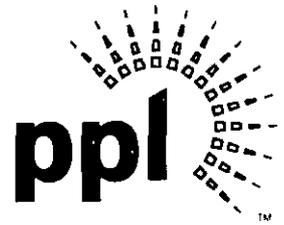


**Paul E. Russell**  
Associate General Counsel

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



**FEDERAL EXPRESS**

May 14, 2012

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

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MAY 14 2012

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

**Re: PPL Electric Utilities Corporation  
Proposed Calculation of 2012/2013  
Transmission Service Charge  
Docket No. M-2012-2302811**

---

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 14, 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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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. M-2012-2302811**

May 14, 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	Transmission Service Charge		(A)	(A)	(B)	(B)
2	TCd = Total Demand-related Portion of Projected PJM-Billed Transmissior Service Expenses (Schedule B)	\$ 56,072,159	\$ 42,188,682	\$ 13,518,998	\$ 342,040	\$ 22,429
3	TCe = Total Energy-related Portion of Projected PJM-Billed Transmissior Service Expenses (Schedule B)	3,143,492	2,621,358	480,954	21,690	19,490
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)	(3,502,195) (787,237)	(1,022,302) (191,047)	(2,479,893) (596,190)	-	-
5	Net Over(Under) Collection Amount	(4,289,432)	(1,213,349)	(3,076,083)	-	-
6	Total Amount to be Recovered (Line 2 plus Line 3 plus Line 3A less Line 5)	\$ 66,029,208	\$ 48,547,524	\$ 17,076,035	\$ 363,730	\$ 41,919
7	Total Amount to be Recovered, Including MFC (Line 6 times MFC)	\$ 66,936,178	\$ 49,437,400	\$ 17,093,128	\$ 363,730	\$ 41,919
8	S = Projected Total Retail KWH Sales to Customers	9,171,074,328	7,647,889,508	1,402,978,687	63,562,044	56,644,089
9	Billing Demand kW				212,650	
10	Peak Load Contribution (MW)					13.2
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)		\$ 0.00646	\$ 0.01218	\$ 0.00034	\$ 0.00034
	Demand Rate (\$/kW) (w/o GRT)				\$ 1.60847	\$ 1.69916
	Energy Rate (\$/KWH) (w/ GRT)		\$ 0.00687	\$ 0.01294	\$ 0.00036	\$ 0.00036
	Demand Rate (\$/kW) (w/ GRT)				\$ 1.70932	\$ 1.80570

(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 May 14, 2012, at Docket No. M-2011-2239805

(D) Schedule 7 of the Transmission Service Charge Reconciliation Report, dated May 14, 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.

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

MAY 14 2012

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Schedule A

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 2011	December 2011	January 2012	February 2012	March 2012	April 2012	May 2012	Total
<b>Demand Components</b>														
1	Network Transmission Service Charge	\$4,249,686	\$4,381,342	\$4,381,342	\$4,249,686	\$4,381,342	\$4,249,686	\$4,381,342	\$4,067,147	\$3,873,562	\$4,067,147	\$3,855,849	\$4,067,147	\$50,125,367
2	Network Transmission Service Charge - Call Option	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Season Elimination Cost Assignment - SECA Charge/SECA Call Option	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Reactive Supply and Voltage Control from Generation Sources Service	\$63,036	\$63,036	\$63,036	\$63,036	\$63,036	\$63,036	\$63,036	\$68,216	\$68,216	\$68,216	\$68,216	\$68,216	782,332
5	Black Start Service	\$323	\$323	\$323	\$323	\$323	\$323	\$323	\$566	\$566	\$566	\$566	\$566	6,487
6	Transmission Losses (Point-to-Point) Credits	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Non-Firm Point-to-Point Transmission Service Credits	(\$9,600)	(\$9,600)	(\$9,600)	(\$9,600)	(\$9,600)	(\$9,600)	(\$9,600)	(\$9,920)	(\$9,920)	(\$9,920)	(\$9,920)	(\$9,920)	(\$116,800)
8	Transmission Enhancement Charges	\$415,768	\$415,768	\$415,768	\$415,768	\$415,768	\$415,768	\$415,768	\$415,578	\$415,578	\$415,578	\$415,578	\$415,578	4,868,235
9	Reactive Services	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	\$18,785	225,420
10	PJM Schedule 13 Expansion Cost Recovery Mechanism	\$5,259	\$5,259	\$5,259	\$5,259	\$5,259	\$5,259	\$5,259	\$4,857	\$4,857	\$4,857	\$4,857	\$4,857	61,098
11	<b>Total Demand Components</b>	<b>4,743,456</b>	<b>4,884,793</b>	<b>4,884,793</b>	<b>4,743,456</b>	<b>4,884,793</b>	<b>4,743,456</b>	<b>4,884,793</b>	<b>4,565,227</b>	<b>4,172,592</b>	<b>4,565,227</b>	<b>4,434,348</b>	<b>4,565,227</b>	<b>56,877,159</b>
<b>Energy Components</b>														
12	Reliability First Corporation Charge (RFC)	-	-	-	-	-	-	-	-	-	-	-	-	-
13	PJM System Control and Dispatch Service	\$78,335	\$80,848	\$80,848	\$78,335	\$80,848	\$78,335	\$80,848	\$80,848	\$73,112	\$80,848	\$78,335	\$80,848	953,071
14	Transmission Owner Scheduling, System Control and Dispatch Service	\$16,137	\$16,675	\$16,675	\$16,137	\$16,675	\$16,137	\$16,675	\$16,675	\$15,061	\$16,675	\$16,137	\$16,675	186,333
15	Regulation and Frequency Response Service	\$69,688	\$71,968	\$71,968	\$69,688	\$71,968	\$69,688	\$71,968	\$71,968	\$65,023	\$71,968	\$69,688	\$71,968	847,589
16	Operating Reserve - Supplemental Reserve Service	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Day Ahead	\$24,619	\$25,430	\$25,430	\$24,619	\$25,430	\$24,619	\$25,430	\$25,430	\$22,977	\$25,430	\$24,619	\$25,430	290,528
18	Real Time (Balancing)	\$22,000	\$22,733	\$22,733	\$22,000	\$22,733	\$22,000	\$22,733	\$22,533	\$22,733	\$22,000	\$22,733	\$22,733	267,663
19	Synchronous Condensing Charge	\$210	\$217	\$217	\$210	\$217	\$210	\$217	\$217	\$196	\$217	\$210	\$217	2,549
20	Operating Reserve - Synchronous Reserve	\$39,547	\$40,865	\$40,865	\$39,547	\$40,865	\$39,547	\$40,865	\$40,865	\$36,811	\$40,865	\$39,547	\$40,865	481,156
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	95,594
		<b>258,369</b>	<b>266,882</b>	<b>266,882</b>	<b>258,369</b>	<b>266,882</b>	<b>258,369</b>	<b>266,882</b>	<b>266,882</b>	<b>241,145</b>	<b>266,882</b>	<b>258,369</b>	<b>266,882</b>	<b>3,143,492</b>
		<b>\$ 5,001,826</b>	<b>\$ 5,151,774</b>	<b>\$ 5,151,774</b>	<b>\$ 5,001,826</b>	<b>\$ 5,151,774</b>	<b>\$ 5,001,826</b>	<b>\$ 5,151,774</b>	<b>\$ 4,832,208</b>	<b>\$ 4,413,736</b>	<b>\$ 4,832,208</b>	<b>\$ 4,692,718</b>	<b>\$ 4,832,208</b>	<b>\$ 59,215,651</b>
<b>Total 2012-2013 Factors</b>														
<b>Demand Expense Allocation</b>														
23	Residential	\$ 42,188,692	75.24%											
24	Small Commercial & Industrial	\$ 13,518,898	24.11%											
25	Large Commercial & Industrial - Primary	\$ 342,040	0.61%											
26	Large Commercial & Industrial - Transmission	\$ 22,429	0.04%											
	<b>Total</b>	<b>\$6,072,159</b>	<b>100.00%</b>											
<b>Energy Expense Allocation</b>														
27	Residential	2,821,336	83.39%											
28	Small Commercial & Industrial	480,954	15.30%											
29	Large Commercial & Industrial - Primary	21,690	0.69%											
30	Large Commercial & Industrial - Transmission	19,490	0.67%											
	<b>Total</b>	<b>\$3,143,492</b>	<b>100.00%</b>											
<b>Total Expense Allocation</b>														
31	Residential	44,810,050												
32	Small Commercial & Industrial	13,999,852												
33	Large Commercial & Industrial - Primary	363,730												
34	Large Commercial & Industrial - Transmission	41,819												
	<b>Total</b>	<b>\$ 59,215,651</b>												

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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

PA PUBLIC UTILITY COMMISSION  
 SECRETARY'S BUREAU

MAY 14 2012

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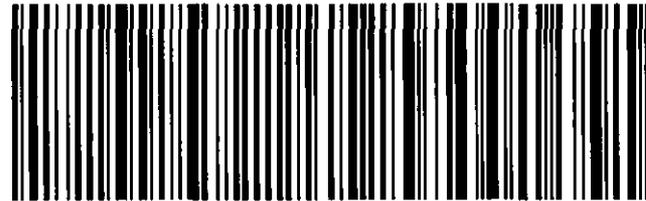
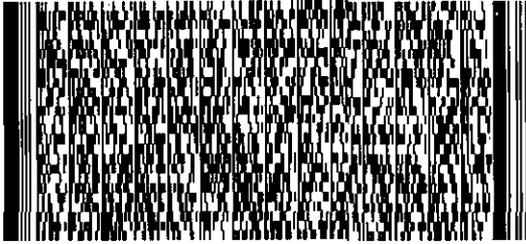
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