

PPL Electric Utilities Corporation

NET METERING FOR RENEWABLE CUSTOMER-GENERATORS (Continued)

BILLING PROVISIONS:

The following billing provisions apply to default service customer-generators in conjunction with service under applicable Rate Schedules RS, GS-1, GS-3, or LP-4.

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer by the Company during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours will continue to accumulate until the end of the PJM planning period ending May 31 of each year. On an annual basis consistent with the PJM planning period, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by Company to the customer-generator during the preceding year at the Company's Rate Schedule Price To Compare consistent with Commission regulations. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the Company's distribution system, then through the remaining meters (for the customer-generator's account) equally at each meter's designated rate under the applicable Rate Schedule. Virtual meter aggregation is the combination of readings and billing for all meters, regardless of rate class, installed on properties owned, or leased and operated, by a customer-generator by use of the Company's billing process, rather than through physical rewiring of the customer-generator's owned or leased property for a physical, single-point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

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PPL Electric Utilities Corporation

NET METERING FOR RENEWABLE CUSTOMER-GENERATORS (Continued)

The following billing provisions apply to Time-of-Use customer-generators in conjunction with service under applicable Rate Schedules RS, GS-1, GS-3 (<100kW), or LP-4 (<100kW).

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer by the Company during the billing period at the full retail rate consistent with Commission regulations. Excess generation supplied by a customer-generator will be recorded on an hourly basis, maintaining an active record of kilowatt hours produced and consumed at the customer-generators premise. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. If, in a subsequent billing period, a customer consumes more electricity than produced, kilowatt hours will be pulled from the customers bank on a first in first out basis. Any excess kilowatt hours will continue to accumulate until the end of the PJM planning period ending May 31 of each year. On an annual basis consistent with the PJM planning period, the Company will compensate the customer-generator for all remaining kilowatt-hours in the customer's bank, at the generation portion of the time-of-use rate when the excess generation was put into the bank. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. Customer-generators involved in virtual metering programs are not eligible for the TOU Rate Program.

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GENERATION SUPPLY CHARGE -1 (Continued)

TIME-OF-USE – RESIDENTIAL & SMALL COMMERCIAL/INDUSTRIAL

PURPOSE

Beginning on June 1, 2019, this Time-of-Use (TOU) Program provides for the voluntary participation of eligible existing and new residential and small commercial & industrial customers in a year-round TOU Program. Eligible customers must meet the APPLICATION PROVISIONS of this TOU Program. The objective of this TOU Program is to provide eligible residential and small commercial & industrial customers with an opportunity to shift energy usage away from the on-peak periods, when wholesale electricity demand and prices are high, to off-peak periods, when demands and prices are lower.

PRICING PROVISIONS

The following Generation Supply Charges apply for service under the TOU Program during the period June 1, 2019 through November 30, 2019. On-Peak hours will be set based on schedule below Monday through Friday, excluding weekends and holidays.

Rate Schedule RS and RTS (R)	Winter On-Peak Hours (4:00 PM to 8:00 PM) <u>December 1 to May 31</u>	Summer On-Peak Hours (2:00 PM to 6:00 PM) <u>June 1 to November 30</u>
On-Peak Hours	x.xxx cts per kWh	x.xxx cts per kWh
Off Peak Hours	x.xxx cts per kWh	x.xxx cts per kWh

Rate Schedules GS-1, GS-3 (< 100 kW), LP-4 (<100kW), BL, and GH-2 (R)	Winter On-Peak Hours (4:00 PM to 8:00 PM) <u>December 1 to May 31</u>	Summer On-Peak Hours (2:00 PM to 6:00 PM) <u>June 1 to November 30</u>
On-Peak Hours	x.xxx cts per kWh	x.xxx cts per kWh
Off Peak Hours	x.xxx cts per kWh	x.xxx cts per kWh

The TOU GSC-1, determined in accordance with the formula set forth below, shall be applied to all kilowatt-hours billed for BUSS service provided during the billing month:

$$\text{Summer On-Peak TOU GSC-1} = \left[\left(\frac{GS_{\text{BID}}}{S_{\text{TOU}}} \times GS_{\text{M}} \right) + \left(\frac{GS_{\text{IND}} - E}{S} \right) \right] \times \frac{1}{(1-T)}$$

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GENERATION SUPPLY CHARGE – 1 (Continued)

TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL (Continued)

PRICING PROVISIONS (Continued)

$$\text{Winter On-Peak TOU GSC-1} = \left[\left[\frac{\text{GS}_{\text{BID}}}{\text{S}_{\text{TOU}}} \times \text{GS}_{\text{M}} \right] + \left[\frac{\text{GS}_{\text{IND}} - \text{E}}{\text{S}} \right] \right] \times \frac{1}{(1-\text{T})}$$

$$\text{Summer Off-Peak TOU GSC-1} = \left[\left[\frac{\text{GS}_{\text{BID}}}{\text{S}_{\text{TOU}}} \times 1.00 \right] + \left[\frac{\text{GS}_{\text{IND}} - \text{E}}{\text{S}} \right] \right] \times \frac{1}{(1-\text{T})}$$

$$\text{Winter Off-Peak TOU GSC-1} = \left[\left[\frac{\text{GS}_{\text{BID}}}{\text{S}_{\text{TOU}}} \times 1.00 \right] + \left[\frac{\text{GS}_{\text{IND}} - \text{E}}{\text{S}} \right] \right] \times \frac{1}{(1-\text{T})}$$

Where:

GSC-1 = The Generation Supply Charge-1, stated in cents per kilowatt hour, shall be calculated separately for each of the following two Customer Classes: (1) residential, and (2) small commercial and industrial (taking service at secondary voltage levels) as designated above.

GS_{BID} = The wholesale supplier bid price incurred by the Company to acquire generation supply from any source on behalf of participating BUSS customers in the applicable TOU Customer Class.

GS_{IND} = The total estimated indirect costs incurred by the Company to acquire generation supply from any source on behalf of participating BUSS customers in the applicable Customer Class.

GS_M = Seasonal Multiplier based on historic data.

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GENERATION SUPPLY CHARGE – 1 (Continued)

TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL
 (Continued)

PRICING PROVISIONS (Continued)

- E = Experienced net over or undercollection of costs associated with the acquisition of generation supply for participating BUSS customers in the applicable Customer Class. These costs will be computed as of the end of the calendar month ended two months prior to the beginning of the computation period, and will include applicable interest. Interest shall be computed monthly from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. Interest on recoveries of overcollections and undercollections shall be calculated at the prime rate for commercial borrowing in effect on the last day of the month the over or undercollection occurred.
- S = The Company's total retail KWH sales to participating BUSS customers in the applicable Customer Class, projected for the computation period.
- S_{TOU} = The Company's total TOU retail KWH sales to participating BUSS customers in the applicable Customer Class, projected for the computation period.
- T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

CONTINGENCY

In the event the RFP process fails to attract a successful bidder or a supplier defaults the contingency plan will be applied. The Contingency Plan will be implemented separately for residential customers and small commercial/industrial customers. Once implemented, the Contingency Plan will remain in effect until the next TOU bid date unless otherwise ordered by the Commission. The Company will recover all costs of implementing the Contingency Plan through this Generation Supply Charge - 1. The Company will notify affected TOU customers prior to the rate change for a supplier default.

The TOU Contingency GSC-1, determined in accordance with the formula set forth below, shall be applied to all kilowatt-hours billed for BUSS service provided during the billing month:

$$\text{Summer On-Peak TOU GSC-1} = \left[\left[\frac{GS_{GEN}}{S} \times GS_M \right] + \left[\frac{GS_{IND} - E}{S} \right] \right] \times \frac{1}{(1-T)}$$

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GENERATION SUPPLY CHARGE – 1 (Continued)

TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL (Continued)

CONTINGENCY (Continued)

$$\text{Winter On-Peak TOU GSC-1} = \left[\left[\frac{\text{GS}_{\text{GEN}}}{\text{S}} \times \text{GS}_{\text{M}} \right] + \left[\frac{\text{GS}_{\text{IND}} - \text{E}}{\text{S}} \right] \right] \times \frac{1}{(1-\text{T})}$$

$$\text{Summer Off-Peak TOU GSC-1} = \left[\left[\frac{\text{GS}_{\text{GEN}}}{\text{S}} \times 0.90 \right] + \left[\frac{\text{GS}_{\text{IND}} - \text{E}}{\text{S}} \right] \right] \times \frac{1}{(1-\text{T})}$$

$$\text{Winter Off-Peak TOU GSC-1} = \left[\left[\frac{\text{GS}_{\text{GEN}}}{\text{S}} \times 0.90 \right] + \left[\frac{\text{GS}_{\text{IND}} - \text{E}}{\text{S}} \right] \right] \times \frac{1}{(1-\text{T})}$$

Where:

GSC-1 = The Generation Supply Charge-1, stated in cents per kilowatt hour, shall be calculated separately for each of the following two Customer Classes: (1) residential, and (2) small commercial and industrial (taking service at secondary voltage levels) as designated above.

GS_{GEN} = The total generation component for the respective customer classes' fixed price default service rate.

GS_{IND} = The total estimated indirect costs incurred by the Company to acquire generation supply from any source on behalf of participating BUSS customers in the applicable Customer Class.

E = Experienced net over or undercollection of costs associated with the acquisition of generation supply for participating BUSS customers in the applicable Customer Class. These costs will be computed as of the end of the calendar month ended two months prior to the beginning of the computation period, and will include applicable interest. Interest shall be computed monthly from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. Interest on recoveries of overcollections and undercollections shall be calculated at the prime rate for commercial borrowing in effect on the last day of the month the over or undercollection occurred.

GS_M = Seasonal Multiplier based on historic data.

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PPL Electric Utilities Corporation

GENERATION SUPPLY CHARGE – 1 (Continued)

TIME-OF-USE PROGRAM – RESIDENTIAL AND SMALL COMMERCIAL/INDUSTRIAL (Continued)

CONTINGENCY (Continued)

S = The Company's total retail KWH sales to participating BUSS customers in the applicable Customer Class, projected for the computation period.

T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

APPLICATION PROVISIONS

This TOU Program is available to existing and new residential and small commercial/ industrial customers who are served, or qualify to be served, under Rate Schedules RS, RTS(R), GS-1, GS-3 (customers with peak demands less than 100 KW) and GH-2 (R). This includes Volunteer/Non-Profit organizations (Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-Profit Ambulance Services) served under Rate Schedules GS-1 and GS-3, but does not include customers in the Company's OnTrack program. Customers taking service under the above-referenced rate schedules, who also participate in the Company's Net Metering for Renewable Customer Generator programs, are eligible for the TOU Program.

TERMINATING PARTICIPATION

A customer may leave this TOU Program after providing notice to the Company. The customer, if still receiving BUSS, will return to the standard Fixed Price GSC-1.