

Paul E. Russell
Associate General Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.4254 Fax 610.774.6726
perussell@pplweb.com



Federal Express

May 26, 2015

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

RECEIVED
MAY 26 2015
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL Electric Utilities Corporation
Replacement Pages for Supplement No. 186 to
Tariff - Electric Pa. P.U.C. No. 201
Docket No. P-2012-2325034**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is a replacement page for Supplement No. 186 to PPL Electric's Tariff – Electric Pa. P.U.C. No. 201. This replacement page, which is being filed pursuant to direction from Commission Staff, corrects the effective date in Section E of the Distribution System Improvement Change to be in compliance with the April 9, 2015 Order at the above referenced docket.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on May 26, 2015, which is the date it was deposited with an overnight express delivery service.

In addition, please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

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

Very truly yours,


Paul E. Russell

Enclosures

cc: Mr. Dennis P. Hosler
Tanya J. McCloskey, Esquire
Ms. Lori Burger
Mr. John R. Evans
J. Edward Simms, Esquire

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES

Rider Matrix
Page No. 14D

The Rider Matrix was revised to show the applicable Riders in the Tariff.

Distribution System Improvement Charge
(DSIC)
Page No. 19Z.19

Effective July 1, 2013, the DSIC shall be applied equally to all customer classes except for Rate Schedule LP-5, consistent with the Commission Order entered April 9, 2015 at Docket No. P-2012-2325034.

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DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) (Continued)

(C)

CUSTOMER SAFEGUARDS

A. Cap: The DSIC is capped at 5.0% of the amount billed to customers for distribution service (including all applicable clauses and riders) as determined on an annualized basis.

B. Audit/Reconciliation: The DSIC is subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, *et seq.*, shall be credited to customer accounts. The DSIC is subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year. The revenue received under the DSIC for the reconciliation period will be compared to PPL Electric's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on over-collections and credits will be calculated at the residential mortgage lending specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, *et seq.*) and will be refunded in the same manner as an over-collection.

C. New Base Rates: The DSIC will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had previously been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in PPL Electric's rates or rate base will be reflected in the quarterly updates of the DSIC.

D. Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert also shall be included with the first billing.

E. Customer classes: Effective July 1, 2013, the DSIC shall be applied equally to all customer classes except Rate Schedule LP-5, consistent with the Commission Order entered April 9, 2015 at Docket No. P-2012-2325034.

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F. Earning Reports: The DSIC also will be reset at zero if, in any quarter, data filed with the Commission in PPL Electric's then most recent Annual or Quarterly Earnings reports (Schedule D-2) show that PPL Electric would earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the pre-tax return section.