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FEDERAL EXPRESS

December 10, 2010

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

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation
Final Calculation of 2011
Transmission Service Charge
Docket No. M-2010-2207826**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are eight (8) copies of PPL Electric's final calculation of its 2011 Transmission Service Charge ("TSC") for the application period January 1, 2011 through May 31, 2011. This final 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 December 10, 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

PPL ELECTRIC UTILITIES CORPORATION

**FINAL CALCULATION OF 2011
TRANSMISSION SERVICE CHARGE**

For the Application Period January 1 through May 31, 2011

Docket No. M-2010-2207826

December 10, 2010

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

Line No.	Total	Residential	Small Commercial & Industrial	Large Commercial & Industrial - Primary	Large Commercial & Industrial - Transmission	
1		(A)	(A)	(B)	(B)	
2						
2	TCD = Total Demand-related Portion of Projected PJM-Billed Transmission Service Expenses (Schedule B)	\$ 33,282,989	\$ 24,239,060	\$ 8,212,686	\$ 465,496	\$ 365,747
3	TCE = Total Energy-related Portion of Projected PJM-Billed Transmission Service Expenses (Schedule B)	1,225,752	758,741	421,658	25,741	19,612
4	E = Experienced Net Over/(Under) Collections, Including Interest and Audit Adjustment (C), Net Prior Period Remaining Balance (D)	666,466	15,334,622	(7,200,584)	(5,859,365)	(1,608,207)
		<u>15,681,785</u>	<u>5,626,098</u>	<u>4,082,274</u>	<u>2,445,311</u>	<u>3,528,102</u>
5	Net Over/(Under) Collection Amount	<u>16,348,251</u>	<u>20,960,720</u>	<u>(3,118,310)</u>	<u>(3,414,054)</u>	<u>1,919,895</u>
6	Total Amount to be Recovered (Line 2 plus Line 3 less Line 5)	\$ <u>18,160,490</u>	\$ <u>4,037,081</u>	\$ <u>11,752,654</u>	\$ <u>3,905,291</u>	\$ <u>(1,534,536)</u>
7	Total Amount to be Recovered, Including MFC (Line 6 times MFC)	\$ <u>18,246,464</u>	\$ <u>4,111,291</u>	<u>11,764,418</u>	<u>3,905,291</u>	<u>(1,534,536)</u>
8	S = Projected Total Retail KWH Sales to Customers	<u>6,759,581,000</u>	<u>4,183,056,000</u>	<u>2,324,648,000</u>	<u>143,718,000</u>	<u>108,159,000</u>
9	Billing Demand kW			<u>333,716</u>		
10	Peak Load Contribution (MW)				<u>165</u>	
11	Merchant Function Charge Factor (MFC)					
	Residential	1/(1 - .01805) =	1.018382			
	Small Commercial & Industrial	1/(1 - .0010) =		1.001001		
12	$\frac{1}{(1 - T)}$ = (T = 5.9% Gross Receipts Tax)	x	1.062699			
13	TSC = Transmission Service Charge (\$/ KWH)					
	Energy Rate (\$/KWH) (w/o GRT)	\$	0.00098	\$	0.02393	\$ (0.01757)
	Demand Rate (\$/kW) (w/o GRT)			\$	1.39489	\$ 2.21665
	Energy Rate (\$/KWH) (w/ GRT)	\$	0.00104	\$	0.02543	\$ (0.01867)
	Demand Rate (\$/kW) (w/ GRT)			\$	1.48235	\$ 2.35563

(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 December 10, 2010, at Docket No. M-2010-2213754.

(D) Schedule 7, Page 1 of 2, of the Transmission Service Charge Reconciliation Report, dated December 10, 2010, at Docket No. M-2010-2213754.

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	Total 2011
Demand Components							
1	Network Transmission Service Charge	\$ 6,961,787	\$ 6,054,183	\$ 6,515,680	\$ 5,890,716	\$ 5,810,716	\$ 31,233,082
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	244,570
5	Black Start Service	470	470	470	470	470	2,350
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)	(340,000)
8	Transmission Enhancement Charges	456,183	439,215	426,951	398,866	380,757	2,101,972
9	PJM Schedule 13 Expansion Cost Recovery Mechanism	8,901	8,570	8,331	7,783	7,430	41,015
10	Total Demand Components	7,408,255	6,483,352	6,932,346	6,278,749	6,180,287	33,282,989
Energy Components							
11	Reliability First Corporation Charge (RFC)	3,342	3,018	3,342	3,234	3,342	16,278
12	PJM System Control and Dispatch Service	82,211	74,255	82,211	79,559	82,211	400,447
13	Transmission Owner Scheduling, System Control and Dispatch Service	13,731	12,403	13,731	13,288	13,731	66,884
14	Regulation and Frequency Response Service	61,820	63,272	76,970	82,724	89,303	374,069
15	Operating Reserve - Supplemental Reserve Service	-	-	-	-	-	-
16	Day Ahead	24,455	22,088	24,455	23,666	24,455	119,119
17	Real Time (Balancing)	14,213	12,837	14,213	13,754	14,213	69,230
18	Synchronous Condensing Charge	1,486	1,342	1,486	1,438	1,486	7,238
19	Operating Reserve - Synchronous Reserve	31,320	28,289	31,320	30,310	31,320	152,559
20	North American Electric Reliability Corporation Charge (NERC)	1,829	1,652	1,829	1,770	1,829	8,909
21	Day Ahead Scheduling Charge	2,258	2,040	2,258	2,185	2,258	10,999
		236,685	221,196	251,815	251,928	264,148	1,225,752
		\$ 7,644,920	\$ 6,704,548	\$ 7,184,161	\$ 6,530,677	\$ 6,444,435	\$ 34,508,741
		(A) Total 2011		Factors			
22	Demand Expense Allocation						
	Residential	\$ 24,239,060					72.8%
23	Small Commercial & Industrial	8,212,686					24.7%
24	Large Commercial & Industrial - Primary	465,496					1.4%
25	Large Commercial & Industrial - Transmission	365,747					1.1%
	Total	33,282,989					100.0%
26	Energy Expense Allocation						
	Residential	758,741					61.9%
27	Small Commercial & Industrial	421,658					34.4%
28	Large Commercial & Industrial - Primary	25,741					2.1%
29	Large Commercial & Industrial - Transmission	19,812					1.6%
	Total	1,225,752					100.0%
30	Total Expense Allocation						
	Residential	24,997,801					
31	Small Commercial & Industrial	8,634,344					
32	Large Commercial & Industrial - Primary	491,237					
33	Large Commercial & Industrial - Transmission	385,359					
	Total	\$ 34,508,741					

Schedule B

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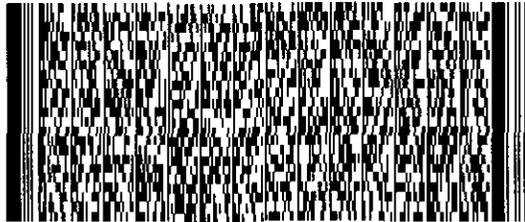
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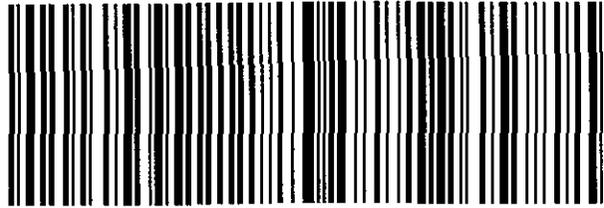
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