

**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**

May 1, 2012

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

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**MAY 1 2012**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

**Re: PPL Electric Utilities Corporation  
Proposed Calculation of 2012/2013  
Transmission Service Charge  
Docket No.**

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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 proposed calculation of its 2012/2013 Transmission Service Charge ("TSC") for the application period June 1, 2012 through May 31, 2013. This proposed calculation of the 2012/2013 TSC is being filed pursuant to the procedures set forth in PPL Electric's Tariff - Electric Pa. P.U.C. No. 201.

Pursuant to the Commission's Order, entered on May 25, 2011, at Docket No. M-2011-2239805, PPL Electric, in this filing, has continued to hold the refund of overcollections for the Large C&I-Primary and the Large C&I-Transmission customer groups in abeyance, and has set the E-factor balances for these groups to zero, pending further action by this Commission in that proceeding.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on May 1, 2012, 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  
Steven C. Gray, Esquire

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MAY 1 2012

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PPL ELECTRIC UTILITIES CORPORATION**

**PROPOSED CALCULATION OF 2012/2013  
TRANSMISSION SERVICE CHARGE**

**For the Application Period June 1, 2012 through May 31, 2013**

**Docket No.**

May 1, 2012

**PPL ELECTRIC UTILITIES CORPORATION**  
**COMPUTATION OF PROPOSED TRANSMISSION SERVICE CHARGE**  
**COMPUTATION PERIOD: JUNE 1, 2012 THROUGH MAY 31, 2013**

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 Transmissior Service Expenses (Schedule B)	\$ 56,541,331	\$ 47,031,079	\$ 9,012,688	\$ 480,601	\$ 16,962
3	TCe = Total Energy-related Portion of Projected PJM-Billed Transmissior Service Expenses (Schedule B)	3,026,231	2,523,538	463,017	20,980	18,696
3A	Total Directly Assignable PJM Expenses - Residential only (Schedule B-1)	2,524,125	2,524,125	-	-	-
4	E = Experienced Net Over/(Under) Collections, Including Interest and Audit Adjustment (C), Net Prior Period Remaining Balance (D)	(2,653,037)	(504,657)	(2,148,380)	-	-
		(1,177,761)	(194,034)	(983,727)	-	-
5	Net Over/(Under) Collection Amount	(3,830,798)	(698,691)	(3,132,107)	-	-
6	Total Amount to be Recovered (Line 2 plus Line 3 plus Line 3A less Line 5)	\$ 65,922,485	\$ 52,777,434	\$ 12,607,812	\$ 501,581	\$ 35,658
7	Total Amount to be Recovered, Including MFC (Line 6 times MFC)	\$ 66,905,261	\$ 53,747,588	\$ 12,620,433	\$ 501,581	\$ 35,658
8	S = Projected Total Retail KWH Sales to Customers	9,168,365,572	7,645,392,836	1,402,770,728	63,560,237	56,641,771
9	Billing Demand kW			145,906		
10	Peak Load Contribution (MW)					12
11	Merchant Function Charge Factor (MFC)					
	Residential	$1/(1 - .018) =$	1.01833			
	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)		\$ 0.00703	\$ 0.00900	\$ 0.00033	\$ 0.00033
	Demand Rate (\$/KW) (w/o GRT)				\$ 3.29391	\$ 1.41353
	Energy Rate (\$/KWH) (w/ GRT)		\$ 0.00747	\$ 0.00956	\$ 0.00035	\$ 0.00035
	Demand Rate (\$/KW) (w/ GRT)				\$ 3.50043	\$ 1.50216
	(A) TSC=[TCe/S + TCd/S - E/S] x 1/(1-T);					
	(B) TSC=TSCd + TSCe					
	TSCd=[TCd/D] x 1/(1-T)					
	TSCe=[TCe/S-E/S] x 1/(1-T)					
	(C) Schedule 1 of the Transmission Service Charge Reconciliation Report, dated April 30, 2012, at Docket No. M-2011-2239805					
	(D) Schedule 7 of the Transmission Service Charge Reconciliation Report, dated April 30, 2012, at Docket No. M-2011-2239805					

Note: Pursuant to the Commission's Order, entered on May 25, 2011, at Docket No. M-2011-2239805, PPL Electric, in this filing, has continued to hold the refund of overcollections for the Large C&I-Primary and the Large C&I-Transmission customer groups in abeyance, and has set the E-factor balances for these groups to zero, pending further action by this Commission in that proceeding.

**PPL ELECTRIC UTILITIES CORPORATION**  
**PROJECTED June 2012- May 2013 PJM-BILLED TRANSMISSION SERVICE EXPENSES BY MONTH**

Line No.	Description	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	May 2013	Total
<b>Demand Components</b>														
1	Network Transmission Service Charge	\$4,243,864	\$4,345,326	\$4,345,326	\$4,243,864	\$4,345,326	\$4,243,864	\$4,345,326	\$4,071,968	\$3,677,807	\$4,071,968	\$3,940,814	\$4,071,968	\$50,107,320
2	Network Transmission Service Charge - Call Option	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Seams Elimination Cost Assignment - SECA Charge/RECA Call Option	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Reactive Supply and Voltage Control from Generation Sources Service	\$63,038	\$63,038	\$63,038	\$63,038	\$63,038	\$63,038	\$63,038	\$68,216	\$68,216	\$68,216	\$68,216	\$68,216	782,332
5	Black Start Service	\$523	\$523	\$523	\$523	\$523	\$523	\$523	\$586	\$586	\$586	\$586	\$586	6,484
6	Transmission Losses (Point-to-Point Cables)	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Non-Firm Point-to-Point Transmission Service Credits	(\$3,780)	(\$10,106)	(\$10,106)	(\$3,780)	(\$10,106)	(\$3,780)	(\$10,106)	(\$10,106)	(\$9,128)	(\$10,106)	(\$9,128)	(\$10,106)	(\$18,980)
8	Transmission Enhancement Charges	\$436,955	\$436,955	\$436,955	\$436,955	\$436,955	\$436,955	\$436,955	\$453,248	\$483,248	\$453,248	\$453,248	\$453,248	5,524,878
9	Reactive Services	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	\$14,862	178,344
10	PJM Schedule 13 Expansion Cost Recovery Mechanism	\$5,231	\$5,231	\$5,231	\$5,231	\$5,231	\$5,231	\$5,231	\$4,857	\$4,857	\$4,857	\$4,857	\$4,857	80,804
11	<b>Total Demand Components</b>	<b>4,754,692</b>	<b>4,895,628</b>	<b>4,895,628</b>	<b>4,754,692</b>	<b>4,895,628</b>	<b>4,754,692</b>	<b>4,895,628</b>	<b>4,643,611</b>	<b>4,250,528</b>	<b>4,643,611</b>	<b>4,512,584</b>	<b>4,643,611</b>	<b>56,541,331</b>
<b>Energy Components</b>														
12	Reliability First Corporation Charge (RFC)	-	-	-	-	-	-	-	-	-	-	-	-	-
13	PJM System Control and Dispatch Service	\$78,335	\$80,846	\$80,846	\$78,335	\$80,846	\$78,335	\$80,846	\$80,846	\$73,112	\$80,846	\$78,335	\$80,846	853,071
14	Transmission Charge Scheduling, System Control and Dispatch Service	\$16,137	\$16,875	\$16,875	\$16,137	\$16,875	\$16,137	\$16,875	\$16,875	\$15,061	\$16,875	\$16,137	\$16,875	186,333
15	Regulation and Frequency Response Service	\$52,380	\$54,126	\$54,126	\$52,380	\$54,126	\$52,380	\$54,126	\$54,126	\$49,868	\$54,126	\$52,380	\$54,126	637,200
16	Operating Reserve - Supplemental Reserve Service	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Day Ahead	\$25,828	\$26,782	\$26,782	\$25,828	\$26,782	\$25,828	\$26,782	\$26,782	\$24,200	\$26,782	\$25,828	\$26,782	\$15,460
18	Real Time (Balancing)	\$24,357	\$25,189	\$25,189	\$24,357	\$25,189	\$24,357	\$25,189	\$25,189	\$22,733	\$25,189	\$24,357	\$25,189	296,341
19	Synchronous Contingency Charge	\$282	\$271	\$271	\$282	\$271	\$282	\$271	\$271	\$244	\$271	\$282	\$271	3,186
20	Operating Reserve - Synchronous Reserve	\$43,478	\$44,925	\$44,925	\$43,478	\$44,925	\$43,478	\$44,925	\$44,925	\$40,577	\$44,925	\$43,478	\$44,925	528,958
21	North American Electric Reliability Corporation Charge (NERC)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Day Ahead Scheduling Charge	\$7,857	\$8,119	\$8,119	\$7,857	\$8,119	\$7,857	\$8,119	\$8,119	\$7,333	\$8,119	\$7,857	\$8,119	95,884
		248,731	257,022	257,022	248,731	257,022	248,731	257,022	257,022	232,149	257,022	248,731	257,022	3,028,231
		\$ 5,003,423	\$ 5,152,650	\$ 5,152,650	\$ 5,003,423	\$ 5,152,650	\$ 5,003,423	\$ 5,152,650	\$ 4,899,634	\$ 4,482,677	\$ 4,899,634	\$ 4,781,315	\$ 4,900,634	\$ 59,567,562
		<u>Total 2012-2013</u>												
			<u>Residential</u>	<u>Factory</u>										
23	Demand Expense Allocation - Residential	\$ 47,031,679	63.18%											
24	Demand Expense Allocation - Small Commercial & Industrial	\$ 9,012,668	15.84%											
25	Demand Expense Allocation - Large Commercial & Industrial - Primary	\$ 460,801	0.85%											
26	Demand Expense Allocation - Large Commercial & Industrial - Transmission	\$ 16,882	0.03%											
	<b>Total</b>	<b>\$6,541,331</b>	<b>100.0%</b>											
			<u>Residential</u>	<u>Factory</u>										
27	Energy Expense Allocation - Residential	2,523,538	63.4%											
28	Energy Expense Allocation - Small Commercial & Industrial	463,017	15.3%											
29	Energy Expense Allocation - Large Commercial & Industrial - Primary	20,380	0.7%											
30	Energy Expense Allocation - Large Commercial & Industrial - Transmission	18,896	0.6%											
	<b>Total</b>	<b>\$3,025,231</b>	<b>100.0%</b>											
			<u>Residential</u>	<u>Factory</u>										
31	Total Expense Allocation - Residential	49,564,818												
32	Total Expense Allocation - Small Commercial & Industrial	9,475,706												
33	Total Expense Allocation - Large Commercial & Industrial - Primary	501,581												
34	Total Expense Allocation - Large Commercial & Industrial - Transmission	35,658												
	<b>Total</b>	<b>\$ 59,567,562</b>												

PPL ELECTRIC UTILITIES CORPORATION  
 PROJECTED JUNE 2012- MAY 2013 - DIRECTLY ASSIGNABLE PJM EXPENSES BY MONTH

Residential Only

Line No.	Description	June 2012	July 2012	August 2012	September 2012	October 2012	November 2011	December 2011	January 2013	February 2013	March 2013	April 2013	May 2013	Total
1	Directly Assignable PJM Ancillary Expenses	\$ 209,964	\$ 210,875	\$ 210,875	\$ 209,964	\$ 210,875	\$ 209,964	\$ 210,875	\$ 210,875	\$ 208,144	\$ 210,875	\$ 209,964	\$ 210,875	\$ 2,524,125

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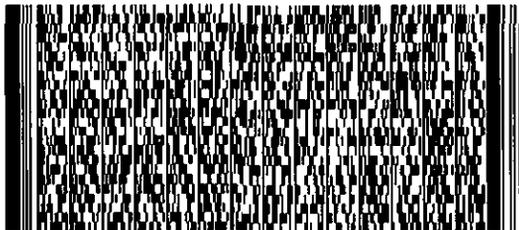
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