

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265**

**PPL ELECTRIC UTILITIES
CORPORATION – TRANSMISSION
SERVICE CHARGE EFFECTIVE
JUNE 1, 2011**

**PUBLIC MEETING: May 19, 2011
2239805-AUD**

Docket No. M-2011-2239805

**MOTION OF
CHAIRMAN ROBERT F. POWELSON**

On April 29, 2011, PPL Electric Utilities Corporation (PPL) filed its annual transmission service charge (TSC) reconciliation in accordance with its Transmission Service Charge Tariff Rider (tariff). On May 2, 2011, PPL filed proposed TSC rates to become effective on June 1, 2011. Both of these filings were updated on May 13, 2011, to reflect actual reconciliation results through April 30, 2011.

A review of PPL's filings shows that PPL's rates for customers in the Large C&I customer group, who receive service under Rate Schedules LP-5 and LP-6, caused a potentially sizeable overcollection that would result in a significant reduction in their TSC rates beginning June 1, 2011. I am concerned that this reduction in the Large C&I TSC rates will cause Large C&I customers who are shopping to return to default service. This would have the unintended consequence of refunding the entire overcollection balance in a short period of time, thereby causing an ensuing undercollection for this customer group that would be borne by non-shopping customers once the currently shopping customers left the system again. Not only would the Large C&I customers who contributed to the overcollection not receive the full refund they are entitled to, non-shopping customers in this customer group would be forced to pay for a potentially massive undercollection going forward. Moreover, this distortion in prices would be disruptive to retail markets.

Therefore, in order to mitigate this situation, I believe it is necessary to order PPL to refile its proposed TSC rates for the Large C&I customer group that will become effective on June 1, 2011 and to reset the entire Large C&I e-factor balance set forth therein to zero for the period June 1, 2011 through May 31, 2012. Further, PPL is directed to defer all Large C&I TSC reconciliations and file a plan detailing how best to refund any overcollection to the Large C&I customers who contributed to this overcollection during the period January 1, 2010 through May 31, 2011. PPL shall make this filing within 30 days of the issuance of a final Order in Docket No. M-2010-2213754 regarding the use of historical demand allocators and should base its calculations of any overcollections on the methodology for allocating demand identified in that docket.

THEREFORE, I MOVE THAT:

1. The Office of Special Assistants prepare an Opinion and Order consistent with this Motion.

DATE May 19, 2011


**ROBERT F. POWELSON
CHAIRMAN**