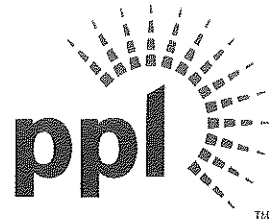


**Paul E. Russell**  
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**PPL**  
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**E-File**

March 10, 2015

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

**Re: PPL Electric Utilities Corporation  
Distribution System Improvement Charge ("DSIC")  
Reconciliation Report  
For the Period January 1, 2014 through December 31, 2014  
Docket No. M-2014-2443888**

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Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is PPL Electric's updated Distribution System Improvement Charge ("DSIC") Reconciliation Report for the Period January 1, 2014 through December 31, 2014. This reconciliation report, which is being filed pursuant to the procedures set forth in PPL Electric's Tariff – Electric Pa. P.U.C. No. 201, reflects actual data through December 31, 2014.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on March 10, 2015, which is the date it was filed electronically using the Commission's E-Filing System.

If you have any questions regarding the enclosed filing, please call me or Bethany L. Johnson, PPL Electric's Manager-Regulatory Compliance at (610) 774-7011.

Very truly yours,

A handwritten signature in cursive script that reads "Paul E. Russell". The signature is written in black ink and is positioned above the printed name.

Paul E. Russell

Enclosures

cc: Mr. Dennis P. Hosler  
Ms. Lori Burger  
Mr. John R. Evans

Tanya J. McCloskey, Esquire  
J. Edward Simms, Esquire

**PPL ELECTRIC UTILITIES CORPORATION**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (“DSIC”)**  
**RECONCILIATION REPORT**  
**For the Period**  
**January 1, 2014 through December 31, 2014**  
**Docket No. M-2014-2443888**

March 10, 2015

**PPL ELECTRIC UTILITIES CORPORATION**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) RECONCILIATION**  
Report For The Period January 1, 2014 to December 31, 2014

Line No.		(A) Total
1	Filed Distribution Revenue (including GRT), (Schedule 2, Line 1, Column Q)	\$ 923,764,665
2	Filed Distribution System Improvement Charge Revenue Requirement (including GRT), (Schedule 2, Line 3, Column Q)	\$ 22,989,125
3	Filed Distribution System Improvement Charge Revenue Requirement (excluding GRT), (Schedule 2, Line 5, Column Q)	\$ 21,632,751
4	Actual DSIC Revenues Billed (including GRT), (Schedule 2, Line 6, Column Q)	\$ 23,540,919
5	Actual Distribution Revenue (excluding GRT), (Schedule 2, Line 8, Column Q)	\$ 22,152,005
6	Net Over/(Under) Collection Amount (Schedule 2, Line 9, Column Q)	\$ 519,254
7	Interest on Over/(Under) Collection, (Schedule 2, Line 10, Column Q)	\$ 41,589
8	Net Over/(Under) Collection Amount, Including Interest (Line 7 plus Line 8)	\$ 560,843
9	Prior Year Correction (July 2013-December 2013)	\$ 12,835
10	E-Factor Balance (Schedule 4, Line 13, Column B)	\$ (93,364)
11	Total Over/(Under) Collection Balance (Line 8 plus Line 9 plus Line 10)	\$ 480,314

PPL ELECTRIC UTILITIES CORPORATION  
RECONCILIATION OF DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") REVENUE REQUIREMENT AND ACTUAL REVENUES

Line No.	Month >>	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
		January 2014	February 2014	March 2014	1st Quarter Total	April 2014	May 2014	June 2014	2nd Quarter Total	July 2014	August 2014	September 2014	3rd Quarter Total	October 2014	November 2014	December 2014	4th Quarter Total	YTD Total
1	Fixed Distribution Revenue (including GRT)	\$ 88,816,552	\$ 88,894,582	\$ 82,743,687	\$ 260,254,791	\$ 78,125,907	\$ 89,221,138	\$ 71,188,502	\$ 216,535,548	\$ 75,865,014	\$ 77,714,898	\$ 73,878,284	\$ 227,558,064	\$ 69,198,791	\$ 69,878,815	\$ 80,338,856	\$ 219,414,282	\$ 923,794,665
2	DSIC Rate (including GRT)	1.58%	1.58%	1.58%	1.58%	2.35%	2.35%	2.35%	2.35%	2.78%	2.79%	2.79%	2.79%	3.39%	3.39%	3.35%	3.39%	
3	Fixed DSIC Revenue (including GRT)	\$ 1,398,658	\$ 1,401,009	\$ 1,304,083	\$ 4,101,738	\$ 1,793,818	\$ 1,820,833	\$ 1,678,258	\$ 5,066,708	\$ 2,122,474	\$ 2,171,380	\$ 2,084,173	\$ 6,358,007	\$ 2,343,483	\$ 2,386,438	\$ 2,720,752	\$ 7,439,673	\$ 22,980,125
4	Fixed DSIC Revenue Requirement (excluding gross receipts tax (Line 3 multiplied by Line 4))	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941
5	Fixed "DSIC" Revenue Requirement (Line 3 multiplied by Line 4)	\$ 1,314,255	\$ 1,318,349	\$ 1,227,127	\$ 3,659,701	\$ 1,686,756	\$ 1,633,786	\$ 1,577,356	\$ 4,797,652	\$ 1,997,246	\$ 2,043,246	\$ 1,943,266	\$ 5,982,880	\$ 2,205,214	\$ 2,220,816	\$ 2,540,226	\$ 6,989,258	\$ 21,832,751
6	Actual DSIC Revenues Billed (including GRT) (Schedule 3, Column A)	\$ 1,440,183	\$ 1,518,347	\$ 1,414,743	\$ 4,374,253	\$ 1,904,289	\$ 1,856,183	\$ 1,833,208	\$ 5,213,699	\$ 2,183,588	\$ 2,094,002	\$ 2,093,456	\$ 6,342,946	\$ 2,301,191	\$ 2,400,284	\$ 2,908,585	\$ 7,610,040	\$ 23,540,819
7	Gross Receipts Tax Factor (1)	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941
8	Actual "DSIC" Revenues Billed (excluding GRT)	\$ 1,355,183	\$ 1,429,708	\$ 1,331,273	\$ 4,118,172	\$ 1,791,906	\$ 1,656,488	\$ 1,555,889	\$ 4,966,073	\$ 2,054,681	\$ 1,972,234	\$ 1,941,685	\$ 5,985,712	\$ 2,183,421	\$ 2,253,667	\$ 2,736,960	\$ 7,181,548	\$ 22,152,005
9	Net Over/(Under) Collection (Line 8 less Line 5)	\$ 40,839	\$ 111,357	\$ 104,146	\$ 258,441	\$ 105,178	\$ 24,702	\$ (21,682)	\$ 108,181	\$ 57,435	\$ (79,910)	\$ (88)	\$ (14,188)	\$ (58,725)	\$ 31,851	\$ 176,734	\$ 168,790	\$ 519,254
10	Interest on Over/(Under) Collection (Schedule 3, Column D)	\$ 4,119	\$ 11,138	\$ 10,308	\$ 35,581	\$ 9,072	\$ 2,012	\$ (1,863)	\$ 9,421	\$ 3,849	\$ (4,550)	\$ (41)	\$ (842)	\$ (2,093)	\$ 1,808	\$ 7,732	\$ 7,249	\$ 41,580
11	Net Over/(Under) Collection, including interest	\$ 45,057	\$ 122,493	\$ 114,452	\$ 282,002	\$ 114,250	\$ 26,714	\$ (23,352)	\$ 117,612	\$ 61,384	\$ (75,460)	\$ (734)	\$ (14,810)	\$ (41,084)	\$ 33,457	\$ 184,466	\$ 176,039	\$ 560,843

(1) Gross Receipts Tax Factor (1-.050)

**PPL ELECTRIC UTILITIES CORPORATION**  
**INTEREST EXPENSE ON DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC")**  
**OVER/(UNDER) COLLECTIONS**

Line No.	Month	(A) Interest Rate Overcollection	(B) Weighting Factor (number of months) (2)	(C) Over/(Under) Collection (1)	(D) Interest on Over/(Under) Collection
1	January 2014	5.75%	21	\$ 40,938	\$ 4,119
2	February 2014	6.00%	20	111,357	\$ 11,136
3	March 2014	6.25%	19	104,146	\$ 10,306
4	April 2014	5.75%	18	105,178	\$ 9,072
5	May 2014	5.75%	17	24,702	\$ 2,012
6	June 2014	5.75%	16	(21,689)	\$ (1,663)
7	July 2014	5.50%	15	57,435	\$ 3,949
8	August 2014	5.50%	14	(70,910)	\$ (4,550)
9	September 2014	5.50%	13	(693)	\$ (41)
10	October 2014	5.25%	12	(39,795)	\$ (2,089)
11	November 2014	5.50%	11	31,851	\$ 1,606
12	December 2014	5.25%	10	176,734	\$ 7,732
13	Total			<u>\$ 519,254</u>	<u>\$ 41,589</u>

(1) From Schedule 2, Line 9.

(2) The interest calculation uses the over(under) collections shown in column C times the interest rate in column (A) divided by 12 to obtain the monthly interest amount. The monthly amount calculated then is multiplied by the number of months in column (B).

**PPL ELECTRIC UTILITIES CORPORATION**  
**EFFECT ON THE OVER/(UNDER) COLLECTION BALANCE - DISTRIBUTION SYSTEM IMPROVEMENT CHARGE("DSIC")**  
Report For The Period January 1, 2014 to December 31, 2014

Line No.	Month	(A) (Refund)/ Recovery (1)	(B) Over/(Under) Balance (2)
1	Balance - December 31, 2013		\$ (62,048)
2	January 2014	-	(62,048)
3	February 2014	-	(62,048)
4	March 2014	-	(62,048)
5	April 2014	(22,923)	(84,971)
6	May 2014	(19,936)	(104,907)
7	June 2014	(19,901)	(124,808)
8	July 2014	5,349	(119,459)
9	August 2014	5,134	(114,325)
10	September 2014	5,055	(109,270)
11	October 2014	4,810	(104,460)
12	November 2014	5,017	(99,443)
13	December 2014	6,079	(93,364)

(1) From Schedule 5, Column (C), for the respective month and rate group.

(2) Calculated using Line 1, Column (B) less the (Refund)/Recovery for the respective month in Column (A) respectively.

E-Factor will be rolled into the rates effective April 1, 2015 at which time the (Refund)/Recovery will be given back or collected from the customers.

**PPL ELECTRIC UTILITIES CORPORATION**  
**SUMMARY OF DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**  
**REVENUES-**  
**("DSIC")**  
**For the Period January 1, 2014 to December 31, 2014**

Month	(A) Distribution System Improvement Charge Revenues (DSIC)	(B) Distribution System Improvement Charge Revenues (Excl. Gross Receipts Tax) (1)	(C) Recouped Through E Factor (4) 0.26%	(D) Net DSIC Revenue (2)
January	2014 \$ 1,440,163	\$ 1,355,193		\$ 1,355,193
February	2014 \$ 1,519,347	\$ 1,429,706		\$ 1,429,706
March	2014 \$ 1,414,743	\$ 1,331,273		\$ 1,331,273
April	2014 \$ 1,879,929	\$ 1,769,013	\$ (22,923) (3)	\$ 1,791,936
May	2014 \$ 1,634,997	\$ 1,538,532	\$ (19,936) (3)	\$ 1,558,468
June	2014 \$ 1,632,060	\$ 1,535,768	\$ (19,901) (3)	\$ 1,555,669
July	2014 \$ 2,189,192	\$ 2,060,030	\$ 5,349 (4)	\$ 2,054,681
August	2014 \$ 2,101,458	\$ 1,977,472	\$ 5,134 (4)	\$ 1,972,338
September	2014 \$ 2,068,808	\$ 1,946,748	\$ 5,055 (4)	\$ 1,941,693
October	2014 \$ 2,306,303	\$ 2,170,231	\$ 4,810 (5)	\$ 2,165,421
November	2014 \$ 2,405,615	\$ 2,263,684	\$ 5,017 (5)	\$ 2,258,667
December	2014 \$ 2,915,026	\$ 2,743,039	\$ 6,079 (5)	\$ 2,736,960
	<u>\$ 23,507,641</u>	<u>\$ 22,120,689</u>	<u>\$ (31,316)</u>	<u>\$ 22,152,005</u>

(1) Column (A) times (1 - GRT).

(2) Column (B) less Column (C) for the respective month.

(3) December 31, 2013 overcollection filed divided by the projected DSIC revenue for the period April 2014 - June 2014, filed March 20, 2014 at M-2014-2411527.

(4) 1/4th of the undercollection filed as of December 31, 2013, divided by the projected DSIC revenue for the period July 2014 - September 2014, filed June 20, 2014 at M-2014-2428253.

(5) 1/4th of the undercollection filed as of December 31, 2013, divided by the projected DSIC revenue for the period October 2014 - December 2014, filed September 19, 2014 at M-2014-2428253.

# Attachment A

**PPL ELECTRIC UTILITIES CORPORATION**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) RECONCILIATION**  
Report For The Period January 1, 2013 to December 31, 2013

Line No.		(A) Total
1	Filed Distribution Revenue (including GRT), (Schedule 2, Line 1, Column Q)	\$ 453,693,432
2	Filed Distribution Systemmen Improvement Charge Revenue Requirement (including GRT), (Schedule 2, Line 3, Column Q)	\$ 3,346,821
3	Filed Distribution System Improvement Charge Revenue Requirement (excluding GRT), (Schedule 2, Line 5, Column Q)	\$ 3,149,357
4	Actual DSIC Revenues Billed (including GRT), (Schedule 2, Line 6, Column Q)	\$ 3,294,522
5	Actual Distribution Revenue (excluding GRT), (Schedule 2, Line 8, Column Q)	\$ 3,100,144
6	Net Over/(Under) Collection Amount (Schedule 2, Line 9, Column Q)	\$ (49,213)
7	Interest on Over/(Under) Collection, (Schedule 2, Line 10, Column Q)	\$ (2,825)
8	Net Over/(Under) Collection Amount, Including Interest (Line 6 plus Line 7)*	\$ (49,213)
9	E-Factor Balance (Schedule 4, Line 13, Column B)	-
10	<b>Total Over/(Under) Collection Balance</b>	<b>(49,213)</b>

\* The total does not include negative interest, as ratepayers are not liable for interest on undercollections.

PPL ELECTRIC UTILITIES CORPORATION  
**RECONCILIATION OF DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) REVENUE REQUIREMENT AND ACTUAL REVENUES**

Line No.	Month	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
		January 2013	February 2013	March 2013	1st Quarter Total	April 2013	May 2013	June 2013	2nd Quarter Total	July 2013	August 2013	September 2013	3rd Quarter Total	October 2013	November 2013	December 2013	4th Quarter Total	Total
1	Filed Distribution Revenue (including gross receipts tax)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,228,006	\$ 78,213,990	\$ 75,410,974	\$ 229,850,970	\$ 70,482,327	\$ 71,485,508	\$ 81,794,827	\$ 223,742,482	\$ 453,693,432	
2	DSIC Rate (including gross receipts tax)								0.43%	0.43%	0.45%	0.43%	1.06%	1.06%	1.06%	1.06%	1.06%	
3	Filed DSIC Revenue Requirement (including GRT) - (Line 1 multiplied by Line 2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,327	\$ 334,394	\$ 332,410	\$ 953,126	\$ 744,600	\$ 754,987	\$ 864,108	\$ 2,383,890	\$ 3,348,821	
4	Gross Receipts Tax Factor (1)	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	
5	Filed DSIC Revenue Requirement (including gross receipts tax) - (Line 3 multiplied by Line 4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 307,089	\$ 314,895	\$ 303,387	\$ 875,121	\$ 700,698	\$ 710,443	\$ 813,125	\$ 2,224,258	\$ 3,149,337	
6	Actual DSIC Revenues Billed (excluding GRT) (Schedule 5, Column A)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 310,034	\$ 331,382	\$ 317,281	\$ 958,777	\$ 725,082	\$ 745,586	\$ 857,067	\$ 2,327,745	\$ 3,294,522	
7	Gross Receipts Tax Factor (1)	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	
8	Actual "DSIC" Revenues Billed (including GRT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 299,270	\$ 311,830	\$ 294,858	\$ 899,726	\$ 689,312	\$ 701,896	\$ 806,500	\$ 2,190,408	\$ 3,100,144	
9	Net Over/(Under) Collection (Line 8 less Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,726)	\$ (2,635)	\$ (4,751)	\$ (15,385)	\$ (18,358)	\$ (8,547)	\$ (8,825)	\$ (33,828)	\$ (49,213)	
10	Interest on Over/(Under) Collection (Schedule 3, Column D)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (487)	\$ (182)	\$ (298)	\$ (985)	\$ (1,058)	\$ (487)	\$ (217)	\$ (1,866)	\$ (2,625)	
11	Net Over/(Under) Collection, including interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,213)	\$ (2,817)	\$ (5,049)	\$ (16,370)	\$ (19,416)	\$ (9,034)	\$ (9,042)	\$ (35,694)	\$ (51,838)	

(1) Gross Receipts Tax Factor (1.059)

**PPL ELECTRIC UTILITIES CORPORATION**  
**INTEREST EXPENSE ON DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC")**  
**OVER/(UNDER) COLLECTIONS**

Line No.	Month	(A) Interest Rate Overcollection	(B) Weighting Factor (number of months) (2)	(C) Over/(Under) Collection (1)	(D) Interest on Over/(Under) Collection
1	January 2013		21	\$ -	\$ -
2	February 2013		20	-	\$ -
3	March 2013		19	-	\$ -
4	April 2013		18	-	\$ -
5	May 2013		17	-	\$ -
6	June 2013		16	-	\$ -
7	July 2013	5.00%	15	(7,799)	\$ (487)
8	August 2013	5.50%	14	(2,835)	\$ (182)
9	September 2013	5.75%	13	(4,751)	\$ (296)
10	October 2013	5.75%	12	(18,356)	\$ (1,056)
11	November 2013	6.00%	11	(8,847)	\$ (487)
12	December 2013	5.75%	10	(6,625)	\$ (317)
13	Total			<u>\$ (49,213)</u>	<u>\$ (2,825)</u>

(1) From Schedule 2, Line 9.

(2) The interest calculation uses the over(under) collections shown in column C times the interest rate in column (A) divided by 12 to obtain the monthly interest amount. The monthly amount calculated then is multiplied by the number of months in column (B).

**PPL ELECTRIC UTILITIES CORPORATION**  
**EFFECT ON THE OVER/(UNDER) COLLECTION BALANCE - DISTRIBUTION SYSTEM IMPROVEMENT CHARGE("DSIC")**  
**Report For The Period January 1, 2013 to December 31, 2013**

Line No.	Month	(A) (Refund)/ Recovery (1)	(B)  Over/(Under) Balance (2)
1	Balance - December 31, 2013		
2	January 2014	-	-
3	February 2014	-	-
4	March 2014	-	-
5	April 2014	-	-
6	May 2014	-	-
7	June 2014	-	-
8	July 2014	-	-
9	August 2014	-	-
10	September 2014	-	-
11	October 2014	-	-
12	November 2014	-	-
13	December 2014	\$ -	-

(1) From Schedule 5, Column (C), for the respective month and rate group.

(2) Calculated using Line 1, Column (B) less the (Refund)/Recovery for the respective month in Column (A) respectively.

\*\* Schedule #4 is blank as this is the first year for the DSIC mechanism, therefore there was no e-factor.

**PPL ELECTRIC UTILITIES CORPORATION**  
**SUMMARY OF DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**  
**REVENUES-**  
**("DSIC")**  
**For the Period January 1, 2013 to November 30, 2013**

<u>Month</u>	(A)	(B)	(C)	(D)
	Distribution System Improvement Charge Revenues (DSIC)	Distribution System Improvement Charge Revenues (Excl. Gross Receipts Tax) (1)	Recouped Through E Factor	Net DSIC Revenue (2)
January	2013	\$ -		\$ -
February	2013	\$ -		\$ -
March	2013	\$ -		\$ -
April	2013	\$ -		\$ -
May	2013	\$ -		\$ -
June	2013	\$ -		\$ -
July	2013	\$ 318,034 (3)	\$ 299,270	\$ 299,270
August	2013	\$ 331,382	\$ 311,830	\$ 311,830
September	2013	\$ 317,361	\$ 298,637	\$ 298,637
October	2013	\$ 725,092	\$ 682,312	\$ 682,312
November	2013	\$ 745,586	\$ 701,596	\$ 701,596
December	2013	\$ 857,067	\$ 806,500	\$ 806,500
		<u>\$ 3,294,522</u>	<u>\$ 3,100,145</u>	<u>\$ 3,100,145</u>

(1) Column (A) times (1 - GRT).

(2) Column (B) less Column (C) for the respective month.

(3) The revenues reported for July 2013 contain \$383 billed during the dual revenue period of June 2013.