

William Keyser
202 429 8186
wkeyser@steptoe.com



1330 Connecticut Avenue, NW
Washington, DC 20036-1795
202 429 3000 main
www.steptoe.com

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VIA ELECTRONIC FILING

Hon. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: PPL Electric Utilities Corporation
Docket No. ER09-1148-000
Informational Filing of Formula Rate True-Up Adjustment**

Dear Secretary Bose:

Pursuant to the Formula Rate Implementation Protocols (“Protocols”) of PPL Electric Utilities Corporation (“PPL Electric”) contained in Attachment H-8H of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“OATT”), PPL Electric submits its true-up adjustment of its Annual Transmission Revenue Requirement or ATRR (“True-Up Adjustment”). The True-Up Adjustment sets forth PPL Electric’s under- or over-collection of its actual Net Revenue Requirement during the preceding 2022 Rate Year.¹ The difference, together with interest, will be added to the ATRR used to set the rate that will be in effect for the succeeding Rate Year for the period commencing January 1, 2024 to and including December 31, 2024.²

On March 24, 2023, the Commission approved PPL Electric’s transition from a mid-year rate year (June 1 to May 31) to a calendar year rate year (January 1 to December 31).³ The changes became effective on April 1, 2023. The proposed changes also included specific protocols to govern the true-up process during the first year after change. Thus, in accordance with the Protocols, approximately seven months of the total under collection, plus interest, for the Rate Year, representing seven of twelve months of service have been included in this year’s True-Up

¹ *PJM*, Intra-PJM Tariffs, OATT Attachment H-8H-PPL, § III.A (“Protocols”).

² Protocols § I.M.

³ *PJM Interconnection, LLC*, 182 FERC ¶ 61,191 (2023) (“March 2023 Order”).

Adjustment.⁴ The remaining amount representing three of twelve months will be included in next year's True-Up Adjustment.⁵

This submission is provided to the Federal Energy Regulatory Commission ("Commission" or "FERC") for informational purposes only.⁶ As required by the Protocols, PPL Electric is also providing a copy of this filing to PJM for posting on the PJM website.⁷ Consistent with the Commission Staff's Guidance on Formula Rate Updates, PPL Electric is submitting the Template and additional exhibits in Microsoft Excel format, where required.⁸

I. SUPPORTING DOCUMENTATION

PPL Electric provides supporting exhibits for additional transparency and to assist Interested Parties in their review of the True-Up Adjustment. These supporting exhibits are not required by the Protocols but track the exhibits included with PPL Electric's Annual Update informational filing. For consistency, PPL Electric uses the same Exhibit Numbers that it uses for its Annual Update informational filing. Exhibits 1, 3A, and 3B, which are included with the Annual Update filing are not relevant to the True-Up Adjustment and, therefore, are not included with this informational filing. PPL Electric includes Exhibit 2 and Exhibits 4 through 6 with its True-Up Adjustment.

Exhibit 2 contains support for the relevant data not otherwise available in PPL Electric's 2022 FERC Form No. 1. Specifically, Exhibit 2 includes additional details regarding the following: (1) revenue credits (Revenue Credit Worksheet, Exhibit 2A), (2) amortized investment tax credits (Schedule of Deferred Investment Tax Credit, Exhibit 2B), and (3) Post-Employment Benefits Other Than Pensions ("PBOP") expenses (PBOP Expenses, Exhibit 2C).

Exhibit 4 provides the True-Up Adjustment.

⁴ Protocols n.4 ("The first True-Up Adjustment will compare [the] total actual ATRR to the ATRR collected under the two formulas for that initial Rate Year.").

⁵ The Protocols provide that if the initial use of a calendar year rate year covers only part of a rate year, the ATRR and corresponding True-Up Adjustment will be based on months that the rate is effective. *Id.* In this case the 2022 Rate Year covered June through December (7 months) and the remaining part of the True-Up Adjustment will be addressed as part of the 2023 True-Up Adjustment (3 months).

⁶ See *PPL Elec. Utils. Corp.*, Docket No. ER09-1148-000 (Letter Order issued Mar. 19, 2010) (stating that PPL Electric submits its Annual Updates in Docket No. ER09-1148-000 "for informational purposes only" and, as the Commission stated, "[u]pon receipt, the Commission will not act on or notice the informational filing because the formula rate implementation protocols provide specific procedures for notice, review, and challenges to the annual updates.").

⁷ Protocols § III.C.

⁸ See Staff's Guidance on Formula Rate Updates (July 17, 2014).

Exhibit 5 is a copy of the annual report filed with the PA PUC on December 31, 2022, in PA PUC Docket No. M-110500.

Exhibit 6 provides work papers supporting the return of excess accumulated deferred income taxes associated with the Tax Cuts and Jobs Act of 2017 and the recovery of the deferred income tax expense associated with the equity component of the Allowance for Funds Used During Construction approved by the Commission in Docket No. ER19-1145-000.⁹

II. CONCLUSION

The enclosed True-Up Adjustment provides the True-Up Adjustment required by the Protocols to be submitted to the Commission and posted on PJM's website. The Protocols provide specific procedures governing notice, requests for information, review, and challenge of this True-Up Adjustment. Therefore, no action is required by the Commission regarding this True-Up Adjustment at this time.

If you should have any questions regarding this True-Up Adjustment, please contact the undersigned.

Sincerely,

Steven M. Nadel, Esq.
PPL Services Corporation
Two North Ninth Street
Allentown, PA 18101

/s/ William M. Keyser
William M. Keyser, Esq.
Joe Bower, Esq.
Steptoe and Johnson LLP
1330 Connecticut Avenue, N.W.
Washington, DC 20036

*Attorneys for PPL Electric Utilities
Corporation*

Enclosures

⁹ *PJM Interconnection, L.L.C.*, 167 FERC ¶ 61,083 (2019) (“April 2019 Order”).