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E-FILE

October 30, 2018

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

**Re: PPL Electric Utilities Corporation
Universal Service Rider Reconciliation Report
for the Period Ended September 30, 2018
Docket No. M-2017-2639302**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is PPL Electric's Universal Service Rider ("USR") Reconciliation Report for the Period December 1, 2017 through September 30, 2018. This reconciliation report 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 September 30, 2018.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on October 30, 2018, 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 Scott R. Koch, PPL Electric's Regulatory Operations Supervisor at (610) 774-2070.

Very truly yours,

Kimberly A. Klock

Enclosures

cc via email: Ms. Lori Burger
Mr. John R. Evans

Rick Kanaskie, Esquire
Tanya J. McCloskey, Esquire

PPL ELECTRIC UTILITIES CORPORATION

**UNIVERSAL SERVICE RIDER
RECONCILIATION REPORT
FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

Docket No. M-2017-2639302

October 30, 2018

PPL ELECTRIC UTILITIES CORPORATION
2018 UNIVERSAL SERVICE RIDER RECONCILIATION
Report For The Period December 1, 2017 to December 31, 2018

| <u>Line No.</u> | | <u>Total</u> |
|-----------------|---|-----------------------------|
| 1 | Actual Residential kWh Billed (Schedule 2, Column N, Line 1) | 12,768,165,151 kWh |
| 2 | Distribution Revenues Available for USR (Schedule 2, Column N, Line 4) | \$ 94,719,849 |
| 3 | Actual OnTrack/WRAP Expenses (Schedule 2, Column N, Line 5) | \$ 77,894,707 |
| 4 | Over/(Under) Collection (Calculate Line 2 minus Line 3) | \$ 16,825,142 |
| 5 | Interest on Over/(Under) Collection (Schedule 4, Line 14, Column D) | \$ 1,063,958 |
| 6 | Prior Year Over/(Under) Collection (Schedule 6, Column B, Line 13) | \$ 2,119,102 |
| 9 | Over/(Under) Collection (Excluding GRT) (Line 4 plus Line 5 plus Line 6) | \$ <u>20,008,202</u> |
| 10 | Over/(Under) Collection (Including GRT) (Line 9*1.06269926) | \$ <u><u>21,262,701</u></u> |

PPL ELECTRIC UTILITIES CORPORATION
 RECONCILIATION OF 2018 UNIVERSAL SERVICE RIDER REVENUES AND EXPENSES BY MONTH

| Line No. | Description | (A) December 2017 | (B) January 2018 | (C) February 2018 | (D) March 2018 | (E) April 2018 | (F) May 2018 | (G) June 2018 | (H) July 2018 | (I) August 2018 | (J) September 2018 | (K) October 2018 | (L) November 2018 | (M) December 2018 | (N) Total Year-to-date |
|--------------------|--|-------------------------|------------------------|-------------------------|----------------------|----------------------|--------------------|---------------------|---------------------|-----------------------|--------------------------|------------------------|-------------------------|-------------------------|------------------------------|
| Residential | | | | | | | | | | | | | | | |
| 1 | Actual Residential kWh Billed (Schedule 5, Line 1) | 1,302,793,380 | 1,818,699,531 | 1,495,261,426 | 1,365,836,730 | 1,304,531,084 | 943,044,167 | 935,375,298 | 1,146,837,645 | 1,205,582,500 | 1,250,173,390 | - | - | - | 12,768,165,151 |
| 2 | Actual Residential Distribution Revenue Applicable to USR (Schedule 5, Line 4) | \$ 9,476,107 | \$ 12,323,654 | \$ 9,042,240 | \$ 8,236,918 | \$ 7,869,814 | \$ 5,689,028 | \$ 5,641,657 | \$ 6,918,345 | \$ 7,272,170 | \$ 7,541,013 | \$ - | \$ - | \$ - | \$ 80,012,946 |
| | Recouped Through E Factor 0.001700/kWh USR (2018) | \$ (575,885) | \$ (2,127,878) | \$ (1,749,479) | \$ (1,596,029) | \$ (1,526,301) | \$ (1,103,862) | \$ (1,094,389) | \$ (1,341,800) | \$ (1,410,543) | \$ (1,462,703) | \$ - | \$ - | \$ - | \$ (13,990,319) |
| | 0.000600/kWh Interest (2018) | \$ (28,661) | \$ (109,122) | \$ (69,717) | \$ (81,950) | \$ (78,272) | \$ (96,563) | \$ (96,123) | \$ (68,810) | \$ (72,336) | \$ (75,010) | \$ - | \$ - | \$ - | \$ (716,584) |
| 3 | Total Revenues Applicable to Prior Year | \$ (604,496) | \$ (2,237,000) | \$ (1,839,196) | \$ (1,679,979) | \$ (1,604,573) | \$ (1,159,945) | \$ (1,150,512) | \$ (1,410,610) | \$ (1,482,879) | \$ (1,537,713) | \$ - | \$ - | \$ - | \$ (14,706,903) |
| 4 | Actual Revenue Available to Cover Current Year Expenses (Line 2 less Line 3) | \$ 10,080,603 | \$ 14,560,654 | \$ 10,881,436 | \$ 9,918,897 | \$ 9,474,387 | \$ 6,848,973 | \$ 6,792,169 | \$ 8,328,955 | \$ 8,755,049 | \$ 9,078,726 | \$ - | \$ - | \$ - | \$ 94,719,849 |
| 5 | Actual OnTrack/WRAP Expenses (Schedule 3, Line 11) | \$ 8,195,718 | \$ 10,632,868 | \$ 9,639,261 | \$ 8,867,349 | \$ 9,491,132 | \$ 6,523,884 | \$ 5,689,074 | \$ 6,212,593 | \$ 6,579,832 | \$ 6,162,996 | \$ - | \$ - | \$ - | \$ 77,894,707 |
| 6 | Over/(Under) Collection (Line 4 minus Line 5) | \$ 1,884,885 | \$ 3,927,786 | \$ 1,242,175 | \$ 1,051,548 | \$ (16,745) | \$ 325,089 | \$ 1,203,095 | \$ 2,116,362 | \$ 2,175,217 | \$ 2,915,730 | \$ - | \$ - | \$ - | \$ 16,825,142 |

PPL ELECTRIC UTILITIES CORPORATION
ACTUAL 2018 ONTRACK/WRAP EXPENSES BY MONTH

| Line No. | Description | (A) December 2017 | (B) January 2018 | (C) February 2018 | (D) March 2018 | (E) April 2018 | (F) May 2018 | (G) June 2018 | (H) July 2018 | (I) August 2018 | (J) September 2018 | (K) October 2018 | (L) November 2018 | (M) December 2018 | (N) Total Year-to-date |
|----------------|--|-------------------|------------------|-------------------|----------------|----------------|--------------|---------------|---------------|-----------------|--------------------|------------------|-------------------|-------------------|------------------------|
| ONTRACK | | | | | | | | | | | | | | | |
| 1 | OnTrack Revenue Credits | \$ 5,928,246 | \$ 8,592,162 | \$ 7,120,889 | \$ 6,263,423 | \$ 6,221,267 | \$ 3,254,102 | \$ 2,358,581 | \$ 3,006,155 | \$ 3,349,051 | \$ 3,508,098 | \$ - | \$ - | \$ - | \$ 49,601,973 |
| 2 | Amortage Forfeitures | \$ 1,507,039 | \$ 1,356,818 | \$ 1,375,859 | \$ 1,445,076 | \$ 1,776,119 | \$ 1,778,349 | \$ 1,791,269 | \$ 1,701,306 | \$ 2,006,647 | \$ 1,544,511 | \$ - | \$ - | \$ - | \$ 16,270,994 |
| 3 | OnTrack CBO/Vendor Expenses | \$ 285,920 | \$ 231,516 | \$ 255,631 | \$ 190,597 | \$ 242,795 | \$ 268,582 | \$ 378,822 | \$ 303,969 | \$ 273,120 | \$ 292,854 | \$ - | \$ - | \$ - | \$ 2,762,796 |
| 4 | OnTrack Administrative Expenses | \$ 118,351 | \$ 256 | \$ 259,343 | \$ 73,660 | \$ 119,971 | \$ 190,245 | \$ 29,330 | \$ 36,631 | \$ 4,207 | \$ (962) | \$ - | \$ - | \$ - | \$ 833,432 |
| 5 | Total OnTrack Expense | \$ 7,839,557 | \$ 10,180,751 | \$ 9,051,723 | \$ 7,972,756 | \$ 9,350,652 | \$ 5,491,278 | \$ 4,588,002 | \$ 5,050,050 | \$ 5,633,025 | \$ 5,341,500 | \$ - | \$ - | \$ - | \$ 69,469,195 |
| WRAP | | | | | | | | | | | | | | | |
| 6 | WRAP CBO/Vendor Expenses | \$ 1,223,907 | \$ 443,468 | \$ 561,070 | \$ 864,635 | \$ 1,138,562 | \$ 1,028,374 | \$ 1,029,679 | \$ 1,161,540 | \$ 944,870 | \$ 820,865 | \$ - | \$ - | \$ - | \$ 9,257,969 |
| 7 | Wrap Administrative Expenses | \$ 12,346 | \$ 8,649 | \$ 6,468 | \$ 9,958 | \$ 1,018 | \$ 4,232 | \$ 1,393 | \$ 1,003 | \$ 1,937 | \$ 630 | \$ - | \$ - | \$ - | \$ 47,634 |
| 8 | Total Wrap Expenses | \$ 1,236,253 | \$ 452,117 | \$ 567,538 | \$ 874,592 | \$ 1,140,580 | \$ 1,032,606 | \$ 1,031,072 | \$ 1,162,543 | \$ 946,807 | \$ 821,495 | \$ - | \$ - | \$ - | \$ 9,305,603 |
| 9 | Total OnTrack/WRAP Expenses | \$ 9,075,809 | \$ 10,632,868 | \$ 9,639,261 | \$ 8,867,349 | \$ 9,491,132 | \$ 6,523,884 | \$ 5,589,074 | \$ 6,212,593 | \$ 6,579,832 | \$ 6,162,996 | \$ - | \$ - | \$ - | \$ 78,774,798 |
| 10 | OT CAP Enrollment Credit | \$ (880,092) | | | | | | | | | | | | | \$ (880,092) |
| 11 | Total OnTrack/WRAP Expenses, including CAP Enrollment Credit (Line 9 plus Line 10) | \$ 8,195,718 | \$ 10,632,868 | \$ 9,639,261 | \$ 8,867,349 | \$ 9,491,132 | \$ 6,523,884 | \$ 5,589,074 | \$ 6,212,593 | \$ 6,579,832 | \$ 6,162,996 | \$ - | \$ - | \$ - | \$ 77,894,706 |

PPL ELECTRIC UTILITIES CORPORATION
INTEREST EXPENSE ON 2018 UNIVERSAL SERVICE RIDER
OVER/(UNDER) COLLECTIONS BY MONTH

| Line No. | Month | (A) | (B) | (C) | | (D) |
|----------|---------------|---------------|------------------|-------------------------|------------|-------------------------------------|
| | | Interest Rate | Weighting Factor | Total | | Interest on Over/(Under) Collection |
| | | | | Over/(Under) Collection | Total (a) | |
| 1 | December 2017 | 5.25% | 19/12 | \$ | 1,884,885 | \$ 156,681 |
| 2 | January | 5.00% | 18/12 | \$ | 3,927,786 | \$ 294,584 |
| 3 | February | 5.00% | 17/12 | \$ | 1,242,175 | \$ 87,987 |
| 4 | March | 5.25% | 16/12 | \$ | 1,051,548 | \$ 73,608 |
| 5 | April | 5.50% | 15/12 | \$ | (16,745) | \$ (1,151) |
| 6 | May | 5.50% | 14/12 | \$ | 325,089 | \$ 20,860 |
| 7 | June | 5.50% | 13/12 | \$ | 1,203,095 | \$ 71,684 |
| 8 | July | 5.50% | 12/12 | \$ | 2,116,362 | \$ 116,400 |
| 9 | August | 5.50% | 11/12 | \$ | 2,175,217 | \$ 109,667 |
| 10 | September | 5.50% | 10/12 | \$ | 2,915,730 | \$ 133,638 |
| 11 | October | | 9/12 | \$ | - | \$ - |
| 12 | November | | 8/12 | \$ | - | \$ - |
| 13 | December | | 19/12 | \$ | - | \$ - |
| 14 | Total | | | \$ | 16,825,142 | \$ 1,063,958 |

(a) From Schedule 2, Line 6 for the respective month.

PPL ELECTRIC UTILITIES CORPORATION
2018 RESIDENTIAL DISTRIBUTION REVENUES BY MONTH

| Line No. | Description | (A) December 2017 | (B) January 2018 | (C) February 2018 | (D) March 2018 | (E) April 2018 | (F) May 2018 | (G) June 2018 | (H) July 2018 | (I) August 2018 | (J) September 2018 | (K) October 2018 | (L) November 2018 | (M) December 2018 | (N) Total Year-to-date |
|---|-------------|-------------------------|------------------------|-------------------------|----------------------|----------------------|--------------------|---------------------|---------------------|-----------------------|--------------------------|------------------------|-------------------------|-------------------------|------------------------------|
| Actual Dist Kwh Billed | | | | | | | | | | | | | | | |
| | RS | 1,276,944,629 | 1,778,678,873 | 1,463,433,843 | 1,338,185,950 | 1,278,495,623 | 926,287,868 | 921,153,351 | 1,130,682,157 | 1,188,999,294 | 1,233,196,835 | | | | 12,536,058,423 |
| | RTS | 25,848,751 | 40,020,658 | 31,847,583 | 27,650,780 | 26,035,461 | 16,756,299 | 14,221,947 | 16,155,488 | 16,593,206 | 16,976,555 | | | | 232,106,728 |
| 1 | RTD | 1,302,793,380 | 1,818,699,531 | 1,495,281,426 | 1,365,836,730 | 1,304,531,084 | 943,044,167 | 935,375,298 | 1,146,837,645 | 1,205,592,500 | 1,250,173,390 | | | | 12,768,165,151 |
| 2 USR Kwh Rate (with GRT) | | | | | | | | | | | | | | | |
| Residential Dist Revenues Available to USR (with GRT) | | | | | | | | | | | | | | | |
| | RS | \$ 9,870,565 | \$ 12,808,738 | \$ 9,404,532 | \$ 8,578,241 | \$ 8,186,343 | \$ 5,938,328 | \$ 5,904,241 | \$ 7,248,423 | \$ 7,621,768 | \$ 7,905,004 | | | | \$ 83,476,213 |
| | RTS | \$ 199,656 | \$ 287,599 | \$ 204,650 | \$ 177,251 | \$ 166,903 | \$ 107,398 | \$ 91,144 | \$ 103,697 | \$ 106,361 | \$ 108,825 | | | | \$ 1,553,484 |
| 3 | RTD | \$ 10,070,252 | \$ 13,096,337 | \$ 9,609,182 | \$ 8,755,492 | \$ 8,363,245 | \$ 6,045,726 | \$ 5,995,385 | \$ 7,352,119 | \$ 7,728,129 | \$ 8,013,829 | | | | \$ 85,029,697 |
| Residential Dist Revenues Available to USR (without GRT) | | | | | | | | | | | | | | | |
| | RS | \$ 9,288,230 | \$ 12,053,023 | \$ 8,849,665 | \$ 8,072,125 | \$ 7,712,759 | \$ 5,587,967 | \$ 5,555,891 | \$ 6,820,766 | \$ 7,172,084 | \$ 7,438,609 | | | | \$ 78,551,119 |
| | RTS | \$ 187,877 | \$ 270,631 | \$ 192,575 | \$ 166,793 | \$ 157,055 | \$ 101,961 | \$ 85,766 | \$ 97,579 | \$ 100,086 | \$ 102,404 | | | | \$ 1,461,827 |
| 4 | RTD | \$ 9,476,107 | \$ 12,323,654 | \$ 9,042,240 | \$ 8,238,918 | \$ 7,869,814 | \$ 5,689,928 | \$ 5,641,657 | \$ 6,918,345 | \$ 7,272,170 | \$ 7,541,013 | | | | \$ 80,012,946 |

PPL ELECTRIC UTILITIES CORPORATION
EFFECT ON THE OVER/(UNDER) COLLECTION BALANCE
For The Period December 2017 to December 2018

| Line No. | Month | (A) (Refund)/ Recovery (a) | (B) Over/(Under) Balance (b) |
|-------------|---|----------------------------------|------------------------------------|
| 1 | Balance - December 31, 2017 (Prior Year Filing w. Actual December) | \$ (604,496) | \$ 16,826,005 |
| 2 | January 2018 | \$ (2,237,000) | \$ 13,984,509 |
| 3 | February 2018 | \$ (1,839,196) | \$ 12,145,313 |
| 4 | March 2018 | \$ (1,679,979) | \$ 10,465,334 |
| 5 | April 2018 | \$ (1,604,573) | \$ 8,860,761 |
| 6 | May 2018 | \$ (1,159,945) | \$ 7,700,816 |
| 7 | June 2018 | \$ (1,150,512) | \$ 6,550,304 |
| 8 | July 2018 | \$ (1,410,610) | \$ 5,139,694 |
| 9 | August 2018 | \$ (1,482,879) | \$ 3,656,815 |
| 10 | September 2018 | \$ (1,537,713) | \$ 2,119,102 |
| 11 | October 2018 | \$ - | \$ 2,119,102 |
| 12 | November 2018 | \$ - | \$ 2,119,102 |
| 13 | December 2018 | \$ - | \$ 2,119,102 |

(a) From Schedule 2, Line 3

(b) From Prior Year Filing - Docket No. M-2016-2580725 as of November 30, 2017 (Schedule 1, Line 9)