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E-File

November 26, 2019

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. 285 to Tariff
Electric PA. P.U.C. No. 201 for the Tax Cuts and Jobs Act
Temporary Surcharge
Docket No. R-2018-3000775**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is Calculation and Supplement No. 285 to PPL Electric's Tariff – Electric Pa. P.U.C. No. 201 for the Tax Cuts and Jobs Act Temporary Surcharge. This calculation of the TCJA temporary surcharge for the period January 1, 2020 through December 31, 2020 is being filed pursuant to the procedures set forth in PPL Electric's Tariff Electric PA. P.U.C. No. 2019.

Per the November 14, 2019 Opinion and Order at Docket No. P-2019-3013366 in the Petition of PPL Electric Utilities Corporation to establish a mechanism to distribute the tax savings associated with the TCJA, PPL was granted this authority for the period of January 1, 2018 through June 30, 2018 utilizing the TCJA Temporary Surcharge mechanism beginning on January 1, 2020.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on November 26, 2019, which is the date it was submitted electronically via 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: Tanya J. McCloskey, Esquire - Email
R. Kanaskie, Esquire - Email
Mr. John R. Evans - Email
Ms. Marissa Boyle - Email
Ms. Kelly Monaghan - Email

PPL Electric Utilities Corporation
 TCJA Temporary Surcharge ("TCJA")
 Application Period: January 1, 2020 Through December 31, 2020

Line No.	Description	Forecast 2020
1	Operating Revenues	\$ 1,035,487
2	Less: O&M Expenses	424,213
3	Book Depreciation	201,126
4	Interest Expense	72,353
5	Operating Income before Taxes Total	\$ 337,795
6	Depr- Straight Line- Remaining Life (Incl COR)	201,126
7	Book Depreciation Capitalized	-
8	Contributions in Aid of Construction	-
9	Environmental Liabilities	-
10	Reacquired Debt Costs	3,605
11	Deferred Compensation	-
12	Storm Damage	-
13	Taxable Meals & Entertainment	1,600
14	Rate Riders	-
15	Total	\$ 206,331
	Deduct	
16	Tax Depreciation	(194,326)
17	Cost of Removal	(29,211)
18	Tax Gains/(Losses) on Plant Dispositions	1,390
19	Pension	(4,968)
20	Post Retirement and Employment benefits	-
21	Vacation Liabilities	-
22	Bad Debt	-
23	Other 263A and Repair Allowance	(86,113)
24	RAR Adjustments	-
25	ESOP dividends	(4,600)
26	Prepays	-
27	Variable Pay	-
28	Service Company Costs	1,935
29	Total	\$ (315,893)
30	Taxable Income Before State Adjustments	\$ 228,233
	Add: State Tax Adjustments	
31	Bonus Depreciation Adjustment	(41,710)
32	State NOL Carryforward/(Utilization)	-
33	State Taxable Income	\$ 186,523
	State Income At:	
34	Historic, Future and Fully Projected At 9.99%	\$ 18,634
35	Federal Taxable Income Before NOL	209,599
36	Federal NOL Carryforward/(Utilization)	-
37	Income Subject to Federal Income Tax After NOL	\$ 209,599
38	Federal Income Tax at 35%	\$ 73,360
39	Federal Income Tax at 21%	\$ 44,016

PPL Electric Utilities Corporation

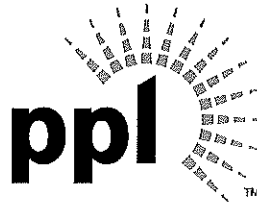
TCJA Temporary Surcharge ("TCJA")

Application Period: January 1, 2020 Through December 31, 2020

<u>Pre TCJA Taxes</u>	<u>Net Tax Effect</u>
Federal Tax - Current (Page 1, Line 38)	\$ 73,360
Federal Tax - Deferred	\$ 52,578
Total Federal Tax Expense	<u>\$ 125,938</u>
<u>Less: Post TCJA Taxes</u>	
Federal Tax - Current (Page 1, Line 39)	\$ 44,016
Federal Tax - Deferred	<u>\$ 18,103</u>
Total Federal Tax Expense	<u>\$ 62,119</u>
Effect of TCJA On Income (A)	\$ 63,819
Cumulative ADIT (beginning balance)	\$ 25,676
Change in ADIT (current year)	<u>\$ 10,425</u>
Total ADIT	\$ 36,101
Commission Approved Rate of Return	7.29%
Effect of ADIT Change on Income (B)	\$ 2,632
Earnings Excess (Line A - Line B)	\$ 61,187
Complement of Tax Rate	0.711079
Revenue Excess	\$ 86,048
TCJA Stub Period Tax Savings ₁	\$ 44,161
Prior Period (Over)/Under, Including Interest ₂	\$ 5,822
Total Revenue Excess	\$ 136,031
Estimated Revenue	\$ 1,035,487
Percent Decrease Per Bill	-13.14%

1. TCJA Stub Period tax savings included as part of the TCJA Temporary Surcharge per Commission Order at Docket No. P-2019-3013366.

2. Additional amount to be returned to customers per TCJA Temporary Surcharge Reconciliation Report, filed April 30, 2019 at Docket No. R-2018-3009532.



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: November 26, 2019

EFFECTIVE: January 1, 2020

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:

Tax Cuts and Jobs Act (TCJA) Temporary
Surcharge

Page No. 19Z.26

The TCJA Temporary Surcharge of negative
7.81% was updated to negative 13.14%.

TABLE OF CONTENTS

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

(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 Fourth Sixteenth
Competitive Enhancement Rider -----	19Z.15	Eighth
Distribution System Improvement Charge -----	19Z.16 19Z.17 19Z.18 19Z.19 19Z.19A	Twenty-Eighth Fourth Second Fourth Original
Storm Damage Expense Rider -----	19Z.20 19Z.21 19Z.22 19Z.23 19Z.24 19Z.25	Fourth Fifth Sixth Sixth Fifth Tenth
Tax Cuts and Jobs Act Temporary Surcharge -----	19Z.26	Second
RATE SCHEDULES - GENERAL		
RS - Residential Service -----	20 20A 20B	Eighty-Second Twenty-Second Twenty-First
RTS(R) - Residential Service - Thermal Storage -----	21 21A	Eighty-Third Twenty-First
GS-1 - Small General Service - Sec. Voltage -----	24 24A 24B	Twenty-Eighth Seventy-Seventh Twenty-Third
GS-3 - Large General Service - Sec. Voltage -----	25 25A 25B	Twenty-Seventh Seventy-Third Twenty-Fourth
LP-4 - Large General Service - 12 KV -----	27 27A	Twenty-Fifth Seventeenth
LP-5 - Large General Service - 69 KV or Higher -----	28 28A	Twenty-Fifth Fifteenth
LPEP - Power Service to Electric Propulsion -----	29 29A	Twenty-Sixth Eighteenth
IS-1(R) - Interruptible Service - Greenhouses- Page Intentionally Left Blank ----- Page Intentionally Left Blank-----	30 30.1	Twenty-Second Nineteenth

(Continued)

TCJA TEMPORARY SURCHARGE

(C)

To implement the effects of the Tax Cuts and Jobs Act (TCJA), on March 15, 2018 the Pennsylvania Public Utility Commission (Commission) issued a Temporary Rates Order at Docket No. M-2018-2641242 directing the utility to file its current base rates and riders as temporary rates, pursuant to Section 1310(d) of the Public Utility Code. 66 Pa. C.S. § 1310(d). Subsequently on May 17, 2018, and June 14, 2018, the Commission entered an Order superseding the March 15, 2018 Temporary Rates Order directing the utility to establish temporary rates as follows:

A negative surcharge of 13.14% will apply as a credit for intrastate service to all customer bills rendered on and after January 1, 2020. This negative surcharge will be distributed equally among the utility's various customer classes, exclusive of STAS and automatic adjustment clause revenues.

(D)

(C)

This negative surcharge will be reconciled at the end of each calendar year and will remain in place until the utility files and the Commission approves new base rates for the utility pursuant to Section 1308(d) that include the effects of the TCJA tax rate changes. After the initial filing on June 15, 2018, the TCJA Temporary Surcharge shall be filed with the Commission by December 1 of each year that it is in place.

Interest on over or under collections shall be computed monthly at the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, et seq.) from the month that the over or under collection occurs to the mid-point of the recovery period.

Upon determination that the negative surcharge, if left unchanged, would result in a material over or under collection, the Company may file with the Commission, on at least 10 days' notice, for an interim revision of the TCJA Temporary Surcharge.