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**E-File**

November 26, 2024

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. 383 to Tariff Electric PA. P.U.C.  
No. 201 for the Tax Cuts and Jobs Act Temporary Surcharge  
Docket No.**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is Calculation and Supplement No. 383 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, 2025 through December 31, 2025 is being filed pursuant to the procedures set forth in PPL Electric's Tariff Electric PA. P.U.C. No. 201.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on November 26, 2024, 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 Katelyn Arnold, PPL Electric's Manager – Regulatory Strategy and Rates, at (610) 774-5401.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kimberly A. Klock". The signature is fluid and cursive, with the first name being the most prominent part.

Kimberly A. Klock

Enclosures

cc via email: Patrick Cicero, Esquire  
Allison Kaster, Esquire  
NazAarah Sabree  
Marissa Boyle  
Kelly Monaghan

**PPL Electric Utilities Corporation**

TCJA Temporary Surcharge ("TCJA")

Application Period: January 1, 2025 Through December 31, 2025

Line No.	Description	Forecast 2025	
1	Operating Revenues	\$	1,022,689
2	Less: O&M Expenses		345,834
3	Book Depreciation		208,907
4	Interest Expense		78,864
5	Operating Income before Taxes Total	\$	389,084
6	Depr- Straight Line- Remaining Life (Incl COR)		208,907
7	Book Depreciation Capitalized		-
8	Contributions in Aid of Construction		28,225
9	Environmental Liabilities		-
10	Reacquired Debt Costs		259
11	Deferred Compensation		-
12	Storm Damage		-
13	Taxable Meals & Entertainment		1,800
14	Rate Riders		-
15	Total	\$	239,191
	Deduct		
16	Tax Depreciation		(265,948)
17	Cost of Removal		(47,161)
18	Tax Gains/(Losses) on Plant Dispositions		2,246
19	Pension		10,293
20	Section 174 - R&D Expenses		12,284
21	Casualty Losses		(24,189)
22	Bad Debt		-
23	Other 263A and Repair Allowance		(93,063)
24	RAR Adjustments		-
25	ESOP dividends		(1,900)
26	Prepays		-
27	Variable Pay		-
28	Service Company Costs		3,800
29	Total	\$	(403,638)
30	Taxable Income Before State Adjustments	\$	224,637
	Add: State Tax Adjustments		
31	Bonus Depreciation Adjustment		(21,342)
32	State NOL Carryforward/(Utilization)		
33	State Taxable Income	\$	203,295
	State Income At:		
34	Historic, Future and Fully Projected At 7.99%	\$	16,243
35	Federal Taxable Income Before NOL		208,393
36	Federal NOL Carryforward/(Utilization)		
37	Income Subject to Federal Income Tax After NOL	\$	208,393
38	Federal Income Tax at 35%	\$	72,938
39	Federal Income Tax at 21%	\$	43,763

## PPL Electric Utilities Corporation

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TCJA Temporary Surcharge ("TCJA")

Application Period: January 1, 2025 Through December 31, 2025

Line No.	Pre TCJA Taxes	Net Tax Effect
40	Federal Tax - Current (Page 1, Line 38)	\$ 72,938
41	Federal Tax - Deferred	\$ 61,148
42	Total Federal Tax Expense	\$ 134,086
<u>Less: Post TCJA Taxes</u>		
43	Federal Tax - Current (Page 1, Line 39)	\$ 43,763
44	Federal Tax - Deferred	\$ 29,826
45	Total Federal Tax Expense	\$ 73,589
46	Effect of TCJA On Income (A)	\$ 60,497
47	Cumulative ADIT (beginning balance)	\$ 75,027
48	Change in ADIT (current year)	\$ 8,542
49	Total ADIT	\$ 83,569
50	Comission Approved Rate of Return	7.29%
51	Effect of ADIT Change on Income (B)	\$ 6,092
52	Earnings Excess (Line A - Line B)	\$ 54,405
53	Complement of Tax Rate	0.726879
54	Revenue Excess	\$ 74,847
55	Prior Period (Over)/Under, Including Interest <sup>1</sup>	\$ 5,281
56	Total Revenue Excess	\$ 80,129
57	Estimated Revenue	\$ 1,001,468
58	Percent Decrease Per Bill	-8.00%

1. Additional amount to be returned to customers per the TCJA Temporary Surcharge Reconciliation Report (Line 5 plus Line 8A), filed April 30, 2024 at Docket No. M-2024-3048770. Additional interest was calculated on the E-Factor balance as of December 31, 2023 due to the timing lag.



## **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, 2024

EFFECTIVE: January 1, 2025

**CHRISTINE M. MARTIN, PRESIDENT**

827 Hausman Road  
Allentown, PA 18104

# **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  
7.67% was updated to negative 8.00%.

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**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 8.00% will apply as a credit for intrastate service to all customer bills rendered on and after January 1, 2025. 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.