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File #: 151904

September 9, 2013

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2013 through May 31, 2015 - Docket No. P-2012-2302074

Dear Secretary Chiavetta:

On August 23, 2013 PPL Electric Utilities Corporation (“PPL Electric”) filed the “Petition of PPL Electric Utilities Corporation for Approval of a New Pilot Time-of-Use Program” (“Petition”) in the above-referenced proceeding. PPL Electric stated in the Petition that it would subsequently file a form of tariff that incorporated the new Pilot TOU Program discussed in the Petition. The appended form of tariff contains provisions related to the proposed new Pilot TOU Program and the contingency plan described in the Petition. PPL Electric requests that the Commission consider the appended form of tariff as part of and an additional attachment to the August 23, 2013 Petition and approve the new Pilot TOU Program.

Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Matthew J. Agen

MJA/jl
Enclosures

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

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Date: September 9, 2013


Matthew J. Ager

GENERATION SUPPLY CHARGE-1

(C)

The Generation Supply Charge-1 (GSC-1) shall be applied to each kilowatt-hour supplied to residential customers who take Basic Utility Supply Service ("BUSS") from the Company under Rate Schedules RS and RTS (R), small commercial and industrial customers who take BUSS service under Rate Schedules GS-1, GS-3, GH-2 (R), IS-1 (R), BL, SA, SM (R), SHS, SE, TS (R) and SI-1 (R), and standby service for the foregoing rate schedules. The GSC-1 will not apply to those Rate Schedule GS-3 customers who have a peak demand of 500 kW or greater, but the GSC-1 will apply to those Rate Schedule LP-4 customers who have a peak demand of less than 500 kW. This peak demand will be based on the customer's ICAP peak load contribution to PJM peak load assigned for the 2013-2014 PJM Planning Year. The GSC-1 shall have the options listed below.

FIXED PRICE OPTION – RESIDENTIAL & SMALL COMMERCIAL/INDUSTRIAL

PURPOSE

The Fixed Price Option provides eligible customers in the Residential and Small Commercial/ Industrial Customer Class with default electric service for those customers who have not selected a retail electric generation supplier (EGS) or the Pilot TOU Program. **(C)**

PRICING PROVISIONS

The Fixed Price GSC-1, determined in accordance with the formula set forth below, shall be applied to all kilowatt-hours billed for service provided during the billing month:

$$\text{Fixed Price GSC-1} = \left[\left(\frac{GS_{fp}}{S_{fp}} \right) - \left(\frac{E}{S} \right) \right] \times \frac{1}{(1-T)} \quad \text{(C)}$$

Where:

GSC-1 = The Generation Supply Charge-1, stated in cents per kilowatt hour, shall be calculated separately for each of the following two Customer Classes: (1) residential, and (2) small commercial and industrial as designated above.

GS_{fp} = The total estimated direct and indirect costs incurred by the Company to acquire generation supply from any source on behalf of participating BUSS customers on the Fixed Price Option in the applicable Customer Class. These costs shall be reduced by any revenue received by the Company from the sale of Alternative Energy Credits that otherwise would have expired.

The computation quarter shall be each quarter of the PJM Planning Year over which the Fixed Price GSC-1, as computed, will apply. Projections of the Company's costs to acquire generation supply, adjusted for losses and including Alternative Energy Credits, for the computation quarter shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated generation supply-related procurement and administration costs. Any costs incurred prior to June 1, 2013, shall be amortized ratably over the 24-month period June 1, 2013, through May 31, 2015, and the quarterly amortization amount shall be included in the computation of the GSC-1.

(Continued)

GENERATION SUPPLY CHARGE – 1 (Continued)

(C)

FIXED PRICE SERVICE – RESIDENTIAL & SMALL COMMERCIAL/INDUSTRIAL (Continued)

- E = Experienced net over or undercollection of costs associated with the acquisition of generation supply for participating BUSS customers on the Fixed Price Option, the Time-of-Use Price Option (page 19Z.5A), and the Pilot TOU Program (page 19Z.5A) when the contingency plan is in effect, in the applicable Customer Class. These costs will be computed as of the end of the calendar month ended one month prior to the beginning of the computation quarter, and will include applicable interest. Interest shall be computed monthly from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. Interest on recoveries of undercollections shall be calculated at the legal rate of interest. Interest on refunds of overcollections shall be calculated at the legal rate of interest plus 2 percent annual interest. (C)
- S_{fp} = The Company's total retail KWH sales to participating BUSS customers on the Fixed Price Option in the applicable Customer Class, projected for the computation quarter.
- S = The Company's total retail KWH sales to participating BUSS customers on the Fixed Price Option, the Time-of-Use Price Option (page 19Z.5A), and the Pilot TOU Program (page 19Z.5A) when the contingency plan is in effect, in the applicable Customer Class.
- T = The Pennsylvania gross receipts tax rate (exclusive of Part 2 of the State Tax Adjustment Surcharge (STAS) within this tariff) in effect during the billing month, expressed in decimal form.

Minimum bills shall not be reduced by reason of the GSC-1, nor shall GSC-1 charges be a part of the monthly rate schedule minimum. The GSC-1 shall not be subject to any credits or discounts and Part 2 of the STAS shall apply.

The following GSC-1 charges apply for the Fixed Price Option during the period September 1, 2013 through November 30, 2013.

Customer Class	Small I&C	Residential
Rate Schedule / Charge	GS-1, GS-3 (< 500 kW), LP-4 (< 500 kW), IS-1 (R), BL, and GH-2 (R) \$0.06794/KWH	RS and RTS (R) \$0.07873/KWH

Small I&C – Street Lights									
Rate Schedule/ Charge	SA	SM (R)		SHS		SE	TS (R)	SI-1 (R)	
	\$/Lamp	Nominal Lumens	\$/Lamp	Nominal Lumens	\$/Lamp	\$/KWH	\$/Watt	Lumens	\$/Lamp
4.530		3,350	3.336	5,800	2.025	0.06794	0.04963	600	1.413
		6,650	5.211	9,500	2.901			1,000	2.507
		10,500	7.283	16,000	4.267			4,000	7.963
		20,000	11.536	25,500	7.698				
		34,000	19.669	50,000	12.080				
		51,000	27.183						

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(D) Indicates Decrease (I) Indicates Increase (C) Indicates Change

Issued:

Effective:

GENERATION SUPPLY CHARGE -1 (Continued)

(C)

TIME-OF-USE PRICE OPTION – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL

PURPOSE

This Time-of-Use (TOU) Price Option provides for the voluntary participation of eligible existing and new residential and small commercial/industrial customers in a TOU Price Option. This option ends with each customer's first meter reading after {effective date}.

(C)

PRICING PROVISIONS

The following Generation Supply Charges and peak times apply for service under the TOU Price Option.

Rate Schedule RS	Non-Summer Peak Hours (5:00 PM to 7:00 PM) October 1 to May 31	Summer Peak Hours (1:00 PM to 6:00 PM) June 1 to September 30
On-Peak Hours	11.651 cts per kWh	11.651 cts per kWh
Off Peak Hours	9.928 cts per kWh	9.928 cts per kWh

Rate Schedule RTS (R)	Non-Summer Peak Hours (5:00 PM to 9:00 PM) October 1 to May 31	Summer Peak Hours (1:00 PM to 6:00 PM) June 1 to September 30
On-Peak Hours	11.651 cts per kWh	11.651 cts per kWh
Off Peak Hours	9.928 cts per kWh	9.928 cts per kWh

Rate Schedules GS-1, GS-3 (< 500 kW), GH-2 (R), and IS-1(R)	Non-Summer Peak Hours (7:00 AM to 7:00 PM) October 1 to May 31	Summer Peak Hours (7:00 AM to 7:00 PM) June 1 to September 30
On-Peak Hours	15.389 cts per kWh	15.389 cts per kWh
Off Peak Hours	11.588 cts per kWh	11.588 cts per kWh

PILOT TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL

PURPOSE

Beginning on {effective date}, this Pilot Time-of-Use (TOU) Program provides eligible existing and new residential and small commercial/industrial customers the opportunity to shift energy usage away from the on-peak periods, when wholesale electricity demand and prices are high, to off-peak periods, when demands and prices are lower. Eligible customers must meet the APPLICATION PROVISIONS of this Pilot TOU Program.

(C)

(Continued)

GENERATION SUPPLY CHARGE – 1 (Continued)

PILOT TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL
(Continued)

PILOT TOU PROGRAM (C)

The Company has received approval from the Pennsylvania Public Utility Commission (Commission), at Docket P-2012-2302074, for a Pilot TOU Program with provisions as follows. The Company has solicited retail electric generation suppliers (EGS) that meet certain eligibility requirements to offer TOU service to residential and small commercial/industrial customers. The Company will provide on its website, or if requested through other means, contact information for those qualifying EGSs. Customers may take TOU service from one of the qualifying EGSs based on terms agreed to between the customer and the EGS, except that the EGS's initial contract term may not be less than three months, and if a participating TOU customer elects to no longer receive TOU service from a qualified EGS, the EGS may not charge a termination fee. Peak and off peak times and rates are established at the discretion of the EGS.

Unless the Contingency Plan, as defined below, is in effect, customers taking service under this Pilot TOU Program do not receive Basic Utility Supply Service (BUSS) as defined in Rule 1 of this Tariff.

CONTINGENCY PLAN

In the event no EGSs participate in this Pilot TOU program, or if all of the participating EGSs opt out of the program or default on the program's requirements during the term of the Pilot TOU Program, resulting in no TOU rate option being offered to residential or small commercial/industrial customers that desire it, the Company will provide TOU service and will apply the charges listed in the TOU CONTINGENCY PLAN GENERATION SUPPLY CHARGES to customers who elect to take such service.

The Contingency Plan will be implemented separately for residential customers and small commercial/industrial customers. Once implemented, the Contingency Plan will remain in effect until May 31, 2015. The Company will recover all costs of implementing the Contingency Plan and acquiring supply for that plan through this Generation Supply Charge - 1.

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GENERATION SUPPLY CHARGE -1 (Continued)

(C)

PILOT TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL (Continued)

TOU CONTINGENCY PLAN GENERATION SUPPLY CHARGES

Rate Schedules RS and RTS (R) On-Peak Hours Charge	Rate Schedules RS and RTS (R) Off-Peak Hours Charge
((1.15 x TOU Basic Rate) – (E/S)) x 1/(1-T)	((0.96 x TOU Basic Rate) – (E/S)) x 1/(1-T)
Rate Schedules GS-1, GS-3 (< 500 kW), GH-2 (R), and IS-1(R) On-Peak Hours Charge	Rate Schedules GS-1, GS-3 (< 500 kW), GH-2 (R), and IS-1(R) Off-Peak Hours Charge
((1.15 x TOU Basic Rate) – (E/S)) x 1/(1-T)	((0.92 x TOU Basic Rate) – (E/S)) x 1/(1-T)

Where the TOU Basic Rate =
$$\left[\frac{GS_{fp}}{S_{fp}} \right] \quad (C)$$

calculated separately for the residential and small commercial/industrial classes.

ON-PEAK HOURS

(C)

If the Contingency Plan is in effect for Residential customers, on-peak hours will be set from noon to 7 p.m. Monday through Friday, excluding PJM holidays.

If the Contingency Plan is in effect for small commercial/industrial customers, on-peak hours will be set from 7 a.m. to 7 p.m. Monday through Friday, excluding PJM holidays.

All other times will be off-peak hours.

APPLICATION PROVISIONS

(C)

This Pilot TOU Program is available to existing and new residential and small commercial/industrial customers who are served, or qualify to be served, under Rate Schedules RS, RTS(R), GS-1, GS-3 (customers with peak demands less than 500 KW), GH-2 (R), and IS-1 (R). This includes Volunteer/Non-Profit organizations (Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-Profit Ambulance Services) served under Rate Schedules GS-1 and GS-3. Customers taking service under the above-referenced rate schedules, who also participate in the Company's OnTrack or Net Metering for Renewable Customer Generator programs, are eligible for the Pilot TOU Program.

Customers in the Company's OnTrack program who participate in the Pilot TOU Program will continue to receive a billing credit that reflects their payment arrangement under that program.

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(D) Indicates Decrease **(I)** Indicates Increase **(C)** Indicates Change

GENERATION SUPPLY CHARGE – 1 (Continued)

PILOT TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL
(Continued)

TERMINATING PARTICIPATION

A customer may leave this Pilot TOU Program after providing notice to the EGS, or to the Company if the Contingency Plan is in effect, 11 days prior to the end of the billing cycle. The customer, if still receiving BUSS, will return to the standard Fixed Price GSC-1. This change will commence at the beginning of the customer's next billing cycle.

GSC – 1 RECONCILIATION PROVISIONS -

(C)

The GSC-1 shall be filed with the Commission ten (10) days prior to the effective date of the rate for each computation quarter. The rate shall become effective for BUSS service rendered during the computation quarter, unless otherwise ordered by the Commission, and shall remain in effect for one quarter.

For the Fixed Price Option, the Time-of-Use Price Option, and the Pilot Time-of-Use Program if the contingency plan is in effect and the on/off peak TOU Price Option, the Company will file with the Commission ten (10) days prior to each computation quarter, a combined reconciliation of GSC-1 actual billed revenues and actual incurred costs under the three options for the most recently available actual computation period, pursuant to 66 Ps. C.S. §1307. The reconciliation shall become effective for service rendered during the computation quarter and shall remain in effect for a period of one quarter, or until new GSC-1 rates are approved by the Commission.

The combined reconciliation will be conducted separately for each of the two Customer Classes. The reconciliation will include a calculation of the adjustment to the GSC-1, in cents per kWh, required to refund or recover previous application period over or under recoveries of the quarterly generation supply acquisition costs. Any over/under collection will be reflected in the GSC-1 charges for the subsequent computation quarter.

The Company shall file a report regarding GSC-1 over/under collections within thirty (30) days following the conclusion of each computation quarter. These reports shall be in a form prescribed by the Commission. The report shall be accompanied by a tentative estimate of the GSC-1 for the next computation quarter.

Application of the GSC-1 shall be subject to continuous review and audit by the Commission at intervals it shall determine. The Commission shall review the reasonableness and lawfulness of the level of charges produced by the GSC-1 and the costs included therein.