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**FEDERAL EXPRESS**

December 1, 2010

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

**RECEIVED**

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation  
Proposed 2010  
Universal Service Rider Reconciliation Report  
Docket No. M-2009-2145179**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are eight (8) copies of PPL Electric's proposed 2010 Universal Service Rider ("USR") Reconciliation Report. This reconciliation report, which is being filed pursuant to the procedures set forth in PPL Electric's Tariff - Electric Pa. P.U.C. No. 201, reflects actual data through October 31, 2010.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on December 1, 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  
William R. Lloyd, Esquire

J. Edward Simms, Esquire  
Irwin A. Popowsky, Esquire

**PPL ELECTRIC UTILITIES CORPORATION**

**PROPOSED 2010  
UNIVERSAL SERVICE RIDER  
RECONCILIATION REPORT**

**Docket No. M-2009-2145179**

December 1, 2010

**PPL ELECTRIC UTILITIES CORPORATION**  
**2010 UNIVERSAL SERVICE RIDER RECONCILIATION**  
Report For The Period January 1, 2010 to December 31, 2010

<u>Line No.</u>	<u>Total</u>
1 Actual Residential Distribution Revenues (Including GRT) (Schedule B, Column N, Line 1)	\$ 468,906,619
2 Actual Residential Distribution Revenues (Excluding GRT) (Schedule B, Column N, Line 2 )	\$ 441,241,128
3 Distribution Revenues Available for USR (Schedule B, Column N, Line 5 )	\$ 41,945,266
4 Actual OnTrack/WRAP Expenses (Schedule B, Column N, Line 6 )	\$ 51,115,075
5 Over/(Under) Collection (Calculate Line 3 minus Line 4)	\$ (9,169,809)
6 Interest on Over/(Under) Collection (Schedule D, Line 14, Column D)	\$ (589,131)
7 Prior Year Over/(Under) Collection (Schedule G, Column B, Line 13)	(546,098)
8 Over/(Under) Collection (Excluding GRT) (Line 5 plus Line 6 plus Line 7)	\$ <u>(10,305,039)</u>
9 Over/(Under) Collection (Including GRT) (Line 8*1.06269926)	\$ <u><u>(10,951,157)</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**  
**RECONCILIATION OF 2010 UNIVERSAL SERVICE RIDER REVENUES AND EXPENSES BY MONTH**

Line No.	Description	(A) December 2009 True Up	(B) January 2010	(C) February 2010	(D) March 2010	(E) April 2010	(F) May 2010	(G) June 2010	(H) July 2010	(I) August 2010	(J) September 2010	(K) October 2010	(L) November 2010**	(M) December 2010**	(N) Total Year-to-date
<b>Residential</b>															
1	Actual Residential Distribution Revenues Billed (including GRT) (Schedule E, Line 1)	\$ (2,794,750)	\$ 51,994,836	\$ 46,754,506	\$ 42,372,612	\$ 33,912,652	\$ 31,107,487	\$ 34,817,216	\$ 40,356,510	\$ 40,012,602	\$ 35,840,005	\$ 31,278,703	\$ 37,769,413	\$ 45,484,827	\$ 468,906,619
2	Actual Residential Distribution Revenues Billed (excluding GRT) (Schedule E, Line 2)	\$ (2,629,860)	\$ 48,927,140	\$ 43,995,990	\$ 39,872,628	\$ 31,911,806	\$ 29,272,146	\$ 32,763,000	\$ 37,975,476	\$ 37,651,859	\$ 33,725,444	\$ 29,433,259	\$ 35,541,018	\$ 42,801,222	\$ 441,241,128
3	Actual Residential Distribution Revenue Applicable to USR (Schedule E, Line 4)	\$ (180,408)	\$ 5,122,672	\$ 4,606,380	\$ 4,174,664	\$ 3,341,166	\$ 3,064,794	\$ 3,430,286	\$ 3,976,032	\$ 3,942,150	\$ 3,531,054	\$ 3,081,662	\$ 3,721,145	\$ 4,481,288	\$ 46,292,884
	Recouped Through E Factor 0.9227% USR (2010)	\$ (7,017)	\$ 451,451	\$ 405,951	\$ 367,905	\$ 294,450	\$ 270,094	\$ 302,304	\$ 350,400	\$ 347,414	\$ 311,185	\$ 271,581	\$ 327,937	\$ 394,927	\$ 4,088,581
	0.059% Interest (2010)	\$ (430)	\$ 28,601	\$ 25,718	\$ 23,308	\$ 18,654	\$ 17,111	\$ 19,152	\$ 22,199	\$ 22,010	\$ 19,714	\$ 17,205	\$ 20,776	\$ 25,020	\$ 259,037
4	Total Revenues Applicable to Prior Year	\$ (7,447)	\$ 480,051	\$ 431,669	\$ 391,213	\$ 313,104	\$ 287,205	\$ 321,456	\$ 372,599	\$ 369,424	\$ 330,899	\$ 288,786	\$ 348,713	\$ 419,947	\$ 4,347,618
5	Actual Revenue Available to Cover Current Year Expenses (Line 3 less Line 4)	\$ (172,962)	\$ 4,642,620	\$ 4,174,711	\$ 3,783,452	\$ 3,028,062	\$ 2,777,588	\$ 3,108,830	\$ 3,603,434	\$ 3,572,726	\$ 3,200,155	\$ 2,792,876	\$ 3,372,432	\$ 4,061,341	\$ 41,945,266
6	Actual OnTrack/WRAP Expenses (Schedule C, Line 11)	\$ 1,233,236	\$ 5,213,487	\$ 5,627,532	\$ 5,069,039	\$ 3,322,511 \$ 3,407,705	\$ 3,259,430	\$ 3,455,943	\$ 3,957,819	\$ 4,301,900	\$ 3,657,544	\$ 3,408,040	\$ 3,572,900	\$ 4,950,500	\$ 51,115,075
7	Over/(Under) Collection (Line 5 minus Line 6)	\$ (1,406,197)	\$ (570,866)	\$ (1,452,821)	\$ (1,285,587)	\$ (379,644)	\$ (481,842)	\$ (347,113)	\$ (354,386)	\$ (729,174)	\$ (457,389)	\$ (615,164)	\$ (200,468)	\$ (889,159)	\$ (9,169,809)

\*\* November and December 2010 are estimates

PPL ELECTRIC UTILITIES CORPORATION  
ACTUAL 2010 ONTRACK/WRAP EXPENSES BY MONTH

Line No.	Description	(A) December 2009 True Up	(B) January 2010	(C) February 2010	(D) March 2010	(E) April 2010	(F) May 2010	(G) June 2010	(H) July 2010	(I) August 2010	(J) September 2010	(K) October 2010	(L) November 2010**	(M) December 2010**	(N) Total Year-to-date
<b>ONTRACK</b>															
1	OnTrack Revenue Credits	1,362,482	\$ 4,143,169	\$ 4,539,204	\$ 3,750,960	\$ 2,067,348	\$ 1,540,398	\$ 1,843,338	\$ 2,410,937	\$ 2,423,023	\$ 1,850,549	\$ 1,483,723	\$ 1,787,900	\$ 2,352,500	\$ 31,555,551
2	Arrearage Forgiveness	52,291	\$ 842,858	\$ 711,491	\$ 727,593	\$ 792,049	\$ 826,825	\$ 927,713	\$ 902,473	\$ 1,012,889	\$ 964,770	\$ 1,003,885	\$ 1,000,000	\$ 1,200,000	\$ 10,764,837
3	OnTrack CBO/Vendor Expenses	(12,315)	\$ 153,557	\$ 132,934	\$ 159,311	\$ 90,620	\$ 235,842	\$ 193,657	\$ 199,047	\$ 188,668	\$ 160,789	\$ 166,084	\$ 200,000	\$ 198,000	\$ 2,065,995
4	OnTrack Administrative Expenses	2,078	\$ 133	\$ 175	\$ 355	\$ 35	\$ 63	\$ 57	\$ 1,108	\$ 88	\$ 82	\$ 39			\$ 4,212
5	Total OnTrack Expense	1,404,538	\$ 4,939,737	\$ 5,383,804	\$ 4,838,219	\$ 2,950,052	\$ 2,602,928	\$ 2,964,765	\$ 3,513,565	\$ 3,624,668	\$ 2,976,190	\$ 2,653,731	\$ 2,987,900	\$ 3,750,500	\$ 44,390,585
<b>WRAP</b>															
6	WRAP CBO/Vendor Expenses	2,900	\$ 261,770	\$ 230,089	\$ 424,147	\$ 424,290	\$ 649,618	\$ 485,060	\$ 440,588	\$ 687,131	\$ 678,162	\$ 748,320	\$ 585,000	\$ 1,200,000	\$ 6,797,075
7	Wrap Administrative Expenses	15,720	\$ 11,980	\$ 13,638	\$ 6,673	\$ 33,363	\$ 6,884	\$ 6,119	\$ 3,666	\$ 10,101	\$ 3,192	\$ 5,989			\$ 117,327
8	Total Wrap Expenses	\$ 18,620	\$ 273,750	\$ 243,728	\$ 430,820	\$ 457,653	\$ 656,502	\$ 491,178	\$ 444,254	\$ 677,232	\$ 681,354	\$ 754,309	\$ 585,000	\$ 1,200,000	\$ 6,914,402
9	Total OnTrack/WRAP Expenses	\$ 1,423,158	\$ 5,213,487	\$ 5,627,532	\$ 5,069,039	\$ 3,407,705	\$ 3,259,430	\$ 3,455,943	\$ 3,957,819	\$ 4,301,900	\$ 3,657,544	\$ 3,408,040	\$ 3,572,900	\$ 4,950,500	\$ 51,304,987
10	OT CAP Enrollment Credit	(189,920)													\$ (189,920)
11	Total OnTrack/WRAP Expenses including CAP Enrollment Credit (Line 9 plus Line 10)	\$ 1,233,238	\$ 5,213,487	\$ 5,627,532	\$ 5,069,039	\$ 3,407,705	\$ 3,259,430	\$ 3,455,943	\$ 3,957,819	\$ 4,301,900	\$ 3,657,544	\$ 3,408,040	\$ 3,572,900	\$ 4,950,500	\$ 51,115,076

\*\* November and December 2010 expenses are estimates

**PPL ELECTRIC UTILITIES CORPORATION**  
**INTEREST EXPENSE ON 2010 UNIVERSAL SERVICE RIDER**  
**OVER/(UNDER) COLLECTIONS BY MONTH**

Line No.	Month	(A)	(B)	(C)	(D)
		Interest Rate	Weighting Factor	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection
1	December 2009 True Up	6.25%	7/12	\$ (1,406,199)	(51,268) (2)
2	January	6.25%	18/12	\$ (570,866)	\$ (53,519)
3	February	6.50%	17/12	\$ (1,452,821)	\$ (133,781)
4	March	6.50%	16/12	\$ (1,285,587)	\$ (111,418)
5	April	6.50%	15/12	\$ (379,644)	\$ (30,846)
6	May	6.50%	14/12	\$ (481,842)	\$ (36,540)
7	June	6.75%	13/12	\$ (347,113)	\$ (25,383)
8	July	6.25%	12/12	\$ (354,385)	\$ (22,149)
9	August	6.00%	11/12	\$ (729,173)	\$ (40,105)
10	September	6.00%	10/12	\$ (457,389)	\$ (22,869)
11	October	5.50%	9/12	\$ (615,164)	\$ (25,376)
12	November	5.50%	8/12	\$ (200,468)	\$ (7,350)
13	December	5.50%	7/12	\$ (889,159)	\$ (28,527)
14	Total			<u>\$ (9,169,810)</u>	<u>\$ (589,131)</u>

(1) From Schedule B, Line 7 for the respective month.

(2) From Schedule F, Line 17, Column C.

PPL ELECTRIC UTILITIES CORPORATION  
2010 RESIDENTIAL DISTRIBUTION REVENUES BY MONTH

Line No.	Description	(A) December 2009 True Up	(B) January 2010	(C) February 2010	(D) March 2010	(E) April 2010	(F) May 2010	(G) June 2010	(H) July 2010	(I) August 2010	(J) September 2010	(K) October 2010	(L) November 2010**	(M) December 2010**	(N) Total YTD-to-date
	<b>Actual Dist Revenues Billed (with GRT)</b>														
	RS	\$ (2,740,340)	\$ 53,251,348	\$ 49,620,367	\$ 44,880,173	\$ 35,679,291	\$ 32,614,153	\$ 36,673,515	\$ 42,261,136	\$ 42,350,676	\$ 37,798,188	\$ 32,816,250	\$ 39,268,952	\$ 48,596,315	\$ 491,550,024
	RTS	\$ (52,096)	\$ 588,411	\$ 540,561	\$ 485,765	\$ 394,878	\$ 364,675	\$ 357,257	\$ 381,833	\$ 378,909	\$ 359,864	\$ 344,363	\$ 463,732	\$ 543,908	\$ 5,162,091
	RTD	\$ (2,354)	\$ 18,194	\$ 16,642	\$ 14,337	\$ 10,857	\$ 9,553	\$ 10,190	\$ 11,588	\$ 11,270	\$ 10,069	\$ 9,082	\$ 13,242	\$ 16,698	\$ 148,368
	(ACT 129)	\$ (1,963,117)	\$ (3,423,054)	\$ (2,987,663)	\$ (2,172,375)	\$ (1,880,884)	\$ (2,233,746)	\$ (2,298,047)	\$ (2,728,253)	\$ (2,328,148)	\$ (1,890,892)	\$ (1,876,513)	\$ (2,072,064)	\$ (2,954,864)	\$ (27,954,864)
1		\$ (2,794,750)	\$ 51,984,938	\$ 48,754,908	\$ 42,372,812	\$ 33,812,852	\$ 31,107,487	\$ 34,817,216	\$ 40,356,510	\$ 40,012,602	\$ 35,840,005	\$ 31,278,703	\$ 37,769,413	\$ 45,484,827	\$ 468,906,619
	<b>Actual Dist Revenues Billed (without GRT)</b>														
	RS	\$ (2,578,660)	\$ 50,203,618	\$ 46,682,765	\$ 42,213,423	\$ 33,574,213	\$ 30,589,918	\$ 34,508,778	\$ 39,767,729	\$ 39,861,866	\$ 35,588,094	\$ 30,880,091	\$ 36,952,084	\$ 44,223,532	\$ 462,548,573
	RTS	\$ (48,985)	\$ 593,665	\$ 508,658	\$ 457,105	\$ 371,581	\$ 343,159	\$ 345,589	\$ 359,305	\$ 356,553	\$ 338,632	\$ 324,046	\$ 436,372	\$ 511,817	\$ 4,857,527
	RTD	\$ (2,215)	\$ 17,121	\$ 15,880	\$ 13,491	\$ 10,216	\$ 8,988	\$ 9,589	\$ 10,904	\$ 10,605	\$ 9,503	\$ 8,546	\$ 12,461	\$ 15,686	\$ 140,566
	(ACT 129)	\$ (1,847,293)	\$ (3,221,694)	\$ (2,811,391)	\$ (2,044,205)	\$ (1,769,921)	\$ (2,101,955)	\$ (2,162,462)	\$ (2,967,289)	\$ (2,190,785)	\$ (1,779,424)	\$ (1,859,899)	\$ (1,949,812)	\$ (26,305,527)	\$ (26,305,527)
2		\$ (2,629,869)	\$ 48,927,141	\$ 43,995,889	\$ 39,872,628	\$ 31,811,866	\$ 29,272,148	\$ 32,763,000	\$ 37,975,476	\$ 37,651,858	\$ 33,725,444	\$ 29,433,259	\$ 35,541,018	\$ 42,851,222	\$ 441,241,128
3	USR Rate (with GRT)	6.86%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	10.47%	
4	Residential Dist Revenues Available to USR (without GRT) (Line 2 - Line 3)	\$ (180,408)	\$ 5,122,672	\$ 4,606,380	\$ 4,174,664	\$ 3,341,166	\$ 3,064,794	\$ 3,430,286	\$ 3,976,032	\$ 3,942,150	\$ 3,531,054	\$ 3,081,862	\$ 3,721,145	\$ 4,481,268	\$ 46,232,884

\*\* November and December 2010 revenues are estimates

**PPL ELECTRIC UTILITIES CORPORATION**  
**December 2009 USR Reconciliation**

Line No.	Description	(A) December 2009 Estimate	(B) December 2009 Actual	(C) December Incremental
	<b>Actual Dist Revenues Billed (with GRT)</b>			
	RS	\$ 45,202,376	\$ 42,462,036	\$ (2,740,340)
	RTS	\$ 540,050	\$ 487,994	\$ (52,056)
	RTD	\$ 16,542	\$ 14,188	\$ (2,354)
1		<u>\$ 45,758,968</u>	<u>\$ 42,964,218</u>	<u>\$ (2,794,750)</u>
	<b>Actual Dist Revenues Billed (without GRT)</b>			
	RS	\$ 42,535,436	\$ 39,956,776	\$ (2,578,660)
	RTS	\$ 508,187	\$ 459,202	\$ (48,985)
	RTD	\$ 15,566	\$ 13,351	\$ (2,215)
2		<u>\$ 43,059,189</u>	<u>\$ 40,429,329</u>	<u>\$ (2,629,860)</u>
3	<b>USR Rate (with GRT)</b>	6.86%	6.86%	6.86%
4	<b>Residential Dist Revenues Available to USR (without GRT)</b> (Line 2 * Line 3)	<u>\$ 2,953,860</u>	<u>\$ 2,773,452</u>	<u>\$ (180,408)</u>
	<b>Recouped through E-Factor</b>			
5	0.2668% USR (2009)	114,882	107,865	(7,017)
6	.0164% Interest (2009)	7,043	6,613	(430)
	<b>ONTRACK</b>			
7	OnTrack Revenue Credits	\$ 900,000	\$ 2,262,482	\$ 1,362,482
8	Arrearage Forgiveness	\$ 850,000	\$ 902,291	\$ 52,291
9	OnTrack CBO/Vendor Expenses	\$ 192,000	\$ 179,685	\$ (12,315)
10	OnTrack Administrative Expenses	\$ 1,000	\$ 3,078	\$ 2,078
11	OT Cap Enrollment Credit	\$ -	\$ (189,920)	\$ (189,920)
12	Total OnTrack Expense	<u>\$ 1,943,000</u>	<u>\$ 3,157,616</u>	<u>\$ 1,214,616</u>
	<b>WRAP</b>			
13	WRAP CBO/Vendor Expenses	\$ 150,000	\$ 152,900	\$ 2,900
14	Wrap Administrative Expenses	\$ 8,000	\$ 23,721	\$ 15,721
15	Total Wrap Expenses	<u>\$ 158,000</u>	<u>\$ 176,622</u>	<u>\$ 18,622</u>
16	Total OnTrack/WRAP Expenses	<u>\$ 2,101,000</u>	<u>\$ 3,334,238</u>	<u>\$ 1,233,238</u>
17	Over/(Under) Collection (Line 4 minus Line 13)	\$ 730,935	\$ (675,264)	\$ (1,406,199)
18	Interest Rate	6.25%	6.25%	
19	Weighting Factor	7/12	7/12	7/12
20	Interest on Over/(Under) Collection	26,649	(24,619)	(51,268)

**PPL ELECTRIC UTILITIES CORPORATION**  
**EFFECT ON THE OVER/(UNDER) COLLECTION BALANCE**  
**For The Period January 2010 to December 2010**

Line No.	Month	(A) (Refund)/ Recovery (1)	(B) Over/(Under) Balance (2)
1	Balance - December 31, 2009 (Prior Year Filing w. Actual December)	(7,447)	(4,893,716)
2	January 2010	480,051	(4,421,111)
3	February 2010	431,669	(3,989,442)
4	March 2010	391,213	(3,598,230)
5	April 2010	313,104	(3,285,125)
6	May 2010	287,205	(2,997,920)
7	June 2010	321,456	(2,676,464)
8	July 2010	372,599	(2,303,865)
9	August 2010	369,423	(1,934,442)
10	September 2010	330,899	(1,603,543)
11	October 2010	288,786	(1,314,757)
12	November 2010**	348,713	(966,044)
13	December 2010**	419,947	(546,098)

(1) From Schedule B, Line 4

(2) From Prior Year Filing - Docket No. M-2008-2078645 (Schedule A, Line 5, 6 and 7)

\*\* November and December 2010 are estimates

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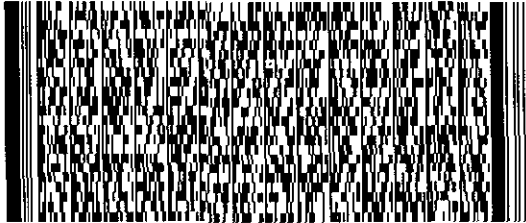
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