

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To
PJM Interconnection L.L.C.
PPL Electric Utilities Corporation
Docket No. ER19-2274-000

Issued: August 20, 2019

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Reference: Revisions to Attachment H-8A

On June 27, 2019, PJM Interconnection, L.L.C. (PJM) submitted, on behalf of PPL Electric Utilities Corporation (PPL Electric), revisions to PPL Electric's Monthly Deferred Tax Adjustment Charge (MDTAC) contained in Attachment H-8A of the PJM Interconnection, L.L.C. Open Access Transmission Tariff.¹ You explain that the MDTAC is a charge through which PPL Electric recovers a fixed amount of deferred income tax liability resulting from PPL Electric's shift from the flow-through to full normalization method for recovery of federal and state income taxes in 2008.² You explain that the tax gross-up portion of the stated MDTAC was calculated using the 35 percent federal corporate income tax rate. As a result of the reduction in the corporate income tax rate implemented by the Tax Cuts and Jobs Act, PPL Electric proposes to revise the MDTAC by using the 21 percent federal corporate income tax rate which will result in savings to Distribution Customers through a reduction in their transmission

¹ PJM Interconnection, L.L.C., Intra-PJM Tariffs, [OATT ATT H-8A, OATT Attachment H-8A - PPL, 4.0.0](#).

² See *PPL Electric Utilities Corporation*, Docket No. ER12-1397-000 (May 23, 2012) (delegated letter order).

costs.

Pursuant to the authority delegated to the Director, Division of Electric Power Regulation – East, under 18 C.F.R. § 375.307, your submittal is accepted for filing, effective September 1, 2019.

The filing was noticed on June 27, 2019, with comments, interventions and protests due on or before July 18, 2019. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2018)), to the extent that any timely filed motions to intervene and any motion to intervene out-of-time were filed before the issuance date of this order, such interventions are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties.

This acceptance for filing shall not be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your filing; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders that have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against PJM or PPL Electric.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Issued by: Kurt M. Longo, Director, Division of Electric Power Regulation - East

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