

## COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION P.O. BOX 3265, HARRISBURG, PA 17105-3265

January 11, 2012

Docket No. P-2008-2060309

PAUL E RUSSELL
PPL SERVICES CORPORATION
TWO NORTH NINTH ST
ALLENTOWN PA 18101

Re: PPL Electric Utilities Corporation

Petition for Approval of a Default Service Program and Procurement Plan for the

Period January 1, 2011 through May 31, 2014

Results of Request for Proposals Process – January 2012 Solicitation

Dear Mr. Russell:

On January 10, 2012, PPL Electric Utilities Corporation (PPL Electric) filed the results of its Request for Proposals (RFP) Process and Rules for the January 2012 Solicitation for provider of last resort service at the above-referenced docket number. This filing included proposed bid results for provider of last resort service for Residential, Small Commercial and Industrial, and Large Commercial and Industrial customers who receive default service from PPL Electric during the period March 1, 2012 through February 28, 2014. The January 2012 Solicitation included the following four (4) RFPs:

- Full Requirements RFP, soliciting bids for 12-month and 24-month fixed-price products for Residential and Small Commercial and Industrial customers
- Optional Monthly Pricing Service (OMPS) RFP, soliciting bids for a 3-month, full-requirements fixed-price product for Large Commercial and Industrial customers
- Block Energy RFP, soliciting bids for a 12-month baseload block energy product
- Alternative Energy Credit (AEC) RFP, soliciting bids for 12-month Tier I Solar, Tier I Non-solar, and Tier II AEC products

The delivery periods for all four RFPs commence on March 1, 2012.

This filing was submitted in accordance with the RFP Process and Rules filed by PPL Electric on July 1, 2009, pursuant to the Commission's Opinion and Order entered June 30, 2009 at Docket No. P-2008-2060309, and subsequently amended pursuant to Commission Orders entered December 28, 2009, June 24, 2010, and March 1, 2011 at that docket number.

PPL Electric requests that the Commission approve the bid results from the January 2012 Solicitation on or before January 11, 2012.

Further investigation does not appear to be warranted at this time, since the January 2012 Solicitation appears to have been conducted in accordance with the RFP Process and Rules as filed and amended by PPL Electric pursuant to applicable Commission Orders. Accordingly, we approve the results submitted for the January 2012 Solicitation.

We note, however, that with regard to the OMPS RFP, no bids were received for the 3-month, full-requirements fixed-price product for Large Commercial and Industrial customers that was the subject of this RFP. As the OMPS RFP failed to procure bids for a sufficient number of tranches, PPL Electric is ordered to follow section 7.5.2. of its RFP Process and Rules for the OMPS product, which states that if the OMPS RFP fails, the OMPS shall not be offered.

In addition, we direct PPL Electric to disclose the results of the January 2012 Solicitation in accordance with the Commission's Secretarial Letter in <u>Re: Disclosure of Default Service Solicitation Results and Creation of a Default Service Rate Calculation Model</u>, issued October 12, 2010 at Docket No. M-2009-2082042.

Please direct any questions to Paul Diskin, Director, Bureau of Technical Utility Services, at (717) 214-5558.

Sincerely,

Rosemary Chiavetta

Secretary

cc: David B. MacGregor, Post & Schell, P.C. (electronic and first class mail)
Paul E. Russell, PPL Services Corporation (electronic mail)
Doug Stinner, PPL Services Corporation (electronic and first class mail)
Elaine McDonald, Bureau of Technical Utility Services
Parties of Record