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File #: 2507/151904

February 27, 2015

VIA HAND DELIVERY

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

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**Re: Compliance Filing With Respect to the Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2015 through May 31, 2017
Docket No. P-2014-2417907**

Dear Secretary Chiavetta:

On January 30, 2015, in compliance with the Pennsylvania Public Utility Commission's ("Commission") Order entered January 15, 2015 at Docket No. P-2014-2417907 ("January 15 Order"), PPL Electric Utilities Corporation ("PPL Electric" or the "Company") filed the following:

- Revised Default Service Supply Master Agreement ("DS SMA")
- Revised Default Service Request for Proposal Process and Rules ("DS RFP")
- Alternative Energy Credits Supply Master Agreement ("AEC SMA")
- Alternative Energy Credits Request for Proposals Process and Rules ("AEC RFP")
- Pro Forma Revised Tariff Pages

In a Secretarial letter dated February 27, 2015, the Commission directed PPL Electric to file the following replacement pages:

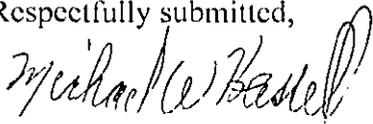
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- DS RFP, Page 12 – Revise Bid Proposal Due Date for the second solicitation to October 6, 2015 from October 13, 2015.
- AEC RFP, Pages 6 and 27 – Revise to allow three (3) business days for the Commission to consider and act on Bids rather than one (1) business day.

The requested changes are reflected in the replacement pages attached hereto. As indicated on the attached certificate of service, copies of this filing have been served on all parties of record.

If you have any questions regarding this letter or the attachments, please contact the undersigned.

Respectfully submitted,



Michael W. Hassell

MWH/skr
Enclosures

cc: Certificate of Service
Marissa Boyle

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ARTICLE 2 INFORMATION AND SCHEDULE

2.1 Information Provided to Potential Bidders

2.1.1 PPL Electric and its RFP Manager have established a Web site that will be the main source of information for this RFP. Prospective RFP Bidders are requested to use this Web site for current data and information about all aspects of this RFP and to access all essential RFP-related documents. Certain data may be password-protected at PPL Electric's sole discretion, in which case passwords would be provided upon execution of the Confidentiality Agreement as described in Section 4.3.

2.1.2 The information on the Web site will contain the following sections:

Home/Welcome Page
Other Presentations
Schedule
Register
Bidder Information Session
PPL Electric Rate Categories and Load Data
RFP Results
Supplier Documents
DSPP Regulatory Filings
Alternative Energy Act
NYPA Contracts
Switching Rules
PJM Deration Factors
Size Distributions
FAQs
Ask a Question/Contact Us
File Transfer

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2.2 RFP Schedule

2.2.1 RFP schedules will be established by PPL Electric and its RFP Manager. PPL Electric may publish advertisements in daily and weekly energy publications and the RFP Manager will notify potential bidders to inform them of the upcoming solicitation. Beginning April 2015, Default Service solicitations will take place on a semi-annual basis. The Bid Proposal Due Dates will occur on or about the following dates:

- April 7, 2015
- October 6, 2015
- April 12, 2016
- October 11, 2016

- 1.1.10 Each Seller for a Product will be paid a supplier-specific price for each AEC and for AEC quantities awarded to Seller as specified in a Transaction Confirmation to the LTAEC SMA. For each Product, the AEC quantities will be expressed for each Annual Time Period and will be calculated based on multiplying the number of tranches awarded to Seller and the share of AECs per tranche for each Annual Time Period as specified above. The supplier-specific price for a Product will be the Seller's winning price for tranche(s) that the Seller has been awarded for that Product. For each Product, the AEC quantities per Annual Time Period and the price, expressed in U.S. Dollars per AEC, will be reported in a Transaction Confirmation.
- 1.1.11 Any prospective respondent to this RFP must meet the Bidder Qualification requirements provided in Article 4, and submit Bid Proposal(s) as described in Articles 5 and 6. The Bidder Qualification requirements generally require the prospective RFP Bidder to provide certain evidence of being a recognized energy market participant and to submit documents establishing the RFP Bidder's credit. A Bid Proposal must include the RFP Bidder's Bid(s) for each Product it is interested in bidding on, and must be accompanied by the executed LTAEC SMA and sufficient Bid Assurance Collateral. A Bid is a price or prices, in U.S. Dollars per AEC, at which the RFP Bidder is willing to supply a tranche or tranches of a given product.
- 1.1.12 All elements of this RFP will be carried out pursuant to the RFP Schedule developed pursuant to Section 2.2. In general, there will be a pre-specified time period prior to the submission of Bid Proposals wherein RFP Bidders can: 1) express interest in offering supplies; 2) obtain data on supply obligations; 3) attend a Bidder Information Session; and 4) submit and receive answers to questions regarding the solicitation.
- 1.1.13 On the Bid Proposal Due Date, a qualified RFP Bidder may submit Bid Proposals for one or more Products, subject to the restrictions of this Article 1. The RFP Bidder may only submit Bids for whole numbers of tranches. When an RFP Bidder submits a Bid to supply a number of tranches in a Product, the RFP Bidder must submit a price at which that RFP Bidder is willing to supply each number of tranches up to and including that number of tranches in that Product. No Bid for any number of tranches in any Product may be made contingent upon winning or losing another Bid for some number of tranches in another Product. Instructions for preparation of Bid Proposal(s) are addressed in Articles 5 and 6.
- 1.1.14 The Bid Proposal Evaluation Team will present the results of the solicitation to the PUC within one (1) business day of the Bid Proposal Due Date. At that time, the PUC will have three (3) business days to consider the report of the Bid Proposal Evaluation Team and to render a final decision on the results of the solicitation. The PUC may either accept or reject all of the Bid Proposals presented for a Product, as defined in Section 1.1.5, in its entirety. If the PUC does not act within three (3) business days, the winning Bids are deemed to be approved.

7.5 Commission Approval and Review

- 7.5.1 The Bid Proposal Evaluation Team will prepare a report that presents the results of the solicitation to the PUC for approval. The Bid Proposal Evaluation Team's report will summarize the Bidder Qualification process and the Bid Proposals that were considered on the Bid Proposal Due Date. The PUC will have three (3) business days to decide whether to approve the results. If the PUC does not act within three (3) business days, the winning Bids are deemed to be approved.
- 7.5.2 The winning RFP Bidders will receive a Transaction Confirmation(s) from PPL Electric on the date of the PUC's approval, or in the event the PUC does not act no later than the next business day following the date when the PUC was expected to act. Specifically, PPL Electric will forward by e-mail, facsimile or other acceptable means, to each winning RFP Bidder a partially executed Transaction Confirmation(s) and shall send by overnight delivery two (2) originals. By 2:00 p.m. EPT on the next Business Day following the RFP Bidder's receipt of such partially executed Transaction Confirmation(s), the RFP Bidder shall return by email, facsimile, or other acceptable means, to PPL Electric one (1) fully executed Transaction Confirmation(s), and shall send by overnight delivery one (1) original of each Transaction Confirmation(s). In addition, PPL Electric will forward to the RFP Bidder one (1) fully executed LTAEC SMA by overnight delivery service. If a winning RFP Bidder fails to execute the Transaction Confirmation(s) as required under this Section 7.5.2, the winning RFP Bidder may forfeit its Bid Assurance Collateral.
- 7.5.3 In the event that results for the solicitation are rejected by the PUC for a Product, or that some amount of the Target Quantity for a Product is unfilled, or that a Seller defaults under the LTAEC SMA and such LTAEC SMA is terminated prior to August 20, 2015, those quantities will be offered in an additional solicitation that is expected to be scheduled in October 2015. At the conclusion of the additional solicitation, if some quantities remained unfilled, PPL Electric will offer assignment to other winning RFP Bidders for the same Product consistent with the Step-Up process described in the LTAEC SMA to the extent possible. Alternatively, PPL Electric will expeditiously seek guidance and approval from the PUC to address this shortfall in the quantity of AECs. If PPL Electric is required to address this shortfall in a second additional solicitation, and such solicitation is not scheduled to be completed prior to May 31, 2016, then PPL Electric will procure any shortfall in AECs for the first Annual Time Period bilaterally in any spot market for AECs.

In the event a Seller defaults under the LTAEC SMA and such LTAEC SMA is terminated on or after such time that does not allow the AEC quantities under the LTAEC SMA to be added to a subsequent solicitation, PPL Electric will offer supply assignment consistent with the Step-Up process described in the LTAEC SMA.

CERTIFICATE OF SERVICE

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

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Date: February 27, 2015



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