

Paul E. Russell
Associate General Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.4254 Fax 610.774.6726
perussell@pplweb.com



FEDERAL EXPRESS

October 29, 2010

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

OCT 29 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation
Preliminary Calculation of Proposed 2011
Transmission Service Charge
Docket No.**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are eight (8) copies of PPL Electric's preliminary calculation of its Transmission Service Charge (TSC) for the application period January 1, 2011 through December 31, 2011. This preliminary calculation of the 2011 TSC is being filed pursuant to the procedures set forth in PPL Electric's Tariff - Electric Pa. P.U.C. No. 201.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on October 29, 2010, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

In addition, please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

If you have any questions regarding the enclosed filing, please call me or Joseph M. Kleha, PPL Electric's Manager-Regulatory Compliance and Rates at (610) 774-4486.

Very truly yours,

Paul E. Russell

Enclosures

cc: Mr. Carl Lesney
Mr. Richard E. Wallace
J. Edward Simms, Esquire

Irwin A. Popowsky, Esquire
William R. Lloyd, Esquire

RECEIVED

OCT 29 2010

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PPL ELECTRIC UTILITIES CORPORATION

**PRELIMINARY CALCULATION OF
PROPOSED 2011
TRANSMISSION SERVICE CHARGE**

Docket No.

October 29, 2010

PPL ELECTRIC UTILITIES CORPORATION
COMPUTATION OF PROPOSED TRANSMISSION SERVICE CHARGE
COMPUTATION PERIOD: JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	Total	Residential	Small Commercial & Industrial	Large Commercial & Industrial - Primary	Large Commercial & Industrial - Transmission	
1		(A)	(A)	(B)	(B)	
2	TCd = Total Demand-related Portion of Projected PJM-Billed Transmission Service Expenses (Schedule B)	\$ 79,440,909	\$ 57,854,568	\$ 19,602,302	\$ 1,111,062	\$ 872,977
3	TCe = Total Energy-related Portion of Projected PJM-Billed Transmission Service Expenses (Schedule B)	3,273,443	2,026,262	1,126,064	68,742	52,375
4	E = Experienced Net Over/(Under) Collections, Including Interest (C) and Net Prior Period Remaining Balance (D)	6,947,748	16,580,788	(2,595,349)	(4,281,349)	(2,756,342)
		<u>17,651,110</u>	<u>7,176,755</u>	<u>4,345,008</u>	<u>2,482,999</u>	<u>3,646,348</u>
5	Net Over(Under) Collection Amount	<u>24,598,858</u>	<u>23,757,543</u>	<u>1,749,659</u>	<u>(1,798,350)</u>	<u>890,006</u>
6	Total Amount to be Recovered (Line 2 plus Line 3 less Line 5)	\$ <u>58,115,494</u>	\$ <u>36,123,287</u>	\$ <u>18,978,707</u>	\$ <u>2,978,154</u>	\$ <u>35,346</u>
7	S = Projected Total Retail KWH Sales to Customers	<u>16,222,993,000</u>	<u>10,039,334,000</u>	<u>5,579,154,000</u>	<u>344,923,000</u>	<u>259,582,000</u>
8	Billing Demand kW			<u>800,918</u>		
9	Peak Load Contribution (MW)				<u>396</u>	
10	$\frac{1}{(1-T)}$ = (T = 5.9% Gross Receipts Tax) x	1.062699				
11	TSC = Transmission Service Charge (\$/ KWH)					
	Energy Rate (\$/KWH) (w/o GRT)	\$ 0.00360	\$ 0.00340	\$ 0.00541	\$ (0.00323)	
	Demand Rate (\$/kW) (w/o GRT)			\$ 1.38724	\$ 2.20449	
	Energy Rate (\$/KWH) (w/ GRT)	\$ 0.00383	\$ 0.00361	\$ 0.00575	\$ (0.00343)	
	Demand Rate (\$/kW) (w/ GRT)			\$ 1.47422	\$ 2.34271	

(A) $TSC = [TCe/S + TCd/S - E/S] \times 1/(1-T)$

(B) $TSC = TSCd + TSCe$
 $TSCd = [TCd/D] \times 1/(1-T)$
 $TSCe = [TCe/S - E/S] \times 1/(1-T)$

(C) Schedule 1 of the Transmission Service Charge Reconciliation Report, dated October 29, 2010, at Docket No. M-2009-2139375.

(D) Schedule 7, Page 1 of 2, of the Transmission Service Charge Reconciliation Report, dated October 29, 2010, at Docket No. M-2009-2139375.

RECEIVED
OCT 29 2010
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PPL ELECTRIC UTILITIES CORPORATION
PROJECTED 2010 PJM-BILLED TRANSMISSION SERVICE EXPENSES BY MONTH

Line No.	Description	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011
Demand Components							
1	Network Transmission Service Charge	\$ 6,961,787	\$ 6,054,183	\$ 6,515,680	\$ 5,890,716	\$ 5,810,716	\$ 5,749,361
2	Network Transmission Service Charge - Call Option	-	-	-	-	-	-
3	Seams Elimination Cost Assignment - SECA Charge/SECA Call Option	-	-	-	-	-	-
4	Reactive Supply and Voltage Control from Generation Sources Service	48,914	48,914	48,914	48,914	48,914	56,972
5	Black Start Service	470	470	470	470	470	548
6	Transmission Losses (Point-to-Point) Credits	-	-	-	-	-	-
7	Non-Firm Point-to-Point Transmission Service Credits	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)
8	Transmission Enhancement Charges	456,183	439,215	426,951	398,866	380,757	488,421
9	PJM Schedule 13 Expansion Cost Recovery Mechanism	8,901	8,570	8,331	7,783	7,430	7,596
10	Total Demand Components	7,408,255	6,483,352	6,932,346	6,278,749	6,180,287	6,234,898
Energy Components							
11	Reliability First Corporation Charge (RFC)	3,342	3,018	3,342	3,234	3,342	3,767
12	PJM System Control and Dispatch Service	82,211	74,255	82,211	79,559	82,211	92,666
13	Transmission Owner Scheduling, System Control and Dispatch Service	13,731	12,403	13,731	13,288	13,731	15,478
14	Regulation and Frequency Response Service	61,820	63,272	76,970	82,724	89,303	90,561
15	Operating Reserve - Supplemental Reserve Service						
16	Day Ahead	24,455	22,088	24,455	23,666	24,455	27,565
17	Real Time (Balancing)	14,213	12,837	14,213	13,754	14,213	16,020
18	Synchronous Condensing Charge	1,486	1,342	1,486	1,438	1,486	1,675
19	Operating Reserve - Synchronous Reserve	31,320	28,289	31,320	30,310	31,320	35,303
20	North American Electric Reliability Corporation Charge (NERC)	1,829	1,652	1,829	1,770	1,829	2,062
21	Day Ahead Scheduling Charge	2,258	2,040	2,258	2,185	2,258	2,545
		236,665	221,196	251,815	251,928	264,146	287,642
		\$ 7,644,920	\$ 6,704,548	\$ 7,184,161	\$ 6,530,677	\$ 6,444,435	\$ 6,522,540

(A)	Total 2010	Factors
Demand Expense Allocation		
22	Residential	\$ 57,854,568 72.8%
23	Small Commercial & Industrial	19,602,302 24.7%
24	Large Commercial & Industrial - Primary	1,111,062 1.4%
25	Large Commercial & Industrial - Transmission	872,977 1.1%
	Total	79,440,909 100.0%
Energy Expense Allocation		
26	Residential	2,026,262 61.9%
27	Small Commercial & Industrial	1,126,064 34.4%
28	Large Commercial & Industrial - Primary	68,742 2.1%
29	Large Commercial & Industrial - Transmission	52,375 1.6%
	Total	3,273,443 100.0%
Total Expense Allocation		
30	Residential	59,880,830
31	Small Commercial & Industrial	20,728,366
32	Large Commercial & Industrial - Primary	1,179,804
33	Large Commercial & Industrial - Transmission	925,352
	Total	\$ 82,714,352

RECEIVED
OCT 29 2010
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PPL ELECTRIC UTILITIES CORPORATION
PROJECTED 2010 PJM-BILLED TRANSMISSION SERVICE EXPENSES BY MONTH

Line No.	Description	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	Total 2011
Demand Components								
1	Network Transmission Service Charge	\$ 6,169,737	\$ 6,212,335	\$ 5,814,291	\$ 5,843,458	\$ 6,049,933	\$ 6,784,484	\$ 73,856,681
2	Network Transmission Service Charge - Call Option	-	-	-	-	-	-	-
3	Seams Elimination Cost Assignment - SECA Charge/SECA Call Option	-	-	-	-	-	-	-
4	Reactive Supply and Voltage Control from Generation Sources Service	56,972	56,972	56,972	56,972	56,972	56,972	643,374
5	Black Start Service	548	548	548	548	548	548	6,186
6	Transmission Losses (Point-to-Point) Credits	-	-	-	-	-	-	-
7	Non-Firm Point-to-Point Transmission Service Credits	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(68,000)	(816,000)
8	Transmission Enhancement Charges	507,225	510,727	493,937	480,401	513,955	557,765	5,654,403
9	PJM Schedule 13 Expansion Cost Recovery Mechanism	7,889	7,943	7,682	7,472	7,993	8,675	96,265
10	Total Demand Components	6,674,371	6,720,525	6,305,430	6,320,851	6,561,401	7,340,444	79,440,909
Energy Components								
11	Reliability First Corporation Charge (RFC)	3,892	3,892	3,767	3,892	3,767	3,892	43,147
12	PJM System Control and Dispatch Service	95,754	95,754	92,666	95,754	92,666	95,754	1,061,461
13	Transmission Owner Scheduling, System Control and Dispatch Service	15,994	15,994	15,478	15,994	15,478	15,994	177,294
14	Regulation and Frequency Response Service	90,389	88,832	96,727	102,767	90,362	82,218	1,015,945
15	Operating Reserve - Supplemental Reserve Service	-	-	-	-	-	-	-
16	Day Ahead	28,483	28,483	27,565	28,483	27,565	28,483	315,746
17	Real Time (Balancing)	16,554	16,554	16,020	16,554	16,020	16,554	183,506
18	Synchronous Condensing Charge	1,731	1,731	1,675	1,731	1,675	1,731	19,187
19	Operating Reserve - Synchronous Reserve	36,480	36,480	35,303	36,480	35,303	36,480	404,388
20	North American Electric Reliability Corporation Charge (NERC)	2,130	2,130	2,062	2,130	2,062	2,130	23,615
21	Day Ahead Scheduling Charge	2,630	2,630	2,545	2,630	2,545	2,630	29,154
		294,037	292,480	293,808	306,415	287,443	285,866	3,273,443
		\$ 6,968,408	\$ 7,013,005	\$ 6,599,238	\$ 6,627,266	\$ 6,848,844	\$ 7,626,310	\$ 82,714,352 (A)
Demand Expense Allocation								
22	Residential							
23	Small Commercial & Industrial							
24	Large Commercial & Industrial - Primary							
25	Large Commercial & Industrial - Transmission							
	Total							
Energy Expense Allocation								
26	Residential							
27	Small Commercial & Industrial							
28	Large Commercial & Industrial - Primary							
29	Large Commercial & Industrial - Transmission							
	Total							
Total Expense Allocation								
30	Residential							
31	Small Commercial & Industrial							
32	Large Commercial & Industrial - Primary							
33	Large Commercial & Industrial - Transmission							

From: Origin ID: ABEA (610) 774-6908
Karen Posten
PPL Corporation
2 N 9th St



Ship Date: 29OCT10
ActWgt: 1.0 LB
CAD: 8616795/NET3090

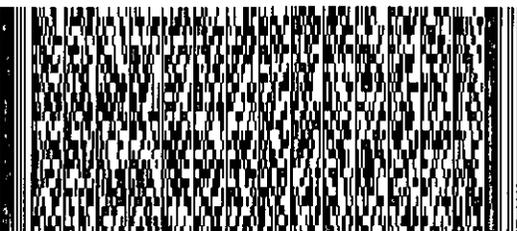
Allentown, PA 18101

Delivery Address Bar Code



Ref # PER 205 734268 002
Invoice #
PO #
Dept #

SHIP TO: (717) 787-8009 BILL SENDER
ROSEMARY CHIAVETTA
PA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BLDG
400 NORTH ST
HARRISBURG, PA 17120



1 of 7

MON - 01 NOV A1

TRK# 7963 9504 3100

PRIORITY OVERNIGHT

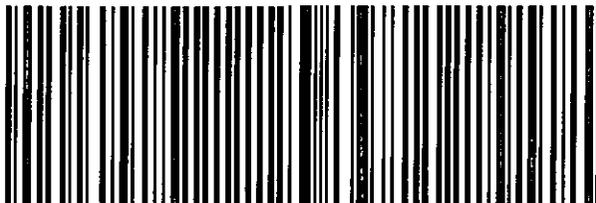
MASTER

17120

PA-US

SH MDTA

MDT



58AG126EF/278D

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.