, identified O&M projects, and service restoration expenses.  
6 Generally, the starting point for the annual O&M budget is the prior year’s budget with  
7 escalation adjustments that include but are not limited to gross wage increases for  
8 bargaining and non-bargaining employees and changes to headcount for expected staffing  
9 levels, attrition, and internal transfers. Additionally, the Company considers any new or  
10 changing technical or operational requirements or practices, like shifting from five-year to  
11 two-year inspection cycles, as well as complying with new Commission Orders or  
12 regulations.

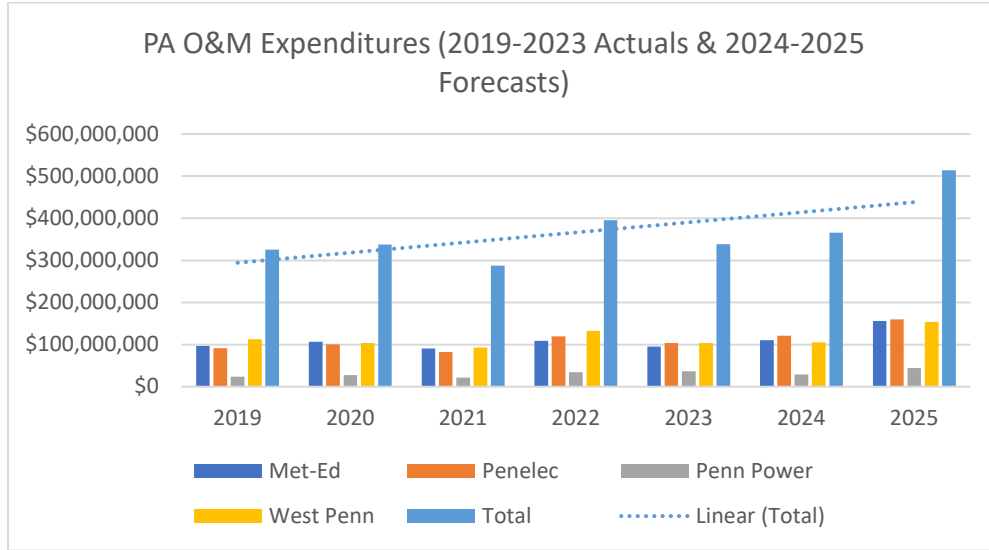
13 **Q. Please provide the Company’s actual O&M expenditures since 2019 and forecasted**  
14 **through 2025.**

15 A. The Company’s actual O&M expenditures for the 2019-2023 period and the Company’s  
16 projected O&M expenditures for 2024 and 2025 are shown in Table 13.



1

**Table 13**



2

3 **Q. Please discuss the changes in the Company’s O&M expenditures.**

4 A. Expenditures typically increase over time due to labor wages, the largest contributor to  
 5 O&M expenditures, making up approximately 66% of total expenditures. Wages typically  
 6 increase 3% to 4% annually but may vary based on contractual agreements.

7 O&M costs increased beginning 2022 due to a change in FirstEnergy’s accounting  
 8 practices in 2021 which affected certain vegetation management practices, resulting in  
 9 dollars moving from capital to O&M, as well as increased storm restoration costs, and other  
 10 dedicated I&M initiatives. O&M expenditures are expected to increase going forward due  
 11 to wage increases, additional labor for changes to the Company’s I&M program, enhanced  
 12 vegetation management protocols, and increased storm response and restoration costs.

1 **Q. What additional O&M costs are associated with the I&M program changes you**  
2 **mentioned earlier?**

3 A. The Company's transition of its distribution overhead circuit and overhead transformer  
4 inspections to two-year inspection cycles is expected to result in a corresponding increase  
5 in labor costs of approximately \$6.5M in 2025 and \$11.4M in 2026.

6 **Q. Are there any other notable changes to O&M expense anticipated in your**  
7 **projections?**

8 A. Yes. I want to highlight two other drivers that are impacting the Company's projected  
9 I&M expense, increased staffing levels in support of customer interconnections, as well as  
10 an expansion of FE PA's vegetation management program.

11 **Q. Please describe the Company's current vegetation management program.**

12 A. Vegetation management is critical to any utility's provision of safe and reliable service.  
13 FE PA's current vegetation management program requires maintenance on a cycle basis  
14 during which the Company performs vegetation management work along the distribution  
15 clearing zone. The distribution clearing zone is a corridor measured at fifteen feet on either  
16 side of the pole line or to the established large tree edge. Vertically, the corridor is  
17 measured to fifteen feet above the highest conductor attached to the pole or structure. The  
18 Company's goal is to obtain clearance for the entire cycle. However, if cycle clearance is  
19 not attainable, there must be twelve feet of clearance around the distribution conductors.  
20 The Company currently spends approximately \$100 million per year on its vegetation  
21 management program in Pennsylvania.

1 **Q. Do you believe this program is insufficient to address the Company’s vegetation**  
2 **management needs?**

3 A. To this point, the Company has believed its vegetation management programs to be  
4 appropriate for its needs. However, as mentioned earlier in my testimony, as FE PA has  
5 completed some significant investment efforts to focus on one of its primary outage causes  
6 – equipment failures - and seen positive results in reduction of such outages, the Company  
7 can more clearly see and differentiate the impact of other key outage drivers, which are  
8 presently tree-related outages. This being the case, it is clear that while the Company’s  
9 efforts to increase its investment levels are working and should continue, FE PA must also  
10 explore new ways to reduce its tree-related outages.

11 **Q. Please explain the Company’s proposal to enhance its vegetation management**  
12 **program.**

13 A. The Company proposes a ten-year enhanced vegetation management program which will  
14 focus on removing on- and off-corridor trees, removing overhang, and controlling brush in  
15 the distribution clearing zone in a more proactive manner beyond the current program in  
16 an effort to reduce tree caused outages, reduce outage restoration time, and reduce future  
17 maintenance costs. The enhanced program would encompass two full cycles to enhance  
18 vegetation maintenance beyond minimum regulatory commitments and would include the  
19 following:

20 **Removal of priority trees:** The Company will expand the scope of priority tree  
21 identification and removal.<sup>5</sup> Priority trees are now the leading cause of FE PA’s outages

---

<sup>5</sup> Priority Tree are defined as trees located adjacent to the corridor that are dead, dying, diseased, declining, structurally defective, severely leaning, or significantly encroaching where the electric facilities are at risk of arcing or failing should the tree or portions of the tree: (i) fall near or into the facilities, or (ii) grow towards or into Company facilities.

1 and may pose a threat to electric facilities prior to the next scheduled maintenance.  
2 Currently, the Company removes priority trees that are identified in the field as an  
3 immediate threat to the safety of the public or the Company's facilities. The Company  
4 proposes to enhance the scope of work to include priority trees that are not classified as an  
5 immediate threat but that may still impact the distribution system prior to the next regularly  
6 scheduled maintenance, especially during major events.

7 **Removal of on-corridor incompatible trees and brush:** These activities will  
8 allow for the removal or control of vegetation that meets cycle clearance guidelines and is  
9 expected to lead to long-term, decreasing costs. Currently, on-corridor incompatible trees  
10 and brush are being pruned to meet cycle clearance only. The enhanced vegetation  
11 program will help the Company create and sustain a compatible, stable, and low growing  
12 plant community on the corridor, which will then compete with other plant species to limit  
13 the growth of additional incompatible tree species over time. This approach is intended to  
14 be consistent with and further enhance the Company's environmental stewardship  
15 initiatives while also serving as a long-term, cost-effective strategy for maintaining on  
16 corridor vegetation.

17 **Removal of vegetation overhanging the corridor:** This proposed initiative would  
18 allow for an increase in the removal of overhang, which is the Company's second highest  
19 cause of tree-related outages. Removing vegetation overhanging the corridor will promote  
20 contractor, employee, and public safety, and will improve reliability over time for all  
21 customers by decreasing limb-caused outages.

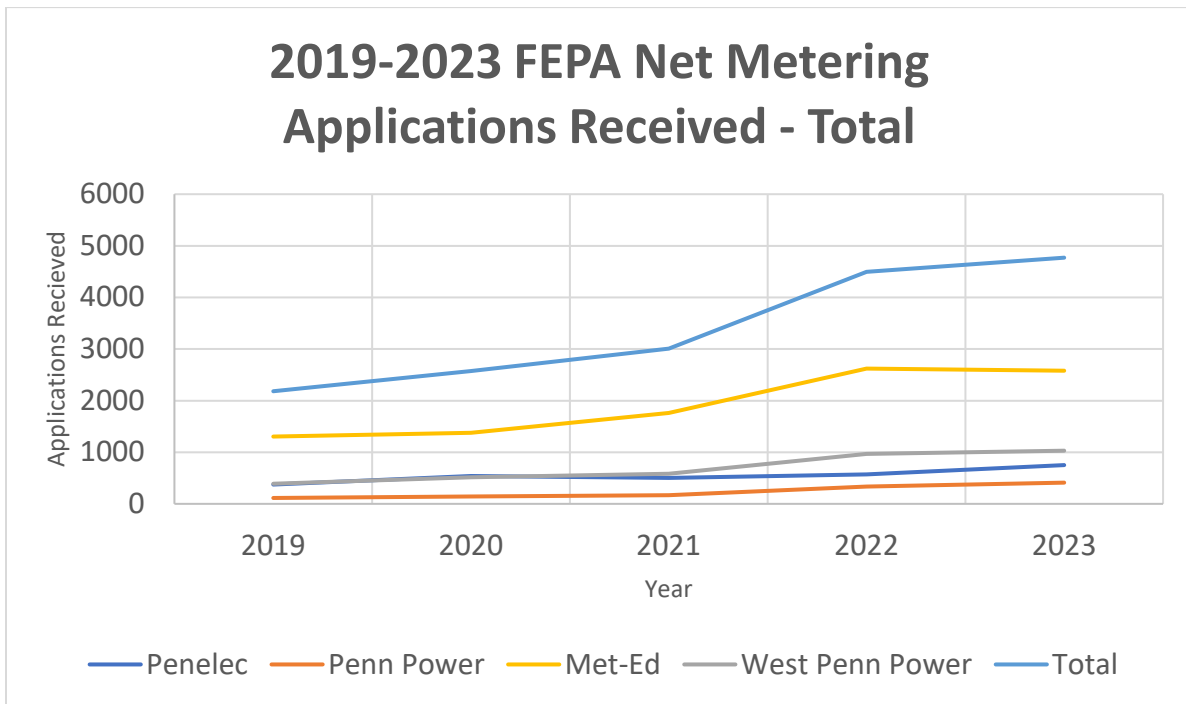
22 **Widening:** The Company will invest in the removal of trees along the corridor edge  
23 to establish a standard width for all Pennsylvania distribution circuits. This corridor

1 widening will help ensure the safety and reliability of the Pennsylvania distribution system  
 2 and a more consistent application of standards across the Company’s corridors. Focus on  
 3 the corridor edge will also provide greater clearance of vegetation to overhead conductors  
 4 and will reduce the overall tree population along the corridor.

5 **Q. Please explain the necessity for the increase in staffing levels to support customer**  
 6 **interconnections.**

7 A. The Company recently established a dedicated interconnection group, where employees  
 8 focus exclusively on processing distribution interconnection applications. Previously,  
 9 these applications were processed entirely by a subset of the local engineering organization.  
 10 However, for FE PA, the total number of applications received over the last five-year  
 11 period alone has nearly doubled, as shown in Table 15 below:

12 **Table 15**



13

1           Base rates for the Company’s staffing levels for such work were most recently set  
2 using projected 2017 expense levels, so these application increases have been well beyond  
3 what previous staffing levels could capably support. As such, in order to maintain required  
4 timelines on review of applications, significant overtime hours are currently required, and  
5 there have been several incidents where the Company has fallen short on reviewing  
6 applications within the required timelines.

7 **Q. How does the Company plan to address the additional manhours required for the**  
8 **increase in applications of greater than 500kW projects?**

9 A. The Company plans to continue increasing staffing to perform reviews of net metered  
10 applications and perform the necessary studies. In 2023, the Company increased the  
11 number of employees dedicated to these processes from six to seven full time employees.  
12 Additionally, five contract engineers were brought on to assist with processing  
13 applications. Based on the five-year increase in application volumes, and in particular,  
14 those requiring more complex engineering studies, the Company is currently hiring to  
15 increase staffing for this program by adding a total of 8 employees and 19 contractors in  
16 order to support more timely processing of applications and interconnection studies. The  
17 additional 8 employees are included in the cost of this rate case. However, the 19  
18 contractors are planned to be direct charged to interconnection applicants and are not  
19 included for base rate recovery.

20 **IV. CONCLUSION**

21 **Q. Does this conclude your direct testimony?**

22 A. Yes.

## PROFESSIONAL EXPERIENCE

### **FirstEnergy Corp.** – Akron, Ohio

**2023 - present**

FirstEnergy is one of the nation's largest investor-owned electric systems, serving 6 million customers in the Midwest and Mid-Atlantic regions.

### **President FirstEnergy Utilities** (2022 – 2023)

Oversees FirstEnergy's state and transmission businesses.

- Responsible for the operational and financial performance of FirstEnergy's utility operations in Pennsylvania, Ohio, New Jersey, West Virginia and Maryland.
- Manages the FirstEnergy stand-alone transmission companies.
- Leads corporate external affairs, as well as rates and regulatory affairs.

### **PUGET SOUND ENERGY** – Bellevue, Washington

**2022 - 2023**

PSE is the oldest and largest utility in the state of Washington, providing electric service to approximately 1.2 million customers and natural gas to more than 900 thousand customers.

### **Executive Vice President and Chief Operating Officer** (2022 – 2023)

Responsible for all of PSE's operational areas, including natural gas and electric operations, safety and health, energy supply, fleet, stores and procurement.

- Responsible for PSE's resource planning functions, system planning functions, transmission services, and the implementation of programs to meet Washington's Clean Energy Transformation Act.
- Led PSE's generation and natural gas storage operations, generation and transmission development, and the energy supply merchant function. Oversaw Puget LNG, a subsidiary of Puget Energy.
- Managed electric and natural gas operations, major projects, engineering, and construction management. Directs corporate shared services, operations support, training and procedures, safety and quality.

### **PACIFIC GAS AND ELECTRIC COMPANY** – Oakland, California

**2021 - 2022**

PG&E provides natural gas and electric service to approximately 16 million people in northern and central California.

### **Senior Vice President Electric Operations, PG&E** (2021 – 2022)

Led PG&E's electric operations and generation groups.

- Responsible for electric transmission and distribution operations, construction and maintenance.
- Led fossil and hydro generation, emergency preparedness and response efforts.

### **AMERICAN ELECTRIC POWER COMPANY, INC.** - Columbus, Ohio

**1989 - 2021**

AEP is one of the largest utilities in the USA, delivering electricity to more than 5 million customers in 11 states.

### **Senior Vice President Grid Development, AEP Transmission** (2015 – 2021)

Led AEP Transmission's planning, engineering, project management, construction, and real-time operation teams.

**Wade Smith**

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- Executed AEP's \$20+ billion transmission capital investment program. Invested more than \$13 billion since 2015 to improve the energy grid for customers while simultaneously improving tools and processes to ensure success in future years. Developed equipment, construction and engineering services sourcing strategies as well strategic vendor alliances. Built customer focused team to enhance relationships with transmission interconnected customers.
- Analyzed and planned the 40 thousand mile transmission system to ensure compliance with NERC planning standards, to improve reliability and to increase efficiency for customers. Performed asset management functions to prioritize work targeted at revitalizing aging infrastructure and building the energy grid of the future. Managed R&D programs focused on new technologies.
- Oversaw the safe, reliable, and cost-effective real-time operation of AEP's transmission network. Interfaced with regional transmission operators at PJM, ERCOT, and SPP. Directed the development of policies, processes, procedures, and systems to ensure compliance with all applicable safety and reliability standards. Served as IOU Segment representative on ERCOT Board of Directors 2020 – 2021 and 2014 – 2017.

**President & COO, AEP Texas (2010 – 2015)**

Led two transmission and distribution wires companies serving more than one million customers in Texas.

- Profit and loss responsibility for two companies that employ approximately 1,600 employees, serve an area in south and west Texas covering 97 thousand square miles with nearly 38 thousand miles of distribution and 9 thousand miles of transmission lines. Annual revenue exceeding \$1.4 billion.
- Established strategic direction by working with the AEP Texas senior management team to develop a five-year strategic plan. Refocused the organization with clear long-term objectives directed at growth, customer service and employee well-being. Created one-year action plans that align with long-term goals to drive accountability.
- Improved employee engagement and morale by frequently traveling to work locations for interactive discussions with employees. Relentlessly focused on safety, ensuring every employee is empowered to "Stop the Job." Utilized multiple communication channels to convey objectives and recognize achievements, resulting in a significant reduction in safety incidents, goal-beating performance, and the highest performing culture among AEP companies.
- Responsible for community, regulatory and state governmental affairs. Supported multi-year lobbying effort for laws and rules related to streamlined rate making. New rules allow for quicker return on distribution capital through annual filings and improved tax treatment. Testified before Texas Legislature.

**Vice President, Transmission Engineering and Project Services, AEP Service Corporation (2008 – 2010)**

Accountable for organization of 800 professionals responsible for deploying \$900 million of capital annually.

- Led the engineering and project management team through a period of significant change as capital budgets ramped from \$400 million to more than \$900 million per year. Established a project management office to provide project and portfolio level reporting and analysis. Created key performance indicators to increase accountability.
- Developed standardized processes benchmarked against the Project Management Institute standards. Implemented a human performance program to identify and reduce engineering errors. Changed culture in engineering and project management resulting in enhanced designs that are easier to build and safer to operate.

**Director, Gas Turbine and Joint Venture Operations, AEP Service Corporation (2004 – 2008)**

Responsible for gas turbine and wind generating facilities operated by AEP and three jointly-owned coal-fired facilities.

- Provided direction for the 5,900 MW of gas-turbine based facilities operated or planned by AEP. Responsible for the integration of new generating assets into the AEP Fossil & Hydro organization. Led development of fleet wide training programs, staffing plans, operating philosophies, procedures and maintenance programs.



## Wade Smith

Page Three

- Greatly improved the accuracy of forecast and oversight of the jointly owned facilities through the development of standard processes and analytical tools. Mended many long-standing relationship issues with joint owners. Member of the team that negotiated purchase of five gas-turbine based facilities with a total capacity of 3,480 MW.

### **Executive Director, IPP and Wind, AEP Service Corporation (2000 – 2004)**

Senior manager responsible for 12 IPP and wind generation projects in the United States and Mexico.

- Profit and loss responsibility for a portfolio of power projects, including eight jointly-owned facilities, with over \$2.2 billion in gross assets and \$1.5 billion in project level debt that contributed more than \$19 million of annual on-going earnings, despite trying economic times. AEP representative and board member for jointly owned companies. Key member of the negotiating team that realized a \$105 million pre-tax gain on the sale of four IPP projects.

### **Director of Florida Operations and General Manager of Polk Power GP II, Inc., CSW Energy (1995 to 2000)**

Managed partnerships that owned two power plants in central Florida. Responsible for P&L, operations and regulatory.

- Managed staff to ensure compliance with all project contracts and loans, perform accounting and financial reporting, prepare and administer annual budgets, develop long-term forecast, and provide timely project reports to partners. Coordinated due diligence and made presentations for \$110 million of investment-grade non-recourse bonds. Negotiated key contracts including a dispute settlement and a long-term maintenance agreement.

### **Plant Manager, West Texas Utilities Company – Oak Creek Power Station (1994 to 1995)**

### **Project Manager, West Texas Utilities Company – Business Ventures (1993 to 1994)**

### **Plant Engineer, West Texas Utilities Company – (Coal and Gas Fired Facilities) (1989 to 1993)**

## EDUCATION

MIT, Cambridge, Massachusetts, Reactor Technology Course for Utility Executives - 2016

University of Virginia, Charlottesville, Virginia, The Executive Program – Darden School of Business - 2009

Abilene Christian University, Abilene, Texas, Master of Business Administration - 1997

Texas Tech University, Lubbock, Texas, Bachelor of Science in Mechanical Engineering – 1989

**FE PA STATEMENT NO. 3**  
**Patricia M. Larkin**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**DOCKET NO. R-2024-3047068**

**Direct Testimony  
of  
Patricia Larkin**

**List of Topics Addressed**

**Revenue Requirement and Ratemaking Adjustments  
Storm Reserve  
COVID-19 Regulatory Asset  
Uncollectible Accounts Expense  
Reporting Required Under 2016 Rate Settlement**

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1 **Q. What is your educational background?**

2 A. I have a Bachelor of Science degree in Accounting from DeSales University, and a Master  
3 of Business Administration degree from Alvernia University. I have over twenty years of  
4 experience with FirstEnergy. My educational background and work experience are more  
5 fully described in Appendix A to this statement.

6 **Q. Have you ever testified before the Commission?**

7 A. Yes, I have testified before the Commission in other rate-related matters, as shown in  
8 Appendix A to this statement.

9 **Q. On whose behalf are you testifying in this proceeding?**

10 A. I am testifying on behalf of FE PA.

11 **Q. What is the purpose of your direct testimony?**

12 A. The principal purpose of my testimony is to describe and support the components of FE  
13 PA and its Rate Districts' overall revenue requirements and certain pro forma ratemaking  
14 adjustments for the fully projected future test year ("FPFTY") ending December 31, 2025,  
15 the future test year ("FTY") ending December 31, 2024, and the historic test year ("HTY")  
16 ended December 31, 2023. For purposes of supporting the proposed increase in base rate  
17 distribution operating revenue under its proposed rates, FE PA is relying upon the data for  
18 the FPFTY. Within the discussion of the ratemaking adjustments, I will also address: (1)  
19 the proposed treatment of FE PA and its Rate Districts' deferred storm damage expenses,  
20 including the balance of the storm reserve accounts, and continuing regulatory treatment  
21 of ongoing storm damage costs through those storm reserve accounts, which have been  
22 maintained in accordance with the terms and conditions of the Rate Districts' Joint

1 Petitions for Partial Settlement of Rate Investigation (“2016 Settlement”) at Docket Nos.  
2 R-2016-2537349, *et al.*; (2) the unbundling of FE PA and its Rate Districts’ updated  
3 uncollectible accounts (“UA”) expense recovered in rates; and (3) the proposed treatment  
4 of the incremental costs incurred by FE PA and its Rate Districts’ related to the COVID-  
5 19 pandemic. Finally, I will separately discuss (1) the allocation of generation-related UA  
6 expense to customer classes and develop applicable rider rates to recover those expenses;  
7 and (2) the financial reports reflecting actual expenses and rate base additions for the twelve  
8 months ended December 31, 2017, as required by Paragraph 18 of the Terms and Condition  
9 section of the 2016 Settlement.

10 **Q. Have you prepared any exhibits to accompany your testimony?**

11 A. Yes, FE PA Exhibit Nos. PML-1 through PML-6 were prepared by me or under my  
12 supervision and are described in detail later in my testimony. Additionally, I am  
13 responsible for, or partially responsible for, the following data requirements contained in  
14 52 Pa. Code § 53.53 to be filed in a major rate case: II-A-1 through II-A-2, II-B-1 through  
15 II-B-3; II-B-6 through II-C-2; II-D-2; II-D-6; II-D-10; II-D-14 through II-D-16; II-D-26  
16 through II-D-27; V-A-1; V-A-4.

17 **Q. Please identify those witnesses whose testimony relates to and supports your**  
18 **testimony.**

19 A. Joanne M. Savage (FE PA Statement No. 1) supports the inclusion of the adjustment for  
20 the amortization of the Rate Districts’ Verizon Complaint proceeding included in revenue  
21 requirement Adjustment IS-10 of FE PA Exhibit No. PML-1.

22 Wade Smith (FE PA Statement No. 2) supports (1) the budgeting process, which  
23 provided the starting point for determining the operating income and claimed rate base at

1 December 31 of the FTY and the FPFTY; (2) the additional enhanced vegetation  
2 management expense shown on revenue requirement Adjustment IS-5 of FE PA Exhibit  
3 No. PML-1; (3) additional capital and expense related to inspection and maintenance of  
4 overhead lines and transformers on a two-year cycle shown on Adjustments RB-1, RB-2  
5 and IS-5 of FE PA Exhibit No. PML-1; and (4) the historic storm expenses used to develop  
6 the five-year average included in base rates shown on Adjustment IS-5, Supporting  
7 Schedule 1 of FE PA Exhibit No. PML-1.

8 Tracy M. Ashton (FE PA Statement No. 4) supports the adjustment for capitalized  
9 pension and other post-employment benefits (“OPEB”) resulting from timing differences  
10 of changing methodologies included in revenue requirement Adjustment RB-9 of FE PA  
11 Exhibit No. PML-1 and the adjustment to reflect pension and OPEB actuarial gains and  
12 losses under the delayed recognition methodology in the revenue requirement, as shown  
13 on Adjustment IS-8 of FE PA Exhibit No. PML-1.

14 Gregory J. Gawlik (FE PA Statement No. 5) supports (1) the accumulated deferred  
15 income tax offset to rate base, as shown on revenue requirement Adjustment RB-8 of FE  
16 PA Exhibit No. PML-1; and (2) the income tax expenses in revenue requirements at pro  
17 forma present and proposed rates, as shown on Adjustments IS-12 and IS-13 of FE PA  
18 Exhibit No. PML-1.

19 Mark S. Kehl (FE PA Statement No. 6) supports (1) the pro forma levels of energy  
20 sales and normalized revenues utilized to determine the need for rate relief shown on  
21 revenue requirement Adjustment IS-2 of FE PA Exhibit No. PML-1; (2) supports changes  
22 to tariff administrative fees, as shown on revenue requirement Adjustment IS-3 of FE PA  
23 Exhibit No. PML-1; (3) rolling existing riders into base rates, including the State Tax



1 Adjustment Surcharge (“STAS”), Distribution System Improvement Charge (“DSIC”),  
2 Tax Cuts and Jobs Act (“TCJA”) and Smart Meter Technologies Charge (“SMT”) riders;  
3 and (4) the additional streetlighting costs to be amortized over a five-year period included  
4 on Adjustment IS-10 of FE PA Exhibit No. PML-1. Elimination of the per budget  
5 amortization expense for these riders is shown on revenue requirement Adjustment IS-10  
6 of FE PA Exhibit No. PML-1.

7 Timothy S. Lyons (FE PA Statement No. 7) explains the cost of service study he  
8 performed along with how the various cost of service components (rate base and expenses)  
9 attributable to the Waverly Rate District, where appropriate, were identified and removed  
10 from the determination of the revenue requirement. Company witness Lyons also supports  
11 FE PA and its Rate Districts’ cash working capital requirements shown on revenue  
12 requirement Adjustment RB-4 of FE PA Exhibit No. PML-1.

13 Mark A. Jones (FE PA Statement No. 8) supports (1) including additional expense  
14 for credit card fees to be paid on behalf of customers on Adjustment IS-6 of FE PA Exhibit  
15 No. PML-1; (2) the adjustment to UA expense shown on revenue requirement Adjustment  
16 IS-6, Supporting Schedule 1 of FE PA Exhibit No. PML-1; (3) including additional  
17 expense for low-income outreach programs; and (4) the electric vehicle rebate programs  
18 shown on Adjustment IS-7 of FE PA Exhibit No. PML-1.

19 John J. Spanos (FE PA Statement No. 9) supports the depreciation and accrual rates  
20 used to develop depreciation expense in revenue requirement Adjustment IS-9 of FE PA  
21 Exhibit No. PML-1. In particular, he discusses the depreciation studies performed and the  
22 procedures utilized for calculation annual depreciation accrual rates using the Equal Life  
23 Group (“ELG”) method.

1 Dylan W. D'Ascendis (FE PA Statement No. 10) develops and supports the  
2 requested return on equity.

3 Bill Wang (FE PA Statement No. 11) presents the proposed capital structure ratios  
4 and weighted average cost of long-term debt.

5 **Q. Generally describe the layout of your exhibits given you are addressing FE PA and**  
6 **each of its jurisdictional Rate Districts in most exhibits.**

7 A. Each exhibit, and the adjustments within each exhibit, contains the information for FE PA  
8 and each of its jurisdictional Rate Districts. There are three primary layouts used  
9 throughout my exhibits: (1) a single page exhibit or adjustment containing a specific  
10 section for FE PA followed by each Rate District delineated by a dark header with Total  
11 FE PA or the name of the Rate District in white text (see FE PA Exhibit No. PML-1, pages  
12 1 and 2); (2) a page containing one column for each Rate District and one column for Total  
13 FE PA (see FE PA Exhibit No. PML-1, page 18); and (3) a five-page approach using a  
14 separate page for Total FE PA and each Rate District. In this instance, each Rate District's  
15 adjustment or supporting schedule number contains a letter, A through D, while Total FE  
16 PA contains only the adjustment or supporting schedule number. Using FE PA Exhibit  
17 Nos. PML-1, pages 7 through 11 as an example, Adjustment RB-1, Supporting Schedule 1  
18 on page 7 relates to Total FE PA; Adjustment RB-1, Supporting Schedule 1A on page 8  
19 relates to the Met-Ed Rate District; Adjustment RB-1, Supporting Schedule 1B on page 9  
20 relates to the Penelec Rate District; Adjustment RB-1, Supporting Schedule 1C on page 10  
21 relates to the Penn Power Rate District; and Adjustment RB-1, Supporting Schedule 1D on  
22 page 11 relates to the West Penn Rate District. This labeling convention is consistent

1 across the entire revenue requirement model. Adjustments are applicable to each Rate  
2 District unless otherwise noted.

3 **II. OVERALL REVENUE REQUIREMENTS AND RATEMAKING ADJUSTMENTS**

4 **Q. How were FE PA’s budgets used to develop the proposed revenue requirements in**  
5 **this proceeding?**

6 A. FE PA’s budgets provided the starting point for determining the operating income and  
7 proposed rate base at December 31 of the FPFTY. Specifically, I utilized the budget to  
8 develop the “Per Budget” amounts set forth in Column 2 of the rate base and income  
9 statements of FE PA Exhibit No. PML-1.

10 **Q. Will you discuss the exhibits supporting revenue requirements associated with each**  
11 **test year?**

12 A. Yes, my testimony will focus on explaining FE PA Exhibit No. PML-1 because FE PA is  
13 basing its proposed rate increase on the adjusted FPFTY data. While the specific numbers  
14 differ, FE PA Exhibit No. PML-2 for the FTY and FE PA Exhibit No. PML-3 for the HTY  
15 are identical in format and concept to FE PA Exhibit No. PML-1 for the FPFTY.  
16 Therefore, I will only address any additional adjustments or other differences among those  
17 exhibits.

18 **Q. What is shown on FE PA Exhibit No. PML-1?**

19 A. This exhibit sets forth the FPFTY distribution revenue requirements for FE PA and each  
20 of its jurisdictional Rate Districts. The exhibit has four sections: (1) an overall summary  
21 of FE PA’s claimed revenue requirement and its requested revenue increase, as shown on  
22 pages 1 and 2; (2) the claimed overall rate of return component of the revenue requirement,

1 as shown on page 3; (3) the rate base component of the revenue requirement, as shown on  
2 pages 4 through 24; and (4) the income statement component of the revenue requirement,  
3 as shown on pages 25 through 63. I will discuss each section in more detail below.

4 **Q. Please describe the overall summary.**

5 A. The overall summary shows a high-level overview of FE PA and each jurisdictional Rate  
6 Districts' rate base, income statement, rate of return, requested rate of return and return on  
7 equity at present and proposed rates, as well as the requested revenue increase.

8 **Q. What is shown on page 3 of FE PA Exhibit No. PML-1?**

9 A. This page sets forth FE PA's claimed overall rate of return, including its proposed capital  
10 structure ratios, weighted average cost of long-term debt and requested return on equity.  
11 Those findings are presented and supported by Company witness Wang and Company  
12 witness D'Ascendis.

13 **A. Rate Base for the FPFTY ending December 31, 2025.**

14 **Q. Please describe FE PA's and each jurisdictional Rate District's rate base.**

15 A. FE PA and each of its jurisdictional Rate Districts' FPFTY overall distribution rate base  
16 consists of nine principal components: (1) original cost of plant in service; (2) accumulated  
17 depreciation reserve applicable to plant in service; (3) material and supplies; (4) cash  
18 working capital; (5) unamortized deferral and Verizon complaint balances; (6) customer  
19 deposits; (7) customer advances; (8) accumulated deferred income taxes; and (9)  
20 capitalized pension and OPEB costs. Column 2 on pages 4 and 5 of FE PA Exhibit No.  
21 PML-1 provides the unadjusted amounts for the FPFTY; column 3 adjusts various  
22 components; and column 4 reflects the adjusted rate base. The adjustments to budgeted

1 rate base data, along with a detailed explanation of each adjustment are contained within  
2 FE PA Exhibit No. PML-1 and are referenced on pages 4 and 5.

3 **Q. What is FE PA’s position on plant held for future use?**

4 A. FE PA is not including plant held for future use in rate base. Consistent with current  
5 Commission policy, investments in plant held for future use are excluded from rate base  
6 but are allowed to accrue carrying charges provided those investments are expected to be  
7 utilized within ten years of the test period.

8 **Q. Please describe Adjustment RB-1 – Plant in Service of FE PA Exhibit No. PML-1.**

9 A. This high-level summary adjustment to plant in service: (1) eliminates asset retirement  
10 costs (“ARC”) in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations;  
11 (2) eliminates an allocated portion of plant that supports the Waverly Rate District; (3)  
12 includes plant associated with West Penn Rate District’s acquisition of the electric  
13 distribution system of the Letterkenny Industrial Development Authority (“LIDA”); and  
14 (4) includes plant associated with the two-year cycle of inspection and maintenance of  
15 overhead lines and transformers supported by Company witness Smith. With respect to  
16 adjustment (2) above, the allocated portions of plant supporting non-jurisdictional  
17 activities that are eliminated are based on the results of a separation study described by  
18 Company witness Lyons. This separation study also supports other adjustments referenced  
19 throughout my exhibits that are similarly needed to eliminate non-jurisdictional activities  
20 with respect to the Waverly Rate District’s operations. Supporting Schedules 1 through  
21 1D show the detailed adjustments to plant in service for FE PA and each Rate District by  
22 Federal Energy Regulatory Commission (“FERC”) plant account.

1 **Q. What is the purpose of Adjustment RB-2 – Depreciation Reserve of FE PA Exhibit**  
2 **No. PML-1?**

3 A. This high-level summary adjustment to the budgeted depreciation reserve eliminates or  
4 includes those portions attributable to the plant adjustments included in Adjustment RB-1.  
5 Supporting Schedules 1 through 1D show the detailed adjustments to depreciation reserve  
6 for FE PA and each Rate District by FERC plant account.

7 **Q. How did you determine the proper FERC plant account to include LIDA plant in**  
8 **service and depreciation reserve?**

9 A. Since the additional plant associated with acquiring LIDA comprises less than two percent  
10 of the balance of West Penn Rate District’s distribution FERC accounts, I allocated LIDA  
11 plant in service and depreciation reserve to all distribution plant FERC accounts, excluding  
12 FERC accounts 360, Land and land rights and 374, ARC, utilizing the ratio of each  
13 Distribution Plant FERC account to total Distribution Plant FERC accounts, excluding  
14 FERC accounts 360, Land and land rights and 374, ARC for distribution plant.

15 **Q. Please describe Adjustment RB-3 – Material and Supplies Inventory of FE PA**  
16 **Exhibit No. PML-1.**

17 A. This adjustment includes an addition to rate base for FE PA's allocated portion of material  
18 and supplies inventory maintained by FESC based on a 13-month average including the  
19 HTY, then subsequently excludes an allocated portion that supports the Waverly Rate  
20 District.

1 **Q. What is the purpose of Adjustment RB-4 – Cash Working Capital of FE PA Exhibit**  
2 **No. PML-1?**

3 A. Adjustment RB-4 includes an addition to rate base for the cash working capital  
4 requirements described by Company witness Lyons and computed by him in FE PA Exhibit  
5 No. TSL-4.

6 **Q. Please describe Adjustment RB-5 – Unamortized Deferral and Verizon Complaint**  
7 **Balances of FE PA Exhibit No. PML-1.**

8 A. This adjustment includes: (1) an addition to rate base for the balance of the storm reserve  
9 accounts, which have been maintained in accordance with the terms and conditions of the  
10 Rate Districts' 2016 Settlement as of December 31 the HTY; (2) an addition to rate base  
11 for certain extraordinary storm damage costs, the recognition of which have been deferred  
12 in accordance with Commission order as of December 31 of the HTY; (3) an addition to  
13 rate base to include the budgeted FTY storm reserve activity; (4) an addition to rate base  
14 for the balance of the COVID-19 regulatory asset; (5) an addition to rate base for the  
15 Verizon complaint balance; and (6) a reduction to rate base for one year of proposed  
16 amortization expense during the FPFTY, as shown on Adjustment IS-10 and described  
17 later in my testimony. The specific costs deferred and citations to the Commission orders  
18 approving the deferral of extraordinary storm costs are provided in the adjustment.

19 **Q. Did you make any assumptions related to the storm reserve or extraordinary storm**  
20 **deferral balances?**

21 A. Yes. At the time of calculating the revenue requirement, the Penn Power Rate District was  
22 awaiting Commission review of an extraordinary storm deferral petition at Docket No. P-  
23 2023-3044479 for the April 2023 Storm. I assumed the petition was approved, removed

1 the costs from the storm reserve, and included them in the extraordinary storm deferral.  
2 This assumption does not change the amount of storm costs included in rate base. It does,  
3 however, reduce historical storm costs used to determine the normalized storm expenses  
4 included in the revenue requirement calculation, as shown on Adjustment IS-5, Supporting  
5 Schedule 1 of FE PA Exhibit No. PML-1 and described later in my testimony.

6 **Q. What is the purpose of Adjustment RB-6 – Customer Deposits of FE PA Exhibit No.**  
7 **PML-1?**

8 A. Adjustment RB-6 includes a deduction to rate base for customer deposits based on a 13-  
9 month average including the HTY, then subsequently excludes an allocated portion related  
10 to the Waverly Rate District.

11 **Q. Please describe Adjustment RB-7 – Customer Advances of FE PA Exhibit No. PML-**  
12 **1.**

13 A. This adjustment includes a deduction to West Penn Rate District's rate base for customer  
14 advances based on a 13-month average including the HTY.

15 **Q. What is the purpose of Adjustment RB-8 – Accumulated Deferred Income Taxes of**  
16 **FE PA Exhibit No. PML-1?**

17 A. Adjustment RB-8 adjusts the budgeted federal property-related deferred tax balances,  
18 excluding the impact of Statement of Financial Accounting Standards No. 109 deferrals,  
19 to eliminate: (1) excludable items, primarily capital lease vehicles; (2) include an offset for  
20 net operating loss carryforwards as required by Internal Revenue Service normalization  
21 rules; (3) include an offset for the corporate alternative minimum tax credit; and (4)



1 eliminate an allocated portion related to the Waverly Rate District. Company witness  
2 Gawlik supports the calculation of accumulated deferred income taxes.

3 **Q. Please describe Adjustment RB-9 – Capitalized Pension and OPEB Costs of FE PA**  
4 **Exhibit No. PML-1.**

5 A. This adjustment includes an addition or deduction to FE PA and its Rate Districts’ rate base  
6 to eliminate the timing differences between the recognition of pension and OPEB expense  
7 and rate base under the immediate and delayed recognition methodologies for the portion  
8 of costs capitalized from 2011 through 2017, as described by Company witness Ashton,  
9 the subsequently eliminates an allocated portion of the adjustment that relates to Waverly  
10 Rate District.

11 **B. Income Statement for the FPFTY ending December 31, 2025.**

12 **Q. Please describe the income statement.**

13 A. The income statement contains FE PA and its Rates Districts’ budgeted and pro forma  
14 statements of net utility operating income for the FPFTY ending December 31, 2025. The  
15 first five pages, beginning on page 25 of FE PA Exhibit No. PML-1, summarize the  
16 following for FE PA or an individual Rate District: (1) budgeted total results of operations;  
17 (2) budgeted revenues and expenses related to separate Section 1307 reconcilable riders  
18 not being rolled into base rates in the instant case; (3) budgeted base rate results of  
19 operations; (4) adjustments to the budget; (5) pro forma adjusted results of operations at  
20 present rates; (6) proposed rate increase; (7) pro forma adjusted results of operations at  
21 proposed rates; and (8) FE PA or individual Rate District total pro forma adjusted results  
22 of operations including surcharges. The remainder of the pages, starting at page 30,

1 document the specific adjustments made to normalize and annualize the budgeted data,  
2 which I discuss in more detail below.

3 **Q. What is the purpose of Adjustment IS-1 - Riders Retained of FE PA Exhibit No. PML-**  
4 **1?**

5 A. Adjustment IS-1 shows the amount of per budget revenues and expenses for each Section  
6 1307 reconcilable rider not being rolled into base rates and calculates a total. The Default  
7 Service Support (“DSS”) rider includes an adjustment for generation-related UA expense  
8 recovered in both the DSS and Hourly Pricing Default Service (“HP”), as shown on  
9 Adjustment IS-6, Supporting Schedule 1 and discussed later in my testimony. The adjusted  
10 total of the retained riders is excluded from the income statement to derive the per budget  
11 revenues and expenses included in base rates shown in column 4. The adjusted total of  
12 retained riders is added back after the calculation of pro forma adjusted operating income  
13 at proposed rates shown in column 8 to derive the pro forma adjusted operating income at  
14 proposed rates including riders.

15 **Q. Please describe Adjustment IS-2 – Base Operating Revenues of FE PA Exhibit No.**  
16 **PML-1.**

17 A. This is a series of adjustments to base operating revenues to: (1) eliminate unbilled revenue  
18 and the Waverly Rate District’s revenues per budget; (2) annualize changes in number of  
19 customers; (3) normalize the sales and revenue effects of energy efficiency measures  
20 implemented or to be implemented under FE PA and its Rate Districts’ Energy Efficiency  
21 and Conservation Phase IV Plan and to reflect the impact of behind-the-meter generation;  
22 and (4) include revenue associated with the acquisition of LIDA in the West Penn Rate

1 District. Parts (2) through (4) of this adjustment are supported by Company witness Kehl  
2 on FE PA Exhibit No. MSK-1.

3 **Q. Is there an adjustment to revenue related to rolling riders into base rates?**

4 A. No. The revenues from the STAS, DSIC, TCJA and SMT riders are included as part of the  
5 revenue at present rates and are not part of the requested revenue increase. The revenues  
6 related to each rider are shown on Adjustment IS-2 of FE PA Exhibit No. PML-1.

7 **Q. Please describe Adjustment IS-3 – Other Operating Revenues of FE PA Exhibit No.**  
8 **PML-1.**

9 A. This adjustment: (1) reflects changes to tariff administrative fees supported by Company  
10 witness Kehl; (2) includes the West Penn Rate District's estimated ground lease revenue  
11 from its FERC jurisdictional affiliate; (3) eliminates per budget revenues associated with  
12 the West Penn Rate District's existing agreements with LIDA; and (4) eliminates the per  
13 budget transmission revenues related to the West Penn Rate District's FERC jurisdiction;  
14 and (5) eliminates an allocated portion related to the Waverly Rate District.

15 **Q. What is the purpose of Adjustment IS-4 – Transmission Expense of FE PA Exhibit**  
16 **No. PML-1?**

17 A. Adjustment IS-4 does the following: (1) normalizes FE PA and each of its Rate Districts'  
18 payroll expense, as well as an allocated portion of FESC's payroll expense, to reflect year-  
19 end wage and employee levels; (2) eliminates an allocated portion related to FERC  
20 jurisdictional transmission expense for the West Penn Rate District; and (3) eliminates an  
21 allocated portion related to the Waverly Rate District. FE PA Exhibit No. PML-1,  
22 Adjustment IS-4, Supporting Schedule 1 develops the payroll expense to reflect FPPTY

1 year-end wage and employee levels for FE PA and its Rate Districts. The operations and  
2 maintenance (“O&M”) payroll expense for FE PA and its Rate Districts is then allocated  
3 to individual Transmission, Distribution, Customer Accounts, Customer Service and  
4 Administrative and General components. These amounts are utilized in subsequent  
5 adjustments. FE PA Exhibit No. PML-1, Adjustment IS-4, Supporting Schedule 2  
6 develops the payroll expense to reflect FPFTY year-end wage and employee levels for  
7 FESC. The O&M payroll expense for FESC is then allocated to individual Transmission,  
8 Distribution, Customer Accounts, Customer Service and Administrative and General  
9 components. These amounts are utilized in subsequent adjustments.

10 **Q. Please describe Adjustment IS-5 –Distribution Expense of FE PA Exhibit No. PML-**  
11 **1.**

12 A. This adjustment: (1) normalizes FE PA and each of its Rate Districts’ payroll expense, as  
13 well as an allocated portion of FESC’s payroll expense, to reflect year-end wage and  
14 employee levels (developed in Adjustment IS-4, Supporting Schedules 1 and 2); (2)  
15 normalizes storm expenses based on a historical five-year average of actual storm  
16 expenses, excluding extraordinary storms, as shown on Supporting Schedule 1; (3) includes  
17 enhanced vegetation management expense supported by Company witness Smith; (4)  
18 adjusts inspection and maintenance of overhead lines and transformers expense to reflect  
19 a two-year cycle supported by Company witness Smith; (5) includes the reclassification of  
20 amortization of gains and losses on reacquired debt; and (6) eliminates an allocated portion  
21 related to the Waverly Rate District.

1 **Q. What is the purpose of Adjustment IS-6 – Customer Accounts Expense of FE PA**  
2 **Exhibit No. PML-1?**

3 A. Customer Accounts expense is adjusted to: (1) reflect FPFTY payroll expense at year-end  
4 wage and employee levels for FE PA and FESC personnel (developed in Adjustment IS-4,  
5 Supporting Schedules 1 and 2); (2) reflect increased uncollectible accounts expense  
6 supported by Company witness Jones; (3) reflect increased costs associated with adding  
7 new customers; (4) eliminate an allocated portion related to the Waverly Rate District; (5)  
8 includes interest on jurisdictional customer deposits; and (6) include additional expense for  
9 customer credit card payment processing fees supported by Company witness Jones.

10 Supporting Schedule 1 adjusts the UA expense, as supported by Company witness  
11 Jones, and calculates the UA expense rate. Total billed revenue includes billed revenues  
12 as adjusted, billed revenues on retained riders (split between the Price to Compare/Hourly  
13 Pricing rider default service revenues and other retained riders), and the billed revenues of  
14 electric generation suppliers (“EGS”) through the purchase of receivables (“POR”)  
15 programs for all residential and commercial customers.

16 The UA expense rate is applied to billed revenues as adjusted plus billed revenues  
17 on riders retained, excluding Price to Compare/Hourly Pricing default service revenues to  
18 determine the amount of UA expense to be recovered in base rates.

19 The UA expense rate is also applied to the Price to Compare/Hourly Pricing rider  
20 default service revenues plus POR eligible revenues billed on behalf of EGSs to determine  
21 the amount of generation-related UA expense to be recovered in the DSS and HP riders.  
22 The calculated generation-related UA expense is compared to the UA expense budgeted to

1 the DSS rider to determine the adjustment to the DSS Rider per budget included on  
2 Adjustment IS-1 for each rate district.

3 Because the DSS Rider was adjusted prior to being eliminated in column 3 of the  
4 income statements, the base rates per budget amount in column 4 of the income statements  
5 is understated. Therefore, the total adjustment to UA expense must be included in the  
6 adjustment to customer accounts expense.

7 Supporting Schedule 2 develops the Other O&M expenses associated with serving  
8 new customers reflected in Adjustment No. 2. The Commission has previously approved  
9 an adjustment to customer accounts expense in recognition of this increased cost. This cost  
10 is estimated by determining the ratio of non-payroll customer account expense to  
11 distribution revenues from customers and applying this ratio to the additional revenue  
12 received from the additional customers.

13 Supporting Schedule 3 captures the cost of interest FE PA is required to pay on  
14 residential and non-residential customer deposits given that the customer deposits are  
15 deducted from rate base.

16 **Q. Please describe Adjustment IS-7 – Customer Service and Information Expense of FE**  
17 **PA Exhibit No. PML-1.**

18 A. Customer Service and Information Expense is adjusted to: (1) reflect the FPFTY payroll  
19 expense at year-end wage and employee levels for FE PA and FESC (developed in  
20 Adjustment IS-4, Supporting Schedules 1 and 2); (2) include additional expense for the low  
21 income outreach program supported by Company witness Jones; (3) include additional expense  
22 for the electric vehicle rebate program supported by Company witness Jones; and (4) eliminates  
23 an allocated portion related to the Waverly Rate District.

1 **Q. What is the purpose of Adjustment IS-8 – Administrative and General Expense of FE**  
2 **PA Exhibit No. PML-1?**

3 A. Administrative and General Expense is adjusted to reflect: (1) FPFTY payroll expense at  
4 year-end wage and employee levels for FE PA and FESC (developed in Adjustment IS-4,  
5 Supporting Schedules 1 and 2); (2) pension expense including actuarial gains or losses  
6 calculated under the delayed recognition methodology by Company witness Ashton; (3)  
7 OPEB expense including actuarial gains or losses calculated under the delayed recognition  
8 methodology by Company witness Ashton; (4) employee benefit expense at FPFTY year-  
9 end personnel and wage levels; (5) the elimination of an allocated portion related to West  
10 Penn Rate District’s FERC jurisdiction; (6) the elimination of an allocated portion related  
11 to the Waverly Rate District; and (7) the normalization of current rate case expenses over a  
12 three-year period.

13 Supporting Schedule 1 calculates the effective employee benefit rate to normalize  
14 the employee benefits costs and applies the O&M allocation to adjust the employee benefit  
15 costs charged to Administrative and General expense. Supporting Schedule 2 provides a  
16 schedule of rate case expense and determines the amortization of those expenses over a three-  
17 year period.

18 **Q. Please describe Adjustment IS-9 – Depreciation Expense of FE PA Exhibit No. PML-**  
19 **1.**

20 A. Budgeted Depreciation Expense is adjusted to: (1) reflect the application of the ELG  
21 method depreciation rates to claimed plant in service; (2) restate the cost of removal/net  
22 salvage expense on a five-year average basis; and (3) eliminate an allocated portion of cost  
23 of removal/net salvage related to the Waverly Rate District. The application of ELG

1 depreciation rates is discussed in detail by Company witness Spanos. Supporting  
2 Schedules 1 through 1D show the calculated depreciation expense for FE PA and each Rate  
3 District by FERC plant account.

4 **Q. What is the purpose of Adjustment IS-10 – Amortization Expense of FE PA Exhibit**  
5 **No. PML-1?**

6 A. Amortization expense included in the budget is adjusted to: (1) eliminate amortization of  
7 riders rolled into base rates; (2) eliminate storm reserve amortization that reflects the  
8 difference between the storm reserve revenues, net of Pennsylvania gross receipts tax  
9 (“GRT”) and the storm O&M expenses presently included in base rates; (3) eliminate per  
10 budget deferrals associated with asset retirement obligation accretion and depreciation in  
11 accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (4) eliminate  
12 amortizations associated with West Penn Rate District’s FERC jurisdiction; (5) include  
13 amortization to recover deferred storm damage costs over a three-year period; (6) include  
14 amortization to recover the projected balance of the storm reserve accounts at the end of  
15 the FTY over a three-year period; (7) include amortization to recover the incremental costs  
16 related to the COVID-19 pandemic, shown on Supporting Schedule 1, over a three-year  
17 period; (8) include amortization to recover the balance of streetlighting costs over a five-  
18 year period, as supported by Company witness Kehl; and (9) include the amortization  
19 associated with the Rate Districts' Verizon complaints as supported by Company witness  
20 Savage.



1 **Q. Please describe Adjustment IS-11 – Taxes Other Than Income Taxes of FE PA**  
2 **Exhibit No. PML-1.**

3 A. Taxes Other Than Income Taxes included in the budget are adjusted to: (1) reflect GRT at  
4 5.9% for normalized sales revenues; (2) adjust payroll tax expense based on annualized  
5 payroll and employee levels; (3) reflect the Public Utility Realty Tax (“PURTA”) expense  
6 consistent with the PURTA determination received in August 2023; and (4) eliminate non-  
7 jurisdictional real estate tax expense.

8 Supporting Schedule 1 shows the calculation of Federal Insurance Contributions  
9 Act tax associated with the annualized O&M payroll expense developed in Adjustment IS-  
10 4, Supporting Schedule 1.

11 **Q. Please describe briefly the computation of federal and state income taxes as reflected**  
12 **in Adjustment IS-12 of FE PA Exhibit No. PML-1.**

13 A. This adjustment calculates the pro forma income tax at pro forma present rates. The  
14 schedule begins with the computation net operating income before income tax from data  
15 shown on FE PA and its Rate Districts’ income statements. Interest expense is calculated  
16 by multiplying the adjusted rate base by the weighted average cost of long-term debt  
17 supported by Company witness Wang. The resulting interest expense is used to reduce net  
18 income before income taxes.

19 To calculate state taxable income, federal tax depreciation plus additional state tax  
20 depreciation allowed for state income tax purposes is compared to pro forma book  
21 depreciation to calculate the state tax depreciation over / under book depreciation. This  
22 difference, along with other property-related book-tax timing differences further reduce  
23 state taxable income. The statutory state income tax rate to be effective in the FPPTY,

1 shown on line 20, is used to determine the pro forma current state income tax expense  
2 shown on line 21.

3 To calculate federal taxable income, the state taxable income is adjusted to add  
4 back the additional state tax depreciation and subtract the state income tax expense at  
5 present rates. The statutory federal income tax rate, shown on line 26 is used to determine  
6 the pro forma current federal income tax expense shown on line 27.

7 Supporting Schedule 1 calculates the pro forma income tax at pro forma proposed  
8 rates.

9 **Q. What is the purpose of Adjustment IS-13 – Provision for Deferred Income Taxes of**  
10 **FE PA Exhibit No. PML-1?**

11 A. The provision for deferred tax expense included in the budget is adjusted to reflect  
12 property-related federal deferred taxes and to eliminate an allocated portion related to the  
13 Waverly Rate District. Detailed calculations of the federal deferrals, supported by  
14 Company witness Gawlik, are provided in the attachments to II-D-24.

15 **Q. Please explain the gross revenue conversion factor shown on page 63 of FE PA Exhibit**  
16 **No. PML-1.**

17 A. The gross revenue conversion factor is used to determine the revenues required to achieve  
18 the overall rate of return requested by FE PA and its Rate Districts. The factor captures  
19 the additional late payment revenue, uncollectible accounts expense, GRT, regulatory fees,  
20 and federal and state income taxes attributable to the additional revenues resulting from the  
21 proposed rate increase.

1 **Q. What is contained in FE PA Exhibit Nos. PML-2 and PML-3?**

2 A. FE PA Exhibit Nos. PML-2 and PML-3 set forth FE PA and its Rate Districts' revenue  
3 requirement calculation for the FTY ending December 31, 2024 and the HTY ending  
4 December 31, 2023. While the specific numbers differ, FE PA Exhibit Nos. PML-2 and  
5 PML-3 are identical in format and concept to FE PA Exhibit No. PML-1 and the description  
6 of the filing format in my testimony applies equally to them.

7 However, FE PA Exhibit No. PML-3 contains additional adjustments to the West  
8 Penn Rate District to eliminate FERC jurisdictional transmission revenues on Adjustment  
9 IS-3, allocations of FERC jurisdictional expenses on Adjustments IS-4 and IS-8, and FERC  
10 jurisdictional amortizations on IS-10. While the adjustments are included on FE PA  
11 Exhibit No. PML-1, the amounts of the adjustments are zero. The additional adjustments  
12 relying on allocation factors are based on the FERC jurisdictional allocators used in the  
13 West Penn Rate District's last base rate case at Docket No. R-2016-2537359.

14 **Q. What are the FERC jurisdictional allocation factors used in the West Penn Rate**  
15 **District's last base rate case applied to the adjustments in FE PA Exhibit No. PML-**  
16 **3?**

17 A. FE PA Exhibit No. PML-3 Adjustment IS-3 eliminates actual FERC jurisdictional  
18 transmission revenues. Adjustment IS-4 allocates 92.5% of transmission expenses to the  
19 FERC jurisdiction. Adjustment IS-8 allocates 10.57% of administrative and general  
20 expenses to the FERC jurisdiction. Adjustment IS-10 eliminates actual FERC  
21 jurisdictional amortization expense.

1 **III. REGULATORY TREATMENT OF STORM DAMAGE COSTS THROUGH A**  
2 **STORM RESERVE**

3 **Q. Provide a brief overview and history of FE PA's storm reserve accounts.**

4 A. The regulatory treatment of ongoing storm damage costs through the storm reserve  
5 accounts were established, effective May 3, 2015, in accordance with the terms and  
6 conditions of the Rate Districts' Joint Petition for Partial Settlement of Rate Investigation  
7 at Docket Nos. R-2014-2428745, *et al.* The storm recovery amounts in base rates are based  
8 on a five-year average of historical storm damage expenses, excluding those expenses  
9 related to extraordinary storm events which had been deferred in accordance with  
10 Commission order. The storm reserve accounts were maintained in the Rate Districts'  
11 2016 Settlement at the same level of recovery established in the prior base rate proceeding.

12 **Q. Please describe the storm reserve process.**

13 A. On a monthly basis, FE PA records the storm reserve recovery amounts in base rates,  
14 established as described above, to the storm reserve. Additionally, the actual monthly  
15 storm expenses incurred by the Company are recorded to the storm reserve, eliminating the  
16 impact of such storm expenses on the Company's income statement. Both revenues  
17 received and costs incurred by the Company for assisting other affiliated and non-affiliated  
18 regulated utilities during storm events are reflected in the reserve account. Storm costs  
19 associated with extraordinary storm events approved by the Commission for deferral are  
20 transferred from the storm reserve accounts to an extraordinary storm deferral.

1 **Q. What are the Company's O&M storm costs for the past five years?**

2 A. The Company's five-year historical O&M storm costs, excluding costs associated with  
3 extraordinary storm events approved by the Commission for deferral, are shown on FE PA  
4 Exhibit No. PML-1, Adjustment IS-5, Supporting Schedule 1.

5 **Q. What is FE PA proposing with regard to the storm reserve accounts?**

6 A. FE PA is proposing to continue the recovery of storm damage costs, excluding expenses  
7 related to damage from extraordinary storm events, through the storm reserve accounts.  
8 However, FE PA is proposing to adjust the storm reserve revenue included in base rates to  
9 reflect: (1) the updated historical five-year average of actual storm expenses, as described  
10 in Adjustment IS-5; and (2) the additional amortization expense to recover the balance of  
11 the storm reserve, as described in FE PA Exhibit No. PML-1, Adjustment IS-10.

12 **IV. OVERVIEW OF COVID-19 REGULATORY ASSET**

13 **Q. Describe the Secretarial Letter entitled *COVID-19 Cost Tracking and Creation of***  
14 ***Regulatory Asset* issued by the Commission at Docket No. M-2020-3019775.**

15 A. The Commission recognized that compliance with its Emergency Order (Public Utility  
16 Service Termination Moratorium Proclamation of Disaster Emergency-COVID-19 issued  
17 at Docket No. M-2020-3019244 and ratified on March 26, 2020) may result in incremental  
18 extraordinary, non-recurring expenses related to COVID-19, including uncollectible  
19 expenses. Consequently, the Commission authorized utilities to create a regulatory asset  
20 for any incremental expenses incurred in excess of those embedded in rates since the  
21 issuance of the Emergency Order. In order to be eligible for inclusion in a utility's COVID-  
22 19 designated regulatory asset, the utility must maintain detailed records of the incremental  
23 extraordinary, nonrecurring expenses incurred as a result of compliance with the

1 Emergency Order. In addition, regulated entities shall claim the deferred expense at their  
2 first available opportunity.

3 **Q. Did FE PA’s jurisdictional Rate Districts incur incremental UA expenses?**

4 A. Yes, the jurisdictional Rate Districts experienced increased levels of customer  
5 delinquencies in the year ended December 31, 2020. These delinquent amounts resulted  
6 in UA expense in excess of those claimed in their last base rate cases, which were recorded  
7 as regulatory assets at December 31, 2020, as shown on FE PA Exhibit No. PML-1,  
8 Adjustment 10, Supporting Schedule 1.

9 **Q. Did FE PA and its Rate Districts incur other extraordinary, non-recurring  
10 incremental COVID-19 related expenses outside of incremental UA expense?**

11 A. Yes. In accordance with the Secretarial Letter, the Rate Districts tracked and maintained  
12 records of other extraordinary, non-recurring incremental COVID-19 related costs  
13 associated with the pandemic. These costs primarily include waived late payment charges,  
14 waived reconnect charges, a bill assistance media campaign, two outbound dialing  
15 campaigns, customer mailings and postage associated with that customer mailing. The  
16 breakdown of these expenses are also shown on FE PA Exhibit No. PML-1, Adjustment  
17 IS-10, Supporting Schedule 1.

18 **Q. Why is FE PA proposing the recovery of its COVID-19 Regulatory Asset in this  
19 proceeding?**

20 A. Consistent with the directive in the Secretarial Letter, this base rate case is the first  
21 opportunity in which FE PA could claim these deferred expenses.

1 **Q. How does FE PA plan to recover the incremental UA expenses and other**  
2 **extraordinary, non-recurring incremental COVID-19 related costs?**

3 A. As discussed in my testimony related to FE PA Exhibit No. PML-1 Adjustment IS-10, FE  
4 PA is requesting a three-year amortization of these costs.

5 **Q. Why is three years an appropriate amortization period for the COVID-19 regulatory**  
6 **asset?**

7 A. FE PA chose three years because it is consistent with the COVID-19 recovery period  
8 approved by the Commission for PECO Energy Company at Docket No. R-2021-3024601  
9 and Duquesne Light Company at Docket No. R-2021-3024750.

10 **V. GENERATION-RELATED UNCOLLECTIBLE RATE COMPONENTS OF THE**  
11 **DSS AND HP RIDERS**

12 **Q. What is contained on FE PA Exhibit No. PML-4?**

13 A. FE PA Exhibit No. PML-4 shows the calculation of the UA expense component rates for  
14 the DSS and HP Riders for the Rate Districts, as well as an illustrative uncollectible  
15 component rate for FE PA consolidated rates. The generation-related UA expense  
16 calculated on FE PA Exhibit No. PML-1, Adjustment IS-6, Supporting Schedule 1, line 12  
17 is allocated to the residential, commercial and industrial customer classes using the average  
18 of actual customer class net write-offs for a twenty-four-month period including the HTY.  
19 The residential and commercial customer class allocations, shown in thousands, are then  
20 divided by the projected FPFTY megawatt-hours (“MWh”) for the respective customer  
21 class to determine the appropriate rate. The industrial customer class allocation, shown in  
22 thousands, is then divided by the projected FPFTY non-shopping MWh. FE PA proposes

1 the uncollectible component rates for the DSS and HP Riders to be effective with the next  
2 respective rider update after the effective date of this rate case.

3 **VI. REPORTING REQUIRED UNDER PROVISIONS OF THE 2016 SETTLEMENT**  
4 **AT DOCKET NOS. R-2016-2537349, ET AL.**

5 **Q. Were the Rate Districts required to provide any financial reports as part of this base**  
6 **rate proceeding?**

7 A. Yes, the 2016 Settlement requires the Rate Districts, in their next base rate proceedings, to  
8 file a comparison of their actual expenses and rate base additions for the twelve months  
9 ended December 31, 2017, to their projections originally filed at Docket Nos. R-2016-  
10 2537349, *et al.* The Joint Petitioners recognized that the 2016 Settlement represented a  
11 black box settlement and consequently reflects compromises by all parties on the various  
12 issues raised during the proceeding. Except for specific terms and conditions addressed  
13 within the 2016 Settlement document itself, there were no findings made by the  
14 Commission for income statement or rate base purposes.

15 **Q. What is contained in FE PA Exhibit No. PML-5?**

16 A. FE PA Exhibit No. PML-5 contains the actual expenses per the Rate Districts' FERC Form-  
17 1 pages 320-323 for the twelve months ended December 31, 2017, compared to the  
18 projections in the Rate Districts' last base rate cases filed at Docket Nos. R-2016-2537349,  
19 *et al.* Pages 1 and 2 show the comparison for FE PA, while pages 3 through 10 show the  
20 comparison for the individual jurisdictional Rate Districts.

21 At first glance, this exhibit appears to illustrate that the FPFTY budgeted expenses  
22 included in the Rate Districts' last base rate cases were overstated by \$264 million. After  
23 eliminating the variances related to Power Supply and Transmission Expenses, which are



1 generally recovered in reconcilable riders, the Rate Districts' actual expenses and therefore,  
2 FE PA's actual expenses, exceeded FE PA's projected expenses by about \$11 million, a  
3 variance of about 2% of projected expenses (excluding projected Power Supply and  
4 Transmission Expenses). Each Rate District's individual variance ranged from negative  
5 2.7% to positive 2%. Overall, this shows FE PA's FPFTY budget was reasonable.

6 **Q. What is contained in FE PA Exhibit No. PML-6**

7 A. FE PA Exhibit No. PML-6 contains the actual additions per the jurisdictional Rate  
8 Districts' FERC Form-1 pages 204-207 for the twelve months ended December 31, 2017,  
9 compared to the projections in the Rate Districts' last base rate cases filed at Docket Nos.  
10 R-2016-2537349, *et al.* Page 1 shows the comparison for FE PA, while pages 2 through 5  
11 show the comparison for the individual Rate Districts.

12 This exhibit illustrates that the FPFTY budgeted additions included in the Rate  
13 Districts' last base rate cases were reasonable, albeit conservative estimates of actual  
14 additions. The Rate Districts' actual additions and therefore, FE PA's actual additions,  
15 exceeded the projected additions by about \$46 million, a variance of about 10% of  
16 projected additions. Three of the Rate Districts' actual additions exceeded projected  
17 additions. The Penelec Rate District's actual additions fall short of projected additions by  
18 \$0.2 million, which is negligible.

19 **VII. CONCLUSION**

20 **Q. Does this conclude your testimony?**

21 A. Yes.

**Resume: Education and Experience of Patricia M. Larkin**

Education:

Bachelor of Science Degree in Accounting – DeSales University  
Master of Business Administration Degree – Alvernia University

Experience:

2000-2007	Accountant – Property Accounting Services – GPU Energy
2007-2008	Accountant – Accounting Research – FirstEnergy Service Company
2008-2012	Accountant – General Accounting Services (Regulatory Accounting focus) – FirstEnergy Service Company
2012-Present	Analyst – Rates & Regulatory Affairs – Pennsylvania – FirstEnergy Service Company

Prepared and presented testimony in the following rate-related cases:

PA P.U.C. Cases:

<i>Docket Nos.</i>	<i>Case Name</i>
P-2021-3030012 P-2021-3030013, P-2021-3030014, P-2021-3030021	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
R-2014-2428745 R-2014-2428743 R-2014-2428744 R-2014-2428742	Metropolitan Edison Company – General Base Rate Filing Pennsylvania Electric Company – General Base Rate Filing Pennsylvania Power Company – General Base Rate Filing West Penn Power Company – General Base Rate Filing

Assisted in development and preparation of filings in the following proceedings:

PA P.U.C. Cases:

<i>Docket Nos.</i>	<i>Case Name</i>
P-2017-2637855, P-2017-2637857, P-2017-2637858, P-2017-2637866	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs

<i>Docket Nos.</i>	<i>Case Name</i>
R-2016-2537349 R-2016-2537352 R-2016-2537355 R-2016-2537359	Metropolitan Edison Company – General Base Rate Filing Pennsylvania Electric Company – General Base Rate Filing Pennsylvania Power Company – General Base Rate Filing West Penn Power Company – General Base Rate Filing
P-2015-2511333, P-2015-2511351, P-2015-2511355, P-2015-2511356	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
P-2013-2391368, P-2013-2391372, P-2013-2391375, P-2013-2391378	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs
P-2011-2273650, P-2011-2273668, P-2011-2273669, P-2011-2273670	Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of their Default Service Programs

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Overall Summary**

Line	Description	Reference	Present Rates	Revenue Increase	Proposed Rates
		(1)	(2)	(3)	(4)
<b>Total FE PA</b>					
1	Retail Sales	p.25, L1, col. 6	\$ 1,495,300	\$ 502,490	\$ 1,997,790
2	Other Operating Revenues	p.25, L3, col. 6	74,344	1,359	75,703
3	Total Operating Revenues	L1 + L2	<u>\$ 1,569,644</u>	<u>\$ 503,849</u>	<u>\$ 2,073,493</u>
4	Total Operating Expenses	p.25, L14, col. 6	1,318,826	36,379	1,355,205
5	Operating Income Before Tax	L3 - L4	\$ 250,819	\$ 467,470	\$ 718,288
6	Total Income Taxes	p.25, L21, col. 6	3,734	127,676	131,409
7	Net Operating Income	L5 - L6	<u>\$ 247,085</u>	<u>\$ 339,794</u>	<u>\$ 586,879</u>
8	Rate Base	p.4, L11, col. 4	<u>\$ 7,165,798</u>		<u>\$ 7,165,798</u>
9	Overall Rate of Return	L7 / L8	3.45%		8.19%
10	Rate of Return Requested	p.3, L3, col. 5			8.19%
11	Return on Equity		2.49%		11.30%
<b>FE PA - Met-Ed Rate District</b>					
12	Retail Sales	p.26, L1, col. 6	\$ 468,656	\$ 145,960	\$ 614,615
13	Other Operating Revenues	p.26, L3, col. 6	27,320	372	27,692
14	Total Operating Revenues	L12 + L13	<u>\$ 495,976</u>	<u>\$ 146,332</u>	<u>\$ 642,308</u>
15	Total Operating Expenses	p.26, L14, col. 6	415,700	10,664	426,364
16	Operating Income Before Tax	L14 - L15	\$ 80,275	\$ 135,668	\$ 215,944
17	Total Income Taxes	p.26, L21, col. 6	2,181	37,054	39,235
18	Net Operating Income	L16 - L17	<u>\$ 78,094</u>	<u>\$ 98,615</u>	<u>\$ 176,708</u>
19	Rate Base	p.4, L22, col. 4	<u>\$ 2,157,612</u>		<u>\$ 2,157,612</u>
20	Overall Rate of Return	L18 / L19	3.62%		8.19%
21	Rate of Return Requested	p.3, L3, col. 5			8.19%
22	Return on Equity		2.80%		11.30%
<b>FE PA - Penelec Rate District</b>					
23	Retail Sales	p.27, L1, col. 6	\$ 471,592	\$ 132,565	\$ 604,157
24	Other Operating Revenues	p.27, L3, col. 6	25,212	398	25,610
25	Total Operating Revenues	L23 + L24	<u>\$ 496,804</u>	<u>\$ 132,963</u>	<u>\$ 629,767</u>
26	Total Operating Expenses	p.27, L14, col. 6	393,916	9,818	403,734
27	Operating Income Before Tax	L25 - L26	\$ 102,888	\$ 123,145	\$ 226,033
28	Total Income Taxes	p.27, L21, col. 6	6,563	33,634	40,196
29	Net Operating Income	L27 - L28	<u>\$ 96,325</u>	<u>\$ 89,512</u>	<u>\$ 185,837</u>
30	Rate Base	p.4, L33, col. 4	<u>\$ 2,269,068</u>		<u>\$ 2,269,068</u>
31	Overall Rate of Return	L29 / L30	4.25%		8.19%
32	Rate of Return Requested	p.3, L3, col. 5			8.19%
33	Return on Equity		3.97%		11.30%

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Overall Summary**

Line	Description	Reference	Present Rates	Revenue Increase	Proposed Rates
		(1)	(2)	(3)	(4)
<b>FE PA - Penn Power Rate District</b>					
34	Retail Sales	p.28, L1, col. 6	\$ 126,902	\$ 54,617	\$ 181,520
35	Other Operating Revenues	p.28, L3, col. 6	5,520	147	5,667
36	Total Operating Revenues	L34 + L35	<u>\$ 132,422</u>	<u>\$ 54,764</u>	<u>\$ 187,186</u>
37	Total Operating Expenses	p.28, L14, col. 6	119,446	3,909	123,355
38	Operating Income Before Tax	L36 - L37	\$ 12,976	\$ 50,855	\$ 63,831
39	Total Income Taxes	p.28, L21, col. 6	(2,879)	13,890	11,010
40	Net Operating Income	L38 - L39	<u>\$ 15,856</u>	<u>\$ 36,966</u>	<u>\$ 52,821</u>
41	Rate Base	p.5, L44, col. 4	<u>\$ 644,947</u>		<u>\$ 644,947</u>
42	Overall Rate of Return	L40 / L41	2.46%		8.19%
43	Rate of Return Requested	p.3, L3, col. 5			8.19%
44	Return on Equity		0.65%		11.30%
<b>FE PA - West Penn Rate District</b>					
45	Retail Sales	p.29, L1, col. 6	\$ 428,151	\$ 169,348	\$ 597,498
46	Other Operating Revenues	p.29, L3, col. 6	16,292	442	16,734
47	Total Operating Revenues	L45 + L46	<u>\$ 444,442</u>	<u>\$ 169,789</u>	<u>\$ 614,232</u>
48	Total Operating Expenses	p.29, L14, col. 6	389,763	11,988	401,752
49	Operating Income Before Tax	L47 - L48	\$ 54,679	\$ 157,801	\$ 212,480
50	Total Income Taxes	p.29, L21, col. 6	(2,131)	43,099	40,967
51	Net Operating Income	L49 - L50	<u>\$ 56,811</u>	<u>\$ 114,702</u>	<u>\$ 171,513</u>
52	Rate Base	p.5, L55, col. 4	<u>\$ 2,094,172</u>		<u>\$ 2,094,172</u>
53	Overall Rate of Return	L51 / L52	2.71%		8.19%
54	Rate of Return Requested	p.3, L3, col. 5			8.19%
55	Return on Equity		1.12%		11.30%

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**FE PA Rate of Return**

The components of FE PA's rate of return, as shown on FE PA Exhibit BW-3, are supported by FE PA witnesses Wang and D'Ascendis.

<b>Line</b>	<b>Description</b>	<b>Reference</b>	<b>Capitalization</b>	<b>Capitalization Ratios</b>	<b>Cost</b>	<b>Return</b>
		(1)	(2)	(3)	(4)	(5)
1	Long-Term Debt		\$ 3,735,139	46.19%	4.56%	2.11%
2	Common Equity		4,352,022	53.81%	11.30%	6.08%
3	Total	L1 + L2	\$ 8,087,161	100.00%		8.19%

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Rate Base at Original Cost**

Line	Description	Reference	Per Budget	Adjustment	Pro forma Adjusted
		(1)	(2)	(3)	(4)
<b>Total FE PA</b>					
1	Plant in service	Adj. RB-1	\$ 12,547,710	\$ 3,128	\$ 12,550,839
2	Accumulated depreciation	Adj. RB-2	3,926,886	2,329	3,929,214
3	Net plant in service	L1 - L2	\$ 8,620,825	\$ 800	\$ 8,621,624
4	Material and supplies	Adj. RB-3	\$ -	\$ 72,094	\$ 72,094
5	Cash working capital	Adj. RB-4	-	201,495	201,495
6	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	233,198	233,198
7	Customer deposits	Adj. RB-6	(105,185)	3	(105,182)
8	Customer advances	Adj. RB-7	(557)	-	(557)
9	Accumulated deferred income taxes	Adj. RB-8	(1,899,718)	53,005	(1,846,713)
10	Capitalized pension and OPEB	Adj. RB-9	-	(10,162)	(10,162)
11	Total rate base	SUM L3 to L10	<u>\$ 6,615,365</u>	<u>\$ 550,433</u>	<u>\$ 7,165,798</u>
<b>FE PA - Met-Ed Rate District</b>					
12	Plant in service	Adj. RB-1	\$ 3,696,946	\$ 4,519	\$ 3,701,466
13	Accumulated depreciation	Adj. RB-2	1,132,506	(53)	1,132,453
14	Net plant in service	L12 - L13	\$ 2,564,440	\$ 4,573	\$ 2,569,012
15	Material and supplies	Adj. RB-3	\$ -	\$ 21,710	\$ 21,710
16	Cash working capital	Adj. RB-4	-	65,234	65,234
17	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	100,480	100,480
18	Customer deposits	Adj. RB-6	(35,853)	-	(35,853)
19	Customer advances	Adj. RB-7	-	-	-
20	Accumulated deferred income taxes	Adj. RB-8	(576,303)	21,176	(555,127)
21	Capitalized pension and OPEB	Adj. RB-9	-	(7,844)	(7,844)
22	Total rate base	SUM L14 to L21	<u>\$ 1,952,283</u>	<u>\$ 205,328</u>	<u>\$ 2,157,612</u>
<b>FE PA - Penelec Rate District</b>					
23	Plant in service	Adj. RB-1	\$ 4,054,613	\$ (23,195)	\$ 4,031,418
24	Accumulated depreciation	Adj. RB-2	1,251,489	(7,991)	1,243,498
25	Net plant in service	L23 - L24	\$ 2,803,124	\$ (15,204)	\$ 2,787,920
26	Material and supplies	Adj. RB-3	\$ -	\$ 23,657	\$ 23,657
27	Cash working capital	Adj. RB-4	-	64,441	64,441
28	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	51,782	51,782
29	Customer deposits	Adj. RB-6	(30,334)	3	(30,331)
30	Customer advances	Adj. RB-7	-	-	-
31	Accumulated deferred income taxes	Adj. RB-8	(645,097)	10,638	(634,459)
32	Capitalized pension and OPEB	Adj. RB-9	-	6,057	6,057
33	Total rate base	SUM L25 to L32	<u>\$ 2,127,693</u>	<u>\$ 141,374</u>	<u>\$ 2,269,068</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Rate Base at Original Cost**

Line	Description	Reference	Per Budget	Adjustment	Pro forma Adjusted
		(1)	(2)	(3)	(4)
<b>FE PA - Penn Power Rate District</b>					
34	Plant in service	Adj. RB-1	\$ 1,052,130	\$ 478	\$ 1,052,608
35	Accumulated depreciation	Adj. RB-2	292,827	(27)	292,800
36	Net plant in service	L34 - L35	<u>\$ 759,303</u>	<u>\$ 505</u>	<u>\$ 759,808</u>
37	Material and supplies	Adj. RB-3	\$ -	\$ 5,864	\$ 5,864
38	Cash working capital	Adj. RB-4	-	14,835	14,835
39	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	30,240	30,240
40	Customer deposits	Adj. RB-6	(7,833)	-	(7,833)
41	Customer advances	Adj. RB-7	-	-	-
42	Accumulated deferred income taxes	Adj. RB-8	(167,126)	13,504	(153,621)
43	Capitalized pension and OPEB	Adj. RB-9	-	(4,345)	(4,345)
44	Total rate base	SUM L36 to L43	<u>\$ 584,344</u>	<u>\$ 60,603</u>	<u>\$ 644,947</u>

<b>FE PA - West Penn Rate District</b>					
45	Plant in service	Adj. RB-1	\$ 3,744,021	\$ 21,326	\$ 3,765,347
46	Accumulated depreciation	Adj. RB-2	1,250,064	10,400	1,260,464
47	Net plant in service	L45 - L46	<u>\$ 2,493,958</u>	<u>\$ 10,926</u>	<u>\$ 2,504,884</u>
48	Material and supplies	Adj. RB-3	\$ -	\$ 20,863	\$ 20,863
49	Cash working capital	Adj. RB-4	-	56,986	56,986
50	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	50,696	50,696
51	Customer deposits	Adj. RB-6	(31,164)	-	(31,164)
52	Customer advances	Adj. RB-7	(557)	-	(557)
53	Accumulated deferred income taxes	Adj. RB-8	(511,192)	7,686	(503,505)
54	Capitalized pension and OPEB	Adj. RB-9	-	(4,030)	(4,030)
55	Total rate base	SUM L47 to L54	<u>\$ 1,951,045</u>	<u>\$ 143,128</u>	<u>\$ 2,094,172</u>



**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-1 - Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Plant in service per budget		\$ 3,696,946	\$ 4,054,613	\$ 1,052,130	\$ 3,744,021	\$ 12,547,710
2	Eliminate asset retirement costs	Adj. RB-1, SS 1, col. 2	(155)	(403)	(37)	(750)	(1,345)
3	Eliminate plant supporting Penelec Rate District's New York jurisdiction	Adj. RB-1, SS 1, col. 3	-	(24,731)	-	-	(24,731)
4	Include plant associated with West Penn Rate District's acquisition of LIDA	Adj. RB-1, SS 1, col. 4	-	-	-	17,196	17,196
5	Include plant associated with two-year inspection and maintenance cycle	Adj. RB-1, SS 1, col. 5	4,674	1,938	515	4,880	12,008
6	Total adjustment to plant in service	SUM L2 to L5	\$ 4,519	\$ (23,195)	\$ 478	\$ 21,326	\$ 3,128
7	Adjusted plant in service per budget	L1 + L6	\$ 3,701,466	\$ 4,031,418	\$ 1,052,608	\$ 3,765,347	\$ 12,550,839

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-1 - Supporting Schedule 1 - Total FE PA Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 339	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 338
2	302	Franchises and consents	526	-	(2)	-	-	(2)	524
3	350.1	Transmission land	11,075	-	(18)	-	-	(18)	11,057
4	360.1	Distribution land	15,083	-	(10)	-	-	(10)	15,073
5	389.1	General land	6,319	-	(7)	-	-	(7)	6,312
6		Subtotal - Non-depreciable plant	<u>\$ 33,342</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ 33,305</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 372,818	\$ -	\$ (712)	\$ -	\$ -	\$ (712)	\$ 372,106
8		Subtotal - Intangible plant	<u>\$ 372,818</u>	<u>\$ -</u>	<u>\$ (712)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (712)</u>	<u>\$ 372,106</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 79,547	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 79,469
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	<u>\$ 79,547</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ 79,469</u>
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 61,672	\$ -	\$ (95)	\$ -	\$ -	\$ (95)	\$ 61,577
21	361	Structures and improvements	66,282	-	(115)	125	-	10	66,292
22	362	Station equipment	1,366,071	-	(2,628)	2,285	-	(343)	1,365,728
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	2,107,896	-	(4,563)	3,018	6,358	4,813	2,112,709
25	365	Overhead conductors and devices	3,665,134	-	(8,028)	5,357	4,747	2,077	3,667,211
26	366	Underground conduit	115,271	-	(286)	127	-	(158)	115,112
27	367	Underground conductors and devices	1,017,522	-	(1,658)	1,388	-	(270)	1,017,252
28	368	Line transformers	1,688,152	-	(3,055)	2,686	903	534	1,688,685
29	369	Services	542,986	-	(879)	767	-	(112)	542,874
30	370	Meters	571,418	-	(930)	1,112	-	182	571,599
31	371	Installations on customers' premises	47,620	-	(175)	52	-	(123)	47,497
32	372	Leased property on customers' premises	493	-	(1)	2	-	0	493
33	373	Street lighting and signal systems	135,835	-	(316)	278	-	(38)	135,797
34	374	Asset retirement costs for distribution plant	152	(152)	-	-	-	(152)	-
35		Subtotal - Distribution plant	<u>\$11,386,504</u>	<u>\$ (152)</u>	<u>\$ (22,729)</u>	<u>\$ 17,196</u>	<u>\$ 12,008</u>	<u>\$ 6,323</u>	<u>\$11,392,827</u>
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 333	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 332
37	390	Structures and improvements	411,479	-	(623)	-	-	(623)	410,856
38	391	Office furniture and equipment	36,810	-	(51)	-	-	(51)	36,759
39	392	Transportation equipment	31,096	-	(69)	-	-	(69)	31,028
40	393	Stores equipment	309	-	(0)	-	-	(0)	309
41	394	Tools, shop and garage equipment	57,328	-	(118)	-	-	(118)	57,210
42	395	Laboratory equipment	661	-	(1)	-	-	(1)	660
43	396	Power operated equipment	8,007	-	(31)	-	-	(31)	7,975
44	397	Communication equipment	128,129	-	(282)	-	-	(282)	127,846
45	398	Miscellaneous equipment	157	-	(0)	-	-	(0)	156
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	1,193	(1,193)	-	-	-	(1,193)	-
48		Subtotal - General plant	<u>\$ 675,501</u>	<u>\$ (1,193)</u>	<u>\$ (1,176)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,369)</u>	<u>\$ 673,132</u>
49		Total - Electric plant in service	<u>\$12,547,710</u>	<u>\$ (1,345)</u>	<u>\$ (24,731)</u>	<u>\$ 17,196</u>	<u>\$ 12,008</u>	<u>\$ 3,128</u>	<u>\$12,550,839</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1A - FE PA Met-Ed Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124
2	302	Franchises and consents	151	-	-	-	-	-	151
3	350.1	Transmission land	3,554	-	-	-	-	-	3,554
4	360.1	Distribution land	4,014	-	-	-	-	-	4,014
5	389.1	General land	2,937	-	-	-	-	-	2,937
6		Subtotal - Non-depreciable plant	\$ 10,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,780
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 105,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,061
8		Subtotal - Intangible plant	\$ 105,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,061
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 26,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,938
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 26,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,938
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 28,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,933
21	361	Structures and improvements	18,103	-	-	-	-	-	18,103
22	362	Station equipment	364,453	-	-	-	-	-	364,453
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	607,035	-	-	-	2,123	2,123	609,158
25	365	Overhead conductors and devices	1,025,140	-	-	-	2,331	2,331	1,027,470
26	366	Underground conduit	35,459	-	-	-	-	-	35,459
27	367	Underground conductors and devices	358,421	-	-	-	-	-	358,421
28	368	Line transformers	523,356	-	-	-	221	221	523,577
29	369	Services	201,488	-	-	-	-	-	201,488
30	370	Meters	150,008	-	-	-	-	-	150,008
31	371	Installations on customers' premises	4,862	-	-	-	-	-	4,862
32	372	Leased property on customers' premises	-	-	-	-	-	-	-
33	373	Street lighting and signal systems	20,970	-	-	-	-	-	20,970
34	374	Asset retirement costs for distribution plant	49	(49)	-	-	-	(49)	-
35		Subtotal - Distribution plant	\$ 3,338,278	\$ (49)	\$ -	\$ -	\$ 4,674	\$ 4,625	\$ 3,342,904
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18
37	390	Structures and improvements	156,010	-	-	-	-	-	156,010
38	391	Office furniture and equipment	7,237	-	-	-	-	-	7,237
39	392	Transportation equipment	6,099	-	-	-	-	-	6,099
40	393	Stores equipment	38	-	-	-	-	-	38
41	394	Tools, shop and garage equipment	13,706	-	-	-	-	-	13,706
42	395	Laboratory equipment	86	-	-	-	-	-	86
43	396	Power operated equipment	1,249	-	-	-	-	-	1,249
44	397	Communication equipment	31,274	-	-	-	-	-	31,274
45	398	Miscellaneous equipment	67	-	-	-	-	-	67
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	106	(106)	-	-	-	(106)	-
48		Subtotal - General plant	\$ 215,889	\$ (106)	\$ -	\$ -	\$ -	\$ (106)	\$ 215,783
49		Total - Electric plant in service	\$ 3,696,946	\$ (155)	\$ -	\$ -	\$ 4,674	\$ 4,519	\$ 3,701,466

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1B - FE PA Penelec Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 35	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 34
2	302	Franchises and consents	307	-	(2)	-	-	(2)	305
3	350.1	Transmission land	2,909	-	(18)	-	-	(18)	2,891
4	360.1	Distribution land	1,681	-	(10)	-	-	(10)	1,671
5	389.1	General land	1,093	-	(7)	-	-	(7)	1,086
6		Subtotal - Non-depreciable plant	<u>\$ 6,024</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ 5,987</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 116,678	\$ -	\$ (712)	\$ -	\$ -	\$ (712)	\$ 115,966
8		Subtotal - Intangible plant	<u>\$ 116,678</u>	<u>\$ -</u>	<u>\$ (712)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (712)</u>	<u>\$ 115,966</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 12,718	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 12,640
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	<u>\$ 12,718</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ 12,640</u>
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 15,619	\$ -	\$ (95)	\$ -	\$ -	\$ (95)	\$ 15,524
21	361	Structures and improvements	18,925	-	(115)	-	-	(115)	18,810
22	362	Station equipment	430,784	-	(2,628)	-	-	(2,628)	428,156
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	747,980	-	(4,563)	-	1,248	(3,315)	744,665
25	365	Overhead conductors and devices	1,316,072	-	(8,028)	-	538	(7,490)	1,308,582
26	366	Underground conduit	46,845	-	(286)	-	-	(286)	46,559
27	367	Underground conductors and devices	271,783	-	(1,658)	-	-	(1,658)	270,125
28	368	Line transformers	500,766	-	(3,055)	-	152	(2,903)	497,863
29	369	Services	144,089	-	(879)	-	-	(879)	143,210
30	370	Meters	152,478	-	(930)	-	-	(930)	151,548
31	371	Installations on customers' premises	28,678	-	(175)	-	-	(175)	28,503
32	372	Leased property on customers' premises	196	-	(1)	-	-	(1)	195
33	373	Street lighting and signal systems	51,823	-	(316)	-	-	(316)	51,507
34	374	Asset retirement costs for distribution plant	81	(81)	-	-	-	(81)	-
35		Subtotal - Distribution plant	<u>\$ 3,726,120</u>	<u>\$ (81)</u>	<u>\$ (22,729)</u>	<u>\$ -</u>	<u>\$ 1,938</u>	<u>\$ (20,872)</u>	<u>\$ 3,705,248</u>
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 21	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 21
37	390	Structures and improvements	102,189	-	(623)	-	-	(623)	101,566
38	391	Office furniture and equipment	8,355	-	(51)	-	-	(51)	8,304
39	392	Transportation equipment	11,242	-	(69)	-	-	(69)	11,173
40	393	Stores equipment	25	-	(0)	-	-	(0)	25
41	394	Tools, shop and garage equipment	19,302	-	(118)	-	-	(118)	19,185
42	395	Laboratory equipment	170	-	(1)	-	-	(1)	169
43	396	Power operated equipment	5,101	-	(31)	-	-	(31)	5,070
44	397	Communication equipment	46,275	-	(282)	-	-	(282)	45,992
45	398	Miscellaneous equipment	71	-	(0)	-	-	(0)	71
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	322	(322)	-	-	-	(322)	-
48		Subtotal - General plant	<u>\$ 193,073</u>	<u>\$ (322)</u>	<u>\$ (1,176)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,498)</u>	<u>\$ 191,576</u>
49		Total - Electric plant in service	<u>\$ 4,054,613</u>	<u>\$ (403)</u>	<u>\$ (24,731)</u>	<u>\$ -</u>	<u>\$ 1,938</u>	<u>\$ (23,195)</u>	<u>\$ 4,031,418</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1C - FE PA Penn Power Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23
2	302	Franchises and consents	69	-	-	-	-	-	69
3	350.1	Transmission land	2,112	-	-	-	-	-	2,112
4	360.1	Distribution land	2,650	-	-	-	-	-	2,650
5	389.1	General land	227	-	-	-	-	-	227
6		Subtotal - Non-depreciable plant	\$ 5,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,080
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 25,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,253
8		Subtotal - Intangible plant	\$ 25,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,253
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 8,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,433
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 8,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,433
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 5,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,803
21	361	Structures and improvements	5,018	-	-	-	-	-	5,018
22	362	Station equipment	128,359	-	-	-	-	-	128,359
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	168,503	-	-	-	160	160	168,663
25	365	Overhead conductors and devices	286,376	-	-	-	255	255	286,632
26	366	Underground conduit	8,314	-	-	-	-	-	8,314
27	367	Underground conductors and devices	118,467	-	-	-	-	-	118,467
28	368	Line transformers	143,910	-	-	-	100	100	144,010
29	369	Services	48,938	-	-	-	-	-	48,938
30	370	Meters	53,590	-	-	-	-	-	53,590
31	371	Installations on customers' premises	4,092	-	-	-	-	-	4,092
32	372	Leased property on customers' premises	-	-	-	-	-	-	-
33	373	Street lighting and signal systems	9,201	-	-	-	-	-	9,201
34	374	Asset retirement costs for distribution plant	4	(4)	-	-	-	(4)	-
35		Subtotal - Distribution plant	\$ 980,577	\$ (4)	\$ -	\$ -	\$ 515	\$ 511	\$ 981,087
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
37	390	Structures and improvements	11,972	-	-	-	-	-	11,972
38	391	Office furniture and equipment	1,988	-	-	-	-	-	1,988
39	392	Transportation equipment	1,809	-	-	-	-	-	1,809
40	393	Stores equipment	27	-	-	-	-	-	27
41	394	Tools, shop and garage equipment	3,938	-	-	-	-	-	3,938
42	395	Laboratory equipment	22	-	-	-	-	-	22
43	396	Power operated equipment	1,392	-	-	-	-	-	1,392
44	397	Communication equipment	11,598	-	-	-	-	-	11,598
45	398	Miscellaneous equipment	8	-	-	-	-	-	8
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	33	(33)	-	-	-	(33)	-
48		Subtotal - General plant	\$ 32,786	\$ (33)	\$ -	\$ -	\$ -	\$ (33)	\$ 32,753
49		Total - Electric plant in service	\$ 1,052,130	\$ (37)	\$ -	\$ -	\$ 515	\$ 478	\$ 1,052,608

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1D - FE PA West Penn Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service	Asset Retirement Costs	New York	LIDA	I&M Cycle	Total Adjustment	Plant in Service, as adjusted
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157
2	302	Franchises and consents	-	-	-	-	-	-	-
3	350.1	Transmission land	2,500	-	-	-	-	-	2,500
4	360.1	Distribution land	6,738	-	-	-	-	-	6,738
5	389.1	General land	2,063	-	-	-	-	-	2,063
6		Subtotal - Non-depreciable plant	\$ 11,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,457
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 125,825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,825
8		Subtotal - Intangible plant	\$ 125,825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,825
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 31,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,457
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 31,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,457
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 11,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,317
21	361	Structures and improvements	24,236	-	-	125	-	125	24,361
22	362	Station equipment	442,475	-	-	2,285	-	2,285	444,759
23	363	Energy storage equipment	\$ -	-	-	-	-	-	-
24	364	Poles, towers and fixtures	584,379	-	-	3,018	2,826	5,843	590,222
25	365	Overhead conductors and devices	1,037,547	-	-	5,357	1,624	6,981	1,044,528
26	366	Underground conduit	24,652	-	-	127	-	127	24,780
27	367	Underground conductors and devices	268,850	-	-	1,388	-	1,388	270,239
28	368	Line transformers	520,120	-	-	2,686	431	3,116	523,236
29	369	Services	148,471	-	-	767	-	767	149,237
30	370	Meters	215,340	-	-	1,112	-	1,112	216,452
31	371	Installations on customers' premises	9,987	-	-	52	-	52	10,039
32	372	Leased property on customers' premises	297	-	-	2	-	2	298
33	373	Street lighting and signal systems	53,842	-	-	278	-	278	54,120
34	374	Asset retirement costs for distribution plant	17	(17)	-	-	-	(17)	-
35		Subtotal - Distribution plant	\$ 3,341,529	\$ (17)	\$ -	\$ 17,196	\$ 4,880	\$ 22,059	\$ 3,363,588
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 293
37	390	Structures and improvements	141,308	-	-	-	-	-	141,308
38	391	Office furniture and equipment	19,229	-	-	-	-	-	19,229
39	392	Transportation equipment	11,946	-	-	-	-	-	11,946
40	393	Stores equipment	219	-	-	-	-	-	219
41	394	Tools, shop and garage equipment	20,381	-	-	-	-	-	20,381
42	395	Laboratory equipment	384	-	-	-	-	-	384
43	396	Power operated equipment	265	-	-	-	-	-	265
44	397	Communication equipment	38,982	-	-	-	-	-	38,982
45	398	Miscellaneous equipment	11	-	-	-	-	-	11
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	733	(733)	-	-	-	(733)	-
48		Subtotal - General plant	\$ 233,752	\$ (733)	\$ -	\$ -	\$ -	\$ (733)	\$ 233,020
49		Total - Electric plant in service	\$ 3,744,021	\$ (750)	\$ -	\$ 17,196	\$ 4,880	\$ 21,326	\$ 3,765,347

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-2 - Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Depreciation reserve per budget		\$ 1,132,506	\$ 1,251,489	\$ 292,827	\$ 1,250,064	\$ 3,926,886
2	Eliminate asset retirement costs	Adj. RB-2, SS 1, col. 2	(107)	(378)	(33)	(426)	(944)
3	Eliminate reserve supporting Penelec Rate District's New York jurisdiction	Adj. RB-2, SS 1, col. 3	-	(7,632)	-	-	(7,632)
4	Include reserve associated with West Penn Rate District's acquisition of LIDA	Adj. RB-2 SS 1, col. 4	-	-	-	10,781	10,781
5	Include reserve associated with two-year inspection and maintenance cycle	Adj. RB-2, SS 1, col. 5	54	18	6	45	123
6	Total adjustment to depreciation reserve	SUM L2 to L5	\$ (53)	\$ (7,991)	\$ (27)	\$ 10,400	\$ 2,329
7	Adjusted depreciation reserve per budget	L1 + L6	\$ 1,132,453	\$ 1,243,498	\$ 292,800	\$ 1,260,464	\$ 3,929,214

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1 - Total FE PA Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(45)	-	0	-	-	0	(45)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (45)	\$ -	\$ 0	\$ -	\$ -	\$ 0	\$ (45)
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 299,266	\$ -	\$ (539)	\$ -	\$ -	\$ (539)	\$ 298,728
8		Subtotal - Intangible plant	\$ 299,266	\$ -	\$ (539)	\$ -	\$ -	\$ (539)	\$ 298,728
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 41,436	\$ -	\$ (49)	\$ -	\$ -	\$ (49)	\$ 41,387
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 41,436	\$ -	\$ (49)	\$ -	\$ -	\$ (49)	\$ 41,387
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 34,601	\$ -	\$ (70)	\$ -	\$ -	\$ (70)	\$ 34,532
22	361	Structures and improvements	31,925	-	(62)	128	-	66	31,990
23	362	Station equipment	468,458	-	(790)	2,151	-	1,360	469,818
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	614,209	-	(1,399)	1,873	56	530	614,739
26	365	Overhead conductors and devices	627,457	-	(1,582)	1,882	56	356	627,813
27	366	Underground conduit	50,590	-	(129)	99	-	(30)	50,560
28	367	Underground conductors and devices	304,607	-	(559)	766	-	207	304,813
29	368	Line transformers	628,945	-	(1,133)	2,046	11	924	629,870
30	369	Services	249,543	-	(369)	688	-	319	249,862
31	370	Meters	240,906	-	(387)	965	-	578	241,484
32	371	Installations on customers' premises	35,866	-	(141)	68	-	(72)	35,793
33	372	Leased property on customers' premises	471	-	(1)	3	-	2	472
34	373	Street lighting and signal systems	33,959	-	(83)	112	-	29	33,988
35	374	Asset retirement costs for distribution plant	137	(137)	-	0	-	(137)	0
36		RWIP	(5,567)	-	98	-	-	98	(5,469)
37		Subtotal - Distribution plant	\$ 3,316,106	\$ (137)	\$ (6,607)	\$ 10,781	\$ 123	\$ 4,160	\$ 3,320,266
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 198	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 198
39	390	Structures and improvements	158,937	-	(246)	-	-	(246)	158,691
40	391	Office furniture and equipment	25,879	-	(42)	-	-	(42)	25,838
41	392	Transportation equipment	14,043	-	(16)	-	-	(16)	14,027
42	393	Stores equipment	707	-	(3)	-	-	(3)	704
43	394	Tools, shop and garage equipment	23,583	-	(48)	-	-	(48)	23,534
44	395	Laboratory equipment	(806)	-	8	-	-	8	(799)
45	396	Power operated equipment	6,140	-	(29)	-	-	(29)	6,111
46	397	Communication equipment	40,597	-	(65)	-	-	(65)	40,532
47	398	Miscellaneous equipment	(878)	-	6	-	-	6	(872)
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	807	(807)	-	-	-	(807)	-
50		RWIP	916	-	(3)	-	-	(3)	914
51		Subtotal - General plant	\$ 270,123	\$ (807)	\$ (437)	\$ -	\$ -	\$ (1,244)	\$ 268,878
52		Total - Electric plant in service	\$ 3,926,886	\$ (944)	\$ (7,632)	\$ 10,781	\$ 123	\$ 2,329	\$ 3,929,214



**FirstEnergy Pennsylvania Electric Company**  
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 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1A - FE PA Met-Ed Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(15)	-	-	-	-	-	(15)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (15)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15)
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 82,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,975
8		Subtotal - Intangible plant	\$ 82,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,975
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 16,423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,423
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 16,423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,423
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 18,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,112
22	361	Structures and improvements	7,872	-	-	-	-	-	7,872
23	362	Station equipment	108,120	-	-	-	-	-	108,120
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	160,891	-	-	-	21	21	160,911
26	365	Overhead conductors and devices	145,498	-	-	-	30	30	145,528
27	366	Underground conduit	16,609	-	-	-	-	-	16,609
28	367	Underground conductors and devices	112,612	-	-	-	-	-	112,612
29	368	Line transformers	209,049	-	-	-	3	3	209,052
30	369	Services	100,256	-	-	-	-	-	100,256
31	370	Meters	61,213	-	-	-	-	-	61,213
32	371	Installations on customers' premises	3,349	-	-	-	-	-	3,349
33	372	Leased property on customers' premises	-	-	-	-	-	-	-
34	373	Street lighting and signal systems	6,249	-	-	-	-	-	6,249
35	374	Asset retirement costs for distribution plant	30	(30)	-	-	-	(30)	-
36		RWIP	(7,196)	-	-	-	-	-	(7,196)
37		Subtotal - Distribution plant	\$ 942,663	\$ (30)	\$ -	\$ -	\$ 54	\$ 23	\$ 942,687
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16
39	390	Structures and improvements	71,264	-	-	-	-	-	71,264
40	391	Office furniture and equipment	4,449	-	-	-	-	-	4,449
41	392	Transportation equipment	3,230	-	-	-	-	-	3,230
42	393	Stores equipment	32	-	-	-	-	-	32
43	394	Tools, shop and garage equipment	4,470	-	-	-	-	-	4,470
44	395	Laboratory equipment	86	-	-	-	-	-	86
45	396	Power operated equipment	677	-	-	-	-	-	677
46	397	Communication equipment	6,040	-	-	-	-	-	6,040
47	398	Miscellaneous equipment	56	-	-	-	-	-	56
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	77	(77)	-	-	-	(77)	-
50		RWIP	62	-	-	-	-	-	62
51		Subtotal - General plant	\$ 90,459	\$ (77)	\$ -	\$ -	\$ -	\$ (77)	\$ 90,382
52		Total - Electric plant in service	\$ 1,132,506	\$ (107)	\$ -	\$ -	\$ 54	\$ (53)	\$ 1,132,453

**FirstEnergy Pennsylvania Electric Company**  
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 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1B - FE PA Penelec Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(32)	-	0	-	-	0	(31)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	<u>\$ (32)</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ (31)</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 88,295	\$ -	\$ (539)	\$ -	\$ -	\$ (539)	\$ 87,756
8		Subtotal - Intangible plant	<u>\$ 88,295</u>	<u>\$ -</u>	<u>\$ (539)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (539)</u>	<u>\$ 87,756</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 8,032	\$ -	\$ (49)	\$ -	\$ -	\$ (49)	\$ 7,983
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	<u>\$ 8,032</u>	<u>\$ -</u>	<u>\$ (49)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49)</u>	<u>\$ 7,983</u>
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 11,428	\$ -	\$ (70)	\$ -	\$ -	\$ (70)	\$ 11,358
22	361	Structures and improvements	10,233	-	(62)	-	-	(62)	10,170
23	362	Station equipment	129,558	-	(790)	-	-	(790)	128,767
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	229,288	-	(1,399)	-	11	(1,388)	227,900
26	365	Overhead conductors and devices	259,298	-	(1,582)	-	6	(1,576)	257,723
27	366	Underground conduit	21,191	-	(129)	-	-	(129)	21,062
28	367	Underground conductors and devices	91,698	-	(559)	-	-	(559)	91,139
29	368	Line transformers	185,715	-	(1,133)	-	2	(1,131)	184,585
30	369	Services	60,445	-	(369)	-	-	(369)	60,076
31	370	Meters	63,418	-	(387)	-	-	(387)	63,032
32	371	Installations on customers' premises	23,064	-	(141)	-	-	(141)	22,923
33	372	Leased property on customers' premises	194	-	(1)	-	-	(1)	193
34	373	Street lighting and signal systems	13,587	-	(83)	-	-	(83)	13,504
35	374	Asset retirement costs for distribution plant	81	(81)	-	-	-	(81)	-
36		RWIP	(16,014)	-	98	-	-	98	(15,917)
37		Subtotal - Distribution plant	<u>\$ 1,083,183</u>	<u>\$ (81)</u>	<u>\$ (6,607)</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ (6,669)</u>	<u>\$ 1,076,514</u>
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 35	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 35
39	390	Structures and improvements	40,274	-	(246)	-	-	(246)	40,028
40	391	Office furniture and equipment	6,804	-	(42)	-	-	(42)	6,763
41	392	Transportation equipment	2,596	-	(16)	-	-	(16)	2,580
42	393	Stores equipment	469	-	(3)	-	-	(3)	466
43	394	Tools, shop and garage equipment	7,905	-	(48)	-	-	(48)	7,857
44	395	Laboratory equipment	(1,242)	-	8	-	-	8	(1,234)
45	396	Power operated equipment	4,720	-	(29)	-	-	(29)	4,691
46	397	Communication equipment	10,682	-	(65)	-	-	(65)	10,617
47	398	Miscellaneous equipment	(957)	-	6	-	-	6	(951)
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	297	(297)	-	-	-	(297)	-
50		RWIP	427	-	(3)	-	-	(3)	424
51		Subtotal - General plant	<u>\$ 72,011</u>	<u>\$ (297)</u>	<u>\$ (437)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (735)</u>	<u>\$ 71,276</u>
52		Total - Electric plant in service	<u>\$ 1,251,489</u>	<u>\$ (378)</u>	<u>\$ (7,632)</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ (7,991)</u>	<u>\$ 1,243,498</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1C - FE PA Penn Power Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	1	-	-	-	-	-	1
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 19,291	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,291
8		Subtotal - Intangible plant	\$ 19,291	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,291
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ (145)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (145)
22	361	Structures and improvements	1,834	-	-	-	-	-	1,834
23	362	Station equipment	29,869	-	-	-	-	-	29,869
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	49,062	-	-	-	1	1	49,063
26	365	Overhead conductors and devices	46,818	-	-	-	3	3	46,821
27	366	Underground conduit	3,501	-	-	-	-	-	3,501
28	367	Underground conductors and devices	28,740	-	-	-	-	-	28,740
29	368	Line transformers	43,050	-	-	-	1	1	43,052
30	369	Services	24,562	-	-	-	-	-	24,562
31	370	Meters	26,138	-	-	-	-	-	26,138
32	371	Installations on customers' premises	3,061	-	-	-	-	-	3,061
33	372	Leased property on customers' premises	-	-	-	-	-	-	-
34	373	Street lighting and signal systems	3,706	-	-	-	-	-	3,706
35	374	Asset retirement costs for distribution plant	3	(3)	-	-	-	(3)	-
36		RWIP	2,403	-	-	-	-	-	2,403
37		Subtotal - Distribution plant	\$ 262,601	\$ (3)	\$ -	\$ -	\$ 6	\$ 2	\$ 262,604
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39	390	Structures and improvements	3,475	-	-	-	-	-	3,475
40	391	Office furniture and equipment	1,116	-	-	-	-	-	1,116
41	392	Transportation equipment	1,014	-	-	-	-	-	1,014
42	393	Stores equipment	24	-	-	-	-	-	24
43	394	Tools, shop and garage equipment	980	-	-	-	-	-	980
44	395	Laboratory equipment	18	-	-	-	-	-	18
45	396	Power operated equipment	509	-	-	-	-	-	509
46	397	Communication equipment	3,699	-	-	-	-	-	3,699
47	398	Miscellaneous equipment	8	-	-	-	-	-	8
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	30	(30)	-	-	-	(30)	-
50		RWIP	60	-	-	-	-	-	60
51		Subtotal - General plant	\$ 10,933	\$ (30)	\$ -	\$ -	\$ -	\$ (30)	\$ 10,904
52		Total - Electric plant in service	\$ 292,827	\$ (33)	\$ -	\$ -	\$ 6	\$ (27)	\$ 292,800

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1D - FE PA West Penn Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	-	-	-	-	-	-	-
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 108,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,705
8		Subtotal - Intangible plant	\$ 108,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,705
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 16,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,981
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 16,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,981
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 5,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,207
22	361	Structures and improvements	11,986	-	-	128	-	128	12,114
23	362	Station equipment	200,911	-	-	2,151	-	2,151	203,062
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	174,969	-	-	1,873	23	1,896	176,865
26	365	Overhead conductors and devices	175,843	-	-	1,882	17	1,899	177,742
27	366	Underground conduit	9,290	-	-	99	-	99	9,389
28	367	Underground conductors and devices	71,556	-	-	766	-	766	72,322
29	368	Line transformers	191,131	-	-	2,046	5	2,051	193,182
30	369	Services	64,280	-	-	688	-	688	64,968
31	370	Meters	90,137	-	-	965	-	965	91,102
32	371	Installations on customers' premises	6,392	-	-	68	-	68	6,460
33	372	Leased property on customers' premises	277	-	-	3	-	3	280
34	373	Street lighting and signal systems	10,417	-	-	112	-	112	10,529
35	374	Asset retirement costs for distribution plant	23	(23)	-	0	-	(23)	0
36		RWIP	15,241	-	-	-	-	-	15,241
37		Subtotal - Distribution plant	\$ 1,027,658	\$ (23)	\$ -	\$ 10,781	\$ 45	\$ 10,804	\$ 1,038,462
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147
39	390	Structures and improvements	43,924	-	-	-	-	-	43,924
40	391	Office furniture and equipment	13,510	-	-	-	-	-	13,510
41	392	Transportation equipment	7,203	-	-	-	-	-	7,203
42	393	Stores equipment	182	-	-	-	-	-	182
43	394	Tools, shop and garage equipment	10,227	-	-	-	-	-	10,227
44	395	Laboratory equipment	331	-	-	-	-	-	331
45	396	Power operated equipment	233	-	-	-	-	-	233
46	397	Communication equipment	20,176	-	-	-	-	-	20,176
47	398	Miscellaneous equipment	15	-	-	-	-	-	15
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	404	(404)	-	-	-	(404)	-
50		RWIP	368	-	-	-	-	-	368
51		Subtotal - General plant	\$ 96,720	\$ (404)	\$ -	\$ -	\$ -	\$ (404)	\$ 96,316
52		Total - Electric plant in service	\$ 1,250,064	\$ (426)	\$ -	\$ 10,781	\$ 45	\$ 10,400	\$ 1,260,464

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-3 - Material and Supplies Inventory**

To (1) include FE PA's portion of material and supplies inventory maintained by FirstEnergy Service Company based on a 13-month average including the HTY; and (2) remove an allocated portion of material and supplies inventory that supports Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ 17,163	\$ 19,954	\$ 4,729	\$ 16,661	\$ 58,507
2	January		18,329	21,003	5,197	17,091	61,619
3	February		19,345	21,728	5,343	17,669	64,085
4	March		21,251	21,776	5,452	17,822	66,302
5	April		21,639	22,670	5,584	18,409	68,302
6	May		21,652	23,708	5,874	19,846	71,079
7	June		21,825	24,343	6,005	20,763	72,937
8	July		21,923	24,762	6,169	21,720	74,575
9	August		21,912	25,124	6,119	22,810	75,965
10	September		22,376	25,562	6,112	23,403	77,453
11	October		23,941	25,695	6,473	24,106	80,215
12	November		25,332	26,145	6,463	24,928	82,867
13	December		25,535	26,964	6,717	25,986	85,202
14	Total	SUM L1 to L13	\$ 282,224	\$ 309,432	\$ 76,236	\$ 271,214	\$ 939,106
15	Average Balance	L14 / 13	\$ 21,710	\$ 23,802	\$ 5,864	\$ 20,863	\$ 72,239
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.61%	\$ -	\$ (145)	\$ -	\$ -	\$ (145)
17	Average Jurisdictional Balance	L15 + L16	\$ 21,710	\$ 23,657	\$ 5,864	\$ 20,863	\$ 72,094

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-4 - Cash Working Capital**

To include an addition to rate base for cash working capital requirements. FE PA witness Lyons is responsible for the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Cash working capital	Exhibit TSL-4	\$ 65,234	\$ 64,440.81	\$ 14,835	\$ 56,986	\$ 201,495

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment RB-5 - Unamortized Deferral and Verizon Complaint Balances**

To (1) include the unamortized balance of the storm reserves maintained in accordance with the terms and conditions of the Rate Districts' 2016 Settlement at Docket Nos. R-2016-2537349, et al.; (2) include the unamortized deferred extraordinary storm damage balances for the Rate Districts as approved by the Commission, as noted below; (3) include the unamortized COVID-19 deferral balances for the Rate Districts; (4) include the unamortized Verizon complaint balances for the Rate Districts; and (5) eliminate from each balance one year of amortization as proposed in Adjustment IS-10 in the FPFTY.

Line	Description	Reference	Rate District				Total FE PA	
			Met-Ed	Penelec	Penn Power	West Penn		
		(1)	(2)	(3)	(4)	(5)	(6)	
1	2023 Storm reserve balance		\$ 88,886	\$ 41,279	\$ 19,465	\$ 39,858	\$ 189,488	
2	2024 Storm reserve activity		10,962	4,000	1,116	2,867	18,944	
3	Storm reserve amortization	Adj. IS-10, L12	(33,282)	(15,093)	(6,861)	(14,241)	(69,477)	
4	Storm reserve balance	SUM L1 to L3	\$ 66,565	\$ 30,186	\$ 13,721	\$ 28,483	\$ 138,955	
5	Extraordinary storm deferral <sup>(A)</sup>		\$ 33,572	\$ 8,176	\$ 19,950	\$ 23,396	\$ 85,094	
6	Extraordinary storm deferral amortization	Adj. IS-10, L15	(11,191)	(2,725)	(6,650)	(7,799)	(28,365)	
7	Extraordinary storm deferral balance	L5 + L6	\$ 22,381	\$ 5,451	\$ 13,300	\$ 15,597	\$ 56,729	
8	Total deferred storm damage	L4 + L7	\$ 88,946	\$ 35,637	\$ 27,021	\$ 44,080	\$ 195,684	
9	COVID-19 deferral		\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	\$ 30,383	
10	COVID-19 deferral amortization	Adj. IS-10, L16	(2,108)	(3,518)	(1,193)	(3,308)	(10,128)	
11	COVID-19 deferral balance	L9 + L10	\$ 4,216	\$ 7,036	\$ 2,387	\$ 6,616	\$ 20,255	
12	Verizon complaint	Exhibit JMS-4	HIGHLY CONFIDENTIAL INFORMATION REDACTED					
13	Verizon complaint amortization	Adj. IS-10, L22	HIGHLY CONFIDENTIAL INFORMATION REDACTED					
14	Verizon complaint balance	L12 + L13	HIGHLY CONFIDENTIAL INFORMATION REDACTED					
15	Total unamortized deferral and Verizon complaint balances	L8 + L11 + L14	\$ 100,480	\$ 51,782	\$ 30,240	\$ 50,696	\$ 233,198	

Note:

- (A) Met-Ed Rate District's approved extraordinary storm damage deferral includes Winter Storm Riley at Docket No. P-2018-3005957.  
Penelec Rate District's approved extraordinary storm damage deferral includes the April 2023 Storm at Docket No. P-2023-3044150.  
Penn Power Rate District's approved extraordinary storm damage deferrals include (1) Winter Storm Avery at Docket No. P-2019-3014311; and (2) the March 2023 Storm at Docket No. P-2023-3043073. Additionally, there is an outstanding petition for the April 2023 Storm at Docket No. P-2023-3044479, which is included in the extraordinary storm damage deferral balance.  
West Penn's Rate District's approved extraordinary storm damage deferrals include (1) Winter Storm Avery at Docket No. P-2019-3014314; (2) Winter Storm Quiana at Docket No. P-2019-3014988; and (3) Winter Storm Quest at Docket No. P-2023-3043394.

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-6 - Customer Deposits**

To (1) include a deduction to rate base for customer deposits based on a 13-month average including the HTY; and (2) remove an allocated portion of customer deposits related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ (34,257)	\$ (29,017)	\$ (7,600)	\$ (30,199)	\$ (101,073)
2	January		(34,692)	(29,173)	(7,668)	(30,292)	(101,825)
3	February		(34,416)	(29,328)	(7,644)	(30,383)	(101,771)
4	March		(34,653)	(29,528)	(7,730)	(30,614)	(102,524)
5	April		(35,154)	(29,793)	(7,648)	(30,835)	(103,431)
6	May		(35,632)	(29,857)	(7,813)	(30,899)	(104,201)
7	June		(35,922)	(30,124)	(7,831)	(31,002)	(104,879)
8	July		(36,236)	(30,629)	(7,876)	(31,183)	(105,924)
9	August		(36,508)	(31,042)	(7,918)	(31,355)	(106,822)
10	September		(36,762)	(31,203)	(7,985)	(31,706)	(107,655)
11	October		(37,013)	(31,465)	(8,035)	(31,908)	(108,421)
12	November		(37,318)	(31,541)	(8,042)	(32,098)	(108,999)
13	December		(37,530)	(31,646)	(8,041)	(32,661)	(109,877)
14	Total	SUM L1 to L13	\$ (466,091)	\$ (394,345)	\$ (101,832)	\$ (405,135)	\$ (1,367,403)
15	Average Balance	L14 / 13	\$ (35,853)	\$ (30,334)	\$ (7,833)	\$ (31,164)	\$ (105,185)
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.01%	\$ -	\$ 3	\$ -	\$ -	\$ 3
17	Average Jurisdictional Balance	L15 + L16	\$ (35,853)	\$ (30,331)	\$ (7,833)	\$ (31,164)	\$ (105,182)



**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-7 - Customer Advances**

To include a deduction to rate base for customer advances based on a 13-month average including the HTY.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ -	\$ -	\$ -	\$ (565)	\$ (565)
2	January		-	-	-	(565)	(565)
3	February		-	-	-	(565)	(565)
4	March		-	-	-	(565)	(565)
5	April		-	-	-	(553)	(553)
6	May		-	-	-	(553)	(553)
7	June		-	-	-	(553)	(553)
8	July		-	-	-	(553)	(553)
9	August		-	-	-	(553)	(553)
10	September		-	-	-	(553)	(553)
11	October		-	-	-	(553)	(553)
12	November		-	-	-	(553)	(553)
13	December		-	-	-	(553)	(553)
14	Total	SUM L1 to L13	\$ -	\$ -	\$ -	\$ (7,238)	\$ (7,238)
15	Average Balance	L14 / 13	\$ -	\$ -	\$ -	\$ (557)	\$ (557)

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment RB-8 - Accumulated Deferred Income Taxes ("ADIT")**

To adjust property-related ADIT (excluding the impact of SFAS 109 deferrals) to (1) eliminate excludable items (capital lease vehicles); (2) include an offset for net operating loss carryforwards as required by IRS normalization rules; (3) include an offset for the corporate alternative minimum tax credit; and (4) eliminate an allocated portion of ADIT related to Penelec Rate District's New York jurisdiction. FE PA witness Gawlik supports the calculation of ADIT. FE PA witness Lyons is responsible for the allocation factor used in part (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Property-related ADIT		\$ (576,303)	\$ (645,097)	\$ (167,126)	\$ (511,192)	\$ (1,899,718)
2	Less: excludable items		5,778	3,074	410	2,161	11,423
3	Less: offset for net operating loss carryforwards		-	-	-	-	-
4	Less: offset for corporate alternative minimum tax credits	Exhibit GJG-2	15,398	3,670	13,094	5,526	37,688
5	Total before non-jurisdictional allocations	SUM L1 to L4	<u>\$ (555,127)</u>	<u>\$ (638,353)</u>	<u>\$ (153,621)</u>	<u>\$ (503,505)</u>	<u>\$ (1,850,607)</u>
<b><u>Non-jurisdictional allocation</u></b>							
6	Less: New York jurisdictional	-L5 * 0.61%	\$ -	\$ 3,894	\$ -	\$ -	\$ 3,894
7	Property-related ADIT, as adjusted	L5 + L6	<u>\$ (555,127)</u>	<u>\$ (634,459)</u>	<u>\$ (153,621)</u>	<u>\$ (503,505)</u>	<u>\$ (1,846,713)</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment RB-9 - Capitalized Pension and OPEB**

To (1) eliminate the timing differences between the recognition of pension and OPEB expense and rate base under the immediate and delayed recognition methodologies for the portion of costs capitalized from 2011-2017, as supported by FE PA witness Ashton; and (2) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Capitalized pension / OPEB timing differences	Exhibit TMA-3	\$ (7,844)	\$ 6,094	\$ (4,345)	\$ (4,030)	\$ (10,125)
<b><u>Non-jurisdictional allocation</u></b>							
2	Less: New York jurisdictional	-L1 * 0.61%	-	(37)	-	-	(37)
3	Capitalized pension and OPEB, as adjusted	L1 + L2	\$ (7,844)	\$ 6,057	\$ (4,345)	\$ (4,030)	\$ (10,162)

FirstEnergy Pennsylvania Electric Company  
 PPFY ending December 31, 2025  
 (\$ in Thousands)  
 Total FE PA Income Statement

Line	Description	Reference	Per Budget	Adj. IS-1 Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 4,120,493	\$(2,616,824)	\$ 1,503,669	\$ (8,368)	\$ 1,495,300	\$ 502,490	\$ 1,997,790	\$ 2,616,824	\$ 4,614,614
2	Sales for Resale		165	(165)	-	-	-	-	-	165	165
3	Other Operating Revenue	Adj. IS-3	74,776	-	74,776	(432)	74,344	1,359	75,703	-	75,703
4	Total Operating Revenue	SUM L1 to L3	\$ 4,195,433	\$(2,616,989)	\$ 1,578,445	\$ (8,800)	\$ 1,569,644	\$ 503,849	\$ 2,073,493	\$ 2,616,989	\$ 4,690,482
5	Power Supply Expense		\$ 2,093,218	\$(2,093,218)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,093,218	\$ 2,093,218
6	Transmission Expense	Adj. IS-4	138,225	(131,645)	6,580	65	6,644	-	6,644	131,645	138,289
7	Distribution Expense	Adj. IS-5	319,523	-	319,523	104,672	424,195	-	424,195	-	424,195
8	Customer Accounts Expense	Adj. IS-6	70,007	(39,774)	30,233	30,099	60,332	5,528	65,860	39,774	105,634
9	Customer Service and Information Expense	Adj. IS-7	201,270	(180,291)	20,979	8,267	29,246	-	29,246	180,291	209,537
10	Administrative and General Expense	Adj. IS-8	153,111	(26,741)	126,370	55,403	181,773	1,204	182,977	26,741	209,719
11	Depreciation Expense	Adj. IS-9	316,738	-	316,738	72,034	388,772	-	388,772	-	388,772
12	Amortization Expense	Adj. IS-10	(27,552)	10,220	(17,332)	143,272	125,940	-	125,940	(10,220)	115,720
13	Taxes Other Than Income Taxes	Adj. IS-11	258,030	(154,393)	103,637	(1,714)	101,924	29,647	131,570	154,393	285,963
14	Total Operating Expense Before Ta:	SUM L5 to L13	\$ 3,522,570	\$(2,615,842)	\$ 906,728	\$ 412,098	\$ 1,318,826	\$ 36,379	\$ 1,355,205	\$ 2,615,842	\$ 3,971,047
15	Operating Income Before Tax	L4 - L14	\$ 672,864	\$ (1,147)	\$ 671,717	\$ (420,898)	\$ 250,819	\$ 467,470	\$ 718,288	\$ 1,147	\$ 719,435
16	Federal Income Tax - Current	Adj. IS-12	\$ 1,661	\$(222)	\$ 1,440	\$(1,025)	\$ 414	\$ 90,325	\$ 90,739	\$ 222	\$ 90,961
17	State Income Tax - Current	Adj. IS-12	-	(92)	(92)	(1,214)	(1,306)	37,351	36,045	92	36,137
18	Federal Income Tax - Deferred	Adj. IS-13	(9,465)	-	(9,465)	14,090	4,625	-	4,625	-	4,625
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (7,803)	\$(313)	\$ (8,116)	\$ 11,850	\$ 3,734	\$ 127,676	\$ 131,409	\$ 313	\$ 131,723
22	Total Operating Expense	L14 + L21	\$ 3,514,766	\$(2,616,155)	\$ 898,611	\$ 423,948	\$ 1,322,559	\$ 164,055	\$ 1,486,614	\$ 2,616,155	\$ 4,102,770
23	Operating Income	L4 - L22	\$ 680,667	\$(834)	\$ 679,833	\$ (432,748)	\$ 247,085	\$ 339,794	\$ 586,879	\$ 834	\$ 587,713

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)  
**FE PA Met-Ed Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1A Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,252,657	\$ (782,697)	\$ 469,960	\$ (1,304)	\$ 468,656	\$ 145,960	\$ 614,615	\$ 782,697	\$ 1,397,312
2	Sales for Resale		58	(58)	-	-	-	-	-	58	58
3	Other Operating Revenue	Adj. IS-3	28,777	-	28,777	(1,457)	27,320	372	27,692	-	27,692
4	Total Operating Revenue	SUM L1 to L3	\$ 1,281,492	\$ (782,755)	\$ 498,737	\$ (2,761)	\$ 495,976	\$ 146,332	\$ 642,308	\$ 782,755	\$ 1,425,063
5	Power Supply Expense		\$ 647,549	\$ (647,549)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 647,549	\$ 647,549
6	Transmission Expense	Adj. IS-4	12,629	(12,120)	510	4	513	-	513	12,120	12,633
7	Distribution Expense	Adj. IS-5	95,289	-	95,289	33,069	128,358	-	128,358	-	128,358
8	Customer Accounts Expense	Adj. IS-6	20,773	(12,569)	8,204	10,122	18,325	1,702	20,028	12,569	32,597
9	Customer Service and Information Expense	Adj. IS-7	64,560	(57,601)	6,959	2,159	9,118	-	9,118	57,601	66,719
10	Administrative and General Expense	Adj. IS-8	49,520	(8,484)	41,036	20,747	61,783	350	62,133	8,484	70,617
11	Depreciation Expense	Adj. IS-9	90,897	-	90,897	22,348	113,245	-	113,245	-	113,245
12	Amortization Expense	Adj. IS-10	(12,943)	3,209	(9,734)	61,634	51,901	-	51,901	(3,209)	48,691
13	Taxes Other Than Income Taxes	Adj. IS-11	79,035	(46,179)	32,856	(399)	32,457	8,612	41,069	46,179	87,248
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 1,047,309	\$ (781,292)	\$ 266,017	\$ 149,683	\$ 415,700	\$ 10,664	\$ 426,364	\$ 781,292	\$ 1,207,656
15	Operating Income Before Tax	L4 - L14	\$ 234,183	\$ (1,464)	\$ 232,719	\$ (152,444)	\$ 80,275	\$ 135,668	\$ 215,944	\$ 1,464	\$ 217,407
16	Federal Income Tax - Current	Adj. IS-12	\$ 492	\$ (283)	\$ 209	\$ 631	\$ 840	\$ 26,214	\$ 27,054	\$ 283	\$ 27,337
17	State Income Tax - Current	Adj. IS-12	-	(117)	(117)	(48)	(165)	10,840	10,675	117	10,792
18	Federal Income Tax - Deferred	Adj. IS-13	(2,893)	-	(2,893)	4,399	1,506	-	1,506	-	1,506
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (2,401)	\$ (400)	\$ (2,801)	\$ 4,982	\$ 2,181	\$ 37,054	\$ 39,235	\$ 400	\$ 39,635
22	Total Operating Expense	L14 + L21	\$ 1,044,908	\$ (781,691)	\$ 263,217	\$ 154,665	\$ 417,882	\$ 47,718	\$ 465,599	\$ 781,691	\$ 1,247,291
23	Operating Income	L4 - L22	\$ 236,584	\$ (1,064)	\$ 235,520	\$ (157,426)	\$ 78,094	\$ 98,615	\$ 176,708	\$ 1,064	\$ 177,772

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)  
**FE PA Penelec Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1B Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,139,002	\$ (662,092)	\$ 476,910	\$ (5,318)	\$ 471,592	\$ 132,565	\$ 604,157	\$ 662,092	\$ 1,266,249
2	Sales for Resale		61	(61)	-	-	-	-	-	61	61
3	Other Operating Revenue	Adj. IS-3	26,264	-	26,264	(1,052)	25,212	398	25,610	-	25,610
4	Total Operating Revenue	SUM L1 to L3	\$ 1,165,326	\$ (662,152)	\$ 503,173	\$ (6,369)	\$ 496,804	\$ 132,963	\$ 629,767	\$ 662,152	\$ 1,291,920
5	Power Supply Expense		\$ 505,114	\$ (505,114)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 505,114	\$ 505,114
6	Transmission Expense	Adj. IS-4	48,472	(48,407)	66	5	71	-	71	48,407	48,478
7	Distribution Expense	Adj. IS-5	104,832	-	104,832	26,829	131,660	-	131,660	-	131,660
8	Customer Accounts Expense	Adj. IS-6	23,658	(11,910)	11,748	8,098	19,846	1,679	21,525	11,910	33,435
9	Customer Service and Information Expense	Adj. IS-7	58,934	(53,317)	5,617	2,482	8,099	-	8,099	53,317	61,416
10	Administrative and General Expense	Adj. IS-8	38,453	(7,788)	30,665	19,215	49,881	318	50,198	7,788	57,987
11	Depreciation Expense	Adj. IS-9	95,328	-	95,328	26,733	122,061	-	122,061	-	122,061
12	Amortization Expense	Adj. IS-10	(7,511)	3,090	(4,422)	34,809	30,387	-	30,387	(3,090)	27,298
13	Taxes Other Than Income Taxes	Adj. IS-11	71,649	(39,063)	32,586	(674)	31,912	7,821	39,733	39,063	78,797
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 938,929	\$ (662,510)	\$ 276,419	\$ 117,497	\$ 393,916	\$ 9,818	\$ 403,734	\$ 662,510	\$ 1,066,244
15	Operating Income Before Tax	L4 - L14	\$ 226,397	\$ 357	\$ 226,755	\$ (123,866)	\$ 102,888	\$ 123,145	\$ 226,033	\$ (357)	\$ 225,676
16	Federal Income Tax - Current	Adj. IS-12	\$ 550	\$ 69	\$ 619	\$ 3,664	\$ 4,283	\$ 23,794	\$ 28,077	\$ (69)	\$ 28,008
17	State Income Tax - Current	Adj. IS-12	-	29	29	1,283	1,311	9,839	11,151	(29)	11,122
18	Federal Income Tax - Deferred	Adj. IS-13	(4,261)	-	(4,261)	5,230	969	-	969	-	969
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (3,711)	\$ 98	\$ (3,613)	\$ 10,176	\$ 6,563	\$ 33,634	\$ 40,196	\$ (98)	\$ 40,099
22	Total Operating Expense	L14 + L21	\$ 935,218	\$ (662,412)	\$ 272,806	\$ 127,673	\$ 400,479	\$ 43,452	\$ 443,931	\$ 662,412	\$ 1,106,343
23	Operating Income	L4 - L22	\$ 230,108	\$ 260	\$ 230,368	\$ (134,043)	\$ 96,325	\$ 89,512	\$ 185,837	\$ (260)	\$ 185,577

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)  
**FE PA Penn Power Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1C Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 349,415	\$ (222,327)	\$ 127,088	\$ (185)	\$ 126,902	\$ 54,617	\$ 181,520	\$ 222,327	\$ 403,847
2	Sales for Resale		10	(10)	-	-	-	-	-	10	10
3	Other Operating Revenue	Adj. IS-3	5,436	-	5,436	84	5,520	147	5,667	-	5,667
4	Total Operating Revenue	SUM L1 to L3	\$ 354,861	\$ (222,337)	\$ 132,524	\$ (102)	\$ 132,422	\$ 54,764	\$ 187,186	\$ 222,337	\$ 409,523
5	Power Supply Expense		\$ 186,512	\$ (186,512)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,512	\$ 186,512
6	Transmission Expense	Adj. IS-4	4,791	(4,711)	80	2	82	-	82	4,711	4,793
7	Distribution Expense	Adj. IS-5	25,371	-	25,371	12,122	37,493	-	37,493	-	37,493
8	Customer Accounts Expense	Adj. IS-6	5,561	(3,502)	2,060	2,527	4,587	556	5,142	3,502	8,644
9	Customer Service and Information Expense	Adj. IS-7	17,386	(15,717)	1,669	613	2,281	-	2,281	15,717	17,998
10	Administrative and General Expense	Adj. IS-8	13,764	(2,261)	11,503	6,114	17,617	131	17,748	2,261	20,008
11	Depreciation Expense	Adj. IS-9	27,027	-	27,027	6,604	33,631	-	33,631	-	33,631
12	Amortization Expense	Adj. IS-10	(3,668)	3,022	(646)	16,042	15,396	-	15,396	(3,022)	12,374
13	Taxes Other Than Income Taxes	Adj. IS-11	21,540	(13,117)	8,423	(64)	8,359	3,222	11,581	13,117	24,698
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 298,284	\$ (222,797)	\$ 75,487	\$ 43,959	\$ 119,446	\$ 3,909	\$ 123,355	\$ 222,797	\$ 346,152
15	Operating Income Before Tax	L4 - L14	\$ 56,577	\$ 460	\$ 57,037	\$ (44,061)	\$ 12,976	\$ 50,855	\$ 63,831	\$ (460)	\$ 63,371
16	Federal Income Tax - Current	Adj. IS-12	\$ 136	\$ 89	\$ 225	\$ (3,131)	\$ (2,905)	\$ 9,826	\$ 6,921	\$ (89)	\$ 6,832
17	State Income Tax - Current	Adj. IS-12	-	37	37	(1,390)	(1,354)	4,063	2,710	(37)	2,673
18	Federal Income Tax - Deferred	Adj. IS-13	(209)	-	(209)	1,589	1,380	-	1,380	-	1,380
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (73)	\$ 126	\$ 53	\$ (2,932)	\$ (2,879)	\$ 13,890	\$ 11,010	\$ (126)	\$ 10,885
22	Total Operating Expense	L14 + L21	\$ 298,211	\$ (222,671)	\$ 75,540	\$ 41,027	\$ 116,567	\$ 17,799	\$ 134,365	\$ 222,671	\$ 357,037
23	Operating Income	L4 - L22	\$ 56,650	\$ 334	\$ 56,984	\$ (41,128)	\$ 15,856	\$ 36,966	\$ 52,821	\$ (334)	\$ 52,487

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
 (\$ in Thousands)  
**FE PA West Penn Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1D Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,379,420	\$ (949,709)	\$ 429,711	\$ (1,561)	\$ 428,151	\$ 169,348	\$ 597,498	\$ 949,709	\$ 1,547,207
2	Sales for Resale		36	(36)	-	-	-	-	-	36	36
3	Other Operating Revenue	Adj. IS-3	14,300	-	14,300	1,992	16,292	442	16,734	-	16,734
4	Total Operating Revenue	SUM L1 to L3	\$ 1,393,755	\$ (949,744)	\$ 444,011	\$ 432	\$ 444,442	\$ 169,789	\$ 614,232	\$ 949,744	\$ 1,563,976
5	Power Supply Expense		\$ 754,044	\$ (754,044)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 754,044	\$ 754,044
6	Transmission Expense	Adj. IS-4	72,332	(66,408)	5,924	54	5,978	-	5,978	66,408	72,385
7	Distribution Expense	Adj. IS-5	94,031	-	94,031	32,653	126,684	-	126,684	-	126,684
8	Customer Accounts Expense	Adj. IS-6	20,015	(11,793)	8,222	9,352	17,574	1,591	19,165	11,793	30,958
9	Customer Service and Information Expense	Adj. IS-7	60,391	(53,657)	6,734	3,014	9,747	-	9,747	53,657	63,404
10	Administrative and General Expense	Adj. IS-8	51,374	(8,209)	43,165	9,327	52,492	406	52,898	8,209	61,107
11	Depreciation Expense	Adj. IS-9	103,487	-	103,487	16,349	119,836	-	119,836	-	119,836
12	Amortization Expense	Adj. IS-10	(3,430)	899	(2,531)	30,786	28,256	-	28,256	(899)	27,357
13	Taxes Other Than Income Taxes	Adj. IS-11	85,805	(56,033)	29,772	(576)	29,196	9,992	39,187	56,033	95,220
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 1,238,048	\$ (949,244)	\$ 288,804	\$ 100,959	\$ 389,763	\$ 11,988	\$ 401,752	\$ 949,244	\$ 1,350,995
15	Operating Income Before Tax	L4 - L14	\$ 155,707	\$ (501)	\$ 155,206	\$ (100,527)	\$ 54,679	\$ 157,801	\$ 212,480	\$ 501	\$ 212,981
16	Federal Income Tax - Current	Adj. IS-12	\$ 483	\$ (97)	\$ 386	\$ (2,190)	\$ (1,803)	\$ 30,490	\$ 28,687	\$ 97	\$ 28,784
17	State Income Tax - Current	Adj. IS-12	-	(40)	(40)	(1,059)	(1,099)	12,608	11,510	40	11,550
18	Federal Income Tax - Deferred	Adj. IS-13	(2,101)	-	(2,101)	2,872	771	-	771	-	771
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (1,618)	\$ (137)	\$ (1,755)	\$ (376)	\$ (2,131)	\$ 43,099	\$ 40,967	\$ 137	\$ 41,104
22	Total Operating Expense	L14 + L21	\$ 1,236,430	\$ (949,381)	\$ 287,049	\$ 100,583	\$ 387,632	\$ 55,087	\$ 442,719	\$ 949,381	\$ 1,392,100
23	Operating Income	L4 - L22	\$ 157,325	\$ (364)	\$ 156,961	\$ (100,151)	\$ 56,811	\$ 114,702	\$ 171,513	\$ 364	\$ 171,877



**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-1 - Total FE PA Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 170,618	\$ 69,561	\$ 152,048	\$ 1,148	\$ 2,223,449	\$ 2,616,824
2	Sales for Resale		-	165	-	-	-	165
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 170,618	\$ 69,726	\$ 152,048	\$ 1,148	\$ 2,223,449	\$ 2,616,989
5	Power Supply Expense		\$ (6,316)	\$ 4	\$ -	\$ -	\$ 2,099,529	\$ 2,093,218
6	Transmission Expense		131,645	-	-	-	-	131,645
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		39,774	-	-	-	-	39,774
9	Customer Service and Information Expense		-	41,866	138,425	-	-	180,291
10	Administrative and General Expense		-	26,741	-	-	-	26,741
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(2,196)	(2,990)	1,150	1,219	(7,402)	(10,220)
13	Taxes Other Than Income Taxes		10,066	4,104	8,971	68	131,184	154,393
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 172,974	\$ 69,726	\$ 148,545	\$ 1,286	\$ 2,223,311	\$ 2,615,842
15	Operating Income Before Tax	L4 - L14	\$ (2,356)	\$ (0)	\$ 3,503	\$ (139)	\$ 139	\$ 1,147
16	Federal Income Tax - Current		\$ (455)	\$ -	\$ 677	\$ (27)	\$ 27	\$ 222
17	State Income Tax - Current		(188)	-	280	(11)	11	92
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (643)	\$ -	\$ 957	\$ (38)	\$ 38	\$ 313
22	Total Operating Expense	L14 + L21	\$ 172,330	\$ 69,726	\$ 149,502	\$ 1,249	\$ 2,223,349	\$ 2,616,155
23	Operating Income	L4 - L22	\$ (1,713)	\$ (0)	\$ 2,546	\$ (101)	\$ 101	\$ 834

## FirstEnergy Pennsylvania Electric Company

FPFTY ending December 31, 2025

(\$ in Thousands)

## Adjustment IS-1A - FE PA Met-Ed Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 28,225	\$ 21,895	\$ 48,559	\$ 855	\$ 683,163	\$ 782,697
2	Sales for Resale		-	58	-	-	-	58
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 28,225	\$ 21,953	\$ 48,559	\$ 855	\$ 683,163	\$ 782,755
5	Power Supply Expense		\$ 2,440	\$ 1	\$ -	\$ -	\$ 645,108	\$ 647,549
6	Transmission Expense		12,120	-	-	-	-	12,120
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		12,569	-	-	-	-	12,569
9	Customer Service and Information Expense		-	13,368	44,233	-	-	57,601
10	Administrative and General Expense		-	8,484	-	-	-	8,484
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(1,287)	(1,191)	414	871	(2,017)	(3,209)
13	Taxes Other Than Income Taxes		1,665	1,292	2,865	50	40,307	46,179
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 27,507	\$ 21,953	\$ 47,511	\$ 921	\$ 683,398	\$ 781,292
15	Operating Income Before Tax	L4 - L14	\$ 717	\$ (0)	\$ 1,048	\$ (66)	\$ (235)	\$ 1,464
16	Federal Income Tax - Current		\$ 139	\$ -	\$ 202	\$ (13)	\$ (45)	\$ 283
17	State Income Tax - Current		57	-	84	(5)	(19)	117
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ 196	\$ -	\$ 286	\$ (18)	\$ (64)	\$ 400
22	Total Operating Expense	L14 + L21	\$ 27,703	\$ 21,953	\$ 47,798	\$ 903	\$ 683,334	\$ 781,691
23	Operating Income	L4 - L22	\$ 521	\$ (0)	\$ 762	\$ (48)	\$ (171)	\$ 1,064

## FirstEnergy Pennsylvania Electric Company

FPFTY ending December 31, 2025

(\$ in Thousands)

## Adjustment IS-1B - FE PA Penelec Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 75,407	\$ 20,384	\$ 45,449	\$ 13	\$ 520,839	\$ 662,092
2	Sales for Resale		-	61	-	-	-	61
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 75,407	\$ 20,444	\$ 45,449	\$ 13	\$ 520,839	\$ 662,152
5	Power Supply Expense		\$ 13,285	\$ 1	\$ -	\$ -	\$ 491,828	\$ 505,114
6	Transmission Expense		48,407	-	-	-	-	48,407
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		11,910	-	-	-	-	11,910
9	Customer Service and Information Expense		-	12,433	40,885	-	-	53,317
10	Administrative and General Expense		-	7,788	-	-	-	7,788
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(1,236)	(980)	1,073	63	(2,009)	(3,090)
13	Taxes Other Than Income Taxes		4,449	1,203	2,682	1	30,730	39,063
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 76,814	\$ 20,444	\$ 44,639	\$ 64	\$ 520,549	\$ 662,510
15	Operating Income Before Tax	L4 - L14	\$ (1,407)	\$ -	\$ 811	\$ (51)	\$ 290	\$ (357)
16	Federal Income Tax - Current		\$ (272)	\$ -	\$ 157	\$ (10)	\$ 56	\$ (69)
17	State Income Tax - Current		(112)	-	65	(4)	23	(29)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (384)	\$ -	\$ 221	\$ (14)	\$ 79	\$ (98)
22	Total Operating Expense	L14 + L21	\$ 76,430	\$ 20,444	\$ 44,860	\$ 50	\$ 520,628	\$ 662,412
23	Operating Income	L4 - L22	\$ (1,023)	\$ -	\$ 589	\$ (37)	\$ 211	\$ (260)

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment 1C - FE PA Penn Power Rate District Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 2,816	\$ 5,499	\$ 11,730	\$ 280	\$ 202,002	\$ 222,327
2	Sales for Resale		-	10	-	-	-	10
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 2,816	\$ 5,509	\$ 11,730	\$ 280	\$ 202,002	\$ 222,337
5	Power Supply Expense		\$ (4,243)	\$ 2	\$ -	\$ -	\$ 190,753	\$ 186,512
6	Transmission Expense		4,711	-	-	-	-	4,711
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		3,502	-	-	-	-	3,502
9	Customer Service and Information Expense		-	3,584	12,133	-	-	15,717
10	Administrative and General Expense		-	2,261	-	-	-	2,261
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(628)	(662)	(1,332)	285	(685)	(3,022)
13	Taxes Other Than Income Taxes		166	324	692	17	11,918	13,117
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 3,507	\$ 5,509	\$ 11,494	\$ 301	\$ 201,986	\$ 222,797
15	Operating Income Before Tax	L4 - L14	\$ (691)	\$ -	\$ 236	\$ (21)	\$ 16	\$ (460)
16	Federal Income Tax - Current		\$ (134)	\$ -	\$ 46	\$ (4)	\$ 3	\$ (89)
17	State Income Tax - Current		(55)	-	19	(2)	1	(37)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (189)	\$ -	\$ 65	\$ (6)	\$ 4	\$ (126)
22	Total Operating Expense	L14 + L21	\$ 3,318	\$ 5,509	\$ 11,558	\$ 295	\$ 201,991	\$ 222,671
23	Operating Income	L4 - L22	\$ (502)	\$ -	\$ 172	\$ (15)	\$ 11	\$ (334)

## FirstEnergy Pennsylvania Electric Company

FPFTY ending December 31, 2025

(\$ in Thousands)

## Adjustment 1D - FE PA West Penn Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 64,170	\$ 21,783	\$ 46,310	\$ -	\$ 817,446	\$ 949,709
2	Sales for Resale		-	36	-	-	-	36
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 64,170	\$ 21,819	\$ 46,310	\$ -	\$ 817,446	\$ 949,744
5	Power Supply Expense		\$ (17,797)	\$ 2	\$ -	\$ -	\$ 771,840	\$ 754,044
6	Transmission Expense		66,408	-	-	-	-	66,408
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		11,793	-	-	-	-	11,793
9	Customer Service and Information Expense		-	12,482	41,175	-	-	53,657
10	Administrative and General Expense		-	8,209	-	-	-	8,209
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		955	(158)	995	-	(2,691)	(899)
13	Taxes Other Than Income Taxes		3,786	1,285	2,732	-	48,229	56,033
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 65,145	\$ 21,819	\$ 44,902	\$ -	\$ 817,378	\$ 949,244
15	Operating Income Before Tax	L4 - L14	\$ (975)	\$ -	\$ 1,408	\$ -	\$ 68	\$ 501
16	Federal Income Tax - Current		\$ (188)	\$ -	\$ 272	\$ -	\$ 13	\$ 97
17	State Income Tax - Current		(78)	-	112	-	5	40
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (266)	\$ -	\$ 384	\$ -	\$ 19	\$ 137
22	Total Operating Expense	L14 + L21	\$ 64,879	\$ 21,819	\$ 45,286	\$ -	\$ 817,396	\$ 949,381
23	Operating Income	L4 - L22	\$ (709)	\$ -	\$ 1,023	\$ -	\$ 49	\$ 364

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-2 - Base Operating Revenues**

To adjust base operating revenues to: (1) eliminate revenues attributable to unbilled revenue and the Penelec Rate District's NY jurisdictional revenue; (2) annualize changes in number of customers; (3) normalize the sales and revenue effects of energy efficiency measures implemented or to be implemented under FE PA and its Rate Districts' Energy Efficiency and Conservation Phase IV Plan and to reflect the impact of behind-the-meter generation; and (4) include revenue associated with the acquisition of LIDA in the West Penn Rate District. FE PA witness Kehl is responsible for parts (2) through (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Eliminate unbilled and non-jurisdictional revenues</u></b>							
1	Retail sales revenue per budget	p. 25-29, L1, col. 4	\$ 469,960	\$ 476,910	\$ 127,088	\$ 429,711	\$ 1,503,669
Less:							
2	STAS revenue per budget		\$ 96	\$ 338	\$ (26)	\$ (215)	\$ 193
3	DSIC revenue per budget		24,645	25,049	6,769	22,856	79,318
4	TCJA revenue per budget		(27,853)	(27,658)	(6,654)	(14,739)	(76,905)
5	SMT revenue per budget		(7,132)	(5,872)	(818)	(8,259)	(22,081)
6	Rider revenue rolled in per budget	SUM L2 to L5	\$ (10,244)	\$ (8,144)	\$ (729)	\$ (358)	\$ (19,475)
7	Base distribution revenue per budget	L6 - L1	\$ 480,204	\$ 485,054	\$ 127,817	\$ 430,069	\$ 1,523,143
8	Base billed distribution revenues	Exhibit MSK-1	480,438	482,758	127,945	430,168	1,521,309
9	Eliminate unbilled and New York jurisdictional revenues	L8 - L6	\$ 234	\$ (2,295)	\$ 128	\$ 98	\$ (1,835)
<b><u>Base operating revenue adjustment</u></b>							
10	Normalize customers to year end level	Exhibit MSK-1	\$ 778	\$ (224)	\$ 240	\$ 260	\$ 1,054
11	Adjust energy efficiency and behind-the-meter	Exhibit MSK-1	\$ (2,316)	\$ (2,799)	\$ (554)	\$ (1,919)	\$ (7,588)
12	Other revenue adjustment	Exhibit MSK-1	\$ -	\$ -	\$ -	\$ -	\$ -
13	Adjustment to base operating revenues	SUM L9 to L12	(1,304)	(5,318)	(185)	(1,561)	(8,368)
14	Adjusted retail sales revenue per budget	L1 + L13	\$ 468,656	\$ 471,592	\$ 126,902	\$ 428,151	\$ 1,495,300

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-3 - Other Operating Revenues**

To adjust other operating revenues to: (1) reflect changes to tariff administrative fees, as supported by FE PA witness Kehl; (2) include West Penn Rate District's ground lease revenue from its FERC jurisdictional affiliate that is not included in the budget; (3) eliminate revenues associated with the West Penn Rate District's existing agreements with LIDA; (4) eliminate transmission revenue related to West Penn Rate District's FERC jurisdiction; and (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (5) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Other operating revenues per budget	p. 25-29, L3, col. 4	\$ 28,777	\$ 26,264	\$ 5,436	\$ 14,300	\$ 74,776
<b><u>Other operating revenue adjustments</u></b>							
2	Adjusted reconnection fees	FE PA witness Kehl	372	237	36	258	904
3	Less: Reconnection fees per budget		(893)	(505)	(72)	(517)	(1,988)
4	Total reconnection fee adjustment	L2 + L3	\$ (521)	\$ (268)	\$ (36)	\$ (258)	\$ (1,084)
5	Adjusted return check charges	FE PA witness Kehl	257	171	120	195	743
6	Less: Return check charges per budget		(257)	(171)	-	(130)	(558)
7	Total return check charge adjustment	L5 + L6	\$ -	\$ -	\$ 120	\$ 65	\$ 185
8	Adjusted service charges	FE PA witness Kehl	-	-	-	-	-
9	Less: Service charges per budget		(936)	(649)	-	-	(1,585)
10	Total service charge adjustment	L8 + L9	\$ (936)	\$ (649)	\$ -	\$ -	\$ (1,585)
11	Include West Penn ground lease revenues not included in the budget		\$ -	\$ -	\$ -	\$ 2,373	\$ 2,373
12	Eliminate LIDA revenues		\$ -	\$ -	\$ -	\$ (188)	\$ (188)
13	Eliminate FERC jurisdictional revenues		\$ -	\$ -	\$ -	\$ -	\$ -
14	Total before non-jurisdictional allocation	SUM L1, L4, L7, L10 to L13	\$ 27,320	\$ 25,346	\$ 5,520	\$ 16,292	\$ 74,478
<b><u>Non-jurisdictional allocation</u></b>							
15	Less: New York jurisdictional	-L1 * 0.51%	\$ -	\$ (134)	\$ -	\$ -	\$ (134)
16	Total adjustment to other operating revenues	SUM L4, L7, L10 to L13, L15	(1,457)	(1,052)	84	1,992	(432)
17	Adjusted other operating revenues per budget	L1 + L16	\$ 27,320	\$ 25,212	\$ 5,520	\$ 16,292	\$ 74,344

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-4 - Transmission Expense**

To adjust transmission expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) eliminate an allocated portion of transmission expense related to West Penn Rate District's FERC jurisdiction; and (4) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Transmission expense per budget	p. 25-29, L6, col. 4	\$ 510	\$ 66	\$ 80	\$ 5,924	\$ 6,580
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L19	3	5	1	51	61
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L8	0	1	0	3	4
4	Total payroll adjustment	L2 + L3	\$ 4	\$ 6	\$ 2	\$ 54	\$ 65
5	Total before non-jurisdictional allocation	L1 + L4	\$ 513	\$ 72	\$ 82	\$ 5,978	\$ 6,645
<b><u>Non-jurisdictional allocation</u></b>							
6	Eliminate FERC jurisdictional expense	-L5 * 0%	-	-	-	-	-
7	Less: New York jurisdictional	-L5 * 0.61%	-	(0)	-	-	(0)
8	Total non-jurisdictional adjustment	L6 + L7	\$ -	\$ (0)	\$ -	\$ -	\$ (0)
9	Total adjustment to transmission expense	L4 + L8	4	5	2	54	65
10	Adjusted transmission expense per budget	L1 + L9	\$ 513	\$ 71	\$ 82	\$ 5,978	\$ 6,644



**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-4 - Supporting Schedule 1 - Payroll Expense**

To determine the adjustment to payroll expense associated with year end bargaining and non-bargaining wage rates and employee levels; and to allocate the additional payroll expense to the proper FERC classification.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Total payroll	II-D-10, part (a) attachments, L6, col. Total	\$ 83,421	\$ 91,570	\$ 22,710	\$ 79,842	\$ 277,544
	<b><u>Bargaining Unit</u></b>		<b><u>IBEW 777</u></b>	<b><u>IBEW 459</u></b>	<b><u>UWUA 140</u></b>	<b><u>UWUA 102</u></b>	<b><u>TOTAL</u></b>
2	Increase date	II-D-10, part (d)	5/1/2025	5/15/2025	7/1/2025	11/1/2025	
3	Straight time through increase dates		\$ 15,050	\$ 12,908	\$ 6,602	\$ 39,862	\$ 74,423
4	Straight time rate of increase	II-D-10, part (d)	2.50%	2.50%	3.50%	3.50%	
5	Straight time increase in test year	L3 * L4	\$ 376	\$ 323	\$ 231	\$ 1,395	\$ 2,325
	<b><u>Bargaining Unit</u></b>			<b><u>UWUA 180</u></b>			<b><u>TOTAL</u></b>
6	Increase date	II-D-10, part (d)		9/1/2025			
7	Straight time through increase dates		\$ -	\$ 8,222	\$ -	\$ -	\$ 8,222
8	Straight time rate of increase	II-D-10, part (d)	0.00%	3.00%	0.00%	0.00%	
9	Straight time increase in test year	L7 * L8	\$ -	\$ 247	\$ -	\$ -	\$ 247
	<b><u>Non-Bargaining Employees</u></b>						
10	Increase date	II-D-10, part (d)	3/1/2025	3/1/2025	3/1/2025	3/1/2025	3/1/2025
11	Straight time through increase dates		\$ 2,585	\$ 3,618	\$ 686	\$ 2,484	\$ 9,372
12	Straight time rate of increase	II-D-10, part (d)	3.75%	3.75%	3.75%	3.75%	
13	Straight time increase in test year	L11 * L12	\$ 97	\$ 136	\$ 26	\$ 93	\$ 351
14	Total payroll adjustment	L5 + L9 + L13	473	705	257	1,488	2,923
15	Total payroll as adjusted	L1 + L14	\$ 83,894	\$ 92,275	\$ 22,967	\$ 81,331	\$ 280,467
16	O&M allocation percentage	II-D-10, part (f)	44.80%	46.50%	35.30%	42.40%	
17	O&M payroll adjustment	L14 * L16	\$ 212	\$ 328	\$ 91	\$ 631	\$ 1,262
	<b><u>Allocation of payroll adjustment</u></b>						
18	Production		\$ -	\$ -	\$ -	\$ -	\$ -
19	Transmission		3	5	1	51	61
20	Distribution		195	308	79	542	1,124
21	Customer accounts		7	7	4	19	37
22	Customer service		5	3	2	10	20
23	Administrative and general		2	4	4	10	20
24	Total	SUM L18 to L23	\$ 212	\$ 328	\$ 91	\$ 631	\$ 1,262

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment IS-4 - Supporting Schedule 2 - FirstEnergy Service Company Payroll Expense**

To determine the adjustment to payroll expense associated with Service Company year end wage rates and employee levels; and to allocate the additional payroll expense to the proper FERC classification.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b>First Energy Service Company</b>							
1	Increase date	Adj. IS-4, SS 1, L10	3/1/2025	3/1/2025	3/1/2025	3/1/2025	3/1/2025
2	Straight time through increase dates		\$ 4,315	\$ 4,836	\$ 1,227	\$ 5,908	\$ 16,287
3	Straight time rate of increase	Adj. IS-4, SS 1, L12	3.75%	3.75%	3.75%	3.75%	
4	Straight time increase in test year	L2 * L3	\$ 162	\$ 181	\$ 46	\$ 222	\$ 611
5	O&M allocation percentage	Adj. IS-4, SS 1, L16	44.80%	46.50%	35.30%	42.40%	
6	O&M payroll adjustment	L4 * L5	\$ 72	\$ 84	\$ 16	\$ 94	\$ 267
<b><u>Allocation of FESC payroll adjustment</u></b>							
7	Production		\$ -	\$ -	\$ -	\$ -	\$ -
8	Transmission		0	1	0	3	4
9	Distribution		15	20	3	22	61
10	Customer accounts		6	8	2	8	23
11	Customer service		8	9	2	19	38
12	Administrative and general		42	47	9	43	140
13	Total	SUM L7 to L12	\$ 72	\$ 84	\$ 16	\$ 94	\$ 267

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-5 - Distribution Expense**

To adjust distribution expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect storm expense using a five-year average of actual storm expense, excluding extraordinary storms; (4) include enhanced vegetation management expense; (5) adjust inspection and maintenance of overhead lines and transformers expense to reflect a two-year cycle; (6) include the reclassification of amortization of gains and losses on reacquired debt; and (6) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Smith is responsible for parts (4) and (5) of the adjustment. FE PA witness Lyons is responsible for the allocation factor used in part (7) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Distribution expense per budget	p. 25-29, L7, col. 4	\$ 95,289	\$ 104,832	\$ 25,371	\$ 94,031	\$ 319,523
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L20	195	308	79	542	1,124
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L9	15	20	3	22	61
4	Total payroll adjustment	L2 + L3	\$ 210	\$ 329	\$ 83	\$ 563	\$ 1,185
<b><u>Storm expense adjustment</u></b>							
5	Adjust storm expense to reflect five-year average of actual storm costs, excluding extraordinary storm costs	Adj. IS-5, SS 1, L9	\$ 1,887	\$ 297	\$ 1,142	\$ 1,844	\$ 5,171
<b><u>Vegetation management adjustment</u></b>							
6	Adjust vegetation management expense	FE PA witness Smith	\$ 28,619	\$ 25,365	\$ 10,437	\$ 28,425	\$ 92,846
<b><u>Inspection and maintenance of overhead lines cycle</u></b>							
7	Adjust inspection of overhead line expense	FE PA witness Smith	\$ 2,315	\$ 1,532	\$ 345	\$ 1,814	\$ 6,007
<b><u>Reclassify amortization of gain/loss on reacquired debt</u></b>							
8	Amortization of (gain) or loss on reacquired debt		\$ 37	\$ 114	\$ 114	\$ 7	\$ 271
9	Total before non-jurisdictional allocation	SUM L1, L4 to L8	\$ 128,358	\$ 132,468	\$ 37,493	\$ 126,684	\$ 425,003
<b><u>Non-jurisdictional allocation</u></b>							
10	Less: New York jurisdictional	-L9 * 0.61%	\$ -	\$ (808)	\$ -	\$ -	\$ (808)
11	Total adjustment to distribution expense	SUM L4 to L8 + L10	33,069	26,829	12,122	32,653	104,672
12	Adjusted distribution expense per budget	L1 + L11	\$ 128,358	\$ 131,660	\$ 37,493	\$ 126,684	\$ 424,195

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**Adjustment IS-5 - Supporting Schedule 1 - Five-Year Average Storm Expense**

To determine the adjustment to storm expense associated with reflecting a five-year average of actual storm expenses, excluding extraordinary storms, in base rates. FE PA witness Smith is responsible for historical storm expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	2019 storm expense		\$ 28,551	\$ 12,081	\$ 4,252	\$ 15,361	\$ 60,246
2	2020 storm expense		26,290	10,873	3,562	5,755	46,479
3	2021 storm expense		24,676	6,082	2,483	7,621	40,862
4	2022 storm expense		20,478	14,307	3,418	19,502	57,705
5	2023 storm expense		26,597	11,426	2,360	18,336	58,720
6	Total	SUM L1 to L5	\$ 126,592	\$ 54,770	\$ 16,074	\$ 66,575	\$ 264,012
7	Average balance	L6 / 5	\$ 25,319	\$ 10,954	\$ 3,215	\$ 13,315	\$ 52,802
8	Less: Storm expense per budget		(23,431)	(10,657)	(2,072)	(11,471)	(47,632)
9	Adjustment to storm expense	L7 + L8	\$ 1,887	\$ 297	\$ 1,142	\$ 1,844	\$ 5,171

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**Adjustment IS-6 - Customer Accounts Expense**

To adjust customer accounts expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect increased uncollectible accounts expense, as supported by FE PA witness Jones; (4) reflect increased O&M costs associated with serving new customers; (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction; (6) include interest on customer deposits; and (7) include customer credit card payment processing fees, as supported by FE PA witness Jones.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer accounts expense per budget	p. 25-29 L8 col. 4	\$ 8,204	\$ 11,748	\$ 2,060	\$ 8,222	\$ 30,233
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L21	7	7	4	19	37
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L10	6	8	2	8	23
4	Total payroll adjustment	L2 + L3	\$ 13	\$ 15	\$ 5	\$ 26	\$ 60
<b><u>Uncollectible accounts expense adjustment</u></b>							
5	Uncollectible accounts expense	Adj. IS-6, SS 1, L15	\$ 5,899	\$ 4,581	\$ 1,606	\$ 5,509	\$ 17,595
<b><u>Cost associated with serving additional customers</u></b>							
6	Increased O&M costs associated with increased number of customers in normalized revenue levels	Adj. IS-6, SS 2, L12	\$ 10	\$ (3)	\$ 3	\$ 4	\$ 14
7	Total before non-jurisdictional allocation	SUM L1, L4 to L6	\$ 14,127	\$ 16,340	\$ 3,674	\$ 13,762	\$ 47,903
<b><u>Non-jurisdictional allocation</u></b>							
8	Less: New York jurisdictional	-L7 * 0.35%	\$ -	\$ (57)	\$ -	\$ -	\$ (57)
<b><u>Interest on customer deposits</u></b>							
9	Interest on customer deposits	Adj. IS-6, SS 3, L8	\$ 2,501	\$ 2,081	\$ 537	\$ 2,159	\$ 7,278
<b><u>Credit card payment processing fee adjustment</u></b>							
10	Include customer credit card payment processing fees	FE PA witness Jones	\$ 1,698	\$ 1,481	\$ 375	\$ 1,653	\$ 5,208
11	Total adjustment to customer accounts expense	SUM L4 to L6 + SUM L8 to L10	10,122	8,098	2,527	9,352	30,099
12	Adjusted customer accounts expense per budget	L1 + L11	\$ 18,325	\$ 19,846	\$ 4,587	\$ 17,574	\$ 60,332

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**Adjustment IS-6 - Supporting Schedule 1 - Uncollectible accounts expense**

To (1) adjust uncollectible accounts expense, as supported by FE PA witness Jones, based on normalized revenues; and (2) to determine the generation-related uncollectible accounts expense associated with default service, which is recovered in the Default Service Support rider for all residential and commercial customers and Hourly Pricing Default Service rider for non-shopping industrial customers.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Uncollectible accounts expense per budget		\$ 13,297	\$ 15,091	\$ 3,393	\$ 11,549	\$ 43,330
<b><u>Uncollectible accounts expense to total billed revenue</u></b>							
2	Billed revenues as adjusted	Adj. IS-2, L14	\$ 468,656	\$ 471,592	\$ 126,902	\$ 428,151	\$ 1,495,300
3	Billed Price to Compare / Hourly Pricing default service revenues	Adj. IS-1 , L1, col. 6	683,163	520,839	202,002	817,446	2,223,449
4	Billed revenues on riders retained, excluding Price to Compare / Hourly Pricing default service revenues	Adj. IS-1 , L1, col. 7 - L3	99,534	141,253	20,325	132,263	393,375
5	POR eligible revenues billed on behalf of EGSs		394,555	419,513	142,175	437,827	1,394,070
6	Total billed revenues		\$ 1,645,907	\$ 1,553,197	\$ 491,404	\$ 1,815,686	\$ 5,506,194
7	Total adjusted uncollectible accounts expense	Exhibit MAJ-1	19,196	19,672	5,000	17,058	60,925
8	Uncollectible accounts expense rate	L7 / L6	<u>(0.011663)</u>	<u>(0.012666)</u>	<u>(0.010174)</u>	<u>(0.009395)</u>	<u>(0.011065)</u>
<b><u>Base rates uncollectible accounts expense</u></b>							
9	Base billed revenues	L2 + L4	568,190	612,845	147,227	560,414	1,888,675
10	Base rate and retained rider uncollectible accounts expense	-L8 * L9	\$ 6,627	\$ 7,762	\$ 1,498	\$ 5,265	\$ 21,152
<b><u>Generation-related uncollectible accounts expense</u></b>							
11	Generation-related billed revenues	L3 + L5	1,077,718	940,352	344,177	1,255,273	3,617,519
12	Generation-related uncollectible accounts expense	-L8 * L11	\$ 12,569	\$ 11,910	\$ 3,502	\$ 11,793	\$ 39,774
13	Less: Generation related uncollectible account expense in the DSS and HP Riders		(13,286)	(10,481)	(2,667)	(10,818)	(37,253)
14	Adjustment to generation-related uncollectible accounts expense	L12 + L13	\$ (717)	\$ 1,429	\$ 834	\$ 975	\$ 2,521
15	Total adjustment to uncollectible accounts expense	L10 + L12 - L1	5,899	4,581	1,606	5,509	17,595
16	Uncollectible accounts expense as adjusted	L1 + L15	\$ 19,196	\$ 19,672	\$ 5,000	\$ 17,058	\$ 60,925

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**Adjustment IS-6 - Supporting Schedule 2 - Expense Associated with Serving New Customers**

To determine the cost associated with serving the additional customers reflected in Adjustment IS-2. The ratio of non-payroll customer account expense to total revenue is applied to the additional revenue from increased customers to estimate this cost. The Commission previously recognized and approved this adjustment. The adjustment to base operating revenue for changes in number of customers is supported by FE PA witness Kehl.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Customer Account Expense Excluding Labor and Uncollectibles</u></b>							
1	Customer accounts expense per budget	p. 25-29, L8, col. 2	\$ 20,773	\$ 23,658	\$ 5,561	\$ 20,015	\$ 70,007
2	Additional uncollectible accounts expense	Adj. IS-6, SS1, L15	5,899	4,581	1,606	5,509	17,595
3	Adjusted customer accounts expense	L1 + L2	\$ 26,672	\$ 28,239	\$ 7,167	\$ 25,524	\$ 87,602
4	Less: Adjusted uncollectible accounts expense	Adj. IS-6, -L7	(19,196)	(19,672)	(5,000)	(17,058)	(60,925)
5	Less: Labor expense		(1,246)	(1,145)	(356)	(1,151)	(3,898)
6	Customer accounts expense excluding labor and uncollectible expense	SUM L3 to L5	\$ 6,230	\$ 7,422	\$ 1,811	\$ 7,315	\$ 22,779
<b><u>Total Distribution Revenue</u></b>							
7	Distribution revenue per budget	Adj. IS-2, L7	\$ 480,204	\$ 485,054	\$ 127,817	\$ 430,069	\$ 1,523,143
8	Late payment charges per budget		4,200	4,667	1,320	4,736	14,923
9	Total distribution revenue	L7 + L8	\$ 484,404	\$ 489,721	\$ 129,137	\$ 434,805	\$ 1,538,066
10	Ratio of customer accounts expense to total revenue	L6 / L9	1.29%	1.52%	1.40%	1.68%	
11	Revenue from added customers	Adj. IS-2, L10	778	(224)	240	260	1,054
12	Additional expense from added customers	L10 * L11	\$ 10	\$ (3)	\$ 3	\$ 4	\$ 14

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**Adjustment IS-6 - Supporting Schedule 3 - Allow for Interest Expense on Customer Deposits**

To determine the interest paid on customer deposits. Since customer deposits are funds supplied to the Company by customers, they are included in rate base as a deduction. The Commission previously recognized this adjustment to include the corresponding interest paid to customers on these deposits as an expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer deposits included in rate base	Adj. RB-6, -L17	\$ 35,853	\$ 30,331	\$ 7,833	\$ 31,164	\$ 105,182
<b><u>Residential customer deposit interest</u></b>							
2	Residential customer deposits		\$ 17,482	\$ 13,067	\$ 3,349	\$ 14,479	\$ 48,377
3	Interest rate on residential deposits		8.00%	8.00%	8.00%	8.00%	8.00%
4	Interest expense on residential customer deposits	L2 * L3	\$ 1,399	\$ 1,045	\$ 268	\$ 1,158	\$ 3,870
<b><u>Non-residential customer deposit interest</u></b>							
5	Non-residential customer deposits		\$ 18,371	\$ 17,265	\$ 4,484	\$ 16,685	\$ 56,805
6	Interest rate on non-residential deposits		6.00%	6.00%	6.00%	6.00%	6.00%
7	Interest expense on non-residential customer deposits	L5 * L6	\$ 1,102	\$ 1,036	\$ 269	\$ 1,001	\$ 3,408
8	Total interest expense on customer deposits	L4 + L7	\$ 2,501	\$ 2,081	\$ 537	\$ 2,159	\$ 7,278



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**Adjustment IS-7 - Customer Service and Information Expense**

To adjust customer service and information expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) include additional expense for the low income outreach program; (4) include additional expense for the electric vehicle rebate program; and (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Jones is responsible for parts (3) and (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer service & information expense per budget	p. 25-29, L9, col. 4	\$ 6,959	\$ 5,617	\$ 1,669	\$ 6,734	\$ 20,979
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L22	5	3	2	10	20
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L11	8	9	2	19	38
4	Total payroll adjustment	L2 + L3	\$ 13	\$ 12	\$ 4	\$ 28	\$ 58
5	Total before non-jurisdictional allocation	L1 + L4	\$ 6,972	\$ 5,629	\$ 1,673	\$ 6,762	\$ 21,037
<b><u>Non-jurisdictional allocation</u></b>							
6	Less: New York jurisdictional	-L5 * 0.6%	\$ -	\$ (34)	\$ -	\$ -	\$ (34)
<b><u>Low income outreach program adjustment</u></b>							
7	Adjust expense to reflect low income outreach program	FE PA witness Jones	\$ 222	\$ 211	\$ 64	\$ 266	\$ 763
<b><u>Electric vehicle rebate program adjustment</u></b>							
8	Adjust expense to reflect electric vehicle rebate program	FE PA witness Jones	\$ 1,924	\$ 2,292	\$ 545	\$ 2,719	\$ 7,480
9	Total adjustment to customer service and information expense	SUM L4, L6 to L8	2,159	2,482	613	3,014	8,267
10	Adjusted customer service & information expense per budget	L1 + L9	\$ 9,118	\$ 8,099	\$ 2,281	\$ 9,747	\$ 29,246

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**Adjustment IS-8 - Administrative and General Expense**

To adjust administrative and general expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect pension expense using the delayed recognition methodology; (4) reflect OPEB expense using the delayed recognition methodology; (5) reflect employee benefit expense at year end wage rates and employee levels; (6) eliminate an allocated portion related to West Penn Rate District's FERC jurisdiction; (7) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction; and (8) include the normalization of rate case expenses over a three year period. FE PA witness Ashton is responsible for parts (3) and (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Administrative & general expense per budget	p. 25-29, L10, col. 4	\$ 41,036	\$ 30,665	\$ 11,503	\$ 43,165	\$ 126,370
<b>Payroll adjustment</b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L23	2	4	4	10	20
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L12	42	47	9	43	140
4	Total payroll adjustment	L2 + L3	\$ 44	\$ 51	\$ 13	\$ 53	\$ 160
<b>Pension adjustment</b>							
5	Eliminate pension expense per budget		6,571	4,812	1,756	10,764	23,902
6	Include pension expense before delayed recognition	Exhibit TMA-1	(5,323)	(4,685)	(1,544)	(7,578)	(19,130)
7	Include delayed recognition of actuarial gains and losses	Exhibit TMA-1	16,783	19,356	5,524	5,755	47,419
8	Eliminate immediate recognition of actuarial gains and losses per budget		-	-	-	-	-
9	Total pension adjustment	SUM L5 to L8	\$ 18,031	\$ 19,484	\$ 5,735	\$ 8,941	\$ 52,191
<b>OPEB adjustment</b>							
10	Eliminate OPEB expense per budget	Exhibit TMA-2	(1,703)	6,045	(172)	(987)	3,182
11	Include OPEB expense before delayed recognition	Exhibit TMA-2	1,665	(6,019)	161	753	(3,440)
12	Include delayed recognition of actuarial gains and losses		2,386	(363)	264	184	2,471
13	Eliminate immediate recognition of actuarial gains and losses per budget		-	-	-	-	-
14	Total OPEB adjustment	SUM L10 to L13	\$ 2,347	\$ (337)	\$ 254	\$ (51)	\$ 2,213
<b>Employee benefit adjustment</b>							
15	Adjust employee benefit expenses	Adj. IS-8, SS 1, L14	\$ 91	\$ 79	\$ 34	\$ 96	\$ 300
16	Total before non-jurisdictional allocation	SUM L1, L4, L9, L14 and L15	\$ 61,549	\$ 49,941	\$ 17,539	\$ 52,204	\$ 181,234
<b>Non-jurisdictional allocation</b>							
17	Eliminate FERC jurisdictional expense	-L16 * 0%	-	-	-	-	-
18	Less: New York jurisdictional	-L16 * 0.59%	-	(295)	-	-	(295)
19	Total non-jurisdictional adjustment	L17 + L18	\$ -	\$ (295)	\$ -	\$ -	\$ (295)
<b>Rate case expense adjustment</b>							
20	Rate case expenses to be incurred during current rate proceeding	Adj. IS-8, SS 2, L6	\$ 234	\$ 234	\$ 77	\$ 288	\$ 833
21	Total adjustment to administrative and general expense	SUM L4, L9, L14, L15, L19 and L20	20,747	19,215	6,114	9,327	55,403
22	Adjusted administrative & general expense per budget	L1 + L21	\$ 61,783	\$ 49,881	\$ 17,617	\$ 52,492	\$ 181,773

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**Adjustment IS-8 - Supporting Schedule 1 - Adjustment to Employee Benefit Expenses**

To determine the normalized costs associated with providing employee benefits related to the increased O&M payroll expense reflected in Adjustment IS-4, Supporting Schedule 1.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b>Benefits expense to total payroll expense</b>							
1	Workers Compensation	II-D-10 attachments, L7	\$ 320	\$ 387	\$ 99	\$ 348	\$ 1,154
2	Pension costs - normalized	II-D-10 attachments, L8 + Adj. IS-8, L9	13,804	15,852	4,480	413	34,549
3	OPEB costs - normalized	II-D-10 attachments, L9 + Adj. IS-8, L14	3,994	(7,147)	389	748	(2,017)
4	Medical insurance	II-D-10 attachments, L11	14,167	8,685	2,719	6,231	31,803
5	Savings plan	II-D-10 attachments, L14	2,341	2,636	770	2,888	8,635
6	Other	II-D-10 attachments	1,274	1,551	23	1,529	4,378
7	Total benefit expense	SUM L1 to L6	\$ 35,899	\$ 21,965	\$ 8,479	\$ 12,156	\$ 78,500
8	Total payroll expense	Adj. IS-4, SS 1, L1	83,421	91,570	22,710	79,842	277,544
9	Effective benefit rate	L7 / L8	43.03%	23.99%	37.34%	15.23%	28.28%
10	Payroll adjustment	Adj. IS-4, SS 1, L14	473	705	257	1,488	2,923
11	Benefit adjustment	L9 * L10	204	169	96	227	695
12	Adjusted employee benefits per budget	L7 + L11	\$ 36,103	\$ 22,134	\$ 8,575	\$ 12,383	\$ 79,196
13	O&M allocation percentage	Adj. IS-4, SS 1, L16	44.80%	46.50%	35.30%	42.40%	
14	O&M benefit adjustment	L11 * L13	\$ 91	\$ 79	\$ 34	\$ 96	\$ 300

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**Adjustment IS-8 - Supporting Schedule 2 - Rate Case Expenses**

To provide a schedule of rate case expenses and determine the amortization of those expenses over a three-year period.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	External legal expenses		\$ 424	\$ 423	\$ 122	\$ 531	\$ 1,500
2	Total expert witness expenses		193	192	84	231	700
3	Other expenses <sup>(A)</sup>		84	88	26	103	300
4	Total rate case expenses	L1 to L3	\$ 701	\$ 703	\$ 232	\$ 865	\$ 2,500
5	Recovery period		3	3	3	3	3
6	Annual rate case expense recovery	L4 / L5	\$ 234	\$ 234	\$ 77	\$ 288	\$ 833

Note:

- (A) Other expenses include but are not limited to:
- copying
  - postage and courier services
  - public input hearing costs such as cost of facilities, travel, hotel, and meals
  - customer notification cost such as newspaper notices and bill inserts
  - transcripts
  - evidentiary hearing costs such as travel, hotel, and meals

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**Adjustment IS-9 - Depreciation Expense**

To adjust depreciation expense to (1) reflect the application of equal life group ("ELG") method depreciation rates, as supported by FE PA witness Spanos, on adjusted plant in service; (2) restate cot of removal / net salvage expense on a five-year average basis; and (3) eliminate an allocated portion of cost of removal / net salvage expense related to Penelec Rate District's New York jurisdiction.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Depreciation expense adjustment</u></b>							
1	Depreciation expense budget	p. 25-29, L11, col. 4	\$ 90,897	\$ 95,328	\$ 27,027	\$ 103,487	\$ 316,738
2	Less: Cost of removal / salvage expense budget		(16,037)	(17,925)	(5,207)	(16,783)	(55,952)
3	Depreciation expense per budget	L1+ L2	\$ 74,860	\$ 77,403	\$ 21,820	\$ 86,704	\$ 260,786
4	Include depreciation expense on adjusted plant in service	Adj. IS-9, SS 1, col. 3	99,167	107,685	28,415	102,415	337,682
5	Adjustment to depreciation expense	L4 - L3	\$ 24,307	\$ 30,282	\$ 6,595	\$ 15,711	\$ 76,895
<b><u>Cost of removal / salvage adjustment</u></b>							
6	Cost of removal / salvage expense budget	-L2	\$ 16,037	\$ 17,925	\$ 5,207	\$ 16,783	\$ 55,952
7	2019 cost of removal / salvage expense		\$ 11,454	\$ 12,129	\$ 5,822	\$ 17,970	\$ 47,374
8	2020 cost of removal / salvage expense		13,677	13,152	4,922	24,147	55,898
9	2021 cost of removal / salvage expense		13,921	17,502	4,449	13,460	49,332
10	2022 cost of removal / salvage expense		15,087	12,915	5,319	15,892	49,214
11	2023 cost of removal / salvage expense		16,248	16,579	5,567	15,639	54,033
12	Total	SUM L7 to L11	\$ 70,387	\$ 72,278	\$ 26,079	\$ 87,108	\$ 255,852
13	Average cost of removal / salvage expense	L12 / 5	14,078	14,456	5,216	17,422	51,170
14	Adjustment to cost of removal / salvage expense	L13 - L6	\$ (1,960)	\$ (3,469)	\$ 9	\$ 638	\$ (4,782)
15	Total before non-jurisdictional allocation	L6 + L14	\$ 14,078	\$ 14,456	\$ 5,216	\$ 17,422	\$ 51,170
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.55%	\$ -	\$ (80)	\$ -	\$ -	\$ (80)
17	Total adjustment to depreciation expense	L5 + L14 + L16	22,348	26,733	6,604	16,349	72,034
18	Adjusted depreciation expense per budget	L1 + L17	\$ 113,245	\$ 122,061	\$ 33,631	\$ 119,836	\$ 388,772

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1 - Total FE PA Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

<b>Line</b>	<b>Acct No.</b>	<b>Description</b>	<b>Plant in Service, as adjusted</b>	<b>Accrual Rate</b>	<b>Depreciation Expense</b>
			<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 372,106	5.83%	\$ 21,712
2		Subtotal - Intangible plant	<u>\$ 372,106</u>	<u>5.83%</u>	<u>\$ 21,712</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 79,469	1.30%	\$ 1,036
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 79,469</u>	<u>1.30%</u>	<u>\$ 1,036</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 61,577	0.75%	\$ 460
15	361	Structures and improvements	66,292	1.29%	858
16	362	Station equipment	1,365,728	1.90%	25,987
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	2,112,709	1.75%	37,038
19	365	Overhead conductors and devices	3,667,211	2.28%	83,490
20	366	Underground conduit	115,112	1.60%	1,842
21	367	Underground conductors and devices	1,017,252	2.26%	22,940
22	368	Line transformers	1,688,685	2.57%	43,346
23	369	Services	542,874	1.79%	9,708
24	370	Meters	571,599	7.72%	44,132
25	371	Installations on customers' premises	47,497	1.58%	752
26	372	Leased property on customers' premises	493	0.51%	2
27	373	Street lighting and signal systems	135,797	6.51%	8,846
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 11,392,827</u>	<u>2.45%</u>	<u>\$ 279,401</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 332	1.22%	\$ 4
31	390	Structures and improvements	410,856	3.55%	14,584
32	391	Office furniture and equipment	36,759	15.59%	5,730
33	392	Transportation equipment	31,028	7.66%	2,378
34	393	Stores equipment	309	3.09%	10
35	394	Tools, shop and garage equipment	57,210	5.04%	2,882
36	395	Laboratory equipment	660	2.03%	13
37	396	Power operated equipment	7,975	1.58%	126
38	397	Communication equipment	127,846	7.67%	9,802
39	398	Miscellaneous equipment	156	1.90%	3
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 673,132</u>	<u>5.28%</u>	<u>\$ 35,532</u>
43		Total - Electric plant in service	<u>\$ 12,517,534</u>	<u>2.70%</u>	<u>\$ 337,682</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
(\$ in Thousands)

**Adjustment 9 - Supporting Schedule 1A - FE PA Met-Ed Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 105,061	4.82%	\$ 5,067
2		Subtotal - Intangible plant	<u>\$ 105,061</u>	<u>4.82%</u>	<u>\$ 5,067</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 26,938	1.34%	\$ 361
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 26,938</u>	<u>1.34%</u>	<u>\$ 361</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 28,933	0.50%	\$ 144
15	361	Structures and improvements	18,103	1.35%	245
16	362	Station equipment	364,453	1.92%	6,982
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	609,158	1.94%	11,802
19	365	Overhead conductors and devices	1,027,470	2.60%	26,692
20	366	Underground conduit	35,459	1.60%	567
21	367	Underground conductors and devices	358,421	2.23%	7,976
22	368	Line transformers	523,577	2.58%	13,506
23	369	Services	201,488	2.00%	4,022
24	370	Meters	150,008	7.96%	11,938
25	371	Installations on customers' premises	4,862	1.64%	80
26	372	Leased property on customers' premises	-	0.00%	-
27	373	Street lighting and signal systems	20,970	4.99%	1,046
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 3,342,904</u>	<u>2.54%</u>	<u>\$ 85,001</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 18	0.37%	\$ 0
31	390	Structures and improvements	156,010	3.26%	5,082
32	391	Office furniture and equipment	7,237	17.26%	1,249
33	392	Transportation equipment	6,099	7.32%	446
34	393	Stores equipment	38	2.38%	1
35	394	Tools, shop and garage equipment	13,706	3.94%	540
36	395	Laboratory equipment	86	0.00%	-
37	396	Power operated equipment	1,249	2.37%	30
38	397	Communication equipment	31,274	4.44%	1,389
39	398	Miscellaneous equipment	67	2.10%	1
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 215,783</u>	<u>4.05%</u>	<u>\$ 8,738</u>
43		Total - Electric plant in service	<u>\$ 3,690,685</u>	<u>2.69%</u>	<u>\$ 99,167</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
(\$ in Thousands)

**Adjustment 9 - Supporting Schedule 1B - FE PA Penelec Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 115,966	6.16%	\$ 7,146
2		Subtotal - Intangible plant	<u>\$ 115,966</u>	<u>6.16%</u>	<u>\$ 7,146</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 12,640	1.51%	\$ 191
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 12,640</u>	<u>1.51%</u>	<u>\$ 191</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 15,524	0.83%	\$ 129
15	361	Structures and improvements	18,810	1.21%	228
16	362	Station equipment	428,156	1.96%	8,398
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	744,665	1.68%	12,524
19	365	Overhead conductors and devices	1,308,582	2.21%	28,940
20	366	Underground conduit	46,559	1.57%	729
21	367	Underground conductors and devices	270,125	2.51%	6,793
22	368	Line transformers	497,863	2.68%	13,340
23	369	Services	143,210	1.72%	2,463
24	370	Meters	151,548	7.99%	12,116
25	371	Installations on customers' premises	28,503	1.38%	392
26	372	Leased property on customers' premises	195	0.07%	0
27	373	Street lighting and signal systems	51,507	7.31%	3,767
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 3,705,248</u>	<u>2.42%</u>	<u>\$ 89,820</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 21	0.00%	\$ -
31	390	Structures and improvements	101,566	3.14%	3,193
32	391	Office furniture and equipment	8,304	16.69%	1,386
33	392	Transportation equipment	11,173	6.60%	738
34	393	Stores equipment	25	0.00%	-
35	394	Tools, shop and garage equipment	19,185	4.49%	862
36	395	Laboratory equipment	169	0.00%	-
37	396	Power operated equipment	5,070	0.52%	27
38	397	Communication equipment	45,992	9.39%	4,321
39	398	Miscellaneous equipment	71	2.23%	2
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 191,576</u>	<u>5.50%</u>	<u>\$ 10,527</u>
43		Total - Electric plant in service	<u>\$ 4,025,430</u>	<u>2.68%</u>	<u>\$ 107,685</u>



**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
(\$ in Thousands)

**Adjustment 9 - Supporting Schedule 1C - FE PA Penn Power Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 25,253	5.99%	\$ 1,513
2		Subtotal - Intangible plant	\$ 25,253	5.99%	\$ 1,513
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 8,433	0.00%	\$ -
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 8,433	0.00%	\$ -
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 5,803	0.00%	\$ -
15	361	Structures and improvements	5,018	1.27%	64
16	362	Station equipment	128,359	2.58%	3,310
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	168,663	1.82%	3,076
19	365	Overhead conductors and devices	286,632	2.19%	6,277
20	366	Underground conduit	8,314	1.42%	118
21	367	Underground conductors and devices	118,467	2.31%	2,734
22	368	Line transformers	144,010	2.90%	4,171
23	369	Services	48,938	1.27%	619
24	370	Meters	53,590	7.45%	3,994
25	371	Installations on customers' premises	4,092	1.75%	72
26	372	Leased property on customers' premises	-	0.00%	-
27	373	Street lighting and signal systems	9,201	5.95%	548
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 981,087	2.55%	\$ 24,982
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 0	0.00%	\$ -
31	390	Structures and improvements	11,972	1.89%	226
32	391	Office furniture and equipment	1,988	16.23%	323
33	392	Transportation equipment	1,809	8.05%	146
34	393	Stores equipment	27	0.36%	0
35	394	Tools, shop and garage equipment	3,938	4.15%	164
36	395	Laboratory equipment	22	5.77%	1
37	396	Power operated equipment	1,392	4.75%	66
38	397	Communication equipment	11,598	8.57%	994
39	398	Miscellaneous equipment	8	0.00%	-
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 32,753	5.86%	\$ 1,920
43		Total - Electric plant in service	\$ 1,047,527	2.71%	\$ 28,415

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1D - FE PA West Penn Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 125,825	6.35%	\$ 7,986
2		Subtotal - Intangible plant	<u>\$ 125,825</u>	<u>6.35%</u>	<u>\$ 7,986</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 31,457	1.54%	\$ 484
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 31,457</u>	<u>1.54%</u>	<u>\$ 484</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 11,317	1.65%	\$ 187
15	361	Structures and improvements	24,361	1.32%	321
16	362	Station equipment	444,759	1.64%	7,296
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	590,222	1.63%	9,636
19	365	Overhead conductors and devices	1,044,528	2.07%	21,580
20	366	Underground conduit	24,780	1.73%	428
21	367	Underground conductors and devices	270,239	2.01%	5,436
22	368	Line transformers	523,236	2.36%	12,329
23	369	Services	149,237	1.75%	2,605
24	370	Meters	216,452	7.43%	16,083
25	371	Installations on customers' premises	10,039	2.07%	208
26	372	Leased property on customers' premises	298	0.79%	2
27	373	Street lighting and signal systems	54,120	6.44%	3,485
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 3,363,588</u>	<u>2.37%</u>	<u>\$ 79,597</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 293	1.36%	\$ 4
31	390	Structures and improvements	141,308	4.30%	6,083
32	391	Office furniture and equipment	19,229	14.42%	2,772
33	392	Transportation equipment	11,946	8.78%	1,048
34	393	Stores equipment	219	3.90%	9
35	394	Tools, shop and garage equipment	20,381	6.46%	1,317
36	395	Laboratory equipment	384	3.17%	12
37	396	Power operated equipment	265	1.52%	4
38	397	Communication equipment	38,982	7.95%	3,098
39	398	Miscellaneous equipment	11	0.00%	-
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 233,020</u>	<u>6.16%</u>	<u>\$ 14,347</u>
43		Total - Electric plant in service	<u>\$ 3,753,890</u>	<u>2.73%</u>	<u>\$ 102,415</u>

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-10 - Amortization Expense**

To adjust amortization expense to (1) eliminate amortization on riders rolled into base rates; (2) eliminate storm reserve amortization per the income statement; (3) eliminate deferrals associated with asst retirement obligation accretion and depreciation per the income statement; (4) eliminate amortizations related to West Penn Rate District's FERC jurisdiction; (5) include amortization of the storm reserve accounts balance at the end of the FTY; (6) include amortization of the extraordinary storm balance; (7) include amortization of the COVID-19 regulatory asset; (8) include amortization of the streetlighting costs, as supported by FE PA witness Kehl; and (9) to include the amortization of the Rate Districts' Verizon complaints, as supported by FE PA witness Savage.

Line	Description	Reference	Rate District				Total FE PA	
			Met-Ed	Penelec	Penn Power	West Penn		
		(1)	(2)	(3)	(4)	(5)	(6)	
1	Amortization expense per budget	p. 25-29, L12 col. 4	\$ (9,734)	\$ (4,422)	\$ (646)	\$ (2,531)	\$ (17,332)	
<b><u>Eliminate amortizations per budget</u></b>								
2	Eliminate DSIC rider amortization		-	-	-	-	-	
3	Eliminate TCJA rider amortization		-	-	-	-	-	
4	Eliminate SMT rider deferral		(1,583)	5	(525)	(572)	(2,674)	
5	Eliminate STAS deferral		-	-	-	-	-	
6	Eliminate storm reserve deferral		11,203	4,069	1,136	2,999	19,408	
7	Eliminate deferred accretion / depreciation expense		114	348	34	104	599	
8	Eliminate amortizations related to West Penn Rate District's FERC jurisdiction		-	-	-	-	-	
9	Total eliminated amortizations	SUM L2 to L8	\$ 9,734	\$ 4,422	\$ 646	\$ 2,531	\$ 17,332	
<b><u>Amortize storm reserve balance over 3 years</u></b>								
10	Storm reserve balance	Adj. RB-5, L1 + L2	99,847	45,279	20,582	42,724	208,432	
11	Amortization period		3	3	3	3	3	
12	Storm reserve amortization expense		\$ 33,282	\$ 15,093	\$ 6,861	\$ 14,241	\$ 69,477	
<b><u>Amortize extraordinary storm damage balance over 3 years</u></b>								
13	Extraordinary storm balance	Adj. RB-5, L5	33,572	8,176	19,950	23,396	85,094	
14	Amortization period		3	3	3	3	3	
15	Extraordinary storm amortization expense		\$ 11,191	\$ 2,725	\$ 6,650	\$ 7,799	\$ 28,365	
<b><u>Amortize COVID-19 regulatory asset balance over 3 years</u></b>								
16	COVID-19 regulatory asset amortization expense	Adj. IS-10, SS 1, L11	\$ 2,108	\$ 3,518	\$ 1,193	\$ 3,308	\$ 10,128	
<b><u>Amortize streetlight regulatory asset balance over 5 years</u></b>								
17	Streetlight regulatory asset balance	FE PA witness Kehl	8,304	22,480	1,382	14,537	46,703	
18	Amortization period		5	5	5	5	5	
19	Streetlight regulatory asset amortization expense		\$ 1,661	\$ 4,496	\$ 276	\$ 2,907	\$ 9,341	
<b><u>Amortize Verizon complaints over 3 years</u></b>								
20	Verizon complaint amounts	Exhibit JMS-4	<b>HIGHLY CONFIDENTIAL INFORMATION REDACTED</b>					
21	Amortization period							
22	Verizon complaint amortization expense		\$ 3,659	\$ 4,555	\$ 416	\$ -	\$ 8,630	
23	Total adjustment to amortization expense	SUM L9, L12, L15, L16, L19 and L22	61,634	34,809	16,042	30,786	143,272	
24	Adjusted amortization expense per budget	L1 + L23	\$ 51,901	\$ 30,387	\$ 15,396	\$ 28,256	\$ 125,940	

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-10 - Supporting Schedule 1 - COVID-19 Expenses**

To provide a schedule of COVID-19 expenses incurred by the company and determine the amortization of those expenses over a three-year period.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Incremental uncollectible accounts expense		\$ 3,419	\$ 7,368	\$ 2,813	\$ 6,685	\$ 20,285
2	Late payment charge waivers		2,568	2,828	676	2,831	8,903
3	Reconnect charge waivers		9	4	3	11	27
4	Bill assistance media campaign		265	291	73	331	960
5	Postage		38	38	9	41	127
6	Customer mailings		17	17	4	19	58
7	Outbound dialing campaign		5	5	1	5	16
8	Emergency rental assistance program outbound dialing campaign		2	2	1	2	7
9	Total COVID-19 expenses	SUM L1 to L8	\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	30,383
10	Recovery period		3	3	3	3	3
11	COVID-19 regulatory asset amortization expense	L9 / L10	\$ 2,108	\$ 3,518	\$ 1,193	\$ 3,308	\$ 10,128

**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Adjustment IS-11 - Taxes Other Than Income Tax Expense**

To adjust taxes other than income to (1) reflect normalized sales revenues in gross receipts tax expense; (2) reflect year end wage rates and employee levels in payroll tax expense; (3) reflect PURTA tax expense consistent with the PURTA determination received in August 2023; and (4) eliminate non-jurisdictional real estate tax expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Taxes other than income tax expense per budget	p. 25-29, L13, col. 4	\$ 32,856	\$ 32,586	\$ 8,423	\$ 29,772	\$ 103,637
<b><u>Taxes other than income tax expense per budget</u></b>							
2	Gross receipts tax ("GRT") expense per budget		\$ 73,921	\$ 67,289	\$ 20,617	\$ 81,409	\$ 243,235
3	Less: GRT on riders retained		(46,179)	(39,063)	(13,117)	(56,033)	(154,393)
4	Base rates related GRT	L2 + L3	27,742	28,226	7,499	25,376	88,843
5	Federal and State payroll taxes		1,936	2,100	388	2,006	6,429
6	PURTA tax		2,623	1,762	455	2,179	7,019
7	Real estate tax		434	374	81	204	1,093
8	Sales & Use tax		122	123	-	7	252
9	Other tax		-	1	0	-	1
10	Total taxes other than income tax expense per budget	SUM L4 to L9	\$ 32,856	\$ 32,586	\$ 8,423	\$ 29,772	\$ 103,637
<b><u>GRT adjustment</u></b>							
11	Normalized sales revenue	Adj. IS-2, L14	\$ 468,656	\$ 471,592	\$ 126,902	\$ 428,151	\$ 1,495,300
12	Gross receipts tax rate		5.90%	5.90%	5.90%	5.90%	5.90%
13	GRT on normalized sales	L11 * L12	\$ 27,651	\$ 27,824	\$ 7,487	\$ 25,261	\$ 88,223
14	Less: GRT expense per budget	-L4	(27,742)	(28,226)	(7,499)	(25,376)	(88,843)
15	Adjustment to GRT	L13 + L14	\$ (91)	\$ (402)	\$ (12)	\$ (115)	\$ (620)
<b><u>Payroll tax adjustment</u></b>							
16	Adjustment to payroll tax	Adj. IS-11, SS 1, L8	\$ 5	\$ 8	\$ 2	\$ 16	\$ 30
<b><u>PURTA tax adjustment</u></b>							
17	PURTA tax determination issued 08/2023		\$ 2,310	\$ 1,668	\$ 402	\$ 1,720	\$ 6,100
18	Less: PURTA tax expense per budget	-L6	(2,623)	(1,762)	(455)	(2,179)	(7,019)
19	Adjustment to PURTA tax	L17 + L18	\$ (313)	\$ (94)	\$ (53)	\$ (459)	\$ (918)
<b><u>Real Estate tax adjustment</u></b>							
20	PA jurisdictional real estate taxes		\$ 434	\$ 188	\$ 80	\$ 186	\$ 888
21	Less: real estate tax per budget	-L7	(434)	(374)	(81)	(204)	(1,093)
22	Eliminate non-jurisdictional real estate taxes	L20 + L21	\$ -	\$ (186)	\$ (1)	\$ (18)	\$ (205)
23	Total adjustment to taxes other than income tax	L15 + L16 + L19 + L22	(399)	(674)	(64)	(576)	(1,714)
24	Adjusted taxes other than income tax expense per budget	L1 + L23	\$ 32,457	\$ 31,912	\$ 8,359	\$ 29,196	\$ 101,924

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**Adjustment IS-11 - Supporting Schedule 1 - Payroll Tax Expense**

To determine the additional payroll tax expense associated with the increased O&M payroll expense reflected in Adjustment IS-4, Supporting Schedule 1.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Payroll expense per budget	Adj. IS-4, SS 1, L1	\$ 83,421	\$ 91,570	\$ 22,710	\$ 79,842	\$ 277,544
2	Total payroll tax expense per budget	Adj. IS-11, L5	1,936	2,100	388	2,006	6,429
3	Effective payroll tax rate	L2 / L1	2.32%	2.29%	1.71%	2.51%	
4	Total payroll as adjusted	Adj. IS-4, SS 1, L15	\$ 83,894	\$ 92,275	\$ 22,967	\$ 81,331	\$ 280,467
5	Payroll tax on normalized payroll	L3 * L4	1,947	2,116	392	2,043	6,498
6	Payroll tax adjustment	L5 - L2	\$ 11	\$ 16	\$ 4	\$ 37	\$ 69
7	O&M allocation percentage	Adj. IS-4, SS 1, L16	44.80%	46.50%	35.30%	42.40%	
8	Adjustment for payroll tax	L6 * L7	\$ 5	\$ 8	\$ 2	\$ 16	\$ 30

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**Adjustment IS-12 - State and Federal Income Taxes at Pro Forma Present Rates**

To calculate the federal and state income taxes on the pro forma adjusted revenue and expense at present rates as shown in column 6 of FE PA and its Rate Districts' income statements.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Pro forma adjusted net income before income taxes at present rates</u></b>							
1	Revenue	p. 25-29, L4, col. 6	\$ 495,976	\$ 496,804	\$ 132,422	\$ 444,442	\$ 1,569,644
2	Operating expenses	p. 25-29, L14, col. 6	415,700	393,916	119,446	389,763	1,318,826
3	Operating income before income tax	L1- L2	\$ 80,275	\$ 102,888	\$ 12,976	\$ 54,679	\$ 250,819
<b><u>Interest expense</u></b>							
4	Rate base	p. 4-5	\$ 2,157,612	\$ 2,269,068	\$ 644,947	\$ 2,094,172	\$ 7,165,798
5	Weighted cost of debt	p.3, L1, col. 5	2.11%	2.11%	2.11%	2.11%	2.11%
6	Interest expense	L4 * L5	\$ 45,526	\$ 47,877	\$ 13,608	\$ 44,187	\$ 151,198
7	Net income before income taxes	L3 - L6	\$ 34,750	\$ 55,011	\$ (632)	\$ 10,492	\$ 99,620
<b><u>Current state income tax at present rates</u></b>							
8	Pro forma book depreciation	Adj. IS-9, L4	\$ 99,167	\$ 107,685	\$ 28,415	\$ 102,415	\$ 337,682
9	Federal accelerated tax depreciation		46,369	59,935	14,692	73,249	194,244
10	State accelerated tax depreciation		5,899	5,293	1,752	4,064	17,008
11	State tax depreciation (over) / under book	L8 - SUM L9 to L10	\$ 46,899	\$ 42,457	\$ 11,972	\$ 25,102	\$ 126,430
12	Pro forma net salvage amortization	Adj. IS-9, L13 + L16	14,078	14,376	5,216	17,422	\$ 51,091
13	Tax cost of removal / salvage		(15,013)	(17,002)	(5,078)	(19,053)	(56,147)
14	Tax basis repairs		(46,705)	(40,097)	(19,545)	(27,943)	(134,290)
15	Casualty losses		(10,300)	(7,800)	(2,700)	(14,000)	(34,800)
16	Section 263A deductions / A&G costs capitalized		(25,382)	(30,670)	(6,643)	(12,804)	(75,498)
17	Capitalized benefits		(5,677)	(4,919)	(1,502)	(5,313)	(17,411)
18	Other (AFUDC debt, CIAC, Capitalized interest)		5,287	5,059	1,972	12,347	24,665
19	State taxable income	L7 + SUM L11 to L18	\$ (2,064)	\$ 16,413	\$ (16,940)	\$ (13,750)	\$ (16,340)
20	State income tax rate		7.99%	7.99%	7.99%	7.99%	7.99%
21	State income tax expense at present rates	L19 * L20	\$ (165)	\$ 1,311	\$ (1,354)	\$ (1,099)	\$ (1,306)
<b><u>Current federal income tax at present rates</u></b>							
22	State taxable income	L19	\$ (2,064)	\$ 16,413	\$ (16,940)	\$ (13,750)	\$ (16,340)
23	Plus: state accelerated tax depreciation	L10	5,899	5,293	1,752	4,064	17,008
24	Less: state income tax	-L21	165	(1,311)	1,354	1,099	1,306
25	Federal taxable income	SUM L22 to L24	\$ 4,001	\$ 20,395	\$ (13,835)	\$ (8,588)	\$ 1,973
26	Federal income tax rate		21%	21%	21%	21%	21%
27	Federal income tax expense at pro forma present rates	L25 * L26	\$ 840	\$ 4,283	\$ (2,905)	\$ (1,803)	\$ 414

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**Adjustment IS-12 - Supporting Schedule 1 - State and Federal Income Taxes at Proposed Rates**

To calculate the federal and state income taxes on the pro forma adjusted revenue and expense at proposed rates as shown in column 8 of FE PA and its Rate Districts' income statements.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Pro forma adjusted net income before income taxes at proposed rates</u></b>							
1	Revenue	p. 25-29, L4, col. 8	\$ 642,308	\$ 629,767	\$ 187,186	\$ 614,232	\$ 2,073,493
2	Operating expenses	p. 25-29, L14, col. 8	426,364	403,734	123,355	401,752	1,355,205
3	Operating income before income tax	L1- L2	\$ 215,944	\$ 226,033	\$ 63,831	\$ 212,480	\$ 718,288
<b><u>Interest expense</u></b>							
4	Rate base	p. 4-5	\$ 2,157,612	\$ 2,269,068	\$ 644,947	\$ 2,094,172	\$ 7,165,798
5	Weighted cost of debt	p.3, L1, col. 5	2.11%	2.11%	2.11%	2.11%	2.11%
6	Interest expense	L4 * L5	\$ 45,526	\$ 47,877	\$ 13,608	\$ 44,187	\$ 151,198
7	Net income before income taxes	L3 - L6	\$ 170,418	\$ 178,156	\$ 50,223	\$ 168,293	\$ 567,090
<b><u>Current state income tax at proposed rates</u></b>							
8	Pro forma book depreciation	Adj. IS-9, L4	\$ 99,167	\$ 107,685	\$ 28,415	\$ 102,415	\$ 337,682
9	Federal accelerated tax depreciation		46,369	59,935	14,692	73,249	194,244
10	State accelerated tax depreciation		5,899	5,293	1,752	4,064	17,008
11	State tax depreciation (over) / under book	L8 - SUM L9 to L10	\$ 46,899	\$ 42,457	\$ 11,972	\$ 25,102	\$ 126,430
12	Pro forma net salvage amortization	Adj. IS-9, L13 + L16	14,078	14,376	5,216	17,422	\$ 51,091
13	Tax cost of removal / salvage		(15,013)	(17,002)	(5,078)	(19,053)	(56,147)
14	Tax basis repairs		(46,705)	(40,097)	(19,545)	(27,943)	(134,290)
15	Casualty losses		(10,300)	(7,800)	(2,700)	(14,000)	(34,800)
16	Section 263A deductions / A&G costs capitalized		(25,382)	(30,670)	(6,643)	(12,804)	(75,498)
17	Capitalized benefits		(5,677)	(4,919)	(1,502)	(5,313)	(17,411)
18	Other (AFUDC debt, CIAC, Capitalized interest)		5,287	5,059	1,972	12,347	24,665
19	State taxable income	L7 + SUM L11 to L18	\$ 133,605	\$ 139,558	\$ 33,915	\$ 144,051	\$ 451,129
20	State income tax rate		7.99%	7.99%	7.99%	7.99%	7.99%
21	State income tax expense	L19 * L20	\$ 10,675	\$ 11,151	\$ 2,710	\$ 11,510	\$ 36,045
<b><u>Current federal income tax at proposed rates</u></b>							
22	State taxable income	L19	\$ 133,605	\$ 139,558	\$ 33,915	\$ 144,051	\$ 451,129
23	Plus: state accelerated tax depreciation	L10	5,899	5,293	1,752	4,064	17,008
24	Less: state income tax	-L21	(10,675)	(11,151)	(2,710)	(11,510)	(36,045)
25	Federal taxable income	SUM L22 to L24	\$ 128,829	\$ 133,701	\$ 32,956	\$ 136,605	\$ 432,092
26	Federal income tax rate		21%	21%	21%	21%	21%
27	Federal income tax expense at proposed rates	L25 * L26	\$ 27,054	\$ 28,077	\$ 6,921	\$ 28,687	\$ 90,739



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**Adjustment IS-13 - Provision for Deferred Income Taxes**

To adjust the provision for deferred income taxes to (1) reflect property-related federal deferred income taxes; and (2) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Federal deferred income tax expense per budget	p. 25-29, L18, col. 4	\$ (2,893)	\$ (4,261)	\$ (209)	\$ (2,101)	\$ (9,465)
<b><u>Federal deferred income tax adjustment</u></b>							
2	Property-related federal deferred income tax	II-D-24	1,506	974	1,380	771	4,631
3	Adjustment before non-jurisdictional allocation	L2 - L1	4,399	5,236	1,589	2,872	14,095
4	Distribution deferred taxes	L1 + L3	\$ 1,506	\$ 974	\$ 1,380	\$ 771	\$ 4,631
<b><u>Non-jurisdictional allocation</u></b>							
5	Less: New York jurisdictional	-L4 * 0.61%	-	(6)	-	-	(6)
6	Adjustment to federal deferred taxes	L3 + L5	4,399	5,230	1,589	2,872	14,090
7	Adjusted federal deferred income tax expense per budget	L1 + L6	\$ 1,506	\$ 969	\$ 1,380	\$ 771	\$ 4,625

**FirstEnergy Pennsylvania Electric Company**  
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**Gross Revenue Conversion Factor**

To calculate the gross revenue conversion factor used to determine the amount of revenue required to recover taxes related to revenue once the amount of the net operating income increase is determined.

Line	Description	Reference	Rate District			
			Met-Ed	Penelec	Penn Power	West Penn
		(1)	(2)	(3)	(4)	(5)
<b><u>Gross revenue conversion factor</u></b>						
1	Gross Revenue Factor		1.000000	1.000000	1.000000	1.000000
2	Late payment charges	Adj. IS-6, SS 2, L5	4,200	4,667	1,320	4,736
3	Total customer and shopping revenue	Adj. IS-6, SS 1, L5	1,645,907	1,553,197	491,404	1,815,686
4	Late payment charge revenue	L2 / L3	0.002552	0.003005	0.002686	0.002608
5	Gross receipts tax	L1 * -5.9%	(0.059000)	(0.059000)	(0.059000)	(0.059000)
6	Uncollectible expenses	Adj. IS-6, SS 1, L7	(0.011663)	(0.012666)	(0.010174)	(0.009395)
7	2023 / 2024 PUC / OCA & SBA Assessment as a percent of revenue		(0.002397)	(0.002397)	(0.002397)	(0.002397)
8	Net revenues	L1 + SUM L4 to L7	0.929492	0.928942	0.931115	0.931816
9	State income taxes	L8 * -7.99%	(0.074266)	(0.074222)	(0.074396)	(0.074452)
10	Factor after state income taxes	L8 + L9	0.855226	0.854720	0.856719	0.857364
11	Federal income taxes	L10 * -21%	(0.179597)	(0.179491)	(0.179911)	(0.180046)
12	Net operating income factor	L9 + L11	0.675628	0.675229	0.676808	0.677318
13	Gross revenue conversion factor	1 / L12	1.480104	1.480980	1.477524	1.476412
14	Combined income tax factor for gross revenue	-L11 - 7.99%	25.950%	25.939%	25.981%	25.995%
<b><u>Income tax factor</u></b>						
15	Gross Revenue Factor		1.000000	1.000000	1.000000	1.000000
16	State income taxes	L15 * -7.99%	(0.079900)	(0.079900)	(0.079900)	(0.079900)
17	Factor after state income taxes	L15 + L16	0.920100	0.920100	0.920100	0.920100
18	Federal income taxes	L17 * -21%	(0.193221)	(0.193221)	(0.193221)	(0.193221)
19	Net operating income factor	L16 + L18	0.726879	0.726879	0.726879	0.726879
20	Gross revenue conversion factor	1 / L19	1.375745	1.375745	1.375745	1.375745
21	Combined income tax factor on taxable income	-L18 - 7.99%	27.312%	27.312%	27.312%	27.312%

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Overall Summary**

Line	Description	Reference	Present Rates	Revenue Increase	Proposed Rates
		(1)	(2)	(3)	(4)
<b>Total FE PA</b>					
1	Retail Sales	p.25, L1, col. 6	\$ 1,515,760	\$ 436,766	\$ 1,952,527
2	Other Operating Revenues	p.25, L3, col. 6	74,344	1,195	75,539
3	Total Operating Revenues	L1 + L2	<u>\$ 1,590,104</u>	<u>\$ 437,961</u>	<u>\$ 2,028,065</u>
4	Total Operating Expenses	p.25, L14, col. 6	1,294,910	31,671	1,326,582
5	Operating Income Before Tax	L3 - L4	\$ 295,194	\$ 406,290	\$ 701,484
6	Total Income Taxes	p.25, L21, col. 6	34,087	112,571	146,658
7	Net Operating Income	L5 - L6	<u>\$ 261,107</u>	<u>\$ 293,719</u>	<u>\$ 554,826</u>
8	Rate Base	p.4, L11, col. 4	<u>\$ 6,774,430</u>		<u>\$ 6,774,430</u>
9	Overall Rate of Return	L7 / L8	3.85%		8.19%
10	Rate of Return Requested	p.3, L3, col. 5			8.19%
11	Return on Equity		3.24%		11.30%
<b>FE PA - Met-Ed Rate District</b>					
12	Retail Sales	p.26, L1, col. 6	\$ 479,714	\$ 122,653	\$ 602,367
13	Other Operating Revenues	p.26, L3, col. 6	27,320	314	27,634
14	Total Operating Revenues	L12 + L13	<u>\$ 507,034</u>	<u>\$ 122,967</u>	<u>\$ 630,001</u>
15	Total Operating Expenses	p.26, L14, col. 6	407,900	8,966	416,866
16	Operating Income Before Tax	L14 - L15	\$ 99,135	\$ 114,001	\$ 213,136
17	Total Income Taxes	p.26, L21, col. 6	12,867	31,586	44,453
18	Net Operating Income	L16 - L17	<u>\$ 86,268</u>	<u>\$ 82,415</u>	<u>\$ 168,683</u>
19	Rate Base	p.4, L22, col. 4	<u>\$ 2,059,618</u>		<u>\$ 2,059,618</u>
20	Overall Rate of Return	L18 / L19	4.19%		8.19%
21	Rate of Return Requested	p.3, L3, col. 5			8.19%
22	Return on Equity		3.86%		11.30%
<b>FE PA - Penelec Rate District</b>					
23	Retail Sales	p.27, L1, col. 6	\$ 472,719	\$ 122,286	\$ 595,004
24	Other Operating Revenues	p.27, L3, col. 6	25,212	368	25,580
25	Total Operating Revenues	L23 + L24	<u>\$ 497,931</u>	<u>\$ 122,654</u>	<u>\$ 620,584</u>
26	Total Operating Expenses	p.27, L14, col. 6	387,582	9,060	396,641
27	Operating Income Before Tax	L25 - L26	\$ 110,349	\$ 113,594	\$ 223,943
28	Total Income Taxes	p.27, L21, col. 6	16,040	31,474	47,514
29	Net Operating Income	L27 - L28	<u>\$ 94,308</u>	<u>\$ 82,120</u>	<u>\$ 176,429</u>
30	Rate Base	p.4, L33, col. 4	<u>\$ 2,154,198</u>		<u>\$ 2,154,198</u>
31	Overall Rate of Return	L29 / L30	4.38%		8.19%
32	Rate of Return Requested	p.3, L3, col. 5			8.19%
33	Return on Equity		4.21%		11.30%

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Overall Summary**

Line	Description	Reference	Present Rates	Revenue Increase	Proposed Rates
		(1)	(2)	(3)	(4)
<b>FE PA - Penn Power Rate District</b>					
34	Retail Sales	p.28, L1, col. 6	\$ 132,667	\$ 42,704	\$ 175,370
35	Other Operating Revenues	p.28, L3, col. 6	5,520	115	5,635
36	Total Operating Revenues	L34 + L35	<u>\$ 138,187</u>	<u>\$ 42,819</u>	<u>\$ 181,005</u>
37	Total Operating Expenses	p.28, L14, col. 6	117,638	3,058	120,695
38	Operating Income Before Tax	L36 - L37	<u>\$ 20,549</u>	<u>\$ 39,761</u>	<u>\$ 60,310</u>
39	Total Income Taxes	p.28, L21, col. 6	1,078	11,017	12,095
40	Net Operating Income	L38 - L39	<u>\$ 19,470</u>	<u>\$ 28,744</u>	<u>\$ 48,215</u>
41	Rate Base	p.5, L44, col. 4	<u>\$ 588,703</u>		<u>\$ 588,703</u>
42	Overall Rate of Return	L40 / L41	3.31%		8.19%
43	Rate of Return Requested	p.3, L3, col. 5			8.19%
44	Return on Equity		2.22%		11.30%
<b>FE PA - West Penn Rate District</b>					
45	Retail Sales	p.29, L1, col. 6	\$ 430,661	\$ 149,125	\$ 579,785
46	Other Operating Revenues	p.29, L3, col. 6	16,292	398	16,689
47	Total Operating Revenues	L45 + L46	<u>\$ 446,952</u>	<u>\$ 149,522</u>	<u>\$ 596,474</u>
48	Total Operating Expenses	p.29, L14, col. 6	381,791	10,588	392,379
49	Operating Income Before Tax	L47 - L48	<u>\$ 65,161</u>	<u>\$ 138,934</u>	<u>\$ 204,095</u>
50	Total Income Taxes	p.29, L21, col. 6	4,101	38,495	42,596
51	Net Operating Income	L49 - L50	<u>\$ 61,060</u>	<u>\$ 100,440</u>	<u>\$ 161,499</u>
52	Rate Base	p.5, L55, col. 4	<u>\$ 1,971,910</u>		<u>\$ 1,971,910</u>
53	Overall Rate of Return	L51 / L52	3.10%		8.19%
54	Rate of Return Requested	p.3, L3, col. 5			8.19%
55	Return on Equity		1.83%		11.30%

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**FE PA Rate of Return**

The components of FE PA's rate of return, as shown on FE PA Exhibit BW-3, are supported by FE PA witnesses Wang and D'Ascendis.

Line	Description	Reference	Capitalization	Capitalization Ratios	Cost	Return
		(1)	(2)	(3)	(4)	(5)
1	Long-Term Debt		\$ 3,735,139	46.19%	4.56%	2.11%
2	Common Equity		4,352,022	53.81%	11.30%	6.08%
3	Total	L1 + L2	\$ 8,087,161	100.00%		8.19%

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Rate Base at Original Cost**

<b>Line</b>	<b>Description</b>	<b>Reference</b>	<b>Per Budget</b>	<b>Adjustment</b>	<b>Pro forma Adjusted</b>
		(1)	(2)	(3)	(4)
<b>Total FE PA</b>					
1	Plant in service	Adj. RB-1	\$ 11,841,307	\$ 4,394	\$ 11,845,701
2	Accumulated depreciation	Adj. RB-2	3,696,192	2,377	3,698,569
3	Net plant in service	L1 - L2	\$ 8,145,115	\$ 2,017	\$ 8,147,132
4	Material and supplies	Adj. RB-3	\$ -	\$ 72,094	\$ 72,094
5	Cash working capital	Adj. RB-4	-	201,495	201,495
6	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	349,797	349,797
7	Customer deposits	Adj. RB-6	(105,185)	3	(105,182)
8	Customer advances	Adj. RB-7	(557)	-	(557)
9	Accumulated deferred income taxes	Adj. RB-8	(1,897,583)	17,756	(1,879,826)
10	Capitalized pension and OPEB	Adj. RB-9	-	(10,523)	(10,523)
11	Total rate base	SUM L3 to L10	<u>\$ 6,141,791</u>	<u>\$ 632,639</u>	<u>\$ 6,774,430</u>
<b>FE PA - Met-Ed Rate District</b>					
12	Plant in service	Adj. RB-1	\$ 3,491,228	\$ 4,519	\$ 3,495,747
13	Accumulated depreciation	Adj. RB-2	1,060,915	(45)	1,060,870
14	Net plant in service	L12 - L13	\$ 2,430,313	\$ 4,564	\$ 2,434,878
15	Material and supplies	Adj. RB-3	\$ -	\$ 21,710	\$ 21,710
16	Cash working capital	Adj. RB-4	-	65,234	65,234
17	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	150,720	150,720
18	Customer deposits	Adj. RB-6	(35,853)	-	(35,853)
19	Customer advances	Adj. RB-7	-	-	-
20	Accumulated deferred income taxes	Adj. RB-8	(575,611)	6,599	(569,011)
21	Capitalized pension and OPEB	Adj. RB-9	-	(8,058)	(8,058)
22	Total rate base	SUM L14 to L21	<u>\$ 1,818,849</u>	<u>\$ 240,769</u>	<u>\$ 2,059,618</u>
<b>FE PA - Penelec Rate District</b>					
23	Plant in service	Adj. RB-1	\$ 3,847,147	\$ (21,930)	\$ 3,825,217
24	Accumulated depreciation	Adj. RB-2	1,183,546	(7,569)	1,175,978
25	Net plant in service	L23 - L24	\$ 2,663,601	\$ (14,361)	\$ 2,649,240
26	Material and supplies	Adj. RB-3	\$ -	\$ 23,657	\$ 23,657
27	Cash working capital	Adj. RB-4	-	64,441	64,441
28	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	77,674	77,674
29	Customer deposits	Adj. RB-6	(30,334)	3	(30,331)
30	Customer advances	Adj. RB-7	-	-	-
31	Accumulated deferred income taxes	Adj. RB-8	(644,652)	7,810	(636,843)
32	Capitalized pension and OPEB	Adj. RB-9	-	6,361	6,361
33	Total rate base	SUM L25 to L32	<u>\$ 1,988,614</u>	<u>\$ 165,584</u>	<u>\$ 2,154,198</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Rate Base at Original Cost**

Line	Description	Reference	Per Budget	Adjustment	Pro forma Adjusted
		(1)	(2)	(3)	(4)
<b>FE PA - Penn Power Rate District</b>					
34	Plant in service	Adj. RB-1	\$ 974,927	\$ 478	\$ 975,405
35	Accumulated depreciation	Adj. RB-2	274,640	(26)	274,614
36	Net plant in service	L34 - L35	<u>\$ 700,287</u>	<u>\$ 504</u>	<u>\$ 700,791</u>
37	Material and supplies	Adj. RB-3	\$ -	\$ 5,864	\$ 5,864
38	Cash working capital	Adj. RB-4	-	14,835	14,835
39	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	45,360	45,360
40	Customer deposits	Adj. RB-6	(7,833)	-	(7,833)
41	Customer advances	Adj. RB-7	-	-	-
42	Accumulated deferred income taxes	Adj. RB-8	(166,485)	716	(165,769)
43	Capitalized pension and OPEB	Adj. RB-9	-	(4,544)	(4,544)
44	Total rate base	SUM L36 to L43	<u>\$ 525,969</u>	<u>\$ 62,735</u>	<u>\$ 588,703</u>

<b>FE PA - West Penn Rate District</b>					
45	Plant in service	Adj. RB-1	\$ 3,528,005	\$ 21,326	\$ 3,549,331
46	Accumulated depreciation	Adj. RB-2	1,177,091	10,017	1,187,108
47	Net plant in service	L45 - L46	<u>\$ 2,350,914</u>	<u>\$ 11,309</u>	<u>\$ 2,362,224</u>
48	Material and supplies	Adj. RB-3	\$ -	\$ 20,863	\$ 20,863
49	Cash working capital	Adj. RB-4	-	56,986	56,986
50	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	76,045	76,045
51	Customer deposits	Adj. RB-6	(31,164)	-	(31,164)
52	Customer advances	Adj. RB-7	(557)	-	(557)
53	Accumulated deferred income taxes	Adj. RB-8	(510,835)	2,632	(508,203)
54	Capitalized pension and OPEB	Adj. RB-9	-	(4,282)	(4,282)
55	Total rate base	SUM L47 to L54	<u>\$ 1,808,359</u>	<u>\$ 163,551</u>	<u>\$ 1,971,910</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-1 - Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Plant in service per budget		\$ 3,491,228	\$ 3,847,147	\$ 974,927	\$ 3,528,005	\$ 11,841,307
2	Eliminate asset retirement costs	Adj. RB-1, SS 1, col. 2	(155)	(403)	(37)	(750)	(1,345)
3	Eliminate plant supporting Penelec Rate District's New York jurisdiction	Adj. RB-1, SS 1, col. 3	-	(23,465)	-	-	(23,465)
4	Include plant associated with West Penn Rate District's acquisition of LIDA	Adj. RB-1, SS 1, col. 4	-	-	-	17,196	17,196
5	Include plant associated with two-year inspection and maintenance cycle	Adj. RB-1, SS 1, col. 5	4,674	1,938	515	4,880	12,008
6	Total adjustment to plant in service	SUM L2 to L5	\$ 4,519	\$ (21,930)	\$ 478	\$ 21,326	\$ 4,394
7	Adjusted plant in service per budget	L1 + L6	\$ 3,495,747	\$ 3,825,217	\$ 975,405	\$ 3,549,331	\$ 11,845,701



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1 - Total FE PA Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service	Asset Retirement Costs	New York	LIDA	I&M Cycle	Total Adjustment	Plant in Service, as adjusted
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 339	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 338
2	302	Franchises and consents	526	-	(2)	-	-	(2)	524
3	350.1	Transmission land	11,075	-	(18)	-	-	(18)	11,057
4	360.1	Distribution land	14,025	-	(10)	-	-	(10)	14,015
5	389.1	General land	6,319	-	(7)	-	-	(7)	6,312
6		Subtotal - Non-depreciable plant	\$ 32,284	\$ -	\$ (37)	\$ -	\$ -	\$ (37)	\$ 32,247
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 357,952	\$ -	\$ (658)	\$ -	\$ -	\$ (658)	\$ 357,294
8		Subtotal - Intangible plant	\$ 357,952	\$ -	\$ (658)	\$ -	\$ -	\$ (658)	\$ 357,294
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 79,547	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 79,469
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 79,547	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 79,469
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 61,379	\$ -	\$ (95)	\$ -	\$ -	\$ (95)	\$ 61,283
21	361	Structures and improvements	66,141	-	(115)	132	-	17	66,158
22	362	Station equipment	1,322,987	-	(2,529)	2,391	-	(139)	1,322,848
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	1,982,583	-	(4,345)	2,934	6,358	4,947	1,987,530
25	365	Overhead conductors and devices	3,403,310	-	(7,607)	5,273	4,747	2,414	3,405,723
26	366	Underground conduit	115,142	-	(286)	135	-	(151)	114,991
27	367	Underground conductors and devices	933,932	-	(1,512)	1,385	-	(127)	933,805
28	368	Line transformers	1,606,497	-	(2,841)	2,715	903	776	1,607,273
29	369	Services	531,317	-	(851)	784	-	(68)	531,249
30	370	Meters	548,861	-	(894)	1,122	-	229	549,090
31	371	Installations on customers' premises	47,620	-	(175)	55	-	(120)	47,500
32	372	Leased property on customers' premises	493	-	(1)	2	-	0	493
33	373	Street lighting and signal systems	125,409	-	(287)	270	-	(17)	125,392
34	374	Asset retirement costs for distribution plant	152	(152)	-	-	-	(152)	-
35		Subtotal - Distribution plant	\$10,745,822	\$ (152)	\$ (21,538)	\$ 17,196	\$ 12,008	\$ 7,514	\$10,753,335
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 333	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 332
37	390	Structures and improvements	367,617	-	(591)	-	-	(591)	367,026
38	391	Office furniture and equipment	38,198	-	(60)	-	-	(60)	38,138
39	392	Transportation equipment	28,414	-	(63)	-	-	(63)	28,351
40	393	Stores equipment	434	-	(0)	-	-	(0)	434
41	394	Tools, shop and garage equipment	55,652	-	(117)	-	-	(117)	55,534
42	395	Laboratory equipment	661	-	(1)	-	-	(1)	660
43	396	Power operated equipment	8,007	-	(31)	-	-	(31)	7,975
44	397	Communication equipment	124,824	-	(290)	-	-	(290)	124,534
45	398	Miscellaneous equipment	371	-	(0)	-	-	(0)	371
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	1,193	(1,193)	-	-	-	(1,193)	-
48		Subtotal - General plant	\$ 625,703	\$ (1,193)	\$ (1,154)	\$ -	\$ -	\$ (2,347)	\$ 623,356
49		Total - Electric plant in service	\$11,841,307	\$ (1,345)	\$ (23,465)	\$ 17,196	\$ 12,008	\$ 4,394	\$11,845,701

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1A - FE PA Met-Ed Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124
2	302	Franchises and consents	151	-	-	-	-	-	151
3	350.1	Transmission land	3,554	-	-	-	-	-	3,554
4	360.1	Distribution land	4,014	-	-	-	-	-	4,014
5	389.1	General land	2,937	-	-	-	-	-	2,937
6		Subtotal - Non-depreciable plant	\$ 10,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,780
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 100,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,536
8		Subtotal - Intangible plant	\$ 100,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,536
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 26,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,938
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 26,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,938
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 28,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,933
21	361	Structures and improvements	18,103	-	-	-	-	-	18,103
22	362	Station equipment	351,189	-	-	-	-	-	351,189
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	577,240	-	-	-	2,123	2,123	579,363
25	365	Overhead conductors and devices	922,222	-	-	-	2,331	2,331	924,552
26	366	Underground conduit	35,459	-	-	-	-	-	35,459
27	367	Underground conductors and devices	335,746	-	-	-	-	-	335,746
28	368	Line transformers	507,734	-	-	-	221	221	507,954
29	369	Services	200,343	-	-	-	-	-	200,343
30	370	Meters	145,652	-	-	-	-	-	145,652
31	371	Installations on customers' premises	4,862	-	-	-	-	-	4,862
32	372	Leased property on customers' premises	-	-	-	-	-	-	-
33	373	Street lighting and signal systems	20,164	-	-	-	-	-	20,164
34	374	Asset retirement costs for distribution plant	49	(49)	-	-	-	(49)	-
35		Subtotal - Distribution plant	\$ 3,147,697	\$ (49)	\$ -	\$ -	\$ 4,674	\$ 4,625	\$ 3,152,322
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18
37	390	Structures and improvements	148,145	-	-	-	-	-	148,145
38	391	Office furniture and equipment	8,964	-	-	-	-	-	8,964
39	392	Transportation equipment	5,662	-	-	-	-	-	5,662
40	393	Stores equipment	56	-	-	-	-	-	56
41	394	Tools, shop and garage equipment	13,123	-	-	-	-	-	13,123
42	395	Laboratory equipment	86	-	-	-	-	-	86
43	396	Power operated equipment	1,249	-	-	-	-	-	1,249
44	397	Communication equipment	27,803	-	-	-	-	-	27,803
45	398	Miscellaneous equipment	67	-	-	-	-	-	67
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	106	(106)	-	-	-	(106)	-
48		Subtotal - General plant	\$ 205,277	\$ (106)	\$ -	\$ -	\$ -	\$ (106)	\$ 205,171
49		Total - Electric plant in service	\$ 3,491,228	\$ (155)	\$ -	\$ -	\$ 4,674	\$ 4,519	\$ 3,495,747

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1B - FE PA Penelec Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 35	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 34
2	302	Franchises and consents	307	-	(2)	-	-	(2)	305
3	350.1	Transmission land	2,909	-	(18)	-	-	(18)	2,891
4	360.1	Distribution land	1,681	-	(10)	-	-	(10)	1,671
5	389.1	General land	1,093	-	(7)	-	-	(7)	1,086
6		Subtotal - Non-depreciable plant	<u>\$ 6,024</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ 5,987</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 107,927	\$ -	\$ (658)	\$ -	\$ -	\$ (658)	\$ 107,268
8		Subtotal - Intangible plant	<u>\$ 107,927</u>	<u>\$ -</u>	<u>\$ (658)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (658)</u>	<u>\$ 107,268</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 12,718	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 12,640
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	<u>\$ 12,718</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ 12,640</u>
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 15,619	\$ -	\$ (95)	\$ -	\$ -	\$ (95)	\$ 15,524
21	361	Structures and improvements	18,862	-	(115)	-	-	(115)	18,747
22	362	Station equipment	414,658	-	(2,529)	-	-	(2,529)	412,129
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	712,225	-	(4,345)	-	1,248	(3,097)	709,128
25	365	Overhead conductors and devices	1,246,984	-	(7,607)	-	538	(7,069)	1,239,915
26	366	Underground conduit	46,806	-	(286)	-	-	(286)	46,520
27	367	Underground conductors and devices	247,894	-	(1,512)	-	-	(1,512)	246,381
28	368	Line transformers	465,781	-	(2,841)	-	152	(2,689)	463,091
29	369	Services	139,558	-	(851)	-	-	(851)	138,707
30	370	Meters	146,519	-	(894)	-	-	(894)	145,625
31	371	Installations on customers' premises	28,678	-	(175)	-	-	(175)	28,503
32	372	Leased property on customers' premises	196	-	(1)	-	-	(1)	195
33	373	Street lighting and signal systems	47,079	-	(287)	-	-	(287)	46,791
34	374	Asset retirement costs for distribution plant	81	(81)	-	-	-	(81)	-
35		Subtotal - Distribution plant	<u>\$ 3,530,940</u>	<u>\$ (81)</u>	<u>\$ (21,538)</u>	<u>\$ -</u>	<u>\$ 1,938</u>	<u>\$ (19,681)</u>	<u>\$ 3,511,259</u>
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 21	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 21
37	390	Structures and improvements	96,857	-	(591)	-	-	(591)	96,266
38	391	Office furniture and equipment	9,872	-	(60)	-	-	(60)	9,812
39	392	Transportation equipment	10,302	-	(63)	-	-	(63)	10,240
40	393	Stores equipment	40	-	(0)	-	-	(0)	40
41	394	Tools, shop and garage equipment	19,201	-	(117)	-	-	(117)	19,084
42	395	Laboratory equipment	170	-	(1)	-	-	(1)	169
43	396	Power operated equipment	5,101	-	(31)	-	-	(31)	5,070
44	397	Communication equipment	47,580	-	(290)	-	-	(290)	47,290
45	398	Miscellaneous equipment	73	-	(0)	-	-	(0)	72
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	322	(322)	-	-	-	(322)	-
48		Subtotal - General plant	<u>\$ 189,539</u>	<u>\$ (322)</u>	<u>\$ (1,154)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,476)</u>	<u>\$ 188,062</u>
49		Total - Electric plant in service	<u>\$ 3,847,147</u>	<u>\$ (403)</u>	<u>\$ (23,465)</u>	<u>\$ -</u>	<u>\$ 1,938</u>	<u>\$ (21,930)</u>	<u>\$ 3,825,217</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1C - FE PA Penn Power Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23
2	302	Franchises and consents	69	-	-	-	-	-	69
3	350.1	Transmission land	2,112	-	-	-	-	-	2,112
4	360.1	Distribution land	1,593	-	-	-	-	-	1,593
5	389.1	General land	227	-	-	-	-	-	227
6		Subtotal - Non-depreciable plant	\$ 4,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,022
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 24,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,605
8		Subtotal - Intangible plant	\$ 24,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,605
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 8,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,433
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 8,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,433
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 5,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,803
21	361	Structures and improvements	4,940	-	-	-	-	-	4,940
22	362	Station equipment	119,393	-	-	-	-	-	119,393
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	155,889	-	-	-	160	160	156,049
25	365	Overhead conductors and devices	268,478	-	-	-	255	255	268,733
26	366	Underground conduit	8,225	-	-	-	-	-	8,225
27	367	Underground conductors and devices	96,706	-	-	-	-	-	96,706
28	368	Line transformers	135,878	-	-	-	100	100	135,978
29	369	Services	47,944	-	-	-	-	-	47,944
30	370	Meters	51,181	-	-	-	-	-	51,181
31	371	Installations on customers' premises	4,092	-	-	-	-	-	4,092
32	372	Leased property on customers' premises	-	-	-	-	-	-	-
33	373	Street lighting and signal systems	8,769	-	-	-	-	-	8,769
34	374	Asset retirement costs for distribution plant	4	(4)	-	-	-	(4)	-
35		Subtotal - Distribution plant	\$ 907,301	\$ (4)	\$ -	\$ -	\$ 515	\$ 511	\$ 907,812
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
37	390	Structures and improvements	11,234	-	-	-	-	-	11,234
38	391	Office furniture and equipment	2,717	-	-	-	-	-	2,717
39	392	Transportation equipment	1,560	-	-	-	-	-	1,560
40	393	Stores equipment	27	-	-	-	-	-	27
41	394	Tools, shop and garage equipment	3,682	-	-	-	-	-	3,682
42	395	Laboratory equipment	22	-	-	-	-	-	22
43	396	Power operated equipment	1,392	-	-	-	-	-	1,392
44	397	Communication equipment	9,891	-	-	-	-	-	9,891
45	398	Miscellaneous equipment	8	-	-	-	-	-	8
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	33	(33)	-	-	-	(33)	-
48		Subtotal - General plant	\$ 30,565	\$ (33)	\$ -	\$ -	\$ -	\$ (33)	\$ 30,532
49		Total - Electric plant in service	\$ 974,927	\$ (37)	\$ -	\$ -	\$ 515	\$ 478	\$ 975,405

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1D - FE PA West Penn Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Plant in Service	Asset Retirement Costs	New York	LIDA	I&M Cycle	Total Adjustment	Plant in Service, as adjusted
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157
2	302	Franchises and consents	-	-	-	-	-	-	-
3	350.1	Transmission land	2,500	-	-	-	-	-	2,500
4	360.1	Distribution land	6,738	-	-	-	-	-	6,738
5	389.1	General land	2,063	-	-	-	-	-	2,063
6		Subtotal - Non-depreciable plant	\$ 11,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,457
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 124,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,884
8		Subtotal - Intangible plant	\$ 124,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,884
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 31,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,457
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 31,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,457
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 11,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,024
21	361	Structures and improvements	24,236	-	-	132	-	132	24,368
22	362	Station equipment	437,747	-	-	2,391	-	2,391	440,137
23	363	Energy storage equipment	\$ -	-	-	-	-	-	-
24	364	Poles, towers and fixtures	537,230	-	-	2,934	2,826	5,760	542,989
25	365	Overhead conductors and devices	965,626	-	-	5,273	1,624	6,897	972,523
26	366	Underground conduit	24,652	-	-	135	-	135	24,787
27	367	Underground conductors and devices	253,586	-	-	1,385	-	1,385	254,971
28	368	Line transformers	497,104	-	-	2,715	431	3,145	500,249
29	369	Services	143,472	-	-	784	-	784	144,255
30	370	Meters	205,509	-	-	1,122	-	1,122	206,631
31	371	Installations on customers' premises	9,987	-	-	55	-	55	10,042
32	372	Leased property on customers' premises	297	-	-	2	-	2	298
33	373	Street lighting and signal systems	49,398	-	-	270	-	270	49,667
34	374	Asset retirement costs for distribution plant	17	(17)	-	-	-	(17)	-
35		Subtotal - Distribution plant	\$ 3,159,884	\$ (17)	\$ -	\$ 17,196	\$ 4,880	\$ 22,059	\$ 3,181,943
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 293
37	390	Structures and improvements	111,382	-	-	-	-	-	111,382
38	391	Office furniture and equipment	16,645	-	-	-	-	-	16,645
39	392	Transportation equipment	10,890	-	-	-	-	-	10,890
40	393	Stores equipment	312	-	-	-	-	-	312
41	394	Tools, shop and garage equipment	19,646	-	-	-	-	-	19,646
42	395	Laboratory equipment	384	-	-	-	-	-	384
43	396	Power operated equipment	265	-	-	-	-	-	265
44	397	Communication equipment	39,550	-	-	-	-	-	39,550
45	398	Miscellaneous equipment	224	-	-	-	-	-	224
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	733	(733)	-	-	-	(733)	-
48		Subtotal - General plant	\$ 200,323	\$ (733)	\$ -	\$ -	\$ -	\$ (733)	\$ 199,590
49		Total - Electric plant in service	\$ 3,528,005	\$ (750)	\$ -	\$ 17,196	\$ 4,880	\$ 21,326	\$ 3,549,331

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-2 - Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Depreciation reserve per budget		\$ 1,060,915	\$ 1,183,546	\$ 274,640	\$ 1,177,091	\$ 3,696,192
2	Eliminate asset retirement costs	Adj. RB-2, SS 1, col. 2	(98)	(370)	(32)	(408)	(907)
3	Eliminate reserve supporting Penelec Rate District's New York jurisdiction	Adj. RB-2, SS 1, col. 3	-	(7,217)	-	-	(7,217)
4	Include reserve associated with West Penn Rate District's acquisition of LIDA	Adj. RB-2 SS 1, col. 4	-	-	-	10,380	10,380
5	Include reserve associated with two-year inspection and maintenance cycle	Adj. RB-2, SS 1, col. 5	53	18	6	44	121
6	Total adjustment to depreciation reserve	SUM L2 to L5	\$ (45)	\$ (7,569)	\$ (26)	\$ 10,017	\$ 2,377
7	Adjusted depreciation reserve per budget	L1 + L6	\$ 1,060,870	\$ 1,175,978	\$ 274,614	\$ 1,187,108	\$ 3,698,569

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1 - Total FE PA Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(45)	-	0	-	-	0	(45)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (45)	\$ -	\$ 0	\$ -	\$ -	\$ 0	\$ (45)
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 283,659	\$ -	\$ (507)	\$ -	\$ -	\$ (507)	\$ 283,152
8		Subtotal - Intangible plant	\$ 283,659	\$ -	\$ (507)	\$ -	\$ -	\$ (507)	\$ 283,152
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 40,397	\$ -	\$ (48)	\$ -	\$ -	\$ (48)	\$ 40,350
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 40,397	\$ -	\$ (48)	\$ -	\$ -	\$ (48)	\$ 40,350
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 34,146	\$ -	\$ (69)	\$ -	\$ -	\$ (69)	\$ 34,078
22	361	Structures and improvements	31,124	-	(61)	129	-	68	31,192
23	362	Station equipment	445,986	-	(748)	2,110	-	1,362	447,349
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	598,134	-	(1,358)	1,922	55	619	598,754
26	365	Overhead conductors and devices	575,929	-	(1,447)	1,784	55	393	576,322
27	366	Underground conduit	48,689	-	(125)	97	-	(28)	48,661
28	367	Underground conductors and devices	289,507	-	(521)	739	-	218	289,725
29	368	Line transformers	593,182	-	(1,074)	1,979	11	916	594,098
30	369	Services	244,335	-	(376)	685	-	308	244,644
31	370	Meters	192,861	-	(310)	786	-	476	193,338
32	371	Installations on customers' premises	35,158	-	(139)	67	-	(72)	35,086
33	372	Leased property on customers' premises	468	-	(1)	3	-	2	470
34	373	Street lighting and signal systems	25,455	-	(60)	79	-	19	25,474
35	374	Asset retirement costs for distribution plant	136	(136)	-	0	-	(135)	0
36		RWIP	(5,567)	-	98	-	-	98	(5,469)
37		Subtotal - Distribution plant	\$ 3,109,545	\$ (136)	\$ (6,190)	\$ 10,380	\$ 121	\$ 4,176	\$ 3,113,721
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 194	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 194
39	390	Structures and improvements	147,337	-	(230)	-	-	(230)	147,107
40	391	Office furniture and equipment	30,862	-	(56)	-	-	(56)	30,806
41	392	Transportation equipment	11,827	-	(12)	-	-	(12)	11,815
42	393	Stores equipment	821	-	(3)	-	-	(3)	818
43	394	Tools, shop and garage equipment	21,751	-	(46)	-	-	(46)	21,705
44	395	Laboratory equipment	(820)	-	8	-	-	8	(812)
45	396	Power operated equipment	6,007	-	(29)	-	-	(29)	5,978
46	397	Communication equipment	43,637	-	(107)	-	-	(107)	43,530
47	398	Miscellaneous equipment	(667)	-	6	-	-	6	(661)
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	771	(771)	-	-	-	(771)	-
50		RWIP	916	-	(3)	-	-	(3)	914
51		Subtotal - General plant	\$ 262,637	\$ (771)	\$ (472)	\$ -	\$ -	\$ (1,244)	\$ 261,393
52		Total - Electric plant in service	\$ 3,696,192	\$ (907)	\$ (7,217)	\$ 10,380	\$ 121	\$ 2,377	\$ 3,698,569

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1A - FE PA Met-Ed Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(15)	-	-	-	-	-	(15)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (15)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15)
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 78,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,824
8		Subtotal - Intangible plant	\$ 78,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,824
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 16,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,062
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 16,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,062
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 17,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,832
22	361	Structures and improvements	7,581	-	-	-	-	-	7,581
23	362	Station equipment	102,164	-	-	-	-	-	102,164
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	153,033	-	-	-	21	21	153,053
26	365	Overhead conductors and devices	132,738	-	-	-	29	29	132,768
27	366	Underground conduit	16,017	-	-	-	-	-	16,017
28	367	Underground conductors and devices	107,326	-	-	-	-	-	107,326
29	368	Line transformers	196,477	-	-	-	3	3	196,480
30	369	Services	95,997	-	-	-	-	-	95,997
31	370	Meters	48,337	-	-	-	-	-	48,337
32	371	Installations on customers' premises	3,244	-	-	-	-	-	3,244
33	372	Leased property on customers' premises	-	-	-	-	-	-	-
34	373	Street lighting and signal systems	5,142	-	-	-	-	-	5,142
35	374	Asset retirement costs for distribution plant	30	(30)	-	-	-	(30)	-
36		RWIP	(7,196)	-	-	-	-	-	(7,196)
37		Subtotal - Distribution plant	\$ 878,720	\$ (30)	\$ -	\$ -	\$ 53	\$ 23	\$ 878,743
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16
39	390	Structures and improvements	67,232	-	-	-	-	-	67,232
40	391	Office furniture and equipment	7,064	-	-	-	-	-	7,064
41	392	Transportation equipment	2,899	-	-	-	-	-	2,899
42	393	Stores equipment	48	-	-	-	-	-	48
43	394	Tools, shop and garage equipment	4,254	-	-	-	-	-	4,254
44	395	Laboratory equipment	86	-	-	-	-	-	86
45	396	Power operated equipment	644	-	-	-	-	-	644
46	397	Communication equipment	4,895	-	-	-	-	-	4,895
47	398	Miscellaneous equipment	54	-	-	-	-	-	54
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	68	(68)	-	-	-	(68)	-
50		RWIP	62	-	-	-	-	-	62
51		Subtotal - General plant	\$ 87,323	\$ (68)	\$ -	\$ -	\$ -	\$ (68)	\$ 87,255
52		Total - Electric plant in service	\$ 1,060,915	\$ (98)	\$ -	\$ -	\$ 53	\$ (45)	\$ 1,060,870



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1B - FE PA Penelec Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>NON-DEPRECIABLE PLANT</b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(32)	-	0	-	-	0	(31)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (32)	\$ -	\$ 0	\$ -	\$ -	\$ 0	\$ (31)
<b>INTANGIBLE PLANT</b>									
7	303	Miscellaneous intangible plant	\$ 83,171	\$ -	\$ (507)	\$ -	\$ -	\$ (507)	\$ 82,663
8		Subtotal - Intangible plant	\$ 83,171	\$ -	\$ (507)	\$ -	\$ -	\$ (507)	\$ 82,663
<b>TRANSMISSION PLANT</b>									
9	350.2	Land rights	\$ 7,838	\$ -	\$ (48)	\$ -	\$ -	\$ (48)	\$ 7,791
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 7,838	\$ -	\$ (48)	\$ -	\$ -	\$ (48)	\$ 7,791
<b>DISTRIBUTION PLANT</b>									
21	360.2	Land rights	\$ 11,293	\$ -	\$ (69)	\$ -	\$ -	\$ (69)	\$ 11,224
22	361	Structures and improvements	9,986	-	(61)	-	-	(61)	9,925
23	362	Station equipment	122,597	-	(748)	-	-	(748)	121,849
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	222,544	-	(1,358)	-	10	(1,347)	221,197
26	365	Overhead conductors and devices	237,138	-	(1,447)	-	6	(1,441)	235,697
27	366	Underground conduit	20,421	-	(125)	-	-	(125)	20,296
28	367	Underground conductors and devices	85,395	-	(521)	-	-	(521)	84,874
29	368	Line transformers	176,009	-	(1,074)	-	2	(1,072)	174,938
30	369	Services	61,683	-	(376)	-	-	(376)	61,307
31	370	Meters	50,789	-	(310)	-	-	(310)	50,479
32	371	Installations on customers' premises	22,796	-	(139)	-	-	(139)	22,657
33	372	Leased property on customers' premises	194	-	(1)	-	-	(1)	193
34	373	Street lighting and signal systems	9,914	-	(60)	-	-	(60)	9,854
35	374	Asset retirement costs for distribution plant	81	(81)	-	-	-	(81)	-
36		RWIP	(16,014)	-	98	-	-	98	(15,917)
37		Subtotal - Distribution plant	\$ 1,014,824	\$ (81)	\$ (6,190)	\$ -	\$ 18	\$ (6,252)	\$ 1,008,572
<b>GENERAL PLANT</b>									
38	389.2	Land rights	\$ 35	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 35
39	390	Structures and improvements	37,775	-	(230)	-	-	(230)	37,544
40	391	Office furniture and equipment	9,147	-	(56)	-	-	(56)	9,092
41	392	Transportation equipment	2,021	-	(12)	-	-	(12)	2,009
42	393	Stores equipment	484	-	(3)	-	-	(3)	481
43	394	Tools, shop and garage equipment	7,495	-	(46)	-	-	(46)	7,449
44	395	Laboratory equipment	(1,242)	-	8	-	-	8	(1,234)
45	396	Power operated equipment	4,692	-	(29)	-	-	(29)	4,663
46	397	Communication equipment	17,578	-	(107)	-	-	(107)	17,471
47	398	Miscellaneous equipment	(957)	-	6	-	-	6	(951)
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	289	(289)	-	-	-	(289)	-
50		RWIP	427	-	(3)	-	-	(3)	424
51		Subtotal - General plant	\$ 77,745	\$ (289)	\$ (472)	\$ -	\$ -	\$ (762)	\$ 76,984
52		Total - Electric plant in service	\$ 1,183,546	\$ (370)	\$ (7,217)	\$ -	\$ 18	\$ (7,569)	\$ 1,175,978

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1C - FE PA Penn Power Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Budget Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	1	-	-	-	-	-	1
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 18,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,364
8		Subtotal - Intangible plant	\$ 18,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,364
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ (28)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (28)
22	361	Structures and improvements	1,786	-	-	-	-	-	1,786
23	362	Station equipment	28,151	-	-	-	-	-	28,151
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	46,719	-	-	-	1	1	46,721
26	365	Overhead conductors and devices	42,808	-	-	-	3	3	42,811
27	366	Underground conduit	3,394	-	-	-	-	-	3,394
28	367	Underground conductors and devices	29,164	-	-	-	-	-	29,164
29	368	Line transformers	39,665	-	-	-	1	1	39,666
30	369	Services	24,011	-	-	-	-	-	24,011
31	370	Meters	21,803	-	-	-	-	-	21,803
32	371	Installations on customers' premises	2,973	-	-	-	-	-	2,973
33	372	Leased property on customers' premises	-	-	-	-	-	-	-
34	373	Street lighting and signal systems	3,139	-	-	-	-	-	3,139
35	374	Asset retirement costs for distribution plant	3	(3)	-	-	-	(3)	-
36		RWIP	2,403	-	-	-	-	-	2,403
37		Subtotal - Distribution plant	\$ 245,990	\$ (3)	\$ -	\$ -	\$ 6	\$ 3	\$ 245,993
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39	390	Structures and improvements	3,393	-	-	-	-	-	3,393
40	391	Office furniture and equipment	1,799	-	-	-	-	-	1,799
41	392	Transportation equipment	943	-	-	-	-	-	943
42	393	Stores equipment	24	-	-	-	-	-	24
43	394	Tools, shop and garage equipment	822	-	-	-	-	-	822
44	395	Laboratory equipment	17	-	-	-	-	-	17
45	396	Power operated equipment	442	-	-	-	-	-	442
46	397	Communication equipment	2,747	-	-	-	-	-	2,747
47	398	Miscellaneous equipment	8	-	-	-	-	-	8
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	29	(29)	-	-	-	(29)	-
50		RWIP	60	-	-	-	-	-	60
51		Subtotal - General plant	\$ 10,285	\$ (29)	\$ -	\$ -	\$ -	\$ (29)	\$ 10,256
52		Total - Electric plant in service	\$ 274,640	\$ (32)	\$ -	\$ -	\$ 6	\$ (26)	\$ 274,614

FirstEnergy Pennsylvania Electric Company  
 FTY ending December 31, 2024  
 (\$ in Thousands)

Adjustment RB-2 - Supporting Schedule 1D - FE PA West Penn Rate District Depreciation Reserve

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Budget Reserve	Asset Retirement Costs	New York	LIDA	I&M Cycle	Total Adjustment	Reserve, as adjusted
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>NON-DEPRECIABLE PLANT</b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	-	-	-	-	-	-	-
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE PLANT</b>									
7	303	Miscellaneous intangible plant	\$ 103,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,300
8		Subtotal - Intangible plant	\$ 103,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,300
<b>TRANSMISSION PLANT</b>									
9	350.2	Land rights	\$ 16,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,497
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 16,497	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,497
<b>DISTRIBUTION PLANT</b>									
21	360.2	Land rights	\$ 5,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,050
22	361	Structures and improvements	11,771	-	-	129	-	129	11,899
23	362	Station equipment	193,075	-	-	2,110	-	2,110	195,185
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	175,839	-	-	1,922	22	1,944	177,783
26	365	Overhead conductors and devices	163,245	-	-	1,784	17	1,801	165,046
27	366	Underground conduit	8,857	-	-	97	-	97	8,954
28	367	Underground conductors and devices	67,623	-	-	739	-	739	68,362
29	368	Line transformers	181,031	-	-	1,979	5	1,984	183,015
30	369	Services	62,644	-	-	685	-	685	63,329
31	370	Meters	71,933	-	-	786	-	786	72,720
32	371	Installations on customers' premises	6,145	-	-	67	-	67	6,212
33	372	Leased property on customers' premises	274	-	-	3	-	3	277
34	373	Street lighting and signal systems	7,261	-	-	79	-	79	7,340
35	374	Asset retirement costs for distribution plant	22	(22)	-	0	-	(22)	0
36		RWIP	15,241	-	-	-	-	-	15,241
37		Subtotal - Distribution plant	\$ 970,011	\$ (22)	\$ -	\$ 10,380	\$ 44	\$ 10,402	\$ 980,413
<b>GENERAL PLANT</b>									
38	389.2	Land rights	\$ 143	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143
39	390	Structures and improvements	38,937	-	-	-	-	-	38,937
40	391	Office furniture and equipment	12,851	-	-	-	-	-	12,851
41	392	Transportation equipment	5,963	-	-	-	-	-	5,963
42	393	Stores equipment	265	-	-	-	-	-	265
43	394	Tools, shop and garage equipment	9,180	-	-	-	-	-	9,180
44	395	Laboratory equipment	319	-	-	-	-	-	319
45	396	Power operated equipment	229	-	-	-	-	-	229
46	397	Communication equipment	18,416	-	-	-	-	-	18,416
47	398	Miscellaneous equipment	228	-	-	-	-	-	228
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	385	(385)	-	-	-	(385)	-
50		RWIP	368	-	-	-	-	-	368
51		Subtotal - General plant	\$ 87,284	\$ (385)	\$ -	\$ -	\$ -	\$ (385)	\$ 86,899
52		Total - Electric plant in service	\$ 1,177,091	\$ (408)	\$ -	\$ 10,380	\$ 44	\$ 10,017	\$ 1,187,108

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-3 - Material and Supplies Inventory**

To (1) include FE PA's portion of material and supplies inventory maintained by FirstEnergy Service Company based on a 13-month average including the HTY; and (2) remove an allocated portion of material and supplies inventory that supports Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ 17,163	\$ 19,954	\$ 4,729	\$ 16,661	\$ 58,507
2	January		18,329	21,003	5,197	17,091	61,619
3	February		19,345	21,728	5,343	17,669	64,085
4	March		21,251	21,776	5,452	17,822	66,302
5	April		21,639	22,670	5,584	18,409	68,302
6	May		21,652	23,708	5,874	19,846	71,079
7	June		21,825	24,343	6,005	20,763	72,937
8	July		21,923	24,762	6,169	21,720	74,575
9	August		21,912	25,124	6,119	22,810	75,965
10	September		22,376	25,562	6,112	23,403	77,453
11	October		23,941	25,695	6,473	24,106	80,215
12	November		25,332	26,145	6,463	24,928	82,867
13	December		25,535	26,964	6,717	25,986	85,202
14	Total	SUM L1 to L13	\$ 282,224	\$ 309,432	\$ 76,236	\$ 271,214	\$ 939,106
15	Average Balance	L14 / 13	\$ 21,710	\$ 23,802	\$ 5,864	\$ 20,863	\$ 72,239
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.61%	\$ -	\$ (145)	\$ -	\$ -	\$ (145)
17	Average Jurisdictional Balance	L15 + L16	\$ 21,710	\$ 23,657	\$ 5,864	\$ 20,863	\$ 72,094

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-4 - Cash Working Capital**

To include an addition to rate base for cash working capital requirements. FE PA witness Lyons is responsible for the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Cash working capital	Exhibit TSL-4	\$ 65,234	\$ 64,440.81	\$ 14,835	\$ 56,986	\$ 201,495

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-5 - Unamortized Deferral and Verizon Complaint Balances**

To (1) include the unamortized balance of the storm reserves maintained in accordance with the terms and conditions of the Rate Districts' 2016 Settlement at Docket Nos. R-2016-2537349, et al.; (2) include the unamortized deferred extraordinary storm damage balances for the Rate Districts as approved by the Commission, as noted below; (3) include the unamortized COVID-19 deferral balances for the Rate Districts; (4) include the unamortized Verizon complaint balances for the Rate Districts; and (5) eliminate from each balance one year of amortization as proposed in Adjustment IS-10 in the FPFTY.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	2023 Storm reserve balance		\$ 88,886	\$ 41,279	\$ 19,465	\$ 39,858	\$ 189,488
2	2024 Storm reserve activity		10,962	4,000	1,116	2,867	18,944
3	Storm reserve balance	L1 + L2	\$ 99,847	\$ 45,279	\$ 20,582	\$ 42,724	\$ 208,432
4	Extraordinary storm deferral <sup>(A)</sup>		\$ 33,572	\$ 8,176	\$ 19,950	\$ 23,396	\$ 85,094
5	Extraordinary storm deferral balance	L4	\$ 33,572	\$ 8,176	\$ 19,950	\$ 23,396	\$ 85,094
6	Total deferred storm damage	L3 + L5	\$ 133,419	\$ 53,455	\$ 40,531	\$ 66,120	\$ 293,526
7	COVID-19 deferral		\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	\$ 30,383
8	COVID-19 deferral balance	L7	\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	\$ 30,383
9	Verizon complaint	Exhibit JMS-4	HIGHLY CONFIDENTIAL INFORMATION REDACTED				
10	Verizon complaint balance	L9	HIGHLY CONFIDENTIAL INFORMATION REDACTED				
11	Total unamortized deferral and Verizon complaint balances	L6 + L8 + L10	\$ 150,720	\$ 77,674	\$ 45,360	\$ 76,045	\$ 349,797

Note:

- (A) Met-Ed Rate District's approved extraordinary storm damage deferral includes Winter Storm Riley at Docket No. P-2018-3005957.  
Penelec Rate District's approved extraordinary storm damage deferral includes the April 2023 Storm at Docket No. P-2023-3044150.  
Penn Power Rate District's approved extraordinary storm damage deferrals include (1) Winter Storm Avery at Docket No. P-2019-3014311; and (2) the March 2023 Storm at Docket No. P-2023-3043073. Additionally, there is an outstanding petition for the April 2023 Storm at Docket No. P-2023-3044479, which is included in the extraordinary storm damage deferral balance.  
West Penn's Rate District's approved extraordinary storm damage deferrals include (1) Winter Storm Avery at Docket No. P-2019-3014314; (2) Winter Storm Quiana at Docket No. P-2019-3014988; and (3) Winter Storm Quest at Docket No. P-2023-3043394.

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-6 - Customer Deposits**

To (1) include a deduction to rate base for customer deposits based on a 13-month average including the HTY; and (2) remove an allocated portion of customer deposits related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ (34,257)	\$ (29,017)	\$ (7,600)	\$ (30,199)	\$ (101,073)
2	January		(34,692)	(29,173)	(7,668)	(30,292)	(101,825)
3	February		(34,416)	(29,328)	(7,644)	(30,383)	(101,771)
4	March		(34,653)	(29,528)	(7,730)	(30,614)	(102,524)
5	April		(35,154)	(29,793)	(7,648)	(30,835)	(103,431)
6	May		(35,632)	(29,857)	(7,813)	(30,899)	(104,201)
7	June		(35,922)	(30,124)	(7,831)	(31,002)	(104,879)
8	July		(36,236)	(30,629)	(7,876)	(31,183)	(105,924)
9	August		(36,508)	(31,042)	(7,918)	(31,355)	(106,822)
10	September		(36,762)	(31,203)	(7,985)	(31,706)	(107,655)
11	October		(37,013)	(31,465)	(8,035)	(31,908)	(108,421)
12	November		(37,318)	(31,541)	(8,042)	(32,098)	(108,999)
13	December		(37,530)	(31,646)	(8,041)	(32,661)	(109,877)
14	Total	SUM L1 to L13	\$ (466,091)	\$ (394,345)	\$ (101,832)	\$ (405,135)	\$ (1,367,403)
15	Average Balance	L14 / 13	\$ (35,853)	\$ (30,334)	\$ (7,833)	\$ (31,164)	\$ (105,185)
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.01%	\$ -	\$ 3	\$ -	\$ -	\$ 3
17	Average Jurisdictional Balance	L15 + L16	\$ (35,853)	\$ (30,331)	\$ (7,833)	\$ (31,164)	\$ (105,182)

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-7 - Customer Advances**

To include a deduction to rate base for customer advances based on a 13-month average including the HTY.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ -	\$ -	\$ -	\$ (565)	\$ (565)
2	January		-	-	-	(565)	(565)
3	February		-	-	-	(565)	(565)
4	March		-	-	-	(565)	(565)
5	April		-	-	-	(553)	(553)
6	May		-	-	-	(553)	(553)
7	June		-	-	-	(553)	(553)
8	July		-	-	-	(553)	(553)
9	August		-	-	-	(553)	(553)
10	September		-	-	-	(553)	(553)
11	October		-	-	-	(553)	(553)
12	November		-	-	-	(553)	(553)
13	December		-	-	-	(553)	(553)
14	Total	SUM L1 to L13	\$ -	\$ -	\$ -	\$ (7,238)	\$ (7,238)
15	Average Balance	L14 / 13	\$ -	\$ -	\$ -	\$ (557)	\$ (557)



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment RB-8 - Accumulated Deferred Income Taxes ("ADIT")**

To adjust property-related ADIT (excluding the impact of SFAS 109 deferrals) to (1) eliminate excludable items (capital lease vehicles); (2) include an offset for net operating loss carryforwards as required by IRS normalization rules; (3) include an offset for the corporate alternative minimum tax credit; and (4) eliminate an allocated portion of ADIT related to Penelec Rate District's New York jurisdiction. FE PA witness Gawlik supports the calculation of ADIT. FE PA witness Lyons is responsible for the allocation factor used in part (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Property-related ADIT		\$ (575,611)	\$ (644,652)	\$ (166,485)	\$ (510,835)	\$ (1,897,583)
2	Less: excludable items		5,779	3,071	415	2,183	11,449
3	Less: offset for net operating loss carryforwards		-	-	-	-	-
4	Less: offset for corporate alternative minimum tax credits	Exhibit GJG-2	820	830	301	448	2,399
5	Total before non-jurisdictional allocations	SUM L1 to L4	<u>\$ (569,011)</u>	<u>\$ (640,751)</u>	<u>\$ (165,769)</u>	<u>\$ (508,203)</u>	<u>\$ (1,883,735)</u>
<b><u>Non-jurisdictional allocation</u></b>							
6	Less: New York jurisdictional	-L5 * 0.61%	\$ -	\$ 3,909	\$ -	\$ -	\$ 3,909
7	Property-related ADIT, as adjusted	L5 + L6	<u>\$ (569,011)</u>	<u>\$ (636,843)</u>	<u>\$ (165,769)</u>	<u>\$ (508,203)</u>	<u>\$ (1,879,826)</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment RB-9 - Capitalized Pension and OPEB**

To (1) eliminate the timing differences between the recognition of pension and OPEB expense and rate base under the immediate and delayed recognition methodologies for the portion of costs capitalized from 2011-2017, as supported by FE PA witness Ashton; and (2) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Capitalized pension / OPEB timing differences	Exhibit TMA-3	\$ (8,058)	\$ 6,400	\$ (4,544)	\$ (4,282)	\$ (10,484)
<b><u>Non-jurisdictional allocation</u></b>							
2	Less: New York jurisdictional	-L1 * 0.61%	-	(39)	-	-	(39)
3	Capitalized pension and OPEB, as adjusted	L1 + L2	\$ (8,058)	\$ 6,361	\$ (4,544)	\$ (4,282)	\$ (10,523)

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)  
**Total FE PA Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1 Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 4,081,486	\$(2,546,921)	\$ 1,534,565	\$ (18,805)	\$ 1,515,760	\$ 436,766	\$ 1,952,527	\$ 2,546,921	\$ 4,499,448
2	Sales for Resale		362	(362)	-	-	-	-	-	362	362
3	Other Operating Revenue	Adj. IS-3	74,776	-	74,776	(432)	74,344	1,195	75,539	-	75,539
4	Total Operating Revenue	SUM L1 to L3	\$ 4,156,624	\$(2,547,283)	\$ 1,609,341	\$ (19,237)	\$ 1,590,104	\$ 437,961	\$ 2,028,065	\$ 2,547,283	\$ 4,575,348
5	Power Supply Expense		\$ 1,987,119	\$(1,987,119)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,987,119	\$ 1,987,119
6	Transmission Expense	Adj. IS-4	140,201	(131,645)	8,556	36	8,592	-	8,592	131,645	140,237
7	Distribution Expense	Adj. IS-5	312,694	-	312,694	104,784	417,478	-	417,478	-	417,478
8	Customer Accounts Expense	Adj. IS-6	74,166	(38,997)	35,169	26,021	61,189	4,855	66,044	38,997	105,042
9	Customer Service and Information Expense	Adj. IS-7	198,080	(180,493)	17,587	8,266	25,853	-	25,853	180,493	206,347
10	Administrative and General Expense	Adj. IS-8	146,425	(23,530)	122,894	61,683	184,577	1,047	185,624	23,530	209,155
11	Depreciation Expense	Adj. IS-9	304,627	-	304,627	69,867	374,493	-	374,493	-	374,493
12	Amortization Expense	Adj. IS-10	32,908	(34,544)	(1,636)	121,261	119,625	-	119,625	34,544	154,169
13	Taxes Other Than Income Taxes	Adj. IS-11	255,633	(150,268)	105,364	(2,263)	103,101	25,769	128,870	150,268	279,139
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 3,451,852	\$(2,546,597)	\$ 905,255	\$ 389,655	\$ 1,294,910	\$ 31,671	\$ 1,326,582	\$ 2,546,597	\$ 3,873,178
15	Operating Income Before Tax	L4 - L14	\$ 704,772	\$ (686)	\$ 704,086	\$ (408,892)	\$ 295,194	\$ 406,290	\$ 701,484	\$ 686	\$ 702,170
16	Federal Income Tax - Current	Adj. IS-12	\$ 36	\$(132)	\$(96)	14,845	14,749	\$ 78,077	\$ 92,826	\$ 132	\$ 92,958
17	State Income Tax - Current	Adj. IS-12	-	(58)	(58)	4,857	4,799	34,494	39,293	58	39,351
18	Federal Income Tax - Deferred	Adj. IS-13	(13,075)	-	(13,075)	27,614	14,539	-	14,539	-	14,539
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (13,039)	\$ (190)	\$ (13,229)	\$ 47,316	\$ 34,087	\$ 112,571	\$ 146,658	\$ 190	\$ 146,848
22	Total Operating Expense	L14 + L21	\$ 3,438,814	\$(2,546,787)	\$ 892,027	\$ 436,971	\$ 1,328,997	\$ 144,242	\$ 1,473,240	\$ 2,546,787	\$ 4,020,026
23	Operating Income	L4 - L22	\$ 717,810	\$ (496)	\$ 717,315	\$ (456,208)	\$ 261,107	\$ 293,719	\$ 554,826	\$ 496	\$ 555,322

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)  
**FE PA Met-Ed Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1A Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,250,060	\$ (765,898)	\$ 484,162	\$ (4,448)	\$ 479,714	\$ 122,653	\$ 602,367	\$ 765,898	\$ 1,368,265
2	Sales for Resale		135	(135)	-	-	-	-	-	135	135
3	Other Operating Revenue	Adj. IS-3	28,777	-	28,777	(1,457)	27,320	314	27,634	-	27,634
4	Total Operating Revenue	SUM L1 to L3	\$ 1,278,971	\$ (766,032)	\$ 512,939	\$ (5,905)	\$ 507,034	\$ 122,967	\$ 630,001	\$ 766,032	\$ 1,396,034
5	Power Supply Expense		\$ 613,553	\$ (613,553)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 613,553	\$ 613,553
6	Transmission Expense	Adj. IS-4	12,303	(12,120)	183	4	187	-	187	12,120	12,307
7	Distribution Expense	Adj. IS-5	94,775	-	94,775	33,285	128,060	-	128,060	-	128,060
8	Customer Accounts Expense	Adj. IS-6	21,930	(12,385)	9,545	8,968	18,513	1,435	19,948	12,385	32,333
9	Customer Service and Information Expense	Adj. IS-7	62,754	(56,766)	5,988	2,160	8,147	-	8,147	56,766	64,913
10	Administrative and General Expense	Adj. IS-8	47,647	(7,218)	40,430	22,904	63,334	294	63,628	7,218	70,845
11	Depreciation Expense	Adj. IS-9	89,645	-	89,645	18,709	108,354	-	108,354	-	108,354
12	Amortization Expense	Adj. IS-10	18,389	(17,059)	1,330	46,917	48,247	-	48,247	17,059	65,306
13	Taxes Other Than Income Taxes	Adj. IS-11	78,804	(45,188)	33,616	(558)	33,058	7,237	40,294	45,188	85,482
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 1,039,800	\$ (764,289)	\$ 275,511	\$ 132,388	\$ 407,900	\$ 8,966	\$ 416,866	\$ 764,289	\$ 1,181,154
15	Operating Income Before Tax	L4 - L14	\$ 239,171	\$ (1,744)	\$ 237,428	\$ (138,293)	\$ 99,135	\$ 114,001	\$ 213,136	\$ 1,744	\$ 214,879
16	Federal Income Tax - Current	Adj. IS-12	\$ 11	\$ (335)	\$ (324)	\$ 5,733	\$ 5,409	\$ 21,908	\$ 27,316	\$ 335	\$ 27,651
17	State Income Tax - Current	Adj. IS-12	-	(148)	(148)	1,950	1,802	9,679	11,481	148	11,629
18	Federal Income Tax - Deferred	Adj. IS-13	(4,717)	-	(4,717)	10,373	5,656	-	5,656	-	5,656
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (4,706)	\$ (483)	\$ (5,189)	\$ 18,056	\$ 12,867	\$ 31,586	\$ 44,453	\$ 483	\$ 44,936
22	Total Operating Expense	L14 + L21	\$ 1,035,094	\$ (764,772)	\$ 270,322	\$ 150,444	\$ 420,766	\$ 40,552	\$ 461,319	\$ 764,772	\$ 1,226,090
23	Operating Income	L4 - L22	\$ 243,878	\$ (1,261)	\$ 242,617	\$ (156,349)	\$ 86,268	\$ 82,415	\$ 168,683	\$ 1,261	\$ 169,943

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)  
**FE PA Penelec Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1B Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,140,134	\$ (658,046)	\$ 482,088	\$ (9,369)	\$ 472,719	\$ 122,286	\$ 595,004	\$ 658,046	\$ 1,253,050
2	Sales for Resale		120	(120)	-	-	-	-	-	120	120
3	Other Operating Revenue	Adj. IS-3	26,264	-	26,264	(1,052)	25,212	368	25,580	-	25,580
4	Total Operating Revenue	SUM L1 to L3	\$ 1,166,518	\$ (658,167)	\$ 508,351	\$ (10,421)	\$ 497,931	\$ 122,654	\$ 620,584	\$ 658,167	\$ 1,278,751
5	Power Supply Expense		\$ 485,674	\$ (485,674)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 485,674	\$ 485,674
6	Transmission Expense	Adj. IS-4	48,449	(48,406)	43	6	48	-	48	48,406	48,455
7	Distribution Expense	Adj. IS-5	103,128	-	103,128	26,871	129,999	-	129,999	-	129,999
8	Customer Accounts Expense	Adj. IS-6	24,855	(11,624)	13,231	6,938	20,170	1,552	21,721	11,624	33,345
9	Customer Service and Information Expense	Adj. IS-7	57,406	(52,743)	4,663	2,487	7,150	-	7,150	52,743	59,893
10	Administrative and General Expense	Adj. IS-8	37,106	(6,758)	30,349	21,456	51,805	293	52,098	6,758	58,856
11	Depreciation Expense	Adj. IS-9	91,170	-	91,170	26,230	117,399	-	117,399	-	117,399
12	Amortization Expense	Adj. IS-10	10,584	(14,762)	(4,178)	33,232	29,054	-	29,054	14,762	43,816
13	Taxes Other Than Income Taxes	Adj. IS-11	71,674	(38,825)	32,849	(893)	31,957	7,215	39,172	38,825	77,996
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 930,046	\$ (658,792)	\$ 271,254	\$ 116,328	\$ 387,582	\$ 9,060	\$ 396,641	\$ 658,792	\$ 1,055,433
15	Operating Income Before Tax	L4 - L14	\$ 236,472	\$ 625	\$ 237,097	\$ (126,748)	\$ 110,349	\$ 113,594	\$ 223,943	\$ (625)	\$ 223,318
16	Federal Income Tax - Current	Adj. IS-12	\$ 12	\$ 120	\$ 132	\$ 7,237	\$ 7,369	\$ 21,829	\$ 29,199	\$ (120)	\$ 29,078
17	State Income Tax - Current	Adj. IS-12	-	53	53	2,668	2,721	9,644	12,365	(53)	12,312
18	Federal Income Tax - Deferred	Adj. IS-13	(5,649)	-	(5,649)	11,600	5,951	-	5,951	-	5,951
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (5,637)	\$ 173	\$ (5,464)	\$ 21,505	\$ 16,040	\$ 31,474	\$ 47,514	\$ (173)	\$ 47,341
22	Total Operating Expense	L14 + L21	\$ 924,408	\$ (658,618)	\$ 265,790	\$ 137,832	\$ 403,622	\$ 40,533	\$ 444,155	\$ 658,618	\$ 1,102,774
23	Operating Income	L4 - L22	\$ 242,110	\$ 452	\$ 242,561	\$ (148,253)	\$ 94,308	\$ 82,120	\$ 176,429	\$ (452)	\$ 175,977

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)  
**FE PA Penn Power Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1C Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 348,905	\$ (215,222)	\$ 133,683	\$ (1,016)	\$ 132,667	\$ 42,704	\$ 175,370	\$ 215,222	\$ 390,593
2	Sales for Resale		21	(21)	-	-	-	-	-	21	21
3	Other Operating Revenue	Adj. IS-3	5,436	-	5,436	84	5,520	115	5,635	-	5,635
4	Total Operating Revenue	SUM L1 to L3	\$ 354,363	\$ (215,244)	\$ 139,119	\$ (932)	\$ 138,187	\$ 42,819	\$ 181,005	\$ 215,244	\$ 396,249
5	Power Supply Expense		\$ 177,323	\$ (177,323)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,323	\$ 177,323
6	Transmission Expense	Adj. IS-4	4,773	(4,711)	62	2	64	-	64	4,711	4,775
7	Distribution Expense	Adj. IS-5	24,715	-	24,715	12,143	36,858	-	36,858	-	36,858
8	Customer Accounts Expense	Adj. IS-6	6,590	(3,387)	3,203	1,507	4,710	436	5,146	3,387	8,533
9	Customer Service and Information Expense	Adj. IS-7	17,391	(16,002)	1,389	613	2,002	-	2,002	16,002	18,004
10	Administrative and General Expense	Adj. IS-8	13,433	(2,171)	11,262	6,992	18,254	102	18,356	2,171	20,527
11	Depreciation Expense	Adj. IS-9	26,482	-	26,482	5,542	32,024	-	32,024	-	32,024
12	Amortization Expense	Adj. IS-10	1,025	496	1,521	13,503	15,024	-	15,024	(496)	14,528
13	Taxes Other Than Income Taxes	Adj. IS-11	21,508	(12,698)	8,810	(108)	8,702	2,520	11,221	12,698	23,919
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 293,239	\$ (215,795)	\$ 77,444	\$ 40,194	\$ 117,638	\$ 3,058	\$ 120,695	\$ 215,795	\$ 336,490
15	Operating Income Before Tax	L4 - L14	\$ 61,124	\$ 551	\$ 61,675	\$ (41,126)	\$ 20,549	\$ 39,761	\$ 60,310	\$ (551)	\$ 59,759
16	Federal Income Tax - Current	Adj. IS-12	\$ 3	\$ 106	\$ 109	\$ 99	\$ 208	\$ 7,641	\$ 7,849	\$ (106)	\$ 7,743
17	State Income Tax - Current	Adj. IS-12	-	47	47	(128)	(82)	3,376	3,294	(47)	3,247
18	Federal Income Tax - Deferred	Adj. IS-13	(931)	-	(931)	1,884	952	-	952	-	952
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (928)	\$ 153	\$ (776)	\$ 1,854	\$ 1,078	\$ 11,017	\$ 12,095	\$ (153)	\$ 11,942
22	Total Operating Expense	L14 + L21	\$ 292,311	\$ (215,642)	\$ 76,669	\$ 42,048	\$ 118,716	\$ 14,074	\$ 132,791	\$ 215,642	\$ 348,433
23	Operating Income	L4 - L22	\$ 62,052	\$ 398	\$ 62,450	\$ (42,980)	\$ 19,470	\$ 28,744	\$ 48,215	\$ (398)	\$ 47,816

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
 (\$ in Thousands)  
**FE PA West Penn Rate District Income Statement**

Line	Description	Reference	Per Budget	Adj. IS-1D Remove Retained Riders	Base Rates Per Budget	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,342,387	\$ (907,755)	\$ 434,633	\$ (3,972)	\$ 430,661	\$ 149,125	\$ 579,785	\$ 907,755	\$ 1,487,540
2	Sales for Resale		86	(86)	-	-	-	-	-	86	86
3	Other Operating Revenue	Adj. IS-3	14,300	-	14,300	1,992	16,292	398	16,689	-	16,689
4	Total Operating Revenue	SUM L1 to L3	\$ 1,356,772	\$ (907,840)	\$ 448,932	\$ (1,980)	\$ 446,952	\$ 149,522	\$ 596,474	\$ 907,840	\$ 1,504,314
5	Power Supply Expense		\$ 710,569	\$ (710,569)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 710,569	\$ 710,569
6	Transmission Expense	Adj. IS-4	74,676	(66,408)	8,268	24	8,293	-	8,293	66,408	74,700
7	Distribution Expense	Adj. IS-5	90,076	-	90,076	32,485	122,562	-	122,562	-	122,562
8	Customer Accounts Expense	Adj. IS-6	20,792	(11,602)	9,190	8,607	17,796	1,432	19,229	11,602	30,831
9	Customer Service and Information Expense	Adj. IS-7	60,530	(54,982)	5,547	3,007	8,554	-	8,554	54,982	63,537
10	Administrative and General Expense	Adj. IS-8	48,239	(7,385)	40,854	10,330	51,185	357	51,542	7,385	58,927
11	Depreciation Expense	Adj. IS-9	97,330	-	97,330	19,386	116,716	-	116,716	-	116,716
12	Amortization Expense	Adj. IS-10	2,909	(3,218)	(309)	27,609	27,300	-	27,300	3,218	30,518
13	Taxes Other Than Income Taxes	Adj. IS-11	83,646	(53,558)	30,089	(704)	29,385	8,798	38,183	53,558	91,741
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 1,188,767	\$ (907,722)	\$ 281,046	\$ 100,745	\$ 381,791	\$ 10,588	\$ 392,379	\$ 907,722	\$ 1,300,101
15	Operating Income Before Tax	L4 - L14	\$ 168,005	\$ (118)	\$ 167,886	\$ (102,725)	\$ 65,161	\$ 138,934	\$ 204,095	\$ 118	\$ 204,214
16	Federal Income Tax - Current	Adj. IS-12	\$ 10	\$ (23)	\$ (12)	\$ 1,776	\$ 1,764	\$ 26,699	\$ 28,463	\$ 23	\$ 28,486
17	State Income Tax - Current	Adj. IS-12	-	(10)	(10)	368	358	11,796	12,154	10	12,164
18	Federal Income Tax - Deferred	Adj. IS-13	(1,777)	-	(1,777)	3,757	1,979	-	1,979	-	1,979
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (1,767)	\$ (33)	\$ (1,799)	\$ 5,901	\$ 4,101	\$ 38,495	\$ 42,596	\$ 33	\$ 42,629
22	Total Operating Expense	L14 + L21	\$ 1,187,001	\$ (907,754)	\$ 279,246	\$ 106,646	\$ 385,892	\$ 49,083	\$ 434,975	\$ 907,754	\$ 1,342,729
23	Operating Income	L4 - L22	\$ 169,771	\$ (86)	\$ 169,686	\$ (108,626)	\$ 61,060	\$ 100,440	\$ 161,499	\$ 86	\$ 161,585

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-1 - Total FE PA Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 176,442	\$ 54,963	\$ 193,094	\$ 2,165	\$ 2,120,257	\$ 2,546,921
2	Sales for Resale		-	362	-	-	(0)	362
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 176,442	\$ 55,325	\$ 193,094	\$ 2,165	\$ 2,120,257	\$ 2,547,283
5	Power Supply Expense		\$ (6,316)	\$ 11	\$ -	\$ -	\$ 1,993,423	\$ 1,987,119
6	Transmission Expense		131,645	-	-	-	-	131,645
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		38,997	-	-	-	-	38,997
9	Customer Service and Information Expense		-	36,087	144,406	-	-	180,493
10	Administrative and General Expense		-	23,530	-	-	-	23,530
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		3,114	(7,547)	34,899	2,086	1,992	34,544
13	Taxes Other Than Income Taxes		10,410	3,243	11,393	128	125,095	150,268
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 177,851	\$ 55,325	\$ 190,698	\$ 2,213	\$ 2,120,510	\$ 2,546,597
15	Operating Income Before Tax	L4 - L14	\$ (1,409)	\$ 0	\$ 2,396	\$ (48)	\$ (253)	\$ 686
16	Federal Income Tax - Current		\$ (271)	\$ 0	\$ 460	\$ (9)	\$ (49)	\$ 132
17	State Income Tax - Current		(120)	-	203	(4)	(21)	58
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (390)	\$ 0	\$ 664	\$ (13)	\$ (70)	\$ 190
22	Total Operating Expense	L14 + L21	\$ 177,461	\$ 55,325	\$ 191,362	\$ 2,200	\$ 2,120,440	\$ 2,546,787
23	Operating Income	L4 - L22	\$ (1,019)	\$ 0	\$ 1,732	\$ (35)	\$ (183)	\$ 496



## FirstEnergy Pennsylvania Electric Company

FTY ending December 31, 2024

(\$ in Thousands)

## Adjustment IS-1A - FE PA Met-Ed Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 28,416	\$ 14,994	\$ 57,960	\$ 859	\$ 663,669	\$ 765,898
2	Sales for Resale		-	135	-	-	(0)	135
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 28,416	\$ 15,129	\$ 57,960	\$ 859	\$ 663,669	\$ 766,032
5	Power Supply Expense		\$ 2,440	\$ 1	\$ -	\$ -	\$ 611,112	\$ 613,553
6	Transmission Expense		12,120	-	-	-	-	12,120
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		12,385	-	-	-	-	12,385
9	Customer Service and Information Expense		-	11,690	45,076	-	-	56,766
10	Administrative and General Expense		-	7,218	-	-	-	7,218
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(1,199)	(4,664)	8,702	827	13,393	17,059
13	Taxes Other Than Income Taxes		1,677	885	3,420	51	39,156	45,188
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 27,422	\$ 15,129	\$ 57,198	\$ 877	\$ 663,662	\$ 764,289
15	Operating Income Before Tax	L4 - L14	\$ 993	\$ 0	\$ 761	\$ (18)	\$ 7	\$ 1,744
16	Federal Income Tax - Current		\$ 191	\$ -	\$ 146	\$ (3)	\$ 1	\$ 335
17	State Income Tax - Current		84	-	65	(2)	1	148
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ 275	\$ -	\$ 211	\$ (5)	\$ 2	\$ 483
22	Total Operating Expense	L14 + L21	\$ 27,697	\$ 15,129	\$ 57,409	\$ 872	\$ 663,664	\$ 764,772
23	Operating Income	L4 - L22	\$ 718	\$ 0	\$ 550	\$ (13)	\$ 5	\$ 1,261

## FirstEnergy Pennsylvania Electric Company

FTY ending December 31, 2024

(\$ in Thousands)

## Adjustment IS-1B - FE PA Penelec Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 86,235	\$ 15,552	\$ 58,744	\$ 1,027	\$ 496,489	\$ 658,046
2	Sales for Resale		-	120	-	-	-	120
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 86,235	\$ 15,672	\$ 58,744	\$ 1,027	\$ 496,489	\$ 658,167
5	Power Supply Expense		\$ 13,285	\$ 2	\$ -	\$ -	\$ 472,386	\$ 485,674
6	Transmission Expense		48,406	-	-	-	-	48,406
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		11,624	-	-	-	-	11,624
9	Customer Service and Information Expense		-	10,020	42,723	-	-	52,743
10	Administrative and General Expense		-	6,758	-	-	-	6,758
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		8,908	(2,025)	12,139	991	(5,250)	14,762
13	Taxes Other Than Income Taxes		5,088	918	3,466	61	29,293	38,825
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 87,310	\$ 15,672	\$ 58,328	\$ 1,052	\$ 496,429	\$ 658,792
15	Operating Income Before Tax	L4 - L14	\$ (1,076)	\$ 0	\$ 416	\$ (25)	\$ 59	\$ (625)
16	Federal Income Tax - Current		\$ (207)	\$ -	\$ 80	\$ (5)	\$ 11	\$ (120)
17	State Income Tax - Current		(91)	-	35	(2)	5	(53)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (298)	\$ -	\$ 115	\$ (7)	\$ 16	\$ (173)
22	Total Operating Expense	L14 + L21	\$ 87,012	\$ 15,672	\$ 58,444	\$ 1,045	\$ 496,446	\$ 658,618
23	Operating Income	L4 - L22	\$ (778)	\$ 0	\$ 301	\$ (18)	\$ 43	\$ (452)

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment 1C - FE PA Penn Power Rate District Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 1,828	\$ 6,538	\$ 16,769	\$ 279	\$ 189,809	\$ 215,222
2	Sales for Resale		-	21	-	-	-	21
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 1,828	\$ 6,559	\$ 16,769	\$ 279	\$ 189,809	\$ 215,244
5	Power Supply Expense		\$ (4,243)	\$ 4	\$ -	\$ -	\$ 181,562	\$ 177,323
6	Transmission Expense		4,711	-	-	-	-	4,711
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		3,387	-	-	-	-	3,387
9	Customer Service and Information Expense		-	3,355	12,647	-	-	16,002
10	Administrative and General Expense		-	2,171	-	-	-	2,171
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(1,534)	644	2,934	268	(2,808)	(496)
13	Taxes Other Than Income Taxes		108	386	989	16	11,199	12,698
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 2,428	\$ 6,559	\$ 16,570	\$ 284	\$ 189,953	\$ 215,795
15	Operating Income Before Tax	L4 - L14	\$ (600)	\$ -	\$ 198	\$ (5)	\$ (144)	\$ (551)
16	Federal Income Tax - Current		\$ (115)	\$ -	\$ 38	\$ (1)	\$ (28)	\$ (106)
17	State Income Tax - Current		(51)	-	17	(0)	(12)	(47)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (166)	\$ -	\$ 55	\$ (1)	\$ (40)	\$ (153)
22	Total Operating Expense	L14 + L21	\$ 2,262	\$ 6,559	\$ 16,625	\$ 283	\$ 189,913	\$ 215,642
23	Operating Income	L4 - L22	\$ (434)	\$ -	\$ 143	\$ (4)	\$ (104)	\$ (398)

## FirstEnergy Pennsylvania Electric Company

FTY ending December 31, 2024

(\$ in Thousands)

## Adjustment 1D - FE PA West Penn Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 59,964	\$ 17,879	\$ 59,621	\$ -	\$ 770,291	\$ 907,755
2	Sales for Resale		-	86	-	-	-	86
3	Other Operating Revenue		-	-	-	-	-	-
4	Total Operating Revenue	SUM L1 to L3	\$ 59,964	\$ 17,964	\$ 59,621	\$ -	\$ 770,291	\$ 907,840
5	Power Supply Expense		\$ (17,797)	\$ 4	\$ -	\$ -	\$ 728,362	\$ 710,569
6	Transmission Expense		66,408	-	-	-	-	66,408
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		11,602	-	-	-	-	11,602
9	Customer Service and Information Expense		-	11,023	43,960	-	-	54,982
10	Administrative and General Expense		-	7,385	-	-	-	7,385
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(3,060)	(1,502)	11,124	-	(3,344)	3,218
13	Taxes Other Than Income Taxes		3,538	1,055	3,518	-	45,447	53,558
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 60,691	\$ 17,964	\$ 58,601	\$ -	\$ 770,466	\$ 907,722
15	Operating Income Before Tax	L4 - L14	\$ (727)	\$ 0	\$ 1,020	\$ -	\$ (175)	\$ 118
16	Federal Income Tax - Current		\$ (140)	\$ -	\$ 196	\$ -	\$ (34)	\$ 23
17	State Income Tax - Current		(62)	-	87	-	(15)	10
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (201)	\$ -	\$ 283	\$ -	\$ (48)	\$ 33
22	Total Operating Expense	L14 + L21	\$ 60,489	\$ 17,964	\$ 58,884	\$ -	\$ 770,417	\$ 907,754
23	Operating Income	L4 - L22	\$ (525)	\$ 0	\$ 738	\$ -	\$ (127)	\$ 86

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-2 - Base Operating Revenues**

To adjust base operating revenues to: (1) eliminate revenues attributable to unbilled revenue and the Penelec Rate District's NY jurisdictional revenue; (2) annualize changes in number of customers; (3) normalize the sales and revenue effects of energy efficiency measures implemented or to be implemented under FE PA and its Rate Districts' Energy Efficiency and Conservation Phase IV Plan and to reflect the impact of behind-the-meter generation; and (4) include revenue associated with the acquisition of LIDA in the West Penn Rate District. FE PA witness Kehl is responsible for parts (2) through (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Eliminate unbilled and non-jurisdictional revenues</u></b>							
1	Retail sales revenue per budget	p. 25-29, L1, col. 4	\$ 484,162	\$ 482,088	\$ 133,683	\$ 434,633	\$ 1,534,565
Less:							
2	STAS revenue per budget		\$ 96	\$ 340	\$ (26)	\$ (215)	\$ 196
3	DSIC revenue per budget		23,156	24,448	10,165	22,321	80,090
4	TCJA revenue per budget		(18,845)	(29,216)	(4,335)	(13,488)	(65,883)
5	SMT revenue per budget		(4,604)	(4,374)	(811)	(7,293)	(17,082)
6	Rider revenue rolled in per budget	SUM L2 to L5	\$ (196)	\$ (8,802)	\$ 4,993	\$ 1,325	\$ (2,680)
7	Base distribution revenue per budget	L6 - L1	\$ 484,358	\$ 490,889	\$ 128,690	\$ 433,308	\$ 1,537,245
8	Base billed distribution revenues	Exhibit MSK-1	484,592	488,580	128,818	433,405	1,535,395
9	Eliminate unbilled and New York jurisdictional revenues	L8 - L6	\$ 234	\$ (2,310)	\$ 128	\$ 97	\$ (1,850)
<b><u>Base operating revenue adjustment</u></b>							
10	Normalize customers to year end level	Exhibit MSK-1	\$ 1,104	\$ 108	\$ 300	\$ 455	\$ 1,967
11	Adjust energy efficiency and behind-the-meter	Exhibit MSK-1	\$ (5,786)	\$ (7,167)	\$ (1,445)	\$ (4,524)	\$ (18,922)
12	Other revenue adjustment	Exhibit MSK-1	\$ -	\$ -	\$ -	\$ -	\$ -
13	Adjustment to base operating revenues	SUM L9 to L12	(4,448)	(9,369)	(1,016)	(3,972)	(18,805)
14	Adjusted retail sales revenue per budget	L1 + L13	\$ 479,714	\$ 472,719	\$ 132,667	\$ 430,661	\$ 1,515,760

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-3 - Other Operating Revenues**

To adjust other operating revenues to: (1) reflect changes to tariff administrative fees, as supported by FE PA witness Kehl; (2) include West Penn Rate District's ground lease revenue from its FERC jurisdictional affiliate that is not included in the budget; (3) eliminate revenues associated with the West Penn Rate District's existing agreements with LIDA; (4) eliminate transmission revenue related to West Penn Rate District's FERC jurisdiction; and (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (5) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Other operating revenues per budget	p. 25-29, L3, col. 4	\$ 28,777	\$ 26,264	\$ 5,436	\$ 14,300	\$ 74,776
<b><u>Other operating revenue adjustments</u></b>							
2	Adjusted reconnection fees	FE PA witness Kehl	372	237	36	258	904
3	Less: Reconnection fees per budget		(893)	(505)	(72)	(517)	(1,988)
4	Total reconnection fee adjustment	L2 + L3	\$ (521)	\$ (268)	\$ (36)	\$ (258)	\$ (1,084)
5	Adjusted return check charges	FE PA witness Kehl	257	171	120	195	743
6	Less: Return check charges per budget		(257)	(171)	-	(130)	(558)
7	Total return check charge adjustment	L5 + L6	\$ -	\$ -	\$ 120	\$ 65	\$ 185
8	Adjusted service charges	FE PA witness Kehl	-	-	-	-	-
9	Less: Service charges per budget		(936)	(649)	-	-	(1,585)
10	Total service charge adjustment	L8 + L9	\$ (936)	\$ (649)	\$ -	\$ -	\$ (1,585)
11	Include West Penn ground lease revenues not included in the budget		\$ -	\$ -	\$ -	\$ 2,373	\$ 2,373
12	Eliminate LIDA revenues		\$ -	\$ -	\$ -	\$ (188)	\$ (188)
13	Eliminate FERC jurisdictional revenues		\$ -	\$ -	\$ -	\$ -	\$ -
14	Total before non-jurisdictional allocation	SUM L1, L4, L7, L10 to L13	\$ 27,320	\$ 25,346	\$ 5,520	\$ 16,292	\$ 74,478
<b><u>Non-jurisdictional allocation</u></b>							
15	Less: New York jurisdictional	-L1 * 0.51%	\$ -	\$ (134)	\$ -	\$ -	\$ (134)
16	Total adjustment to other operating revenues	SUM L4, L7, L10 to L13, L15	(1,457)	(1,052)	84	1,992	(432)
17	Adjusted other operating revenues per budget	L1 + L16	\$ 27,320	\$ 25,212	\$ 5,520	\$ 16,292	\$ 74,344

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-4 - Transmission Expense**

To adjust transmission expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) eliminate an allocated portion of transmission expense related to West Penn Rate District's FERC jurisdiction; and (4) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Transmission expense per budget	p. 25-29, L6, col. 4	\$ 183	\$ 43	\$ 62	\$ 8,268	\$ 8,556
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L19	4	5	1	21	32
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L8	0	1	0	3	4
4	Total payroll adjustment	L2 + L3	\$ 4	\$ 6	\$ 2	\$ 24	\$ 36
5	Total before non-jurisdictional allocation	L1 + L4	\$ 187	\$ 49	\$ 64	\$ 8,293	\$ 8,593
<b><u>Non-jurisdictional allocation</u></b>							
6	Eliminate FERC jurisdictional expense	-L5 * 0%	-	-	-	-	-
7	Less: New York jurisdictional	-L5 * 0.61%	-	(0)	-	-	(0)
8	Total non-jurisdictional adjustment	L6 + L7	\$ -	\$ (0)	\$ -	\$ -	\$ (0)
9	Total adjustment to transmission expense	L4 + L8	4	6	2	24	36
10	Adjusted transmission expense per budget	L1 + L9	\$ 187	\$ 48	\$ 64	\$ 8,293	\$ 8,592

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-4 - Supporting Schedule 1 - Payroll Expense**

To determine the adjustment to payroll expense associated with year end bargaining and non-bargaining wage rates and employee levels; and to allocate the additional payroll expense to the proper FERC classification.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Total payroll	II-D-10, part (a) attachments, L6, col. Total	\$ 80,803	\$ 88,953	\$ 22,500	\$ 76,704	\$ 268,961
	<b><u>Bargaining Unit</u></b>		<b><u>IBEW 777</u></b>	<b><u>IBEW 459</u></b>	<b><u>UWUA 140</u></b>	<b><u>UWUA 102</u></b>	<b><u>TOTAL</u></b>
2	Increase date	II-D-10, part (d)	5/1/2024	5/15/2024	7/1/2024	5/1/2024	
3	Straight time through increase dates		\$ 14,622	\$ 12,557	\$ 6,662	\$ 14,654	\$ 48,495
4	Straight time rate of increase	II-D-10, part (d)	3.00%	2.50%	3.50%	3.50%	
5	Straight time increase in test year	L3 * L4	\$ 439	\$ 314	\$ 233	\$ 513	\$ 1,499
	<b><u>Bargaining Unit</u></b>			<b><u>UWUA 180</u></b>			<b><u>TOTAL</u></b>
6	Increase date	II-D-10, part (d)		3/1/24, 9/1/24			
7	Straight time through increase dates		\$ -	\$ 8,103	\$ -	\$ -	\$ 8,103
8	Straight time rate of increase	II-D-10, part (d)	0.00%	3.00%	0.00%	0.00%	
9	Straight time increase in test year	L7 * L8	\$ -	\$ 243	\$ -	\$ -	\$ 243
	<b><u>Non-Bargaining Employees</u></b>						
10	Increase date	II-D-10, part (d)	3/1/2024	3/1/2024	3/1/2024	3/1/2024	3/1/2024
11	Straight time through increase dates		\$ 2,566	\$ 3,597	\$ 679	\$ 2,597	\$ 9,439
12	Straight time rate of increase	II-D-10, part (d)	4.00%	4.00%	4.00%	4.00%	
13	Straight time increase in test year	L11 * L12	\$ 103	\$ 144	\$ 27	\$ 104	\$ 378
14	Total payroll adjustment	L5 + L9 + L13	541	701	260	617	2,119
15	Total payroll as adjusted	L1 + L14	\$ 81,344	\$ 89,654	\$ 22,761	\$ 77,321	\$ 271,080
16	O&M allocation percentage	II-D-10, part (f)	44.80%	46.50%	35.30%	43.40%	
17	O&M payroll adjustment	L14 * L16	\$ 243	\$ 326	\$ 92	\$ 268	\$ 928
	<b><u>Allocation of payroll adjustment</u></b>						
18	Production		\$ -	\$ -	\$ -	\$ -	\$ -
19	Transmission		4	5	1	21	32
20	Distribution		223	307	80	230	839
21	Customer accounts		8	7	4	8	27
22	Customer service		5	3	2	4	15
23	Administrative and general		3	4	4	4	14
24	Total	SUM L18 to L23	\$ 243	\$ 326	\$ 92	\$ 268	\$ 928



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-4 - Supporting Schedule 2 - FirstEnergy Service Company Payroll Expense**

To determine the adjustment to payroll expense associated with Service Company year end wage rates and employee levels; and to allocate the additional payroll expense to the proper FERC classification.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b>First Energy Service Company</b>							
1	Increase date	Adj. IS-4, SS 1, L10	3/1/2024	3/1/2024	3/1/2024	3/1/2024	3/1/2024
2	Straight time through increase dates		\$ 3,953	\$ 4,475	\$ 1,122	\$ 5,121	\$ 14,671
3	Straight time rate of increase	Adj. IS-4, SS 1, L12	4.00%	4.00%	4.00%	4.00%	
4	Straight time increase in test year	L2 * L3	\$ 158	\$ 179	\$ 45	\$ 205	\$ 587
5	O&M allocation percentage	Adj. IS-4, SS 1, L16	44.80%	46.50%	35.30%	43.40%	
6	O&M payroll adjustment	L4 * L5	\$ 71	\$ 83	\$ 16	\$ 89	\$ 259
<b><u>Allocation of FESC payroll adjustment</u></b>							
7	Production		\$ -	\$ -	\$ -	\$ -	\$ -
8	Transmission		0	1	0	3	4
9	Distribution		15	20	3	20	59
10	Customer accounts		6	7	2	7	23
11	Customer service		8	9	2	18	37
12	Administrative and general		41	46	9	41	136
13	Total	SUM L7 to L12	\$ 71	\$ 83	\$ 16	\$ 89	\$ 259

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-5 - Distribution Expense**

To adjust distribution expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect storm expense using a five-year average of actual storm expense, excluding extraordinary storms; (4) include enhanced vegetation management expense; (5) adjust inspection and maintenance of overhead lines and transformers expense to reflect a two-year cycle; (6) include the reclassification of amortization of gains and losses on reacquired debt; and (6) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Smith is responsible for parts (4) and (5) of the adjustment. FE PA witness Lyons is responsible for the allocation factor used in part (7) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Distribution expense per budget	p. 25-29, L7, col. 4	\$ 94,775	\$ 103,128	\$ 24,715	\$ 90,076	\$ 312,694
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L20	223	307	80	230	839
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L9	15	20	3	20	59
4	Total payroll adjustment	L2 + L3	\$ 238	\$ 327	\$ 84	\$ 250	\$ 899
<b><u>Storm expense adjustment</u></b>							
5	Adjust storm expense to reflect five-year average of actual storm costs, excluding extraordinary storm costs	Adj. IS-5, SS 1, L9	\$ 2,129	\$ 366	\$ 1,162	\$ 1,976	\$ 5,634
<b><u>Vegetation management adjustment</u></b>							
6	Adjust vegetation management expense	FE PA witness Smith	\$ 28,619	\$ 25,365	\$ 10,437	\$ 28,425	\$ 92,846
<b><u>Inspection and maintenance of overhead lines cycle</u></b>							
7	Adjust inspection of overhead line expense	FE PA witness Smith	\$ 2,315	\$ 1,532	\$ 345	\$ 1,814	\$ 6,007
<b><u>Reclassify amortization of gain/loss on reacquired debt</u></b>							
8	Amortization of (gain) or loss on reacquired debt		\$ (16)	\$ 79	\$ 114	\$ 20	\$ 196
9	Total before non-jurisdictional allocation	SUM L1, L4 to L8	\$ 128,060	\$ 130,797	\$ 36,858	\$ 122,562	\$ 418,276
<b><u>Non-jurisdictional allocation</u></b>							
10	Less: New York jurisdictional	-L9 * 0.61%	\$ -	\$ (798)	\$ -	\$ -	\$ (798)
11	Total adjustment to distribution expense	SUM L4 to L8 + L10	33,285	26,871	12,143	32,485	104,784
12	Adjusted distribution expense per budget	L1 + L11	\$ 128,060	\$ 129,999	\$ 36,858	\$ 122,562	\$ 417,478

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-5 - Supporting Schedule 1 - Five-Year Average Storm Expense**

To determine the adjustment to storm expense associated with reflecting a five-year average of actual storm expenses, excluding extraordinary storms, in base rates. FE PA witness Smith is responsible for historical storm expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	2019 storm expense		\$ 28,551	\$ 12,081	\$ 4,252	\$ 15,361	\$ 60,246
2	2020 storm expense		26,290	10,873	3,562	5,755	46,479
3	2021 storm expense		24,676	6,082	2,483	7,621	40,862
4	2022 storm expense		20,478	14,307	3,418	19,502	57,705
5	2023 storm expense		26,597	11,426	2,360	18,336	58,720
6	Total	SUM L1 to L5	\$ 126,592	\$ 54,770	\$ 16,074	\$ 66,575	\$ 264,012
7	Average balance	L6 / 5	\$ 25,319	\$ 10,954	\$ 3,215	\$ 13,315	\$ 52,802
8	Less: Storm expense per budget		(23,190)	(10,588)	(2,052)	(11,339)	(47,168)
9	Adjustment to storm expense	L7 + L8	\$ 2,129	\$ 366	\$ 1,162	\$ 1,976	\$ 5,634

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-6 - Customer Accounts Expense**

To adjust customer accounts expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect increased uncollectible accounts expense, as supported by FE PA witness Jones; (4) reflect increased O&M costs associated with serving new customers; (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction; (6) include interest on customer deposits; and (7) include customer credit card payment processing fees, as supported by FE PA witness Jones.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer accounts expense per budget	p. 25-29 L8 col. 4	\$ 9,545	\$ 13,231	\$ 3,203	\$ 9,190	\$ 35,169
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L21	8	7	4	8	27
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L10	6	7	2	7	23
4	Total payroll adjustment	L2 + L3	\$ 14	\$ 15	\$ 5	\$ 15	\$ 49
<b><u>Uncollectible accounts expense adjustment</u></b>							
5	Uncollectible accounts expense	Adj. IS-6, SS 1, L15	\$ 4,741	\$ 3,418	\$ 585	\$ 4,771	\$ 13,515
<b><u>Cost associated with serving additional customers</u></b>							
6	Increased O&M costs associated with increased number of customers in normalized revenue levels	Adj. IS-6, SS 2, L12	\$ 14	\$ 2	\$ 4	\$ 8	\$ 28
7	Total before non-jurisdictional allocation	SUM L1, L4 to L6	\$ 14,314	\$ 16,665	\$ 3,798	\$ 13,984	\$ 48,761
<b><u>Non-jurisdictional allocation</u></b>							
8	Less: New York jurisdictional	-L7 * 0.35%	\$ -	\$ (58)	\$ -	\$ -	\$ (58)
<b><u>Interest on customer deposits</u></b>							
9	Interest on customer deposits	Adj. IS-6, SS 3, L8	\$ 2,501	\$ 2,081	\$ 537	\$ 2,159	\$ 7,278
<b><u>Credit card payment processing fee adjustment</u></b>							
10	Include customer credit card payment processing fees	FE PA witness Jones	\$ 1,698	\$ 1,481	\$ 375	\$ 1,653	\$ 5,208
11	Total adjustment to customer accounts expense	SUM L4 to L6 + SUM L8 to L10	8,968	6,938	1,507	8,607	26,021
12	Adjusted customer accounts expense per budget	L1 + L11	\$ 18,513	\$ 20,170	\$ 4,710	\$ 17,796	\$ 61,189

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-6 - Supporting Schedule 1 - Uncollectible accounts expense**

To (1) adjust uncollectible accounts expense, as supported by FE PA witness Jones, based on normalized revenues; and (2) to determine the generation-related uncollectible accounts expense associated with default service, which is recovered in the Default Service Support rider for all residential and commercial customers and Hourly Pricing Default Service rider for non-shopping industrial customers.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Uncollectible accounts expense per budget		\$ 14,455	\$ 16,254	\$ 4,414	\$ 12,287	\$ 47,410
<b><u>Uncollectible accounts expense to total billed revenue</u></b>							
2	Billed revenues as adjusted	Adj. IS-2, L14	\$ 479,714	\$ 472,719	\$ 132,667	\$ 430,661	\$ 1,515,760
3	Billed Price to Compare / Hourly Pricing default service revenues	Adj. IS-1 , L1, col. 6	663,669	496,489	189,809	770,291	2,120,257
4	Billed revenues on riders retained, excluding Price to Compare / Hourly Pricing default service revenues	Adj. IS-1 , L1, col. 7 - L3	102,229	161,558	25,413	137,464	426,664
5	POR eligible revenues billed on behalf of EGSs		394,555	419,513	142,175	437,827	1,394,070
6	Total billed revenues		\$ 1,640,167	\$ 1,550,278	\$ 490,064	\$ 1,776,242	\$ 5,456,751
7	Total adjusted uncollectible accounts expense	Exhibit MAJ-1	19,196	19,672	5,000	17,058	60,925
8	Uncollectible accounts expense rate	L7 / L6	<u>(0.011704)</u>	<u>(0.012689)</u>	<u>(0.010202)</u>	<u>(0.009603)</u>	<u>(0.011165)</u>
<b><u>Base rates uncollectible accounts expense</u></b>							
9	Base billed revenues	L2 + L4	581,943	634,276	158,080	568,124	1,942,424
10	Base rate and retained rider uncollectible accounts expense	-L8 * L9	\$ 6,811	\$ 8,049	\$ 1,613	\$ 5,456	\$ 21,928
<b><u>Generation-related uncollectible accounts expense</u></b>							
11	Generation-related billed revenues	L3 + L5	1,058,223	916,002	331,984	1,208,118	3,514,327
12	Generation-related uncollectible accounts expense	-L8 * L11	\$ 12,385	\$ 11,624	\$ 3,387	\$ 11,602	\$ 38,997
13	Less: Generation related uncollectible account expense in the DSS and HP Riders		(13,378)	(10,539)	(2,675)	(10,875)	(37,467)
14	Adjustment to generation-related uncollectible accounts expense	L12 + L13	\$ (993)	\$ 1,084	\$ 712	\$ 727	\$ 1,530
15	Total adjustment to uncollectible accounts expense	L10 + L12 - L1	4,741	3,418	585	4,771	13,515
16	Uncollectible accounts expense as adjusted	L1 + L15	\$ 19,196	\$ 19,672	\$ 5,000	\$ 17,058	\$ 60,925

**FirstEnergy Pennsylvania Electric Company**  
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**(\$ in Thousands)**

**Adjustment IS-6 - Supporting Schedule 2 - Expense Associated with Serving New Customers**

To determine the cost associated with serving the additional customers reflected in Adjustment IS-2. The ratio of non-payroll customer account expense to total revenue is applied to the additional revenue from increased customers to estimate this cost. The Commission previously recognized and approved this adjustment. The adjustment to base operating revenue for changes in number of customers is supported by FE PA witness Kehl.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Customer Account Expense Excluding Labor and Uncollectibles</u></b>							
1	Customer accounts expense per budget	p. 25-29, L8, col. 2	\$ 21,930	\$ 24,855	\$ 6,590	\$ 20,792	\$ 74,166
2	Additional uncollectible accounts expense	Adj. IS-6, SS1, L15	4,741	3,418	585	4,771	13,515
3	Adjusted customer accounts expense	L1 + L2	\$ 26,671	\$ 28,273	\$ 7,175	\$ 25,563	\$ 87,682
4	Less: Adjusted uncollectible accounts expense	Adj. IS-6, -L7	(19,196)	(19,672)	(5,000)	(17,058)	(60,925)
5	Less: Labor expense		(1,202)	(1,116)	(344)	(1,112)	(3,774)
6	Customer accounts expense excluding labor and uncollectible expense	SUM L3 to L5	\$ 6,273	\$ 7,484	\$ 1,832	\$ 7,394	\$ 22,983
<b><u>Total Distribution Revenue</u></b>							
7	Distribution revenue per budget	Adj. IS-2, L7	\$ 484,358	\$ 490,889	\$ 128,690	\$ 433,308	\$ 1,537,245
8	Late payment charges per budget		4,200	4,667	1,320	4,736	14,923
9	Total distribution revenue	L7 + L8	\$ 488,558	\$ 495,557	\$ 130,010	\$ 438,043	\$ 1,552,168
10	Ratio of customer accounts expense to total revenue	L6 / L9	1.28%	1.51%	1.41%	1.69%	
11	Revenue from added customers	Adj. IS-2, L10	1,104	108	300	455	1,967
12	Additional expense from added customers	L10 * L11	\$ 14	\$ 2	\$ 4	\$ 8	\$ 28

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-6 - Supporting Schedule 3 - Allow for Interest Expense on Customer Deposits**

To determine the interest paid on customer deposits. Since customer deposits are funds supplied to the Company by customers, they are included in rate base as a deduction. The Commission previously recognized this adjustment to include the corresponding interest paid to customers on these deposits as an expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer deposits included in rate base	Adj. RB-6, -L17	\$ 35,853	\$ 30,331	\$ 7,833	\$ 31,164	\$ 105,182
<b><u>Residential customer deposit interest</u></b>							
2	Residential customer deposits		\$ 17,482	\$ 13,067	\$ 3,349	\$ 14,479	\$ 48,377
3	Interest rate on residential deposits		8.00%	8.00%	8.00%	8.00%	8.00%
4	Interest expense on residential customer deposits	L2 * L3	\$ 1,399	\$ 1,045	\$ 268	\$ 1,158	\$ 3,870
<b><u>Non-residential customer deposit interest</u></b>							
5	Non-residential customer deposits		\$ 18,371	\$ 17,265	\$ 4,484	\$ 16,685	\$ 56,805
6	Interest rate on non-residential deposits		6.00%	6.00%	6.00%	6.00%	6.00%
7	Interest expense on non-residential customer deposits	L5 * L6	\$ 1,102	\$ 1,036	\$ 269	\$ 1,001	\$ 3,408
8	Total interest expense on customer deposits	L4 + L7	\$ 2,501	\$ 2,081	\$ 537	\$ 2,159	\$ 7,278

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-7 - Customer Service and Information Expense**

To adjust customer service and information expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) include additional expense for the low income outreach program; (4) include additional expense for the electric vehicle rebate program; and (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Jones is responsible for parts (3) and (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer service & information expense per budget	p. 25-29, L9, col. 4	\$ 5,988	\$ 4,663	\$ 1,389	\$ 5,547	\$ 17,587
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L22	5	3	2	4	15
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L11	8	9	2	18	37
4	Total payroll adjustment	L2 + L3	\$ 14	\$ 12	\$ 4	\$ 22	\$ 52
5	Total before non-jurisdictional allocation	L1 + L4	\$ 6,001	\$ 4,675	\$ 1,394	\$ 5,569	\$ 17,639
<b><u>Non-jurisdictional allocation</u></b>							
6	Less: New York jurisdictional	-L5 * 0.6%	\$ -	\$ (28)	\$ -	\$ -	\$ (28)
<b><u>Low income outreach program adjustment</u></b>							
7	Adjust expense to reflect low income outreach program	FE PA witness Jones	\$ 222	\$ 211	\$ 64	\$ 266	\$ 763
<b><u>Electric vehicle rebate program adjustment</u></b>							
8	Adjust expense to reflect electric vehicle rebate program	FE PA witness Jones	\$ 1,924	\$ 2,292	\$ 545	\$ 2,719	\$ 7,480
9	Total adjustment to customer service and information expense	SUM L4, L6 to L8	2,160	2,487	613	3,007	8,266
10	Adjusted customer service & information expense per budget	L1 + L9	\$ 8,147	\$ 7,150	\$ 2,002	\$ 8,554	\$ 25,853



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-8 - Administrative and General Expense**

To adjust administrative and general expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect pension expense using the delayed recognition methodology; (4) reflect OPEB expense using the delayed recognition methodology; (5) reflect employee benefit expense at year end wage rates and employee levels; (6) eliminate an allocated portion related to West Penn Rate District's FERC jurisdiction; (7) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction; and (8) include the normalization of rate case expenses over a three year period. FE PA witness Ashton is responsible for parts (3) and (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Administrative & general expense per budget	p. 25-29, L10, col. 4	\$ 40,430	\$ 30,349	\$ 11,262	\$ 40,854	\$ 122,894
<b>Payroll adjustment</b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L23	3	4	4	4	14
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L12	41	46	9	41	136
4	Total payroll adjustment	L2 + L3	\$ 43	\$ 50	\$ 13	\$ 45	\$ 151
<b>Pension adjustment</b>							
5	Eliminate pension expense per budget		7,390	6,285	1,916	10,737	26,328
6	Include pension expense before delayed recognition	Exhibit TMA-1	(5,780)	(5,456)	(1,539)	(7,364)	(20,138)
7	Include delayed recognition of actuarial gains and losses	Exhibit TMA-1	18,277	20,979	6,202	6,576	52,033
8	Eliminate immediate recognition of actuarial gains and losses per budget		-	-	-	-	-
9	Total pension adjustment	SUM L5 to L8	\$ 19,887	\$ 21,808	\$ 6,579	\$ 9,949	\$ 58,223
<b>OPEB adjustment</b>							
10	Eliminate OPEB expense per budget	Exhibit TMA-2	(1,709)	5,692	(144)	(830)	3,008
11	Include OPEB expense before delayed recognition	Exhibit TMA-2	1,671	(5,669)	134	626	(3,238)
12	Include delayed recognition of actuarial gains and losses		2,665	(440)	295	205	2,724
13	Eliminate immediate recognition of actuarial gains and losses per budget		-	-	-	-	-
14	Total OPEB adjustment	SUM L10 to L13	\$ 2,627	\$ (418)	\$ 284	\$ 1	\$ 2,494
<b>Employee benefit adjustment</b>							
15	Adjust employee benefit expenses	Adj. IS-8, SS 1, L14	\$ 113	\$ 88	\$ 39	\$ 47	\$ 287
16	Total before non-jurisdictional allocation	SUM L1, L4, L9, L14 and L15	\$ 63,100	\$ 51,877	\$ 18,177	\$ 50,897	\$ 184,050
<b>Non-jurisdictional allocation</b>							
17	Eliminate FERC jurisdictional expense	-L16 * 0%	-	-	-	-	-
18	Less: New York jurisdictional	-L16 * 0.59%	-	(306)	-	-	(306)
19	Total non-jurisdictional adjustment	L17 + L18	\$ -	\$ (306)	\$ -	\$ -	\$ (306)
<b>Rate case expense adjustment</b>							
20	Rate case expenses to be incurred during current rate proceeding	Adj. IS-8, SS 2, L6	\$ 234	\$ 234	\$ 77	\$ 288	\$ 833
21	Total adjustment to administrative and general expense	SUM L4, L9, L14, L15, L19 and L20	22,904	21,456	6,992	10,330	61,683
22	Adjusted administrative & general expense per budget	L1 + L21	\$ 63,334	\$ 51,805	\$ 18,254	\$ 51,185	\$ 184,577

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-8 - Supporting Schedule 1 - Adjustment to Employee Benefit Expenses**

To determine the normalized costs associated with providing employee benefits related to the increased O&M payroll expense reflected in Adjustment IS-4, Supporting Schedule 1.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Benefits expense to total payroll expense</u></b>							
1	Workers Compensation	II-D-10 attachments, L7	\$ 320	\$ 387	\$ 99	\$ 348	\$ 1,154
2	Pension costs - normalized	II-D-10 attachments, L8 + Adj. IS-8, L9	15,483	17,690	5,526	1,964	40,663
3	OPEB costs - normalized	II-D-10 attachments, L9 + Adj. IS-8, L14	4,275	(6,849)	387	637	(1,550)
4	Medical insurance	II-D-10 attachments, L11	14,167	8,685	2,719	6,231	31,803
5	Savings plan	II-D-10 attachments, L14	2,287	2,561	771	2,806	8,425
6	Other	II-D-10 attachments	1,206	1,549	30	1,514	4,299
7	Total benefit expense	SUM L1 to L6	\$ 37,738	\$ 24,024	\$ 9,532	\$ 13,500	\$ 84,794
8	Total payroll expense	Adj. IS-4, SS 1, L1	80,803	88,953	22,500	76,704	268,961
9	Effective benefit rate	L7 / L8	46.70%	27.01%	42.36%	17.60%	31.53%
10	Payroll adjustment	Adj. IS-4, SS 1, L14	541	701	260	617	2,119
11	Benefit adjustment	L9 * L10	253	189	110	109	661
12	Adjusted employee benefits per budget	L7 + L11	\$ 37,991	\$ 24,213	\$ 9,642	\$ 13,609	\$ 85,455
13	O&M allocation percentage	Adj. IS-4, SS 1, L16	44.80%	46.50%	35.30%	43.40%	
14	O&M benefit adjustment	L11 * L13	\$ 113	\$ 88	\$ 39	\$ 47	\$ 287

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-8 - Supporting Schedule 2 - Rate Case Expenses**

To provide a schedule of rate case expenses and determine the amortization of those expenses over a three-year period.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	External legal expenses		\$ 424	\$ 423	\$ 122	\$ 531	\$ 1,500
2	Total expert witness expenses		193	192	84	231	700
3	Other expenses <sup>(A)</sup>		84	88	26	103	300
4	Total rate case expenses	L1 to L3	\$ 701	\$ 703	\$ 232	\$ 865	\$ 2,500
5	Recovery period		3	3	3	3	3
6	Annual rate case expense recovery	L4 / L5	\$ 234	\$ 234	\$ 77	\$ 288	\$ 833

Note:

- (A) Other expenses include but are not limited to:
- copying
  - postage and courier services
  - public input hearing costs such as cost of facilities, travel, hotel, and meals
  - customer notification cost such as newspaper notices and bill inserts
  - transcripts
  - evidentiary hearing costs such as travel, hotel, and meals

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-9 - Depreciation Expense**

To adjust depreciation expense to (1) reflect the application of equal life group ("ELG") method depreciation rates, as supported by FE PA witness Spanos, on adjusted plant in service; (2) restate cot of removal / net salvage expense on a five-year average basis; and (3) eliminate an allocated portion of cost of removal / net salvage expense related to Penelec Rate District's New York jurisdiction.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Depreciation expense adjustment</u></b>							
1	Depreciation expense budget	p. 25-29, L11, col. 4	\$ 89,645	\$ 91,170	\$ 26,482	\$ 97,330	\$ 304,627
2	Less: Cost of removal / salvage expense budget		(12,768)	(14,458)	(4,607)	(15,354)	(47,187)
3	Depreciation expense per budget	L1+ L2	\$ 76,877	\$ 76,711	\$ 21,875	\$ 81,977	\$ 257,440
4	Include depreciation expense on adjusted plant in service	Adj. IS-9, SS 1, col. 3	94,276	103,023	26,808	99,295	323,403
5	Adjustment to depreciation expense	L4 - L3	\$ 17,399	\$ 26,312	\$ 4,934	\$ 17,318	\$ 65,963
<b><u>Cost of removal / salvage adjustment</u></b>							
6	Cost of removal / salvage expense budget	-L2	\$ 12,768	\$ 14,458	\$ 4,607	\$ 15,354	\$ 47,187
7	2019 cost of removal / salvage expense		\$ 11,454	\$ 12,129	\$ 5,822	\$ 17,970	\$ 47,374
8	2020 cost of removal / salvage expense		13,677	13,152	4,922	24,147	55,898
9	2021 cost of removal / salvage expense		13,921	17,502	4,449	13,460	49,332
10	2022 cost of removal / salvage expense		15,087	12,915	5,319	15,892	49,214
11	2023 cost of removal / salvage expense		16,248	16,579	5,567	15,639	54,033
12	Total	SUM L7 to L11	\$ 70,387	\$ 72,278	\$ 26,079	\$ 87,108	\$ 255,852
13	Average cost of removal / salvage expense	L12 / 5	14,078	14,456	5,216	17,422	51,170
14	Adjustment to cost of removal / salvage expense	L13 - L6	\$ 1,310	\$ (3)	\$ 609	\$ 2,068	\$ 3,983
15	Total before non-jurisdictional allocation	L6 + L14	\$ 14,078	\$ 14,456	\$ 5,216	\$ 17,422	\$ 51,170
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.55%	\$ -	\$ (80)	\$ -	\$ -	\$ (80)
17	Total adjustment to depreciation expense	L5 + L14 + L16	18,709	26,230	5,542	19,386	69,867
18	Adjusted depreciation expense per budget	L1 + L17	\$ 108,354	\$ 117,399	\$ 32,024	\$ 116,716	\$ 374,493

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1 - Total FE PA Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 357,294	6.09%	\$ 21,761
2		Subtotal - Intangible plant	<u>\$ 357,294</u>	<u>6.09%</u>	<u>\$ 21,761</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 79,469	1.30%	\$ 1,036
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 79,469</u>	<u>1.30%</u>	<u>\$ 1,036</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 61,283	0.75%	\$ 462
15	361	Structures and improvements	66,158	1.30%	863
16	362	Station equipment	1,322,848	1.94%	25,612
17	363	Energy storage equipment	-	0.00%	-
17	364	Poles, towers and fixtures	1,987,530	1.74%	34,498
18	365	Overhead conductors and devices	3,405,723	2.26%	76,803
19	366	Underground conduit	114,991	1.63%	1,875
20	367	Underground conductors and devices	933,805	2.26%	21,059
21	368	Line transformers	1,607,273	2.57%	41,385
22	369	Services	531,249	1.81%	9,590
23	370	Meters	549,090	8.23%	45,201
24	371	Installations on customers' premises	47,500	1.69%	802
25	372	Leased property on customers' premises	493	0.54%	3
26	373	Street lighting and signal systems	125,392	6.92%	8,682
27	374	Asset retirement costs for distribution plant	-	0.00%	-
28		Subtotal - Distribution plant	<u>\$ 10,753,335</u>	<u>2.48%</u>	<u>\$ 266,835</u>
<b><u>GENERAL PLANT</u></b>					
29	389.2	Land rights	\$ 332	1.22%	\$ 4
30	390	Structures and improvements	367,026	3.64%	13,365
31	391	Office furniture and equipment	38,138	14.78%	5,635
32	392	Transportation equipment	28,351	7.84%	2,222
33	393	Stores equipment	434	2.60%	11
34	394	Tools, shop and garage equipment	55,534	5.22%	2,896
35	395	Laboratory equipment	660	2.09%	14
36	396	Power operated equipment	7,975	1.66%	133
37	397	Communication equipment	124,534	7.62%	9,487
38	398	Miscellaneous equipment	371	0.81%	3
39	399	Other tangible property	-	0.00%	-
40	399.1	Asset retirement costs for general plant	-	0.00%	-
41		Subtotal - General plant	<u>\$ 623,356</u>	<u>5.42%</u>	<u>\$ 33,771</u>
42		Total - Electric plant in service	<u>\$ 11,813,454</u>	<u>2.74%</u>	<u>\$ 323,403</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1A - FE PA Met-Ed Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 100,536	5.04%	\$ 5,068
2		Subtotal - Intangible plant	<u>\$ 100,536</u>	<u>5.04%</u>	<u>\$ 5,068</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 26,938	1.34%	\$ 361
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 26,938</u>	<u>1.34%</u>	<u>\$ 361</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 28,933	0.50%	\$ 145
15	361	Structures and improvements	18,103	1.38%	249
16	362	Station equipment	351,189	1.95%	6,852
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	579,363	1.94%	11,253
19	365	Overhead conductors and devices	924,552	2.53%	23,366
20	366	Underground conduit	35,459	1.64%	580
21	367	Underground conductors and devices	335,746	2.23%	7,504
22	368	Line transformers	507,954	2.63%	13,375
23	369	Services	200,343	2.05%	4,115
24	370	Meters	145,652	8.42%	12,262
25	371	Installations on customers' premises	4,862	1.76%	85
26	372	Leased property on customers' premises	-	0.00%	-
27	373	Street lighting and signal systems	20,164	5.36%	1,081
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 3,152,322</u>	<u>2.57%</u>	<u>\$ 80,868</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 18	0.38%	\$ 0
31	390	Structures and improvements	148,145	3.25%	4,813
32	391	Office furniture and equipment	8,964	10.58%	949
33	392	Transportation equipment	5,662	7.13%	404
34	393	Stores equipment	56	2.52%	1
35	394	Tools, shop and garage equipment	13,123	3.95%	518
36	395	Laboratory equipment	86	0.00%	-
37	396	Power operated equipment	1,249	2.65%	33
38	397	Communication equipment	27,803	4.53%	1,261
39	398	Miscellaneous equipment	67	2.11%	1
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 205,171</u>	<u>3.89%</u>	<u>\$ 7,980</u>
43		Total - Electric plant in service	<u>\$ 3,484,967</u>	<u>2.71%</u>	<u>\$ 94,276</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1B - FE PA Penelec Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 107,268	5.98%	\$ 6,419
2		Subtotal - Intangible plant	<u>\$ 107,268</u>	<u>5.98%</u>	<u>\$ 6,419</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 12,640	1.51%	\$ 191
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 12,640</u>	<u>1.51%</u>	<u>\$ 191</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 15,524	0.84%	\$ 130
15	361	Structures and improvements	18,747	1.23%	231
16	362	Station equipment	412,129	2.01%	8,264
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	709,128	1.67%	11,875
19	365	Overhead conductors and devices	1,239,915	2.23%	27,596
20	366	Underground conduit	46,520	1.60%	746
21	367	Underground conductors and devices	246,381	2.51%	6,193
22	368	Line transformers	463,091	2.62%	12,141
23	369	Services	138,707	1.71%	2,374
24	370	Meters	145,625	8.53%	12,420
25	371	Installations on customers' premises	28,503	1.48%	421
26	372	Leased property on customers' premises	195	0.07%	0
27	373	Street lighting and signal systems	46,791	7.86%	3,679
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 3,511,259</u>	<u>2.45%</u>	<u>\$ 86,070</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 21	0.00%	\$ -
31	390	Structures and improvements	96,266	3.13%	3,011
32	391	Office furniture and equipment	9,812	20.04%	1,966
33	392	Transportation equipment	10,240	6.28%	643
34	393	Stores equipment	40	0.00%	-
35	394	Tools, shop and garage equipment	19,084	4.73%	902
36	395	Laboratory equipment	169	0.00%	-
37	396	Power operated equipment	5,070	0.55%	28
38	397	Communication equipment	47,290	8.02%	3,792
39	398	Miscellaneous equipment	72	2.18%	2
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 188,062</u>	<u>5.50%</u>	<u>\$ 10,343</u>
43		Total - Electric plant in service	<u>\$ 3,819,230</u>	<u>2.70%</u>	<u>\$ 103,023</u>

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1C - FE PA Penn Power Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 24,605	6.04%	\$ 1,487
2		Subtotal - Intangible plant	\$ 24,605	6.04%	\$ 1,487
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 8,433	0.00%	\$ -
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 8,433	0.00%	\$ -
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 5,803	0.00%	\$ -
15	361	Structures and improvements	4,940	1.26%	62
16	362	Station equipment	119,393	2.55%	3,050
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	156,049	1.80%	2,802
19	365	Overhead conductors and devices	268,733	2.19%	5,884
20	366	Underground conduit	8,225	1.42%	117
21	367	Underground conductors and devices	96,706	2.28%	2,203
22	368	Line transformers	135,978	2.93%	3,987
23	369	Services	47,944	1.26%	602
24	370	Meters	51,181	8.13%	4,159
25	371	Installations on customers' premises	4,092	1.89%	77
26	372	Leased property on customers' premises	-	0.00%	-
27	373	Street lighting and signal systems	8,769	6.39%	560
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 907,812	2.59%	\$ 23,503
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 0	0.00%	\$ -
31	390	Structures and improvements	11,234	1.81%	204
32	391	Office furniture and equipment	2,717	12.73%	346
33	392	Transportation equipment	1,560	7.13%	111
34	393	Stores equipment	27	0.71%	0
35	394	Tools, shop and garage equipment	3,682	4.17%	153
36	395	Laboratory equipment	22	5.77%	1
37	396	Power operated equipment	1,392	4.83%	67
38	397	Communication equipment	9,891	9.46%	936
39	398	Miscellaneous equipment	8	0.00%	-
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 30,532	5.96%	\$ 1,819
43		Total - Electric plant in service	\$ 971,383	2.76%	\$ 26,808



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1D - FE PA West Penn Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 124,884	7.04%	\$ 8,786
2		Subtotal - Intangible plant	\$ 124,884	7.04%	\$ 8,786
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 31,457	1.54%	\$ 484
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 31,457	1.54%	\$ 484
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 11,024	1.69%	\$ 186
15	361	Structures and improvements	24,368	1.32%	321
16	362	Station equipment	440,137	1.69%	7,446
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	542,989	1.58%	8,568
19	365	Overhead conductors and devices	972,523	2.05%	19,957
20	366	Underground conduit	24,787	1.74%	432
21	367	Underground conductors and devices	254,971	2.02%	5,159
22	368	Line transformers	500,249	2.38%	11,883
23	369	Services	144,255	1.73%	2,499
24	370	Meters	206,631	7.92%	16,360
25	371	Installations on customers' premises	10,042	2.18%	218
26	372	Leased property on customers' premises	298	0.85%	3
27	373	Street lighting and signal systems	49,667	6.77%	3,362
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 3,181,943	2.40%	\$ 76,395
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 293	1.36%	\$ 4
31	390	Structures and improvements	111,382	4.79%	5,338
32	391	Office furniture and equipment	16,645	14.27%	2,375
33	392	Transportation equipment	10,890	9.77%	1,064
34	393	Stores equipment	312	3.11%	10
35	394	Tools, shop and garage equipment	19,646	6.73%	1,323
36	395	Laboratory equipment	384	3.27%	13
37	396	Power operated equipment	265	1.67%	4
38	397	Communication equipment	39,550	8.85%	3,499
39	398	Miscellaneous equipment	224	0.00%	-
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 199,590	6.83%	\$ 13,629
43		Total - Electric plant in service	\$ 3,537,874	2.81%	\$ 99,295

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-10 - Amortization Expense**

To adjust amortization expense to (1) eliminate amortization on riders rolled into base rates; (2) eliminate storm reserve amortization per the income statement; (3) eliminate deferrals associated with asst retirement obligation accretion and depreciation per the income statement; (4) eliminate amortizations related to West Penn Rate District's FERC jurisdiction; (5) include amortization of the storm reserve accounts balance at the end of the FTY; (6) include amortization of the extraordinary storm balance; (7) include amortization of the COVID-19 regulatory asset; (8) include amortization of the streetlighting costs, as supported by FE PA witness Kehl; and (9) to include the amortization of the Rate Districts' Verizon complaints, as supported by FE PA witness Savage.

Line	Description	Reference	Rate District				Total FE PA	
			Met-Ed	Penelec	Penn Power	West Penn		
		(1)	(2)	(3)	(4)	(5)	(6)	
1	Amortization expense per budget	p. 25-29, L12 col. 4	\$ 1,330	\$ (4,178)	\$ 1,521	\$ (309)	\$ (1,636)	
<b><u>Eliminate amortizations per budget</u></b>								
2	Eliminate DSIC rider amortization		-	-	-	-	-	
3	Eliminate TCJA rider amortization		(8,472)	1,258	(2,138)	(1,179)	(10,532)	
4	Eliminate SMT rider deferral		(3,926)	(1,406)	(531)	(1,482)	(7,345)	
5	Eliminate STAS deferral		-	-	-	-	-	
6	Eliminate storm reserve deferral		10,962	4,000	1,116	2,867	18,944	
7	Eliminate deferred accretion / depreciation expense		107	327	32	104	569	
8	Eliminate amortizations related to West Penn Rate District's FERC jurisdiction		-	-	-	-	-	
9	Total eliminated amortizations	SUM L2 to L8	\$ (1,330)	\$ 4,178	\$ (1,521)	\$ 309	\$ 1,636	
<b><u>Amortize storm reserve balance over 3 years</u></b>								
10	Storm reserve balance	Adj. RB-5, L1	88,886	41,279	19,465	39,858	189,488	
11	Amortization period		3	3	3	3	3	
12	Storm reserve amortization expense		\$ 29,629	\$ 13,760	\$ 6,488	\$ 13,286	\$ 63,163	
<b><u>Amortize extraordinary storm damage balance over 3 years</u></b>								
13	Extraordinary storm balance	Adj. RB-5, L4	33,572	8,176	19,950	23,396	85,094	
14	Amortization period		3	3	3	3	3	
15	Extraordinary storm amortization expense		\$ 11,191	\$ 2,725	\$ 6,650	\$ 7,799	\$ 28,365	
<b><u>Amortize COVID-19 regulatory asset balance over 3 years</u></b>								
16	COVID-19 regulatory asset amortization expense	Adj. IS-10, SS 1, L11	\$ 2,108	\$ 3,518	\$ 1,193	\$ 3,308	\$ 10,128	
<b><u>Amortize streetlight regulatory asset balance over 5 years</u></b>								
17	Streetlight regulatory asset balance	FE PA witness Kehl	8,304	22,480	1,382	14,537	46,703	
18	Amortization period		5	5	5	5	5	
19	Streetlight regulatory asset amortization expense		\$ 1,661	\$ 4,496	\$ 276	\$ 2,907	\$ 9,341	
<b><u>Amortize Verizon complaints over 3 years</u></b>								
20	Verizon complaint amounts	Exhibit JMS-4	<b>HIGHLY CONFIDENTIAL INFORMATION REDACTED</b>					
21	Amortization period							
22	Verizon complaint amortization expense		\$ 3,659	\$ 4,555	\$ 416	\$ -	\$ 8,630	
23	Total adjustment to amortization expense	SUM L9, L12, L15, L16, L19 and L22	46,917	33,232	13,503	27,609	121,261	
24	Adjusted amortization expense per budget	L1 + L23	\$ 48,247	\$ 29,054	\$ 15,024	\$ 27,300	\$ 119,625	

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-10 - Supporting Schedule 1 - COVID-19 Expenses**

To provide a schedule of COVID-19 expenses incurred by the company and determine the amortization of those expenses over a three-year period.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Incremental uncollectible accounts expense		\$ 3,419	\$ 7,368	\$ 2,813	\$ 6,685	\$ 20,285
2	Late payment charge waivers		2,568	2,828	676	2,831	8,903
3	Reconnect charge waivers		9	4	3	11	27
4	Bill assistance media campaign		265	291	73	331	960
5	Postage		38	38	9	41	127
6	Customer mailings		17	17	4	19	58
7	Outbound dialing campaign		5	5	1	5	16
8	Emergency rental assistance program outbound dialing campaign		2	2	1	2	7
9	Total COVID-19 expenses	SUM L1 to L8	\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	30,383
10	Recovery period		3	3	3	3	3
11	COVID-19 regulatory asset amortization expense	L9 / L10	\$ 2,108	\$ 3,518	\$ 1,193	\$ 3,308	\$ 10,128

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-11 - Taxes Other Than Income Tax Expense**

To adjust taxes other than income to (1) reflect normalized sales revenues in gross receipts tax expense; (2) reflect year end wage rates and employee levels in payroll tax expense; (3) reflect PURTA tax expense consistent with the PURTA determination received in August 2023; and (4) eliminate non-jurisdictional real estate tax expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Taxes other than income tax expense per budget	p. 25-29, L13, col. 4	\$ 33,616	\$ 32,849	\$ 8,810	\$ 30,089	\$ 105,364
<b><u>Taxes other than income tax expense per budget</u></b>							
2	Gross receipts tax ("GRT") expense per budget		\$ 73,768	\$ 67,355	\$ 20,587	\$ 79,224	\$ 240,934
3	Less: GRT on riders retained		(45,188)	(38,825)	(12,698)	(53,558)	(150,268)
4	Base rates related GRT	L2 + L3	28,580	28,530	7,888	25,667	90,665
5	Federal and State payroll taxes		1,896	2,080	393	2,058	6,427
6	PURTA tax		2,597	1,745	450	2,157	6,949
7	Real estate tax		421	370	78	200	1,070
8	Sales & Use tax		122	123	-	7	252
9	Other tax		-	1	0	-	1
10	Total taxes other than income tax expense per budget	SUM L4 to L9	\$ 33,616	\$ 32,849	\$ 8,810	\$ 30,089	\$ 105,364
<b><u>GRT adjustment</u></b>							
11	Normalized sales revenue	Adj. IS-2, L14	\$ 479,714	\$ 472,719	\$ 132,667	\$ 430,661	\$ 1,515,760
12	Gross receipts tax rate		5.90%	5.90%	5.90%	5.90%	5.90%
13	GRT on normalized sales	L11 * L12	\$ 28,303	\$ 27,890	\$ 7,827	\$ 25,409	\$ 89,430
14	Less: GRT expense per budget	-L4	(28,580)	(28,530)	(7,888)	(25,667)	(90,665)
15	Adjustment to GRT	L13 + L14	\$ (277)	\$ (640)	\$ (61)	\$ (258)	\$ (1,235)
<b><u>Payroll tax adjustment</u></b>							
16	Adjustment to payroll tax	Adj. IS-11, SS 1, L8	\$ 6	\$ 8	\$ 2	\$ 7	\$ 22
<b><u>PURTA tax adjustment</u></b>							
17	PURTA tax determination issued 08/2023		\$ 2,310	\$ 1,668	\$ 402	\$ 1,720	\$ 6,100
18	Less: PURTA tax expense per budget	-L6	(2,597)	(1,745)	(450)	(2,157)	(6,949)
19	Adjustment to PURTA tax	L17 + L18	\$ (287)	\$ (77)	\$ (48)	\$ (437)	\$ (849)
<b><u>Real Estate tax adjustment</u></b>							
20	PA jurisdictional real estate taxes		\$ 421	\$ 186	\$ 77	\$ 184	\$ 868
21	Less: real estate tax per budget	-L7	(421)	(370)	(78)	(200)	(1,070)
22	Eliminate non-jurisdictional real estate taxes	L20 + L21	\$ -	\$ (184)	\$ (1)	\$ (17)	\$ (201)
23	Total adjustment to taxes other than income tax	L15 + L16 + L19 + L22	(558)	(893)	(108)	(704)	(2,263)
24	Adjusted taxes other than income tax expense per budget	L1 + L23	\$ 33,058	\$ 31,957	\$ 8,702	\$ 29,385	\$ 103,101

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-11 - Supporting Schedule 1 - Payroll Tax Expense**

To determine the additional payroll tax expense associated with the increased O&M payroll expense reflected in Adjustment IS-4, Supporting Schedule 1.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Payroll expense per budget	Adj. IS-4, SS 1, L1	\$ 80,803	\$ 88,953	\$ 22,500	\$ 76,704	\$ 268,961
2	Total payroll tax expense per budget	Adj. IS-11, L5	1,896	2,080	393	2,058	6,427
3	Effective payroll tax rate	L2 / L1	2.35%	2.34%	1.75%	2.68%	
4	Total payroll as adjusted	Adj. IS-4, SS 1, L15	\$ 81,344	\$ 89,654	\$ 22,761	\$ 77,321	\$ 271,080
5	Payroll tax on normalized payroll	L3 * L4	1,909	2,096	398	2,074	6,477
6	Payroll tax adjustment	L5 - L2	\$ 13	\$ 16	\$ 5	\$ 17	\$ 50
7	O&M allocation percentage	Adj. IS-4, SS 1, L16	44.80%	46.50%	35.30%	43.40%	
8	Adjustment for payroll tax	L6 * L7	\$ 6	\$ 8	\$ 2	\$ 7	\$ 22

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-12 - State and Federal Income Taxes at Pro Forma Present Rates**

To calculate the federal and state income taxes on the pro forma adjusted revenue and expense at present rates as shown in column 6 of FE PA and its Rate Districts' income statements.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Pro forma adjusted net income before income taxes at present rates</u></b>							
1	Revenue	p. 25-29, L4, col. 6	\$ 507,034	\$ 497,931	\$ 138,187	\$ 446,952	\$ 1,590,104
2	Operating expenses	p. 25-29, L14, col. 6	407,900	387,582	117,638	381,791	1,294,911
3	Operating income before income tax	L1- L2	\$ 99,135	\$ 110,349	\$ 20,549	\$ 65,161	\$ 295,194
<b><u>Interest expense</u></b>							
4	Rate base	p. 4-5	\$ 2,059,618	\$ 2,154,198	\$ 588,703	\$ 1,971,910	\$ 6,774,430
5	Weighted cost of debt	p.3, L1, col. 5	2.11%	2.11%	2.11%	2.11%	2.11%
6	Interest expense	L4 * L5	\$ 43,458	\$ 45,454	\$ 12,422	\$ 41,607	\$ 142,940
7	Net income before income taxes	L3 - L6	\$ 55,677	\$ 64,895	\$ 8,127	\$ 23,554	\$ 152,253
<b><u>Current state income tax at present rates</u></b>							
8	Pro forma book depreciation	Adj. IS-9, L4	\$ 94,276	\$ 103,023	\$ 26,808	\$ 99,295	\$ 323,403
9	Federal accelerated tax depreciation		41,133	50,908	12,369	68,882	173,291
10	State accelerated tax depreciation		6,332	5,767	1,868	4,540	18,508
11	State tax depreciation (over) / under book	L8 - SUM L9 to L10	\$ 46,811	\$ 46,348	\$ 12,571	\$ 25,873	\$ 131,603
12	Pro forma net salvage amortization	Adj. IS-9, L13 + L16	14,078	14,376	5,216	17,422	\$ 51,091
13	Tax cost of removal / salvage		(13,658)	(16,702)	(4,975)	(18,904)	(54,238)
14	Tax basis repairs		(44,834)	(37,879)	(12,906)	(23,756)	(119,375)
15	Casualty losses		(10,300)	(7,800)	(2,700)	(14,000)	(34,800)
16	Section 263A deductions / A&G costs capitalized		(25,382)	(30,670)	(6,643)	(12,804)	(75,498)
17	Capitalized benefits		(5,999)	(5,488)	(1,736)	(5,515)	(18,738)
18	Other (AFUDC debt, CIAC, Capitalized interest)		4,832	4,964	2,083	12,347	24,226
19	State taxable income	L7 + SUM L11 to L18	\$ 21,224	\$ 32,044	\$ (961)	\$ 4,217	\$ 56,524
20	State income tax rate		8.49%	8.49%	8.49%	8.49%	8.49%
21	State income tax expense at present rates	L19 * L20	\$ 1,802	\$ 2,721	\$ (82)	\$ 358	\$ 4,799
<b><u>Current federal income tax at present rates</u></b>							
22	State taxable income	L19	\$ 21,224	\$ 32,044	\$ (961)	\$ 4,217	\$ 56,524
23	Plus: state accelerated tax depreciation	L10	6,332	5,767	1,868	4,540	18,508
24	Less: state income tax	-L21	(1,802)	(2,721)	82	(358)	(4,799)
25	Federal taxable income	SUM L22 to L24	\$ 25,755	\$ 35,091	\$ 989	\$ 8,399	\$ 70,233
26	Federal income tax rate		21%	21%	21%	21%	21%
27	Federal income tax expense at pro forma present rates	L25 * L26	\$ 5,409	\$ 7,369	\$ 208	\$ 1,764	\$ 14,749

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**

**Adjustment IS-12 - Supporting Schedule 1 - State and Federal Income Taxes at Proposed Rates**

To calculate the federal and state income taxes on the pro forma adjusted revenue and expense at proposed rates as shown in column 8 of FE PA and its Rate Districts' income statements.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Pro forma adjusted net income before income taxes at proposed rates</u></b>							
1	Revenue	p. 25-29, L4, col. 8	\$ 630,001	\$ 620,584	\$ 181,005	\$ 596,474	\$ 2,028,065
2	Operating expenses	p. 25-29, L14, col. 8	416,866	396,641	120,695	392,379	1,326,582
3	Operating income before income tax	L1- L2	\$ 213,136	\$ 223,943	\$ 60,310	\$ 204,095	\$ 701,484
<b><u>Interest expense</u></b>							
4	Rate base	p. 4-5	\$ 2,059,618	\$ 2,154,198	\$ 588,703	\$ 1,971,910	\$ 6,774,430
5	Weighted cost of debt	p.3, L1, col. 5	2.11%	2.11%	2.11%	2.11%	2.11%
6	Interest expense	L4 * L5	\$ 43,458	\$ 45,454	\$ 12,422	\$ 41,607	\$ 142,940
7	Net income before income taxes	L3 - L6	\$ 169,678	\$ 178,489	\$ 47,888	\$ 162,488	\$ 558,543
<b><u>Current state income tax at proposed rates</u></b>							
8	Pro forma book depreciation	Adj. IS-9, L4	\$ 94,276	\$ 103,023	\$ 26,808	\$ 99,295	\$ 323,403
9	Federal accelerated tax depreciation		41,133	50,908	12,369	68,882	173,291
10	State accelerated tax depreciation		6,332	5,767	1,868	4,540	18,508
11	State tax depreciation (over) / under book	L8 - SUM L9 to L10	\$ 46,811	\$ 46,348	\$ 12,571	\$ 25,873	\$ 131,603
12	Pro forma net salvage amortization	Adj. IS-9, L13 + L16	14,078	14,376	5,216	17,422	\$ 51,091
13	Tax cost of removal / salvage		(13,658)	(16,702)	(4,975)	(18,904)	(54,238)
14	Tax basis repairs		(44,834)	(37,879)	(12,906)	(23,756)	(119,375)
15	Casualty losses		(10,300)	(7,800)	(2,700)	(14,000)	(34,800)
16	Section 263A deductions / A&G costs capitalized		(25,382)	(30,670)	(6,643)	(12,804)	(75,498)
17	Capitalized benefits		(5,999)	(5,488)	(1,736)	(5,515)	(18,738)
18	Other (AFUDC debt, CIAC, Capitalized interest)		4,832	4,964	2,083	12,347	24,226
19	State taxable income	L7 + SUM L11 to L18	\$ 135,225	\$ 145,638	\$ 38,800	\$ 143,151	\$ 462,814
20	State income tax rate		8.49%	8.49%	8.49%	8.49%	8.49%
21	State income tax expense	L19 * L20	\$ 11,481	\$ 12,365	\$ 3,294	\$ 12,154	\$ 39,293
<b><u>Current federal income tax at proposed rates</u></b>							
22	State taxable income	L19	\$ 135,225	\$ 145,638	\$ 38,800	\$ 143,151	\$ 462,814
23	Plus: state accelerated tax depreciation	L10	6,332	5,767	1,868	4,540	18,508
24	Less: state income tax	-L21	(11,481)	(12,365)	(3,294)	(12,154)	(39,293)
25	Federal taxable income	SUM L22 to L24	\$ 130,077	\$ 139,041	\$ 37,374	\$ 135,537	\$ 442,029
26	Federal income tax rate		21%	21%	21%	21%	21%
27	Federal income tax expense at proposed rates	L25 * L26	\$ 27,316	\$ 29,199	\$ 7,849	\$ 28,463	\$ 92,826

**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Adjustment IS-13 - Provision for Deferred Income Taxes**

To adjust the provision for deferred income taxes to (1) reflect property-related federal deferred income taxes; and (2) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Federal deferred income tax expense per budget	p. 25-29, L18, col. 4	\$ (4,717)	\$ (5,649)	\$ (931)	\$ (1,777)	\$ (13,075)
<b><u>Federal deferred income tax adjustment</u></b>							
2	Property-related federal deferred income tax	II-D-24	5,656	5,987	952	1,979	14,575
3	Adjustment before non-jurisdictional allocation	L2 - L1	10,373	11,637	1,884	3,757	27,650
4	Distribution deferred taxes	L1 + L3	\$ 5,656	\$ 5,987	\$ 952	\$ 1,979	\$ 14,575
<b><u>Non-jurisdictional allocation</u></b>							
5	Less: New York jurisdictional	-L4 * 0.61%	-	(37)	-	-	(37)
6	Adjustment to federal deferred taxes	L3 + L5	10,373	11,600	1,884	3,757	27,614
7	Adjusted federal deferred income tax expense per budget	L1 + L6	\$ 5,656	\$ 5,951	\$ 952	\$ 1,979	\$ 14,539



**FirstEnergy Pennsylvania Electric Company**  
**FTY ending December 31, 2024**  
**(\$ in Thousands)**  
**Gross Revenue Conversion Factor**

To calculate the gross revenue conversion factor used to determine the amount of revenue required to recover taxes related to revenue once the amount of the net operating income increase is determined.

Line	Description	Reference	Rate District			
			Met-Ed	Penelec	Penn Power	West Penn
		(1)	(2)	(3)	(4)	(5)
<b><u>Gross revenue conversion factor</u></b>						
1	Gross Revenue Factor		1.000000	1.000000	1.000000	1.000000
2	Late payment charges	Adj. IS-6, SS 2, L5	4,200	4,667	1,320	4,736
3	Total customer and shopping revenue	Adj. IS-6, SS 1, L5	1,640,167	1,550,278	490,064	1,776,242
4	Late payment charge revenue	L2 / L3	0.002561	0.003011	0.002694	0.002666
5	Gross receipts tax	L1 * -5.9%	(0.059000)	(0.059000)	(0.059000)	(0.059000)
6	Uncollectible expenses	Adj. IS-6, SS 1, L7	(0.011704)	(0.012689)	(0.010202)	(0.009603)
7	2023 / 2024 PUC / OCA & SBA Assessment as a percent of revenue		(0.002397)	(0.002397)	(0.002397)	(0.002397)
8	Net revenues	L1 + SUM L4 to L7	0.929460	0.928924	0.931095	0.931666
9	State income taxes	L8 * -8.49%	(0.078911)	(0.078866)	(0.079050)	(0.079098)
10	Factor after state income taxes	L8 + L9	0.850549	0.850059	0.852045	0.852567
11	Federal income taxes	L10 * -21%	(0.178615)	(0.178512)	(0.178929)	(0.179039)
12	Net operating income factor	L9 + L11	0.671934	0.671546	0.673115	0.673528
13	Gross revenue conversion factor	1 / L12	1.488242	1.489101	1.485629	1.484719
14	Combined income tax factor for gross revenue	-L11 - 8.49%	26.352%	26.341%	26.383%	26.394%
<b><u>Income tax factor</u></b>						
15	Gross Revenue Factor		1.000000	1.000000	1.000000	1.000000
16	State income taxes	L15 * -8.49%	(0.084900)	(0.084900)	(0.084900)	(0.084900)
17	Factor after state income taxes	L15 + L16	0.915100	0.915100	0.915100	0.915100
18	Federal income taxes	L17 * -21%	(0.192171)	(0.192171)	(0.192171)	(0.192171)
19	Net operating income factor	L16 + L18	0.722929	0.722929	0.722929	0.722929
20	Gross revenue conversion factor	1 / L19	1.383262	1.383262	1.383262	1.383262
21	Combined income tax factor on taxable income	-L18 - 8.49%	27.707%	27.707%	27.707%	27.707%

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Overall Summary**

<b>Line</b>	<b>Description</b>	<b>Reference</b>	<b>Present Rates</b>	<b>Revenue Increase</b>	<b>Proposed Rates</b>
		(1)	(2)	(3)	(4)
<b>Total FE PA</b>					
1	Retail Sales	p.25, L1, col. 6	\$ 1,418,594	\$ 419,232	\$ 1,837,826
2	Other Operating Revenues	p.25, L3, col. 6	71,312	1,411	72,722
3	Total Operating Revenues	L1 + L2	\$ 1,489,906	\$ 420,643	\$ 1,910,548
4	Total Operating Expenses	p.25, L14, col. 6	1,232,484	30,882	1,263,366
5	Operating Income Before Tax	L3 - L4	\$ 257,422	\$ 389,760	\$ 647,182
6	Total Income Taxes	p.25, L21, col. 6	14,981	109,531	124,512
7	Net Operating Income	L5 - L6	\$ 242,441	\$ 280,229	\$ 522,671
8	Rate Base	p.4, L11, col. 4	\$ 6,381,816		\$ 6,381,816
9	Overall Rate of Return	L7 / L8	3.80%		8.19%
10	Rate of Return Requested	p.3, L3, col. 5			8.19%
11	Return on Equity		3.14%		11.30%
<b>FE PA - Met-Ed Rate District</b>					
12	Retail Sales	p.26, L1, col. 6	\$ 443,386	\$ 130,371	\$ 573,756
13	Other Operating Revenues	p.26, L3, col. 6	25,765	446	26,211
14	Total Operating Revenues	L12 + L13	\$ 469,150	\$ 130,817	\$ 599,967
15	Total Operating Expenses	p.26, L14, col. 6	393,510	9,702	403,212
16	Operating Income Before Tax	L14 - L15	\$ 75,640	\$ 121,115	\$ 196,755
17	Total Income Taxes	p.26, L21, col. 6	4,826	34,036	38,862
18	Net Operating Income	L16 - L17	\$ 70,814	\$ 87,079	\$ 157,893
19	Rate Base	p.4, L22, col. 4	\$ 1,927,879		\$ 1,927,879
20	Overall Rate of Return	L18 / L19	3.67%		8.19%
21	Rate of Return Requested	p.3, L3, col. 5			8.19%
22	Return on Equity		2.90%		11.30%
<b>FE PA - Penelec Rate District</b>					
23	Retail Sales	p.27, L1, col. 6	\$ 450,146	\$ 117,957	\$ 568,104
24	Other Operating Revenues	p.27, L3, col. 6	21,889	426	22,316
25	Total Operating Revenues	L23 + L24	\$ 472,035	\$ 118,384	\$ 590,419
26	Total Operating Expenses	p.27, L14, col. 6	372,307	8,859	381,166
27	Operating Income Before Tax	L25 - L26	\$ 99,729	\$ 109,525	\$ 209,253
28	Total Income Taxes	p.27, L21, col. 6	11,380	30,779	42,158
29	Net Operating Income	L27 - L28	\$ 88,349	\$ 78,746	\$ 167,095
30	Rate Base	p.4, L33, col. 4	\$ 2,040,233		\$ 2,040,233
31	Overall Rate of Return	L29 / L30	4.33%		8.19%
32	Rate of Return Requested	p.3, L3, col. 5			8.19%
33	Return on Equity		4.13%		11.30%

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Overall Summary**

Line	Description	Reference	Present Rates	Revenue Increase	Proposed Rates
		(1)	(2)	(3)	(4)
<b>FE PA - Penn Power Rate District</b>					
34	Retail Sales	p.28, L1, col. 6	\$ 119,918	\$ 36,123	\$ 156,041
35	Other Operating Revenues	p.28, L3, col. 6	6,251	108	6,359
36	Total Operating Revenues	L34 + L35	<u>\$ 126,168</u>	<u>\$ 36,231</u>	<u>\$ 162,400</u>
37	Total Operating Expenses	p.28, L14, col. 6	102,377	2,623	105,001
38	Operating Income Before Tax	L36 - L37	\$ 23,791	\$ 33,608	\$ 57,399
39	Total Income Taxes	p.28, L21, col. 6	1,859	9,445	11,304
40	Net Operating Income	L38 - L39	<u>\$ 21,932</u>	<u>\$ 24,163</u>	<u>\$ 46,095</u>
41	Rate Base	p.5, L44, col. 4	<u>\$ 562,823</u>		<u>\$ 562,823</u>
42	Overall Rate of Return	L40 / L41	3.90%		8.19%
43	Rate of Return Requested	p.3, L3, col. 5			8.19%
44	Return on Equity		3.32%		11.30%
<b>FE PA - West Penn Rate District</b>					
45	Retail Sales	p.29, L1, col. 6	\$ 405,145	\$ 134,781	\$ 539,926
46	Other Operating Revenues	p.29, L3, col. 6	17,407	430	17,837
47	Total Operating Revenues	L45 + L46	<u>\$ 422,552</u>	<u>\$ 135,211</u>	<u>\$ 557,763</u>
48	Total Operating Expenses	p.29, L14, col. 6	364,289	9,698	373,987
49	Operating Income Before Tax	L47 - L48	\$ 58,262	\$ 125,513	\$ 183,775
50	Total Income Taxes	p.29, L21, col. 6	(3,084)	35,272	32,188
51	Net Operating Income	L49 - L50	<u>\$ 61,346</u>	<u>\$ 90,241</u>	<u>\$ 151,587</u>
52	Rate Base	p.5, L55, col. 4	<u>\$ 1,850,882</u>		<u>\$ 1,850,882</u>
53	Overall Rate of Return	L51 / L52	3.31%		8.19%
54	Rate of Return Requested	p.3, L3, col. 5			8.19%
55	Return on Equity		2.24%		11.30%

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**FE PA Rate of Return**

The components of FE PA's rate of return, as shown on FE PA Exhibit BW-3, are supported by FE PA witnesses Wang and D'Ascendis.

<b>Line</b>	<b>Description</b>	<b>Reference</b>	<b>Capitalization</b>	<b>Capitalization Ratios</b>	<b>Cost</b>	<b>Return</b>
		(1)	(2)	(3)	(4)	(5)
1	Long-Term Debt		\$ 3,735,139	46.19%	4.56%	2.11%
2	Common Equity		4,352,022	53.81%	11.30%	6.08%
3	Total	L1 + L2	\$ 8,087,161	100.00%		8.19%

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Rate Base at Original Cost**

Line	Description	Reference	Per Books	Adjustment	Pro forma Adjusted
		(1)	(2)	(3)	(4)
<b>Total FE PA</b>					
1	Plant in service	Adj. RB-1	\$ 11,237,128	\$ 5,455	\$ 11,242,583
2	Accumulated depreciation	Adj. RB-2	3,528,607	2,297	3,530,904
3	Net plant in service	L1 - L2	\$ 7,708,521	\$ 3,158	\$ 7,711,679
4	Material and supplies	Adj. RB-3	\$ -	\$ 72,094	\$ 72,094
5	Cash working capital	Adj. RB-4	-	201,495	201,495
6	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	330,853	330,853
7	Customer deposits	Adj. RB-6	(105,185)	3	(105,182)
8	Customer advances	Adj. RB-7	(557)	-	(557)
9	Accumulated deferred income taxes	Adj. RB-8	(1,882,999)	65,313	(1,817,686)
10	Capitalized pension and OPEB	Adj. RB-9	-	(10,881)	(10,881)
11	Total rate base	SUM L3 to L10	<u>\$ 5,719,780</u>	<u>\$ 662,035</u>	<u>\$ 6,381,816</u>
<b>FE PA - Met-Ed Rate District</b>					
12	Plant in service	Adj. RB-1	\$ 3,310,884	\$ 4,519	\$ 3,315,403
13	Accumulated depreciation	Adj. RB-2	1,017,352	(43)	1,017,309
14	Net plant in service	L12 - L13	\$ 2,293,532	\$ 4,562	\$ 2,298,094
15	Material and supplies	Adj. RB-3	\$ -	\$ 21,710	\$ 21,710
16	Cash working capital	Adj. RB-4	-	65,234	65,234
17	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	139,758	139,758
18	Customer deposits	Adj. RB-6	(35,853)	-	(35,853)
19	Customer advances	Adj. RB-7	-	-	-
20	Accumulated deferred income taxes	Adj. RB-8	(569,957)	17,164	(552,793)
21	Capitalized pension and OPEB	Adj. RB-9	-	(8,271)	(8,271)
22	Total rate base	SUM L14 to L21	<u>\$ 1,687,722</u>	<u>\$ 240,157</u>	<u>\$ 1,927,879</u>
<b>FE PA - Penelec Rate District</b>					
23	Plant in service	Adj. RB-1	\$ 3,659,156	\$ (20,869)	\$ 3,638,288
24	Accumulated depreciation	Adj. RB-2	1,133,969	(7,258)	1,126,711
25	Net plant in service	L23 - L24	\$ 2,525,187	\$ (13,611)	\$ 2,511,577
26	Material and supplies	Adj. RB-3	\$ -	\$ 23,657	\$ 23,657
27	Cash working capital	Adj. RB-4	-	64,441	64,441
28	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	73,674	73,674
29	Customer deposits	Adj. RB-6	(30,334)	3	(30,331)
30	Customer advances	Adj. RB-7	-	-	-
31	Accumulated deferred income taxes	Adj. RB-8	(638,680)	29,229	(609,451)
32	Capitalized pension and OPEB	Adj. RB-9	-	6,666	6,666
33	Total rate base	SUM L25 to L32	<u>\$ 1,856,173</u>	<u>\$ 184,060</u>	<u>\$ 2,040,233</u>

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Rate Base at Original Cost**

Line	Description	Reference	Per Books	Adjustment	Pro forma Adjusted
		(1)	(2)	(3)	(4)
<b>FE PA - Penn Power Rate District</b>					
34	Plant in service	Adj. RB-1	\$ 931,711	\$ 478	\$ 932,189
35	Accumulated depreciation	Adj. RB-2	259,126	(25)	259,101
36	Net plant in service	L34 - L35	<u>\$ 672,585</u>	<u>\$ 503</u>	<u>\$ 673,089</u>
37	Material and supplies	Adj. RB-3	\$ -	\$ 5,864	\$ 5,864
38	Cash working capital	Adj. RB-4	-	14,835	14,835
39	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	44,243	44,243
40	Customer deposits	Adj. RB-6	(7,833)	-	(7,833)
41	Customer advances	Adj. RB-7	-	-	-
42	Accumulated deferred income taxes	Adj. RB-8	(165,506)	2,874	(162,633)
43	Capitalized pension and OPEB	Adj. RB-9	-	(4,742)	(4,742)
44	Total rate base	SUM L36 to L43	<u>\$ 499,246</u>	<u>\$ 63,577</u>	<u>\$ 562,823</u>

<b>FE PA - West Penn Rate District</b>					
45	Plant in service	Adj. RB-1	\$ 3,335,376	\$ 21,326	\$ 3,356,703
46	Accumulated depreciation	Adj. RB-2	1,118,160	9,623	1,127,783
47	Net plant in service	L45 - L46	<u>\$ 2,217,216</u>	<u>\$ 11,703</u>	<u>\$ 2,228,920</u>
48	Material and supplies	Adj. RB-3	\$ -	\$ 20,863	\$ 20,863
49	Cash working capital	Adj. RB-4	-	56,986	56,986
50	Unamortized deferral and Verizon complaint balances	Adj. RB-5	-	73,178	73,178
51	Customer deposits	Adj. RB-6	(31,164)	-	(31,164)
52	Customer advances	Adj. RB-7	(557)	-	(557)
53	Accumulated deferred income taxes	Adj. RB-8	(508,855)	16,046	(492,809)
54	Capitalized pension and OPEB	Adj. RB-9	-	(4,534)	(4,534)
55	Total rate base	SUM L47 to L54	<u>\$ 1,676,640</u>	<u>\$ 174,242</u>	<u>\$ 1,850,882</u>

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-1 - Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Plant in service per books		\$ 3,310,884	\$ 3,659,156	\$ 931,711	\$ 3,335,376	\$ 11,237,128
2	Eliminate asset retirement costs	Adj. RB-1, SS 1, col. 2	(155)	(489)	(37)	(750)	(1,431)
3	Eliminate plant supporting Penelec Rate District's New York jurisdiction	Adj. RB-1, SS 1, col. 3	-	(22,318)	-	-	(22,318)
4	Include plant associated with West Penn Rate District's acquisition of LIDA	Adj. RB-1, SS 1, col. 4	-	-	-	17,196	17,196
5	Include plant associated with two-year inspection and maintenance cycle	Adj. RB-1, SS 1, col. 5	4,674	1,938	515	4,880	12,008
6	Total adjustment to plant in service	SUM L2 to L5	\$ 4,519	\$ (20,869)	\$ 478	\$ 21,326	\$ 5,455
7	Adjusted plant in service per books	L1 + L6	\$ 3,315,403	\$ 3,638,288	\$ 932,189	\$ 3,356,703	\$ 11,242,583

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1 - Total FE PA Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Books Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 339	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 338
2	302	Franchises and consents	526	-	(2)	-	-	(2)	524
3	350.1	Transmission land	11,075	-	(18)	-	-	(18)	11,057
4	360.1	Distribution land	13,679	-	(10)	-	-	(10)	13,669
5	389.1	General land	6,319	-	(7)	-	-	(7)	6,312
6		Subtotal - Non-depreciable plant	<u>\$ 31,937</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ 31,901</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 345,628	\$ -	\$ (627)	\$ -	\$ -	\$ (627)	\$ 345,001
8		Subtotal - Intangible plant	<u>\$ 345,628</u>	<u>\$ -</u>	<u>\$ (627)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (627)</u>	<u>\$ 345,001</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 79,547	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 79,469
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	<u>\$ 79,547</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ 79,469</u>
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 61,232	\$ -	\$ (95)	\$ -	\$ -	\$ (95)	\$ 61,137
21	361	Structures and improvements	65,951	-	(114)	140	-	26	65,976
22	362	Station equipment	1,228,489	-	(2,299)	2,400	-	101	1,228,590
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	1,885,587	-	(4,185)	2,858	6,358	5,030	1,890,618
25	365	Overhead conductors and devices	3,208,015	-	(7,247)	5,283	4,747	2,783	3,210,798
26	366	Underground conduit	114,181	-	(280)	142	-	(138)	114,043
27	367	Underground conductors and devices	881,543	-	(1,407)	1,381	-	(26)	881,517
28	368	Line transformers	1,544,760	-	(2,733)	2,744	903	914	1,545,674
29	369	Services	522,517	-	(840)	798	-	(42)	522,475
30	370	Meters	527,205	-	(858)	1,129	-	271	527,476
31	371	Installations on customers' premises	47,620	-	(175)	58	-	(117)	47,503
32	372	Leased property on customers' premises	493	-	(1)	2	-	1	493
33	373	Street lighting and signal systems	115,903	-	(262)	263	-	2	115,905
34	374	Asset retirement costs for distribution plant	238	(238)	-	-	-	(238)	-
35		Subtotal - Distribution plant	<u>\$10,203,733</u>	<u>\$ (238)</u>	<u>\$ (20,495)</u>	<u>\$ 17,196</u>	<u>\$ 12,008</u>	<u>\$ 8,471</u>	<u>\$10,212,204</u>
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 333	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 332
37	390	Structures and improvements	313,700	-	(529)	-	-	(529)	313,171
38	391	Office furniture and equipment	39,672	-	(73)	-	-	(73)	39,599
39	392	Transportation equipment	27,392	-	(57)	-	-	(57)	27,335
40	393	Stores equipment	1,222	-	(4)	-	-	(4)	1,219
41	394	Tools, shop and garage equipment	53,689	-	(113)	-	-	(113)	53,576
42	395	Laboratory equipment	729	-	(1)	-	-	(1)	728
43	396	Power operated equipment	8,065	-	(31)	-	-	(31)	8,033
44	397	Communication equipment	129,857	-	(272)	-	-	(272)	129,584
45	398	Miscellaneous equipment	432	-	(0)	-	-	(0)	431
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	1,193	(1,193)	-	-	-	(1,193)	-
48		Subtotal - General plant	<u>\$ 576,283</u>	<u>\$ (1,193)</u>	<u>\$ (1,081)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,275)</u>	<u>\$ 574,008</u>
49		Total - Electric plant in service	<u>\$11,237,128</u>	<u>\$ (1,431)</u>	<u>\$ (22,318)</u>	<u>\$ 17,196</u>	<u>\$ 12,008</u>	<u>\$ 5,455</u>	<u>\$11,242,583</u>



**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1A - FE PA Met-Ed Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Books Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124
2	302	Franchises and consents	151	-	-	-	-	-	151
3	350.1	Transmission land	3,554	-	-	-	-	-	3,554
4	360.1	Distribution land	4,014	-	-	-	-	-	4,014
5	389.1	General land	2,937	-	-	-	-	-	2,937
6		Subtotal - Non-depreciable plant	\$ 10,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,780
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 96,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,602
8		Subtotal - Intangible plant	\$ 96,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,602
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 26,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,938
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 26,938	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,938
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 28,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,933
21	361	Structures and improvements	18,103	-	-	-	-	-	18,103
22	362	Station equipment	321,277	-	-	-	-	-	321,277
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	553,691	-	-	-	2,123	2,123	555,814
25	365	Overhead conductors and devices	846,983	-	-	-	2,331	2,331	849,314
26	366	Underground conduit	35,459	-	-	-	-	-	35,459
27	367	Underground conductors and devices	319,844	-	-	-	-	-	319,844
28	368	Line transformers	491,326	-	-	-	221	221	491,546
29	369	Services	199,370	-	-	-	-	-	199,370
30	370	Meters	141,705	-	-	-	-	-	141,705
31	371	Installations on customers' premises	4,862	-	-	-	-	-	4,862
32	372	Leased property on customers' premises	-	-	-	-	-	-	-
33	373	Street lighting and signal systems	19,117	-	-	-	-	-	19,117
34	374	Asset retirement costs for distribution plant	49	(49)	-	-	-	(49)	-
35		Subtotal - Distribution plant	\$ 2,980,719	\$ (49)	\$ -	\$ -	\$ 4,674	\$ 4,625	\$ 2,985,344
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18
37	390	Structures and improvements	132,739	-	-	-	-	-	132,739
38	391	Office furniture and equipment	10,051	-	-	-	-	-	10,051
39	392	Transportation equipment	5,662	-	-	-	-	-	5,662
40	393	Stores equipment	300	-	-	-	-	-	300
41	394	Tools, shop and garage equipment	12,659	-	-	-	-	-	12,659
42	395	Laboratory equipment	86	-	-	-	-	-	86
43	396	Power operated equipment	1,249	-	-	-	-	-	1,249
44	397	Communication equipment	32,900	-	-	-	-	-	32,900
45	398	Miscellaneous equipment	76	-	-	-	-	-	76
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	106	(106)	-	-	-	(106)	-
48		Subtotal - General plant	\$ 195,845	\$ (106)	\$ -	\$ -	\$ -	\$ (106)	\$ 195,739
49		Total - Electric plant in service	\$ 3,310,884	\$ (155)	\$ -	\$ -	\$ 4,674	\$ 4,519	\$ 3,315,403

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1B - FE PA Penelec Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Books Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 35	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 34
2	302	Franchises and consents	307	-	(2)	-	-	(2)	305
3	350.1	Transmission land	2,909	-	(18)	-	-	(18)	2,891
4	360.1	Distribution land	1,681	-	(10)	-	-	(10)	1,671
5	389.1	General land	1,093	-	(7)	-	-	(7)	1,086
6		Subtotal - Non-depreciable plant	<u>\$ 6,024</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ 5,987</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 102,769	\$ -	\$ (627)	\$ -	\$ -	\$ (627)	\$ 102,142
8		Subtotal - Intangible plant	<u>\$ 102,769</u>	<u>\$ -</u>	<u>\$ (627)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (627)</u>	<u>\$ 102,142</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 12,718	\$ -	\$ (78)	\$ -	\$ -	\$ (78)	\$ 12,640
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	<u>\$ 12,718</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78)</u>	<u>\$ 12,640</u>
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 15,619	\$ -	\$ (95)	\$ -	\$ -	\$ (95)	\$ 15,524
21	361	Structures and improvements	18,710	-	(114)	-	-	(114)	18,596
22	362	Station equipment	376,873	-	(2,299)	-	-	(2,299)	374,574
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	686,033	-	(4,185)	-	1,248	(2,937)	683,096
25	365	Overhead conductors and devices	1,188,011	-	(7,247)	-	538	(6,709)	1,181,302
26	366	Underground conduit	45,921	-	(280)	-	-	(280)	45,640
27	367	Underground conductors and devices	230,581	-	(1,407)	-	-	(1,407)	229,174
28	368	Line transformers	448,019	-	(2,733)	-	152	(2,581)	445,438
29	369	Services	137,736	-	(840)	-	-	(840)	136,896
30	370	Meters	140,631	-	(858)	-	-	(858)	139,774
31	371	Installations on customers' premises	28,678	-	(175)	-	-	(175)	28,503
32	372	Leased property on customers' premises	196	-	(1)	-	-	(1)	195
33	373	Street lighting and signal systems	42,883	-	(262)	-	-	(262)	42,621
34	374	Asset retirement costs for distribution plant	167	(167)	-	-	-	(167)	-
35		Subtotal - Distribution plant	<u>\$ 3,360,058</u>	<u>\$ (167)</u>	<u>\$ (20,495)</u>	<u>\$ -</u>	<u>\$ 1,938</u>	<u>\$ (18,724)</u>	<u>\$ 3,341,334</u>
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 21	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 21
37	390	Structures and improvements	86,641	-	(529)	-	-	(529)	86,113
38	391	Office furniture and equipment	12,047	-	(73)	-	-	(73)	11,973
39	392	Transportation equipment	9,406	-	(57)	-	-	(57)	9,349
40	393	Stores equipment	583	-	(4)	-	-	(4)	580
41	394	Tools, shop and garage equipment	18,534	-	(113)	-	-	(113)	18,421
42	395	Laboratory equipment	170	-	(1)	-	-	(1)	169
43	396	Power operated equipment	5,159	-	(31)	-	-	(31)	5,127
44	397	Communication equipment	44,631	-	(272)	-	-	(272)	44,359
45	398	Miscellaneous equipment	73	-	(0)	-	-	(0)	72
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	322	(322)	-	-	-	(322)	-
48		Subtotal - General plant	<u>\$ 177,587</u>	<u>\$ (322)</u>	<u>\$ (1,081)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,403)</u>	<u>\$ 176,184</u>
49		Total - Electric plant in service	<u>\$ 3,659,156</u>	<u>\$ (489)</u>	<u>\$ (22,318)</u>	<u>\$ -</u>	<u>\$ 1,938</u>	<u>\$ (20,869)</u>	<u>\$ 3,638,288</u>

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1C - FE PA Penn Power Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Books Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23
2	302	Franchises and consents	69	-	-	-	-	-	69
3	350.1	Transmission land	2,112	-	-	-	-	-	2,112
4	360.1	Distribution land	1,246	-	-	-	-	-	1,246
5	389.1	General land	227	-	-	-	-	-	227
6		Subtotal - Non-depreciable plant	\$ 3,676	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,676
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 23,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,780
8		Subtotal - Intangible plant	\$ 23,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,780
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 8,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,433
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 8,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,433
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 5,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,803
21	361	Structures and improvements	4,902	-	-	-	-	-	4,902
22	362	Station equipment	114,098	-	-	-	-	-	114,098
23	363	Energy storage equipment	-	-	-	-	-	-	-
24	364	Poles, towers and fixtures	150,174	-	-	-	160	160	150,334
25	365	Overhead conductors and devices	256,601	-	-	-	255	255	256,856
26	366	Underground conduit	8,148	-	-	-	-	-	8,148
27	367	Underground conductors and devices	91,640	-	-	-	-	-	91,640
28	368	Line transformers	129,414	-	-	-	100	100	129,514
29	369	Services	46,966	-	-	-	-	-	46,966
30	370	Meters	49,038	-	-	-	-	-	49,038
31	371	Installations on customers' premises	4,092	-	-	-	-	-	4,092
32	372	Leased property on customers' premises	-	-	-	-	-	-	-
33	373	Street lighting and signal systems	8,266	-	-	-	-	-	8,266
34	374	Asset retirement costs for distribution plant	4	(4)	-	-	-	(4)	-
35		Subtotal - Distribution plant	\$ 869,147	\$ (4)	\$ -	\$ -	\$ 515	\$ 511	\$ 869,658
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
37	390	Structures and improvements	8,320	-	-	-	-	-	8,320
38	391	Office furniture and equipment	2,842	-	-	-	-	-	2,842
39	392	Transportation equipment	1,434	-	-	-	-	-	1,434
40	393	Stores equipment	27	-	-	-	-	-	27
41	394	Tools, shop and garage equipment	3,127	-	-	-	-	-	3,127
42	395	Laboratory equipment	22	-	-	-	-	-	22
43	396	Power operated equipment	1,392	-	-	-	-	-	1,392
44	397	Communication equipment	9,470	-	-	-	-	-	9,470
45	398	Miscellaneous equipment	8	-	-	-	-	-	8
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	33	(33)	-	-	-	(33)	-
48		Subtotal - General plant	\$ 26,674	\$ (33)	\$ -	\$ -	\$ -	\$ (33)	\$ 26,641
49		Total - Electric plant in service	\$ 931,711	\$ (37)	\$ -	\$ -	\$ 515	\$ 478	\$ 932,189

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-1 - Supporting Schedule 1D - FE PA West Penn Rate District Plant in Service**

To adjust plant in service to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Books Plant in Service (1)	Asset Retirement Costs (2)	New York (3)	LIDA (4)	I&M Cycle (5)	Total Adjustment (6)	Plant in Service, as adjusted (7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ 157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157
2	302	Franchises and consents	-	-	-	-	-	-	-
3	350.1	Transmission land	2,500	-	-	-	-	-	2,500
4	360.1	Distribution land	6,738	-	-	-	-	-	6,738
5	389.1	General land	2,063	-	-	-	-	-	2,063
6		Subtotal - Non-depreciable plant	\$ 11,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,457
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 122,476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,476
8		Subtotal - Intangible plant	\$ 122,476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,476
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 31,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,457
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		Subtotal - Transmission plant	\$ 31,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,457
<b><u>DISTRIBUTION PLANT</u></b>									
20	360.2	Land rights	\$ 10,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,877
21	361	Structures and improvements	24,236	-	-	140	-	140	24,376
22	362	Station equipment	416,240	-	-	2,400	-	2,400	418,640
23	363	Energy storage equipment	\$ -	-	-	-	-	-	-
24	364	Poles, towers and fixtures	495,690	-	-	2,858	2,826	5,684	501,373
25	365	Overhead conductors and devices	916,420	-	-	5,283	1,624	6,907	923,327
26	366	Underground conduit	24,652	-	-	142	-	142	24,794
27	367	Underground conductors and devices	239,478	-	-	1,381	-	1,381	240,858
28	368	Line transformers	476,001	-	-	2,744	431	3,175	479,176
29	369	Services	138,446	-	-	798	-	798	139,244
30	370	Meters	195,830	-	-	1,129	-	1,129	196,959
31	371	Installations on customers' premises	9,987	-	-	58	-	58	10,045
32	372	Leased property on customers' premises	297	-	-	2	-	2	298
33	373	Street lighting and signal systems	45,638	-	-	263	-	263	45,901
34	374	Asset retirement costs for distribution plant	17	(17)	-	-	-	(17)	-
35		Subtotal - Distribution plant	\$ 2,993,809	\$ (17)	\$ -	\$ 17,196	\$ 4,880	\$ 22,059	\$ 3,015,868
<b><u>GENERAL PLANT</u></b>									
36	389.2	Land rights	\$ 293	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 293
37	390	Structures and improvements	86,000	-	-	-	-	-	86,000
38	391	Office furniture and equipment	14,733	-	-	-	-	-	14,733
39	392	Transportation equipment	10,890	-	-	-	-	-	10,890
40	393	Stores equipment	312	-	-	-	-	-	312
41	394	Tools, shop and garage equipment	19,369	-	-	-	-	-	19,369
42	395	Laboratory equipment	452	-	-	-	-	-	452
43	396	Power operated equipment	265	-	-	-	-	-	265
44	397	Communication equipment	42,856	-	-	-	-	-	42,856
45	398	Miscellaneous equipment	276	-	-	-	-	-	276
46	399	Other tangible property	-	-	-	-	-	-	-
47	399.1	Asset retirement costs for general plant	733	(733)	-	-	-	(733)	-
48		Subtotal - General plant	\$ 176,177	\$ (733)	\$ -	\$ -	\$ -	\$ (733)	\$ 175,445
49		Total - Electric plant in service	\$ 3,335,376	\$ (750)	\$ -	\$ 17,196	\$ 4,880	\$ 21,326	\$ 3,356,703

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-2 - Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Depreciation reserve per books		\$ 1,017,352	\$ 1,133,969	\$ 259,126	\$ 1,118,160	\$ 3,528,607
2	Eliminate asset retirement costs	Adj. RB-2, SS 1, col. 2	(95)	(361)	(31)	(388)	(876)
3	Eliminate reserve supporting Penelec Rate District's New York jurisdiction	Adj. RB-2, SS 1, col. 3	-	(6,915)	-	-	(6,915)
4	Include reserve associated with West Penn Rate District's acquisition of LIDA	Adj. RB-2 SS 1, col. 4	-	-	-	9,968	9,968
5	Include reserve associated with two-year inspection and maintenance cycle	Adj. RB-2, SS 1, col. 5	53	18	6	44	120
6	Total adjustment to depreciation reserve	SUM L2 to L5	\$ (43)	\$ (7,258)	\$ (25)	\$ 9,623	\$ 2,297
7	Adjusted depreciation reserve per books	L1 + L6	\$ 1,017,309	\$ 1,126,711	\$ 259,101	\$ 1,127,783	\$ 3,530,904

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
 (\$ in Thousands)  
**Adjustment RB-2 - Supporting Schedule 1 - Total FE PA Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Per Books	Asset	New York	LIDA	I&M Cycle	Total	Reserve, as
			Reserve	Retirement Costs					
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(45)	-	0	-	-	0	(45)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (45)	\$ -	\$ 0	\$ -	\$ -	\$ 0	\$ (45)
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 260,784	\$ -	\$ (469)	\$ -	\$ -	\$ (469)	\$ 260,314
8		Subtotal - Intangible plant	\$ 260,784	\$ -	\$ (469)	\$ -	\$ -	\$ (469)	\$ 260,314
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 39,359	\$ -	\$ (47)	\$ -	\$ -	\$ (47)	\$ 39,312
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 39,359	\$ -	\$ (47)	\$ -	\$ -	\$ (47)	\$ 39,312
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 33,592	\$ -	\$ (68)	\$ -	\$ -	\$ (68)	\$ 33,524
22	361	Structures and improvements	30,186	-	(58)	128	-	70	30,256
23	362	Station equipment	439,873	-	(747)	2,099	-	1,352	441,225
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	581,181	-	(1,313)	1,920	54	661	581,842
26	365	Overhead conductors and devices	547,987	-	(1,383)	1,689	54	361	548,348
27	366	Underground conduit	47,246	-	(122)	93	-	(29)	47,217
28	367	Underground conductors and devices	278,964	-	(508)	712	-	204	279,168
29	368	Line transformers	568,793	-	(1,038)	1,919	12	893	569,686
30	369	Services	236,558	-	(365)	670	-	304	236,862
31	370	Meters	149,668	-	(247)	609	-	362	150,030
32	371	Installations on customers' premises	34,243	-	(136)	65	-	(71)	34,172
33	372	Leased property on customers' premises	464	-	(1)	3	-	2	466
34	373	Street lighting and signal systems	19,766	-	(44)	61	-	17	19,783
35	374	Asset retirement costs for distribution plant	134	(134)	-	0	-	(134)	0
36		RWIP	(5,567)	-	98	-	-	98	(5,469)
37		Subtotal - Distribution plant	\$ 2,963,090	\$ (134)	\$ (5,933)	\$ 9,968	\$ 120	\$ 4,021	\$ 2,967,111
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 190	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 190
39	390	Structures and improvements	147,861	-	(229)	-	-	(229)	147,631
40	391	Office furniture and equipment	25,405	-	(44)	-	-	(44)	25,361
41	392	Transportation equipment	13,307	-	(32)	-	-	(32)	13,274
42	393	Stores equipment	1,148	-	(4)	-	-	(4)	1,145
43	394	Tools, shop and garage equipment	22,544	-	(44)	-	-	(44)	22,499
44	395	Laboratory equipment	642	-	(1)	-	-	(1)	641
45	396	Power operated equipment	5,904	-	(28)	-	-	(28)	5,876
46	397	Communication equipment	46,335	-	(80)	-	-	(80)	46,255
47	398	Miscellaneous equipment	425	-	(0)	-	-	(0)	425
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	742	(742)	-	-	-	(742)	-
50		RWIP	916	-	(3)	-	-	(3)	914
51		Subtotal - General plant	\$ 265,419	\$ (742)	\$ (466)	\$ -	\$ -	\$ (1,208)	\$ 264,211
52		Total - Electric plant in service	\$ 3,528,607	\$ (876)	\$ (6,915)	\$ 9,968	\$ 120	\$ 2,297	\$ 3,530,904

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1A - FE PA Met-Ed Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Books Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(15)	-	-	-	-	-	(15)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ (15)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15)
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 73,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,264
8		Subtotal - Intangible plant	\$ 73,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,264
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 15,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,701
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 15,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,701
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 17,519	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,519
22	361	Structures and improvements	7,296	-	-	-	-	-	7,296
23	362	Station equipment	100,124	-	-	-	-	-	100,124
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	146,629	-	-	-	21	21	146,650
26	365	Overhead conductors and devices	128,187	-	-	-	29	29	128,216
27	366	Underground conduit	15,513	-	-	-	-	-	15,513
28	367	Underground conductors and devices	103,127	-	-	-	-	-	103,127
29	368	Line transformers	186,453	-	-	-	3	3	186,456
30	369	Services	92,361	-	-	-	-	-	92,361
31	370	Meters	35,892	-	-	-	-	-	35,892
32	371	Installations on customers' premises	3,143	-	-	-	-	-	3,143
33	372	Leased property on customers' premises	-	-	-	-	-	-	-
34	373	Street lighting and signal systems	4,616	-	-	-	-	-	4,616
35	374	Asset retirement costs for distribution plant	29	(29)	-	-	-	(29)	-
36		RWIP	(7,196)	-	-	-	-	-	(7,196)
37		Subtotal - Distribution plant	\$ 833,692	\$ (29)	\$ -	\$ -	\$ 53	\$ 24	\$ 833,716
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16
39	390	Structures and improvements	67,017	-	-	-	-	-	67,017
40	391	Office furniture and equipment	7,790	-	-	-	-	-	7,790
41	392	Transportation equipment	2,507	-	-	-	-	-	2,507
42	393	Stores equipment	288	-	-	-	-	-	288
43	394	Tools, shop and garage equipment	4,943	-	-	-	-	-	4,943
44	395	Laboratory equipment	86	-	-	-	-	-	86
45	396	Power operated equipment	634	-	-	-	-	-	634
46	397	Communication equipment	11,238	-	-	-	-	-	11,238
47	398	Miscellaneous equipment	61	-	-	-	-	-	61
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	66	(66)	-	-	-	(66)	-
50		RWIP	62	-	-	-	-	-	62
51		Subtotal - General plant	\$ 94,708	\$ (66)	\$ -	\$ -	\$ -	\$ (66)	\$ 94,642
52		Total - Electric plant in service	\$ 1,017,352	\$ (95)	\$ -	\$ -	\$ 53	\$ (43)	\$ 1,017,309

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1B - FE PA Penelec Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Books Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	(32)	-	0	-	-	0	(31)
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	<u>\$ (32)</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ (31)</u>
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 76,893	\$ -	\$ (469)	\$ -	\$ -	\$ (469)	\$ 76,424
8		Subtotal - Intangible plant	<u>\$ 76,893</u>	<u>\$ -</u>	<u>\$ (469)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (469)</u>	<u>\$ 76,424</u>
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 7,645	\$ -	\$ (47)	\$ -	\$ -	\$ (47)	\$ 7,599
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	<u>\$ 7,645</u>	<u>\$ -</u>	<u>\$ (47)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47)</u>	<u>\$ 7,599</u>
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 11,152	\$ -	\$ (68)	\$ -	\$ -	\$ (68)	\$ 11,084
22	361	Structures and improvements	9,543	-	(58)	-	-	(58)	9,485
23	362	Station equipment	122,526	-	(747)	-	-	(747)	121,778
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	215,269	-	(1,313)	-	10	(1,303)	213,966
26	365	Overhead conductors and devices	226,648	-	(1,383)	-	6	(1,377)	225,271
27	366	Underground conduit	20,027	-	(122)	-	-	(122)	19,905
28	367	Underground conductors and devices	83,288	-	(508)	-	-	(508)	82,780
29	368	Line transformers	170,191	-	(1,038)	-	2	(1,036)	169,155
30	369	Services	59,891	-	(365)	-	-	(365)	59,526
31	370	Meters	40,426	-	(247)	-	-	(247)	40,179
32	371	Installations on customers' premises	22,304	-	(136)	-	-	(136)	22,168
33	372	Leased property on customers' premises	193	-	(1)	-	-	(1)	192
34	373	Street lighting and signal systems	7,242	-	(44)	-	-	(44)	7,198
35	374	Asset retirement costs for distribution plant	81	(81)	-	-	-	(81)	-
36		RWIP	(16,014)	-	98	-	-	98	(15,917)
37		Subtotal - Distribution plant	<u>\$ 972,767</u>	<u>\$ (81)</u>	<u>\$ (5,933)</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ (5,996)</u>	<u>\$ 966,772</u>
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 35	\$ -	\$ (0)	\$ -	\$ -	\$ (0)	\$ 35
39	390	Structures and improvements	37,602	-	(229)	-	-	(229)	37,373
40	391	Office furniture and equipment	7,167	-	(44)	-	-	(44)	7,123
41	392	Transportation equipment	5,310	-	(32)	-	-	(32)	5,278
42	393	Stores equipment	583	-	(4)	-	-	(4)	580
43	394	Tools, shop and garage equipment	7,269	-	(44)	-	-	(44)	7,225
44	395	Laboratory equipment	170	-	(1)	-	-	(1)	169
45	396	Power operated equipment	4,661	-	(28)	-	-	(28)	4,633
46	397	Communication equipment	13,112	-	(80)	-	-	(80)	13,032
47	398	Miscellaneous equipment	77	-	(0)	-	-	(0)	76
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	281	(281)	-	-	-	(281)	-
50		RWIP	427	-	(3)	-	-	(3)	424
51		Subtotal - General plant	<u>\$ 76,695</u>	<u>\$ (281)</u>	<u>\$ (466)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (747)</u>	<u>\$ 75,948</u>
52		Total - Electric plant in service	<u>\$ 1,133,969</u>	<u>\$ (361)</u>	<u>\$ (6,915)</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ (7,258)</u>	<u>\$ 1,126,711</u>



**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1C - FE PA Penn Power Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Books Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	1	-	-	-	-	-	1
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 17,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,075
8		Subtotal - Intangible plant	\$ 17,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,075
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11
22	361	Structures and improvements	1,728	-	-	-	-	-	1,728
23	362	Station equipment	26,611	-	-	-	-	-	26,611
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	44,906	-	-	-	1	1	44,907
26	365	Overhead conductors and devices	39,761	-	-	-	3	3	39,764
27	366	Underground conduit	3,289	-	-	-	-	-	3,289
28	367	Underground conductors and devices	27,930	-	-	-	-	-	27,930
29	368	Line transformers	37,882	-	-	-	1	1	37,884
30	369	Services	23,502	-	-	-	-	-	23,502
31	370	Meters	18,084	-	-	-	-	-	18,084
32	371	Installations on customers' premises	2,880	-	-	-	-	-	2,880
33	372	Leased property on customers' premises	-	-	-	-	-	-	-
34	373	Street lighting and signal systems	2,337	-	-	-	-	-	2,337
35	374	Asset retirement costs for distribution plant	3	(3)	-	-	-	(3)	-
36		RWIP	2,403	-	-	-	-	-	2,403
37		Subtotal - Distribution plant	\$ 231,326	\$ (3)	\$ -	\$ -	\$ 6	\$ 3	\$ 231,329
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39	390	Structures and improvements	3,575	-	-	-	-	-	3,575
40	391	Office furniture and equipment	2,079	-	-	-	-	-	2,079
41	392	Transportation equipment	819	-	-	-	-	-	819
42	393	Stores equipment	24	-	-	-	-	-	24
43	394	Tools, shop and garage equipment	797	-	-	-	-	-	797
44	395	Laboratory equipment	16	-	-	-	-	-	16
45	396	Power operated equipment	388	-	-	-	-	-	388
46	397	Communication equipment	2,929	-	-	-	-	-	2,929
47	398	Miscellaneous equipment	8	-	-	-	-	-	8
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	28	(28)	-	-	-	(28)	-
50		RWIP	60	-	-	-	-	-	60
51		Subtotal - General plant	\$ 10,724	\$ (28)	\$ -	\$ -	\$ -	\$ (28)	\$ 10,696
52		Total - Electric plant in service	\$ 259,126	\$ (31)	\$ -	\$ -	\$ 6	\$ (25)	\$ 259,101

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
 (\$ in Thousands)

**Adjustment RB-2 - Supporting Schedule 1D - FE PA West Penn Rate District Depreciation Reserve**

To adjust depreciation reserve to (1) eliminate asset retirement costs in accordance with 18 CFR Chapter 1 § 35.18 Asset retirement obligations; (2) eliminate an allocated portion of plant that supports Penelec Rate District's New York jurisdiction; (3) include plant associated with West Penn Rate District's acquisition of the electric distribution system of LIDA; and (4) include plant associated with the two-year cycle of inspection and maintenance of overhead lines and transformers supported by FE PA witness Smith. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Acct No.	Description	Asset Retirement					Total Adjustment	Reserve, as adjusted
			Per Books Reserve	Costs	New York	LIDA	I&M Cycle		
			(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b><u>NON-DEPRECIABLE PLANT</u></b>									
1	301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and consents	-	-	-	-	-	-	-
3	350.1	Transmission land	-	-	-	-	-	-	-
4	360.1	Distribution land	-	-	-	-	-	-	-
5	389.1	General land	-	-	-	-	-	-	-
6		Subtotal - Non-depreciable plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b><u>INTANGIBLE PLANT</u></b>									
7	303	Miscellaneous intangible plant	\$ 93,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,551
8		Subtotal - Intangible plant	\$ 93,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,551
<b><u>TRANSMISSION PLANT</u></b>									
9	350.2	Land rights	\$ 16,012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,012
10	352	Structures and improvements	-	-	-	-	-	-	-
11	353	Station equipment	-	-	-	-	-	-	-
12	354	Towers and fixtures	-	-	-	-	-	-	-
13	355	Poles and fixtures	-	-	-	-	-	-	-
14	356	Overhead conductors and devices	-	-	-	-	-	-	-
15	357	Underground conduit	-	-	-	-	-	-	-
16	358	Underground conductors and devices	-	-	-	-	-	-	-
17	359	Roads and trails	-	-	-	-	-	-	-
18	359.1	Asset retirement costs for transmission plant	-	-	-	-	-	-	-
19		RWIP	-	-	-	-	-	-	-
20		Subtotal - Transmission plant	\$ 16,012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,012
<b><u>DISTRIBUTION PLANT</u></b>									
21	360.2	Land rights	\$ 4,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,911
22	361	Structures and improvements	11,620	-	-	128	-	128	11,748
23	362	Station equipment	190,612	-	-	2,099	-	2,099	192,711
24	363	Energy storage equipment	-	-	-	-	-	-	-
25	364	Poles, towers and fixtures	174,377	-	-	1,920	22	1,942	176,319
26	365	Overhead conductors and devices	153,392	-	-	1,689	17	1,706	155,098
27	366	Underground conduit	8,417	-	-	93	-	93	8,510
28	367	Underground conductors and devices	64,619	-	-	712	-	712	65,331
29	368	Line transformers	174,267	-	-	1,919	5	1,924	176,191
30	369	Services	60,804	-	-	670	-	670	61,473
31	370	Meters	55,266	-	-	609	-	609	55,875
32	371	Installations on customers' premises	5,916	-	-	65	-	65	5,981
33	372	Leased property on customers' premises	271	-	-	3	-	3	274
34	373	Street lighting and signal systems	5,571	-	-	61	-	61	5,632
35	374	Asset retirement costs for distribution plant	21	(21)	-	0	-	(21)	0
36		RWIP	15,241	-	-	-	-	-	15,241
37		Subtotal - Distribution plant	\$ 925,305	\$ (21)	\$ -	\$ 9,968	\$ 44	\$ 9,990	\$ 935,294
<b><u>GENERAL PLANT</u></b>									
38	389.2	Land rights	\$ 139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 139
39	390	Structures and improvements	39,666	-	-	-	-	-	39,666
40	391	Office furniture and equipment	8,369	-	-	-	-	-	8,369
41	392	Transportation equipment	4,670	-	-	-	-	-	4,670
42	393	Stores equipment	253	-	-	-	-	-	253
43	394	Tools, shop and garage equipment	9,534	-	-	-	-	-	9,534
44	395	Laboratory equipment	371	-	-	-	-	-	371
45	396	Power operated equipment	221	-	-	-	-	-	221
46	397	Communication equipment	19,056	-	-	-	-	-	19,056
47	398	Miscellaneous equipment	280	-	-	-	-	-	280
48	399	Other tangible property	-	-	-	-	-	-	-
49	399.1	Asset retirement costs for general plant	367	(367)	-	-	-	(367)	-
50		RWIP	368	-	-	-	-	-	368
51		Subtotal - General plant	\$ 83,292	\$ (367)	\$ -	\$ -	\$ -	\$ (367)	\$ 82,925
52		Total - Electric plant in service	\$ 1,118,160	\$ (388)	\$ -	\$ 9,968	\$ 44	\$ 9,623	\$ 1,127,783

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-3 - Material and Supplies Inventory**

To (1) include FE PA's portion of material and supplies inventory maintained by FirstEnergy Service Company based on a 13-month average including the HTY; and (2) remove an allocated portion of material and supplies inventory that supports Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ 17,163	\$ 19,954	\$ 4,729	\$ 16,661	\$ 58,507
2	January		18,329	21,003	5,197	17,091	61,619
3	February		19,345	21,728	5,343	17,669	64,085
4	March		21,251	21,776	5,452	17,822	66,302
5	April		21,639	22,670	5,584	18,409	68,302
6	May		21,652	23,708	5,874	19,846	71,079
7	June		21,825	24,343	6,005	20,763	72,937
8	July		21,923	24,762	6,169	21,720	74,575
9	August		21,912	25,124	6,119	22,810	75,965
10	September		22,376	25,562	6,112	23,403	77,453
11	October		23,941	25,695	6,473	24,106	80,215
12	November		25,332	26,145	6,463	24,928	82,867
13	December		25,535	26,964	6,717	25,986	85,202
14	Total	SUM L1 to L13	\$ 282,224	\$ 309,432	\$ 76,236	\$ 271,214	\$ 939,106
15	Average Balance	L14 / 13	\$ 21,710	\$ 23,802	\$ 5,864	\$ 20,863	\$ 72,239
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.61%	\$ -	\$ (145)	\$ -	\$ -	\$ (145)
17	Average Jurisdictional Balance	L15 + L16	\$ 21,710	\$ 23,657	\$ 5,864	\$ 20,863	\$ 72,094

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-4 - Cash Working Capital**

To include an addition to rate base for cash working capital requirements. FE PA witness Lyons is responsible for the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Cash working capital	Exhibit TSL-4	\$ 65,234	\$ 64,440.81	\$ 14,835	\$ 56,986	\$ 201,495

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-5 - Unamortized Deferral and Verizon Complaint Balances**

To (1) include the unamortized balance of the storm reserves maintained in accordance with the terms and conditions of the Rate Districts' 2016 Settlement at Docket Nos. R-2016-2537349, et al.; (2) include the unamortized deferred extraordinary storm damage balances for the Rate Districts as approved by the Commission, as noted below; (3) include the unamortized COVID-19 deferral balances for the Rate Districts; (4) include the unamortized Verizon complaint balances for the Rate Districts; and (5) eliminate from each balance one year of amortization as proposed in Adjustment IS-10 in the FPPTY.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	2023 Storm reserve balance		\$ 88,886	\$ 41,279	\$ 19,465	\$ 39,858	\$ 189,488
2	Storm reserve balance	L1	\$ 88,886	\$ 41,279	\$ 19,465	\$ 39,858	\$ 189,488
3	Extraordinary storm deferral <sup>(A)</sup>		\$ 33,572	\$ 8,176	\$ 19,950	\$ 23,396	\$ 85,094
4	Extraordinary storm deferral balance	L3	\$ 33,572	\$ 8,176	\$ 19,950	\$ 23,396	\$ 85,094
5	Total deferred storm damage	L2 + L4	\$ 122,458	\$ 49,456	\$ 39,415	\$ 63,253	\$ 274,582
6	COVID-19 deferral		\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	\$ 30,383
7	COVID-19 deferral balance	L6	\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	\$ 30,383
8	Verizon complaint	Exhibit JMS-4	HIGHLY CONFIDENTIAL INFORMATION REDACTED				
9	Verizon complaint balance	L8	HIGHLY CONFIDENTIAL INFORMATION REDACTED				
10	Total unamortized deferral and Verizon complaint balances	L5 + L7 + L9	\$ 139,758	\$ 73,674	\$ 44,243	\$ 73,178	\$ 330,853

Note:

- (A) Met-Ed Rate District's approved extraordinary storm damage deferral includes Winter Storm Riley at Docket No. P-2018-3005957.  
Penelec Rate District's approved extraordinary storm damage deferral includes the April 2023 Storm at Docket No. P-2023-3044150.  
Penn Power Rate District's approved extraordinary storm damage deferrals include (1) Winter Storm Avery at Docket No. P-2019-3014311; and (2) the March 2023 Storm at Docket No. P-2023-3043073. Additionally, there is an outstanding petition for the April 2023 Storm at Docket No. P-2023-3044479, which is included in the extraordinary storm damage deferral balance.  
West Penn's Rate District's approved extraordinary storm damage deferrals include (1) Winter Storm Avery at Docket No. P-2019-3014314; (2) Winter Storm Quiana at Docket No. P-2019-3014988; and (3) Winter Storm Quest at Docket No. P-2023-3043394.

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-6 - Customer Deposits**

To (1) include a deduction to rate base for customer deposits based on a 13-month average including the HTY; and (2) remove an allocated portion of customer deposits related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ (34,257)	\$ (29,017)	\$ (7,600)	\$ (30,199)	\$ (101,073)
2	January		(34,692)	(29,173)	(7,668)	(30,292)	(101,825)
3	February		(34,416)	(29,328)	(7,644)	(30,383)	(101,771)
4	March		(34,653)	(29,528)	(7,730)	(30,614)	(102,524)
5	April		(35,154)	(29,793)	(7,648)	(30,835)	(103,431)
6	May		(35,632)	(29,857)	(7,813)	(30,899)	(104,201)
7	June		(35,922)	(30,124)	(7,831)	(31,002)	(104,879)
8	July		(36,236)	(30,629)	(7,876)	(31,183)	(105,924)
9	August		(36,508)	(31,042)	(7,918)	(31,355)	(106,822)
10	September		(36,762)	(31,203)	(7,985)	(31,706)	(107,655)
11	October		(37,013)	(31,465)	(8,035)	(31,908)	(108,421)
12	November		(37,318)	(31,541)	(8,042)	(32,098)	(108,999)
13	December		(37,530)	(31,646)	(8,041)	(32,661)	(109,877)
14	Total	SUM L1 to L13	\$ (466,091)	\$ (394,345)	\$ (101,832)	\$ (405,135)	\$ (1,367,403)
15	Average Balance	L14 / 13	\$ (35,853)	\$ (30,334)	\$ (7,833)	\$ (31,164)	\$ (105,185)
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.01%	\$ -	\$ 3	\$ -	\$ -	\$ 3
17	Average Jurisdictional Balance	L15 + L16	\$ (35,853)	\$ (30,331)	\$ (7,833)	\$ (31,164)	\$ (105,182)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-7 - Customer Advances**

To include a deduction to rate base for customer advances based on a 13-month average including the HTY.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	December		\$ -	\$ -	\$ -	\$ (565)	\$ (565)
2	January		-	-	-	(565)	(565)
3	February		-	-	-	(565)	(565)
4	March		-	-	-	(565)	(565)
5	April		-	-	-	(553)	(553)
6	May		-	-	-	(553)	(553)
7	June		-	-	-	(553)	(553)
8	July		-	-	-	(553)	(553)
9	August		-	-	-	(553)	(553)
10	September		-	-	-	(553)	(553)
11	October		-	-	-	(553)	(553)
12	November		-	-	-	(553)	(553)
13	December		-	-	-	(553)	(553)
14	Total	SUM L1 to L13	\$ -	\$ -	\$ -	\$ (7,238)	\$ (7,238)
15	Average Balance	L14 / 13	\$ -	\$ -	\$ -	\$ (557)	\$ (557)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment RB-8 - Accumulated Deferred Income Taxes ("ADIT")**

To adjust property-related ADIT (excluding the impact of SFAS 109 deferrals) to (1) eliminate excludable items (capital lease vehicles); (2) include an offset for net operating loss carryforwards as required by IRS normalization rules; (3) include an offset for the corporate alternative minimum tax credit; and (4) eliminate an allocated portion of ADIT related to Penelec Rate District's New York jurisdiction. FE PA witness Gawlik supports the calculation of ADIT. FE PA witness Lyons is responsible for the allocation factor used in part (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Property-related ADIT		\$ (569,957)	\$ (638,680)	\$ (165,506)	\$ (508,855)	\$ (1,882,999)
2	Less: excludable items		5,784	3,069	417	2,134	11,404
3	Less: offset for net operating loss carryforwards		6,015	16,988	491	10,980	34,474
4	Less: offset for corporate alternative minimum tax credits	Exhibit GJG-2	5,365	5,431	1,967	2,931	15,695
5	Total before non-jurisdictional allocations	SUM L1 to L4	<u>\$ (552,793)</u>	<u>\$ (613,192)</u>	<u>\$ (162,633)</u>	<u>\$ (492,809)</u>	<u>\$ (1,821,427)</u>
<b><u>Non-jurisdictional allocation</u></b>							
6	Less: New York jurisdictional	-L5 * 0.61%	\$ -	\$ 3,740	\$ -	\$ -	\$ 3,740
7	Property-related ADIT, as adjusted	L5 + L6	<u>\$ (552,793)</u>	<u>\$ (609,451)</u>	<u>\$ (162,633)</u>	<u>\$ (492,809)</u>	<u>\$ (1,817,686)</u>



**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment RB-9 - Capitalized Pension and OPEB**

To (1) eliminate the timing differences between the recognition of pension and OPEB expense and rate base under the immediate and delayed recognition methodologies for the portion of costs capitalized from 2011-2017, as supported by FE PA witness Ashton; and (2) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (2) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Capitalized pension / OPEB timing differences	Exhibit TMA-3	\$ (8,271)	\$ 6,707	\$ (4,742)	\$ (4,534)	\$ (10,840)
<b><u>Non-jurisdictional allocation</u></b>							
2	Less: New York jurisdictional	-L1 * 0.61%	-	(41)	-	-	(41)
3	Capitalized pension and OPEB, as adjusted	L1 + L2	\$ (8,271)	\$ 6,666	\$ (4,742)	\$ (4,534)	\$ (10,881)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
 (\$ in Thousands)  
**Total FE PA Income Statement**

Line	Description	Reference	Per Books	Adj. IS-1 Remove Retained Riders	Base Rates Per Books	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 3,607,473	\$(2,158,032)	\$ 1,449,441	\$ (30,846)	\$ 1,418,594	\$ 419,232	\$ 1,837,826	\$ 2,158,032	\$ 3,995,858
2	Sales for Resale		7,337	(7,337)	-	-	-	-	-	7,337	7,337
3	Other Operating Revenue	Adj. IS-3	145,667	(1,024)	144,643	(73,331)	71,312	1,411	72,722	1,024	73,746
4	Total Operating Revenue	SUM L1 to L3	\$ 3,760,477	\$(2,166,393)	\$ 1,594,084	\$ (104,178)	\$ 1,489,906	\$ 420,643	\$ 1,910,548	\$ 2,166,393	\$ 4,076,941
5	Power Supply Expense		\$ 1,731,869	\$(1,731,869)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,731,869	\$ 1,731,869
6	Transmission Expense	Adj. IS-4	159,527	(128,289)	31,238	(27,537)	3,701	-	3,701	128,289	131,990
7	Distribution Expense	Adj. IS-5	304,092	-	304,092	63,035	367,127	-	367,127	-	367,127
8	Customer Accounts Expense	Adj. IS-6	43,555	(39,419)	4,136	57,880	62,017	5,143	67,159	39,419	106,578
9	Customer Service and Information Expense	Adj. IS-7	194,149	(173,449)	20,700	8,257	28,957	-	28,957	173,449	202,406
10	Administrative and General Expense	Adj. IS-8	187,537	(20,619)	166,919	26,304	193,222	1,005	194,227	20,619	214,846
11	Depreciation Expense	Adj. IS-9	317,279	-	317,279	42,057	359,335	-	359,335	-	359,335
12	Amortization Expense	Adj. IS-10	(111,496)	54,014	(57,482)	177,107	119,625	-	119,625	(54,014)	65,611
13	Taxes Other Than Income Taxes	Adj. IS-11	226,936	(128,289)	98,647	(148)	98,500	24,735	123,234	128,289	251,523
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 3,053,448	\$(2,167,919)	\$ 885,529	\$ 346,954	\$ 1,232,484	\$ 30,882	\$ 1,263,366	\$ 2,167,919	\$ 3,431,285
15	Operating Income Before Tax	L4 - L14	\$ 707,028	\$ 1,526	\$ 708,554	\$(451,132)	\$ 257,422	\$ 389,760	\$ 647,182	\$ (1,526)	\$ 645,656
16	Federal Income Tax - Current	Adj. IS-12	\$ 30,817	\$ 292	\$ 31,109	\$(37,742)	\$(6,634)	\$ 74,491	\$ 67,858	\$(292)	\$ 67,566
17	State Income Tax - Current	Adj. IS-12	5,795	137	5,932	(11,277)	(5,345)	35,039	29,695	(137)	29,557
18	Federal Income Tax - Deferred	Adj. IS-13	71,056	-	71,056	(43,727)	27,328	-	27,328	-	27,328
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		(369)	-	(369)	-	(369)	-	(369)	-	(369)
21	Total Income Tax Expense	SUM L16 to L20	\$ 107,299	\$ 429	\$ 107,728	\$(92,747)	\$ 14,981	\$ 109,531	\$ 124,512	\$ (429)	\$ 124,083
22	Total Operating Expense	L14 + L21	\$ 3,160,747	\$(2,167,490)	\$ 993,257	\$ 254,207	\$ 1,247,465	\$ 140,413	\$ 1,387,878	\$ 2,167,490	\$ 3,555,368
23	Operating Income	L4 - L22	\$ 599,729	\$ 1,097	\$ 600,826	\$(358,385)	\$ 242,441	\$ 280,229	\$ 522,671	\$ (1,097)	\$ 521,574

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
 (\$ in Thousands)  
**FE PA Met-Ed Rate District Income Statement**

Line	Description	Reference	Per Books	Adj. IS-1A Remove Retained Riders	Base Rates Per Books	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,087,019	\$ (636,150)	\$ 450,869	\$ (7,484)	\$ 443,386	\$ 130,371	\$ 573,756	\$ 636,150	\$ 1,209,906
2	Sales for Resale		2,165	(2,165)	-	-	-	-	-	2,165	2,165
3	Other Operating Revenue	Adj. IS-3	27,447	(226)	27,221	(1,457)	25,765	446	26,211	226	26,436
4	Total Operating Revenue	SUM L1 to L3	\$ 1,116,631	\$ (638,540)	\$ 478,091	\$ (8,940)	\$ 469,150	\$ 130,817	\$ 599,967	\$ 638,540	\$ 1,238,507
5	Power Supply Expense		\$ 542,451	\$ (542,451)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542,451	\$ 542,451
6	Transmission Expense	Adj. IS-4	12,738	(12,145)	593	8	600	-	600	12,145	12,745
7	Distribution Expense	Adj. IS-5	85,834	-	85,834	30,184	116,018	-	116,018	-	116,018
8	Customer Accounts Expense	Adj. IS-6	12,785	(12,360)	425	18,522	18,947	1,698	20,644	12,360	33,004
9	Customer Service and Information Expense	Adj. IS-7	54,700	(48,103)	6,597	2,163	8,760	-	8,760	48,103	56,863
10	Administrative and General Expense	Adj. IS-8	68,232	(6,102)	62,129	3,958	66,087	313	66,400	6,102	72,502
11	Depreciation Expense	Adj. IS-9	89,552	-	89,552	14,166	103,718	-	103,718	-	103,718
12	Amortization Expense	Adj. IS-10	(33,907)	22,853	(11,053)	59,300	48,247	-	48,247	(22,853)	25,393
13	Taxes Other Than Income Taxes	Adj. IS-11	69,131	(38,261)	30,870	263	31,133	7,692	38,825	38,261	77,086
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 901,516	\$ (636,569)	\$ 264,947	\$ 128,563	\$ 393,510	\$ 9,702	\$ 403,212	\$ 636,569	\$ 1,039,781
15	Operating Income Before Tax	L4 - L14	\$ 215,115	\$ (1,971)	\$ 213,144	\$ (137,504)	\$ 75,640	\$ 121,115	\$ 196,755	\$ 1,971	\$ 198,726
16	Federal Income Tax - Current	Adj. IS-12	\$ 14,815	\$ (377)	\$ 14,438	\$ (14,953)	\$ (514)	\$ 23,148	\$ 22,633	\$ 377	\$ 23,010
17	State Income Tax - Current	Adj. IS-12	4,172	(177)	3,995	(4,938)	(943)	10,888	9,945	177	10,122
18	Federal Income Tax - Deferred	Adj. IS-13	13,490	-	13,490	(6,880)	6,610	-	6,610	-	6,610
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		(326)	-	(326)	-	(326)	-	(326)	-	(326)
21	Total Income Tax Expense	SUM L16 to L20	\$ 32,151	\$ (554)	\$ 31,597	\$ (26,771)	\$ 4,826	\$ 34,036	\$ 38,862	\$ 554	\$ 39,416
22	Total Operating Expense	L14 + L21	\$ 933,666	\$ (637,123)	\$ 296,544	\$ 101,792	\$ 398,336	\$ 43,738	\$ 442,074	\$ 637,123	\$ 1,079,197
23	Operating Income	L4 - L22	\$ 182,964	\$ (1,417)	\$ 181,547	\$ (110,733)	\$ 70,814	\$ 87,079	\$ 157,893	\$ 1,417	\$ 159,311

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
 (\$ in Thousands)  
**FE PA Penelec Rate District Income Statement**

Line	Description	Reference	Per Books	Adj. IS-1B Remove Retained Riders	Base Rates Per Books	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,034,406	\$ (565,693)	\$ 468,713	\$ (18,567)	\$ 450,146	\$ 117,957	\$ 568,104	\$ 565,693	\$ 1,133,797
2	Sales for Resale		1,491	(1,491)	-	-	-	-	-	1,491	1,491
3	Other Operating Revenue	Adj. IS-3	23,250	(326)	22,924	(1,035)	21,889	426	22,316	326	22,642
4	Total Operating Revenue	SUM L1 to L3	\$ 1,059,146	\$ (567,509)	\$ 491,637	\$ (19,601)	\$ 472,035	\$ 118,384	\$ 590,419	\$ 567,509	\$ 1,157,929
5	Power Supply Expense		\$ 433,069	\$ (433,069)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 433,069	\$ 433,069
6	Transmission Expense	Adj. IS-4	47,881	(47,181)	700	(1)	699	-	699	47,181	47,880
7	Distribution Expense	Adj. IS-5	93,332	-	93,332	17,228	110,559	-	110,559	-	110,559
8	Customer Accounts Expense	Adj. IS-6	14,874	(12,040)	2,833	16,749	19,582	1,617	21,199	12,040	33,239
9	Customer Service and Information Expense	Adj. IS-7	61,483	(55,464)	6,019	2,477	8,496	-	8,496	55,464	63,960
10	Administrative and General Expense	Adj. IS-8	46,084	(5,986)	40,099	19,017	59,115	283	59,398	5,986	65,384
11	Depreciation Expense	Adj. IS-9	91,479	-	91,479	22,254	113,733	-	113,733	-	113,733
12	Amortization Expense	Adj. IS-10	(31,173)	18,580	(12,593)	41,647	29,054	-	29,054	(18,580)	10,474
13	Taxes Other Than Income Taxes	Adj. IS-11	64,809	(33,334)	31,475	(407)	31,068	6,959	38,028	33,334	71,362
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 821,839	\$ (568,495)	\$ 253,344	\$ 118,963	\$ 372,307	\$ 8,859	\$ 381,166	\$ 568,495	\$ 949,661
15	Operating Income Before Tax	L4 - L14	\$ 237,308	\$ 985	\$ 238,293	\$ (138,564)	\$ 99,729	\$ 109,525	\$ 209,253	\$ (985)	\$ 208,268
16	Federal Income Tax - Current	Adj. IS-12	\$ 12,024	\$ 188	\$ 12,213	\$ (10,142)	\$ 2,071	\$ 20,933	\$ 23,003	\$ (188)	\$ 22,815
17	State Income Tax - Current	Adj. IS-12	1,735	89	1,823	(1,497)	326	9,846	10,172	(89)	10,084
18	Federal Income Tax - Deferred	Adj. IS-13	20,814	-	20,814	(11,831)	8,983	-	8,983	-	8,983
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ 34,573	\$ 277	\$ 34,850	\$ (23,471)	\$ 11,380	\$ 30,779	\$ 42,158	\$ (277)	\$ 41,882
22	Total Operating Expense	L14 + L21	\$ 856,412	\$ (568,218)	\$ 288,194	\$ 95,492	\$ 383,687	\$ 39,638	\$ 423,324	\$ 568,218	\$ 991,542
23	Operating Income	L4 - L22	\$ 202,734	\$ 708	\$ 203,443	\$ (115,094)	\$ 88,349	\$ 78,746	\$ 167,095	\$ (708)	\$ 166,387

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
 (\$ in Thousands)  
**FE PA Penn Power Rate District Income Statement**

Line	Description	Reference	Per Books	Adj. IS-1C Remove Retained Riders	Base Rates Per Books	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 305,074	\$ (183,419)	\$ 121,654	\$ (1,737)	\$ 119,918	\$ 36,123	\$ 156,041	\$ 183,419	\$ 339,460
2	Sales for Resale		732	(732)	-	-	-	-	-	732	732
3	Other Operating Revenue	Adj. IS-3	6,241	(74)	6,167	84	6,251	108	6,359	74	6,433
4	Total Operating Revenue	SUM L1 to L3	\$ 312,047	\$ (184,226)	\$ 127,821	\$ (1,653)	\$ 126,168	\$ 36,231	\$ 162,400	\$ 184,226	\$ 346,625
5	Power Supply Expense		\$ 154,828	\$ (154,828)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,828	\$ 154,828
6	Transmission Expense	Adj. IS-4	4,727	(4,561)	165	1	167	-	167	4,561	4,728
7	Distribution Expense	Adj. IS-5	34,594	-	34,594	(3,475)	31,119	-	31,119	-	31,119
8	Customer Accounts Expense	Adj. IS-6	2,852	(3,467)	(615)	5,390	4,775	405	5,180	3,467	8,646
9	Customer Service and Information Expense	Adj. IS-7	17,270	(15,503)	1,767	611	2,379	-	2,379	15,503	17,881
10	Administrative and General Expense	Adj. IS-8	8,380	(1,976)	6,405	3,099	9,504	87	9,590	1,976	11,566
11	Depreciation Expense	Adj. IS-9	27,281	-	27,281	4,069	31,350	-	31,350	-	31,350
12	Amortization Expense	Adj. IS-10	(22,974)	5,950	(17,024)	32,048	15,024	-	15,024	(5,950)	9,074
13	Taxes Other Than Income Taxes	Adj. IS-11	18,632	(11,100)	7,532	529	8,061	2,131	10,192	11,100	21,292
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 245,589	\$ (185,484)	\$ 60,105	\$ 42,273	\$ 102,377	\$ 2,623	\$ 105,001	\$ 185,484	\$ 290,485
15	Operating Income Before Tax	L4 - L14	\$ 66,458	\$ 1,258	\$ 67,717	\$ (43,926)	\$ 23,791	\$ 33,608	\$ 57,399	\$ (1,258)	\$ 56,141
16	Federal Income Tax - Current	Adj. IS-12	\$ 1,495	\$ 240	\$ 1,735	\$ (770)	\$ 966	\$ 6,423	\$ 7,389	\$ (240)	\$ 7,148
17	State Income Tax - Current	Adj. IS-12	246	113	359	(115)	244	3,021	3,266	(113)	3,153
18	Federal Income Tax - Deferred	Adj. IS-13	9,153	-	9,153	(8,503)	649	-	649	-	649
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ 10,893	\$ 354	\$ 11,247	\$ (9,388)	\$ 1,859	\$ 9,445	\$ 11,304	\$ (354)	\$ 10,950
22	Total Operating Expense	L14 + L21	\$ 256,482	\$ (185,130)	\$ 71,352	\$ 32,885	\$ 104,237	\$ 12,068	\$ 116,304	\$ 185,130	\$ 301,435
23	Operating Income	L4 - L22	\$ 55,565	\$ 905	\$ 56,469	\$ (34,538)	\$ 21,932	\$ 24,163	\$ 46,095	\$ (905)	\$ 45,191

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
 (\$ in Thousands)  
**FE PA West Penn Rate District Income Statement**

Line	Description	Reference	Per Books	Adj. IS-1D Remove Retained Riders	Base Rates Per Books	Adjustment	Pro forma Adjusted at Present Rates	Proposed Rate Increase	Pro forma Adjusted at Proposed Rates	Add Back Retained Riders	Pro forma Adjusted at Proposed Rates Including Riders
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Retail Sales	Adj. IS-2	\$ 1,180,974	\$ (772,770)	\$ 408,204	\$ (3,059)	\$ 405,145	\$ 134,781	\$ 539,926	\$ 772,770	\$ 1,312,696
2	Sales for Resale		2,950	(2,950)	-	-	-	-	-	2,950	2,950
3	Other Operating Revenue	Adj. IS-3	88,729	(398)	88,331	(70,924)	17,407	430	17,837	398	18,235
4	Total Operating Revenue	SUM L1 to L3	\$ 1,272,653	\$ (776,118)	\$ 496,535	\$ (73,983)	\$ 422,552	\$ 135,211	\$ 557,763	\$ 776,118	\$ 1,333,880
5	Power Supply Expense		\$ 601,522	\$ (601,522)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 601,522	\$ 601,522
6	Transmission Expense	Adj. IS-4	94,182	(64,402)	29,780	(27,545)	2,235	-	2,235	64,402	66,637
7	Distribution Expense	Adj. IS-5	90,332	-	90,332	19,098	109,430	-	109,430	-	109,430
8	Customer Accounts Expense	Adj. IS-6	13,045	(11,552)	1,493	17,220	18,713	1,423	20,136	11,552	31,688
9	Customer Service and Information Expense	Adj. IS-7	60,696	(54,379)	6,317	3,006	9,323	-	9,323	54,379	63,702
10	Administrative and General Expense	Adj. IS-8	64,841	(6,555)	58,286	230	58,516	323	58,839	6,555	65,394
11	Depreciation Expense	Adj. IS-9	108,967	-	108,967	1,568	110,535	-	110,535	-	110,535
12	Amortization Expense	Adj. IS-10	(23,443)	6,631	(16,812)	44,112	27,300	-	27,300	(6,631)	20,669
13	Taxes Other Than Income Taxes	Adj. IS-11	74,364	(45,593)	28,770	(533)	28,237	7,952	36,189	45,593	81,783
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 1,084,506	\$ (777,371)	\$ 307,134	\$ 57,155	\$ 364,289	\$ 9,698	\$ 373,987	\$ 777,371	\$ 1,151,359
15	Operating Income Before Tax	L4 - L14	\$ 188,147	\$ 1,254	\$ 189,401	\$ (131,138)	\$ 58,262	\$ 125,513	\$ 183,775	\$ (1,254)	\$ 182,522
16	Federal Income Tax - Current	Adj. IS-12	\$ 2,483	\$ 240	\$ 2,722	\$ (11,878)	\$ (9,156)	\$ 23,988	\$ 14,832	\$ (240)	\$ 14,593
17	State Income Tax - Current	Adj. IS-12	(358)	113	(245)	(4,727)	(4,972)	11,284	6,312	(113)	6,199
18	Federal Income Tax - Deferred	Adj. IS-13	27,599	-	27,599	(16,512)	11,086	-	11,086	-	11,086
19	State Income Tax - Deferred		-	-	-	-	-	-	-	-	-
20	Investment Tax Credit		(43)	-	(43)	-	(43)	-	(43)	-	(43)
21	Total Income Tax Expense	SUM L16 to L20	\$ 29,681	\$ 352	\$ 30,034	\$ (33,118)	\$ (3,084)	\$ 35,272	\$ 32,188	\$ (352)	\$ 31,836
22	Total Operating Expense	L14 + L21	\$ 1,114,187	\$ (777,019)	\$ 337,168	\$ 24,038	\$ 361,206	\$ 44,970	\$ 406,175	\$ 777,019	\$ 1,183,194
23	Operating Income	L4 - L22	\$ 158,466	\$ 901	\$ 159,367	\$ (98,021)	\$ 61,346	\$ 90,241	\$ 151,587	\$ (901)	\$ 150,686

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-1 - Total FE PA Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 175,030	\$ 50,291	\$ 116,651	\$ 4,720	\$ 1,811,340	\$ 2,158,032
2	Sales for Resale		-	181	-	-	7,157	7,337
3	Other Operating Revenue		1,024	-	-	-	-	1,024
4	Total Operating Revenue	SUM L1 to L3	\$ 176,054	\$ 50,472	\$ 116,651	\$ 4,720	\$ 1,818,497	\$ 2,166,393
5	Power Supply Expense		\$ 1,084	\$ 8	\$ -	\$ 4,956	\$ 1,725,821	\$ 1,731,869
6	Transmission Expense		128,289	-	-	-	-	128,289
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		39,087	-	-	-	332	39,419
9	Customer Service and Information Expense		51	48,777	124,621	-	-	173,449
10	Administrative and General Expense		-	20,619	-	-	-	20,619
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(1,085)	(21,878)	(16,365)	(600)	(14,086)	(54,014)
13	Taxes Other Than Income Taxes		10,405	2,927	6,873	304	107,779	128,289
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 177,831	\$ 50,452	\$ 115,129	\$ 4,660	\$ 1,819,846	\$ 2,167,919
15	Operating Income Before Tax	L4 - L14	\$ (1,778)	\$ 20	\$ 1,522	\$ 60	\$ (1,349)	\$ (1,526)
16	Federal Income Tax - Current		\$ (340)	\$ 4	\$ 291	\$ 11	\$ (258)	\$ (292)
17	State Income Tax - Current		(160)	2	137	5	(121)	(137)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (500)	\$ 6	\$ 428	\$ 17	\$ (379)	\$ (429)
22	Total Operating Expense	L14 + L21	\$ 177,332	\$ 50,458	\$ 115,557	\$ 4,677	\$ 1,819,467	\$ 2,167,490
23	Operating Income	L4 - L22	\$ (1,278)	\$ 14	\$ 1,094	\$ 43	\$ (970)	\$ (1,097)

## FirstEnergy Pennsylvania Electric Company

HTY ended December 31, 2023

(\$ in Thousands)

## Adjustment IS-1A - FE PA Met-Ed Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 34,340	\$ 14,050	\$ 34,648	\$ 2,028	\$ 551,084	\$ 636,150
2	Sales for Resale		-	73	-	-	2,091	2,165
3	Other Operating Revenue		226	-	-	-	-	226
4	Total Operating Revenue	SUM L1 to L3	\$ 34,565	\$ 14,123	\$ 34,648	\$ 2,028	\$ 553,175	\$ 638,540
5	Power Supply Expense		\$ 7,544	\$ 2	\$ -	\$ 2,148	\$ 532,756	\$ 542,451
6	Transmission Expense		12,145	-	-	-	-	12,145
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		12,314	-	-	-	46	12,360
9	Customer Service and Information Expense		10	14,083	34,009	-	-	48,103
10	Administrative and General Expense		-	6,102	-	-	-	6,102
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(592)	(6,880)	(1,799)	(275)	(13,307)	(22,853)
13	Taxes Other Than Income Taxes		2,078	812	2,043	132	33,196	38,261
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 33,499	\$ 14,120	\$ 34,253	\$ 2,005	\$ 552,691	\$ 636,569
15	Operating Income Before Tax	L4 - L14	\$ 1,066	\$ 3	\$ 396	\$ 23	\$ 484	\$ 1,971
16	Federal Income Tax - Current		\$ 204	\$ 1	\$ 76	\$ 4	\$ 92	\$ 377
17	State Income Tax - Current		96	0	36	2	43	177
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ 300	\$ 1	\$ 111	\$ 6	\$ 136	\$ 554
22	Total Operating Expense	L14 + L21	\$ 33,799	\$ 14,121	\$ 34,364	\$ 2,012	\$ 552,827	\$ 637,123
23	Operating Income	L4 - L22	\$ 766	\$ 2	\$ 284	\$ 16	\$ 348	\$ 1,417



## FirstEnergy Pennsylvania Electric Company

HTY ended December 31, 2023

(\$ in Thousands)

## Adjustment IS-1B - FE PA Penelec Rate District Riders Retained

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 69,594	\$ 14,502	\$ 38,035	\$ 2,092	\$ 441,471	\$ 565,693
2	Sales for Resale		-	49	-	-	1,442	1,491
3	Other Operating Revenue		326	-	-	-	-	326
4	Total Operating Revenue	SUM L1 to L3	\$ 69,920	\$ 14,551	\$ 38,035	\$ 2,092	\$ 442,913	\$ 567,509
5	Power Supply Expense		\$ 13,077	\$ 2	\$ -	\$ 2,103	\$ 417,887	\$ 433,069
6	Transmission Expense		47,181	-	-	-	-	47,181
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		11,800	-	-	-	240	12,040
9	Customer Service and Information Expense		17	13,763	41,684	-	-	55,464
10	Administrative and General Expense		-	5,986	-	-	-	5,986
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(5,815)	(6,063)	(6,390)	(173)	(138)	(18,580)
13	Taxes Other Than Income Taxes		4,082	838	2,234	133	26,047	33,334
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 70,343	\$ 14,527	\$ 37,527	\$ 2,063	\$ 444,036	\$ 568,495
15	Operating Income Before Tax	L4 - L14	\$ (423)	\$ 24	\$ 507	\$ 29	\$ (1,123)	\$ (985)
16	Federal Income Tax - Current		\$ (81)	\$ 5	\$ 97	\$ 6	\$ (215)	\$ (188)
17	State Income Tax - Current		(38)	2	46	3	(101)	(89)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (119)	\$ 7	\$ 143	\$ 8	\$ (316)	\$ (277)
22	Total Operating Expense	L14 + L21	\$ 70,224	\$ 14,533	\$ 37,670	\$ 2,071	\$ 443,720	\$ 568,218
23	Operating Income	L4 - L22	\$ (304)	\$ 17	\$ 365	\$ 21	\$ (807)	\$ (708)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment 1C - FE PA Penn Power Rate District Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 256	\$ 5,221	\$ 10,735	\$ 600	\$ 166,608	\$ 183,419
2	Sales for Resale		-	10	-	-	722	732
3	Other Operating Revenue		74	-	-	-	-	74
4	Total Operating Revenue	SUM L1 to L3	\$ 330	\$ 5,231	\$ 10,735	\$ 600	\$ 167,330	\$ 184,226
5	Power Supply Expense		\$ (3,558)	\$ 2	\$ -	\$ 705	\$ 157,679	\$ 154,828
6	Transmission Expense		4,561	-	-	-	-	4,561
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		3,465	-	-	-	1	3,467
9	Customer Service and Information Expense		8	4,516	10,979	-	-	15,503
10	Administrative and General Expense		-	1,976	-	-	-	1,976
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		(3,079)	(1,568)	(1,011)	(152)	(140)	(5,950)
13	Taxes Other Than Income Taxes		66	302	636	39	10,058	11,100
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 1,463	\$ 5,227	\$ 10,603	\$ 592	\$ 167,598	\$ 185,484
15	Operating Income Before Tax	L4 - L14	\$ (1,133)	\$ 3	\$ 131	\$ 8	\$ (268)	\$ (1,258)
16	Federal Income Tax - Current		\$ (217)	\$ 1	\$ 25	\$ 2	\$ (51)	\$ (240)
17	State Income Tax - Current		(102)	0	12	1	(24)	(113)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (318)	\$ 1	\$ 37	\$ 2	\$ (75)	\$ (354)
22	Total Operating Expense	L14 + L21	\$ 1,145	\$ 5,228	\$ 10,640	\$ 594	\$ 167,523	\$ 185,130
23	Operating Income	L4 - L22	\$ (815)	\$ 3	\$ 94	\$ 6	\$ (193)	\$ (905)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment 1D - FE PA West Penn Rate District Riders Retained**

To adjust revenues and expenses to (1) exclude the revenues and expenses related to separate Section 1307 reconcilable riders not being rolled into base rates; and (2) adjust generation-related uncollectible accounts expense recovered through the Default Service Support Rider, as shown on Adjustment IS-6, Supporting Schedule 1.

Line	Description	Reference	Default Service Support	Energy Efficiency and Conservation	Universal Service	Solar	Price to Compare / Hourly Pricing	Total Surcharges Retained
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Retail Sales		\$ 70,841	\$ 16,519	\$ 33,233	\$ -	\$ 652,177	\$ 772,770
2	Sales for Resale		-	49	-	-	2,901	2,950
3	Other Operating Revenue		398	-	-	-	-	398
4	Total Operating Revenue	SUM L1 to L3	\$ 71,239	\$ 16,567	\$ 33,233	\$ -	\$ 655,079	\$ 776,118
5	Power Supply Expense		\$ (15,979)	\$ 2	\$ -	\$ -	\$ 617,499	\$ 601,522
6	Transmission Expense		64,402	-	-	-	-	64,402
7	Distribution Expense		-	-	-	-	-	-
8	Customer Accounts Expense		11,508	-	-	-	44	11,552
9	Customer Service and Information Expense		15	16,414	37,950	-	-	54,379
10	Administrative and General Expense		-	6,555	-	-	-	6,555
11	Depreciation Expense		-	-	-	-	-	-
12	Amortization Expense		8,401	(7,367)	(7,165)	-	(501)	(6,631)
13	Taxes Other Than Income Taxes		4,180	975	1,961	-	38,478	45,593
14	Total Operating Expense Before Tax	SUM L5 to L13	\$ 72,526	\$ 16,578	\$ 32,746	\$ -	\$ 655,521	\$ 777,371
15	Operating Income Before Tax	L4 - L14	\$ (1,287)	\$ (11)	\$ 487	\$ -	\$ (442)	\$ (1,254)
16	Federal Income Tax - Current		\$ (246)	\$ (2)	\$ 93	\$ -	\$ (85)	\$ (240)
17	State Income Tax - Current		(116)	(1)	44	-	(40)	(113)
18	Federal Income Tax - Deferred		-	-	-	-	-	-
19	State Income Tax - Deferred		-	-	-	-	-	-
20	Investment Tax Credit		-	-	-	-	-	-
21	Total Income Tax Expense	SUM L16 to L20	\$ (362)	\$ (3)	\$ 137	\$ -	\$ (124)	\$ (352)
22	Total Operating Expense	L14 + L21	\$ 72,165	\$ 16,575	\$ 32,883	\$ -	\$ 655,397	\$ 777,019
23	Operating Income	L4 - L22	\$ (926)	\$ (8)	\$ 350	\$ -	\$ (318)	\$ (901)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-2 - Base Operating Revenues**

To adjust base operating revenues to: (1) eliminate revenues attributable to unbilled revenue and the Penelec Rate District's NY jurisdictional revenue; (2) annualize changes in number of customers; (3) normalize the sales and revenue effects of energy efficiency measures implemented or to be implemented under FE PA and its Rate Districts' Energy Efficiency and Conservation Phase IV Plan and to reflect the impact of behind-the-meter generation; and (4) include revenue associated with the acquisition of LIDA in the West Penn Rate District. FE PA witness Kehl is responsible for parts (2) through (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Eliminate unbilled and non-jurisdictional revenues</u></b>							
1	Retail sales revenue per books	p. 25-29, L1, col. 4	\$ 450,869	\$ 468,713	\$ 121,654	\$ 408,204	\$ 1,449,441
	Less:						
2	STAS revenue per books		\$ -	\$ 192	\$ -	\$ (443)	\$ (251)
3	DSIC revenue per books		17,856	18,998	9,573	18,177	64,604
4	TCJA revenue per books		(29,571)	(26,133)	(7,750)	(19,064)	(82,518)
5	SMT revenue per books		1,960	(3,846)	432	(2,556)	(4,011)
6	Rider revenue rolled in per books	SUM L2 to L5	\$ (9,755)	\$ (10,789)	\$ 2,255	\$ (3,886)	\$ (22,175)
7	Base distribution revenue per books	L6 - L1	\$ 460,624	\$ 479,502	\$ 119,399	\$ 412,090	\$ 1,471,616
8	Base billed distribution revenues	Exhibit MSK-1	465,741	477,781	120,536	415,321	1,479,379
9	Eliminate unbilled and New York jurisdictional revenues	L8 - L6	\$ 5,116	\$ (1,721)	\$ 1,137	\$ 3,231	\$ 7,763
<b><u>Base operating revenue adjustment</u></b>							
10	Normalize customers to year end level	Exhibit MSK-1	\$ (3,045)	\$ (5,350)	\$ (505)	\$ 773	\$ (8,127)
11	Adjust energy efficiency and behind-the-meter	Exhibit MSK-1	\$ (9,555)	\$ (11,496)	\$ (2,368)	\$ (7,063)	\$ (30,482)
12	Other revenue adjustment	Exhibit MSK-1	\$ -	\$ -	\$ -	\$ -	\$ -
13	Adjustment to base operating revenues	SUM L9 to L12	(7,484)	(18,567)	(1,737)	(3,059)	(30,846)
14	Adjusted retail sales revenue per books	L1 + L13	\$ 443,386	\$ 450,146	\$ 119,918	\$ 405,145	\$ 1,418,594

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-3 - Other Operating Revenues**

To adjust other operating revenues to: (1) reflect changes to tariff administrative fees, as supported by FE PA witness Kehl; (2) include West Penn Rate District's ground lease revenue from its FERC jurisdictional affiliate that is not included in the budget; (3) eliminate revenues associated with the West Penn Rate District's existing agreements with LIDA; (4) eliminate transmission revenue related to West Penn Rate District's FERC jurisdiction; and (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (5) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Other operating revenues per books	p. 25-29, L3, col. 4	\$ 27,221	\$ 22,924	\$ 6,167	\$ 88,331	\$ 144,643
<b><u>Other operating revenue adjustments</u></b>							
2	Adjusted reconnection fees	FE PA witness Kehl	372	237	36	258	904
3	Less: Reconnection fees per books		(893)	(505)	(72)	(517)	(1,988)
4	Total reconnection fee adjustment	L2 + L3	\$ (521)	\$ (268)	\$ (36)	\$ (258)	\$ (1,084)
5	Adjusted return check charges	FE PA witness Kehl	257	171	120	195	743
6	Less: Return check charges per books		(257)	(171)	-	(130)	(558)
7	Total return check charge adjustment	L5 + L6	\$ -	\$ -	\$ 120	\$ 65	\$ 185
8	Adjusted service charges	FE PA witness Kehl	-	-	-	-	-
9	Less: Service charges per books		(936)	(649)	-	-	(1,585)
10	Total service charge adjustment	L8 + L9	\$ (936)	\$ (649)	\$ -	\$ -	\$ (1,585)
11	Include West Penn ground lease revenues not included in the budget		\$ -	\$ -	\$ -	\$ 2,373	\$ 2,373
12	Eliminate LIDA revenues		\$ -	\$ -	\$ -	\$ (188)	\$ (188)
13	Eliminate FERC jurisdictional revenues		\$ -	\$ -	\$ -	\$ (72,916)	\$ (72,916)
14	Total before non-jurisdictional allocation	SUM L1, L4, L7, L10 to L13	\$ 25,765	\$ 22,006	\$ 6,251	\$ 17,407	\$ 71,429
<b><u>Non-jurisdictional allocation</u></b>							
15	Less: New York jurisdictional	-L1 * 0.51%	\$ -	\$ (117)	\$ -	\$ -	\$ (117)
16	Total adjustment to other operating revenues	SUM L4, L7, L10 to L13, L15	(1,457)	(1,035)	84	(70,924)	(73,331)
17	Adjusted other operating revenues per books	L1 + L16	\$ 25,765	\$ 21,889	\$ 6,251	\$ 17,407	\$ 71,312

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-4 - Transmission Expense**

To adjust transmission expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) eliminate an allocated portion of transmission expense related to West Penn Rate District's FERC jurisdiction; and (4) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Lyons is responsible for the allocation factor used in part (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Transmission expense per books	p. 25-29, L6, col. 4	\$ 593	\$ 700	\$ 165	\$ 29,780	\$ 31,238
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L19	7	3	1	18	29
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L8	0	0	0	3	4
4	Total payroll adjustment	L2 + L3	\$ 8	\$ 4	\$ 1	\$ 21	\$ 33
5	Total before non-jurisdictional allocation	L1 + L4	\$ 600	\$ 703	\$ 167	\$ 29,801	\$ 31,271
<b><u>Non-jurisdictional allocation</u></b>							
6	Eliminate FERC jurisdictional expense	-L5 * 92.5%	-	-	-	(27,566)	(27,566)
7	Less: New York jurisdictional	-L5 * 0.61%	-	(4)	-	-	(4)
8	Total non-jurisdictional adjustment	L6 + L7	\$ -	\$ (4)	\$ -	\$ (27,566)	\$ (27,570)
9	Total adjustment to transmission expense	L4 + L8	8	(1)	1	(27,545)	(27,537)
10	Adjusted transmission expense per books	L1 + L9	\$ 600	\$ 699	\$ 167	\$ 2,235	\$ 3,701

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-4 - Supporting Schedule 1 - Payroll Expense**

To determine the adjustment to payroll expense associated with year end bargaining and non-bargaining wage rates and employee levels; and to allocate the additional payroll expense to the proper FERC classification.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Total payroll	II-D-10, part (a) attachments, L6, col. Total	\$ 86,710	\$ 93,845	\$ 24,265	\$ 86,972	\$ 291,792
<b><u>Bargaining Unit</u></b>			<b><u>IBEW 777</u></b>	<b><u>IBEW 459</u></b>	<b><u>UWUA 140</u></b>	<b><u>UWUA 102</u></b>	<b><u>TOTAL</u></b>
2	Increase date	II-D-10, part (d)	11/1/2023	5/15/2023	7/1/2023	5/1/2023	
3	Straight time through increase dates		\$ 34,994	\$ 10,702	\$ 5,978	\$ 12,668	\$ 64,342
4	Straight time rate of increase	II-D-10, part (d)	3.00%	2.50%	2.50%	3.50%	
5	Straight time increase in test year	L3 * L4	\$ 1,050	\$ 268	\$ 149	\$ 443	\$ 1,910
<b><u>Bargaining Unit</u></b>			<b><u>UWUA 180</u></b>				<b><u>TOTAL</u></b>
6	Increase date	II-D-10, part (d)		3/1/2023			
7	Straight time through increase dates		\$ -	\$ 1,732	\$ -	\$ -	\$ 1,732
8	Straight time rate of increase	II-D-10, part (d)	0.00%	3.00%	0.00%	0.00%	
9	Straight time increase in test year	L7 * L8	\$ -	\$ 52	\$ -	\$ -	\$ 52
<b><u>Non-Bargaining Employees</u></b>							
10	Increase date	II-D-10, part (d)	3/1/2023	3/1/2023	3/1/2023	3/1/2023	3/1/2023
11	Straight time through increase dates		\$ 2,113	\$ 3,322	\$ 641	\$ 2,531	\$ 8,606
12	Straight time rate of increase	II-D-10, part (d)	4.00%	4.00%	4.00%	4.00%	
13	Straight time increase in test year	L11 * L12	\$ 85	\$ 133	\$ 26	\$ 101	\$ 344
14	Total payroll adjustment	L5 + L9 + L13	1,134	452	175	545	2,306
15	Total payroll as adjusted	L1 + L14	\$ 87,844	\$ 94,297	\$ 24,440	\$ 87,517	\$ 294,099
16	O&M allocation percentage	II-D-10, part (f)	40.10%	42.30%	33.60%	40.30%	
17	O&M payroll adjustment	L14 * L16	\$ 455	\$ 191	\$ 59	\$ 219	\$ 925
<b><u>Allocation of payroll adjustment</u></b>							
18	Production		\$ -	\$ -	\$ -	\$ -	\$ -
19	Transmission		7	3	1	18	29
20	Distribution		418	180	51	188	838
21	Customer accounts		15	4	2	7	28
22	Customer service		10	2	2	3	17
23	Administrative and general		5	2	3	4	13
24	Total	SUM L18 to L23	\$ 455	\$ 191	\$ 59	\$ 219	\$ 925

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-4 - Supporting Schedule 2 - FirstEnergy Service Company Payroll Expense**

To determine the adjustment to payroll expense associated with Service Company year end wage rates and employee levels; and to allocate the additional payroll expense to the proper FERC classification.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b>First Energy Service Company</b>							
1	Increase date	Adj. IS-4, SS 1, L10	3/1/2023	3/1/2023	3/1/2023	3/1/2023	3/1/2023
2	Straight time through increase dates		\$ 3,766	\$ 4,283	\$ 1,033	\$ 5,400	\$ 14,482
3	Straight time rate of increase	Adj. IS-4, SS 1, L12	4.00%	4.00%	4.00%	4.00%	
4	Straight time increase in test year	L2 * L3	\$ 151	\$ 171	\$ 41	\$ 216	\$ 579
5	O&M allocation percentage	Adj. IS-4, SS 1, L16	40.10%	42.30%	33.60%	40.30%	
6	O&M payroll adjustment	L4 * L5	\$ 60	\$ 72	\$ 14	\$ 87	\$ 234
<b><u>Allocation of FESC payroll adjustment</u></b>							
7	Production		\$ -	\$ -	\$ -	\$ -	\$ -
8	Transmission		0	0	0	3	4
9	Distribution		13	18	3	20	53
10	Customer accounts		5	6	2	7	20
11	Customer service		7	8	2	17	34
12	Administrative and general		35	40	8	40	122
13	Total	SUM L7 to L12	\$ 60	\$ 72	\$ 14	\$ 87	\$ 234



**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-5 - Distribution Expense**

To adjust distribution expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect storm expense using a five-year average of actual storm expense, excluding extraordinary storms; (4) include enhanced vegetation management expense; (5) adjust inspection and maintenance of overhead lines and transformers expense to reflect a two-year cycle; (6) include the reclassification of amortization of gains and losses on reacquired debt; and (6) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Smith is responsible for parts (4) and (5) of the adjustment. FE PA witness Lyons is responsible for the allocation factor used in part (7) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Distribution expense per books	p. 25-29, L7, col. 4	\$ 85,834	\$ 93,332	\$ 34,594	\$ 90,332	\$ 304,092
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L20	418	180	51	188	838
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L9	13	18	3	20	53
4	Total payroll adjustment	L2 + L3	\$ 431	\$ 198	\$ 54	\$ 208	\$ 891
<b><u>Storm expense adjustment</u></b>							
5	Adjust storm expense to reflect five-year average of actual storm costs, excluding extraordinary storm costs	Adj. IS-5, SS 1, L9	\$ (1,278)	\$ (9,257)	\$ (14,454)	\$ (11,369)	\$ (36,358)
<b><u>Vegetation management adjustment</u></b>							
6	Adjust vegetation management expense	FE PA witness Smith	\$ 28,619	\$ 25,365	\$ 10,437	\$ 28,425	\$ 92,846
<b><u>Inspection and maintenance of overhead lines cycle</u></b>							
7	Adjust inspection of overhead line expense	FE PA witness Smith	\$ 2,315	\$ 1,532	\$ 345	\$ 1,814	\$ 6,007
<b><u>Reclassify amortization of gain/loss on reacquired debt</u></b>							
8	Amortization of (gain) or loss on reacquired debt		\$ 97	\$ 68	\$ 142	\$ 20	\$ 327
9	Total before non-jurisdictional allocation	SUM L1, L4 to L8	\$ 116,018	\$ 111,238	\$ 31,119	\$ 109,430	\$ 367,805
<b><u>Non-jurisdictional allocation</u></b>							
10	Less: New York jurisdictional	-L9 * 0.61%	\$ -	\$ (679)	\$ -	\$ -	\$ (679)
11	Total adjustment to distribution expense	SUM L4 to L8 + L10	30,184	17,228	(3,475)	19,098	63,035
12	Adjusted distribution expense per books	L1 + L11	\$ 116,018	\$ 110,559	\$ 31,119	\$ 109,430	\$ 367,127

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-5 - Supporting Schedule 1 - Five-Year Average Storm Expense**

To determine the adjustment to storm expense associated with reflecting a five-year average of actual storm expenses, excluding extraordinary storms, in base rates. FE PA witness Smith is responsible for historical storm expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	2019 storm expense		\$ 28,551	\$ 12,081	\$ 4,252	\$ 15,361	\$ 60,246
2	2020 storm expense		26,290	10,873	3,562	5,755	46,479
3	2021 storm expense		24,676	6,082	2,483	7,621	40,862
4	2022 storm expense		20,478	14,307	3,418	19,502	57,705
5	2023 storm expense		26,597	11,426	2,360	18,336	58,720
6	Total	SUM L1 to L5	\$ 126,592	\$ 54,770	\$ 16,074	\$ 66,575	\$ 264,012
7	Average balance	L6 / 5	\$ 25,319	\$ 10,954	\$ 3,215	\$ 13,315	\$ 52,802
8	Less: Storm expense per books		(26,597)	(20,211)	(17,669)	(24,684)	(89,160)
9	Adjustment to storm expense	L7 + L8	\$ (1,278)	\$ (9,257)	\$ (14,454)	\$ (11,369)	\$ (36,358)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-6 - Customer Accounts Expense**

To adjust customer accounts expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect increased uncollectible accounts expense, as supported by FE PA witness Jones; (4) reflect increased O&M costs associated with serving new customers; (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction; (6) include interest on customer deposits; and (7) include customer credit card payment processing fees, as supported by FE PA witness Jones.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer accounts expense per books	p. 25-29 L8 col. 4	\$ 425	\$ 2,833	\$ (615)	\$ 1,493	\$ 4,136
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L21	15	4	2	7	28
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L10	5	6	2	7	20
4	Total payroll adjustment	L2 + L3	\$ 20	\$ 11	\$ 4	\$ 14	\$ 49
<b><u>Uncollectible accounts expense adjustment</u></b>							
5	Uncollectible accounts expense	Adj. IS-6, SS 1, L15	\$ 14,346	\$ 13,314	\$ 4,482	\$ 13,379	\$ 45,521
<b><u>Cost associated with serving additional customers</u></b>							
6	Increased O&M costs associated with increased number of customers in normalized revenue levels	Adj. IS-6, SS 2, L12	\$ (44)	\$ (83)	\$ (8)	\$ 15	\$ (120)
7	Total before non-jurisdictional allocation	SUM L1, L4 to L6	\$ 14,748	\$ 16,076	\$ 3,862	\$ 14,901	\$ 49,587
<b><u>Non-jurisdictional allocation</u></b>							
8	Less: New York jurisdictional	-L7 * 0.35%	\$ -	\$ (56)	\$ -	\$ -	\$ (56)
<b><u>Interest on customer deposits</u></b>							
9	Interest on customer deposits	Adj. IS-6, SS 3, L8	\$ 2,501	\$ 2,081	\$ 537	\$ 2,159	\$ 7,278
<b><u>Credit card payment processing fee adjustment</u></b>							
10	Include customer credit card payment processing fees	FE PA witness Jones	\$ 1,698	\$ 1,481	\$ 375	\$ 1,653	\$ 5,208
11	Total adjustment to customer accounts expense	SUM L4 to L6 + SUM L8 to L10	18,522	16,749	5,390	17,220	57,880
12	Adjusted customer accounts expense per books	L1 + L11	\$ 18,947	\$ 19,582	\$ 4,775	\$ 18,713	\$ 62,017

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-6 - Supporting Schedule 1 - Uncollectible accounts expense**

To (1) adjust uncollectible accounts expense, as supported by FE PA witness Jones, based on normalized revenues; and (2) to determine the generation-related uncollectible accounts expense associated with default service, which is recovered in the Default Service Support rider for all residential and commercial customers and Hourly Pricing Default Service rider for non-shopping industrial customers.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Uncollectible accounts expense per books		\$ 4,850	\$ 6,358	\$ 518	\$ 3,679	\$ 15,404
<b>Uncollectible accounts expense to total billed revenue</b>							
2	Billed revenues as adjusted	Adj. IS-2, L14	\$ 443,386	\$ 450,146	\$ 119,918	\$ 405,145	\$ 1,418,594
3	Billed Price to Compare / Hourly Pricing default service revenues	Adj. IS-1 , L1, col. 6	551,084	441,471	166,608	652,177	1,811,340
4	Billed revenues on riders retained, excluding Price to Compare / Hourly Pricing default service revenues	Adj. IS-1 , L1, col. 7 - L3	85,066	124,222	16,811	120,593	346,692
5	POR eligible revenues billed on behalf of EGSs		394,555	419,513	142,175	437,827	1,394,070
6	Total billed revenues		\$ 1,474,090	\$ 1,435,352	\$ 445,512	\$ 1,615,742	\$ 4,970,696
7	Total adjusted uncollectible accounts expense	Exhibit MAJ-1	19,196	19,672	5,000	17,058	60,925
8	Uncollectible accounts expense rate	L7 / L6	<u>(0.013022)</u>	<u>(0.013705)</u>	<u>(0.011222)</u>	<u>(0.010557)</u>	<u>(0.012257)</u>
<b>Base rates uncollectible accounts expense</b>							
9	Base billed revenues	L2 + L4	528,452	574,368	136,729	525,737	1,765,286
10	Base rate and retained rider uncollectible accounts expense	-L8 * L9	\$ 6,882	\$ 7,872	\$ 1,534	\$ 5,550	\$ 21,838
<b>Generation-related uncollectible accounts expense</b>							
11	Generation-related billed revenues	L3 + L5	945,639	860,984	308,783	1,090,005	3,205,410
12	Generation-related uncollectible accounts expense	-L8 * L11	\$ 12,314	\$ 11,800	\$ 3,465	\$ 11,508	\$ 39,087
13	Less: Generation related uncollectible account expense in the DSS and HP Riders		(13,490)	(10,681)	(2,618)	(10,882)	(37,672)
14	Adjustment to generation-related uncollectible accounts expense	L12 + L13	\$ (1,176)	\$ 1,119	\$ 847	\$ 625	\$ 1,415
15	Total adjustment to uncollectible accounts expense	L10 + L12 - L1	14,346	13,314	4,482	13,379	45,521
16	Uncollectible accounts expense as adjusted	L1 + L15	\$ 19,196	\$ 19,672	\$ 5,000	\$ 17,058	\$ 60,925

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-6 - Supporting Schedule 2 - Expense Associated with Serving New Customers**

To determine the cost associated with serving the additional customers reflected in Adjustment IS-2. The ratio of non-payroll customer account expense to total revenue is applied to the additional revenue from increased customers to estimate this cost. The Commission previously recognized and approved this adjustment. The adjustment to base operating revenue for changes in number of customers is supported by FE PA witness Kehl.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Customer Account Expense Excluding Labor and Uncollectibles</u></b>							
1	Customer accounts expense per books	p. 25-29, L8, col. 2	\$ 12,785	\$ 14,874	\$ 2,852	\$ 13,045	\$ 43,555
2	Additional uncollectible accounts expense	Adj. IS-6, SS1, L15	14,346	13,314	4,482	13,379	45,521
3	Adjusted customer accounts expense	L1 + L2	\$ 27,131	\$ 28,188	\$ 7,333	\$ 26,424	\$ 89,076
4	Less: Adjusted uncollectible accounts expense	Adj. IS-6, -L7	(19,196)	(19,672)	(5,000)	(17,058)	(60,925)
5	Less: Labor expense		(1,223)	(1,032)	(361)	(1,197)	(3,813)
6	Customer accounts expense excluding labor and uncollectible expense	SUM L3 to L5	\$ 6,712	\$ 7,484	\$ 1,972	\$ 8,169	\$ 24,337
<b><u>Total Distribution Revenue</u></b>							
7	Distribution revenue per books	Adj. IS-2, L7	\$ 460,624	\$ 479,502	\$ 119,399	\$ 412,090	\$ 1,471,616
8	Late payment charges per books		5,045	5,188	1,335	5,152	16,720
9	Total distribution revenue	L7 + L8	\$ 465,670	\$ 484,690	\$ 120,734	\$ 417,242	\$ 1,488,336
10	Ratio of customer accounts expense to total revenue	L6 / L9	1.44%	1.54%	1.63%	1.96%	
11	Revenue from added customers	Adj. IS-2, L10	(3,045)	(5,350)	(505)	773	(8,127)
12	Additional expense from added customers	L10 * L11	\$ (44)	\$ (83)	\$ (8)	\$ 15	\$ (120)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-6 - Supporting Schedule 3 - Allow for Interest Expense on Customer Deposits**

To determine the interest paid on customer deposits. Since customer deposits are funds supplied to the Company by customers, they are included in rate base as a deduction. The Commission previously recognized this adjustment to include the corresponding interest paid to customers on these deposits as an expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer deposits included in rate base	Adj. RB-6, -L17	\$ 35,853	\$ 30,331	\$ 7,833	\$ 31,164	\$ 105,182
<b><u>Residential customer deposit interest</u></b>							
2	Residential customer deposits		\$ 17,482	\$ 13,067	\$ 3,349	\$ 14,479	\$ 48,377
3	Interest rate on residential deposits		8.00%	8.00%	8.00%	8.00%	8.00%
4	Interest expense on residential customer deposits	L2 * L3	\$ 1,399	\$ 1,045	\$ 268	\$ 1,158	\$ 3,870
<b><u>Non-residential customer deposit interest</u></b>							
5	Non-residential customer deposits		\$ 18,371	\$ 17,265	\$ 4,484	\$ 16,685	\$ 56,805
6	Interest rate on non-residential deposits		6.00%	6.00%	6.00%	6.00%	6.00%
7	Interest expense on non-residential customer deposits	L5 * L6	\$ 1,102	\$ 1,036	\$ 269	\$ 1,001	\$ 3,408
8	Total interest expense on customer deposits	L4 + L7	\$ 2,501	\$ 2,081	\$ 537	\$ 2,159	\$ 7,278

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-7 - Customer Service and Information Expense**

To adjust customer service and information expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) include additional expense for the low income outreach program; (4) include additional expense for the electric vehicle rebate program; and (5) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction. FE PA witness Jones is responsible for parts (3) and (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Customer service & information expense per books	p. 25-29, L9, col. 4	\$ 6,597	\$ 6,019	\$ 1,767	\$ 6,317	\$ 20,700
<b><u>Payroll adjustment</u></b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L22	10	2	2	3	17
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L11	7	8	2	17	34
4	Total payroll adjustment	L2 + L3	\$ 17	\$ 10	\$ 3	\$ 21	\$ 51
5	Total before non-jurisdictional allocation	L1 + L4	\$ 6,614	\$ 6,029	\$ 1,770	\$ 6,338	\$ 20,751
<b><u>Non-jurisdictional allocation</u></b>							
6	Less: New York jurisdictional	-L5 * 0.6%	\$ -	\$ (36)	\$ -	\$ -	\$ (36)
<b><u>Low income outreach program adjustment</u></b>							
7	Adjust expense to reflect low income outreach program	FE PA witness Jones	\$ 222	\$ 211	\$ 64	\$ 266	\$ 763
<b><u>Electric vehicle rebate program adjustment</u></b>							
8	Adjust expense to reflect electric vehicle rebate program	FE PA witness Jones	\$ 1,924	\$ 2,292	\$ 545	\$ 2,719	\$ 7,480
9	Total adjustment to customer service and information expense	SUM L4, L6 to L8	2,163	2,477	611	3,006	8,257
10	Adjusted customer service & information expense per books	L1 + L9	\$ 8,760	\$ 8,496	\$ 2,379	\$ 9,323	\$ 28,957

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-8 - Administrative and General Expense**

To adjust administrative and general expense to (1) reflect year end wage rates and employee levels; (2) reflect FirstEnergy Service Company year end wage rates and employee levels; (3) reflect pension expense using the delayed recognition methodology; (4) reflect OPEB expense using the delayed recognition methodology; (5) reflect employee benefit expense at year end wage rates and employee levels; (6) eliminate an allocated portion related to West Penn Rate District's FERC jurisdiction; (7) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction; and (8) include the normalization of rate case expenses over a three year period. FE PA witness Ashton is responsible for parts (3) and (4) of the adjustment.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Administrative & general expense per books	p. 25-29, L10, col. 4	\$ 62,129	\$ 40,099	\$ 6,405	\$ 58,286	\$ 166,919
<b>Payroll adjustment</b>							
2	Adjust payroll expense to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 1, L23	5	2	3	4	13
3	Adjust FirstEnergy Service Company payroll expense allocated to FE PA to reflect year end employee levels, wage and salary rates	Adj. IS-4, SS 2, L12	35	40	8	40	122
4	Total payroll adjustment	L2 + L3	\$ 39	\$ 43	\$ 10	\$ 43	\$ 135
<b>Pension adjustment</b>							
5	Eliminate pension expense per books		6,172	6,347	1,554	9,852	23,925
6	Include pension expense before delayed recognition	Exhibit TMA-1	(6,134)	(5,988)	(1,519)	(8,629)	(22,269)
7	Include delayed recognition of actuarial gains and losses	Exhibit TMA-1	19,015	22,638	6,474	7,280	55,406
8	Eliminate immediate recognition of actuarial gains and losses per books		(16,104)	(12,290)	(3,622)	(3,076)	(35,091)
9	Total pension adjustment	SUM L5 to L8	\$ 2,949	\$ 10,708	\$ 2,888	\$ 5,427	\$ 21,971
<b>OPEB adjustment</b>							
10	Eliminate OPEB expense per books	Exhibit TMA-2	(374)	5,380	222	1,338	6,566
11	Include OPEB expense before delayed recognition	Exhibit TMA-2	802	(4,871)	(100)	(778)	(4,947)
12	Include delayed recognition of actuarial gains and losses		3,300	(36)	359	292	3,916
13	Eliminate immediate recognition of actuarial gains and losses per books		(3,054)	7,868	(367)	482	4,929
14	Total OPEB adjustment	SUM L10 to L13	\$ 674	\$ 8,341	\$ 114	\$ 1,335	\$ 10,464
<b>Employee benefit adjustment</b>							
15	Adjust employee benefit expenses	Adj. IS-8, SS 1, L14	\$ 62	\$ 40	\$ 10	\$ 18	\$ 131
16	Total before non-jurisdictional allocation	SUM L1, L4, L9, L14 and L15	\$ 65,854	\$ 59,230	\$ 9,426	\$ 65,110	\$ 199,620
<b>Non-jurisdictional allocation</b>							
17	Eliminate FERC jurisdictional expense	-L16 * 10.57%	-	-	-	(6,882)	(6,882)
18	Less: New York jurisdictional	-L16 * 0.59%	-	(349)	-	-	(349)
19	Total non-jurisdictional adjustment	L17 + L18	\$ -	\$ (349)	\$ -	\$ (6,882)	\$ (7,232)
<b>Rate case expense adjustment</b>							
20	Rate case expenses to be incurred during current rate proceeding	Adj. IS-8, SS 2, L6	\$ 234	\$ 234	\$ 77	\$ 288	\$ 833
21	Total adjustment to administrative and general expense	SUM L4, L9, L14, L15, L19 and L20	3,958	19,017	3,099	230	26,304
22	Adjusted administrative & general expense per books	L1 + L21	\$ 66,087	\$ 59,115	\$ 9,504	\$ 58,516	\$ 193,222



**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-8 - Supporting Schedule 1 - Adjustment to Employee Benefit Expenses**

To determine the normalized costs associated with providing employee benefits related to the increased O&M payroll expense reflected in Adjustment IS-4, Supporting Schedule 1.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Benefits expense to total payroll expense</u></b>							
1	Workers Compensation	II-D-10 attachments, L7	\$ 783	\$ (83)	\$ (155)	\$ 320	\$ 865
2	Pension costs - normalized	II-D-10 attachments, L8 + Adj. IS-8, L9	(2,352)	5,643	1,523	(2,212)	2,602
3	OPEB costs - normalized	II-D-10 attachments, L9 + Adj. IS-8, L14	973	2,376	(173)	(98)	3,077
4	Medical insurance	II-D-10 attachments, L11	10,239	8,632	2,630	6,068	27,568
5	Savings plan	II-D-10 attachments, L14	2,154	2,735	770	2,562	8,220
6	Other	II-D-10 attachments	74	449	(476)	614	661
7	Total benefit expense	SUM L1 to L6	\$ 11,871	\$ 19,752	\$ 4,119	\$ 7,253	\$ 42,995
8	Total payroll expense	Adj. IS-4, SS 1, L1	86,710	93,845	24,265	86,972	291,792
9	Effective benefit rate	L7 / L8	13.69%	21.05%	16.97%	8.34%	14.73%
10	Payroll adjustment	Adj. IS-4, SS 1, L14	1,134	452	175	545	2,306
11	Benefit adjustment	L9 * L10	155	95	30	45	326
12	Adjusted employee benefits per books	L7 + L11	\$ 12,026	\$ 19,848	\$ 4,148	\$ 7,298	\$ 43,320
13	O&M allocation percentage	Adj. IS-4, SS 1, L16	40.10%	42.30%	33.60%	40.30%	
14	O&M benefit adjustment	L11 * L13	\$ 62	\$ 40	\$ 10	\$ 18	\$ 131

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-8 - Supporting Schedule 2 - Rate Case Expenses**

To provide a schedule of rate case expenses and determine the amortization of those expenses over a three-year period.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	External legal expenses		\$ 424	\$ 423	\$ 122	\$ 531	\$ 1,500
2	Total expert witness expenses		193	192	84	231	700
3	Other expenses <sup>(A)</sup>		84	88	26	103	300
4	Total rate case expenses	L1 to L3	\$ 701	\$ 703	\$ 232	\$ 865	\$ 2,500
5	Recovery period		3	3	3	3	3
6	Annual rate case expense recovery	L4 / L5	\$ 234	\$ 234	\$ 77	\$ 288	\$ 833

Note:

- (A) Other expenses include but are not limited to:
- copying
  - postage and courier services
  - public input hearing costs such as cost of facilities, travel, hotel, and meals
  - customer notification cost such as newspaper notices and bill inserts
  - transcripts
  - evidentiary hearing costs such as travel, hotel, and meals

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-9 - Depreciation Expense**

To adjust depreciation expense to (1) reflect the application of equal life group ("ELG") method depreciation rates, as supported by FE PA witness Spanos, on adjusted plant in service; (2) restate cot of removal / net salvage expense on a five-year average basis; and (3) eliminate an allocated portion of cost of removal / net salvage expense related to Penelec Rate District's New York jurisdiction.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Depreciation expense adjustment</u></b>							
1	Depreciation expense books	p. 25-29, L11, col. 4	\$ 89,552	\$ 91,479	\$ 27,281	\$ 108,967	\$ 317,279
2	Less: Cost of removal / salvage expense books		(18,371)	(17,854)	(5,940)	(18,889)	(61,053)
3	Depreciation expense per books	L1+ L2	\$ 71,181	\$ 73,625	\$ 21,341	\$ 90,078	\$ 256,226
4	Include depreciation expense on adjusted plant in service	Adj. IS-9, SS 1, col. 3	89,640	99,357	26,134	93,113	308,245
5	Adjustment to depreciation expense	L4 - L3	\$ 18,460	\$ 25,732	\$ 4,793	\$ 3,035	\$ 52,019
<b><u>Cost of removal / salvage adjustment</u></b>							
6	Cost of removal / salvage expense books	-L2	\$ 18,371	\$ 17,854	\$ 5,940	\$ 18,889	\$ 61,053
7	2019 cost of removal / salvage expense		\$ 11,454	\$ 12,129	\$ 5,822	\$ 17,970	\$ 47,374
8	2020 cost of removal / salvage expense		13,677	13,152	4,922	24,147	55,898
9	2021 cost of removal / salvage expense		13,921	17,502	4,449	13,460	49,332
10	2022 cost of removal / salvage expense		15,087	12,915	5,319	15,892	49,214
11	2023 cost of removal / salvage expense		16,248	16,579	5,567	15,639	54,033
12	Total	SUM L7 to L11	\$ 70,387	\$ 72,278	\$ 26,079	\$ 87,108	\$ 255,852
13	Average cost of removal / salvage expense	L12 / 5	14,078	14,456	5,216	17,422	51,170
14	Adjustment to cost of removal / salvage expense	L13 - L6	\$ (4,294)	\$ (3,398)	\$ (724)	\$ (1,467)	\$ (9,883)
15	Total before non-jurisdictional allocation	L6 + L14	\$ 14,078	\$ 14,456	\$ 5,216	\$ 17,422	\$ 51,170
<b><u>Non-jurisdictional allocation</u></b>							
16	Less: New York jurisdictional	-L15 * 0.55%	\$ -	\$ (80)	\$ -	\$ -	\$ (80)
17	Total adjustment to depreciation expense	L5 + L14 + L16	14,166	22,254	4,069	1,568	42,057
18	Adjusted depreciation expense per books	L1 + L17	\$ 103,718	\$ 113,733	\$ 31,350	\$ 110,535	\$ 359,335

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1 - Total FE PA Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 345,001	6.42%	\$ 22,146
2		Subtotal - Intangible plant	<u>\$ 345,001</u>	<u>6.42%</u>	<u>\$ 22,146</u>
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 79,469	1.30%	\$ 1,036
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	<u>\$ 79,469</u>	<u>1.30%</u>	<u>\$ 1,036</u>
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 61,137	0.77%	\$ 468
15	361	Structures and improvements	65,976	1.32%	869
16	362	Station equipment	1,228,590	1.90%	23,363
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	1,890,618	1.73%	32,795
19	365	Overhead conductors and devices	3,210,798	2.25%	72,105
20	366	Underground conduit	114,043	1.66%	1,892
21	367	Underground conductors and devices	881,517	2.26%	19,890
22	368	Line transformers	1,545,674	2.61%	40,405
23	369	Services	522,475	1.84%	9,615
24	370	Meters	527,476	8.70%	45,903
25	371	Installations on customers' premises	47,503	1.81%	861
26	372	Leased property on customers' premises	493	0.57%	3
27	373	Street lighting and signal systems	115,905	7.42%	8,604
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	<u>\$ 10,212,204</u>	<u>2.51%</u>	<u>\$ 256,773</u>
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 332	1.22%	\$ 4
31	390	Structures and improvements	313,171	3.16%	9,907
32	391	Office furniture and equipment	39,599	10.93%	4,329
33	392	Transportation equipment	27,335	8.26%	2,259
34	393	Stores equipment	1,219	1.05%	13
35	394	Tools, shop and garage equipment	53,576	4.92%	2,635
36	395	Laboratory equipment	728	1.89%	14
37	396	Power operated equipment	8,033	1.79%	144
38	397	Communication equipment	129,584	6.93%	8,982
39	398	Miscellaneous equipment	431	0.69%	3
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	<u>\$ 574,008</u>	<u>4.93%</u>	<u>\$ 28,290</u>
43		Total - Electric plant in service	<u>\$ 11,210,682</u>	<u>2.75%</u>	<u>\$ 308,245</u>

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1A - FE PA Met-Ed Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 96,602	5.42%	\$ 5,232
2		Subtotal - Intangible plant	\$ 96,602	5.42%	\$ 5,232
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 26,938	1.34%	\$ 361
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 26,938	1.34%	\$ 361
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 28,933	0.50%	\$ 145
15	361	Structures and improvements	18,103	1.40%	254
16	362	Station equipment	321,277	1.94%	6,231
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	555,814	1.97%	10,949
19	365	Overhead conductors and devices	849,314	2.46%	20,922
20	366	Underground conduit	35,459	1.68%	595
21	367	Underground conductors and devices	319,844	2.24%	7,161
22	368	Line transformers	491,546	2.69%	13,200
23	369	Services	199,370	2.13%	4,244
24	370	Meters	141,705	8.82%	12,498
25	371	Installations on customers' premises	4,862	1.89%	92
26	372	Leased property on customers' premises	-	0.00%	-
27	373	Street lighting and signal systems	19,117	5.76%	1,101
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 2,985,344	2.59%	\$ 77,393
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 18	0.39%	\$ 0
31	390	Structures and improvements	132,739	3.09%	4,104
32	391	Office furniture and equipment	10,051	5.05%	507
33	392	Transportation equipment	5,662	7.00%	396
34	393	Stores equipment	300	0.38%	1
35	394	Tools, shop and garage equipment	12,659	3.60%	455
36	395	Laboratory equipment	86	0.00%	-
37	396	Power operated equipment	1,249	3.32%	41
38	397	Communication equipment	32,900	3.49%	1,147
39	398	Miscellaneous equipment	76	1.85%	1
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 195,739	3.40%	\$ 6,654
43		Total - Electric plant in service	\$ 3,304,623	2.71%	\$ 89,640

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
(\$ in Thousands)

**Adjustment 9 - Supporting Schedule 1B - FE PA Penelec Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 102,142	6.33%	\$ 6,469
2		Subtotal - Intangible plant	\$ 102,142	6.33%	\$ 6,469
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 12,640	1.51%	\$ 191
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 12,640	1.51%	\$ 191
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 15,524	0.85%	\$ 132
15	361	Structures and improvements	18,596	1.25%	233
16	362	Station equipment	374,574	1.93%	7,229
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	683,096	1.68%	11,453
19	365	Overhead conductors and devices	1,181,302	2.23%	26,368
20	366	Underground conduit	45,640	1.63%	744
21	367	Underground conductors and devices	229,174	2.52%	5,767
22	368	Line transformers	445,438	2.65%	11,824
23	369	Services	136,896	1.76%	2,406
24	370	Meters	139,774	9.02%	12,610
25	371	Installations on customers' premises	28,503	1.60%	455
26	372	Leased property on customers' premises	195	0.07%	0
27	373	Street lighting and signal systems	42,621	8.55%	3,642
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 3,341,334	2.48%	\$ 82,863
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 21	0.00%	\$ -
31	390	Structures and improvements	86,113	3.06%	2,632
32	391	Office furniture and equipment	11,973	17.72%	2,122
33	392	Transportation equipment	9,349	6.03%	564
34	393	Stores equipment	580	0.00%	-
35	394	Tools, shop and garage equipment	18,421	4.65%	856
36	395	Laboratory equipment	169	0.00%	-
37	396	Power operated equipment	5,127	0.57%	29
38	397	Communication equipment	44,359	8.18%	3,630
39	398	Miscellaneous equipment	72	2.18%	2
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 176,184	5.58%	\$ 9,835
43		Total - Electric plant in service	\$ 3,632,300	2.74%	\$ 99,357

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
(\$ in Thousands)

**Adjustment 9 - Supporting Schedule 1C - FE PA Penn Power Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 23,780	6.39%	\$ 1,519
2		Subtotal - Intangible plant	\$ 23,780	6.39%	\$ 1,519
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 8,433	0.00%	\$ -
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 8,433	0.00%	\$ -
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 5,803	0.00%	\$ -
15	361	Structures and improvements	4,902	1.26%	62
16	362	Station equipment	114,098	2.61%	2,982
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	150,334	1.83%	2,749
19	365	Overhead conductors and devices	256,856	2.22%	5,704
20	366	Underground conduit	8,148	1.43%	117
21	367	Underground conductors and devices	91,640	2.28%	2,092
22	368	Line transformers	129,514	2.99%	3,868
23	369	Services	46,966	1.25%	586
24	370	Meters	49,038	8.80%	4,315
25	371	Installations on customers' premises	4,092	2.03%	83
26	372	Leased property on customers' premises	-	0.00%	-
27	373	Street lighting and signal systems	8,266	6.87%	568
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 869,658	2.66%	\$ 23,125
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 0	0.00%	\$ -
31	390	Structures and improvements	8,320	1.77%	148
32	391	Office furniture and equipment	2,842	7.77%	221
33	392	Transportation equipment	1,434	6.55%	94
34	393	Stores equipment	27	0.72%	0
35	394	Tools, shop and garage equipment	3,127	4.23%	132
36	395	Laboratory equipment	22	5.77%	1
37	396	Power operated equipment	1,392	4.90%	68
38	397	Communication equipment	9,470	8.72%	825
39	398	Miscellaneous equipment	8	0.00%	-
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 26,641	5.59%	\$ 1,490
43		Total - Electric plant in service	\$ 928,513	2.81%	\$ 26,134

**FirstEnergy Pennsylvania Electric Company**  
**HTY ending December 31, 2023**  
**(\$ in Thousands)**

**Adjustment 9 - Supporting Schedule 1D - FE PA West Penn Rate District Depreciation Expense**

To adjust depreciation expense to (1) reflect ELG rates, as supported by FE PA witness Spanos, on adjusted plant in service.

Line	Acct No.	Description	Plant in Service, as adjusted (1)	Accrual Rate (2)	Depreciation Expense (3)
<b><u>INTANGIBLE PLANT</u></b>					
1	303	Miscellaneous intangible plant	\$ 122,476	7.29%	\$ 8,926
2		Subtotal - Intangible plant	\$ 122,476	7.29%	\$ 8,926
<b><u>TRANSMISSION PLANT</u></b>					
3	350.2	Land rights	\$ 31,457	1.54%	\$ 484
4	352	Structures and improvements	-	0.00%	-
5	353	Station equipment	-	0.00%	-
6	354	Towers and fixtures	-	0.00%	-
7	355	Poles and fixtures	-	0.00%	-
8	356	Overhead conductors and devices	-	0.00%	-
9	357	Underground conduit	-	0.00%	-
10	358	Underground conductors and devices	-	0.00%	-
11	359	Roads and trails	-	0.00%	-
12	359.1	Asset retirement costs for transmission plant	-	0.00%	-
13		Subtotal - Transmission plant	\$ 31,457	1.54%	\$ 484
<b><u>DISTRIBUTION PLANT</u></b>					
14	360.2	Land rights	\$ 10,877	1.75%	\$ 191
15	361	Structures and improvements	24,376	1.31%	320
16	362	Station equipment	418,640	1.65%	6,921
17	363	Energy storage equipment	-	0.00%	-
18	364	Poles, towers and fixtures	501,373	1.52%	7,644
19	365	Overhead conductors and devices	923,327	2.07%	19,111
20	366	Underground conduit	24,794	1.76%	437
21	367	Underground conductors and devices	240,858	2.02%	4,870
22	368	Line transformers	479,176	2.40%	11,513
23	369	Services	139,244	1.71%	2,380
24	370	Meters	196,959	8.37%	16,480
25	371	Installations on customers' premises	10,045	2.30%	231
26	372	Leased property on customers' premises	298	0.90%	3
27	373	Street lighting and signal systems	45,901	7.17%	3,292
28	374	Asset retirement costs for distribution plant	-	0.00%	-
29		Subtotal - Distribution plant	\$ 3,015,868	2.43%	\$ 73,392
<b><u>GENERAL PLANT</u></b>					
30	389.2	Land rights	\$ 293	1.36%	\$ 4
31	390	Structures and improvements	86,000	3.52%	3,024
32	391	Office furniture and equipment	14,733	10.04%	1,480
33	392	Transportation equipment	10,890	11.06%	1,205
34	393	Stores equipment	312	3.68%	11
35	394	Tools, shop and garage equipment	19,369	6.15%	1,191
36	395	Laboratory equipment	452	2.77%	13
37	396	Power operated equipment	265	1.82%	5
38	397	Communication equipment	42,856	7.88%	3,378
39	398	Miscellaneous equipment	276	0.00%	-
40	399	Other tangible property	-	0.00%	-
41	399.1	Asset retirement costs for general plant	-	0.00%	-
42		Subtotal - General plant	\$ 175,445	5.88%	\$ 10,311
43		Total - Electric plant in service	\$ 3,345,246	2.78%	\$ 93,113



**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-10 - Amortization Expense**

To adjust amortization expense to (1) eliminate amortization on riders rolled into base rates; (2) eliminate storm reserve amortization per the income statement; (3) eliminate deferrals associated with asst retirement obligation accretion and depreciation per the income statement; (4) eliminate amortizations related to West Penn Rate District's FERC jurisdiction; (5) include amortization of the storm reserve accounts balance at the end of the FTY; (6) include amortization of the extraordinary storm balance; (7) include amortization of the COVID-19 regulatory asset; (8) include amortization of the streetlighting costs, as supported by FE PA witness Kehl; and (9) to include the amortization of the Rate Districts' Verizon complaints, as supported by FE PA witness Savage.

Line	Description	Reference	Rate District				Total FE PA	
			Met-Ed	Penelec	Penn Power	West Penn		
		(1)	(2)	(3)	(4)	(5)	(6)	
1	Amortization expense per books	p. 25-29, L12 col. 4	\$ (11,053)	\$ (12,593)	\$ (17,024)	\$ (16,812)	\$ (57,482)	
<b><u>Eliminate amortizations per books</u></b>								
2	Eliminate DSIC rider amortization		499	837	275	779	2,389	
3	Eliminate TCJA rider amortization		3,921	(1,189)	1,266	4,512	8,509	
4	Eliminate SMT rider deferral		(7,868)	(985)	(1,276)	(4,367)	(14,495)	
5	Eliminate STAS deferral		38	1	1	(54)	(14)	
6	Eliminate storm reserve deferral		14,364	13,624	16,728	16,215	60,930	
7	Eliminate deferred accretion / depreciation expense		100	305	30	117	553	
8	Eliminate amortizations related to West Penn Rate District's FERC jurisdiction		-	-	-	(391)	(391)	
9	Total eliminated amortizations	SUM L2 to L8	\$ 11,053	\$ 12,593	\$ 17,024	\$ 16,812	\$ 57,482	
<b><u>Amortize storm reserve balance over 3 years</u></b>								
10	Storm reserve balance	Adj. RB-5, L1	88,886	41,279	19,465	39,858	189,488	
11	Amortization period		3	3	3	3	3	
12	Storm reserve amortization expense		\$ 29,629	\$ 13,760	\$ 6,488	\$ 13,286	\$ 63,163	
<b><u>Amortize extraordinary storm damage balance over 3 years</u></b>								
13	Extraordinary storm balance	Adj. RB-5, L3	33,572	8,176	19,950	23,396	85,094	
14	Amortization period		3	3	3	3	3	
15	Extraordinary storm amortization expense		\$ 11,191	\$ 2,725	\$ 6,650	\$ 7,799	\$ 28,365	
<b><u>Amortize COVID-19 regulatory asset balance over 3 years</u></b>								
16	COVID-19 regulatory asset amortization expense	Adj. IS-10, SS 1, L11	\$ 2,108	\$ 3,518	\$ 1,193	\$ 3,308	\$ 10,128	
<b><u>Amortize streetlight regulatory asset balance over 5 years</u></b>								
17	Streetlight regulatory asset balance	FE PA witness Kehl	8,304	22,480	1,382	14,537	46,703	
18	Amortization period		5	5	5	5	5	
19	Streetlight regulatory asset amortization expense		\$ 1,661	\$ 4,496	\$ 276	\$ 2,907	\$ 9,341	
<b><u>Amortize Verizon complaints over 3 years</u></b>								
20	Verizon complaint amounts	Exhibit JMS-4	<b>HIGHLY CONFIDENTIAL INFORMATION REDACTED</b>					
21	Amortization period							
22	Verizon complaint amortization expense		\$ 3,659	\$ 4,555	\$ 416	\$ -	\$ 8,630	
23	Total adjustment to amortization expense	SUM L9, L12, L15, L16, L19 and L22	59,300	41,647	32,048	44,112	177,107	
24	Adjusted amortization expense per books	L1 + L23	\$ 48,247	\$ 29,054	\$ 15,024	\$ 27,300	\$ 119,625	

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-10 - Supporting Schedule 1 - COVID-19 Expenses**

To provide a schedule of COVID-19 expenses incurred by the company and determine the amortization of those expenses over a three-year period.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Incremental uncollectible accounts expense		\$ 3,419	\$ 7,368	\$ 2,813	\$ 6,685	\$ 20,285
2	Late payment charge waivers		2,568	2,828	676	2,831	8,903
3	Reconnect charge waivers		9	4	3	11	27
4	Bill assistance media campaign		265	291	73	331	960
5	Postage		38	38	9	41	127
6	Customer mailings		17	17	4	19	58
7	Outbound dialing campaign		5	5	1	5	16
8	Emergency rental assistance program outbound dialing campaign		2	2	1	2	7
9	Total COVID-19 expenses	SUM L1 to L8	\$ 6,323	\$ 10,554	\$ 3,580	\$ 9,925	30,383
10	Recovery period		3	3	3	3	3
11	COVID-19 regulatory asset amortization expense	L9 / L10	\$ 2,108	\$ 3,518	\$ 1,193	\$ 3,308	\$ 10,128

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-11 - Taxes Other Than Income Tax Expense**

To adjust taxes other than income to (1) reflect normalized sales revenues in gross receipts tax expense; (2) reflect year end wage rates and employee levels in payroll tax expense; (3) reflect PURTA tax expense consistent with the PURTA determination received in August 2023; and (4) eliminate non-jurisdictional real estate tax expense.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Taxes other than income tax expense per books	p. 25-29, L13, col. 4	\$ 30,870	\$ 31,475	\$ 7,532	\$ 28,770	\$ 98,647
<b><u>Taxes other than income tax expense per books</u></b>							
2	Gross receipts tax ("GRT") expense per books		\$ 63,869	\$ 60,371	\$ 17,592	\$ 69,412	\$ 211,244
3	Less: GRT on riders retained		(38,261)	(33,334)	(11,100)	(45,593)	(128,289)
4	Base rates related GRT	L2 + L3	25,607	27,037	6,492	23,819	82,956
5	Federal and State payroll taxes		2,244	2,414	644	2,392	7,695
6	PURTA tax		2,572	1,377	445	2,278	6,672
7	Real estate tax		442	411	88	262	1,202
8	Sales & Use tax		(0)	226	(139)	13	100
9	Other tax		6	10	1	6	23
10	Total taxes other than income tax expense per books	SUM L4 to L9	\$ 30,870	\$ 31,475	\$ 7,532	\$ 28,770	\$ 98,647
<b><u>GRT adjustment</u></b>							
11	Normalized sales revenue	Adj. IS-2, L14	\$ 443,386	\$ 450,146	\$ 119,918	\$ 405,145	\$ 1,418,594
12	Gross receipts tax rate		5.90%	5.90%	5.90%	5.90%	5.90%
13	GRT on normalized sales	L11 * L12	\$ 26,160	\$ 26,559	\$ 7,075	\$ 23,904	\$ 83,697
14	Less: GRT expense per books	-L4	(25,607)	(27,037)	(6,492)	(23,819)	(82,956)
15	Adjustment to GRT	L13 + L14	\$ 552	\$ (479)	\$ 583	\$ 85	\$ 741
<b><u>Payroll tax adjustment</u></b>							
16	Adjustment to payroll tax	Adj. IS-11, SS 1, L8	\$ 12	\$ 5	\$ 2	\$ 6	\$ 24
<b><u>PURTA tax adjustment</u></b>							
17	PURTA tax determination issued 08/2023		\$ 2,310	\$ 1,668	\$ 402	\$ 1,720	\$ 6,100
18	Less: PURTA tax expense per books	-L6	(2,572)	(1,377)	(445)	(2,278)	(6,672)
19	Adjustment to PURTA tax	L17 + L18	\$ (262)	\$ 291	\$ (43)	\$ (557)	\$ (571)
<b><u>Real Estate tax adjustment</u></b>							
20	PA jurisdictional real estate taxes		\$ 402	\$ 187	\$ 76	\$ 195	\$ 860
21	Less: real estate tax per books	-L7	(442)	(411)	(88)	(262)	(1,202)
22	Eliminate non-jurisdictional real estate taxes	L20 + L21	\$ (39)	\$ (224)	\$ (12)	\$ (67)	\$ (342)
23	Total adjustment to taxes other than income tax	L15 + L16 + L19 + L22	263	(407)	529	(533)	(148)
24	Adjusted taxes other than income tax expense per books	L1 + L23	\$ 31,133	\$ 31,068	\$ 8,061	\$ 28,237	\$ 98,500

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-11 - Supporting Schedule 1 - Payroll Tax Expense**

To determine the additional payroll tax expense associated with the increased O&M payroll expense reflected in Adjustment IS-4, Supporting Schedule 1.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Payroll expense per books	Adj. IS-4, SS 1, L1	\$ 86,710	\$ 93,845	\$ 24,265	\$ 86,972	\$ 291,792
2	Total payroll tax expense per books	Adj. IS-11, L5	2,244	2,414	644	2,392	7,695
3	Effective payroll tax rate	L2 / L1	2.59%	2.57%	2.65%	2.75%	
4	Total payroll as adjusted	Adj. IS-4, SS 1, L15	\$ 87,844	\$ 94,297	\$ 24,440	\$ 87,517	\$ 294,099
5	Payroll tax on normalized payroll	L3 * L4	2,273	2,426	649	2,407	7,756
6	Payroll tax adjustment	L5 - L2	\$ 29	\$ 12	\$ 5	\$ 15	\$ 61
7	O&M allocation percentage	Adj. IS-4, SS 1, L16	40.10%	42.30%	33.60%	40.30%	
8	Adjustment for payroll tax	L6 * L7	\$ 12	\$ 5	\$ 2	\$ 6	\$ 24

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-12 - State and Federal Income Taxes at Pro Forma Present Rates**

To calculate the federal and state income taxes on the pro forma adjusted revenue and expense at present rates as shown in column 6 of FE PA and its Rate Districts' income statements.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Pro forma adjusted net income before income taxes at present rates</u></b>							
1	Revenue	p. 25-29, L4, col. 6	\$ 469,150	\$ 472,035	\$ 126,168	\$ 422,552	\$ 1,489,906
2	Operating expenses	p. 25-29, L14, col. 6	393,510	372,307	102,377	364,289	1,232,484
3	Operating income before income tax	L1- L2	\$ 75,640	\$ 99,729	\$ 23,791	\$ 58,262	\$ 257,422
<b><u>Interest expense</u></b>							
4	Rate base	p. 4-5	\$ 1,927,879	\$ 2,040,233	\$ 562,823	\$ 1,850,882	\$ 6,381,816
5	Weighted cost of debt	p.3, L1, col. 5	2.11%	2.11%	2.11%	2.11%	2.11%
6	Interest expense	L4 * L5	\$ 40,678	\$ 43,049	\$ 11,876	\$ 39,054	\$ 134,656
7	Net income before income taxes	L3 - L6	\$ 34,962	\$ 56,680	\$ 11,915	\$ 19,209	\$ 122,766
<b><u>Current state income tax at present rates</u></b>							
8	Pro forma book depreciation	Adj. IS-9, L4	\$ 89,640	\$ 99,357	\$ 26,134	\$ 93,113	\$ 308,245
9	Federal accelerated tax depreciation		40,420	46,558	12,022	85,903	184,903
10	State accelerated tax depreciation		7,102	6,562	2,126	6,730	22,520
11	State tax depreciation (over) / under book	L8 - SUM L9 to L10	\$ 42,118	\$ 46,237	\$ 11,986	\$ 481	\$ 100,821
12	Pro forma net salvage amortization	Adj. IS-9, L13 + L16	14,078	14,376	5,216	17,422	\$ 51,091
13	Tax cost of removal / salvage		(14,851)	(16,894)	(5,282)	(23,805)	(60,831)
14	Tax basis repairs		(68,841)	(64,306)	(12,193)	(47,359)	(192,700)
15	Casualty losses		(14,243)	(14,275)	(4,471)	(26,188)	(59,177)
16	Section 263A deductions / A&G costs capitalized		(20,230)	(25,701)	(7,545)	(12,737)	(66,214)
17	Capitalized benefits		(1,317)	(2,582)	(602)	(1,479)	(5,981)
18	Other (AFUDC debt, CIAC, Capitalized interest)		17,830	10,091	3,694	19,157	50,771
19	State taxable income	L7 + SUM L11 to L18	\$ (10,495)	\$ 3,625	\$ 2,717	\$ (55,301)	\$ (59,454)
20	State income tax rate		8.99%	8.99%	8.99%	8.99%	8.99%
21	State income tax expense at present rates	L19 * L20	\$ (943)	\$ 326	\$ 244	\$ (4,972)	\$ (5,345)
<b><u>Current federal income tax at present rates</u></b>							
22	State taxable income	L19	\$ (10,495)	\$ 3,625	\$ 2,717	\$ (55,301)	\$ (59,454)
23	Plus: state accelerated tax depreciation	L10	7,102	6,562	2,126	6,730	22,520
24	Less: state income tax	-L21	943	(326)	(244)	4,972	5,345
25	Federal taxable income	SUM L22 to L24	\$ (2,449)	\$ 9,861	\$ 4,598	\$ (43,600)	\$ (31,589)
26	Federal income tax rate		21%	21%	21%	21%	21%
27	Federal income tax expense at pro forma present rates	L25 * L26	\$ (514)	\$ 2,071	\$ 966	\$ (9,156)	\$ (6,634)

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**

**Adjustment IS-12 - Supporting Schedule 1 - State and Federal Income Taxes at Proposed Rates**

To calculate the federal and state income taxes on the pro forma adjusted revenue and expense at proposed rates as shown in column 8 of FE PA and its Rate Districts' income statements.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Pro forma adjusted net income before income taxes at proposed rates</u></b>							
1	Revenue	p. 25-29, L4, col. 8	\$ 599,967	\$ 590,419	\$ 162,400	\$ 557,763	\$ 1,910,548
2	Operating expenses	p. 25-29, L14, col. 8	403,212	381,166	105,001	373,987	1,263,366
3	Operating income before income tax	L1- L2	\$ 196,755	\$ 209,253	\$ 57,399	\$ 183,775	\$ 647,182
<b><u>Interest expense</u></b>							
4	Rate base	p. 4-5	\$ 1,927,879	\$ 2,040,233	\$ 562,823	\$ 1,850,882	\$ 6,381,816
5	Weighted cost of debt	p.3, L1, col. 5	2.11%	2.11%	2.11%	2.11%	2.11%
6	Interest expense	L4 * L5	\$ 40,678	\$ 43,049	\$ 11,876	\$ 39,054	\$ 134,656
7	Net income before income taxes	L3 - L6	\$ 156,077	\$ 166,205	\$ 45,523	\$ 144,721	\$ 512,526
<b><u>Current state income tax at proposed rates</u></b>							
8	Pro forma book depreciation	Adj. IS-9, L4	\$ 89,640	\$ 99,357	\$ 26,134	\$ 93,113	\$ 308,245
9	Federal accelerated tax depreciation		40,420	46,558	12,022	85,903	184,903
10	State accelerated tax depreciation		7,102	6,562	2,126	6,730	22,520
11	State tax depreciation (over) / under book	L8 - SUM L9 to L10	\$ 42,118	\$ 46,237	\$ 11,986	\$ 481	\$ 100,821
12	Pro forma net salvage amortization	Adj. IS-9, L13 + L16	14,078	14,376	5,216	17,422	\$ 51,091
13	Tax cost of removal / salvage		(14,851)	(16,894)	(5,282)	(23,805)	(60,831)
14	Tax basis repairs		(68,841)	(64,306)	(12,193)	(47,359)	(192,700)
15	Casualty losses		(14,243)	(14,275)	(4,471)	(26,188)	(59,177)
16	Section 263A deductions / A&G costs capitalized		(20,230)	(25,701)	(7,545)	(12,737)	(66,214)
17	Capitalized benefits		(1,317)	(2,582)	(602)	(1,479)	(5,981)
18	Other (AFUDC debt, CIAC, Capitalized interest)		17,830	10,091	3,694	19,157	50,771
19	State taxable income	L7 + SUM L11 to L18	\$ 110,620	\$ 113,150	\$ 36,325	\$ 70,211	\$ 330,306
20	State income tax rate		8.99%	8.99%	8.99%	8.99%	8.99%
21	State income tax expense	L19 * L20	\$ 9,945	\$ 10,172	\$ 3,266	\$ 6,312	\$ 29,695
<b><u>Current federal income tax at proposed rates</u></b>							
22	State taxable income	L19	\$ 110,620	\$ 113,150	\$ 36,325	\$ 70,211	\$ 330,306
23	Plus: state accelerated tax depreciation	L10	7,102	6,562	2,126	6,730	22,520
24	Less: state income tax	-L21	(9,945)	(10,172)	(3,266)	(6,312)	(29,695)
25	Federal taxable income	SUM L22 to L24	\$ 107,778	\$ 109,540	\$ 35,185	\$ 70,629	\$ 323,131
26	Federal income tax rate		21%	21%	21%	21%	21%
27	Federal income tax expense at proposed rates	L25 * L26	\$ 22,633	\$ 23,003	\$ 7,389	\$ 14,832	\$ 67,858

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Adjustment IS-13 - Provision for Deferred Income Taxes**

To adjust the provision for deferred income taxes to (1) reflect property-related federal deferred income taxes; and (2) eliminate an allocated portion related to Penelec Rate District's New York jurisdiction.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
1	Federal deferred income tax expense per books	p. 25-29, L18, col. 4	\$ 13,490	\$ 20,814	\$ 9,153	\$ 27,599	\$ 71,056
<b><u>Federal deferred income tax adjustment</u></b>							
2	Property-related federal deferred income tax	II-D-24	6,610	9,038	649	11,086	27,383
3	Adjustment before non-jurisdictional allocation	L2 - L1	(6,880)	(11,776)	(8,503)	(16,512)	(43,672)
4	Distribution deferred taxes	L1 + L3	\$ 6,610	\$ 9,038	\$ 649	\$ 11,086	\$ 27,383
<b><u>Non-jurisdictional allocation</u></b>							
5	Less: New York jurisdictional	-L4 * 0.61%	-	(55)	-	-	(55)
6	Adjustment to federal deferred taxes	L3 + L5	(6,880)	(11,831)	(8,503)	(16,512)	(43,727)
7	Adjusted federal deferred income tax expense per books	L1 + L6	\$ 6,610	\$ 8,983	\$ 649	\$ 11,086	\$ 27,328

**FirstEnergy Pennsylvania Electric Company**  
**HTY ended December 31, 2023**  
**(\$ in Thousands)**  
**Gross Revenue Conversion Factor**

To calculate the gross revenue conversion factor used to determine the amount of revenue required to recover taxes related to revenue once the amount of the net operating income increase is determined.

Line	Description	Reference	Rate District			
			Met-Ed	Penelec	Penn Power	West Penn
		(1)	(2)	(3)	(4)	(5)
<b><u>Gross revenue conversion factor</u></b>						
1	Gross Revenue Factor		1.000000	1.000000	1.000000	1.000000
2	Late payment charges	Adj. IS-6, SS 2, L5	5,045	5,188	1,335	5,152
3	Total customer and shopping revenue	Adj. IS-6, SS 1, L5	1,474,090	1,435,352	445,512	1,615,742
4	Late payment charge revenue	L2 / L3	0.003423	0.003615	0.002996	0.003188
5	Gross receipts tax	L1 * -5.9%	(0.059000)	(0.059000)	(0.059000)	(0.059000)
6	Uncollectible expenses	Adj. IS-6, SS 1, L7	(0.013022)	(0.013705)	(0.011222)	(0.010557)
7	2023 / 2024 PUC / OCA & SBA Assessment as a percent of revenue		(0.002397)	(0.002397)	(0.002397)	(0.002397)
8	Net revenues	L1 + SUM L4 to L7	0.929004	0.928512	0.930377	0.931234
9	State income taxes	L8 * -8.99%	(0.083517)	(0.083473)	(0.083641)	(0.083718)
10	Factor after state income taxes	L8 + L9	0.845486	0.845039	0.846736	0.847516
11	Federal income taxes	L10 * -21%	(0.177552)	(0.177458)	(0.177815)	(0.177978)
12	Net operating income factor	L9 + L11	0.667934	0.667581	0.668922	0.669538
13	Gross revenue conversion factor	1 / L12	1.497154	1.497946	1.494943	1.493568
14	Combined income tax factor for gross revenue	-L11 - 8.99%	26.745%	26.736%	26.771%	26.788%
<b><u>Income tax factor</u></b>						
15	Gross Revenue Factor		1.000000	1.000000	1.000000	1.000000
16	State income taxes	L15 * -8.99%	(0.089900)	(0.089900)	(0.089900)	(0.089900)
17	Factor after state income taxes	L15 + L16	0.910100	0.910100	0.910100	0.910100
18	Federal income taxes	L17 * -21%	(0.191121)	(0.191121)	(0.191121)	(0.191121)
19	Net operating income factor	L16 + L18	0.718979	0.718979	0.718979	0.718979
20	Gross revenue conversion factor	1 / L19	1.390861	1.390861	1.390861	1.390861
21	Combined income tax factor on taxable income	-L18 - 8.99%	28.102%	28.102%	28.102%	28.102%



**FirstEnergy Pennsylvania Electric Company**  
**FPFTY ending December 31, 2025**  
**(\$ in Thousands)**  
**Generation-Related Uncollectible Accounts Expense and Rider Rates**

To (1) determine allocation of generation-related uncollectible accounts ("UA") expense to customer rate classes using a twenty-four month average of customer class net write-offs; (2) calculate the uncollectible component pricing, net of gross receipts tax ("GRT") to be collected in the Default Service Support ("DSS") Rider for all residential and commercial class customers using normalized Mega-watt hour ("MWh") usage supported by FE PA witness NAME; and (3) calculate the uncollectible component pricing, net of gross receipts tax to be collected in the Hourly Pricing Default Service ("HP") Rider for non-shopping industrial class customers using forecasted non-shopping MWh.

Line	Description	Reference	Rate District				Total FE PA
			Met-Ed	Penelec	Penn Power	West Penn	
		(1)	(2)	(3)	(4)	(5)	(6)
<b><u>Residential customer UA expense and DSS Rider rates</u></b>							
1	Generation-related UA expense	FE PA Exh. PML-1, Adj. IS-6, SS 1, L12	\$ 12,569	\$ 11,910	\$ 3,502	\$ 11,793	\$ 39,774
2	Residential class allocation factors		<u>94.66%</u>	<u>94.85%</u>	<u>93.64%</u>	<u>93.95%</u>	
3	Residential generation related uncollectible accounts expense	L1 * L2	\$ 11,897	\$ 11,297	\$ 3,279	\$ 11,079	\$ 37,553
4	Normalized MWh		<u>5,867,632</u>	<u>4,326,709</u>	<u>1,715,029</u>	<u>7,255,967</u>	<u>19,165,337</u>
5	Residential DSS Rider rates, net of GRT (¢ / kWh)	L3 / L4 * 100	<u>0.20276</u>	<u>0.26110</u>	<u>0.19119</u>	<u>0.15269</u>	<u>0.19594</u>
<b><u>Commercial customer UA expense and DSS Rider rates</u></b>							
6	Generation-related UA expense	L1	\$ 12,569	\$ 11,910	\$ 3,502	\$ 11,793	\$ 39,774
7	Commercial class allocation factors		<u>5.17%</u>	<u>4.68%</u>	<u>6.21%</u>	<u>5.93%</u>	
8	Commercial generation-related uncollectible accounts expense	L6 * L7	\$ 650	\$ 557	\$ 217	\$ 699	\$ 2,123
9	Normalized MWh		<u>2,797,812</u>	<u>3,167,839</u>	<u>897,041</u>	<u>3,591,180</u>	<u>10,453,871</u>
10	Commercial DSS Rider rates, net of GRT (¢ / kWh)	L8 / L9 * 100	<u>0.02322</u>	<u>0.01758</u>	<u>0.02423</u>	<u>0.01947</u>	<u>0.02031</u>
<b><u>Industrial non-shopping customer UA expense and HP Rider rates</u></b>							
11	Generation-related UA expense	L1	\$ 12,569	\$ 11,910	\$ 3,502	\$ 11,793	\$ 39,774
12	Industrial class allocation factors		<u>0.18%</u>	<u>0.47%</u>	<u>0.15%</u>	<u>0.12%</u>	
13	Industrial generation-related uncollectible accounts expense	L11 * L12	\$ 22	\$ 56	\$ 5	\$ 15	\$ 98
14	Normalized MWh		<u>146,605</u>	<u>93,086</u>	<u>47,851</u>	<u>410,013</u>	<u>697,555</u>
15	Industrial class HP Rider rates, net of GRT (\$ / kWh)	L13 / L14	<u>\$ 0.00015</u>	<u>\$ 0.00060</u>	<u>\$ 0.00011</u>	<u>\$ 0.00004</u>	<u>\$ 0.00014</u>

**FirstEnergy Pennsylvania Electric Company**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>POWER PRODUCTION EXPENSES</u></b>					
1	514	Maintenance of miscellaneous steam plant	\$ 2,399	\$ 4,320	\$ (1,922)
2		Subtotal - Power Productions Expenses	<u>\$ 2,399</u>	<u>\$ 4,320</u>	<u>\$ (1,922)</u>
<b><u>OTHER POWER SUPPLY EXPENSES</u></b>					
3	555	Purchased power	\$ 1,072,180	\$ 1,381,140	\$ (308,960)
4	556	System control and load dispatching	-	-	-
5	557	Other expenses	(35,802)	(41,567)	5,765
6		Subtotal - Other Power Supply Expenses	<u>\$ 1,036,378</u>	<u>\$ 1,339,573</u>	<u>\$ (303,195)</u>
<b><u>TRANSMISSION EXPENSES</u></b>					
7	560	Operation supervision and engineering	\$ 45	\$ 82	\$ (38)
8	561	Load dispatch	885	4,011	(3,126)
9	562	Station expenses	1,139	1,420	(282)
10	563	Overhead line expense	750	396	354
11	564	Underground line expenses	-	-	-
12	565	Transmission of electricity by others	110,778	83,146	27,632
13	566	Miscellaneous transmission expenses	239	1,889	(1,650)
14	567	Rents	738	487	251
15	568	Maintenance supervision and engineering	983	2,486	(1,503)
16	569	Maintenance of structures	569	193	376
17	570	Maintenance of station equipment	3,825	3,479	346
18	571	Maintenance of overhead lines	10,996	3,824	7,172
19	572	Maintenance of underground lines	1	-	1
20	573	Maintenance of miscellaneous transmission plant	60	505	(445)
21		Subtotal - Transmission Expenses	<u>\$ 131,008</u>	<u>\$ 101,918</u>	<u>\$ 29,090</u>
<b><u>REGIONAL MARKET EXPENSES</u></b>					
22	575	Operation	\$ 0	\$ -	\$ 0
23	576	Maintenance	-	-	-
24		Subtotal - Regional Market Expenses	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ 0</u>
<b><u>DISTRIBUTION EXPENSES</u></b>					
25	580	Operation supervision and engineering	\$ 980	\$ 800	\$ 180
26	581	Load dispatching	2,578	2,187	391
27	582	Station expenses	2,715	1,937	778
28	583	Overhead line expenses	1,158	3,504	(2,346)
29	584	Underground line expenses	2,483	2,854	(372)
30	585	Street lighting and signal system expenses	-	-	-
31	586	Meter expenses	2,466	2,994	(528)
32	587	Customer installations expenses	-	-	-
33	588	Miscellaneous distribution expenses	34,407	25,699	8,708
34	589	Rents	2,394	1,992	402
35	590	Maintenance supervision and engineering	1,453	1,266	187
36	591	Maintenance of structures	6	20	(14)
37	592	Maintenance of station equipment	17,543	17,987	(444)
38	593	Maintenance of overhead lines	113,040	85,745	27,295
39	594	Maintenance of underground lines	4,775	2,969	1,806
40	595	Maintenance of line transformers	421	801	(380)
41	596	Maintenance of street lighting and signal systems	2,844	3,690	(846)
42	597	Maintenance of meters	7,316	5,124	2,192
43	598	Maintenance of miscellaneous distribution plant	3,677	8,562	(4,885)
44		Subtotal - Distribution Expenses	<u>\$ 200,256</u>	<u>\$ 168,131</u>	<u>\$ 32,125</u>

**FirstEnergy Pennsylvania Electric Company**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>CUSTOMER ACCOUNTS EXPENSE</u></b>					
45	901	Supervision	\$ -	\$ -	\$ -
46	902	Meter reading expenses	13,923	18,856	(4,933)
47	903	Customer records and collection expenses	21,942	19,848	2,094
48	904	Uncollectible accounts	43,216	57,599	(14,383)
49	905	Miscellaneous customer accounts expenses	1,669	6,205	(4,536)
50		Subtotal - Customer Accounts Expenses	<u>\$ 80,750</u>	<u>\$ 102,508</u>	<u>\$ (21,758)</u>
<b><u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u></b>					
51	907	Supervision	\$ 1,305	\$ 1,376	\$ (71)
52	908	Customer assistance expenses	110,802	125,418	(14,616)
53	909	Informational and instructional advertising expenses	7	432	(425)
54	910	Miscellaneous customer service and informational expenses	17,262	18,053	(791)
55		Subtotal - Customer Service and Informational Expenses	<u>\$ 129,376</u>	<u>\$ 145,279</u>	<u>\$ (15,903)</u>
<b><u>SALES EXPENSES</u></b>					
56	911	Supervision	\$ 434	\$ 231	\$ 203
57	912	Demonstrating and selling expenses	-	-	-
58	913	Advertising expenses	-	93	(93)
59	916	Miscellaneous sales expenses	-	-	-
60		Subtotal - Sales Expenses	<u>\$ 434</u>	<u>\$ 324</u>	<u>\$ 110</u>
<b><u>ADMINISTRATIVE AND GENERAL EXPENSES</u></b>					
61	920	Administrative and general salaries	\$ (1,334)	\$ (539)	\$ (795)
62	921	Office supplies and expenses	5,995	12,329	(6,334)
63	922	Administrative expenses transferred—Credit	-	-	-
64	923	Outside services employed	121,476	118,701	2,775
65	924	Property insurance	399	778	(379)
66	925	Injuries and damages	10,327	4,844	5,483
67	926	Employee pensions and benefits	22,290	7,508	14,782
68	927	Franchise requirements	-	-	-
69	928	Regulatory commission expenses	9,092	9,258	(166)
70	929	Duplicate charges—Credit	-	-	-
71	930.1	General advertising expenses	982	732	250
72	930.2	Miscellaneous general expenses	1,963	1,436	527
73	931	Rents	906	802	104
74	935	Maintenance of general plant	4,699	4,333	366
75		Subtotal - Administrative and General Expenses	<u>\$ 176,793</u>	<u>\$ 160,182</u>	<u>\$ 16,611</u>
76		Total - Operation and Maintenance Expenses	<u>\$ 1,757,394</u>	<u>\$ 2,022,235</u>	<u>\$ (264,841)</u>

**FirstEnergy Pennsylvania Electric Company - Met-Ed Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPPTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>POWER PRODUCTION EXPENSES</u></b>					
1	514	Maintenance of miscellaneous steam plant	\$ 2,221	\$ 4,100	\$ (1,879)
2		Subtotal - Power Productions Expenses	<u>\$ 2,221</u>	<u>\$ 4,100</u>	<u>\$ (1,879)</u>
<b><u>OTHER POWER SUPPLY EXPENSES</u></b>					
3	555	Purchased power	\$ 273,410	\$ 323,881	\$ (50,471)
4	556	System control and load dispatching	-	-	-
5	557	Other expenses	312	133	179
6		Subtotal - Other Power Supply Expenses	<u>\$ 273,722</u>	<u>\$ 324,014</u>	<u>\$ (50,292)</u>
<b><u>TRANSMISSION EXPENSES</u></b>					
7	560	Operation supervision and engineering	\$ 2	\$ 23	\$ (21)
8	561	Load dispatch	50	1,155	(1,105)
9	562	Station expenses	413	-	413
10	563	Overhead line expense	61	33	28
11	564	Underground line expenses	-	-	-
12	565	Transmission of electricity by others	13,129	13,861	(732)
13	566	Miscellaneous transmission expenses	1	728	(727)
14	567	Rents	150	-	150
15	568	Maintenance supervision and engineering	91	995	(904)
16	569	Maintenance of structures	220	59	161
17	570	Maintenance of station equipment	743	234	509
18	571	Maintenance of overhead lines	161	-	161
19	572	Maintenance of underground lines	0	-	0
20	573	Maintenance of miscellaneous transmission plant	33	505	(472)
21		Subtotal - Transmission Expenses	<u>\$ 15,053</u>	<u>\$ 17,593</u>	<u>\$ (2,540)</u>
<b><u>REGIONAL MARKET EXPENSES</u></b>					
22	575	Operation	\$ -	\$ -	\$ -
23	576	Maintenance	-	-	-
24		Subtotal - Regional Market Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>DISTRIBUTION EXPENSES</u></b>					
25	580	Operation supervision and engineering	\$ 354	\$ 374	\$ (20)
26	581	Load dispatching	261	342	(82)
27	582	Station expenses	901	678	223
28	583	Overhead line expenses	264	2,037	(1,773)
29	584	Underground line expenses	-	576	(576)
30	585	Street lighting and signal system expenses	-	-	-
31	586	Meter expenses	630	564	66
32	587	Customer installations expenses	-	-	-
33	588	Miscellaneous distribution expenses	7,417	5,320	2,097
34	589	Rents	486	541	(55)
35	590	Maintenance supervision and engineering	398	364	34
36	591	Maintenance of structures	6	20	(14)
37	592	Maintenance of station equipment	3,633	7,237	(3,604)
38	593	Maintenance of overhead lines	29,913	22,423	7,490
39	594	Maintenance of underground lines	2,262	2,123	139
40	595	Maintenance of line transformers	188	269	(81)
41	596	Maintenance of street lighting and signal systems	666	259	407
42	597	Maintenance of meters	2,261	1,570	691
43	598	Maintenance of miscellaneous distribution plant	1,804	632	1,172
44		Subtotal - Distribution Expenses	<u>\$ 51,442</u>	<u>\$ 45,329</u>	<u>\$ 6,113</u>

**FirstEnergy Pennsylvania Electric Company - Met-Ed Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
		<b><u>CUSTOMER ACCOUNTS EXPENSE</u></b>			
45	901	Supervision	\$ -	\$ -	\$ -
46	902	Meter reading expenses	4,461	5,673	(1,212)
47	903	Customer records and collection expenses	6,476	5,924	552
48	904	Uncollectible accounts	13,730	19,733	(6,003)
49	905	Miscellaneous customer accounts expenses	464	1,789	(1,326)
50		Subtotal - Customer Accounts Expenses	<u>\$ 25,130</u>	<u>\$ 33,119</u>	<u>\$ (7,989)</u>
		<b><u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u></b>			
51	907	Supervision	\$ 354	\$ 332	\$ 22
52	908	Customer assistance expenses	28,327	36,650	(8,323)
53	909	Informational and instructional advertising expenses	2	130	(128)
54	910	Miscellaneous customer service and informational expenses	5,313	5,553	(240)
55		Subtotal - Customer Service and Informational Expenses	<u>\$ 33,997</u>	<u>\$ 42,665</u>	<u>\$ (8,668)</u>
		<b><u>SALES EXPENSES</u></b>			
56	911	Supervision	\$ 123	\$ 68	\$ 55
57	912	Demonstrating and selling expenses	-	-	-
58	913	Advertising expenses	-	25	(25)
59	916	Miscellaneous sales expenses	-	-	-
60		Subtotal - Sales Expenses	<u>\$ 123</u>	<u>\$ 93</u>	<u>\$ 30</u>
		<b><u>ADMINISTRATIVE AND GENERAL EXPENSES</u></b>			
61	920	Administrative and general salaries	\$ (1,379)	\$ (749)	\$ (630)
62	921	Office supplies and expenses	1,679	3,354	(1,675)
63	922	Administrative expenses transferred—Credit	-	-	-
64	923	Outside services employed	35,451	33,007	2,444
65	924	Property insurance	129	271	(142)
66	925	Injuries and damages	1,083	1,364	(282)
67	926	Employee pensions and benefits	6,573	88	6,485
68	927	Franchise requirements	-	-	-
69	928	Regulatory commission expenses	2,463	2,613	(150)
70	929	Duplicate charges—Credit	-	-	-
71	930.1	General advertising expenses	366	189	177
72	930.2	Miscellaneous general expenses	725	695	30
73	931	Rents	63	282	(219)
74	935	Maintenance of general plant	1,807	1,303	504
75		Subtotal - Administrative and General Expenses	<u>\$ 48,959</u>	<u>\$ 42,417</u>	<u>\$ 6,542</u>
76		Total - Operation and Maintenance Expenses	<u>\$ 450,648</u>	<u>\$ 509,330</u>	<u>\$ (58,683)</u>

**FirstEnergy Pennsylvania Electric Company - Penelec Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

Line	Acct No.	Description	Actual	FPPTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>POWER PRODUCTION EXPENSES</u></b>					
1	514	Maintenance of miscellaneous steam plant	\$ 177	\$ 220	\$ (43)
2		Subtotal - Power Productions Expenses	<u>\$ 177</u>	<u>\$ 220</u>	<u>\$ (43)</u>
<b><u>OTHER POWER SUPPLY EXPENSES</u></b>					
3	555	Purchased power	\$ 302,643	\$ 374,584	\$ (71,941)
4	556	System control and load dispatching	-	-	-
5	557	Other expenses	(36,117)	(41,920)	5,803
6		Subtotal - Other Power Supply Expenses	<u>\$ 266,526</u>	<u>\$ 332,664</u>	<u>\$ (66,138)</u>
<b><u>TRANSMISSION EXPENSES</u></b>					
7	560	Operation supervision and engineering	\$ 3	\$ 28	\$ (25)
8	561	Load dispatch	14	1,073	(1,059)
9	562	Station expenses	538	-	538
10	563	Overhead line expense	488	356	132
11	564	Underground line expenses	-	-	-
12	565	Transmission of electricity by others	30,595	16,191	14,404
13	566	Miscellaneous transmission expenses	(3)	829	(832)
14	567	Rents	540	168	372
15	568	Maintenance supervision and engineering	170	1,242	(1,072)
16	569	Maintenance of structures	289	70	219
17	570	Maintenance of station equipment	724	497	227
18	571	Maintenance of overhead lines	509	64	445
19	572	Maintenance of underground lines	-	-	-
20	573	Maintenance of miscellaneous transmission plant	27	-	27
21		Subtotal - Transmission Expenses	<u>\$ 33,895</u>	<u>\$ 20,518</u>	<u>\$ 13,377</u>
<b><u>REGIONAL MARKET EXPENSES</u></b>					
22	575	Operation	\$ -	\$ -	\$ -
23	576	Maintenance	-	-	-
24		Subtotal - Regional Market Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>DISTRIBUTION EXPENSES</u></b>					
25	580	Operation supervision and engineering	\$ 410	\$ 308	\$ 102
26	581	Load dispatching	421	364	57
27	582	Station expenses	528	-	528
28	583	Overhead line expenses	68	53	15
29	584	Underground line expenses	949	771	178
30	585	Street lighting and signal system expenses	-	-	-
31	586	Meter expenses	649	785	(136)
32	587	Customer installations expenses	-	-	-
33	588	Miscellaneous distribution expenses	10,922	9,094	1,828
34	589	Rents	1,564	1,132	432
35	590	Maintenance supervision and engineering	413	427	(14)
36	591	Maintenance of structures	-	-	-
37	592	Maintenance of station equipment	5,630	6,303	(673)
38	593	Maintenance of overhead lines	37,047	23,650	13,397
39	594	Maintenance of underground lines	1,263	53	1,210
40	595	Maintenance of line transformers	164	235	(71)
41	596	Maintenance of street lighting and signal systems	990	2,586	(1,597)
42	597	Maintenance of meters	2,817	1,789	1,028
43	598	Maintenance of miscellaneous distribution plant	1,342	370	972
44		Subtotal - Distribution Expenses	<u>\$ 65,175</u>	<u>\$ 47,920</u>	<u>\$ 17,255</u>

**FirstEnergy Pennsylvania Electric Company - Penelec Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
		<b><u>CUSTOMER ACCOUNTS EXPENSE</u></b>			
45	901	Supervision	\$ -	\$ -	\$ -
46	902	Meter reading expenses	3,787	4,675	(888)
47	903	Customer records and collection expenses	6,805	5,896	909
48	904	Uncollectible accounts	12,682	18,096	(5,414)
49	905	Miscellaneous customer accounts expenses	518	2,124	(1,607)
50		Subtotal - Customer Accounts Expenses	<u>\$ 23,792</u>	<u>\$ 30,791</u>	<u>\$ (6,999)</u>
		<b><u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u></b>			
51	907	Supervision	\$ 314	\$ 313	\$ 1
52	908	Customer assistance expenses	32,495	38,185	(5,690)
53	909	Informational and instructional advertising expenses	3	120	(117)
54	910	Miscellaneous customer service and informational expenses	5,078	5,450	(372)
55		Subtotal - Customer Service and Informational Expenses	<u>\$ 37,889</u>	<u>\$ 44,068</u>	<u>\$ (6,179)</u>
		<b><u>SALES EXPENSES</u></b>			
56	911	Supervision	\$ 138	\$ 77	\$ 61
57	912	Demonstrating and selling expenses	-	-	-
58	913	Advertising expenses	-	28	(28)
59	916	Miscellaneous sales expenses	-	-	-
60		Subtotal - Sales Expenses	<u>\$ 138</u>	<u>\$ 105</u>	<u>\$ 33</u>
		<b><u>ADMINISTRATIVE AND GENERAL EXPENSES</u></b>			
61	920	Administrative and general salaries	\$ (942)	\$ (605)	\$ (337)
62	921	Office supplies and expenses	1,920	3,582	(1,662)
63	922	Administrative expenses transferred—Credit	-	-	-
64	923	Outside services employed	35,911	35,340	571
65	924	Property insurance	179	359	(180)
66	925	Injuries and damages	1,678	1,473	205
67	926	Employee pensions and benefits	5,576	5,171	405
68	927	Franchise requirements	-	-	-
69	928	Regulatory commission expenses	2,496	2,616	(120)
70	929	Duplicate charges—Credit	-	-	-
71	930.1	General advertising expenses	239	257	(18)
72	930.2	Miscellaneous general expenses	654	301	353
73	931	Rents	289	76	213
74	935	Maintenance of general plant	742	833	(91)
75		Subtotal - Administrative and General Expenses	<u>\$ 48,742</u>	<u>\$ 49,403</u>	<u>\$ (661)</u>
76		Total - Operation and Maintenance Expenses	<u>\$ 476,334</u>	<u>\$ 525,689</u>	<u>\$ (49,355)</u>

**FirstEnergy Pennsylvania Electric Company - Penn Power Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>POWER PRODUCTION EXPENSES</u></b>					
1	514	Maintenance of miscellaneous steam plant	\$ -	\$ -	\$ -
2		Subtotal - Power Productions Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>OTHER POWER SUPPLY EXPENSES</u></b>					
3	555	Purchased power	\$ 99,937	\$ 151,735	\$ (51,798)
4	556	System control and load dispatching	-	-	-
5	557	Other expenses	1	47	(46)
6		Subtotal - Other Power Supply Expenses	<u>\$ 99,938</u>	<u>\$ 151,782</u>	<u>\$ (51,844)</u>
<b><u>TRANSMISSION EXPENSES</u></b>					
7	560	Operation supervision and engineering	\$ 2	\$ 2	\$ (0)
8	561	Load dispatch	2	7	(5)
9	562	Station expenses	-	-	-
10	563	Overhead line expense	1	-	1
11	564	Underground line expenses	-	-	-
12	565	Transmission of electricity by others	5,035	4,380	655
13	566	Miscellaneous transmission expenses	4	73	(69)
14	567	Rents	-	-	-
15	568	Maintenance supervision and engineering	13	21	(8)
16	569	Maintenance of structures	27	14	13
17	570	Maintenance of station equipment	7	3	4
18	571	Maintenance of overhead lines	35	(174)	209
19	572	Maintenance of underground lines	-	-	-
20	573	Maintenance of miscellaneous transmission plant	(1)	-	(1)
21		Subtotal - Transmission Expenses	<u>\$ 5,125</u>	<u>\$ 4,326</u>	<u>\$ 799</u>
<b><u>REGIONAL MARKET EXPENSES</u></b>					
22	575	Operation	\$ -	\$ -	\$ -
23	576	Maintenance	-	-	-
24		Subtotal - Regional Market Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>DISTRIBUTION EXPENSES</u></b>					
25	580	Operation supervision and engineering	\$ 1	\$ -	\$ 1
26	581	Load dispatching	-	-	-
27	582	Station expenses	62	-	62
28	583	Overhead line expenses	107	-	107
29	584	Underground line expenses	224	533	(309)
30	585	Street lighting and signal system expenses	-	-	-
31	586	Meter expenses	66	60	6
32	587	Customer installations expenses	-	-	-
33	588	Miscellaneous distribution expenses	1,699	1,138	561
34	589	Rents	343	319	24
35	590	Maintenance supervision and engineering	109	83	26
36	591	Maintenance of structures	-	-	-
37	592	Maintenance of station equipment	835	1,101	(266)
38	593	Maintenance of overhead lines	11,322	12,570	(1,248)
39	594	Maintenance of underground lines	262	48	214
40	595	Maintenance of line transformers	23	49	(26)
41	596	Maintenance of street lighting and signal systems	73	-	73
42	597	Maintenance of meters	685	258	427
43	598	Maintenance of miscellaneous distribution plant	327	76	251
44		Subtotal - Distribution Expenses	<u>\$ 16,137</u>	<u>\$ 16,235</u>	<u>\$ (98)</u>



**FirstEnergy Pennsylvania Electric Company - Penn Power Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

<u>Line</u>	<u>Acct No.</u>	<u>Description</u>	<u>Actual</u>	<u>FPFTY Forecast</u>	<u>Variance</u>
			(1)	(2)	(3) = (1) - (2)
		<b><u>CUSTOMER ACCOUNTS EXPENSE</u></b>			
45	901	Supervision	\$ -	\$ -	\$ -
46	902	Meter reading expenses	211	1,244	(1,033)
47	903	Customer records and collection expenses	1,838	1,509	329
48	904	Uncollectible accounts	3,384	3,697	(313)
49	905	Miscellaneous customer accounts expenses	156	473	(317)
50		Subtotal - Customer Accounts Expenses	<u>\$ 5,589</u>	<u>\$ 6,923</u>	<u>\$ (1,334)</u>
		<b><u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u></b>			
51	907	Supervision	\$ -	\$ -	\$ -
52	908	Customer assistance expenses	9,451	10,701	(1,250)
53	909	Informational and instructional advertising expenses	1	129	(128)
54	910	Miscellaneous customer service and informational expenses	1,377	1,459	(82)
55		Subtotal - Customer Service and Informational Expenses	<u>\$ 10,829</u>	<u>\$ 12,289</u>	<u>\$ (1,460)</u>
		<b><u>SALES EXPENSES</u></b>			
56	911	Supervision	\$ 35	\$ 18	\$ 17
57	912	Demonstrating and selling expenses	-	-	-
58	913	Advertising expenses	-	7	(7)
59	916	Miscellaneous sales expenses	-	-	-
60		Subtotal - Sales Expenses	<u>\$ 35</u>	<u>\$ 25</u>	<u>\$ 10</u>
		<b><u>ADMINISTRATIVE AND GENERAL EXPENSES</u></b>			
61	920	Administrative and general salaries	\$ (171)	\$ (218)	\$ 48
62	921	Office supplies and expenses	369	1,034	(665)
63	922	Administrative expenses transferred—Credit	-	-	-
64	923	Outside services employed	10,198	10,314	(116)
65	924	Property insurance	18	29	(11)
66	925	Injuries and damages	1,339	312	1,027
67	926	Employee pensions and benefits	2,437	998	1,439
68	927	Franchise requirements	-	-	-
69	928	Regulatory commission expenses	783	742	41
70	929	Duplicate charges—Credit	-	-	-
71	930.1	General advertising expenses	53	55	(2)
72	930.2	Miscellaneous general expenses	220	207	13
73	931	Rents	31	17	14
74	935	Maintenance of general plant	190	446	(256)
75		Subtotal - Administrative and General Expenses	<u>\$ 15,467</u>	<u>\$ 13,936</u>	<u>\$ 1,531</u>
76		Total - Operation and Maintenance Expenses	<u>\$ 153,121</u>	<u>\$ 205,516</u>	<u>\$ (52,396)</u>

**FirstEnergy Pennsylvania Electric Company - West Penn Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

Line	Acct No.	Description	Actual	FPPTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>POWER PRODUCTION EXPENSES</u></b>					
1	514	Maintenance of miscellaneous steam plant	\$ -	\$ -	\$ -
2		Subtotal - Power Productions Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>OTHER POWER SUPPLY EXPENSES</u></b>					
3	555	Purchased power	\$ 396,190	\$ 530,940	\$ (134,750)
4	556	System control and load dispatching	-	-	-
5	557	Other expenses	2	173	(171)
6		Subtotal - Other Power Supply Expenses	<u>\$ 396,192</u>	<u>\$ 531,113</u>	<u>\$ (134,921)</u>
<b><u>TRANSMISSION EXPENSES</u></b>					
7	560	Operation supervision and engineering	\$ 38	\$ 29	\$ 9
8	561	Load dispatch	819	1,776	(957)
9	562	Station expenses	188	1,420	(1,232)
10	563	Overhead line expense	201	7	194
11	564	Underground line expenses	-	-	-
12	565	Transmission of electricity by others	62,018	48,714	13,304
13	566	Miscellaneous transmission expenses	236	259	(23)
14	567	Rents	49	319	(270)
15	568	Maintenance supervision and engineering	709	228	481
16	569	Maintenance of structures	33	50	(17)
17	570	Maintenance of station equipment	2,351	2,745	(394)
18	571	Maintenance of overhead lines	10,291	3,934	6,357
19	572	Maintenance of underground lines	0	-	0
20	573	Maintenance of miscellaneous transmission plant	-	-	-
21		Subtotal - Transmission Expenses	<u>\$ 76,934</u>	<u>\$ 59,481</u>	<u>\$ 17,453</u>
<b><u>REGIONAL MARKET EXPENSES</u></b>					
22	575	Operation	\$ 0	\$ -	\$ 0
23	576	Maintenance	-	-	-
24		Subtotal - Regional Market Expenses	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ 0</u>
<b><u>DISTRIBUTION EXPENSES</u></b>					
25	580	Operation supervision and engineering	\$ 216	\$ 118	\$ 98
26	581	Load dispatching	1,896	1,481	415
27	582	Station expenses	1,224	1,259	(35)
28	583	Overhead line expenses	720	1,414	(695)
29	584	Underground line expenses	1,310	974	336
30	585	Street lighting and signal system expenses	-	-	-
31	586	Meter expenses	1,122	1,585	(463)
32	587	Customer installations expenses	-	-	-
33	588	Miscellaneous distribution expenses	14,369	10,147	4,222
34	589	Rents	-	-	-
35	590	Maintenance supervision and engineering	534	392	142
36	591	Maintenance of structures	-	-	-
37	592	Maintenance of station equipment	7,445	3,346	4,099
38	593	Maintenance of overhead lines	34,758	27,102	7,656
39	594	Maintenance of underground lines	988	745	243
40	595	Maintenance of line transformers	46	248	(202)
41	596	Maintenance of street lighting and signal systems	1,116	845	271
42	597	Maintenance of meters	1,553	1,507	46
43	598	Maintenance of miscellaneous distribution plant	205	7,484	(7,279)
44		Subtotal - Distribution Expenses	<u>\$ 67,502</u>	<u>\$ 58,647</u>	<u>\$ 8,855</u>

**FirstEnergy Pennsylvania Electric Company - West Penn Rate District**  
**Compare Actual Expenses per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
 (\$ in Thousands)

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>CUSTOMER ACCOUNTS EXPENSE</u></b>					
45	901	Supervision	\$ -	\$ -	\$ -
46	902	Meter reading expenses	5,464	7,264	(1,800)
47	903	Customer records and collection expenses	6,824	6,519	305
48	904	Uncollectible accounts	13,420	16,073	(2,653)
49	905	Miscellaneous customer accounts expenses	532	1,819	(1,287)
50		Subtotal - Customer Accounts Expenses	<u>\$ 26,239</u>	<u>\$ 31,675</u>	<u>\$ (5,436)</u>
<b><u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u></b>					
51	907	Supervision	\$ 637	\$ 731	\$ (94)
52	908	Customer assistance expenses	40,529	39,882	647
53	909	Informational and instructional advertising expenses	2	53	(51)
54	910	Miscellaneous customer service and informational expenses	5,494	5,591	(97)
55		Subtotal - Customer Service and Informational Expenses	<u>\$ 46,662</u>	<u>\$ 46,257</u>	<u>\$ 405</u>
<b><u>SALES EXPENSES</u></b>					
56	911	Supervision	\$ 138	\$ 68	\$ 70
57	912	Demonstrating and selling expenses	-	-	-
58	913	Advertising expenses	-	33	(33)
59	916	Miscellaneous sales expenses	-	-	-
60		Subtotal - Sales Expenses	<u>\$ 138</u>	<u>\$ 101</u>	<u>\$ 37</u>
<b><u>ADMINISTRATIVE AND GENERAL EXPENSES</u></b>					
61	920	Administrative and general salaries	\$ 1,158	\$ 1,033	\$ 125
62	921	Office supplies and expenses	2,027	4,359	(2,332)
63	922	Administrative expenses transferred—Credit	-	-	-
64	923	Outside services employed	39,917	40,040	(123)
65	924	Property insurance	73	119	(46)
66	925	Injuries and damages	6,228	1,695	4,533
67	926	Employee pensions and benefits	7,704	1,251	6,453
68	927	Franchise requirements	-	-	-
69	928	Regulatory commission expenses	3,349	3,287	62
70	929	Duplicate charges—Credit	-	-	-
71	930.1	General advertising expenses	324	231	93
72	930.2	Miscellaneous general expenses	364	233	131
73	931	Rents	522	427	95
74	935	Maintenance of general plant	1,960	1,751	209
75		Subtotal - Administrative and General Expenses	<u>\$ 63,625</u>	<u>\$ 54,426</u>	<u>\$ 9,199</u>
76		Total - Operation and Maintenance Expenses	<u>\$ 677,292</u>	<u>\$ 781,700</u>	<u>\$ (104,408)</u>

**FirstEnergy Pennsylvania Electric Company**  
**Compare Actual Additions per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>INTANGIBLE PLANT</u></b>					
1	301	Organization	\$ 1	\$ -	\$ 1
2	302	Franchises and consents	-	-	-
3	303	Miscellaneous intangible plant	40,446	32,310	8,136
4		Subtotal - Intangible Plant	<u>\$ 40,447</u>	<u>\$ 32,310</u>	<u>\$ 8,137</u>
<b><u>TRANSMISSION PLANT</u></b>					
5	350	Land and land rights	\$ 0	\$ -	\$ 0
6	352	Structures and improvements	102	-	102
7	353	Station equipment	1,864	1,159	705
8	354	Towers and fixtures	1	-	1
9	355	Poles and fixtures	10,722	13,287	(2,565)
10	356	Overhead conductors and devices	8,659	(2,550)	11,210
11	357	Underground conduit	-	-	-
12	358	Underground conductors and devices	89	-	89
13	359	Roads and trails	-	-	-
14	359	Asset retirement costs for transmission plant	-	-	-
15		Subtotal - Transmission Plant	<u>\$ 21,437</u>	<u>\$ 11,896</u>	<u>\$ 9,541</u>
<b><u>DISTRIBUTION PLANT</u></b>					
16	360	Land and land rights	\$ 805	\$ -	\$ 805
17	361	Structures and improvements	1,152	262	889
18	362	Station equipment	34,840	21,597	13,243
19	364	Poles, towers and fixtures	65,677	66,176	(500)
20	365	Overhead conductors and devices	118,776	107,341	11,435
21	366	Underground conduit	908	97	811
22	367	Underground conductors and devices	33,580	37,077	(3,497)
23	368	Line transformers	33,883	49,959	(16,076)
24	369	Services	8,700	9,334	(634)
25	370	Meters	111,616	118,584	(6,968)
26	371	Installations on customers' premises	261	177	85
27	372	Leased property on customers' premises	-	-	-
28	373	Street lighting and signal systems	14,577	5,756	8,821
29	374	Asset retirement costs for distribution plant	-	-	-
30		Subtotal - Distribution Plant	<u>\$ 424,773</u>	<u>\$ 416,360</u>	<u>\$ 8,414</u>
<b><u>GENERAL PLANT</u></b>					
31	389	Land and land rights	\$ 0	\$ -	\$ 0
32	390	Structures and improvements	13,470	402	13,068
33	391	Office furniture and equipment	3,367	4,601	(1,234)
34	392	Transportation equipment	1,646	-	1,646
35	393	Stores equipment	-	-	-
36	394	Tools, shop and garage equipment	3,521	-	3,521
37	395	Laboratory equipment	0	-	0
38	396	Power operated equipment	75	-	75
39	397	Communication equipment	5,759	2,737	3,022
40	398	Miscellaneous equipment	59	-	59
41	399	Other tangible property	-	-	-
42	399	Asset retirement costs for general plant	-	-	-
43		Subtotal - General Plant	<u>\$ 27,897</u>	<u>\$ 7,740</u>	<u>\$ 20,157</u>
44		Total - Electric Plant in Service	<u>\$ 514,554</u>	<u>\$ 468,305</u>	<u>\$ 46,249</u>

**FirstEnergy Pennsylvania Electric Company - Met-Ed Rate District**  
**Compare Actual Additions per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>INTANGIBLE PLANT</u></b>					
1	301	Organization	\$ 1	\$ -	\$ 1
2	302	Franchises and consents	-	-	-
3	303	Miscellaneous intangible plant	10,655	8,950	1,704
4		Subtotal - Intangible Plant	<u>\$ 10,655</u>	<u>\$ 8,950</u>	<u>\$ 1,705</u>
<b><u>TRANSMISSION PLANT</u></b>					
5	350	Land and land rights	\$ -	\$ -	\$ -
6	352	Structures and improvements	2	-	2
7	353	Station equipment	670	288	382
8	354	Towers and fixtures	1	-	1
9	355	Poles and fixtures	97	-	97
10	356	Overhead conductors and devices	116	2	114
11	357	Underground conduit	-	-	-
12	358	Underground conductors and devices	1	-	1
13	359	Roads and trails	-	-	-
14	359	Asset retirement costs for transmission plant	-	-	-
15		Subtotal - Transmission Plant	<u>\$ 887</u>	<u>\$ 290</u>	<u>\$ 597</u>
<b><u>DISTRIBUTION PLANT</u></b>					
16	360	Land and land rights	\$ -	\$ -	\$ -
17	361	Structures and improvements	-	-	-
18	362	Station equipment	10,063	5,333	4,730
19	364	Poles, towers and fixtures	17,333	10,423	6,910
20	365	Overhead conductors and devices	22,279	23,828	(1,549)
21	366	Underground conduit	549	-	549
22	367	Underground conductors and devices	14,632	13,054	1,578
23	368	Line transformers	9,661	10,210	(548)
24	369	Services	2,097	1,263	835
25	370	Meters	34,551	32,150	2,402
26	371	Installations on customers' premises	22	-	22
27	372	Leased property on customers' premises	-	-	-
28	373	Street lighting and signal systems	1,317	593	724
29	374	Asset retirement costs for distribution plant	-	-	-
30		Subtotal - Distribution Plant	<u>\$ 112,504</u>	<u>\$ 96,853</u>	<u>\$ 15,651</u>
<b><u>GENERAL PLANT</u></b>					
31	389	Land and land rights	\$ -	\$ -	\$ -
32	390	Structures and improvements	1,654	36	1,618
33	391	Office furniture and equipment	713	673	40
34	392	Transportation equipment	24	-	24
35	393	Stores equipment	-	-	-
36	394	Tools, shop and garage equipment	889	-	889
37	395	Laboratory equipment	0	-	0
38	396	Power operated equipment	25	-	25
39	397	Communication equipment	1,505	1,404	101
40	398	Miscellaneous equipment	0	-	0
41	399	Other tangible property	-	-	-
42	399	Asset retirement costs for general plant	-	-	-
43		Subtotal - General Plant	<u>\$ 4,810</u>	<u>\$ 2,112</u>	<u>\$ 2,698</u>
44		Total - Electric Plant in Service	<u>\$ 128,857</u>	<u>\$ 108,206</u>	<u>\$ 20,651</u>

**FirstEnergy Pennsylvania Electric Company - Penelec Rate District**  
**Compare Actual Additions per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>INTANGIBLE PLANT</u></b>					
1	301	Organization	\$ -	\$ -	\$ -
2	302	Franchises and consents	-	-	-
3	303	Miscellaneous intangible plant	13,587	9,610	3,978
4		Subtotal - Intangible Plant	<u>\$ 13,587</u>	<u>\$ 9,610</u>	<u>\$ 3,978</u>
<b><u>TRANSMISSION PLANT</u></b>					
5	350	Land and land rights	\$ -	\$ -	\$ -
6	352	Structures and improvements	-	-	-
7	353	Station equipment	-	872	(872)
8	354	Towers and fixtures	-	-	-
9	355	Poles and fixtures	145	-	145
10	356	Overhead conductors and devices	-	45	(45)
11	357	Underground conduit	-	-	-
12	358	Underground conductors and devices	75	-	75
13	359	Roads and trails	-	-	-
14	359	Asset retirement costs for transmission plant	-	-	-
15		Subtotal - Transmission Plant	<u>\$ 220</u>	<u>\$ 916</u>	<u>\$ (697)</u>
<b><u>DISTRIBUTION PLANT</u></b>					
16	360	Land and land rights	\$ -	\$ -	\$ -
17	361	Structures and improvements	220	149	71
18	362	Station equipment	10,712	5,721	4,991
19	364	Poles, towers and fixtures	19,596	21,538	(1,942)
20	365	Overhead conductors and devices	35,114	40,659	(5,545)
21	366	Underground conduit	146	37	108
22	367	Underground conductors and devices	6,664	8,665	(2,001)
23	368	Line transformers	9,416	12,985	(3,569)
24	369	Services	2,142	1,621	521
25	370	Meters	36,938	42,205	(5,267)
26	371	Installations on customers' premises	102	-	102
27	372	Leased property on customers' premises	-	-	-
28	373	Street lighting and signal systems	3,665	2,492	1,173
29	374	Asset retirement costs for distribution plant	-	-	-
30		Subtotal - Distribution Plant	<u>\$ 124,714</u>	<u>\$ 136,072</u>	<u>\$ (11,359)</u>
<b><u>GENERAL PLANT</u></b>					
31	389	Land and land rights	\$ -	\$ -	\$ -
32	390	Structures and improvements	5,865	366	5,499
33	391	Office furniture and equipment	1,625	707	919
34	392	Transportation equipment	209	-	209
35	393	Stores equipment	-	-	-
36	394	Tools, shop and garage equipment	760	-	760
37	395	Laboratory equipment	-	-	-
38	396	Power operated equipment	50	-	50
39	397	Communication equipment	1,588	1,196	392
40	398	Miscellaneous equipment	58	-	58
41	399	Other tangible property	-	-	-
42	399	Asset retirement costs for general plant	-	-	-
43		Subtotal - General Plant	<u>\$ 10,156</u>	<u>\$ 2,268</u>	<u>\$ 7,888</u>
44		Total - Electric Plant in Service	<u>\$ 148,676</u>	<u>\$ 148,867</u>	<u>\$ (190)</u>

**FirstEnergy Pennsylvania Electric Company - Penn Power Rate District**  
**Compare Actual Additions per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>INTANGIBLE PLANT</u></b>					
1	301	Organization	\$ -	\$ -	\$ -
2	302	Franchises and consents	-	-	-
3	303	Miscellaneous intangible plant	3,572	2,674	898
4		Subtotal - Intangible Plant	<u>\$ 3,572</u>	<u>\$ 2,674</u>	<u>\$ 898</u>
<b><u>TRANSMISSION PLANT</u></b>					
5	350	Land and land rights	\$ -	\$ -	\$ -
6	352	Structures and improvements	-	-	-
7	353	Station equipment	-	-	-
8	354	Towers and fixtures	-	-	-
9	355	Poles and fixtures	225	-	225
10	356	Overhead conductors and devices	649	-	649
11	357	Underground conduit	-	-	-
12	358	Underground conductors and devices	-	-	-
13	359	Roads and trails	-	-	-
14	359	Asset retirement costs for transmission plant	-	-	-
15		Subtotal - Transmission Plant	<u>\$ 874</u>	<u>\$ -</u>	<u>\$ 874</u>
<b><u>DISTRIBUTION PLANT</u></b>					
16	360	Land and land rights	\$ 16	\$ -	\$ 16
17	361	Structures and improvements	604	51	552
18	362	Station equipment	6,806	5,016	1,790
19	364	Poles, towers and fixtures	6,656	10,499	(3,844)
20	365	Overhead conductors and devices	23,278	14,395	8,884
21	366	Underground conduit	59	60	(1)
22	367	Underground conductors and devices	3,675	5,308	(1,632)
23	368	Line transformers	3,585	5,409	(1,824)
24	369	Services	821	723	97
25	370	Meters	3,399	2,529	870
26	371	Installations on customers' premises	31	-	31
27	372	Leased property on customers' premises	-	-	-
28	373	Street lighting and signal systems	1,013	73	940
29	374	Asset retirement costs for distribution plant	-	-	-
30		Subtotal - Distribution Plant	<u>\$ 49,940</u>	<u>\$ 44,062</u>	<u>\$ 5,879</u>
<b><u>GENERAL PLANT</u></b>					
31	389	Land and land rights	\$ -	\$ -	\$ -
32	390	Structures and improvements	387	0	387
33	391	Office furniture and equipment	229	204	25
34	392	Transportation equipment	17	-	17
35	393	Stores equipment	-	-	-
36	394	Tools, shop and garage equipment	61	-	61
37	395	Laboratory equipment	-	-	-
38	396	Power operated equipment	-	-	-
39	397	Communication equipment	1,266	137	1,129
40	398	Miscellaneous equipment	-	-	-
41	399	Other tangible property	-	-	-
42	399	Asset retirement costs for general plant	-	-	-
43		Subtotal - General Plant	<u>\$ 1,959</u>	<u>\$ 342</u>	<u>\$ 1,618</u>
44		Total - Electric Plant in Service	<u>\$ 56,346</u>	<u>\$ 47,077</u>	<u>\$ 9,269</u>

**FirstEnergy Pennsylvania Electric Company - West Penn Rate District**  
**Compare Actual Additions per the Rate Districts' FERC Form 1 for the Twelve Months Ended December 31, 2017**  
**to Projections filed in the Rate Districts' Prior Base Rate Case**  
**(\$ in Thousands)**

Line	Acct No.	Description	Actual	FPFTY Forecast	Variance
			(1)	(2)	(3) = (1) - (2)
<b><u>INTANGIBLE PLANT</u></b>					
1	301	Organization	\$ -	\$ -	\$ -
2	302	Franchises and consents	-	-	-
3	303	Miscellaneous intangible plant	12,632	11,075	1,557
4		Subtotal - Intangible Plant	<u>\$ 12,632</u>	<u>\$ 11,075</u>	<u>\$ 1,557</u>
<b><u>TRANSMISSION PLANT</u></b>					
5	350	Land and land rights	\$ 0	\$ -	\$ 0
6	352	Structures and improvements	100	-	100
7	353	Station equipment	1,194	-	1,194
8	354	Towers and fixtures	0	-	0
9	355	Poles and fixtures	10,255	13,287	(3,032)
10	356	Overhead conductors and devices	7,894	(2,597)	10,491
11	357	Underground conduit	-	-	-
12	358	Underground conductors and devices	12	-	12
13	359	Roads and trails	-	-	-
14	359	Asset retirement costs for transmission plant	-	-	-
15		Subtotal - Transmission Plant	<u>\$ 19,456</u>	<u>\$ 10,690</u>	<u>\$ 8,766</u>
<b><u>DISTRIBUTION PLANT</u></b>					
16	360	Land and land rights	\$ 789	\$ -	\$ 789
17	361	Structures and improvements	328	62	266
18	362	Station equipment	7,260	5,528	1,732
19	364	Poles, towers and fixtures	22,092	23,715	(1,624)
20	365	Overhead conductors and devices	38,106	28,460	9,645
21	366	Underground conduit	155	-	155
22	367	Underground conductors and devices	8,608	10,050	(1,442)
23	368	Line transformers	11,221	21,356	(10,134)
24	369	Services	3,640	5,727	(2,087)
25	370	Meters	36,728	41,701	(4,974)
26	371	Installations on customers' premises	107	177	(69)
27	372	Leased property on customers' premises	-	-	-
28	373	Street lighting and signal systems	8,583	2,598	5,985
29	374	Asset retirement costs for distribution plant	-	-	-
30		Subtotal - Distribution Plant	<u>\$ 137,615</u>	<u>\$ 139,373</u>	<u>\$ (1,758)</u>
<b><u>GENERAL PLANT</u></b>					
31	389	Land and land rights	\$ 0	\$ -	\$ 0
32	390	Structures and improvements	5,564	-	5,564
33	391	Office furniture and equipment	800	3,017	(2,217)
34	392	Transportation equipment	1,396	-	1,396
35	393	Stores equipment	-	-	-
36	394	Tools, shop and garage equipment	1,810	-	1,810
37	395	Laboratory equipment	0	-	0
38	396	Power operated equipment	-	-	-
39	397	Communication equipment	1,400	-	1,400
40	398	Miscellaneous equipment	0	-	0
41	399	Other tangible property	-	-	-
42	399	Asset retirement costs for general plant	-	-	-
43		Subtotal - General Plant	<u>\$ 10,972</u>	<u>\$ 3,017</u>	<u>\$ 7,954</u>
44		Total - Electric Plant in Service	<u>\$ 180,675</u>	<u>\$ 164,156</u>	<u>\$ 16,519</u>



**FE PA STATEMENT NO. 4**  
**Tracy M. Ashton**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**DOCKET NO. R-2024-3047068**

**Direct Testimony  
of  
Tracy Ashton**

**List of Topics Addressed**

**Pension/OPEB Expense  
OPEB Accounting and Ratemaking Adjustments  
Service Company Relationships, Charges and Allocations  
Administrative and General Capitalization Changes and Customer Refunds**

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1 Uniform System of Accounts (“USofA”). In addition, I am responsible for disbursements  
2 to vendors; external financial reporting; accounting research in connection with proposed  
3 business transactions; and cost analysis and accounting classification of construction  
4 projects.

5 **Q. Have you ever testified before the Pennsylvania Public Utility Commission**  
6 **(“Commission” or “PaPUC”)?**

7 A. No, I have never testified before this Commission. I have, however, testified before the  
8 Public Utilities Commission of Ohio, the Maryland Public Service Commission, the Public  
9 Service Commission of West Virginia, and the New Jersey Board of Public Utilities.

10 **Q. On whose behalf are you testifying in this proceeding?**

11 A. I am testifying on behalf of FE PA, formerly known as the individual Pennsylvania utility  
12 operating companies Metropolitan Edison Company, Pennsylvania Electric Company,  
13 Pennsylvania Power Company, and West Penn Power Company (collectively, the  
14 “Predecessor Companies”).

15 **Q. What is the purpose of your direct testimony?**

16 A. The purpose of my testimony is to discuss the following four topics: (1) the Company’s  
17 proposed treatment of pension and other post-employment benefits (“OPEB”) expenses;  
18 (2) the services provided to and costs charged to FE PA in the test year by FirstEnergy  
19 Service Company (“FESC”) under the FESC Service Agreement; and (3) the results from  
20 the most recent FERC audit related to Administrative and General (“A&G”) Costs and (4)  
21 customer refunds proposed in this case.

1 **Q. Please summarize your testimony.**

2 A. The first part of my testimony discusses a proposed change to how FE PA recovers pension  
3 and OPEB costs. Under the proposed change, the following adjustments will be made to  
4 pension and OPEB expense, if applicable: (1) remove the current year pension mark-to-  
5 market adjustment and the current year OPEB mark-to-market adjustment, recognized by  
6 FE PA under GAAP and FERC USofA; and (2) include, for ratemaking purposes, the  
7 recalculated amount of the test-year pension and OPEB expense by amortizing the net  
8 accumulated actuarial loss over future periods, consistent with the delayed recognition  
9 methodology. Based on these adjustments, FE PA calculated test year expense of \$28.3  
10 million of annual pension expense and \$1 million of annual OPEB credit.

11 To support the proposed level of pension and OPEB expense to be recovered in  
12 base rates, my testimony will provide background on the accounting for pension and OPEB  
13 costs under GAAP, including the two accounting methods prescribed by GAAP for the  
14 accounting of actuarial gains and losses – one of the components of pension and OPEB  
15 costs. I also will provide support for the adjustments necessary to determine the  
16 appropriate level of test year pension and OPEB expense for FE PA, as well as the  
17 adjustments associated with the capitalized pension and OPEB costs in rate base. In  
18 addition, I will summarize an accounting adjustment related to certain OPEB assets that  
19 was recorded as of December 31, 2022.

20 Lastly, with respect to pension and OPEB expense, year-to-year fluctuations in  
21 annual earnings, and in some years losses, on the pension and OPEB assets have been more  
22 material with respect to the Company's income statement and financial performance.  
23 These year-to-year market fluctuations also can materially impact test year pension and

1 OPEB expense and customer rates. Therefore, FE PA proposes to implement a mechanism  
2 to defer the annual difference between: (1) the annual pension and OPEB expense,  
3 calculated using the delayed recognition method for ratemaking purposes; and (2) the  
4 approved pension and OPEB expense for rate treatment in future base rate cases.

5 The second part of my testimony discusses the services provided and costs charged  
6 to FE PA under the FESC Service Agreement. I will discuss the process for charging the  
7 FESC costs for those services to FE PA and its affiliates within the FirstEnergy system. In  
8 this regard, I will also review the manner that FESC fairly and equitably charges the costs  
9 for its services directly and/or indirectly to FE PA, FirstEnergy, and its affiliates that  
10 receive such services, including the cost allocation methodologies for charging indirect  
11 costs. I will also describe a change in FirstEnergy's method for capitalizing costs allocated  
12 to its subsidiaries by FESC as recommended in the FERC audit, including the impact on  
13 historical costs. In addition, I will summarize the customer refunds identified through  
14 FirstEnergy's review of certain non-operating and non-recoverable costs. Lastly, I will  
15 describe the controls in place to ensure proper allocation of costs to FE PA by FESC,  
16 including the reinforcement of direct charging policies, training employees on time  
17 charging, enhanced procedures on invoice processing and review of detailed items billed  
18 to FE PA by FESC.

19 **Q. Have you prepared any exhibits to accompany your testimony?**

20 **A.** Yes. I am sponsoring the following exhibits:

- 21 • FE PA Exhibit No. TMA-1 provides the calculation of pension expense under the  
22 proposed methodology.

- FE PA Exhibit No. TMA-2 provides the calculation of OPEB expense under the proposed methodology.
- FE PA Exhibit No. TMA-3 provides the calculation of a rate base adjustment to eliminate the timing differences between the recognition of pension and OPEB cost in rate base and the recognition of pension and OPEB expense in the income statement, as further described below.

Additionally, I am responsible for certain of the Commission's base rate filing requirements where my name has been indicated as the responsible witness.

**II. FE PA'S PENSION ACCOUNTING AND RATEMAKING BACKGROUND**

**Q. Why are pensions and their associated costs included as part of ratemaking for utilities?**

A. The pension, OPEB and other benefits provided to FE PA's employees are an important part of the total compensation package which attracts and retains a skilled workforce. Historically, FE PA, and its Predecessor Companies, have recovered certain costs associated with providing these benefits in distribution rates. I am also aware that the Commission has historically permitted other utilities to recover costs associated with pension and OPEB through rates.<sup>1</sup>

**Q. How are pension and OPEB costs derived under GAAP?**

A. Pension and OPEB costs or credits generally consist of five components:

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<sup>1</sup> See, e.g., *Pa. PUC v. PECO Energy Co. – Gas Division*, 2021 Pa. PUC LEXIS 241 (Order entered June 22, 2021); *Pa. PUC v. PPL Elec. Utils. Corp.*, 2004 Pa. PUC LEXIS 40 (Order entered Dec. 22, 2004).



- 1           1. Service cost – Represents the actuarial present value of benefits attributed by the  
2           pension and OPEB plans’ benefit formula to services performed by employees during  
3           the reporting period.
- 4           2. Interest cost – Represents annual interest on the present value of the benefit obligations  
5           (liability) at the beginning of the year.
- 6           3. Estimated return on plan assets – Represents the estimated return on plan investments  
7           by applying the expected long-term rate of return to beginning-of-year plan asset  
8           balances.
- 9           4. Prior service cost amortization – Represents amortization, over the average remaining  
10          service period of employees, of changes to the benefit obligations due to plan  
11          amendments.
- 12          5. Actuarial gains and losses – Represent the net gain or loss resulting from a change in  
13          the value of plan assets and benefit obligations due to experience which differs from  
14          assumptions used to estimate the value of end-of-year plan asset and benefit obligation  
15          balances. Such differences can be related to the return on plan assets, changes in the  
16          discount rate used to calculate the present value of benefit obligations, and other  
17          actuarial assumptions such as mortality rates. As further described below, companies  
18          either recognize actuarial gains and losses immediately in earnings (“mark-to-market  
19          accounting”) or through delayed recognition whereby actuarial gains and losses are  
20          recorded in accumulated other comprehensive income (“AOCI”), a component of  
21          equity, and amortized into earnings over a future period.

1 **Q. What are actuarial gains and losses under GAAP?**

2 A. Actuarial gains and losses represent the net gain or loss resulting from a change in the value  
3 of plan assets and benefit obligations due to experience which differs from assumptions  
4 used to estimate the end-of-year plan asset and benefit obligation balances. As noted in  
5 the description of cost components above, companies recognize the earnings effect of  
6 actuarial gains and losses immediately or through delayed recognition. For companies that  
7 apply immediate recognition, the full amount of actuarial gains and losses is recognized in  
8 earnings immediately. For companies that apply delayed recognition, actuarial gains and  
9 losses are captured in AOCI and amortized over a future period. Therefore, the difference  
10 in the two “options” is simply a matter of timing with respect to earnings recognition, with  
11 the delayed recognition method producing a less volatile level of gains or losses.

12 In the case of plan assets, the difference between the actual return on plan  
13 investments during the year compared to the estimated return on plan investments (cost  
14 component 3, above) represents an actuarial gain (if the actual return is higher than the  
15 estimated return) or actuarial loss (if the actual return is lower than the estimated return).  
16 This component simply adjusts the expected return on plan assets in a given year to the  
17 actual return on plan assets in that year.

18 In the case of benefit obligations, a change in the assumed discount rate that  
19 measures the benefit obligation at the beginning of the year to the end of the year will result  
20 in an actuarial gain (if the actual discount rate is higher at the end of the year than the  
21 assumed discount rate at the beginning of the year) or an actuarial loss (if the actual  
22 discount rate at the end of the year is lower than the assumed discount rate at the beginning  
23 of the year). The present value of benefit obligations may also be affected by changes in

1 assumed future payouts due to mortality experience that differ from assumed mortality  
2 rates, changes in assumed wage increases (in the case of pension costs), changes in  
3 assumed health care inflation rates (in the case of OPEB benefits), and other actuarial  
4 assumptions. If the present value of benefit obligations increases due to changes in  
5 actuarial assumptions, an actuarial loss will be incurred. Conversely, if the present value  
6 of benefit obligations decreases due to actuarial assumption changes, an actuarial gain will  
7 be recognized. Actuarial gains or losses on plan assets are netted against actuarial gains or  
8 losses on benefit obligations to determine the net actuarial gain or loss for the plans for a  
9 given year.

10 **Q. Please explain FE PA's book accounting for pension and OPEB expense.**

11 A. Effective for the fiscal year ended December 31, 2011, FirstEnergy and its subsidiaries  
12 elected, under Statement of Financial Accounting Standards No. 87, "Employer's  
13 Accounting for Pensions" ("SFAS 87"), mark-to-market accounting for their pension and  
14 OPEB plans ("Accounting Change"). Effective with the Accounting Change, in December  
15 of each year (or as circumstances require a re-measurement of the plan assets and liabilities  
16 before that date), FE PA records, as a mark-to-market adjustment, actuarial gains or losses  
17 immediately to earnings. This accounting methodology is the preferable method under  
18 GAAP but increases the year-to-year volatility of the Company's recorded pension and  
19 OPEB expense.

20 **Q. When are pension/OPEB costs determined for the year?**

21 A. FirstEnergy recognizes actuarial gains and losses for its pension and OPEB plans in  
22 December of each year, or whenever a plan is determined to qualify for remeasurement.  
23 The remaining components of pension and OPEB costs, including service costs, interest

1 cost on obligations, expected return on plan assets, and amortization of prior service costs,  
2 are set at the beginning of each calendar year and recorded monthly. Changes in asset  
3 performance and discount rates will not impact these costs during the year; however, future  
4 years could be impacted by changes in the market. Pension and OPEB expense calculated  
5 at the beginning of the year is the monthly cost, net of the amount of service cost  
6 capitalized.

7 **Q. How does FE PA currently recover pension and OPEB costs?**

8 A. A 10-year historical average of actual cash contributions to the pension plan is used to  
9 recover pension costs. The service cost component of OPEB is recovered from ratepayers.

10 **Q. Please explain FE PA's proposed change to its recovery of pension/OPEB costs.**

11 A. FE PA proposes to change its recovery of pension and OPEB expense to the "delayed  
12 recognition" method. Currently, FE PA's pension expense recovery represents the 10-year  
13 average of cash contributions made to the plan, and only OPEB service costs are included  
14 in base rates. As my testimony explained, in 2011, FirstEnergy and its subsidiaries changed  
15 the method by which it accounted for pension and OPEB expense whereby actuarial gains  
16 and losses, which represent the change in value of plan assets and obligations, are  
17 recognized immediately in earnings (referred to as mark-to-market accounting). This  
18 contrasts with its previous method, which amortized those costs into earnings over a future  
19 period (commonly referred to as "delayed recognition"). By reverting to the accounting  
20 methodology by which it accounted for pension and OPEB expense prior to the accounting  
21 change for ratemaking purposes, FE PA will eliminate the volatility associated with mark-  
22 to-market accounting under the Company's current methodology.

1 **Q. Please explain why FE PA is proposing to change the method it uses to recover**  
2 **pension/OPEB costs.**

3 A. The delayed recognition approach better reflects the periodic cost incurred to offer the  
4 pension plan to employees than utilizing an average of cash contributions to the pension  
5 plan over a period of years. Additionally, the service cost for OPEB is only one component  
6 of OPEB cost and does not reflect the total cost of providing the benefit. If approved, the  
7 proposed recovery method will better match cost recovery with the periodic costs to  
8 provide these benefits to employees. Not only will the proposed method provide for greater  
9 alignment between costs and cost recovery, it will also keep the pension costs recovered  
10 from ratepayers consistent with the current methodology for FE PA. Finally, approval of  
11 the proposed pension/OPEB recovery methodology will align FE PA's recovery  
12 methodology with its affiliate utilities in New Jersey, Maryland and West Virginia.

13 **Q. What procedures are in place for FirstEnergy to prudently manage its benefit plans**  
14 **to ensure customers are not burdened with additional risks?**

15 A. FirstEnergy and the Company's goal is to preserve and enhance the funded ratio of the  
16 benefit plans and minimize asset volatility for factors within their control. All assets are  
17 to be invested for the exclusive purpose of providing benefits to participants and  
18 beneficiaries. However, the volatility resulting from macroeconomic factors, such as  
19 interest rates, asset returns, and employee mortality, are outside of FirstEnergy's and the  
20 Company's control.

21 FirstEnergy's Investment Committee ("IC") is responsible for the safekeeping and  
22 management of assets held for investment, including those within the pension and OPEB  
23 plans. The IC meets several times throughout the year and establishes investment

1 objectives and policies for each trust and monitors compliance with those objectives. To  
2 support the IC, FirstEnergy’s external investment consultant performs investment research  
3 in the areas of strategic asset allocation, investment manager due diligence and risk  
4 management. FirstEnergy’s Investment Management Department (“IMD”) evaluates and  
5 conducts due diligence on the research, recommendations from the consultant, and  
6 reconciles the differences between the consultant and IMD, if applicable, before the  
7 consultant presents the research and recommendation to the IC. Thus, ongoing checks and  
8 balances are in place between the consultant and IMD prior to the IC’s final decision. IMD  
9 supports the IC in implementing its responsibilities by monitoring and administering the  
10 relationships with external investment managers and advisors. The IC is responsible for  
11 taking action where investment managers or asset allocations are not in compliance with  
12 objectives. Overall, FirstEnergy has a robust, transparent, and thorough process for  
13 managing its assets held to support its benefit plan obligations.

14 **III. ADJUSTMENTS TO PENSION AND OPEB EXPENSE**

15 **Q. What adjustments have been made to pension and OPEB expense?**

16 A. For ratemaking purposes in this base rate case filing, FE PA has removed the effect of the  
17 mark-to-market adjustment from GAAP pension and OPEB expense and replaced it with  
18 actuarial gains or losses calculated under the delayed recognition methodology. Because  
19 FE PA does not budget for the mark-to-market adjustment, removing the effect of this  
20 mark-to-market adjustment is zero in both the fully projected future test year and the future  
21 test year. The impact of the adjustment, as intended, is best illustrated using the historic  
22 test year data shown on FE PA Exhibit No. PML-3, Adjustment IS-8. I propose an  
23 adjustment that includes, for ratemaking purposes, the recalculated amount of the test-year

1 pension and OPEB expense by amortizing the net accumulated actuarial loss over future  
2 periods. Based on this adjustment, FE PA is requesting inclusion of \$28.3 million of annual  
3 pension expense and \$1 million of annual OPEB credit as part of the calculation of its  
4 revenue requirement in this base rate case.

5 **Q. How were the test year pension and OPEB expense calculated?**

6 A. There are several steps to the calculation. Under my direction, the Company's actuary  
7 calculated the amount of amortization of the accumulated net actuarial loss that would have  
8 been included in pension and OPEB expense under the delayed recognition methodology.  
9 An adjustment was then made representing the amount of amortization of the accumulated  
10 net actuarial loss calculated under the delayed recognition methodology. See schedules in  
11 FE PA Exhibit No. TMA-1 and FE PA Exhibit No. TMA-2.

12 **Q. Is the ratemaking treatment for pension/OPEB expense that the Company is**  
13 **proposing a departure from the long-standing cash recovery methodology used in**  
14 **PA?**

15 A. Yes, it is.

16 **Q. Why does the Company propose a change in pension/OPEB cost recovery at this**  
17 **time?**

18 A. The return on the investments in the pension and OPEB trusts are recorded as (non-cash)  
19 income in the Company's financial statements. This means that when the trusts do well,  
20 the Company's income, and in turn, its ROE increases. And, likewise, when there are  
21 downturns in the market, there is a corresponding decrease to the Company's income and  
22 ROE.

1           Given efforts to increase funding of the Company’s pension plan over the past 5  
2 years, including \$365 million in contributions to the Predecessor Companies from 2016  
3 through 2018, in most years, the Company has benefitted from an increase in book earnings  
4 from these pension trust investments.

5           While the cash contributions to the pension fund and the associated earnings  
6 generally reduce the need for or the size of required future contributions over time, the  
7 current cash methodology presents an immediate benefit to the Company but no immediate  
8 benefit to customers. In fact, it’s quite the opposite. When the Company contributes cash  
9 to the pension fund, book costs are reduced; that is, pension expense is offset by increased  
10 earnings from larger pension trust assets. However, for customers, a cash contribution  
11 translates to higher expense for ratemaking purposes. Under the delayed recognition  
12 methodology proposed by the Company, book costs would be better aligned with rate  
13 recovery and the income benefits that the Company enjoys would also be a benefit to  
14 customers - even more so with the addition of the PON mechanism, which I will discuss  
15 later in my testimony.

16 **Q. Doesn’t the change from the cash contribution methodology to the delayed**  
17 **recognition methodology reduce the Company’s future book earnings opportunity**  
18 **from pension/OPEB trust investments?**

19 A. Yes, it does.

20 **Q. So then why is it in the Company’s interest to propose this change?**

21 A. From the perspective of financial analysts that cover the Company, the income from the  
22 trust investments is considered to be lower quality income than income from its core  
23 operations. Pension/OPEB income does not result from core operating activities and,



1 because it fluctuates based on market performance, it does not produce predictable,  
2 recurring earnings for the Company. Market analysts place greater value on income that  
3 can be produced consistently and reliably from core utility operations as opposed to  
4 pension/OPEB trust investments. Large trust owners (of which FE is one) are perceived to  
5 have higher risk due to the market exposure. As a result, the income from these investments  
6 is heavily discounted and, therefore, does not appreciably increase overall valuation.  
7 Although the proposed change in the methodology used to recover pension/OPEB expense  
8 does reduce future earnings opportunity, the Company is seeking to exchange the future  
9 earnings opportunities for some smoothing of the impacts of market downturns such as the  
10 events experienced in 2022. Other utilities that manage large pension/OPEB funds also  
11 are working to address this issue as well.

12 **Q. What are the benefits to FE PA customers?**

13 A. As I have discussed, when the markets perform well, customers will benefit from lower  
14 pension/OPEB costs for ratemaking purposes. Future contributions to the pension/OPEB  
15 trusts will immediately function to lower rather than increase the cost of these benefit  
16 programs. In other words, the earnings benefit from these investments would benefit both  
17 the Company and its customers.

18 As a sponsor of a defined benefit plan, the Company is permitted by IRS rules to  
19 make cash contributions to the pension plan in a flexible manner. With the recent market  
20 volatility and increased costs associated with the plan, the Company will continue to make  
21 cash contributions to take advantage of opportunities to reduce costs (PBGC premiums)  
22 and risks (via various de-risking strategies). The reduction in Pension/OPEB expense

1 resulting from these cash contributions do not immediately reduce rates to the customers,  
2 but they would under the new proposed mechanism.

3 **Q. Is there an immediate rate impact to FE PA customers due to this change in**  
4 **Pension/OPEB expense recovery?**

5 A. No, the change is negligible. The difference in the amount to be included in rates under  
6 the delayed recognition methodology as compared to the current cash recovery  
7 methodology is approximately \$1 million higher. Therefore, the change can be made with  
8 minimal impact to customer rates.

9 **Q. Are there any additional justifications for FE PA's pension and OPEB expense**  
10 **methodology?**

11 A. Under the delayed recognition methodology, FE PA has amortized the pension and OPEB  
12 mark-to-market expense over a period of approximately 12 years. Expenses in the income  
13 statement have a dollar-for-dollar impact on the Company's revenue requirement. The  
14 adjustment is beneficial to FE PA's ratepayers because reducing the volatility of actuarial  
15 gains and losses, as described earlier in my testimony, also reduces that volatility's impact  
16 on base rates.

17 **Q. Is FE PA proposing any other adjustments related to pension and OPEB costs?**

18 A. Yes. With respect to capitalized pension and OPEB costs, FE PA previously included the  
19 capitalized portion of pension and OPEB costs in rate base in the year the expense occurred  
20 using the immediate recognition method. To properly reflect pension and OPEB expense  
21 in the income statement, FE PA proposes to adjust the pension and OPEB costs recognized  
22 in rate base to eliminate the timing differences between the recognition of pension and

1 OPEB cost in rate base and the recognition of pension and OPEB expense in the income  
2 statement. FE PA has calculated a reduction to rate base of \$10 million, as described  
3 further below. This consists of a reduction to capitalized pension costs in rate base of \$44  
4 million, and an increase to capitalized OPEB costs in rate base of \$34 million as further  
5 discussed below.

6 There is also a second adjustment to reflect an accounting adjustment made by FE  
7 PA and certain FirstEnergy subsidiaries that reallocated certain OPEB assets as of  
8 December 31, 2022, as described later in my testimony.

9 **Q. Do the rate base adjustments follow the Financial Accounting Standards Board**  
10 **(“FASB”) Accounting of Net Periodic Pension Cost and Net Periodic Post-Retirement**

11 A. Yes. FirstEnergy and its subsidiaries adopted the FASB Accounting Standards Update  
12 (“ASU”) 2017-07 on January 1, 2018, which amended certain accounting rules addressing  
13 the presentation for pension and OPEB service and non-service costs for income statement  
14 purposes. Upon adoption, FirstEnergy revised its capitalization policy regarding pension  
15 and OPEB costs to only capitalize a portion of service costs. The remaining pension and  
16 OPEB cost components are not eligible for any capitalization and, as a result, are fully  
17 expensed (or credited) in earnings. This practice is consistent with the FASB’s amended  
18 accounting rules, as well as the FERC’s USofA.

19 Prior to adoption of ASU 2017-07 on January 1, 2018, all pension and OPEB costs  
20 or credits (including the mark-to-market adjustment) were subject to capitalization under  
21 FirstEnergy's then-current capitalization policy – resulting in a portion of each mark-to-  
22 market adjustment from 2011 through 2017 being capitalized into rate base. In this case,  
23 FE PA has included an appropriate adjustment to rate base to address the timing differences

1 between the calculation of pension and OPEB expense and rate base under the immediate  
2 and delayed recognition methodologies for the portion of pension and OPEB costs  
3 capitalized in rate base during the period 2011-2017.

4 **Q. Why is it necessary to make an adjustment to rate base to adjust for the timing**  
5 **differences of the immediate recognition and the delayed recognition methodologies?**

6 A. With the accounting change in 2018, all pension and OPEB costs are to be expensed, except  
7 for current period service costs, of which a portion is to be capitalized. Therefore, to  
8 properly reflect pension and OPEB expense in the income statement beginning in 2018, FE  
9 PA adjusted the pension and OPEB costs recognized in rate base between 2011 through  
10 2017 to eliminate the timing differences between the recognition of pension and OPEB  
11 cost in rate base and the recognition of pension and OPEB expense in the income statement.

12 **Q. Please explain how the adjustment was calculated.**

13 A. For the period January 1, 2011, through December 31, 2017, the Company compared the  
14 amounts of capitalized actuarial gains and losses as calculated by its actuary under the  
15 delayed recognition methodology to the amounts of capitalized actuarial gains and losses  
16 actually recorded under the immediate recognition method for regulatory purposes (See FE  
17 PA Exhibit No. TMA-3, Attachment B for pension and Attachment G for OPEB).  
18 Referring to FE PA Exhibit No. TMA-3, Attachment B, capitalized actuarial gains and  
19 losses under the delayed recognition methodology are shown in Column C. Column D  
20 reflects the Company's per books actuarial gains and losses capitalized in rate base using  
21 the immediate recognition methodology. The result in Column E is the difference between  
22 capitalized actuarial gains and losses under the delayed recognition methodology and the  
23 capitalized actuarial gains and losses recorded under immediate recognition.

1 FE PA Exhibit No. TMA-3, Attachments C through F calculates annual and  
2 cumulative book and tax depreciation for each annual capitalization adjustment. The  
3 results from the book and tax depreciation tables are used in the calculation of the  
4 associated accumulated deferred income taxes on the bottom of FE PA Exhibit No. TMA-  
5 3, Attachments C through F, for pension and on FE PA Exhibit No. TMA-3, Attachments  
6 H through K, for OPEB.

7 FE PA Exhibit No. TMA-3, Attachment A, summarizes the calculation of the  
8 decrease to rate base for capitalized pension costs of \$44 million. The resulting rate base  
9 adjustment on Schedule TMA-3, Attachment A, for capitalized OPEB costs is an increase  
10 to rate base of \$34 million. The total adjustment results in a decrease to rate base of \$10  
11 million.

12 **Q. Why does the adjustment only cover the period from January 1, 2011 through**  
13 **December 31, 2017?**

14 A. This adjustment covers the period from the effective date of FE PA's accounting election  
15 to report pension and OPEB expense for GAAP purposes using the immediate recognition  
16 methodology, which began on January 1, 2011, through the adoption of the FASB  
17 Accounting Standards Update 2017-07 on January 1, 2018. This is the period FE PA  
18 capitalized pension and OPEB actuarial gains/losses using the immediate recognition  
19 method.

20 **Q. Why does this calculation have to be made in this base rate case?**

21 A. The calculation should be made in this and subsequent base rate cases until the rate base  
22 adjustment is \$0 or is otherwise determined to be immaterial, in order to adjust for the  
23 timing differences between the calculation of pension and OPEB expense and rate base

1 under the immediate and delayed recognition methodologies for the portion of pension and  
2 OPEB costs capitalized in rate base during the period 2011-2017 .

3 **Q. Have there been any other adjustments to pension or OPEB assets or liabilities on FE**  
4 **PA's books since the last base rate case?**

5 A. Yes. There was an accounting adjustment to FE PA's OPEB assets that resulted in better  
6 alignment between book accounting with FE PA's Voluntary Employee Benefit  
7 Association ("VEBA") trust.

8 **Q. What were the circumstances that necessitated this change?**

9 A. Subsequent to FirstEnergy's November 7, 2001 merger with GPU, Inc. ("GPU"), the  
10 former parent of two Predecessor Companies (Metropolitan Edison Company and  
11 Pennsylvania Electric Company), OPEB assets were reallocated to reflect changes  
12 resulting from the merging of legacy GPU assets into one FirstEnergy plan. This  
13 reallocation was to cause the OPEB assets from GPU Service Company to follow the  
14 movement (i.e., reassignment) of the GPU Service Company employees to FESC and the  
15 various FirstEnergy operating companies post-merger, thus distributing the OPEB assets  
16 from GPU Service Company to align the assets with the liabilities associated with the  
17 employees that were to receive benefits. At the time, FirstEnergy OPEB assets consisted  
18 of multiple VEBA accounts, some dedicated to specific companies, as well as other VEBA  
19 accounts and a 401(h) account that were available to pay benefits more broadly across  
20 various operating companies and FESC. Because the Internal Revenue Code does not  
21 permit withdrawals from the VEBA accounts for purposes other than benefits payments,  
22 the requisite amounts could not be simply transferred from one VEBA account to another.  
23 Therefore, in 2003, a reallocation was accomplished through cash transactions among the

1 participating legal entities, including the various operating companies and FESC. This  
2 reallocation did not transfer the OPEB assets based on individual VEBA trusts or other  
3 accounts. In other words, each of the operating companies and FESC had an investment  
4 reflecting a portion of the aggregate OPEB assets based on how the reallocation was  
5 determined and transacted through the money pool in 2003.

6 Guidance in Accounting Standards Codification (“ASC”) 715, Defined Benefit  
7 Plans, does not prescribe a methodology by which assets at the subsidiary level are to be  
8 allocated. Since 2003, the VEBA asset accounts have been rolled forward each year  
9 following benefit payments, contributions, and a proportional allocation of the investment  
10 return for the overall portfolio of OPEB assets to each participating company. However,  
11 the individual VEBA trusts were invested differently and earned different returns annually.  
12 As a result, the actual returns have been allocated across various FirstEnergy companies  
13 since the companies had a percentage ownership in the aggregated OPEB asset over time  
14 and in some cases. This created differences between the dedicated VEBA account balance  
15 and the allocated VEBA account balance recorded on the books of each participating  
16 company, due to the proportional share of investment returns allocated.

17 Today, most of the generally available assets have been used to pay benefits and  
18 the remaining OPEB assets are largely contained in VEBA accounts that are for the benefit  
19 of specific operating companies, such as in the case of FE PA. To capture investment  
20 returns in a manner more aligned with the performance of the individual VEBA trusts,  
21 FirstEnergy has reallocated its OPEB assets on the books of its subsidiaries as of December  
22 31, 2022. Going forward, FirstEnergy has reallocated the OPEB asset balances between

1 subsidiary companies associated with each specific VEBA account on the books of each  
2 participating company, including FE PA.

3 **IV. NORMALIZATION OF PENSION AND OPEB EXPENSE**

4 **Q. Why is FE PA seeking approval of a mechanism to normalize pension/OPEB expense**  
5 **(“PON Mechanism”)?**

6 A. FirstEnergy has a qualified pension plan with total qualified Projected Benefit Obligation  
7 for both active employees and retirees of approximately \$8 billion and qualified pension  
8 assets totaling \$6.9 billion, as of year-end 2023. Over the past 10 years, FirstEnergy has  
9 contributed \$3.5 billion to this qualified pension plan, achieving a funded ratio of  
10 approximately 86% for FirstEnergy’s qualified pension plan as of December 31, 2023.

11 FE PA’s portion of the qualified pension plan’s Projected Benefit Obligation for  
12 both active employees and retirees is approximately \$1.4 billion and FE PA’s portion of  
13 the qualified pension assets is approximately \$1.4 billion as of year-end 2023. Over the  
14 past 10 years, FE PA has contributed \$463 million to the qualified pension plan, achieving  
15 a funding ratio of approximately 102%. FE PA also maintains an OPEB plan with a  
16 Projected Benefit Obligation for both active employees and retirees of approximately \$123  
17 million and assets totaling \$124 million as of year-end 2023. The funded ratio was 101%  
18 at the end of 2023.

19 Annual fluctuations in investment performance have become significant in the  
20 context of FE PA’s income statement and overall financial performance. The volatility  
21 inherent in the pension/OPEB expense results in a risk that rates may not be representative  
22 of future costs or credits. The category of pension/OPEB is unique since it is driven by  
23 macroeconomic and other forces that are outside of the Company’s control, such as interest



1 rates, asset returns, and employee mortality. This presents a risk for customers that the  
2 level of expense embedded in rates may be too high, and a risk for the Company that the  
3 level of expense embedded in rates may be too low. To address this risk, the Company  
4 proposes a PON Mechanism to moderate the impacts to its income statement from the  
5 impacts of the investment performance of pension/OPEB assets due to market fluctuations,  
6 which are outside of the Company's control. The PON Mechanism also may moderate the  
7 impacts on customers' rates from market fluctuations as well.

8 **Q. How does the PON Mechanism work?**

9 A. As proposed, FE PA will calculate test year pension and OPEB expense under the delayed  
10 recognition methodology and include this amount in its base rate case filings. The  
11 pension/OPEB expense ultimately approved by the Commission sets the expense included  
12 in base rates ("Approved Pension/OPEB Expense"). For each calendar year following the  
13 conclusion of the base rate case (i.e., on or after the rate effective date), FE PA will  
14 calculate the annual pension/OPEB expense ("Annual Expense") under the delayed  
15 recognition methodology and compare that expense to the Approved Pension/OPEB  
16 Expense from its most recent base rate case. To the extent that the Annual Expense is less  
17 than the Approved Pension/OPEB Expense, customers will be provided the benefit of the  
18 reduction in the Annual Expense, and the Company will defer a regulatory liability for  
19 100% of the difference between Annual Expense and Approved Pension/OPEB Expense.  
20 To the extent that the Annual Expense is greater than the Approved Pension/OPEB  
21 Expense, the Company will defer a regulatory asset for 90% of the difference between the  
22 Annual Expense and the Approved Pension/OPEB Expense. Therefore, when the Annual  
23 Expense is greater than the Approved Pension/OPEB Expense, customers will also benefit

1 from a 10% reduction in the amount deferred. The net amounts deferred for each calendar  
2 year will accumulate until the next base rate case, where the Company will request an  
3 appropriate amortization and recovery or refund period for the regulatory asset or liability.  
4 Ultimately, the PON Mechanism provides customers and the Company the benefit of  
5 automatic adjustment if the amount of pension/OPEB expenses reflected in rates is either  
6 too high or too low.

7 **Q. Will the recovery of amounts related to the PON Mechanism deferral be in addition**  
8 **to Approved Pension/OPEB Expense (i.e., the pension/OPEB expense recovered**  
9 **under the delayed recognition methodology)?**

10 A. Yes. The Company would recover its Approved Pension/OPEB Expense and, in addition,  
11 seek approval to refund, or recover, the PON Mechanism deferral balance during its next  
12 base rate case. The Company would provide a credit to customers, in the instance where  
13 the deferred amount is a regulatory liability, or collect from customers, in the instance  
14 where the deferred amount is a regulatory asset, the amortization of the PON Mechanism  
15 deferral through future base rates.

16 **Q. How does the proposed PON Mechanism benefit customers?**

17 A. Fluctuations in pension and OPEB costs are expected to normalize or offset over the long-  
18 term. However, in the short-term, market trends or corrections result in pension and OPEB  
19 costs that may not be representative of the actual long-term cost of providing these benefits  
20 to active employees and retirees. Often after a correction in the markets, such as the events  
21 that occurred in 2022, there is some near-term rebound. As this rebound occurs, pension  
22 and OPEB expense will decrease as market performance of the pension and OPEB assets  
23 improves. Using this scenario as an example, should pension and OPEB expense be set

1 for ratemaking purposes at the time of one of these market correction events, the cost that  
2 customers would be paying for pension and OPEB expense would not reflect the near-term  
3 recovery in the markets. In this case, the cost would be greater than the amount that would  
4 need to be recovered to compensate the Company for its pension and OPEB expense for  
5 this period. Again, because of the size of the pension and OPEB assets, these amounts  
6 year-to-year can be material. The PON Mechanism would accumulate the changes in  
7 Annual Expense as compared to the Approved Pension/OPEB Expense and ensure that  
8 customers were credited for any reductions in pension and OPEB expense as compared to  
9 Approved Pension/OPEB Expense and only pay 90% of any increases in pension and  
10 OPEB expense as compared to Approved Pension/OPEB Expense – the result being that  
11 customers pay less than the Company’s cost to provide these benefits to its employees.

12 **Q. How does the proposed PON Mechanism benefit the Company?**

13 A. Under the PON Mechanism, FE PA would defer credits or expenses in a regulatory asset  
14 on its books based on the difference between Approved Pension/OPEB Expense and the  
15 Annual Expense in each calendar year following the conclusion of the base rate case and  
16 the effective date of base rates implemented as a result of same. In years where the market  
17 performance of the pension and OPEB assets was less than expected, the deferral of 90%  
18 of the increase in pension and OPEB expense (as compared to the Approved Pension/OPEB  
19 Expense) would reduce the volatility on FE PA’s income statement and financial  
20 performance.

1 **Q. If adopted, would the delayed recognition methodology not already provide for**  
 2 **smoothing of impacts related to pension/OPEB asset investment performance?**

3 A. Yes, customers and the Company will benefit from the smoothing aspects of the delayed  
 4 recognition methodology. However, because pension and OPEB expense is reset only  
 5 during a base rate case proceeding, it does not capture fluctuations in pension and OPEB  
 6 expense between base rate cases, which have become more significant with the growth in  
 7 pension and OPEB assets over time.

8 **Q. Is the PON Mechanism a request for a tracker?**

9 A. No. The PON Mechanism is not a request for a tracker or surcharge. This is simply a  
 10 request for authorization to establish an accounting mechanism to record over-collected  
 11 amounts as a regulatory liability and under-collected amounts as a regulatory asset. The  
 12 Commission retains full authority to determine the prudence of any future pension/OPEB  
 13 expenses. The cumulative amount would be presented by the Company in the subsequent  
 14 base rate proceeding as a request for a rate adjustment to return to customers (in the case  
 15 of a cumulative overcollection) or collect from customers (in the case of a cumulative  
 16 undercollection). In that proceeding, all intervening parties would be afforded the  
 17 opportunity to closely examine and evaluate the request and pension/OPEB expenses.

18 **V. FESC RELATIONSHIPS, CHARGES AND ALLOCATIONS BACKGROUND**

19 **Q. Please describe FirstEnergy and its consolidated subsidiaries.**

20 A. FirstEnergy, through its subsidiary companies, primarily owns and operates regulated  
 21 businesses that are involved in the generation, transmission, and distribution of electricity.  
 22 FirstEnergy's regulated business consists of seven regulated electric distribution  
 23 companies that serve customers in New Jersey, Ohio, Pennsylvania, Maryland, West

1 Virginia, and New York. FirstEnergy’s wholly-owned regulated electric distribution  
2 companies (FE PA, Jersey Central Power & Light Company, The Cleveland Electric  
3 Illuminating Company, Ohio Edison Company, The Toledo Edison Company, The  
4 Potomac Edison Company, and Monongahela Power Company) serve approximately six  
5 million customers in the Midwest and Mid-Atlantic regions, covering 65,000 square miles  
6 across six states. FirstEnergy also wholly owns or has majority ownership in four regulated  
7 independent transmission businesses, which have approximately 24,000 miles of high-  
8 voltage lines and two regional transmission operation centers within the PJM  
9 Interconnection, LLC (“PJM”) region. PJM is the regional transmission organization that  
10 coordinates the movement of wholesale electricity in all or parts of 13 states and the District  
11 of Columbia.

12 **Q. In addition to its regulated business, does FirstEnergy also have unregulated**  
13 **businesses?**

14 A. FirstEnergy has limited its unregulated business. After completion of the FirstEnergy  
15 Solutions and subsidiaries (“FES”), and FirstEnergy Nuclear Operating Company  
16 (“FENOC”) bankruptcy (filed March 31, 2018, with emergence February 27, 2020) and  
17 the transfer of the competitive Pleasants Power Station in 2020, FirstEnergy completed its  
18 exit from non-regulated generation production. Upon the completion of FES’s and  
19 FENOC’s emergence from bankruptcy as a fully separate non-affiliated entity (Energy  
20 Harbor), the unregulated business now constitutes less than 1% of FirstEnergy’s gross plant  
21 assets.

1 **Q. Please describe the role of FESC within FirstEnergy.**

2 A. FESC is a centralized service provider formed for the purpose of providing administrative,  
3 management, operations support, and other services to FirstEnergy and its affiliated  
4 companies. It has been long understood that providing the broad array of services described  
5 herein throughout a holding company system such as the FirstEnergy system, by and  
6 through a centralized mutual service company, such as FESC, is more efficient and less  
7 costly than providing, managing, and staffing such services at each individual associate  
8 company.

9 The FirstEnergy system is also able to take advantage of its economies of scale to  
10 more efficiently utilize its resources by providing such services from centralized groups  
11 within FESC. For instance, among other things, FESC has a greater degree of bargaining  
12 power with suppliers than would each of its associate companies negotiating individually,  
13 because FESC negotiates, where appropriate, on behalf of the overall FirstEnergy system.

14 **Q. Please be more specific about the types of services centrally provided by FESC to**  
15 **FirstEnergy and its associate companies, including FE PA.**

16 A. FESC provides various corporate, managerial, and administrative support services to  
17 FirstEnergy and its associate companies, including FE PA, in the following areas:  
18 executive management, accounting and tax, investor relations, corporate responsibility and  
19 communications, treasury, risk, rates and regulatory affairs, strategy, planning and business  
20 performance, supply chain, human resources and corporate services, legal, ethics and  
21 compliance, internal auditing, corporate affairs and community involvement, compliance  
22 and regulated services, external affairs, information technology and corporate security,  
23 transmission, utility operations, safety and human performance, operations, utility services,

1 construction and design services, transformation, , customer engagement , customer care  
2 and customer policy and solutions.

3 A full list and description of the services provided by FESC are set forth in the  
4 Service Agreement that is included as base rate filing requirement II-D-8.<sup>2</sup>

5 **Q. Does FESC perform utility operations services for FE PA or any other of the**  
6 **FirstEnergy utility companies?**

7 A. Although FESC provides utility operations-related *support* services, it is important to  
8 emphasize that FESC, generally, does not perform the “operations” services, which are,  
9 instead, performed by the FirstEnergy utility companies themselves, including FE PA. One  
10 exception to this, however, is vegetation management, which is centrally managed at FESC  
11 for the entities, such as FE PA, that engage in such work.

12 **VI. FESC COST ACCOUNTING**

13 **Q. Are you familiar with FESC’s books and records and how they are maintained?**

14 A. Yes, I am. The books and records of FESC are maintained in accordance with the FERC  
15 USofA and GAAP.

16 **Q. Does the Company adhere to a system of accounts prescribed by the Commission?**

17 A. Yes. The Company’s accounting records are maintained in accordance with the  
18 Commission’s regulations at 52 Pa. Code § 57.41 *et seq.* and in conformity with the USofA  
19 prescribed by the FERC and adopted by the Commission.

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<sup>2</sup> The Service Agreement was recently updated and approved by the PaPUC as part of the PA Consolidation proceeding, Docket Nos. A-2023-3038771, *et al.* (Opinion and Order entered December 7, 2023).

1 **Q. Can you please provide an overview of how FESC accounts, and charges, for the costs**  
2 **of its services?**

3 A. Yes. FESC renders services to FirstEnergy and its associate companies at cost. The full  
4 costs of the services provided by FESC are either directly or indirectly charged to  
5 FirstEnergy and its associate companies (including FE PA). Some FESC costs are directly  
6 charged to a particular company, such as FE PA, because those costs are related to services  
7 performed solely for FE PA. An example of such a direct charge is the charge for  
8 substation engineering, where a group of FESC employees provide substation engineering  
9 services exclusively for FE PA. Each of those employees effectively directly charges his  
10 or her time and expenses to FE PA.

11 Other FESC costs are indirectly charged when the costs are not directly chargeable  
12 to a single associate company because the services benefit multiple associate companies,  
13 and the particular costs of the service are not identified to any individual associate company  
14 or companies. One example of such indirectly charged costs is an employee's work  
15 associated with the execution of the monthly financial close in the FirstEnergy SAP  
16 Enterprise Resource Planning system ("SAP"), which is FirstEnergy's comprehensive  
17 system-wide management software system. Such an employee's time would be indirectly  
18 charged to FirstEnergy and its associate companies using cost allocation methodologies  
19 that I discuss herein.

20 As I will further explain, the processes for accounting for, and charging, FESC  
21 costs, including the cost allocation methodologies for charging indirect charges, are  
22 integrated into SAP.



1 **Q. What are the components of Service Costs that are charged by FESC, whether**  
2 **charged directly or indirectly?**

3 A. Service costs are fully loaded, meaning that they include the direct costs incurred to provide  
4 a service plus the indirect costs (such as appropriate overheads) incidental or related to a  
5 service whether charged directly or indirectly.

6 **Q. How does FESC use Cost Allocation Methodologies?**

7 A. FESC has no earnings and renders services at cost to FirstEnergy and its associate  
8 companies. Therefore, all of FESC's costs must be fairly and equitably distributed to  
9 FirstEnergy and its associated companies. The cost allocation methodologies are used to  
10 accurately distribute the costs that are not directly charged to a particular associate  
11 company. The costs are indirectly charged to, and among, the FirstEnergy associate  
12 companies in compliance with the standards promulgated by FERC under the Public Utility  
13 Holding Company Act ("PUHCA") 2005 (including cost allocation methodologies  
14 previously approved by the Securities Exchange Commission ("SEC") under the PUHCA  
15 of 1935 and applicable state requirements). The cost allocation methodology used with  
16 respect to any service varies based on the service.

17 **Q. Earlier in your testimony, you referred to SAP. Please explain how FirstEnergy uses**  
18 **SAP.**

19 A. SAP is the FirstEnergy resource planning software system that links and coordinates  
20 business processes to perform core business functions such as, maintaining a general  
21 ledger, financial reporting, inventory management and purchasing transactions, in a fully  
22 integrated enterprise management system. SAP has been maintained through regular  
23 functional enhancements (multiple releases per year) to support business operations, as

1 well as implementing major version updates that introduce new business functionality, the  
2 most recent of which was completed in 2015.

3 SAP is used to manage work, share information, track customer accounts, and meet  
4 other business needs. SAP contains the functions and processes for capturing, reporting,  
5 and directly charging and indirectly charging FESC costs to and among FirstEnergy and  
6 its associate companies. SAP is currently organized to maintain, among other things, (i)  
7 separation of costs between FirstEnergy's regulated and non-regulated associate  
8 companies, and (ii) an adequate audit trail on the books and records of FirstEnergy and its  
9 associate companies.

10 **Q. Please discuss the role of cost collectors in SAP.**

11 A. Attributing and charging costs accurately to FirstEnergy and its associate companies  
12 requires the costs to be captured in SAP. This is the job of cost collectors, which are  
13 accounting devices used to plan, track, and account for costs of different categories or types  
14 of work. Cost collectors include orders, work breakdown structures ("WBS"), and cost  
15 centers. Only one of these three types of cost collectors can be entered on a document  
16 during data entry. Orders (i.e., sales, production, process, purchase, internal or work order  
17 that uniquely identifies a cost source) and WBSs (i.e., a cost collector that organizes in a  
18 hierarchy the actions and activities to be carried out in a project) are temporary cost  
19 collectors because the costs accumulated using these cost collectors ultimately settle to a  
20 cost center or balance sheet account. A cost center is the principal and lowest level of cost  
21 collector, where the costs of providing services are accumulated to be either directly  
22 charged or indirectly charged.

1 **Q. Please describe the use of cost centers.**

2 A. Within SAP, cost centers are assigned to departments and/or managers responsible for  
3 certain areas of the business such as functional areas within, for example, human resources,  
4 finance, facilities, information systems, administrative support, and legal. Each employee  
5 within the FirstEnergy system, including at FESC, is assigned to a cost center that is related  
6 to the business or category of service for which they are responsible (*e.g.*, human resources,  
7 legal, treasury). The cost center provides the mechanism for collecting the costs associated  
8 with those employees and the services they provide, including overheads, incidental, and  
9 related costs. All employees must ensure that their time in providing services is captured  
10 (*i.e.*, by recording the time spent on various tasks on a timesheet). In the case of FESC,  
11 this also means identifying the appropriate cost center for the associate company, or  
12 companies, receiving such services. Ultimately, both the service provider cost center and  
13 the service recipient cost center track charges and payments for the costs associated with  
14 the services rendered.

15 **Q. Is employee time subject to review?**

16 A. Yes. Supervisory review of employee time charged out of their home cost center is  
17 regularly performed to ensure time charged is appropriate and the cost center (or other cost  
18 collector) being used is proper. This includes review of the time document charges in  
19 relationship to employees' work schedules. In addition, annual training is provided to all  
20 business units to reinforce appropriate time charging.

21 **Q. Besides time charges, are there other sources of costs captured in SAP?**

22 A. Yes. Other-than-labor costs are accounted for in SAP based on expense reports, vendor  
23 invoices, journal entries, and system interfaces (such as depreciation, taxes). The costs

1 associated with these sources would also flow to appropriate cost centers for tracking,  
2 billing, and collection.

3 **Q. Can you please describe the annual training for time charging in some more detail?**

4 A. The training is facilitated by FirstEnergy’s Corporate Business Services to over 4,000  
5 FESC employees and reinforces the existing “Time Charging for Service Company  
6 Employee Activity” policy. The training covers the importance of charging time to  
7 appropriate entities, projects, or initiatives, emphasizes the responsibility of the timesheet  
8 approver to certify all time is accurate, as well as included an explanation of new lobbying  
9 cost centers created to track and record time spent on lobbying activities. The training also  
10 serves to remind FESC employees of appropriate invoice processing procedures, including  
11 an explanation of types of costs that should be considered non-recoverable and the  
12 corresponding accounting to apply.

13 All employees who enter or approve invoices in SAP are also required to complete  
14 an annual web-based training. This training includes a review of policies for both payments  
15 made under existing purchase orders as well as non-purchase order payments and  
16 expectations of preparers and reviewers to, among other things, validate the appropriate  
17 cost collectors are charged. These additional procedures were implemented so that  
18 FirstEnergy can ensure proper accounting and ratemaking treatment.

19 **Q. Do you have any conclusions about the degree and extent of the controls in place for  
20 costs allocated to FE PA?**

21 A. In my view, as Assistant Controller, Corporate, there are ample controls over the allocation  
22 of FESC costs to FE PA. First, FE PA, or FESC employees working on behalf of FE PA,  
23 review monthly the amounts FESC bills to them. Second, the cost collector system, billing

1 review and reconciliation procedures, as well as the periodic audits performed by the  
2 internal audit function and external auditors, provide more than adequate opportunities for  
3 effective communications, decisions, or other actions pertaining to quantity and  
4 coordination of service issues between FE PA and FESC. Third, executive and director  
5 level oversight is provided by senior management and the Boards of Directors for  
6 disclosure and accountability per the Sarbanes-Oxley Act. All provide a comprehensive  
7 framework for assuring the fairness and reasonableness of the charges for the services  
8 provided to FE PA by FESC.

9 **Q. Are the Company's accounting records audited?**

10 A. Yes. Through 2023, the Predecessor Companies' financial records were audited annually  
11 by an independent certified public accounting firm. Beginning in 2024, effective with the  
12 merger and consolidation of FE PA, the Company's financial records will be audited by an  
13 independent certified public accounting firm.

14 In addition, the FERC conducts periodic compliance audits to confirm that the  
15 Company is keeping its accounts in conformity with the USofA. Apart from conducting  
16 its own audits, the staff of the PaPUC reviews the findings of FERC's audits. Other  
17 independent agencies also have the authority to audit the Company's records on a recurring  
18 basis, including the Internal Revenue Service ("IRS") and the SEC. In addition, the PaPUC  
19 audit staff and the Pennsylvania Department of Revenue staff perform annual audits of the  
20 Company's cost recovery rider mechanisms and sales and use tax filings.

1 **VII. ADMINISTRATIVE AND GENERAL CAPITALIZATION CHANGES**

2 **Q. Can you describe any accounting methods or policies that impact the FESC amounts**  
3 **in the test years 2023, 2024, and 2025?**

4 A. Yes. The FERC Division of Audits and Accounting (“DAA”) within the Office of  
5 Enforcement of the FERC completed an audit of FirstEnergy for the period January 2015  
6 to September 2021. According to its February 4, 2022 audit report, DAA found that  
7 FirstEnergy’s utilities capitalized A&G overhead costs to Account 107, Construction Work  
8 in Process (“CWIP”), using an allocation method that was not based on actual time  
9 employees were engaged in construction activities based on timecard reports or a  
10 representative time study. This may have led to FirstEnergy’s subsidiaries capitalizing  
11 costs to account 107 that did not have a definite relationship to construction. To remedy  
12 this finding, DAA recommended that FirstEnergy retain an independent, third-party entity  
13 to conduct a representative labor time study for the allocation of A&G overhead costs  
14 incurred to CWIP. As a result of the labor time study, which was completed during 2022,  
15 FirstEnergy adjusted its capitalization rate for its A&G overhead costs. While the change  
16 in capitalization rate had no impact on the amount of FESC indirect costs allocated to FE  
17 PA, it did result in higher indirect costs recorded to operations and maintenance than capital  
18 in the test years 2023, 2024 and 2025.

19 **Q. When did FE PA make changes to its A&G Capitalization Methodology?**

20 A. The independent, third-party entity completed the time study for FirstEnergy during 2022,  
21 and the revised capitalization methodology for A&G was applied effective January 1, 2022.  
22 The overall weighted average capitalization rate resulting from the new methodology was  
23 approximately 28% in 2022 as compared to a historical rate of approximately 57%.

1 **Q. Did the adjustment of the A&G Capitalization Rate have any impact on historical**  
 2 **costs?**

3 A. The FERC audit report recommended that FirstEnergy estimate the costs that would have  
 4 been allocated to CWIP from the audit period, 2015 through 2021, using the newly  
 5 calculated rates resulting from the time study, and remove those costs from CWIP for  
 6 FERC reporting purposes. The results of the time study indicated that over the audit period,  
 7 on average, FESC employee activities would support an overall weighted average  
 8 capitalization rate of approximately 26% as compared to a historical rate of approximately  
 9 57%. FirstEnergy calculated the difference between historical capitalized overhead costs  
 10 and those calculated due to the time study, including adjusting for a corresponding impact  
 11 to accumulated depreciation and Allowance for Funds Used During Construction, to  
 12 determine the estimated net book value of the adjustment. As a result of this analysis, FE  
 13 PA reclassified approximately \$104 million from capital accounts to miscellaneous  
 14 deferred debits as of December 31, 2022, for FERC reporting purposes. Furthermore, the  
 15 FERC audit included review and testing of the FESC cost allocation methodologies and  
 16 charges billed by FESC to the FirstEnergy utilities, including FE PA. The audit did not  
 17 identify exceptions with respect to the cost allocation methodologies; however, the audit  
 18 provided recommendations related to the capitalization method of FESC costs, as described  
 19 above.

20 **Q. How is the Company requesting to treat the reclassified costs for this filing?**

21 A. The Company is requesting continued recovery of overhead costs that were reclassified out  
 22 of capital accounts in accordance with the results of an independent, third-party time study  
 23 recommended in a February 2022 audit report by the FERC DAA. The Company's

1 proposed treatment of these costs does not result in any rate impact to customers, but  
2 instead, continues the recovery of these costs in rate base with no change in revenue  
3 requirement going forward.

4 **VIII. CUSTOMER REFUNDS**

5 **Q. Has the Company identified any issues outside of the allocation process with respect**  
6 **to charges from FESC to FE PA.**

7 A. Yes, it has. I will address this in three parts. First, following the investigation of Ohio HB  
8 6 activities, FirstEnergy’s Board of Directors discovered and reported that certain costs  
9 may have lacked proper documentation or may have been improperly classified or  
10 misallocated to FirstEnergy’s distribution utilities, including to FE PA.

11 Second, in addition to, and separate from above, FirstEnergy as a result of a  
12 recommendation for improvement identified during the FERC audit<sup>3</sup>, as well as part of a  
13 proactive corporate effort, FirstEnergy reviewed certain non-operating or non-recoverable  
14 costs and identified costs that were recorded to utility operating accounts that were included  
15 in electric service rates. Those costs reviewed included costs associated with advertising,  
16 sport sponsorships, competitive services, and lobbying. The review covered the period of  
17 the FERC Audit, 2015-2021, except for review of sport sponsorships, which extended back  
18 to 2013.

19 Lastly, FirstEnergy also retained Craig Energy & Financial Services (“CEFS”) to  
20 review and confirm the results of FirstEnergy’s internal review regarding certain non-  
21 operating or non-recoverable costs, described above, as well as to recommend and then

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<sup>3</sup> Recommendation 23 of the FERC Audit Report (FERC Docket FA19-1), regarding the costs of internal and external lobbying activities.



1 review other potential areas of non-recoverable expenses. CEFS issued its final report to  
2 FirstEnergy in the first quarter of 2023.

3 **Q. What was the total impact to customers as a result of transactions identified through**  
4 **the reviews described above?**

5 A. FE PA has recorded a regulatory liability of \$11.9 million, including interest as of  
6 December 31, 2023, to be returned to customers through a one-time bill credit as described  
7 by FE PA Witness Savage (FE PA Statement No. 1). This regulatory liability reflects costs  
8 identified through the analysis performed in support of the FERC audit recommendation  
9 around lobbying costs, the internal regulatory and accounting review, and the additional  
10 review performed by CEFS, as well as costs that were improperly classified, misallocated,  
11 or otherwise lacked proper supporting documentation. .

12 **Q. What steps has FirstEnergy taken to address the issues that led to these charges being**  
13 **assessed to FE PA?**

14 A. As noted, FirstEnergy hired CEFS to conduct a separate review to confirm management's  
15 analysis of non-recoverable and non-operating expenses. In its review, CEFS stated that it  
16 "believes in all material respects, the major, potentially high-risk, assessment coverage  
17 areas were identified and evaluated for compliance with the USofA, associated ratemaking  
18 impacts, and potential refunds owed to the regulated transmission and distribution  
19 affiliates' customers." All refunds identified have been recognized on the books of FE PA.  
20 CEFS's recommendations were implemented by the end of 2023. Additionally, an internal  
21 audit was completed on February 29, 2024, which concluded that FirstEnergy implemented  
22 the corrective actions recommended by CEFS and in a timely manner.

1           Additionally, FirstEnergy has developed monthly reporting that provides additional  
2 details, including vendor names, source of the cost, and FERC account charged for items  
3 that are billed to the utility operating companies, including FE PA from FESC. This report  
4 has aided accounting, business services, rates, and internal auditing in their review of FESC  
5 charges billed to the operating companies, including those in these identified categories of  
6 potentially non-recoverable or non-operating expenses, to ensure appropriate accounting  
7 and ratemaking treatment.

8           FirstEnergy also implemented various procedures for non-purchase order (“non-  
9 PO”) transactions, such as energy purchases, payroll and benefits payments, and income  
10 tax payments that, by their nature, do not have a corresponding purchase order. SAP has  
11 been configured to require a user who enters a non-PO invoice for payment to actively  
12 affirm the transaction is governed by a valid contract or FirstEnergy has a legal obligation  
13 to make payment, the payment amount entered in SAP agrees with the supporting vendor  
14 invoice, and the payment is for verified services rendered and/or goods received. SAP  
15 requires invoices to be assigned to approvers with the proper level of signature authority  
16 as defined within FirstEnergy’s Delegation of Authority Practice. This Practice also sets  
17 forth the authority level for employees to enter into commitments on behalf of the  
18 Companies. In addition, Accounts Payable performs a quarterly review of all vendor  
19 payments without an associated purchase order to ensure the payment was processed in  
20 accordance with accounting policies. As described above, FESC employees are annually  
21 provided training around direct charging, time charging, and invoice processing to mitigate  
22 the risk of inclusion of non-recoverable or non-operating charges in customer rates.

1 **IX. CONCLUSION**

2 **Q. Please summarize your direct testimony in regard to pension and OPEB expenses.**

3 A. FE PA's proposed adjustments to test year pension and OPEB expense are appropriate to:  
4 (1) eliminate the volatility on FE PA's rates of the mark-to-market accounting for pension  
5 and OPEB costs used for financial reporting purposes; and (2) more appropriately match  
6 pension and OPEB recovery to periodic costs for ratemaking purposes by amortizing net  
7 actuarial losses over future periods. In addition, FE PA's adjustments related to capitalized  
8 pension and OPEB costs accurately reflect the timing differences between the immediate  
9 and delayed recognition methodologies in rate base. Finally, the proposed PON  
10 Mechanism will benefit both customers and the Company by reducing the impact of  
11 volatility in pension and OPEB expenses.

12 **Q. Please summarize your direct testimony in regard to FESC relationships, charges and**  
13 **allocations.**

14 A. FESC provides necessary services to FE PA pursuant to approved cost allocation  
15 methodologies and direct charges. The level of costs charged to FE PA in the fully  
16 projected future test year is appropriate and reasonable. FirstEnergy and FE PA have  
17 extensive controls in place by which FESC charges and allocations are reviewed on an  
18 ongoing basis.

19 **Q. Does this conclude your testimony?**

20 A. Yes, it does.

**2025 Qualified Pension Fully Projected Future Test Year**

**FE PA Exhibit No. TMA-1**

	ME Dr/(Cr)	PN Dr/(Cr)	PP Dr/(Cr)	WP Dr/(Cr)	FE PA Dr/(Cr)
Service Cost	7,626,100	8,694,700	2,250,300	6,311,500	24,882,600
Capital Rate	54.56%	54.56%	54.56%	54.56%	54.56%
Capital	4,160,800	4,743,828	1,227,764	3,443,554	13,575,946
Service Cost O&M	3,465,300	3,950,872	1,022,536	2,867,946	11,306,654
Interest Cost	21,166,000	24,632,800	6,617,000	13,319,000	65,734,800
Expected Return on Assets	(33,019,000)	(36,960,000)	(10,122,800)	(28,228,500)	(108,330,300)
Amort of Prior Service Cost	-	700	-	70,000	70,700
Service Company Allocations	3,064,574	3,691,080	938,951	3,497,630	11,192,235
MTM	-	-	-	-	-
	(5,323,126)	(4,684,548)	(1,544,313)	(8,473,924)	(20,025,911)
Less: MTM	-	-	-	-	-
Pension Delayed Recognition	16,783,308	19,356,377	5,524,106	6,435,419	48,099,210
Total Rate District Pension Expense	11,460,182	14,671,829	3,979,793	(2,038,505)	28,073,299
Distribution Allocation	100%	100%	100%	89.43%	N/A
Total Distribution Pension Expense (Credit)	11,460,182	14,671,829	3,979,793	(1,823,035)	28,288,769

**2025 OPEB Fully Projected Future Test Year**

**FE PA Exhibit No. TMA-2**

	ME Dr/(Cr)	PN Dr/(Cr)	PP Dr/(Cr)	WP Dr/(Cr)	FE PA Dr/(Cr)
Service Cost	21,200	34,400	2,800	23,300	81,700
Capital Rate	54.56%	54.56%	54.56%	54.56%	54.56%
Capital	11,567	18,769	1,528	12,712	44,576
Service Cost O&M	9,633	15,631	1,272	10,588	37,124
Interest Cost	1,727,400	2,571,100	140,500	829,200	5,268,200
Expected Return on Assets	(108,600)	(8,358,700)	(9,000)	(54,000)	(8,530,300)
Amort of Prior Service Cost	6,300	(1,056,400)	-	-	(1,050,100)
Service Company Allocations	30,075	809,770	28,722	55,901	924,468
MTM	-	-	-	-	-
	1,664,808	(6,018,599)	161,494	841,689	(3,350,608)
Less: MTM	-	-	-	-	-
OPEB Delayed Recognition	2,385,696	(363,299)	264,298	205,608	2,492,303
Total OPEB Expense	4,050,504	(6,381,898)	425,792	1,047,297	(858,305)
Distribution Allocation	100%	100%	100%	89.43%	N/A
Total Distribution OPEB Expense (Credit)	4,050,504	(6,381,898)	425,792	936,598	(969,004)

FirstEnergy Pennsylvania Electric Company  
Calculation of Rate Base Adjustment

Schedule TMA-3 Attachment A

ME01	Pension	OPEB	Total
Capitalized Costs	(\$28,853,242)	\$10,127,312	(\$18,725,930)
Accumulated depreciation	8,077,638	(2,335,231)	5,742,407
Accumulated Deferred Income Taxes	7,093,630	(1,954,223)	5,139,407
Increase / (Decrease) to Rate Base	(\$13,681,974)	\$5,837,858	(\$7,844,116)
Authorized Return on Rate base	11.27%	11.27%	11.27%
Adjustment to Revenue Requirement	(\$1,541,834)	\$657,873	(\$883,961)
PN01	Pension	OPEB	Total
Capitalized Costs	(\$35,632,075)	\$39,215,661	\$3,583,586
Accumulated depreciation	9,263,914	(8,156,766)	1,107,148
Accumulated Deferred Income Taxes	8,916,661	(7,513,158)	1,403,503
Increase / (Decrease) to Rate Base	(\$17,451,500)	\$23,545,737	\$6,094,237
Authorized Return on Rate base	11.28%	11.28%	11.28%
Adjustment to Revenue Requirement	(\$1,967,789)	\$2,654,961	\$687,172
PP01	Pension	OPEB	Total
Capitalized Costs	(\$14,723,744)	\$4,977,850	(\$9,745,894)
Accumulated depreciation	4,735,190	(1,414,733)	3,320,457
Accumulated Deferred Income Taxes	3,081,893	(1,001,837)	2,080,056
Increase / (Decrease) to Rate Base	(\$6,906,661)	\$2,561,280	(\$4,345,380)
Authorized Return on Rate base	11.25%	11.25%	11.25%
Adjustment to Revenue Requirement	(\$776,961)	\$288,130	(\$488,831)

FirstEnergy Pennsylvania Electric Company  
Calculation of Rate Base Adjustment

Schedule TMA-3 Attachment A

WP01	Pension	OPEB	Total
Capitalized Costs	(\$16,971,896)	\$2,167,420	(\$14,804,476)
Accumulated depreciation	6,852,548	(183,644)	6,668,905
Accumulated Deferred Income Taxes	4,378,012	(272,119)	4,105,892
Increase / (Decrease) to Rate Base	(\$5,741,336)	\$1,711,657	(\$4,029,679)
Authorized Return on Rate base	11.24%	11.24%	11.24%
Adjustment to Revenue Requirement	(\$645,382)	\$192,407	(\$452,975)
FE PA	Pension	OPEB	Total
Capitalized Costs	(\$96,180,957)	\$56,488,243	(\$39,692,714)
Accumulated depreciation	28,929,291	(12,090,374)	16,838,917
Accumulated Deferred Income Taxes	23,470,196	(10,741,337)	12,728,859
Increase / (Decrease) to Rate Base	(\$43,781,471)	\$33,656,532	(\$10,124,938)
Authorized Return on Rate base	N/A	N/A	N/A
Adjustment to Revenue Requirement	(\$4,931,966)	\$3,793,371	(\$1,138,595)

ME01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	17,632,000	8,380,490	\$9,251,510	\$21,991,413	(\$12,739,903)
2012	17,307,500	8,226,255	\$9,081,245	\$22,921,310	(\$13,840,065)
2013	19,170,600	9,261,317	\$9,909,283	\$416,415	\$9,492,868
2014	18,009,000	7,144,170	\$10,864,830	\$44,599,193	(\$33,734,363)
2015	22,493,800	8,426,177	\$14,067,623	\$21,997,257	(\$7,929,634)
2016	23,779,900	10,938,754	\$12,841,146	\$3,368,412	\$9,472,734
2017	22,212,800	8,907,333	\$13,305,467	(\$7,119,654)	\$20,425,121
				Total	(\$28,853,242)

PN01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	19,655,000	9,013,783	\$10,641,217	\$29,507,090	(\$18,865,873)
2012	19,845,100	9,100,963	\$10,744,137	\$22,589,969	(\$11,845,832)
2013	21,353,600	8,272,385	\$13,081,215	(\$9,934,719)	\$23,015,934
2014	18,667,600	6,884,611	\$11,782,989	\$52,036,696	(\$40,253,707)
2015	23,619,100	8,944,553	\$14,674,547	\$35,087,172	(\$20,412,625)
2016	26,590,200	12,784,568	\$13,805,632	\$5,025,908	\$8,779,724
2017	25,111,200	9,047,565	\$16,063,635	(\$7,886,669)	\$23,950,304
				Total	(\$35,632,075)

PP01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	4,883,000	2,142,660	\$2,740,340	\$7,030,430	(\$4,290,090)
2012	4,980,700	2,185,531	\$2,795,169	\$6,527,598	(\$3,732,429)
2013	5,439,500	2,049,604	\$3,389,896	\$338,834	\$3,051,062
2014	5,155,200	1,714,620	\$3,440,580	\$15,792,085	(\$12,351,505)
2015	6,685,300	2,090,493	\$4,594,807	\$9,130,850	(\$4,536,043)
2016	7,303,800	2,779,096	\$4,524,704	\$4,005,067	\$519,637
2017	7,187,900	2,220,342	\$4,967,558	(\$1,648,066)	\$6,615,624
				Total	(\$14,723,744)

WP01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	6,378,100	3,032,787	\$3,345,313	\$21,791,635	(\$18,446,322)
2012	9,173,900	4,362,189	\$4,811,711	\$11,382,280	(\$6,570,569)
2013	9,914,100	3,772,315	\$6,141,785	(\$13,321,170)	\$19,462,955
2014	7,529,800	2,950,176	\$4,579,624	\$32,257,954	(\$27,678,330)
2015	11,096,100	4,121,092	\$6,975,008	\$800,460	\$6,174,548
2016	10,396,700	5,316,872	\$5,079,828	\$1,810,898	\$3,268,930
2017	9,697,000	3,794,436	\$5,902,564	(\$914,328)	\$6,816,892
				Total	(\$16,971,896)



Book Depreciation												
Deprec Rate 2011	2.00%											
Deprec Rate 2012	1.90%											
Deprec Rate 2013	2.00%											
Deprec Rate 2014	1.90%											
Deprec Rate 2015	1.90%											
Deprec Rate 2016	2.00%											
Deprec Rate 2017	2.40%											
2011-2017 Tax Rate	35.00%											
2018-2023 Tax Rate	21.00%											

Capitalized Adjustment Increase / (Decrease)	Book Depreciation											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
2011	(\$12,739,903)	\$254,798									\$254,798	
2012	(13,840,065)	254,798	262,961								517,759	
2013	9,492,868	254,798	262,961	(189,857)							327,902	
2014	(33,734,363)	254,798	262,961	(189,857)	640,953						968,855	
2015	(7,929,634)	254,798	262,961	(189,857)	640,953	150,663					1,119,518	
2016	9,472,734	254,798	262,961	(189,857)	640,953	150,663	(189,455)				930,063	
2017	20,425,121	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)			439,860	
2018	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-		439,860	
2019	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
2020	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
2021	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
2022	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
2023	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
2024	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
2025	-	254,798	262,961	(189,857)	640,953	150,663	(189,455)	(490,203)	-	-	439,860	
											2011-2017	\$4,558,755
											2018-2025	3,518,882

Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
2011	(\$12,739,903)	\$12,739,903									\$12,739,903	
2012	(13,840,065)	-	7,179,534								7,179,534	
2013	9,492,868	-	499,557	(4,924,425)							(4,424,868)	
2014	(33,734,363)	-	462,051	(342,645)	17,499,701						17,619,107	
2015	(7,929,634)	-	427,450	(316,919)	1,217,642	4,113,498					5,441,671	
2016	9,472,734	-	395,341	(293,187)	1,126,222	286,220	(4,913,981)				(3,399,385)	
2017	20,425,121	-	365,724	(271,164)	1,041,886	264,731	(341,918)	(10,595,532)			(9,536,273)	
2018	-	-	338,251	(250,849)	963,622	244,907	(316,247)	(737,245)	-		242,439	
2019	-	-	312,924	(232,006)	891,431	226,510	(292,565)	(681,893)	-	-	224,401	
2020	-	-	308,772	(214,634)	824,468	209,541	(270,589)	(630,830)	-	-	226,728	
2021	-	-	308,703	(211,786)	762,734	193,800	(250,317)	(583,444)	-	-	219,690	
2022	-	-	308,772	(211,738)	752,614	179,289	(231,514)	(539,734)	-	-	257,689	
2023	-	-	308,703	(211,786)	752,445	176,910	(214,179)	(499,190)	-	-	312,903	
2024	-	-	308,772	(211,738)	752,614	176,870	(211,337)	(461,812)	-	-	353,369	
2025	-	-	308,703	(211,786)	752,445	176,910	(211,289)	(455,684)	-	-	359,299	
											2011-2017	\$25,619,689
											2018-2025	2,196,518

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation				
	Book	Tax	Difference	Tax Rate	ADIT
2011-2017	\$4,558,755	\$25,619,689	\$21,060,934	35.00%	\$7,371,327
2018-2025	\$3,518,882	\$2,196,518	(\$1,322,364)	21.00%	(\$277,697)
Total	\$8,077,638	\$27,816,207	\$19,738,569		\$7,093,630

Book Depreciation												
Deprec Rate 2011	1.90%											
Deprec Rate 2012	1.90%											
Deprec Rate 2013	1.90%											
Deprec Rate 2014	2.00%											
Deprec Rate 2015	1.70%											
Deprec Rate 2016	1.90%											
Deprec Rate 2017	2.50%											
2011-2017 Tax Rate	35.00%											
2018-2023 Tax Rate	21.00%											
Capitalized Adjustment Increase / (Decrease)	Book Depreciation											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
2011	(\$18,865,873)	\$358,452									\$358,452	
2012	(\$11,845,832)	358,452	225,071								583,522	
2013	\$23,015,934	358,452	225,071	(437,303)							146,220	
2014	(\$40,253,707)	358,452	225,071	(437,303)	805,074						951,294	
2015	(\$20,412,625)	358,452	225,071	(437,303)	805,074	347,015					1,298,308	
2016	\$8,779,724	358,452	225,071	(437,303)	805,074	347,015	(166,815)				1,131,494	
2017	\$23,950,304	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)			532,736	
2018	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-		532,736	
2019	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
2020	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
2021	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
2022	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
2023	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
2024	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
2025	-	358,452	225,071	(437,303)	805,074	347,015	(166,815)	(598,758)	-	-	532,736	
										2011-2017	\$5,002,026	
										2018-2025	4,261,888	

Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
2011	(\$18,865,873)	\$18,865,873									\$18,865,873
2012	(11,845,832)	-	6,145,025								6,145,025
2013	23,015,934	-	427,575	(11,939,516)							(11,511,941)
2014	(40,253,707)	-	395,473	(830,760)	20,881,611						20,446,324
2015	(20,412,625)	-	365,859	(768,387)	1,452,958	10,589,049					11,639,479
2016	8,779,724	-	338,376	(710,847)	1,343,870	736,794	(4,554,482)				(2,846,289)
2017	23,950,304	-	313,026	(657,450)	1,243,236	681,475	(316,904)	(12,424,220)			(11,160,837)
2018	-	-	289,512	(608,196)	1,149,847	630,444	(293,111)	(864,486)	-		304,010
2019	-	-	267,834	(562,509)	1,063,704	583,087	(271,162)	(799,581)	-	-	281,373
2020	-	-	264,281	(520,390)	983,801	539,404	(250,793)	(739,705)	-	-	276,598
2021	-	-	264,221	(513,485)	910,136	498,885	(232,004)	(684,140)	-	-	243,613
2022	-	-	264,281	(513,370)	898,060	461,529	(214,576)	(632,887)	-	-	263,037
2023	-	-	264,221	(513,485)	897,859	455,406	(198,510)	(585,345)	-	-	320,146
2024	-	-	264,281	(513,370)	898,060	455,304	(195,876)	(541,516)	-	-	366,883
2025	-	-	264,221	(513,485)	897,859	455,406	(195,832)	(534,331)	-	-	373,838
										2011-2017	\$31,577,634
										2018-2025	2,429,498

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation				
	Book	Tax	Difference	Tax Rate	ADIT
2011-2017	\$5,002,026	\$31,577,634	\$26,575,608	35.00%	\$9,301,463
2018-2025	\$4,261,888	\$2,429,498	(\$1,832,390)	21.00%	(\$384,802)
Total	\$9,263,914	\$34,007,132	\$24,743,218		\$8,916,661

Book Depreciation	
Deprec Rate 2011	2.20%
Deprec Rate 2012	2.20%
Deprec Rate 2013	2.20%
Deprec Rate 2014	2.40%
Deprec Rate 2015	2.30%
Deprec Rate 2016	2.20%
Deprec Rate 2017	2.60%
2011-2017 Tax Rate	35.00%
2018-2023 Tax Rate	21.00%

	Capitalized Adjustment Increase / (Decrease)	Book Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$4,290,090)	\$94,382											\$94,382
2012	(\$3,732,429)	94,382	82,113										176,495
2013	\$3,051,062	94,382	82,113	(67,123)									109,372
2014	(\$12,351,505)	94,382	82,113	(67,123)	296,436								405,808
2015	(\$4,536,043)	94,382	82,113	(67,123)	296,436	104,329							510,137
2016	\$519,637	94,382	82,113	(67,123)	296,436	104,329	(11,432)						498,705
2017	\$6,615,624	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)					326,699
2018	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-				326,699
2019	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-			326,699
2020	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-	-		326,699
2021	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-	-		326,699
2022	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-	-		326,699
2023	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-	-		326,699
2024	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-	-		326,699
2025	-	94,382	82,113	(67,123)	296,436	104,329	(11,432)	(172,006)	-	-	-		326,699
												2011-2017	\$2,121,599
												2018-2025	2,613,591

	Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$4,290,090)	\$4,290,090											\$4,290,090
2012	(3,732,429)	-	1,936,198										1,936,198
2013	3,051,062	-	134,722	(1,582,738)									(1,448,016)
2014	(12,351,505)	-	124,607	(110,128)	6,407,343								6,421,822
2015	(4,536,043)	-	115,276	(101,860)	445,828	2,353,072							2,812,316
2016	519,637	-	106,617	(94,232)	412,355	163,728	(269,562)						318,906
2017	6,615,624	-	98,629	(87,154)	381,476	151,436	(18,756)	(3,431,855)					(2,906,224)
2018	-	-	91,221	(80,624)	352,821	140,096	(17,348)	(238,791)	-				247,375
2019	-	-	84,390	(74,568)	326,389	129,572	(16,049)	(220,863)	-	-			228,871
2020	-	-	83,270	(68,985)	301,871	119,865	(14,843)	(204,324)	-	-	-		216,854
2021	-	-	83,252	(68,069)	279,268	110,861	(13,731)	(188,975)	-	-	-		202,606
2022	-	-	83,270	(68,054)	275,562	102,560	(12,700)	(174,818)	-	-	-		205,820
2023	-	-	83,252	(68,069)	275,500	101,199	(11,749)	(161,686)	-	-	-		218,447
2024	-	-	83,270	(68,054)	275,562	101,176	(11,593)	(149,579)	-	-	-		230,782
2025	-	-	83,252	(68,069)	275,500	101,199	(11,591)	(147,595)	-	-	-		232,696
												2011-2017	\$11,425,092
												2018-2025	1,783,451

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation			Tax Rate	ADIT
	Book	Tax	Difference		
2011-2017	\$2,121,599	\$11,425,092	\$9,303,493	35.00%	\$3,256,223
2018-2025	\$2,613,591	\$1,783,451	(\$830,140)	21.00%	(\$174,329)
Total	\$4,735,190	\$13,208,543	\$8,473,353		\$3,081,893

Book Depreciation	
Deprec Rate 2011	2.50%
Deprec Rate 2012	2.00%
Deprec Rate 2013	2.00%
Deprec Rate 2014	2.10%
Deprec Rate 2015	2.30%
Deprec Rate 2016	2.40%
Deprec Rate 2017	2.40%
2011-2017 Tax Rate	35.00%
2018-2023 Tax Rate	21.00%

	Capitalized Adjustment Increase / (Decrease)	Book Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$18,446,322)	\$461,158											\$461,158
2012	(\$6,570,569)	461,158	131,411										592,569
2013	\$19,462,955	461,158	131,411	(389,259)									203,310
2014	(\$27,678,330)	461,158	131,411	(389,259)	581,245								784,555
2015	\$6,174,548	461,158	131,411	(389,259)	581,245	(142,015)							642,541
2016	\$3,268,930	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)						564,086
2017	\$6,816,892	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)					400,481
2018	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-				400,481
2019	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-			400,481
2020	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-	-		400,481
2021	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-	-		400,481
2022	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-	-		400,481
2023	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-	-		400,481
2024	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-	-		400,481
2025	-	461,158	131,411	(389,259)	581,245	(142,015)	(78,454)	(163,605)	-	-	-		400,481
												2011-2017	\$3,648,701
												2018-2025	3,203,847

	Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$18,446,322)	\$18,446,322											\$18,446,322
2012	(6,570,569)	-	3,408,483										3,408,483
2013	19,462,955	-	237,165	(10,096,408)									(9,859,243)
2014	(27,678,330)	-	219,358	(702,515)	14,358,134								13,874,977
2015	6,174,548	-	202,932	(649,771)	999,049	(3,203,047)							(2,650,837)
2016	3,268,930	-	187,688	(601,113)	924,041	(222,870)	(1,695,757)						(1,408,011)
2017	6,816,892	-	173,627	(555,959)	854,845	(206,137)	(117,992)	(3,536,263)					(3,387,879)
2018	-	-	160,585	(514,309)	790,631	(190,701)	(109,133)	(246,056)	-				(108,983)
2019	-	-	148,561	(475,675)	731,400	(176,376)	(100,961)	(227,582)	-	-			(100,633)
2020	-	-	146,589	(440,057)	676,458	(163,162)	(93,377)	(210,540)	-	-	-		(84,089)
2021	-	-	146,557	(434,219)	625,807	(150,906)	(86,381)	(194,725)	-	-	-		(93,867)
2022	-	-	146,589	(434,121)	617,504	(139,607)	(79,893)	(180,136)	-	-	-		(69,664)
2023	-	-	146,557	(434,219)	617,365	(137,754)	(73,911)	(166,605)	-	-	-		(48,567)
2024	-	-	146,589	(434,121)	617,504	(137,723)	(72,930)	(154,130)	-	-	-		(34,811)
2025	-	-	146,557	(434,219)	617,365	(137,754)	(72,913)	(152,085)	-	-	-		(33,049)
												2011-2017	\$18,423,812
												2018-2025	(573,663)

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation				
	Book	Tax	Difference	Tax Rate	ADIT
2011-2017	\$3,648,701	\$18,423,812	\$14,775,111	35.00%	\$5,171,289
2018-2025	\$3,203,847	(\$573,663)	(\$3,777,510)	21.00%	(\$793,277)
Total	\$6,852,548	\$17,850,149	\$10,997,601		\$4,378,012

ME01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	8,366,400	3,976,550	\$4,389,850	\$4,535,314	(\$145,464)
2012	8,376,400	3,981,303	\$4,395,097	\$8,826,923	(\$4,431,826)
2013	9,115,600	4,403,746	\$4,711,854	(\$3,258,176)	\$7,970,030
2014	7,735,900	3,068,832	\$4,667,068	\$864,890	\$3,802,178
2015	7,126,400	2,669,549	\$4,456,851	\$2,033,863	\$2,422,988
2016	6,724,300	3,093,178	\$3,631,122	\$3,768,336	(\$137,214)
2017	6,704,300	2,688,424	\$4,015,876	\$3,369,256	\$646,620
				Total	\$10,127,312

PN01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	11,020,300	5,053,910	\$5,966,390	\$6,819,203	(\$852,813)
2012	11,127,300	5,102,980	\$6,024,320	\$13,509,501	(\$7,485,181)
2013	12,349,400	4,784,158	\$7,565,242	(\$4,921,812)	\$12,487,054
2014	10,539,000	3,886,783	\$6,652,217	(\$842,652)	\$7,494,869
2015	9,296,900	3,520,736	\$5,776,164	(\$5,982,746)	\$11,758,910
2016	7,466,200	3,589,749	\$3,876,451	(\$3,237,731)	\$7,114,182
2017	6,205,400	2,235,806	\$3,969,594	(\$4,729,046)	\$8,698,640
				Total	\$39,215,661

PP01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	1,295,200	568,334	\$726,866	(\$348,436)	\$1,075,302
2012	1,081,800	474,694	\$607,106	\$915,654	(\$308,548)
2013	1,127,300	424,767	\$702,533	(\$1,270,144)	\$1,972,677
2014	855,400	284,506	\$570,894	(\$622,150)	\$1,193,044
2015	729,200	228,021	\$501,179	\$208,664	\$292,515
2016	685,900	260,985	\$424,915	\$207,657	\$217,258
2017	647,700	200,075	\$447,625	(\$87,977)	\$535,602
				Total	\$4,977,850

WP01	A	B	C = A - B	D	E = C - D
	Delayed Recognition			Immediate Recognition	Capitalized Adjustment
	Total	Income Statement	Capitalized	Capitalized	Increase / (Decrease)
2011	-	-	\$0	\$1,859,449	(\$1,859,449)
2012	-	-	\$0	\$4,067,654	(\$4,067,654)
2013	606,500	230,773	\$375,727	(\$4,170,165)	\$4,545,892
2014	-	-	\$0	\$400,318	(\$400,318)
2015	249,500	92,664	\$156,836	(\$1,053,722)	\$1,210,558
2016	104,000	53,186	\$50,814	(\$1,660,214)	\$1,711,028
2017	-	-	\$0	(\$1,027,363)	\$1,027,363
				Total	\$2,167,420

Book Depreciation	
Deprec Rate 2011	2.0%
Deprec Rate 2012	1.9%
Deprec Rate 2013	2.0%
Deprec Rate 2014	1.9%
Deprec Rate 2015	1.9%
Deprec Rate 2016	2.0%
Deprec Rate 2017	2.4%
2011-2017 Tax Rate	35.0%
2018-2023 Tax Rate	21.0%

	Capitalized Adjustment Increase / (Decrease)	Book Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$145,464)	\$2,909											\$2,909
2012	(\$4,431,826)	2,909	84,205										87,114
2013	\$7,970,030	2,909	84,205	(159,401)									(72,287)
2014	\$3,802,178	2,909	84,205	(159,401)	(72,241)								(144,528)
2015	\$2,422,988	2,909	84,205	(159,401)	(72,241)	(46,037)							(190,565)
2016	(\$137,214)	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744						(187,821)
2017	\$646,620	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)					(203,339)
2018	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-				(203,339)
2019	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-			(203,339)
2020	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-	-		(203,339)
2021	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-	-		(203,339)
2022	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-	-		(203,339)
2023	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-	-		(203,339)
2024	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-	-		(203,339)
2025	-	2,909	84,205	(159,401)	(72,241)	(46,037)	2,744	(15,519)	-	-	-		(203,339)
												2011-2017	(\$708,516)
												2018-2025	(\$1,626,715)

	Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$145,464)	\$145,464											\$145,464
2012	(4,431,826)	-	2,299,010										2,299,010
2013	7,970,030	-	159,967	(4,134,453)									(3,974,486)
2014	3,802,178	-	147,957	(287,678)	(1,972,380)								(2,112,101)
2015	2,422,988	-	136,877	(266,079)	(137,240)	(1,256,925)							(1,523,367)
2016	(137,214)	-	126,595	(246,154)	(126,936)	(87,458)	71,180						(262,773)
2017	646,620	-	117,111	(227,664)	(117,430)	(80,891)	4,953	(335,434)					(639,355)
2018	-	-	108,314	(210,608)	(108,609)	(74,834)	4,581	(23,340)	-				(304,496)
2019	-	-	100,204	(194,788)	(100,473)	(69,213)	4,238	(21,587)	-	-			(281,619)
2020	-	-	98,874	(180,202)	(92,925)	(64,027)	3,920	(19,971)	-	-	-		(254,331)
2021	-	-	98,852	(177,811)	(85,967)	(59,218)	3,626	(18,471)	-	-	-		(238,989)
2022	-	-	98,874	(177,772)	(84,827)	(54,784)	3,354	(17,087)	-	-	-		(232,242)
2023	-	-	98,852	(177,811)	(84,808)	(54,057)	3,102	(15,803)	-	-	-		(230,525)
2024	-	-	98,874	(177,772)	(84,827)	(54,045)	3,061	(14,620)	-	-	-		(229,329)
2025	-	-	98,852	(177,811)	(84,808)	(54,057)	3,061	(14,426)	-	-	-		(229,189)
												2011-2017	(\$6,067,608)
												2018-2025	(\$2,000,720)

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation			Tax Rate	ADIT
	Book	Tax	Difference		
2011-2017	(\$708,516)	(\$6,067,608)	(\$5,359,092)	35.00%	(\$1,875,682)
2018-2025	(\$1,626,715)	(\$2,000,720)	(\$374,005)	21.00%	(\$78,541)
Total	(\$2,335,231)	(\$8,068,328)	(\$5,733,097)		(\$1,954,223)

Book Depreciation	
Deprec Rate 2011	1.9%
Deprec Rate 2012	1.9%
Deprec Rate 2013	1.9%
Deprec Rate 2014	2.0%
Deprec Rate 2015	1.7%
Deprec Rate 2016	1.9%
Deprec Rate 2017	2.5%
2011-2017 Tax Rate	35.0%
2018-2023 Tax Rate	21.0%

Capitalized Adjustment Increase / (Decrease)	Book Depreciation											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
2011	(\$852,813)	\$16,203										\$16,203
2012	(\$7,485,181)	16,203	142,218									158,422
2013	\$12,487,054	16,203	142,218	(237,254)								(78,832)
2014	\$7,494,869	16,203	142,218	(237,254)	(149,897)							(228,730)
2015	\$11,758,910	16,203	142,218	(237,254)	(149,897)	(199,901)						(428,631)
2016	\$7,114,182	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)					(563,800)
2017	\$8,698,640	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)				(781,266)
2018	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-			(781,266)
2019	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-		(781,266)
2020	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-	-	(781,266)
2021	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-	-	(781,266)
2022	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-	-	(781,266)
2023	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-	-	(781,266)
2024	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-	-	(781,266)
2025	-	16,203	142,218	(237,254)	(149,897)	(199,901)	(135,169)	(217,466)	-	-	-	(781,266)
											2011-2017	(\$1,906,634)
											2018-2025	(\$6,250,132)

Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
2011	(\$852,813)	\$852,813										\$852,813
2012	(7,485,181)	-	3,882,938									3,882,938
2013	12,487,054	-	270,178	(6,477,659)								(6,207,481)
2014	7,494,869	-	249,893	(450,720)	(3,887,963)							(4,088,790)
2015	11,758,910	-	231,180	(416,880)	(270,527)	(6,099,935)						(6,556,162)
2016	7,114,182	-	213,814	(385,663)	(250,216)	(424,438)	(3,690,482)					(4,536,985)
2017	8,698,640	-	197,796	(356,693)	(231,479)	(392,571)	(256,786)	(4,512,420)				(5,552,153)
2018	-	-	182,938	(329,970)	(214,091)	(363,174)	(237,507)	(313,977)	-			(1,275,781)
2019	-	-	169,240	(305,184)	(198,052)	(335,893)	(219,722)	(290,404)	-	-		(1,180,015)
2020	-	-	166,994	(282,332)	(183,175)	(310,729)	(203,217)	(268,657)	-	-	-	(1,081,116)
2021	-	-	166,957	(278,586)	(169,459)	(287,388)	(187,992)	(248,477)	-	-	-	(1,004,945)
2022	-	-	166,994	(278,524)	(167,211)	(265,869)	(173,871)	(229,862)	-	-	-	(948,343)
2023	-	-	166,957	(278,586)	(167,173)	(262,341)	(160,852)	(212,595)	-	-	-	(914,590)
2024	-	-	166,994	(278,524)	(167,211)	(262,282)	(158,717)	(196,676)	-	-	-	(896,416)
2025	-	-	166,957	(278,586)	(167,173)	(262,341)	(158,682)	(194,067)	-	-	-	(893,892)
											2011-2017	(\$22,205,820)
											2018-2025	(\$8,195,098)

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation				
	Book	Tax	Difference	Tax Rate	ADIT
2011-2017	(\$1,906,634)	(\$22,205,820)	(\$20,299,186)	35.00%	(\$7,104,715)
2018-2025	(\$6,250,132)	(\$8,195,098)	(\$1,944,966)	21.00%	(\$408,443)
Total	(\$8,156,766)	(\$30,400,918)	(\$22,244,152)		(\$7,513,158)

Book Depreciation	
Deprec Rate 2011	2.2%
Deprec Rate 2012	2.2%
Deprec Rate 2013	2.2%
Deprec Rate 2014	2.4%
Deprec Rate 2015	2.3%
Deprec Rate 2016	2.2%
Deprec Rate 2017	2.6%
2011-2017 Tax Rate	35.0%
2018-2023 Tax Rate	21.0%

	Capitalized Adjustment Increase / (Decrease)	Book Depreciation										Total			
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020				
2011	\$1,075,302	(\$23,657)													(\$23,657)
2012	(\$308,548)	(23,657)	6,788												(16,869)
2013	\$1,972,677	(23,657)	6,788	(43,399)											(60,267)
2014	\$1,193,044	(23,657)	6,788	(43,399)	(28,633)										(88,901)
2015	\$292,515	(23,657)	6,788	(43,399)	(28,633)	(6,728)									(95,628)
2016	\$217,258	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)								(100,408)
2017	\$535,602	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)							(114,334)
2018	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-						(114,334)
2019	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-					(114,334)
2020	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-	-				(114,334)
2021	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-	-				(114,334)
2022	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-	-				(114,334)
2023	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-	-				(114,334)
2024	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-	-				(114,334)
2025	-	(23,657)	6,788	(43,399)	(28,633)	(6,728)	(4,780)	(13,926)	-	-	-				(114,334)
												2011-2017			(\$500,063)
												2018-2025			(\$914,670)

	Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation										Total			
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020				
2011	\$1,075,302	(\$1,075,302)													(\$1,075,302)
2012	(308,548)	-	160,059												160,059
2013	1,972,677	-	11,137	(1,023,326)											(1,012,189)
2014	1,193,044	-	10,301	(71,204)	(618,892)										(679,795)
2015	292,515	-	9,530	(65,858)	(43,063)	(151,742)									(251,133)
2016	217,258	-	8,814	(60,926)	(39,830)	(10,558)	(112,703)								(215,203)
2017	535,602	-	8,153	(56,350)	(36,847)	(9,766)	(7,842)	(277,844)							(380,496)
2018	-	-	7,541	(52,128)	(34,079)	(9,034)	(7,253)	(19,333)	-						(114,286)
2019	-	-	6,976	(48,212)	(31,526)	(8,356)	(6,710)	(17,881)	-	-					(105,709)
2020	-	-	6,884	(44,602)	(29,158)	(7,730)	(6,206)	(16,542)	-	-	-				(97,354)
2021	-	-	6,882	(44,010)	(26,975)	(7,149)	(5,741)	(15,299)	-	-	-				(92,292)
2022	-	-	6,884	(44,001)	(26,617)	(6,614)	(5,310)	(14,153)	-	-	-				(89,811)
2023	-	-	6,882	(44,010)	(26,611)	(6,526)	(4,912)	(13,090)	-	-	-				(88,267)
2024	-	-	6,884	(44,001)	(26,617)	(6,525)	(4,847)	(12,110)	-	-	-				(87,216)
2025	-	-	6,882	(44,010)	(26,611)	(6,526)	(4,846)	(11,949)	-	-	-				(87,060)
												2011-2017			(\$3,454,059)
												2018-2025			(\$761,995)

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation			Tax Rate	ADIT
	Book	Tax	Difference		
2011-2017	(\$500,063)	(\$3,454,059)	(\$2,953,996)	35.00%	(\$1,033,898)
2018-2025	(\$914,670)	(\$761,995)	\$152,675	21.00%	\$32,062
Total	(\$1,414,733)	(\$4,216,054)	(\$2,801,321)		(\$1,001,837)



Book Depreciation	
Deprec Rate 2011	2.5%
Deprec Rate 2012	2.0%
Deprec Rate 2013	2.0%
Deprec Rate 2014	2.1%
Deprec Rate 2015	2.3%
Deprec Rate 2016	2.4%
Deprec Rate 2017	2.4%
2011-2017 Tax Rate	35.0%
2018-2023 Tax Rate	21.0%

	Capitalized Adjustment Increase / (Decrease)	Book Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$1,859,449)	\$46,486											\$46,486
2012	(\$4,067,654)	46,486	81,353										127,839
2013	\$4,545,892	46,486	81,353	(90,918)									36,921
2014	(\$400,318)	46,486	81,353	(90,918)	8,407								45,328
2015	\$1,210,558	46,486	81,353	(90,918)	8,407	(27,843)							17,485
2016	\$1,711,028	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)						(23,579)
2017	\$1,027,363	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)					(48,236)
2018	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-				(48,236)
2019	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-			(48,236)
2020	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-	-		(48,236)
2021	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-	-		(48,236)
2022	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-	-		(48,236)
2023	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-	-		(48,236)
2024	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-	-		(48,236)
2025	-	46,486	81,353	(90,918)	8,407	(27,843)	(41,065)	(24,657)	-	-	-		(48,236)
												2011-2017	\$202,245
												2018-2025	(\$385,889)

	Capitalized Adjustment Increase / (Decrease)	Tax Depreciation - MACRS with Bonus Depreciation										Total	
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
2011	(\$1,859,449)	\$1,859,449											\$1,859,449
2012	(4,067,654)	-	2,110,096										2,110,096
2013	4,545,892	-	146,822	(2,358,181)									(2,211,359)
2014	(400,318)	-	135,799	(164,084)	207,665								179,380
2015	1,210,558	-	125,629	(151,765)	14,449	(627,977)							(639,664)
2016	1,711,028	-	116,193	(140,400)	13,365	(43,695)	(887,596)						(942,133)
2017	1,027,363	-	107,488	(129,853)	12,364	(40,414)	(61,760)	(532,945)					(645,120)
2018	-	-	99,413	(120,125)	11,435	(37,388)	(57,123)	(37,083)	-				(140,871)
2019	-	-	91,970	(111,102)	10,578	(34,580)	(52,845)	(34,299)	-	-			(130,278)
2020	-	-	90,749	(102,783)	9,784	(31,989)	(48,876)	(31,730)	-	-	-		(114,845)
2021	-	-	90,729	(101,419)	9,051	(29,586)	(45,214)	(29,347)	-	-	-		(105,786)
2022	-	-	90,749	(101,396)	8,931	(27,371)	(41,818)	(27,148)	-	-	-		(98,053)
2023	-	-	90,729	(101,419)	8,929	(27,008)	(38,686)	(25,109)	-	-	-		(92,564)
2024	-	-	90,749	(101,396)	8,931	(27,001)	(38,173)	(23,229)	-	-	-		(90,119)
2025	-	-	90,729	(101,419)	8,929	(27,008)	(38,164)	(22,920)	-	-	-		(89,853)
												2011-2017	(\$289,351)
												2018-2025	(\$862,369)

Accumulated Deferred Income Taxes (ADIT)					
	A	B	C = B - A	D	E = C * D
	Depreciation			Tax Rate	ADIT
	Book	Tax	Difference		
2011-2017	\$202,245	(\$289,351)	(\$491,596)	35.00%	(\$172,059)
2018-2025	(\$385,889)	(\$862,369)	(\$476,480)	21.00%	(\$100,061)
Total	(\$183,644)	(\$1,151,720)	(\$968,076)		(\$272,119)

**FE PA STATEMENT NO. 5**  
**Gregory J. Gawlik**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**DOCKET NO. R-2024-3047068**

**Direct Testimony  
of  
Gregory J. Gawlik**

**List of Topics Addressed**

**Income Tax Expense and Accumulated Deferred Income Tax  
Significant Tax Law Changes**

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1 **Q. On whose behalf are you testifying in this proceeding?**

2 A. I am testifying on behalf of FirstEnergy Pennsylvania Electric Company (“FE PA” or the  
3 “Company”). On January 1, 2024, Metropolitan Edison Company (“Met-Ed”),  
4 Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn  
5 Power”), and West Penn Power Company (“West Penn”) consolidated into the Company  
6 by merger.

7 **Q. What is the purpose of your direct testimony?**

8 A. My direct testimony supports the federal and state income tax expense and accumulated  
9 deferred income tax (“ADIT”) balances for the Company and discusses certain federal and  
10 state income tax matters.

11 **Q. Have you prepared any exhibits to accompany your testimony?**

12 A. Yes. As explained below, FE PA Exhibit GJG-1 sets forth a consolidated tax adjustment  
13 (“CTA”) calculation and FE PA Exhibit GJG-2 sets forth a corporate alternative minimum  
14 tax (“CAMT”) calculation. Additionally, I am responsible for the Pennsylvania Public  
15 Utility Commission’s (“Commission”) base rate filing requirements II-D-17 through II-D-  
16 25.

17 **II. INCOME TAX EXPENSE AND ADIT**

18 **Q. Please identify the location of the federal and state income tax information in the**  
19 **Company’s filing.**

20 A. FE PA’s fully projected future test year ADIT is included in FE PA Exhibit PML-1,  
21 Adjustment RB-8 while federal and state income tax information is included in FE PA  
22 Exhibit PML-1, Adjustments IS-12 and IS-13.

1 **Q. Were the Company’s taxes impacted by the consolidation of the prior utility**  
2 **operating companies (Met-Ed, Penelec, Penn Power, and West Penn) into the**  
3 **Company on January 1, 2024?**

4 No. The consolidation of the prior utility operating companies into the Company was  
5 accomplished through a series of tax-free reorganizations for federal and state income tax  
6 purposes. The Company recognized neither current income tax expense nor any change to  
7 ADIT balances as a result of the consolidation.

8 **Q. Is the Company a member of a consolidated tax group for federal or Pennsylvania**  
9 **state income tax purposes?**

10 A. Yes, for federal income tax purposes, the Company is a member of a consolidated tax group  
11 along with certain other FirstEnergy subsidiaries, of which FirstEnergy is the common  
12 parent. Additionally, the Company is a party to an intercompany income tax allocation  
13 agreement (“Tax Allocation Agreement”), previously approved by the Commission,  
14 pursuant to which the current tax liability of the federal consolidated group is allocated  
15 among certain FirstEnergy subsidiaries and those subsidiaries are compensated for the use  
16 of their tax losses or credits. For Pennsylvania state income tax purposes, the Company  
17 files a separate tax return and is not part of a consolidated filing group.

18 **Q. Did the Company include a CTA in the calculation of federal income tax expense in**  
19 **this case?**

20 A. No. The Company’s federal income tax expense is computed on a standalone basis, in  
21 accordance with 66 Pa.C.S. § 1301.1(a), without regard to the deductions, losses, or credits  
22 of affiliates in the same consolidated group, using the applicable federal statutory income  
23 tax rate (currently, 21%). However, § 1301.1(b) provides that if a consolidated tax expense

1 “differential” accrues to the utility resulting from applying prior ratemaking methods, *i.e.*,  
2 applying a CTA, then 50% of the differential shall be used to support reliability or  
3 infrastructure related to rate-base eligible capital investment and 50% shall be used for  
4 general corporate purposes. As part of my direct testimony, I have calculated a CTA using  
5 actual tax return filings from tax years 2020-2022 in order to identify the “differential”  
6 referred to in § 1301.1(b). *See* FE PA Exhibit GJG-1. The Company’s use of the  
7 differential is explained in testimony offered by Company witness Smith. Note that during  
8 tax year 2020, an approximately \$5 billion worthless stock loss was claimed on the

9 FirstEnergy consolidated tax return resulting from the bankruptcy and tax  
10 deconsolidation of the former generation affiliates. As illustrated on FE PA Exhibit GJG-  
11 1, such loss was excluded from the CTA computation because it is a unique, nonrecurring  
12 loss not representative of future tax activity. If the loss were to be included, then the  
13 amount of affiliated loss allocated to the Company would greatly exceed the amount of  
14 income contributed by the Company, which would be contrary to the intent of a CTA  
15 because the Company could not benefit from a loss amount greater than the income  
16 contributed. In other words, for purposes of determining the “differential,” the CTA should  
17 never be greater than the Company’s standalone tax expense.

18 **Q. What are deferred income taxes and how do they impact rate base?**

19 A. Deferred income taxes arise when income tax amounts calculated for book purposes differ  
20 from the amount of taxes reported on a tax return and due to be paid in a particular year.  
21 Deferred income taxes are created by differences in the timing of recognition for book and  
22 income tax purposes of income and expense items. Examples of this would include  
23 deductions related to capital expenditures, such as depreciation or repair allowances.



1 Specifically, straight-line depreciation rates using assets’ regulatory lives are used  
2 for ratemaking purposes whereas accelerated depreciation rates using shorter tax lives are  
3 used for income tax return purposes. In the early years of an asset’s life, there is typically  
4 higher deductible depreciation expense for tax return purposes than for regulatory book  
5 purposes, causing the taxes computed for regulatory books to be greater than taxes  
6 computed for tax return purposes and resulting in a build-up of ADIT, which are a reduction  
7 to rate base. In the later years of an asset’s life, the situation reverses, resulting in taxes  
8 computed for regulatory books being less than taxes computed for tax return purposes.

9 Accordingly, the ADIT balance in rate base for an asset is progressively reduced as  
10 the Company makes tax payments over time. It should be noted that the Company’s rate  
11 base is reduced only for the effects of federal ADIT. For purposes of calculating  
12 Pennsylvania state income tax for ratemaking, the Company uses state tax depreciation  
13 deductions, thus the benefits of accelerated state tax deductions are immediately flowed  
14 through to customers. As the situation reverses in the later years of an asset’s life, the  
15 higher state income tax expense will be collected from customers at that time.

16 Normalization rules contained in the Internal Revenue Code and U.S. Treasury  
17 regulations prevent the immediate flow-through of benefits related to accelerated federal  
18 income tax depreciation.

19 **III. SIGNIFICANT TAX LAW CHANGES**

20 **Q. What is the corporate alternative minimum tax (“CAMT”)?**

21 A. The Inflation Reduction Act of 2022 imposed a new CAMT, beginning with the 2023 tax  
22 year.<sup>1</sup> The CAMT is owed to the extent a corporation’s “tentative minimum tax” exceeds

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<sup>1</sup> See sections 55 and 56A of the Internal Revenue Code.

1 its regular federal income tax for the year. A corporation’s tentative minimum tax is equal  
2 to 15% of “adjusted financial statement income” (“AFSI”), which is net income under  
3 Generally Accepted Accounting Principles (“GAAP”) with certain adjustments.<sup>2</sup>  
4 Corporations paying the CAMT receive a tax credit (the “CAMT Credit”), which can be  
5 carried forward, without limitation, and applied against regular federal income tax in a  
6 future year in which no CAMT is imposed on the corporation.

7 **Q. Is the Company subject to the CAMT?**

8 A. Yes. As specified in the Internal Revenue Code and guidance issued by the U.S. Treasury  
9 Department and the Internal Revenue Service (“IRS”),<sup>3</sup> the applicability of the CAMT is  
10 determined by reference to the aggregate AFSI of the group of corporations constituting a  
11 single employer group for federal tax purposes, which in this case means FirstEnergy and  
12 its greater-than-50%-owned subsidiaries, including the Company. The Internal Revenue  
13 Code provides that if the aggregate AFSI of the single employer group exceeds an average  
14 of \$1 billion over any preceding three-year period (beginning with the period 2020-2022),  
15 then all members of the group are subject to the CAMT. FirstEnergy was subject to CAMT  
16 in 2023 because the average AFSI of the FirstEnergy group for the period 2020-2022  
17 exceeded \$1 billion. Pursuant to the Tax Allocation Agreement, CAMT liability must be  
18 allocated among members of FirstEnergy’s consolidated tax group, including the

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<sup>2</sup> Primary adjustments to GAAP net income include adding back federal income tax expenses and replacing book depreciation, pension and other post-employment benefit expenses with the corresponding tax deductions for such items.

<sup>3</sup> See Notice 2023-7, 2023-3 I.R.B. 390; Notice 2023-20, 2023-10 I.R.B. 523; Notice 2023-64, 2023-40 I.R.B. 974; and Notice 2024-10, 2024-3 I.R.B. 406. These Notices each provided interim guidance regarding the application of the CAMT and indicated that the U.S. Treasury Department and the IRS intend to issue proposed regulations consistent with the interim guidance.

1 Company. The Company's (*i.e.*, the prior utility operating companies') allocable share of  
2 2023 CAMT was approximately \$15.7 million. See FE PA Exhibit GJG-2.

3 **Q. What is the Company's estimated CAMT liability for 2025?**

4 A. In both the Internal Revenue Code and current guidance published by the U.S Treasury  
5 Department and IRS, the consolidated tax group is treated as a single taxpayer for purposes  
6 of calculating AFSI and CAMT liability. Under the Tax Allocation Agreement,  
7 consolidated CAMT liability must be allocated to group members (including the Company)  
8 based on their allocable share of the consolidated group's CAMT liability. Each member's  
9 allocable share of CAMT liability is determined by a ratio of each member's positive AFSI  
10 to the combined positive AFSI of all members. So, for example, if Member A has \$100  
11 AFSI and the total of all Members' positive AFSI is \$1,000, then Member A's ratio is 10%,  
12 and Member A would be allocated 10% of the consolidated group's CAMT liability.  
13 Currently, FirstEnergy does not expect to be subject to CAMT in 2024, but anticipates  
14 being subject to CAMT in 2025. The Company's estimated allocable share of CAMT  
15 liability for 2025 is approximately \$35.3 million and is based on the 2025 forecast used for  
16 the fully projected future test year and the U.S. Treasury Department and IRS guidance in  
17 effect as of the date my testimony was filed. See FE PA Exhibit GJG-2.<sup>4</sup>

18 **Q. Is the Company proposing to include its estimated allocable share of 2025 CAMT**  
19 **liability in federal income tax expense for ratemaking purposes?**

20 A. No. The Company calculates federal income tax expense using the regular statutory  
21 income tax rate of 21%, consistent with 66 Pa.C.S. § 1301.1(a). As explained below, the

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<sup>4</sup> The U.S. Treasury Department is expected to issue CAMT regulations sometime in 2024.

1 allocated share of CAMT liability should not create incremental income tax expense.

2           However, as explained below, the Company is proposing to include a deferred tax  
3 asset in rate base attributable to the estimated CAMT Credit remaining on its books as of  
4 December 31, 2025, created by its estimated allocable share of FirstEnergy's 2023 and  
5 2025 CAMT liability. It is estimated that most of the CAMT Credit from 2023 will be  
6 used against regular tax liability in 2024. Therefore, the total amount of CAMT Credit  
7 estimated to remain on the Company's books as of December 31, 2025, is approximately  
8 \$37.7 million.

9 **Q. Why is the Company including a deferred tax asset in rate base for the impacts of the**  
10 **CAMT?**

11 A. The CAMT accelerates the payment of federal income taxes that are otherwise deferred  
12 under the regular corporate income tax regime. Because the payment of CAMT creates a  
13 tax credit to offset future regular tax liability, the CAMT represents a timing difference  
14 between the payment of the tax and the application of the credit (*i.e.*, the CAMT Credit).  
15 Therefore, CAMT expenses are appropriately accounted for as deferred tax assets on the  
16 Company's books. It is appropriate to include the deferred tax asset for the CAMT Credit  
17 in rate base because the Company must finance the cash used to fund its share of the CAMT  
18 payments. If a deferred tax asset for the CAMT Credit were not included in rate base, then  
19 rate base would be made artificially lower by the existence of a deferred tax liability that  
20 has already become a current cash expense through payment of the CAMT. This is similar  
21 to the accepted practice of including a deferred tax asset for a net operating loss  
22 carryforward in rate base, which is required by IRS normalization rules. Additionally, the  
23 inclusion in rate base of the deferred tax asset for the CAMT Credit is consistent with 66

1 Pa. C.S. § 1301.1(a) for reasons already stated, in other words, the CAMT simply  
2 represents an acceleration of the payment of the Company's own deferred tax liability  
3 which was created by its own income and deductions.

4 **Q. How will the Company account for the CAMT on its financial statements?**

5 A. explained, the Company is entitled to a tax credit for any CAMT it pays. The Company's  
6 estimated allocable share of CAMT liability for 2025 is approximately \$35.3 million.  
7 Therefore, after paying its allocable share of the consolidated tax group's CAMT liability  
8 in 2025, the Company will record a deferred tax asset for the CAMT Credit of  
9 approximately \$35.3 million. For income tax accounting purposes, the Company will  
10 record a current income tax liability and current income tax expense that are equally offset  
11 by the deferred tax asset for the CAMT Credit and a reduction to income tax expense.  
12 Thus, there would be no net incremental income tax expense caused by the CAMT. As  
13 noted, as of December 31, 2025, approximately \$37.7 million CAMT Credit will remain  
14 on the Company's books.

15 **Q. Are there other significant federal or state tax law changes relevant to this case?**

16 A. In July 2022, Pennsylvania's Governor signed into law House Bill 1342, which phases in  
17 a reduction to Pennsylvania's corporate net income tax rate from 9.99% in 2022 to 4.99%  
18 in 2031. Each year as the tax rate phases down, the Company adjusts the State Tax  
19 Adjustment Surcharge to update the current state statutory tax rate. Under current law, the  
20 statutory corporate net income tax rates for tax years 2024-2031 will be 8.49%, 7.99%,  
21 7.49%, 6.99%, 6.49%, 5.99%, 5.49%, and 4.99%, respectively.

1 IV. CONCLUSION

2 Q. Are the federal and state income tax expenses provided in this case for the test year  
3 2025 reasonable expenses that should be recovered in rates?

4 A. Yes.

5 Q. Does this conclude your direct testimony?

6 A. Yes.

**FE PA Exhibit GJG-1**  
**(No Public Version Available)**

**FE PA Exhibit GJG-2**  
**(No Public Version Available)**



**FE PA STATEMENT NO. 6**  
**Mark S. Kehl**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**DOCKET NO. R-2024-3047068**

**Direct Testimony  
of  
Mark S. Kehl**

**List of Topics Addressed**

**Energy Sales and Revenue Normalization  
Non-substantive Tariff Amendments  
Riders  
Outdoor Area and Streetlighting Services  
Fees and Charges**

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DIRECT TESTIMONY  
OF  
MARK S. KEHL

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**I. INTRODUCTION AND PURPOSE**

**Q. Please state your name and business address.**

A. My name is Mark S. Kehl. My business address is 2800 Pottsville Pike, Reading, Pennsylvania 19605.

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

A. I am employed by FirstEnergy Service Company (“FESC”) as the Manager of Rates & Regulatory Affairs - Pennsylvania.

**Q. What is your educational background?**

A. I have a Bachelor of Science degree in Accounting from DeSales University and a Master of Business Administration degree in Finance from Lehigh University.

**Q. Have you ever testified before the Pennsylvania Public Utility Commission?**

A. Yes. I testified with my previous employer, PECO Energy Company, as a rate design witness in its 2018 electric rate case at Docket No. R-2018-3000164.

**Q. On whose behalf are you testifying in this proceeding?**

A. I am testifying on behalf of FirstEnergy Pennsylvania Electric Company (“FE PA” or “Company”). FE PA consists of the Met-Ed, Penelec, Penn Power, West Penn, and PSU rate districts (individually a “Rate District” and in any combination the “Rate Districts”).<sup>1</sup>

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<sup>1</sup> FE PA also has a sixth Rate District, the Waverly Rate District, which is not discussed directly in my testimony as it relates to FE PA’s New York jurisdictional rates. The PSU Rate District is encompassed within the West Penn Rate District. To the extent that the testimony does not specifically mention the PSU Rate District, it can be assumed that it is included within the West Penn Rate District.

1 **Q. What is the purpose of your direct testimony?**

2 A. My testimony summarizes the various tariff revisions that the Company is proposing in  
3 this rate case.

4 **Q. Have you prepared any exhibits to accompany your testimony?**

5 A. Yes, FE PA Exhibit No. MSK-1 reflects normalized sales and revenue actuals for 2023 and  
6 forecasts for 2024 and 2025. FE PA Exhibit No. MSK-2 is a redline version of the FE PA  
7 Electric Retail tariff, which includes all tariff changes proposed in this case. FE PA Exhibit  
8 No. MSK-3 is the cost sheet used to create the new Outdoor Area Lighting LED rate, shown  
9 as a new tariff page in FE PA Exhibit No. MSK-2. FE PA Exhibit No. MSK-4 is the cost  
10 sheet for the revised reconnection fee. Additionally, I am responsible for the Commission's  
11 base rate filing requirement IV-B-1.

12 **II. ENERGY SALES AND REVENUE NORMALIZATION**

13 **Q. What was the basis for developing the Company's claim for energy sales, demand,  
14 and base rate revenue for the fully projected future test year ("FPFTY")?**

15 A. The starting point for the Company's claim was the budget forecast of energy sales,  
16 demand and base rate revenue for the twelve months ending December 31, 2025. The  
17 budget forecast was developed by reviewing current customer consumption data,  
18 conducting appliance saturation surveys, and analyzing actual historical customer usage  
19 for the past several years to identify patterns and trends. That information was used to  
20 develop detailed projections of the actual billing determinants (number of customers,  
21 demand (in kilowatts ("kW")) and energy (in kilowatt hours ("kWh")) for each rate  
22 schedule. The actual charges for each component of each rate schedule were applied to the  
23 applicable billing determinants (number of customers, kW, or kWh) to project the revenue

1 to be billed under each rate schedule by month for the FPFTY. This detailed process  
2 assures that revenue under proposed rates can be directly tied into the billing determinants  
3 underlying the Company's revenues under existing rates that are used to calculate its  
4 revenue deficiency in this case.

5 **Q. Were any adjustments made to the budget forecast data to present energy sales,**  
6 **demand, and base rate revenue on a ratemaking basis?**

7 A. Yes. Adjustments for ratemaking purposes were made to annualize and normalize the  
8 budget data. Annualization is the process of adjusting budgeted sales and revenues  
9 projected to be billed over a full test year to reflect the level of sales and revenues as of the  
10 end of the test year. In that way, pro forma sales and revenues are stated on a basis that  
11 properly reflects sales and revenues to be experienced going forward. Normalization is the  
12 process of adjusting budgeted sales and revenues to remove outliers and anomalies from  
13 the test year data. Thus, unusual events and one-time effects are "normalized" to reflect  
14 ongoing conditions.

15 **Q. Have you prepared an exhibit setting forth annualized and normalized sales and**  
16 **revenues?**

17 A. Yes, I have. Annualized and normalized sales and revenues are presented in FE PA Exhibit  
18 No. MSK-1 for the twelve months ending December 31, 2025, December 31, 2024, and  
19 December 31, 2023, respectively. The principal adjustments to the budget forecast data  
20 were made to annualize the sales and revenue effect of customers added during the test  
21 year to reflect the impact of behind-the-meter generation, and to annualize sales levels to  
22 reflect reductions attributable to measures that have been or will be implemented under the  
23 Company's Commission-approved Phase IV Energy Efficiency and Conservation

1 (“EE&C”) Plans, which were adopted pursuant to Section 2806.1 of the Pennsylvania  
2 Public Utility Code. An additional adjustment was made to the West Penn Rate District  
3 revenue schedule to include revenue associated with the acquisition of Letterkenny  
4 Industrial Development Authority.

5 **III. NON-SUBSTANTIVE TARIFF AMENDMENTS**

6 **Q. Is the Company proposing any non-substantive changes to its existing tariff?**

7 A. Yes. The Company proposes certain technical, non-substantive revisions that are shown  
8 in the redline version of the FE PA Electric Retail Tariff set forth in FE PA Exhibit No.  
9 MSK-2. Those changes are also summarized below:

- 10 • Description of Service Territory – The description of the Company’s service  
11 territory has been revised to conform to the Company’s actual service territory.
- 12 • On-Peak Hours Definition – The holidays will be synchronized among the four  
13 rate districts to reflect the current PJM Interconnection, LLC (“PJM”) Holiday  
14 rules.
- 15 • Rule 4 – The Company proposes several language changes to this rule to ensure  
16 clarity.
- 17 • Terms of Contract – The Company proposes amendments to General Provision A  
18 to align the four rate districts for Rate Schedules General Service (“GS”)-Small,  
19 GS-Medium, and GS-Large.
- 20 • Rate GS-Medium – The Company proposes amending the language in paragraph  
21 4 by changing “billing demand” to “registered demand” to ensure clarity.
- 22 • Rate Schedule Availability – Certain rate schedules require that a customer be  
23 transferred to another rate schedule if the customer exceeds a specified usage or

1 demand threshold in two consecutive months. The availability section of the  
2 applicable rate schedules is being revised to ensure that all rate districts are  
3 following the same procedures.

- 4 • Demand Interval – The Company proposes to amend all demand intervals to no  
5 greater than 60-minute intervals and no less than 15-minute intervals to align with  
6 its current operational meters.
- 7 • Rate Schedule 52 – The Company proposes to refine the general terms to ensure  
8 clarity to customers.
- 9 • Net Metering Rider – The Company proposes to remove Billing Provision 4 as it  
10 is not enforced and include language to address net-metering provisions for  
11 shopping customers.
- 12 • Partial Services Rider – The Company proposes to make a few language changes  
13 to ensure clarity.

14 **IV. RIDERS**

15 **Q. Is the Company proposing to add any additional Riders to the tariff?**

16 A. Yes, the Company is proposing to add the Station Power Rider.

17 **Q. What is the Station Power Rider?**

18 A. The Station Power Rider establishes a billing standard for PJM-qualified generating  
19 facilities based upon their net energy output.

20 **Q. Why is the Company implementing the Station Power Rider at this time?**

21 A. The Company audited these PJM-qualified generation facilities in 2023 and established  
22 customer accounts for all these generators. Here, the Company is establishing a billing



1 standard to recoup fixed costs associated when each generator’s net energy output is  
2 positive, and to charge both a fixed charge and a demand charge when a generator’s net  
3 energy output is negative. These charges will be based upon the existing Commercial rates  
4 applicable to a generator’s registered demand.

5 **Q. Is the Company proposing any changes to its existing Riders section of the tariff?**

6 A. Yes, the Company is proposing to roll into distribution base rates the Distribution System  
7 Improvement Charge (“DSIC”), Smart Meter Technologies Rider (“SMT-C”), State Tax  
8 Adjustment Surcharge (“STAS”), and Tax Cuts and Jobs Act Voluntary (“TCJA”)  
9 Surcharge.

10 **Q. Please explain the proposed changes to the DSIC.**

11 A. Following the DSIC Customer safeguards, Part C, as described in the Company Tariff, the  
12 “C-Factor” of the DSIC will be reset to zero on the effective date of new base rates, and  
13 according to Part G, the “E-Factor” will remain only to true-up prior period DSIC costs  
14 and revenues until the Company has exceeded the rate base included in the 2025 FPFTY.

15 **Q. Please explain the proposed changes to the SMT-C Rider.**

16 A. In accordance with Act 129 of 2008 (“Act 129”), electric distribution companies (“EDCs”)  
17 are entitled to full and current recovery of costs associated with deploying smart meter  
18 technology throughout their distribution systems. Act 129 allows an EDC to recover those  
19 costs either: (1) through base rates; or (2) on a full and current basis through a reconcilable  
20 surcharge clause under Section 1307.

21 As noted in the Company’s 2023 Annual Progress Report Smart Meter Technology  
22 Procurement and Installation Plan filed at Docket Nos. M-2013-2341990, M-2013-

1 2341994, M-2013-2341993 and M-2013-2341991, the Company has nearly completed the  
2 implementation of the smart meter deployment consistent with the Approved Deployment  
3 Plan.<sup>2</sup> The Company has transitioned the project to day-to-day operations and finds it  
4 appropriate to roll into distribution base rates the smart meter program costs.

5 **Q. Please explain the proposed changes to the STAS.**

6 A. The Company will set the STAS surcharge rate to 0% by incorporating the 2025 state tax  
7 rate into the proposed rate filing. 52 Pa. Code § 69.53 states that a fixed service utility  
8 which has a STAS in place shall roll revenues collected through the surcharge into base  
9 rates.

10 **Q. Please explain the proposed changes to TCJA Surcharge.**

11 A. The Company is including the effects of the TCJA Surcharge tax rate changes into the  
12 proposed base rates following the guidance included in the Company TCJA Surcharge  
13 tariff language, “[t]he negative surcharge will be reconciled at the end of each calendar  
14 year and will remain in place until the Company files and the Commission approves new  
15 base rates for the Company pursuant to Section 1308(d) that include the effects of the TCJA  
16 tax rate changes.”

17 In addition, the Company is proposing to adjust the final TCJA Surcharge  
18 reconciliation period. Because the TCJA Surcharge is calculated on a one-month lag, the  
19 2024 reconciliation period would not include the true-up of the December 2024 estimated  
20 amount owed to customers, as the actual amount will be recorded in January 2025. The  
21 Company is proposing to reconcile the final 13 months of actuals ending January 31, 2025

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<sup>2</sup> The Company still has a limited number of smart meter installs to resolve pending the outcome of disputed install cases before the Commission.

1 by April 30, 2025 (the Company's normal 1307e filing date) and refund or recoup the  
2 remaining over/under collection balance from 2023 and 2024 beginning July 1, 2025 for  
3 six months.

4 **Q. Will any riders be eliminated as a result of these roll-ins?**

5 A. No. Although all costs are going to be rolled into distribution base rates upon the effective  
6 date of the proposed base rates, the DSIC, SMT-C and TCJA Surcharge will remain to  
7 refund or recoup any remaining over/under collection balance that exists. Consequently,  
8 those riders must remain in place as the method for that true-up. Similarly, the STAS rider  
9 will remain in place to recognize future state tax rate changes.

10 **V. OUTDOOR AREA AND STREETLIGHTING SERVICES**

11 **Q. Please give an overview of the Company's current street lighting service.**

12 A. The Company offers street lighting to municipal, local, state, and federal governmental  
13 bodies, community associations, and to public authorities for lighting of streets, highways,  
14 parks, and similar places for the safety and convenience of the public.

15 **Q. How many streetlights does the Company operate?**

16 A. As of December 2023, the Company has approximately 166,000 company owned  
17 streetlights in operation. Approximately 85,000 are High Pressure Sodium, Mercury  
18 Vapor, Metal Halide, and Incandescent (non-light emitting diode ("LED")) broken down  
19 in Table 18 as of December 31, 2023.

**Table 18**

<b>Non-LED Light Count by Rate District</b>	
<b>Rate District</b>	<b>Non-LED Streetlight Count<sup>3</sup></b>
Met-Ed	28,902
Penelec	45,131
Penn Power	351
West Penn	10,981
<b>Total</b>	<b>85,365</b>

3 **Q. What are the lighting industry trends?**

4 A. Technology advancements have led to increased LED adoption across the US and globally.  
 5 In 2018, the Department of Energy (“DOE”)<sup>4</sup> indicated approximately 50% of US  
 6 street/roadway lights had converted to LED, roughly doubling since 2016. While a current  
 7 DOE report is not readily available, conversations with suppliers indicate the trend  
 8 continues.

9 **Q. What has this trend done to the manufacturing and supply of Sodium Vapor (“SV”)  
 10 luminaires (“fixtures”) and lamps (“bulbs”)?**

11 A. The Company’s primary fixture vendor has indicated an approaching end to SV fixture  
 12 manufacturing. The associated SV fixture parts are becoming scarcer as the supporting  
 13 supply chains have shifted to serve the LED market or ceased operation. The SV bulb  
 14 market is also in transition, and the Company received discontinuation notices from our  
 15 three primary SV bulb suppliers. The Company has been working to identify and onboard  
 16 new offshore suppliers in China and India. Bulb and fixture prices are increasing, while  
 17 quality is still being evaluated. The increased LED demand has led to manufacturing

<sup>3</sup> The final number of converted streetlights is subject to change based on actual field conditions.

<sup>4</sup> “Energy Adoption of Light-Emitting Diodes in Common Lighting Applications” US Department of Energy Office of Energy Efficiency & Renewable (published August 2020) available at <https://www.energy.gov/eere/ssl/articles/2020-led-adoption-report>.

1 economies of scale, resulting in lower LED lighting material cost compared to SV. This  
2 technology shift has made it difficult to forecast long-term supply continuity for SV  
3 fixtures and bulbs. Further, future investment in SV manufacturing will become harder for  
4 suppliers to justify as the market share for SV continues to decline.

5 **Q. What is the Company's proposed program?**

6 A. The Company is proposing a proactive five-year conversion of approximately 85,000 non-  
7 LED streetlights to LED.

8 **Q. How will streetlights be deployed?**

9 A. Upon approval by the Commission, the Company will coordinate a large-scale, harmonized  
10 physical deployment of streetlights. The Company will target implementation to begin in  
11 late first quarter or early second quarter 2025. The Company estimates that it will be able  
12 to install the streetlights at a rate of approximately 17,000 per year. FE PA expects to make  
13 these conversions with minimal, if any, impact to the customers currently receiving non-  
14 LED lighting service from the Company. This proposed program will convert the existing  
15 non-LED fixtures in two general ways. First, any existing non-LED fixture that incurs a  
16 failure will be replaced with a new LED fixture rather than repaired with a non-LED  
17 fixture. For this program, a failure is defined as a non-LED light not operating, or not  
18 operating as designed such as being continuously on. Second, in a planned and coordinated  
19 manner, non-LED fixtures in geographic areas and circuits will undergo a conversion  
20 utilizing dedicated crews until the entire service area has been converted to LED fixtures.

1 **Q. How does the proposed program enable efficient conversion?**

2 A. A planned program enables the greatest operational efficiency. The Company can utilize  
 3 a flexible resource strategy with the option of both internal and external resources  
 4 depending on workload, costs, and timing. A planned program increases efficiency from  
 5 less travel time and lower fuel cost. Lastly, a programmatic approach to the conversion  
 6 will allow for administrative efficiencies.

7 **Q. What is the cost of the proposed program?**

8 A. The costs of installation are included in the LED rates which the SV customers will be  
 9 switched to.

10 **Q. What is the Company’s recovery request?**

11 A. FE PA is seeking approval to recover the remaining net asset value for fixtures converted  
 12 from all customers. The Company believes this is prudent because all customers receive  
 13 the societal benefits described above. The remaining net asset value for the eligible fixtures  
 14 is approximately \$46.7M as of December 2023, as shown in Table 21.

15 **Table 21**

<b><u>Net Asset Value by Rate District</u></b>	
<b>Rate District</b>	<b>Streetlight Net Asset Value</b>
Met-Ed	\$8,303,623
Penelec	\$22,480,095
Penn Power	\$1,381,989
West Penn	<u>\$14,536,852</u>
<b>Total</b>	<b>\$46,702,559</b>

16 If approved, FE PA will recover the cost through a regulatory asset at a rate of  
 17 approximately \$9 million annually for five years to coincide with conversion of the  
 18 fixtures. The Company will monitor the expense and true up costs, which will be applied

1 in the next base rate case. If the program is approved, the Company will begin recovering  
2 the remaining net asset value effective with the effective date of this rate case.

3 **Q. What fixtures are eligible for the proposed program?**

4 A. Only active non-LED Streetlight fixtures are eligible to be converted to LED fixtures under  
5 this program. This is approximately 85,000 fixtures, as shown in Table 18 above.

6 **Q. Please explain the proposed changes to eliminate certain options under existing street  
7 lighting and outdoor lighting rate schedules.**

8 A. The Company proposes to eliminate certain street lighting sizes and general provisions  
9 within the lighting schedules that may be eliminated through restrictions (grandfathering)  
10 to existing customers on certain lighting schedules and a result of migration to newer  
11 technology. These eliminations are reflected in respective tariff page adjustments. The  
12 Company proposes to eliminate those options that: are part of the rate schedules that are  
13 grandfathered for continued use only by existing customers in the existing tariff; have been  
14 replaced by newer technologies (such as replacing high pressure sodium vapor lamps with  
15 light-emitting diode (“LED”) options); and have no customers currently on the specific  
16 option.

17 **Q. Why is the Company grandfathering certain lighting options?**

18 A. The Company proposes to grandfather all non-LED lighting options. These lighting options  
19 are being replaced by new LED technology. It has also become increasingly more difficult  
20 to locate replacements to service the high-pressure sodium vapor and mercury vapor lights.

1 **Q. Does the Company plan to offer alternative options to current non-LED streetlighting**  
2 **customers on grandfathered rates?**

3 A. Yes, the Company plans to implement a comprehensive five-year replacement program to  
4 replace all non-LED streetlights with LED Streetlights. The Company added language to  
5 these streetlighting schedules to inform customers who may have non-LED streetlights fail,  
6 prior the replacement program occurring at their location, that those fixtures will be  
7 replaced with an equivalent LED streetlighting option. Efforts will be made to consult  
8 customers on the available LED options prior to updating fixtures. In most cases, the  
9 current non-LED fixtures would be replaced following the standard General Electric  
10 conversion recommendations. Once such a replacement occurs, LED rates will apply  
11 based on the Company's current electric service tariff.

12 **Q. Does the Company plan to make any changes to the LED Streetlighting Schedule?**

13 A. Yes, the Company proposed to change the requirement for a minimum installation of 12  
14 LED lights per customer per individual order when replacing existing lighting language to  
15 state a minimum of 12 or all lights located at a customer location. Additionally, there are  
16 a few language changes to the provisions section to improve clarity.

17 **Q. Is the Company proposing any new LED rate Schedules?**

18 A. Yes, the Company is proposing a new LED rate schedule for Outdoor Area Lighting  
19 ("OAL") services. Non-LED fixtures and bulbs are becoming difficult to purchase as the  
20 industry transitions to LED. Adding this tariff option will allow existing OAL customers  
21 to transition to LED at their request.



1 **Q. What is the forecasted impact on revenues due to the inclusion of the LED OAL rate?**

2 A. Because this is a new product offering and forecasting customer participation is uncertain,  
3 the Company did not quantify any revenues at this time. The only revenue impacts from  
4 this program would result from an existing OAL customer switching to OAL LED and will  
5 be limited to the difference in rates paid by such a customer under the new offering.

6 **Q. How is the Company proposing to recover costs associated with the LED OAL  
7 offering?**

8 A. The Company proposes to recover costs through a fixed monthly charge for each LED  
9 OAL fixture. The monthly proposed charges, by fixture, are provided in FE PA Exhibit  
10 No. MSK-3. Because this is a new, voluntary product offering and costs across the Rate  
11 Districts are forecasted to be similar, the Company is proposing one rate for all four Rate  
12 Districts.

13 **VI. FEES AND CHARGES**

14 **Q. Are there any changes being made to Rule 12. Administrative Charges?**

15 A. Yes, the Company proposes to implement uniform Dishonorable Check Charges and  
16 Reconnect Charges across the four rate districts. Dishonorable Check Charges are  
17 currently \$15 at Met-Ed and Penelec, \$10 at West Penn and Penn Power had no charge.  
18 FE PA is proposing to adopt a \$15 charge across all four rate districts based on bank  
19 charges the Company receives for these transactions. The updated Reconnect Charges  
20 reflect the decreased cost of reconnection due to the implementation of advanced meter  
21 infrastructure (“AMI”) across the Company’s territory. This change in Reconnect charges

1 comports with the Over The Air Termination (“OTA”) Settlement Commitment.<sup>5</sup> The  
2 current Reconnection Charges are \$36 at Met-Ed, \$32 at Penelec and \$30 at both Penn  
3 Power and West Penn Power. The revised reconnection charge for all four rate districts  
4 will be \$15 and the analysis supporting the revised charges is set forth in FE PA Exhibit  
5 No. MSK-4.

6 **Q. Are there any other changes being made to the Administrative Charges?**

7 A. Yes. In addition to those outlined above, the Company also proposes to eliminate the  
8 Service Charges in Section A which are currently only applicable to the Met-Ed and  
9 Penelec Rate Districts. The Company proposes this elimination to bring consistency across  
10 its rate districts and with other Pennsylvania EDCs.

11 **VII. CONCLUSION**

12 **Q. Does this conclude your testimony?**

13 A. Yes.

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<sup>5</sup> As part of the OTA Settlement, *Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for Approval of Their Involuntary Remote Disconnect Procedures*, Docket Nos. P-2019-3013979, et al., at Paragraph 35.n., FE PA, through its predecessor operating companies, agreed to perform an analysis of the changes in costs as a result of performing remote terminations and reconnections and propose an appropriate reconnection fee based on actual costs during its next base rate proceeding.

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue Normalization  
Fully Projected Future Test Year Twelve Months Ending December 2025

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	525,508	523,906	5,869,276,685	84,937	352,683,643	4.800¢	\$ 11.250	\$ 2.720	1,602	17,948,796	0	(29,658,454)	(429)	1,077,831	(1,424,773)
2	GSV	252	252	10,124,741	18,468	570,227	4.800¢	\$ 11.250	\$ 2.720	(0)	(9,054)	(16)	(50,960)	(93)	(510)	(2,699)
3	GSS	41,202	41,110	153,480,904	0	17,039,013	4.069¢	\$ 21.880	N/A	92	341,615	0	(1,957,247)	0	37,928	(79,640)
4	GSM	26,308	26,252	1,901,365,397	8,598,417	45,912,416	0.000¢	\$ 33.821	\$ 4.101	56	4,035,885	18,277	(24,244,438)	(109,639)	97,561	(449,580)
5	GSMH	989	975	728,077,886	3,092,152	11,439,599	0.000¢	\$ 43.008	\$ 3.537	14	10,729,472	45,567	(9,400,628)	(39,925)	168,578	(141,207)
6	MS	55	55	4,416,849	0	160,956	3.159¢	\$ 32.230	N/A	(0)	(13,223)	0	(56,032)	0	(482)	(1,770)
7	OL	783	788	4,084,711	0	652,622	0.000¢	\$ 69.034	N/A	(5)	(25,268)	0	(51,653)	0	(4,037)	0
8	BORD	70	70	1,106,840	0	45,746	4.133¢	\$ -	N/A	(0)	(463)	0	(14,078)	0	(19)	(582)
9	GSL	399	404	878,831,433	3,319,295	10,834,840	0.000¢	\$ 270.090	\$ 2.870	(5)	(10,782,817)	(40,725)	(5,391,720)	(20,364)	(132,935)	(58,437)
10	GP	582	588	2,769,605,061	8,029,007	26,765,773	0.000¢	\$ 951.530	\$ 2.498	(6)	(28,740,772)	(83,320)	(17,024,361)	(49,353)	(277,758)	(123,267)
11	TP	33	33	1,906,021,941	5,871,670	7,761,665	0.000¢	\$ 5,290.680	\$ 0.960	(1)	(46,238,707)	(142,442)	(11,551,692)	(35,586)	(188,292)	(34,163)
12	Rider L	3	3	0	374,400	61,606	0.000¢	\$ 79.280	\$ 0.157	0	0	0	0	0	0	0
13	STLT	610	610	25,935,220	0	6,509,628	0.000¢	\$ 889.293	N/A	0	0	0	0	0	0	0
14	TOTAL PA	596,793	595,046	14,252,327,667	29,388,346	480,437,733				1,747	(52,754,536)	(202,660)	(99,401,263)	(255,389)	777,865	(2,316,118)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue Normalization  
Fully Projected Future Test Year Twelve Months Ending December 2025

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	525,508	523,906	1,602	5,869,276,685	84,937	11,203	0	17,948,796	0	(29,658,454)	(429)	(11,709,658)	(429)	5,857,567,027	84,508
2	GSV	252	252	(0)	10,124,741	18,468	40,193	73	(9,054)	(16)	(50,960)	(93)	(60,014)	(109)	10,064,727	18,358
3	GSS	41,202	41,110	92	153,480,904	0	3,733	0	341,615	0	(1,957,247)	0	(1,615,632)	0	151,865,272	0
4	GSM	26,308	26,252	56	1,901,365,397	8,598,417	72,428	328	4,035,885	18,277	(24,244,438)	(109,639)	(20,208,553)	(91,362)	1,881,156,844	8,507,055
5	GSMH	989	975	14	728,077,886	3,092,152	746,661	3,171	10,729,472	45,567	(9,400,628)	(39,925)	1,328,844	5,642	729,406,730	3,097,794
6	MS	55	55	(0)	4,416,849	0	79,721	0	(13,223)	0	(56,032)	0	(69,255)	0	4,347,594	0
7	OL	783	788	(5)	4,084,711	0	5,185	0	(25,268)	0	(51,653)	0	(76,921)	0	4,007,790	0
8	BORD	70	70	(0)	1,106,840	0	15,880	0	(463)	0	(14,078)	0	(14,541)	0	1,092,299	0
9	GSL	399	404	(5)	878,831,433	3,319,295	2,174,836	8,214	(10,782,817)	(40,725)	(5,391,720)	(20,364)	(16,174,537)	(61,089)	862,656,896	3,258,206
10	GP	582	588	(6)	2,769,605,061	8,029,007	4,711,585	13,659	(28,740,772)	(83,320)	(17,024,361)	(49,353)	(45,765,133)	(132,673)	2,723,839,928	7,896,334
11	TP	33	33	(1)	1,906,021,941	5,871,670	56,949,502	175,438	(46,238,707)	(142,442)	(11,551,692)	(35,586)	(57,790,399)	(178,028)	1,848,231,542	5,693,641
12	Rider L	3	3	0	0	374,400	0	124,800	0	0	0	0	0	0	374,400	0
13	STLT	610	610	0	25,935,220	0	42,517	0	0	0	0	0	0	0	25,935,220	0
14	TOTAL PA	596,793	595,046	1,747	14,252,327,667	29,388,346			(52,754,536)	(202,660)	(99,401,263)	(255,389)	(152,155,799)	(458,049)	14,100,171,868	28,930,297

\*Includes billed kW, minimum kW, rKVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue  
Fully Projected Future Test Year Twelve Months Ending December 2025

Line No.	Rate Group (1)	Revenue														
		Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+5*(9)/100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	5,869,276,685	352,683,643	1,602	17,948,796	0	(29,658,454)	(429)	4.800¢	\$ 11.250	\$ 2.720	1,077,831	(1,424,773)	0	(346,942)	352,336,701
2	GSV	10,124,741	570,227	(0)	(9,054)	(16)	(50,960)	(93)	4.800¢	\$ 11.250	\$ 2.720	(510)	(2,699)	0	(3,209)	567,018
3	GSS	153,480,904	17,039,013	92	341,615	0	(1,957,247)	0	4.069¢	\$ 21.880	N/A	37,928	(79,640)	0	(41,712)	16,997,301
4	GSM	1,901,365,397	45,912,416	56	4,035,885	18,277	(24,244,438)	(109,639)	0.000¢	\$ 33.821	\$ 4.101	97,561	(449,580)	0	(352,019)	45,560,397
5	GSMH	728,077,886	11,439,599	14	10,729,472	45,567	(9,400,628)	(39,925)	0.000¢	\$ 43.008	\$ 3.537	168,578	(141,207)	0	27,371	11,466,970
6	MS	4,416,849	160,956	(0)	(13,223)	0	(56,032)	0	3.159¢	\$ 32.230	N/A	(482)	(1,770)	0	(2,252)	158,704
7	OL	4,084,711	652,622	(5)	(25,268)	0	(51,653)	0	0.000¢	\$ 69.034	N/A	(4,037)	0	0	(4,037)	648,585
8	BORD	1,106,840	45,746	(0)	(463)	0	(14,078)	0	4.133¢	\$ -	N/A	(19)	(582)	0	(601)	45,145
9	GSL	878,831,433	10,834,840	(5)	(10,782,817)	(40,725)	(5,391,720)	(20,364)	0.000¢	\$ 270.090	\$ 2.870	(132,935)	(58,437)	0	(191,372)	10,643,468
10	GP	2,769,605,061	26,765,773	(6)	(28,740,772)	(83,320)	(17,024,361)	(49,353)	0.000¢	\$ 951.530	\$ 2.498	(277,758)	(123,267)	0	(401,025)	26,364,748
11	TP	1,906,021,941	7,761,665	(1)	(46,238,707)	(142,442)	(11,551,692)	(35,586)	0.000¢	\$ 5,290.680	\$ 0.960	(188,292)	(34,163)	0	(222,455)	7,539,210
12	Rider L	0	61,606	0	0	0	0	0	0.000¢	\$ 79.280	\$ 0.157	0	0	0	0	61,606
13	STLT	25,935,220	6,509,628	0	0	0	0	0	0.000¢	\$ 889.293	N/A	0	0	0	0	6,509,628
14	TOTAL PA	14,252,327,667	480,437,733	1,747	(52,754,536)	(202,660)	(99,401,263)	(255,389)				777,865	(2,316,118)	0	(1,538,253)	478,899,480

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	522,613	520,981	5,910,126,895	84,937	356,649,597	4.841¢	\$ 11.250	\$ 2.720	1,632	18,514,859	0	(77,038,211)	(1,107)	1,116,569	(3,732,129)
2	GSV	251	251	10,172,332	18,615	572,791	4.800¢	\$ 11.250	\$ 2.720	(0)	(18,694)	(34)	(131,939)	(241)	(1,052)	(6,989)
3	GSS	41,058	40,912	153,497,761	0	16,987,722	4.069¢	\$ 21.880	N/A	146	548,995	0	(4,469,041)	0	60,757	(181,845)
4	GSM	26,140	26,131	1,920,068,527	8,632,003	46,019,004	0.000¢	\$ 33.827	\$ 4.102	9	687,079	3,086	(55,722,922)	(250,512)	16,455	(1,027,699)
5	GSMH	972	967	725,432,620	3,077,222	11,385,780	0.000¢	\$ 43.008	\$ 3.538	5	3,399,074	14,417	(21,144,091)	(89,691)	53,343	(317,309)
6	MS	55	55	4,402,191	0	160,447	3.159¢	\$ 32.230	N/A	(0)	(26,054)	0	(126,956)	0	(950)	(4,011)
7	OL	783	790	4,131,669	0	660,069	0.000¢	\$ 69.593	N/A	(7)	(37,791)	0	(118,767)	0	(6,038)	0
8	BORD	69	70	1,123,629	0	46,440	4.133¢	\$ -	N/A	(0)	(4,534)	0	(32,466)	0	(187)	(1,342)
9	GSL	404	406	883,248,004	3,331,607	10,879,585	0.000¢	\$ 270.090	\$ 2.870	(3)	(6,308,016)	(23,793)	(12,782,527)	(48,216)	(77,697)	(138,389)
10	GP	590	589	2,794,752,877	8,095,601	26,958,756	0.000¢	\$ 951.530	\$ 2.499	1	3,634,112	10,527	(40,790,086)	(118,157)	35,056	(295,269)
11	TP	33	33	1,891,277,050	5,839,479	7,705,423	0.000¢	\$ 5,290.680	\$ 0.960	(0)	(22,635,175)	(69,888)	(27,237,856)	(84,099)	(92,220)	(80,735)
12	Rider L	3	3	0	374,400	61,606	0.000¢	\$ 79.280	\$ 0.157	0	0	0	0	0	0	0
13	STLT	610	610	25,953,440	0	6,504,730	0.000¢	\$ 888.624	N/A	0	0	0	0	0	0	0
14	TOTAL PA	593,581	591,800	14,324,186,996	29,453,863	484,591,952				1,781	(2,246,145)	(65,685)	(239,594,862)	(592,023)	1,104,036	(5,785,717)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	522,613	520,981	1,632	5,910,126,895	84,937	11,344	0	18,514,859	0	(77,038,211)	(1,107)	(58,523,352)	(1,107)	5,851,603,543	83,830
2	GSV	251	251	(0)	10,172,332	18,615	40,526	74	(18,694)	(34)	(131,939)	(241)	(150,633)	(275)	10,021,699	18,340
3	GSS	41,058	40,912	146	153,497,761	0	3,752	0	548,995	0	(4,469,041)	0	(3,920,046)	0	149,577,715	0
4	GSM	26,140	26,131	9	1,920,068,527	8,632,003	73,479	330	687,079	3,086	(55,722,922)	(250,512)	(55,035,843)	(247,426)	1,865,032,684	8,384,577
5	GSMH	972	967	5	725,432,620	3,077,222	749,987	3,181	3,399,074	14,417	(21,144,091)	(89,691)	(17,745,017)	(75,274)	707,687,603	3,001,948
6	MS	55	55	(0)	4,402,191	0	79,629	0	(26,054)	0	(126,956)	0	(153,010)	0	4,249,181	0
7	OL	783	790	(7)	4,131,669	0	5,227	0	(37,791)	0	(118,767)	0	(156,558)	0	3,975,111	0
8	BORD	69	70	(0)	1,123,629	0	16,151	0	(4,534)	0	(32,466)	0	(37,000)	0	1,086,629	0
9	GSL	404	406	(3)	883,248,004	3,331,607	2,173,221	8,197	(6,308,016)	(23,793)	(12,782,527)	(48,216)	(19,090,543)	(72,009)	864,157,461	3,259,598
10	GP	590	589	1	2,794,752,877	8,095,601	4,742,928	13,739	3,634,112	10,527	(40,790,086)	(118,157)	(37,155,974)	(107,630)	2,757,596,903	7,987,971
11	TP	33	33	(0)	1,891,277,050	5,839,479	57,190,916	176,582	(22,635,175)	(69,888)	(27,237,856)	(84,099)	(49,873,031)	(153,987)	1,841,404,019	5,685,491
12	Rider L	3	3	0	0	374,400	0	124,800	0	0	0	0	0	0	0	374,400
13	STLT	610	610	0	25,953,440	0	42,547	0	0	0	0	0	0	0	25,953,440	0
14	TOTAL PA	593,581	591,800	1,781	14,324,186,996	29,453,863			(2,246,145)	(65,685)	(239,594,862)	(592,023)	(241,841,007)	(657,708)	14,082,345,989	28,796,154

\*Includes billed kW, minimum kW, rKVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue  
Future Test Year Twelve Months Ending December 2024

Line No.	Rate Group (1)	Revenue														
		Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+12+(5)*(9)/100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	5,910,126,895	356,649,597	1,632	18,514,859	0	(77,038,211)	(1,107)	4.841¢	\$ 11.250	\$ 2.720	1,116,569	(3,732,129)	0	(2,615,560)	354,034,037
2	GSV	10,172,332	572,791	(0)	(18,694)	(34)	(131,939)	(241)	4.800¢	\$ 11.250	\$ 2.720	(1,052)	(6,989)	0	(8,041)	564,750
3	GSS	153,497,761	16,987,722	146	548,995	0	(4,469,041)	0	4.069¢	\$ 21.880	N/A	60,757	(181,845)	0	(121,088)	16,866,634
4	GSM	1,920,068,527	46,019,004	9	687,079	3,086	(55,722,922)	(250,512)	0.000¢	\$ 33.827	\$ 4.102	16,455	(1,027,699)	0	(1,011,244)	45,007,760
5	GSMH	725,432,620	11,385,780	5	3,399,074	14,417	(21,144,091)	(89,691)	0.000¢	\$ 43.008	\$ 3.538	53,343	(317,309)	0	(263,966)	11,121,814
6	MS	4,402,191	160,447	(0)	(26,054)	0	(126,956)	0	3.159¢	\$ 32.230	N/A	(950)	(4,011)	0	(4,961)	155,486
7	OL	4,131,669	660,069	(7)	(37,791)	0	(118,767)	0	0.000¢	\$ 69.593	N/A	(6,038)	0	0	(6,038)	654,031
8	BORD	1,123,629	46,440	(0)	(4,534)	0	(32,466)	0	4.133¢	\$ -	N/A	(187)	(1,342)	0	(1,529)	44,911
9	GSL	883,248,004	10,879,585	(3)	(6,308,016)	(23,793)	(12,782,527)	(48,216)	0.000¢	\$ 270.090	\$ 2.870	(77,697)	(138,389)	0	(216,086)	10,663,499
10	GP	2,794,752,877	26,958,756	1	3,634,112	10,527	(40,790,086)	(118,157)	0.000¢	\$ 951.530	\$ 2.499	35,056	(295,269)	0	(260,213)	26,698,543
11	TP	1,891,277,050	7,705,423	(0)	(22,635,175)	(69,888)	(27,237,856)	(84,099)	0.000¢	\$ 5,290.680	\$ 0.960	(92,220)	(80,735)	0	(172,955)	7,532,468
12	Rider L	0	61,606	0	0	0	0	0	0.000¢	\$ 79.280	\$ 0.157	0	0	0	0	61,606
13	STLT	25,953,440	6,504,730	0	0	0	0	0	0.000¢	\$ 888.624	N/A	0	0	0	0	6,504,730
14	TOTAL PA	14,324,186,996	484,591,952	1,781	(2,246,145)	(65,685)	(239,594,862)	(592,023)				1,104,036	(5,785,717)	0	(4,681,681)	479,910,271

\*Includes billed kW, minimum kW, rkVA, and standby kW



FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	527,970	530,683	5,591,859,576	84,937	338,581,153	4.800¢	\$ 10.983	\$ 2.720	(2,713)	(28,583,369)	0	(131,331,836)	(1,995)	(1,729,515)	(6,309,355)
2	GSV	245	248	9,879,951	61,926	552,076	4.800¢	\$ 11.215	\$ 0.719	(3)	(99,798)	(625)	(230,879)	(1,447)	(5,576)	(12,123)
3	GSS	41,680	41,568	155,903,578	0	17,123,985	4.069¢	\$ 21.612	N/A	112	420,737	0	(7,118,626)	0	46,209	(289,654)
4	GSM	26,227	26,499	1,943,285,296	8,504,711	45,220,942	0.000¢	\$ 33.381	\$ 4.069	(272)	(19,959,070)	(87,366)	(87,583,566)	(383,306)	(464,517)	(1,559,699)
5	GSMH	922	941	772,247,191	3,298,818	12,088,383	0.000¢	\$ 42.567	\$ 3.519	(19)	(15,793,643)	(67,471)	(34,447,042)	(147,148)	(247,245)	(517,772)
6	MS	54	55	4,658,017	0	168,055	3.159¢	\$ 31.776	N/A	(1)	(70,791)	0	(208,891)	0	(2,554)	(6,599)
7	OL	720	732	4,137,145	0	659,435	0.000¢	\$ 75.038	N/A	(12)	(69,671)	0	(185,223)	0	(11,106)	0
8	BORD	69	69	1,095,914	0	45,294	4.133¢	\$ -	N/A	0	0	0	(49,905)	0	0	(2,063)
9	GSL	327	353	843,236,308	3,282,684	10,597,919	0.000¢	\$ 268.080	\$ 2.882	(26)	(62,476,685)	(243,219)	(19,267,786)	(75,009)	(785,216)	(216,201)
10	GP	526	526	2,699,240,424	8,059,227	25,978,472	0.000¢	\$ 941.456	\$ 2.487	0	2,139,877	6,389	(66,665,354)	(199,045)	20,595	(494,961)
11	TP	37	36	1,797,631,210	6,809,659	8,198,183	0.000¢	\$ 5,401.509	\$ 0.858	1	32,984,059	124,948	(45,176,392)	(171,134)	150,425	(146,844)
12	TP	2	3	0	274,400	61,734	0.000¢	\$ 79.280	\$ 0.156	(1)	0	(91,467)	0	0	(15,202)	0
13	STLT	609	610	26,226,895	0	6,465,000	0.000¢	\$ 883.197	N/A	(1)	(42,995)	0	0	0	(883)	0
14	TOTAL PA	599,388	602,323	13,849,401,505	30,376,360	465,740,630				(2,935)	(91,551,349)	(267,344)	(392,265,500)	(979,084)	(3,044,585)	(9,555,271)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	527,970	530,683	(2,713)	5,591,859,576	84,937	10,537	0	(28,583,369)	0	(131,331,836)	(1,995)	(159,915,205)	(1,995)	5,431,944,371	82,942
2	GSV	245	248	(3)	9,879,951	61,926	39,919	250	(99,798)	(625)	(230,879)	(1,447)	(330,677)	(2,072)	9,549,274	59,854
3	GSS	41,680	41,568	112	155,903,578	0	3,751	0	420,737	0	(7,118,626)	0	(6,697,889)	0	149,205,689	0
4	GSM	26,227	26,499	(272)	1,943,265,296	8,504,711	73,334	321	(19,959,070)	(87,366)	(87,583,566)	(383,306)	(107,542,636)	(470,672)	1,835,742,660	8,034,039
5	GSMH	922	941	(19)	772,247,191	3,298,818	820,449	3,505	(15,793,643)	(67,471)	(34,447,042)	(147,148)	(50,240,685)	(214,619)	722,006,506	3,084,198
6	MS	54	55	(1)	4,658,017	0	84,949	0	(70,791)	0	(208,891)	0	(279,682)	0	4,378,335	0
7	OL	720	732	(12)	4,137,145	0	5,649	0	(69,671)	0	(185,223)	0	(254,894)	0	3,882,251	0
8	BORD	69	69	0	1,095,914	0	15,883	0	0	0	(49,905)	0	(49,905)	0	1,046,009	0
9	GSL	327	353	(26)	843,236,308	3,282,684	2,387,644	9,295	(62,476,685)	(243,219)	(19,267,786)	(75,009)	(81,744,471)	(318,228)	761,491,837	2,964,456
10	GP	526	526	0	2,699,240,424	8,059,227	5,135,704	15,334	2,139,877	6,389	(66,665,354)	(199,045)	(64,525,477)	(192,656)	2,634,714,947	7,866,571
11	TP	37	36	1	1,797,631,210	6,809,659	49,476,088	187,422	32,984,059	124,948	(45,176,392)	(171,134)	(12,192,333)	(46,186)	1,785,438,877	6,763,473
12	Rider L	2	3	(1)	0	274,400	0	91,467	0	(91,467)	0	0	(91,467)	0	0	182,933
13	STLT	609	610	(1)	26,226,895	0	42,995	0	(42,995)	0	0	0	(42,995)	0	26,183,900	0
14	TOTAL PA	599,388	602,323	(2,935)	13,849,401,505	30,376,360			(91,551,349)	(267,344)	(392,265,500)	(979,084)	(483,816,849)	(1,246,428)	13,365,584,656	29,129,933

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Met-Ed Rate District  
Sales and Distribution Revenue  
Historic Test Year Twelve Months Ending December 2023

Revenue																
Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand* 4) (11)	Added Customer Use Revenue (10)*12+(5)*(9)/100+(6)*(11 (7)*(9)/100+(8)*(11) (12)	Specific Revenue Adjustment (9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	5,591,859,576	338,581,153	(2,713)	(28,583,369)	0	(131,331,836)	(1,995)	4.800¢	\$ 10.983	\$ 2.720	(1,729,515)	(6,309,355)	0	(8,038,870)	330,542,283
2	GSV	9,879,951	552,076	(3)	(99,798)	(625)	(230,879)	(1,447)	4.800¢	\$ 11.215	\$ 0.719	(5,576)	(12,123)	0	(17,699)	534,377
3	GSS	155,903,578	17,123,985	112	420,737	0	(7,118,626)	0	4.069¢	\$ 21.612	N/A	46,209	(289,654)	0	(243,445)	16,880,540
4	GSM	1,943,285,296	45,220,942	(272)	(19,959,070)	(87,366)	(87,583,566)	(383,306)	0.000¢	\$ 33.381	\$ 4.069	(464,517)	(1,559,699)	0	(2,024,216)	43,196,726
5	GSMH	772,247,191	12,088,383	(19)	(15,793,643)	(67,471)	(34,447,042)	(147,148)	0.000¢	\$ 42.567	\$ 3.519	(247,245)	(517,772)	0	(765,017)	11,323,366
6	MS	4,658,017	168,055	(1)	(70,791)	0	(208,891)	0	3.159¢	\$ 31.776	N/A	(2,554)	(6,599)	0	(9,153)	158,902
7	OL	4,137,145	659,435	(12)	(69,671)	0	(185,223)	0	0.000¢	\$ 75.038	N/A	(11,106)	0	0	(11,106)	648,329
8	BORD	1,095,914	45,294	0	0	0	(49,905)	0	4.133¢	\$ -	N/A	0	(2,063)	0	(2,063)	43,231
9	GSL	843,236,308	10,597,919	(26)	(62,476,685)	(243,219)	(19,267,786)	(75,009)	0.000¢	\$ 268.080	\$ 2.882	(785,216)	(216,201)	0	(1,001,417)	9,596,502
10	GP	2,699,240,424	25,978,472	0	2,139,877	6,389	(66,665,354)	(199,045)	0.000¢	\$ 941.456	\$ 2.487	20,595	(494,961)	0	(474,366)	25,504,106
11	TP	1,797,631,210	8,198,183	1	32,984,059	124,948	(45,176,392)	(171,134)	0.000¢	\$5,401.509	\$ 0.858	150,425	(146,844)	0	3,581	8,201,764
12	Rider L	0	61,734	(1)	0	(91,467)	0	0	0.000¢	\$ 79.280	\$ 0.156	(15,202)	0	0	(15,202)	46,532
13	STLT	26,226,895	6,465,000	(1)	(42,995)	0	0	0	0.000¢	\$ 883.197	N/A	(883)	0	0	(883)	6,464,117
14	TOTAL PA	13,849,401,505	465,740,630	(2,935)	(91,551,349)	(267,344)	(392,265,500)	(979,084)				(3,044,585)	(9,555,271)	0	(12,599,856)	453,140,774

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue Normalization  
Fully Projected Future Test Year Twelve Months Ending December 2025

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Usage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	496,418	496,082	4,334,901,606	53,893	330,429,778	6.074¢	\$ 11.250	\$ 2.910	336	2,940,147	0	(25,081,455)	(312)	224,009	(1,524,355)
2	GSV	622	621	14,012,333	24,486	1,006,263	6.074¢	\$ 11.250	\$ 2.910	1	17,158	30	(81,119)	(142)	1,231	(5,340)
3	GSS	52,935	52,872	205,143,720	0	19,064,090	3.624¢	\$ 18.330	N/A	63	244,577	0	(2,767,669)	0	22,729	(100,300)
4	GSM	29,593	29,629	2,141,566,066	9,687,172	58,970,799	0.000¢	\$ 29.459	\$ 5.006	(37)	(2,652,306)	(12,000)	(28,822,501)	(130,376)	(73,045)	(652,696)
5	GSMH	1,088	1,082	793,983,688	3,357,595	14,870,009	0.000¢	\$ 39.362	\$ 4.277	6	4,657,787	19,698	(10,761,932)	(45,510)	87,237	(194,625)
6	H	140	141	24,398,266	0	867,386	3.312¢	\$ 35.130	N/A	(1)	(139,389)	0	(326,896)	0	(4,955)	(10,827)
7	OL	1,928	1,941	11,250,596	0	3,281,613	0.000¢	\$ 140.906	N/A	(13)	(73,476)	0	(150,615)	0	(21,432)	0
8	BORD	10	10	320,082	0	16,103	5.031¢	\$ -	N/A	(0)	(2,424)	0	(4,281)	0	(122)	(215)
9	GSL	424	429	937,647,828	3,793,248	17,687,927	0.000¢	\$ 204.790	\$ 4.385	(5)	(10,600,751)	(42,886)	(7,721,118)	(31,236)	(199,978)	(136,971)
10	GP	450	456	1,526,799,306	5,130,424	19,706,265	0.000¢	\$ 996.520	\$ 2.778	(6)	(19,224,180)	(64,598)	(12,556,175)	(42,192)	(248,125)	(117,194)
11	LP	61	61	2,633,839,950	6,298,893	9,222,958	0.000¢	\$ 3,413.980	\$ 1.068	(0)	(3,269,248)	(7,818)	(21,909,293)	(52,397)	(11,448)	(55,985)
12	Rider L	9	9	0	189,328	251,241	0.000¢	\$ 86.430	\$ 1.278	0	0	0	0	0	0	0
13	STLT	713	713	31,975,577	0	7,383,880	0.000¢	\$ 863.006	N/A	0	0	0	0	0	0	0
14	TOTAL PA	584,392	584,046	12,655,839,018	28,535,038	482,758,313				346	(28,102,105)	(107,575)	(110,183,054)	(302,165)	(223,899)	(2,798,508)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue Normalization  
Fully Projected Future Test Year Twelve Months Ending December 2025

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	496,418	496,082	336	4,334,901,606	53,893	8,738	0	2,940,147	0	(25,081,455)	(312)	(22,141,308)	(312)	4,312,760,298	53,581
2	GVS	622	621	1	14,012,333	24,486	22,547	39	17,158	30	(81,119)	(142)	(63,961)	(112)	13,948,372	24,373
3	GSS	52,935	52,872	63	205,143,720	0	3,880	0	244,577	0	(2,767,669)	0	(2,523,092)	0	202,620,628	0
4	GSM	29,593	29,629	(37)	2,141,566,066	9,687,172	72,278	327	(2,652,306)	(12,000)	(28,822,501)	(130,376)	(31,474,807)	(142,376)	2,110,091,259	9,544,797
5	GSMH	1,088	1,082	6	793,983,688	3,357,595	733,739	3,103	4,657,787	19,698	(10,761,932)	(45,510)	(6,104,145)	(25,812)	787,879,543	3,331,783
6	H	140	141	(1)	24,398,266	0	173,400	0	(139,389)	0	(326,896)	0	(466,285)	0	23,931,981	0
7	OL	1,928	1,941	(13)	11,250,596	0	5,797	0	(73,476)	0	(150,615)	0	(224,091)	0	11,026,505	0
8	BORD	10	10	(0)	320,082	0	31,460	0	(2,424)	0	(4,281)	0	(6,705)	0	313,377	0
9	GSL	424	429	(5)	937,647,828	3,793,248	2,185,354	8,841	(10,600,751)	(42,886)	(7,721,118)	(31,236)	(18,321,869)	(74,122)	919,325,959	3,719,126
10	GP	450	456	(6)	1,526,799,306	5,130,424	3,346,470	11,245	(19,224,180)	(64,598)	(12,556,175)	(42,192)	(31,780,355)	(106,790)	1,495,018,951	5,023,634
11	LP	61	61	(0)	2,633,839,950	6,298,893	43,286,624	103,521	(3,269,248)	(7,818)	(21,909,293)	(52,397)	(25,178,541)	(60,215)	2,608,661,409	6,238,678
12	Rider L	9	9	0	0	189,328	0	21,036	0	0	0	0	0	0	0	189,328
13	STLT	713	713	0	31,975,577	0	44,847	0	0	0	0	0	0	0	31,975,577	0
14	TOTAL PA	584,392	584,046	346	12,655,839,018	28,535,038			(28,102,105)	(107,575)	(110,183,054)	(302,165)	(138,285,159)	(409,740)	12,517,553,859	28,125,298

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue  
Fully Projected Future Test Year Twelve Months Ending December 2025

Line No.	Rate Group (1)	Revenue														
		Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+5*(9)+100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)+100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	4,334,901,606	330,429,778	336	2,940,147	0	(25,081,455)	(312)	6.074¢	\$ 11.250	\$ 2.910	224,009	(1,524,355)	0	(1,300,346)	329,129,432
2	GSV	14,012,333	1,006,263	1	17,158	30	(81,119)	(142)	6.074¢	\$ 11.250	\$ 2.910	1,231	(5,340)	0	(4,109)	1,002,154
3	GSS	205,143,720	19,064,090	63	244,577	0	(2,767,669)	0	3.624¢	\$ 18.330	N/A	22,729	(100,300)	0	(77,571)	18,986,519
4	GSM	2,141,566,066	58,970,799	(37)	(2,652,306)	(12,000)	(28,822,501)	(130,376)	0.000¢	\$ 29.459	\$ 5.006	(73,045)	(652,696)	0	(725,741)	58,245,058
5	GSMH	793,983,688	14,870,009	6	4,657,787	19,698	(10,761,932)	(45,510)	0.000¢	\$ 39.362	\$ 4.277	87,237	(194,625)	0	(107,388)	14,762,621
6	H	24,398,266	867,386	(1)	(139,389)	0	(326,896)	0	3.312¢	\$ 35.130	N/A	(4,955)	(10,827)	0	(15,782)	851,604
7	OL	11,250,596	3,281,613	(13)	(73,476)	0	(150,615)	0	0.000¢	\$ 140.906	N/A	(21,432)	0	0	(21,432)	3,260,181
8	BORD	320,082	16,103	(0)	(2,424)	0	(4,281)	0	5.031¢	\$ -	N/A	(122)	(215)	0	(337)	15,766
9	GSL	937,647,828	17,687,927	(5)	(10,600,751)	(42,886)	(7,721,118)	(31,236)	0.000¢	\$ 204.790	\$ 4.385	(199,978)	(136,971)	0	(336,949)	17,350,978
10	GP	1,526,799,306	19,706,265	(6)	(19,224,180)	(64,598)	(12,556,175)	(42,192)	0.000¢	\$ 996.520	\$ 2.778	(248,125)	(117,194)	0	(365,319)	19,340,946
11	LP	2,633,839,950	9,222,958	(0)	(3,269,248)	(7,818)	(21,909,293)	(52,397)	0.000¢	\$ 3,413.980	\$ 1.068	(11,448)	(55,985)	0	(67,433)	9,155,525
12	Rider L	0	251,241	0	0	0	0	0	0.000¢	\$ 86.430	\$ 1.278	0	0	0	0	251,241
13	STLT	31,975,577	7,383,880	0	0	0	0	0	0.000¢	\$ 863.006	N/A	0	0	0	0	7,383,880
14	TOTAL PA	12,655,839,018	482,758,313	346	(28,102,105)	(107,575)	(110,183,054)	(302,165)				(223,899)	(2,798,508)	0	(3,022,407)	479,735,906

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	496,601	496,283	4,356,743,583	53,893	334,183,683	6.129¢	\$ 11.250	\$ 2.910	317	2,785,481	0	(59,642,313)	(738)	213,559	(3,657,677)
2	GSV	622	622	14,104,144	24,728	1,012,619	6.074¢	\$ 11.250	\$ 2.910	0	6,552	12	(193,047)	(338)	471	(12,709)
3	GSS	53,016	52,862	210,236,090	0	19,246,556	3.624¢	\$ 18.330	N/A	153	609,143	0	(6,206,335)	0	55,766	(224,918)
4	GSM	29,492	29,613	2,188,413,024	9,870,442	59,936,002	0.000¢	\$ 29.466	\$ 5.011	(121)	(8,951,167)	(40,335)	(64,153,552)	(289,353)	(244,964)	(1,450,076)
5	GSMH	1,079	1,086	808,648,999	3,416,801	15,128,323	0.000¢	\$ 39.361	\$ 4.278	(7)	(5,326,640)	(22,507)	(23,646,196)	(99,913)	(99,654)	(427,381)
6	H	140	141	25,499,968	0	904,056	3.312¢	\$ 35.130	N/A	(1)	(212,223)	0	(744,357)	0	(7,524)	(24,653)
7	OL	1,936	1,952	11,382,234	0	3,315,635	0.000¢	\$ 141.559	N/A	(16)	(95,048)	0	(332,244)	0	(27,690)	0
8	BORD	10	10	330,791	0	16,642	5.031¢	\$ -	N/A	(0)	(2,039)	0	(9,677)	0	(103)	(487)
9	GSL	432	429	949,607,170	3,840,572	17,895,566	0.000¢	\$ 204.790	\$ 4.385	3	6,861,636	27,750	(34,128,556)	(138,029)	129,303	(605,280)
10	GP	459	459	1,552,748,467	5,213,151	19,970,334	0.000¢	\$ 996.520	\$ 2.779	(0)	(512,858)	(1,722)	(55,386,604)	(185,953)	(6,596)	(516,687)
11	LP	62	61	2,684,788,319	6,420,883	9,363,428	0.000¢	\$ 3,413.980	\$ 1.068	1	27,265,366	65,207	(96,771,034)	(231,436)	95,090	(247,208)
12	Rider L	9	9	0	191,210	251,768	0.000¢	\$ 86.430	\$ 1.268	0	0	0	0	0	0	0
13	STLT	713	713	31,963,016	0	7,355,067	0.000¢	\$ 859.639	N/A	0	0	0	0	0	0	0
14	TOTAL PA	584,569	584,240	12,834,465,804	29,031,681	488,579,678				328	22,428,203	28,405	(341,213,915)	(945,760)	107,658	(7,167,076)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	496,601	496,283	317	4,356,743,583	53,893	8,779	0	2,785,481	0	(59,642,313)	(738)	(56,856,832)	(738)	4,299,886,751	53,155
2	GSV	622	622	0	14,104,144	24,728	22,674	40	6,552	12	(193,047)	(338)	(186,495)	(326)	13,917,649	24,402
3	GSS	53,016	52,862	153	210,236,090	0	3,977	0	609,143	0	(6,206,335)	0	(5,597,192)	0	204,638,898	0
4	GSM	29,492	29,613	(121)	2,188,413,024	9,870,442	73,900	333	(8,951,167)	(40,335)	(64,153,552)	(289,353)	(73,104,719)	(329,688)	2,115,308,305	9,540,754
5	GSMH	1,079	1,086	(7)	808,648,999	3,416,801	744,775	3,147	(5,326,640)	(22,507)	(23,646,196)	(99,913)	(28,972,836)	(122,420)	779,676,163	3,294,381
6	H	140	141	(1)	25,499,968	0	180,678	0	(212,223)	0	(744,357)	0	(956,580)	0	24,543,388	0
7	OL	1,936	1,952	(16)	11,382,234	0	5,831	0	(95,048)	0	(332,244)	0	(427,292)	0	10,954,942	0
8	BORD	10	10	(0)	330,791	0	32,571	0	(2,039)	0	(9,677)	0	(11,716)	0	319,075	0
9	GSL	432	429	3	949,607,170	3,840,572	2,214,053	8,954	6,861,636	27,750	(34,128,556)	(138,029)	(27,266,920)	(110,279)	922,340,250	3,730,292
10	GP	459	459	(0)	1,552,748,467	5,213,151	3,385,176	11,365	(512,858)	(1,722)	(55,386,604)	(185,953)	(55,899,462)	(187,675)	1,496,849,005	5,025,476
11	LP	62	61	1	2,684,788,319	6,420,883	43,908,626	105,011	27,265,366	65,207	(96,771,034)	(231,436)	(69,505,668)	(166,229)	2,615,282,651	6,254,655
12	Rider L	9	9	0	0	191,210	0	21,246	0	0	0	0	0	0	0	191,210
13	STLT	713	713	0	31,963,016	0	44,829	0	0	0	0	0	0	0	31,963,016	0
14	TOTAL PA	584,569	584,240	328	12,834,465,804	29,031,681			22,428,203	28,405	(341,213,915)	(945,760)	(318,785,712)	(917,355)	12,515,680,092	28,114,325

\*Includes billed kW, minimum kW, rkVA, and standby kW



FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue  
Future Test Year Twelve Months Ending December 2024

Line No.	Rate Group (1)	Revenue														
		Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+5*(9)/100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	4,356,743,583	334,183,683	317	2,785,481	0	(59,642,313)	(738)	6.129¢	\$ 11.250	\$ 2.910	213,559	(3,657,677)	0	(3,444,118)	330,739,565
2	GSV	14,104,144	1,012,619	0	6,552	12	(193,047)	(338)	6.074¢	\$ 11.250	\$ 2.910	471	(12,709)	0	(12,238)	1,000,381
3	GSS	210,236,090	19,246,556	153	609,143	0	(6,206,335)	0	3.624¢	\$ 18.330	N/A	55,766	(224,918)	0	(169,152)	19,077,404
4	GSM	2,188,413,024	59,936,002	(121)	(8,951,167)	(40,335)	(64,153,552)	(289,353)	0.000¢	\$ 29.466	\$ 5.011	(244,964)	(1,450,076)	0	(1,695,040)	58,240,962
5	GSMH	808,648,999	15,128,323	(7)	(5,326,640)	(22,507)	(23,646,196)	(99,913)	0.000¢	\$ 39.361	\$ 4.278	(99,654)	(427,381)	0	(527,035)	14,601,288
6	H	25,499,968	904,056	(1)	(212,223)	0	(744,357)	0	3.312¢	\$ 35.130	N/A	(7,524)	(24,653)	0	(32,177)	871,879
7	OL	11,382,234	3,315,635	(16)	(95,048)	0	(332,244)	0	0.000¢	\$ 141.559	N/A	(27,690)	0	0	(27,690)	3,287,945
8	BORD	330,791	16,642	(0)	(2,039)	0	(9,677)	0	5.031¢	\$ -	N/A	(103)	(487)	0	(590)	16,052
9	GSL	949,607,170	17,895,566	3	6,861,636	27,750	(34,128,556)	(138,029)	0.000¢	\$ 204.790	\$ 4.385	129,303	(605,280)	0	(475,977)	17,419,589
10	GP	1,552,748,467	19,970,334	(0)	(512,858)	(1,722)	(55,386,604)	(185,953)	0.000¢	\$ 996.520	\$ 2.779	(6,596)	(516,687)	0	(523,283)	19,447,051
11	LP	2,684,788,319	9,363,428	1	27,265,366	65,207	(96,771,034)	(231,436)	0.000¢	\$ 3,413.980	\$ 1.068	95,090	(247,208)	0	(152,118)	9,211,310
12	Rider L	0	251,768	0	0	0	0	0	0.000¢	\$ 86.430	\$ 1.268	0	0	0	0	251,768
13	STLT	31,963,016	7,355,067	0	0	0	0	0	0.000¢	\$ 859.639	N/A	0	0	0	0	7,355,067
14	TOTAL PA	12,834,465,804	488,579,678	328	22,428,203	28,405	(341,213,915)	(945,760)				107,658	(7,167,076)	0	(7,059,418)	481,520,260

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	503,860	506,859	4,150,423,580	53,893	319,331,241	6.074¢	\$ 11.028	\$ 2.910	(2,999)	(24,557,446)	0	(93,888,097)	(1,219)	(1,888,485)	(5,706,311)
2	GSV	618	625	13,507,322	94,726	971,427	6.074¢	\$ 11.159	\$ 0.710	(7)	(160,178)	(1,120)	(303,727)	(2,130)	(11,517)	(19,960)
3	GSS	53,900	53,807	202,851,081	0	19,054,006	3.624¢	\$ 18.124	N/A	93	349,668	0	(9,425,918)	0	32,844	(341,593)
4	GSM	29,798	30,295	2,070,493,712	10,243,105	57,717,042	0.000¢	\$ 29.050	\$ 4.604	(497)	(33,944,683)	(167,873)	(94,469,847)	(467,359)	(945,979)	(2,151,588)
5	GSMH	1,023	1,049	883,495,078	4,028,087	16,417,864	0.000¢	\$ 39.071	\$ 3.954	(26)	(21,829,427)	(99,520)	(39,970,274)	(182,235)	(405,629)	(720,513)
6	H	125	136	22,456,702	0	800,762	3.312¢	\$ 34.860	N/A	(11)	(1,854,225)	0	(955,692)	0	(66,118)	(31,653)
7	OL	1,817	1,837	11,679,654	0	3,318,846	0.000¢	\$ 150.535	N/A	(20)	(128,729)	0	(535,815)	0	(36,580)	0
8	BORD	10	10	291,287	0	14,675	5.038¢	\$ -	N/A	0	0	0	(13,512)	0	0	(681)
9	GSL	390	405	1,003,614,734	4,450,279	19,215,449	0.000¢	\$ 201.943	\$ 4.097	(15)	(36,573,982)	(162,176)	(57,716,696)	(255,930)	(700,246)	(1,048,650)
10	GP	408	432	1,656,928,809	6,204,739	20,568,017	0.000¢	\$ 977.068	\$ 2.499	(24)	(91,145,470)	(341,311)	(93,451,946)	(349,952)	(1,131,411)	(874,541)
11	LP	59	59	2,833,808,994	7,614,623	12,514,794	0.000¢	\$ 3,440.000	\$ 1.323	(0)	(3,996,910)	(10,740)	(168,894,023)	(453,829)	(17,651)	(600,516)
12	Rider L	6	9	0	173,605	497,649	0.000¢	\$ 86.430	\$ 2.811	(3)	0	(62,003)	0	0	0	0
13	STLT	711	712	1,153,301	0	7,359,357	0.000¢	\$ 859.872	N/A	(1)	(2,294)	0	0	0	(1,218)	0
14	TOTAL PA	592,725	596,236	12,850,704,254	32,863,058	477,781,131				(3,511)	(213,843,676)	(844,744)	(559,625,547)	(1,712,654)	(5,349,726)	(11,496,006)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	503,860	506,859	(2,999)	4,150,423,580	53,893	8,189	0	(24,557,446)	0	(93,888,097)	(1,219)	(118,445,543)	(1,219)	4,031,978,037	52,674
2	GSV	618	625	(7)	13,507,322	94,726	21,597	151	(160,178)	(1,120)	(303,727)	(2,130)	(463,905)	(3,250)	13,043,417	91,476
3	GSS	53,900	53,807	93	202,851,081	0	3,770	0	349,668	0	(9,425,918)	0	(9,076,250)	0	193,774,831	0
4	GSM	29,798	30,295	(497)	2,070,493,712	10,243,105	68,345	338	(33,944,683)	(167,873)	(94,469,847)	(467,359)	(128,414,530)	(635,232)	1,942,079,182	9,607,873
5	GSMH	1,023	1,049	(26)	883,495,078	4,028,087	842,293	3,840	(21,829,427)	(99,520)	(39,970,274)	(182,235)	(61,799,701)	(281,755)	821,695,377	3,746,332
6	H	125	136	(11)	22,456,702	0	164,820	0	(1,854,225)	0	(955,692)	0	(2,809,917)	0	19,646,785	0
7	OL	1,817	1,837	(20)	11,679,654	0	6,357	0	(128,729)	0	(535,815)	0	(664,544)	0	11,015,110	0
8	BORD	10	10	0	291,287	0	29,129	0	0	0	(13,512)	0	(13,512)	0	277,775	0
9	GSL	390	405	(15)	1,003,614,734	4,450,279	2,479,592	10,995	(36,573,982)	(162,176)	(57,716,696)	(255,930)	(94,290,678)	(418,106)	909,324,056	4,032,173
10	GP	408	432	(24)	1,656,928,809	6,204,739	3,837,704	14,371	(91,145,470)	(341,311)	(93,451,946)	(349,952)	(184,597,416)	(691,263)	1,472,331,393	5,513,476
11	LP	59	59	(0)	2,833,808,994	7,614,623	47,962,917	128,879	(3,996,910)	(10,740)	(168,894,023)	(453,829)	(172,890,933)	(464,569)	2,660,918,061	7,150,054
12	Rider L	6	9	(3)	0	173,605	0	18,601	0	(62,003)	0	0	(62,003)	0	111,602	0
13	STLT	711	712	(1)	1,153,301	0	1,619	0	(2,294)	0	0	0	(2,294)	0	1,151,007	0
14	TOTAL PA	592,725	596,236	(3,511)	12,850,704,254	32,863,058			(213,843,676)	(844,744)	(559,625,547)	(1,712,654)	(773,469,223)	(2,557,398)	12,077,235,031	30,305,660

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penelec Rate District  
Sales and Distribution Revenue  
Historic Test Year Twelve Months Ending December 2023

Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Revenue												
				Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+(5)*(9)/100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	4,150,423,580	319,331,241	(2,999)	(24,557,446)	0	(93,888,097)	(1,219)	6.074¢	\$ 11.028	\$ 2.910	(1,888,485)	(5,706,311)	0	(7,594,796)	311,736,445
2	GSV	13,507,322	971,427	(7)	(160,178)	(1,120)	(303,727)	(2,130)	6.074¢	\$ 11.159	\$ 0.710	(11,517)	(19,960)	0	(31,477)	939,950
3	GSS	202,851,081	19,054,006	93	349,668	0	(9,425,918)	0	3.624¢	\$ 18.124	N/A	32,844	(341,593)	0	(308,749)	18,745,257
4	GSM	2,070,493,712	57,717,042	(497)	(33,944,683)	(167,873)	(94,469,847)	(467,359)	0.000¢	\$ 29.050	\$ 4.604	(945,979)	(2,151,588)	0	(3,097,567)	54,619,475
5	GSMH	883,495,078	16,417,864	(26)	(21,829,427)	(99,520)	(39,970,274)	(182,235)	0.000¢	\$ 39.071	\$ 3.954	(405,629)	(720,513)	0	(1,126,142)	15,291,722
6	H	22,456,702	800,762	(11)	(1,854,225)	0	(955,692)	0	3.312¢	\$ 34.860	N/A	(66,118)	(31,653)	0	(97,771)	702,991
7	OL	11,679,654	3,318,846	(20)	(128,729)	0	(535,815)	0	0.000¢	\$ 150.535	N/A	(36,580)	0	0	(36,580)	3,282,266
8	BORD	291,287	14,675	0	0	0	(13,512)	0	5.038¢	\$ -	N/A	0	(681)	0	(681)	13,994
9	GSL	1,003,614,734	19,215,449	(15)	(36,573,982)	(162,176)	(57,716,696)	(255,930)	0.000¢	\$ 201.943	\$ 4.097	(700,246)	(1,048,650)	0	(1,748,896)	17,466,553
10	GP	1,656,928,809	20,568,017	(24)	(91,145,470)	(341,311)	(93,451,946)	(349,952)	0.000¢	\$ 977.068	\$ 2.499	(1,131,411)	(874,541)	0	(2,005,952)	18,562,065
11	LP	2,833,808,994	12,514,794	(0)	(3,996,910)	(10,740)	(168,894,023)	(453,829)	0.000¢	\$ 3,440.000	\$ 1.323	(17,651)	(600,516)	0	(618,167)	11,896,627
12	Rider L	0	497,649	(3)	0	(62,003)	0	0	0.000¢	\$ 86.430	\$ 2.811	(177,736)	0	0	(177,736)	319,913
13	STLT	1,153,301	7,359,357	(1)	(2,294)	0	0	0	0.000¢	\$ 859.872	N/A	(1,218)	0	0	(1,218)	7,358,139
14	TOTAL PA	12,850,704,254	477,781,131	(3,511)	(213,843,676)	(844,744)	(559,625,547)	(1,712,654)				(5,349,726)	(11,496,006)	0	(16,845,732)	460,935,399

\*Includes billed kW, minimum kW, rKVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue Normalization  
Fully Projected Future Test Year Twelve Months Ending December 2025

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	152,010	151,505	1,715,694,957	68,206	96,252,330	4.437¢	\$ 11.000	\$ 1.880	504	5,709,115	0	(8,369,823)	(333)	319,863	(371,995)
2	GSR	78	76	1,964,521	1,710	100,407	4.437¢	\$ 11.000	\$ 1.880	2	40,434	36	(9,749)	(8)	2,068	(448)
3	GS	11,535	11,544	49,883,042	0	5,255,079	3.623¢	\$ 24.890	N/A	(9)	(38,050)	0	(563,248)	0	(4,009)	(20,406)
4	GM	8,557	8,528	616,634,542	2,861,723	10,585,972	0.000¢	\$ 26.870	\$ 2.738	29	2,069,024	9,615	(6,991,348)	(32,446)	35,555	(88,845)
5	GMH	282	283	231,123,305	1,138,803	2,870,397	0.000¢	\$ 26.870	\$ 2.440	(0)	(282,915)	(1,394)	(2,608,495)	(12,853)	(3,514)	(31,367)
6	PNP	88	89	1,914,000	0	82,483	3.440¢	\$ 15.560	N/A	(1)	(30,194)	0	(21,287)	0	(1,301)	(732)
7	OL	705	711	2,737,252	0	572,306	0.000¢	\$ 67.090	N/A	(5)	(21,030)	0	(30,693)	0	(4,396)	0
8	GSL	144	145	324,741,399	1,224,839	4,051,198	0.000¢	\$ 130.070	\$ 3.123	(0)	(803,705)	(3,031)	(1,225,953)	(4,624)	(10,026)	(14,441)
9	GP	126	128	404,033,445	1,363,237	4,360,052	0.000¢	\$ 114.350	\$ 3.069	(3)	(8,868,278)	(29,921)	(1,495,516)	(5,046)	(95,697)	(15,486)
10	GT	45	45	1,313,571,810	6,186,707	2,811,229	0.000¢	\$ 324.290	\$ 0.426	0	703,039	3,311	(4,973,919)	(23,426)	1,505	(9,975)
11	Rider L	0	0	0	0	0	0.000¢	\$ 50.000	N/A	0	0	0	0	0	0	0
12	STLT	82	82	3,267,043	0	1,003,440	0.000¢	\$ 1,019.756	N/A	0	0	0	0	0	0	0
13	TOTAL PA	173,652	173,137	4,665,565,316	12,845,225	127,944,895				515	(1,522,560)	(21,384)	(26,290,031)	(78,736)	240,048	(553,695)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue Normalization  
Fully Projected Future Test Year Twelve Months Ending December 2025

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	152,010	151,505	504	1,715,694,957	68,206	11,324	0	5,709,115	0	(8,369,823)	(333)	(2,660,708)	(333)	1,713,034,249	67,873
2	GSR	78	76	2	1,964,521	1,710	25,863	23	40,434	36	(9,749)	(8)	30,685	28	1,995,206	1,738
3	GS	11,535	11,544	(9)	49,883,042	0	4,321	0	(38,050)	0	(563,248)	0	(601,298)	0	49,281,744	0
4	GM	8,557	8,528	29	616,634,542	2,861,723	72,303	336	2,069,024	9,615	(6,991,348)	(32,446)	(4,922,324)	(22,831)	611,712,218	2,838,892
5	GMH	282	283	(0)	231,123,305	1,138,803	817,294	4,027	(282,915)	(1,394)	(2,608,495)	(12,853)	(2,891,410)	(14,247)	228,231,895	1,124,556
6	PNP	88	89	(1)	1,914,000	0	21,475	0	(30,194)	0	(21,287)	0	(51,481)	0	1,862,519	0
7	OL	705	711	(5)	2,737,252	0	3,851	0	(21,030)	0	(30,693)	0	(51,723)	0	2,685,529	0
8	GSL	144	145	(0)	324,741,399	1,224,839	2,242,790	8,459	(803,705)	(3,031)	(1,225,953)	(4,624)	(2,029,658)	(7,655)	322,711,741	1,217,184
9	GP	126	128	(3)	404,033,445	1,363,237	3,144,988	10,611	(8,868,278)	(29,921)	(1,495,516)	(5,046)	(10,363,794)	(34,967)	393,669,651	1,328,270
10	GT	45	45	0	1,313,571,810	6,186,707	28,903,531	136,131	703,039	3,311	(4,973,919)	(23,426)	(4,270,880)	(20,115)	1,309,300,930	6,166,593
11	Rider L	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	STLT	82	82	0	3,267,043	0	39,842	0	0	0	0	0	0	0	3,267,043	0
13	TOTAL PA	173,652	173,137	515	4,665,565,316	12,845,225			(1,522,560)	(21,384)	(26,290,031)	(78,736)	(27,812,591)	(100,120)	4,637,752,725	12,745,105

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue  
Fully Projected Future Test Year Twelve Months Ending December 2025

Revenue																
Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (\$/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (10)*12+(5)*(9)/100+(6)*(7)*(9)/100+(8)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	1,715,694,957	96,252,330	504	5,709,115	0	(8,369,823)	(333)	4.437¢	\$ 11,000	\$ 1,880	319,863	(371,995)	0	(52,132)	96,200,198
2	GSR	1,964,521	100,407	2	40,434	36	(9,749)	(8)	4.437¢	\$ 11,000	\$ 1,880	2,068	(448)	0	1,620	102,027
3	GS	49,883,042	5,255,079	(9)	(38,050)	0	(563,248)	0	3.623¢	\$ 24,890	N/A	(4,009)	(20,406)	0	(24,415)	5,230,664
4	GM	616,634,542	10,585,972	29	2,069,024	9,615	(6,991,348)	(32,446)	0.000¢	\$ 26,870	\$ 2,738	35,555	(88,845)	0	(53,290)	10,532,682
5	GMH	231,123,305	2,870,397	(0)	(282,915)	(1,394)	(2,608,495)	(12,853)	0.000¢	\$ 26,870	\$ 2,440	(3,514)	(31,367)	0	(34,881)	2,835,516
6	PNP	1,914,000	82,483	(1)	(30,194)	0	(21,287)	0	3.440¢	\$ 15,560	N/A	(1,301)	(732)	0	(2,033)	80,450
7	OL	2,737,252	572,306	(5)	(21,030)	0	(30,693)	0	0.000¢	\$ 67,090	N/A	(4,396)	0	0	(4,396)	567,910
8	GSL	324,741,399	4,051,198	(0)	(803,705)	(3,031)	(1,225,953)	(4,624)	0.000¢	\$ 130,070	\$ 3,123	(10,026)	(14,441)	0	(24,467)	4,026,731
9	GP	404,033,445	4,360,052	(3)	(8,868,278)	(29,921)	(1,495,516)	(5,046)	0.000¢	\$ 114,350	\$ 3,069	(95,697)	(15,486)	0	(111,183)	4,248,869
10	GT	1,313,571,810	2,811,229	0	703,039	3,311	(4,973,919)	(23,426)	0.000¢	\$ 324,290	\$ 0,426	1,505	(9,975)	0	(8,470)	2,802,759
11	Rider L	0	0	0	0	0	0	0	0.000¢	\$ 50,000	N/A	0	0	0	0	0
12	STLT	3,267,043	1,003,440	0	0	0	0	0	0.000¢	\$ 1,019,756	N/A	0	0	0	0	1,003,440
13	TOTAL PA	4,665,565,316	127,944,895	515	(1,522,560)	(21,384)	(26,290,031)	(78,736)				240,048	(553,695)	0	(313,647)	127,631,248

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	151,066	150,563	1,719,654,413	68,206	97,107,594	4.484¢	\$ 11.000	\$ 1.880	504	5,751,296	0	(20,777,990)	(824)	324,340	(933,183)
2	GSR	77	75	1,958,554	1,706	99,952	4.437¢	\$ 11.000	\$ 1.880	2	59,845	52	(24,306)	(21)	3,055	(1,118)
3	GS	11,473	11,494	50,406,960	0	5,259,348	3.623¢	\$ 24.890	N/A	(21)	(92,839)	0	(1,681,733)	0	(9,687)	(60,929)
4	GM	8,582	8,538	630,665,884	2,922,389	10,762,514	0.000¢	\$ 26.870	\$ 2.741	44	3,218,600	14,902	(21,187,378)	(98,178)	54,893	(269,080)
5	GMH	283	288	231,922,130	1,138,143	2,874,545	0.000¢	\$ 26.870	\$ 2.444	(5)	(3,987,022)	(19,567)	(7,618,655)	(37,388)	(49,418)	(91,375)
6	PNP	88	89	1,937,753	0	83,299	3.440¢	\$ 15.560	N/A	(1)	(27,989)	0	(63,833)	0	(1,203)	(2,196)
7	OL	706	713	2,735,803	0	567,965	0.000¢	\$ 66.352	N/A	(7)	(27,500)	0	(90,524)	0	(5,710)	0
8	GSL	146	147	318,490,879	1,198,949	3,977,038	0.000¢	\$ 130.070	\$ 3.126	(1)	(1,216,965)	(4,581)	(2,638,513)	(9,933)	(15,196)	(31,050)
9	GP	130	131	399,491,351	1,347,151	4,317,335	0.000¢	\$ 114.350	\$ 3.071	(1)	(2,659,960)	(8,970)	(3,300,129)	(11,129)	(28,748)	(34,179)
10	GT	47	47	1,289,230,082	6,075,102	2,767,965	0.000¢	\$ 324.290	\$ 0.426	0	13,110,126	61,778	(10,830,520)	(51,036)	28,147	(21,730)
11	Rider L	0	0	0	0	0	0.000¢	\$ 50.000	N/A	0	0	0	0	0	0	0
12	STLT	82	82	3,261,311	0	1,000,643	0.000¢	\$ 1,016.914	N/A	0	0	0	0	0	0	0
13	TOTAL PA	172,681	172,167	4,649,755,120	12,751,646	128,818,199				514	14,127,592	43,614	(68,213,581)	(208,509)	300,473	(1,444,840)

\*Includes billed kW, minimum kW, rkVA, and standby kW



FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjustment (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjustment (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	151,066	150,563	504	1,719,654,413	68,206	11,422	0	5,751,296	0	(20,777,990)	(824)	(15,026,694)	(824)	1,704,627,719	67,382
2	GSR	77	75	2	1,958,554	1,706	26,265	23	59,845	52	(24,306)	(21)	35,539	31	1,994,093	1,738
3	GS	11,473	11,494	(21)	50,406,960	0	4,385	0	(92,839)	0	(1,681,733)	0	(1,774,572)	0	48,632,388	0
4	GM	8,582	8,538	44	630,665,884	2,922,389	73,865	342	3,218,600	14,902	(21,187,378)	(98,178)	(17,968,778)	(83,276)	612,697,106	2,839,113
5	GMH	283	288	(5)	231,922,130	1,138,143	804,473	3,948	(3,987,022)	(19,567)	(7,618,655)	(37,388)	(11,605,677)	(56,955)	220,316,453	1,081,189
6	PNP	88	89	(1)	1,937,753	0	21,743	0	(27,989)	0	(63,833)	0	(91,822)	0	1,845,931	0
7	OL	706	713	(7)	2,735,803	0	3,835	0	(27,500)	0	(90,524)	0	(118,024)	0	2,617,779	0
8	GSL	146	147	(1)	318,490,879	1,198,949	2,168,489	8,163	(1,216,965)	(4,581)	(2,638,513)	(9,933)	(3,855,478)	(14,514)	314,635,401	1,184,435
9	GP	130	131	(1)	399,491,351	1,347,151	3,045,978	10,272	(2,659,960)	(8,970)	(3,300,129)	(11,129)	(5,960,089)	(20,099)	393,531,262	1,327,051
10	GT	47	47	0	1,289,230,082	6,075,102	27,665,814	130,367	13,110,126	61,778	(10,830,520)	(51,036)	2,279,606	10,742	1,291,509,688	6,085,844
11	Rider L	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	STLT	82	82	0	3,261,311	0	39,772	0	0	0	0	0	0	0	3,261,311	0
13	TOTAL PA	172,681	172,167	514	4,649,755,120	12,751,646			14,127,592	43,614	(68,213,581)	(208,509)	(54,085,989)	(164,895)	4,595,669,131	12,586,752

\*Includes billed kW, minimum kW, rKVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue  
Future Test Year Twelve Months Ending December 2024

Revenue																
Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (\$/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (10)*12+(5)*(9)/100+(6)*(7)*(9)/100+(8)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	1,719,654,413	97,107,594	504	5,751,296	0	(20,777,990)	(824)	4.484¢	\$ 11,000	\$ 1,880	324,340	(933,183)	0	(608,843)	96,498,751
2	GSR	1,958,554	99,952	2	59,845	52	(24,306)	(21)	4.437¢	\$ 11,000	\$ 1,880	3,055	(1,118)	0	1,937	101,889
3	GS	50,406,960	5,259,348	(21)	(92,839)	0	(1,681,733)	0	3.623¢	\$ 24,890	N/A	(9,687)	(60,929)	0	(70,616)	5,188,732
4	GM	630,665,884	10,762,514	44	3,218,600	14,902	(21,187,378)	(98,178)	0.000¢	\$ 26,870	\$ 2,741	54,893	(269,080)	0	(214,187)	10,548,327
5	GMH	231,922,130	2,874,545	(5)	(3,987,022)	(19,567)	(7,618,655)	(37,388)	0.000¢	\$ 26,870	\$ 2,444	(49,418)	(91,375)	0	(140,793)	2,733,752
6	PNP	1,937,753	83,299	(1)	(27,989)	0	(63,833)	0	3.440¢	\$ 15,560	N/A	(1,203)	(2,196)	0	(3,399)	79,900
7	OL	2,735,803	567,965	(7)	(27,500)	0	(90,524)	0	0.000¢	\$ 66,352	N/A	(5,710)	0	0	(5,710)	562,255
8	GSL	318,490,879	3,977,038	(1)	(1,216,965)	(4,581)	(2,638,513)	(9,933)	0.000¢	\$ 130,070	\$ 3,126	(15,196)	(31,050)	0	(46,246)	3,930,792
9	GP	399,491,351	4,317,335	(1)	(2,659,960)	(8,970)	(3,300,129)	(11,129)	0.000¢	\$ 114,350	\$ 3,071	(28,748)	(34,179)	0	(62,927)	4,254,408
10	GT	1,289,230,082	2,767,965	0	13,110,126	61,778	(10,830,520)	(51,036)	0.000¢	\$ 324,290	\$ 0,426	28,147	(21,730)	0	6,417	2,774,382
11	Rider L	0	0	0	0	0	0	0	0.000¢	\$ 50,000	N/A	0	0	0	0	0
12	STLT	3,261,311	1,000,643	0	0	0	0	0	0.000¢	\$ 1,016,914	N/A	0	0	0	0	1,000,643
13	TOTAL PA	4,649,755,120	128,818,199	514	14,127,592	43,614	(68,213,581)	(208,509)				300,473	(1,444,840)	0	(1,144,367)	127,673,832

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	151,777	152,298	1,580,593,711	68,206	89,998,435	4.437¢	\$ 10.801	\$ 1.880	(521)	(5,401,749)	0	(34,112,778)	(1,472)	(307,138)	(1,516,351)
2	GSR	81	82	1,905,152	9,704	98,323	4.437¢	\$ 10.968	\$ 0.306	(1)	(28,954)	(148)	(40,631)	(207)	(1,494)	(1,866)
3	GS	11,712	11,623	50,916,642	0	5,467,803	3.623¢	\$ 25.978	N/A	89	391,734	0	(2,879,485)	0	42,066	(104,323)
4	GM	8,282	8,336	615,965,015	2,935,434	10,836,311	0.000¢	\$ 28.730	\$ 2.713	(54)	(3,990,168)	(19,008)	(34,344,726)	(163,673)	(70,176)	(443,964)
5	GMH	314	320	242,334,547	1,073,208	2,713,675	0.000¢	\$ 26.704	\$ 2.433	(6)	(4,357,856)	(19,297)	(13,355,523)	(59,147)	(48,794)	(143,910)
6	PNP	93	90	2,107,271	0	89,176	3.440¢	\$ 15.493	N/A	3	76,307	0	(122,545)	0	3,229	(4,216)
7	OL	662	671	2,696,742	0	559,356	20.742¢	\$ -	N/A	(9)	(36,171)	0	(149,314)	0	(7,503)	(30,971)
8	GSL	136	142	298,352,144	1,245,811	3,824,141	0.000¢	\$ 129.322	\$ 2.893	(6)	(11,596,728)	(48,422)	(3,847,529)	(16,066)	(148,637)	(46,484)
9	GP	117	115	352,242,299	1,200,560	3,846,737	0.000¢	\$ 113.766	\$ 3.073	2	5,090,207	17,348	(4,794,494)	(16,341)	55,586	(50,215)
10	GT	47	48	1,307,685,342	5,822,164	2,127,552	0.000¢	\$ 320.213	\$ 0.334	(1)	(13,765,109)	(61,286)	(17,361,120)	(77,296)	(22,395)	(25,823)
11	Rider L	0	0	0	0	0	0.000¢	\$ 50.000	\$ -	0	0	0	0	0	0	0
12	STLT	82	82	3,160,685	0	974,362	30.828¢	\$ -	N/A	0	0	0	0	0	0	0
13	TOTAL PA	173,303	173,805	4,457,959,550	12,355,087	120,535,870				(502)	(33,618,487)	(130,812)	(111,008,145)	(334,202)	(505,256)	(2,368,123)

\*Includes billed kW, minimum kW, rkVA, and standby kW

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Energy Usage and Adjustments

Line No.	Rate Group (1)	Number of Customers		Added Customers (2)-(3) (4)	Billed Usage (KWH) (5)	Billed Demand* Units (6)	KWH per Customer (5)/(3) (7)	Demand* per Customer (6)/(3) (8)	Added Customer KWH Usage (4)*(7) (9)	Added Customer Demands* (4)*(8) (10)	Specific Energy Adjust (KWH) (11)	Specific Demand* Adjust (11)*(6)/(5) (12)	Total Energy Adjustment (9)+(11) (13)	Total Demand* Adjust (10)+(12) (14)	Normalized Energy (KWH) (5)+(13) (15)	Normalized Demands* (6)+(14) (16)
		End of Period (2)	Monthly Average (3)													
1	RS	151,777	152,298	(521)	1,580,593,711	68,206	10,378	0	(5,401,749)	0	(34,112,778)	(1,472)	(39,514,527)	(1,472)	1,541,079,184	66,734
2	GSR	81	82	(1)	1,905,152	9,704	23,163	118	(28,954)	(148)	(40,631)	(207)	(69,585)	(355)	1,835,567	9,350
3	GS	11,712	11,623	89	50,916,642	0	4,381	0	391,734	0	(2,879,485)	0	(2,487,751)	0	48,428,891	0
4	GM	8,282	8,336	(54)	615,965,015	2,935,434	73,892	352	(3,990,168)	(19,008)	(34,344,726)	(163,673)	(38,334,894)	(182,681)	577,630,121	2,752,753
5	GMH	314	320	(6)	242,334,547	1,073,208	757,888	3,356	(4,357,856)	(19,297)	(13,355,523)	(59,147)	(17,713,379)	(78,444)	224,621,168	994,764
6	PNP	93	90	3	2,107,271	0	23,479	0	76,307	0	(122,545)	0	(46,238)	0	2,061,033	0
7	OL	662	671	(9)	2,696,742	0	4,019	0	(36,171)	0	(149,314)	0	(185,485)	0	2,511,257	0
8	GSL	136	142	(6)	298,352,144	1,245,811	2,108,496	8,804	(11,596,728)	(48,422)	(3,847,529)	(16,066)	(15,444,257)	(64,488)	282,907,887	1,181,323
9	GP	117	115	2	352,242,299	1,200,560	3,054,124	10,409	5,090,207	17,348	(4,794,494)	(16,341)	295,713	1,007	352,538,012	1,201,567
10	GT	47	48	(1)	1,307,685,342	5,822,164	27,530,218	122,572	(13,765,109)	(61,286)	(17,361,120)	(77,296)	(31,126,229)	(138,582)	1,276,559,113	5,683,582
11	Rider L	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	STLT	82	82	0	3,160,685	0	38,545	0	0	0	0	0	0	0	3,160,685	0
13	TOTAL PA	173,303	173,805	(502)	4,457,959,550	12,355,087			(33,618,487)	(130,812)	(111,008,145)	(334,202)	(144,626,632)	(465,014)	4,313,332,918	11,890,072

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: Penn Power Rate District  
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Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Revenue										Normalized Revenue (3)+(15) (16)		
				Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+12+(5)*(9)/100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)		Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)
1	RS	1,580,593,711	89,998,435	(521)	(5,401,749)	0	(34,112,778)	(1,472)	4.437¢	\$ 10.801	\$ 1.880	(307,138)	(1,516,351)	0	(1,823,489)	88,174,946
2	GSR	1,905,152	98,323	(1)	(28,954)	(148)	(40,631)	(207)	4.437¢	\$ 10.968	\$ 0.306	(1,494)	(1,866)	0	(3,360)	94,963
3	GS	50,916,642	5,467,803	89	391,734	0	(2,879,485)	0	3.623¢	\$ 25.978	N/A	42,066	(104,323)	0	(62,257)	5,405,546
4	GM	615,965,015	10,836,311	(54)	(3,990,168)	(19,008)	(34,344,726)	(163,673)	0.000¢	\$ 28.730	\$ 2.713	(70,176)	(443,964)	0	(514,140)	10,322,171
5	GMH	242,334,547	2,713,675	(6)	(4,357,856)	(19,297)	(13,355,523)	(59,147)	0.000¢	\$ 26.704	\$ 2.433	(48,794)	(143,910)	0	(192,704)	2,520,971
6	PNP	2,107,271	89,176	3	76,307	0	(122,545)	0	3.440¢	\$ 15.493	N/A	3,229	(4,216)	0	(987)	88,189
7	OL	2,696,742	559,356	(9)	(36,171)	0	(149,314)	0	20.742¢	\$ -	N/A	(7,503)	(30,971)	0	(38,474)	520,882
8	GSL	298,352,144	3,824,141	(6)	(11,596,728)	(48,422)	(3,847,529)	(16,066)	0.000¢	\$ 129.322	\$ 2.893	(148,637)	(46,484)	0	(195,121)	3,629,020
9	GP	352,242,299	3,846,737	2	5,090,207	17,348	(4,794,494)	(16,341)	0.000¢	\$ 113.766	\$ 3.073	55,586	(50,215)	0	5,371	3,852,108
10	GT	1,307,685,342	2,127,552	(1)	(13,765,109)	(61,286)	(17,361,120)	(77,296)	0.000¢	\$ 320.213	\$ 0.334	(22,395)	(25,823)	0	(48,218)	2,079,334
11	Rider L	0	0	0	0	0	0	0	0.000¢	\$ 50.000	\$ -	0	0	0	0	0
12	STLT	3,160,685	974,362	0	0	0	0	0	30.828¢	\$ -	N/A	0	0	0	0	974,362
13	TOTAL PA	4,457,959,550	120,535,870	(502)	(33,618,487)	(130,812)	(111,008,145)	(334,202)				(505,256)	(2,368,123)	0	(2,873,379)	117,662,491

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: West Penn Rate District  
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Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	636,179	635,122	7,258,551,126	111,337	310,083,275	3.487¢	\$ 7.440	\$ 2.460	1,057	12,075,705	0	(33,604,491)	(515)	515,412	(1,173,056)
2	GSV	630	619	18,695,137	37,482	799,376	3.487¢	\$ 7.440	\$ 2.460	11	337,175	681	(87,966)	(176)	14,430	(3,500)
3	GS20	62,466	62,166	212,161,873	0	14,589,055	3.529¢	\$ 9.520	N/A	374	1,274,904	0	(2,537,907)	0	87,665	(89,563)
4	GP30	35,827	35,877	2,454,498,178	11,571,970	43,910,086	0.400¢	\$ 18.910	\$ 2.243	97	6,652,347	31,408	(29,264,732)	(137,971)	119,109	(426,466)
5	GP30SH	1,381	1,377	911,885,190	4,433,779	12,593,603	0.400¢	\$ 18.910	\$ 1.947	3	2,127,913	10,347	(10,868,229)	(52,844)	29,389	(146,371)
6	OL	4,112	4,139	24,001,553	0	4,333,119	0.000¢	\$ 87.248	N/A	(27)	(157,239)	0	(283,525)	0	(28,389)	0
7	GP35	893	906	2,085,471,473	10,151,259	21,686,554	0.000¢	\$ 145.820	\$ 1.980	(4)	(8,205,985)	(39,942)	(4,987,731)	(24,278)	(85,331)	(48,074)
8	PP40	190	195	5,312,899,231	18,574,842	12,016,269	0.000¢	\$ 983.200	\$ 0.523	(4)	(122,461,558)	(428,147)	(12,462,781)	(43,572)	(276,973)	(22,796)
9	PP44	1	1	74,054,716	119,461	34,685	0.029¢	\$ 4.080	\$ 0.110	(0)	(2,102,406)	(3,391)	(172,765)	(279)	(985)	(81)
10	PP46	3	3	1,044,226,502	7,237,303	2,967,877	0.104¢	\$ 5.450	\$ 0.260	(0)	(29,645,482)	(205,466)	(2,436,115)	(16,884)	(84,258)	(6,923)
11	PSU	1	1	224,550,841	845,339	1,049,452	0.000¢	\$ 793.000	\$ 1.226	(0)	(6,374,975)	(23,999)	(523,863)	(1,972)	(29,794)	(2,417)
12	Rider L	7	7	0	368,423	61,245	0.000¢	\$ 86.430	\$ 0.147	0	0	0	0	0	0	0
13	STLT	571	571	21,689,311	0	6,043,156	0.000¢	\$ 881.955	N/A	0	0	0	0	0	0	0
14	TOTAL PA	742,260	740,986	19,642,685,130	53,451,195	430,167,752				1,506	(146,479,601)	(658,511)	(97,230,105)	(278,491)	260,275	(1,919,247)

\*Includes billed kW, minimum kW, rkVA, and standby kW

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Energy Usage and Adjustments																	
Line No.	Rate Group (1)	Number of Customers End of Period (2)	Monthly Average (3)	Added LIDA (A) Customers (2)-(3) (4)	Added Customers (2)-(3)+(4) (5)	Billed Usage (KWH) (6)	Billed Demand* Units (7)	KWH per Customer (6)/(3) (8)	Demand* per Customer (7)/(3) (9)	Added Customer KWH Usage (5)*(8) (10)	Added Customer Demands* (5)*(9) (11)	Specific Energy Adjust (KWH) (12)	Specific Demand* Adjustment (12)*(7)/(6) (13)	Total Energy Adjustment (10)+(12) (14)	Total Demand* Adjustment (11)+(13) (15)	Normalized Energy (KWH) (6)+(14) (16)	Normalized Demands* (7)+(15) (17)
1	RS	636,179	635,122	0	1,057	7,258,551,126	111,337	11,429	0	12,075,705	0	(33,604,491)	(515)	(21,528,786)	(515)	7,237,022,340	110,822
2	GSV	630	619	0	11	18,695,137	37,482	30,198	61	337,175	681	(87,966)	(176)	249,209	505	18,944,346	37,987
3	GS20	62,466	62,166	74	374	212,161,873	0	3,413	0	1,274,904	0	(2,537,907)	0	(1,263,003)	0	210,898,870	0
4	GP30	35,827	35,877	148	97	2,454,498,178	11,571,970	68,413	323	6,652,347	31,408	(29,264,732)	(137,971)	(22,612,385)	(106,563)	2,431,885,793	11,465,407
5	GP30SH	1,381	1,377	0	3	911,885,190	4,433,779	662,012	3,219	2,127,913	10,347	(10,868,229)	(52,844)	(8,740,316)	(42,497)	903,144,874	4,391,282
6	OL	4,112	4,139	0	(27)	24,001,553	0	5,799	0	(157,239)	0	(283,525)	0	(440,764)	0	23,560,789	0
7	GP35	893	906	10	(4)	2,085,471,473	10,151,259	2,301,407	11,202	(8,205,985)	(39,942)	(4,987,731)	(24,278)	(13,193,716)	(64,220)	2,072,277,757	10,087,039
8	PP40	190	195	0	(4)	5,312,899,231	18,574,842	27,275,225	95,359	(122,461,558)	(428,147)	(12,462,781)	(43,572)	(134,924,339)	(471,719)	5,177,974,892	18,103,123
9	PP44	1	1	0	(0)	74,054,716	119,461	52,948,300	85,413	(2,102,406)	(3,391)	(172,765)	(279)	(2,275,171)	(3,670)	71,779,545	115,790
10	PP46	3	3	0	(0)	1,044,226,502	7,237,303	373,305,181	2,587,296	(29,645,482)	(205,466)	(2,436,115)	(16,884)	(32,081,597)	(222,350)	1,012,144,905	7,014,953
11	PSU	1	1	0	(0)	224,550,841	845,339	160,551,359	604,408	(6,374,975)	(23,999)	(523,863)	(1,972)	(6,898,838)	(25,971)	217,652,003	819,368
12	Rider L	7	7	0	0	0	368,423	0	52,632	0	0	0	0	0	0	0	368,423
13	STLT	571	571	0	0	21,689,311	0	37,985	0	0	0	0	0	0	0	21,689,311	0
14	TOTAL PA	742,260	740,986	232	1,506	19,642,685,130	53,451,195			(146,479,601)	(658,511)	(97,230,105)	(278,491)	(243,709,706)	(937,002)	19,398,975,424	52,514,193

\*Includes billed kW, minimum kW, rkVA, and standby kW

(A) Pending Commission approval, the West Penn Rate District will acquire LIDA customers.

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Revenue																
Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	7,258,551,126	310,083,275	1,057	12,075,705	0	(33,604,491)	(515)	3.487¢	\$ 7,440	\$ 2,460	515,412	(1,173,056)	0	(657,644)	309,425,631
2	GSV	18,695,137	799,376	11	337,175	681	(87,966)	(176)	3.487¢	\$ 7,440	\$ 2,460	14,430	(3,500)	0	10,930	810,306
3	GS20	212,161,873	14,589,055	374	1,274,904	0	(2,537,907)	0	3.529¢	\$ 9,520	N/A	87,665	(89,563)	0	(1,898)	14,587,157
4	GP30	2,454,498,178	43,910,086	97	6,652,347	31,408	(29,264,732)	(137,971)	0.400¢	\$ 18,910	\$ 2,243	119,109	(426,466)	0	(307,357)	43,602,729
5	GP30SH	911,885,190	12,593,603	3	2,127,913	10,347	(10,868,229)	(52,844)	0.400¢	\$ 18,910	\$ 1,947	29,389	(146,371)	0	(116,982)	12,476,621
6	OL	24,001,553	4,333,119	(27)	(157,239)	0	(283,525)	0	0.000¢	\$ 87,248	N/A	(28,389)	0	0	(28,389)	4,304,730
7	GP35	2,085,471,473	21,686,554	(4)	(8,205,985)	(39,942)	(4,987,731)	(24,278)	0.000¢	\$ 145,820	\$ 1,980	(85,331)	(48,074)	0	(133,405)	21,553,149
8	PP40	5,312,899,231	12,016,269	(4)	(122,461,558)	(428,147)	(12,462,781)	(43,572)	0.000¢	\$ 983,200	\$ 0.523	(276,973)	(22,796)	0	(299,769)	11,716,500
9	PP44	74,054,716	34,685	(0)	(2,102,406)	(3,391)	(172,765)	(279)	0.029¢	\$ 4,080	\$ 0.110	(985)	(81)	0	(1,066)	33,619
10	PP46	1,044,226,502	2,967,877	(0)	(29,645,482)	(205,466)	(2,436,115)	(16,884)	0.104¢	\$ 5,450	\$ 0.260	(84,258)	(6,923)	0	(91,181)	2,876,696
11	PSU	224,550,841	1,049,452	(0)	(6,374,975)	(23,999)	(523,863)	(1,972)	0.000¢	\$ 793,000	\$ 1,226	(29,794)	(2,417)	0	(32,211)	1,017,241
12	Rider L	0	61,245	0	0	0	0	0	0.000¢	\$ 86,430	\$ 0.147	0	0	0	0	61,245
13	STLT	21,689,311	6,043,156	0	0	0	0	0	0.000¢	\$ 881,955	N/A	0	0	0	0	6,043,156
14	TOTAL PA	19,642,685,130	430,167,752	1,506	(146,479,601)	(658,511)	(97,230,105)	(278,491)				260,275	(1,919,247)	0	(1,658,972)	428,508,780

\*Includes billed kW, minimum kW, rkVA, and standby kW



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Future Test Year Twelve Months Ending December 2024

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers End of Period (2)	Monthly Average (3)	Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Usage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
1	RS	634,647	633,606	7,296,806,325	111,337	313,681,843	3.520¢	\$ 7.440	\$ 2.460	1,041	11,990,739	0	(79,790,348)	(1,217)	515,021	(2,811,527)
2	GSV	625	611	18,683,440	37,527	798,384	3.487¢	\$ 7.440	\$ 2.460	14	421,041	840	(208,564)	(419)	17,979	(8,303)
3	GS20	62,300	61,842	212,239,820	0	14,554,794	3.529¢	\$ 9.520	N/A	532	1,824,779	0	(5,863,374)	0	125,137	(206,918)
4	GP30	35,598	35,799	2,491,846,972	11,721,572	44,399,721	0.400¢	\$ 18.910	\$ 2.244	(53)	(3,689,105)	(17,331)	(68,152,331)	(320,586)	(65,682)	(992,157)
5	GP30SH	1,379	1,395	894,704,366	4,345,595	12,361,539	0.400¢	\$ 18.910	\$ 1.948	(17)	(10,874,424)	(52,816)	(24,208,701)	(117,582)	(150,243)	(325,907)
6	OL	4,119	4,151	23,820,049	0	4,296,409	0.000¢	\$ 86.252	N/A	(32)	(184,261)	0	(647,400)	0	(33,237)	0
7	GP35	928	923	2,052,247,485	9,980,626	21,383,666	0.000¢	\$ 145.820	\$ 1.981	15	32,746,360	159,248	(11,238,015)	(54,653)	341,193	(108,246)
8	PP40	197	200	5,178,150,199	18,148,701	11,897,403	0.000¢	\$ 983.200	\$ 0.526	(3)	(87,728,703)	(307,476)	(27,437,124)	(96,163)	(201,567)	(50,536)
9	PP44	1	1	72,727,600	117,270	34,061	0.029¢	\$ 4.080	\$ 0.110	(0)	(1,718,261)	(2,771)	(382,737)	(617)	(805)	(179)
10	PP46	3	3	1,021,115,233	7,076,795	2,902,115	0.104¢	\$ 5.450	\$ 0.260	(0)	(24,124,851)	(167,196)	(5,373,730)	(37,242)	(68,565)	(15,272)
11	PSU	1	1	219,503,427	828,934	1,029,765	0.000¢	\$ 793.000	\$ 1.226	(0)	(5,185,984)	(19,584)	(1,155,161)	(4,362)	(24,329)	(5,347)
12	Rider L	7	7	0	368,555	61,640	0.000¢	\$ 86.430	\$ 0.148	0	0	0	0	0	0	0
13	STLT	571	571	21,605,717	0	6,003,903	0.000¢	\$ 876.226	N/A	0	0	0	0	0	0	0
14	TOTAL PA	740,376	739,112	19,503,450,633	52,736,911	433,405,243				1,496	(86,522,670)	(407,086)	(224,457,485)	(632,841)	454,902	(4,524,392)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company, West Penn Rate District  
Sales and Distribution Revenue Normalization  
Future Test Year Twelve Months Ending December 2024

Energy Usage and Adjustments																	
Line No.	Rate Group (1)	Number of Customers		Added LIDA (A) Customers (2)-(3) (4)	Added Customers (2)-(3)+(4) (5)	Billed Usage (KWH) (6)	Billed Demand* Units (7)	KWH per Customer (6)/(3) (8)	Demand* per Customer (7)/(3) (9)	Added Customer KWH Usage (5)*(8) (10)	Added Customer Demands* (5)*(9) (11)	Specific Energy Adjust (KWH) (12)	Specific Demand* Adjustment (12)*(7)/(6) (13)	Total Energy Adjustment (10)+(12) (14)	Total Demand* Adjustment (11)+(13) (15)	Normalized Energy (KWH) (6)+(14) (16)	Normalized Demands* (7)+(15) (17)
1	RS	634,647	633,606	0	1,041	7,296,806,325	111,337	11,516	0	11,990,739	0	(79,790,348)	(1,217)	(67,799,609)	(1,217)	7,229,006,716	110,120
2	GSV	625	611	0	14	18,683,440	37,527	30,564	61	421,041	840	(208,564)	(419)	212,477	421	18,895,917	37,948
3	GS20	62,300	61,842	74	532	212,239,820	0	3,432	0	1,824,779	0	(5,863,374)	0	(4,038,595)	0	208,201,225	0
4	GP30	35,598	35,799	148	(53)	2,491,846,972	11,721,572	69,606	327	(3,689,105)	(17,331)	(68,152,331)	(320,586)	(71,841,436)	(337,917)	2,420,005,536	11,383,655
5	GP30SH	1,379	1,395	0	(17)	894,704,366	4,345,595	641,144	3,114	(10,874,424)	(52,816)	(24,208,701)	(117,582)	(35,083,125)	(170,398)	859,621,241	4,175,197
6	OL	4,119	4,151	0	(32)	23,820,049	0	5,738	0	(184,261)	0	(647,400)	0	(831,661)	0	22,988,388	0
7	GP35	928	923	10	15	2,052,247,485	9,980,626	2,222,252	10,807	32,746,360	159,248	(11,238,015)	(54,653)	21,508,345	104,595	2,073,755,830	10,085,221
8	PP40	197	200	0	(3)	5,178,150,199	18,148,701	25,889,797	90,740	(87,728,703)	(307,476)	(27,437,124)	(96,163)	(115,165,827)	(403,639)	5,062,984,372	17,745,062
9	PP44	1	1	0	(0)	72,727,600	117,270	50,481,064	81,398	(1,718,261)	(2,771)	(382,737)	(617)	(2,100,998)	(3,388)	70,626,602	113,882
10	PP46	3	3	0	(0)	1,021,115,233	7,076,795	354,383,920	2,456,042	(24,124,851)	(167,196)	(5,373,730)	(37,242)	(29,498,581)	(204,438)	991,616,652	6,872,357
11	PSU	1	1	0	(0)	219,503,427	828,934	152,359,856	575,373	(5,185,984)	(19,584)	(1,155,161)	(4,362)	(6,341,145)	(23,946)	213,162,282	804,988
12	Rider L	7	7	0	0	0	368,555	0	52,651	0	0	0	0	0	0	0	368,555
13	STLT	571	571	0	0	21,605,717	0	37,838	0	0	0	0	0	0	0	21,605,717	0
14	TOTAL PA	740,376	739,112	232	1,496	19,503,450,633	52,736,911			(86,522,670)	(407,086)	(224,457,485)	(632,841)	(310,980,155)	(1,039,927)	19,192,470,478	51,696,984

\*Includes billed kW, minimum kW, rkVA, and standby kW

(A) Pending Commission approval, the West Penn Rate District will acquire LIDA customers.

FirstEnergy Pennsylvania Electric Company: West Penn Rate District  
Sales and Distribution Revenue  
Future Test Year Twelve Months Ending December 2024

Line No.	Rate Group (1)	Revenue														
		Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)*12+(5)*(9)/100+(6)*(11) (12)	Specific Revenue Adjustment (7)*(9)/100+(8)*(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	7,296,806,325	313,681,843	1,041	11,990,739	0	(79,790,348)	(1,217)	3.520¢	\$ 7.440	\$ 2.460	515,021	(2,811,527)	0	(2,296,506)	311,385,337
2	GSV	18,683,440	798,384	14	421,041	840	(208,564)	(419)	3.487¢	\$ 7.440	\$ 2.460	17,979	(8,303)	0	9,676	808,060
3	GS20	212,239,820	14,554,794	532	1,824,779	0	(5,863,374)	0	3.529¢	\$ 9.520	N/A	125,137	(206,918)	0	(81,781)	14,473,013
4	GP30	2,491,846,972	44,399,721	(53)	(3,689,105)	(17,331)	(68,152,331)	(320,586)	0.400¢	\$ 18.910	\$ 2.244	(65,682)	(992,157)	0	(1,057,839)	43,341,882
5	GP30SH	894,704,366	12,361,539	(17)	(10,874,424)	(52,816)	(24,208,701)	(117,582)	0.400¢	\$ 18.910	\$ 1.948	(150,243)	(325,907)	0	(476,150)	11,885,389
6	OL	23,820,049	4,296,409	(32)	(184,261)	0	(647,400)	0	0.000¢	\$ 86.252	N/A	(33,237)	0	0	(33,237)	4,263,172
7	GP35	2,052,247,485	21,383,666	15	32,746,360	159,248	(11,238,015)	(54,653)	0.000¢	\$ 145.820	\$ 1.981	341,193	(108,246)	0	232,947	21,616,613
8	PP40	5,178,150,199	11,897,403	(3)	(87,728,703)	(307,476)	(27,437,124)	(96,163)	0.000¢	\$ 983.200	\$ 0.526	(201,567)	(50,536)	0	(252,103)	11,645,300
9	PP44	72,727,600	34,061	(0)	(1,718,261)	(2,771)	(382,737)	(617)	0.029¢	\$ 4.080	\$ 0.110	(805)	(179)	0	(984)	33,077
10	PP46	1,021,115,233	2,902,115	(0)	(24,124,851)	(167,196)	(5,373,730)	(37,242)	0.104¢	\$ 5.450	\$ 0.260	(68,565)	(15,272)	0	(83,837)	2,818,278
11	PSU	219,503,427	1,029,765	(0)	(5,185,984)	(19,584)	(1,155,161)	(4,362)	0.000¢	\$ 793.000	\$ 1.226	(24,329)	(5,347)	0	(29,676)	1,000,089
12	Rider L	0	61,640	0	0	0	0	0	0.000¢	\$ 86.430	\$ 0.148	0	0	0	0	61,640
13	STLT	21,605,717	6,003,903	0	0	0	0	0	0.000¢	\$ 876.226	N/A	0	0	0	0	6,003,903
14	TOTAL PA	19,503,450,633	433,405,243	1,496	(86,522,670)	(407,086)	(224,457,485)	(632,841)				454,902	(4,524,392)	0	(4,069,490)	429,335,753

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: West Penn Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Basic Input Factors

Line No.	Rate Group (1)	Number of Customers		Billed Usage (KWH) (4)	Billed Demand* Units (5)	Billed Revenue (\$) (6)	Incremental Rate (¢/KWH) (7)	Incremental Rate (\$/Customer) (8)	Incremental Rate (\$/Demand*) (9)	Added Customers (10)	Added Customer Useage (KWH) (11)	Added Customer Demands* (12)	Specific Energy Adjustment (13)	Specific Demand* Adjustment (14)	Added Customer Use Revenue (15)	Specific Revenue Adjustment (16)
		End of Period (2)	Monthly Average (3)													
1	RS	633,766	632,614	6,833,967,785	111,337	295,081,189	3.487¢	\$ 7.444	\$ 2.460	1,152	12,448,657	0	(125,599,271)	(2,046)	537,014	(4,384,678)
2	GSV	688	665	18,713,478	139,172	794,493	3.487¢	\$ 7.423	\$ 0.594	23	635,111	4,720	(354,955)	(2,640)	26,962	(13,946)
3	GS20	62,724	62,192	228,428,850	0	15,163,590	3.529¢	\$ 9.517	N/A	606	2,226,144	0	(9,458,815)	0	147,776	(333,806)
4	GP30	34,834	35,100	2,439,682,304	15,411,677	44,340,983	0.400¢	\$ 18.936	\$ 1.726	(118)	(8,184,449)	(51,692)	(99,712,080)	(629,890)	(148,735)	(1,486,282)
5	GP30SH	1,295	1,291	1,092,639,481	6,209,112	13,838,597	0.400¢	\$ 19.062	\$ 1.477	4	3,739,260	21,249	(44,960,848)	(255,498)	47,358	(557,295)
6	OL	3,824	3,880	23,342,617	0	4,248,888	0.000¢	\$ 91.262	N/A	(56)	(335,448)	0	(943,489)	0	(61,054)	0
7	GP35	667	668	2,093,264,464	11,128,475	21,291,198	0.000¢	\$ 145.533	\$ 1.808	9	28,996,928	154,161	(18,275,560)	(97,159)	294,942	(175,705)
8	PP40	140	141	4,913,343,758	19,861,830	11,042,511	0.000¢	\$ 991.282	\$ 0.472	(1)	(31,961,432)	(129,201)	(42,035,348)	(169,925)	(71,832)	(80,132)
9	PP44	1	1	74,091,223	158,687	37,981	0.029¢	\$ 4.080	\$ 0.104	0	0	0	(638,026)	(1,367)	0	(327)
10	PP46	2	2	956,279,390	3,478,502	2,714,296	0.104¢	\$ 5.450	\$ 0.494	0	0	0	(8,234,868)	(29,955)	0	(23,373)
11	PSU	1	1	172,968,404	355,619	882,114	0.000¢	\$ 793.000	\$ 2.454	0	0	0	(1,489,493)	(3,062)	0	(7,513)
12	Rider L	7	7	0	411,155	81,950	0.000¢	\$ 86.430	\$ 0.181	(0)	0	(4,837)	0	0	0	0
13	STLT	571	571	21,148,658	0	5,803,443	0.000¢	\$ 847.713	N/A	1	18,535	0	0	0	424	0
14	TOTAL PA	738,520	737,131	18,867,870,412	57,265,565	415,321,235				1,621	7,583,306	(5,602)	(351,702,753)	(1,191,542)	772,855	(7,063,057)

\*Includes billed kW, minimum kW, rkVA, and standby kW

FirstEnergy Pennsylvania Electric Company: West Penn Rate District  
Sales and Distribution Revenue Normalization  
Historic Test Year Twelve Months Ending December 2023

Line No.	Rate Group (1)	Number of Customers		Added LIDA (A)		Billed Usage (KWH) (6)	Billed Demand* Units (7)	KWH per Customer (6)/(3) (8)	Demand* per Customer (7)/(3) (9)	Added Customer KWH Usage (5)*(8) (10)	Added Customer Demands* (5)*(9) (11)	Specific Energy Adjust (KWH) (12)	Specific Demand* Adjustment (12)/(7)/(6) (13)	Total Energy Adjustment (10)+(12) (14)	Total Demand* Adjustment (11)+(13) (15)	Normalized Energy (KWH) (6)+(14) (16)	Normalized Demands* (7)+(15) (17)
		End of Period (2)	Monthly Average (3)	Customers (2)-(3) (4)	Customers (2)-(3)+(4) (5)												
1	RS	633,766	632,614	0	1,152	6,833,967,785	111,337	10,803	0	12,448,657	0	(125,599,271)	(2,046)	(113,150,614)	(2,046)	6,720,817,171	109,291
2	GSV	688	665	0	23	18,713,478	139,172	28,123	209	635,111	4,720	(354,955)	(2,640)	280,156	2,080	18,993,634	141,252
3	GS20	62,724	62,192	74	606	228,428,850	0	3,673	0	2,226,144	0	(9,458,815)	0	(7,232,671)	0	221,196,179	0
4	GP30	34,834	35,100	148	(118)	2,439,682,304	15,411,677	69,507	439	(8,184,449)	(51,692)	(99,712,080)	(629,890)	(107,896,529)	(681,582)	2,331,785,775	14,730,094
5	GP30SH	1,295	1,291	0	4	1,092,639,481	6,209,112	846,625	4,811	3,739,260	21,249	(44,960,848)	(255,498)	(41,221,588)	(234,249)	1,051,417,893	5,974,863
6	OL	3,824	3,880	0	(56)	23,342,617	0	6,017	0	(335,448)	0	(943,489)	0	(1,278,937)	0	22,063,680	0
7	GP35	667	668	10	9	2,093,264,464	11,128,475	3,134,803	16,666	28,996,928	154,161	(18,275,560)	(97,159)	10,721,368	57,002	2,103,985,832	11,185,477
8	PP40	140	141	0	(1)	4,913,343,758	19,861,830	34,867,017	140,947	(31,961,432)	(129,201)	(42,035,348)	(169,925)	(73,996,780)	(299,126)	4,839,346,978	19,562,704
9	PP44	1	1	0	0	74,091,223	158,687	74,091,223	158,687	0	0	(638,026)	(1,367)	(638,026)	(1,367)	73,453,197	157,320
10	PP46	2	2	0	0	956,279,390	3,478,502	478,139,695	1,739,251	0	0	(8,234,868)	(29,955)	(8,234,868)	(29,955)	948,044,522	3,448,547
11	PSU	1	1	0	0	172,968,404	355,619	172,968,404	355,619	0	0	(1,489,493)	(3,062)	(1,489,493)	(3,062)	171,478,911	352,557
12	Rider L	7	7	0	(0)	0	411,155	0	58,045	0	(4,837)	0	0	0	(4,837)	0	406,318
13	STLT	571	571	0	1	21,148,658	0	37,070	0	18,535	0	0	0	18,535	0	21,167,193	0
14	TOTAL PA	738,520	737,131	232	1,621	18,867,870,412	57,265,565			7,583,306	(5,602)	(351,702,753)	(1,191,542)	(344,119,447)	(1,197,144)	18,523,750,965	56,068,421

\*Includes billed kW, minimum kW, rkVA, and standby kW

(A) The West Penn Rate District is currently in the process of acquiring LIDA customers, pending Commission approval.

FirstEnergy Pennsylvania Electric Company: West Penn Rate District  
Sales and Distribution Revenue  
Historic Test Year Twelve Months Ending December 2023

Revenue																
Line No.	Rate Group (1)	Billed Usage (KWH) (2)	Billed Revenue (\$) (3)	Added Customers (4)	Added Customer KWH Usage (5)	Added Customer Demands* (6)	Specific Energy Adjustment (7)	Specific Demand* Adjustment (8)	Incremental Rate (¢/KWH) (9)	Incremental Rate (\$/Customer) (10)	Incremental Rate (\$/Demand*) (11)	Added Customer Use Revenue (4)*(10)+5*(9)+100*(6)+(11) (12)	Specific Revenue Adjustment (7)*(9)+100*(8)+(11) (13)	Other Revenue Adjustment (14)	Total Revenue Adjustment (12)+(13)+(14) (15)	Normalized Revenue (3)+(15) (16)
1	RS	6,833,967,785	295,081,189	1,152	12,448,657	0	(125,599,271)	(2,046)	3.487¢	\$ 7.444	\$ 2.460	537,014	(4,384,678)	0	(3,847,664)	291,233,525
2	GSV	18,713,478	794,493	23	635,111	4,720	(354,955)	(2,640)	3.487¢	\$ 7.423	\$ 0.594	26,962	(13,946)	0	13,016	807,509
3	GS20	228,428,850	15,163,590	606	2,226,144	0	(9,458,815)	0	3.529¢	\$ 9.517	N/A	147,776	(333,806)	0	(186,030)	14,977,560
4	GP30	2,439,682,304	44,340,983	(118)	(8,184,449)	(51,692)	(99,712,080)	(629,890)	0.400¢	\$ 18.936	\$ 1.726	(148,735)	(1,486,282)	0	(1,635,017)	42,705,966
5	GP30SH	1,092,639,481	13,838,597	4	3,739,260	21,249	(44,960,848)	(255,498)	0.400¢	\$ 19.062	\$ 1.477	47,358	(557,295)	0	(509,937)	13,328,660
6	OL	23,342,617	4,248,888	(56)	(335,448)	0	(943,489)	0	0.000¢	\$ 91.262	N/A	(61,054)	0	0	(61,054)	4,187,834
7	GP35	2,093,264,464	21,291,198	9	28,996,928	154,161	(18,275,560)	(97,159)	0.000¢	\$ 145.533	\$ 1.808	294,942	(175,705)	0	119,237	21,410,435
8	PP40	4,913,343,758	11,042,511	(1)	(31,961,432)	(129,201)	(42,035,348)	(169,925)	0.000¢	\$ 991.282	\$ 0.472	(71,832)	(80,132)	0	(151,964)	10,890,547
9	PP44	74,091,223	37,981	0	0	0	(638,026)	(1,367)	0.029¢	\$ 4.080	\$ 0.104	0	(327)	0	(327)	37,654
10	PP46	956,279,390	2,714,296	0	0	0	(8,234,868)	(29,955)	0.104¢	\$ 5.450	\$ 0.494	0	(23,373)	0	(23,373)	2,690,923
11	PSU	172,968,404	882,114	0	0	0	(1,489,493)	(3,062)	0.000¢	\$ 793.000	\$ 2.454	0	(7,513)	0	(7,513)	874,601
12	Rider L	0	81,950	(0)	0	(4,837)	0	0	0.000¢	\$ 86.430	\$ 0.181	0	0	0	0	81,950
13	STLT	21,148,658	5,803,443	1	18,535	0	0	0	0.000¢	\$ 847.713	N/A	424	0	0	424	5,803,867
14	TOTAL PA	18,867,870,412	415,321,235	1,621	7,583,306	(5,602)	(351,702,753)	(1,191,542)				772,855	(7,063,057)	0	(6,290,202)	409,031,033

\*Includes billed kW, minimum kW, rKVA, and standby kW

FIRSTENERGY PENNSYLVANIA  
ELECTRIC COMPANY

Supplement No. 3 Electric Pa P.U.C. No. 1  
Electric Pa P.U.C. No. 1 Original Page 1

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY**

**2800 POTTSVILLE PIKE  
READING, PENNSYLVANIA 19605**

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**Electric Service Tariff**

**Effective in**

**The Territory as Defined on  
Page Nos. 6 - 20 of this Tariff**

Issued: ~~December 22, 2023~~  
2024

Effective: ~~January 1,~~

By: **Wade Smith, President**  
**Reading, Pennsylvania**

FIRSTENERGY PENNSYLVANIA  
ELECTRIC COMPANY

Supplement No. 3 to  
Electric Pa P.U.C. No. 1  
~~Electric Pa P.U.C. No. 1~~  
Third First Revised Page 2  
Superseding ~~Original Second~~  
Page 2

**LIST OF MODIFICATIONS**

CHANGES:

DESCRIPTION OF TERRITORY - Original Page No. 12 Updated Met-ed territory to include Upper Allen Township.

Formatted: Font: (Default) Times New Roman, 10 pt

ON PEAK HOURS- Original Page No. 27 Updated Hours to match PJM.

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LINE EXTENSION - Original Page No. 34 Minor rephrasing of terms.

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EXTENSION OF COMPANY FACILITIES - Original Page No. 38 Minor rephrasing of terms.

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ADMINISTRATIVE CHARGES - Original Page No. 53 Eliminated service charge for Met-Ed and Penelec. Established new pricing for dishonorable check and reconnection fees.

RULES & REGULATIONS- Original Page No. 56 & 57 Correcting word placement to top of page.

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RESIDENTIAL SERVICE RATE - Original Pages No. 61 & 62 Distribution pricing update

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GENERAL SERVICE SMALL – Original Page No. 65 Distribution pricing update. Also added language for maximum demand level for Small

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GENERAL SERVICE SMALL – Original Page No. 66 Simplified terms of contract general provision

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GENERAL SERVICE VOLUNTEER – Original Pages No. 68 & 69 Distribution pricing update.

GENERAL SERVICE MEDIUM – Original Page No. 70 Distribution pricing update and minor language changes.

GENERAL SERVICE MEDIUM – Original Page No. 71 changed demand intervals times from fifteen minutes to a range of fifteen minutes to an hour, based upon meter capabilities.

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GENERAL SERVICE MEDIUM – Original Page No. 72 removed repetitive sentence related to demand intervals.

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GENERAL SERVICE MEDIUM – Original Page No. 73 Simplified terms of contract general provision

GENERAL SERVICE LARGE – Original Page No. 75 Distribution pricing update. Also remove language related to providing transformers greater than 2,500 KVA.

GENERAL SERVICE LARGE – Original Page No. 76 removed repetitive sentence related to demand intervals.

GENERAL SERVICE LARGE – Original Page No. 77 Simplified terms of contract general provision

GENERAL SERVICE PRIMARY – Original Page No. 79 Added language for maximum demand level for GP

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GENERAL SERVICE PRIMARY – Original Page No. 80 Distribution pricing update

GENERAL SERVICE TRANSMISSION POWER – Original Page No. 86 & 90 Distribution pricing update

SCHEDULE 44 WEST PENN PRIMARY SERVICE – Original Page No. 92 Distribution pricing update

SCHEDULE 46 WEST PENN PRIMARY SERVICE – Original Page No. 95 Distribution pricing update



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[RATE H SCHEDULE – Original Page No. 98](#) Distribution pricing update

[RATE PNP SCHEDULE – Original Page No. 102](#) Distribution pricing update

[RATE PNP SCHEDULE – Original Page No. 103](#) ~~C~~changed demand intervals times from fifteen minutes to a range of fifteen minutes to an hour, based upon meter capabilities.

[BORDERLINE SERVICE – Original Page No. 104](#) Distribution pricing update

[LED STREET LIGHTING SERVICE – Original Page No. 106](#) Distribution pricing update and wording change to allow installations with less than 12 lights

[LED STREET LIGHTING SERVICE – Original Page No. 107](#) ~~minor language change to clarify general provisions~~

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[~~SLOLED OUTDOOR AREA LIGHTING RATE – Original Page No. 108 & 109~~](#) Removed obsolete Ornamental street lighting schedule and added new LED OAL schedule.

[OUTDOOR AREA LIGHTING SERVICE – Original Pages No. 110 & 112](#) Distribution pricing update

[STREET LIGHTING MED-ED – Original Page No. 114, 115, 116, 117 & 1178](#) Distribution pricing update

[STREET LIGHTING MED-ED – Original Page No. 115](#) Added language to ensure all non-LED lights are replaced with LED lights going forward.

[STREET LIGHTING MED-ED – Original Page No. 116 & 118](#) Removed language allowing Mercury vapor lights to be converted to high pressure sodium lights.

[HPS STREET LIGHTING SERVICE PENELEC – Original Pages No. 120, 121- & & 122](#) Distribution pricing update

[HPS STREET LIGHTING SERVICE PENELEC – Original Page No. 121](#) Added language to ensure all non-LED lights are replaced with LED lights going forward

[MUNICIPAL STREET LIGHTING SERVICE – Original Pages No. 123, 124, 125 & 126](#) Distribution pricing update

[PRIVATE OUTDOOR LIGHTING SERVICE – Original Page No. 128](#) Distribution pricing update. Grandfathered rate to new customers.

[SLS-SV LIGHTING SERVICE – Original Page No. 131](#) Distribution pricing update

[SLS-SV LIGHTING SERVICE – Original Page No. 132](#) Removed language allowing Mercury vapor lights to be converted to high pressure sodium lights

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[SLS-SVD LIGHTING SERVICE – Original Page No. 1323, 134 & 135](#) This grandfathered rate has been removed, as there are no customers receiving service.

[SCHEDULE 51 LIGHTING SERVICE – Original Page No. 136](#) Distribution pricing update

[SCHEDULE 52 LIGHTING SERVICE – Original Page No. 141](#) Distribution pricing update and inclusion of general provisions which are on other street lighting rates, but were not included on this tariff page

[SCHEDULE 53-71 LIGHTING SERVICE – Original Pages No. 142, 147, 151, 155, 159, 160, 161, 167, 168, 172, 173 & 179](#) Distribution pricing update

[RIDER MATRIX RIDER – Original Page No. 181](#) Updated to reflect new LED OAL rate and remove obsolete lighting schedules.

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STAS RIDER – Original Page No. 182 Rider charges brought to zero as STAS adjusted in base rate calculation

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TCJA RIDER – Original Page No. 183 Rider charges brought to zero as TCJA adjusted in base rate calculation

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NET METERING RIDER – Original Page No. 190 Eliminated billing provision # 4 as the provision will not be enforced. Added language to clarify rules for shopping customers.

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EEC RIDER – Original Page No. 194 Updated to reflect new LED OAL rate and remove obsolete lighting schedules.

SMART METER RIDER – Original Page No. 198 Rider charges brought to zero as Smart Meter adjusted in base rate calculation

PTC RIDER – Original Page No. 203 Updated to reflect new LED OAL rate and remove obsolete lighting schedules

DSS RIDER – Original Page No. 213 Updated to reflect new LED OAL rate and remove obsolete lighting schedules

PARTIAL SERVICE RIDER – Original Page No. 223 Distribution pricing update. Language added to clarify that the administrative charge is in addition to the fixed customer charge.

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PARTIAL SERVICE RIDER – Original Page No. 224, 225, 226 Removed terms and conditions F, added clarification language to Backup Service #4 and Maintenance Service No.1 and 4.

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DSIC RIDER – Original Page No. 239 Rider charges brought to zero as DSIC adjusted in base rate calculation

STATION POWER RIDER – New Page No. 244 Adding new Rider page to define the billing charges related to PJM Generators based on net output

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**DESCRIPTION OF TERRITORY (continued)**

**CUMBERLAND COUNTY – Met-Ed and Penelec Rate Districts**

**Met-Ed Rate District**

Borough of Mt. Holly Springs.

Townships of Cooke, Dickinson, Monroe, South Middleton, [Upper Allen](#).

**Penelec Rate District**

Boroughs of Newburg, Shippensburg.

Townships of Hopewell, Lower Frankford, Lower Mifflin, Shippensburg, Southampton, Upper Frankford, Upper Mifflin.

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**DAUPHIN COUNTY – Met-Ed Rate District**

Boroughs of Middletown, Royalton.

Townships of Conewago, Derry, East Hanover, Londonderry, Lower Swatara.

**ELK COUNTY – Penelec and West Penn Rate Districts**

**Penelec Rate District**

Townships of Millstone, Spring Creek.

**West Penn Rate District**

City of St. Marys.

Boroughs of Johnsonburg, Ridgway.

Townships of Benezette, Fox, Highland, Horton, Jay, Jones, Ridgway.

**ERIE COUNTY – Penelec Rate District**

Cities of Corry, Erie.

Boroughs of Albion, Cranesville, Edinboro, Elgin, Lake City, McKean, Mill Village, North East, Platea, Union City, Waterford, Wattsburg, Wesleyville.

Townships of Amity, Concord, Conneaut, Elk Creek, Fairview, Franklin, Girard, Greene, Greenfield, Harborcreek, Lawrence Park, Le Boeuf, McKean, Millcreek, North East, Springfield, Summit, Union, Venango, Washington, Waterford, Wayne.

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### GENERAL RULES AND REGULATIONS, DEFINITIONS (continued)

**On-Peak Hours** - For the Met-Ed Rate District, the On-peak hours shall be from 6 a.m. to 6 p.m., 7 a.m. to 7 p.m., 8 a.m. to 8 p.m., 9 a.m. to 9 p.m., or 10 a.m. to 10 p.m. prevailing time, at the option of the Customer, Mondays to Fridays excluding holidays. If the Customer does not select the On-Peak hours within 30 days of the receipt of notice to do so, the On-Peak hours will default to 8 a.m. to 8 p.m.

For Penelec Rate District, the On-Peak Hours shall be from 8:00 a.m. to 8:00 p.m., prevailing times, Monday through Friday excluding holidays.

For the Penn Power Rate District, the On-Peak hours shall be from 8:00 a.m. to 9:00 p.m., prevailing times, Monday through Friday, excluding holidays.

For the West Penn Rate District, the On-peak hours shall be from 7:00 a.m. to 10:00 p.m., prevailing times, Monday through Saturday.

All other hours shall be Off-peak. The Off-Peak holidays ~~for the Met-Ed Rate District~~ are New Year's Day, ~~President's Day, Good Friday,~~ Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

~~The Off Peak holidays for the Penelec Rate District are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.~~

~~The Off Peak holidays for the Penn Power Rate District are New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.~~

**Permanent Residential Customer** - A Customer occupying a dwelling or mobile home on a permanent foundation which is the Customer's primary residence occupied year-round for normal living purposes and including: (i) electrical wiring conforming with the National Electrical Code and the Company's service installation policies; (ii) a permanently installed heating system; and (iii) permanently installed plumbing and sewage systems.

**PJM** - PJM Interconnection, L.L.C. or any successor organization/entity thereto.

**Point of Delivery** - The location at which the Company's service connection terminates and the Customer's wiring and installation begins.

**Power Factor** - The ratio of the watts to the volt-amperes.

**Price to Compare Default Service Charge** - The cents per kWh rates representing the Rate District's costs for providing energy, capacity, including the cost of complying with non-solar AEPS, market-based transmission and ancillary services for Customers who take Default Service.

**Primary Voltage** - Voltage greater than 600 volts.

**Private Right-of-Way** - The right-of-way or easement for electric facilities on, over, under, across and/or through real or other property owned by an individual or entity which is not a governmental, municipal or other public body to provide service.

**Public Right-of-Way** - The right-of-way or easement for electric facilities, subject to reasonable permitting, on, over, under, across along and/or through real or other property owned by a governmental, municipal or other public body to provide service.

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**GENERAL RULES AND REGULATIONS**

**4. Extension of Company Facilities: System Upgrades**

The standard service provided by the Company for delivery of electric energy to a Customer under this Tariff, regardless of delivery voltage, shall be from overhead Distribution Lines, except as noted in any Rate Schedule or other applicable provision of this Tariff. Subject to the requirements of this Tariff, the Company shall extend its Distribution and Transmission Lines to Applicants. Any request for electric service that requires the extension, removal, relocation or change of the Company's existing Distribution and Transmission Lines shall be provided as set forth in this Rule. Applicants requesting a Line Extension shall, at the Company's discretion, execute the Company's Line Extension contract. Any Customer served by a Line Extension completed before the effective date of this Rule 4 shall be subject to the terms and conditions of its existing Line Extension contract and the Company's then-applicable Line Extension tariff, rules and regulations.

**a. Line Extensions**

**(1) Non-Speculative Single-Phase Line Extension**

**Company Obligations**

The Company's engineering layout shall be the sole basis used for determining the design of the Line Extension and/or Service Line. Any additional Line Extension and/or Service Line costs in excess of those costs assumed by the Company under this Tariff shall be borne by the Applicant/Customer. As used in this Rule 4, an overhead span of conductor is approximately equal to 250 feet. The Company shall construct, own and maintain all Line Extensions. The Company shall provide an Applicant, at no charge, up to three (3) spans of conductor, three (3) poles and related material along on the Public Right-of-Way for each Line Extension, including the Service Line. The Company shall provide an Applicant, at no charge, one (1) span of conductor and related material on Private Right-of-Way for each Line Extension, including the Service Line, to serve a Permanent Residential Customer. The number of spans provided to an Applicant/Customer at no charge shall be referred to in this Rule 4 as the span allowance. The Company's engineering layout shall be the sole basis used for determining the design of the Line Extension and/or Service Line. Any additional Line Extension and/or Service Line costs in excess of those costs assumed by the Company under this Tariff shall be borne by the Applicant/Customer.

The Company shall not commence construction of a Line Extension and/or Service Line until completion of all of the following:

1. The Company's receipt and acceptance of an application for electric service.
2. Execution by the Company and the Applicant/Customer of appropriate agreements for electric service and/or Line Extensions, and the payment by the Applicant/Customer of any and all associated costs or charges.

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## GENERAL RULES AND REGULATIONS

### 4. Extension of Company Facilities: System Upgrades (continued)

A Subdivision is not required to have underground service. However, should the lot owner or owners in a subdivision desire underground service, such service shall be provided by the Company if such lot owner or owners, at their option, either comply with Rule 4a(1) (Non-Speculative Single-Phase Line Extensions) or 4a(3) (Speculative Single-Phase and All Three-Phase Line Extensions and Service Lines).

If as a result of a Line Extension or any other request that results in an expansion of the Company's facilities, an increase in the Company's facilities, construction of a system upgrade or any other change to or the modification of the Company's electric system, the Applicant/Customer shall pay all costs for such work as specified in this Rule 4.

#### (3) Speculative Single-Phase and All Three-Phase Line Extensions and Service Lines

When the Company is requested to increase capacity, expand facilities or construct Speculative Single-Phase Line Extensions and/or Service Lines or Three-Phase Line Extensions and/or Service Lines, the Company shall determine from the circumstances of each case the nature and level of financing and/or revenue projection guarantee required of the Applicant/Customer prior to construction or installation of Company facilities. The Company shall employ a five (5) year revenue projection guarantee in order to offset the initial construction costs. The five (5) year revenue projection guarantee includes five (5) years of forecasted distribution revenues less certain incremental delivery costs including, but not limited to, distribution operation and maintenance expenses, depreciation expenses, gross receipts taxes, state and federal income taxes, and a reasonable return component. The Company shall require the Applicant/Customer to make (i) a CIAC equivalent to the Company's total estimated costs associated with the construction of facilities necessary to render service in excess of the amount not covered by the revenue projection guarantee or

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(ii) a Cash Advance for the total construction costs to render service. The Company shall refund all or a portion of a Cash Advance previously provided by the Applicant in the event that the Company's revenue analysis for any newly connected Non-Residential Customer indicates that there are revenues in excess of the costs to provide service to that newly connected Non-Residential Customer, within five (5) years from the completion of the initial Line Extension.

Where an application for an overhead Line Extension for a tract of land being developed or proposed to be developed, in whole or in part, for residential, commercial or industrial purposes, not covered by Rule 4a(2), (Underground Electric Service in New Residential Developments) is received from an entity that is not expected to be a Customer, the Company, prior to construction, shall require payment of a CIAC or a Cash Advance from the Applicant covering the Company's total estimated costs associated with the construction of said overhead extension (i) to the tract of land being developed and (ii) within the boundary of the tract of land necessary to serve prospective Customers in the tract.

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**GENERAL RULES AND REGULATIONS**

**11. Payment of Bills (continued)**

A Residential Customer who has elected to receive Combined Billing for metered Residential Service and Outdoor Lighting Service shall be subject to 52 Pa. Code, Chapter 56 of the Commission's regulations and be treated as a single residential account.

**e. Winter Termination – Determining Income Eligibility for Winter Termination**

To determine if a Customer exceeds the 250% federal poverty level threshold, the Company will utilize financial information provided by the Customer. The Company may elect to send to the Customer an income verification form for completion and return.

**12. Administrative Charges**

**a. Service Charges**

~~Every Applicant or Customer, new or succession, who has its Delivery Service initiated or reconnected shall pay a service charge to the Company: Met Ed Twelve Dollars and Fifty Cents (\$12.50) and Penelec Nine Dollars and Fifty Cents (\$9.50).~~

**ab. Dishonorable Check Charges**

If a check or electronic transfer of funds received by the Company in payment of a Customer's account is returned unpaid or denied to the Company by the Customer's bank, a Fifteen Dollar (\$15.00) charge for the returned check shall be added by the Company to the Customer's account and the Customer shall pay this amount to the Company in addition to all other applicable charges. ~~Met Ed a Fifteen Dollar (\$15.00) and Penelec a Twelve Dollar (\$12.00) charge.~~

**be. Reconnect Charges**

A Residential Customer who requests a disconnection and reconnection of service at the same location within a twelve (12) month period shall pay the Company a reconnect charge equivalent to the monthly minimum charge stated in the Customer's applicable Rate Schedule or other Tariff provision multiplied by the number of months between the disconnect and reconnect period, or the minimum reconnect charge stated in this Rule 12c, whichever is greater.

Every Residential Customer that requests a connection or a reconnection shall pay the Company a fee of Fifteen Dollars (\$15.00). ~~Met Ed Thirty Six Dollars (\$36.00), Penelec Thirty Two Dollars (\$32.00), Penn Power and West Penn Thirty Dollars (\$30.00).~~

Every Non-Residential Customer shall pay the Company a reconnection fee/charge that is the higher of (i) the Residential Customer reconnect fees/charges specified in this Rule 12c or (ii) the Company's actual cost for reconnection of that particular Non- Residential Customer.

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## GENERAL RULES AND REGULATIONS

### **16. Auxiliary Power Sources and Readiness to Serve**

Service to a Customer, any part of whose electric requirements are provided by other than Company-owned facilities, and where the Company supply can be substituted for that of the Customer, will be supplied only under the provisions of this rule.

The maximum demand in kilowatt and power factor which the Company is obligated to supply shall be determined by agreement between Customer and Company.

In case the maximum demand in kilovolt-amperes which the Company is obligated to supply is less than the Customer's maximum demand as estimated by the Company, the Company may require the Customer to limit his demand to the load which the Company is obligated to supply by means of a load limiter to be furnished, installed, and maintained by the Customer, approved, set, and sealed by the Company.

The Customer shall not at any instant operate any source of supply in parallel with the Company's service without written permission from the Company.

Monthly billing will be under the provisions of the rates in conjunction with which this rule is employed.

The Customer shall reimburse the Company for all loss or damage sustained by the Company as a result of the Customer's use of the Company's service under the provisions of this rule.

### **17. Interconnection, Safety & Reliability Requirements**

In order to assure the integrity and safe operation of the Company's system and to permit the continuation of reliable service to other Customers, the following requirements and standards apply to all types of Generating Facilities, including customer owned generation, desiring to interconnect with the Company's system.

All generation operations shall be performed in a safe, reasonable and competent manner in accordance with prudent electric practices in order to, among other things, preserve and protect the Company's electric system.

All Generating Facilities shall submit a written application to the Company for acceptance of interconnected operation of their facilities with the Company's system prior to engaging in such interconnected operations. The Company may require, among other things, the following as part of any application submitted by an Applicant/Customer for service under this Rule 17:

- a. Plans, specifications and location of the proposed installation.
- b. Single line diagrams and details of the proposed protection schemes.

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## GENERAL RULES AND REGULATIONS

### **17. Interconnection, Safety & Reliability Requirements (continued)**

- c. Instruction manuals for all protective components.
- d. Component specifications and internal wiring diagrams of protective components, if not provided in instruction manuals.
- e. Generator data required to analyze fault contributions and load current flows including, but not limited to, equivalent impedances, time constants and harmonic distortions.
- f. The rating of all protective equipment if not provided in instruction manuals.
- g. All such other information that may be required by the Company.

Paralleling Customer generation with the Company's system shall be permitted only upon the written consent of the Company.

## EMERGENCY CONDITIONS

### **18. Load Control**

Whenever the demands for electric power on all or part of the Company's system exceed or threaten to exceed the capacity then actually and lawfully available to supply such demands, or whenever system instability or cascading outages could result from actual or expected transmission overloads or other contingencies, or whenever such conditions exist in the system of another public utility or PJM control area with which the Company's system is interconnected and cause a reduction in the capacity available to the Company from that source or threaten the integrity of the Company's system or when communicated by PJM per established policies and standards, a load emergency situation exists. In such case(s), the Company shall take such reasonable steps as the time available permits or as directed by PJM to bring the demands within the then-available capacity or otherwise control load. Such steps shall include, but shall not be limited to, reduction or interruption of service to one or more Customers, in accordance with the Company's procedures for controlling load.

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**RATE SCHEDULES**  
**RATE RS**  
**RESIDENTIAL SERVICE**

**AVAILABILITY:**

**Met-Ed and Penelec**

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.

**Penn Power**

Available for Residential Service using the Company's standard, single-phase service, to installations served through one meter for each family unit in a residence or apartment. When service is used through the same meter for both residential and commercial purposes the General Service rate schedule shall apply.

**West Penn**

Available for single-phase service to a single-family residence served through one meter. Combination residential and commercial service may be taken on this Rate when the entire service is taken through one meter and the total commercial connected load does not necessitate upgrade of service facilities. This Rate is available for single-phase service to farms when supplied along with service for the residence through one meter.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Customer Charge	<del>\$14.50</del> 11.25	<del>\$14.50</del> 1.25	<del>\$14.00</del> 4.50	<del>\$11.50</del> 7.44
Per kWh for all kWh	<del>6.19</del> 4.800	<del>7.63</del> 6.074	<del>6.44</del> 4.437	<del>4.74</del> 3.487
	cents per kWh	cents per kWh	cents per kWh	cents per kWh

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Residential Customer Class rate applies.

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**RATE SCHEDULES, RATE RS (continued)**

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Rate District Customer Charge listed in the General Monthly Charges section of this rate schedule plus distribution energy charges and charges related to applicable riders.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**EQUAL PAYMENT PLAN:**

As per Rule 10b(4), Equal Payment Plan.

**SPECIAL MONTHLY CHARGES FOR LOADS IN EXCESS OF 25 KILOWATTS:**

The Company shall install a suitable demand meter to determine the maximum 15-minute integrated demand when (i) a Customer's service requires the installation of an individual transformer, (ii) a Customer's total monthly consumption exceeds 10,000 kilowatt-hours for two (2) consecutive months, or (iii) when the Customer's service entrance requirements exceed 600 amperes.

If the demand so determined under this provision exceeds twenty-five (25) kilowatts, a monthly distribution demand charge, as outlined in the chart below, per kW for all kW shall apply to such excess as set forth in this provision, in addition to the General Monthly Charges. In no event shall the demand charge be based upon less than seventy-five percent (75%) of the highest excess demand during the preceding eleven (11) months.

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Demand Charge	\$3.512.72 per kW	\$2.943.68 per kW	\$1.882.68 per kW	\$2.463.43 per Kw

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**GENERAL PROVISIONS:**

	General Provision Matrix							
	A (1)	A (2)	A (3)	B (1)	B (2)	B (3)	C	D
Met-Ed	X			X				
Penelec		X						
Penn Power					X		X	
West Penn			X			X		X

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**RATE SCHEDULES**

**RATE GS-SMALL (GS-S)  
GENERAL SERVICE SECONDARY - NON-DEMAND METERED**

**AVAILABILITY:**

**Met-Ed & Penelec**

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 in the most recent twelve-month period, the Customer may 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.

**Penn Power & West Penn**

Available for service through a single metering installation for secondary light and power service for loads up to 1,500 kWh. If an existing Customer's total consumption exceeds 1,500 kWh per month for two (2) consecutive months in the most recent twelve-month period, the Customer may no longer be eligible for service under this Rate Schedule GS-Small.

(C)

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Customer Charge	\$21,8829.57	\$18,3325.04	\$24,8936.54	\$9,5214.40
Per kWh for all billed kWh	4.0695.499 cents per kWh	3.6244.950 cents per kWh	3.6235.318 cents per kWh	3.5295.337 cents per kWh

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Price to Compare Default Service Rate Rider applies unless the Customer elects to receive Default Service from the Company under the Hourly Pricing Default Service Rider.

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~~The monthly Minimum Charge shall be the applicable Rate District Customer Charge listed in the General Monthly Charges section of this rate schedule plus distribution energy charges and charges related to applicable riders.~~

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**RATE SCHEDULES, RATE GS-SMALL (continued)**

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Rate District Customer Charge listed in the General Monthly Charges section of this rate schedule plus distribution energy charges and charges related to applicable riders.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**GENERAL PROVISIONS:** Each applicable provision is marked within the table.

	General Provision Matrix					
	A (+) A (-) A (3)	B	C	D	E	F
Met-Ed	X		X			
Penelec	X		X			
Penn Power	X X	X	X			X
West Penn	X X			X	X	

**A. TERMS OF CONTRACT:**

- (1) Each Customer shall be required to enter into a Delivery Service contract with the Company for a minimum one (1) year term. If the Delivery Service contract is terminated by the Customer prior to its expiration, the Minimum Charge provisions of this Rate Schedule shall apply. If the Customer's capacity or service requirements increase, the Company, in its sole and exclusive judgment, may at any time require the Customer to enter into a new Delivery Service contract.
- (2) ~~Customers may leave the firm service provision of this rate once in a twelve (12) month period. Service other than firm service is supplied under this rate when Customer advances the net cost of connection and disconnection under the provisions of the applicable financing plan. Charges will be increased 10%. Service shall not be available for standby or maintenance service such as that required for alternative generation facilities.~~
- (3) ~~Customers taking secondary service on this schedule will require a written application on the Company's standard application form. All others served secondary, primary or transmission voltage and including those requiring extension of distribution facilities, will require a written contract which by its terms shall be in full force thereafter from year to year unless either party shall give to the other not less than 60 days' notice in writing prior to the expiration date of any of said yearly periods that the contract shall be terminated at the expiration date of said yearly period. When a contract is terminated in the manner provided herein, the service will be discontinued. Customers who elect not to contract for a minimum one (1) year term as specified above will be placed on this rate schedule.~~

**B. SPECIAL RULE GSDS:** Customers with a historic billing demand of 500 kW and above and who would otherwise qualify for Rate Schedule GP or TP, but who are on Rate Schedule GS-Small due to the Customer not being under contract, will be placed on the Hourly Pricing Default Service Rider.

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- C. FIXED USAGE: The Company may, in its sole and exclusive discretion, permit Customers to take service under this Special Provision. For Customers permitted by the Company to take service under this Special Provision, the Company may, in its sole and exclusive discretion, impute a level of energy and demand for that Customer based upon the Customer's projected load and hours of use for that load.

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**RATE SCHEDULES**

**RATE GS-V  
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.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Customer Charge	<del>\$11.25</del> 14.50	<del>\$11.25</del> 14.50	<del>\$11.00</del> 4.50	<del>\$11.50</del> 7.44
Per kWh for all kWh	<del>6.19</del> 4.800 cents per kWh	<del>7.63</del> 66.074 cents per kWh	<del>6.44</del> 64.437 cents per kWh	<del>4.3</del> 48747 cents per kWh

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Residential Customer Class rate applies.

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Rate District Customer Charge listed in the General Monthly Charges section of this rate schedule plus distribution energy charges and charges related to applicable riders.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

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**RATE SCHEDULES, RATE GS-V (continued)**

**SPECIAL MONTHLY CHARGES FOR LOADS IN EXCESS OF 25 KILOWATTS:**

The Company shall install a suitable demand meter to determine ~~the maximum~~ 15-minute ~~to a~~ <sup>(C)</sup> ~~maximum of an hourly~~ integrated demand when (i) a Customer's service requires the installation of an individual transformer, (ii) a Customer's total monthly consumption exceeds 10,000 kilowatt-hours for two (2) consecutive months, or (iii) when the Customer's service entrance requirements exceed 600 amperes.

If the demand so determined under this provision exceeds twenty-five (25) kilowatts, a monthly distribution demand charge, as outlined in the chart below, per kW for all kW shall apply to such excess as set forth in this provision, in addition to the General Monthly Charges. In no event shall the demand charge be based upon less than seventy-five percent (75%) of the highest excess demand during the preceding eleven (11) months.

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Demand Charge	<del>\$3,512.72</del> per kW	<del>\$2,913.68</del> per kW	<del>\$1,882.68</del> per kW	<del>\$2,463.43</del> per Kw

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**TERM OF CONTRACT:**

Each Customer shall be required to enter into a Delivery Service contract with the Company for a minimum one (1) year term. If the Delivery Service contract is terminated by the Customer prior to its expiration, the Minimum Charge provisions of this Rate Schedule shall apply. If the Customer's capacity or service requirements increase, the Company, in its sole and exclusive judgment, may at any time require the Customer to enter into a new Delivery Service contract.

**RULES AND REGULATIONS:**

The Company's Standard Rules and Regulations shall apply to the installation and use of electric service. Motors and equipment served under this rate schedule shall have electrical characteristics so as not to interfere with service supplied to other customers of the Company.

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**RATE SCHEDULES**  
**RATE GS-MEDIUM**  
**GENERAL SERVICE SECONDARY – DEMAND METERED**

**AVAILABILITY:**

Available to Non-Residential Customers that use electric service through a single delivery location for lighting, heating and/or power service up to 400 kW demand. 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.

If an existing Customer's total consumption is less than 1,500 kWh per month for twelve (12) consecutive months, the Customer is may no longer be eligible for service under this Rate Schedule GS-Medium. Based upon the Company's then estimate of the Customer's usage, the Customer shall be placed on Rate Schedule GS-Small or such other Rate Schedule for which such Customer most qualifies.

(C)

If an existing Customer's registered billing demand is equal to or greater than 400 kW for two (2) consecutive months in the most recent twelve-month period, the Customer is may no longer be eligible for service under this Rate Schedule GS-Medium and shall be placed on Rate Schedule GS-Large or such other Rate Schedule for which such Customer most qualifies.

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**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed		Penelec		Penn Power	West Penn
	Single	Three	Single	Three	All	All
Customer Charge	<del>\$30.05</del> <u>24.07</u>	<del>\$43.03</del> <u>53.72</u>	<del>\$19.58</del> <u>23.92</u>	<del>\$39.38</del> <u>48.11</u>	<del>\$26.87</del> <u>38.17</u>	<del>\$18.94</del> <u>25.90</u>
Per kW for all billing kW	<del>\$5.11</del> <u>6.38</u>	<del>\$5.11</del> <u>6.38</u>	<del>\$6.30</del> <u>7.70</u>	<del>\$7.76</del> <u>30</u>	<del>\$4.83</del> <u>3.40</u>	<del>\$3.85</del> <u>2.81</u>
Per kVAr of reactive billing demand		<del>\$0.25</del> <u>20</u>		<del>\$0.24</del> <u>0</u>	<del>\$0.28</del> <u>0</u>	<del>\$0.25</del> <u>18</u>
Energy: cents per kWh for all kWh						<del>0.54</del> <u>4008</u>

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on page 181.

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**RATE SCHEDULES, RATE GS-MEDIUM (continued)**

**DEFAULT SERVICE CHARGES:**

For Rate Schedule GS-Medium (PTC) Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies unless the Customer elects to receive Default Service from the Company under the Hourly Pricing Default Service Rider. For Rate Schedule GS-Medium (HP) Customers receiving Default Service from the Company, the Hourly Pricing Default Service Rider rates apply.

**DETERMINATION OF RATE SCHEDULE GS-MEDIUM (PTC) AND GS-MEDIUM (HP):**

Rate Schedule GS-Medium (PTC): Customers receiving service under this Rate Schedule with a kW Demand less than 100 kW.

Rate Schedule GS-Medium (HP): Customers receiving service under this Rate Schedule with a kW Demand equal to or greater than 100 kW.

The Customer's demand used for the determination of the default service rider that the customer should be billed under if receiving Default Service from the Company shall be determined as follows: effective June 1st of each year, a review of the measured demand for the period April 1st of the preceding year to March 31st of the current year will be conducted. Based on the review, if the measured demand in any twelve months is less than 100 kW, then the Customer shall receive Default Service under the provisions of the Price to Compare Default Service Rate Rider. Otherwise, the Customer will receive Default Service under the provisions of the Hourly Pricing Default Service Rider.

**DETERMINATION OF BILLING DEMAND:**

The Company shall install suitable demand meters to determine ~~the maximum~~ 15-minute to a ~~maximum of an hourly~~-integrated demand when (i) the connected load being served equals fifteen (15) kilowatts or more, or (ii) the Company estimates that a demand greater than five (5) kilowatts will be established. The Company may install a demand meter on new or upgraded electric services.

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A determination of connected load or estimated demand may be made by the Company at any time and shall be made when the Customer's total consumption exceeds 1,500 kWh per month for two (2) consecutive months in the most recent twelve-month period.

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**RATE SCHEDULES, RATE GS-MEDIUM (continued)**

A Customer's demand shall be measured by indicating or recording instruments. ~~Demands shall be integrated over 15 minute intervals.~~ The billing demand in the current month shall be the greatest of:

(i) the maximum measured demand established in the month during On- Peak Hours, as stated herein, (ii) forty percent (40%) of the maximum measured demand established in the month during off-peak hours, or (iii) contract demand or (iv) fifty percent (50%) of the highest billing demand established during the preceding eleven (11) months. The on-peak and off-peak hour provisions of this definition are only applicable for those customers who have installations of Time-of-Use demand meters.

Pending the installation of a demand meter, Customer's Demand shall be a formula demand determined by dividing the kilowatt-hour consumption by 200.

**REACTIVE BILLING DEMAND:**

Reactive Billing Demand, measured in kVAr, shall be the integrated reactive demand occurring coincident with the Billing Demand.

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Rate District Customer Charge plus the demand charge at current rate levels times the Billing Demand, plus Distribution Charges plus any charges stated in or calculated by any applicable Rider.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

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**RATE SCHEDULES, RATE GS-MEDIUM (continued)**

**GENERAL PROVISIONS:**

General Provision Matrix						
	A (1) A(2)	B (1)	B (2)	C (1)	C (2)	D
Met-Ed	X	X		X		
Penelec	X		X	X		
Penn Power	X					
West Penn Power	X				X	X

**A. TERMS OF CONTRACT:**

- (1) Each Customer shall be required to enter into a Delivery Service contract with the Company for a minimum one (1) year term. If the Delivery Service contract is terminated by the Customer prior to its expiration, the Minimum Charge provisions of this Rate Schedule shall apply. If the Customer's capacity or service requirements increase, the Company, in its sole and exclusive judgment, may at any time require the Customer to enter into a new Delivery Service contract.
- (2) ~~Minimum of one year, except if Monthly Service is supplied under this Schedule when Customer advances the net cost of connection and disconnection under the provisions of the applicable financing plan. Charges shall be increased 10% and the Minimum Charge based on 100% of the Agreement Capacity shall be waived. Monthly Service shall not be available for standby or maintenance service such as that required for alternative generation facilities.~~

**B. COMBINED BILLING:**

- (1) THIS PROVISION HAS BEEN RESTRICTED TO PRESENT LOCATIONS SINCE SEPTEMBER 18, 1978. Only one standard single-phase metered service and one standard three-phase metered service, each in excess of five (5) kW measured demand for each service, shall be supplied at one contract location, and when so supplied the energy and demand registrations of the separate meters shall be determined separately and may be added for billing purposes when the use of capacity on each service will remain in excess of five (5) kW for each month of the contract year. Each separate and non-contiguous point of delivery or service installation shall be considered a contract location and shall be metered and billed under a separate service contract.
- (2) THIS PROVISION IS RESTRICTED AS OF JUNE 18, 1976, to existing Customers and loads at existing locations. Combined Billing will not be permitted except where Customers are supplied with single-phase and three-phase service at secondary voltages at a single location. In such instances, only one (1) single-phase and one (1) three-phase service may be combined for billing purposes. Customer locations and loads may not continue to be billed under this Provision B (2) (i) if the Customer increases the capacity of either service entrance wiring, or (ii) the Customer increases the electrical load in the facility necessitating a change in the Company's facilities. Billing demand shall be the sum of the individual demands of each metered service. The individual demand of each metered service shall be determined separately.

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**RATE SCHEDULES**  
**RATE GS-LARGE**  
**GENERAL SERVICE SECONDARY**

**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 in the most recent twelve-month period. 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.~~

(C)

New Customers requiring transformer capacity in excess 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.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Customer Charge	<del>\$270.09</del> 339.18	<del>\$248.12</del> 04.79	<del>\$178.55</del> 30.07	<del>\$196.29</del> 45.82
Per kW for all billed kW	<del>\$5.224</del> .16	<del>\$8.096</del> .68	<del>\$5.994</del> .36	<del>\$5.373</del> .99
Per kVAr of reactive billing demand	<del>\$0.250</del>	<del>\$0.231</del> 9	<del>\$0.270</del>	<del>\$0.241</del> 8

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

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

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**RATE SCHEDULES, RATE GS-LARGE (continued)**

**DETERMINATION OF BILLING DEMAND:**

A Customer's demand shall be measured by indicating or recording instruments. Demands shall be integrated over 15-minute to maximum one hour intervals. The billing demand in the current month shall be the greatest of:

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(i) the maximum measured demand established in the month during On- Peak Hours, as stated herein, (ii) forty percent (40%) of the maximum measured demand established in the month during off-peak hours, or (iii) contract demand or (iv) fifty percent (50%) of the highest billing demand established during the preceding eleven (11) months. The on-peak and off-peak hour provisions of this definition are only applicable for those customers who have installations of Time-of-Use demand meters.

Pending the installation of a demand meter, Customer's Demand shall be a formula demand determined by dividing the kilowatt-hour consumption by 200.

**REACTIVE BILLING DEMAND:**

Reactive Billing Demand, measured in kVAr, shall be the integrated reactive demand occurring coincident with the Billing Demand.

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Rate District Customer Charge plus the demand charge at current rate levels times the Billing Demand, plus Distribution Charges plus any charges stated in or calculated by any applicable Rider.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

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**RATE SCHEDULES, RATE GS-LARGE (continued)**

**GENERAL PROVISIONS:**

General Provision Matrix						
	A (+) A(2)	B (1)	B (2)	C (1)	C (2)	D
Met-Ed	X					
Penelec	X	X		X		
Penn Power	X		X			
West Penn	X X				X	X

**A. TERMS OF CONTRACT:**

(+)

Each Customer shall be required to enter into a Delivery Service contract with the Company for a minimum one (1) year term. If the Delivery Service contract is terminated by the Customer prior to its expiration, the Minimum Charge provisions of this Rate Schedule shall apply. If the Customer's capacity or service requirements increase, the Company, in its sole and exclusive judgment, may at any time require the Customer to enter into a new Delivery Service contract.

~~(2) Minimum of one year, except if Monthly Service is supplied under this Schedule when Customer advances the net cost of connection and disconnection under the provisions of the applicable financing plan. Charges shall be increased 10% and the Minimum Charge based on 100% of the Agreement Capacity shall be waived.~~

**B. COMBINED BILLING:**

- (1) This Provision is restricted as of June 18, 1976, to existing loads at existing locations. Combined Billing shall be permitted for three-phase multi-metered points at secondary voltages established prior to June 18, 1976. The billing demand shall be the sum of the individual demands of each metered service. Customer locations and loads may not continue to be billed under this General Provision: (i) if the Customer increases the capacity of either service entrance wiring, or (ii) the Customer increases the electrical load in the facility necessitating a change in the Company's facilities.
- (2) For those Customers that were previously on the Optional Controlled Service Rider prior to June 20, 1996 shall be allowed to combine their separate meter readings that were in place under the Optional Controlled Service Rider into one single meter reading for billing purposes.

**C. SERVICE AT PRIMARY VOLTAGE:**

- (1) Customers served at Primary Voltage may be billed under this Rate GS-Large, at the Company's sole and exclusive discretion, when a Customer requires Primary Service at a voltage less than the nearest available Primary Voltage, if the Company agrees to provide the Primary Voltage requested by the Customer.
- (2) Customers served at voltages greater than 1,000 volts under this Rate Schedule qualify for a voltage discount of \$1.~~23~~66 per for all billing kW.

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**RATE SCHEDULES**  
**RATE GP**  
**GENERAL SERVICE – PRIMARY**

**AVAILABILITY:**

**Met-Ed & Penelec**

Available to non-Residential Customers using electric power and/or lighting service through a single delivery location at 2,400 volts or higher. If an existing Customer's billing demand exceeds 3,000 kW for more than two (2) consecutive months in any 12-month period, then the Customer may no longer be eligible for service under Rate GP, and shall be placed on Rate Schedule LP or such other Rate Schedule for which such Customer most qualifies, unless Customer is not otherwise eligible for another rate. Choice of voltage shall be at the option of the Company. All substation and transformer equipment required for utilization of the delivery voltage shall be owned and maintained by the Customer. As described more fully in the next paragraph, this Rate Schedule shall be applicable to the owner of any Generating Facility whose Generating Facility is interconnected to the Company's electric system, if the Company believes, in its sole and exclusive discretion, that the provisions of this Rate Schedule are otherwise available to the Generating Facility.

The Company shall determine the applicability of this Rate Schedule to Generating Facility owners in its sole and exclusive discretion. If and when the Company determines that the owner of a Generating Facility interconnected to the Company's system has not previously entered into Tariff or other arrangements satisfactory to the Company allowing it to charge and receive payment of Delivery Service Charges, Default Service Charges and/or Net Station Power, as applicable, the Company will assign the Generating Facility to this Rate Schedule if the Company believes, the provisions of this Rate Schedule are otherwise available to the Generating Facility. For any hour in which the Company has determined the Generating Facility receives energy or capacity, as metered at or near such facility, the Generating Facility owner shall be responsible for paying to the Company all Delivery Service charges and/or Default Service Charges, applicable, based upon the metered energy and demand. In addition, the Generating Facility owner shall be responsible for paying to the Company all charges associated with Net Station Power for each applicable billing period based upon the default service rates specified in this Rate Schedule.

Minimum billing demand shall not be less than twenty-five (25) KW.

**Penn Power**

Available for primary light and power service. The billing load as hereinafter defined shall not be less than 25 kW. Service at alternating current, 60 hertz, three-phase, at nominal primary voltages as available from suitable facilities of adequate capacity adjacent to the premises to be served, and as determined by the Company. The Customer shall have the responsibility for ownership, operation, and maintenance of all transforming, controlling, regulating, and protective equipment.

**West Penn**

Available for service at 15,000 volts or less for loads of 2,000 kilowatts or greater, supplied at a single point of delivery. Also available at 12,470 volts where Company elects, at its sole option, to supply service direct from an adjacent 138,000 volt transmission line by a single transformation. Service shall not be available for Standby or Maintenance Service such as that required for Alternative Generation Facilities. An Electric Service Agreement shall be executed.

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**RATE SCHEDULES, RATE GP (continued)**

**PSU**

Available for service at 12,470 volts from Company substations.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Distribution Charge	<del>\$951.53</del> 1205.49	<del>\$1246.19</del> 996.52	<del>\$166.61</del> 44.35	<del>\$983.20</del> 1399.76
Per kW for all billed kW	<del>\$3.78</del> 2.98	<del>\$4.33</del> 3.46	<del>\$6.32</del> 4.34	<del>\$0.87</del> 61
Per kVAr of reactive billing demand	<del>\$0.25</del> 0	<del>\$0.24</del> 19	<del>\$0.29</del> 0	<del>\$0.26</del> 18
Transformer Charge				<del>\$1.69</del> 19

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Rate District	PSU
Customer Charge	<del>\$793.00</del> 1106.67
Demand Charge: First 10,000 kilovolt-amperes	<del>\$3.68</del> 2.52
Demand Charge: Additional kilovolt-amperes	<del>\$3.38</del> 2.42

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

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

**DETERMINATION OF BILLING DEMAND:**

**Met-Ed, Penelec, Penn Power, & West Penn**

The Customer's demand shall be measured by indicating or recording instruments. Demand shall be integrated over 15-minute intervals or as otherwise determined by the Company. The billing demand in the current month shall be the greatest of: (i) For ME, PN and PP twenty-five (25) kW. For WP two thousand (2,000) kW, (ii) the maximum measured demand established in the month during On-Peak Hours, as stated herein, (iii) forty percent (40%) of the maximum measured demand established in the month during off-peak hours, (iv) contract demand, or (v) fifty percent (50%) of the highest billing demand established during the preceding eleven (11) months. The on-peak and off-peak hour provisions of this definition are only applicable for those customers who have installations of Time-of-Use demand meters.

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**RATE SCHEDULES, RATE TP (continued)**

The Customer shall have the responsibility for ownership, operation, and maintenance of all transforming, controlling, regulating, and protective equipment.

The Company reserves the right to install the metering equipment on either the primary or secondary side of the customer's transformers, and when installed on the secondary side, compensating metering equipment will be used to correct for transformer losses.

**West Penn**

Available for service at 25,000 volts or more for loads of 2,000 kilowatts or greater, supplied at a single point of delivery. Service shall not be available for Standby or Maintenance Service such as that required for Alternative Generation Facilities. An Electric Service Agreement shall be executed.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Distribution Charge	<del>\$5,290,686,499.96</del>	<del>\$3,413,984,246.82</del>	<del>\$324,29421.62</del>	<del>\$1,399,76983.20</del>
Per kW for all billed kW	<del>\$1.180.96</del>	<del>\$2.314.86</del>	<del>\$0.7054</del>	<del>\$0.8764</del>
Per kVAr of reactive billing demand			<del>\$0.269</del>	<del>\$0.2648</del>

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**RIDERS:**

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**DEFAULT SERVICE CHARGES:**

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

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**RATE SCHEDULES, RATE TP (continued)**

**B. VOLTAGE DISCOUNT:**

- (1) If the Company, in its sole discretion, elects to serve a Customer at 115 KV or greater, the demand charge shall be decreased as follows: Credit in the amount of \$0.~~9275~~ Dollars/KW of Demand. (D)
- (2) Upon request by the Customer, the Company shall furnish service at 115,000 volts or greater where available provided Customer furnishes all necessary transformer and terminal equipment. If service is supplied at 115,000 volts or greater, the kilowatt demand charge and energy charges per month shall be decreased as shown below per kW of billing demand and as shown below per kWh of total energy, respectively. In the case of an account with multi-point delivery, the credits shall be based on the contribution of the 115,000 volt or greater delivery point to the billing demand and total billed energy. Credit in the amount of \$1.~~8549~~ Dollars/KW of Demand. (D)
- (3) If the Company, in its sole discretion, elects to serve a Customer at 115 KV or greater, the demand charge shall be decreased as follows: Credit in the amount of \$0.18 Dollars/KW of Demand.
- (4) For loads of 10,000 kilowatts or greater, the Company will furnish service at voltages above 100,000 volts if such service is provided at a single delivery point from the Company's transmission system and in the sole judgment of the Company the necessary capacity is available. When such service is supplied and the Customer owns and maintains all required facilities, discounts will be allowed, but in no case will the amount of the minimum bill be hereby reduced. Credit in the amount of \$0.~~7150~~ Dollars/KW of Demand. (D)

**C. LESS THAN 23,000 VOLT DELIVERY:** Service will be rendered at less than 23,000 volts only at the sole and exclusive discretion of the Company and only when it can be provided economically through a single transformation from available transmission lines of 115,000 volts or above.

**D. MULTI-POINT DELIVERY:** THE AVAILABILITY OF THIS PROVISION TO CUSTOMERS HAS BEEN RESTRICTED SINCE JUNE 18, 1976. NEITHER DELIVERY SERVICE CUSTOMERS NOR NEW DELIVERY SERVICE CUSTOMERS SHALL BE PERMITTED TO TAKE SERVICE UNDER THIS PROVISION. ANY CUSTOMER PRESENTLY SERVED UNDER THIS PROVISION WHO BECOMES A DELIVERY SERVICE CUSTOMER AND LATER RETURNS AS A DEFAULT SERVICE CUSTOMER SHALL NOT BE PERMITTED TO TAKE SERVICE UNDER THIS PROVISION. If the load of an industrial Customer located on single or contiguous premises becomes greater than the capacity of the standard circuit or circuits established by the Company to supply the Customer, additional delivery points may be established for such premises upon written request of the Customer, provided multi-point delivery is not disadvantageous to the Company. When such additional points of delivery are established, billing shall be based on the sum of the meter readings except that, at the written request of the Customer, billing demand shall be based on the sum of the simultaneous meter readings where the Customer employs load management techniques to reduce its contribution to the Company's system annual and monthly peaks. Customer's locations and loads billed under this provision may not continue to be so served if there is a substantial increase in load necessitating any increase in the capacity of the Company's facilities or in the capacity of the Customer's service entrance wiring. Multiple Customer-owned circuits from the same substation shall not be considered multi-point delivery.

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**RATE SCHEDULES**  
**SCHEDULE 44**  
**PRIMARY POWER SERVICE**

**AVAILABILITY:**

**West Penn**

Available only to locations now served hereunder and to locations for which definite rate commitments have been made as of December 31, 1998, under conditions stated below for interruptible power service at not less than 25,000 volts balanced three-phase for loads of 5,000 kilovolt-amperes or greater to the extent that Company, in its sole judgment, determines that it has capacity for such service at the point of supply. Service shall not be available for Standby or Maintenance Service such as that required for Alternative Generation Facilities. An Electric Service Agreement shall be executed.

**GENERAL MONTHLY CHARGES:**

Distribution Charges

Rate District	West Penn	
Customer Charge	<del>\$5,454.08</del>	
Point of supply	At generating stations	At transmission lines
Per kVA for all billed kVA	<del>\$0.15+</del>	<del>\$0.15+</del>
Per kWh for all billed kWh	<del>\$0.0003929</del>	<del>\$0.000329</del>

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**PENALTY CHARGE:**

In addition to the above demand and energy charges, a charge of \$7.00 per kVA will apply each time a Customer fails to interrupt when requested. The kVA subject to this charge shall be the maximum fifteen-minute kilovolt-ampere demand during each interruption period beginning with the second full fifteen-minute period after commencement of an interruption by the Company and continuing through the fifteen-minute period immediately preceding termination of that interruption period.

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

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

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**RATE SCHEDULES**  
**SCHEDULE 46**  
**PRIMARY POWER SERVICE**

**AVAILABILITY:**

**West Penn**

Available only to locations now served hereunder and to locations for which definite rate commitments have been made as of December 31, 1998 for service at 25,000 volts or higher for loads of 30,000 kilovolt-amperes or greater, supplied at not more than five plant locations within a distance of eight miles. Service shall not be available for Standby or Maintenance Service such as that required for Alternative Generation Facilities. An Electric Service Agreement shall be executed.

**GENERAL MONTHLY CHARGES:**

Distribution Charges

Rate District	West Penn
Customer Charge	<del>\$7.80</del> <sup>(I)</sup> <del>5.45</del>
Per kVA for all billed kVA	<del>\$0.74</del> <sup>(I)</sup> <del>52</del>
Voltage Discount: per kVA for all billed kVA	\$0.14
Energy Charges: per kWh for all billed kWh	<del>\$0.001</del> <sup>(I)</sup> <del>949</del>

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**VOLTAGE DISCOUNT (kVA):**

If requested, the Company will furnish service at voltages above 100,000 volts at each plant location if such service at that location is over 10,000 kilovolt-amperes, is provided at a single delivery point from the Company's transmission system, is the only service on that account, and if in the sole judgment of the Company, the necessary capacity is available. When such service is supplied and the Customer owns and maintains all required facilities, the above discounts will be allowed but in no case will the amount of the minimum bill be hereby reduced.

To qualify for this transmission voltage service, the Customer must be billed for at least 10,000 kilovolt-amperes at least once in every 12-month period at each metering point.

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

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**RATE SCHEDULES**

**RATE H  
ALL ELECTRIC SCHOOL, CHURCH AND HOSPITAL RATE**

**AVAILABILITY:**

**Penelec**

THE AVAILABILITY OF THIS RATE SCHEDULE TO CUSTOMERS HAS BEEN  
RESTRICTED SINCE MARCH 29, 1971.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Penelec
Customer Charge	\$35.13
Cents per kWh for all kWh	<del>4.0323</del> 4.0323

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service  
Rate Rider, Commercial Customer Class rate applies.

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Customer Charge listed in the General  
Monthly Charges section of this rate schedule plus distribution energy charges and charges related to  
applicable riders.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

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**RATE SCHEDULES**

**RATE MS  
MUNICIPAL SERVICE RATE**

**AVAILABILITY:**

**Met-Ed**

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.

**GENERAL MONTHLY CHARGES:**

The Distribution Charges are applicable to Delivery Service Customers:

Rate District	Met-Ed
Customer Charge	\$32.23
Cents per kWh for all kWh	<del>3.9883</del> 1.59

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

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**RATE SCHEDULES**

**RATE PNP  
PUBLIC OR NON-PROFIT ORGANIZATION RATE**

**AVAILABILITY:**

**Penn Power**

Certain public or non-profit organizations may receive electric service pursuant to the charges set forth below as part of the Company's Community and Customer Partnership Program (CCPP) rate schedule.

Service at alternating current, 60 hertz, standard single-phase or three-phase three-wire or four-wire secondary service, as available. Single and three-phase service will be metered and billed separately or, when feasible, single and three-phase service will be furnished through a single meter installation and billed as one account provided the customer arranges his wiring to facilitate the installation of a single meter. Where service is furnished at three-phase, the customer shall provide and maintain all equipment required for lighting service.

**DEFINITION:**

Public or Non-Profit Organization – organization which has the authority to tax and has tax exempt status or an organization recognized by the Internal Revenue Service (IRS) as non-profit. Only qualifying organizations that have temporary connections or occasional use of electric service for periods of less than 30 days and where such service is for an event in the public interest and available to the public qualify for this special provision. The 30-day requirement may be waived for public organizations, but in no event shall occasional use extend beyond 12 continuous months.

**GENERAL MONTHLY CHARGES:**

The net monthly charge per customer shall be:

Rate District	Penn Power
Customer Charge	\$15.56
Cents per kWh for all kWh	5.2473-440

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

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**RATE SCHEDULES, RATE PNP (continued)**

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**DETERMINATION OF BILLING DEMAND:**

A Customer's demand shall be measured by indicating or recording instruments. Demands shall be integrated over 15-minute **to no more than an hour** intervals. The billing demand in the current month shall be the greatest of:

- (i) the maximum measured demand established in the month during On-peak hours, as stated herein, (ii) forty percent (40%) of the maximum measured demand established in the month during Off-peak hours, as stated herein, (iii) contract demand or (iv) fifty percent (50%) of the highest billing demand established during the preceding eleven (11) months.

**MINIMUM CHARGE:**

The monthly Minimum Charge shall be the applicable Rate District Customer Charge plus distribution energy charges and any related to applicable riders.

**PAYMENT TERMS:**

The net amount is due and payable within 15 days after the date of mailing the bill. If the net amount is not received in full on or before the date shown on the bill for payment of net amount, the gross amount, which is 2% more than the net amount balance, is due and payable. If the normal due date should fall on a Saturday, Sunday, bank holiday or any other day when the offices of the Company which regularly receive payment are not open to the general public, the due date shall be extended to the next business day.

**RULES AND REGULATIONS:**

The Company's Standard Rules and Regulations shall apply to the installation and use of electric service. Motors and equipment served under this rate schedule shall have electrical characteristics so as not to interfere with service supplied to other customers of the Company.

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**SERVICES**

**BORDERLINE SERVICE**

**AVAILABILITY:**

**Met-Ed and Penelec**

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:**

Rate District	Met-Ed	Penelec
Cents per kWh for all kWh	4.1335.917	5.03810.058

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**INVESTMENT CHARGE:**

One percent (1%) on the Company's investment in facilities necessary to deliver and meter the service.

The energy may be metered at the point of supply or at the nearest suitable point, or the energy may be estimated from the sum of the meter readings of purchaser's customers, plus an agreed upon correction to cover transformation and the line losses from the point of supply.

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**SERVICES**

**LED STREET LIGHTING SERVICE**

**AVAILABILITY:**

This Service is applicable to Company owned overhead or underground Light Emitting Diode (LED) street lighting service to municipal, local, state and federal governmental bodies, community associations and to public authorities for lighting of streets, highways, parks and similar places for the safety and convenience of the public.

A minimum installation of 12 LED lights per customer per individual order is required when replacing existing lighting. This restriction does not apply to new installations or existing locations with less than 12 lights.-

**GENERAL MONTHLY CHARGES:**

Demand and Energy Charges for common lamp sizes:

Charges Per Month Per Light:

Cobra Head

Nominal Watts	Monthly kWh	ME Distribution	PN Distribution	PP Distribution	WP Distribution
50	18	<del>\$12.519.80</del>	<del>\$11.338.29</del>	<del>\$10.957.32</del>	<del>\$9.956.94</del>
90	32	<del>\$15.462.11</del>	<del>\$13.509.88</del>	<del>\$13.148.78</del>	<del>\$12.528.73</del>
130	46	<del>\$16.432.87</del>	<del>\$15.231.14</del>	<del>\$14.649.78</del>	<del>\$13.319.28</del>
260	91	<del>\$25.3819.89</del>	<del>\$23.6517.30</del>	<del>\$22.6315.12</del>	<del>\$20.6214.38</del>

Colonial

Nominal Watts	Monthly kWh	ME Distribution	PN Distribution	PP Distribution	WP Distribution
50	18	<del>\$19.6815.42</del>	<del>\$18.273.37</del>	<del>\$17.541.72</del>	<del>\$15.951.12</del>
90	32	<del>\$21.6316.95</del>	<del>\$20.1114.71</del>	<del>\$19.262.87</del>	<del>\$17.552.24</del>

Acom

Nominal Watts	Monthly kWh	ME Distribution	PN Distribution	PP Distribution	WP Distribution
50	18	<del>\$32.6625.59</del>	<del>\$30.4822.30</del>	<del>\$29.1219.46</del>	<del>\$26.5518.51</del>
90	32	<del>\$34.5127.04</del>	<del>\$32.2323.58</del>	<del>\$30.7820.57</del>	<del>\$28.0719.57</del>

**RIDERS:**

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**SERVICES, LED Street Lighting (continued)**

**DEFAULT SERVICE CHARGES:**

For customers receiving default service, the Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage multiplied by the Price to Compare Default Service Rate Rider, Commercial Customer Class rate.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**TERM OF CONTRACT:**

Provision of this Service requires a contract with the Company. The initial term of contract shall be not less than ten (10) years, subject to renewal for successive one (1) year terms, unless other terms shall be provided in the contract. When replacement of existing lighting is requested by the Customer of an existing luminaire during the initial ten (10) year term, the Customer shall pay the cost of removal in addition to an amount representative of the depreciable life of the fixture for the remainder of the term (to be determined by the Company).

**GENERAL PROVISIONS:**

- A. The Company shall furnish, install, and maintain lighting fixtures on an approved existing pole at the above rates all necessary street lighting facilities consisting of but not limited to lamps, luminaires, ~~brackets~~, and other supporting materials. (C)
- B. ~~The Company will install lighting fixtures on an approved existing pole.~~ All additional and new lighting equipment, consisting of but not limited to poles, brackets, wiring, transformation, etc., not provided for herein and installed by the Company at the request of the customer shall be the property of the Company and be paid for by the customer prior to the customer taking service. (C)
- C. Costs associated with activities related to the replacement, relocation, alteration, repair, or removal of existing street lighting equipment are not included as part of normal maintenance will be the responsibility of the customer. Examples of such activities include, but are not limited to, the replacement of an existing fixture, removal or relocation of a lamp, luminaire, bracket, pole, or installation of a luminaire shield.
- D. All lamps shall be unmetered and will operate from dusk to dawn each and every night, or for approximately 4,200 hours per year.
- E. If a Customer requests an underground system, it will be installed where service is supplied from an existing underground distribution system. Additional cost shall be borne by the Customer.
- F. All service and necessary maintenance will be performed only during regular working hours of the Company.

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**SERVICES**

~~**ORNAMENTAL STREET LIGHTING SERVICE (SLS-O)**~~

~~**AVAILABILITY (RESTRICTED):**~~

~~**Met-Ed**~~

~~AVAILABLE ONLY AS A FULL SERVICE OPTION.~~

~~THIS SERVICE IS RESTRICTED TO EXISTING CUSTOMERS AND NO ADDITIONAL LIGHTS WILL BE INSTALLED HEREUNDER, OR INCREASED IN SIZE, EFFECTIVE OCTOBER 19, 1983. ANY CUSTOMER PRESENTLY SERVED UNDER THIS ORNAMENTAL STREET LIGHTING SERVICE AND ELECTS TO TERMINATE THIS SERVICE, SHALL NOT BE PERMITTED TO RETURN AS AN ORNAMENTAL STREET LIGHTING SERVICE CUSTOMER.~~

~~Available for ornamental street lighting service and street lighting service for underpasses and bridges. Applicable only to municipal or other governmental bodies. Incandescent street lights may be relocated provided Customer pays Company the cost of such relocation, except that such lights will be installed only in areas already lighted predominantly by incandescent lights.~~

~~TYPE OF SERVICE: The following conditions are applicable to all lights served and to all equipment supplied under this Service:~~

- ~~1. Lamps will be lighted from dusk to dawn, which is approximately 4,200 hours per year.~~
- ~~2. The lumen rating, where stated, is the manufacturers' stated nominal rating of lamps.~~

~~**RIDERS:**~~

~~The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.~~

~~**DEFAULT SERVICE CHARGES:**~~

~~The Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider Commercial Customer Class rate.~~

Issued: ~~December~~ April 22, 2023

Effective: ~~June~~ January 1,

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**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**SERVICES**

**OUTDOOR AREA LIGHTING SERVICE**

**AVAILABILITY:**

This Service is only available to customers who were previously served under the Company's applicable to Company owned Light Emitting Diode (LED) outdoor area lighting ("OAL") customers who converted from existing OAL rateschedules. Only Company owned Light Emitting Diode (LED) lights will be installed. All equipment will be owned, installed, and maintained by the Company.

**GENERAL MONTHLY CHARGES:**

Demand and Energy Charges for common lamp sizes:

Charges Per Month Per Light:

<u>Light Type</u>	<u>Nominal Watts</u>	<u>Monthly kWh</u>	<u>FE PA Distribution</u>
<u>Flood</u>	<u>30</u>	<u>11</u>	<u>\$22.48</u>
<u>Flood</u>	<u>50</u>	<u>18</u>	<u>\$22.81</u>
<u>Flood</u>	<u>90</u>	<u>32</u>	<u>\$24.66</u>
<u>Flood</u>	<u>130</u>	<u>46</u>	<u>\$27.44</u>
<u>Flood</u>	<u>260</u>	<u>91</u>	<u>\$29.81</u>

<u>Security</u>	<u>30</u>	<u>11</u>	<u>\$18.54</u>
<u>Security</u>	<u>50</u>	<u>18</u>	<u>\$18.42</u>
<u>Security</u>	<u>90</u>	<u>32</u>	<u>\$19.71</u>

<u>Shoebox</u>	<u>50</u>	<u>18</u>	<u>\$22.02</u>
<u>Shoebox</u>	<u>90</u>	<u>31</u>	<u>\$22.27</u>
<u>Shoebox</u>	<u>130</u>	<u>46</u>	<u>\$27.60</u>

<u>Underpass</u>	<u>30</u>	<u>11</u>	<u>\$23.09</u>
<u>Underpass</u>	<u>50</u>	<u>18</u>	<u>\$23.09</u>
<u>Underpass</u>	<u>90</u>	<u>32</u>	<u>\$24.26</u>

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For customers receiving default service, the Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage multiplied by the Price to Compare Default Service Rate Rider, Commercial Customer Class rate. For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

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**SERVICES, Outdoor Area Lighting (continued) SERVICES, SLS-O**

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**PAYMENT TERMS:**

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As per Rule 11, Payment of Bills.

**TERM OF CONTRACT:**

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Provision of this Service requires a contract with the Company. The initial term of contract shall be not less than twenty (20) years, subject to renewal for successive one (1) year terms, unless other terms shall be provided in the contract. When replacement of existing lighting is requested by the Customer of an existing luminaire during the initial twenty (20) year term, the Customer shall pay the cost of removal in addition to an amount representative of the depreciable life of the fixture for the remainder of the term (to be determined by the Company).

**GENERAL PROVISIONS:**

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- A. The Company shall furnish, install, and maintain lighting fixtures on an approved existing pole at the above rates, all necessary outdoor area lighting facilities consisting of but not limited to lamps, luminaires, and other supporting materials.
- B. All additional and new lighting equipment, consisting of but not limited to poles, brackets, wiring, transformation, etc., not provided for herein and installed by the Company at the request of the customer shall be the property of the Company and be paid for by the customer prior to the customer taking service.
- C. Costs associated with activities related to the replacement, relocation, alteration, repair, or removal of existing lighting equipment are not included as part of normal maintenance will be the responsibility of the customer. Examples of such activities include, but are not limited to, the replacement of an existing fixture, removal or relocation of a lamp, luminaire, bracket, pole, or installation of a luminaire shield.
- D. All lamps shall be unmetered and will operate from dusk to dawn each and every night, or for approximately 4,200 hours per year.
- E. If a Customer requests an underground system, it will be installed where service is supplied from an existing underground distribution system. Additional cost shall be borne by the Customer.
- F. All service and necessary maintenance will be performed only during regular working hours of the Company.
- G. The Customer shall provide cleared rights-of-way, including easements as may be required by the Company and the customer shall be responsible for any permits which may be required in order for the Company to supply the lighting service.

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**TERM OF CONTRACT:**

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Service supplied under this classification shall be for a period of not less than one (1) year.  
Issued: December 23, 2023 Effective: January 1, 2024

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**GENERAL PROVISION:**

~~POST TOP SERIES INCANDESCENT STREET LIGHTING (RESTRICTED): Where the Customer elects to take street lighting service from series incandescence street lighting facilities and the Company furnishes and maintains the entire street lighting systems, the monthly charge shall be as specified below:~~

~~Nominal Initial Rate  
Lamp Lumens: \_\_\_\_\_ 2,500  
Lamp Charge Per Month: \_\_\_\_\_ \$56.47.~~

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**SERVICES**

**OUTDOOR AREA LIGHTING SERVICE**

**AVAILABILITY:**

**Met-Ed and Penelec**

Available for lighting of outdoor areas and roadways from dusk to dawn, served from Company's existing overhead wood pole distribution system where 120-volt service is available and where the Company's sole determination that street lighting service is not appropriate.

THIS SERVICE SHALL BE FURTHER RESTRICTED TO EXISTING CUSTOMERS AT EXISTING LOCATIONS AS OF AUGUST 1, 2012.

**Met-Ed**

INSTALLATION OF MERCURY VAPOR LIGHTS UNDER THIS SERVICE IS RESTRICTED TO EXISTING LIGHTS AT PRESENT LOCATIONS AS OF OCTOBER 19, 1983.

**RATE PER MONTH:**

Mercury Vapor

Nominal Lamp Watt	Monthly kWh	ME Distribution	PN Distribution
100	42		<del>\$10.248.28</del>
175	70	<del>\$10.908.31</del>	
175	74		<del>\$10.878.79</del>
250	107		<del>\$15.442.48</del>
400	174		<del>\$14.287.67</del>
400 Flood Lighting	174		<del>\$20.0046.17</del>
700	294		<del>\$24.7420.00</del>
1000	420		<del>\$25.510.62</del>
1000 Flood Lighting	420		<del>\$32.9326.62</del>

Sodium Vapor

Nominal Lamp Watt	Monthly kWh	ME Distribution	PN Distribution
70	29		<del>\$23.9819.38</del>
100- Area Lighting	46	<del>\$31.9024.32</del>	
100	50		<del>\$24.0749.46</del>
150	65		<del>\$29.643.96</del>
200	80		<del>\$35.2028.45</del>
200 Flood Lighting	80		<del>\$42.7634.56</del>
250	110		<del>\$36.7129.67</del>
250 Flood Lighting	98	<del>\$17.273.17</del>	
400	169		<del>\$35.5728.75</del>
400 Flood Lighting	169		<del>\$42.0433.98</del>
400-Flood Lighting	156	<del>\$11.128.48</del>	

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**SERVICES, Outdoor Area Lighting (continued)**

C. ADDITIONAL FACILITIES

(1) No change in height of existing poles in primary distribution lines shall be made, nor shall additional poles be installed in such lines, for the purpose of installing a light unless Customer elects to pay the Company the cost of such change. If requested by a Customer, Company may, at its option, install a pole for supporting a light, and external secondary facilities to such pole, and in such cases there shall be a charge of ~~Nine-Twelve~~ Dollars and ~~Nineteen-Five~~ Cents (\$~~12.059-19~~) per pole and secondary facilities per month. Not more than two (2) one-pole extensions, or one (1) two-pole extension, may be made per Customer at any single premises. In either case, the extensions may be made only if a light is installed on each pole installed. If requested by a Customer, the Company may, at its option, install secondary facilities to serve a light, and in such cases, there shall be a charge issued to the Customer by the Company of ~~Nine-Twelve~~ Dollars and ~~Nineteen-Five~~ Cents (~~\$9-19~~~~12.05~~) per light per month. As an alternative to the charges stated herein, the Customers may pay to the Company the cost of furnishing and installing the required facilities. For facilities to be installed hereunder, the Customer shall grant such right-of-way as is required, in accordance with the provisions of this Tariff. The Customer shall obtain satisfactory written approval from the appropriate public authorities for lights to be located on public thoroughfares.

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(2) PROVISION FOR ADDITIONAL FACILITIES INSTALLED AT COMPANY EXPENSE IS RESTRICTED TO FACILITIES INSTALLED PRIOR TO JANUARY 27, 1979. If the Company installs additional poles, there shall be an additional monthly charge as follows: For wood poles, One Dollar and ~~Sixty-Ninety-0~~ Nine Cents (\$~~1.996+~~) per pole per lamp and ~~ThreeFour~~ Dollars and ~~NinetyEighty-FouSeven~~ Cents (~~\$3-944.87~~) for each pole in excess of one (1) per lamp; for fabricated poles, ~~Eight-Nine~~ Dollars and ~~Ninety-SevenSix~~ Cents (~~\$8-069.97~~) per pole per lamp and ~~Ten-Thirteen~~ Dollars and ~~SixtyFourteen-Two~~ Cents (~~\$10-62~~~~13.14~~) for each in excess of one (1) per lamp. After January 27, 1979, where additional facilities are required, lamps shall be installed only on facilities provided or paid for by the Customer. All facilities shall be owned and maintained by the Company.

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RESTRICTED TO FACILITIES INSTALLED PRIOR TO APRIL 9, 1981. Special equipment and/or underground service may be furnished at the Company's option upon the Customer's written request, subject to an additional charge to cover the cost of furnishing such special equipment and/or underground service. Supports of other than standard length or underground service shall be provided at the Company's option, subject to an advance payment by the Customer to the Company of the additional costs.

The Customer shall obtain all necessary approvals required for lights to be located on public thoroughfares.

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**SERVICES**

**STREET LIGHTING SERVICE - ME**

**AVAILABILITY:**

Available only to present Customers for installations now being served prior to December 31, 2023. This Service is applicable to overhead or underground street lighting service to municipal, local, state and federal governmental bodies, community associations and to public authorities for lighting of streets, highways, parks and similar places for the safety and convenience of the public. This Service supersedes Rate SV, Rate MH, Rate MV-1, Rate MV-2, Rate SL and Rate OSL, excepting Rate OSL, Provision A - Post Top Series Incandescent Street Lighting.

The Company will provide unmetered energy, at the rate herein provided, when the Customer furnishes, installs, owns and maintains (including lamp and photocell) the entire lighting system consisting of, but not limited to, lamps, luminaries, controls, brackets, ballasts, conductors, and poles. Lighting units will operate from dusk to dawn, which is approximately 4,200 hours per year. The Company will supply electricity at mutually agreed upon delivery points for the operation of the lights. The Company may, at any time, inspect and/or test the Customer's equipment to verify or measure actual load. This service is limited to installations of contiguous Metal Halide street lighting units located in an area previously approved by the Company or limited to Sodium Vapor, Mercury Vapor or Incandescent street light units also served under General Provision A or General Provision D of this Service.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

Rate District	Met-Ed		
Lamp Type	Sodium Vapor		
Watts	Monthly kWh	Distribution	Monthly Minimum Charge
70	32	0.00	10.278.05
100	46	0.00	10.067.88
150	66	0.00	9.907.76
200	75	0.00	9.327.30
250	98	0.00	10.538.25
400	156	0.00	10.328.09
800	312	0.00	7.74

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Rate District	Met-Ed		
Lamp Type	Mercury Vapor		
Watts	Monthly kWh	Distribution	Monthly Minimum Charge
100	42	0.00	10.408.15
175	74	0.00	10.077.89
250	107	0.00	9.607.52
400	174	0.00	8.616.75
1000	420	0.00	6.595.16

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**SERVICES, STREET LIGHTING SERVICE – ME (continued)**

Rate District	Met-Ed		
Lamp Type	Incandescent		
Watts	Monthly kWh	Distribution	Monthly Minimum Charge
105	44	0.00	10,258.03
205	86	0.00	9,757.64

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Rate District	Met-Ed		
Lamp Type	Metal Halide		
Watts	Monthly kWh	Distribution	Monthly Minimum Charge
175	70	0.00	10,418.16
250	98	0.00	10,418.16
400	156	0.00	10,207.99

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Overhead Alternative Technology Lighting	
Distribution	Monthly Minimum Charge
0.00	10,067.88

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on Page 181.

**DEFAULT SERVICE CHARGES:**

The Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider Commercial Customer Class rate.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**TERM OF CONTRACT:**

Provision of this Service requires a contract with the Company. The initial term of contract shall be not less than ten (10) years, subject to renewal for successive one (1) year terms, unless other terms shall be provided in the contract. When replacement with different type luminaire is requested by the Customer of an existing luminaire during the initial ten (10) year term of contract, the Customer shall pay the cost of removal in addition to the depreciable life of the fixture for the remainder of the contract term (to be determined by the Company). Under Provision B, the term of contract may be less than ten (10) years, but not less than one (1) year.

All non-LED light fixtures that become inoperable will be replaced with an equivalent lumen output LED light fixture. When such replacement occurs, LED rates will apply based on the Company's current electric service Tariff.

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Issued: ~~December~~ April 22, 2024

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**SERVICES, STREET LIGHTING SERVICE – ME (continued)**

**GENERAL PROVISIONS:**

(A) COMPANY OPERATION AND MAINTENANCE OF CONVENTIONAL LUMINAIRE: The Company will operate and maintain conventional (non-ornamental) Sodium Vapor, Mercury Vapor and Incandescent lighting units consisting of lamps, luminaries, controls, brackets and ballasts approved by the Company. These units will be installed on wood poles at mounting heights not to exceed forty-five (45) feet and in a manner acceptable to the Company. The Company will operate and maintain and replace the photocell controls and lamps as necessary to the extent hereinafter expressly provided at the following monthly rates and charges per light:

- (1) Sodium Vapor Lamps      \$~~3.622~~.84
- (2) Mercury Vapor Lamps    \$~~1.49~~.17
- (3) Incandescent Lamps      \$~~4.073~~.19

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~~Where, at the Company's option and upon Customer request, the Company has converted existing Mercury Vapor and Incandescent lights to High Pressure Sodium Vapor lights or has installed on existing poles a Company owned standard Sodium Vapor luminaire, the Company will operate and maintain said luminaire at the rates and charges listed under Street Lighting Service this, General Provision A, provided the Customer has made a contribution, to be calculated annually.~~

(B) COMPANY OWNERSHIP OF CONVENTIONAL LUMINAIRE FACILITIES: The Company will furnish and install and own its standard Sodium Vapor, Mercury Vapor and Incandescent conventional (non-ornamental) street lighting units consisting of lamps, luminaries, controls, brackets and ballasts, mounted on the Company's wood poles and utilizing the Company's overhead distribution system. For each light, the Company will furnish without added charge up to 300 feet of overhead line on existing suitable poles. At its option, the Company may install additional wood poles, provided that a street lighting unit is then installed on each dedicated pole. The type of lighting units and fixtures currently being furnished by the Company at the time service is contracted for under this Service will be installed at the rates herein provided.:

- (1) Charges Per Month Per Light:      \$~~3.472~~.72
- (2) Charges Per Month Per Dedicated Pole:    \$14.49

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**SERVICES, STREET LIGHTING SERVICE – ME (continued)**

- (C) UNDERGROUND FEED TO STREET LIGHTS: This provision is for the installation of new facilities at new locations or the conversion of facilities at existing locations. Where the Company furnishes an underground electrical source, there shall be billed charges in addition to the other charges specified in this Service per light as follows:

Demand and Energy Charges for common lamp sizes:

Sodium Vapor			
Nominal Watts	Monthly kWh	Distribution	Monthly Minimum Charge
70	32	0.130	0.195
100	46	0.195	0.195
150	66	0.293	0.195
250	98	0.4838	0.195
400	156	0.7760	0.195
800	312	1.19	0.15

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Mercury Vapor			
Nominal Watts	Monthly kWh	Distribution	Monthly Minimum Charge
175	74	0.3628	0.195
250	107	0.5140	0.195
400	174	0.7760	0.195
1000	420	1.99156	0.195

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Metal Halide			
Nominal Watts	Monthly kWh	Distribution	Monthly Minimum Charge
175	70	0.3427	0.195
250	98	0.4838	0.195
400	156	0.6077	0.195

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Underground Alternative Technology Lighting	
*Distribution	Monthly Minimum Charge
0.280357	0.2217

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\*cents per kWh

The cost of trenching and backfilling, including breaking and replacement of concrete and other surfacing, and the provision and installation of duct or conduit (concrete encased where specified by the Company), where duct or conduit is required by the Company, shall be borne by the Customer. The cost of foundations required for support of standards shall be borne by the Customer, except that the Company will supply foundation bolts and conduit required for the installation in foundations. The Customer shall make such installations or contract with the Company or with others to do so, all to be in compliance with the Company's specifications. All installations made by (or for) the Customer shall be maintained by the Customer, except as next stated herein.

Upon mutual agreement with the Company, the Customer may transfer to the Company the ownership of such installations (except where an integral part of the Customer's property), and in the event of such transfer of ownership, the Company will thereafter maintain such equipment, and there shall be no change in the charges stated in the Rate Per Month of this Street Lighting Service, General Provisions D., E. and F.

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**SERVICES, STREET LIGHTING SERVICE – ME (continued)**

- (D) COMPANY OPERATION & MAINTENANCE OF ORNAMENTAL LUMINARIES:  
The Company will operate and maintain ornamental Sodium Vapor and Mercury Vapor lighting units consisting of lamps, luminaire controls, brackets and ballasts approved by the Company and served from the Company’s distribution system.

These units will be installed on ornamental standards and in a manner acceptable to the Company. The Company will operate and maintain and replace the photocell controls and lamps as necessary to the extent hereinafter expressly provided at the following rates and charges Per Month Per Light:

- (1) Sodium Vapor Lamps \$4.313.38
- (2) Mercury Vapor Lamps \$2.451.92

~~Where, at the Company’s option and upon Customer request, the Company has converted existing Mercury Vapor and Incandescent lights to High Pressure Sodium Vapor lights or has installed on a Company-owned standard a Company-owned standard Sodium Vapor luminaire, the Company will operate and maintain said luminaire at the rates and charges listed under Street Lighting Service, General Provision D., provided the Customer has made a contribution, to be calculated annually.~~

- (E) COMPANY OWNERSHIP OF ORNAMENTAL LUMINAIRE: Where at the approval of the Company, the Customer owns, installs and maintains the cable and ducts (or conduit) and the standards and foundation therefore and the Company owns, installs, and maintains its standard Sodium Vapor, Mercury Vapor or Incandescent Ornamental street light units consisting of only the lamp, ballast, control, luminaire (and its interior wiring), the Luminaire Charge per month for ornamental lights, not to exceed thirty-five (35) foot mounting height, will be as follows:

Luminaire Charge: \$8.246.46 Per Light Per Month

- (F) COMPANY OWNERSHIP OF ORNAMENTAL STANDARDS: Where, at the Company’s option and upon Customer request, the Company has installed on a Company-owned standard a Company-owned and Company-approved standard Sodium Vapor, Mercury Vapor or Incandescent ornamental luminaire, the Company will own, operate, and maintain said standard at the following rate:

\$15.532.17 Standard Charge Per Month

~~Where, at the Company’s option and upon Customer request, the Company has converted existing Mercury Vapor and Incandescent lights to High Pressure Sodium Vapor lights or has installed on a Company-owned standard a Company-owned standard Sodium Vapor luminaire, the Company will operate and maintain said luminaire at the following rates and charges provided the Customer has made a contribution, to be calculated annually.  
\$4.10 Standard Charge Per Month.~~

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**SERVICES**

**HIGH PRESSURE SODIUM VAPOR STREET LIGHTING SERVICE - PN**

**AVAILABILITY:**

**Penelec**

Available only to present Customers for installations now being served prior to December 31, 2023. Lighting service on public streets, highways, bridges, parks and similar public places for municipalities and other governmental agencies.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

**Wood Pole**

Rate District	Penelec		
Initial Lumens	Watts	kWh per Month	Distribution
5,800	70	29	<del>\$14,329.48</del>
9,500	100	50	<del>\$12,689.28</del>
16,000	150	71	<del>\$12,068.82</del>
22,000	200	80	<del>\$18,413.47</del>
27,500	250	110	<del>\$19,344.15</del>
50,000	400	169	<del>\$12,669.26</del>

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**Fiberglass Pole Not Over 16 Feet**

Rate District	Penelec		
Initial Lumens	Watts	kWh per Month	Distribution
5,800	70	29	<del>\$22,8946.75</del>
9,500	100	50	<del>\$21,2745.56</del>
16,000	150	71	<del>\$20,6415.10</del>
22,000	200	80	<del>\$20,9419.71</del>
27,500	250	110	<del>\$27,830.36</del>
50,000	400	169	<del>\$21,2145.52</del>

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

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**DEFAULT SERVICE CHARGES:**

The Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider Commercial Customer Class rate.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

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Issued: ~~December~~ April 23, 2024

Effective: ~~June~~ January 1,

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**SERVICES, HPS VAPOR STREET LIGHTING SERVICE – PN (continued)**

**TERM OF CONTRACT:**

Not less than five (5) years.

All non-LED light fixtures that become inoperable will be replaced with an equivalent lumen output LED light fixture. When such replacement occurs, LED rates will apply based on the Company's current electric service Tariff.

(C)

**GENERAL PROVISIONS:**

- (A) The Company shall furnish, install, and maintain at the above rates all necessary street lighting facilities consisting of lamps, luminaries, controls, brackets, and ballasts, utilizing the Company's general overhead or underground distribution system.
- (B) Bills for service supplied under this Rate shall be rendered by the Company monthly.
- (C) Lamps shall be lighted from dusk to dawn each and every night, or for approximately 4,200 hours per year.
- (D) Additional high pressure sodium vapor street lighting fixtures of the type currently used by the Company shall be installed by the Company on existing circuits at the Customer's request at any time except during the last three (3) months of any contract term. Additional high pressure sodium vapor street lighting fixtures of the type currently used by the Company involving the construction by the Company of additional circuits and/or pole line shall be installed by the Company at the Customer's request at any time except during the last twelve (12) months of any contract term.
- (E) If additional street lighting facilities are installed at the Customer's request, they shall be considered as an addition to the contract and subject to all the provisions thereof.

~~(F) If a sodium vapor unit replaces an existing mercury vapor unit that has been installed for less than ten (10) years, the Customer shall pay for the cost of removal of the mercury vapor unit in addition to the depreciable life of the fixture for the remainder of the contract term as determined by the Company.~~

~~(FG) If the Customer requests the Company to remove the present high pressure sodium vapor street light system to install LED lights and if the present system is less than twenty years old, the Customer shall pay the removal cost plus the remaining value of the system.~~

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~~(GH) If a Customer requests an underground system, the additional cost shall be borne by the Customer, or may be included in the contract at the following additional charges:~~

~~Underground (1): Earth construction at \$4.00¢ per foot.~~

~~Underground (2): Requiring removal and replacement of paving or sidewalks at \$549.00¢ per foot.~~

~~Underground (3): If a Customer furnishes and installs foundation bases for fabricated poles and the conductor raceways in accordance with Company specifications,~~



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the charges in items (1) and (2) shall not apply.  
Underground (4): Stone construction - additional costs shall be borne by the Customer.

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**SERVICES, HPS VAPOR STREET LIGHTING SERVICE – PN (continued)**

- (I) Underpass Lighting: High pressure sodium vapor lamps for 24-hour service shall be supplied by the Company, as follows:

Watts	kWh per Month	Distribution
70	60	<del>\$13,609.95</del>
100	104	<del>\$9,546.98</del>
150	148	<del>\$8,786.42</del>
200	167	<del>\$13,659.99</del>
<del>400</del>	<del>352</del>	<del>\$5.13</del>

- (J) Special equipment, including steel, aluminum or concrete poles or fiberglass poles in excess of sixteen (16) feet in length may be furnished at the Company's option, upon written request, and the additional cost there of shall be borne by the Customer.

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**SERVICES**

**MUNICIPAL STREET LIGHTING SERVICE (SLS-MUND)**

**AVAILABILITY:**

**Penelec**

Lighting service on public streets, highways, bridges, parks and similar public places for municipalities and other governmental agencies.

THIS RATE IS RESTRICTED SOLELY TO EXISTING LAMP LOCATIONS OF CUSTOMERS WHO WERE RECEIVING SERVICE HEREUNDER ON APRIL 9, 1981. ANY CUSTOMER PRESENTLY SERVED UNDER THIS MUNICIPAL STREET LIGHTING SERVICE AND ELECTS TO TERMINATE THIS SERVICE, SHALL NOT BE PERMITTED TO RETURN AS A MUNICIPAL STREET LIGHTING SERVICE CUSTOMER.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

~~Standard Mercury Vapor Units:~~

~~Wood Pole~~

Rate-District	Penelec		
Initial Lumens	Watts	kWh per Month	Distribution
4,000	100	42	\$7.94
8,150	175	74	\$7.93
11,500	250	107	\$11.09

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~~Fabricated Pole~~

Rate-District	Penelec		
Initial Lumens	Watts	kWh per Month	Distribution
11,500	250	107	\$17.30

~~High Pressure Sodium Vapor lamps installed after April 9, 1981 will be served under the provision of High Pressure Sodium Vapor Street Lighting Service.~~

~~Standard High Pressure Sodium Vapor Units:~~

~~Wood Pole~~

Rate-District	Penelec		
Initial Lumens	Watts	kWh per Month	Distribution
27,500	250	110	\$14.60

~~Fabricated Pole~~

Rate-District	Penelec		
Initial Lumens	Watts	kWh per Month	Distribution
27,500	250	110	\$20.98

~~- Mercury Vapor Floodlight Units:~~

~~Wood Pole~~

Rate-District	Penelec		
Issued: <del>December 22, 2023</del>			Effective: <del>January 1,</del>

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<u>Initial Lumens</u>	<u>Watts</u>	<u>kWh per Month</u>	<u>Distribution</u>
21,500	400	174	\$18.15
60,000	1,000	420	\$21.80

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

The Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider Commercial Customer Class rate.

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**SERVICES, SLS-MUNI (continued)**

**Mercury Vapor Floodlight Units:**

**Wood Pole**

Rate District	Penelee		
Initial Lumens	Watts	kWh per Month	Distribution
21,500	400	174	\$13.28
60,000	1,000	420	\$15.95

**Fabricated Pole**

Rate District	Penelee		
Initial Lumens	Watts	kWh per Month	Distribution
21,500	400	174	\$33.07

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

The Price to Compare Default Service Charge shall be determined using the applicable Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider Commercial Customer Class rate.

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**TERM OF CONTRACT:**

Not less than five (5) years.

**GENERAL PROVISIONS:**

(A) ~~(A)~~ The Company shall furnish, install, and maintain at the above rates all necessary street lighting facilities consisting of lamps, luminaries, controls, brackets, and ballasts, utilizing the Company's general overhead or underground distribution system.

(B) If a Customer requests an underground system, the additional cost shall be borne by the Customer, or may be included in the contract at the following additional charges:

Underground (1): Earth construction at 5.00¢ per foot.

Underground (2): Requiring removal and replacement of paving or sidewalks at 55.00¢ per foot.

Underground (3): If a Customer furnishes and installs foundation bases for fabricated poles and the conductor raceways in accordance with Company specifications, the charges in items (1) and (2) shall not apply.

Underground (4): Stone construction - additional costs shall be borne by the Customer.

(C) ~~The Company may, at its option, furnish special equipment to a Customer who requests it~~

Issued: ~~December April 22, 2024~~

Effective: ~~January June 1,~~

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at such increased rates per lamp as may be determined by the Company.

(D) Limited Access Highway Lighting: If a Customer owns the entire street lighting installation, the Company shall supply energy, furnish and install replacement lamps and photoelectric controls, and clean the fixtures when and if necessary. Replacement of, or repairs to, Customer-owned facilities other than lamps and photoelectric controls shall be made at the Customer's expense. The Rate, per lamp per month, is as follows:

	<u>kWh per Month</u>	<u>Rate</u>
250 watt mercury vapor lamp	107	\$9.44
400 watt mercury vapor lamp	174	\$8.08

For mounting heights over thirty-five (35) feet, the above rates shall be increased by Three Dollars and Sixty-Four Cents (\$3.64).

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**SERVICES, SLS-MUNI (continued)**

(E) This Special Provision E. is restricted solely to Overhead or Boulevard Street Lighting in the City of Altoona where the Company furnishes overhead circuits consisting of cable and wire from Customer-owned series street lighting transformers to pole locations. In addition to the transformers and all auxiliary equipment, consisting of lightning arresters, oil switches, relays, supporting structures and wiring, the Customer supplies and maintains all fixtures, lighting units, supports, standards, etc. Such service shall be supplied and metered by the Company at primary voltage except at the Customer's option, a portion may be supplied at secondary voltage for the operation of control equipment and for supply to self-controlled lamps connected to the Company's secondary lines. The charges for this service include the following:

- (1) For each overhead self-controlled unit, served from the general overhead distribution system, a charge of Two Dollars and Fifty-Four Cents (\$2.54).
- (2) No charge for the boulevard units.
- (3) For the kilowatt-hours consumed as indicated by the summation of the monthly meter readings:

First 100,000 kWh	0.992¢ kWh
Excess kWh	0.261¢ kWh

(4) ALTERNATIVE TECHNOLOGY LIGHTING: The Alternative Technology Lighting charges shall apply to lighting facilities owned and maintained by the Customer which utilize Induction, Solid State, or Plasma Lighting technologies, or such additional alternative technology as may be specified by the Company. The Alternative Technology Lighting must be certified by an Edison Testing Laboratories "ETL" (or equivalent) to verify the actual consumption of the fixture. In addition, and in order to certify the safe operation, the fixture must be Underwriters Laboratories "UL" (or equivalent) listed.

For purposes of the Provision E, the following definitions shall apply:

**Induction Lighting** – Discharge lamps, where mercury or other atoms are energized to elevate their energy level, then discharge a photon as they fall back to their normal state.

**Solid State Lighting** – Technology using semi-conducting materials to convert electricity into light. Solid State Lighting is an umbrella term encompassing both light-emitting diodes (LEDs) and organic light-emitting diodes (OLEDs).

**Plasma Lighting** – Plasma lamps are a family of light sources that generate light by exciting a plasma inside a closed transparent burner or bulb using a radio frequency (RF) power. Typically, such lamps use a noble gas or a mixture of these gases and additional materials such as metal halides, sodium, mercury, or sulfur. A waveguide is used to constrain and focus the electrical field into the plasma. In operation the gas is ionized and free electrons, accelerated by the electrical field collide with gas and metal atoms. Some electrons circling around the gas and metal atoms are excited by these collisions, bringing them to a higher energy state. When the electron falls back to its original state, it emits a photon, resulting in visible light or ultraviolet radiation depending on the fill materials.

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- ~~(B) If a Customer requests an underground system, the additional cost shall be borne by the Customer, or may be included in the contract at the following additional charges:  
Underground (1): Earth construction at 4.00¢ per foot.  
Underground (2): Requiring removal and replacement of paving or sidewalks at 40.00¢ per foot.  
Underground (3): If a Customer furnishes and installs foundation bases for fabricated poles and the conductor raceways in accordance with Company specifications, the charges in items (1) and (2) shall not apply.  
Underground (4): Stone construction—additional costs shall be borne by the Customer.~~
- ~~(C) The Company may, at its option, furnish special equipment to a Customer who requests it at such increased rates per lamp as may be determined by the Company.~~
- ~~(D) Limited Access Highway Lighting: If a Customer owns the entire street lighting installation, the Company shall supply energy, furnish and install replacement lamps and photoelectric controls, and clean the fixtures when and if necessary. Replacement of, or repairs to, Customer owned facilities other than lamps and photoelectric controls shall be made at the Customer's expense. The Rate, per lamp per month, is as follows:~~

	kWh per Month	Rate
<del>250 watt mercury vapor lamp</del>	<del>107</del>	<del>\$6.91</del>
<del>400 watt mercury vapor lamp</del>	<del>174</del>	<del>\$5.91</del>

~~For conservation purposes, a Customer may replace existing mercury vapor lamps with high pressure sodium vapor lamps at the following prices:~~

Watts	kWh per Month	Rate
<del>200 watts</del>	<del>80</del>	<del>\$9.07</del>
<del>400 watts</del>	<del>169</del>	<del>\$4.43</del>

~~For mounting heights over thirty five (35) feet, the above rates shall be increased by Three Dollars and Sixty Four Cents (\$3.64).~~

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~~(E) This Special Provision E. is restricted solely to Overhead or Boulevard Street Lighting in the City of Altoona where the Company furnishes overhead circuits consisting of cable and wire from Customer-owned series street lighting transformers to pole locations. In addition to the transformers and all auxiliary equipment, consisting of lightning arresters, oil switches, relays, supporting structures and wiring, the Customer supplies and maintains all fixtures, lighting units, supports, standards, etc. Such service shall be supplied and metered by the Company at primary voltage except at the Customer's option, a portion may be supplied at secondary voltage for the operation of control equipment and for supply to self-controlled lamps connected to the Company's secondary lines. The charges for this service include the following:~~

~~(1) For each overhead self-controlled unit, served from the general overhead distribution system, a charge of One Dollar and Eighty-Six Cents (\$1.86).~~

~~(2) No charge for the boulevard units.~~

~~(3) For the kilowatt hours consumed as indicated by the summation of the monthly meter readings:~~

~~First 100,000 kWh 0.726¢ kWh~~

~~Excess kWh 0.191¢ kWh~~

~~(4) ALTERNATIVE TECHNOLOGY LIGHTING: The Alternative Technology Lighting charges shall apply to lighting facilities owned and maintained by the Customer which utilize Induction, Solid State, or Plasma Lighting technologies, or such additional alternative technology as may be specified by the Company. The Alternative Technology Lighting must be certified by an Edison Testing Laboratories "ETL" (or equivalent) to verify the actual consumption of the fixture. In addition, and in order to certify the safe operation, the fixture must be Underwriters Laboratories "UL" (or equivalent) listed.~~

~~For purposes of the Provision E, the following definitions shall apply:~~

~~**Induction Lighting**— Discharge lamps, where mercury or other atoms are energized to elevate their energy level, then discharge a photon as they fall back to their normal state.~~

~~**Solid State Lighting**— Technology using semi-conducting materials to convert electricity into light. Solid State Lighting is an umbrella term encompassing both light-emitting diodes (LEDs) and organic light-emitting diodes (OLEDs).~~

~~**Plasma Lighting**— Plasma lamps are a family of light sources that generate light by exciting a plasma inside a closed transparent burner or bulb using a radio frequency (RF) power. Typically, such lamps use a noble gas or a mixture of these gases and additional materials such as metal halides, sodium, mercury, or sulfur. A waveguide is used to constrain and focus the electrical field into the plasma. In operation the gas is ionized and free electrons, accelerated by the electrical field collide with gas and metal atoms. Some electrons circling around the gas and metal atoms are excited by these collisions, bringing them to a higher energy state. When the electron falls back to its original state, it emits a photon, resulting in visible light or ultraviolet radiation depending on the fill materials.~~

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**SERVICES**

**PRIVATE OUTDOOR LIGHTING SERVICE – (PLS)**

**AVAILABILITY:**

**Penn Power**

Available only to present Customers for installations now being served prior to May 31, 2024.  
Available for all-night outdoor lighting service to any Customer on the lines of the Rate District where such service can be supplied by the installation of lighting fixtures supplied directly from (1) existing secondary circuits or (2) an extension of existing secondary circuit that requires only one additional span of secondary circuit and does not require any other facilities or expenses (e.g. new pole, pole changeout, or guying). Complete lighting service will be furnished by the Company using vapor lamps installed in standard fixtures. All equipment will be installed and maintained by the Company.

**GENERAL MONTHLY CHARGES:**

Overhead and Post-Top (PT) Lighting Service:

The charges listed below for lights not designated as PT are for each light with luminaire and bracket arm, supplied from an existing pole and secondary facilities.

The charges listed below for lights designated as PT are for each lamp with post-top luminaire mounted on a 14'-16' post installed 4' in the ground, where service is supplied from existing secondary, including 50 feet of circuit installed in a trench provided by the customer.

Distribution Charge

Rating in Watts	Type	Nominal Lumens	Average Monthly kWh	Distribution
175	Mercury Vapor	7,500	70	<del>\$14,5820.84</del>
175	Mercury Vapor – PT	7,500	70	<del>\$37,9126.52</del>
400	Mercury Vapor	22,000	156	<del>\$17,922.54</del>
70	Sodium Vapor	5,800	32	<del>\$26,0018.19</del>
100	Sodium Vapor – PT	9,500	46	<del>\$39,8527.88</del>
100	Sodium Vapor	9,500	46	<del>\$26,1618.30</del>
150	Sodium Vapor	16,000	66	<del>\$25,2017.63</del>
250	Sodium Vapor	27,500	98	<del>\$26,4318.49</del>
400	Sodium Vapor	50,000	156	<del>\$26,1918.32</del>
250	Metal Halide	23,000	98	<del>\$32,6222.82</del>
400	Metal Halide	40,000	156	<del>\$27,8419.48</del>
1,000	Metal Halide	110,000	364	<del>\$11,898.32</del>

When service cannot be supplied from facilities included above and additional facilities are required, the customer will in addition to the above charges pay the following distribution charge for each pole:

For each 30' or 35' pole, per month      ~~\$11,0715.82~~  
 For each 40' pole, per month              ~~\$18,412.88~~  
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**SERVICES**

**HIGH PRESSURE SODIUM VAPOR STREET LIGHTING SERVICE – (SLS-SV)**

**AVAILABILITY:**

**Penn Power**

Available only to present Customers for installations now being served prior to December 31, 2023. Available to municipalities and other governmental agencies for lighting public streets, highways, bridges, parking lots, parks, and similar public places. Company will furnish, install, operate, and maintain its standard HPS street light units consisting of lamps, luminaires, controls, brackets, and ballasts utilizing the Company's wood, metal or steel poles and overhead and underground distribution facilities that exist along public thoroughfares. Exceptions are as noted under Special Terms and Conditions. Lighting units will operate from sunset until sunrise, each night of the year, approximately 4,070 hours of annual operation.

**GENERAL MONTHLY CHARGES:**

Distribution Charge

Rating in Watts	Nominal Lumens	Average Monthly kWh	Distribution
70	5,800	32	<del>\$14,779.87</del>
100	9,500	46	<del>\$12,868.59</del>
150	16,000	66	<del>\$13,058.72</del>
250	27,500	98	<del>\$15,2510.19</del>
400	50,000	156	<del>\$15,700.49</del>

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

The Default Service Charges shall be determined using the applicable Average Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider, Commercial Customer Class rate.

**ADDITIONAL FACILITIES:**

When the customer requests service that requires additional facilities, such as wood, metal or ornamental poles not presently considered a part of the Company's existing overhead or underground distribution system, the customer shall bear these additional costs. The customer shall also bear the cost of rearranging or extending the existing facilities necessary to serve additional lights or to obtain the required mounting height. All necessary street lighting facilities are supplied, installed, owned, operated, and maintained by the Company and are connected to the Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by the Company at the time service is contracted.

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**SERVICES, SLS-SV (continued)**

~~the time service is contracted.~~

The Company will install the street \_lights as requested upon payment by the customer of the aforementioned excess costs. The customer may elect to pay monthly minimum charges for a period not to exceed 60 months based on the estimated construction cost of such additional facilities.

**REPLACEMENTS:**

~~If the customer requests the Company to remove the present street light system to install high pressure sodium vapor lights and if the present system is less than twenty years old, the customer shall pay the removal cost plus the remaining value of the system. If the customer terminates his present street lighting service within twelve months of requesting service under this schedule, the above condition of service remains in effect. However, in the case where the lights have been in place longer than ten years, and the customer replaces a portion of the existing mercury vapor system with sodium vapor and further requests that the removed mercury vapor lights replace a portion of the existing incandescent lights, the Company will assume these costs provided that there is remaining value in the mercury vapor lights, i.e., not fully depreciated. If the customer chooses, or is unable, to replace existing incandescent lights with the replaced mercury vapor lights, the customer shall pay the remaining life value of the removed mercury vapor lights including poles and hardware.~~

If the customer requests the Company to remove the present high pressure sodium vapor street light system to install LED lights and if the present system is less than twenty years old, the customer shall pay the removal cost plus the remaining value of the system.

**TERMS OF PAYMENT:**

The net amount billed is due and payable within a period of thirty days. If the net amount is not paid on or before the date shown on the bill for payment of net amount, the bill shall bear interest at the rate of 2% per month of the unpaid net balance.

**CONTRACT:**

Electric service hereunder will be furnished in accordance with a written contract which by its terms shall be in full force and effect for a period of ten years and shall continue in force thereafter for five-year periods unless either party shall give to the other not less than 60 days' notice in writing prior to the expiration date of any of said five-year period that the contract shall be terminated at the expiration date of said five-year period. When a contract is terminated in the manner provided herein, the service will be discontinued.

**RULES AND REGULATIONS:**

The Company's Standard Rules and Regulations shall apply to the installation and use of electric service .

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~~This page is intentionally left blank.~~ **SERVICES**

**HIGH PRESSURE SODIUM VAPOR STREET LIGHTING SERVICE; DIVIDED OWNERSHIP  
(SLS-SVD)**

**AVAILABILITY:**

**Penn Power**

~~Available only to present Customers for installations now being served prior to December 31, 2023. Available to municipalities and other governmental agencies for lighting public streets, highways, bridges, parking lots, parks, and similar public places. The Company will furnish energy and maintenance only to those HPS street light units that are listed in the Company's approved material standards. Maintenance shall include lamp replacement, photo-cell replacement, and scheduled cleaning. Lighting units will operate from sunset to sunrise, each night of the year, approximately 4,070 hours of annual operation.~~

**GENERAL MONTHLY CHARGES:**

**Distribution Charge**

Rating in Watts	Nominal Lumens	Average Monthly kWh	Distribution
70	5,800	32	\$4.33
100	9,500	46	\$4.31
150	16,000	66	\$5.36
250	27,500	98	\$5.86
400	50,000	156	\$3.37

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**RIDERS:**

~~The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.~~

**DEFAULT SERVICE CHARGES:**

~~The Default Service Charges shall be determined using the applicable Average Monthly kWh usage, from the preceding chart, multiplied by the Price to Compare Default Service Rate Rider, Commercial Customer Class rate.~~

**GENERAL CONDITIONS:**

~~When the Customer requests service under this schedule, the Company will install the luminaire, lamp mast arm, photocell, and fuse as provided by the governmental agency with payment for material and estimated installation costs in advance of construction. The Company will connect the street lights to the circuit and provide maintenance as noted above. The governmental agency shall be responsible for all costs associated with the vandalism of the fixture and repair, removal or replacement of luminaires.~~

~~These costs shall be billed to the governmental agency at actual costs.~~

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~~**-SERVICES, SLS-SVD (continued)**~~

~~**ADDITIONAL FACILITIES:**~~

~~When the Customer requests service that requires additional facilities, such as wood, metal or ornamental poles not presently considered a part of the Company's existing overhead or underground distribution system, the Customer shall bear these additional costs. The Customer shall also bear the cost of rearranging or extending the existing facilities necessary to serve additional lights or to obtain the required mounting height. All necessary street lighting facilities are provided by the customer for installation by the Company with payment in advance of construction. The Customer shall be responsible for the expense of maintaining the street light equipment except for maintenance to be provided by the Company as noted above.~~

~~**REPLACEMENTS:**~~

~~If the Customer requests the Company to remove the present street light system to install high pressure sodium vapor lights and if the present system is less than twenty years old, the Customer shall pay the removal cost plus the remaining value of the system. If the Customer terminates his present street lighting service within twelve months of requesting service under this schedule, the above condition of service remains in effect. However, in the case where the lights have been in place longer than ten years, and the customer replaces a portion of the existing mercury vapor system with sodium vapor and further requests that the removed mercury vapor lights replace a portion of the existing incandescent lights, the Company will assume these costs provided that there is remaining value in the mercury vapor lights, i.e., not fully depreciated. If the Customer chooses, or is unable, to replace existing incandescent lights with the replaced mercury vapor lights, the Customer shall pay the remaining life value of the removed mercury vapor lights including poles and hardware.~~

~~If the Customer requests the Company to remove the present high pressure sodium vapor street light system to install LED lights and if the present system is less than twenty years old, the Customer shall pay the removal cost plus the remaining value of the system.~~

~~**TERMS OF PAYMENT:**~~

~~The net amount billed is due and payable within a period of thirty days. If the net amount is not paid on or before the date shown on the bill for payment of net amount, the bill shall bear interest at the rate of 2% per month of the unpaid net balance. This page is intentionally left blank.~~

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**CONTRACT:**

~~Electric service hereunder will be furnished in accordance with a written contract which by its terms shall be in full force and effect for a period of ten years and shall continue in force thereafter for five year periods unless either party shall give to the other not less than 60 days' notice in writing prior to the expiration date of any of said five year period that the contract shall be terminated at the expiration date of said five year period. When a contract is terminated in the manner provided herein, the service will be discontinued.~~

**RULES AND REGULATIONS:**

~~The Company's Standard Rules and Regulations shall apply to the installation and use of electric service.~~

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**SERVICES**  
**SCHEDULE 51**  
**STREET LIGHTING SERVICE**

**AVAILABILITY:**

**West Penn**

Available only to present Customers for installations now being served prior to June 6, 1997 for mercury vapor street lighting to municipalities and to unincorporated communities, for lighting public bridges and major highway interchanges, for other suitable readily accessible locations as solely determined by the Company, and for connections existing as of August 28, 1985.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

Rate District	West Penn		
Lumen	Watts	kWh	Monthly Rate
8,150	175	74	<del>\$14.59</del> 10.17
11,500	250	103	<del>\$20.18</del> 14.07
21,500	400	162	<del>\$24.80</del> 17.29
60,000	1,000	386	<del>\$38.45</del> 26.81

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**GENERAL:**

Compensating for Transmission and Distribution Losses.

Multiplying Customer's calculated on-peak lighting energy by 1.09333 and calculated off-peak lighting energy by 1.04808 produces the generation energy that must be delivered to the system within the West Penn Rate District.

The rating of lamps in lumens is for identification and shall approximate the manufacturer's standard rating .

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**SERVICES**  
**SCHEDULE 52**  
**OUTDOOR LIGHTING SERVICE**

**AVAILABILITY:**

**West Penn**

Available for existing high pressure sodium vapor outdoor lighting installed before June 6, 1997 and for existing mercury vapor installations installed prior to August 28, 1985.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

Rate District	West Penn		
Lamp Type	High Pressure Sodium Vapor		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	\$14,726.81

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Rate District	West Penn		
Lamp Type	Mercury Vapor		
Lumen	Watts	kWh	Monthly Rate
4,000	100	45	\$12,558.75
8,150	175	74	\$14,149.86
21,500	400	162	\$23,0046.04

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**RIDERS:**

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**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**GENERAL:**

Compensating for Transmission and Distribution Losses:

Multiplying Customer's calculated on-peak lighting energy by 1.09333 and calculated off-peak lighting energy by 1.04808 produces the generation energy that must be delivered to the system within the West Penn Rate District.

The rating of lamps in lumens is for identification purposes only and shall approximate the manufacturer's standard rating. All lamps are lighted from dusk to dawn aggregating approximately 4,200 hours per year.

Company will, at its own cost, install, operate, and maintain its standard overhead outdoor lighting equipment.

When, in the sole determination of the Company, such facilities reach the end of their useful life and replacement is desired by the Customer, the Customer will be required to contribute to replacement under whatever additional facilities plan is then in effect under this rate.

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**SERVICES**  
**SCHEDULE 53**  
**STREET AND AREA LIGHTING**

**AVAILABILITY:**

**West Penn**

Available only for present Customers for installations being served prior to June 6, 1997 for high pressure sodium vapor street and area lighting to Customers for lighting roadways, parking lots, and other suitable readily-accessible areas as solely determined by the Company.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

**OVERHEAD SERVICE**

Rate District	West Penn		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$18,823.12</del>
22,000	200	86	<del>\$25,0517.47</del>
*50,000	400	167	<del>\$36,2425.27</del>

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\*Also available for floodlighting application.

**UNDERGROUND SERVICE**

**Low Mount**

Rate District	West Penn		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$32,7422.83</del>

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**High Mount**

Rate District	West Penn			
Lumen	Watts	kWh	Single Luminaire Per Pole	Each Additional Luminaire Per Pole
9,500	100	51	<del>\$64,2444.79</del>	<del>\$30,7821.46</del>
22,000	200	86	<del>\$63,7344.44</del>	<del>\$32,8122.88</del>
50,000	400	167	<del>\$69,1748.23</del>	<del>\$38,2326.66</del>

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**RIDERS:**

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**SERVICES**  
**SCHEDULE 54**  
**STREET LIGHTING SERVICE**

**AVAILABILITY:**

**West Penn**

Available only to present Customers for installations now being served prior to June 6, 1997 for high pressure sodium vapor street lighting to municipalities and to unincorporated communities and for lighting major highway interchanges and other suitable readily accessible locations as solely determined by the Company.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

Rate District	West Penn		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	\$17.7742.39
22,000	200	86	\$24.0716.78
50,000	400	167	\$35.2224.56

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**RIDERS:**

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**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**GENERAL:**

Compensating for Transmission and Distribution Losses.

Multiplying Customer's calculated on-peak lighting energy by 1.09333 and calculated off-peak lighting energy by 1.04808 produces the generation energy that must be delivered to the system within the West Penn Rate District.

The rating of lamps in lumens is for identification purposes only and shall approximate the manufacturer's standard rating.

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**SERVICES**  
**SCHEDULE 55**  
**AREA LIGHTING SERVICE – UNDERGROUND DISTRIBUTION**

**AVAILABILITY:**

**West Penn**

Available only to present Customers for installations now being served prior to June 6, 1997 for high-pressure sodium vapor lighting to municipalities for area lighting service from an underground distribution system. Also available for existing mercury vapor installations installed prior to January 8, 1989.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

Rate District	West Penn		
Lamp Type	Sodium Vapor Low Mount		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$31.7222-42</del>

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Rate District	West Penn		
Lamp Type	Sodium Vapor High Mount – Single Luminaire per pole		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$58.4440-75</del>
22,000	200	86	<del>\$62.6643-69</del>

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Rate District	West Penn		
Lamp Type	Sodium Vapor High Mount – Each additional Luminaire per pole		
Lumen	Watts	kWh	Monthly Rate
22,000	200	86	<del>\$31.6522-07</del>

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Rate District	West Penn		
Lamp Type	Mercury Vapor		
Lumen	Watts	kWh	Monthly Rate
8,150	175	74	<del>\$27.2148-97</del>

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**RIDERS:**

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**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

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**SERVICES**  
**SCHEDULE 56**  
**STREET LIGHTING SERVICE - CUSTOMER-OWNED EQUIPMENT**

**AVAILABILITY:**

**West Penn**

Available only to present Customers for installations now being served prior to June 6, 1997 for high-pressure sodium vapor street lighting to municipalities. This Schedule is not available to serve lighting systems in an area where there will be a mix of Company-owned and Customer-owned systems.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

Rate District Lumen	West Penn			
	Watts	kWh	Installed on Customer-Owned Pole	Installed on Company's Distribution system
9,500	100	51	<del>\$7.245.05</del>	<del>\$9.626.71</del>
22,000	200	86	<del>\$11.998.36</del>	<del>\$15.5640.85</del>
50,000	400	167	<del>\$19.5513.63</del>	<del>\$23.7116.53</del>

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**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**GENERAL:**

Compensating for Transmission and Distribution Losses.

Multiplying Customer's calculated on-peak lighting energy by 1.09333 and calculated off-peak lighting energy by 1.04808 produces the generation energy that must be delivered to the system within the West Penn Rate District.

The rating of lamps in lumens is for identification purposes only and shall approximate the manufacturer's standard rating.

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**SERVICES**  
**SCHEDULE 57**  
**OUTDOOR LIGHTING**  
**EQUIPMENT, MAINTENANCE, AND UNMETERED SERVICE**

**AVAILABILITY:**

**West Penn**

Available for existing outdoor lighting installed before December 31, 2023 and for existing mercury vapor installations installed prior to February 13, 2009. Available for roadway and other outdoor lighting supplied from overhead or underground secondary distribution system of the Company and contracted for by a Customer for lighting accessible areas.

**GENERAL MONTHLY CHARGES:**

Distribution Charge by Nominal Lamp Size:

**OVERHEAD SERVICE**

Rate District	West Penn			
Lamp Type	High Pressure Sodium – Vertical Open Lens Luminaire (“OL”)			
Lumen	Watts	kWh	Installed on New Wood Pole	Installed on Existing Pole
9,500	100	51	\$ <del>21.44</del> <b>30.71</b>	\$ <del>11.92</del> <b>17.10</b>

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Rate District	West Penn			
Lamp Type	Mercury Vapor - Horizontal Luminaire (Cobra Head)			
Lumen	Watts	kWh	Monthly Rate	
8,150	175	74	\$ <del>13.889</del> <b>68</b>	

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Rate District	West Penn			
Lamp Type	High Pressure Sodium - Horizontal Luminaire (Cobra Head)			
Lumen	Watts	kWh	Monthly Rate	
9,500	100	51	\$ <del>16.81</del> <b>72</b>	
22,000	200	86	\$ <del>22.44</del> <b>5.65</b>	
50,000	400	167	\$ <del>32.43</del> <b>22.64</b>	

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Rate District	West Penn			
Lamp Type	Metal Halide - Horizontal Luminaire (Cobra Head)			
Lumen	Watts	kWh	Monthly Rate	
8,500	100	51	\$ <del>423.95</del> <b>6.70</b>	
11,600	175	74	\$ <del>46.70</del> <b>23.95</b>	
36,000	400	157	\$ <del>34.97</del> <b>24.38</b>	
90,000	1000	379	\$ <del>50.54</del> <b>35.24</b>	

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**SERVICES, SCHEDULE 57 (continued)**

Rate District	West Penn		
Lamp Type	High Pressure Sodium Floodlight		
Lumen	Watts	kWh	Monthly Rate
22,000	200	86	<del>\$25.4147.72</del>
50,000	400	167	<del>\$35.2224.56</del>

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Rate District	West Penn		
Lamp Type	Metal Halide Floodlight		
Lumen	Watts	kWh	Monthly Rate
36,000	400	157	<del>\$35.5524.79</del>
90,000	1000	379	<del>\$50.5435.24</del>

**UNDERGROUND SERVICE**

Rate District	West Penn		
Lamp Type	High Pressure Sodium - Colonial Post Top Luminaire 14' Mounting Height		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$29.330.45</del>

Rate District	West Penn		
Lamp Type	Metal Halide - Colonial Post Top Luminaire 14' Mounting Height		
Lumen	Watts	kWh	Monthly Rate
11,600	175	74	<del>\$35.9725.08</del>

Rate District	West Penn		
Lamp Type	High Pressure Sodium - Horizontal Luminaire (Cobra Head) 30' Mounting Height <sup>1</sup>		
Lumen	Watts	kWh	Single Luminaire Per Pole Each Additional Luminaire Per Pole
9,500	100	51	<del>\$54.7138.15</del> <del>\$14.18</del>
22,000	200	86	<del>\$57.3039.95</del> <del>\$18.88</del>
50,000	400	167	<del>\$61.1242.62</del> <del>\$27.30</del>

<sup>1</sup> Mounted on a 30' direct burial pole.

Rate District	West Penn		
Lamp Type	Metal Halide - Horizontal Luminaire (Cobra Head) 30' Mounting Height		
Lumen	Watts	kWh	Monthly Rate
36,000	400	157	<del>\$51.5773.96</del>

Rate District	West Penn				
Lamp Type	High Pressure Sodium - Rectangular Luminaire (Shoe Box) 30' Mounting Height				
Lumen	Watts	kWh	Single Luminaire Per Pole, with base <sup>2</sup>	Single Luminaire Per Pole, no base	Each Additional Luminaire Per Pole
9,500	100	51	<del>\$86.7460.48</del>	<del>\$64.2444.79</del>	<del>\$30.7821.46</del>
22,000	200	86	<del>\$77.5254.05</del>	<del>\$59.7241.64</del>	<del>\$35.3424.64</del>
50,000	400	167	<del>\$80.5156.14</del>	<del>\$74.7152.09</del>	<del>\$41.3228.81</del>

<sup>2</sup> With base includes the installation of a non-concrete power installed foundation where soil conditions warrant its application.

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**SERVICES, SCHEDULE 57 (continued)**

Rate-District	West-Penn			
Lamp-Type	Metal Halide - Rectangular Luminaire (Shoe-Box) 30' Mounting Height			
Lumen	Watts	kWh	Single Luminaire Per Pole, no base	Each Additional Luminaire Per Pole
36,000	400	157	\$53.56	\$31.68

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**TERM:**

**SHORT TERM**

Short Term Service having an initial term of thirty (30) days is available if the Customer makes an initial payment of the cost of installation and removal of the luminaire and bracket in addition to any other payments required under "CONDITIONS" below. This initial payment shall be refundable with interest if the lighting system remains in service for five years. After the initial term, the Agreement shall remain in effect until canceled by either party with not less than thirty (30) days prior written notice of cancellation.

**LONG TERM**

Long Term Service having an initial term of ten years is available and monthly rate as set forth in this schedule shall be reduced by fifty cents per lamp. After the initial term, the Agreement shall remain in effect until canceled by either party with not less than 90 days prior written notice of cancellation.

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**SERVICES**  
**SCHEDULE 58**  
**OUTDOOR LIGHTING MAINTENANCE AND UNMETERED SERVICE**

**AVAILABILITY:**

**West Penn**

Available for high-pressure sodium, mercury vapor and metal halide lighting being served prior to February 13, 2009.

**GENERAL MONTHLY CHARGES:**

Distribution Charge

Installed On Customer Owned Pole:

Rate District	West Penn		
Lamp Type	High Pressure Sodium Vapor		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$6.484.52</del>
22,000	200	86	<del>\$11.147.77</del>
50,000	400	167	<del>\$18.1742.67</del>

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Rate District	West Penn		
Lamp Type	Mercury Vapor		
Lumen	Watts	kWh	Monthly Rate
21,500	400	162	<del>\$12.929.04</del>

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Rate District	West Penn		
Lamp Type	Metal Halide		
Lumen	Watts	kWh	Monthly Rate
15,000	250	103	<del>\$11.598.08</del>
36,000	400	157	<del>\$12.338.60</del>
90,000	1,000	379	<del>\$22.6545.79</del>

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**SERVICES, SCHEDULE 58 (continued)**

Installed on Company's Distribution System:

Rate District	West Penn		
Lamp Type	High Pressure Sodium Vapor		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$8,956.24</del>
22,000	200	86	<del>\$13,389.33</del>
50,000	400	167	<del>\$20,414.23</del>

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Rate District	West Penn		
Lamp Type	Metal Halide		
Lumen	Watts	kWh	Monthly Rate
11,600	175	74	<del>\$12,338.60</del>
15,000	250	103	<del>\$13,749.58</del>
36,000	400	157	<del>\$14,574.16</del>
90,000	1,000	379	<del>\$24,854.33</del>

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Note: The rating of the lamps in lumens is for identification and shall approximate the manufacturer's standard rating.

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

**TERM:**

Initial term of the Agreement shall be one year. After the initial term, the Agreement shall remain in effect until a 30-day written notice of cancellation is provided and, unless Customer provides specific date in writing more than 30 days in the future, upon the expiration of 30 days. Any remaining balance due for extra facilities, rearrangement of facilities or other additional installed costs which were separately billed over the term of the agreement shall also become immediately due and payable.

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**SERVICES**  
**SCHEDULE 59**  
**OUTDOOR LIGHTING EQUIPMENT AND MAINTENANCE SERVICE**

**AVAILABILITY:**

**West Penn**

Available for roadway and other outdoor lighting being served prior to February 13, 2009 where energy is supplied by Customer's metered service and contracted for by a Customer for lighting accessible areas.

**GENERAL MONTHLY CHARGES:**

Distribution Charge

OVERHEAD SERVICE Installation on Existing Pole:

Rate District	West Penn		
Lamp Type	Mercury Vapor – Horizontal Luminaire (Cobra Head)		
Lumen	Watts	kWh	Monthly Rate
8,150	175	74	<del>\$14,840.35</del>

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Rate District	West Penn		
Lamp Type	High Pressure Sodium – Horizontal Luminaire (Cobra Head)		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	<del>\$16,361.41</del>
22,000	200	86	<del>\$21,3514.89</del>
50,000	400	167	<del>\$25,3017.64</del>

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Rate District	West Penn		
Lamp Type	Metal Halide - Horizontal Luminaire (Cobra Head)		
Lumen	Watts	kWh	Monthly Rate
36,000	400	157	<del>\$24,3516.98</del>

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Rate District	West Penn		
Lamp Type	High Pressure Sodium Floodlight		
Lumen	Watts	kWh	Monthly Rate
22,000	200	86	<del>\$22,3015.55</del>
50,000	400	167	<del>\$25,5717.83</del>

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Rate District	West Penn		
Lamp Type	Metal Halide Floodlight		
Lumen	Watts	kWh	Monthly Rate
36,000	400	157	<del>\$24,3716.99</del>
90,000	1,000	379	<del>\$38,2826.69</del>

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**SERVICES, SCHEDULE 59 (continued)**

**UNDERGROUND SERVICE**

Rate District	West Penn		
Lamp Type	High Pressure Sodium - Colonial Post Top Luminaire 14' Mounting Height		
Lumen	Watts	kWh	Monthly Rate
9,500	100	51	\$29,690.70

Rate District	West Penn		
Lamp Type	Metal Halide - Colonial Post Top Luminaire 14' Mounting Height		
Lumen	Watts	kWh	Monthly Rate
11,600	175	74	\$34,2323.87

Rate District	West Penn		
Lamp Type	Metal Halide - Horizontal Luminaire (Cobra Head) 30' Mounting Height, Single Luminaire Per Pole		
Lumen	Watts	kWh	Monthly Rate
90,000	1,000	379	\$50.57

Rate District	West Penn		
Lamp Type	High Pressure Sodium - Rectangular Luminaire (Shoe Box) 30' Mounting Height, Single Luminaire Per Pole, no base		
Lumen	Watts	kWh	Monthly Rate
9,500	400	51	\$42.74

Rate District	West Penn		
Lamp Type	Metal Halide - Rectangular Luminaire (Shoe Box) 30' Mounting Height, Single Luminaire Per Pole, no base		
Lumen	Watts	kWh	Monthly Rate
36,000	400	157	\$40,0257.40

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Note: The rating of the lamps in lumens is for identification and shall approximate the manufacturer's standard rating.

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**TERM:**

Short Term Service having an initial term of thirty (30) days is available if the Customer makes an initial payment of the cost of installation, and removal of the luminaire and bracket in addition to any other payments required under "CONDITIONS" below. This initial payment shall be refundable, with interest, if the lighting system remains in service for five years. After the initial term, the Agreement shall remain in effect until canceled by either party with not less than thirty (30) days prior written notice of cancellation.

Long Term Service having an initial term of ten (10) years is available and monthly rate as set forth in this schedule shall be reduced by fifty cents per lamp. After the initial term, the Agreement shall remain in effect until canceled by either party with not less than ninety (90) days prior written notice of cancellation. Municipal lighting service is typically provided under long term agreement for initial and supplemental installation.



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**SERVICES**

**SCHEDULE 71  
MERCURY VAPOR STREET AND HIGHWAY LIGHTING SERVICE**

**AVAILABILITY:**

**West Penn**

Available only to present Customers for installations now being served prior to August 26, 1978. This Schedule applies to lighting service sold for the lighting of public streets, public highways, and other public outdoor areas in municipalities, governmental units, and unincorporated communities where such service can be supplied from the existing general distribution system.

This Schedule is also applicable within private property which is open to the general public such as private walkways, streets, and roads when the property and buildings are under common ownership and when supply from the Company's distribution system is directly available and when lighting service is contracted for by the owner thereof.

**GENERAL MONTHLY CHARGES:**

Distribution Charge

Underground Supply Metal Pole:

Low Mounting

Rate District	West Penn		
Lumen	Watts	kWh	Monthly Rate
4,000	100	45	\$13.79
8,150	175	74	\$16.5623.75

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All lamps are lighted from dusk to dawn every night or for approximately 4,200 hours per annum.

**RIDERS:**

The Riders included in this Tariff that apply to this Rate are listed in the Rider Matrix on page 181.

**DEFAULT SERVICE CHARGES:**

For Customers receiving Default Service from the Company, the Price to Compare Default Service Rate Rider, Commercial Customer Class rate applies.

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**RIDER MATRIX**

Rate District	Rates and Services	STAS	TCJA	USC	EE&C-C	SMT	DSS	SPRVC	DSIC
ME	RS, GS-V	X	X	X	X	X	X	X	X
ME	GS-S, GS-M, GS-L, GP, MS	X	X		X	X	X	X	X
ME	TP	X	X		X	X	X	X	
ME	BL	X	X				X	X	X
ME	SL, <del>O-SL</del> , LED-SL, OALS	X	X		X		X	X	X
PN	RS, GS-V	X	X	X	X	X	X	X	X
PN	GS-S, GS-M, GS-L, GP, TP, H	X	X		X	X	X	X	X
PN	BL	X	X				X	X	X
PN	HPS-SL, M-SL, LED-SL, OALS	X	X		X		X	X	X
PP	RS, GS-V	X	X	X	X	X	X	X	X
PP	GS-S, GS-M, GS-L, GP, TP, PNP	X	X		X	X	X	X	X
PP	PLS, SV, <del>SVD</del> , LED, OALS	X	X		X		X	X	X
WP	RS, GS-V	X	X	X	X	X	X		X
WP	GS-S, GS-M, GS-L, GP, TP	X	X		X	X	X		X
WP	44, 46	X	X		X	X	X		
WP	51, 52, 53, 54, 55, 56, 57, 58, 71, LED-SL, OALS	X	X		X		X		X
WP	59	X							
PSU	GP	X	X		X	X	X		

**Rider Titles**

- STAS State Tax Adjustment Surcharge Rider
- TCJA Tax Cuts and Jobs Act Voluntary Surcharge Rider
- USC Universal Service Cost Rider
- EE&C-C Energy Efficiency and Conservation Charge Rider
- SMT Smart Meter Technologies Charge Rider
- DSS Default Service Support Rider
- SPVRC Solar Photovoltaic Requirements Charge Rider
- DSIC Distribution System Improvement Charge

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**STATE TAX ADJUSTMENT SURCHARGE RIDER**

After the addition of the charges provided in other applicable Riders, a State Tax Adjustment Surcharge ("STAS") as outlined below shall be applied effective for service rendered on and after January 1, 202~~3~~<sup>4</sup> in addition to all other billings calculated under the provisions of this Tariff.

Rate District	Met-Ed	Penelec	Penn Power	West Penn	PSU
Surcharge	0.00 <del>2</del> <sup>7</sup> %	0.00 <del>7</del> <sup>7</sup> %	-0.00 <del>2</del> <sup>2</sup> %	-0.00 <del>5</del> <sup>5</sup> %	-0.00 <del>5</del> <sup>5</sup> %

The State Tax Adjustment Surcharge will be recomputed using the elements prescribed by the Commission in its regulations at 52 Pa. Code §69.51, et seq. and at 52 Pa. Code §54.91, et seq.:

1. on December 21 of each year until the surcharge is rolled into base rates, or
2. whenever the Companies experience a material change in any of the taxes used in calculation of the surcharge due to any changes in its state tax liability arising under 66 Pa. C.S. §§ 2806(g), 2809(c) or 2810.

The recalculation will be submitted to the Commission within ten (10) days after the occurrence of the event which occasions such recomputation or as prescribed in the Commission's regulations at 52 Pa. Code §54.91, et seq. If the recomputed surcharge is less than the one in effect, the Companies will, or if the recomputed surcharge is more than the one in effect the Companies may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge. The effective date of such tariff or supplement shall be ten (10) days after the filing or as prescribed in the Commission's regulations at 52 Pa. Code §54.91, et seq.

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**TAX CUTS AND JOBS ACT VOLUNTARY SURCHARGE RIDER**

To implement the effects of the Tax Cuts and Jobs Act ("TCJA"), on March 15, 2018 the Pennsylvania Public Utility Commission ("Commission") issued a Temporary Rates Order at Docket No. M-2018-2641242 directing the Companies to file its current base rates and riders as temporary rates, pursuant to Section 1310(d) of the Public Utility Code 66 Pa. C.S. § 1310(d). Subsequently, on May 17, 2018, the Commission entered an Order superseding the March 15, 2018 Temporary Rates Order directing the utility to establish rates as follows:

Rate District	Met-Ed	Penelec	Penn Power	West Penn	PSU
Surcharge	<u>3.91%</u> 0.00%	<u>6.01%</u> 0.00%	<u>3.39%</u> 0.00%	<u>3.13%</u> 0.00%	<u>3.13%</u> 0.00%

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A negative surcharge will apply as a credit for intrastate service to all customer bills rendered on and after January 1, 2024. This negative surcharge will apply equally to all customers in the Residential Customer Class, the Commercial Customer Class and the Industrial Customer Class, exclusive of STAS and all automatic adjustment clause rider revenues.

The negative surcharge will be reconciled at the end of each calendar year and will remain in place until the Company files and the Commission approves new base rates for the Company pursuant to Section 1308(d) that include the effects of the TCJA tax rate changes.

The Tax Cuts and Jobs Act Voluntary Surcharge ("TCJAVSC") shall be calculated in accordance with the formula set forth below:

$$\text{TCJAVSC} = \frac{\text{TS} - \text{E}}{\text{Distribution Revenues}}$$

Where:

TS = The estimated current tax savings for the Companies, resulting from all changes in corporate taxes resulting from the TCJA compared to taxes that would have been accrued absent TCJA, based on the Company's most current budget for the Computational Period. Calculated consistent with Appendix A, attached to the Commission's Order at Docket No. R- 2018-3000597.

E = The over or under-refunding of the TCJAVSC that result from the billing of the TCJVSC during the Reconciliation Period, with interest. The reconciliation report showing the actual amounts of over refund / (under refund) shall be filed with the Commission 120 days after the end of the Reconciliation Year and included in the following calendar year's TCJAVSC (an over refund is denoted by a positive E and an under refund is denoted by a negative E). Interest shall be computed monthly for the over or under refund 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.).

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**NET METERING RIDER (continued)**

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis.

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~~4. If a net metering Customer served on Rate 44, 46, GS V, GS Small, GS Medium, GS Large, GP, TP, MS and H, generates electricity such that the self-generation results in a 10% or more reduction in the customer's purchase of electricity through the Company's transmission and distribution network for any calendar year when compared to the calendar year immediately prior to the installation of the generation, the net metering Customer shall be responsible for its share of stranded costs to prevent interclass or intraclass cost shifting.~~

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**APPLICATION:**

Customer-generators seeking to receive service under the provisions of this Rider must submit a written application to the Company demonstrating compliance with the Net Metering Rider provisions and quantifying the total rated generating capacity of the customer-generator facility.

**NET METERING FOR SHOPPING CUSTOMERS**

1. Customer-generators may take net metering services from EGSs that offer such services.

2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by a Tier I or Tier II resource installed on the customer-generator's side of the electric revenue meter, up to the total amount of kilowatt hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the EDC delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours at the end of the PJM planning period will not carry over to the next year and reduce distribution charges. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rates Schedule.

3. If the Company delivers more kilowatt hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

4. Pursuant to Commission regulations, the credit or compensation terms for excess electricity produced by customer-generators who are customers of EGSs shall be stated in the service agreement between the customer-generator and the EGS.

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5. If a customer-generator switches electricity suppliers, the Company shall treat the end of the service as if it were the end of the PJM planning period.

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**ENERGY EFFICIENCY AND CONSERVATION CHARGE RIDER**

An Energy Efficiency and Conservation (“EEC”) Charge (“Phase IV EE&C-C”) shall be applied to each Billing Unit during a billing month to Customers served under this Tariff, with the exception of those served under Borderline Service rates.

Residential, Commercial, and Street Lighting Customer Class rates will be calculated to the nearest one-thousandth of a cent per kWh. Industrial Customer Class rates will be calculated to the nearest one-hundredth of a dollar per kW PLC. The Phase IV EE&C-C rates shall be calculated separately for each Customer Class according to the provisions of this rider.

For service rendered June 1, 2023 through May 31, 2024, the Phase IV EE&C-C rates billed by Customer Class are as follows:

Met-Ed				
Customer Class	Residential	Commercial	Street Lighting	Industrial
Rate Schedule	RS	GS-V, GS-S, GS-M, MS, Outdoor Area Lighting Service	Street Lighting Service (SLS), <del>Ornamental SLS</del> , LED SLS	GS-L, GP, TP
Charge	0.192 cents per kWh	0.129 cents per kWh	0.058 cents per kWh	\$0.32 per kW PLC

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Penelec				
Customer Class	Residential	Commercial	Street Lighting	Industrial
Rate Schedule	RS	GS-V, GS-S, GS-M, H, Outdoor Area Lighting Service	HPS SLS, Municipal SLS, LED SLS	GS-L, GP, TP
Charge	0.226 cents per kWh	0.175 cents per kWh	0.011 cents per kWh	\$0.24 per kW PLC

Penn Power				
Customer Class	Residential	Commercial	Street Lighting	Industrial
Rate Schedule	RS	GS-S, GS-S(GSDS), GS-M, PLS, <del>Outdoor Area Lighting</del> , GS-V, PNP	SV, <del>SVD</del> , LED	GS-L, GP, TP
Charge	0.200 cents per kWh	0.206 cents per kWh	0.185 cents per kWh	\$0.44 per kW PLC

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West Penn				
Customer Class	Residential	Commercial	Street Lighting	Industrial
Rate Schedule	RS	GS-V, GS-S, GS-M, <del>Outdoor Area Lighting</del>	51:58, 71, 72	GS-L, GP, TP, 44, 46
Charge	0.162 cents per kWh	0.167 cents per kWh	(0.106) cents per kWh	\$0.22 per kW PLC

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Customer Class	Industrial
Rate Schedule	GP
Charge	\$0.22 per kW PLC

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**SMART METER TECHNOLOGIES CHARGE RIDER**

A Smart Meter Technologies (“SMT”) Charge (“SMT-C”) shall be applied as a monthly Customer charge during each billing month to metered Customers served under this Tariff, with the exception of those served under Borderline Service rates, all Customer class SMT-C charges will be determined to the nearest cent except for the West Penn Residential customer class which will be to the nearest one-thousandth of a cent per kWh. The SMT-C rates shall be calculated separately for each Customer Class according to the provisions of this rider. For all Customers, the SMT-C shall be included in the distribution charges of the monthly bill.

For service rendered on or after January 1, 2025<sup>4</sup> the SMT-C rates billed by Customer Class are as follows:

Met-Ed			
Customer Class	Residential	Commercial	Industrial
Rate Schedule	RS, GS-V	GS-S, GS-M, MS	GS-L, GP, TP
Charge	<del>\$(1.000)</del> per month	<del>\$01.92</del> per month	<del>\$06.69</del> per month

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Penelec			
Customer Class	Residential	Commercial	Industrial
Rate Schedule	RS, GS-V	GS-S, GS-M, H	GS-L, GP, LP
Charge	<del>\$(0.84)</del> per month	<del>\$0.52</del> per month	<del>\$09.87</del> per month

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Penn Power			
Customer Class	Residential	Commercial	Industrial
Rate Schedule	RS, GS-V	GS-S, GS-S(GSDS), GS-M, PNP	GS-L, GP, GT
Charge	<del>\$(0.60)</del> per month	<del>\$1.04</del> per month	<del>\$04.85</del> per month

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West Penn			
Customer Class	Residential	Commercial	Industrial
Rate Schedule	RS, GS-V	GS-S, GS-M	GS-L, 44, 46
Charge	<del>\$(0.00103)</del> per kWh	<del>\$(0.04)</del> per month	<del>\$07.89</del> per month

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**PRICE TO COMPARE DEFAULT SERVICE RATE RIDER**

A Price to Compare Default Service Rate (“PTC<sub>Default</sub>”) shall be applied to each kWh of Default Service that the Company delivers to Customers under this rider as determined to the nearest one-thousandth of a cent per kWh. The PTC<sub>Default</sub> rate shall be billed to Customers receiving Default Service from the Company under this rider. The rates shall be calculated according to the provisions of this rider.

For service rendered December 1, 2023 through May 31, 2024 the PTC<sub>Default</sub> rates billed by Customer Class are as follows:

Met-Ed		
Customer Class	Residential	Commercial
Rate Schedule	RS, GS-V	GS-S, GS-M (PTC), MS, Borderline Service, Street Lighting Service, LED Street Lighting Service, <del>Ornamental Street Lighting</del> and Outdoor Lighting Service
Charge	\$0.11306 per kWh	\$0.11872 per kWh

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Penelec		
Customer Class	Residential	Commercial
Rate Schedule	RS, GS-V	GS-S, GS-M (PTC), H, Borderline Service, Street Lighting Service, <del>Ornamental Street Lighting</del> , LED Street Lighting Service and Outdoor Lighting Service
Charge	\$0.10607 per kWh	\$0.11603 per kWh

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Penn Power		
Customer Class	Residential	Commercial
Rate Schedule	RS, GS-V	GS-S, GS-M (PTC), PNP, PLS, SV, <del>Outdoor Lighting Service -SVD, SM</del> and LED
Charge	\$0.11231 per kWh	\$0.13109 per kWh

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West Penn		
Customer Class	Residential	Commercial
Rate Schedule	RS, GS-V	GS-S, GS-M (PTC), 51-58, 71, <del>Outdoor Lighting Service and LED and 72</del>
Charge	\$0.10001 per kWh	\$0.11023 per kWh

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**DEFAULT SERVICE SUPPORT RIDER**

A Default Service Support (“DSS”) rate shall be applied to DSS Sales delivered by the Company to Delivery Service Customers under this rider as determined to the nearest one-thousandth of a cent per kWh or dollar per kW NSPL, as applicable. The DSS rate shall be billed to Customers receiving Delivery Service from the Company under this rider. The DSS rates shall be calculated according to the provisions of this rider. The DSS Rider shall be non-bypassable.

For service rendered during the DSS Initial Computational Period and thereafter, the DSS Computational Year, the DSS rates billed by Rate Schedule are as follows:

Rate District	Met-Ed			
Customer Class	Residential	Commercial		Industrial
Rate Schedule	RS, GS-V	GS-S	GS-M, MS, <del>Outdoor Area Lighting Service</del> OALS, STLT, LED, BRD	GS-L, GP, TP
Charge	0.405 cents per kWh	0.110 cents per kWh	0.111 cents per kWh	\$0.621 per kW NSPL

Rate District	Penelec		
Customer Class	Residential	Commercial	Industrial
Rate Schedule	RS, GS-V	GS-S, GS-M, H, BRD, LED, Street Lighting, Municipal Street Lighting, <del>Outdoor Area Lighting Service</del> OALS	GS-L, GP, TP
Charge	0.842 cents per kWh	0.388 cents per kWh	\$2.812 per kW NSPL

Rate District	Penn Power			
Customer Class	Residential	Commercial		Industrial
Rate Schedule	RS, GS-V	GS-S	PNP, GS-M, PLS, SSV, <del>SVD</del> , SM, <del>LED</del> , OALS	GS-L, GP, TP, GS-S (GSDS)
Charge	(0.072) cents per kWh	(0.176) cents per kWh	(0.181) cents per kWh	\$(0.842) per kW NSPL

Rate District	West Penn			
Customer Class	Residential	Commercial		Industrial
Rate Schedule	RS, GS-V	GS-S	GS-M, 51-58, 71, <del>LED</del> , OALS	GS-L, GP, TP, 44, 46
Charge	0.443 cents per kWh	0.182 cents per kWh	0.177 cents per kWh	\$1.237 per kW NSPL

Rate District	PSU			
Customer Class	Industrial			
Rate Schedule	GP			
Charge	\$1.237 per kW NSPL			

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**PARTIAL SERVICES RIDER**

**AVAILABILITY/APPLICABILITY:**

This Rider applies to general service customers having on-site non-synchronous generation equipment or synchronous equipment that does not qualify for the Net Metering Rider capable of supplying a portion of their power requirements for other than emergency purposes. Electricity sold under this Rider may not be resold; nor may it be used to operate the auxiliary loads of the generating facilities while those facilities are generating electricity for sale.

In addition to the charges included in the applicable rate schedule, all of the following general monthly charges are applicable to Delivery Service Customers.

**Penelec**

For any Customer taking backup and maintenance service from the Company as of January 1, 2015, the following applies: Customers who take service at a voltage level less than 115,000 volts but are served directly from a 115,000 volt or greater source through a single transformation shall be billed by the Company for backup and maintenance service at the transmission voltage charges plus a monthly fee equal to 1% of the net book value in such facilities owned by the Company at such lower volts that are dedicated to providing service to such Customer.

**GENERAL MONTHLY CHARGES:**

~~In addition to the standard charges based on the Customer's applicable rate schedule, the monthly administrative fee listed below per month, will be charged, along with their applicable rate schedules, plus the charges listed below. The administrative fee distribution charges is charged below are~~ dependent upon the voltage at which the Customer is being served and the services (i.e., Backup Demand and/or Maintenance Demand) selected by the Customer:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Administrative Fee	\$97.4579.28	\$108.01 86.43	\$70.5850.00	\$120.8286.4 3

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Rate District	Met-Ed	Penelec	Penn Power	West Penn
Distribution Charge	Backup Demand (Dollars/kW)			
Secondary Voltage	\$3.891 2	\$6.125 04	\$4.653.27	\$4.102.99
Primary Voltage	\$2.842 4	\$3.252 60	\$4.753.26	\$0.6344
Transmission Voltage	\$0.204 6	\$0.3528	\$0.350.27	\$0.1108

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Rate District	Met-Ed	Penelec	Penn Power	West Penn
Distribution Charge	Maintenance Demand (Dollars/kW)			
Secondary Voltage	\$3.122 50	\$4.900 4	\$3.722.62	\$3.272.39
Primary Voltage	\$2.271 79	\$2.6008	\$3.792.60	\$0.6337
Transmission Voltage	\$0.163	\$0.272	\$0.292	\$0.1007

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**PARTIAL SERVICES RIDER (continued)**

**PAYMENT TERMS:**

As per Rule 11, Payment of Bills.

**TERM OF CONTRACT:**

Each Customer shall be required to enter into a Delivery Service contract with the Company for a minimum one (1) year term. If the Delivery Service contract is terminated by the Customer prior to its expiration, the Minimum Charge provisions of this Rate Schedule shall apply. If the Customer's capacity or service requirements increase, the Company, in its sole and exclusive judgment, may at any time require the Customer to enter into a new Delivery Service contract.

**TERMS AND CONDITIONS:**

- A. Except where modified by this Rider, the Customer shall be subject to the terms and conditions of the Rate Schedule that would otherwise apply to the Customer.
- B. Service under this Rider shall be supplied only at locations where, in the Company's sole and exclusive discretion, there exists lines and equipment of sufficient capacity to supply the service requested by the Customer.
- C. The Customer's total combined capacity for the Backup and Maintenance Service shall not exceed the capacity of the generator(s) or other source of power to the Customer that is experiencing the outage.
- D. The Customer's generators or other source of supply shall not be operated in parallel with the Company's lines except upon written consent of the Company or as defined under the contractual arrangements.
- E. The periods of the year to be considered peak periods are from December 15 through March 15 and May 31 through September 15. Non-peak periods shall be the remaining periods of the year. Peak and non-peak periods may be changed from time to time by the Company after giving notice to the Customer.
- F. ~~For purposes of this Rider, the On-peak hours shall be defined as 9 a.m. – 9 p.m. weekdays with Off-peak hours encompassing all other hours.~~

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~~EG.~~ The Company may, at its option, require the Customer to install metering equipment sufficient to verify the performance of the Customer's generating equipment.

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**PARTIAL SERVICES RIDER (continued)**

**GENERAL PROVISIONS:**

**A. BACKUP SERVICE:**

1. Following the written request of the Customer indicating the amount of Backup Service required, the Company shall supply such service each month at the charges listed under General Monthly Charges.
2. During any billing period in which the Customer's generating equipment or other source of power experiences a forced or unscheduled outage which requires the Company to provide backup energy, the Customer shall be required to pay the Company for (i) the backup capacity at the charges listed in this Rider, General Monthly Charges, (ii) all capacity in excess of the specified capacity as Supplemental Service, (iii) all energy purchased at the charges and applicable riders set forth in the Rate Schedule that would otherwise apply to said Customer, and (iv) if actual capacity is greater than the backup capacity, a minimum bill will apply in the following months for demand determination. The minimum bill will apply even if the actual capacity is less than the backup capacity in any given month. The minimum bill will end after eleven (11) months or start over when the actual capacity is greater than backup capacity.
3. During any billing period in which the Company is not required to provide energy to "backup" the Customer's generating equipment or other source of power, the Customer shall pay to the Company the charges listed under General Monthly Charges for backup capacity.
4. Backup Service at the charges listed in this Rider, General Monthly Charges is limited to fifteen percent (15%) of the On-peak hours and fifteen percent (15%) of the Off-peak hours during any and all rolling consecutive twelve-month billing periods. Backup Service beyond fifteen percent (15%) of the time during a particular consecutive twelve-month period shall be billed to the Customer by the Company as Supplement Service at the Rate Schedule that would otherwise apply to said Customer.
5. The Customer shall permit the Company to install metering on the customers generation at the customers expense (phone line) or the Customer is required to notify the Company of the failure of its generating equipment in order to invoke this Rider Paragraph A2 of the Backup Service provision. The Company shall not be required to rebill the Customer if the Company is not notified of the equipment failure prior to the Company's scheduled billing date of the Customer's account.
6. Backup Service Billing Demand shall be the Contract Demand for Backup Service.
7. The Backup Service Measured Demand shall equal the lesser of a) the difference between the generating capability of the Customer's generator less the actual amount generated in a fifteen (15) minute period as measured by Company's metering located on the Customer Generator, or as provided with documentation acceptable to the Company by the Customer, or b) the Backup Service Billing Demand.

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**PARTIAL SERVICES RIDER (continued)**

**B. MAINTENANCE SERVICE:**

1. At the option of the Company, Customers may schedule their maintenance outages at any and all hours, during the periods from March 15 to May 31, September 15 to December 15, July 4 and Labor Day. Customers may also schedule their maintenance outages during Off-peak hours of the remainder of the year. ~~For purposes of this Rider, On peak shall be defined as 9 a.m. – 9 p.m. weekdays, with all Off peak hours being all other hours.~~
2. Customers who schedule their maintenance outages as set forth in this Rider Paragraph B1 and who request maintenance service in accordance with this Rider Paragraph B7, shall be billed by the Company at the charges listed under General Monthly Charges for the additional demands created during the scheduled outage up to the amount of requested maintenance power. In addition, the Customer shall be billed by, and pay to, the Company normal monthly charges including, but not limited to, the Monthly Minimum Charges, Demand Charges, Backup and Energy Charges at the Rate Schedule(s) that would otherwise apply to said Customer.
3. The additional demands, subject to maintenance charges, created during the scheduled outage shall not exceed the specified Maintenance Service capacity. Maintenance Service at the charges listed under General Monthly Charges shall be limited to twenty-five percent (25%) of the time (i.e., hours) during any and all rolling consecutive twelve (12) month periods. Maintenance Service beyond twenty-five percent (25%) of the time during a particular consecutive twelve (12) month period shall be billed by the Company at the Rate Schedule that would otherwise apply to said Customer.
4. When the Customer's scheduled maintenance outage of the generating facility cannot be scheduled in accordance with this Rider Paragraph B1, the demand established shall be subject to the charges and conditions set forth in the applicable Rate Schedule that would otherwise apply to said Customer.
5. The Company may, at its option, allow a Customer to extend the maintenance outages into On-peak periods provided that the length of extension into these periods does not exceed five (5) days. The demands established during these periods shall be billed by the Company at the charges specified in General Monthly Charges.
6. The Customer shall provide thirty (30) days written advance notice to the Company of a scheduled maintenance outage and specify the amount of maintenance power required. The Company shall make the Maintenance Service available within thirty (30) days before or after the Customer's requested maintenance outage.

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**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE RIDER**

In addition to the net charges provided for in this Tariff, a charge of:

Rate District	Met-Ed	Penelec	Penn Power	West Penn
Net Charge	0.004.09%	0.004.30%	0.007.5%	0.004.53%

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will apply consistent with the Commission Orders dated June 9, 2016 and April 19, 2018, at Docket Nos. (ME) P-2015-2508942, (PN) P-2015-2508936, (PP) P-2015-2508931, and (WP) P-2015-2508948 approving the Distribution System Improvement Charge ("DSIC"). This charge will be effective during the period January 1, 2024 through March June 30, 2024.

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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 the Rate Districts 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.

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## GENERATION STATION POWER RIDER

### AVAILABILITY

Available to Generation Facilities that produce electric energy that will be sold at wholesale and are owned and/or operated by a qualified member of PJM Interconnection, L.L.C. (PJM), as defined in the PJM Operating Agreement. The net energy output must be reported on an hourly basis to PJM and is interconnected to the Company's facilities.

The net energy output is the difference in energy between the Generation Facility's output and Station Power over a monthly period, as determined by the PJM. Net Energy Output is positive when the output exceeds the Station Power and negative when the Station Power exceeds the output, all as measured by an electronic meter acceptable to the Company.

Station Power is the energy used for operating the electric equipment on the site of a Generation Facility.

### DETERMINATION OF RATES

All bills for service are based on charges specified in the applicable rate schedule for firm service (including applicable riders and surcharges) under which the Customer is eligible to receive service, subject to the additional provisions of this rule.

- (1) When the Generating Facility's Net Energy Output is positive for the monthly billing period:
  - a. Customers receiving metered service over 100 kilovolts shall pay the Company the Fixed Distribution Charge of the applicable rate schedule.
  - b. Customers receiving metered Service under 100 kilovolts shall pay the Company the Fixed Distribution Charge along with the Distribution Charge portion of the applicable rate schedule.
  - (+)c. the monthly minimum charge for Delivery Service is the minimum bill provision in the applicable rate schedule.

(2) When the Generation Facility's Net Energy Output is negative for the monthly billing period, the Company shall apply all Delivery Service components of the applicable rate schedule, using the negative Net Energy Output to determine the Billing kWh component and the peak monthly kW usage to determine the Billing kW component.

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**FirstEnergy Pennsylvania Electric Company  
 Outdoor Area Lighting Service  
 Rate Summary**

Line No.	Description	Flood					Security			Shoebox			Underpass		
		30	50	90	130	260	30	50	90	50	90	130	30	50	90
1	Install Cost per Light	<b>\$ 1,193.50</b>	<b>\$ 1,211.00</b>	<b>\$ 1,309.50</b>	<b>\$ 1,457.00</b>	<b>\$ 1,595.00</b>	<b>\$ 983.50</b>	<b>\$ 974.00</b>	<b>\$ 1,036.00</b>	<b>\$ 1,163.00</b>	<b>\$ 1,176.50</b>	<b>\$ 1,465.50</b>	<b>\$ 1,221.00</b>	<b>\$ 1,221.00</b>	<b>\$ 1,284.50</b>
2	Other Dist. Plant	\$ 755.68	\$ 766.76	\$ 829.13	\$ 922.52	\$ 1,009.90	\$ 622.72	\$ 616.70	\$ 655.96	\$ 736.37	\$ 744.92	\$ 927.90	\$ 773.09	\$ 773.09	\$ 813.30
3	General Plant	\$ 78.06	\$ 79.21	\$ 85.65	\$ 95.30	\$ 104.32	\$ 64.33	\$ 63.71	\$ 67.76	\$ 76.07	\$ 76.95	\$ 95.85	\$ 79.86	\$ 79.86	\$ 84.02
4	Total Install	<b>\$ 2,027.25</b>	<b>\$ 2,056.97</b>	<b>\$ 2,224.28</b>	<b>\$ 2,474.82</b>	<b>\$ 2,709.22</b>	<b>\$ 1,670.55</b>	<b>\$ 1,654.41</b>	<b>\$ 1,759.72</b>	<b>\$ 1,975.44</b>	<b>\$ 1,998.37</b>	<b>\$ 2,489.26</b>	<b>\$ 2,073.96</b>	<b>\$ 2,073.96</b>	<b>\$ 2,181.82</b>
5	Fixed Charge Rate:	12.52%	12.52%	12.52%	12.52%	12.42%	12.53%	12.57%	12.65%	12.59%	12.58%	12.52%	12.57%	12.57%	12.56%
6	Total Revenue Requirement:	\$ 4,546.14	\$ 4,612.80	\$ 4,987.99	\$ 5,549.83	\$ 6,023.06	\$ 3,750.73	\$ 3,726.25	\$ 4,002.99	\$ 4,455.89	\$ 4,506.16	\$ 5,582.21	\$ 4,671.85	\$ 4,671.85	\$ 4,908.28
7	Revenue Requirement NPV:	\$ 2,462.38	\$ 2,498.48	\$ 2,701.70	\$ 3,006.02	\$ 3,265.31	\$ 2,031.30	\$ 2,017.37	\$ 2,159.56	\$ 2,412.03	\$ 2,439.32	\$ 3,023.56	\$ 2,529.28	\$ 2,529.28	\$ 2,657.65
8	Annual Levelized Payment:	\$ 253.83	\$ 257.56	\$ 278.50	\$ 309.87	\$ 336.60	\$ 209.40	\$ 207.96	\$ 222.62	\$ 248.64	\$ 251.46	\$ 311.68	\$ 260.73	\$ 260.73	\$ 273.96
9	Monthly Fixture Charge	\$ 21.15	\$ 21.46	\$ 23.21	\$ 25.82	\$ 28.05	\$ 17.45	\$ 17.33	\$ 18.55	\$ 20.72	\$ 20.95	\$ 25.97	\$ 21.73	\$ 21.73	\$ 22.83
10	Gross Receipts Tax	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
11	Monthly Fixutre Charge	<b>\$ 22.48</b>	<b>\$ 22.81</b>	<b>\$ 24.66</b>	<b>\$ 27.44</b>	<b>\$ 29.81</b>	<b>\$ 18.54</b>	<b>\$ 18.42</b>	<b>\$ 19.71</b>	<b>\$ 22.02</b>	<b>\$ 22.27</b>	<b>\$ 27.60</b>	<b>\$ 23.09</b>	<b>\$ 23.09</b>	<b>\$ 24.26</b>

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Flood / 30W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,027															
2	1	\$1,926	\$101	5.00%	\$101	\$0	\$0	\$1,926	\$41	\$117	\$44	\$1	\$20	\$4	\$328	\$303	\$254
3	2	\$1,825	\$101	5.00%	\$101	\$0	\$0	\$1,825	\$38	\$110	\$42	\$1	\$20	\$4	\$317	\$271	\$254
4	3	\$1,723	\$101	5.00%	\$101	\$0	\$0	\$1,723	\$36	\$104	\$39	\$1	\$20	\$4	\$307	\$242	\$254
5	4	\$1,622	\$101	5.00%	\$101	\$0	\$0	\$1,622	\$34	\$98	\$37	\$1	\$20	\$4	\$296	\$216	\$254
6	5	\$1,520	\$101	5.00%	\$101	\$0	\$0	\$1,520	\$32	\$92	\$35	\$1	\$20	\$4	\$285	\$193	\$254
7	6	\$1,419	\$101	5.00%	\$101	\$0	\$0	\$1,419	\$30	\$86	\$32	\$1	\$20	\$4	\$275	\$172	\$254
8	7	\$1,318	\$101	5.00%	\$101	\$0	\$0	\$1,318	\$28	\$80	\$30	\$1	\$20	\$4	\$264	\$153	\$254
9	8	\$1,216	\$101	5.00%	\$101	\$0	\$0	\$1,216	\$26	\$74	\$28	\$1	\$20	\$4	\$254	\$135	\$254
10	9	\$1,115	\$101	5.00%	\$101	\$0	\$0	\$1,115	\$24	\$68	\$25	\$1	\$20	\$4	\$243	\$120	\$254
11	10	\$1,014	\$101	5.00%	\$101	\$0	\$0	\$1,014	\$21	\$61	\$23	\$1	\$20	\$4	\$233	\$106	\$254
12	11	\$912	\$101	5.00%	\$101	\$0	\$0	\$912	\$19	\$55	\$21	\$1	\$20	\$4	\$222	\$94	\$254
13	12	\$811	\$101	5.00%	\$101	\$0	\$0	\$811	\$17	\$49	\$18	\$1	\$20	\$4	\$211	\$82	\$254
14	13	\$710	\$101	5.00%	\$101	\$0	\$0	\$710	\$15	\$43	\$16	\$1	\$20	\$4	\$201	\$72	\$254
15	14	\$608	\$101	5.00%	\$101	\$0	\$0	\$608	\$13	\$37	\$14	\$1	\$20	\$4	\$190	\$63	\$254
16	15	\$507	\$101	5.00%	\$101	\$0	\$0	\$507	\$11	\$31	\$12	\$1	\$20	\$4	\$180	\$55	\$254
17	16	\$405	\$101	5.00%	\$101	\$0	\$0	\$405	\$9	\$25	\$9	\$1	\$20	\$4	\$169	\$48	\$254
18	17	\$304	\$101	5.00%	\$101	\$0	\$0	\$304	\$6	\$18	\$7	\$1	\$20	\$4	\$159	\$42	\$254
19	18	\$203	\$101	5.00%	\$101	\$0	\$0	\$203	\$4	\$12	\$5	\$1	\$20	\$4	\$148	\$36	\$254
20	19	\$101	\$101	5.00%	\$101	\$0	\$0	\$101	\$2	\$6	\$2	\$1	\$20	\$4	\$137	\$31	\$254
21	20	\$0	\$101	5.00%	\$101	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$20	\$4	\$127	\$26	\$254
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,027</b>		<b>\$2,027</b>	<b>\$0</b>		<b>\$0</b>	<b>\$406</b>	<b>\$1,166</b>	<b>\$438</b>	<b>\$18</b>	<b>\$407</b>	<b>\$85</b>	<b>\$4,546</b>	<b>\$2,462</b>	<b>\$5,077</b>

33	<b>NPV</b>	<b>\$2,462</b>	<b>NPV Check</b>	<b>\$2,462</b>
34	<b>Levelized Payment</b>	<b>\$254</b>	<b>Fixed Charge Rate</b>	<b>12.52%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Flood / 50W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,057															
2	1	\$1,954	\$103	5.00%	\$103	\$0	\$0	\$1,954	\$41	\$118	\$44	\$1	\$21	\$4	\$333	\$308	\$258
3	2	\$1,851	\$103	5.00%	\$103	\$0	\$0	\$1,851	\$39	\$112	\$42	\$1	\$21	\$4	\$322	\$275	\$258
4	3	\$1,748	\$103	5.00%	\$103	\$0	\$0	\$1,748	\$37	\$106	\$40	\$1	\$21	\$4	\$311	\$246	\$258
5	4	\$1,646	\$103	5.00%	\$103	\$0	\$0	\$1,646	\$35	\$100	\$37	\$1	\$21	\$4	\$300	\$219	\$258
6	5	\$1,543	\$103	5.00%	\$103	\$0	\$0	\$1,543	\$33	\$93	\$35	\$1	\$21	\$4	\$290	\$196	\$258
7	6	\$1,440	\$103	5.00%	\$103	\$0	\$0	\$1,440	\$30	\$87	\$33	\$1	\$21	\$4	\$279	\$174	\$258
8	7	\$1,337	\$103	5.00%	\$103	\$0	\$0	\$1,337	\$28	\$81	\$30	\$1	\$21	\$4	\$268	\$155	\$258
9	8	\$1,234	\$103	5.00%	\$103	\$0	\$0	\$1,234	\$26	\$75	\$28	\$1	\$21	\$4	\$257	\$137	\$258
10	9	\$1,131	\$103	5.00%	\$103	\$0	\$0	\$1,131	\$24	\$68	\$26	\$1	\$21	\$4	\$247	\$122	\$258
11	10	\$1,028	\$103	5.00%	\$103	\$0	\$0	\$1,028	\$22	\$62	\$23	\$1	\$21	\$4	\$236	\$108	\$258
12	11	\$926	\$103	5.00%	\$103	\$0	\$0	\$926	\$20	\$56	\$21	\$1	\$21	\$4	\$225	\$95	\$258
13	12	\$823	\$103	5.00%	\$103	\$0	\$0	\$823	\$17	\$50	\$19	\$1	\$21	\$4	\$215	\$84	\$258
14	13	\$720	\$103	5.00%	\$103	\$0	\$0	\$720	\$15	\$44	\$16	\$1	\$21	\$4	\$204	\$73	\$258
15	14	\$617	\$103	5.00%	\$103	\$0	\$0	\$617	\$13	\$37	\$14	\$1	\$21	\$4	\$193	\$64	\$258
16	15	\$514	\$103	5.00%	\$103	\$0	\$0	\$514	\$11	\$31	\$12	\$1	\$21	\$4	\$182	\$56	\$258
17	16	\$411	\$103	5.00%	\$103	\$0	\$0	\$411	\$9	\$25	\$9	\$1	\$21	\$4	\$172	\$49	\$258
18	17	\$309	\$103	5.00%	\$103	\$0	\$0	\$309	\$7	\$19	\$7	\$1	\$21	\$4	\$161	\$42	\$258
19	18	\$206	\$103	5.00%	\$103	\$0	\$0	\$206	\$4	\$12	\$5	\$1	\$21	\$4	\$150	\$37	\$258
20	19	\$103	\$103	5.00%	\$103	\$0	\$0	\$103	\$2	\$6	\$2	\$1	\$21	\$4	\$139	\$31	\$258
21	20	\$0	\$103	5.00%	\$103	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$21	\$4	\$129	\$27	\$258
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,057</b>		<b>\$2,057</b>	<b>\$0</b>		<b>\$0</b>	<b>\$412</b>	<b>\$1,183</b>	<b>\$445</b>	<b>\$18</b>	<b>\$412</b>	<b>\$86</b>	<b>\$4,613</b>	<b>\$2,498</b>	<b>\$5,151</b>

33	<b>NPV</b>	<b>\$2,498</b>	<b>NPV Check</b>	<b>\$2,498</b>
34	<b>Levelized Payment</b>	<b>\$258</b>	<b>Fixed Charge Rate</b>	<b>12.52%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Flood / 90W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,224															
2	1	\$2,113	\$111	5.00%	\$111	\$0	\$0	\$2,113	\$45	\$128	\$48	\$1	\$22	\$5	\$360	\$333	\$279
3	2	\$2,002	\$111	5.00%	\$111	\$0	\$0	\$2,002	\$42	\$121	\$46	\$1	\$22	\$5	\$348	\$298	\$279
4	3	\$1,891	\$111	5.00%	\$111	\$0	\$0	\$1,891	\$40	\$114	\$43	\$1	\$22	\$5	\$336	\$266	\$279
5	4	\$1,779	\$111	5.00%	\$111	\$0	\$0	\$1,779	\$38	\$108	\$40	\$1	\$22	\$5	\$325	\$237	\$279
6	5	\$1,668	\$111	5.00%	\$111	\$0	\$0	\$1,668	\$35	\$101	\$38	\$1	\$22	\$5	\$313	\$212	\$279
7	6	\$1,557	\$111	5.00%	\$111	\$0	\$0	\$1,557	\$33	\$94	\$35	\$1	\$22	\$5	\$302	\$188	\$279
8	7	\$1,446	\$111	5.00%	\$111	\$0	\$0	\$1,446	\$30	\$88	\$33	\$1	\$22	\$5	\$290	\$167	\$279
9	8	\$1,335	\$111	5.00%	\$111	\$0	\$0	\$1,335	\$28	\$81	\$30	\$1	\$22	\$5	\$278	\$149	\$279
10	9	\$1,223	\$111	5.00%	\$111	\$0	\$0	\$1,223	\$26	\$74	\$28	\$1	\$22	\$5	\$267	\$132	\$279
11	10	\$1,112	\$111	5.00%	\$111	\$0	\$0	\$1,112	\$23	\$67	\$25	\$1	\$22	\$5	\$255	\$116	\$279
12	11	\$1,001	\$111	5.00%	\$111	\$0	\$0	\$1,001	\$21	\$61	\$23	\$1	\$22	\$5	\$244	\$103	\$279
13	12	\$890	\$111	5.00%	\$111	\$0	\$0	\$890	\$19	\$54	\$20	\$1	\$22	\$5	\$232	\$90	\$279
14	13	\$778	\$111	5.00%	\$111	\$0	\$0	\$778	\$16	\$47	\$18	\$1	\$22	\$5	\$220	\$79	\$279
15	14	\$667	\$111	5.00%	\$111	\$0	\$0	\$667	\$14	\$40	\$15	\$1	\$22	\$5	\$209	\$70	\$279
16	15	\$556	\$111	5.00%	\$111	\$0	\$0	\$556	\$12	\$34	\$13	\$1	\$22	\$5	\$197	\$61	\$279
17	16	\$445	\$111	5.00%	\$111	\$0	\$0	\$445	\$9	\$27	\$10	\$1	\$22	\$5	\$186	\$53	\$279
18	17	\$334	\$111	5.00%	\$111	\$0	\$0	\$334	\$7	\$20	\$8	\$1	\$22	\$5	\$174	\$46	\$279
19	18	\$222	\$111	5.00%	\$111	\$0	\$0	\$222	\$5	\$13	\$5	\$1	\$22	\$5	\$162	\$40	\$279
20	19	\$111	\$111	5.00%	\$111	\$0	\$0	\$111	\$2	\$7	\$3	\$1	\$22	\$5	\$151	\$34	\$279
21	20	\$0	\$111	5.00%	\$111	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$22	\$5	\$139	\$29	\$279
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,224</b>		<b>\$2,224</b>	<b>\$0</b>		<b>\$0</b>	<b>\$445</b>	<b>\$1,279</b>	<b>\$481</b>	<b>\$20</b>	<b>\$446</b>	<b>\$93</b>	<b>\$4,988</b>	<b>\$2,702</b>	<b>\$5,570</b>

33	<b>NPV</b>	<b>\$2,702</b>	<b>NPV Check</b>	<b>\$2,702</b>
34	<b>Levelized Payment</b>	<b>\$279</b>	<b>Fixed Charge Rate</b>	<b>12.52%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|



**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Flood / 130W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,475															
2	1	\$2,351	\$124	5.00%	\$124	\$0	\$0	\$2,351	\$50	\$142	\$53	\$1	\$25	\$5	\$400	\$370	\$310
3	2	\$2,227	\$124	5.00%	\$124	\$0	\$0	\$2,227	\$47	\$135	\$51	\$1	\$25	\$5	\$387	\$331	\$310
4	3	\$2,104	\$124	5.00%	\$124	\$0	\$0	\$2,104	\$44	\$127	\$48	\$1	\$25	\$5	\$374	\$296	\$310
5	4	\$1,980	\$124	5.00%	\$124	\$0	\$0	\$1,980	\$42	\$120	\$45	\$1	\$25	\$5	\$361	\$264	\$310
6	5	\$1,856	\$124	5.00%	\$124	\$0	\$0	\$1,856	\$39	\$112	\$42	\$1	\$25	\$5	\$349	\$235	\$310
7	6	\$1,732	\$124	5.00%	\$124	\$0	\$0	\$1,732	\$37	\$105	\$39	\$1	\$25	\$5	\$336	\$210	\$310
8	7	\$1,609	\$124	5.00%	\$124	\$0	\$0	\$1,609	\$34	\$97	\$37	\$1	\$25	\$5	\$323	\$186	\$310
9	8	\$1,485	\$124	5.00%	\$124	\$0	\$0	\$1,485	\$31	\$90	\$34	\$1	\$25	\$5	\$310	\$165	\$310
10	9	\$1,361	\$124	5.00%	\$124	\$0	\$0	\$1,361	\$29	\$82	\$31	\$1	\$25	\$5	\$297	\$147	\$310
11	10	\$1,237	\$124	5.00%	\$124	\$0	\$0	\$1,237	\$26	\$75	\$28	\$1	\$25	\$5	\$284	\$130	\$310
12	11	\$1,114	\$124	5.00%	\$124	\$0	\$0	\$1,114	\$23	\$67	\$25	\$1	\$25	\$5	\$271	\$114	\$310
13	12	\$990	\$124	5.00%	\$124	\$0	\$0	\$990	\$21	\$60	\$23	\$1	\$25	\$5	\$258	\$101	\$310
14	13	\$866	\$124	5.00%	\$124	\$0	\$0	\$866	\$18	\$52	\$20	\$1	\$25	\$5	\$245	\$88	\$310
15	14	\$742	\$124	5.00%	\$124	\$0	\$0	\$742	\$16	\$45	\$17	\$1	\$25	\$5	\$232	\$77	\$310
16	15	\$619	\$124	5.00%	\$124	\$0	\$0	\$619	\$13	\$37	\$14	\$1	\$25	\$5	\$219	\$68	\$310
17	16	\$495	\$124	5.00%	\$124	\$0	\$0	\$495	\$10	\$30	\$11	\$1	\$25	\$5	\$206	\$59	\$310
18	17	\$371	\$124	5.00%	\$124	\$0	\$0	\$371	\$8	\$22	\$8	\$1	\$25	\$5	\$194	\$51	\$310
19	18	\$247	\$124	5.00%	\$124	\$0	\$0	\$247	\$5	\$15	\$6	\$1	\$25	\$5	\$181	\$44	\$310
20	19	\$124	\$124	5.00%	\$124	\$0	\$0	\$124	\$3	\$7	\$3	\$1	\$25	\$5	\$168	\$38	\$310
21	20	\$0	\$124	5.00%	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$25	\$5	\$155	\$32	\$310
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,475</b>		<b>\$2,475</b>	<b>\$0</b>		<b>\$0</b>	<b>\$496</b>	<b>\$1,423</b>	<b>\$535</b>	<b>\$22</b>	<b>\$496</b>	<b>\$103</b>	<b>\$5,550</b>	<b>\$3,006</b>	<b>\$6,197</b>

33  
34

<b>NPV</b>	<b>\$3,006</b>	<b>NPV Check</b>	<b>\$3,006</b>
<b>Levelized Payment</b>	<b>\$310</b>	<b>Fixed Charge Rate</b>	<b>12.52%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Flood / 260W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,709															
2	1	\$2,574	\$135	5.00%	\$135	\$0	\$0	\$2,574	\$54	\$156	\$59	\$1	\$27	\$3	\$435	\$403	\$337
3	2	\$2,438	\$135	5.00%	\$135	\$0	\$0	\$2,438	\$51	\$148	\$55	\$1	\$27	\$3	\$421	\$360	\$337
4	3	\$2,303	\$135	5.00%	\$135	\$0	\$0	\$2,303	\$49	\$139	\$52	\$1	\$27	\$3	\$407	\$322	\$337
5	4	\$2,167	\$135	5.00%	\$135	\$0	\$0	\$2,167	\$46	\$131	\$49	\$1	\$27	\$3	\$393	\$287	\$337
6	5	\$2,032	\$135	5.00%	\$135	\$0	\$0	\$2,032	\$43	\$123	\$46	\$1	\$27	\$3	\$379	\$256	\$337
7	6	\$1,896	\$135	5.00%	\$135	\$0	\$0	\$1,896	\$40	\$115	\$43	\$1	\$27	\$3	\$365	\$228	\$337
8	7	\$1,761	\$135	5.00%	\$135	\$0	\$0	\$1,761	\$37	\$107	\$40	\$1	\$27	\$3	\$351	\$202	\$337
9	8	\$1,626	\$135	5.00%	\$135	\$0	\$0	\$1,626	\$34	\$98	\$37	\$1	\$27	\$3	\$336	\$180	\$337
10	9	\$1,490	\$135	5.00%	\$135	\$0	\$0	\$1,490	\$31	\$90	\$34	\$1	\$27	\$3	\$322	\$159	\$337
11	10	\$1,355	\$135	5.00%	\$135	\$0	\$0	\$1,355	\$29	\$82	\$31	\$1	\$27	\$3	\$308	\$141	\$337
12	11	\$1,219	\$135	5.00%	\$135	\$0	\$0	\$1,219	\$26	\$74	\$28	\$1	\$27	\$3	\$294	\$124	\$337
13	12	\$1,084	\$135	5.00%	\$135	\$0	\$0	\$1,084	\$23	\$66	\$25	\$1	\$27	\$3	\$280	\$109	\$337
14	13	\$948	\$135	5.00%	\$135	\$0	\$0	\$948	\$20	\$57	\$22	\$1	\$27	\$3	\$266	\$96	\$337
15	14	\$813	\$135	5.00%	\$135	\$0	\$0	\$813	\$17	\$49	\$18	\$1	\$27	\$3	\$252	\$84	\$337
16	15	\$677	\$135	5.00%	\$135	\$0	\$0	\$677	\$14	\$41	\$15	\$1	\$27	\$3	\$238	\$73	\$337
17	16	\$542	\$135	5.00%	\$135	\$0	\$0	\$542	\$11	\$33	\$12	\$1	\$27	\$3	\$223	\$64	\$337
18	17	\$406	\$135	5.00%	\$135	\$0	\$0	\$406	\$9	\$25	\$9	\$1	\$27	\$3	\$209	\$55	\$337
19	18	\$271	\$135	5.00%	\$135	\$0	\$0	\$271	\$6	\$16	\$6	\$1	\$27	\$3	\$195	\$48	\$337
20	19	\$135	\$135	5.00%	\$135	\$0	\$0	\$135	\$3	\$8	\$3	\$1	\$27	\$3	\$181	\$41	\$337
21	20	\$0	\$135	5.00%	\$135	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$27	\$3	\$167	\$35	\$337
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,709</b>		<b>\$2,709</b>	<b>\$0</b>		<b>\$0</b>	<b>\$543</b>	<b>\$1,558</b>	<b>\$585</b>	<b>\$15</b>	<b>\$543</b>	<b>\$70</b>	<b>\$6,023</b>	<b>\$3,265</b>	<b>\$6,732</b>

33	<b>NPV</b>	<b>\$3,265</b>	<b>NPV Check</b>	<b>\$3,265</b>
34	<b>Levelized Payment</b>	<b>\$337</b>	<b>Fixed Charge Rate</b>	<b>12.42%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Security / 30W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$1,671															
2	1	\$1,587	\$84	5.00%	\$84	\$0	\$0	\$1,587	\$33	\$96	\$36	\$1	\$17	\$4	\$270	\$250	\$209
3	2	\$1,503	\$84	5.00%	\$84	\$0	\$0	\$1,503	\$32	\$91	\$34	\$1	\$17	\$4	\$262	\$224	\$209
4	3	\$1,420	\$84	5.00%	\$84	\$0	\$0	\$1,420	\$30	\$86	\$32	\$1	\$17	\$4	\$253	\$200	\$209
5	4	\$1,336	\$84	5.00%	\$84	\$0	\$0	\$1,336	\$28	\$81	\$30	\$1	\$17	\$4	\$244	\$178	\$209
6	5	\$1,253	\$84	5.00%	\$84	\$0	\$0	\$1,253	\$26	\$76	\$29	\$1	\$17	\$4	\$235	\$159	\$209
7	6	\$1,169	\$84	5.00%	\$84	\$0	\$0	\$1,169	\$25	\$71	\$27	\$1	\$17	\$4	\$227	\$142	\$209
8	7	\$1,086	\$84	5.00%	\$84	\$0	\$0	\$1,086	\$23	\$66	\$25	\$1	\$17	\$4	\$218	\$126	\$209
9	8	\$1,002	\$84	5.00%	\$84	\$0	\$0	\$1,002	\$21	\$61	\$23	\$1	\$17	\$4	\$209	\$112	\$209
10	9	\$919	\$84	5.00%	\$84	\$0	\$0	\$919	\$19	\$56	\$21	\$1	\$17	\$4	\$201	\$99	\$209
11	10	\$835	\$84	5.00%	\$84	\$0	\$0	\$835	\$18	\$51	\$19	\$1	\$17	\$4	\$192	\$88	\$209
12	11	\$752	\$84	5.00%	\$84	\$0	\$0	\$752	\$16	\$46	\$17	\$1	\$17	\$4	\$183	\$77	\$209
13	12	\$668	\$84	5.00%	\$84	\$0	\$0	\$668	\$14	\$40	\$15	\$1	\$17	\$4	\$174	\$68	\$209
14	13	\$585	\$84	5.00%	\$84	\$0	\$0	\$585	\$12	\$35	\$13	\$1	\$17	\$4	\$166	\$60	\$209
15	14	\$501	\$84	5.00%	\$84	\$0	\$0	\$501	\$11	\$30	\$11	\$1	\$17	\$4	\$157	\$52	\$209
16	15	\$418	\$84	5.00%	\$84	\$0	\$0	\$418	\$9	\$25	\$10	\$1	\$17	\$4	\$148	\$46	\$209
17	16	\$334	\$84	5.00%	\$84	\$0	\$0	\$334	\$7	\$20	\$8	\$1	\$17	\$4	\$140	\$40	\$209
18	17	\$251	\$84	5.00%	\$84	\$0	\$0	\$251	\$5	\$15	\$6	\$1	\$17	\$4	\$131	\$34	\$209
19	18	\$167	\$84	5.00%	\$84	\$0	\$0	\$167	\$4	\$10	\$4	\$1	\$17	\$4	\$122	\$30	\$209
20	19	\$84	\$84	5.00%	\$84	\$0	\$0	\$84	\$2	\$5	\$2	\$1	\$17	\$4	\$113	\$26	\$209
21	20	\$0	\$84	5.00%	\$84	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$17	\$4	\$105	\$22	\$209
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$1,671</b>		<b>\$1,671</b>	<b>\$0</b>		<b>\$0</b>	<b>\$335</b>	<b>\$961</b>	<b>\$361</b>	<b>\$15</b>	<b>\$335</b>	<b>\$73</b>	<b>\$3,751</b>	<b>\$2,031</b>	<b>\$4,188</b>

33  
34

<b>NPV</b>	<b>\$2,031</b>	<b>NPV Check</b>	<b>\$2,031</b>
<b>Levelized Payment</b>	<b>\$209</b>	<b>Fixed Charge Rate</b>	<b>12.53%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Security / 50W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
				Rate	Expense												
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$1,654															
2	1	\$1,572	\$83	5.00%	\$83	\$0	\$0	\$1,572	\$33	\$95	\$36	\$1	\$17	\$4	\$268	\$248	\$208
3	2	\$1,489	\$83	5.00%	\$83	\$0	\$0	\$1,489	\$31	\$90	\$34	\$1	\$17	\$4	\$260	\$222	\$208
4	3	\$1,406	\$83	5.00%	\$83	\$0	\$0	\$1,406	\$30	\$85	\$32	\$1	\$17	\$4	\$251	\$198	\$208
5	4	\$1,324	\$83	5.00%	\$83	\$0	\$0	\$1,324	\$28	\$80	\$30	\$1	\$17	\$4	\$242	\$177	\$208
6	5	\$1,241	\$83	5.00%	\$83	\$0	\$0	\$1,241	\$26	\$75	\$28	\$1	\$17	\$4	\$234	\$158	\$208
7	6	\$1,158	\$83	5.00%	\$83	\$0	\$0	\$1,158	\$24	\$70	\$26	\$1	\$17	\$4	\$225	\$141	\$208
8	7	\$1,075	\$83	5.00%	\$83	\$0	\$0	\$1,075	\$23	\$65	\$24	\$1	\$17	\$4	\$217	\$125	\$208
9	8	\$993	\$83	5.00%	\$83	\$0	\$0	\$993	\$21	\$60	\$23	\$1	\$17	\$4	\$208	\$111	\$208
10	9	\$910	\$83	5.00%	\$83	\$0	\$0	\$910	\$19	\$55	\$21	\$1	\$17	\$4	\$199	\$98	\$208
11	10	\$827	\$83	5.00%	\$83	\$0	\$0	\$827	\$17	\$50	\$19	\$1	\$17	\$4	\$191	\$87	\$208
12	11	\$744	\$83	5.00%	\$83	\$0	\$0	\$744	\$16	\$45	\$17	\$1	\$17	\$4	\$182	\$77	\$208
13	12	\$662	\$83	5.00%	\$83	\$0	\$0	\$662	\$14	\$40	\$15	\$1	\$17	\$4	\$173	\$68	\$208
14	13	\$579	\$83	5.00%	\$83	\$0	\$0	\$579	\$12	\$35	\$13	\$1	\$17	\$4	\$165	\$59	\$208
15	14	\$496	\$83	5.00%	\$83	\$0	\$0	\$496	\$10	\$30	\$11	\$1	\$17	\$4	\$156	\$52	\$208
16	15	\$414	\$83	5.00%	\$83	\$0	\$0	\$414	\$9	\$25	\$9	\$1	\$17	\$4	\$147	\$45	\$208
17	16	\$331	\$83	5.00%	\$83	\$0	\$0	\$331	\$7	\$20	\$8	\$1	\$17	\$4	\$139	\$40	\$208
18	17	\$248	\$83	5.00%	\$83	\$0	\$0	\$248	\$5	\$15	\$6	\$1	\$17	\$4	\$130	\$34	\$208
19	18	\$165	\$83	5.00%	\$83	\$0	\$0	\$165	\$3	\$10	\$4	\$1	\$17	\$4	\$122	\$30	\$208
20	19	\$83	\$83	5.00%	\$83	\$0	\$0	\$83	\$2	\$5	\$2	\$1	\$17	\$4	\$113	\$25	\$208
21	20	\$0	\$83	5.00%	\$83	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$17	\$4	\$104	\$22	\$208
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$1,654</b>		<b>\$1,654</b>	<b>\$0</b>		<b>\$0</b>	<b>\$331</b>	<b>\$952</b>	<b>\$358</b>	<b>\$17</b>	<b>\$332</b>	<b>\$82</b>	<b>\$3,726</b>	<b>\$2,017</b>	<b>\$4,159</b>

33	<b>NPV</b>	<b>\$2,017</b>	<b>NPV Check</b>	<b>\$2,017</b>
34	<b>Levelized Payment</b>	<b>\$208</b>	<b>Fixed Charge Rate</b>	<b>12.57%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Security / 90W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$1,760															
2	1	\$1,672	\$88	5.00%	\$88	\$0	\$0	\$1,672	\$35	\$101	\$38	\$1	\$18	\$5	\$286	\$265	\$223
3	2	\$1,584	\$88	5.00%	\$88	\$0	\$0	\$1,584	\$33	\$96	\$36	\$1	\$18	\$5	\$277	\$237	\$223
4	3	\$1,496	\$88	5.00%	\$88	\$0	\$0	\$1,496	\$32	\$91	\$34	\$1	\$18	\$5	\$268	\$212	\$223
5	4	\$1,408	\$88	5.00%	\$88	\$0	\$0	\$1,408	\$30	\$85	\$32	\$1	\$18	\$5	\$259	\$189	\$223
6	5	\$1,320	\$88	5.00%	\$88	\$0	\$0	\$1,320	\$28	\$80	\$30	\$1	\$18	\$5	\$250	\$169	\$223
7	6	\$1,232	\$88	5.00%	\$88	\$0	\$0	\$1,232	\$26	\$75	\$28	\$1	\$18	\$5	\$240	\$150	\$223
8	7	\$1,144	\$88	5.00%	\$88	\$0	\$0	\$1,144	\$24	\$69	\$26	\$1	\$18	\$5	\$231	\$134	\$223
9	8	\$1,056	\$88	5.00%	\$88	\$0	\$0	\$1,056	\$22	\$64	\$24	\$1	\$18	\$5	\$222	\$119	\$223
10	9	\$968	\$88	5.00%	\$83	-\$1	-\$1	\$969	\$20	\$59	\$23	\$1	\$18	\$5	\$213	\$105	\$223
11	10	\$880	\$88	5.00%	\$83	-\$1	-\$3	\$883	\$19	\$53	\$22	\$1	\$18	\$5	\$204	\$93	\$223
12	11	\$792	\$88	5.00%	\$83	-\$1	-\$4	\$796	\$17	\$48	\$20	\$1	\$18	\$5	\$195	\$82	\$223
13	12	\$704	\$88	5.00%	\$83	-\$1	-\$6	\$710	\$15	\$43	\$18	\$1	\$18	\$5	\$186	\$73	\$223
14	13	\$616	\$88	5.00%	\$83	-\$1	-\$7	\$623	\$13	\$38	\$16	\$1	\$18	\$5	\$177	\$64	\$223
15	14	\$528	\$88	5.00%	\$83	-\$1	-\$9	\$537	\$11	\$32	\$14	\$1	\$18	\$5	\$168	\$56	\$223
16	15	\$440	\$88	5.00%	\$83	-\$1	-\$10	\$450	\$9	\$27	\$12	\$1	\$18	\$5	\$159	\$49	\$223
17	16	\$352	\$88	5.00%	\$88	\$0	-\$10	\$362	\$8	\$22	\$8	\$1	\$18	\$5	\$150	\$43	\$223
18	17	\$264	\$88	5.00%	\$88	\$0	-\$10	\$274	\$6	\$17	\$6	\$1	\$18	\$5	\$141	\$37	\$223
19	18	\$176	\$88	5.00%	\$88	\$0	-\$10	\$186	\$4	\$11	\$4	\$1	\$18	\$5	\$131	\$32	\$223
20	19	\$88	\$88	5.00%	\$88	\$0	-\$10	\$98	\$2	\$6	\$2	\$1	\$18	\$5	\$122	\$28	\$223
21	20	\$0	\$88	5.00%	\$88	\$0	-\$10	\$10	\$0	\$1	\$0	\$1	\$18	\$5	\$113	\$24	\$223
22	21	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
23	22	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
24	23	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
25	24	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
26	25	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
27	26	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
28	27	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
29	28	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
30	29	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
31	30	\$0	\$0	0.00%	\$0	\$0	-\$10	\$10	\$0	\$1	\$0	\$0	\$0	\$0	\$1	\$0	\$223
32	<b>Total</b>	<b>\$0</b>	<b>\$1,760</b>		<b>\$1,723</b>	<b>-\$10</b>		<b>\$0</b>	<b>\$356</b>	<b>\$1,024</b>	<b>\$395</b>	<b>\$22</b>	<b>\$353</b>	<b>\$104</b>	<b>\$4,003</b>	<b>\$2,160</b>	<b>\$6,679</b>

33  
34

<b>NPV</b>	<b>\$2,160</b>	<b>NPV Check</b>	<b>\$2,468</b>
<b>Levelized Payment</b>	<b>\$223</b>	<b>Fixed Charge Rate</b>	<b>12.65%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Shoobox / 50W / Install 1

Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
				Rate	Expense												
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$1,975															
2	1	\$1,877	\$99	5.00%	\$99	\$0	\$0	\$1,877	\$40	\$114	\$43	\$1	\$20	\$5	\$321	\$297	\$249
3	2	\$1,778	\$99	5.00%	\$99	\$0	\$0	\$1,778	\$37	\$108	\$40	\$1	\$20	\$5	\$310	\$265	\$249
4	3	\$1,679	\$99	5.00%	\$99	\$0	\$0	\$1,679	\$35	\$102	\$38	\$1	\$20	\$5	\$300	\$237	\$249
5	4	\$1,580	\$99	5.00%	\$99	\$0	\$0	\$1,580	\$33	\$96	\$36	\$1	\$20	\$5	\$290	\$212	\$249
6	5	\$1,482	\$99	5.00%	\$99	\$0	\$0	\$1,482	\$31	\$90	\$34	\$1	\$20	\$5	\$279	\$189	\$249
7	6	\$1,383	\$99	5.00%	\$99	\$0	\$0	\$1,383	\$29	\$84	\$31	\$1	\$20	\$5	\$269	\$168	\$249
8	7	\$1,284	\$99	5.00%	\$99	\$0	\$0	\$1,284	\$27	\$78	\$29	\$1	\$20	\$5	\$259	\$149	\$249
9	8	\$1,185	\$99	5.00%	\$99	\$0	\$0	\$1,185	\$25	\$72	\$27	\$1	\$20	\$5	\$249	\$133	\$249
10	9	\$1,086	\$99	5.00%	\$99	\$0	\$0	\$1,086	\$23	\$66	\$25	\$1	\$20	\$5	\$238	\$118	\$249
11	10	\$988	\$99	5.00%	\$99	\$0	\$0	\$988	\$21	\$60	\$22	\$1	\$20	\$5	\$228	\$104	\$249
12	11	\$889	\$99	5.00%	\$99	\$0	\$0	\$889	\$19	\$54	\$20	\$1	\$20	\$5	\$218	\$92	\$249
13	12	\$790	\$99	5.00%	\$99	\$0	\$0	\$790	\$17	\$48	\$18	\$1	\$20	\$5	\$207	\$81	\$249
14	13	\$691	\$99	5.00%	\$99	\$0	\$0	\$691	\$15	\$42	\$16	\$1	\$20	\$5	\$197	\$71	\$249
15	14	\$593	\$99	5.00%	\$99	\$0	\$0	\$593	\$12	\$36	\$13	\$1	\$20	\$5	\$187	\$62	\$249
16	15	\$494	\$99	5.00%	\$99	\$0	\$0	\$494	\$10	\$30	\$11	\$1	\$20	\$5	\$176	\$54	\$249
17	16	\$395	\$99	5.00%	\$99	\$0	\$0	\$395	\$8	\$24	\$9	\$1	\$20	\$5	\$166	\$47	\$249
18	17	\$296	\$99	5.00%	\$99	\$0	\$0	\$296	\$6	\$18	\$7	\$1	\$20	\$5	\$156	\$41	\$249
19	18	\$198	\$99	5.00%	\$99	\$0	\$0	\$198	\$4	\$12	\$4	\$1	\$20	\$5	\$145	\$35	\$249
20	19	\$99	\$99	5.00%	\$99	\$0	\$0	\$99	\$2	\$6	\$2	\$1	\$20	\$5	\$135	\$30	\$249
21	20	\$0	\$99	5.00%	\$99	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$20	\$5	\$125	\$26	\$249
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$1,975</b>		<b>\$1,975</b>	<b>\$0</b>		<b>\$0</b>	<b>\$396</b>	<b>\$1,136</b>	<b>\$427</b>	<b>\$22</b>	<b>\$396</b>	<b>\$104</b>	<b>\$4,456</b>	<b>\$2,412</b>	<b>\$4,973</b>

NPV	\$2,412	NPV Check	\$2,412
Levelized Payment	\$249	Fixed Charge Rate	12.59%

Calculations:

- 35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances
- 36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)
- 37 3 - Column (D) = MACRS Depreciation
- 38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)
- 39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate
- 40 6 - Column (G) = Column (F) + Column (G) of prior period
- 41 7 - Column (H) = Column (B) - Column (G)
- 42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost
- 43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost
- 10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F
- 11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor
- 12 - Column (M) = New Install Cost Beg. Bal. X A&G Allocation Factor
- 13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor
- 14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&M Allocation Factor
- 15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)
- 16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)
- 17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Shoebbox / 90W / Install 1

Line No.	Year	Undeprciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
				Rate	Expense												
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$1,998															
2	1	\$1,898	\$100	5.00%	\$100	\$0	\$0	\$1,898	\$40	\$115	\$43	\$1	\$20	\$5	\$324	\$300	\$251
3	2	\$1,799	\$100	5.00%	\$100	\$0	\$0	\$1,799	\$38	\$109	\$41	\$1	\$20	\$5	\$314	\$268	\$251
4	3	\$1,699	\$100	5.00%	\$100	\$0	\$0	\$1,699	\$36	\$103	\$39	\$1	\$20	\$5	\$304	\$240	\$251
5	4	\$1,599	\$100	5.00%	\$100	\$0	\$0	\$1,599	\$34	\$97	\$36	\$1	\$20	\$5	\$293	\$214	\$251
6	5	\$1,499	\$100	5.00%	\$100	\$0	\$0	\$1,499	\$32	\$91	\$34	\$1	\$20	\$5	\$283	\$191	\$251
7	6	\$1,399	\$100	5.00%	\$100	\$0	\$0	\$1,399	\$29	\$85	\$32	\$1	\$20	\$5	\$272	\$170	\$251
8	7	\$1,299	\$100	5.00%	\$100	\$0	\$0	\$1,299	\$27	\$79	\$30	\$1	\$20	\$5	\$262	\$151	\$251
9	8	\$1,199	\$100	5.00%	\$100	\$0	\$0	\$1,199	\$25	\$73	\$27	\$1	\$20	\$5	\$251	\$134	\$251
10	9	\$1,099	\$100	5.00%	\$100	\$0	\$0	\$1,099	\$23	\$67	\$25	\$1	\$20	\$5	\$241	\$119	\$251
11	10	\$999	\$100	5.00%	\$100	\$0	\$0	\$999	\$21	\$60	\$23	\$1	\$20	\$5	\$231	\$105	\$251
12	11	\$899	\$100	5.00%	\$100	\$0	\$0	\$899	\$19	\$54	\$20	\$1	\$20	\$5	\$220	\$93	\$251
13	12	\$799	\$100	5.00%	\$100	\$0	\$0	\$799	\$17	\$48	\$18	\$1	\$20	\$5	\$210	\$82	\$251
14	13	\$699	\$100	5.00%	\$100	\$0	\$0	\$699	\$15	\$42	\$16	\$1	\$20	\$5	\$199	\$72	\$251
15	14	\$600	\$100	5.00%	\$100	\$0	\$0	\$600	\$13	\$36	\$14	\$1	\$20	\$5	\$189	\$63	\$251
16	15	\$500	\$100	5.00%	\$100	\$0	\$0	\$500	\$11	\$30	\$11	\$1	\$20	\$5	\$178	\$55	\$251
17	16	\$400	\$100	5.00%	\$100	\$0	\$0	\$400	\$8	\$24	\$9	\$1	\$20	\$5	\$168	\$48	\$251
18	17	\$300	\$100	5.00%	\$100	\$0	\$0	\$300	\$6	\$18	\$7	\$1	\$20	\$5	\$158	\$42	\$251
19	18	\$200	\$100	5.00%	\$100	\$0	\$0	\$200	\$4	\$12	\$5	\$1	\$20	\$5	\$147	\$36	\$251
20	19	\$100	\$100	5.00%	\$100	\$0	\$0	\$100	\$2	\$6	\$2	\$1	\$20	\$5	\$137	\$31	\$251
21	20	\$0	\$100	5.00%	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$20	\$5	\$126	\$26	\$251
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$1,998</b>		<b>\$1,998</b>	<b>\$0</b>		<b>\$0</b>	<b>\$400</b>	<b>\$1,149</b>	<b>\$432</b>	<b>\$22</b>	<b>\$401</b>	<b>\$104</b>	<b>\$4,506</b>	<b>\$2,439</b>	<b>\$5,029</b>

33  
34

<b>NPV</b>	<b>\$2,439</b>	<b>NPV Check</b>	<b>\$2,439</b>
<b>Levelized Payment</b>	<b>\$251</b>	<b>Fixed Charge Rate</b>	<b>12.58%</b>

Calculations:

- 35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances
- 36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)
- 37 3 - Column (D) = MACRS Depreciation
- 38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)
- 39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate
- 40 6 - Column (G) = Column (F) + Column (G) of prior period
- 41 7 - Column (H) = Column (B) - Column (G)
- 42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost
- 43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost
- 10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F
- 11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor
- 12 - Column (M) = New Install Cost Beg. Bal. X A&G Allocation Factor
- 13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor
- 14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&M Allocation Factor
- 15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)
- 16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)
- 17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Shoebox / 130W / Install 1

Line No.	Year	Undeprciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
				Rate	Expense												
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,489															
2	1	\$2,365	\$124	5.00%	\$124	\$0	\$0	\$2,365	\$50	\$143	\$54	\$1	\$25	\$5	\$403	\$372	\$312
3	2	\$2,240	\$124	5.00%	\$124	\$0	\$0	\$2,240	\$47	\$136	\$51	\$1	\$25	\$5	\$390	\$333	\$312
4	3	\$2,116	\$124	5.00%	\$124	\$0	\$0	\$2,116	\$45	\$128	\$48	\$1	\$25	\$5	\$377	\$298	\$312
5	4	\$1,991	\$124	5.00%	\$124	\$0	\$0	\$1,991	\$42	\$121	\$45	\$1	\$25	\$5	\$364	\$266	\$312
6	5	\$1,867	\$124	5.00%	\$124	\$0	\$0	\$1,867	\$39	\$113	\$42	\$1	\$25	\$5	\$351	\$237	\$312
7	6	\$1,742	\$124	5.00%	\$124	\$0	\$0	\$1,742	\$37	\$105	\$40	\$1	\$25	\$5	\$338	\$211	\$312
8	7	\$1,618	\$124	5.00%	\$124	\$0	\$0	\$1,618	\$34	\$98	\$37	\$1	\$25	\$5	\$325	\$187	\$312
9	8	\$1,494	\$124	5.00%	\$124	\$0	\$0	\$1,494	\$31	\$90	\$34	\$1	\$25	\$5	\$312	\$166	\$312
10	9	\$1,369	\$124	5.00%	\$124	\$0	\$0	\$1,369	\$29	\$83	\$31	\$1	\$25	\$5	\$299	\$147	\$312
11	10	\$1,245	\$124	5.00%	\$124	\$0	\$0	\$1,245	\$26	\$75	\$28	\$1	\$25	\$5	\$286	\$130	\$312
12	11	\$1,120	\$124	5.00%	\$124	\$0	\$0	\$1,120	\$24	\$68	\$25	\$1	\$25	\$5	\$273	\$115	\$312
13	12	\$996	\$124	5.00%	\$124	\$0	\$0	\$996	\$21	\$60	\$23	\$1	\$25	\$5	\$260	\$101	\$312
14	13	\$871	\$124	5.00%	\$124	\$0	\$0	\$871	\$18	\$53	\$20	\$1	\$25	\$5	\$247	\$89	\$312
15	14	\$747	\$124	5.00%	\$124	\$0	\$0	\$747	\$16	\$45	\$17	\$1	\$25	\$5	\$234	\$78	\$312
16	15	\$622	\$124	5.00%	\$124	\$0	\$0	\$622	\$13	\$38	\$14	\$1	\$25	\$5	\$221	\$68	\$312
17	16	\$498	\$124	5.00%	\$124	\$0	\$0	\$498	\$10	\$30	\$11	\$1	\$25	\$5	\$208	\$59	\$312
18	17	\$373	\$124	5.00%	\$124	\$0	\$0	\$373	\$8	\$23	\$8	\$1	\$25	\$5	\$195	\$51	\$312
19	18	\$249	\$124	5.00%	\$124	\$0	\$0	\$249	\$5	\$15	\$6	\$1	\$25	\$5	\$182	\$44	\$312
20	19	\$124	\$124	5.00%	\$124	\$0	\$0	\$124	\$3	\$8	\$3	\$1	\$25	\$5	\$169	\$38	\$312
21	20	\$0	\$124	5.00%	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$25	\$5	\$156	\$32	\$312
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,489</b>		<b>\$2,489</b>	<b>\$0</b>		<b>\$0</b>	<b>\$499</b>	<b>\$1,432</b>	<b>\$538</b>	<b>\$22</b>	<b>\$499</b>	<b>\$104</b>	<b>\$5,582</b>	<b>\$3,024</b>	<b>\$6,234</b>

33	<b>NPV</b>	<b>\$3,024</b>	<b>NPV Check</b>	<b>\$3,024</b>
34	<b>Levelized Payment</b>	<b>\$312</b>	<b>Fixed Charge Rate</b>	<b>12.52%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|



**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Underpass / 30W / Install 1																	
Line No.	Year	Undepreciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,074															
2	1	\$1,970	\$104	5.00%	\$104	\$0	\$0	\$1,970	\$42	\$119	\$45	\$1	\$21	\$5	\$336	\$311	\$261
3	2	\$1,867	\$104	5.00%	\$104	\$0	\$0	\$1,867	\$39	\$113	\$42	\$1	\$21	\$5	\$326	\$278	\$261
4	3	\$1,763	\$104	5.00%	\$104	\$0	\$0	\$1,763	\$37	\$107	\$40	\$1	\$21	\$5	\$315	\$249	\$261
5	4	\$1,659	\$104	5.00%	\$104	\$0	\$0	\$1,659	\$35	\$100	\$38	\$1	\$21	\$5	\$304	\$222	\$261
6	5	\$1,555	\$104	5.00%	\$104	\$0	\$0	\$1,555	\$33	\$94	\$35	\$1	\$21	\$5	\$293	\$198	\$261
7	6	\$1,452	\$104	5.00%	\$104	\$0	\$0	\$1,452	\$31	\$88	\$33	\$1	\$21	\$5	\$282	\$176	\$261
8	7	\$1,348	\$104	5.00%	\$104	\$0	\$0	\$1,348	\$28	\$82	\$31	\$1	\$21	\$5	\$271	\$157	\$261
9	8	\$1,244	\$104	5.00%	\$104	\$0	\$0	\$1,244	\$26	\$75	\$28	\$1	\$21	\$5	\$261	\$139	\$261
10	9	\$1,141	\$104	5.00%	\$104	\$0	\$0	\$1,141	\$24	\$69	\$26	\$1	\$21	\$5	\$250	\$123	\$261
11	10	\$1,037	\$104	5.00%	\$104	\$0	\$0	\$1,037	\$22	\$63	\$24	\$1	\$21	\$5	\$239	\$109	\$261
12	11	\$933	\$104	5.00%	\$104	\$0	\$0	\$933	\$20	\$57	\$21	\$1	\$21	\$5	\$228	\$96	\$261
13	12	\$830	\$104	5.00%	\$104	\$0	\$0	\$830	\$17	\$50	\$19	\$1	\$21	\$5	\$217	\$85	\$261
14	13	\$726	\$104	5.00%	\$104	\$0	\$0	\$726	\$15	\$44	\$17	\$1	\$21	\$5	\$207	\$74	\$261
15	14	\$622	\$104	5.00%	\$104	\$0	\$0	\$622	\$13	\$38	\$14	\$1	\$21	\$5	\$196	\$65	\$261
16	15	\$518	\$104	5.00%	\$104	\$0	\$0	\$518	\$11	\$31	\$12	\$1	\$21	\$5	\$185	\$57	\$261
17	16	\$415	\$104	5.00%	\$104	\$0	\$0	\$415	\$9	\$25	\$9	\$1	\$21	\$5	\$174	\$50	\$261
18	17	\$311	\$104	5.00%	\$104	\$0	\$0	\$311	\$7	\$19	\$7	\$1	\$21	\$5	\$163	\$43	\$261
19	18	\$207	\$104	5.00%	\$104	\$0	\$0	\$207	\$4	\$13	\$5	\$1	\$21	\$5	\$152	\$37	\$261
20	19	\$104	\$104	5.00%	\$104	\$0	\$0	\$104	\$2	\$6	\$2	\$1	\$21	\$5	\$142	\$32	\$261
21	20	\$0	\$104	5.00%	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$21	\$5	\$131	\$27	\$261
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,074</b>		<b>\$2,074</b>	<b>\$0</b>		<b>\$0</b>	<b>\$415</b>	<b>\$1,193</b>	<b>\$448</b>	<b>\$22</b>	<b>\$416</b>	<b>\$104</b>	<b>\$4,672</b>	<b>\$2,529</b>	<b>\$5,215</b>

33	<b>NPV</b>	<b>\$2,529</b>	<b>NPV Check</b>	<b>\$2,529</b>
34	<b>Levelized Payment</b>	<b>\$261</b>	<b>Fixed Charge Rate</b>	<b>12.57%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Underpass / 50W / Install 1																	
Line No.	Year	Undeprciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,074															
2	1	\$1,970	\$104	5.00%	\$104	\$0	\$0	\$1,970	\$42	\$119	\$45	\$1	\$21	\$5	\$336	\$311	\$261
3	2	\$1,867	\$104	5.00%	\$104	\$0	\$0	\$1,867	\$39	\$113	\$42	\$1	\$21	\$5	\$326	\$278	\$261
4	3	\$1,763	\$104	5.00%	\$104	\$0	\$0	\$1,763	\$37	\$107	\$40	\$1	\$21	\$5	\$315	\$249	\$261
5	4	\$1,659	\$104	5.00%	\$104	\$0	\$0	\$1,659	\$35	\$100	\$38	\$1	\$21	\$5	\$304	\$222	\$261
6	5	\$1,555	\$104	5.00%	\$104	\$0	\$0	\$1,555	\$33	\$94	\$35	\$1	\$21	\$5	\$293	\$198	\$261
7	6	\$1,452	\$104	5.00%	\$104	\$0	\$0	\$1,452	\$31	\$88	\$33	\$1	\$21	\$5	\$282	\$176	\$261
8	7	\$1,348	\$104	5.00%	\$104	\$0	\$0	\$1,348	\$28	\$82	\$31	\$1	\$21	\$5	\$271	\$157	\$261
9	8	\$1,244	\$104	5.00%	\$104	\$0	\$0	\$1,244	\$26	\$75	\$28	\$1	\$21	\$5	\$261	\$139	\$261
10	9	\$1,141	\$104	5.00%	\$104	\$0	\$0	\$1,141	\$24	\$69	\$26	\$1	\$21	\$5	\$250	\$123	\$261
11	10	\$1,037	\$104	5.00%	\$104	\$0	\$0	\$1,037	\$22	\$63	\$24	\$1	\$21	\$5	\$239	\$109	\$261
12	11	\$933	\$104	5.00%	\$104	\$0	\$0	\$933	\$20	\$57	\$21	\$1	\$21	\$5	\$228	\$96	\$261
13	12	\$830	\$104	5.00%	\$104	\$0	\$0	\$830	\$17	\$50	\$19	\$1	\$21	\$5	\$217	\$85	\$261
14	13	\$726	\$104	5.00%	\$104	\$0	\$0	\$726	\$15	\$44	\$17	\$1	\$21	\$5	\$207	\$74	\$261
15	14	\$622	\$104	5.00%	\$104	\$0	\$0	\$622	\$13	\$38	\$14	\$1	\$21	\$5	\$196	\$65	\$261
16	15	\$518	\$104	5.00%	\$104	\$0	\$0	\$518	\$11	\$31	\$12	\$1	\$21	\$5	\$185	\$57	\$261
17	16	\$415	\$104	5.00%	\$104	\$0	\$0	\$415	\$9	\$25	\$9	\$1	\$21	\$5	\$174	\$50	\$261
18	17	\$311	\$104	5.00%	\$104	\$0	\$0	\$311	\$7	\$19	\$7	\$1	\$21	\$5	\$163	\$43	\$261
19	18	\$207	\$104	5.00%	\$104	\$0	\$0	\$207	\$4	\$13	\$5	\$1	\$21	\$5	\$152	\$37	\$261
20	19	\$104	\$104	5.00%	\$104	\$0	\$0	\$104	\$2	\$6	\$2	\$1	\$21	\$5	\$142	\$32	\$261
21	20	\$0	\$104	5.00%	\$104	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$21	\$5	\$131	\$27	\$261
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,074</b>		<b>\$2,074</b>	<b>\$0</b>		<b>\$0</b>	<b>\$415</b>	<b>\$1,193</b>	<b>\$448</b>	<b>\$22</b>	<b>\$416</b>	<b>\$104</b>	<b>\$4,672</b>	<b>\$2,529</b>	<b>\$5,215</b>

33	<b>NPV</b>	<b>\$2,529</b>	<b>NPV Check</b>	<b>\$2,529</b>
34	<b>Levelized Payment</b>	<b>\$261</b>	<b>Fixed Charge Rate</b>	<b>12.57%</b>

Calculations:

- |  |  |
|--|--|
| <p>35 1 - Column (B): Beg. Bal. = New Install Cost; Reduced annually by Column (C); Year End Balances</p> <p>36 2- Column (C) = Beg. Bal Column (B) / Assumed Book Life Investment (yrs)</p> <p>37 3 - Column (D) = MACRS Depreciation</p> <p>38 4 - Column (E) = Column (D) X Beg. Bal. Column (B)</p> <p>39 5 - Column (F) = (Column (E) - Column (C)) X Composite Income Tax Rate</p> <p>40 6 - Column (G) = Column (F) + Column (G) of prior period</p> <p>41 7 - Column (H) = Column (B) - Column (G)</p> <p>42 8 - Column (I) = Column (H) X Assumed Debt Ratio X Assumed Debt Cost</p> <p>43 9 - Column (J) = Column (H) X Assumed Equity Ratio X Assumed Equity Cost</p> | <p>10 - Column (K) = Column (J) X Composite Income Tax Rate / (1 - Composite Income Tax Rate) - Column F</p> <p>11 - Column (L) = New Install Cost Beg. Bal. X Taxes Other Than Income Allocation Factor</p> <p>12 - Column (M) = New Install Cost Beg. Bal. X A&amp;G Allocation Factor</p> <p>13 - Column (N) = New Install Cost Beg. Bal. X Customer Expense Allocation Factor</p> <p>14 - Column (O) = New Install Cost Beg. Bal. X Distribution O&amp;M Allocation Factor</p> <p>15 - Column (P) = Column (C) + Column (F) + Column (I) + Column (J) + Column (K) + Column (L) + Column (M) + Column (N) + Column (O)</p> <p>16 - Column (Q) = Column (P) / (1+ Rate of Return) ^ Column (A)</p> <p>17 - Fixed Charge Rate = Levelized Payment / Beg. Bal. Column (B)</p> |
|--|--|

**FirstEnergy Pennsylvania Electric Company  
 Levelized Payment Calculation**

Underpass / 90W / Install 1																	
Line No.	Year	Undeprciated Balance	Book Depr. Expense	Tax Depreciation		DIT Expense	ADIT	Rate Base Balance	Interest Expense	Equity Return	CIT Expense	Property Taxes	Customer Expense	Distribution O&M	Total Fixed Chgs	Present Value	Levelized Payment
	(A)	(B)	(C)	Rate (D)	Expense (E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(N)	(O)	(P)	(Q)	(R)
1	0	\$2,182															
2	1	\$2,073	\$109	5.00%	\$109	\$0	\$0	\$2,073	\$44	\$125	\$47	\$1	\$22	\$5	\$354	\$327	\$274
3	2	\$1,964	\$109	5.00%	\$109	\$0	\$0	\$1,964	\$41	\$119	\$45	\$1	\$22	\$5	\$342	\$292	\$274
4	3	\$1,855	\$109	5.00%	\$109	\$0	\$0	\$1,855	\$39	\$112	\$42	\$1	\$22	\$5	\$331	\$261	\$274
5	4	\$1,745	\$109	5.00%	\$109	\$0	\$0	\$1,745	\$37	\$106	\$40	\$1	\$22	\$5	\$319	\$233	\$274
6	5	\$1,636	\$109	5.00%	\$109	\$0	\$0	\$1,636	\$34	\$99	\$37	\$1	\$22	\$5	\$308	\$208	\$274
7	6	\$1,527	\$109	5.00%	\$109	\$0	\$0	\$1,527	\$32	\$92	\$35	\$1	\$22	\$5	\$297	\$185	\$274
8	7	\$1,418	\$109	5.00%	\$109	\$0	\$0	\$1,418	\$30	\$86	\$32	\$1	\$22	\$5	\$285	\$165	\$274
9	8	\$1,309	\$109	5.00%	\$109	\$0	\$0	\$1,309	\$28	\$79	\$30	\$1	\$22	\$5	\$274	\$146	\$274
10	9	\$1,200	\$109	5.00%	\$109	\$0	\$0	\$1,200	\$25	\$73	\$27	\$1	\$22	\$5	\$262	\$130	\$274
11	10	\$1,091	\$109	5.00%	\$109	\$0	\$0	\$1,091	\$23	\$66	\$25	\$1	\$22	\$5	\$251	\$115	\$274
12	11	\$982	\$109	5.00%	\$109	\$0	\$0	\$982	\$21	\$59	\$22	\$1	\$22	\$5	\$240	\$101	\$274
13	12	\$873	\$109	5.00%	\$109	\$0	\$0	\$873	\$18	\$53	\$20	\$1	\$22	\$5	\$228	\$89	\$274
14	13	\$764	\$109	5.00%	\$109	\$0	\$0	\$764	\$16	\$46	\$17	\$1	\$22	\$5	\$217	\$78	\$274
15	14	\$655	\$109	5.00%	\$109	\$0	\$0	\$655	\$14	\$40	\$15	\$1	\$22	\$5	\$206	\$69	\$274
16	15	\$545	\$109	5.00%	\$109	\$0	\$0	\$545	\$11	\$33	\$12	\$1	\$22	\$5	\$194	\$60	\$274
17	16	\$436	\$109	5.00%	\$109	\$0	\$0	\$436	\$9	\$26	\$10	\$1	\$22	\$5	\$183	\$52	\$274
18	17	\$327	\$109	5.00%	\$109	\$0	\$0	\$327	\$7	\$20	\$7	\$1	\$22	\$5	\$171	\$45	\$274
19	18	\$218	\$109	5.00%	\$109	\$0	\$0	\$218	\$5	\$13	\$5	\$1	\$22	\$5	\$160	\$39	\$274
20	19	\$109	\$109	5.00%	\$109	\$0	\$0	\$109	\$2	\$7	\$2	\$1	\$22	\$5	\$149	\$33	\$274
21	20	\$0	\$109	5.00%	\$109	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$22	\$5	\$137	\$29	\$274
22	21	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	22	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	23	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	24	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	25	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	26	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	27	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	28	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	29	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	30	\$0	\$0	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	<b>Total</b>	<b>\$0</b>	<b>\$2,182</b>		<b>\$2,182</b>	<b>\$0</b>		<b>\$0</b>	<b>\$437</b>	<b>\$1,255</b>	<b>\$472</b>	<b>\$22</b>	<b>\$438</b>	<b>\$104</b>	<b>\$4,908</b>	<b>\$2,658</b>	<b>\$5,479</b>

33	<b>NPV</b>	<b>\$2,658</b>	<b>NPV Check</b>	<b>\$2,658</b>
34	<b>Levelized Payment</b>	<b>\$274</b>	<b>Fixed Charge Rate</b>	<b>12.56%</b>

Calculations:

- |  |  |
|--|--|
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|--|--|

**FirstEnergy Pennsylvania Electric Company  
Installation Costs**

<u>Line No.</u>	<b>Light Type</b>	<b>Monthly kWh</b>	<b>Lumens</b>	<b>Wattage</b>	<b>Installation Cost (2 Lights)</b>
1	Flood	11	4,000	30	\$2,387
2	Flood	18	6,700	50	\$2,422
3	Flood	32	13,000	90	\$2,619
4	Flood	46	21,000	130	\$2,914
5	Flood	91	4,000	260	\$3,190
6	Security	11	3,880	30	\$1,967
7	Security	18	6,200	50	\$1,948
8	Security	32	5,700	90	\$2,072
9	Shoebox	18	6,700	50	\$2,326
10	Shoebox	31	12,000	90	\$2,353
11	Shoebox	46	18,400	130	\$2,931
12	Underpass	11	2,500	30	\$2,442
13	Underpass	18	7,300	50	\$2,442
14	Underpass	32	11,500	90	\$2,569

**FirstEnergy Pennsylvania Electric Company  
 Distribution Costs**

Line No. Other Distribution Plant Allocated to Outdoor Area Lighting

	ME	PN	PP	WP	TOTAL	
1	\$ 8,354,672	\$ 38,714,714	\$ 7,122,980	\$ 24,183,004	\$ 78,375,369	COS Exhibit TSL-1
2	\$ 4,862,050	\$ 28,698,590	\$ 4,092,190	\$ 10,337,050	\$ 47,989,880	COS Exhibit TSL-2
3	\$ 3,492,622	\$ 10,016,124	\$ 3,030,790	\$ 13,845,954	\$ 30,385,489	Line 1 - Line 2
4	<b>Other Distribution Plant Factor</b>				<b>63.32%</b>	Line 3 / Line 2

O&M Allocated to Outdoor Area Lighting

5	\$ 218,098,257	\$ 209,556,227	\$ 62,059,977	\$ 212,475,447	\$ 702,189,907	COS Exhibit TSL-1
6	\$ 275,903	\$ 959,909	\$ 238,030	\$ 1,012,333	\$ 2,486,175	COS Exhibit TSL-2
8	<b>O&amp;M Allocation Factor</b>				<b>0.35%</b>	Line 6 / Line 5

**FirstEnergy Pennsylvania Electric Company  
 General Property**

<u>Line No.</u>	<u>General Property Allocated to Outdoor Area Lighting</u>	<u>ME 2023 FERC Form 1</u>	<u>PN 2023 FERC Form 1</u>	<u>PP 2023 FERC Form 1</u>	<u>WP 2023 FERC Form 1</u>	<u>Total 2023 FERC Form 1</u>	
1	Gross Investment in Outdoor Area Lighting	\$ 4,847,974	\$ 28,643,128	\$ 4,084,094	\$ 9,936,112	\$ 47,511,308	FF1, 207.71.g
2	Total Investment in Plant	\$ 3,294,277,322	\$ 3,653,990,680	\$ 928,110,837	\$ 4,061,390,197	\$ 11,937,769,036	FF1, 207.104.g
3	Total General Plant	\$ (214,489,047)	\$ (203,070,443)	\$ (31,069,687)	\$ (284,252,120)	\$ (732,881,297)	FF1, 207.99.g
4	Total Investment in Plant Less General Plant	\$ 3,079,788,275	\$ 3,450,920,237	\$ 897,041,150	\$ 3,777,138,077	\$ 11,204,887,739	Line 2 + Line 3
5	Outdoor Area Lighting % of Total Plant (Less General)	0.16%	0.83%	0.46%	0.26%	0.42%	Line 1 / Line 4
6	General Plant Allocated to Outdoor Area Lighting	\$ 337,633	\$ 1,685,514	\$ 141,456	\$ 747,752	\$ 3,107,586	Line 3 * Line 5
7	<b>General Plant Factor</b>					<b>6.54%</b>	Line 6 / Line 1

**FirstEnergy Pennsylvania Electric Company  
 Customer Expenses**

Customer Accounts Expense

Line No.	Account	Description	ME 2023	PN 2023	PP 2023	WP 2023	Total 2023	Allocation	Streetlighting	
			FERC Form 1	FERC Form 1	FERC Form 1	FERC Form 1	FERC Form 1		Related	
1	901	Supervision	\$ 44,894	\$ 45,132	\$ 13,092	\$ 56,463	\$ 159,581	0.34%	\$ 549	FF1, 322.159.b
2	902	Meter Reading	\$ 184,038	\$ 265,280	\$ 170,848	\$ 1,054,744	\$ 1,674,910	0.00%	\$ 0	FF1, 322.160.b
3	903	Customer Records and Collection Expenses	\$ 7,313,754	\$ 7,189,311	\$ 2,027,636	\$ 7,730,946	\$ 24,261,647	0.34%	\$ 83,415	FF1, 322.161.b
4	904	Uncollectible Accounts	\$ 4,849,503	\$ 6,357,856	\$ 517,918	\$ 3,678,794	\$ 15,404,071	0.33%	\$ 51,422	FF1, 322.162.b
5	905	Miscellaneous Customer Accounts Expenses	\$ 392,761	\$ 1,016,150	\$ 122,020	\$ 523,800	\$ 2,054,731	0.34%	\$ 7,064	FF1, 322.163.b
6		Total	\$ 12,784,950	\$ 14,873,729	\$ 2,851,514	\$ 13,044,747	\$ 43,554,940		\$ 142,450	Sum: Lines 1-5

Customer Service and Information Expenses

Account	Description	ME 2023	PN 2023	PP 2023	WP 2023	Total 2023	Allocation	Streetlighting		
		FERC Form 1	FERC Form 1	FERC Form 1	FERC Form 1	FERC Form 1		Related		
7	907	Supervision	\$ 6,763	\$ 6,087	\$ 0	\$ 8,485	\$ 21,335	0.34%	\$ 73	FF1, 323.167.b
8	908	Customer Assistance Expense	\$ 49,837,876	\$ 57,266,499	\$ 16,061,614	\$ 55,471,044	\$ 178,637,033	0.34%	\$ 614,182	FF1, 323.168.b
9	909	Informational and Instructional Expenses	\$ 2,126	\$ 888	\$ 729	\$ 21,257	\$ 25,000	0.34%	\$ 86	FF1, 323.169.b
10	910	Misc. Customer Service and Information Exp	\$ 4,789,469	\$ 4,139,504	\$ 1,189,069	\$ 5,118,473	\$ 15,236,515	0.34%	\$ 52,386	FF1, 323.170.b
11		Total	\$ 54,636,234	\$ 61,412,978	\$ 17,251,412	\$ 60,619,259	\$ 193,919,883		\$ 666,727	Sum: Lines 7-10
12	373	Gross Investment in Streetlighting							\$ 47,511,308	FF1, 207.73.g
13		<b>Customer Expense Allocation Factor</b>							<b>1.70%</b>	<b>(Line 6 + Line 11) / Line 12</b>

Memo:

		ME 2023	PN 2023	PP 2023	WP 2023	Total 2023	
		FERC Form 1	FERC Form 1	FERC Form 1	FERC Form 1	FERC Form 1	
<i>Outdoor Area Lighting Related Customer Accounts Expense</i>							
14	Total Revenues	\$ 1,087,019,208	1,026,488,412	\$ 305,073,781	\$ 1,180,973,883	\$ 3,599,555,284	FF1, 304.1.43.c
15	Total Outdoor Area Lighting Revenues	\$ 977,345	\$ 4,222,478	\$ 748,461	\$ 6,067,753	\$ 12,016,037	FF1, 304.1.4.c
16	% of Outdoor Lighting to Total	0.09%	0.41%	0.25%	0.51%	0.33%	Line 15 / Line 14
<i>Customer Count</i>							
17	Total number of customers	588,329	584,328	171,046	737,355	2,081,058	FF1, 304.1.43.d
18	Estimated number of Outdoor Area Lighting customers	737	1,848	670	3,900	7,155	FF1, 304.1.34.d
19	% of Total	0.13%	0.32%	0.39%	0.53%	0.34%	Line 18 / Line 17

**FirstEnergy Pennsylvania Electric Company  
 Property Taxes**

<u>Line No.</u>	<u>Description</u>	ME 2023	PN 2023	PP 2023	WP 2023	Total 2023	
		<u>FERC Form 1</u>	<u>FERC Form 1</u>	<u>FERC Form 1</u>	<u>FERC Form 1</u>	<u>FERC Form 1</u>	
1	Local Real Estate	\$ 422,644	\$ 186,743	\$ 75,804	\$ 195,342	\$ 880,533	FF1, 262.g
2	PURTA	\$ 2,571,576	\$ 1,746,219	\$ 445,420	\$ 2,711,542	\$ 7,474,757	FF1, 262.g
3	Total	<b>\$ 2,994,220</b>	<b>\$ 1,932,962</b>	<b>\$ 521,224</b>	<b>\$ 2,906,884</b>	<b>\$ 8,355,290</b>	Line 1 + Line 2
<u>Property Taxes Allocated to Income</u>							
4	Outdoor Area Lighting % of Total Plant (Less General)	0.16%	0.83%	0.46%	0.26%	0.42%	Page 12, Line 5
5	Property Taxes Allocated to Outdoor Area Lighting	\$ 4,713	\$ 16,044	\$ 2,373	\$ 7,647	\$ 35,428	Line 3 * Line 4
6	<b>Property Taxes Factor</b>					<b>0.07%</b>	Line 5 / Page 12, Line 1



**FirstEnergy Pennsylvania Electric Company  
Capital Recovery Factors**

<u>Rate of Return (RoR)</u>				
<u>Line No.</u>	<u>2025 Capital Structure</u>	<u>%</u>	<u>Cost Rate</u>	<u>Weighted Cost Rate</u>
1	Long Term Debt	46.19%	4.564%	2.11%
2	Common Equity	53.81%	11.250%	6.05%
3	Total	100.00%		8.16%
 <u>Depreciation</u>				
4	Depreciable Years (n)	20		
5	SLD = 1 / n	5.00%		
6	Tax Life of Investment (yrs)	20		
 <u>Taxes</u>				
		<u>2025</u>		
7	Federal Income Tax Rate	21.00%		
8	State Income Tax Rate	7.99%		
9	Effective Tax Rate	27.3121%		



**Reconnection charging sheet - update for remote capability**

<b>Total reconnects (Oct 22 - Sep 23)</b>	<b>54,891</b>
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**Care Center Reconnection Cost**

% of repeat calls	26%
	69,196
Credit Average Hold Time (AHT)	7:05
Agent cost per minute	\$1.23
Agent cost per second	\$0.02
Cost per credit call	\$8.68
<b>Cost per reconnect</b>	<b>\$10.94</b>

**Cost per Tech Billing employee per Exception**

Smart meter disconnect errors (Oct 22 - Sep 23)*	1,406
Exception AHT	8:11
Biller Fully Loaded hourly cost	\$26.79
Biller cost per minute	\$0.45
Biller cost per second	\$0.007
<b>Cost per exception</b>	<b>\$3.65</b>

**Reconnects (Oct 22 -Sep 23)**

Total dunning unblock at meter	915
Total dunning reconnect at pole	37
% Requiring Manual Unblock	1.7%
Cost per Manual Unblock	\$ 25.51 \$ 0.44

<b>Total Reconnect Charge</b>	<b>\$15.00</b>
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