

**PPL ELECTRIC UTILITIES CORPORATION**

**FULL CUSTOMER CHOICE  
SUPPLIER OPERATIONAL  
SUMMARY**

**December 8, 2009**

**Revision 6.2**

**TWO NORTH NINTH STREET  
ALLENTOWN, PENNSYLVANIA 18101-1179**

*This Operational Summary contains operating procedures and standards for Electric Generation Suppliers (EGS) to follow when supplying energy to retail customers within the PPL Distribution system. This document should be used in conjunction with PPL's **Electric Generation Supplier Coordination Tariff**. Certain Supplier Coordination Tariff rules and regulations are restated within this document for clarification purposes. If any discrepancies exist between this Operational Summary and the Supplier Coordination Tariff, the Supplier Coordination Tariff shall take precedent.*

*This Operation Summary may be obtained at the [PPL Supplier Website](#)*

*NOTE: All references in the document to PPL shall mean PPL Electric Utilities, Corp.*

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## 1. PRE-REQUISITES FOR BECOMING AN ALTERNATIVE ELECTRIC GENERATION SUPPLIER (EGS) ON THE PPL DISTRIBUTION SYSTEM

**PaPUC License.** The Pennsylvania Public Utility Commission must license any entity supplying electricity for retail use in Pennsylvania. A license application form may be obtained at this [PaPUC Web site](#) or by calling (717) 772-2673. After the license is obtained, Suppliers should request a logon ID and password by contacting PPL Supplier Hot Line at (610) 774-6396 in order to gain access to secured PPL Supplier Web site.

**PJM Member.** In order to supply electricity for retail use within the PJM Control area, Suppliers must become a [PJM Member](#) and also become signatory to the PJM Operating Agreement. The application form for membership and the Operating Agreement may be accessed at the [PJM's Web site](#) or by calling PJM's Customer Relations and Training number (610) 666-8980 or toll free at 866-400-8980, or through PJM's email address [custsvc@pjm.com](mailto:custsvc@pjm.com).

**PPL's Electric Generation Supplier Coordination Tariff.** All Suppliers intending to serve customers within the PPL distribution system must sign the "[Individual Coordination Agreement](#)" rider of the [Electric Generation Supplier Coordination Tariff](#) and complete the [EGS Credit Application](#), [Supplement](#), and the [Scheduling Coordinator Designation Form](#). Suppliers must sign and return *three original* Agreements, and one completed copy of the Credit Application and Supplement, and Scheduling Coordinator Designation Form to:

Ms. Donna Hirst - Senior Analyst  
PPL Electric Utilities, Inc.  
Two North Ninth Street, GENN5  
Allentown, PA 18101-1179.

Once these requirements have been met, Suppliers may contact the PPL Supplier Hot Line at (610) 774-6396 or via e-mail at [pplutilitiessupplier@pplweb.com](mailto:pplutilitiessupplier@pplweb.com) to schedule Electronic Data Interchange (EDI) testing with PPL.

**PJM "eSchedules" Contract.** After Suppliers are EDI certified, the PPL Settlement Group will enter into a "contract" with *each* Supplier using PJM Interconnection's "eSchedules". (The "eSchedules" is PJM's supply/reconciliation electronic tracking system accessed with a password on the Internet.) Registration for use of eSchedules is available on the [PJM eSuites Web Site](#).

## 2. BECOMING A CERTIFIED ELECTRIC GENERATION SUPPLIER ON THE PPL DISTRIBUTION SYSTEM

Prior to performing EDI testing, Suppliers must have a Pa PUC license, be a member of PJM, executed the “Individual Coordination Agreement” rider of the Electric Generation Supplier Coordination tariff and provided the Credit Application and all other required paperwork (See The Getting Started Section of the [PPL Supplier Website](#)).

◆ **Electronic Data Interchange (EDI) Testing**

Information concerning EDI and the EDI testing schedule can be obtained from the [PPL Supplier Website](#).

◆ **PJM Interconnection “eSchedule” Contracts**

Once a Supplier has become EDI certified with PPL, PPL’s Settlement group will begin entering contracts into PJM’s “eSchedules” for energy transaction purposes. Suppliers will need to become registered users of PJM’s “eSchedules”. Registration for use of eSchedules is available on the [PJM eSuites Web Site](#).

PPL’s Settlement group establishes a unilateral eSchedule contract at PJM. PPL Electric acting, as “the buyer” will enter the name of the Supplier, “the seller,” and the start-end date of the Contract into “eSchedules” and then “confirm” the unilateral contract. The respective Supplier must then access “eSchedules” and likewise “confirm” the contract. Once both parties have confirmed the contract, energy transactions can be scheduled by PPL for the supplier.

### **3. PPL’S SUPPLIER WEB SITE**

◆ **Authorization to PPL’s Supplier Web site**

Most of the information needed by the suppliers serving load in the PPL Electric Service Area can be obtained at the [PPL Supplier Website](#). Access to the Secured PPL Supplier website is also available to any licensed supplier serving load in the PPL Service Area. Suppliers, after obtaining a PaPUC license, should request authorization to access PPL’s secured web site. Suppliers should contact PPL’s Supplier Hot Line at (610) 774-6396 or via e-mail at [pplutilitiesupplier@pplweb.com](mailto:pplutilitiesupplier@pplweb.com) and obtain an userid and password.

◆ **Minimum Web Browser Requirements**

Suppliers will need a web browser with US (Domestic) security that supports SSL3.0 and 128-bit encryption to have the ability to upload and download secured data from PPL’s web site.

For Internet Explorer users, Suppliers will need the latest US version of Internet Explorer. Simply access [Internet Explorer Download](#) and be sure to select the “Extra Security 128-bit Browser” option when downloading.

For Safari and Firefox users, Suppliers should utilize the latest US version of their respective browser. While PPL cannot assure that all functionality will be available under these web browsers, it is anticipated that the applications currently in place on the PPL Website will function appropriately with either of these browsers.

◆ **Information Available on the PPL Supplier Website**

There are various types of information that will be made available to Suppliers as well as information that Suppliers will need to communicate to PPL. The following information is available at the [PPL Supplier Website](#).

◆ **Unsecured Information**

Unsecured information available to all suppliers includes:

- Information for EGS *Getting Started* in the PPL Area of Pennsylvania including:
  - This Supplier Operational Summary
  - EGS Credit Application Forms
  - Scheduling Coordinator Designation Form
  - Vendor Packet
  - Individual Coordination Agreement Rider
  - EDI Testing Process and Test Schedule
  - PPL Electric Trading Partner Agreement
  - The Supplier Hotline number and the links to the Supplier e-mail.
  
- *General information* required by Suppliers to serve load in the PPL Electric Area:
  - Information on the use of EDI between PPL and Suppliers
  - PPL and PJM Holiday Schedules
  - Meter Reading Schedules
  - PPL Electric Tariffs and Rate Schedules
  - Applicable PJM Tariffs and Agreements
  - Links to regulatory commissions, PA and regional reliability councils and PJM
  - Customer Choice Information
  - Process for requesting historical account information.
  - Explanation of the 16 day enrollment rule.
  - Sample of Confirmation Correspondence sent by PPL to customers
  - Load Profiles<sup>1</sup> used in scheduling by PPL
  - PPL Electric Price of Compare

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<sup>1</sup> *“Load Profiles”* - Suppliers can download the files containing the “load profiles” used by PPL to create forecast energy schedules for their customers. These files contain the hourly load data of an average customer by rate class.

- PPL Zone coincident Peaks used for Peak Load Contribution (PLC) calculations.

◆ ***Secured Information***

Secured information available only to individual suppliers who are licensed in Pennsylvania will include:

- PPL Electric Eligible Customer List<sup>2</sup>
- Supplier Sync List<sup>3</sup>
- Exchange of other confidential data between PPL Electric and specific suppliers.

#### **4. ENERGY TRANSACTIONS**

◆ **Enrollment of Customers**

Suppliers can obtain customer information and enroll customers via EDI transactions. Suppliers can receive an EDI response containing the customer's rate class, scheduled meter read date<sup>4</sup>, capacity and network transmission peak load contributions (PLCs), meter bill cycle, billing type, and other pertinent information.

To ensure an orderly transfer of customers between PPL and suppliers, the PUC has established rules that require a new supplier to enroll the customers account with PPL Electric a minimum of 16 days prior to the meter read date when supply will start. The 16 day rule is necessary to allow customers to be notified of the pending switch and to correct any errors before supply begins.

The 16 day rule requires the enrollment to be received through an EDI transaction, by 1:00 pm; 16 days prior to the meter read date (See the [Meter Read Schedule](#)). This date is determined by counting 16 days back starting with the day prior to the meter read date. For example, if the meter read date is April 20th, start counting with April 19th as day 1. In this case the customer must be enrolled with PPL by 1:00 pm on April 4th. If day 16 is a weekend (Saturday or Sunday) or a holiday the customer must be enrolled with PPL on the prior business day.

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<sup>2</sup> "Eligible Customer List" - During or after the prerequisites are met, the Supplier may also download (retrieve) the "Eligible Customer List" from the secured supplier web site. The file contains a list of all customers who elected to release their information to any licensed supplier in the PPL Electric Service Area.

<sup>3</sup> "Supplier Sync List" - A list of customers in the PPL Electric Service Area that are currently served by the supplier. You will be able to see only your sync list and not any other suppliers.

<sup>4</sup> Actual start and end dates can be up to two business days prior to one business day after the scheduled meter read date.

Various examples of the 16 day rule are available on the [PPL Supplier Website](#).

◆ **Explanation of Customer Start and End Dates**

Both the start and end dates for a customer are based on scheduled meter read dates<sup>5</sup>. For example, if the start date is January 22<sup>nd</sup> and the end date is February 19<sup>th</sup>, the customer will be supplied by that Supplier from hour ending 100 EPT on January 22<sup>nd</sup> until hour ending 2400 EPT on February 18<sup>th</sup>. If that customer switches to a new Supplier, the new Suppliers start date would be hour ending 100 EPT on February 19<sup>th</sup>. The supplier should be aware that the actual switch date will be based on the day the meter is actually read<sup>5</sup>. Load Forecast will assume the supplier start date is the scheduled meter read date, while Load Settlements B and C (see Section 5 – Energy Settlement and Reconciliation) will be based on the actual meter read date.

◆ **Load Scheduling**

PPL will submit unilateral load schedules to PJM's eSchedules on a daily basis<sup>6</sup> for all Suppliers serving customers in the PPL Service Area. Suppliers must schedule sufficient energy to provide for their aggregated customer load.

**Note: Suppliers must make all the necessary arrangements for scheduling the delivery of energy through PJM. Suppliers are also responsible for procuring those services provided by PJM that are necessary for the delivery of energy supply to its customers.** These services are included in the PJM Operating Agreement (OA), the PJM Open Access Transmission Tariff (OATT), and the Reliability Assurance Agreement (RAA). These Tariff and Agreements can be obtained through links on the [PPL Supplier Web Site](#) and the [PJM Web Site](#).

◆ **Scheduling Convention for Daylight Saving Time**

PPL will submit load schedules to PJM following PJM convention for daylight saving time as follows:

○ *Fall Transition Day is currently the First Sunday in November*

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<sup>5</sup> Actual start and end dates can be up to two business days prior to one business day after the scheduled meter read date.

<sup>6</sup> eSchedules will be submitted to PJM on the prior business day, i.e. Saturday through Monday will be submitted on the prior Friday, and PJM designated holidays will be submitted on the prior business day.

- A 25<sup>th</sup> hour will be added to schedule load for the additional 0200 hour.
  - The 1<sup>st</sup> hour beginning 0200 is scheduled as hour 2 to 3.
  - The 2<sup>nd</sup> hour beginning 0200 is scheduled as hour 24 to 25.
- *Spring Transition Day-Second Sunday in March*
  - 24 hours will be submitted to PJM in chronological order with an artificial hour beginning 0200.
- *The missing hour beginning 0200 is scheduled as hour 2 to 3 having an assigned 0 kWh value.*

For Interval Usage Data supplied by PPL:

- *Fall Transition Day is currently the First Sunday in November*
  - A second 2-3 hour will be added to schedule load for the additional 0200 hour.
  - The 1<sup>st</sup> hour beginning 0200 is scheduled as hour 2 to 3.
  - The 2<sup>nd</sup> hour beginning 0200 is scheduled as 2<sup>nd</sup> hour 2 to 3.
- *Spring Transition Day-Second Sunday in March*
  - 24 hours will be submitted to PJM in chronological order with an artificial hour beginning 0200.
- *The missing hour beginning 0200 is scheduled as hour 2 to 3 having an assigned 0 kWh value.*

## 5. ENERGY SETTLEMENT AND RECONCILIATION

### ◆ Load Profile

PPL Electric uses load profiles to model loads by customer type, based on the interval loads and weather. These load shapes represent the average load shape for meters of a “typical” customer in each load profile group. Regression functions are developed for interval data for a sample meter set and corresponding weather data. Each meter is assigned to an appropriate profile based on its rate revenue class.

These load profiles are used to:

- Calculate estimated load of each customer, for any historical hour of the year, when actual metered consumption is not available.
- Calculate estimated load of each customer for any forecasted weather scenario.
- Accurately predict any customer’s demand given a specific set of weather conditions.

- Fill in gaps in settlement load aggregations when no interval meter data is available.

The load in each case is estimated using a usage factor, profile load shape and weather data. Usage Factors is a multiplier that adjusts the customer load profile to the customer recent actual daily loads. In order to estimate interval loads the profile load is adjusted for temperature and the result is then multiplied by the meter's usage factor.

#### ◆ **Load Forecast**

Hourly loads are aggregated for each supplier and sent to PJM for one to 15 days in advance of the scheduled day. These load schedules are based on the load profile, forecast weather data and customer usage factors. This serves as a place holder that represent a reasonable forecast of each suppliers load in the unlikely event that PPL cannot process a day after Settlement A submission. This is done to minimize the amount of reconciliation required under Settlement B.

#### ◆ **Load Settlement (Settlement A)**

Hour loads are aggregated for each supplier and sent to PJM the business day after the supply day. These load schedules are based on the actual hourly reads for any customer with an MV90 Interval Meter and a forecast hourly load based on the load profile, actual weather data and customer usage factors for customers with TNS meters. These loads also include an adjustment for Unaccounted-for Losses (UFL) that is allocated to each supplier in proportion to their load in the PPL Service Area. These loads are used by PJM in the development of the PJM monthly bills and are typically referred to as Settlement A or back-casts.

#### ◆ **Secondary Reconciliation (Settlement B)**

Two Months after the supply month, all customers' actual hourly meter usages are available. These hourly loads are aggregated by Supplier. This secondary reconciliation accounts for mismatches between a Supplier's load schedules (Settlement A) provided to PJM and the energy that was actually used by their customers (with the corresponding adjustment to UFE). PPL will calculate the difference between the submitted back-casted (Settlement A) and the actual metered usage for the Supplier's aggregated total load. These deviations are determined on an hourly basis. PPL will submit this information to PJM who will then calculate the energy reconciliation (Settlement B) amount based on the Locational Marginal Price (LMP). The PJM Reconciliation process will also calculate reconciliation charges for ancillary services associated with actual energy usage billed by PJM. PJM will debit/credit the appropriate party in accordance with the [PJM Open Access Transmission Tariff \(OATT\)](#) and the [Operating Agreement of PJM Interconnection, L.L.C.](#) in the next monthly PJM bill.

#### ◆ **Re-Settlement after Reconciliation (Settlement C)**<sup>7</sup>

PPL submits additional hourly reconciliation quantities to PJM for a Supplier's aggregated load based on the actual metered usage information available following the secondary reconciliation (Settlement B). A Supplier's actual aggregated metered usage can be revised due to billing adjustments (Cancel and Cancel/Rebills), late meter reads, meter corrections, etc., in customers' accounts. In other words, the "true-up" that occurred between a Supplier and PPL in the initial reconciliation settlement (Settlement B) at PJM needs to be re-settled because of these post "true-up" adjustments in energy usage.

It is PPL intend to re-run the reconciliation calculations as needed following the supply month to capture any energy adjustments that may have occurred since the initial settlement and secondary reconciliation process. This will create a second reconciliation file that will be compared to the first reconciliation file (i.e., the one sent to PJM) resulting in a net kWh difference per hour (Settlement C). Using this net kWh difference, PPL will calculate the revised reconciliation amounts by multiplying by the applicable PJM posted billing determinants. The '*Re-settlement*' process will not only calculate adjustments required in the energy reconciliation charges but also in the ancillary services charges.

A written "Letter of Agreement" between a Supplier and PPL (both parties agree to post "true-up" adjustments) will be created to allow PJM to collect these re-settled adjustments as a specific line item on the next PJM bill. *In the future PJM will process the Settlement C Reconciliation in the same manner as Settlement B eliminating the need for "Letters of Agreements.*

## 6. REQUESTING HISTORICAL ACCOUNT INFORMATION

#### ◆ **Data Available to Licensed EGSs in Pennsylvania**

PPL maintains a database of customer hourly energy usage information for all customers<sup>8</sup>. This information is confidential and is intended only for customers' use; however, Licensed EGSs in Pennsylvania can request this usage information. In order for EDI information to be released the customer's account must be marked: "Release All Information". This can be done by the customer or on customer's behalf by using the [PPL Privacy Release Form](#).

The following information can be obtained for PPL Service Area Customers:

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<sup>7</sup> This process is currently being discussed and rules have not yet been established.

<sup>8</sup> Street Light energy information is not currently available through EDI and must be requested through the Supplier Mailbox.

- Peak Load Contributions (PLCs) – ICAP (generation capacity) and NITS (transmission)
- Summary usage - monthly billed kW & kWh
- Interval usage - hourly or 15minute for large C&I Customers
- Meter/bill Group - for scheduled reading date

All of the above customer information is available via EDI for suppliers that are certified EDI compliant with PPL Electric Utilities at no charge.

For suppliers who are not yet EDI ready, this customer information can be requested by emailing the PPL Settlement Group at [PPLUtilitiesSupplier@pplweb.com](mailto:PPLUtilitiesSupplier@pplweb.com). This is a manual process that could take several business days. The following charges will be made for these manual requests.

- Cost, interval: \$106.00 per account
- Cost, summary: \$5.00 per account
- PLCs, meter/bill group, Q&A – no charge

Usage data can be obtained on a self-service basis through the PPL Energy Analyzer (web portal). To utilize this option see the *Request Historic Account Information* Section of the [PPL Supplier Website](#).

#### ◆ Meter Reading Schedules

PPL has a 20 day defined meter reading schedule posted on the [PPL Supplier Website](#).

## 7. BILLING

Suppliers should become familiar with the “*Competitive Billing Specification Rider*” of PPL’s Electric [Generation Supplier Coordination Tariff](#) for descriptions and procedures related to billing services, consolidated billing options, billing dispute handling, and billing specifications.

## 8. CAPACITY (ICAP) PEAK LOAD CONTRIBUTION

PPL will be responsible for submitting an aggregate *Capacity* (ICAP) peak load contribution (PLC) to PJM OI for all Electric Generation Suppliers serving load within PPL’s service territory (including POLR load suppliers). This *Capacity* PLC will be based on each customer’s average contribution to PPL’s share of the PJM’s planning period unrestricted (with adjustment for interruptions) weather-normalized coincident peak load. PJM will then convert this aggregate *Capacity* PLC to the unforced capacity obligation (UCO). Suppliers are responsible to pay the Locational Reliability Charge (LRC) for capacity obtained in the RPM capacity auctions to cover their unforced

capacity obligation of its aggregated customers. (For the determination of UCO and LRC please see the PJM manuals.)

◆ **Application of the *Capacity Peak Load Contribution***

The Supplier's *Capacity PLC*) will be the sum of their individual customer's peak load contribution rounded up to the next tenth of a megawatt. PPL will submit this aggregate value to PJM by noon 36 hours prior to the day for which the EGS's UCO is fixed. Any PLC and UCO values for days beyond those that are fixed are forecasts based on the customers assigned to each Alternate Supplier at that time. PJM will then convert each Supplier's aggregate PLC to the UCO by multiplying it by the PJM Forecast Pool Requirement [which is equal to (1+ Installed Reserve Margin) (1-Pool wide 5-Year Average EFORD)] and several scaling factors to adjust the UCO to the level of capacity PJM purchased in the RPM auctions. (These scaling factors adjust the load to the forecast PPL Zonal UCO and for any addition capacity purchased based on the RPM demand curve.)

The sum of each supplier's customer capacity PLC values is rounded up to the next tenth of a megawatt and submitted to PJM through the PJM eSuites eRPM application.

◆ **Calculation of *Capacity Peak Load Contribution***

The PLC is based on a customer's average contribution to a typical PJM peak load. The peak loads are those that occur on the PJM five coincident peak load days (highest hour on that day) from October 1st to September 31st of the year proceeding the year the PLC will be applied. The PJM peaks typically occur during the summer peak load period.

For customers that existed at the time of the last PJM peak loads their *Capacity* peak load contribution will be determined by the following methods:

● **Monthly-Metered Customers**

For customers having load profiles, the peak load contribution will be determined by multiplying the individual customer's annual kilowatt-hour usage for the last twelve months by the appropriate class load responsibility factor. This *Annual kWh Factor* is the average class peak load contribution divided by the average class annual kilowatt-hour usage based on the most recent calendar year.

● **Hourly-Metered Customers**

For customers having interval demand meters, the individual customer's peak load contribution is the product of the peak load responsibility of their rate class multiplied by average of the percent share of that customer's peak load contribution to that rate class at the time of the peak on the five PJM peak load

days. (This is the same methodology used for allocating the PJM peak load responsibility to the PJM Zones and to each of the PPL Load Profile Groups.)

- **Interruptible Load Customers**

The methodology for determining the peak load contribution for interruptible customers is the same as for Hourly metered Customers as discussed above expect that Interruptible Load is adjusted to reflect the anticipated load if the customer was not interrupted. This incremental value is based on amount of load drop credited in the PJM Demand Management Program for the customer for the same day and hour as the 5 PJM peaks.

- **Registered Demand Customers**

For the customers that have registered demand meters, registered on peak billing demand from the bill following each of the five PJM peaks is used in lieu of the actual hourly peaks. The individual customer's peak load contribution is the product of the peak load responsibility of the rate class multiplied by the average of the percent share of the customer's registered peak loads in that rate class group in the period preceding the PJM peak. (This method does not assume that the peaks are coincident, but assumes that the proportion of the customer's registered demand to all customers in the Load Profile Group registered demand is a conservative estimate of that customer's share of the load responsibility of that rate class.)

For customer that did not exist at the time of the PJM peak loads, a default value for each rate class will be used. The default value is base on the average contribution for customers in that rate class. For large Industrial customer (LP5, LP6) rate classes default values will be reviewed and a PLC will be assigned based on the customers anticipated contribution to the upcoming summer peak.

*A revised calculation process associated with the implementation of PPL new settlement system will go into effect for PLC calculated for ICAP application starting January 1, 2011. An explanation of current and revised PLC calculations are available at [How PPL Calculates Customer PLCs](#)*

## 9. NETWORK INTEGRATED TRANSMISSION SERVICE PROCEDURES

PPL will be responsible for submitting the aggregate Network Integrated Transmission Service (NITS or Transmission) PLC to PJM OI for all Electric Generation Suppliers serving load within PPL's service territory (excluding POLR load suppliers). This *Transmission* PLC will be based on each customer's average contribution to the restricted (as metered without adjustment for interruptions or weather) PPL zonal peak load. PJM will then use these aggregate *Transmission* PLC to determine the Supplier's NITS charges as provided for in the Open Access Transmission Tariff.

- ◆ **Application of the *Transmission* Peak Load Contribution**

The Supplier's *Transmission* PLC will be the sum of their individual customer's peak load contribution rounded up to the next tenth of a megawatt. PPL will submit this aggregate value to PJM by noon 36 hours prior to the day for which the EGS's *Transmission* PLC is fixed. Any *Transmission* PLC values for days beyond those that are fixed are forecasts based on the customers assigned to each Alternate Supplier at that time.

The sum of each supplier's customer transmission PLC values is rounded up to the next tenth of a megawatt and submitted to PJM through the PJM eSuites eRPM application.

◆ **Calculation of *Network Integrated Transmission Service Peak Load Contribution***

The *Transmission* PLCs are based on a customer's average contribution to a typical PPL Zone peak load. The peak loads are those that occur on the PPL Zone five coincident peak load days (highest hour on that day) from November 1<sup>st</sup> to October 31<sup>st</sup> of the year proceeding the year the PLC will be applied. The PPL Zone Peaks typically occur during the summer or winter peak load periods.

For customers that existed at the time of the last PPL Zonal peak loads their *Transmission* peak load contribution will be determined by the following methods:

● **Monthly-Metered Customers**

For customers having load profiles, the peak load contribution will be determined by multiplying the individual customer's annual kilowatt-hour usage for the last twelve months by the appropriate class load responsibility factor. This *Annual kWh Factor* is the average class peak load contribution divided by the average class annual kilowatt-hour usage based on the most recent calendar year.

● **Hourly-Metered Customers**

For customers having interval demand meters, the individual customer's peak load contribution is the product of the peak load responsibility of their rate class multiplied by average of the percent share of that customer's peak load contribution to that rate class at the time of the peak on the five PJM peak load days.

● **Interruptible Load Customers**

The methodology for determining the peak load contribution for interruptible customers is the same as for Hourly metered Customers as discussed above. No adjustment is made for the interruption.

● **Registered Demand Customers**

For the customers that have registered demand meters, registered on peak billing demand from the bill following each of the five PJM peaks is used in lieu of the actual hourly peaks. The individual customer's peak load contribution is the product of the peak load responsibility of the rate class multiplied by the average of the percent share of the customer's registered peak loads in that rate class group in the period preceding the PJM peak. (This method does not assume that the peaks are coincident, but assumes that the proportion of the customer's registered demand to all customers in the Load Profile Group registered demand is a conservative estimate of that customer's share of the load responsibility of that rate class.)

For customer that did not exist at the time of the PJM peak loads, a default value for each rate class will be used. The default value is base on the average contribution for customers in that rate class. For large Industrial customer (LP5, LP6) rate classes default values will be reviewed and a PLC will be assigned based on the customers anticipated contribution to the upcoming summer peak.

*A revised calculation process associated with the implementation of PPL new settlement system will go into effect for PLC calculated for ICAP application starting January 1, 2011. An explanation of current and revised PLC calculations are available at [How PPL Calculates Customer PLCs](#)*

## APPENDIX A

### FREQUENTLY ASKED QUESTIONS

1. Do PPL load profiles get adjusted for weather forecasts?

No, PPL static load profiles used for forecasting will not change based on forecast temperatures. The static load profiles are not adjusted nor based on weather information. They are normalized profiles based on 10 years of data. *However, the new PPL settlement system will adjust profiles based on weather and a usage factor.*

2. Will Suppliers be able to see the methodology for calculating load profiles?

A high level description of the PPL load profile methodology will be made available to Suppliers upon request.

3. Is load growth included in the load profiles?

The load profiles do not contain load growth. *However, the new PPL settlement system will adjust the profiles based on the most recent (generally the prior month) usage factor which is the ratio of the actual usage in that month and the profile for that rate class.*

4. Who develops the load forecast and backcast schedules?

The load forecast for PPL customers will be done by PPL.

5. How are the load forecast and backcast schedules being sent?

Schedules will be sent to PJM by PPL on behalf of the suppliers via established electronic methods (PJM's eSchedules).

6. How and when will PJM eSchedules contracts be developed?

PPL will establish eSchedules 'Contracts' about two weeks prior to actual scheduling. PPL requests that Suppliers utilize 'unilateral' confirmation of scheduling when developing the eSchedule contract.

7. Do we know what customers are on what Locational Marginal Price (LMP) Bus?

All retail customers are currently on a PPL Zonal Bus and shall remain on a zonal bus for the near future.

8. Is it correct that when a Supplier is short they buy from the PPL zone, when they're long they are selling to the delivery point.

Yes. A Supplier is buying at the PPL zonal LMP price if the Supplier is short. The LMP price of energy at the delivery bus will be used for calculating the amount owed the Supplier when it is long.

9. What LMP Bus are we using for secondary reconciliation?

PPL zonal bus will be used for reconciliation of forecast load and actual load.

10. Does PPL do energy reconciliation?

See Section 5 for an explanation of PPL energy scheduling and reconciliation process.

11. Must there be an agreement between the Supplier and PPL before they start EDI transactions?

EDI testing must be done between PPL and Suppliers. Individual Coordination Agreement and other registration requirements pursuant to Supplier Coordination Tariff Section 3.1 must be in place prior to Supplier registering customers with PPL.

12. Is there a check being done on the customer list between PPL and the Supplier to make sure that it is accurate?

In the future, PPL will provide on a regular basis a list of customers served by the supplier to allow the supplier to sync their lists with PPL's list.

13. Will the "Price to Compare" be out on the web?

The "Price to Compare" by rate class is on the PPL Supplier website.

14. How will the Supplier follow-up on wrong customer numbers after they have been rejected by PPL's EDI system?

PPL will identify bad customer numbers to a Supplier through its EDI process. The Supplier should identify if a number transposition or similar typographical error occurred with the customer file. Identification and corrections is primarily the responsibility of the Supplier. The supplier should also check with the customer to ascertain if the rejected account is a Master Summary Account number.

15. How soon is a Supplier notified about a 'Drop Letter'?

The Supplier will be notified through EDI one business day after the customers record is marked with a drop.

16. In regard to the 'Drop Letters,' would PPL notify Suppliers if the letter was sent out late?

Yes, Suppliers are notified one business day after the customer record is marked with a drop. This is the same time a drop letter is mailed to the customer.

17. Will PPL be supplying the actual drop date?

PPL will indicate in the EDI 814 drop the scheduled meter read date which will trigger the drop of a customer.

18. If a customer calls requesting information on a Supplier, will PPL give out telephone numbers?

PPL will direct the customer to the PaPUC lists of approved Suppliers when asked to give information about Suppliers.

19. If a customer wants to change Suppliers, but not until a certain time, can the new Supplier wait (say 3 months) to send in the notice?

A Supplier can make contact with a customer prior to sending in a notice to PPL. The EDI standards will govern the timing of regulation and change files being sent in to PPL.

20. Will the Supplier need a consent form from a customer for their load profile data?

No, PPL will assume that the Supplier has obtained consent from the customer. It is the responsibility of the Supplier to keep documentation of that consent. (See PaPUC Docket number M-2009-2104271)

21. Will there be a charge for numerous changes of Suppliers?

There is no charge for customers changing Suppliers no matter how frequent.

22. Is there a cost from PPL for a one-bill option?

There is no cost for having PPL provide a one bill option on behalf of a Supplier and customer.

23. What will show up for Supplier charges on a bill from PPL?

On the PPL one bill option, the Supplier's charges will be shown on the bill plus a provision for a brief explanatory note from the Supplier.

24. What is the turn around time for Bill-Ready?

Turn around time for bill-ready information is stated in the Competitive Billing and Metering Riders.

25. Can a customer choose a dual bill options?

A customer may choose a two bill option, receiving Supplier and EDC charges separately from each.

26. What is considered as evidence that you're a member of PJM?

Evidence of PJM membership will be considered by application receipt of PJM, copy of signatory pages or by letter from PJM stating such a fact.

27. Who is obligated to pay sale and gross receipt taxes?

The obligation to remit sales tax and gross receipt taxes is the responsibility of the EDC and Supplier for their portion of charges for services provided to the customer.

28. How will PPL advise I&C customers to examine proposals from different Suppliers (e.g., Price to Compare)?

PPL will not provide advice to I&C customers on how to examine proposals by different Suppliers. PPL can and will explain the new tariff rates and how they apply to the customer.

29. Is there a way to determine an hourly-metered customer from a monthly-metered customer?

All PPL metered accounts have hourly meters. PPL has a small number of unmetered accounts, most of which are street and area lights.

30. Will PPL provide the Unforced Capacity Obligation for a Supplier or the customers a Supplier Serves?

The Peak Load Contribution (PLC) values that PPL Electric Utilities provides are the base number used by PJM to calculate the Unforced Capacity Obligation (UCAP). They represent the customer's typical contribution to a typical PJM peak load day (the 5 PJM coincident peaks). No scaling factors or the Forecast Pool Requirement (FPR) are applied. The scaling factors and FPR can be obtained from PJM. PPL does not maintain a list of the UCAP values for individual customers since these values can vary daily based on the scaling factors applied by PJM for the PPL Zone.

31. What does it mean to round the supplier's PLC up to the next tenth of a megawatt mean?

The sum of each customer's PLC value for each supplier is to be increased to the next tenth of a MW for any amount greater than a tenth of a MW. Below is a sample of this rounding process:

<u>Sum of PLC in MW</u>	<u>Sum of PLC rounded up to the next tenth of a MW</u>
10.09	10.1
10.10	10.1
10.11	10.2
10.12	10.2
10.13	10.2
10.14	10.2
10.15	10.2
10.16	10.2
10.17	10.2
10.18	10.2
10.19	10.2
10.20	10.2
10.21	10.3
10.22	10.3

32. Will there be a list of phone numbers listed on the web detailing the contacts for specific problems?

Yes. PPL Settlement Group can be contacted through the PPL Supplier Hot Line at (610) 774-6396 or via e-mail at [pplutiessupplier@pplweb.com](mailto:pplutiessupplier@pplweb.com).

33. Can you take capacity from outside Pennsylvania, and bring it into Pennsylvania?

Capacity resources will be accounted for by PJM. PJM will be the entity tracking, qualifying, and accounting for capacity necessary to cover load.