

**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 28, 2011

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

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OCT 28 2011

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation  
2011 Smart Meter Rider Reconciliation Report  
For the Quarter Ended September 30, 2011  
Docket No. M-2009-2123945**

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Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are eight (8) copies of PPL Electric's Smart Meter Rider ("USR") Reconciliation Report for the Quarter Ended September 30, 2011. This reconciliation report 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 28, 2011, 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

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OCT 28 2011

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PPL ELECTRIC UTILITIES CORPORATION**

**2011 SMART METER RIDER  
RECONCILIATION REPORT**

**For the Quarter Ended September 30, 2011**

**Docket No. M-2009-2123945**

October 28, 2011

PPL ELECTRIC UTILITIES CORPORATION  
 SMART METER RIDER COLLECTION RECONCILIATION  
 Report For The Period January 1, 2011 to December 31, 2011

Line No.				(Schedule B, page 1 of 3, Column M) Residential	(Schedule B, Page 2 of 3, Column M) Small C&I	(Schedule B, page 3 of 3, Column M) Large C&I	Total
<b>ACTUAL REVENUES</b>							
1	Smart Meter Revenue Collected	\$	1,012,156	\$	150,075	\$	1,163,394
2	Less: GRT (1)	\$	59,718	\$	8,854	\$	68,640
3	Revenue Applicable to Smart Meter Plan	\$	952,438	\$	141,221	\$	1,094,754
<b>ACTUAL EXPENSES</b>							
4	Smart Meter Plan Expenses (2)	\$	996,239	\$	152,975	\$	1,150,462
5	Expense Applicable to Smart Meter	\$	996,239	\$	152,975	\$	1,150,462
6	Over/(Under) Collection (Excluding GRT)	\$	(43,801)	\$	(11,754)	\$	(55,708)
7	Interest on Over/(Under) Collection (Per Schedule D, Line 13)	\$	(2,317)	\$	(802)	\$	(3,130)
8	Net Over/(Under) Collection, Including Interest (Excluding GRT)	\$	(46,118)	\$	(12,556)	\$	(58,838)
9	Net Over/(Under) Collection, Including Interest (Including GRT)	\$	(49,010)	\$	(13,343)	\$	(62,527)

(1) Gross Receipts Tax Factor (1-.059)

(2) This category, which is designated as Smart Meter Plan Expenses, reflects the revenue requirement associated with the Smart Meter Plan's capital and operating costs.

PPL ELECTRIC UTILITIES CORPORATION  
**SMART METER RIDER COLLECTION RECONCILIATION**  
 Residential  
 Report For The Period January 1, 2011 to December 31, 2011

Line No.	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>ACTUAL REVENUES</b>													
1 Smart Meter Revenue Collected	\$ 69,185	\$ 159,275	\$ 136,079	\$ 113,018	\$ 89,928	\$ 100,155	\$ 115,741	\$ 126,050	\$ 102,725				\$ 1,012,156
2 Less: GRT (1)	\$ 4,082	\$ 9,397	\$ 8,029	\$ 6,668	\$ 5,306	\$ 5,909	\$ 6,829	\$ 7,437	\$ 6,061	\$ -	\$ -	\$ -	\$ 59,718
3 Revenue Applicable to Smart Meter Plan	\$ 65,103	\$ 149,878	\$ 128,050	\$ 106,350	\$ 84,622	\$ 94,246	\$ 108,912	\$ 118,613	\$ 96,664	\$ -	\$ -	\$ -	\$ 952,438
<b>ACTUAL EXPENSES</b>													
4 Smart Meter Plan Expenses (2)	\$ 85,751	\$ 77,314	\$ 127,043	\$ 165,995	\$ 93,038	\$ 101,239	\$ 116,209	\$ 125,477	\$ 104,173				\$ 996,239
5 Expense Applicable to Smart Meter	\$ 85,751	\$ 77,314	\$ 127,043	\$ 165,995	\$ 93,038	\$ 101,239	\$ 116,209	\$ 125,477	\$ 104,173	\$ -	\$ -	\$ -	\$ 996,239
6 Residential Over/(Under) Collection	\$ (20,648)	\$ 72,564	\$ 1,007	\$ (59,645)	\$ (8,416)	\$ (6,993)	\$ (7,297)	\$ (6,864)	\$ (7,509)	\$ -	\$ -	\$ -	\$ (43,801)

(1) Gross Receipts Tax Factor (1-.059)

(2) This category, which is designated as Smart Meter Plan Expenses, reflects the revenue requirement associated with the Smart Meter Plan's capital and operating costs.

PPL ELECTRIC UTILITIES CORPORATION  
 SMART METER RIDER COLLECTION RECONCILIATION  
 Small Commercial and Industrial  
 Report For The Period January 1, 2011 to December 31, 2011

Line No.	(A) January	(B) February	(C) March	(D) April	(E) May	(F) June	(G) July	(H) August	(I) September	(J) October	(K) November	(L) December	(M) Total
<b>ACTUAL REVENUES</b>													
1 Smart Meter Revenue Collected	\$ 7,559	\$ 18,281	\$ 17,957	\$ 16,464	\$ 16,283	\$ 17,745	\$ 18,697	\$ 19,260	\$ 17,829				\$ 150,075
2 Less: GRT (1)	\$ 446	\$ 1,079	\$ 1,059	\$ 971	\$ 961	\$ 1,047	\$ 1,103	\$ 1,136	\$ 1,052	\$ -	\$ -	\$ -	\$ 8,854
3 Revenue Applicable to Smart Meter Plan	\$ 7,113	\$ 17,202	\$ 16,898	\$ 15,493	\$ 15,322	\$ 16,698	\$ 17,594	\$ 18,124	\$ 16,777	\$ -	\$ -	\$ -	\$ 141,221
<b>ACTUAL EXPENSES</b>													
4 Smart Meter Plan Expenses (2)	\$ 14,077	\$ 13,243	\$ 16,188	\$ 16,644	\$ 16,246	\$ 17,840	\$ 19,242	\$ 21,147	\$ 18,348				\$ 152,975
5 Expense Applicable to Smart Meter	\$ 14,077	\$ 13,243	\$ 16,188	\$ 16,644	\$ 16,246	\$ 17,840	\$ 19,242	\$ 21,147	\$ 18,348	\$ -	\$ -	\$ -	\$ 152,975
6 Small Commercial and Industrial Over/(Under) Collection	\$ (6,964)	\$ 3,959	\$ 710	\$ (1,151)	\$ (924)	\$ (1,142)	\$ (1,648)	\$ (3,023)	\$ (1,571)	\$ -	\$ -	\$ -	\$ (11,754)

(1) Gross Receipts Tax Factor (1-.059)

(2) This category, which is designated as Smart Meter Plan Expenses, reflects the revenue requirement associated with the Smart Meter Plan's capital and operating costs.

PPL ELECTRIC UTILITIES CORPORATION  
**SMART METER RIDER COLLECTION RECONCILIATION**  
 Large Commercial and Industrial  
 Report For The Period January 1, 2011 to December 31, 2011

Line No.	(A) January	(B) February	(C) March	(D) April	(E) May	(F) June	(G) July	(H) August	(I) September	(J) October	(K) November	(L) December	(M) Total
<b>ACTUAL REVENUES</b>													
1 Smart Meter Revenue Collected	\$ 50	\$ 136	\$ 139	\$ 137	\$ 145	\$ 140	\$ 138	\$ 141	\$ 137				\$ 1,163
2 Less: GRT (1)	\$ 3	\$ 8	\$ 8	\$ 8	\$ 9	\$ 8	\$ 8	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ 68
3 Revenue Applicable to Smart Meter Plan	\$ 47	\$ 128	\$ 131	\$ 129	\$ 136	\$ 132	\$ 130	\$ 133	\$ 129	\$ -	\$ -	\$ -	\$ 1,095
<b>ACTUAL EXPENSES</b>													
4 Smart Meter Plan Expenses (2)	\$ 137	\$ 122	\$ 148	\$ 143	\$ 119	\$ 134	\$ 137	\$ 175	\$ 133				\$ 1,248
5 Expense Applicable to Smart Meter	\$ 137	\$ 122	\$ 148	\$ 143	\$ 119	\$ 134	\$ 137	\$ 175	\$ 133	\$ -	\$ -	\$ -	\$ 1,248
6 Large Commercial and Industrial Over/(Under) Collection	\$ (90)	\$ 6	\$ (17)	\$ (14)	\$ 17	\$ (2)	\$ (7)	\$ (42)	\$ (4)	\$ -	\$ -	\$ -	\$ (153)

(1) Gross Receipts Tax Factor (1-.059)

(2) This category, which is designated as Smart Meter Plan Expenses, reflects the revenue requirement associated with the Smart Meter Plan's capital and operating costs.

## Smart Meter Program

## Monthly Revenue Requirement

		<u>1/31/2011</u>	<u>2/28/2011</u>	<u>3/31/2011</u>	<u>4/30/2011</u>	<u>5/31/2011</u>	<u>6/30/2011</u>	<u>7/31/2011</u>	<u>8/31/2011</u>	<u>9/30/2011</u>
<b>Residential</b>										
Rate Base										
Net Plant		\$ 369,970	\$ 435,238	\$ 583,762	\$ 826,109	\$ 924,715	\$ 1,000,172	\$ 1,187,094	\$ 1,230,333	\$ 1,293,537
ADIT		(73,802)	(82,437)	(125,035)	(197,822)	(210,843)	(217,680)	(242,738)	(258,859)	(276,375)
Rate Base		296,167	352,801	458,727	628,288	713,872	782,491	944,356	971,474	1,017,162
Return On Investment <sup>1</sup>	0.6892%	2,041	2,432	3,162	4,330	4,920	5,393	6,508	6,695	7,010
Income Taxes	46.2231%	943	1,124	1,461	2,002	2,274	2,493	3,008	3,095	3,240
O&M		67,328	56,663	70,751	76,701	61,675	74,856	69,213	86,469	62,974
Deferred Income Tax Expense		12,826	14,178	48,141	78,330	18,565	12,381	30,601	21,664	23,060
Depreciation Expense		2,612	2,919	3,527	4,632	5,604	6,117	6,878	7,554	7,889
Residential Revenue Requirement		\$ 85,751	\$ 77,315	\$ 127,043	\$ 165,995	\$ 93,038	\$ 101,239	\$ 116,209	\$ 125,477	\$ 104,173
<b>Small C&amp;I</b>										
Rate Base										
Net Plant		\$ 123,981	\$ 149,399	\$ 166,382	\$ 173,304	\$ 191,870	\$ 204,918	\$ 217,264	\$ 236,095	\$ 249,477
ADIT		(21,131)	(22,059)	(23,625)	(24,660)	(27,222)	(29,275)	(33,383)	(36,660)	(40,328)
Rate Base		102,850	127,339	142,757	148,644	164,649	175,643	183,882	199,436	209,149
Return On Investment <sup>1</sup>	0.6892%	709	878	984	1,024	1,135	1,211	1,267	1,375	1,441
Income Taxes	46.2231%	328	406	455	474	525	560	586	635	666
O&M		9,885	8,235	10,264	11,121	8,957	10,855	10,043	12,528	9,144
Deferred Income Tax Expense		2,176	2,651	3,289	2,758	4,285	3,777	5,831	5,000	5,391
Depreciation Expense		979	1,073	1,196	1,267	1,344	1,438	1,515	1,609	1,706
Small C&I Revenue Requirement		\$ 14,077	\$ 13,243	\$ 16,188	\$ 16,644	\$ 16,246	\$ 17,840	\$ 19,242	\$ 21,147	\$ 18,348
<b>Large C&amp;I</b>										
Rate Base										
Net Plant		\$ 889	\$ 1,101	\$ 1,205	\$ 1,211	\$ 1,229	\$ 1,311	\$ 1,329	\$ 1,507	\$ 1,628
ADIT		(145)	(150)	(156)	(162)	(169)	(178)	(187)	(203)	(224)
Rate Base		743	951	1,049	1,049	1,060	1,133	1,142	1,304	1,404
Return On Investment <sup>1</sup>	0.6892%	5	7	7	7	7	8	8	9	10
Income Taxes	46.2231%	2	3	3	3	3	4	4	4	4
O&M		109	88	111	105	81	92	94	124	74
Deferred Income Tax Expense		13	16	18	18	19	21	21	28	33
Depreciation Expense		7	8	8	9	9	9	10	10	11
Large C&I Revenue Requirement		\$ 137	\$ 122	\$ 148	\$ 143	\$ 119	\$ 134	\$ 137	\$ 175	\$ 133
<b>Total</b>										
Rate Base										
Net Plant		\$ 494,840	\$ 585,738	\$ 751,349	\$ 1,000,624	\$ 1,117,815	\$ 1,206,401	\$ 1,405,687	\$ 1,467,935	\$ 1,544,642
ADIT		(95,079)	(104,646)	(148,816)	(222,643)	(238,234)	(247,133)	(276,308)	(295,721)	(316,927)
Rate Base		399,761	481,092	602,534	777,981	879,581	959,268	1,129,379	1,172,214	1,227,715
Return On Investment		2,755	3,316	4,153	5,362	6,062	6,611	7,784	8,079	8,461
Income Taxes		1,274	1,533	1,919	2,478	2,802	3,056	3,598	3,734	3,911
O&M		77,322	64,987	81,127	87,927	70,714	85,804	79,350	99,121	72,192
Deferred Income Tax Expense		15,015	16,845	51,448	81,106	22,869	16,178	36,454	26,692	28,484
Depreciation Expense		3,599	4,000	4,731	5,908	6,957	7,564	8,403	9,173	9,606
Total Revenue Requirement		\$ 99,965	\$ 90,680	\$ 143,379	\$ 182,782	\$ 109,403	\$ 119,213	\$ 135,588	\$ 146,799	\$ 122,655

1. The Annual Return on Investment is 8.27%.

PPL ELECTRIC UTILITIES CORPORATION  
INTEREST EXPENSE ON 2011 SMART METER RIDER  
OVER/(UNDER) COLLECTIONS BY MONTH

Line No.	Month	(A) Interest Rate	(B) Weighting Factor	(C)		(D)		(C)		(D)		(C)		(D)	
				Total	Residential	Total	Residential	Total	Residential	Total	Residential	Total	Residential		
				Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection
1	January	6.00%	18/12	\$ (27,702)	\$ (2,493)	\$ (20,648)	\$ (1,858)	\$ (6,964)	\$ (627)	\$ (90)	\$ (8)				
2	February	6.00%	17/12	\$ 76,529	\$ 6,506	\$ 72,564	\$ 6,168	\$ 3,959	\$ 337	\$ 6	\$ 1				
3	March	6.00%	16/12	\$ 1,700	\$ 137	\$ 1,007	\$ 81	\$ 710	\$ 57	\$ (17)	\$ (1)				
4	April	6.00%	15/12	\$ (60,810)	\$ (4,560)	\$ (59,645)	\$ (4,473)	\$ (1,151)	\$ (86)	\$ (14)	\$ (1)				
5	May	6.00%	14/12	\$ (9,323)	\$ (653)	\$ (8,416)	\$ (589)	\$ (924)	\$ (65)	\$ 17	\$ 1				
6	June	6.00%	13/12	\$ (8,137)	\$ (529)	\$ (6,993)	\$ (455)	\$ (1,142)	\$ (74)	\$ (2)	\$ -				
7	July	6.00%	12/12	\$ (8,952)	\$ (537)	\$ (7,297)	\$ (438)	\$ (1,648)	\$ (99)	\$ (7)	\$ -				
8	August	6.00%	11/12	\$ (9,929)	\$ (547)	\$ (6,864)	\$ (378)	\$ (3,023)	\$ (166)	\$ (42)	\$ (3)				
9	September	6.00%	10/12	\$ (9,084)	\$ (454)	\$ (7,509)	\$ (375)	\$ (1,571)	\$ (79)	\$ (4)	\$ -				
10	October	6.00%	9/12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
11	November	6.00%	8/12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
12	December	6.00%	7/12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
13	Total			\$ (55,708)	\$ (3,130)	\$ (43,801)	\$ (2,317)	\$ (11,754)	\$ (802)	\$ (153)	\$ (11)				

(1) From Schedule B, Line 6 for the respective month.

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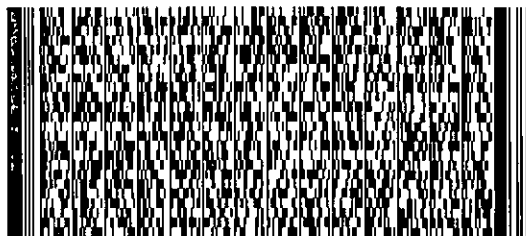


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**HARRISBURG, PA 17120**

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