**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**HARRISBURG, PENNSYLVANIA 17105**

**PPL ELECTRIC UTILITIES Public Meeting December 2, 2010**

**CORPORATION SUPPLEMENT 2201138-FUS**

**NO. 94 TO TARIFF ELECTRIC - Docket No. R-2010-2201138**

**PA PUC NO 201 – TIME-OF-USE**

**RATES**

**STATEMENT OF**

**COMMISSIONER ROBERT F. POWELSON**

Before the Commission today for disposition is PPL Electric Utilities Corporation’s (“PPL”) Supplement No. 94 to Tariff Electric-PA. P.U.C. No. 201, which is to become effective January 1, 2011. This filing proposes to implement a new time-of-use (TOU) rate for residential and small commercial and industrial customers.

PPL’s current TOU rate, which is set to expire on December 31, 2010, was approved by the Commission on January 28, 2010. As Chairman Cawley noted in his Statement on that matter, due to issues with how power was procured under PPL’s one-year competitive bridge plan, PPL’s current TOU offering does not do an “optimal” job of providing accurate on- and off-peak price signals so as to properly incent customers to change their consumption habits. I believe that PPL’s TOU offering before us today, which is tied to spot market electricity purchases, takes a positive step toward solving that problem.

Furthermore, I believe that PPL’s goal should be to have a separate TOU category in their next default service plan. If there is adequate customer enrollment, wholesale default service providers could bid on that customer group separately from non-TOU customers. This is the only way to give truly accurate price signals to TOU customers and provide “smart” rates for smart meters, a goal that is consistent with Act 129.

**DATE: December 2, 2010 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **ROBERT F. POWELSON**

 **COMMISSIONER**