PPL Electric Utilities receives PUC approval of new pilot time-of-use pricing option

Pilot program planned as company eyes option for all customers in 2010

The Pennsylvania Public Utility Commission on Thursday (12/4) gave PPL Electric Utilities approval to run a year-round time-of-use pilot program that gives customers an opportunity to reduce their electric bills by changing usage habits.

The new pilot program moves the company one step closer to making a time-of-use option available to all customers in 2010.

"We want our customers to have more control over what they spend on electricity and to be able to take advantage of rate options that may better match their lifestyles and usage habits," said David G. DeCampli, president of PPL Electric Utilities.

Under time-of-use rates, the amount customers pay for generation charges varies by season and by time of day. Electricity costs less to generate when people use less, and costs more to generate during "peak" hours when customer use is highest.

Customers who choose a time-of-use rate option can save money by shifting electricity use to times when it is less costly to generate.

The pilot program will begin this winter and continue through the end of 2009. It will be open to 1,200 residential customers on a volunteer basis. The company will mail invitations to customers until the program is filled.

The pilot program will test acceptance of time-of-use rates and study how best to help customers successfully reduce their energy costs. The company has run a summer time-of-use pilot program since 2002. That pilot program, expanded this summer to 600 participants, will continue in the summer of 2009.

The new year-round pilot program will include a summer generation charge (June through September) of 8.3 cents per kilowatt-hour for electricity used during peak hours and

4.2 cents per kilowatt-hour for electricity used during off-peak hours. Summer peak hours will be 11 a.m. to 6 p.m. weekdays. All other hours will be off-peak.

For the other months of the year, generation charges will be 7.5 cents per kilowatt-hour during peak hours and 4.6 cents per kilowatt-hour for off-peak hours. Peak hours for the non-summer months will be 6 p.m. to 8 p.m. weekdays. All other hours will be off-peak.

Combining all components of PPL Electric Utilities' standard residential rate produces an average generation charge of 5.3 cents per kilowatt-hour in 2009 around the clock.

PPL Electric Utilities intends to make a time-of-use option generally available to customers starting in 2010.

DeCampli said all customers can access their hourly electricity-use information online through the Energy Analyzer at www.pplelectric.com. This information will allow pilot program participants to test and monitor their ability to shift energy usage to off-peak hours.

PPL Electric Utilities Corporation, a subsidiary of PPL Corporation (NYSE: PPL) that provides electricity delivery services to about 1.4 million customers in Pennsylvania, has consistently ranked among the best companies for customer service in the United States. More information is available at www.pplelectric.com.

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