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E-FILE

April 30, 2019

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

**Re: PPL Electric Utilities Corporation
Tax Cuts and Jobs Act Temporary Surcharge
Reconciliation Report
for the Period January 1, 2018 through December 31, 2018
Docket No. R-2018-3000775**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is PPL Electric's Tax Cuts and Jobs Act ("TCJA") Reconciliation Report for the Period January 1, 2018 through December 31, 2018. 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, 2018.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on April 30, 2019, which is the date it was filed electronically with 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: Mr. John R. Evans
Ms. Marissa Boyle
Ms. Kelly Monahan

Tanya J. McCloskey, Esquire
Rick Kanaskie, Esquire

PPL ELECTRIC UTILITIES CORPORATION
TAX CUTS AND JOBS ACT TEMPORARY SURCHARGE
RECONCILIATION REPORT
For the Period January 1, 2018 to December 31, 2018

Docket No. R-2018-3000775

April 30, 2019

PPL ELECTRIC UTILITIES CORPORATION
Tax Cuts and Jobs Act ("TCJA") RECONCILIATION
Report For The Period January 1, 2018 to December 31, 2018

Line No.		(A) TOTAL
1	TCJA Negative Surcharge Available (excluding GRT) (Schedule 2, Line 1, Column M)	\$ (31,469,122)
2	Tax Savings from TCJA (Schedule 2, Line 2, Column M) Total Tax Savings	(76,090,730) <u>(76,090,730)</u>
3	Net (Over)/Under (Schedule 2, Line 3, Column M)	44,621,608
4	Interest on (Over)/Under (Schedule 2, Line 4, Column M)	7,418,128
5	Net (Over)/Under, Including Interest (Schedule 2, Line 5, Column M)	\$ <u>52,039,736</u>
6	Reclass to Long Term - (January - June 2018)- (Schedule 2, Line 6, Column M)	(46,218,150)
7	Net (Over)/Under, Including Interest (Current Period) - Line 5 plus Line 6	5,821,586
8	Remaining E-Factor Balance (Schedule 3, Line 13)	-
9	Total (Over)/Under - Line 7 plus Line 8 (1)	\$ <u>5,821,586</u>

(1) The amount on Line 9 represents additional amounts to be returned to customers in the rate effective January 1, 2020.

PPL ELECTRIC UTILITIES CORPORATION
 RECONCILIATION OF TAX CUTS AND JOBS ACT ("TCJA") NEGATIVE SURCHARGE AND TAX SAVINGS

Line No.	Month >>	(A) January 2018	(B) February 2018	(C) March 2018	(D) April 2018	(E) May 2018	(F) June 2018	(G) July 2018	(H) August 2018	(I) September 2018	(J) October 2018	(K) November 2018	(L) December 2018	(M) Total
1	TCJA Negative Surcharge (excluding GRT (1), Schedule 4, column (D))	(11,053,664)	(9,877,211)	(3,830,611)	(5,627,999)	(3,576,867)	(6,419,893)	(4,894,346)	(6,212,979)	(5,682,956)	(4,818,262)	(5,021,221)	(5,965,011)	\$ (31,465,122)
2	Tax Savings as a result of TCJA	11,053,664	8,877,211	3,830,611	5,627,998	3,576,967	6,419,893	540,833	684,819	6,072,237	4,226,043	2,383,051	(8,676,639)	\$ 44,621,608
3	Net (Over)/Under (Line 1 less Line 2)	1,934,395	1,516,524	670,357	1,004,532	622,971	1,088,707	59,492	72,151	612,264	406,757	219,363	(798,845)	\$ 7,418,128
4	Interest on (Over)/Under (Schedule 5, Column (D))													
5	Net (Over)/Under	\$ 12,988,079	\$ 10,393,735	\$ 4,500,968	\$ 6,626,930	\$ 4,199,838	\$ 7,508,600	\$ 600,325	\$ 757,010	\$ 6,694,521	\$ 4,632,800	\$ 2,612,414	\$ (9,465,464)	\$ 52,035,736
6	Reclass to Long Term	\$ (12,988,079)	\$ (10,393,735)	\$ (4,500,968)	\$ (6,626,930)	\$ (4,199,838)	\$ (7,508,600)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (46,216,150)
7	Net (Over)/Under, including Interest (Current Period) - (Line 5 plus Line 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,325	\$ 757,010	\$ 6,694,521	\$ 4,632,800	\$ 2,612,414	\$ (9,465,464)	\$ 5,821,586

(1) Gross Receipts Tax Factor (1-.059)

PPL ELECTRIC UTILITIES CORPORATION
 EFFECT ON THE (OVER)/UNDER BALANCE (TC-JA)
 Report For The Period January 1, 2018 to December 31, 2018

Line No.	Month	(A)	(B)
		(Refund)/Recovery (1)	TC-JA (Over)/Under Balance (2)
1	Balance - December 31, 2017 (3)	\$ -	-
2	January 2018	\$ -	-
3	February 2018	\$ -	-
4	March 2018	\$ -	-
5	April 2018	\$ -	-
6	May 2018	\$ -	-
7	June 2018	\$ -	-
8	July 2018	\$ -	-
9	August 2018	\$ -	-
10	September 2018	\$ -	-
11	October 2018	\$ -	-
12	November 2018	\$ -	-
13	December 2018	\$ -	-

(1) From Schedule 4, Column (C).

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

(3) There is no over/under balance at 12/31/2017 to be amortized.

PPL ELECTRIC UTILITIES CORPORATION
SUMMARY OF ALLOCATION OF TAX AND JOBS ACT (TCJA) Negative Surcharge
Report For The Period January 1, 2018 to December 31, 2018

Month	(A) TCJA Negative Surcharge	(B) TCJA Negative Surcharge (Excl. Gross Receipts Tax) (1)	(C) Recouped Through E Factor	(D) Net TCJA Negative Surcharge (3)
January 2018	\$ -	\$ -	\$ -	-(2)
February 2018	\$ -	\$ -	\$ -	-(2)
March 2018	\$ -	\$ -	\$ -	-(2)
April 2018	\$ -	\$ -	\$ -	-(2)
May 2018	\$ -	\$ -	\$ -	-(2)
June 2018	\$ -	\$ -	\$ -	-(2)
July 2018	\$ (4,732,745.00)	\$ (4,453,513.00)	\$ -	-(2) \$ (4,453,513)
August 2018	\$ (5,874,770.00)	\$ (5,528,159.00)	\$ -	-(2) \$ (5,528,159)
September 2018	\$ (6,039,273.00)	\$ (5,682,956.00)	\$ -	-(2) \$ (5,682,956)
October 2018	\$ (5,120,363.00)	\$ (4,818,262.00)	\$ -	-(2) \$ (4,818,262)
November 2018	\$ (5,339,048.00)	\$ (5,021,221.00)	\$ -	-(2) \$ (5,021,221)
December 2018	\$ (6,339,013.00)	\$ (5,965,011.00)	\$ -	-(2) \$ (5,965,011)
	\$ (33,442,212.00)	\$ (31,469,122.00)	\$ -	\$ (31,469,122)

(1) Column (A) times (1 - GRT).
(2) There is no E-factor for this filing.
(3) Column (B) less Column (C).

PPL ELECTRIC UTILITIES CORPORATION
INTEREST EXPENSE ON TAX AND JOBS CUTS ACT ("TCJA")
(OVER)/UNDER

Line No.	Month	(A) Interest Rate (Residential Mortgage Interest Rate)	(B) Weighting Factor (number of months) (2)	(C) TCJA		(D) Interest on (Over)/Under
				(Over)/Under (1)	(Over)/Under	
1	January 2018	5.00%	42	\$ 11,053,684	\$ 1,934,395	
2	February 2018	5.00%	41	\$ 8,877,211	\$ 1,516,524	
3	March 2018	5.25%	40	\$ 3,830,611	\$ 670,357	
4	April 2018	5.50%	39	\$ 5,621,998	\$ 1,004,932	
5	May 2018	5.50%	38	\$ 3,576,867	\$ 622,971	
6	June 2018	5.50%	37	\$ 6,419,893	\$ 1,088,707	
7	July 2018	5.50%	24	\$ 540,833	\$ 59,492	
8	August 2018	5.50%	23	\$ 684,819	\$ 72,191	
9	September 2018	5.50%	22	\$ 6,072,237	\$ 612,284	
10	October 2018	5.50%	21	\$ 4,226,043	\$ 406,757	
11	November 2018	5.50%	20	\$ 2,393,051	\$ 219,363	
12	December 2018	5.75%	19	\$ (8,675,639)	\$ (789,845)	
14	Total Interest on (Over)/Under			\$ 44,621,608	\$ 7,418,128	

(1) From Schedule 2, Line 3, for the respective rate group.

(2) The interest calculation uses the (over)/under collection 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).