

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5151
<http://www.pplweb.com>
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

E-File

September 18, 2015

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

**Re: PPL Electric Utilities Corporation
Calculation and Supplement No. 190 to Tariff
Electric PA. P.U.C. No. 201 for the
Distribution System Improvement Charge
Docket No.**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is the Calculation and Supplement No. 190 to PPL Electric's Tariff – Electric Pa. P.U.C. No. 201 for the Distribution System Improvement Charge ("DSIC"). This calculation of the DSIC for the period October 1, 2015 through December 31, 2015, is being filed pursuant to the procedures set forth in PPL Electric's Tariff - Electric Pa. P.U.C. No. 201.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on September 18, 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,


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

CALCULATION OF
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

For the Application Period
October 1, 2015 through December 31, 2015

Docket No.

September 18, 2015

PPL ELECTRIC UTILITIES CORPORATION
 SCHEDULE A - COMPUTATION OF CUMULATIVE PROPOSED DSIC
 APPLICATION PERIOD: October 1, 2015 THROUGH December 31, 2015

Line No.		Total
	Distribution System Improvement Charge	
1	Applicable Plant (Schedule B, Line 2, Column K)	\$ 351,958,248
	Less:	
2	Accumulated Depreciation (Schedule B, Line 3, Column I)	10,935,978
3	Retirements (Schedule B, Line 4, Column K)	(5,134,574)
4	DSI = Distribution System Improvement Projects net of accumulated depreciation and retirements (Line 1 - Line 2 + Line 3)	335,887,696
5	Pre-tax return rate applicable to DSIC-eligible property (Schedule C, Line 4)	2.86% 9,606,388
6	Dep = Depreciation Expense (Schedule B, Line 6, Column G through I)	2,054,756
7	E=Experienced Net Over/(Under) Collections, excluding Interest (A)	111,493
8	Net Amount to be Recovered (includes Over/(Under) Collection) (w/o GRT) (Line 5 + Line 6 - Line 7)	11,549,651
9	Net Amount to be Recovered (includes Over/(Under) Collection) (w/ GRT) (Line 8 x Note 1)	12,273,803
10	PQR = Projected Quarterly Distribution Revenue	231,651,394
11	DSIC = Distribution System Improvement Rider (B)	
	Rate % of Billed Revenues (w/ GRT) (Line 9 / Line 10)	5.00%
	Note 1:	
	$\frac{1}{(1 - T)} = (T = 5.9\% \text{ Gross Receipts Tax})$	1.062699

(A) Schedule 1, Line 11 divided by 4, of the Distribution System Improvement Charge ("DSIC") Reconciliation Report, dated March 30, 2015 at Docket No. M-2015-2465166.

(B) Line 11, Calculation provides a rate of 5.30%. Per Commission's Order P-2012-2325034 the DSIC rate is capped at 5.00%.

PPL ELECTRIC UTILITIES CORPORATION
 SCHEDULE B - COMPUTATION OF CUMULATIVE PROPOSED DSIC by MONTH
 APPLICATION PERIOD: October 1, 2015 THROUGH December 31, 2015

Line No.	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
2014 Balance	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Total	
1 Incremental Plant Additions	251,838,990	13,092,294	11,452,805	10,591,145	16,141,185	11,333,966	12,482,419	13,639,903	11,385,541		\$ 351,958,248
2 Cumulative Plant (Sum of Line 1)	251,838,990	264,931,284	276,384,089	286,975,234	303,116,419	314,450,385	326,932,804	340,572,707	351,958,248		351,958,248
Less:											
3 Accumulated Depreciation (Sum of Line 6)	5,959,330	6,496,279	7,056,994	7,637,439	8,244,383	8,881,222	9,538,169	10,224,063	10,935,978		10,935,978
4 Retirements	(1,487,375)	(53,288)	-	(235,865)	(612,422)	(352,273)	(1,578,990)	(479,265)	(335,096)		(5,134,574)
5 DSI = Distribution System Improvement Projects net of accumulated depreciation and retirements (Line 2 - Line 3 + Line 4)		258,381,717	269,327,095	279,101,930	294,259,614	305,216,890	315,815,645	329,869,379	340,687,174		335,887,696
6 Dep = Depreciation Expense	5,959,330	536,949	560,715	580,445	606,944	636,839	656,947	685,894	711,915		10,935,978
7 Projected Distribution Revenues		\$ 92,368,715	\$ 89,237,824	\$ 86,591,221	\$ 81,273,496	\$ 73,024,007	\$ 75,056,922	\$ 80,102,133	\$ 83,860,686	\$ 77,743,836	

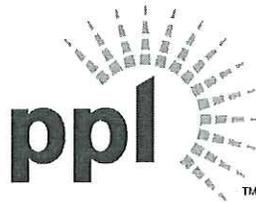
PPL ELECTRIC UTILITIES CORPORATION
SCHEDULE C - COMPUTATION OF CUMULATIVE PROPOSED DSIC PRE-TAX RATE OF RETURN
APPLICATION PERIOD: October 1, 2015 THROUGH December 31, 2015

Line No.	(A) Description	(B) Capitalization Ratio	(C) Embedded Cost	(D) Rate of Return	(E) Tax Multiplier (1)	(F) Pre-Tax Rate of Return (PTRR)
1	Long-Term Debt	46.30%	4.89%	2.26%	-	2.26%
2	Common Equity	53.70%	10.00%	5.37%	1.709211797	9.18%
3	Total	<u>100.00%</u>		<u>7.63%</u>		<u>11.44%</u>
4	11.44% Annual PTRR / 4 quarters = 2.86% Quarterly PTRR					

(1) The tax multiplier is calculated as follows: $1/[(1 - \text{Pa. Tax Rate}) \times (1 - \text{Fed. Tax Rate})]$ where the Pa. tax rate is 9.99% and Fed. tax rate is 35%.

$$1/[(1-9.99%)*(1-35\%)] = 1.709211797$$

Line 2, Column C, from the PUC's Quarterly Financial Report page 14, line 7, dated March 31, 2015 at Docket No. M-2015-2493294.



PPL Electric Utilities Corporation

GENERAL TARIFF

**RULES AND RATE SCHEDULES
FOR ELECTRIC SERVICE**

In the territory listed on pages 4, 4A, and 4B
and in the adjacent territory served.

ISSUED: September 18, 2015

EFFECTIVE: October 1, 2015

GREGORY N. DUDKIN, PRESIDENT

Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

THIS TARIFF MAKES CHANGES (C) IN EXISTING RATES. SEE PAGE TWO.

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Distribution System Improvement Charge
(DSIC)

Page No. 19Z.16

The DSIC charge of 4.51% was revised to 5.00%
for the period October 1, 2015 through December
31, 2015.

TABLE OF CONTENTS

	<u>Page</u>	<u>Revision</u>
Table of Contents -----	3	One Hundred-Seventy-First
	3A	One-Hundred-Fifth
	3B	Eighty-Fifth
	3C	Thirty-Seventh
Territory Covered by This Tariff -----	4	Fourth
	4A	Fourth
	4B	Fourth
RULES FOR ELECTRIC SERVICE		
1 - Electric Service Tariff -----	5	Sixth
	5A	Sixth
2 - Requirements for Service -----	6	Fourth
	6A	Seventh
	6B	Fifth
3 - Extension of Service -----	7	Sixth
	7A	Fourth
	7B	Ninth
4 - Supply of Service -----	8	Eighth
	8A	Eighth
	8B	Fourth
	8C	Fourth
	8D	Fourth
	8E	Third
5 - Use of Service -----	9	Fourth
	9A	Fourth
6 - Auxiliary Service For Non-Qualifying Facilities -----	10	Seventh
Page Intentionally Left Blank-----	10A	Sixth
6A - Standby Service for Qualifying Facilities -----	10B	Fifth
	10C	Sixth
	10D	Twenty-Third
	10E	Twenty-Second
7 - Temporary Service -----	11	Sixth
8 - Measurement of Service -----	12	Fourth
	12A	Second
9 - Billing and Payment for Service -----	13	Fourth
	13A	Sixth
	13B	Fifth
10 - Disconnection and Reconnection of Service -----	14	Fourth
	14A	Eleventh
11 - Net Service for Generation Facilities -----	14B	Second
	14C	Original
RIDERS, SURCHARGE, OPTION, AND CHARGES		
Rider Matrix -----	14D	Twelfth
GRA - Page Intentionally Left Blank-----	15	Seventh
Page Intentionally Left Blank-----	15A	Sixth
State Tax Adjustment Charge -----	16	Thirty-Second
Emergency Energy Conservation Rider -----	17	Fifth
	17A	Third
Universal Service Rider -----	18	Thirteenth
RSP - Page Intentionally Left Blank-----	18E	Second
Page Intentionally Left Blank-----	18F	Third
Page Intentionally Left Blank-----	18G	Third

(Continued)

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>	<u>Revision</u>
RIDERS, SURCHARGE, OPTION, AND CHARGES (Continued)		
Smart Meter Rider – Phase 2 -----	19Z.14A 19Z.14B 19Z.14C	Original Original Original
Competitive Enhancement Rider -----	19Z.15	Fourth
Distribution System Improvement Charge -----	19Z.16 19Z.17 19Z.18 19Z.19	Tenth Third First Second
Storm Damage Expense Rider -----	19Z.20 19Z.21 19Z.22 19Z.23 19Z.24 19Z.25	Fourth Fourth Fourth Fourth Fourth Fourth
RATE SCHEDULES - GENERAL		
RS - Residential Service -----	20 20A 20B 20C	Forty-Sieventh Twentieth Nineteenth Fourteenth
Page Intentionally Left Blank-----		
RTS(R) - Residential Service - Thermal Storage -----	21 21A	Forty-Eighth Nineteenth
RTD(R) - Page Intentionally Left Blank-----	22	Thirtieth
Page Intentionally Left Blank-----	22A	Twenty-Third
GS-1 - Small General Service - Sec. Voltage -----	24 24A 24B	Twenty-Sixth Forty-Second Twenty-First
GS-3 - Large General Service - Sec. Voltage -----	25 25A 25B	Twenty-Fifth Thirty-Eighth Twenty-Second
LP-4 - Large General Service - 12 KV -----	27 27A	Twenty-Third Fifteenth
LP-5 - Large General Service - 69 KV or Higher -----	28 28A	Twenty-Third Thirteenth
LP-6 - Page Intentionally Left Blank-----	28B	Twenty-Second
Page Intentionally Left Blank-----	28C	Fifteenth
LPEP - Power Service to Electric Propulsion -----	29 29A	Twenty-Third Sixteenth
IS-1(R) - Interruptible Service - Greenhouses-----	30 30.1	Twentieth Seventeenth
IS-P(R) - Page Intentionally Left Blank-----	30A	Twentieth
Page Intentionally Left Blank-----	30B	Seventeenth
Page Intentionally Left Blank-----	30B.1	Nineteenth

(Continued)

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC) (C)

In addition to the net charges provided for in this Tariff, a charge of 5.00% will apply (C) consistent with the Commission Order dated May 23, 2013, at Docket No. P-2012-2325034, approving the DSIC. This charge will be effective during the period October 1, 2015 through December 31, 2015.

GENERAL DESCRIPTION

A. Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide PPL Electric with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

B. Eligible Property: The DSIC-eligible property will consist of the following:

- Poles and towers (Account 364);
- Overhead conductors (Account 365) and underground conduit and conductors (Accounts 366 and 367);
- Line transformers (account 368) and substation equipment (Account 362);
- Any fixture or device related to eligible property listed above, including insulators, circuit breakers, fuses, reclosers, grounding wires, crossarms and brackets, relays, capacitors, converters and condensers;
- Unreimbursed costs related to highway relocation projects where an electric distribution company must relocate its facilities; and
- Other related capitalized costs.

C. Effective Date: The DSIC will become effective for bills rendered on and after July 1, 2013.

(Continued)