

ATTACHMENT H-8G

PPL Electric Utilities Corporation

Formula Rate -- Appendix A

Notes

FERC Form 1 Page # or Instruction

2010 Data

Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b	10,276,562
2	Total Wages Expense	p354.28.b	97,574,951
3	Less A&G Wages Expense	p354.27.b	3,156,446
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	94,418,505
5	Wages & Salary Allocator	(Line 1 / Line 4)	10.8841%
Plant Allocation Factors			
6	Electric Plant in Service	p207.104.g	5,678,598,537
7	Accumulated Depreciation (Total Electric Plant)	(Note J) p219.29.c	2,156,778,191
8	Accumulated Amortization	(Note A) p200.21.c	24,609,510
9	Total Accumulated Depreciation	(Line 7 + 8)	2,181,387,701
10	Net Plant	(Line 6 - Line 9)	3,497,210,836
11	Transmission Gross Plant (excluding Land Held for Future Use)	(Line 25 - Line 24)	1,365,863,492
12	Gross Plant Allocator	(Line 11 / Line 6)	24.0528%
13	Transmission Net Plant (excluding Land Held for Future Use)	(Line 33 - Line 24)	836,497,054
14	Net Plant Allocator	(Line 13 / Line 10)	23.9190%

Plant Calculations

Plant In Service			
15	Transmission Plant In Service	(Note B) p207.58.g	1,259,407,293
16	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only Attachment 6	
17	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	(Note B) Attachment 6	42,781,853
18	Total Transmission Plant	(Line 15 - Line 16 + Line 17)	1,302,189,146
19	General	p207.99.g	529,672,812
20	Intangible	p205.5.g	55,351,295
21	Total General and Intangible Plant	(Line 19 + Line 20)	585,024,107
22	Wage & Salary Allocator	(Line 5)	10.8841%
23	Total General and Intangible Functionalized to Transmission	(Line 21 * Line 22)	63,674,345
24	Land Held for Future Use	(Note C) (Note P) Attachment 5	32,608,502
25	Total Plant In Rate Base	(Line 18 + Line 23 + Line 24)	1,398,471,994
Accumulated Depreciation			
26	Transmission Accumulated Depreciation	(Note J) p219.25.c	506,375,952
27	Accumulated General Depreciation	(Note J) p219.28.c	186,621,377
28	Accumulated Amortization	(Line 8)	24,609,510
29	Total Accumulated Depreciation	(Line 27 + 28)	211,230,887
30	Wage & Salary Allocator	(Line 5)	10.8841%
31	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission	(Line 29 * Line 30)	22,990,486
32	Total Accumulated Depreciation	(Sum Lines 26 + 31)	529,366,438
33	Total Net Property, Plant & Equipment	(Line 25 - Line 32)	869,105,556

Adjustment To Rate Base

Accumulated Deferred Income Taxes			
34	ADIT net of FASB 106 and 109	Attachment 1	-102,985,689
CWIP for Incentive Transmission Projects			
35	CWIP Balances for Current Rate Year	(Note H) Attachment 6	41,266,820
Prepayments			
36	Prepayments	(Note A) (Note O) Attachment 5	8,534,984
Materials and Supplies			
37	Undistributed Stores Expense	(Note A) p227.16.c	4,151,545
38	Wage & Salary Allocator	(Line 5)	10.8841%
39	Total Undistributed Stores Expense Allocated to Transmission	(Line 37 * Line 38)	451,856
40	Transmission Materials & Supplies	p227.8.c	11,855,371
41	Total Materials & Supplies Allocated to Transmission	(Line 39 + Line 40)	12,307,227
Cash Working Capital			
42	Operation & Maintenance Expense	(Line 70)	54,083,473
43	1/8th Rule	1/8	12.5%
44	Total Cash Working Capital Allocated to Transmission	(Line 42 * Line 43)	6,760,434
45	Total Adjustment to Rate Base	(Lines 34 + 35 + 36 + 41 + 44)	-34,116,223
46	Rate Base	(Line 33 + Line 45)	834,989,333

Operations & Maintenance Expense

Transmission O&M			
47	Transmission O&M	Attachment 5	112,319,842
48	Less Account 565	Attachment 5	76,672,820
49	Plus Charges billed to Transmission Owner and booked to Account 565	(Note N) Attachment 5	0
50	Transmission O&M	(Lines 47 - 48 + 49)	35,647,022
Allocated Administrative & General Expenses			
51	Total A&G	323.197b	163,870,958
52	Less: Administrative & General Expenses on Securitization Bonds	(Note O) Attachment 8	0
53	Plus: Fixed PBOP expense	(Note J) Attachment 5	10,028,618
54	Less: Actual PBOP expense	Attachment 5	7,585,144
55	Less Property Insurance Account 924	p323.185.b	7,151,502
56	Less Regulatory Commission Exp Account 928	(Note E) p323.189.b	5,346,917
57	Less General Advertising Exp Account 930.1	p323.191.b	0
58	Less EPRI Dues	(Note D) p352 & 353	142,728
59	Administrative & General Expenses	Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58)	153,673,285
60	Wage & Salary Allocator	(Line 5)	10.8841%
61	Administrative & General Expenses Allocated to Transmission	(Line 59 * Line 60)	16,725,885
Directly Assigned A&G			
62	Regulatory Commission Exp Account 928	(Note G) Attachment 5	0
63	General Advertising Exp Account 930.1	(Note K) Attachment 5	0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related	(Line 62 + Line 63)	0
65	Property Insurance Account 924	(Note G) Attachment 5	7,151,502
66	General Advertising Exp Account 930.1	(Note F) Attachment 5	0
67	Total Accounts 924 and 930.1 - General	(Line 65 + Line 66)	7,151,502
68	Net Plant Allocator	(Line 14)	23.9190%
69	A&G Directly Assigned to Transmission	(Line 67 * Line 68)	1,710,566
70	Total Transmission O&M	(Lines 50 + 61 + 64 + 69)	54,083,473

Depreciation & Amortization Expense

Depreciation Expense				
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	20,801,072
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	16,012,484
73	Intangible Amortization	(Note A)	p336.1.d&e	8,471,296
74	Total		(Line 72 + Line 73)	24,483,780
75	Wage & Salary Allocator		(Line 5)	10,8841%
76	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 74 * Line 75)	2,664,828
77	Total Transmission Depreciation & Amortization		(Lines 71 + 76)	23,465,900

Taxes Other than Income Taxes

78	Taxes Other than Income Taxes		Attachment 2	2,767,051
79	Total Taxes Other than Income Taxes		(Line 78)	2,767,051

Return \ Capitalization Calculations

Long Term Interest				
80	Long Term Interest		p117.62.c through 66.c	96,707,752
81	Less LTD Interest on Securitization Bonds	(Note O)	Attachment 8	0
82	Long Term Interest		(Line 80 - Line 81)	96,707,752
83	Preferred Dividends	enter positive	p118.29.c	16,331,327
Common Stock				
84	Proprietary Capital		p112.16.c	1,942,999,979
85	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	81,345
86	Less Preferred Stock		(Line 94)	250,000,000
87	Less Account 216.1		p112.12.c	2,754,990
88	Common Stock		(Line 84 - 85 - 86 - 87)	1,690,163,644
Capitalization				
89	Long Term Debt		p112.18.c, 19.c & 21.c	1,474,040,000
90	Less Loss on Reacquired Debt		p111.81.c	27,466,008
91	Plus Gain on Reacquired Debt		p113.61.c	0
92	Less LTD on Securitization Bonds	(Note O)	Attachment 8	0
93	Total Long Term Debt		(Line 89 - 90 + 91 - 92)	1,446,573,992
94	Preferred Stock		p112.3.c	250,000,000
95	Common Stock		(Line 88)	1,690,163,644
96	Total Capitalization		(Sum Lines 93 to 95)	3,386,737,636
97	Debt %	Total Long Term Debt	(Line 93 / Line 96)	42.7%
98	Preferred %	Preferred Stock	(Line 94 / Line 96)	7.4%
99	Common %	Common Stock	(Line 95 / Line 96)	49.9%
100	Debt Cost	Total Long Term Debt	(Line 82 / Line 93)	0.0669
101	Preferred Cost	Preferred Stock	(Line 83 / Line 94)	0.0653
102	Common Cost	Common Stock	(Note J) Fixed	0.1168
103	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 97 * Line 100)	0.0286
104	Weighted Cost of Preferred	Preferred Stock	(Line 98 * Line 101)	0.0048
105	Weighted Cost of Common	Common Stock	(Line 99 * Line 102)	0.0583
106	Rate of Return on Rate Base (ROR)		(Sum Lines 103 to 105)	0.0917
107	Investment Return = Rate Base * Rate of Return		(Line 46 * Line 106)	76,540,502

Composite Income Taxes

Income Tax Rates			
108	FIT=Federal Income Tax Rate	(Note I)	35.00%
109	SIT=State Income Tax Rate or Composite		9.99%
110	p	(percent of federal income tax deductible for state purposes)	0.00%
111	T	$T=1 - \frac{((1 - SIT) * (1 - FIT))}{(1 - SIT * FIT * p)}$	41.49%
112	T / (1-T)		70.92%
ITC Adjustment			
113	Amortized Investment Tax Credit - Transmission Related	Attachment 5	-515,054
114	ITC Adjust. Allocated to Trans. - Grossed Up	ITC Adjustment x 1 / (1-T)	-880,336
115	Income Tax Component =	$(T/1-T) * \text{Investment Return} * (1-(WCLTD/ROR)) =$	37,373,699
116	Total Income Taxes	(Line 114 + Line 115)	36,493,363

Revenue Requirement

Summary			
117	Net Property, Plant & Equipment	(Line 33)	869,105,556
118	Total Adjustment to Rate Base	(Line 45)	-34,116,223
119	Rate Base	(Line 46)	834,989,333
120	Total Transmission O&M	(Line 70)	54,083,473
121	Total Transmission Depreciation & Amortization	(Line 77)	23,465,900
122	Taxes Other than Income	(Line 79)	2,767,051
123	Investment Return	(Line 107)	76,540,502
124	Income Taxes	(Line 116)	36,493,363
125	Gross Revenue Requirement	(Sum Lines 120 to 124)	193,350,289

Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities

126	Transmission Plant In Service	(Line 15)	1,259,407,293
127	Excluded Transmission Facilities	(Note M) Attachment 5	0
128	Included Transmission Facilities	(Line 126 - Line 127)	1,259,407,293
129	Inclusion Ratio	(Line 128 / Line 126)	100.00%
130	Gross Revenue Requirement	(Line 125)	193,350,289
131	Adjusted Gross Revenue Requirement	(Line 129 * Line 130)	193,350,289

Revenue Credits

132	Revenue Credits	Attachment 3	16,831,109
133	Net Revenue Requirement	(Line 131 - Line 132)	176,519,180

Net Plant Carrying Charge

134	Gross Revenue Requirement	(Line 130)	193,350,289
135	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	837,080,015
136	Net Plant Carrying Charge	(Line 134 / Line 135)	23.0982%
137	Net Plant Carrying Charge without Depreciation	(Line 134 - Line 71) / Line 135	20.6132%
138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 134 - Line 71 - Line 107 - Line 116) / Line 135	7.1099%

Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE

139	Gross Revenue Requirement Less Return and Taxes	(Line 130 - Line 123 - Line 124)	80,316,424
140	Increased Return and Taxes	Attachment 4	120,156,227
141	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 139 + Line 140)	200,472,651
142	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	837,080,015
143	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 141 / Line 142)	23.9490%
144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	(Line 141 - Line 71) / Line 142	21.4641%

Net Revenue Requirement

145	Net Revenue Requirement	(Line 133)	176,519,180
146	True-up amount	Attachment 6	(474,496)
147	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	-
148	Net Zonal Revenue Requirement	(Line 145 + 146 + 147)	176,044,684

Network Zonal Service Rate

149	1 CP Peak	(Note L) PJM Data	7,411.0
150	Rate (\$/MW-Year)	(Line 148 / 149)	\$ 23,755

151	Network Service Rate (\$/MW/Year)	(Line 150)	\$ 23,755
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Notes

- A Electric portion only.
- B Line 16, for the Reconciliation, includes New Transmission Plant that actually was placed in service weighted by the number of months it actually was in service. Line 17 includes New Transmission Plant to be placed in service in the current calendar year.
- C Includes Transmission portion only.
- D Includes all EPRI Annual Membership Dues.
- E Includes all Regulatory Commission Expenses.
- F Includes Safety-related advertising included in Account 930.1.
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at page 351.h. Property Insurance excludes prior period adjustment in the first year of the formula's operation and reconciliation for the first year.
- H CWIP can be included only if authorized by the Commission.
- I The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ the percentage of federal income tax deductible for state income taxes.
The calculation of the Reconciliation revenue requirement according to Step 7 of Attachment 6 ("Estimate and Reconciliation Worksheet") shall reflect the actual tax rates in effect for the Rate Year being reconciled ("Test Year"). When statutory marginal tax rates change during such Test Year, the effective tax rate used in the formula shall be weighted by the number of days each such rate was in effect. For example, a 35% rate in effect for 120 days superseded by a 40% rate in effect for the remainder of the year will be calculated as: $((.3500 \times 120) + (.4000 \times 245))/365 = .3836$.
- J ROE will be as follows: (i.) 11.60% for the period November 1, 2008 through May 31, 2009; (ii.) 11.64% for the period June 1, 2009 through May 31, 2010; (iii.) 11.68% on June 1, 2010 through May 31, 2011 and thereafter. No change in ROE will be made absent a filing at FERC.
PBOP expense is fixed until changed as the result of a filing at FERC.
Depreciation rates shown in Attachment 9 are fixed until changed as the result of a filing at FERC.
Upon request, PPL Electric Utilities Corporation will provide workpapers at the annual update to reconcile formula depreciation expense and depreciation accruals to Form No. 1 amounts.
As set forth in Attachment 5, added to the depreciation expense will be actual removal costs (net of salvage) amortized over five years.
- K Education and outreach expenses related to transmission (e.g., siting or billing).
- L As provided for in Section 34.1 of the PJM OATT, the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Includes only charges incurred for system integration, such as those under the EHV Agreement, and transmission costs paid to others that benefit transmission customers.
- O Amounts associated with transition bonds issued to securitize the recovery of retail stranded costs are removed from account balances, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.
- P Any gain from the sale of land included in Land Held for Future Use in the Formula Rate received during the Rate Year shall be used to reduce the ATRR in the Rate Year. The Formula Rate shall not include any losses on sales of such land.

PPL Electric Utilities Corporation

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
Plant Related			
Net Plant Allocator			
1 Real Property (State, Municipal or Local)	1,353,824		
2 PURTA	4,436,933		
3			
4			
5			
6			
7			
8 Total Plant Related	5,790,757	23.9190%	1,385,090
Labor Related			
Wages & Salary Allocator			
9 Federal FICA	6,972,144		
10 Federal Unemployment	67,194		
11 State Unemployment	285,060		
12			
13			
14 Total Labor Related	7,324,398	10.8841%	797,192
Other Included			
Net Plant Allocator			
15 PA Capital Stock Tax	2,444,794		
16 Local Franchise & Liscense Tax	0		
17 PA Capital Stock Tax on Securitization Bonds (Source: Attachment 8)	0		
18			
19 Total Other Included	2,444,794	23.9190%	584,770
20 Total Included (Lines 8 + 14 + 19)	15,559,949		2,767,051
Currently Excluded			
21 Gross Receipts	129,299,955		
22 Sales and Use	369,995		
23			
24			
25			
26			
27			
28 Subtotal, Excluded	129,669,950		
29 Total, Included and Excluded (Line 20 + Line 28)	145,229,899		
30 Total Other Taxes from p114.14.c less Tax on Securitization Bonds	145,229,899		
31 Difference (Line 29 - Line 30)	-		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant, including transmission plant, will be allocated based on the Net Plant Allocator. If the taxes are 100% recovered at retail, they shall not be included.
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail, they shall not be included.
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- D Other taxes, except as provided for in A, B and C above, which are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service, will be allocated based on the Net Plant Allocator; provided, however, that overheads shall be treated, as described in footnote B above.
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year.

PPL Electric Utilities Corporation

Attachment 3 - Revenue Credit Worksheet

Account 454 - Rent from Electric Property		
1	Rent from Electric Property - Transmission Related	1,123,506
Account 456 - Other Electric Revenues (Note 1)		
2	Transmission for Others (Note 3)	-
3	Schedule 12 Revenues (Note 3)	6,323,744
4	Schedule 1A	2,716,498
5	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (Note 3)	-
6	Point-to-Point Service revenues for which the load is not included in the divisor received by Transmission Owner (e.g. Schedule 8)	2,842,806
7	Professional Services provided to others	2,062,849
8	Facilities Charges including Interconnection Agreements (Note 2)	1,761,706
9	Gross Revenue Credits (Sum Lines 1-10)	16,831,109
10	Amount offset from Note 3 below	-
11	<p>Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula, will be included as a revenue credit or included in the peak on line 150 of Appendix A.</p>	
12	<p>Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.</p>	
13	<p>Note 3: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support, e.g., revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited directly by PJM to zonal customers.</p>	

PPL Electric Utilities Corporation

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	Line 29 + Line 39 from below	120,156,227
B	100 Basis Point increase in ROE		1.00%

Return Calculation

		Appendix A Line or Source Reference		
1	Rate Base	(Attachment A Line 46)	834,989,333	
Long Term Interest				
2	Long Term Interest	(Attachment A Line 80)	96,707,752	
3	Less LTD Interest on Securitization Bonds	Attachment 8	-	
4	Long Term Interest	(Line 2 - Line 3)	96,707,752	
5	Preferred Dividends	enter positive	p118.29.c	16,331,327
Common Stock				
6	Proprietary Capital	p112.16.c	1,942,999,979	
7	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	81,345	
8	Less Preferred Stock	(Attachment A Line 86)	250,000,000	
9	Less Account 216.1	p112.12.c	2,754,990	
10	Common Stock	(Line 6 - 7 - 8 - 9)	1,690,163,644	
Capitalization				
11	Long Term Debt	p112.18.c, 19.c & 21.c	1,474,040,000	
12	Less Loss on Reacquired Debt	p111.81.c	27,466,008	
13	Plus Gain on Reacquired Debt	p113.61.c	0	
14	Less LTD on Securitization Bonds	Attachment 8	0	
15	Total Long Term Debt	(Line 11 - 12 + 13 - 14)	1,446,573,992	
16	Preferred Stock	p112.3.c	250,000,000	
17	Common Stock	(Line 10)	1,690,163,644	
18	Total Capitalization	(Sum Lines 15 to 17)	3,386,737,636	
19	Debt %	Total Long Term Debt	(Line 15 / Line 18)	42.7%
20	Preferred %	Preferred Stock	(Line 16 / Line 18)	7.4%
21	Common %	Common Stock	(Line 17 / Line 18)	49.9%
22	Debt Cost	Total Long Term Debt	(Line 4 / Line 15)	0.0669
23	Preferred Cost	Preferred Stock	(Line 5 / Line 16)	0.0653
24	Common Cost	Common Stock	Fixed	0.1268
25	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 19 * Line 22)	0.0286
26	Weighted Cost of Preferred	Preferred Stock	(Line 20 * Line 23)	0.0048
27	Weighted Cost of Common	Common Stock	(Line 21 * Line 24)	0.0633
28	Rate of Return on Rate Base (ROR)		(Sum Lines 25 to 27)	0.0967
29	Investment Return = Rate Base * Rate of Return		(Line 1 * Line 28)	80,707,547

Composite Income Taxes

Income Tax Rates			
30	FIT=Federal Income Tax Rate		35.00%
31	SIT=State Income Tax Rate or Composite		9.99%
32	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%
33	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	41.49%
34	CIT = T / (1-T)		70.92%
35	1 / (1-T)		170.92%
ITC Adjustment			
36	Amortized Investment Tax Credit	Attachment 5	(515,054)
37	ITC Adjust. Allocated to Trans. - Grossed Up	(Line 36 * (1 / (1 - Line 33))	-880,336
38	Income Tax Component =	$CIT=(T/(1-T)) * Investment Return * (1-(WCLTD/R)) =$	40,329,016
39	Total Income Taxes		39,448,680

PPL Electric Utilities Corporation

Attachment 5 - Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
113	Amortized Investment Tax Credit	Company Records	-1,708,088	-515,054	-1,193,034	Enter Negative

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related Major Items	Transmission Related Minor Items	Non-transmission Related	Details
24	Land Held for Future Use	(Note C) p.214.d - p214.6.d & Company Records (Note P) Company Records	36,267,188	27,772,086 0 27,772,086	4,836,416 0 4,836,416	3,658,686	Removal of land held for future use (if any) that is included in CWIP balance Gains from the sale of Land Held for Future Use Balance for Appendix A

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Prior Period Adjustment	Adjusted Total	Details
Allocated Administrative & General Expenses						
53	Fixed PBOP expense	FERC Authorized	10,028,618			
54	Actual PBOP expense	Company Records	7,585,144			Current year actual PBOP expense
65	Property Insurance Account 924	p323.185.b	7,151,502	0	7,151,502	Annual Premium associated with storm insurance excluding recoveries related to prior periods. (See FM 1 note to page 320 line 185)

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
Directly Assigned A&G						
62	Regulatory Commission Exp Account 928	(Note G) p350-151h	5,346,917	0	5,346,917	

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Safety Related	Non-safety Related	Details
Directly Assigned A&G						
66	General Advertising Exp Account 930.1	(Note F) p323.191.b	-	-	-	

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			State 1	State 2	State 3	State 4	State 5	Details
Income Tax Rates								
109	SIT=State Income Tax Rate or Composite	(Note I)	PA 9.99%					

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Education & Outreach	Other	Details
Directly Assigned A&G						
63	General Advertising Exp Account 930.1	(Note K) p323.191.b	-	-	-	

PPL Electric Utilities Corporation

Attachment 5 - Cost Support

Excluded Plant Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Excluded Transmission Facilities	Description of the Facilities
127	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities (Note M)			General Description of the Facilities
	Instructions:		Enter \$	None
	1 Remove all investment below 69 kV or generator step-up transformers included in transmission plant in service that are not a result of the RTEP process		0	
	2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher, as well as below 69 kV, the following formula will be used:	Example	Or	
	A Total investment in substation	1,000,000	Enter \$	
	B Identifiable investment in Transmission (provide workpaper)	500,000		
	C Identifiable investment in Distribution (provide workpapers)	400,000		
	D Amount to be excluded (A x (C / (B + C)))	444,444		
Add more lines if necessary				

Prepayments and Prepaid Pension Asset

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Prepayments on Securitization Bonds Adjustment	POLR and Retail Related Adjustment	Prepayments	W&S Allocator	Functionalized to TX	Description of the Prepayments
36	Prepayments	(Note A) (Note O) Form 1 -- p111.57.c	136,559,252	0	58,141,933	78,417,319	10.8841%	8,534,984	Less amounts related to POLR, Retail Issues and Bond Securitization.

Adjustments to Transmission O&M

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Adjustments	Transmission Related	Details
47	Transmission O&M	p.321.112.b	112,323,875	4,033	112,319,842	Adjustment for Ancillary Services p321.88b and p321.92b.
48	Less Account 565	p.321.96.b	76,672,820	0	76,672,820	None

Facility Credits under Section 30.9 of the PJM OATT

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Amount	Description & PJM Documentation
147	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT		-	None

PJM Load Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			1 CP Peak	Description & PJM Documentation
149	Network Zonal Service Rate 1 CP Peak	(Note L) PJM Data	7,411.0	

Depreciation Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Actual Cost of Removal, Net of Salvage Costs					Total	5 - Year Amortization
				Year 1 2005	Year 2 2006	Year 3 2007	Year 4 2008	Year 5 2009		
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Company Records	18,840,995							
	Transmission Plant Cost of Removal, Net of Salvage	(Note J) Company Records	1,960,077	1,620,600	2,266,216	2,115,176	1,443,339	2,355,054	9,800,385	1,960,077
	Total Transmission Depreciation Expense Including Amortization of Limited Term I	(Note J) Company Records	20,801,072							
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Company Records	16,266,676							
	General Plant Cost of Removal, Net of Salvage	(Note J) Company Records	-254,192	57,722	2,887,440	-1,060,220	-929,336	-2,226,567	-1,270,961	-254,192
	Total General Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Company Records	16,012,484							

PPL Electric Utilities Corporation
Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2009)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)

1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
 \$ 153,498,083 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 16, 17 or 35 of Appendix A)

2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Monthly Additions Other Plant In Service	Monthly Additions	Monthly Additions Susq-Rose CWIP < 500KV (b0487.1)	Monthly Additions Susq-Rose PIS < 500KV (b0487.1)	Monthly Additions Susq-Rose CWIP >= 500KV (b0487)	Monthly Additions Susq-Rose PIS >= 500KV (b0487)	Weighting	Other Plant In Service Amount (A x G)	Amount (B x G)	Susq-Rose CWIP Amount (C x G) < 500KV (b0487.1)	Susq-Rose PIS Amount (D x G) < 500KV (b0487.1)	Susq-Rose CWIP Amount (E x G) >= 500KV (b0487)	Susq-Rose PIS Amount (F x G) >= 500KV (b0487)
CWIP Balance Dec (prior yr.)			395,068		25,703,638		12			4,740,816		308,443,656	
Jan	934,689		52,662		1,012,913		11.5	10,748,924	-	605,613	-	11,648,500	-
Feb	1,377,045		108,808		748,032		10.5	14,458,976	-	1,142,484	-	7,854,336	-
Mar	1,309,997		104,055		927,878		9.5	12,444,975	-	988,523	-	8,814,841	-
Apr	355,110		84,496		1,058,325		8.5	3,018,432	-	718,216	-	8,995,763	-
May	3,085,919		72,279		1,141,985		7.5	23,144,392	-	542,095	-	8,564,890	-
Jun	5,706,826		281,847		1,348,287		6.5	37,094,368	-	1,832,004	-	8,763,865	-
Jul	7,974,811		64,972		1,314,019		5.5	43,861,462	-	357,348	-	7,227,105	-
Aug	589,184		482,036		2,277,626		4.5	2,651,329	-	2,169,160	-	10,249,317	-
Sep	355,110		215,668		1,646,630		3.5	1,242,884	-	754,836	-	5,763,206	-
Oct	1,166,639		443,181		1,575,859		2.5	2,916,596	-	1,107,953	-	3,939,646	-
Nov	14,475,343		224,182		2,680,318		1.5	21,713,014	-	336,273	-	4,020,477	-
Dec	21,152,889		76,941		857,137		0.5	10,576,444	-	38,471	-	428,568	-
Total	58,483,561		2,606,195		42,292,647			183,871,796	-	15,333,791	-	394,714,169	-
New Transmission Plant Additions and CWIP (weighted by months in service)													

Input to Line 17 of Appendix A
Input to Line 35 of Appendix A
Month In Service or Month for CWIP

3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
 \$ 160,395,305 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

4 May Year 2 Post results of Step 3 on PJM web site
 \$ 160,395,305 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)
 \$ 160,395,305

6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
\$ 164,882,058 Rev Req based on Prior Year data **Must run Appendix A to get this number (without inputs in lines 16, 17 or 35 of Appendix A)**

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2
For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ 85,316,425 Input to Formula Line 16

Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B)	(C) Monthly Additions Susq-Rose CWIP < 500KV (b0487.1)	(D) Monthly Additions Susq-Rose PIS < 500KV (b0487.1)	(E) Monthly Additions Susq-Rose CWIP >= 500KV (b0487)	(F) Monthly Additions Susq-Rose PIS >= 500KV (b0487)	(G) Weighting	(H) Other Plant In Service Amount (A x G)	(I) 0 Amount (B x G) 0	(J) Susq-Rose CWIP Amount (C x G) < 500KV (b0487.1)	(K) Susq-Rose PIS Amount (D x G) < 500KV (b0487.1)	(L) Susq-Rose CWIP Amount (E x G) >= 500KV (b0487)	(M) Susq-Rose PIS Amount (F x G) >= 500KV (b0487)
CWIP Balance Dec (prior yr.)			395,068		25,703,638		12			4,740,816		308,443,656	
Jan	371,722		52,662		449,949		11.5	4,274,799		605,613		5,174,414	6,474,125
Feb	1,378,042		108,808		740,030		10.5	14,469,438		1,142,484		7,864,815	(10,461)
Mar	1,309,997		104,055		927,878		9.5	12,444,975		988,523		8,814,841	-
Apr	487,797		84,496		1,058,290		8.5	5,846,273		718,216		8,995,465	-
May	1,751,524		161,662		1,131,056		7.5	13,136,427		1,212,465		8,482,920	-
Jun	8,894,133		467,329		2,008,770		6.5	57,811,862		3,037,639		13,057,005	-
Jul	10,805,887		208,304		1,549,463		5.5	59,432,379		1,145,672		8,522,047	-
Aug	3,607,193		-39,784	653,882	1,902,556		4.5	16,232,369		(1,619,027)	2,942,468	8,561,502	-
Sep	4,356,739		53,326	299,599	1,095,387		3.5	15,248,587		186,641	1,048,597	3,833,855	-
Oct	7,466,478		398,088	14,562	1,679,263		2.5	18,666,195		995,220	36,405	4,198,158	-
Nov	11,031,371		-853,442	1,049,167	925,161		1.5	16,547,057		(1,280,163)	1,573,750	1,387,742	-
Dec	29,809,480		-155,862	120,983	1,350,998		0.5	14,904,740		(77,931)	60,491	675,499	572,949
Total	81,470,362		664,710	2,138,193	40,531,439			249,015,101		11,796,167	5,661,712	388,011,917	7,036,613
New Transmission Plant Additions and CWIP (weighted by months in service)													

Input to Line 17 of Appendix A
Input to Line 35 of Appendix A
Month In Service or Month for CWIP

\$ 160,510,009 Result of Formula for Reconciliation **Must run Appendix A to get this number (with inputs in lines 16, 17 and 35 of Appendix A)**
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)

8 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 8 The forecast in Prior Year
159,937,032 - 160,395,305 = (458,273)

Interest on Amount of Refunds or Surcharges

Interest rate pursuant to 35.19a for March of the Current Yr

Month	Yr	1/12 of Step 8 (See Note #1)	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	(38,189)	0.2800%	11.5	(1,230)	(39,419)
Jul	Year 1	(38,189)	0.2800%	10.5	(1,123)	(39,312)
Aug	Year 1	(38,189)	0.2800%	9.5	(1,016)	(39,205)
Sep	Year 1	(38,189)	0.2800%	8.5	(909)	(39,098)
Oct	Year 1	(38,189)	0.2800%	7.5	(802)	(38,991)
Nov	Year 1	(38,189)	0.2800%	6.5	(695)	(38,884)
Dec	Year 1	(38,189)	0.2800%	5.5	(588)	(38,777)
Jan	Year 2	(38,189)	0.2800%	4.5	(481)	(38,671)
Feb	Year 2	(38,189)	0.2800%	3.5	(374)	(38,564)
Mar	Year 2	(38,189)	0.2800%	2.5	(267)	(38,457)
Apr	Year 2	(38,189)	0.2800%	1.5	(160)	(38,350)
May	Year 2	(38,189)	0.2800%	0.5	(53)	(38,243)
Total		(458,273)				(465,972)

Note #1: For the initial rate year, enter zero for the first five months, June Year 1 through October Year 1. Enter 1/12 of Step 8 for the months Nov Year 1 through May Year 2.

Month	Yr	Balance	Interest rate from above	Amortization over Rate Year	Balance
Jun	Year 2	(465,972)	0.2800%	(39,541)	(427,735)
Jul	Year 2	(427,735)	0.2800%	(39,541)	(389,391)
Aug	Year 2	(389,391)	0.2800%	(39,541)	(350,940)
Sep	Year 2	(350,940)	0.2800%	(39,541)	(312,382)
Oct	Year 2	(312,382)	0.2800%	(39,541)	(273,715)
Nov	Year 2	(273,715)	0.2800%	(39,541)	(234,940)
Dec	Year 2	(234,940)	0.2800%	(39,541)	(196,057)
Jan	Year 3	(196,057)	0.2800%	(39,541)	(157,064)
Feb	Year 3	(157,064)	0.2800%	(39,541)	(117,963)
Mar	Year 3	(117,963)	0.2800%	(39,541)	(78,752)
Apr	Year 3	(78,752)	0.2800%	(39,541)	(39,431)
May	Year 3	(39,431)	0.2800%	(39,541)	0
Total with interest					(474,496)

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest (474,496)
Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 9) \$ -
Revenue Requirement for Year 3 (474,496)

9 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2009)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Monthly Additions Other Plant In Service	Monthly Additions Stanton 4th Transformer (b0791)	Monthly Additions Susq-Rose CWIP < 500kV (b0487.1)	Monthly Additions Susq-Rose PIS < 500kV (b0487.1)	Monthly Additions Susq-Rose CWIP >= 500kV (b0487)	Monthly Additions Susq-Rose PIS >= 500kV (b0487)	Weighting	Other Plant In Service Amount (A x G)	Stanton 4th Transformer Amount (B x G)	Susq-Rose CWIP Amount (C x G)	Susq-Rose PIS Amount (D x G)	Susq-Rose CWIP Amount (E x G)	Susq-Rose PIS Amount (F x G)
CWIP Balance Dec (prior yr.)			664,710		40,531,439		12			7,976,524		486,377,274	
Jan	5,012,105		(10,746)	14,686	774,766		11.5	57,639,213	-	(123,580)	168,889	8,909,809	(7,749)
Feb	12,923,472		(332,227)	357,331	330,990		10.5	135,696,451	-	(3,488,382)	3,751,976	3,475,395	3,255,526
Mar	11,766,770		(1,272)	1,291	704,342		9.5	111,784,311	-	(12,083)	12,269	6,691,248	87,188
Apr	12,516,889		775	1,974	194,432		8.5	106,393,556	-	6,588	16,781	1,652,672	4,983,660
May	2,556,664		22,069	-	(2,363,222)		7.5	19,174,977	-	165,521	-	(17,724,165)	19,875,000
Jun	1,564,943		(80,000)	80,000	47,905		6.5	10,172,129	-	(520,000)	520,000	311,380	390,000
Jul	1,121,634		-	-	54,566		5.5	6,168,989	-	-	-	300,114	-
Aug	617,324		-	-	99,261		4.5	2,777,957	-	-	-	446,676	-
Sep	617,324		-	-	52,739		3.5	2,160,634	-	-	-	184,588	-
Oct	712,363		-	-	114,487		2.5	1,780,909	-	-	-	286,217	-
Nov	10,033,584	3,084,593	-	-	63,745		1.5	15,050,376	4,626,890	-	-	95,617	-
Dec	13,804,615		-	-	380,870		0.5	6,902,307	-	-	-	190,435	-
Total	73,247,686	3,084,593	263,310	455,283	40,986,320	3,614,867		475,701,808	4,626,890	4,004,586	4,469,916	491,197,259	28,583,624
New Transmission Plant Additions and CWIP (weighted by months in service)													

Input to Line 17 of Appendix A
Input to Line 35 of Appendix A
Month In Service or Month for CWIP

10 May Year 3 Post results of Step 9 on PJM web site
\$ 176,519,180 Post results of Step 3 on PJM web site

11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)
\$ 176,519,180

(N) Other Plant In Service (H / I 12)	(O) 0 (I / I 12) (b0171.2)	(P) Susq-Rose CWIP (J / I 12) < 500kV (b0487.1)	(Q) Susq-Rose PIS (K / I 12) < 500kV (b0487.1)	(R) Susq-Rose CWIP (L / I 12) >= 500kV (b0487)	(S) Susq-Rose PIS (M / I 12) >= 500kV (b0487)	Total
		395,068		25,703,638		
895,744	-	50,468	-	970,708	-	
1,204,915	-	95,207	-	654,528	-	
1,037,081	-	82,377	-	734,570	-	
251,536	-	59,851	-	749,647	-	
1,928,699	-	45,175	-	713,741	-	
3,091,197	-	152,667	-	730,322	-	
3,655,122	-	29,779	-	602,259	-	
220,944	-	180,763	-	854,110	-	
103,574	-	62,903	-	480,267	-	
243,050	-	92,329	-	328,304	-	
1,809,418	-	28,023	-	335,040	-	
881,370	-	3,206	-	35,714	-	
15,322,650	-	1,277,816	-	32,892,847	-	-
15,322,650	-		-		-	15,322,650
8.86	#DIV/0!	1,277,816 6.12	-	32,892,847 2.67	-	34,170,663

(N) Other Plant In Service (H / I 2)	(O) 0 (I / I 2) (b0171.2)	(P) Susq-Rose CWIP (J / I 2) < 500kV (b0487.1)	(Q) Susq-Rose PIS (K / I 2) < 500kV (b0487.1)	(R) Susq-Rose CWIP (L / I 2) >= 500kV (b0487)	(S) Susq-Rose PIS (M / I 2) >= 500kV (b0487)	Total
		395,068		25,703,638		
356,233	-	50,468	-	431,201	539,510	
1,205,786	-	95,207	-	655,401	(872)	
1,037,081	-	82,377	-	734,570	-	
487,189	-	59,851	-	749,622	-	
1,094,702	-	101,039	-	706,910	-	
4,817,655	-	253,137	-	1,088,084	-	
4,952,698	-	95,473	-	710,171	-	
1,352,697	-	(134,919)	245,206	713,459	-	
1,270,716	-	15,553	87,383	319,488	-	
1,555,516	-	82,935	3,034	349,846	-	
1,378,921	-	(106,680)	131,146	115,645	-	
1,242,062	-	(6,494)	5,041	56,292	47,746	
20,751,258	-	983,014	471,809	32,334,326	586,384	
20,751,258	-		471,809		586,384	21,809,452
		983,014		32,334,326		33,317,340
8.94	-	(5.75)	9.35	2.43	7.88	

(N) Other Plant In Service (H / I 2)	(O) Stanton 4th Transformer (I / I 2) (b0791)	(P) Susq-Rose CWIP (J / I 2) < 500kV (b0487.1)	(Q) Susq-Rose PIS (K / I 2) < 500kV (b0487.1)	(R) Susq-Rose CWIP (L / I 2) >= 500kV (b0487)	(S) Susq-Rose PIS (M / I 2) >= 500kV (b0487)	Total
		664,710		40,531,439		
4,803,268	-	(10,298)	14,074	742,484	(646)	
11,308,038	-	(290,699)	312,665	289,616	271,294	
9,315,359	-	(1,007)	1,022	557,604	7,266	
8,866,130	-	549	1,398	137,723	415,305	
1,597,915	-	13,793	-	(1,477,014)	1,656,250	
847,677	-	(43,333)	43,333	25,948	32,500	
514,082	-	-	-	25,009	-	
231,496	-	-	-	37,223	-	
180,053	-	-	-	15,382	-	
148,409	-	-	-	23,851	-	
1,254,198	385,574	-	-	7,968	-	
575,192	-	-	-	15,870	-	
39,641,817	385,574	333,715	372,493	40,933,105	2,381,969	
39,641,817	385,574		372,493		2,381,969	42,781,853
		333,715		40,933,105		41,266,820
5.51	10.50	(3.21)	2.18	0.02	4.09	

PPL Electric Utilities Corporation

Attachment 8 - Company Exhibit - Securitization Worksheet

Line #	Prepayments		
36	Less Prepayments on Securitization Bonds	0	(See FM 1, note to page 110, line 57)
	Administrative and General Expenses		
52	Less Administrative and General Expenses on Securitization Bonds	0	(See FM 1, note to page 114, line 4)
	Taxes Other Than Income		
78	Less Taxes Other Than Income on Securitization Bonds	0	(See FM 1, note to page 114, line 14)
	Long Term Interest		
81	Less LTD Interest on Securitization Bonds	0	(See FM 1, note to page 114, lines 62 + 63)
	Capitalization		
92	Less LTD on Securitization Bonds	0	(See FM 1, note to page 112, line 18)

Calculation of the above Securitization Adjustments

The amounts above are associated with transition bonds issued to securitize the recovery of retail stranded costs, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.

PPL Electric Utilities Corporation

Attachment 9 - Depreciation Rates

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Number	Plant Type	Estimated Life	Mortality Curve	Current Age	Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Depreciable Balance \$	Depreciation Expense \$
Transmission										
350.4	Land Rights	70	S4	27.3	42.70	2.4205	76,529,766	36,101,592	40,428,174	978,550
352	Structures and Improvements	55	R4	22.1	32.90	3.1865	32,234,094	15,390,510	16,843,584	536,727
353	Station Equipment	47	R1	11.3	35.70	2.7125	463,105,775	166,810,048	296,295,727	8,036,921
354	Towers and Fixtures	65	R3	16.7	48.30	2.0926	316,907,912	122,005,476	194,902,436	4,078,597
354.2	Towers and Fixtures - Clearing Land and Rights of Way	70	R4	26.1	43.90	2.4551	11,837,792	6,406,813	5,430,979	133,335
355	Poles and Fixtures	55	R1.5	14.7	40.30	2.6906	96,686,181	41,907,549	54,778,632	1,473,892
355.2	Poles and Fixtures - Clearing Land and Rights of Way	70	R4	23.4	46.60	2.2579	7,350,196	3,723,626	3,626,570	81,886
356	Overhead Conductors and Devices	55	R3	18.3	36.70	2.8867	214,236,652	112,601,625	101,635,027	2,933,942
357	Underground Conduit	50	R4	14.7	35.30	2.1195	7,920,279	1,942,179	5,978,100	126,705
358	Underground Conductors and Devices	40	R3	10.4	29.60	3.0815	19,052,515	7,102,013	11,950,502	368,252
359	Roads and Trails	70	R4	24.8	45.20	2.0661	7,100,485	2,638,539	4,461,946	92,186
General										
389.4	Land Rights	65	R4	39.1	25.90	3.3009	4,398	1,293	3,105	102
390.2	Structures and Improvements - Buildings	55	S0	36.7	18.30	2.1716	285,937,122	65,668,154	220,268,968	4,783,385
390.21	Structures and Improvements - Leaseholds	10	NA		8.50	-	741,658	146,510	595,148	0
390.4	Structures and Improvements - Air Conditioning	30	R2	9.5	20.50	5.2528	27,716,836	11,928,572	15,788,264	829,321
391.2	Office Furniture and Equipment - Furniture	20	NA		10.60	5.0803	19,642,155	7,752,859	11,889,296	997,877
391.4	Office Furniture and Equipment - Mechanical Equipment	15	NA		10.80	6.3826	2,156,531	461,731	1,694,800	137,642
391.6	Office Furniture and Equipment - Computer Equipment - General	5	NA		3.20	15.9991	1,829,318	377,011	1,452,307	292,675
391.8	Office Furniture and Equipment - Computer Equipment - Power Mgt System	7	NA		-	14.2800	38,155,394	38,155,394	0	0
392.1	Transportation Equipment - 5 Years	5	R4	0.5	4.50	29.3692	3,630,474	1,547,437	2,083,037	611,771
392.2	Transportation Equipment - 8 Years	8	S3	2.1	5.90	22.6497	16,859,250	6,821,960	10,037,290	2,273,415
392.3	Transportation Equipment - 10 Years	11	R2.5	4.8	6.20	7.3834	62,059,350	23,937,777	38,121,573	2,814,665
392.4	Transportation Equipment - Trailers	16	L1	(0.1)	16.10	7.7039	5,946,837	1,337,116	4,609,721	355,130
392.5	Transportation Equipment - 15 Years	14	L2	4.5	9.50	12.2947	2,690,498	671,333	2,019,165	248,250
392.6	Transportation Equipment - 20 Years	18	L1.5	4.5	13.50	9.1032	653,799	27,672	626,127	56,998
393	Store Equipment	25	NA		10.10	4.7651	2,666,983	1,018,124	1,648,859	127,084
394	Tools, Shop and Garage Equipment - Distribution Line Crews	20	NA		10.20	5.7422	5,404,957	1,654,050	3,750,907	310,362
394.2	Tools, Shop and Garage Equipment - Tools	20	NA		10.20	7.0416	293,480	75,695	217,785	20,666
394.4	Tools, Shop and Garage Equipment - Construction Department	20	NA		6.90	5.6703	2,091,372	899,659	1,191,713	118,588
394.6	Tools, Shop and Garage Equipment - Other	20	NA		12.30	4.5580	16,526,912	5,176,283	11,350,629	753,301
394.8	Tools, Shop and Garage Equipment - Garage Tools Support	20	NA		4.10	5.3358	6,822,834	4,961,739	1,861,095	364,053
395	Laboratory Equipment	20	NA		13.60	3.7132	4,359,317	1,366,068	2,993,249	161,872
396	Power Operated Equipment	15	NA		9.90	10.4546	1,462,610	682,190	780,420	152,911
397	Communication Equipment	15	NA		13.10	6.2733	12,014,703	8,685,401	3,329,302	753,714
398	Miscellaneous Equipment	20	NA		6.30	6.5787	1,564,034	545,740	1,018,294	102,894
Intangible										
303.2	Intangible Computer Software	5	NA		3.90	20.00	53,692,822	23,792,308	29,900,514	8,409,653
303.4	Other Amortized Property	15	NA		2.40	6.67	1,035,137	957,857	77,280	61,643

Notes:

- Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance.
- Column (E) is based on the Estimated Life in Column (C) less the Remaining Life in Column (F) for those accounts for which using a Mortality Curve is identified.
- Column (F) is the average remaining life of the assets in the account based on their vintage.
- Column (G) is the depreciation rate from the Mortality Curve specified based on data in Columns (C) and (D).
- Columns (H) and (I) are the depreciable gross plant investment and accumulated depreciation in the account or subaccount.
- Column (J) is the depreciable net plant in the account or subaccount.
- Column (K) is Column (G) multiplied by Column (J) for those accounts that have an identified Mortality Curve.
- Each year, PPL Electric will provide a copy of the annual report submitted to the PA PUC that shows the calculation of the depreciation rates and expenses derived from Columns (C) and (D).
- Every 5 years, PPL Electric will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.
- Column (K) for Accounts Nos. 303.2 and 303.4 are calculated using individual asset depreciation and, therefore, are not derived values.
- Column (K) for Account No. 392.3 is net of capitalized depreciation expense. See the applicable note in FERC Form No. 1.
- For those General Plant accounts that do not have Mortality Curves as indicated by "NA" in Column (D), additional detail is provided in Attachment 9 - Supplemental General Plant Depreciation Details.

PPL Electric Utilities Corporation

Attachment 9 - Supplemental
General Plant Depreciation Details

(A) Number	(B) Plant Type	(C) Estimated Life	(G) Applied Depreciation Rate	(H) Gross Depreciable Plant \$	(I) Accumulated Depreciation \$	(J) Depreciable Balance \$	(K) Depreciation Expense \$
General							
390.21	Structures and Improvements - Leaseholds - Net Method	10	-	741,658	146,510	595,148	0
391.2	Office Furniture and Equipment - Furniture - Gross Method	20	4.6756	13,435,622	3,107,028	10,328,594	628,201
391.2	Office Furniture and Equipment - Furniture - Net Method	20	23.6865	6,206,534	4,645,831	1,560,703	369,677
				19,642,156	7,752,859	11,889,297	997,877
391.4	Office Furniture and Equipment - Mechanical Equipment - Gross Method	15	6.2439	2,077,078	401,412	1,675,666	129,691
391.4	Office Furniture and Equipment - Mechanical Equipment - Net Method	15	41.5555	79,453	60,320	19,133	7,951
				2,156,531	461,732	1,694,799	137,642
391.6	Office Furniture and Equipment - Computer Equipment - General- Gross Method	5	15.9991	1,829,318	377,011	1,452,307	292,675
391.8	Office Furniture and Equipment - Computer Equipment - Power Mgt System- Gross Method	7	14.2800	38,155,394	38,155,394	0	0
393	Store Equipment - Gross Method	25	4.0006	1,270,821	308,414	962,407	50,840
393	Store Equipment - Net Method	25	11.1070	1,396,162	709,710	686,452	76,244
				2,666,983	1,018,124	1,648,859	127,084
394	Tools, Shop and Garage Equipment - Distribution Line Crews - Gross Method	20	5.0059	2,371,043	471,711	1,899,332	118,693
394	Tools, Shop and Garage Equipment - Distribution Line Crews - Net Method	20	10.3517	3,033,914	1,182,338	1,851,576	191,669
				5,404,957	1,654,049	3,750,908	310,362
394.2	Tools, Shop and Garage Equipment - Tools - Gross Method	20	5.0000	133,692	15,735	117,957	6,685
394.2	Tools, Shop and Garage Equipment - Tools - Net Method	20	14.0053	159,788	59,960	99,828	13,981
				293,480	75,695	217,785	20,666
394.4	Tools, Shop and Garage Equipment - Construction Department - Gross Method	20	5.6632	2,083,421	897,095	1,186,326	117,989
394.4	Tools, Shop and Garage Equipment - Construction Department - Net Method	20	11.1111	7,951	2,563	5,388	599
				2,091,372	899,658	1,191,713	118,588
394.6	Tools, Shop and Garage Equipment - Gross Method	20	4.2524	12,696,907	2,170,269	10,526,638	539,928
394.6	Tools, Shop and Garage Equipment - Net Method	20	25.8950	3,830,005	3,006,014	823,991	213,373
				16,526,912	5,176,283	11,350,629	753,301
394.8	Tools, Shop and Garage Equipment - Garage Tools Support - Gross Method	20	2.8801	912,445	49,592	862,853	26,279
394.8	Tools, Shop and Garage Equipment - Garage Tools Support - Net Method	20	33.8368	5,910,388	4,912,147	998,241	337,773
				6,822,833	4,961,739	1,861,094	364,052
395	Laboratory Equipment - Gross Method	20	3.0307	2,169,813	256,214	1,913,599	65,761
395	Laboratory Equipment - Net Method	20	8.9020	2,189,504	1,109,854	1,079,650	96,111
				4,359,317	1,366,068	2,993,249	161,872
396	Power Operated Equipment - Gross Method	15	6.6667	478,248	157,149	321,099	31,883
396	Power Operated Equipment - Net Method	15	26.3492	984,362	525,041	459,321	121,027
				1,462,610	682,190	780,420	152,911
397	Communication Equipment - Gross Method	15	6.0503	11,334,124	8,424,298	2,909,826	685,744
397	Communication Equipment - Net Method	15	16.2035	680,579	261,103	419,476	67,970
				12,014,703	8,685,401	3,329,302	753,714
398	Miscellaneous Equipment - Gross Method	20	4.9367	380,153	114,096	266,057	18,767
398	Miscellaneous Equipment - Net Method	20	11.1836	1,183,881	431,644	752,237	84,127
				1,564,034	545,740	1,018,294	102,894

Notes:

1 This schedule shows additional detail for those General Plant accounts that do not have a Mortality Curve. The calculation of Depreciation Expense by the Gross Plant Method (i.e., Column (G) multiplied by Column (H)) and the Net Plant Method (i.e., Column (G) multiplied by Column (J)) is shown separately for the assets in each account subject to each such method. Assets purchased new are depreciated using the Gross Plant Method. Assets purchased used are depreciated using the Net Plant Method (i.e., over their remaining economic life).