

Public Utility Realty Tax Surcharge (PURTA) October 2008

The Charge: Public Utility Realty Tax Surcharge (PURTA)

Administered by: Pennsylvania Department of Revenue

Approved by: Pennsylvania Department of Revenue

The Reason: A gross receipts tax (GRT) is applied to revenues from electric generation sales in Pennsylvania. The PURTA surcharge will decrease from 2.8 mills (0.28%) to 0 mills (0 %) effective January 1, 2009. This lowers the total GRT from 6.18% to 5.90%.

Customers Impacted: All customers. Customers who purchase their generation from third party suppliers (such as FirstEnergy Solutions Corp.) will see the charge appear as part of the GRT. Customers that do not purchase their generation from a third party supplier (generation is bought from the incumbent utility such as Duquesne Light Company or Pennsylvania Power Company) pay this charge as part of the State Tax Adjustment Surcharge (STAS), collected by the incumbent utility and modified annually. FirstEnergy Solutions Corp., other third party suppliers and incumbent utilities all must collect this tax and remit to the Pennsylvania Department of Revenue.

Effective Date: January 1, 2009

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Bulletin
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