

**Quarterly Servicer's Certificate
for other than Bond Holder Payment
PE Environmental Funding LLC
\$21,510,000 Senior Secured ROC Bonds, Environmental Control Series B**

Pursuant to Section 3.04 of the Servicing Agreement dated as of December 23, 2009 (as the same may be amended, supplemented or otherwise modified from time to time (the "Servicing Agreement")) between The Potomac Edison Company, as Servicer and PE Environmental Funding LLC, as Issuer, the Servicer does hereby certify as follows:

Capitalized terms used in the Quarterly Servicer's Certificate (the "Quarterly Certificate") have their respective meanings as set forth in the Servicing Agreement. References herein to certain sections and subsections are references to the respective sections of the Servicing Agreement.

Billing Periods: October, November and December 2016
Certificate Issue Date: January 15, 2017

1. Collections Allocable and Aggregate Amounts Available for the Current Payment Date:

| | |
|--|---------------------|
| i. Collections for the October 2016 Collection Period | 8.40 |
| ii. Collections for the November 2016 Collection Period | 4.79 |
| iii. Collections for the December 2016 Collection Period | 18.51 |
| iv. Net Earnings on General Subaccount | 0.85 |
| v. Net Earnings on Capital Subaccount | 68.92 |
| vi. Net Earnings on Reserve Subaccount | 234.33 |
| vii. Net Earnings on Surplus Subaccount | 846.44 |
| viii. Net Earning on Project Fund | <u>0.00</u> |
| ix. General Subaccount Balance | 1,182.24 |
| | |
| x. Surplus Subaccount Balance | 1,320,865.56 |
| xi. Reserve Subaccount Balance | 365,670.00 |
| xii. Capital Subaccount Balance | <u>107,550.00</u> |
| xiii. Collection Account Balance | 1,795,267.80 |

2. Outstanding Principal Balance and Collection Account Balance as of Prior Payment Date:

| | |
|---|----------------------|
| v. Series B Environmental Control Bond Principal Balance | 21,510,000.00 |
| | |
| vi. General Subaccount Balance | 1,182.24 |
| vii. Surplus Subaccount Balance | 1,320,865.56 |
| viii. Capital Subaccount Balance | 107,550.00 |
| ix. Reserve Subaccount Balance | 365,670.00 |
| x. Collection Account Balance | 1,795,267.80 |

3. Required Funding/Payments as of Current Payment Date:

| | |
|--|----------------------|
| v. Projected Environmental Control Bond Balance | 21,510,000.00 |
| | |
| vi. Required Series B Coupon (5.127% per annum rate) | 0.00 |
| | |
| x. Required Capital Subaccount Funding | 0.00 |
| xi. Required Reserve Subaccount Funding | 0.00 |

| | | |
|---|---|----------------------|
| 4. Allocation of Collections as of Current Payment Date Pursuant to 8.02d of the Indenture: | | |
| i. | Cumulative Monthly Administration Fee during Relevant Quarter | 0.00 |
| ii. | Bond Trustee Fees and Expenses | 0.00 |
| iii. | Independent Directors' Fee | 0.00 |
| iv. | Servicing Fee | 0.00 |
| v. | Operating Expenses (subject to \$100,000 cap) | 0.00 |
| vi. | Quarterly Interest | 0.00 |
| | 1. Series B Environmental Control Bond Coupon Payment | 0.00 |
| vii. | Principal Due and Payable | 0.00 |
| viii. | Scheduled Quarterly Principal | 0.00 |
| | 1. Series B Environmental Control Bond Principal Payment | 0.00 |
| ix. | Operating Expenses (in excess of \$100,000) | 0.00 |
| x. | Funding of Capital Subaccount (to required level) | 0.00 |
| xi. | Funding of Reserve Subaccount (to required level) | 0.00 |
| xii. | Net Earnings on Capital Subaccount Released to Issuer | 0.00 |
| xiii. | Deposits to Surplus Subaccount | 0.00 |
| xiv. | Released to Issuer upon Series Retirement: Collection Account | 0.00 |
| 5. Outstanding Principal Balance and Collection Account Balance as of Current Payment Date: (after giving effect to payments to be made on such payment date): | | |
| i. | Series B Environmental Control Bond Principal Balance | 21,510,000.00 |
| ii. | Surplus Subaccount Balance | 1,320,865.56 |
| iii. | Capital Subaccount Balance | 107,550.00 |
| iv. | Reserve Subaccount Balance | 365,670.00 |

6. Subaccount Draws as of Current Payment Date (if applicable, pursuant to Section 8.02d of the Indenture):

| | | |
|------|--------------------|-------------|
| i. | Surplus Subaccount | 0.00 |
| ii. | Capital Subaccount | 0.00 |
| iii. | Reserve Subaccount | <u>0.00</u> |
| iv. | Total Draws | 0.00 |

7. Shortfalls In Interest and Principal Payments as of Current Payment Date:

| | | |
|------------|--|-------------|
| i. | Quarterly Interest | 0.00 |
| | 1. Series B Environmental Control Bond Coupon Payment | 0.00 |
| ii. | Quarterly Principal | 0.00 |
| | 1. Series B Environmental Control Bond Principal Payment | 0.00 |

8. Shortfalls in Required Subaccount Levels as of Current Payment Date:

| | | |
|-----|--------------------|------|
| i. | Capital Subaccount | 0.00 |
| ii. | Reserve Subaccount | 0.00 |