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February 23, 2015

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: Dauphin County Industrial Development Authority v. PPL Electric Utilities
Corporation
Docket No. C-2014-2450483**

Dear Secretary Chiavetta:

Enclosed please find the Cross Motion for Judgment on the Pleadings of PPL Electric Utilities Corporation in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Michael W. Hassell

MWH/skr
Enclosure

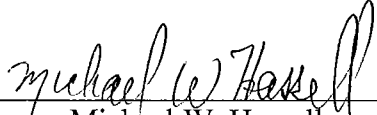
**CERTIFICATE OF SERVICE
(Docket No. C-2014-2450483)**

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 § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

Mark S. Stewart
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Date: February 23, 2015



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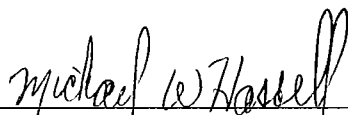
**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Dauphin County Industrial Development Authority :
 :
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 v. : Docket No. C-2014-2450483
 :
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 PPL Electric Utilities Corporation :
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NOTICE TO PLEAD

YOU ARE HEREBY ADVISED THAT, PURSUANT TO 52 PA. CODE § 5.63, YOU MAY FILE A REPLY TO THE ENCLOSED CROSS MOTION WITHIN TWENTY (20) DAYS AFTER THE DATE OF SERVICE. YOUR REPLY SHOULD BE FILED WITH THE SECRETARY OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, P.O. BOX 3265, HARRISBURG, PA 17105-3265. A COPY OF YOUR REPLY SHOULD ALSO BE SERVED ON THE UNDERSIGNED COUNSEL.

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Date: February 23, 2015

Attorneys for PPL Electric Utilities Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Dauphin County Industrial Development Authority	:	
	:	
v.	:	Docket No. C-2014-2450483
	:	
PPL Electric Utilities Corporation	:	
	:	

**CROSS MOTION FOR JUDGMENT ON THE PLEADINGS
OF PPL ELECTRIC UTILITIES CORPORATION**

Pursuant to the provisions of 52 Pa. Code § 5.102, PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) hereby files this Cross Motion for Judgment on the Pleadings, requesting that the Pennsylvania Public Utility Commission (“Commission”) dismiss, in its entirety and with prejudice, the Complaint of Dauphin County Industrial Development Authority (“DCIDA”). PPL Electric is filing this Cross Motion for Judgment on the Pleadings contemporaneously with the filing of an Answer to DCIDA’s Motion for Judgment on the Pleadings.

As explained below, PPL Electric has paid compensation to DCIDA for excess generation, as a customer-generator with a Time of Use (“TOU”) rate option, in accordance with the terms of its Commission-approved tariff. Therefore, the portion of DCIDA’s Complaint that seeks further compensation for the period going back to June 1, 2013 should be dismissed for improperly seeking to order a retroactive change to Commission-made rates. Further, PPL Electric’s TOU rate provisions have been revised pursuant to Commission Order entered September 11, 2014, with the result that TOU service now is offered by Natural Gas Suppliers (“NGSs”). As a result, PPL Electric no longer is responsible to pay TOU customers for excess

generation. As a result, DCIDA is not entitled to prospective relief, and that portion of its Complaint also should be dismissed.

I. INTRODUCTION AND BACKGROUND

1. PPL Electric is a public utility subject to the Pennsylvania Public Utility Code, 66 Pa. C.S. § 5101, et seq., and regulated by the Commission. PPL Electric provides electric default service and distribution service pursuant to its Commission-approved tariff, which governs PPL Electric's rates and terms and conditions of service.

2. Complainant DCIDA receives service under PPL Electric's Small General Service -1 ("GS-1") rate schedule.

3. Beginning October 10, 2011, PPL Electric has treated DCIDA as a net metering customer at 120 Hetrick Lane, Harrisburg, PA 17018. Beginning with service rendered on and after July 1, 2013, PPL Electric has treated DCIDA as eligible for a TOU default service rate option.¹

4. By Secretarial Letter dated October 3, 2014, PPL Electric was served with DCIDA's Complaint.

5. The Complaint alleges that PPL Electric incorrectly computed the compensation due to DCIDA for excess kWh deliveries over usage for the yearly period from June 1, 2013 through May 31, 2014. (See Complaint ¶¶ 18, 20.)

¹ In its prior answer to DCIDA's Complaint, PPL Electric averred that DCIDA began to be served under a TOU option on April 10, 2013. After further investigation, the Company determined that DCIDA or its representative first contacted PPL Electric regarding TOU service in April 2013, and service under the TOU option began in July 2013. For the month of June 2013, DCIDA was served as a net metering customer without a TOU option. DCIDA's excess generation for the month of June 2013 was compensated at the Price to Compare rate of \$0.02715 per kWh in effect for Small Commercial and Industrial customers for the month of June 2013. Because DCIDA switched to the TOU option during the period from June 1, 2013 through May 31, 2014, compensation for excess generation received prior to conversion to the TOU option was paid in or around August 2013, and not as part of an annual compensation.

6. On November 18, 2014, PPL Electric filed an Answer and New Matter to the Complaint.

7. On December 8, 2014, DCIDA filed a reply to PPL Electric's New Matter.

8. On February 3, 2015, DCIDA filed a Motion for Judgment on the Pleadings. Contemporaneous with the filing of this Cross Motion for Judgment on the Pleadings, PPL Electric is filing its Answer to DCIDA's Motion for Judgment on the Pleadings.

II. STANDARD FOR JUDGMENT ON THE PLEADINGS

9. Section 5.102 of the Commission's regulations provides the Commission's standard of review for a request for judgment on the pleadings:

(1) Standard for grant or denial on all counts. The presiding officer will grant or deny a motion for judgment on the pleadings or a motion for summary judgment, as appropriate. The judgment sought will be rendered if the applicable pleadings, depositions, answer to interrogatories and admissions, together with affidavits, if any, show that there is no genuine issue as to a material fact and that the moving party is entitled to a judgment as a matter of law.

(2) Standard for grant or denial in part. The presiding officer may grant a partial summary judgment if the pleadings, depositions, answers to interrogatories and admissions, together with affidavits, if any, show that there is no genuine issue as to the material fact and that the moving party is entitled to a judgment as a matter of law on one or more but not all outstanding issues.

52 Pa. Code § 5.102(d)(1), (2).

10. The Commission is granted discretion to dismiss any complaint without hearing if, in its opinion, a hearing is not necessary in the public interest. 66 Pa.C.S. § 703(b); 52 Pa. Code § 5.21(d). A hearing is necessary only to resolve disputed questions of fact, and when the question presented is one of law, the Commission need not hold a hearing. *Lehigh Valley Power Comm. v. Pa. Pub. Util. Comm'n*, 563 A.2d 548 (Pa. Cmwlth. 1989); *Edan Transportation Corp. v. Pa. Pub. Util. Comm'n*, 623 A.2d 6 (Pa. Cmwlth. 1963).

11. As explained below, PPL Electric believes there are no disputed issues of material fact that would prevent resolution of this Cross Motion for Judgment on the Pleadings in PPL Electric's favor. PPL Electric asserts that its tariff provisions regarding compensation for excess generation from TOU net metering customers are clear on their face and that PPL Electric has paid compensation in accordance with its Commission-approved tariff. Therefore, under the doctrine of Commission-made rates, no retroactive adjustment to that compensation is permitted as a matter of law. PPL Electric further asserts that any request for prospective relief is moot. This is because the Commission has previously authorized a change to PPL Electric's provision of TOU service. Under that change, PPL Electric now relies upon EGSs to provide customers with a TOU option. As a result, PPL Electric no longer compensates TOU customers for excess generation on an annual basis. For these reasons, and as more fully explained below, PPL Electric is entitled to judgment on the pleadings and the above-captioned Complaint should be dismissed in its entirety and with prejudice.

III. ARGUMENT

A. PPL ELECTRIC HAS COMPENSATED DCIDA FOR EXCESS GENERATION IN ACCORDANCE WITH THE TERMS OF ITS COMMISSION-APPROVED TARIFF

12. On March 30, 2012, PPL Electric filed Supplement No. 118 to Tariff Electric Pa. P.U.C. No. 201 (Supplement No. 118), which proposed a general increase in base rates. Among the tariff provisions contained in Supplement No. 118, the Company proposed the following revised terms to its net metering tariff:

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer by the Company during the billing period at the full retail rate consistent with Commission regulations. If a customer generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried

forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours will continue to accumulate until the end of the PJM planning period ending May 31 of each year. On an annual basis consistent with the PJM planning period, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the preceding year at the Company's Rate Schedule Price To Compare consistent with Commission regulations. For eligible customer-generators with a TOU rate provision, a weighted average of the on-peak and off-peak hours will be used to derive the Company's Price To Compare for that Rate Schedule. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

13. Specifically, the following additions were proposed:

On an annual basis consistent with the PJM planning period, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the preceding year at the Company's Rate Schedule Price To Compare consistent with Commission regulations. For eligible customer-generators with a TOU rate provision, a weighted average of the on-peak and off-peak hours will be used to derive the Company's Price to Compare for that Rate Schedule.

(See Appendix "A", which is a copy of tariff page 19L.3 from Supplement No. 118, submitted as Exhibit DAK-1 in that proceeding.)

14. Supplement No. 118 was docketed to R-2012-2290597 and was suspended by operation of law to December 31, 2012. No party to the proceeding opposed the foregoing additions. Following a fully-litigated proceeding, the Commission entered an Order on December 28, 2012, ruling on all issues in the case. In that Order, the foregoing tariff provisions were approved by the Commission. *Pa. P.U.C. v. PPL Electric Utilities Corporation*, Docket No. R-2012-2290597, Order entered December 28, 2012, Order at pp. 135-137.

15. The foregoing additions clearly and unambiguously establish how annual compensation is to be paid to net metering customers with a TOU option. The Company is to use a weighted average of on-peak and off-peak hours to derive a single Price to Compare (“PTC”) for each rate schedule. It is to be emphasized that the tariff clearly states that the PTC is to be determined on a rate schedule basis, and not on an individual customer basis. Thus, for example, all GS-1 rate schedule customers receiving net metering service with a TOU option is paid the same amount per kWh for excess generation over an annual period.

16. PPL Electric paid DCIDA compensation for excess generation on an annual basis in accordance with the foregoing provision.

17. Throughout the annual period ended May 31, 2014, PPL Electric’s rate for on-peak consumption for eligible Rate GS-1 customers under the TOU option was \$0.15389 per kWh, and its rate for off-peak consumption for eligible Rate GS-1 customers under the TOU option was \$0.11588 per kWh, exclusive of the Transmission Service Charge (“TSC”) and the State Tax Adjustment Surcharge (“STAS”). Such rates had been fixed since September 1, 2011, pursuant to Commission Order entered August 25, 2011 at Docket No. M-2011-2258733, and subsequent orders entered August 30, 2012 at Docket No. R-2011-2264771 and entered May 23, 2013 at Docket No. P-2012-2302074. For the period June 1, 2013 through May 31, 2014, PPL Electric calculated the weighted average TOU PTC for customers served under Rate GS-1 based upon the on-peak and off-peak hours for that annual period. The total on-peak hours were 3,024, and the total off-peak hours were 5,736. This equates to an on-peak hourly weighting of 35% and an off-peak hourly weighting of 65%. These weightings were applied to the on-peak TOU rate of \$0.15389 per kWh and to the off-peak TOU rate of \$0.11588 per kWh, resulting in a weighted average Gas Supply Charge 1 (“GSC-1”) of \$0.12918 per kWh. The TSC of \$0.00817

per kWh and the STAS of \$0.00001 per kWh were added to the GSC-1 rate to derive the weighted average PTC of \$0.13736 per kWh. (Verification ¶ 4.)

18. PPL Electric paid DCIDA for 1,792,000 kWh of excess generation at the price of \$0.13736/kWh for the period July 1, 2013 – May 31, 2014. (Verification ¶ 5.)

19. Under law, the only rates PPL Electric may charge are those set forth in its tariff. *Pennsylvania Electric Co. v. Pa. Pub. Util. Comm'n*, 633 A.2d 281, 284 (Pa. Cmwlth. 1995) citing *Brockway Glass Co. v. Pa. Pub. Util. Comm'n*, 437 A.2d 1067, 1070 (Pa. Cmwlth. 1981). Because PPL Electric compensated DCIDA in accordance with the unambiguous terms of its Commission-approved tariff, DCIDA is not entitled to further compensation, and its request for additional payment should be dismissed as a matter of law.

B. THE COMPLAINT IMPROPERLY SEEKS A RETROACTIVE CHANGE TO COMMISSION-MADE RATES

20. The Complaint's request for a recalculation of previously-paid compensation for excess generation violates the Commission-made rate doctrine, and therefore must be dismissed for seeking relief that the Commission may not grant.

21. The Commission-made rate doctrine was first described in the seminal case of *Cheltenham & Abington Sewerage Co. v. Pa. P.U.C.*, 344 Pa. 366, 25 A.2d 334 (Pa. 1942) ("*Cheltenham*"). The rates of Cheltenham & Abington Sewerage Co. ("C&S") had been set in 1930 as a result of a full hearing on complaint. Subsequently, in 1935, the Commission initiated an investigation into C&S's rates, and directed new, lower rates to be implemented effective August 30, 1935. Subsequently, a complaint was filed seeking refunds, which the Commission authorized going back to October 17, 1933. On review, the Pennsylvania Supreme Court held

that refunds could not be granted prior to August 30, 1935, the date when new rates were established.² The Court reasoned as follows:

The rates prescribed by the commission in 1931 after hearing were “commission-made” rates as that term is used in utility law. The rates so fixed could not be other than commission-made rates for that agency fixed the rate base and after estimating an amount allowable for expenses of operation prescribed the gross annual revenue which the utility should collect.

* * *

Mr. Justice ROBERTS in the leading case on the subject (Arizona Grocery Co. v. Atchison, T. & S.F. Ry., 284 U.S. 370, 386-389, 52 S. Ct. 183) said: “When ... the [Interstate Commerce] Commission declares a specific rate to be the reasonable and lawful rate for the future, it speaks as the Legislature, and its pronouncement has the force of a statute. This court has repeatedly so held with respect to the fixing of specific rates by state commissions, and in this respect there is no difference between authority delegated by state legislation and that conferred by congressional action ... As respects its future conduct, the carrier is entitled to rely upon the declaration as to what will be a lawful, that is, a reasonable, rate; and, if the order merely sets limits, it is entitled to protection if it fixes a rate which falls within them. Where, as in this case, the Commission has made an order having a dual aspect, it may not in a subsequent proceeding, acting in its quasi-judicial capacity, ignore its own pronouncement promulgated in its quasi legislative capacity and retroactively repeal its own enactment as to the reasonableness of the rate it has prescribed.” The same principle was followed in this state by the Superior Court: Penna. R.R. Co. v. P.S.C., 125 Pa. Superior Ct. 558, 190 A. 367; B. & O.R.R. Co. v. P.U.C., 136 Pa. Superior Ct. 517, 7 A.2d 488.

* * *

At what date did the tariff of 1931 cease to protect the company from claims for reparations? We are of the opinion that protection extended to August 30, 1935, the date when the commission, acting under the authority granted to it by the legislature, declared that the former controlling rates were unreasonable and should be reduced. The appellant then knew that the commission after full

² Because of an intervening appeal, C&S’s rates from 1930 had remained in effect until January 1, 1937. 25 A.2d at 336.

hearing had determined that the rates were too high. It knew that the legislature had delegated to the commission power and authority to act for it and make that determination as well as the power to make an order for reparations. In prior decisions the Superior Court properly so held: Penna. R.R. Co. v. P.S.C., *supra*; B. & O.R.R. Co. v. P.U.C., *supra*.

Id. at 336-37.

22. Subsequent Court and Commission decisions have recognized the key characteristics of Commission-made rates to be a detailed examination of a utility's claimed expenses and assets, reflecting a determination of just and reasonable rates. *See Equitable Gas Company v. Pa. P.U.C.*, 526 A.2d 823 (Pa. Cmwlth. Ct. 1986); *Pa. P.U.C. v. Union Gas Company*, 1986 Pa. P.U.C. LEXIS 76, *41, fn 19. Commission approval, prior to the implementation of a rate, triggers the Commission-made rate doctrine's immunity from retroactive rate changes. *Metropolitan Edison Co. v. Pa. P.U.C.*, 437 A.2d 76, 80 (Pa. Cmwlth. Ct. 1981).

23. With regard to PPL Electric's tariff rules concerning the calculation of compensation for excess generation to be paid to net metering customers with a TOU option,³ all of the attributes of Commission-made rates exist. The current mechanism to determine the compensation paid was proposed by PPL Electric in its 2012 base rate case at Docket No. R-2012-2290597. That proceeding was fully litigated, resulting in a final Commission order. That order referenced the proposed change to PPL Electric's tariff language regarding compensating net metering customers with a TOU option and specifically approved it. *Pa. P.U.C. v. PPL*

³ In Pennsylvania, a rate is defined as the entire rates mechanism and all rules and regulations associated with it. The statutory definition of a rate, under the Public Utility Code, is:

Every individual, or joint fare, toll, charge, rental or other compensation whatsoever of any public utility ... made, demanded, or received for any service within this part, offered, rendered, or furnished by such public utility ... and any rules, regulations, practices, classifications or contracts affecting any such compensation, charge, fare, toll, or rental.

Electric Utilities Corporation, Docket No. 2012-2290597 (Order entered December 28, 2012), Order at pp. 135-37. Thus, the Commission-made rate doctrine prohibits a retroactive change to the compensation terms.

24. Therefore, any request for additional retrospective compensation should be dismissed as a matter of law.

C. ANY PROSPECTIVE CHANGE REGARDING COMPENSATION IS MOOT

25. The Complaint alleges that PPL Electric's tariff provisions regarding annual compensation for excess generation from customer-generators taking net metering service with a TOU option are contrary to the Commission's interpretation of Section 75.13(d) of the Commission's regulations regarding net metering. 52 Pa. Code § 75.13(d); see Complaint ¶ 20. PPL Electric's response to this contention is set forth in its Answer to DCIDA's Motion for Summary Judgment. For purposes of PPL Electric's Motion for Summary Judgment, the interpretation and application of Section 75.13(d) on a prospective basis is moot, because PPL Electric no longer provides the TOU service for customers.

26. On December 2, 2010, the Commission approved a TOU program filed by PPL, to become effective January 1, 2011. *PPL Electric Utilities Corporation Supplement No. 94 to Tariff Electric – Pa. P.U.C. No. 201 – Time-of-Use Rates*, Docket No. R-2010-2201138 (Order entered December 2, 2010). However, this program proved unworkable, and caused a number of serious problems. Therefore, on August 22, 2011, as part of its GSC-1 quarterly rate update filing, PPL Electric requested that the Commission suspend the TOU rates that were to become effective on September 1, 2011, keep the then-current TOU rates in effect, and allow PPL Electric to submit a revised TOU program. *Id.* By Order entered August 25, 2011, at Docket No. M-2011-2258733, the Commission granted PPL's request to maintain the currently-effective

TOU rates, and directed PPL Electric to submit, within thirty days, a plan proposing revisions to the pricing of the TOU rates in order to address the problems relating to the then-current program.

27. On September 26, 2011, PPL Electric proposed a new TOU program in accordance with the Commission's August 2011 Order. However, on August 30, 2012, the Commission rejected the TOU program as filed, and ordered that the existing TOU rates remain in effect until June 1, 2013, which coincided with the effective date of PPL Electric's then-pending Default Service Program for the period June 1, 2013 through May 31, 2015 ("DSP II"). *Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation*, Docket No. R-2011-2264771 (Order entered August 30, 2012).

28. On May 1, 2012, PPL Electric filed a Petition for approval of its DSP II, which included a TOU proposal. On January 24, 2013, the Commission entered an Opinion and Order approving, with modifications, PPL Electric's DSP II. *Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan*, Docket No. P-2012-2302074 (Order entered January 24, 2013) ("*January 2013 DSP II Order*"). However, the Commission did not approve the TOU program submitted by PPL Electric as part of its proposed DSP II, nor did it approve an alternative TOU proposal submitted by PPL Electric in that proceeding. Instead, the Commission encouraged PPL Electric to schedule a collaborative with interested stakeholders "in order to discuss and resolve any issues regarding the development and implementation of a TOU rate option that will allow the Company to meet its TOU rate requirement." *January 2013 DSP II Order* at 116, 194. The Commission also encouraged PPL Electric to consider implementing a competitive retail bid process in order to use EGSs to meet the Company's TOU rate requirement. *Id.* Pursuant to the *January 2013 DSP II Order*, PPL

Electric initiated a collaborative and discussions with interested parties regarding potential TOU program alternatives. Subsequently, by Order entered May 23, 2013, at Docket No. P-2012-2302074, the Commission further extended the frozen TOU rates until the Commission approved a successor TOU program.

29. On August 23, 2013, PPL filed a Petition for Approval of a New Pilot Time-of-Use Program (“Petition”), in compliance with the Commission’s DSP II orders. By the Petition, PPL Electric proposed a new Pilot Time-of-Use Program (“Pilot TOU Program”). As set forth in the Petition, PPL Electric proposed to utilize EGSs to fulfill its obligation to offer a TOU rate option to its default service customers.

30. By Order entered September 11, 2014, the Commission entered an order approving a Joint Petition for Partial Settlement and denying Exceptions of DCIDA. Pursuant to that Order, and as relevant to this Motion for Judgment on the Pleadings, PPL Electric now utilizes EGSs to offer a TOU rate option to all default service customers. *Petition of PPL Electric Utilities Corporation for Approval of a New Pilot Time-of-Use Program*, Docket No. P-2013-2389572 (Order entered September 11, 2014). As a consequence, PPL Electric no longer provides compensation to net metering customers with a TOU option.⁴

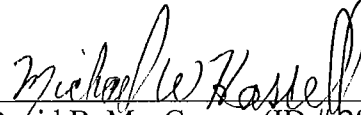
31. Because PPL Electric no longer is responsible to provide compensation to net metering customers with a TOU option, the provisions in PPL Electric’s tariff regarding compensation for excess generation from net metering customers with a TOU option are no longer applicable. Thus, any prospective relief that DCIDA might seek regarding changes to PPL Electric’s tariff are moot. As a matter of law, PPL Electric is entitled to Judgment on the Pleadings.

⁴ DCIDA has appealed the Commission’s September 11, 2014 Order.

IV. CONCLUSION

WHEREFORE, PPL Electric Utilities Corporation respectfully requests that its Cross Motion for Judgment on the Pleadings be granted and that the Complaint of Dauphin County Industrial Development Authority be dismissed in its entirety and with prejudice.

Respectfully submitted,



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Of Counsel:

Post & Schell, P.C.

Date: February 23, 2015

Attorneys for PPL Electric Utilities Corporation

Appendix A

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NET METERING FOR RENEWABLE CUSTOMER-GENERATORS (Continued) (C)

- 2. If the customer-generator's existing electric metering equipment does not meet the requirements under Option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense.

Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

- 3. Meter aggregation on properties owned, or leased and operated, by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense incurred by the Company to process the customer-generator's account on a virtual meter aggregation basis.

BILLING PROVISIONS:

(C)

The following billing provisions apply to customer-generators in conjunction with service under applicable Rate Schedules RS, GS-1, GS-3, or LP-4.

- 1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer by the Company during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours will continue to accumulate until the end of the PJM planning period ending May 31 of each year. On an annual basis consistent with the PJM planning period, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the preceding year at the Company's Rate Schedule Price To Compare consistent with Commission regulations. For eligible customer-generators with a TOU rate provision, a weighted average of the on-peak and off-peak hours will be used to derive the Company's Price To Compare for that Rate Schedule. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

(Continued)

Deleted: December 21, 2010

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(C) Indicates Change

Issued: March 30, 2012

Effective: June 1, 2012

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Dauphin County Industrial Development Authority
v.
PPL Electric Utilities Corporation

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: Docket No. C-2014-2450483
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VERIFICATION

I, James M. Rouland, Supervisor of Energy Procurement for PPL Electric Utilities Corporation (“PPL Electric”), hereby state that the following facts, as set forth in PPL Electric’s Cross Motion for Judgment on the Pleadings, are true and correct to the best of my knowledge, information and belief:

1. Appendix “A” attached to PPL Electric’s Cross Motion for Judgment on the Pleadings is a true and correct copy of tariff page 19L.3 from Exhibit DAK-1 presented in PPL Electric’s base rate proceeding at Docket No. R-2012-2290597.

2. Throughout the annual period ended May 31, 2014, PPL Electric’s price to compare (“PTC”) rate for on-peak consumption for eligible Rate GS-1 customers under the Time of Use (“TOU”) option was \$0.15389 per kWh, and its PTC rate for off-peak consumption for eligible Rate GS-1 customers under the TOU option was \$0.11588 per kWh, exclusive of the Transmission Service Charge (“TSC”) and the State Tax Adjustment Surcharge (“STAS”).

3. For the period June 1, 2013 through May 31, 2014, PPL Electric calculated the weighted average TOU PTC for customers served under Rate GS-1 based upon the on-peak and off-peak hours for that annual period. The total on-peak hours were 3,024, and the total off-peak hours were 5,736. This equates to an on-peak hourly weighting of 35% and an off-peak hourly weighting of 65%.

4. These weightings were applied to the on-peak TOU rate of \$0.15389 per kWh and to the off-peak TOU rate of \$0.11588 per kWh, resulting in a weighted average Generation Supply Charge (“GSC”) of \$0.12918 per kWh. The TSC of \$0.00817 per kWh and the STAS of \$0.00001 per kWh were added to the GSC rate to derive the weighted average PTC of \$0.13736 per kWh.

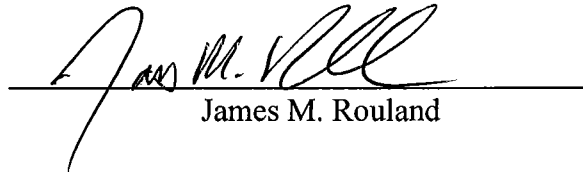
5. PPL Electric paid DCIDA for 1,792,000 kWh of excess generation at the price of \$0.13736/kWh for the period July 1, 2013 – May 31, 2014.

6. As a result of the Commission’s September 11, 2014 Order in Petition of PPL Electric Utilities Corporation for Approval of a New Pilot Time-of-Use Program, Docket No. P-2013-2389572, PPL Electric no longer provides compensation to net metering customers with a TOU option.

7. DCIDA began to receive net metering service with a TOU option beginning July 1, 2013.

I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: 2/20/2015


James M. Rouland