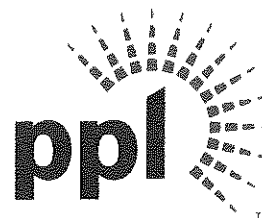


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E-FILE

January 29, 2016

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

**Re: PPL Electric Utilities Corporation
2014 Smart Meter Rider Phase 2 Reconciliation Report
For the Period October 1, 2015 through December 31, 2015, 2015
Docket No. M-2015-2519777**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is PPL Electric's Smart Meter Rider Phase 2 ("SMR2") Reconciliation Report for the Period October 1, 2015 through December 31, 2015. This reconciliation report is being filed pursuant to the procedures set forth in PPL Electric's Tariff - Electric Pa. P.U.C. No. 201, and reflects actual data through December 31, 2015.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on January 29, 2016, 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 Operations at (610) 774-7011.

Very truly yours,


Paul E. Russell

Enclosures

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

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

PPL ELECTRIC UTILITIES CORPORATION

**Smart Meter Rider Phase 2
Reconciliation Report**

**For the Application Period
October 1, 2015 through December 31, 2016**

Docket No. M-2015-2519777

January 29, 2016

PPL ELECTRIC UTILITIES CORPORATION
 SMART METER 2 RIDER COLLECTION RECONCILIATION
 Report For The Period October 1, 2015 to December 31, 2015

Line No.	Residential	Small C&I	Large C&I	Total
ACTUAL REVENUES				
1 Smart Meter 2 Revenue Available (excluding GRT) (Per Schedule 2, Line 1, Column D)	\$ 471,455	\$ 204,404	\$ 41,194	\$ 717,053
REVENUE REQUIREMENT				
2 Revenue Requirement Applicable to Smart Meter 2 (Per Schedule 2, Line 3, Column D)	\$ 581,886	\$ 257,913	\$ 52,832	\$ 892,631
3 Over/(Under) Collection Current Year (Excluding GRT) (Per Schedule 2, Line 4, Column D)	\$ (110,231)	\$ (53,509)	\$ (11,638)	\$ (175,378)
4 Interest on Over/(Under) Collection Current Year (Per Schedule 5, Line 4)	\$ (6,849)	\$ (3,197)	\$ (693)	\$ (10,539)
5 Over/(Under) Collection Prior Year, Including Interest (Excluding GRT) (Per Schedule 3, Line 11)	\$ -	\$ -	\$ -	\$ -
6 Net Over/(Under) Collection, Including Interest (Excluding GRT)	\$ (116,880)	\$ (66,706)	\$ (12,331)	\$ (185,917)

PPL ELECTRIC UTILITIES CORPORATION
 SMART METER 2 RIDER COLLECTION RECONCILIATION
 Residential
 Report For The Period October 1, 2015 to December 31, 2015

Line No.		(A) October	(B) November	(C) December	(D) Total
1	ACTUAL REVENUES				
	Revenues Available (excluding GRT)	\$ 79,572	\$ 195,041	\$ 196,842	\$ 471,455
2	REVENUE REQUIREMENT (1)				
A	Net Plant	\$ 70,148	\$ 70,148	\$ 70,148	\$ 210,443
B	ADIT	\$ 721	\$ 721	\$ 721	\$ 2,164
C	Rate Base	\$ 70,869	\$ 70,869	\$ 70,869	\$ 212,607
D	Return on Investment (0.6425%)	\$ 1,389	\$ 1,389	\$ 1,389	\$ 4,167
E	Income Taxes (47.2808%)	\$ 701	\$ 701	\$ 701	\$ 2,103
F	Operation and Maintenance	\$ 187,814	\$ 187,814	\$ 187,814	\$ 563,443
G	State Flow Through	\$ (56)	\$ (56)	\$ (56)	\$ (168)
H	Depreciation Expense	\$ 4,047	\$ 4,047	\$ 4,047	\$ 12,141
3	Total Revenue Requirement (sum D-H)	\$ 193,895	\$ 193,895	\$ 193,895	\$ 581,686
4	Residential Over/(Under) Collection	\$ (114,323)	\$ 1,146	\$ 2,947	\$ (110,231)
5	Interest	\$ (6,859)	\$ (1,527)	\$ 147	\$ (8,239)
6	Total	\$ (121,182)	\$ (381)	\$ 3,094	\$ (118,470)

(1) This category which is designated as Smart Meter - 2 Plan Expenses reflects the revenue requirement associated with the Smart Meter - 2 Plan's capital and operating costs.

PPL ELECTRIC UTILITIES CORPORATION
 SMART METER 2 RIDER COLLECTION RECONCILIATION
 Small Commercial and Industrial
 Report For The Period October 1, 2015 to December 31, 2015

Line No.	Description	(A) October	(B) November	(C) December	(D) Total
1	ACTUAL REVENUES				
	Revenues Available (excluding GRT)	\$ 34,588	\$ 84,444	\$ 85,372	\$ 204,404
2	REVENUE REQUIREMENT (1)				
A	Net Plant	\$ 31,103	\$ 31,103	\$ 31,103	\$ 93,308
B	ADIT	\$ 320	\$ 320	\$ 320	\$ 959
C	Rate Base	\$ 31,422	\$ 31,422	\$ 31,422	\$ 94,267
D	Return on Investment (0.6425%)	\$ 616	\$ 616	\$ 616	\$ 1,848
E	Income Taxes (47.2808%)	\$ 311	\$ 311	\$ 311	\$ 933
F	Operation and Maintenance	\$ 83,275	\$ 83,275	\$ 83,275	\$ 249,824
G	State Flow Through	\$ (25)	\$ (25)	\$ (25)	\$ (75)
H	Depreciation Expense	\$ 1,794	\$ 1,794	\$ 1,794	\$ 5,383
3	Total Revenue Requirement (sum D-H)	<u>\$ 85,971</u>	<u>\$ 85,971</u>	<u>\$ 85,971</u>	<u>\$ 257,913</u>
4	Small Commercial and Industrial Over/(Under) Collection	\$ (51,383)	\$ (1,627)	\$ (599)	\$ (53,609)
5	Interest	\$ (3,093)	\$ (84)	\$ (90)	\$ (3,197)
6	Total	<u>\$ (54,466)</u>	<u>\$ (1,611)</u>	<u>\$ (629)</u>	<u>\$ (56,706)</u>

(1) This category which is designated as Smart Meter - 2 Plan Expenses reflects the revenue requirement associated with the Smart Meter - 2 Plan's capital and operating costs.

PPL ELECTRIC UTILITIES CORPORATION
SMART METER 2 RIDER COLLECTION RECONCILIATION
 Large Commercial and Industrial
 Report For The Period October 1, 2015 to December 31, 2015

Line No.	(A) October	(B) November	(C) December	(D) Total	
1	ACTUAL REVENUES				
	Revenues Available (excluding GRT)	\$ 6,767	\$ 17,172	\$ 17,255	\$ 41,194
2	REVENUE REQUIREMENT (1)				
A	Net Plant	\$ 6,371	\$ 6,371	\$ 6,371	\$ 19,114
B	ADIT	\$ 66	\$ 66	\$ 66	\$ 197
C	Rate Base	\$ 6,437	\$ 6,437	\$ 6,437	\$ 19,311
D	Return on Investment (1.96%)	\$ 126	\$ 126	\$ 126	\$ 378
E	Income Taxes (50.48%)	\$ 64	\$ 64	\$ 64	\$ 191
F	Operation and Maintenance	\$ 17,058	\$ 17,058	\$ 17,058	\$ 51,175
G	State Flow Through	\$ (5)	\$ (5)	\$ (5)	\$ (15)
H	Depreciation Expense	\$ 368	\$ 368	\$ 368	\$ 1,103
3	Total Revenue Requirement (sum D-H)	\$ 17,611	\$ 17,611	\$ 17,611	\$ 52,832
4	Large Commercial and Industrial Over/(Under) Collection	\$ (10,844)	\$ (439)	\$ (366)	\$ (11,638)
5	Interest	\$ (651)	\$ (24)	\$ (18)	\$ (693)
6	Total	\$ (11,495)	\$ (463)	\$ (374)	\$ (12,331)

(1) This category which is designated as Smart Meter - 2 Plan Expenses reflects the revenue requirement associated with the Smart Meter - 2 Plan's capital and operating costs.

PPL ELECTRIC UTILITIES CORPORATION
 SMART METER 2 RIDER COLLECTION RECONCILIATION
 E-FACTOR COLLECTION BALANCE
 Report For The Period October 1, 2015 to December 31, 2015

Line No.	Month	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		(Refund)/ Recovery	Over/(Under) Balance (1)	(Refund)/ Recovery	Residential Over/(Under) Balance (1)	(Refund)/ Recovery	Small Commercial and Industrial (Refund)/ Recovery	Over/(Under) Balance (1)	(Refund)/ Recovery
1	Balance - February 28, 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	March 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	April 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	May 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	June 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	July 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	August 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	September 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	October 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	November 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	December 2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(1) Calculated using Line 1, Columns (B), (D), (F) or (H) less the (Refund)/Recovery for the respective month in Columns (A), (C), (E) or (G) respectively.

*** This schedule will not be utilized until there is an e-factor balance to be recovered in rates which will occur for the rate filing to become effective at April 1, 2016 when 25% of the Over/(Under) balance at December 31, 2015 will be put into rates.

PPL ELECTRIC UTILITIES CORPORATION
SUMMARY OF ALLOCATION OF SMART METER 2 REVENUES
Report For The Period October 1, 2015 to December 31, 2015

Residential Month	(A)	(B)	(C)	(D)	(E)
	Number of Monthly Bills	Smart Meter Revenues	Smart Meter Revenues (Excl. Gross Receipts Tax) (1)	Recouped Through E Factor N/A for 2015 (2)	Net Smart Meter Revenue (3)
October	2015	1,239,805	84,561 \$	79,572	\$ 79,572
November	2015	1,238,082	207,270 \$	195,041	\$ 195,041
December	2015	1,241,061	209,184 \$	196,842	\$ 196,842
		<u>3,718,948</u>	<u>501,015</u>	<u>0</u>	<u>471,455</u>

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

(2) SMR-2 does not have an ex-factor component for this period.

(3) Column (C) less Column (D) for the respective month.

PPL ELECTRIC UTILITIES CORPORATION
SUMMARY OF ALLOCATION OF SMART METER 2 REVENUES
Report For The Period October 1, 2015 to December 31, 2015

Small Commercial and Industrial		(A)	(B)	(C)	(D)	(E)
Month	Number of Monthly Bills	Smart Meter Revenues	Smart Meter Revenues (Excl. Gross Receipts Tax) (1)	Recouped Through E Factor	Net Smart Meter Revenue (4)	
October	2015 179,483	36,757	34,588	-	\$ 34,588	
November	2015 179,168	89,739	84,444	0	\$ 84,444	
December	2015 180,232	90,725	85,372		\$ 85,372	
	538,883	\$ 217,221	\$ 204,404	\$ -	\$ 204,404	

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

(2) SMR-2 does not have an e-factor component for this period.

(3) Column (C) less Column (D) for the respective month.

PPL ELECTRIC UTILITIES CORPORATION
 SUMMARY OF ALLOCATION OF SMART METER 2 REVENUES
 Report For The Period October 1, 2015 to December 31, 2015

Large Commercial and Industrial Month	(A)		(B)		(C)		(D)		(E)
	Number of Monthly Bills	Smart Meter Revenues	Smart Meter Revenues	Smart Meter Revenues (Excl. Gross Receipts Tax) (1)	Recouped Through E Factor	Net Smart Meter Revenue (4)			
October 2015	1,307	7,191	6,767	-	\$	6,767			
November 2015	1,347	18,249	17,172	-	\$	17,172			
December 2015	1,315	18,337	17,255		\$	17,255			
	3,969	43,777	41,194		\$	41,194			

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

(2) SMR-2 does not have an e-factor component for this period.

(3) Column (C) less Column (D) for the respective month.

Schedule 5

PPL ELECTRIC UTILITIES CORPORATION
 INTEREST EXPENSE ON SMART METER RIDER
 OVER/(UNDER) COLLECTIONS BY MONTH

Line No.	Month	(A) Interest Rate	(B) Weighting Factor	(C) Total			(E) Residential		(G) Small Commercial and Industrial		(H) Large Commercial and Industrial		(J) Interest on Over/(Under) Collection
				Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection	Over/(Under) Collection Total (1)	Interest on Over/(Under) Collection		
1	October 2015	6.00%	12/12	\$ (176,550)	\$ (10,693)	\$ (114,323)	\$ (6,859)	\$ (51,383)	\$ (3,083)	\$ (10,844)	\$ (661)		
2	November 2015	6.00%	11/12	\$ (820)	\$ (45)	\$ 1,146	\$ 63	\$ (1,527)	\$ (84)	\$ (439)	\$ (24)		
3	December 2015	6.00%	10/12	\$ 1,992	\$ 99	\$ 2,947	\$ 147	\$ (599)	\$ (30)	\$ (356)	\$ (18)		
4	Total			\$ (175,378)	\$ (10,639)	\$ (110,231)	\$ (6,649)	\$ (53,509)	\$ (3,197)	\$ (11,638)	\$ (693)		

(1) From Schedule 2, Line 4 for the respective month.