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E-FILE

April 30, 2020

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, 2019 through December 31, 2019
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, 2019 through December 31, 2019. 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, 2019.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on April 30, 2020, 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,

A handwritten signature in blue ink that reads "Kimberly A. Klock". The signature is fluid and cursive.

Kimberly A. Klock

Enclosures

cc via email: Mr. John R. Evans
Ms. Marissa Boyle
Ms. Kelly Monaghan

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, 2019 to December 31, 2019

Docket No. R-2018-3000775

April 30, 2020

PPL ELECTRIC UTILITIES CORPORATION
Tax Cuts and Jobs Act ("TCJA") RECONCILIATION
Report For The Period January 1, 2019 to December 31, 2019

Line No.	(A) TOTAL
1	Tax Cuts and Jobs Act Revenues Available (excluding GRT) (Schedule 2, Line 1, Column M) <u>(72,981,220)</u>
2	Tax Savings from TCJA (Schedule 2, Line 2, Column M) <u>(87,915,467)</u> Total Expenses to Recover <u>(87,915,467)</u>
3	Net (Over)/Under Collection (Schedule 2, Line 3, Column M) 14,934,247
4	Interest on (Over)/Under Collection (Schedule 2, Line 4, Column M) 1,315,175
5	Net (Over)/Under Collection Amount, Including Interest (Schedule 2, Line 5, Column M) <u>\$ 16,249,422</u>
6	Reclass to Long Term (Schedule 2, Line 6, Column M) -
7	Net (Over)/Under Collection, Including Interest (Current Period) - Line 5 plus Line 6 16,249,422
8	Remaining E-Factor Balance (Schedule 3, Line 13) 5,821,586
8A	Remaining E-Factor Balance (Schedule 3A, Line 13) 44,161,466
9	Total (Over)/Under - Line 7 plus Line 8 plus Line 8A) (1) <u>\$ 66,232,474</u>

(1) The amount on line 9 represents amounts to be returned to customers.

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

Line No.	Month >>	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
		January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	Total
1	TCJA Revenues (excluding GRT (1) (Schedule 4, column (D)))	(7,068,297)	(7,256,682)	(6,685,457)	(5,900,930)	(5,328,823)	(5,336,324)	(6,028,346)	(6,339,431)	(5,786,724)	(5,356,325)	(5,408,104)	(6,485,777)	\$ (72,981,220)
2	Tax Savings as a result of TCJA	(2,439,637)	(13,500,791)	(7,840,692)	(6,543,729)	(5,233,184)	(5,842,539)	(6,396,596)	(6,788,344)	(6,958,049)	(12,738,962)	(6,388,229)	(7,244,715)	\$ (87,915,467)
3	Net (Over)/Under (Line 1 less Line 2)	(4,628,660)	6,244,109	1,155,235	642,799	(95,639)	506,215	368,250	448,913	1,171,325	7,382,637	980,125	758,938	\$ 14,934,247
4	Interest on (Over)/Under (Schedule 5, Column (D))	(665,370)	829,946	141,516	75,931	(10,879)	55,367	36,825	40,870	102,003	581,383	73,509	54,074	\$ 1,315,175
5	Net (Over)/Under	<u>\$ (5,294,030)</u>	<u>\$ 7,074,055</u>	<u>\$ 1,296,751</u>	<u>\$ 718,730</u>	<u>\$ (106,518)</u>	<u>\$ 561,582</u>	<u>\$ 405,075</u>	<u>\$ 489,783</u>	<u>\$ 1,273,328</u>	<u>\$ 7,964,020</u>	<u>\$ 1,053,634</u>	<u>\$ 813,012</u>	<u>\$ 16,249,422</u>
6	Reclass to Long Term													\$ -
7	Net (Over)/Under, Including Interest (Current Period) - (Line 6 plus Line 7)	<u>\$ (5,294,030)</u>	<u>\$ 7,074,055</u>	<u>\$ 1,296,751</u>	<u>\$ 718,730</u>	<u>\$ (106,518)</u>	<u>\$ 561,582</u>	<u>\$ 405,075</u>	<u>\$ 489,783</u>	<u>\$ 1,273,328</u>	<u>\$ 7,964,020</u>	<u>\$ 1,053,634</u>	<u>\$ 813,012</u>	<u>\$ 16,249,422</u>

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

PPL ELECTRIC UTILITIES CORPORATION
EFFECT ON THE (OVER)/UNDER COLLECTION BALANCE
Report For The Period January 1, 2019 to December 31, 2019

Line No.	Month	(A)	(B)
		(Refund)/ Recovery (1)	(Over)/Under Balance (2)
		TCJA 2018 Balance Transferred	
1	Balance - December 31, 2018		\$ 5,821,586
2	January 2019	\$ -	\$ 5,821,586
3	February 2019	\$ -	\$ 5,821,586
4	March 2019	\$ -	\$ 5,821,586
5	April 2019	\$ -	\$ 5,821,586
6	May 2019	\$ -	\$ 5,821,586
7	June 2019	\$ -	\$ 5,821,586
8	July 2019	\$ -	\$ 5,821,586
9	August 2019	\$ -	\$ 5,821,586
10	September 2019	\$ -	\$ 5,821,586
11	October 2019	\$ -	\$ 5,821,586
12	November 2019	\$ -	\$ 5,821,586
13	December 2019	\$ -	\$ 5,821,586

- (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) The (over)/under from the final 2018 reconciliation filed on April 30, 2019 at Docket No.R-2019-3009532.

**PPL ELECTRIC UTILITIES CORPORATION
EFFECT ON THE (OVER)/UNDER COLLECTION BALANCE
Report For The Period January 1, 2019 to December 31, 2019**

Line No.	Month	(A)	(B)
		(Refund)/Recovery (1)	(Over)/Under Balance (2)
		TCJA Long Term	
1	Balance - December 31, 2018 (3)		\$ 44,161,466
2	January 2019	\$ -	\$ 44,161,466
3	February 2019	\$ -	\$ 44,161,466
4	March 2019	\$ -	\$ 44,161,466
5	April 2019	\$ -	\$ 44,161,466
6	May 2019	\$ -	\$ 44,161,466
7	June 2019	\$ -	\$ 44,161,466
8	July 2019	\$ -	\$ 44,161,466
9	August 2019	\$ -	\$ 44,161,466
10	September 2019	\$ -	\$ 44,161,466
11	October 2019	\$ -	\$ 44,161,466
12	November 2019	\$ -	\$ 44,161,466
13	December 2019	\$ -	\$ 44,161,466

- (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) Approved by the November 14, 2019 Opinion and Order at Docket No. P-2019-3013366 in reference to the Petition of PPL Electric Utilities Corporation To Establish a Mechanism to Distribute the Tax Savings Associated with the TCJA for the Period Between January 1, 2018, and June 30, 2018.

PPL ELECTRIC UTILITIES CORPORATION
SUMMARY OF ALLOCATION OF TAX AND JOBS ACT (TCJA) Negative Surcharge
Report For The Period January 1, 2019 to December 31, 2019

Month		(A)	(B)	(C)	(D)
		TCJA Negative Surcharge	TCJA Negative Surcharge (Excl. Gross Receipts Tax) (1)	Recouped Through E Factor	Net TCJA Negative Surcharge (3)
January	2019 \$	(7,511,474)	\$ (7,068,297)	\$ - (2)	\$ (7,068,297)
February	2019	(7,711,671)	(7,256,682)	- (2)	\$ (7,256,682)
March	2019	(7,104,630)	(6,685,457)	- (2)	\$ (6,685,457)
April	2019	(6,270,914)	(5,900,930)	- (2)	\$ (5,900,930)
May	2019	(5,662,936)	(5,328,823)	- (2)	\$ (5,328,823)
June	2019	(5,670,908)	(5,336,324)	- (2)	\$ (5,336,324)
July	2019	(6,406,319)	(6,028,346)	- (2)	\$ (6,028,346)
August	2019	(6,736,909)	(6,339,431)	- (2)	\$ (6,339,431)
September	2019	(6,149,547)	(5,786,724)	- (2)	\$ (5,786,724)
October	2019	(5,692,163)	(5,356,325)	- (2)	\$ (5,356,325)
November	2019	(5,747,188)	(5,408,104)	- (2)	\$ (5,408,104)
December	2019	(6,892,430)	(6,485,777)	- (2)	\$ (6,485,777)
	\$	<u>(77,557,089)</u>	\$ <u>(72,981,220)</u>	\$ -	\$ <u>(72,981,220)</u>

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

(2) There is no E-factor recovery for this filing.

(3) Column (B) less Column (C).

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

Line No.	Month	(A)	(B)	(C) TCJA	
		Interest Rate (Residential Mortgage Interest Rate)	Weighting Factor (number of months) (2)	(Over)/Under Collection (1)	Interest on (Over)/Under Collection
1	January 2019	5.75%	30	\$ (4,628,660)	\$ (665,370)
2	February 2019	5.50%	29	\$ 6,244,109	\$ 829,946
3	March 2019	5.25%	28	\$ 1,155,235	\$ 141,516
4	April 2019	5.25%	27	\$ 642,799	\$ 75,931
5	May 2019	5.25%	26	\$ (95,639)	\$ (10,879)
6	June 2019	5.25%	25	\$ 506,215	\$ 55,367
7	July 2019	5.00%	24	\$ 368,250	\$ 36,825
8	August 2019	4.75%	23	\$ 448,913	\$ 40,870
9	September 2019	4.75%	22	\$ 1,171,325	\$ 102,003
10	October 2019	4.50%	21	\$ 7,382,637	\$ 581,383
11	November 2019	4.50%	20	\$ 980,125	\$ 73,509
12	December 2019	4.50%	19	\$ 758,938	\$ 54,074
13	Total Interest on Over/(Under) Calculation			\$ 14,934,247	\$ 1,315,175

(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).