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File #: 157125

June 11, 2014

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: PPL Electric Utilities Corporation Proposed Transmission Service Charge (TSC)
Reconciliation for the 12 Months Ended November 30, 2010
Docket No. M-2010-2213754**

**PPL Electric Utilities Corporation Transmission Service Charge Effective
June 1, 2011 - Docket No. M-2011-2239805**

Dear Secretary Chiavetta:

Enclosed for filing is the Joint Petition for Settlement in the above-referenced proceeding. Copies will be provided as indicated on the certificate of service.

Respectfully submitted,


Christopher T. Wright

CTW/skr
Enclosures

cc: Honorable Susan D. Colwell
Certificate of Service

CERTIFICATE OF SERVICE
Docket Nos. M-2010-2213754 & M-2011-2239805

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 & FIRST CLASS MAIL

Adeolu A. Bakare, Esquire
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Office of Small Business Advocate
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Harrisburg, PA 17101

Date: June 11, 2014



Christopher T. Wright

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation Proposed	:	
Transmission Service Charge (TSC)	:	
Reconciliation for the 12 Months Ended	:	Docket No. M-2010-2213754
November 30, 2010	:	

PPL Electric Utilities Corporation	:	
Transmission Service Charge Effective June 1,	:	Docket No. M-2011-2239805
2011	:	

JOINT PETITION FOR SETTLEMENT

TO THE HONORABLE SUSAN D. COLWELL, ADMINISTRATIVE LAW JUDGE:

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), and the PP&L Industrial Customer Alliance (“PPLICA”), the Office of Small Business Advocate (“OSBA”) and the Office of Consumer Advocate (“OCA”) (collectively, the “Joint Petitioners”) respectfully submit this Joint Petition for Settlement (“Joint Petition”) and request that the Honorable Susan D. Colwell, Administrative Law Judge (“ALJ”): (1) approve the settlement of this proceeding as set forth in this Joint Petition (the “Settlement”) without modification; and (2) recommend that the Commission adopt the Settlement. Joint Petitioners have agreed to a settlement that resolves all issues among the parties to the above-captioned proceedings, with respect to PPL Electric's Transmission Service Charge (“TSC”).

In support of their request, the Joint Petitioners state as follows:

I. BACKGROUND

1. On June 7, 2013, PPL Electric filed a petition for approval of a proposed plan to refund certain historical overcollections of transmission service charges (“TSCs”) to eligible large commercial and industrial (“Large C&I”) customers (“Large C&I TSC Refund Plan”).

2. The historical TSC overcollections to be refunded under the Large C&I TSC Refund Plan include: (a) overcollections associated with a 2008 Federal Energy Regulatory Commission (“FERC”) transmission rate case that was settled for an amount less than proposed in the original filing; (b) overcollections associated with corrections to the method used by PPL Electric to allocate demand costs to set the Company’s 2010 TSC; (c) over/undercollections associated with the standard operation of the Company’s TSC mechanism; and (d) interest associated with the over/undercollections. PPL Electric has deferred refunding these historical TSC overcollections since May 2011, at the direction of the Commission. *PPL Electric Utilities Corporation Transmission Service Charge Effective June 1, 2011*, Docket No. M-2011-2239805 (May 25, 2011).

3. On June 27, 2013, PPLICA filed an Answer to PPL Electric’s Petition for approval of the Large C&I TSC Refund Plan.

4. On August 15, 2013, the Commission issued an Order which: (1) accepted PPL Electric’s use of 2009 historical allocators to calculate its 2010 revised TSC reconciliation consistent with that Order and the *Auditor’s Report of PPL’s Section 1307(e) statement for TSC costs and TSC revenues for the five months ended April 30, 2011*, at Docket No. D-2011-2238984; (2) accepted the auditor’s report of PPL Electric’s Section 1307(e) statements for the five months ended April 30, 2011, and the 12 months ended November 30, 2010; (3) adopted the February 2011 Recommended Decision of the ALJ as modified; (4) ordered PPL Electric to file a revised Large C&I TSC Refund Plan within 30 days of that Order; and (5) referred the matter

to the Office of Administrative Law Judge (“OALJ”) to evaluate the refund calculations and process, and to resolve any disputes as to the amounts and sources, interest calculations, identities of recipients, and timing for the refunds (“Large C&I TSC Refund Proceeding”).

5. On August 30, 2013, PPL Electric and PPLICA filed Petitions for Reconsideration and/or Clarification. On September 5, 2013, the OSBA filed a Notice of Appearance. On September 9, 2013, PPL Electric and the OSBA filed Answers to PPLICA’s Petition for Reconsideration, and PPLICA filed an Answer to PPL Electric’s Petition for Reconsideration.

6. On September 12, 2013, the Commission entered an Opinion and Order granting the Petitions for Reconsideration filed by PPL Electric and PPLICA, pending further review of and consideration on the merits. This Order neither stayed PPL Electric’s obligation to file the revised Large C&I TSC Refund Plan nor did it stay referral to the OALJ.

7. On September 16, 2013, PPL Electric filed a Revised Large C&I TSC Refund Plan.

8. The ALJ issued a Prehearing Conference Order on September 27, 2013, scheduling a prehearing conference on this proceeding for October 21, 2013. Prehearing conference memoranda were submitted by PPL Electric, PPLICA, OSBA and OCA.¹

9. On November 14, 2013, the Commission entered an Order denying the Petitions for Reconsideration and/or Clarification filed by PPL Electric and PPLICA. In addition, the Commission accepted the auditor’s report of PPL Electric’s Section 1307(e) statements for the twelve months ended April 30, 2012.

¹ The OCA filed a Notice of Intervention in PPL Electric’s annual 2010 TSC reconciliation (Docket No. M-2010-2213754) on June 3, 2011.

10. In accordance with the procedural schedule, on November 22, 2013, PPL Electric submitted the Direct Testimony of Bethany L. Johnson in support of the Large C&I TSC Refund Plan.

11. A significant amount of information was supplied by PPL Electric both formally in response to interrogatories as well as informally through settlement discussions with respect to the Large C&I TSC Refund Plan proceeding.

12. On December 26, 2013, the Joint Petitioners advised the ALJ of a settlement in principle relative to the Large C&I TSC Refund Plan and, at the request of the Joint Petitioners, the ALJ suspended the procedural schedule in the Large C&I TSC Refund Plan proceeding.

13. On January 6, 2014, the ALJ issued a notice cancelling the scheduled hearings related to PPL Electric's Large C&I TSC Refund Plan.

14. On December 13, 2013, PPLICA filed a Petition for Review of the Commission's August 15, 2013 and November 14, 2013 Orders at Docket Nos. M-2010-2213754 and M-2011-2239805. PPLICA's Petition for Review was docketed with the Commonwealth Court of Pennsylvania at Docket No. 2217 C.D. 2013. In its Petition, PPLICA sought appellate review of the use of estimated TSC demand cost allocators instead of actual monthly January 2010 to May 2012 TSC demand cost allocators for reconciliation of PPL Electric's TSCs in the same time period for the Large C&I, small commercial and industrial ("Small C&I"), and Residential customer classes (the "Demand Allocation").

15. On January 13, 2014, the Commission filed a Motion to Quash PPLICA's Petition for Review of the Demand Allocation.

16. On January 24, 2014, the Commission filed with the Commonwealth Court an Unopposed Application for Relief in the Form of a Motion to Stay Petition for Review of the

Demand Allocation, which was subsequently granted by the Commonwealth Court on January 27, 2014.

17. Subsequently, the Joint Petitioners reached a settlement in principle with respect to the Demand Allocation issue pending before the Commonwealth Court and agreed to seek a remand to the Commission to facilitate a global settlement of all issues.

18. Accordingly, on May 19, 2014, the Commission's Law Bureau filed an Unopposed Application to Remand PPLICA's Petition for Review of the Demand Allocation.

19. By Order dated May 21, 2014, the Commonwealth Court granted the Unopposed Application for Remand and PPLICA's Petition for Review of the Demand Allocation was remanded to the Commission for further proceedings.

20. The Terms and Conditions of the Settlement are set forth in Section II. The Settlement serves to resolve all issues relative to PPL Electric's Large C&I TSC Refund Plan and the Demand Allocation.

21. In conjunction with the Settlement, the Joint Petitioners have entered into a Stipulation of Evidence for the admission by stipulation of prepared testimony and exhibits into the record.

II. SETTLEMENT TERMS AND CONDITIONS

22. The following terms of this Settlement reflect a carefully balanced compromise of the interests of all the Joint Petitioners in this proceeding. The Joint Petitioners unanimously agree that the Settlement is in the public interest. The Joint Petitioners respectfully request that the Settlement be approved as specified below:

A. LARGE C&I TSC REFUND PLAN

23. PPL Electric will refund deferred historical TSC net overcollections to the Large C&I customer class by implementing the following Large C&I TSC Refund Plan:

- a. The historical TSC net overcollections to be refunded under the Large C&I TSC Refund Plan are:
 - i. Overcollections associated with the settlement of the Company's 2008 FERC transmission rate proceeding;
 - ii. Overcollections associated with the correction of the Company's self-reported incorrect use of 2008 historic demand allocators to set the Company's 2010 TSC rates;
 - iii. Over- and undercollections associated with the standard operation of the Company's TSC mechanism from June 2012 through the Commission approval of the TSC Refund Plan; and
 - iv. Interest associated with all of these overcollections.
- b. PPL Electric will implement a one-time TSC Bill Credit to refund historical TSC overcollections to each qualifying Large C&I customer that will be based upon that customer's contribution to the historical TSC overcollection. PPL Electric will calculate the customer-specific TSC Bill Credit based upon each qualifying Large C&I customer's individual peak load contribution or demand contribution to the historical TSC overcollection.
- c. As identified in Appendix "A" attached hereto, through the TSC Refund Plan, PPL Electric will refund historical TSC overcollections, as of July 31, 2013, of \$606,131 for the Large C&I – Primary customers and

\$6,058,140 for the Large C&I – transmission customers who were default service customers in 2009 and continue to take delivery service from the Company today. PPL Electric will continue to update the historical TSC overcollection balances to be refunded to Large C&I customers as of the end of the first month after the Commission approval of the TSC Refund Plan. The Company will also include additional applicable interest since July 31, 2013.

- d. The TSC Bill Credit will be applied to a customer's total monthly bill for generation, transmission, distribution, and all riders. The TSC Bill Credit will not be applied to individual line item bill components. Qualifying customers will receive their refund in a single month, unless this would result in a negative total bill, in which case the TSC Bill Credit will continue until such time that each Large C&I customer receives a full refund.
- e. The TSC Bill Credit will be applied beginning with each qualifying customer's monthly bill following Commission approval of the Settlement and the Company's final determination of the balance to be refunded.
- f. To ensure that all of the historic TSC overcollections are refunded, PPL Electric will distribute on a pro rata basis the TSC overcollection amounts associated with the customers that contributed to the TSC overcollection, but are no longer taking delivery service from the Company, to qualifying Large C&I – Primary and Large C&I – Transmission customers that remain on PPL Electric's distribution system.

24. Upon receipt of Commission approval of the Settlement, PPL Electric will resume normal operation of the TSC E-factor for Large C&I customers, consistent with the Company's currently effective tariff.

B. DEMAND FACTOR ADJUSTMENT

25. PPL Electric will issue refunds to the Large C&I and Small C&I customer classes in the amount of 62.5% of the TSC overcollection attributable to PPL Electric's reconciliation to estimated TSC demand cost allocators instead of actual monthly January 2010 to May 2012 TSC demand cost allocators, including applicable interest, as detailed in Appendix B ("Demand Factor Adjustment").

26. PPL Electric will recover an amount equal to the refunds associated with the Demand Factor Adjustment provided for in Paragraph 25 from the Residential customer class through the Company's TSC rate, including applicable interest, starting as soon as practical after the entry of a Final Commission Order approving the Settlement until the June 1, 2015 effective date of PPL Electric's next TSC rate period.

27. Qualifying Large C&I customers will receive the refund associated with the Demand Factor Adjustment in a single month TSC Bill Credit, unless this would result in a negative total bill, in which case the TSC Bill Credit will continue until such time that each Large C&I customer receives a full refund. The refunds associated with the Demand Factor Adjustment are in addition to the Large C&I TSC refunds set forth in Paragraph 23.

28. Small C&I customers will receive their refund associated with the Demand Factor Adjustment through the Company's TSC rate over the course of one year or less and starting within 90 days of entry of a Final Commission Order approving the Settlement.

29. The Joint Petitioners acknowledge and agree that PPLICA shall work with the Commission's Law Bureau to confirm that the Commission retains jurisdiction over all issues in this proceeding, including issues currently before the Commonwealth Court at Docket No. 2217 C.D. 2013, such that if this Settlement is approved by Commission Order, such Order will be a Final Order resolving all issues relative to PPL Electric's 2010-2012 TSC. As part of the Settlement, the Joint Petitioners acknowledge that a Final Order approving this Settlement supersedes the August 15, 2013 and November 14, 2013 Orders in Docket Nos. M-2011-2213754 and M-2011-2239805.

III. PUBLIC INTEREST CONSIDERATIONS

30. This Settlement, if approved by the ALJ and the Commission, will resolve all issues stemming from two proceedings that have been pending before the Commission for a number of years: (a) the reconciliation of PPL Electric's 2010 TSC at Docket No. M-2010-2213754; and (b) the setting of the Company's TSC rates for the June 1, 2011 through May 31, 2012 application period at Docket No. M-2011-2239805. In addition, resolving these proceedings will permit normal operation of PPL Electric's TSC E-factor to resume after its suspension by the Commission in May 2011.

31. Under the Settlement an agreed upon level of TSC overcollections will be refunded, to the maximum extent practicable, to those Large C&I customers who contributed to the creation of those overcollections in 2009. These refunds will be calculated on an individual customer basis and will be paid through a bill credit.

32. The Settlement achieves these results without the need for further litigation thereby conserving Commission resources.

33. The Joint Petitioners are in full agreement and respectfully submit that expeditious Commission adoption of the Settlement is in the best interests of all parties and PPL Electric's customers.

34. The Joint Petitioners have each prepared, and attach to this Joint Petition, Statements in Support identified as Appendices C through F, respectively, setting forth the bases upon which they believe that the Settlement is fair, just, reasonable, non-discriminatory, lawful and in the public interest.

IV. ADDITIONAL TERMS AND CONDITIONS

35. Except as otherwise provided in this Settlement, the Settlement is proposed by the Joint Petitioners to settle the instant case and is made without any admission against, or prejudice to, any position which any Joint Petitioner might adopt during subsequent litigation, including further litigation of this case.

36. This Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission should disapprove the Settlement or modify the terms and conditions herein, this Settlement may be withdrawn by any of the Joint Petitioners upon written notice to the Commission and all active parties within three business days following entry of the Commission's Order and, in such event, shall be of no force and effect.

37. The Settlement is proposed by the Joint Petitioners to settle all issues in the instant proceeding. If the Commission disapproves the Settlement and the Company or any other Joint Petitioner elects to withdraw as provided above, the Joint Petitioners reserve their respective rights to fully litigate this case, including but not limited to presentation of witnesses,

cross-examination and legal argument through submission of Briefs, Exceptions and Replies to Exceptions.

38. The Commission's approval of the Settlement shall not be construed to represent approval of any Joint Petitioner's position on any issue, except to the extent required to effectuate the terms and agreements of the Settlement in these and future proceedings involving PPL Electric.


39. Joint Petitioners agree that the Settlement, upon Commission approval without modification, will be enforceable according to its terms.

40. If the ALJ, in her Recommended Decision, recommends that the Commission adopt the Settlement as herein proposed, the Joint Petitioners agree to waive the filing of Exceptions. However, the Joint Petitioners do not waive their rights to file Exceptions with respect to any modifications to the terms and conditions of this Settlement, or any additional matters proposed by the ALJ in her Recommended Decision. The Joint Petitioners also reserve the right to file Replies to any Exceptions that may be filed.

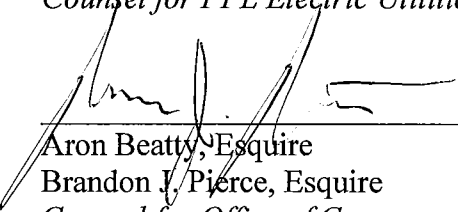
V. CONCLUSION

WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request that the Administrative Law Judge and the Commission approve this Settlement including all terms and conditions herein without modification.

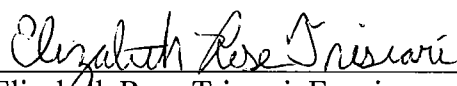
Respectfully submitted,




Date 6/11/14
David B. MacGregor, Esquire
Christopher T. Wright, Esquire
Paul E. Russell, Esquire
Counsel for PPL Electric Utilities Corporation



Date 6/11/14
Aron Beatty, Esquire
Brandon V. Pierce, Esquire
Counsel for Office of Consumer Advocate



Date 6/11/2014
Elizabeth Rose Triscari, Esquire
Counsel for Office of Small Business Advocate



Date 6/11/2014
Pamela C. Polacek, Esquire
Adeolu A. Bakare, Esquire
Counsel for PP&L Industrial Customer Alliance

Appendix A

PPL Electric TSC Refund Plan
Large C&I - Primary
Balance as of April 30, 2014

With Credits from Closed Accounts
Redistributed to Open Accounts

Account #	Sum of Credit
1	\$ 970.73
2	\$ 516.65
3	\$ 20.33
4	\$ 3.90
5	
6	\$ 84.14
7	\$ 505.11
8	\$ 401.68
9	\$ 993.92
10	\$ 189.49
11	\$ 339.94
12	\$ 22.28
13	\$ 164.10
14	\$ 561.29
15	\$ 210.44
16	\$ 309.98
17	\$ 512.21
18	\$ 1,170.63
19	\$ 242.72
20	
21	\$ 1.87
22	\$ 843.93
23	
24	\$ 412.13
25	\$ 564.16
26	\$ 174.89
27	\$ 95.43
28	\$ 230.90
29	\$ 717.17
30	\$ 1,077.61
31	\$ 32.11
32	\$ 188.16
33	\$ 266.08
34	\$ 677.97
35	\$ 482.50
36	\$ 357.74
37	\$ 427.69

38	\$	20.12
39		
40	\$	1,212.58
41	\$	1,275.94
42	\$	30.70
43	\$	509.64
44	\$	248.99
45	\$	39.50
46	\$	769.33
47	\$	289.73
48	\$	518.10
49	\$	169.12
50	\$	221.77
51	\$	78.58
52	\$	74.48
53	\$	903.39
54	\$	234.47
55	\$	454.83
56	\$	137.67
57	\$	631.08
58		
59	\$	1,285.48
60	\$	317.82
61	\$	788.71
62		
63	\$	11.74
64	\$	439.35
65	\$	255.13
66	\$	660.08
67	\$	660.12
68	\$	758.54
69	\$	405.00
70	\$	81.53
71	\$	313.18
72	\$	707.18
73	\$	220.36
74	\$	359.65
75	\$	349.48
76	\$	1,605.62
77	\$	796.17
78	\$	187.08
79	\$	1,726.07
80	\$	1,730.55
81	\$	18.84
82	\$	398.94
83	\$	65.22
84	\$	798.04

85	\$	106.18
86	\$	1,129.56
87		
88	\$	56.18
89	\$	204.92
90	\$	6.80
91	\$	168.25
92	\$	319.81
93	\$	598.88
94	\$	838.79
95	\$	181.65
96	\$	101.49
97	\$	206.96
98	\$	109.50
99	\$	45.47
100	\$	41.82
101	\$	52.61
102	\$	1,626.12
103	\$	29.09
104	\$	39.33
105	\$	960.73
106	\$	109.74
107	\$	202.64
108	\$	536.48
109	\$	225.71
110	\$	1,780.47
111	\$	2,054.52
112	\$	652.82
113	\$	51.45
114	\$	40.99
115	\$	206.09
116	\$	524.78
117	\$	261.15
118	\$	695.02
119	\$	154.02
120	\$	175.84
121	\$	189.74
122	\$	382.71
123	\$	943.26
124	\$	111.28
125	\$	219.65
126	\$	114.35
127	\$	165.43
128	\$	714.60
129	\$	8.71
130	\$	615.15
131	\$	266.71

132	\$	265.05
133	\$	29.83
134	\$	49.33
135	\$	129.74
136	\$	83.36
137	\$	549.84
138	\$	1,070.89
139	\$	527.93
140	\$	712.90
141	\$	5.02
142	\$	171.81
143	\$	359.31
144	\$	154.84
145	\$	10.21
146	\$	3,243.20
147	\$	850.90
148	\$	402.34
149	\$	224.09
150	\$	11.95
151	\$	414.12
152	\$	67.63
153	\$	443.29
154	\$	167.25
155	\$	396.41
156		
157	\$	65.89
158	\$	335.50
159	\$	926.17
160	\$	143.93
161		
162	\$	11.00
163	\$	141.73
164	\$	1,768.89
165	\$	157.00
166	\$	482.46
167	\$	1,322.95
168	\$	76.30
169	\$	105.10
170	\$	101.53
171	\$	2,512.66
172	\$	313.47
173	\$	580.05
174	\$	882.18
175	\$	1,288.55
176	\$	266.17
177	\$	417.53
178	\$	299.44

179	\$	356.28
180	\$	255.34
181	\$	133.48
182	\$	660.17
183	\$	169.16
184	\$	1,185.40
185	\$	24.77
186	\$	684.60
187	\$	3.90
188	\$	1,575.75
189	\$	856.42
190	\$	38.34
191	\$	113.19
192	\$	681.91
193	\$	1,020.23
194	\$	622.12
195	\$	518.85
196	\$	638.30
197	\$	220.40
198	\$	487.94
199	\$	566.85
200	\$	27.51
201	\$	286.54
202	\$	192.31
203		
204	\$	534.41
205	\$	455.28
206	\$	387.49
207	\$	332.18
208	\$	134.68
209		
210	\$	77.38
211	\$	1,012.14
212	\$	209.16
213	\$	1,664.04
214	\$	19.13
215	\$	121.36
216	\$	107.71
217	\$	200.11
218	\$	943.43
219	\$	98.04
220	\$	64.85
221	\$	284.59
222	\$	754.52
223	\$	265.00
224	\$	404.33
225	\$	760.78

226	\$	82.61
227	\$	49.91
228	\$	1,244.49
229	\$	110.49
230	\$	244.76
231	\$	220.48
232	\$	542.29
233	\$	461.38
234	\$	1,508.83
235	\$	595.11
236	\$	185.76
237		
238	\$	68.71
239	\$	591.21
240	\$	379.64
241	\$	409.35
242	\$	345.66
243	\$	263.39
244	\$	7.09
245	\$	489.47
246	\$	123.23
247	\$	614.19
248		
249	\$	91.49
250	\$	119.37
251	\$	776.09
252	\$	169.53
253	\$	105.64
254	\$	1,462.31
255		
256	\$	503.29
257	\$	150.16
258	\$	405.58
259	\$	593.45
260	\$	193.35
261	\$	79.75
262	\$	169.62
263	\$	1,104.33
264	\$	60.45
265	\$	230.65
266	\$	420.43
267	\$	165.55
268	\$	153.27
269	\$	789.04
270	\$	97.59
271	\$	226.54
272	\$	961.89

273	\$	23.15
274	\$	136.88
275	\$	242.72
276	\$	883.51
277	\$	281.19
278	\$	2,381.55
279	\$	200.82
280	\$	103.23
281	\$	207.25
282	\$	1,753.50
283	\$	136.42
284	\$	1,612.26
285		
286	\$	27.30
287	\$	145.05
288	\$	29.54
289	\$	1,450.95
290	\$	685.56
291	\$	797.46
292	\$	1,380.62
293		
294	\$	899.32
295	\$	23.57
296	\$	29.17
297	\$	2,972.76
298	\$	66.88
299	\$	437.03
300	\$	205.38
301	\$	126.71
302	\$	3,462.93
303	\$	70.16
304	\$	544.32
305	\$	122.32
306	\$	10.33
307	\$	11.53
308	\$	735.51
309	\$	133.89
310	\$	198.83
311	\$	331.80
312	\$	38.09
313	\$	399.89
314	\$	235.25
315	\$	470.39
316	\$	353.42
317	\$	653.15
318	\$	2,460.88
319	\$	759.62

320	\$	339.07
321	\$	692.07
322		
323	\$	1,916.81
324	\$	26.39
325	\$	1,138.19
326	\$	196.17
327	\$	28.63
328	\$	651.78
329	\$	184.97
330		
331		
332		
333	\$	127.59
334	\$	264.96
335	\$	180.74
336	\$	74.60
337	\$	222.06
338	\$	126.92
339	\$	267.37
340	\$	270.52
341	\$	317.57
342	\$	200.65
343	\$	360.68
344		
345	\$	2.57
346	\$	2,007.51
347	\$	727.42
348	\$	345.75
349	\$	561.71
350	\$	119.99
351	\$	22.78
352	\$	314.38
353	\$	408.52
354	\$	411.18
355	\$	59.04
356	\$	157.21
357	\$	738.58
358	\$	1,384.06
359		
360	\$	9.46
361	\$	25.89
362	\$	499.97
363	\$	360.72
364	\$	452.50
365		
366		

367		
368	\$	389.64
369	\$	175.80
370	\$	496.77
371	\$	794.10
372	\$	373.67
373	\$	855.42
374	\$	113.48
375	\$	261.68
376	\$	360.31
377	\$	1,526.87
378	\$	408.11
379	\$	235.34
380	\$	186.96
381	\$	41.95
382	\$	174.06
383	\$	215.96
384	\$	692.57
385	\$	324.88
386	\$	274.09
387	\$	602.04
388	\$	30.33
389	\$	304.34
390	\$	33.48
391	\$	190.86
392	\$	106.84
393	\$	615.85
394	\$	452.79
395	\$	142.23
396	\$	459.85
397	\$	444.95
398	\$	209.07
399	\$	542.41
400	\$	914.30
401	\$	522.29
402	\$	401.05
403	\$	260.23
404	\$	103.35
405	\$	1,584.42
406	\$	453.50
407	\$	852.73
408	\$	632.62
409	\$	404.87
410	\$	1,189.97
411	\$	286.83
412	\$	563.08
413	\$	77.01

414	\$	401.97
415	\$	4.44
416	\$	107.34
417	\$	269.73
418	\$	346.16
419		
420		
421	\$	884.72
422	\$	887.79
423		
424	\$	136.55
425	\$	21.95
426	\$	157.58
427	\$	559.30
428	\$	201.94
429	\$	541.50
430	\$	791.69
431	\$	619.42
432	\$	1,057.82
433		
434	\$	300.98
435	\$	77.84
436	\$	9.46
437		
438	\$	27.30
439	\$	62.32
440	\$	148.91
441	\$	353.01
442	\$	480.59
443	\$	114.72
444		
445	\$	180.40
446	\$	232.23
447	\$	364.25
448	\$	332.93
449	\$	475.90
450	\$	945.25
451	\$	591.75
452	\$	651.12
453	\$	42.32
454	\$	183.60
455	\$	192.56
456	\$	1,019.40
457	\$	757.01
458		
459	\$	195.67
460	\$	795.97

461	\$	132.73
462		
463		
464		
465		
466		
467	\$	166.26
468	\$	114.97
469		
470	\$	213.43
471	\$	488.60
472	\$	132.48
473	\$	398.65
474		
475	\$	146.21
476	\$	20.12
477		
478	\$	51.70
479		
480		
481	\$	66.68
482	\$	212.48
483	\$	504.41
484	\$	30.54
485	\$	1,237.89
486	\$	471.38
487	\$	212.23
488	\$	58.63
489	\$	1,272.08
490	\$	419.60
491	\$	32.61
492		
493	\$	650.42
494	\$	90.49
495	\$	34.06
496		
497	\$	11.20
498	\$	27.97
499	\$	221.52
500	\$	152.77
501	\$	1,638.49
502	\$	921.06
503	\$	261.15
504	\$	693.07
505	\$	594.73
506	\$	106.38
507	\$	185.80

508	\$	231.85
509	\$	422.67
510	\$	2,778.25
511	\$	315.17
512	\$	2,822.06
513	\$	159.20
514	\$	1,196.11
515	\$	133.19
516	\$	1,059.77
517	\$	784.39
518	\$	657.88
519	\$	133.85
520	\$	150.70
521	\$	3,888.76
522	\$	633.16
523	\$	1,129.97
524	\$	478.48
525	\$	598.01
526		
527	\$	704.73
528	\$	286.41
529	\$	299.03
530	\$	471.67
531	\$	813.97
532	\$	151.11
533	\$	7.34
534	\$	546.77
535	\$	905.17
536		
537	\$	447.90
538	\$	295.46
539	\$	251.56
540	\$	217.00
541	\$	146.84
542	\$	234.26
543	\$	385.83
544	\$	265.58
545	\$	1,500.82
546	\$	496.90
547	\$	972.05
548	\$	1,099.89
549	\$	387.07
550	\$	1,675.00
551	\$	452.38
552	\$	294.50
553	\$	12.90
554	\$	234.59

555	\$	418.94
556	\$	295.58
557		
558		
559	\$	110.57
560	\$	44.11
561	\$	283.51
562	\$	232.14
563	\$	1,430.57
564	\$	383.17
565	\$	1,259.84
566	\$	376.78
567	\$	492.62
568	\$	626.68
569	\$	146.13
570	\$	156.05
571	\$	1.16
572	\$	202.44
573	\$	1,442.94
574	\$	379.56
575	\$	30.16
576	\$	507.52
577	\$	1,705.45
578	\$	145.09
579	\$	988.94
580	\$	493.58
581	\$	1,528.95
582	\$	693.07
583		
584	\$	88.25
585	\$	682.49
586	\$	288.16
587		
588	\$	996.04
589		
590	\$	31.20
591	\$	947.87
592	\$	1,067.90
593	\$	132.48
594	\$	47.67
595	\$	722.36
596	\$	15.48
597	\$	70.74
598	\$	213.02
599	\$	370.02
600	\$	17.84
601	\$	20.79

602	\$	584.94
603	\$	32.86
604	\$	469.18
605	\$	607.85
606	\$	65.02
607	\$	435.91
608	\$	334.42
609	\$	676.68
610	\$	241.60
611	\$	408.36
612	\$	174.80
613	\$	504.08
614	\$	327.37
615	\$	86.14
616	\$	2,757.46
617	\$	144.06
618	\$	172.77
619	\$	243.72
620	\$	97.17
621	\$	491.30
622	\$	271.14
623	\$	99.70
624	\$	179.82
625	\$	149.58
626	\$	505.36
627	\$	45.10
628	\$	601.17
629	\$	108.08
630	\$	1,830.22
631	\$	557.81
632	\$	342.55
633	\$	91.86
634	\$	477.07
635	\$	168.83
636	\$	2.12
637	\$	167.58
638	\$	209.07
639	\$	3,628.53
640	\$	355.45
641	\$	299.03
642	\$	964.59
643	\$	206.83
644	\$	168.99
645	\$	395.04
646	\$	628.80
647	\$	104.43
648	\$	89.08

649	\$	529.01
650	\$	120.03
651	\$	49.58
652	\$	257.87
653	\$	2.07
654	\$	137.17
655	\$	13.90
656	\$	100.78
657	\$	49.42
658	\$	24.11
659	\$	473.08
660	\$	527.27
661	\$	552.37
662	\$	560.59
663	\$	20.25
664	\$	326.00
665	\$	2,062.57
666	\$	35.85
667	\$	964.84
668	\$	17.18
669		
670	\$	455.28
671	\$	228.04
672	\$	74.31
673	\$	677.88
674	\$	388.69
675	\$	734.73
676	\$	412.59
677	\$	3,210.30
678	\$	45.89
679	\$	652.57
680		
681	\$	94.23
682	\$	351.10
683	\$	181.77
684	\$	719.58
685	\$	9.09
686		
687		
688	\$	55.72
689	\$	821.11
690	\$	28.26
691	\$	2,145.88
692	\$	426.65
693	\$	168.91
694	\$	768.25
695	\$	94.43

696	\$	499.01
697	\$	1,512.77
698	\$	338.98
699	\$	281.39
700	\$	1,070.18
701	\$	54.48
702	\$	605.23
703	\$	64.93
704	\$	361.51
705		
706	\$	177.75
707	\$	903.97
708	\$	1,027.94
709	\$	351.35
710	\$	112.52
711	\$	118.91
712	\$	378.11
713	\$	11.58
714		
715	\$	29.33
716	\$	2,737.79
717	\$	514.45
718	\$	117.42
719	\$	27.30
720	\$	990.93
721	\$	41.82
722	\$	973.76
723	\$	291.31
724	\$	131.40
725	\$	271.93
726		
727	\$	482.42
728		
729	\$	8.13
730	\$	337.41
731	\$	118.08
732	\$	537.23
733	\$	2,701.16
734	\$	144.51
735	\$	392.59
736		
737	\$	1,642.30
738	\$	161.28
739	\$	594.15
740	\$	1,349.42
741	\$	392.05
742	\$	1,733.92

743	\$	336.74
744	\$	136.46
745	\$	230.28
746	\$	541.79
747		
748	\$	5.56
749	\$	25.02
750	\$	77.84
751	\$	109.58
752	\$	299.69
753	\$	157.50
754	\$	446.15
755		
756	\$	3,632.51
757	\$	294.96
758	\$	465.86
759	\$	169.28
760	\$	368.23
761	\$	144.43
762	\$	480.92
763		
764	\$	762.36
765	\$	4.61
766	\$	235.59
767	\$	565.32
768	\$	1,161.92
769	\$	2,004.44
770	\$	160.24
771	\$	534.78
772	\$	242.43
773		
774	\$	568.68
775	\$	93.56
776	\$	379.35
777		
778	\$	828.29
779	\$	114.68
780	\$	26.35
781	\$	58.30
782		
783	\$	233.43
784	\$	29.79
785	\$	38.42
786	\$	1,222.00
787	\$	124.22
788	\$	72.07
789	\$	375.91

790	\$	342.34
791	\$	251.39
792	\$	312.98
793	\$	321.06
794	\$	71.49
795	\$	417.90
796	\$	1,913.36
797	\$	1,150.92
798	\$	576.89
799	\$	510.88
800	\$	55.02
801	\$	269.32
802	\$	1,092.42
803	\$	274.63
804	\$	454.20
805	\$	240.07
806	\$	1,263.45
807	\$	506.77
808	\$	5.06
809	\$	49.87
810	\$	579.30
811	\$	28.30
812	\$	16.35
813	\$	1,020.93
814	\$	273.68
815	\$	52.49
816	\$	1,529.90
817	\$	129.78
818	\$	320.19
819	\$	126.42
820	\$	44.44
821	\$	731.82
822	\$	79.46
823	\$	89.08
824		
825	\$	959.44
826	\$	57.26
827	\$	139.41
828	\$	1,034.83
829	\$	17.14
830	\$	103.44
831	\$	1,049.60
832	\$	364.67
833	\$	633.49
834	\$	353.80
835	\$	1,098.19
836	\$	1,262.29

837	\$	1,357.63
838	\$	246.79
839	\$	3,497.87
840	\$	276.95
841	\$	41.95
842	\$	272.39
843	\$	338.48
844	\$	574.15
845	\$	962.26
846		
847		
848		
849	\$	258.42
850	\$	130.78
851	\$	545.98
852	\$	301.60
853	\$	1,073.50
854	\$	524.70
855	\$	907.25
856	\$	282.80
857	\$	412.96
858	\$	516.19
859	\$	767.01
860	\$	1,183.37
861	\$	716.68
862	\$	506.65
863	\$	142.90
864	\$	187.29
865	\$	1,718.77
866	\$	62.32
867	\$	759.87
868	\$	126.96
869		
870	\$	300.52
871		
872	\$	1,042.34
873	\$	74.10
874	\$	139.87
875	\$	2,346.45
876	\$	261.10
877	\$	91.49
878	\$	609.88
879	\$	398.15
880	\$	1,597.04
881	\$	629.05
882	\$	111.28
883	\$	58.46

884	\$	81.95
885	\$	797.05
886	\$	879.61
887	\$	286.66
888		
889	\$	1,430.70
890	\$	393.17
891	\$	173.06
892	\$	675.39
893	\$	205.84
894	\$	271.93
895	\$	115.18
896	\$	243.22
897	\$	102.36
898	\$	18.46
899	\$	331.51
900	\$	1,444.72
901		
902	\$	62.28
903	\$	247.91
904	\$	1,988.67
905	\$	368.69
906		
907	\$	277.70
908	\$	232.06
909	\$	1,113.75
910	\$	733.15
911	\$	1,287.01
912	\$	249.28
913	\$	1,059.02
914	\$	385.25
915	\$	607.31
916	\$	151.32
917		
918		
919	\$	2,606.10
920	\$	2,086.59
921	\$	371.84
922	\$	27.88
923	\$	138.41
924	\$	266.25
925	\$	419.85
926	\$	436.36
927	\$	722.20
928	\$	1,283.32
929	\$	5.81
930	\$	280.11

931	\$	411.43
932	\$	1,005.33
933		
934	\$	762.44
935		
936	\$	101.53
937	\$	581.66
938	\$	196.88
939	\$	272.76
940	\$	891.81
941	\$	114.23
942	\$	344.34
943	\$	723.56
944	\$	196.09
945	\$	294.84
946	\$	1,766.86
947		
948	\$	763.73
949	\$	372.76
950	\$	306.20
951	\$	469.18
952	\$	8.96
953		
954	\$	474.08
955	\$	465.36
956	\$	1,604.59
957		
958	\$	180.65
959		
960	\$	540.67
961	\$	6.89
962	\$	32.45
963	\$	350.35
964	\$	268.66
965	\$	332.30
966	\$	34.60
967		
968	\$	188.91
969	\$	31.57
970	\$	246.00
971	\$	568.39
972	\$	84.60
973	\$	188.99
974	\$	230.44
975	\$	1,111.26
976	\$	100.78
977	\$	1,388.38

978	\$	684.15
979	\$	12.90
980	\$	2,777.71
981	\$	278.95
982	\$	775.10
983	\$	131.94
984	\$	644.44
985	\$	54.10
986	\$	423.50
987		
988	\$	30.58
989	\$	30.99
990	\$	416.32
991	\$	1,132.46
992	\$	5,874.28
993		
994	\$	100.33
995	\$	561.83
996	\$	147.54
997	\$	601.66
998	\$	404.58
999	\$	214.18
1000	\$	201.56
1001	\$	455.45
1002	\$	129.12
1003	\$	669.92
1004	\$	46.89
1005	\$	312.10
1006	\$	211.31
1007	\$	221.40
1008	\$	737.17
1009	\$	936.58
1010	\$	116.59
1011	\$	384.95
1012	\$	422.96
1013	\$	1,192.12
1014	\$	193.76
1015	\$	290.94
1016	\$	1,430.86
1017	\$	2,548.84
1018	\$	1,168.43
1019	\$	260.40
1020	\$	84.60
1021	\$	107.92
1022	\$	471.38
1023	\$	82.40
1024	\$	62.44

1025		
1026	\$	1,058.19
1027	\$	484.82
1028	\$	1,785.65
1029	\$	138.29
1030	\$	293.96
1031	\$	897.62
1032	\$	58.46
1033	\$	19.75
1034	\$	1,450.03
1035		
1036	\$	33.90
1037	\$	568.93
1038	\$	216.58
1039	\$	699.42
1040	\$	999.85
1041	\$	622.87
1042	\$	320.56
1043	\$	22.45
1044	\$	536.85
1045	\$	557.02
1046	\$	275.67
1047		
1048	\$	648.96
1049	\$	125.43
1050	\$	101.20
1051	\$	631.50
1052	\$	630.46
1053	\$	516.98
1054	\$	48.21
1055	\$	839.57
1056	\$	411.97
1057	\$	609.55
1058	\$	3,723.21
1059	\$	2,134.10
1060	\$	203.64
1061	\$	718.38
1062	\$	367.53
1063	\$	699.79
1064	\$	4.02
1065	\$	551.17
1066	\$	762.32
1067	\$	101.78
1068	\$	250.48
1069	\$	14.36
1070	\$	43.32
1071	\$	1,613.63

1072	\$	161.15
1073	\$	599.34
1074		
1075	\$	591.41
1076	\$	862.48
1077	\$	42.16
1078	\$	1,645.79
1079	\$	189.24
1080	\$	428.98
1081	\$	257.37
1082	\$	379.93
1083	\$	140.70
1084	\$	122.03
1085	\$	340.81
1086	\$	1,044.95
1087	\$	1,242.66
1088	\$	929.19
1089	\$	67.01
1090	\$	283.51
1091	\$	1,894.28
1092	\$	529.80
1093	\$	138.62
1094	\$	400.02
1095	\$	6.97
1096	\$	55.60
1097	\$	621.50
1098	\$	588.43
1099	\$	20.79
1100	\$	299.82
1101	\$	482.54
1102	\$	60.33
1103	\$	985.33
1104	\$	934.80
1105	\$	88.75
1106	\$	431.26
1107	\$	1,048.85
1108	\$	331.89
1109	\$	27.84
1110	\$	147.75
1111	\$	158.95
1112	\$	790.82
1113	\$	119.58
1114	\$	24.89
1115	\$	1,002.84
1116	\$	43.44
1117	\$	391.10
1118	\$	1,343.94

1119	\$	442.46
1120	\$	25.02
1121	\$	68.75
1122		
1123		
1124	\$	3,221.46
1125	\$	483.33
1126	\$	152.48
1127	\$	101.99
1128	\$	721.41
1129	\$	82.40
1130	\$	673.07
1131	\$	24.36
1132	\$	1,288.72
1133	\$	909.57
1134	\$	322.59
1135	\$	500.01
1136	\$	738.04
1137	\$	454.04
1138	\$	737.63
1139	\$	531.25
1140	\$	206.13
1141	\$	1,009.65
1142		
1143	\$	664.81
1144	\$	250.19
1145	\$	228.20
1146		
1147	\$	47.51
1148	\$	206.34
1149	\$	85.89
1150	\$	30.16
1151	\$	1,029.56
1152	\$	392.09
1153	\$	326.20
1154	\$	1,071.80
1155	\$	1,123.21
1156		
1157	\$	553.41
1158	\$	127.00
1159	\$	186.59
Grand Total	\$	529,418.00
Credit value:	\$	0.04149 per kW
Min.	\$	1.16
Avg.	\$	497.57
Max.	\$	5,874.28

Accts w/refund:	1,064
Accts w/zero refund:	95
	<u>1,159</u>

Refund for Still Active Accounts

(Y): \$	500,915	94.6%	993 accounts
Closed Accts with Another Active LP Acct (O): \$	28,503	5.4%	71 accounts
Closed Accts with No Other Active LP Acct (N):	<u>529,418</u>		<u>1,064</u>

PPL Electric TSC Refund Plan
Large C&I - Transmission
Balance as of April 30, 2014

With Credits from Closed Accounts
Redistributed to Open Accounts

Account #	Sum of Credit
1	\$ 32,093.37
2	
3	\$ -
4	\$ 626.74
5	\$ -
6	
7	
8	\$ 15,613.95
9	\$ 145.25
10	\$ 56,253.01
11	\$ 14.12
12	\$ 34,110.09
13	\$ 83,947.79
14	\$ 54,207.37
15	\$ -
16	\$ 21,836.27
17	\$ 18,584.23
18	\$ 111,836.24
19	\$ 250,043.85
20	\$ 27,815.82
21	\$ 106,338.84
22	\$ -
23	\$ 502.33
24	\$ 33,448.39
25	\$ 38,524.15
26	
27	\$ 20,633.90
28	\$ 120,349.64
29	\$ 5,003.14
30	\$ 34,126.23
31	\$ 66,089.82
32	\$ 23,974.71
33	\$ 25,967.89
34	\$ 29,478.16
35	\$ -
36	\$ 142,500.62
37	\$ 53,489.85

38	\$	85,571.79
39	\$	81,534.98
40	\$	33,774.53
41	\$	159,116.55
42	\$	33,921.13
43	\$	3,137.72
44	\$	38,169.09
45	\$	44,858.77
46	\$	15,122.38
47	\$	183,091.93
48		
49	\$	9,893.30
50	\$	41,122.55
51	\$	172,196.66
52	\$	14,751.18
53		
54		
55		
56	\$	60,093.45
57	\$	2,243.34
58	\$	33,383.83
59	\$	28,710.20
60	\$	39,718.45
61	\$	94,067.03
62	\$	56,761.39
63	\$	1,637.05
64	\$	1,823.72
65	\$	49,058.31
66		
67	\$	3,042.23
68	\$	61,506.30
69	\$	1,989.15
70	\$	112,312.34
71	\$	6,509.46
72	\$	-
73	\$	3,566.75
74	\$	29,155.37
75	\$	-
76	\$	6,084.46
77	\$	4,720.70
78	\$	50,709.21
79	\$	182,098.03
80	\$	14,430.42
81	\$	2,243.34
82		
83	\$	52,349.35
84	\$	208,926.00

85	\$	89,943.48
86	\$	74,369.20
87	\$	13,710.21
88	\$	89,459.31
89	\$	122,358.96
90	\$	47,255.43
91	\$	37,822.10
92	\$	21,344.03
93		
94	\$	83,147.55
95	\$	59,722.92
96	\$	11,208.64
97	\$	64,330.65
98	\$	66,283.49
99	\$	44,923.32
100	\$	43,382.03
101	\$	28,049.84
102	\$	95,270.75
103	\$	9,488.48
104	\$	663,894.69
105	\$	45,165.41
106		
107		
108		
109	\$	34,594.94
110		
111	\$	69,325.72
112	\$	884.96
113	\$	-
114	\$	32,116.91
115	\$	79,194.81
116	\$	5,721.33
117	\$	34,355.54
118	\$	37,467.04
119	\$	13,581.09
120	\$	37,612.29
121	\$	62,797.43
122	\$	33,698.54
123	\$	48,594.98
124	\$	53,759.51
125	\$	77,669.66
126	\$	-
127	\$	3,405.36
128	\$	62,482.72
129	\$	48,861.28
130	\$	45,778.70
131		

132	\$	12,104.36
133	\$	19,092.61
134	\$	-
135	\$	55,082.92
136	\$	29,362.49
137	\$	2,533.85
138	\$	3,356.94
139	\$	4,067.07
140	\$	74,288.51
141	\$	79,775.82
142	\$	-
143	\$	38,629.06
144		
145	\$	-
146	\$	26,912.03
147	\$	-
148	\$	43,325.55
149	\$	1,799.52
150	\$	10,700.26
151	\$	534.47
Grand Total	\$	6,325,557.00
Credit value:	\$	0.67246 per kW

Min.	\$	-
Avg.	\$	47,205.65
Max.	\$	663,894.69

Accts w/refund:	121
Accts w/zero refund:	30
	<u>151</u>

Refund for Still Active Accounts

(Y):	\$	6,066,401	95.9%	127 accounts
Closed Accts with Another Active LP Acct (O):	\$	259,156	4.1%	7 accounts
Closed Accts with No Other Active LP Acct (N):				
	\$	<u>6,325,557</u>		<u>134</u>

Appendix B

PPL Electric - TSC Refund For Demand Factor Adjustment
Demand Factor Adjustment for January 2010 through May 2012

Principal ⁽¹⁾	
1 Residential	\$ 8,196,607
2 Small C&I	\$ (2,189,553)
3 Large C&I - P	\$ (3,606,638)
4 Large C&I - T	\$ (2,400,416)
5 Total Principal	<u>\$ -</u>
Interest ⁽¹⁾	
5 Residential	\$ 641,501
6 Small C&I	\$ (140,480)
7 Large C&I - P	\$ (305,603)
8 Large C&I - T	\$ (195,418)
9 Total Interest	<u>\$ -</u>
Total ⁽¹⁾ (Lines 1-5 plus Lines 5-9, respectively)	
10 Residential	\$ 8,838,108
11 Small C&I	\$ (2,330,033)
12 Large C&I - P	\$ (3,912,241)
13 Large C&I - T	\$ (2,595,834)
14 Total	<u>\$ -</u>
Additional Interest ⁽²⁾	
15 Residential	\$ 1,377,407
16 Small C&I	\$ (485,928)
17 Large C&I - P	\$ (538,714)
18 Large C&I - T	\$ (352,765)
19 Total Additional Interest	<u>\$ -</u>
Balance w/ Additional Interest (Lines 10-14 plus Lines 15-19, respectively)	
20 Residential	\$ 10,215,515
21 Small C&I	\$ (2,815,961)
22 Large C&I - P	\$ (4,450,955)
23 Large C&I - T	\$ (2,948,599)
24 Total Balance w/ Additional Interest	<u>\$ -</u>

25 Negotiated Settlement ⁽³⁾ 62.5%

Negotiated Settlement (Lines 20-24 x 25, respectively)	
26 Residential	\$ 6,384,697
27 Small C&I	\$ (1,759,976)
28 Large C&I - P	\$ (2,781,847)
29 Large C&I - T	\$ (1,842,874)
30 Total Negotiated Settlement	<u>\$ -</u>

(1) Total of the January 2010 through May 2012 time period from PPL Electric's 1307e reconciliation filings.

(2) Additional interest is calculated by applying the applicable actual monthly interest rate from PPL Electric's 1307e reconciliation filings. The additional is calculated through April 2014 and will continue to accrue until a Final Order is issued by the Commission.

(3) Negotiated settlement percentage from the Joint Petition for Settlement at Docket Nos. M-2010-2213754 and M-2011-2239805.

PPL Electric - TSC Refund For Demand Factor Adjustment
Large C&I - Primary
Balance at April 30, 2014

With Credits from Closed Accounts
Redistributed to Open Accounts

Account #	Sum of Credit
1	\$ 5,100.72
2	\$ 2,714.75
3	\$ 106.83
4	\$ 20.49
5	
6	\$ 442.14
7	\$ 2,654.14
8	\$ 2,110.62
9	\$ 5,222.59
10	\$ 995.68
11	\$ 1,786.21
12	\$ 117.08
13	\$ 862.26
14	\$ 2,949.33
15	\$ 1,105.78
16	\$ 1,628.80
17	\$ 2,691.42
18	\$ 6,151.13
19	\$ 1,275.40
20	
21	\$ 9.81
22	\$ 4,434.46
23	
24	\$ 2,165.56
25	\$ 2,964.38
26	\$ 918.94
27	\$ 501.44
28	\$ 1,213.26
29	\$ 3,768.42
30	\$ 5,662.33
31	\$ 168.75
32	\$ 988.71
33	\$ 1,398.14
34	\$ 3,562.40
35	\$ 2,535.32
36	\$ 1,879.74
37	\$ 2,247.32

38	\$	105.74
39		
40	\$	6,371.54
41	\$	6,704.45
42	\$	161.33
43	\$	2,677.90
44	\$	1,308.32
45	\$	207.55
46	\$	4,042.47
47	\$	1,522.41
48	\$	2,722.38
49	\$	888.64
50	\$	1,165.30
51	\$	412.92
52	\$	391.34
53	\$	4,746.88
54	\$	1,232.01
55	\$	2,389.90
56	\$	723.38
57	\$	3,316.04
58		
59	\$	6,754.60
60	\$	1,670.01
61	\$	4,144.28
62		
63	\$	61.70
64	\$	2,308.58
65	\$	1,340.59
66	\$	3,468.43
67	\$	3,468.65
68	\$	3,985.78
69	\$	2,128.06
70	\$	428.40
71	\$	1,645.59
72	\$	3,715.88
73	\$	1,157.89
74	\$	1,889.77
75	\$	1,836.36
76	\$	8,436.82
77	\$	4,183.53
78	\$	983.04
79	\$	9,069.72
80	\$	9,093.26
81	\$	98.98
82	\$	2,096.23
83	\$	342.72
84	\$	4,193.34

85	\$	557.91
86	\$	5,935.29
87		
88	\$	295.19
89	\$	1,076.79
90	\$	35.75
91	\$	884.06
92	\$	1,680.47
93	\$	3,146.86
94	\$	4,407.43
95	\$	954.48
96	\$	533.27
97	\$	1,087.47
98	\$	575.35
99	\$	238.95
100	\$	219.76
101	\$	276.45
102	\$	8,544.52
103	\$	152.83
104	\$	206.68
105	\$	5,048.18
106	\$	576.65
107	\$	1,064.79
108	\$	2,818.96
109	\$	1,186.01
110	\$	9,355.54
111	\$	10,795.54
112	\$	3,430.28
113	\$	270.34
114	\$	215.40
115	\$	1,082.89
116	\$	2,757.48
117	\$	1,372.20
118	\$	3,652.00
119	\$	809.28
120	\$	923.96
121	\$	996.99
122	\$	2,010.99
123	\$	4,956.40
124	\$	584.72
125	\$	1,154.18
126	\$	600.85
127	\$	869.23
128	\$	3,754.90
129	\$	45.78
130	\$	3,232.32
131	\$	1,401.41

132	\$	1,392.69
133	\$	156.75
134	\$	259.22
135	\$	681.74
136	\$	438.00
137	\$	2,889.16
138	\$	5,627.01
139	\$	2,774.05
140	\$	3,745.97
141	\$	26.38
142	\$	902.81
143	\$	1,888.03
144	\$	813.64
145	\$	53.63
146	\$	17,041.50
147	\$	4,471.09
148	\$	2,114.11
149	\$	1,177.51
150	\$	62.79
151	\$	2,176.03
152	\$	355.37
153	\$	2,329.29
154	\$	878.83
155	\$	2,082.93
156		
157	\$	346.21
158	\$	1,762.88
159	\$	4,866.57
160	\$	756.30
161		
162	\$	57.77
163	\$	744.75
164	\$	9,294.71
165	\$	824.98
166	\$	2,535.10
167	\$	6,951.47
168	\$	400.93
169	\$	552.24
170	\$	533.49
171	\$	13,202.88
172	\$	1,647.12
173	\$	3,047.88
174	\$	4,635.47
175	\$	6,770.73
176	\$	1,398.58
177	\$	2,193.90
178	\$	1,573.43

179	\$	1,872.11
180	\$	1,341.68
181	\$	701.36
182	\$	3,468.87
183	\$	888.85
184	\$	6,228.74
185	\$	130.16
186	\$	3,597.28
187	\$	20.49
188	\$	8,279.84
189	\$	4,500.09
190	\$	201.45
191	\$	594.75
192	\$	3,583.11
193	\$	5,360.82
194	\$	3,268.94
195	\$	2,726.30
196	\$	3,353.97
197	\$	1,158.11
198	\$	2,563.88
199	\$	2,978.55
200	\$	144.55
201	\$	1,505.62
202	\$	1,010.51
203		
204	\$	2,808.06
205	\$	2,392.30
206	\$	2,036.06
207	\$	1,745.44
208	\$	707.68
209		
210	\$	406.60
211	\$	5,318.30
212	\$	1,099.02
213	\$	8,743.78
214	\$	100.51
215	\$	637.70
216	\$	565.97
217	\$	1,051.50
218	\$	4,957.27
219	\$	515.17
220	\$	340.76
221	\$	1,495.38
222	\$	3,964.64
223	\$	1,392.47
224	\$	2,124.57
225	\$	3,997.56

226	\$	434.07
227	\$	262.27
228	\$	6,539.20
229	\$	580.58
230	\$	1,286.08
231	\$	1,158.54
232	\$	2,849.48
233	\$	2,424.35
234	\$	7,928.18
235	\$	3,127.02
236	\$	976.06
237		
238	\$	361.04
239	\$	3,106.52
240	\$	1,994.85
241	\$	2,150.95
242	\$	1,816.30
243	\$	1,383.97
244	\$	37.28
245	\$	2,571.94
246	\$	647.51
247	\$	3,227.30
248		
249	\$	480.73
250	\$	627.23
251	\$	4,078.01
252	\$	890.82
253	\$	555.07
254	\$	7,683.79
255		
256	\$	2,644.54
257	\$	789.00
258	\$	2,131.11
259	\$	3,118.29
260	\$	1,015.96
261	\$	419.03
262	\$	891.25
263	\$	5,802.74
264	\$	317.65
265	\$	1,211.96
266	\$	2,209.16
267	\$	869.89
268	\$	805.35
269	\$	4,146.03
270	\$	512.78
271	\$	1,190.37
272	\$	5,054.28

273	\$	121.65
274	\$	719.24
275	\$	1,275.40
276	\$	4,642.45
277	\$	1,477.50
278	\$	12,513.95
279	\$	1,055.20
280	\$	542.43
281	\$	1,088.99
282	\$	9,213.83
283	\$	716.84
284	\$	8,471.70
285		
286	\$	143.46
287	\$	762.19
288	\$	155.23
289	\$	7,624.05
290	\$	3,602.29
291	\$	4,190.28
292	\$	7,254.51
293		
294	\$	4,725.52
295	\$	123.83
296	\$	153.27
297	\$	15,620.47
298	\$	351.44
299	\$	2,296.37
300	\$	1,079.18
301	\$	665.82
302	\$	18,196.12
303	\$	368.67
304	\$	2,860.16
305	\$	642.71
306	\$	54.29
307	\$	60.61
308	\$	3,864.78
309	\$	703.54
310	\$	1,044.74
311	\$	1,743.48
312	\$	200.14
313	\$	2,101.25
314	\$	1,236.16
315	\$	2,471.66
316	\$	1,857.07
317	\$	3,432.02
318	\$	12,930.80
319	\$	3,991.45

320	\$	1,781.63
321	\$	3,636.52
322		
323	\$	10,071.94
324	\$	138.66
325	\$	5,980.64
326	\$	1,030.78
327	\$	150.43
328	\$	3,424.83
329	\$	971.92
330		
331		
332		
333	\$	670.40
334	\$	1,392.26
335	\$	949.68
336	\$	391.99
337	\$	1,166.83
338	\$	666.91
339	\$	1,404.90
340	\$	1,421.47
341	\$	1,668.70
342	\$	1,054.33
343	\$	1,895.22
344		
345	\$	13.52
346	\$	10,548.53
347	\$	3,822.27
348	\$	1,816.73
349	\$	2,951.51
350	\$	630.50
351	\$	119.69
352	\$	1,651.91
353	\$	2,146.59
354	\$	2,160.55
355	\$	310.24
356	\$	826.07
357	\$	3,880.92
358	\$	7,272.61
359		
360	\$	49.71
361	\$	136.04
362	\$	2,627.10
363	\$	1,895.44
364	\$	2,377.69
365		
366		

367		
368	\$	2,047.40
369	\$	923.74
370	\$	2,610.32
371	\$	4,172.62
372	\$	1,963.46
373	\$	4,494.85
374	\$	596.28
375	\$	1,375.03
376	\$	1,893.26
377	\$	8,023.02
378	\$	2,144.41
379	\$	1,236.59
380	\$	982.38
381	\$	220.42
382	\$	914.58
383	\$	1,134.78
384	\$	3,639.14
385	\$	1,707.07
386	\$	1,440.22
387	\$	3,163.42
388	\$	159.37
389	\$	1,599.15
390	\$	175.94
391	\$	1,002.88
392	\$	561.39
393	\$	3,236.02
394	\$	2,379.22
395	\$	747.36
396	\$	2,416.28
397	\$	2,338.01
398	\$	1,098.59
399	\$	2,850.13
400	\$	4,804.22
401	\$	2,744.40
402	\$	2,107.35
403	\$	1,367.40
404	\$	543.08
405	\$	8,325.41
406	\$	2,382.92
407	\$	4,480.68
408	\$	3,324.10
409	\$	2,127.41
410	\$	6,252.72
411	\$	1,507.15
412	\$	2,958.71
413	\$	404.64

414	\$	2,112.15
415	\$	23.33
416	\$	564.01
417	\$	1,417.33
418	\$	1,818.91
419		
420		
421	\$	4,648.77
422	\$	4,664.91
423		
424	\$	717.49
425	\$	115.33
426	\$	828.03
427	\$	2,938.87
428	\$	1,061.09
429	\$	2,845.34
430	\$	4,159.98
431	\$	3,254.77
432	\$	5,558.34
433		
434	\$	1,581.49
435	\$	409.00
436	\$	49.71
437		
438	\$	143.46
439	\$	327.46
440	\$	782.46
441	\$	1,854.89
442	\$	2,525.29
443	\$	602.82
444		
445	\$	947.94
446	\$	1,220.24
447	\$	1,913.97
448	\$	1,749.37
449	\$	2,500.65
450	\$	4,966.86
451	\$	3,109.36
452	\$	3,421.34
453	\$	222.38
454	\$	964.72
455	\$	1,011.82
456	\$	5,356.46
457	\$	3,977.72
458		
459	\$	1,028.17
460	\$	4,182.44

461	\$	697.44
462		
463		
464		
465		
466		
467	\$	873.59
468	\$	604.12
469		
470	\$	1,121.48
471	\$	2,567.37
472	\$	696.13
473	\$	2,094.71
474		
475	\$	768.29
476	\$	105.74
477		
478	\$	271.65
479		
480		
481	\$	350.35
482	\$	1,116.46
483	\$	2,650.43
484	\$	160.46
485	\$	6,504.53
486	\$	2,476.89
487	\$	1,115.16
488	\$	308.06
489	\$	6,684.18
490	\$	2,204.80
491	\$	171.36
492		
493	\$	3,417.63
494	\$	475.49
495	\$	178.99
496		
497	\$	58.86
498	\$	146.94
499	\$	1,163.99
500	\$	802.74
501	\$	8,609.49
502	\$	4,839.76
503	\$	1,372.20
504	\$	3,641.75
505	\$	3,125.05
506	\$	559.00
507	\$	976.28

508	\$	1,218.28
509	\$	2,220.94
510	\$	14,598.41
511	\$	1,656.06
512	\$	14,828.63
513	\$	836.53
514	\$	6,284.99
515	\$	699.83
516	\$	5,568.59
517	\$	4,121.61
518	\$	3,456.88
519	\$	703.32
520	\$	791.84
521	\$	20,433.63
522	\$	3,326.94
523	\$	5,937.47
524	\$	2,514.17
525	\$	3,142.28
526		
527	\$	3,703.02
528	\$	1,504.97
529	\$	1,571.25
530	\$	2,478.42
531	\$	4,277.05
532	\$	794.02
533	\$	38.59
534	\$	2,873.03
535	\$	4,756.26
536		
537	\$	2,353.49
538	\$	1,552.50
539	\$	1,321.84
540	\$	1,140.23
541	\$	771.56
542	\$	1,230.92
543	\$	2,027.34
544	\$	1,395.53
545	\$	7,886.11
546	\$	2,610.97
547	\$	5,107.70
548	\$	5,779.41
549	\$	2,033.88
550	\$	8,801.34
551	\$	2,377.04
552	\$	1,547.48
553	\$	67.80
554	\$	1,232.67

555	\$	2,201.32
556	\$	1,553.15
557		
558		
559	\$	581.01
560	\$	231.75
561	\$	1,489.71
562	\$	1,219.80
563	\$	7,517.00
564	\$	2,013.39
565	\$	6,619.86
566	\$	1,979.81
567	\$	2,588.51
568	\$	3,292.93
569	\$	767.86
570	\$	819.96
571	\$	6.10
572	\$	1,063.70
573	\$	7,581.97
574	\$	1,994.42
575	\$	158.50
576	\$	2,666.78
577	\$	8,961.36
578	\$	762.38
579	\$	5,196.43
580	\$	2,593.53
581	\$	8,033.92
582	\$	3,641.75
583		
584	\$	463.72
585	\$	3,586.16
586	\$	1,514.13
587		
588	\$	5,233.71
589		
590	\$	163.95
591	\$	4,980.59
592	\$	5,611.32
593	\$	696.13
594	\$	250.50
595	\$	3,795.67
596	\$	81.32
597	\$	371.72
598	\$	1,119.30
599	\$	1,944.27
600	\$	93.75
601	\$	109.23

602	\$	3,073.60
603	\$	172.67
604	\$	2,465.33
605	\$	3,193.95
606	\$	341.63
607	\$	2,290.49
608	\$	1,757.22
609	\$	3,555.64
610	\$	1,269.51
611	\$	2,145.72
612	\$	918.50
613	\$	2,648.69
614	\$	1,720.15
615	\$	452.60
616	\$	14,489.18
617	\$	756.95
618	\$	907.82
619	\$	1,280.63
620	\$	510.60
621	\$	2,581.54
622	\$	1,424.74
623	\$	523.89
624	\$	944.89
625	\$	785.95
626	\$	2,655.45
627	\$	236.98
628	\$	3,158.85
629	\$	567.93
630	\$	9,616.94
631	\$	2,931.02
632	\$	1,799.95
633	\$	482.69
634	\$	2,506.76
635	\$	887.11
636	\$	11.12
637	\$	880.57
638	\$	1,098.59
639	\$	19,066.23
640	\$	1,867.75
641	\$	1,571.25
642	\$	5,068.46
643	\$	1,086.81
644	\$	887.98
645	\$	2,075.74
646	\$	3,304.05
647	\$	548.75
648	\$	468.08

649	\$	2,779.71
650	\$	630.72
651	\$	260.53
652	\$	1,354.97
653	\$	10.90
654	\$	720.76
655	\$	73.04
656	\$	529.56
657	\$	259.66
658	\$	126.67
659	\$	2,485.83
660	\$	2,770.56
661	\$	2,902.46
662	\$	2,945.63
663	\$	106.39
664	\$	1,712.96
665	\$	10,837.84
666	\$	188.37
667	\$	5,069.76
668	\$	90.26
669		
670	\$	2,392.30
671	\$	1,198.22
672	\$	390.47
673	\$	3,561.96
674	\$	2,042.38
675	\$	3,860.64
676	\$	2,167.96
677	\$	16,868.62
678	\$	241.13
679	\$	3,428.97
680		
681	\$	495.12
682	\$	1,844.86
683	\$	955.13
684	\$	3,781.07
685	\$	47.75
686		
687		
688	\$	292.80
689	\$	4,314.55
690	\$	148.47
691	\$	11,275.61
692	\$	2,241.87
693	\$	887.55
694	\$	4,036.80
695	\$	496.21

696	\$	2,622.09
697	\$	7,948.89
698	\$	1,781.20
699	\$	1,478.59
700	\$	5,623.31
701	\$	286.26
702	\$	3,180.21
703	\$	341.20
704	\$	1,899.58
705		
706	\$	933.98
707	\$	4,749.93
708	\$	5,401.37
709	\$	1,846.17
710	\$	591.26
711	\$	624.84
712	\$	1,986.79
713	\$	60.83
714		
715	\$	154.14
716	\$	14,385.84
717	\$	2,703.19
718	\$	616.99
719	\$	143.46
720	\$	5,206.90
721	\$	219.76
722	\$	5,116.64
723	\$	1,530.70
724	\$	690.46
725	\$	1,428.88
726		
727	\$	2,534.88
728		
729	\$	42.73
730	\$	1,772.91
731	\$	620.48
732	\$	2,822.88
733	\$	14,193.33
734	\$	759.35
735	\$	2,062.88
736		
737	\$	8,629.54
738	\$	847.43
739	\$	3,122.00
740	\$	7,090.56
741	\$	2,060.04
742	\$	9,110.92

743	\$	1,769.42
744	\$	717.06
745	\$	1,209.99
746	\$	2,846.86
747		
748	\$	29.21
749	\$	131.46
750	\$	409.00
751	\$	575.78
752	\$	1,574.74
753	\$	827.59
754	\$	2,344.34
755		
756	\$	19,087.16
757	\$	1,549.88
758	\$	2,447.89
759	\$	889.51
760	\$	1,934.90
761	\$	758.92
762	\$	2,527.03
763		
764	\$	4,005.84
765	\$	24.20
766	\$	1,237.90
767	\$	2,970.48
768	\$	6,105.34
769	\$	10,532.39
770	\$	841.98
771	\$	2,810.02
772	\$	1,273.87
773		
774	\$	2,988.14
775	\$	491.63
776	\$	1,993.33
777		
778	\$	4,352.27
779	\$	602.60
780	\$	138.44
781	\$	306.31
782		
783	\$	1,226.56
784	\$	156.54
785	\$	201.88
786	\$	6,421.03
787	\$	652.74
788	\$	378.70
789	\$	1,975.23

790	\$	1,798.86
791	\$	1,320.96
792	\$	1,644.59
793	\$	1,687.04
794	\$	375.64
795	\$	2,195.87
796	\$	10,053.85
797	\$	6,047.57
798	\$	3,031.31
799	\$	2,684.44
800	\$	289.09
801	\$	1,415.15
802	\$	5,740.17
803	\$	1,443.05
804	\$	2,386.63
805	\$	1,261.45
806	\$	6,638.83
807	\$	2,662.86
808	\$	26.60
809	\$	262.06
810	\$	3,043.95
811	\$	148.69
812	\$	85.90
813	\$	5,364.52
814	\$	1,438.04
815	\$	275.79
816	\$	8,038.94
817	\$	681.96
818	\$	1,682.44
819	\$	664.30
820	\$	233.50
821	\$	3,845.38
822	\$	417.50
823	\$	468.08
824		
825	\$	5,041.42
826	\$	300.86
827	\$	732.54
828	\$	5,437.56
829	\$	90.04
830	\$	543.52
831	\$	5,515.17
832	\$	1,916.15
833	\$	3,328.68
834	\$	1,859.03
835	\$	5,770.47
836	\$	6,632.73

837	\$	7,133.73
838	\$	1,296.76
839	\$	18,379.69
840	\$	1,455.26
841	\$	220.42
842	\$	1,431.28
843	\$	1,778.58
844	\$	3,016.92
845	\$	5,056.25
846		
847		
848		
849	\$	1,357.90
850	\$	687.19
851	\$	2,868.88
852	\$	1,584.76
853	\$	5,640.75
854	\$	2,757.04
855	\$	4,767.16
856	\$	1,486.00
857	\$	2,169.92
858	\$	2,712.35
859	\$	4,030.26
860	\$	6,218.06
861	\$	3,765.81
862	\$	2,662.20
863	\$	750.85
864	\$	984.13
865	\$	9,031.35
866	\$	327.46
867	\$	3,992.76
868	\$	667.13
869		
870	\$	1,579.10
871		
872	\$	5,477.02
873	\$	389.38
874	\$	734.93
875	\$	12,329.51
876	\$	1,371.98
877	\$	480.73
878	\$	3,204.63
879	\$	2,092.09
880	\$	8,391.69
881	\$	3,305.35
882	\$	584.72
883	\$	307.19

884	\$	430.58
885	\$	4,188.10
886	\$	4,621.96
887	\$	1,506.28
888		
889	\$	7,517.66
890	\$	2,065.93
891	\$	909.35
892	\$	3,548.88
893	\$	1,081.58
894	\$	1,428.88
895	\$	605.21
896	\$	1,278.01
897	\$	537.85
898	\$	97.02
899	\$	1,741.95
900	\$	7,591.35
901		
902	\$	327.24
903	\$	1,302.65
904	\$	10,449.55
905	\$	1,937.30
906		
907	\$	1,459.19
908	\$	1,219.37
909	\$	5,852.23
910	\$	3,852.36
911	\$	6,762.66
912	\$	1,309.85
913	\$	5,564.66
914	\$	2,024.29
915	\$	3,191.11
916	\$	795.11
917		
918		
919	\$	13,693.86
920	\$	10,964.07
921	\$	1,953.87
922	\$	146.51
923	\$	727.30
924	\$	1,399.01
925	\$	2,206.11
926	\$	2,292.88
927	\$	3,794.80
928	\$	6,743.26
929	\$	30.52
930	\$	1,471.83

931	\$	2,161.86
932	\$	5,282.55
933		
934	\$	4,006.28
935		
936	\$	533.49
937	\$	3,056.38
938	\$	1,034.49
939	\$	1,433.24
940	\$	4,686.05
941	\$	600.20
942	\$	1,809.32
943	\$	3,802.00
944	\$	1,030.35
945	\$	1,549.23
946	\$	9,284.03
947		
948	\$	4,013.04
949	\$	1,958.66
950	\$	1,608.96
951	\$	2,465.33
952	\$	47.09
953		
954	\$	2,491.06
955	\$	2,445.28
956	\$	8,431.37
957		
958	\$	949.25
959		
960	\$	2,840.98
961	\$	36.19
962	\$	170.49
963	\$	1,840.93
964	\$	1,411.66
965	\$	1,746.10
966	\$	181.83
967		
968	\$	992.63
969	\$	165.91
970	\$	1,292.62
971	\$	2,986.61
972	\$	444.54
973	\$	993.07
974	\$	1,210.87
975	\$	5,839.15
976	\$	529.56
977	\$	7,295.28

978	\$	3,594.88
979	\$	67.80
980	\$	14,595.57
981	\$	1,465.73
982	\$	4,072.77
983	\$	693.29
984	\$	3,386.24
985	\$	284.29
986	\$	2,225.30
987		
988	\$	160.68
989	\$	162.86
990	\$	2,187.58
991	\$	5,950.55
992	\$	30,866.61
993		
994	\$	527.16
995	\$	2,952.17
996	\$	775.27
997	\$	3,161.46
998	\$	2,125.88
999	\$	1,125.40
1000	\$	1,059.13
1001	\$	2,393.17
1002	\$	678.47
1003	\$	3,520.10
1004	\$	246.36
1005	\$	1,639.92
1006	\$	1,110.36
1007	\$	1,163.34
1008	\$	3,873.51
1009	\$	4,921.29
1010	\$	612.63
1011	\$	2,022.76
1012	\$	2,222.46
1013	\$	6,264.06
1014	\$	1,018.14
1015	\$	1,528.73
1016	\$	7,518.53
1017	\$	13,392.99
1018	\$	6,139.57
1019	\$	1,368.27
1020	\$	444.54
1021	\$	567.06
1022	\$	2,476.89
1023	\$	432.98
1024	\$	328.12

1025		
1026	\$	5,560.30
1027	\$	2,547.53
1028	\$	9,382.79
1029	\$	726.65
1030	\$	1,544.65
1031	\$	4,716.58
1032	\$	307.19
1033	\$	103.78
1034	\$	7,619.25
1035		
1036	\$	178.12
1037	\$	2,989.45
1038	\$	1,138.05
1039	\$	3,675.11
1040	\$	5,253.77
1041	\$	3,272.87
1042	\$	1,684.40
1043	\$	117.95
1044	\$	2,820.92
1045	\$	2,926.88
1046	\$	1,448.50
1047		
1048	\$	3,410.00
1049	\$	659.06
1050	\$	531.74
1051	\$	3,318.22
1052	\$	3,312.77
1053	\$	2,716.49
1054	\$	253.34
1055	\$	4,411.57
1056	\$	2,164.69
1057	\$	3,202.89
1058	\$	19,563.74
1059	\$	11,213.70
1060	\$	1,070.03
1061	\$	3,774.74
1062	\$	1,931.19
1063	\$	3,677.07
1064	\$	21.15
1065	\$	2,896.14
1066	\$	4,005.62
1067	\$	534.80
1068	\$	1,316.17
1069	\$	75.43
1070	\$	227.61
1071	\$	8,478.89

1072	\$	846.78
1073	\$	3,149.25
1074		
1075	\$	3,107.61
1076	\$	4,531.92
1077	\$	221.51
1078	\$	8,647.86
1079	\$	994.37
1080	\$	2,254.08
1081	\$	1,352.36
1082	\$	1,996.38
1083	\$	739.30
1084	\$	641.19
1085	\$	1,790.79
1086	\$	5,490.75
1087	\$	6,529.60
1088	\$	4,882.49
1089	\$	352.10
1090	\$	1,489.71
1091	\$	9,953.56
1092	\$	2,783.86
1093	\$	728.39
1094	\$	2,101.90
1095	\$	36.63
1096	\$	292.14
1097	\$	3,265.67
1098	\$	3,091.91
1099	\$	109.23
1100	\$	1,575.39
1101	\$	2,535.54
1102	\$	317.00
1103	\$	5,177.46
1104	\$	4,911.92
1105	\$	466.34
1106	\$	2,266.07
1107	\$	5,511.25
1108	\$	1,743.92
1109	\$	146.29
1110	\$	776.36
1111	\$	835.22
1112	\$	4,155.40
1113	\$	628.32
1114	\$	130.81
1115	\$	5,269.47
1116	\$	228.26
1117	\$	2,055.03
1118	\$	7,061.78

1119	\$	2,324.93
1120	\$	131.46
1121	\$	361.25
1122		
1123		
1124	\$	16,927.26
1125	\$	2,539.68
1126	\$	801.21
1127	\$	535.89
1128	\$	3,790.66
1129	\$	432.98
1130	\$	3,536.67
1131	\$	127.98
1132	\$	6,771.60
1133	\$	4,779.37
1134	\$	1,695.08
1135	\$	2,627.32
1136	\$	3,878.08
1137	\$	2,385.78
1138	\$	3,875.90
1139	\$	2,791.49
1140	\$	1,083.11
1141	\$	5,305.22
1142		
1143	\$	3,493.28
1144	\$	1,314.64
1145	\$	1,199.09
1146		
1147	\$	249.63
1148	\$	1,084.20
1149	\$	451.29
1150	\$	158.50
1151	\$	5,409.87
1152	\$	2,060.26
1153	\$	1,714.05
1154	\$	5,631.81
1155	\$	5,901.93
1156		
1157	\$	2,907.91
1158	\$	667.35
1159	\$	980.42
Grand Total	\$	2,781,847.00
Credit value:	\$	0.21802 per kW
Min.	\$	6.10
Avg.	\$	2,614.52
Max.	\$	30,866.61

Accts w/refund:	1,064
Accts w/zero refund:	95
	<hr/>
	1,159

Refund for Still Active Accounts

(Y): \$	2,632,076	94.6%	993 accounts
Closed Accts with Another Active LP Acct (O): \$	149,771	5.4%	71 accounts
Closed Accts with No Other Active LP Acct (N):			
	<hr/>		
\$	2,781,847		<hr/>
			1,064

PPL Electric - TSC Refund For Demand Factor Adjustment
Large C&I - Transmission
Balance at April 30, 2014

With Credits from Closed Accounts
Redistributed to Open Accounts

Account #	Sum of Credit
1	\$ 9,350.01
2	
3	\$ -
4	\$ 182.59
5	\$ -
6	
7	
8	\$ 4,548.94
9	\$ 42.32
10	\$ 16,388.63
11	\$ 4.11
12	\$ 9,937.56
13	\$ 24,457.17
14	\$ 15,792.66
15	\$ -
16	\$ 6,361.73
17	\$ 5,414.29
18	\$ 32,582.13
19	\$ 72,847.23
20	\$ 8,103.80
21	\$ 30,980.53
22	\$ -
23	\$ 146.35
24	\$ 9,744.78
25	\$ 11,223.54
26	
27	\$ 6,011.44
28	\$ 35,062.40
29	\$ 1,457.60
30	\$ 9,942.26
31	\$ 19,254.46
32	\$ 6,984.74
33	\$ 7,565.43
34	\$ 8,588.10
35	\$ -
36	\$ 41,515.82
37	\$ 15,583.62

38	\$	24,930.30
39	\$	23,754.22
40	\$	9,839.80
41	\$	46,356.67
42	\$	9,882.51
43	\$	914.14
44	\$	11,120.10
45	\$	13,069.06
46	\$	4,405.72
47	\$	53,341.60
48		
49	\$	2,882.29
50	\$	11,980.56
51	\$	50,167.40
52	\$	4,297.58
53		
54		
55		
56	\$	17,507.50
57	\$	653.57
58	\$	9,725.97
59	\$	8,364.37
60	\$	11,571.49
61	\$	27,405.29
62	\$	16,536.74
63	\$	476.93
64	\$	531.32
65	\$	14,292.54
66		
67	\$	886.32
68	\$	17,919.11
69	\$	579.51
70	\$	32,720.83
71	\$	1,896.45
72	\$	-
73	\$	1,039.13
74	\$	8,494.06
75	\$	-
76	\$	1,772.63
77	\$	1,375.32
78	\$	14,773.51
79	\$	53,052.04
80	\$	4,204.13
81	\$	653.57
82		
83	\$	15,251.35
84	\$	60,868.05

85	\$	26,203.94
86	\$	21,666.56
87	\$	3,994.30
88	\$	26,062.88
89	\$	35,647.79
90	\$	13,767.29
91	\$	11,019.01
92	\$	6,218.32
93		
94	\$	24,224.03
95	\$	17,399.55
96	\$	3,265.50
97	\$	18,741.95
98	\$	19,310.89
99	\$	13,087.86
100	\$	12,638.83
101	\$	8,171.98
102	\$	27,755.97
103	\$	2,764.35
104	\$	193,417.63
105	\$	13,158.39
106		
107		
108		
109	\$	10,078.81
110		
111	\$	20,197.20
112	\$	257.82
113	\$	-
114	\$	9,356.87
115	\$	23,072.44
116	\$	1,666.84
117	\$	10,009.07
118	\$	10,915.56
119	\$	3,956.69
120	\$	10,957.88
121	\$	18,295.27
122	\$	9,817.66
123	\$	14,157.56
124	\$	15,662.18
125	\$	22,628.11
126	\$	-
127	\$	992.11
128	\$	18,203.58
129	\$	14,235.14
130	\$	13,337.07
131		

132	\$	3,526.46
133	\$	5,562.40
134	\$	-
135	\$	16,047.74
136	\$	8,554.40
137	\$	738.21
138	\$	978.00
139	\$	1,184.89
140	\$	21,643.05
141	\$	23,241.71
142	\$	-
143	\$	11,254.10
144		
145	\$	-
146	\$	7,840.49
147	\$	-
148	\$	12,622.37
149	\$	524.27
150	\$	3,117.39
151	\$	155.71
Grand.Total	\$	1,842,874.00
Credit value:	\$	0.19591 per kW

Min.	\$	-
Avg.	\$	13,752.79
Max.	\$	193,417.63

Accts w/refund:	121
Accts w/zero refund:	30
	<u>151</u>

Refund for Still Active Accounts

(Y):	\$	1,767,372	95.9%	127 accounts
Closed Accts with Another				
Active LP Acct (O):	\$	75,502	4.1%	7 accounts
Closed Accts with No Other				
Active LP Acct (N):				
	\$	<u>1,842,874</u>		<u>134</u>

Appendix C

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation Proposed :
Transmission Service Charge (TSC) :
Reconciliation for the 12 Months Ended : Docket No. M-2010-2213754
November 30, 2010 :

PPL Electric Utilities Corporation :
Transmission Service Charge Effective June 1, : Docket No. M-2011-2239805
2011 :

**STATEMENT OF PPL ELECTRIC UTILITIES CORPORATION
IN SUPPORT OF THE JOINT PETITION FOR SETTLEMENT**

TO THE HONORABLE SUSAN D. COLWELL, ADMINISTRATIVE LAW JUDGE:

PPL Electric Utilities Corporation (“PPL Electric”) hereby files this Statement in Support of the Joint Petition for Settlement (“Settlement”) in the above-captioned matters regarding PPL Electric’s Transmission Service Charge (“TSC”). PPL Electric, PP&L Industrial Customer Alliance (“PPLICA”), the Office of Small Business Advocate (“OSBA”) and the Office of Consumer Advocate (“OCA”) (collectively, the “Joint Petitioners”) engaged in extensive discovery, held numerous settlement conferences, and exchanged numerous settlement proposals and counter-proposals. As a result of these efforts, the Joint Petitioners have fully resolved all of the issues raised in this proceeding.

This Settlement, if approved by the Honorable Susan D. Colwell, Administrative Law Judge (“ALJ”) and the Pennsylvania Public Utility Commission (“Commission”), will resolve all issues stemming from two proceedings that have been pending before the Commission for a number of years: (a) the reconciliation of PPL Electric’s 2010 TSC at Docket No. M-2010-2213754; and (b) the setting of the Company’s TSC rates for the June 1, 2011 through May 31,

2012 application period at Docket No. M-2011-2239805. In addition, resolving these proceedings will permit normal operation of PPL Electric's TSC E-factor to resume after its suspension by the Commission in May 2011. The Settlement achieves these results without the need for further litigation thereby conserving Commission resources. PPL Electric submits that the Settlement is in the public interest and should be approved.

I. BACKGROUND

PPL Electric is a "public utility" and an "electric distribution company" as those terms are defined under the Public Utility Code, 66 Pa.C.S. §§ 102 and 2803, subject to the regulatory jurisdiction of the Commission. PPL Electric furnishes electric distribution, transmission, and default electric supply services to approximately 1.4 million customers throughout its certificated service territory, which includes all or portions of twenty-nine counties and encompasses approximately 10,000 square miles in eastern and central Pennsylvania.

As part of fulfilling its default service obligations, PPL Electric incurs certain transmission service costs associated with the delivery of default service supply within the PPL Zone of PJM Interconnection, LLC ("PJM"). The Company recovers these transmission costs through a TSC, which is applied to the monthly bill of each customer receiving default service from PPL Electric. The TSC is a Section 1307 automatic adjustment mechanism which is reconciled annually with any undercollections or overcollections charged or credited to default service customers during the next TSC application period.

The TSC is separately calculated for four rate classes: (i) Residential, (ii) Small Commercial and Industrial ("Small C&I"), (iii) Large Commercial and Industrial ("Large C&I") – Primary,¹ and (iv) Large C&I – Transmission.² Demand-related transmission costs are

¹ Large C&I – Primary customers include customers served under Rate Schedules LP-4.

² Large C&I – Transmission customers include customers served under Rate Schedules LP-5, LPEP and L5S.

allocated to the four customer classes based upon each class's contribution to the five coincident peaks used to establish such demand related charges. Energy-related transmission costs are allocated to the four customer classes based upon kWh usage.

On August 28, 2008, PPL Electric filed revised tariff sheets at the Federal Energy Regulatory Commission ("FERC") to implement a cost-of-service formula transmission rate. The rates proposed therein went into effect on November 1, 2008, subject to investigation and refund. PPL Electric's 2009 TSC included, *inter alia*, the effect of this proposed rate increase. During 2009, this FERC proceeding was settled for an amount less than the original filing, resulting in refunds and a substantial TSC overcollection. The Company's 2010 TSC for the 2009 application period January 1, 2010 through December 31, 2010, was designed to refund this TSC overcollection. For the Residential and Small C&I Customer Classes, this overcollection was refunded to customers during the 2010 TSC application period. For the Large C&I Customer Class, however, a problem arose as a result of the expiration of PPL Electric's generation rate caps on December 31, 2009.

Prior to 2010, PPL Electric's generation rates were capped pursuant to the settlement of its electric restructuring proceeding and, as a result, there was very little retail shopping on the PPL Electric system. PPL Electric's Commission-approved 2010 TSC was designed to refund the 2009 TSC overcollections based upon sales levels that existed prior to the expiration of the Company's generation rate cap. However, when the rate caps expired on December 31, 2009, a significant number of Large C&I customers began to take supply from electric generation suppliers ("EGSs"). As a result, only a small amount of the 2009 TSC overcollection was refunded to the Company's Large C&I customers in 2010.

The high level of Large C&I shopping following the expiration of the Company's generation rate cap created several issues relative to refunding the 2009 TSC overcollection. First, most of the Large C&I default service customers who paid the 2009 TSC overcollection shopped in 2010 and no longer paid the TSC, and therefore did not receive any refund of the 2009 overcollection. Second, refunding the 2009 overcollection to the few remaining Large C&I default service customers would have significantly distorted the Company's Price to Compare, producing negative TSC rates for most Large C&I customers. This, in turn, would have distorted shopping decisions for these customers and likely would have resulted in a temporary return of shopping customers to default service for reasons unrelated to actual competitive market conditions.

Pursuant to Section 1307(e) of the Public Utility Code, 66 Pa.C.S. § 1307(e), the Commission undertakes an annual review of over/under collection reports for each Section 1307 automatic adjustment clause. In March 2011, during the course of the Commission's review of 2010 TSC undercollections, PPL Electric informed the Commission that there was an error with the Company's 2010 TSC reconciliation related to the allocation of demand costs. By Order dated May 19, 2011, the Commission directed the Company to develop and file a revised method for allocating demand costs based on actual monthly demand allocation factors rather than historic demand allocation factors. *PPL Electric Utilities Corp. Proposed Transmission Service Charge (TSC) Reconciliation for the Twelve Months Ending November 30, 2010*, Docket No. M-2010-2213754 (May 19, 2011) (“*2010 TSC Reconciliation Proceeding*”).

On May 13, 2011, PPL Electric filed its final calculation of its TSC rates for the June 1, 2011 through May 31, 2012 application period. In this filing, the Company initially proposed to refund the ongoing Large C&I overcollections over the 12-month 2011 TSC application period.

However, due to very limited number of remaining Large C&I default service customers, this proposal would have substantially distorted the Company's Price to Compare, producing negative rates for most Large C&I customers. In response, the Commission directed PPL Electric to defer any further refunding of TSC overcollections to Large C&I customers. The Commission also directed that PPL Electric continue these deferrals, pending resolution of an unrelated issue regarding the method used by PPL Electric to allocate TSC demand costs. *PPL Electric Utilities Corporation Transmission Service Charge Effective June 1, 2011*, Docket No. M-2011-2239805 (May 25, 2011) ("2011 TSC Order"). PPL Electric has deferred refunding the historic TSC overcollections since May 2011.

In the *2011 TSC Order*, the Commission further directed PPL Electric to, "file a plan detailing how best to refund any overcollection to Large C&I customers who contributed to this overcollection during the period January 1, 2010 through May 31, 2011." *2011 TSC Order*, pp. 4-5. On June 7, 2013, PPL Electric filed a petition for approval of a proposed plan to refund the historic TSC overcollections to eligible Large C&I customers ("TSC Refund Plan").

On August 15, 2013, the Commission issued an Order which: (i) accepted PPL Electric's use of 2009 historical allocators to calculate its 2010 revised TSC reconciliation consistent with that Order and the *Auditor's Report of PPL's Section 1307(e) statement for TSC costs and TSC revenues for the five months ended April 30, 2011*, at Docket No. D-2011-2238984; (ii) accepted the auditor's report of PPL Electric's Section 1307(e) statements for the five months ended April 30, 2011, and the 12 months ended November 30, 2010; (iii) adopted the February 2011 Recommended Decision of the ALJ as modified; (iv) ordered PPL Electric to file a TSC Refund Plan within 30 days of that Order; and (v) referred the matter to the Office of Administrative Law Judge ("OALJ") to evaluate the refund calculations and process, and to resolve any disputes

as to the amounts and sources, interest calculations, identities of recipients, and timing for the refunds. See *PPL Electric Utilities Corp. Proposed Transmission Service Charge (TSC) Reconciliation for the 12 Months Ended November 30, 2010*, Docket Nos. M-2010-2213754 and M-2011-2239805 (August 15, 2013).

On August 30, 2013, PPL Electric and PPLICA filed Petitions for Reconsideration and/or Clarification. On September 5, 2013, the OSBA filed a Notice of Appearance. On September 9, 2013, PPL Electric and the OSBA filed Answers to PPLICA's Petition for Reconsideration, and PPLICA filed an Answer to PPL Electric's Petition for Reconsideration. On September 12, 2013, the Commission entered an Opinion and Order granting the Petitions for Reconsideration filed by PPL Electric and PPLICA, pending further review of and consideration on the merits. This Order neither stayed PPL Electric's obligation to file the refund plan nor did it stay referral to the OALJ.

On September 16, 2013, PPL Electric filed a Revised TSC Refund Plan. The ALJ issued a Prehearing Conference Order on September 27, 2013, scheduling a prehearing conference on this proceeding for October 21, 2013. Prehearing conference memoranda were submitted by PPL Electric, PPLICA, OSBA and OCA. In accordance with the procedural schedule, on November 22, 2013, PPL Electric submitted the Direct Testimony of Bethany L. Johnson in support of the TSC Refund Plan. A significant amount of information was supplied by PPL Electric both formally in response to interrogatories as well as informally through settlement discussions. On December 26, 2013, the Joint Petitioners advised the ALJ of a settlement in principle relative to the TSC Refund Plan and, at the request of the Joint Petitioners, the ALJ suspended the procedural schedule in the TSC Refund Plan proceeding. On January 6, 2014, the

ALJ issued a notice cancelling the scheduled hearings relative to PPL Electric's TSC Refund Plan.

On November 14, 2013, the Commission entered an Order denying the Petitions for Reconsideration and/or Clarification filed by PPL Electric and PPLICA. In addition, the Commission accepted the auditor's report of PPL Electric's Section 1307(e) statements for the twelve months ended April 30, 2012. *See PPL Electric Utilities Corp. Proposed Transmission Service Charge (TSC) Reconciliation for the 12 Months Ended November 30, 2010*, Docket Nos. M-2010-2213754 and M-2011-2239805 (November 14, 2013). On December 13, 2013, PPLICA filed a Petition for Review of the Commission's November 14, 2013 Order at Docket Nos. M-2010-2213754 and M-2011-2239805. PPLICA's Petition for Review was docketed with the Commonwealth Court of Pennsylvania at Docket No. 2217 C.D. 2013. In its Petition, PPLICA sought appellate review of the use of forecasted demand cost allocators instead of actual monthly demand cost allocators to calculate the reconciliation of the TSC for customer classes (the "Demand Allocation").

On January 13, 2014, the Commission filed a Motion to Quash PPLICA's Petition for Review of the Demand Allocation. On January 24, 2014, the Commission filed with the Commonwealth Court an Unopposed Application for Relief in the Form of a Motion to Stay Petition for Review of the of the Demand Allocation, which was subsequently granted by the Commonwealth Court on January 27, 2014. Subsequently, the Joint Petitioners reached a settlement in principle with respect to the Demand Allocation issue pending before the Commonwealth Court and agreed to seek a remand to the Commission to facilitate a global settlement of all issues.

On May 19, 2014, the Commission's Law Bureau Joint Petitioners filed an Unopposed Application to Remand Joint Stipulation and Request to Discontinue and Withdraw PPLICA's Petition for Review of the Demand Allocation. By Order dated May 21, 2014, the Commonwealth Court granted the Unopposed Application for Remand Joint Petitioner's request to discontinue and withdraw PPLICA's Petition for Review of the Demand Allocation was remanded to the Commission for further proceedings.

The Joint Petitioners advised the ALJ of a global settlement in principle relative to both the TSC Refund Plan and the Demand Allocation. The Settlement serves to resolve all issues relative to PPL Electric's TSC Refund Plan and the Demand Allocation. The Settlement reflects a carefully balanced compromise of the interests of the Parties.

II. COMMISSION POLICY FAVORS SETTLEMENT

Commission policy promotes settlements. See 52 Pa. Code § 5.231. Settlements lessen the time and expense that parties must expend litigating a case and, at the same time, conserve precious administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. See 52 Pa. Code § 69.401. In order to accept a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. Pa. PUC v. York Water Co., Docket No. R-00049165 (Oct. 4, 2004); Pa. PUC v. C.S. Water and Sewer Assocs., 74 Pa. P.U.C. 767 (1991). For the following reasons, PPL Electric believes that the TSC Refund Plan, as modified by the Settlement, is just, reasonable, and in the public interest and, therefore, should be approved without modification.

III. THE TSC REFUND PLAN AS MODIFIED BY THE SETTLEMENT IS IN THE PUBLIC INTEREST

As an initial matter, the fact that the Settlement is unopposed is, in and of itself, strong evidence that the Settlement is reasonable and in the public interest. This Settlement, if approved by the ALJ and Commission, will resolve all issues stemming from the historic TSC overcollection and the demand cost allocators used to reconcile the TSC that have been pending before the Commission for a number of years. The Settlement was achieved only after a comprehensive investigation of the historic TSC overcollection and the demand cost allocators used to reconcile the TSC. The Parties participated in numerous settlement discussions and formal negotiations, which ultimately led to the Settlement of both the TSC Refund Plan and the Demand Allocation. The Settlement reflects a carefully balanced compromise of the interests of the Parties.

A. TSC REFUND PLAN

Under the terms of the Settlement, PPL Electric will refund the deferred TSC net historic overcollections through a one-time TSC Bill Credit to each qualifying Large C&I customer based upon that customer's contribution to the historic TSC overcollection. Qualifying customers will receive their refund in a single month, unless this would result in a negative total bill, in which case the TSC Bill Credit will continue until such time that each Large C&I customer receives a full refund. The TSC Bill Credit will be applied on a total bill basis beginning with each qualifying customer's monthly bill following Commission approval of the Company's proposed TSC Refund Plan and the Company's final determination of the balance to be refunded.

PPL Electric will calculate the customer-specific TSC Bill Credit based upon each qualifying customer's individual peak load contribution or demand contribution to the historic

TSC overcollection. PPL Electric will update the historic TSC overcollection balances to be refunded to Large C&I customers as of the end of the first month after the Commission approval of the TSC Refund Plan. The Company will also include additional applicable interest since July 31, 2013. Further, to ensure that all of the historic TSC overcollections are refunded, PPL Electric will distribute on a *pro rata* basis the TSC overcollection amounts associated with the customers that contributed to the TSC overcollection, but are no longer taking delivery service from the Company, to qualifying Large C&I – Primary and Large C&I – Transmission customers that remain on PPL Electric’s distribution system.

The TSC Refund Plan, as modified by the Settlement, will resolve all issues stemming from the reconciliation of PPL Electric’s 2010 TSC at Docket No. M-2010-2213754, which have been the subject of dispute for a number of years. Under the Settlement, an agreed upon level of TSC overcollections will be refunded, to the maximum extent practicable, to those Large C&I customers who contributed to the creation of those overcollections in 2009. The Settlement will permit the refund of the 2009 TSC overcollections without producing negative TSC rates for most Large C&I customers, which would have distorted shopping decisions for these customers and likely would have resulted in a temporary return of shopping customers to default service for reasons unrelated to actual competitive market conditions. The Settlement achieves these results without the need for further litigation thereby conserving the resources of the Joint Petitions and the Commission.

B. DEMAND FACTOR ADJUSTMENT

Under the terms of the Settlement, PPL Electric will issue refunds to the Large C&I and Small C&I customer classes in the amount of 62.5% of the TSC overcollection attributable to PPL Electric's reconciliation to estimated 2009-2011 TSC allocators instead of actual monthly 2010-May 2012 TSC allocators. PPL Electric will recover an amount equal to the refunds

associated with the Demand Factor Adjustment from the Residential customer class through the Company's TSC rate, including applicable interest, over the course of one year or less and starting within 90 days of entry of a Final Commission Order.

Qualifying Large C&I customers will receive the refund associated with the Demand Factor Adjustment and the TSC refund in a single month TSC Bill Credit, unless this would result in a negative total bill, in which case the TSC Bill Credit will continue until such time that each Large C&I customer receives a full refund. Small C&I customers will receive their refund associated with the Demand Factor Adjustment through the Company's TSC rate over the course of one year or less and starting within 90 days of entry of a Final Commission Order.

As part of the Settlement, the Demand Allocation issues currently before the Commonwealth Court at Docket No. 2217 C.D. 2013 will be addressed in a Final Order of the Commission. The Demand Factor Adjustment, as set forth in the Settlement, will fully resolve all issues stemming from the setting of the Company's TSC rates for the June 1, 2011 through May 31, 2012 application period at Docket No. M-2011-2239805. In addition, it will permit normal operation of PPL Electric's TSC E-factor to resume after its suspension by the Commission in May 2011. The Settlement achieves these results without the need for further litigation thereby conserving Commission resources.

IV. CONCLUSION


Through cooperative efforts and the open exchange of information, the Joint Petitions have arrived at a settlement that resolves all issues related the historic TSC overcollection and the demand cost allocators used to reconcile the TSC that have been pending before the Commission for a number of years. The Settlement is the result of detailed examination of the deferred TSC net historic overcollections and the demand cost allocators used to reconcile the

TSC. A fair and reasonable compromise has been achieved in this case, as is evident by the fact that all active parties, including PPL Electric, PPLICA, OCA, and OSBA, have agreed to the resolution of the issues in this proceeding. PPL Electric fully supports this Settlement and respectfully requests that the Honorable Administrative Law Judge Susan D. Colwell recommend approval of, and the Commission approve, the Settlement in its entirety, without modification.

WHEREFORE, PPL Electric Utilities Corporation respectfully requests that Administrative Law Judge Susan D. Colwell and the Pennsylvania Public Utility Commission approve the "Joint Petition for Settlement" that fully and finally resolves all the issues at Docket Nos. M-2010-2213754 and M-2011-2239805.

Respectfully submitted,

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June 11, 2014

Attorneys for PPL Electric Utilities Corporation

Appendix D

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation Proposed	:	
Transmission Service Charge (TSC)	:	
Reconciliation for the 12 Months Ended	:	Docket No. M-2010-2213754
November 30, 2010	:	
PPL Electric Utilities Corporation	:	
Transmission Service Charge Effective June 1,	:	Docket No. M-2011-2239805
2011	:	

**PP&L INDUSTRIAL CUSTOMER ALLIANCE
STATEMENT IN SUPPORT OF
JOINT PETITION FOR SETTLEMENT**

The PP&L Industrial Customer Alliance ("PPLICA"), PPL Electric Utilities Corporation ("PPL" or "Company"), Office of Consumer Advocate ("OCA"), and Office of Small Business Advocate ("OSBA"), active parties in the above-captioned proceeding, are submitting to the Commission a Joint Petition For Settlement ("Joint Petition" or "Settlement") proposing a negotiated resolution of all issues among the parties in the above-captioned proceeding. PPLICA hereby provides this Statement in Support, which explains the background and provisions of the Settlement, and establishes that approval of the Settlement without modification is appropriate and in the public interest.

I. INTRODUCTION AND BACKGROUND

On December 10, 2010, PPL filed a Reconciliation Report for its 2010 Transmission Service Charge for demand ("TSC") for the period December 1, 2009 through November 30, 2010.

On March 2011, PPL informed the Commission that it erroneously reconciled its 2010 TSC demand revenues to 2008 historical demand allocators instead of more current 2009 historical demand allocators.

On May 19, 2011, the Commission entered an Order at Docket No. M-2010-2213754, postponing further review of PPL's 2010 Reconciliation Report pending an audit of the 2010 TSC Reconciliation at Docket No. D-2011-2238984 and initiating an investigation into PPL's TSC reconciliation procedures at Docket No. M-2010-2213754 ("TSC Investigation Order"). The TSC Investigation Order identified two issues to be addressed by PPL and other parties: (1) PPL's use of 2008 TSC historical demand allocators for the 2010 TSC Reconciliation instead of more recent 2009 TSC historical demand allocators; and (2) whether PPL should avoid inter-class subsidies between customer classes by reconciling per-class TSC demand revenues to actual costs instead of historical demand allocators (hereinafter referenced as the "Demand Allocation" issue).

On May 25, 2011, the Commission issued an Order at Docket No. M-2011-2239805 modifying the Company's 2011 TSC rates as necessary to defer large refunds associated with the prior 2010 Reconciliation errors ("Deferral Order"). On May 26, 2011, PPL refiled the TSC rates for the period June 1, 2011, through May 31, 2012, setting the Large C&I reconciliation factor ("E-factor") to zero to reflect the deferred refunds. The May 26, 2011, rate filing implemented refund deferrals totaling, at the time, \$966,427 for Large C&I-Primary customers and \$4,471,391 for Large C&I-Transmission customers.

On June 3, 2011, PPL filed Comments supporting the reconciliation procedures applied for the 2010 TSC Reconciliation and alleging that the provisions in its tariff and a prior settlement agreement did not contemplate the migration to shopping experienced in 2010.¹

On June 20, 2011, PPLICA filed Reply Comments asserting that PPL's 2010 TSC Reconciliation "does not ensure that reconciliation of the TSC occurs for each class separately as required by PPL's tariff and Paragraph 23(d) of the Settlement on Remand, and appears to result in interclass cost shifting." PPLICA June 2011 Comments, p. 4. Also on June 20, 2011, the OCA and OSBA filed Reply Comments in support of PPL's reconciliation procedures.

On June 7, 2013, PPL filed a Petition for Approval to Refund Certain Transmission Charges at Docket No. M-2011-2239805 ("TSC Refund Plan"), proposing to refund historical TSC overcollections.

On June 27, 2013, PPLICA filed an Answer to PPL's Petition generally agreeing with the structure of PPL's TSC Refund Plan, but raising concerns regarding the application of interest to overcollections, the treatment of overcollections paid by former customers no longer on the system, and the accuracy of overcollections calculated by PPL. Specifically, PPLICA observed that the TSC Refund Plan did not contain sufficient detail to confirm whether the overcollections calculated by PPL included the complete scope of errors committed through PPL's 2010 TSC Reconciliation. Accordingly, PPLICA requested that the Commission rule on the Comments and Reply Comments filed in the TSC Investigation docket prior to approving any refunds associated with PPL's 2010 TSC Reconciliation.

On August 15, 2013, the Commission entered an Order addressing PPL's TSC Refund Plan and PPLICA's Answer ("TSC Refund Order"). As recommended by PPLICA, the

¹ Upon remand from a Commonwealth Court proceeding, PPL reached a settlement with PPLICA, OCA, OSBA, and the Office of Trial Staff concerning the calculation and reconciliation of transmission service rates ("Remand Settlement"). Pa. P.U.C. v. PPL, R-00049255, 2007 WL 2198189 (July 25, 2007) remanded from Lloyd, et al. v.

Commission also addressed the Comments and Reply Comments filed in the TSC Investigation. Upon review of the record, the Commission identified three issues for disposition: (1) disbursal of the refunds to Large C&I customers held in abeyance per the Deferral Order; (2) disbursal of the FERC settlement refunds referenced in PPL's TSC Refund Plan; and (3) the Demand Allocation Issue, *i.e.*, PPL's use of 2009 TSC historical demand allocators for its reconciliation of 2010 TSC demand revenues. The Commission referred the disbursal of refunds identified in the Deferral Order and the TSC Refund Plan to an Administrative Law Judge ("ALJ") for review of PPL's calculations and refund methodologies. Although the Commission identified interclass subsidies deriving from PPL's use of historical allocators to reconcile 2010 TSC demand revenues, the Commission declined to order refunds for overcollections related to the Demand Allocation issue.

On August 30, 2013, PPLICA filed a Petition for Reconsideration requesting that the Commission reconsider its approval of PPL's 2010 TSC reconciliation and direct the Company to reconcile its 2010 TSC demand revenues to actual costs. PPL also filed a Petition for Reconsideration addressing separate issues.

On September 9, 2013, PPLICA and PPL each filed Answers in opposition to the other party's respective Petition for Reconsideration. The OSBA also filed an Answer in support of PPLICA's Petition for Reconsideration.

On September 12, 2013, the Commission entered an Order granting both Petitions for Reconsideration pending further review and consideration of the merits.

On September 16, 2013, PPL filed a Revised TSC Refund Plan.

Pa. P.U.C., 904 A.2d 1010, 1018-1020 (Pa. Cmwlth. 2006) ("Lloyd"). Notably, The Office of Trial Staff was renamed as the Bureau of Investigation and Enforcement ("I&E") in 2011.

On September 27, 2013, ALJ Susan D. Colwell issued a Prehearing Conference Order scheduling a prehearing conference on October 21, 2013. In compliance with the Prehearing Order, PPLICA, PPL, OCA, and OSBA filed prehearing conference memoranda.

On November 14, 2013, the Commission entered an Order on Reconsideration ("Reconsideration Order") denying both PPLICA's and PPL's Petitions for Reconsideration on the merits.

On November 22, 2013, PPL submitted the Direct Testimony of Bethany L. Johnson in support of the TSC Refund Plan.

On December 26, 2013, the Joint Petitioners notified ALJ Colwell of a settlement-in-principal with regard to the TSC overcollections to be refunded pursuant to the Commission's directives in the TSC Refund Order. Specifically, the parties reached agreement on the amount and methodology for refunding the TSC overcollections arising from the Deferral Order and the TSC overcollections related to the 2009 Settlement of a PPL FERC Transmission rate case. The ALJ subsequently suspended the procedural schedule.

On December 13, 2013, PPLICA filed a Petition for Review of the TSC Refund Order and the Reconsideration Order, seeking appellate review of the Commission's disposition of the Demand Allocation issue and requesting that the Court reverse the Commission's approval of PPL's 2010 reconciliation of TSC demand revenues to TSC historical demand allocators instead of actual monthly TSC costs.

On January 13, 2014, the Commission filed a motion to quash PPLICA's Petition for Review of the Demand Allocation.

On January 24, 2014, the Commission filed with the Commonwealth Court an Unopposed Application for Relief in the Form of a Motion to Stay Petition for Review of the

Demand Allocation issue, which was subsequently granted by the Commonwealth Court on January 27, 2014.

Shortly afterwards, the Joint Petitioners reached a settlement-in-principle with regard to the Demand Allocation issue, which the Joint Petitioners agreed should be incorporated into the settlement-in-principle of the remaining TSC Refund matters previously reached on December 26, 2013. Accordingly, on May 19, 2014, the Commission's Law Bureau filed an Unopposed Application to Remand PPLICA's Petition for Review of the Demand Allocation issue.

On May 21, 2014, the Commonwealth Court granted the Unopposed Application for Remand.

In accordance with the settlements-in-principle, PPLICA hereby requests that the Commission approve the Joint Petition for Settlement without modification.

II. EXPLANATION OF PROVISIONS IN JOINT PETITION FOR SETTLEMENT

The Joint Petition reflects a reasonable resolution of the issues raised by PPLICA throughout the Commission's investigation of PPL's 2010 TSC reconciliation and the proceedings on PPL's TSC Refund Plan. As summarized above, the Commission previously acknowledged errors in PPL's 2010 TSC reconciliation in its TSC Investigation Order, but deferred refunds due to concerns regarding the effects of refunding significant revenues through the bypassable TSC upon a developing competitive retail market. Joint Petition, p. 2. The Joint Petition provides a mechanism for issuing refunds for longstanding TSC overcollections back to PPL's customers without disrupting competitive retail markets.

The Joint Petition avoids customer discrimination and market distortion by providing a one-time refund of TSC overcollections to all Large C&I customers currently taking distribution service from PPL rather than just the limited number of Large C&I customers remaining on

default service. See Joint Petition, pp. 6-7. PPLICA notes that the TSC Refund Plan appropriately calculates the payment due to Large C&I-Transmission customers based on each customers peak load contribution for 2009, while Large C&I-Primary customers will receive refunds commensurate with each customers' monthly billed demand for 2009. Joint Petition, p. 6.

The Joint Petition also fairly accounts for overcollections attributable to former customers that are no longer on the system. Certain Large C&I customers that paid into the historical TSC overcollections no longer take distribution service through any accounts on PPL's system. As administrative and logistical difficulties preclude returning the overcollection to such customers, the Joint Petition requires PPL to allocate the balance of such overcollections to the remaining Large C&I customers on a pro rata bases. Joint Petition, p. 7.

The Joint Petition also confirms a reasonable resolution with regard to refunds for TSC overcollections derived from the Demand Allocation issue. The Joint Petitioners agree that PPL shall refund 62.5% of the overcollections attributable to the Company's reconciliation of 2010 TSC revenues to TSC estimated demand allocators instead of actual monthly TSC costs. Joint Petition, p. 8.

Finally, the Joint Petition requests that the Commission clarify that the Order approving the Settlement is the Final Order in this proceeding, superseding the findings in the August 15, 2013, and November 14, 2013, Orders. PPLICA submits that such clarification is appropriate under the circumstances and would serve to preserve a clear and unambiguous record as to the Commission's ultimate findings in this proceeding. Joint Petition, p. 9.

III. THE PUBLIC INTEREST SUPPORTS APPROVAL OF THE JOINT PETITION WITHOUT MODIFICATION

The terms of the Joint Petition reflect a just and reasonable compromise between the Joint Petitioners. The Joint Petition confirms resolution of all issues raised by parties in relation to

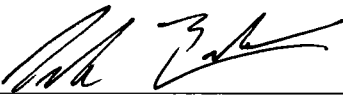
PPL's 2010 TSC Reconciliation. Under the terms of the Joint Petition, many Large C&I customers will finally be made whole for prior TSC overcollections that have remained outstanding and unresolved for more than 3 years.

Additionally, all parties affected by this ongoing and oft-delayed proceeding will benefit from a comprehensive resolution, as the Settlement avoids the expense and uncertainty of continued litigation of this matter, and otherwise advances the policy of this Commission to encourage parties to resolve contested proceedings through settlement processes. Therefore, approval of the Joint Petition, without modification, is in the public interest.

WHEREFORE, the PP&L Industrial Customer Alliance respectfully requests that the Commission adopt the Joint Petition for Settlement without modification.

Respectfully submitted,

MCNEES WALLACE & NURICK LLC

By 

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Dated: June 11, 2014

Appendix E

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corp. Proposed	:	
Transmission Service Charge (TSC) for	:	DOCKET NO. M-2010-2213754
The Twelve Months Ending	:	
November 30, 2010	:	
	:	
PPL Electric Utilities Corporation	:	DOCKET NO. M-2011-2239805
Transmission Service Charge	:	

**STATEMENT OF THE OFFICE OF SMALL BUSINESS ADVOCATE
IN SUPPORT OF THE JOINT PETITION FOR SETTLEMENT**

I. INTRODUCTION

The Small Business Advocate is authorized and directed to represent the interests of small business consumers in proceedings before the Pennsylvania Public Utility Commission (“Commission”) under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50.

II. PROCEDURAL BACKGROUND

On December 10, 2010, PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) filed its Proposed Transmission Service Charge (“TSC”) Reconciliation for the Twelve Months Ending November 30, 2010, with the Commission. The TSC rate effective January 1, 2011, was calculated in error using 2008 historical demand allocators, rather than 2009 historical demand allocators, which caused PPL Electric to file a revised calculation in March 2011. The error resulted in an overcollection from certain large commercial and industrial (“Large C&I”) default service customers.

The Commission entered an Order on May 19, 2011, directing PPL Electric to defer refunding the past period overcollections. This Order also invited parties to comment on the issue of PPL Electric's TSC reconciliation methodology, namely, the use of *ex ante* demand estimates rather than *ex post* actual demand data. A generic investigation was also commenced on this issue at Docket No. M-2011-2239714 ("Generic TSC Investigation").

On June 3, 2011, PPL Electric filed comments in support of its procedure to reconcile estimates of class usage. The Office of Small Business Advocate ("OSBA") and Office of Consumer Advocate ("OCA") filed comments on June 20, 2011, supporting PPL Electric's procedure. However, during the course of this protracted proceeding, the OSBA re-evaluated its position and determined that use of estimated rather than actual demand data to reconcile demand-related costs in the TSC is inappropriate.¹ The PP&L Industrial Customer Alliance ("PPLICA") filed comments opposing PPL Electric's procedure and advocating for use of actual demand data.

The Commission held in abeyance any further action at Docket No. M-2010-2213754 pending further review and completion of the PPL Electric TSC 2010 audit report.

On April 29, 2011, PPL Electric filed its annual TSC reconciliation proposing TSC rates to become effective on June 1, 2011, at Docket No. M-2011-2239805. These rates included substantial refunds of past period overcollections to certain Large C&I customers. The Commission entered an order on May 25, 2011, determining that refunds should again be deferred pending further review.

¹ The OSBA's revised view was presented on July 20, 2012, by OSBA witness Robert D. Knecht in his Direct Testimony in PPL Electric's second default service proceeding at Docket No. P-2012-2302074.

Following two years without action being taken by the Commission, on June 7, 2013, PPL Electric filed a petition at Docket No. M-2011-2239805 for approval of a plan to refund certain historical overcollections of TSC charges to certain Large C&I customers (“Large C&I TSC Refund Plan”).

On June 27, 2013, PPLICA filed an answer to that petition requesting further review of PPL Electric’s Large C&I TSC Refund Plan and raising various issues, including PPL Electric’s use of estimated TSC demand cost allocators instead of actual monthly January 2010 to May 2012 TSC demand cost allocators for reconciliation of its TSC (the “Demand Allocation”).

On August 15, 2013, the PPL Electric TSC Audit Report for the 12 months ended November 30, 2010 and the 5 months ended April 30, 2011 was released to the public at Docket No. D-2011-2238984. The audit report found that PPL Electric used outdated data for each default service customer class to calculate the TSC allocation factors for the reconciliation periods of 2009, 2010 and the partial year of 2011. The audit report also recommended that PPL Electric make adjustments to future TSC rate filings to correct the error.

Also on this date, the Commission entered an order accepting PPL Electric’s Demand Allocation, *i.e.*, use of 2009 historical allocators to calculate its 2010 revised TSC reconciliation (“August 15 Order”). However, in a concurrent order entered in the Generic TSC Investigation, the Commission determined that the correct methodology going forward would be for all electric distribution companies (“EDCs”) to use actual, not historical, demand cost allocators. In effect, the Commission required PPL Electric and all other EDCs to use actual demand cost allocators to reconcile their TSC on a going forward basis, but did not require PPL Electric to reconcile its prior years TSC using actual demand cost allocators.

The Commission's August 15 Order further directed PPL Electric to file a revised Large C&I TSC Refund Plan to refund the currently suspended funds, including funds related to a FERC rate reduction owed to PPL Electric's Large C&I-Primary and Large C&I-Transmission customer classes from 2009. The Commission referred the Large C&I TSC Refund Plan to the Office of Administrative Law Judge for evaluation and resolution of any disputes. A settlement in principle of the issues with respect to the Large C&I TSC Refund Plan was subsequently reached by the parties on December 26, 2013.

In the meantime, however, the Demand Allocation remained a litigated issue. Petitions for Reconsideration of the August 15 Order were filed by PPL and PPLICA on August 30, 2013. The OSBA filed an answer in Support of PPLICA's Petition for Reconsideration on September 9, 2013, agreeing that PPL Electric's use of estimated TSC demand cost allocators instead of actual demand cost allocators for reconciliation of its TSC was inappropriate.

On November 14, 2013, the Commission entered an Order denying the Petitions for Reconsideration filed by PPL Electric and PPLICA ("November 14 Order").

PPLICA filed a Petition for Review of the Commission's August 15 Order and November 14 Order with the Commonwealth Court on December 13, 2014, which was docketed at 2217 CD 2013 ("Appeal Proceeding"). The OSBA intervened in the Appeal Proceeding, which was then stayed at the request of the parties. Subsequently, the parties reached a settlement in principle with respect to the Demand Allocation issue pending before the Commonwealth Court. The Appeal Proceeding was remanded from the Commonwealth Court to the Commission at the request of the parties in order to facilitate a global settlement of all issues with respect to both the Large C&I TSC Refund Plan and the Demand Allocation issue.

The OSBA actively participated in the negotiations that led to the proposed settlement, and is a signatory to the Joint Petition for Settlement (“Joint Petition”). The OSBA submits this statement in support of the Joint Petition.

III. STATEMENT IN SUPPORT

In this proceeding, the OSBA was primarily concerned with PPL Electric’s methodology used to reconcile the TSC for small commercial and industrial (“Small C&I”) customers from January 1, 2010 through May 31, 2012, namely the Demand Allocation issue. The Joint Petition adequately addresses the Demand Allocation issue. As a result, the OSBA concludes that the Joint Petition is in the best interests of PPL Electric’s Small C&I customers.

With respect to the Demand Allocation issue, pursuant to the Commission’s August 15 Order and November 10 Order, the Commission accepted PPL Electric’s reconciliation of the TSC using estimated rather than actual demand cost allocators and did not order any refunds to be issued to Small C&I customers. However, if PPLICA and OSBA were successful in the Appeal Proceeding, PPL Electric would be forced to re-calculate its TSC, reconciling using actual, rather than estimated, demand cost allocators. In that scenario, PPL Electric’s Small C&I customers would receive a refund of the total difference attributable to the change in the Demand Allocation, approximately \$2.82 million.

The OSBA continues to believe that the Commission’s determination in this matter on the Demand Allocation issue was incorrect and inequitable, in that it did not result in a reconciliation of actual revenues and actual costs. Nevertheless, in light of the Commission’s earlier decision, the OSBA recognizes that Small C&I customers face substantial litigation risk in this matter, particularly since the risk is that of an all or nothing outcome. The Small C&I

customer class will receive no refunds if the appeal is unsuccessful and approximately \$2.82 million in refunds if the appeal is successful.

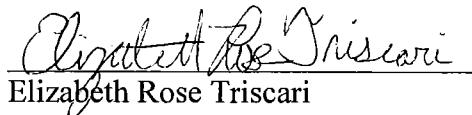
In contrast, the Joint Petition provides for PPL Electric to issue refunds to the Small C&I and Large C&I customer classes in the amount of 62.5% of the TSC overcollection attributable to PPL Electric's reconciliation to estimated TSC demand cost allocators instead of actual monthly January 2010 to May 2012 TSC demand cost allocators, including applicable interest. For the Small C&I customer class, this amounts to a refund of approximately \$1.76 million. Given the litigation risk of receiving no refund at all, the OSBA determines that a settlement for 62.5% of the potential refund is reasonable and in the best interests of PPL Electric's Small C&I customers.

Moreover, this settlement is directionally consistent with the Commission's decision in the Generic TSC Investigation on the appropriate way for transmission service charges to be calculated going forward. That decision directed not only PPL Electric, but all EDCs, to calculate their TSC using actual demand cost allocators. Approval of the settlement is therefore in the public interest.

IV. CONCLUSION

For the reasons set forth in the Joint Petition, as well as the additional factors enumerated in this statement, the OSBA supports the proposed Joint Petition and respectfully requests that ALJ Colwell and the Commission approve the Joint Petition in its entirety without modification.

Respectfully submitted,



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Dated: June 11, 2014

Appendix F

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities Corp.	:	
Proposed Transmission Service Charge	:	M-2010-2213754
Reconciliation for the Twelve Months Ended	:	
November 30, 2010	:	
	:	
	:	
	:	
PPL Electric Utilities Corp.	:	M-2011-2239805
Transmission Service Charge Effective	:	
June 1, 2011	:	

STATEMENT OF THE
OFFICE OF CONSUMER ADVOCATE
IN SUPPORT OF JOINT PETITION FOR SETTLEMENT

The Office of Consumer Advocate (OCA), one of the signatory parties to the Joint Petition for Settlement (Joint Petition or Settlement) of PPL Electric Utilities Corporation (PPL Electric or the Company) 2010 and 2011 Transmission Service Charge proceedings, finds the terms and conditions of the Settlement to be in the public interest for the following reasons:

I. BACKGROUND

This proceeding flows from PPL's development of rates for transmission service needed to serve default service customers. The Company recovers these transmission costs through its Transmission Service Charge (TSC). The OCA filed its Notice of Intervention in the Company's annual 2010 TSC reconciliation proceeding (Docket No. M-2010-2213754) on June 3, 2011.

On August 15, 2013, the Pennsylvania Public Utility Commission entered an Order (the August 15 Order) in the above-captioned docket in which it resolved "three open

matters” concerning the operation of PPL’s TSC. The first issue addressed in the August 15 Order was PPL’s use of 2009 historical allocators for its reconciliation of 2010 TSCd revenues. The Commission determined that the 2010 reconciliation method used by PPL for calculation of the TSC should remain in place.

The second and third issues concerned the disbursement of refunds owed to large C&I customers. The Commission stated that these two issues were partially resolved by the Order, but also referred the matter to OALJ for preparation of a recommended decision relative to the particulars of the refunds, such as: correct amounts to be refunded, interest calculations, timing of refunds, customers receiving the refunds, and customers that cannot be located. The Commission ordered PPL to file a refund plan within 30 days of entry of the August 15 Order, and for the plan to be referred to the Office of Administrative Law Judge to adjudicate any disagreement among the parties as to the amount of refunds in question, interest, timing of refunds, identity and location of the customers involved, and customers that cannot be found.

On August 30, 2013, PPL filed a Petition for Reconsideration of the Commission’s August 15 Order insofar as it denied the Company permission to recover costs associated with the refund process that were related to PPL’s “billing error.” Also on August 30, 2013, the PP&L Industrial Customer Alliance (PPLICA) filed a Petition for Reconsideration and/or Clarification of the August 15 Order concerning the Company’s use of estimated TSC costs in its 2010 TSC reconciliation. On September 9, 2013, PPL Electric and OSBA filed Answers to PPLICA’s Petition for Reconsideration, and PPLICA filed an Answer to PPL Electric’s Petition for Reconsideration.

On September 12, 2013, the Commission entered an Opinion and Order granting the Petitions for Reconsideration filed by PPL Electric and PPLICA, pending further review of

and consideration on the merits. On September 16, 2013, PPL Electric filed a Revised Large C&I TSC Refund Plan.

On October 21, 2013, a prehearing conference was held. On November 14, 2013, the Commission entered an Order denying the Petitions for Reconsideration and/or Clarification filed by PPL Electric and PPLICA. In addition, the Commission accepted the auditor's report of PPL Electric's Section 1307(e) statements for the twelve months ended April 30, 2012.

On December 13, 2013, PPLICA filed a Petition for Review of the Commission's August 15, 2013 and November 14, 2013 Orders at Docket Nos. M-2010-2213754 and M-2011-2239805. PPLICA's Petition for Review was docketed with the Commonwealth Court of Pennsylvania at Docket No. 2217 C.D. 2013. In its Petition, PPLICA sought appellate review of the use of estimated TSC demand cost allocators instead of actual monthly January 2010 to May 2012 TSC demand cost allocators for reconciliation of PPL Electric's TSC. On January 13, 2014, the OCA filed a Notice of Intervention on the Commonwealth Court.

On January 24, 2014, the Commission filed with the Commonwealth Court an Unopposed Application for Relief in the Form of a Motion to Stay Petition for Review of the Demand Allocation, which was subsequently granted by the Commonwealth Court on January 27, 2014. Subsequently, the Joint Petitioners reached a settlement in principle with respect to the demand allocation issue pending before the Commonwealth Court and agreed to seek a remand to the Commission to facilitate a global settlement of all issues.

On May 19, 2014, the Commission's Law Bureau filed an Unopposed Application to Remand PPLICA's Petition for Review of the Demand Allocation. By Order dated May 21, 2014, the Commonwealth Court granted the Unopposed Application for Remand and PPLICA's Petition for Review of the Demand Allocation was remanded to the Commission

for further proceedings. The Settlement resolves all issues relative to PPL Electric's Large C&I TSC Refund Plan and the demand allocation.

II. TERMS AND CONDITIONS OF SETTLEMENT

The Settlement contains several key provisions agreed to by the parties. The OCA submits that important provisions contained in the Settlement reflect a carefully balanced compromise of the interests of all the Joint Petitioners in this proceeding. The Joint Petitioners agree that the Settlement is in the public interest and should be approved.

The Settlement addresses the following issues:

1. PPL Electric will refund deferred historical TSC net overcollections to the Large C&I customer class by implementing the Large C&I TSC Refund Plan, which will refund historical TSC net overcollections and associated interest through a one-time Bill Credit.
2. PPL Electric will resume normal operation of the TSC E-factor for Large C&I customers once the Commission approves the Settlement.
3. PPL Electric will issue refunds to the Large C&I and Small C&I customer classes in the amount of 62.5% of the TSC overcollection, including interest through a demand factor adjustment on the Residential customer class. This demand factor adjustment will go in into effect starting as soon as practical after the entry of a Final Commission Order approving the Settlement until June 1, 2015.
4. Large C&I customers will receive their demand factor refunds in a single month TSC Bill Credit in addition to the TSC net overcollections.
5. Small C&I customers will receive their demand factor refunds over the course of one year or less, starting no later than 90 days after Commission approval of the Settlement.

The OCA intervened in this matter to protect the interests of the residential ratepayers to make certain that any demand factor adjustment collecting revenue from residential ratepayers is just and reasonable. As originally approved by the Commission, PPL used historical allocators for the TSC reconciliation, rather than actual experienced demand allocation of each class. As a result, residential customers were allocated a smaller portion of PPL's total

transmission costs than would have occurred if actual customer class demand was utilized.

Under the Settlement, the parties have agreed that PPL will issue refunds as follows:

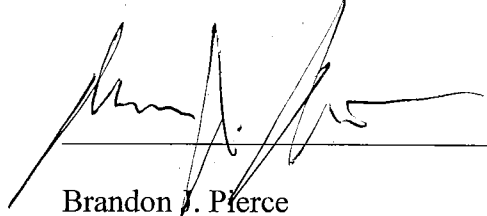
PPL Electric will issue refunds to the Large C&I and Small C&I customer classes in the amount of 62.5% of the TSC overcollection attributable to PPL Electric's reconciliation to estimated TSC demand cost allocators instead of actual monthly January 2010 to May 2012 TSC demand cost allocators, including applicable interest, as detailed in Appendix B ("Demand Factor Adjustment").

Settlement at Section II B, ¶ 25. The OCA submits that allocating 62.5 percent of the TSC costs attributed to the use of actual, rather than estimated, class demand data is a reasonable compromise of this issue. In addition, the OCA submits that the language contained in Section II B, paragraph 26, ensures that the demand factor adjustment will go into effect as soon as practicable if and when the Commission approves the Settlement. The Settlement also provides that the demand factor adjustment will terminate on the June 1, 2015 effective date of PPL Electric's next TSC rate period. The OCA's interest in ensuring that the demand factor adjustment goes into effect as soon as practicable will help to amortize the adjustment over as long a period as possible until its termination on June 1, 2015, thus minimizing the monthly rate impact to ratepayers.

III. CONCLUSION

For the foregoing reasons, the OCA submits that the terms and conditions of the Joint Petition for Settlement are in the public interest and the interest of PPL Electric Utilities' ratepayers and should be approved.

Respectfully Submitted,



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Dated: June 11, 2014

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