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**E-FILE**

August 31, 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. M-2020-3019647**

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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 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, 2019.

This revised TCJA reconciliation is being filed to reflect a change in the computation of deferred taxes related to reversing temporary differences. The impact of the tax rate change was double counted by including the reversing temporary differences in the current tax computation and by including a separate computed amount for the amortization of excess deferred income taxes.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on August 31, 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, appearing to read "Michael J. Shafer", is written over a light blue, stylized graphic that resembles a signature or a set of initials.

Michael J. Shafer

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 ("TCJA") RECONCILIATION**  
**Report For The Period January 1, 2019 to December 31, 2019**

<u>Line No.</u>	<u>(A)</u> <u>TOTAL</u>
1	Tax Cuts and Jobs Act Revenues Available (excluding GRT) (Schedule 2, Line 1, Column N) <u>(72,981,220)</u>
2	Tax Savings from TCJA (Schedule 2, Line 2, Column N) <u>(77,891,360)</u>
	Total Expenses to Recover <u>(77,891,360)</u>
3	Net (Over)/Under Collection (Schedule 2, Line 3, Column N) 4,910,141
4	Interest on (Over)/Under Collection (Schedule 2, Line 4, Column N) 1,315,175
5	Net (Over)/Under Collection Amount, Including Interest (Schedule 2, Line 5, Column N) <u>\$ 6,225,316</u>
6	Reclass to Long Term (Schedule 2, Line 6, Column N) -
7	Net (Over)/Under Collection, Including Interest (Current Period) - Line 5 plus Line 6 6,225,316
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>\$ 56,208,367</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) January 2019	(B) February 2019	(C) March 2019	(D) April 2019	(E) May 2019	(F) June 2019	(G) July 2019	(H) August 2019	(I) September 2019	(J) October 2019	(K) November 2019	(L) December 2019	(M) Adj. (2)	(N) 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)	10,024,106	\$ (77,891,360)
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	(10,024,106)	\$ 4,910,141
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	\$ (5,294,030)	\$ 7,074,055	\$ 1,296,751	\$ 718,730	\$ (106,518)	\$ 561,582	\$ 405,075	\$ 489,783	\$ 1,273,328	\$ 7,964,020	\$ 1,053,634	\$ 813,012	\$ (10,024,106)	\$ 6,225,316
6	Reclass to Long Term														\$ -
7	Net (Over)/Under, Including Interest (Current Period) - (Line 5 plus Line 6)	\$ (5,294,030)	\$ 7,074,055	\$ 1,296,751	\$ 718,730	\$ (106,518)	\$ 561,582	\$ 405,075	\$ 489,783	\$ 1,273,328	\$ 7,964,020	\$ 1,053,634	\$ 813,012	\$ (10,024,106)	\$ 6,225,316

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

(2) The 2019 TCJA (Over)/Under-collection was adjusted in June of 2020 to correct a miscalculation contained in the original 12-31-19 1307e statement filed on April 30, 2020 at Docket number M-2020-3019647.

**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)
		<b>TCJA 2018 Balance Transferred</b>	
1	Balance - December 31, 2018 (3)		\$ 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)
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>\$ -</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) (D)	
		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	Adj. (3)	N/A	N/A	\$ (10,024,106)	\$ -
14	Total Interest on Over/(Under) Calculation			\$ 4,910,141	\$ 1,315,175

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

(2) The interest calculation uses the over(under) collection shown in column C, times the interest rate in column (A) divided by the number of months in column (B). The monthly amount calculated then is multiplied by the number of months in column (B).

(3) Interest will not be charged on the adjustment. The Company has elected to forego adjusting the originally calculated interest.