

July 27, 2009

TO: Active Member Companies

FROM: Tom Mendicino, Chairman
PTA Management Accounting Committee

SUBJECT: STAS Calculation Excel File and Waiver Letter

Please find attached an Excel STAS file "7_09Model PTA.xls" for the development of the surcharge rates to be filed with the PA PUC by August 22, 2009 with an effective date of September 1, 2009. **Companies who desire the PTA to file the STAS tariff filing on their behalf, must have the STAS rates and supporting documentation to Trudy Todd on or before August 18, 2009.**

We will be requesting a waiver of the regulation requiring the March 2010 (April 2010 effective date) STAS filing. Accordingly, complete and submit a waiver letter on company letterhead along with the current STAS file. Refer to the attached sample waiver letter.

There is only one (1) version of the Worksheet, the "No-Roll-in" version. A description of the Worksheet tabs are as follows:

- **Summary Tab – Generated for informational purposes only. Accordingly, it should not be included as part of the electronic or paper version of the file submitted to the PA PUC.**
- **Tab 1** - This Tab contains the "No Roll-in" STAS calculations and the resulting rates to be implemented effective September 1, 2009. The Worksheet is to be used by those companies that have not rolled in the recent capital stock tax ("CST") or PURTA changes into their base rates. The program logic and format is similar to that of previous filings.
- **Tab 2** – This Tab contains the revenue and STAS included amounts that "feed" into the Worksheet contained in Tab 1.
- **Tab 3** – Since most companies will be using the "No Roll-in" Worksheet, consistent with previous filings, preparation of a separate "Roll-in" Worksheet was not considered necessary. In lieu of preparing the "Roll-in" Worksheet, this Tab contains notes to be used by the "Roll-in" companies on how to convert or modify the Worksheet contained in Tab 1 to a "roll-in" version.

The process of completing the Worksheet remains relatively straightforward – simply replace the sample company information, contained in Tabs 1 and 2 (highlighted in “blue”) with your own company specific information. Submit a copy of the “populated” file (via e-mail or regular mail) and waiver letter, to Trudy (for those companies filing through the PTA) by the due date noted above.

The calculation can be changed to exclude any tax years that were not affected on the 2008 Pennsylvania Public Utility Realty Tax Notice of Determination that should be received on August 1, 2009.

Questions concerning this matter should be directed to Tom Mendicino at (570) 785-2210 or Jessica Matushek at (570) 631-5003.

***NOTE:** You must include a copy of your 2008 Public Utility Realty Tax Notice of Determination AND the most recent copy of the Department of Revenue’s Official Notice of Settlement. These documents are both required by the PUC when filing these supplements.

Company Letterhead
Sample STAS Waiver Letter

August 22, 2009

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Dear Secretary McNulty:

In an effort to reduce the time and costs associated with preparing and submitting two (2) State Tax Adjustment Surcharge (“STAS”) filings during the course of the year, we are proposing that **our Company’s** current STAS filing be in effect from September 1, 2009 through August 31, 2010. Accordingly, please accept this letter as our Company’s request to waive the regulation at Chapter 52, Section 69.52, Exhibit A, STAS Procedures, requiring the April 2010 STAS filing. If you have questions concerning this matter, please contact the undersigned. Thank you.

Sincerely,