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August 20, 2021

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: *PP&L Industrial Customer Alliance v. PPL Electric Utilities Corporation*
Docket No. EL20-48-000
Settlement Agreement**

Dear Secretary Bose:

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission” or “FERC”), 18 C.F.R. § 385.602 (2021), PPL Electric Utilities Corporation (“PPL Electric”) submits for filing an executed Settlement Agreement and Offer of Settlement (“Settlement Agreement” or “Settlement”)¹ and related documents that resolve, upon the Commission’s approval of the Settlement without condition or modification unacceptable to the Settling Parties, all issues set for hearing in the Hearing Order in Docket No. EL20-48.²

¹ The Settling Parties are: PPL Electric; PP&L Industrial Customer Alliance; American Municipal Power; the Pennsylvania Public Utility Commission; and the Pennsylvania Office of Consumer Advocate.

² Pursuant to Order No. 714, this filing is submitted by PJM Interconnection, L.L.C. (“PJM”) on behalf of PPL Electric as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Open Access Transmission Tariff (“PJM Tariff”). Thus, PPL Electric has requested PJM submit this revised Attachment H-8G in the eTariff system as part of PJM’s electronic Intra PJM Tariff.

I. INFORMATION SUBMITTED WITH THIS FILING

This submission includes, along with this transmittal letter, the following documents:

- Explanatory Statement;
- Settlement Agreement;
- Exhibit A, revised Attachment H-8G (Formula Rate Template) to the PJM Tariff;
- Exhibit B, redline/strikeout showing the changes to the Formula Rate Template that are provided for in the Settlement; and
- Certificate of Service.

II. COMMENTS

Pursuant to Rule 602(f) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602(f)(2021), initial comments on the Settlement Agreement are due September 9, 2021, and reply comments are due September 20, 2021. Pursuant to Rule 602(f)(3), 18 C.F.R. § 385.602(f)(3), any failure to file a comment constitutes a waiver of all objections to the Settlement.

III. SERVICE

Pursuant to Rules 602(d) and 2010 (18 C.F.R. §§ 385.602(d) and 385.2010 (2021)), PPL Electric has served, either by paper or electronic service, the Settlement Agreement and all related documents listed above on all parties listed on the official service list compiled by the Secretary in this proceeding and on all other persons required to be served by operation of Rule 602(d).

In addition, PJM has served a copy of this filing on all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission's regulations,³ PJM will post a copy of this filing to the FERC

³ See 18 C.F.R §§ 35.2(e) and 385.2010(f)(3).

filings section of its internet site, located at the following link:

<http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the newly-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region⁴ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available by using the referenced link, the document will be available through the referenced link within 24 hours of the filing.⁵ Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

⁴ PJM already maintains, updates and regularly uses e-mail lists for all PJM members and affected state commissions.

⁵ Also, a copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

IV. REQUESTED RELIEF

PPL Electric requests that the Settlement be certified to the Commission for its approval, and that the Commission approve the Settlement Agreement without condition or modification.

Thank you for your assistance in this matter.

Respectfully submitted,

/s/ William M. Keyser

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cc: Hon. David H. Coffman
All parties

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PP&L Industrial Customer Alliance

Docket No. EL20-48-000

v.

PPL Electric Utilities Corporation

**EXPLANATORY STATEMENT IN SUPPORT OF
SETTLEMENT AGREEMENT AND OFFER OF SETTLEMENT**

PPL Electric Utilities Corporation (“PPL Electric”) submits this Explanatory Statement in support of the enclosed Settlement Agreement and Offer of Settlement (“Settlement” or “Settlement Agreement”) that resolves the issues set for hearing in Docket No. EL20-48-000 (the “Proceeding”). The parties to the Settlement are PPL Electric, PP&L Industrial Customer Alliance (“PPLICA”),¹ American Municipal Power, Inc. (“AMP”), the Pennsylvania Public Utility Commission and the Pennsylvania Office of Consumer Advocate (each a “Settling Party” and all collectively, the “Settling Parties”). PPL Electric files this Explanatory Statement as the jurisdictional public utility with authority for modifying the rate schedule to effectuate the Settlement Agreement. The other Settling Parties have reviewed this Explanatory Statement and concur in its description of the Settlement.

I. BACKGROUND

On May 21, 2020, PPLICA filed a complaint against PPL Electric, under sections 206, 306, and 309 of the Federal Power Act (“FPA”), 16 U.S.C. §§ 824e, 825e, 825h, and Rule 206 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.206 (2021), alleging that PPL Electric’s 11.18% base return on equity (“Base ROE”) is unjust and unreasonable

¹ PPLICA is an *ad hoc* association of manufacturing, commercial, and industrial consumers receiving electric service in PPL Electric’s service territory.

(“Complaint”). On June 10, 2020, PPLICA filed a supplement to its Complaint (“Supplement”) to reflect the revisions made to the Commission’s ROE policy in Opinion No. 569-A. Answers to the complaint were initially due by June 10, 2020, but the Commission extended the answer period to July 10, 2020, which was 30 days after the Supplement was filed.

On June 10, 2020, AMP filed comments in support of the Complaint. On July 10, 2020, PPL Electric submitted an answer. On July 27, 2020, AMP submitted an answer to PPL Electric’s answer, and on July 29, 2020, PPLICA also submitted an answer to PPL Electric’s answer. On August 24, 2020, PPL Electric filed a second answer. On October 15, 2020, the Commission set the Complaint, as supplemented, for hearing and settlement judge procedures.² The Commission also set a refund effective date of May 21, 2020.

II. ITEMS INCLUDED IN THE SETTLEMENT PACKAGE

Along with this Explanatory Statement, PPL Electric submits the following items representing the complete settlement package:

1. Transmittal Letter;
2. Settlement Agreement;
3. Exhibit A, revised Attachment H-8G (Formula Rate Template) to the PJM Interconnection, LLC Open Access Transmission Tariff (“Tariff”);
4. Exhibit B, redline/strikeout showing the changes to the Formula Rate Template that are provided for in the Settlement; and
5. Certificate of Service.

² 173 FERC ¶ 61,042 (2020) (“Hearing Order”).

III. SUMMARY OF SETTLEMENT

As explained in more detail below, the Settlement resolves the issues set for hearing in the Hearing Order and, among other things, establishes the Base ROE that PPL Electric will utilize in the Formula Rate Template for service provided on and after the refund effective date of May 21, 2020.

The Preamble describes the Settling Parties and the effect of the Settlement on Docket No. EL20-48.

A. Rate of Return

Section 1.1 provides that the Base ROE shall be 9.90 percent from May 21, 2020 to May 31, 2022. The Base ROE shall be 9.95 percent from the June 1, 2022 to May 31, 2023 and shall be 10.0 percent starting on June 1, 2023. The Base ROE of 10.0 percent thereafter will continue in effect unless and until changed as provided in the Settlement.

Section 1.2 provides that PPL Electric shall provide refunds from the effective date of May 21, 2020, as established in the Commission's Hearing Order.

Section 1.3 explains that the Formula Rate Template attached to the Settlement as Exhibit A shall replace and supersede the current Formula Rate Template in the Tariff.

Section 1.4 states that if there is no opposition to the Settlement, PPL Electric shall file with the Chief Administrative Law Judge a request for authorization to implement on an interim basis the agreed-to Base ROE in the Settlement effective December 1, 2021, unless the Settlement is approved prior to that date. No Settling Party may contest PPL Electric's request for interim rate relief.

Section 1.5 explains that the Settlement does not restrict the Settling Parties from participating in any Commission proceeding that is enabled or required by a Final Rule in FERC Docket No. RM20-10-000 to propose or contest (i) any request for any ROE incentive or (ii) any

proposed or required removal of any ROE transmission incentive. Section 1.5 also explains that no Settling Party may advance in any such proceeding a position or positions that would alter either the Settlement Base ROE or any existing (approved by the Commission prior to execution of the Settlement) ROE incentive awarded by the Commission with respect to a specific PPL transmission project.

B. Non-ROE Terms and Conditions

Section 2.1 explains that the equity component of PPL Electric's capital structure is set forth on Line 99 of PPL Electric's Formula Rate Template ("Equity Component"). Section 2.1 also states that the Equity Component will be the lower of PPL Electric's actual equity component or 56 percent. If PPL Electric's actual Equity Component as calculated in accordance with the Formula Rate Template exceeds 56 percent, PPL Electric will make a filing pursuant to section 205 of the FPA to seek to make the necessary changes to its Formula Rate Template to limit the Equity Component used in the Formula Rate Template to 56 percent. PPL Electric will request that the change be made effective contemporaneously with the date the actual Equity Component first exceeded 56 percent.

Section 2.2 provides that, no later than one hundred eighty (180) days after Commission acceptance or approval of the Settlement, PPL Electric will file revisions to its Formula Rate Template to change its use of filed FERC Form No. 1 data to forecasted FERC Form 1 data ("Formula Rate Template Change"). The revisions will include an annual true-up of forecasted Form 1 data to actual Form 1 data. As part of that filing, PPL Electric agrees to modify the Rate Year used to populate the Formula Rate Template from June 1 to May 31 to reflect a projected rate year based on the calendar year of January 1 to December 31, together with any changes to the Formula Rate Protocols in Tariff Attachment H-8H that are necessary to accommodate the use of a Projected Rate Year. This section also provides that if the transition from a June 1 to

May 31 Rate Year period to a projected rate year based on January 1 to December 31 period occurs during a year in which the Base ROE would change on June 1st, PPL Electric will use a blended Base ROE that reflects the number of months each ROE is in effect during the transition year.

Section 2.3 provides that, except as provided in Section 3.2, nothing in the Settlement is intended to modify Section II.A of PPL Electric's Formula Rate Protocols Tariff Attachment H-8H.

Section 2.4 states that PPL Electric will make a filing, no later than sixty (60) days after Commission acceptance or approval of the Settlement, to add "Attachment M-2 (PPL Electric Utilities Corp.)" to the Tariff that sets forth the methodology for determining PPL Electric's Network Service Peak Loads ("NSPL") based on its existing methodology for measuring NSPL.

Section 2.5 explains that the Settlement resolves all issues set for hearing in FERC Docket No. EL20-48 and all sub-dockets thereto.

C. Standard of Review and ROE Moratorium

Section 3.1 sets forth the standard of review. Unless the Settling Parties otherwise agree in writing, any modification to the Settlement proposed by one of the Settling Parties after the Settlement has become effective in accordance with Section 4.1 shall, as between them, be subject to the "public interest" application of the just and reasonable standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the *Mobile-Sierra* doctrine), as clarified in *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington*, 554 U.S. 527 (2008) and refined in *NRG Power Marketing, LLC v. Maine Public Utilities Commission*, 558 U.S. 165, 174-75 (2010). The standard of review for any modifications to the Settlement requested by a non-Party or initiated by the

Commission acting *sua sponte* will be the most stringent standard permissible under applicable law. See *NRG Power Mktg., LLC v. Maine Pub. Utils. Comm'n*, 558 U.S. at 174-75.

Section 3.2 provides for a moratorium on changes to PPL Electric's Base ROE, allowed Equity Component, Formula Rate Template Change or Attachment M-2. No Settling Party may propose any adjustments to these items that would become effective during the agreed moratorium period ending May 31, 2025.

D. Miscellaneous

Section 4.1 provides that the Settlement is effective upon acceptance or approval by the Commission.

Section 4.2 states that the Settling Parties must support and defend the Settlement and not take actions inconsistent with the Settlement.

Section 4.3 explains that, if the Commission fails to approve the Settlement, or does so with conditions or modifications, the Settling Parties will promptly undertake negotiations aimed at determining if the necessary conditions or modifications are acceptable, and, if not, reaching agreement on a modified settlement.

Section 4.4 provides that, should any order of the Commission, a court, or any other authority having jurisdiction make effective any change in the Settlement Base ROE or allowed Equity Component, the moratorium immediately will end. Should any order of the Commission make effective any change in the Attachment M-2 Filing or Formula Rate Template Change, the moratorium will continue and the Attachment M-2 or the Formula Rate Template Change will remain in effect until replaced by the change directed by the Commission.

Section 4.5 provides that, not later forty-five (45) days following the Commission's acceptance or approval of the Settlement, PPL Electric will voluntarily dismiss any pending

appeals in the United States Court of Appeals for the District of Columbia Circuit of the Commission's orders in Docket No. EL20-48.

Sections 4.6 through 4.9 provide that the Settlement is inadmissible as evidence in any proceeding except a proceeding to enforce the Settlement; that the settlement discussions among the Settling Parties and Commission Trial Staff are privileged and confidential; that nothing in the Settlement predetermines or prejudices any positions of Commission Trial Staff or non-parties in future proceedings; and that each Settling Party shall cooperate with and not take any action inconsistent with the Settlement. Section 4.10 discusses waiver requirements. Sections 4.11 through 4.17 contain additional miscellaneous provisions, including provisions regarding Settlement interpretation, successors and assigns, authorization, and notices.

IV. REQUIRED INFORMATION

In accordance with the Chief Administrative Law Judge's December 15, 2016 Amended Notice to the Public on Information to be Provided with Settlement Agreements and Guidance on the Role of Settlement Judges, the Settling Parties provide the following information:

A. Does the settlement affect other pending cases?

By its own terms, the Settlement shall have no effect on other cases currently pending before the Commission.

B. Does the settlement involve issues of first impression?

The Settlement does not involve issues of first impression.

C. Does the settlement depart from Commission precedent?

The Settlement does not depart from Commission precedent.

D. Does the settlement seek to impose a standard of review other than the ordinary just and reasonable standard with respect to any changes to the settlement that might be sought by either a third party or the Commission acting *sua sponte*?

Section 3.1 of the Settlement provides that the standard of review for any modifications to the Settlement requested by a non-Party or initiated by the Commission acting *sua sponte* will be the most stringent standard permissible under applicable law. *See NRG Power Mktg. v. Maine Pub. Utils. Comm'n*, 558 U.S. 165, 174-75 (2010).

V. CONCLUSION

For the foregoing reasons, the Settlement Agreement is in the public interest, and the Settling Parties respectfully request that the Commission approve it without condition or modification.

Respectfully submitted,

/s/ William M. Keyser

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Counsel for PPL Electric Utilities Corporation

cc: Hon. David H. Coffman
All Participants

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PP&L Industrial Customer Alliance)	
)	
v.	)	Docket No. EL20-48-000
)	
PPL Electric Utilities Corporation)	

SETTLEMENT AGREEMENT AND OFFER OF SETTLEMENT

This Settlement Agreement and Offer of Settlement (“Settlement”) is made pursuant to Rule 602 of the Rules of Practice and Procedure (“Rules”) of the Federal Energy Regulatory Commission (“Commission” or “FERC”), 18 C.F.R. § 385.602 (2021), by and among PPL Electric Utilities Corporation (“PPL Electric”), PP&L Industrial Customer Alliance (“PPLICA”), American Municipal Power, Inc. (“AMP”), the Pennsylvania Public Utility Commission (“PA PUC”) and the Pennsylvania Office of Consumer Advocate (“PA OCA”) (each a “Settling Party” and all collectively, the “Settling Parties”). The Settling Parties seek all necessary authorizations under the Federal Power Act (“FPA”) and the Commission’s Regulations, and waiver of any Regulations necessary to fully implement the Settlement and its provisions. This Settlement is supported by all parties who have actively participated in this proceeding and resolves all issues set for hearing in the above-captioned proceeding.

**ARTICLE I
RATE OF RETURN**

1.1 *Rate of Return on Common Equity Changes.* The Settling Parties agree to a base rate of return on common equity (“Base ROE”) to be used in PJM Open Access Transmission Tariff (“Tariff”) Attachment H-8G (“Formula Rate Template”),

exclusive of any Regional Transmission Organization incentive or project specific incentive allowed by the Commission, as follows:

1.1.1 For service provided during the period beginning May 21, 2020 and continuing through May 31, 2022, PPL Electric's Base ROE shall be 9.90 percent;

1.1.2 For service provided during the period beginning on June 1, 2022 and continuing through May 31, 2023, PPL Electric's Base ROE shall be 9.95 percent; and

1.1.3 For service provided on and after June 1, 2023, PPL Electric's Base ROE shall be 10.00 percent. The 10.00 percent Base ROE shall continue in effect unless and until changed as permitted by Section 3.2 of this Settlement.

1.2 *Refunds for Charges.* PPL Electric will make refunds of the difference between charges that were calculated using the Base ROE in effect as of the refund effective date of May 21, 2020 and charges calculated using the Base ROE provided in Section 1.1 of this Settlement. Such refunds will bear interest calculated in accordance with the Commission's Regulations, 18 C.F.R. § 35.19a (2021).

1.3 *Tariff Changes.* Effective as set forth in Article IV, the Formula Rate Template included in Exhibit A to this Settlement, which incorporates the Base ROE values provided for in Section 1.1 of this Settlement, shall replace and supersede the Formula Rate Template currently included in the Tariff. Exhibit B to this Settlement shows the agreed-upon changes to the Formula Rate Template in redline markings.

- 1.4** *Interim Rate Relief.* If there is no filed opposition to the Settlement, PPL Electric shall file with the Chief Administrative Law Judge a request for authorization to implement the changes to the Base ROE set forth in Section 1.1 on an interim basis pending Commission approval of the Settlement. If the Commission has not issued an order approving or accepting the Settlement by December 1, 2021, PPL Electric shall seek to make the interim Base ROE effective December 1, 2021 in order to use the lower Settlement Base ROE in its Price to Compare that is used to establish Provider of Last Resort rates in Pennsylvania. No Settling Party shall contest PPL Electric's request for interim rate relief as set forth in this provision.
- 1.5** *No Restrictions on Positions Regarding ROE Incentives.* Nothing in this Settlement restricts any Settling Party's right to participate in any Commission proceeding enabled or required by a Final Rule in FERC Docket No. RM20-10-000 that permits an entity to propose or contest (i) any request for an ROE incentive or (ii) any proposed or required removal of an ROE transmission incentive. Notwithstanding the foregoing, during the moratorium established in Article III below, no Settling Party may advance in any such proceeding a position or positions that would alter either the Settlement Base ROE or any existing (approved by the Commission prior to execution of the Settlement) ROE incentive awarded by the Commission with respect to a specific PPL Electric transmission project.

ARTICLE II
NON-ROE TERMS AND CONDITIONS

- 2.1** *Capital Structure Changes.* In calculating the PPL Electric weighted average cost of capital in the Formula Rate Template, the value to be included on line 99 for the

common equity component of PPL Electric's capital structure ("Equity Component") will be the lower of (i) PPL Electric's actual Equity Component as calculated in accordance with the Formula Rate Template or (ii) 56 percent. If PPL Electric's actual Equity Component as calculated in accordance with the Formula Rate Template exceeds 56 percent, PPL Electric will make a filing pursuant to section 205 of the FPA to seek to make the necessary changes to its Formula Rate Template to limit the Equity Component used in the Formula Rate Template to 56 percent. PPL Electric will request that such change in its Formula Rate Template be made effective contemporaneous with the date its actual Equity Component first exceeded 56 percent.

2.2 *Forecasted Formula Rate.* PPL Electric will file, no later than one hundred eighty (180) days after the Commission accepts or approves this Settlement, revisions to its Formula Rate Template to change its use of filed FERC Form No. 1 data to forecasted FERC Form 1 data ("Formula Rate Template Change"). The revisions will include an annual true-up of forecasted Form 1 data to actual Form 1 data. No Settling Party may oppose or protest such revisions to the Formula Rate Template as are necessary to effectuate the change from the use of filed FERC Form 1 data to the use of projected FERC Form 1 data. As part of that filing, PPL Electric will also seek to make the following changes to its Formula Rate Template:

2.2.1 The Formula Rate Template Change will also propose to modify the Rate Year used to populate the Formula Rate Template from the current June 1 to May 31 Rate Year period to reflect a projected Rate Year based on the calendar year of January 1 to December 31 ("Projected Rate Year"). Tariff

Attachment H-8H (“Formula Rate Protocols”) will also be revised as necessary to accommodate the use of a Projected Rate Year.

2.2.2 If the transition from a June 1 to May 31 Rate Year period to a Projected Rate Year based on the January 1 to December 31 period occurs during a year in which the Base ROE would change on June 1st, PPL Electric will use a blended (*i.e.*, weighted average) Base ROE that reflects the number of months each ROE set forth in Section 1.1 is in effect during the transition year (“Blended Base ROE”). For example, if the transition to a Projected Rate Year becomes effective on January 1, 2022, PPL will receive a Blended Base ROE of 9.93 percent from January 1, 2022 through December 31, 2022. A Blended Base ROE of 9.93 percent reflects 5 months of a 9.90 percent Base ROE (through May 31, 2022) and 7 months of a 9.95 percent Base ROE (starting June 1, 2022), as set forth in Section 1.1. Similarly, if the transition to a Projected Rate Year becomes effective on January 1, 2023, PPL will receive a Blended Base ROE of 9.98 percent from January 1, 2023 through December 31, 2023. A Blended Base ROE of 9.98 percent reflects 5 months of a 9.95 percent Base ROE (through May 31, 2023) and 7 months of a 10.00 percent Base ROE (starting June 1, 2023), as set forth in Section 1.1.

2.3 *Protocols Relating to section 205 Filings.* Nothing in this Settlement is intended to change or modify Section II.A of the Formula Rate Protocols in Attachment H-8H of the Tariff, except as provided in Section 3.2.

- 2.4** *NSPL Methodology Filing.* PPL Electric will make a filing with the Commission, no later than sixty (60) days after the Commission accepts or approves the Settlement, to include in the Tariff its existing methodology for determining PPL Electric’s Network Service Peak Loads (“NSPL”). PPL Electric’s filing will propose to include that methodology in a new “Attachment M-2 (PPL Electric Utilities Corp.)” to the Tariff.
- 2.5** *Effect of Settlement.* This Settlement resolves all issues set for hearing in FERC Docket No. EL20-48 and all sub-dockets thereto. This Settlement does not foreclose any of the Settling Parties’ rights with respect to issues not explicitly addressed in the Settlement, nor shall it be deemed to bind any Settling Party (except in any proceeding to enforce this Settlement or as otherwise expressly provided for in the Settlement) in any future proceeding, and shall not be deemed precedential or prejudicial to any Settling Party’s rights.

**ARTICLE III
STANDARD OF REVIEW AND ROE MORATORIUM**

- 3.1** Unless the Settling Parties otherwise agree in writing, any modification to this Settlement proposed by one of the Settling Parties after this Settlement has become effective in accordance with Section 4.1 shall, as between them, be subject to the “public interest” application of the just and reasonable standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the *Mobile-Sierra* doctrine), as clarified in *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington*, 554 U.S. 527 (2008) and refined in *NRG Power Marketing, LLC v. Maine Public Utilities*

Commission, 558 U.S. 165, 174-75 (2010). The standard of review for any modifications to this Settlement requested by a non-Party or initiated by the Commission acting *sua sponte* will be the most stringent standard permissible under applicable law. See *NRG Power Mktg., LLC v. Maine Pub. Utils. Comm'n*, 558 U.S. at 174-75.

- 3.2** No Settling Party will propose any adjustment (direct or indirect) to PPL Electric's Base ROE, allowed Equity Component, Formula Rate Template Change, or Attachment M-2 (PPL Electric Utilities Corp.) under FPA section 205 or 206 that would become effective during a moratorium period ending May 31, 2025 that is inconsistent with the proposed changes in Articles I and II; provided, however, that such a section 205 or 206 filing may be submitted prior to May 31, 2025 so long as such filing does not seek an effective date or refund effective date prior to May 31, 2025.

ARTICLE IV MISCELLANEOUS

- 4.1** The Settlement shall be effective upon its acceptance or approval by the Commission. Commission approval of this Settlement shall occur if (a) the Commission accepts or approves this Settlement without condition or modification by Final Order, or (b) the Commission accepts or approves this Settlement with condition(s) or modification(s) by Final Order, if and when the Settling Parties accept such condition(s) or modification(s) in accordance with Section 4.3. For purposes of this Settlement, an order shall be deemed to be a "Final Order" as of the date rehearing is denied by the Commission (including denial by operation of

law) or, if rehearing is not sought, the date on which the right to seek Commission rehearing expires.

- 4.2** The Settling Parties will be obligated to make reasonable efforts to support and defend the terms of the Settlement against any attempt to modify or nullify any terms of the Settlement at the Commission, before other regulatory agencies, or in the courts. This agreement will not limit any Settling Party's right to respond to any pleading or other filing submitted by a participant other than a Settling Party to the Commission or any other forum that seeks to alter or terminate the effectiveness of any term of the Settlement prior to the end of the moratorium period, provided that any such response is consistent with such Settling Party's obligation to support and defend the terms of the Settlement.
- 4.3** If the Commission fails to approve the Settlement, or approves the Settlement with conditions or modifications, the Settling Parties will promptly undertake negotiations aimed at determining if the necessary conditions or modifications are acceptable to all Settling Parties, and, if not, reaching agreement on a modified settlement. If the Settling Parties are unable to reach agreement on a modified settlement within sixty (60) days of the date of the Commission order failing to approve the Settlement or approving the Settlement with conditions or modifications not acceptable to any Settling Party, this Settlement thereafter shall be of no force or effect and any or all Settling Parties shall have the right to litigate the issues set for hearing in this proceeding.
- 4.4** Should any order of the Commission make effective any change in the Settlement Base ROE or the allowed Equity Component, the moratorium immediately will

end, at which time the Settlement Base ROE in Section 1.1 and capital structure term in Section 2.1 will remain in effect until replaced by the change directed by the Commission. Should any order of the Commission make effective any change in the Attachment M-2 Filing or Formula Rate Template Change, the moratorium will continue and the Attachment M-2 or the Formula Rate Template Change will remain in effect until replaced by the change directed by the Commission.

4.5 Not later than forty-five (45) days following the Commission’s acceptance or approval of this Settlement, PPL Electric will voluntarily dismiss any pending appeals in the United States Court of Appeals for the District of Columbia Circuit arising from the Commission’s orders in this proceeding.

4.6 This Settlement is submitted pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2021), and is inadmissible as evidence in any proceeding except a proceeding involving a claim of breach of, or an effort to enforce, this Settlement. No element of this Settlement constitutes precedent or should be deemed “settled practice” as that term was interpreted in *Public Service Commission of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980). It is further understood and agreed that this Settlement constitutes a negotiated agreement with multiple elements of consideration and, except as explicitly set forth herein, no Settling Party shall be deemed to have approved, accepted, agreed or consented to any principle or position in this proceeding.

4.7 The discussions between and among the participants that have produced this Settlement have been conducted with the explicit understanding, pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602

(2021), that all offers of settlement and discussions relating thereto shall be privileged and confidential, shall be without prejudice to the position of any Settling Party or participant presenting any such offer or participating in any such discussion, and are not to be used in any manner in connection with this proceeding, any other proceeding, or otherwise, except to the extent necessary to enforce its terms.

- 4.8** Nothing in this Settlement predetermines or prejudices any positions of Commission Trial Staff or non-Parties in future proceedings, including for proceedings established in response to any section 205 filing required by this Settlement.
- 4.9** All Settling Parties shall cooperate with, and shall not take any action inconsistent with: (i) the filing of this Settlement with the Commission, and (ii) efforts to obtain Commission acceptance or approval of this Settlement without condition or modification. No Settling Party shall take any action that is inconsistent with the provisions of this Settlement. Furthermore, the Settling Parties are prohibited from supporting any filing submitted to the Commission that would alter, during the moratorium, the settlement Base ROE in Section 1.1, the capital structure term in Section 2.1, Attachment M-2 in Section 2.4, or the Formula Rate Template Change in Section 2.2.
- 4.10** No provision of this Settlement may be modified except through a writing duly executed by all Settling Parties and filed with and accepted or approved by the Commission.

- 4.11** This Settlement, including the revised PJM Tariff sheets contained in Exhibit A hereto, constitutes the entire agreement between and among the Settling Parties, and no other agreement with regard to the matters addressed in this Settlement shall be binding on the Settling Parties except by written amendment to this Settlement in accordance with Section 4.10. To the extent that the Commission or any court determines that anything in the PJM Tariff Sheets in Exhibit A is ambiguous, the Commission or the courts should look to this Settlement to resolve any such ambiguity. To the extent that there is any conflict between this Settlement and the accompanying Explanatory Statement, the Settlement shall control over the Explanatory Statement.
- 4.12** This Settlement is binding upon and for the benefit of the Settling Parties and their respective successors and assigns.
- 4.13** The captions in this Settlement are for convenience of reference only and are not a part of this Settlement and do not in any way limit or amplify the terms and provisions of this Settlement and shall have no effect on its interpretation. Unless otherwise indicated, references to “Sections” in this Settlement refer to sections in this Settlement.
- 4.14** This Settlement is the result of negotiations among, and has been reviewed by, each Settling Party and its respective counsel. Accordingly, this Settlement shall be deemed to be the product of each Settling Party, and no ambiguity shall be construed in favor of or against any Settling Party based on authorship of this Settlement.

- 4.15** Each person executing this Settlement on behalf of a Settling Party represents and warrants that he or she is duly authorized and empowered to act on behalf of, and to authorize this Settlement to be executed on behalf of, the Settling Party that he or she represents.
- 4.16** All notices, demands, and other communications hereunder shall be in writing and shall be delivered to each Settling Party's "Corporate Official" as found on the Commission's website and the representative(s) of each Settling Party included on the official service list in Docket No. EL20-48.
- 4.17** This Settlement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the Settling Parties have caused this Offer of Settlement to be duly executed.

PPL ELECTRIC UTILITIES CORPORATION

By: /s/ David A. Quier Date: August 20, 2021

David A. Quier
Vice President – Transmission and Substations
PPL Electric Utilities Corporation

AMERICAN MUNICIPAL POWER, INC.

By: /s/ Lisa G. McAlister Date: August 20, 2021

Lisa G. McAlister
Senior Vice President and General Counsel for Regulatory Affairs
American Municipal Power, Inc.
1111 Schrock Road, Suite 100
Columbus, OH 43229
Telephone: (614) 540-1111
Fax: (614) 540-1081
E-mail: lmcAlister@amppartners.org

PP&L INDUSTRIAL CUSTOMER ALLIANCE

By: /s/ Robert A. Weishaar, Jr. Date: August 20, 2021

Robert A. Weishaar, Jr.
Adeolu Bakare
McNees Wallace & Nurick, LLC
Counsel to PP&L Industrial Customer Alliance

PENNSYLVANIA PUBLIC UTILITY COMMISSION

By: /s/ Aspassia V. Staevska Date: August 20, 2021

Aspassia V. Staevska
Christian McDewell
Assistant Counsel
Pennsylvania Public Utility Commission

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

By: /s/ Darryl Lawrence Date: August 20, 2021

Darryl Lawrence
Senior Assistant Consumer Advocate
Pennsylvania Office of Consumer Advocate

Exhibit A

Revised Attachment H-8G to the
PJM Interconnection, LLC Open Access Transmission Tariff

PPL Electric Utilities Corporation Formula Rate -- Appendix A		Notes	FERC Form 1 Page # or Instruction	Enter the Year
Shaded cells are input cells				
Allocators				
Wages & Salary Allocation Factor				
1	Transmission Wages Expense		p354.21.b	-
2	Total Wages Expense		p354.28.b	-
3	Less A&G Wages Expense		p354.27.b	-
4	Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	-
5	Wages & Salary Allocator		(Line 1 / Line 4)	-
Plant Allocation Factors				
6	Electric Plant in Service		p207.104.g	-
7	Accumulated Depreciation (Total Electric Plant)	(Note J)	p219.29.c	-
8	Accumulated Amortization	(Note A)	p200.21.c	-
9	Total Accumulated Depreciation		(Line 7 + 8)	-
10	Net Plant		(Line 6 - Line 9)	-
11	Transmission Gross Plant (excluding Land Held for Future Use)		(Line 25 - Line 24)	-
12	Gross Plant Allocator		(Line 11 / Line 6)	-
13	Transmission Net Plant (excluding Land Held for Future Use)		(Line 33 - Line 24)	-
14	Net Plant Allocator		(Line 13 / Line 10)	-
Plant Calculations				
Plant In Service				
15	Transmission Plant In Service	(Note B)	p207.58.g	-
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	-
18	Total Transmission Plant		(Line 15 - Line 16 + Line 17)	-
19	General		p207.99.g	-
20	Intangible		p205.5.g	-
21	Total General and Intangible Plant		(Line 19 + Line 20)	-
22	Wage & Salary Allocator		(Line 5)	-
23	Total General and Intangible Functionalized to Transmission		(Line 21 * Line 22)	-
24	Land Held for Future Use	(Note C) (Note P)	Attachment 5	-
25	Total Plant In Rate Base		(Line 18 + Line 23 + Line 24)	-
Accumulated Depreciation				
26	Transmission Accumulated Depreciation	(Note J)	p219.25.c	-
27	Accumulated General Depreciation	(Note J)	p219.28.c	-
28	Accumulated Amortization		(Line 8)	-
29	Total Accumulated Depreciation		(Line 27 + 28)	-
30	Wage & Salary Allocator		(Line 5)	-
31	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission		(Line 29 * Line 30)	-
32	Total Accumulated Depreciation		(Sum Lines 26 + 31)	-
33	Total Net Property, Plant & Equipment		(Line 25 - Line 32)	-

Adjustment To Rate Base

34	Accumulated Deferred Income Taxes ADIT net of FASB 106 and 109		Attachment 1	-
35	CWIP for Incentive Transmission Projects CWIP Balances for Current Rate Year	(Note H)	Attachment 6	-
36	Prepayments Prepayments	(Note A) (Note O)	Attachment 5	-
37	Materials and Supplies Undistributed Stores Expense	(Note A)	p227.16.c	-
38	Wage & Salary Allocator		(Line 5)	-
39	Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)	-
40	Transmission Materials & Supplies		p227.8.c	-
41	Total Materials & Supplies Allocated to Transmission		(Line 39 + Line 40)	-
42	Cash Working Capital Operation & Maintenance Expense		(Line 70)	-
43	1/8th Rule		1/8	12.5%
44	Total Cash Working Capital Allocated to Transmission		(Line 42 * Line 43)	-
45	Total Adjustment to Rate Base		(Lines 34 + 35 + 36 + 41 + 44)	-
46	Rate Base		(Line 33 + Line 45)	-

Operations & Maintenance Expense

47	Transmission O&M Transmission O&M		Attachment 5	0
48	Less Account 565		Attachment 5	-
49	Plus Charges billed to Transmission Owner and booked to Account 565	(Note N)	Attachment 5	-
50	Transmission O&M		(Lines 47 - 48 + 49)	-
51	Allocated Administrative & General Expenses Total A&G		323.197b	-
52	Less: Administrative & General Expenses on Securitization Bonds	(Note O)	Attachment 8	-
53	Plus: Fixed PBOP expense	(Note J)	Attachment 5	1,518,585
54	Less: Actual PBOP expense		Attachment 5	-
55	Less Property Insurance Account 924		p323.185.b	-
56	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	-
57	Less General Advertising Exp Account 930.1		p323.191.b	-
58	Less EPRI Dues	(Note D)	p352 & 353	-
59	Administrative & General Expenses		Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58)	1,518,585
60	Wage & Salary Allocator		(Line 5)	-
61	Administrative & General Expenses Allocated to Transmission		(Line 59 * Line 60)	-
62	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	Attachment 5	-
63	General Advertising Exp Account 930.1	(Note K)	Attachment 5	-
64	Subtotal - Accounts 928 and 930.1 - Transmission Related		(Line 62 + Line 63)	-
65	Property Insurance Account 924	(Note G)	Attachment 5	-
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5	-
67	Total Accounts 924 and 930.1 - General		(Line 65 + Line 66)	-
68	Net Plant Allocator		(Line 14)	-
69	A&G Directly Assigned to Transmission		(Line 67 * Line 68)	-
70	Total Transmission O&M		(Lines 50 + 61 + 64 + 69)	-

Depreciation & Amortization Expense				
Depreciation Expense				
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	-
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	-
73	Intangible Amortization	(Note A)	p336.1.d&e	-
74	Total		(Line 72 + Line 73)	-
75	Wage & Salary Allocator		(Line 5)	-
76	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 74 * Line 75)	-
77	Total Transmission Depreciation & Amortization		(Lines 71 + 76)	-
Taxes Other than Income Taxes				
78	Taxes Other than Income Taxes		Attachment 2	-
79	Total Taxes Other than Income Taxes		(Line 78)	-
Return \ Capitalization Calculations				
Long Term Interest				
80	Long Term Interest		p117.62.c through 66.c	-
81	Less LTD Interest on Securitization Bonds	(Note O)	Attachment 8	-
82	Long Term Interest		(Line 80 - Line 81)	-
83	Preferred Dividends	enter positive	p118.29.c	-
Common Stock				
84	Proprietary Capital		p112.16.c	-
85	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	-
86	Less Preferred Stock		(Line 94)	-
87	Less Account 216.1		p112.12.c	-
88	Common Stock		(Line 84 - 85 - 86 - 87)	-
Capitalization				
89	Long Term Debt		p112.18.c, 19.c & 21.c	-
90	Less Loss on Reacquired Debt		p111.81.c	-
91	Plus Gain on Reacquired Debt		p113.61.c	-
92	Less LTD on Securitization Bonds	(Note O)	Attachment 8	-
93	Total Long Term Debt		(Line 89 - 90 + 91 - 92)	-
94	Preferred Stock		p112.3.c	-
95	Common Stock		(Line 88)	-
96	Total Capitalization		(Sum Lines 93 to 95)	-
97	Debt %	Total Long Term Debt	(Line 93 / Line 96)	-
98	Preferred %	Preferred Stock	(Line 94 / Line 96)	-
99	Common %	Common Stock	(Line 95 / Line 96)	-
100	Debt Cost	Total Long Term Debt	(Line 82 / Line 93)	-
101	Preferred Cost	Preferred Stock	(Line 83 / Line 94)	-
102	Common Cost	Common Stock	(Note J) Fixed	0.1040
103	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 97 * Line 100)	-
104	Weighted Cost of Preferred	Preferred Stock	(Line 98 * Line 101)	-
105	Weighted Cost of Common	Common Stock	(Line 99 * Line 102)	-
106	Rate of Return on Rate Base (ROR)		(Sum Lines 103 to 105)	-
107	Investment Return = Rate Base * Rate of Return		(Line 46 * Line 106)	-
Composite Income Taxes				
Income Tax Rates				
108	FIT=Federal Income Tax Rate	(Note I)		-
109	SIT=State Income Tax Rate or Composite			-
110	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	-
111	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		-
112	T / (1-T)			-
ITC Adjustment				
113	Amortized Investment Tax Credit - Transmission Related		Attachment 5	-
114	ITC Adjust. Allocated to Trans. - Grossed Up	ITC Adjustment x 1 / (1-T)	Line 113 * (1 / (1 - Line 111))	-
Income Tax Adjustments				
114a	Other Income Tax Adjustments	(Note Q, Note R, Note S)	Attachment 5	-
114b	Other Income Tax Adjustments - Grossed Up	Other Income Tax Adjustment x 1 / (1-T) (Note S)	Line 114a * (1 / (1 - Line 111))	-
115	Income Tax Component =	$(T/1-T) * Investment Return * (1-(WCLTD/ROR)) =$	Line 112 * Line 107 * (1-(Line 103 / Line 106))	-
116	Total Income Taxes		(Line 114 + Line 114b + Line 115)	-

Revenue Requirement

Summary			
117	Net Property, Plant & Equipment	(Line 33)	-
118	Total Adjustment to Rate Base	(Line 45)	-
119	Rate Base	(Line 46)	-
120	Total Transmission O&M	(Line 70)	-
121	Total Transmission Depreciation & Amortization	(Line 77)	-
122	Taxes Other than Income	(Line 79)	-
123	Investment Return	(Line 107)	-
124	Income Taxes	(Line 116)	-
125	Gross Revenue Requirement	(Sum Lines 120 to 124)	-
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
126	Transmission Plant In Service	(Line 15)	-
127	Excluded Transmission Facilities	(Note M) Attachment 5	-
128	Included Transmission Facilities	(Line 126 - Line 127)	-
129	Inclusion Ratio	(Line 128 / Line 126)	-
130	Gross Revenue Requirement	(Line 125)	-
131	Adjusted Gross Revenue Requirement	(Line 129 * Line 130)	-
Revenue Credits			
132	Revenue Credits	Attachment 3	-
133	Net Revenue Requirement	(Line 131 - Line 132)	-
Net Plant Carrying Charge			
134	Gross Revenue Requirement	(Line 130)	-
135	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	-
136	Net Plant Carrying Charge	(Line 134 / Line 135)	-
137	Net Plant Carrying Charge without Depreciation	(Line 134 - Line 71) / Line 135	-
138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 134 - Line 71 - Line 107 - Line 116) / Line 135	-
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)	-
140	Increased Return and Taxes	Attachment 4	-
141	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 139 + Line 140)	-
142	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	-
143	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 141 / Line 142)	-
144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	(Line 141 - Line 71) / Line 142	-
145	Net Revenue Requirement	(Line 133)	-
146	True-up amount	Attachment 6	-
147	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	-
148	Net Zonal Revenue Requirement	(Line 145 + 146 + 147)	-
Network Zonal Service Rate			
149	1 CP Peak	(Note L) PJM Data	-
150	Rate (\$/MW-Year)	(Line 148 / 149)	-
151	Network Service Rate (\$/MW/Year)	(Line 150)	-

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 Base ROE will be as follows: (i.) 9.90% for the period May 21, 2020 through May 31, 2022; (ii.) 9.95% for the period June 1, 2022 through May 31, 2023; (iii.) 10.00% on June 1, 2023 and thereafter. If PPL Electric transitions from a June 1 to May 31 Rate Year period to a projected rate year based on January 1 to December 31 period and the transition occurs during a year when the Base ROE would change on June 1 PPL Electric will use a blended Base ROE that reflects the number of months each ROE is in effect during the transition year. 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.
- Q Includes amounts associated with the amortization of any deficient or excess deferred income taxes (resulting from changes in income tax laws, income tax rates, and other actions taken by a tax authority), and amounts associated with the tax effect of the AFUDC Equity permanent difference. See Attachment 5 for a detailed breakdown of these amounts.
- R PPL Electric must submit a FPA section 205 filing to obtain Commission approval prior to reflecting in rates any regulatory assets and liabilities arising from future tax changes.
- S The revisions to PPL Electric's Formula Rate to allow for the flow back of excess ADIT approved by the Commission in *PPL Electric Utilities Corporation*, 167 FERC ¶ 61,083 (2019), were applied effective January 1, 2018, and were included in true-up calculations for the period beginning January 1, 2018.

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	-		
2	-		
3	-		
4	-		
5	-		
6	-		
7	-		
8 Total Plant Related	-		-
Labor Related		Wages & Salary Allocator	
9	-		
10	-		
11	-		
12	-		
13	-		
14 Total Labor Related	-		-
Other Included		Net Plant Allocator	
15	-		
16	-		
17	-		
18	-		
19 Total Other Included	-		-
20 Total Included (Lines 8 + 14 + 19)	-		-
Currently Excluded			
21	-		
22	-		
23	-		
24	-		
25	-		
26	-		
27	-		
28 Subtotal, Excluded	-		
29 Total, Included and Excluded (Line 20 + Line 28)	-		
30 Total Other Taxes from p114.14.c less Tax on Securitization Bonds	-		
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	-
Account 456 - Other Electric Revenues (Note 1)		
2	Transmission for Others (Note 3)	-
3	Schedule 12 Revenues (Note 3)	-
4	Schedule 1A	-
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)	-
7	Professional Services provided to others	-
8	Facilities Charges including Interconnection Agreements (Note 2)	-
9	Gross Revenue Credits	(Sum Lines 1-10)
10	Amount offset from Note 3 below	-
11	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.	-
12	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.	-
13	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.	-

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				
B	100 Basis Point increase in ROE and Income Taxes			Line 29 + Line 39 from below	-
	100 Basis Point increase in ROE				1.00%
Return Calculation					
1	Rate Base			Appendix A Line or Source Reference	
	Long Term Interest			(Attachment A Line 46)	-
2	Long Term Interest			(Attachment A Line 80)	-
3	Less LTD Interest on Securitization Bonds			Attachment 8	-
4	Long Term Interest			(Line 2 - Line 3)	-
5	Preferred Dividends	enter positive		p118.29.c	-
	Common Stock				
6	Proprietary Capital			p112.16.c	-
7	Less Accumulated Other Comprehensive Income Account 219			p112.15.c	-
8	Less Preferred Stock			(Attachment A Line 86)	-
9	Less Account 216.1			p112.12.c	-
10	Common Stock			(Line 6 - 7 - 8 - 9)	-
	Capitalization				
11	Long Term Debt			p112.18.c, 19.c & 21.c	-
12	Less Loss on Reacquired Debt			p111.81.c	-
13	Plus Gain on Reacquired Debt			p113.61.c	-
14	Less LTD on Securitization Bonds			Attachment 8	-
15	Total Long Term Debt			(Line 11 - 12 + 13 - 14)	-
16	Preferred Stock			p112.3.c	-
17	Common Stock			(Line 10)	-
18	Total Capitalization			(Sum Lines 15 to 17)	-
19	Debt %	Total Long Term Debt		(Line 15 / Line 18)	-
20	Preferred %	Preferred Stock		(Line 16 / Line 18)	-
21	Common %	Common Stock		(Line 17 / Line 18)	-
22	Debt Cost	Total Long Term Debt		(Line 4 / Line 15)	-
23	Preferred Cost	Preferred Stock		(Line 5 / Line 16)	-
24	Common Cost	Common Stock		Fixed	0.1260
25	Weighted Cost of Debt	Total Long Term Debt (WCLTD)		(Line 19 * Line 22)	-
26	Weighted Cost of Preferred	Preferred Stock		(Line 20 * Line 23)	-
27	Weighted Cost of Common	Common Stock		(Line 21 * Line 24)	-
28	Rate of Return on Rate Base (ROR)			(Sum Lines 25 to 27)	-
29	Investment Return = Rate Base * Rate of Return			(Line 1 * Line 28)	-
Composite Income Taxes					
	Income Tax Rates				
30	FIT=Federal Income Tax Rate				-
31	SIT=State Income Tax Rate or Composite				-
32	p = percent of federal income tax deductible for state purposes			Per State Tax Code	-
33	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$			-
34	CIT = T / (1-T)				-
35	1 / (1-T)				-
	ITC Adjustment				
36	Amortized Investment Tax Credit			Attachment 5	-
37	ITC Adjust. Allocated to Trans. - Grossed Up			(Line 36 * (1 / (1 - Line 33)))	-
	Income Tax Adjustments				
37a	Other Income Tax Adjustments			Attachment 5	-
37b	Other Income Tax Adjustments - Grossed Up	Other Income Tax Adjustment x 1 / (1-T)		Line 114a * (1 / (1 - Line 111))	-
38	Income Tax Component =	$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$			-
39	Total Income Taxes				-

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	-	-	-	- 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 & (Note P) Company Records	Company Records	-	-	-	-	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	1,518,585			
54	Actual PBOP expense		Company Records	-			
65	Property Insurance Account 924		p323.185.b	-			Current year actual PBOP expense 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
62	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G) p350-151h		-	-	-	

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Form No. 1 Amount	Safety Related	Non-safety Related	Details
66	Directly Assigned A&G 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					

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

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities					
127	Excluded Transmission Facilities	(Note M)		Enter \$	General Description of the Facilities
	Instructions:			-	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.				
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:			Or	
				Enter \$	
A	Total investment in substation	Example 1,000,000			
B	Identifiable investment in Transmission (provide workpapers)	500,000			
C	Identifiable investment in Distribution (provide workpapers)	400,000			
D	Amount to be excluded (A x (C / (B + C)))	444,444			

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	-	-	-	-	-	-	Less amounts related to POLR, Retail Issues and Bond Securitization.

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	-	-	-	Adjustment for Ancillary Services p321.88b and p321.92b.
48	Less Account 565		p.321.96.b	-	-	-	None

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Amount	Description & PJM Documentation
Net Revenue Requirement					
147	Facility Credits under Section 30.9 of the PJM OATT			-	None

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

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Total	Year 1	Year 2	Year 3	Year 4	Year 5	Total	5 - Year Amortization
Depreciation Expense											
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant, Transmission Plant Cost of Removal Net of Salvage	(Note J)	Company Records	-	Enter the Year	Enter the Year	Enter the Year	Enter the Year	Enter the Year	-	-
	Total Transmission Depreciation Expense Including Amortization of Limited Term	(Note J)	Company Records	-	-	-	-	-	-	-	-
72	General Depreciation Expense Including Amortization of Limited Term Plant, General Plant Cost of Removal, Net of Salvage	(Note J)	Company Records	-	-	-	-	-	-	-	-
	Total General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Company Records	-	-	-	-	-	-	-	-

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Total
Other Income Tax Adjustments				
	Amortized Excess Deferred Taxes	(Note Q)	Company Records	-
	Amortized Deficient Deferred Taxes	(Note Q)	Company Records	-
	Tax effect of AFUDC Equity Permanent Difference	(Note Q)	Company Records	-
114a	Total Other Income Tax Adjustments			-

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)
			\$ - 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) Monthly Additions Other Plant In Service	(B) Monthly Additions Hosensack Wavetrap (b0171.2)	(C) Monthly Additions Alburtis Wavetrap (b0172.1)	(D) Monthly Additions S. Akron - Berks Rebuild (b0074)	(E) Monthly Additions Susq-Rose CWIP (b0487)	(F) Monthly Additions Susq-Rose PIS (b0487)	(G) Weighting	(H) Other Plant In Service Amount (A x G)	(I) Hosensack Wavetrap Amount (B x G)	(J) Alburtis Wavetrap Amount (C x G)	(K) S. Akron - Berks Rebuild Amount (D x G)	(L) Susq-Rose CWIP Amount (E x G)	(M) Susq-Rose PIS Amount (F x G)	(N) Other Plant In Service (H / 12)	(O) Hosensack Wavetrap (I / 12)	(P) Alburtis Wavetrap (J / 12)	(Q) S. Akron - Berks Rebuild (K / 12)	(R) Susq-Rose CWIP (L / 12)	(S) Susq-Rose PIS (M / 12)	Total	
CWIP Balance Dec (prior yr.)							12														
Jan	-	-	-	-	-	-	11.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	10.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	9.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	8.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	7.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	6.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	5.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	4.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-															
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
			\$ - 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
			\$ - 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)
			\$ -

6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
 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 **\$ -** Input to Formula Line 16
 Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Hosensack Wavetrap (b0171.2)	(C) Monthly Additions Alburis Wavetrap (b0172.1)	(D) Monthly Additions S. Akron - Berks Rebuild (b0074)	(E) Monthly Additions Susq-Rose CWIP (b0487)	(F) Monthly Additions Susq-Rose PIS (b0487)	(G) Weighting	(H) Other Plant In Service Amount (A x G)	(I) Hosensack Wavetrap Amount (B x G)	(J) Alburis Wavetrap Amount (C x G)	(K) S. Akron - Berks Rebuild Amount (D x G)	(L) Susq-Rose CWIP Amount (E x G)	(M) Susq-Rose PIS Amount (F x G)	(N) Other Plant In Service (H / 12)	(O) Hosensack Wavetrap (I / 12)	(P) Alburis Wavetrap (J / 12)	(Q) S. Akron - Berks Rebuild (K / 12)	(R) Susq-Rose CWIP (L / 12)	(S) Susq-Rose PIS (M / 12)	Total	
CWIP Balance Dec (prior yr.)							12														
Jan							11.5														
Feb							10.5														
Mar							9.5														
Apr							8.5														
May							7.5														
Jun							6.5														
Jul							5.5														
Aug							4.5														
Sep							3.5														
Oct							2.5														
Nov							1.5														
Dec							0.5														
Total																					
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							

Result of Formula for Reconciliation **Must run Appendix A to get this number (with inputs in lines 16, 17 and 35 of Appendix A)**

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 =

Yr	Month	Yr	1/12 of Step 8 (See Note #1)	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed	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.
Jun	Year 1		-	0.0000%	11.5	-	-	
Jul	Year 1		-	0.0000%	10.5	-	-	
Aug	Year 1		-	0.0000%	9.5	-	-	
Sep	Year 1		-	0.0000%	8.5	-	-	
Oct	Year 1		-	0.0000%	7.5	-	-	
Nov	Year 1		-	0.0000%	6.5	-	-	
Dec	Year 1		-	0.0000%	5.5	-	-	
Jan	Year 2		-	0.0000%	4.5	-	-	
Feb	Year 2		-	0.0000%	3.5	-	-	
Mar	Year 2		-	0.0000%	2.5	-	-	
Apr	Year 2		-	0.0000%	1.5	-	-	
May	Year 2		-	0.0000%	0.5	-	-	
Total								
	Jun	Year 2	Balance	Interest rate from above	Amortization over Rate Year	Balance		
	Jul	Year 2	-	0.0000%	-	-	-	
	Aug	Year 2	-	0.0000%	-	-	-	
	Sep	Year 2	-	0.0000%	-	-	-	
	Oct	Year 2	-	0.0000%	-	-	-	
	Nov	Year 2	-	0.0000%	-	-	-	
	Dec	Year 2	-	0.0000%	-	-	-	
	Jan	Year 3	-	0.0000%	-	-	-	
	Feb	Year 3	-	0.0000%	-	-	-	
	Mar	Year 3	-	0.0000%	-	-	-	
	Apr	Year 3	-	0.0000%	-	-	-	
	May	Year 3	-	0.0000%	-	-	-	
	Total with interest							
	The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest							
	Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 9)					\$ -		
	Revenue Requirement for Year 3							

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)	(N)	(O)	(P)	(Q)	(R)	(S)	Total
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Hosensack Wavetrap	Alburis Wavetrap	S. Akron - Berks Rebuild	Susq-Rose CWIP	Susq-Rose PIS	Other Plant In Service	Hosensack Wavetrap	Alburis Wavetrap	S. Akron - Berks Rebuild	Susq-Rose CWIP	Susq-Rose PIS	
	Other Plant In Service	Hosensack Wavetrap	Alburis Wavetrap	S. Akron - Berks Rebuild	Susq-Rose CWIP	Susq-Rose PIS	Weighting	Amount (A x G)	Amount (B x G)	Amount (C x G)	Amount (D x G)	Amount (E x G)	Amount (F x G)	(H / 12)	(I / 12)	(J / 12)	(K / 12)	(L / 12)	(M / 12)	
		(b0171.2)	(b0172.1)	(b0074)	(b0487)	(b0487)			(b0171.2)	(b0172.1)	(b0074)	(b0487)	(b0487)		(b0171.2)	(b0172.1)	(b0074)	(b0487)	(b0487)	
CWIP Balance Dec (prior yr.)							12													
Jan							11.5													
Feb							10.5													
Mar							9.5													
Apr							8.5													
May							7.5													
Jun							6.5													
Jul							5.5													
Aug							4.5													
Sep							3.5													
Oct							2.5													
Nov							1.5													
Dec							0.5													
Total																				
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

10 May Year 3 Post results of Step 9 on PJM web site
 \$ - 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)
 \$ -

Attachment 7 – Transmission Enhancement Charge Worksheet

New Plant Carrying Charge				
Fixed Charge Rate (FCR) if not a CIAC				
	Formula Line			
A	137	Net Plant Carrying Charge without Depreciation		-
B	144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		-
C		Line B less Line A		-
FCR if a CIAC				
D	138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		-

The FCR resulting from Formula in a given year is used for that year only.
Therefore actual revenues collected in a year do not change based on cost data for subsequent years

Details							
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)	-	-	-	-	-
11	Useful life of the project	Life	-	-	-	-	-
12	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, Otherwise "No"	CIAC (Yes or No)	-	-	-	-	-
13	Input the allowed increase in ROE	Increased ROE (Basis Points)	-	-	-	-	-
14	From line 3 above if "No" on line 13 and from line 7 above if "Yes" on line 13	11.68% ROE	-	-	-	-	-
15	Line 14 plus (line 5 times line 15)/100	FCR for This Project	-	-	-	-	-
16	Project subaccount of Plant in Service Account 101 or 106 if not yet classified	Investment	-	-	-	-	-
17	Line 17 divided by line 12	Annual Depreciation Exp	-	-	-	-	-
18	Month in which project is placed in service (e.g. Jan=1)	Month In Service or Month for CWIP	-	-	-	-	-

Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
.....	\$ -	\$ -	\$ -

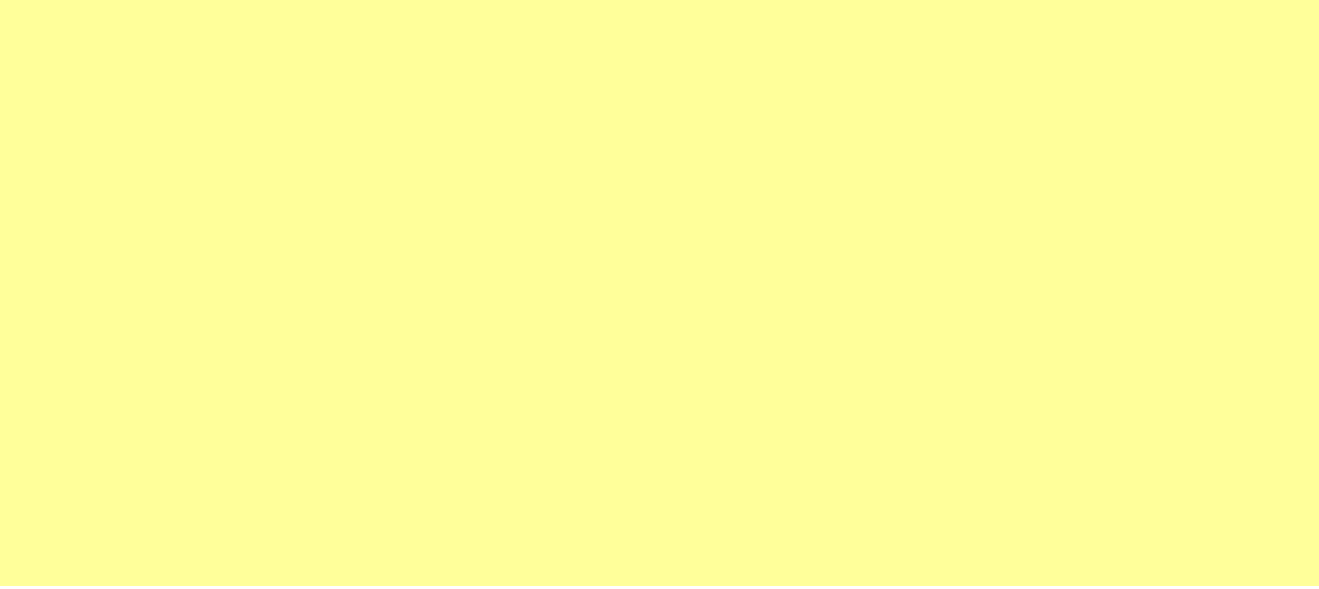
On the formulas used in the Columns for lines 22+ are as follows
 For Plant in service: (first year means first year the project is placed in service)
 "Beginning" is the investment on line 17 for the first year and is the "Ending" for the prior year after the first year
 "Depreciation" is the annual depreciation in line 18 divided by twelve times the difference of thirteen minus line 19 in the first year and line 18 thereafter if "no" on line 13. "Depreciation" is "0" (zero) if "Yes" on line 13
 "Ending" is "Beginning" less "Depreciation"
 Revenue is "Ending" times line 16 for the current year times the quotient line 19 divided by 13 plus "Depreciation" for the first year and "Ending" times line 16 plus "Depreciation" thereafter

For CWIP:
 Beginning is the line 17 for that year
 Depreciation is not used
 Ending is the same as Beginning
 Revenue is Ending times line 16 for the current year

PPL Electric Utilities Corporation
Attachment 8 - Company Exhibit - Securitization Worksheet

Line #

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



**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	80	S4							
352	Structures and Improvements	65	R3							
353	Station Equipment	46	R1.5							
354	Towers and Fixtures	75	R3							
354.2	Towers and Fixtures - Clearing Land and Rights of Way	80	R4							
355	Poles and Fixtures	53	R0.5							
355.2	Poles and Fixtures - Clearing Land and Rights of Way	80	R4							
356	Overhead Conductors and Devices	65	R2.5							
357	Underground Conduit	55	S4							
358	Underground Conductors and Devices	45	S3							
359	Roads and Trails	80	R4							
General										
389.4	Land Rights	75	R4							
390.2	Structures and Improvements - Buildings	52	S0.5							
390.21	Structures and Improvements - Leaseholds	10	SQ							
390.4	Structures and Improvements - Air Conditioning	30	S1							
391.1	Office Furniture and Equipment - RF Mesh Computer Equip.	5	SQ							
391.2	Office Furniture and Equipment - Furniture	20	SQ							
391.4	Office Furniture and Equipment - Equipment	15	SQ							
391.6	Office Furniture and Equipment - Computers	5	SQ							
392.1	Transportation Equipment - Automobiles	9	S3							
392.2	Transportation Equipment - Light Duty Trucks	9	R1							
392.3	Transportation Equipment - Heavy Duty Trucks	13	S3							
392.4	Transportation Equipment - Trailers	23	L2							
392.5	Transportation Equipment - Large Tankers/Tractors	15	L4							
392.6	Transportation Equipment - Large Crane Trucks	13	S3							
393	Stores Equipment	25	SQ							
394	Tools and Work Equipment - L&S Line Crews	20	SQ							
394.2	Tools and Work Equipment - Tools	20	SQ							
394.4	Tools and Work Equipment - Construction Dept	20	SQ							
394.6	Tools and Work Equipment - Other	20	SQ							
394.8	Tools and Work Equipment - Garage Equipment	20	SQ							
395	Laboratory Equipment	20	SQ							
396	Power Operated Equipment	16	R1							
397	Communication Equipment	15	SQ							
398	Miscellaneous Equipment	20	SQ							
Intangible										
303.2	Miscellaneous Intangible Plant - Software	5	SQ							
303.5	Smart Meter Software	5	SQ							
303.6	Smart Meter Software - RF Mesh	5	SQ							

- 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, 303.5, and 303.6 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 "SQ" 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					
391.1	Office Furniture and Equipment - RF Mesh Computer Equip - Gross Method	5					
391.2	Office Furniture and Equipment - Furniture - Gross Method	20					
391.2	Office Furniture and Equipment - Furniture - Net Method	20					
391.4	Office Furniture and Equipment - Equipment - Gross Method	15					
391.4	Office Furniture and Equipment - Equipment - Net Method	15					
391.6	Office Furniture and Equipment - Computers - Gross Method	5					
393	Stores Equipment - Gross Method	25					
393	Stores Equipment - Net Method	25					
394	Tools and Work Equipment - L&S Line Crews - Gross Method	20					
394	Tools and Work Equipment - L&S Line Crews - Net Method	20					
394.2	Tools and Work Equipment - Tools - Gross Method	20					
394.2	Tools and Work Equipment - Tools - Net Method	20					
394.4	Tools and Work Equipment - Construction Dept - Gross Method	20					
394.4	Tools and Work Equipment - Construction Dept - Net Method	20					
394.6	Tools and Work Equipment - Other - Gross Method	20					
394.6	Tools and Work Equipment - Other - Method	20					
394.8	Tools and Work Equipment - Garage Equipment - Gross Method	20					
394.8	Tools and Work Equipment - Garage Equipment - Net Method	20					
395	Laboratory Equipment - Gross Method	20					
395	Laboratory Equipment - Net Method	20					
397	Communication Equipment - Gross Method	15					
397	Communication Equipment - Net Method	15					
398	Miscellaneous Equipment - Gross Method	20					
398	Miscellaneous Equipment - Net Method	20					

Notes:

- 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).

Exhibit B

Redline/strikeout version of Attachment H-8G to the
PJM Interconnection, LLC Open Access Transmission Tariff

PPL Electric Utilities Corporation Formula Rate -- Appendix A		Notes	FERC Form 1 Page # or Instruction	Enter the Year
Shaded cells are input cells				
Allocators				
Wages & Salary Allocation Factor				
1	Transmission Wages Expense		p354.21.b	-
2	Total Wages Expense		p354.28.b	-
3	Less A&G Wages Expense		p354.27.b	-
4	Total Wages Less A&G Wages Expense		(Line 2 - Line 3)	-
5	Wages & Salary Allocator		(Line 1 / Line 4)	-
Plant Allocation Factors				
6	Electric Plant in Service		p207.104.g	-
7	Accumulated Depreciation (Total Electric Plant)	(Note J)	p219.29.c	-
8	Accumulated Amortization	(Note A)	p200.21.c	-
9	Total Accumulated Depreciation		(Line 7 + 8)	-
10	Net Plant		(Line 6 - Line 9)	-
11	Transmission Gross Plant (excluding Land Held for Future Use)		(Line 25 - Line 24)	-
12	Gross Plant Allocator		(Line 11 / Line 6)	-
13	Transmission Net Plant (excluding Land Held for Future Use)		(Line 33 - Line 24)	-
14	Net Plant Allocator		(Line 13 / Line 10)	-
Plant Calculations				
Plant In Service				
15	Transmission Plant In Service	(Note B)	p207.58.g	-
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	-
18	Total Transmission Plant		(Line 15 - Line 16 + Line 17)	-
19	General		p207.99.g	-
20	Intangible		p205.5.g	-
21	Total General and Intangible Plant		(Line 19 + Line 20)	-
22	Wage & Salary Allocator		(Line 5)	-
23	Total General and Intangible Functionalized to Transmission		(Line 21 * Line 22)	-
24	Land Held for Future Use	(Note C) (Note P)	Attachment 5	-
25	Total Plant In Rate Base		(Line 18 + Line 23 + Line 24)	-
Accumulated Depreciation				
26	Transmission Accumulated Depreciation	(Note J)	p219.25.c	-
27	Accumulated General Depreciation	(Note J)	p219.28.c	-
28	Accumulated Amortization		(Line 8)	-
29	Total Accumulated Depreciation		(Line 27 + 28)	-
30	Wage & Salary Allocator		(Line 5)	-
31	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission		(Line 29 * Line 30)	-
32	Total Accumulated Depreciation		(Sum Lines 26 + 31)	-
33	Total Net Property, Plant & Equipment		(Line 25 - Line 32)	-

Adjustment To Rate Base

34	Accumulated Deferred Income Taxes ADIT net of FASB 106 and 109		Attachment 1		-
35	CWIP for Incentive Transmission Projects CWIP Balances for Current Rate Year	(Note H)	Attachment 6		-
36	Prepayments Prepayments	(Note A) (Note O)	Attachment 5		-
37	Materials and Supplies Undistributed Stores Expense	(Note A)	p227.16.c		-
38	Wage & Salary Allocator		(Line 5)		-
39	Total Undistributed Stores Expense Allocated to Transmission			(Line 37 * Line 38)	-
40	Transmission Materials & Supplies		p227.8.c		-
41	Total Materials & Supplies Allocated to Transmission			(Line 39 + Line 40)	-
42	Cash Working Capital Operation & Maintenance Expense		(Line 70)		-
43	1/8th Rule		1/8		12.5%
44	Total Cash Working Capital Allocated to Transmission			(Line 42 * Line 43)	-
45	Total Adjustment to Rate Base			(Lines 34 + 35 + 36 + 41 + 44)	-
46	Rate Base			(Line 33 + Line 45)	-

Operations & Maintenance Expense

47	Transmission O&M Transmission O&M		Attachment 5		0
48	Less Account 565		Attachment 5		-
49	Plus Charges billed to Transmission Owner and booked to Account 565	(Note N)	Attachment 5		-
50	Transmission O&M			(Lines 47 - 48 + 49)	-
51	Allocated Administrative & General Expenses Total A&G		323.197b		-
52	Less: Administrative & General Expenses on Securitization Bonds	(Note O)	Attachment 8		-
53	Plus: Fixed PBOP expense	(Note J)	Attachment 5		1,518,585
54	Less: Actual PBOP expense		Attachment 5		-
55	Less Property Insurance Account 924		p323.185.b		-
56	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b		-
57	Less General Advertising Exp Account 930.1		p323.191.b		-
58	Less EPRI Dues	(Note D)	p352 & 353		-
59	Administrative & General Expenses		Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58)		1,518,585
60	Wage & Salary Allocator		(Line 5)		-
61	Administrative & General Expenses Allocated to Transmission			(Line 59 * Line 60)	-
62	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	Attachment 5		-
63	General Advertising Exp Account 930.1	(Note K)	Attachment 5		-
64	Subtotal - Accounts 928 and 930.1 - Transmission Related			(Line 62 + Line 63)	-
65	Property Insurance Account 924	(Note G)	Attachment 5		-
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5		-
67	Total Accounts 924 and 930.1 - General			(Line 65 + Line 66)	-
68	Net Plant Allocator		(Line 14)		-
69	A&G Directly Assigned to Transmission			(Line 67 * Line 68)	-
70	Total Transmission O&M			(Lines 50 + 61 + 64 + 69)	-

Depreciation & Amortization Expense				
Depreciation Expense				
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	-
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	-
73	Intangible Amortization	(Note A)	p336.1.d&e	-
74	Total		(Line 72 + Line 73)	-
75	Wage & Salary Allocator		(Line 5)	-
76	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 74 * Line 75)	-
77	Total Transmission Depreciation & Amortization		(Lines 71 + 76)	-
Taxes Other than Income Taxes				
78	Taxes Other than Income Taxes		Attachment 2	-
79	Total Taxes Other than Income Taxes		(Line 78)	-
Return \ Capitalization Calculations				
Long Term Interest				
80	Long Term Interest		p117.62.c through 66.c	-
81	Less LTD Interest on Securitization Bonds	(Note O)	Attachment 8	-
82	Long Term Interest		(Line 80 - Line 81)	-
83	Preferred Dividends	enter positive	p118.29.c	-
Common Stock				
84	Proprietary Capital		p112.16.c	-
85	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	-
86	Less Preferred Stock		(Line 94)	-
87	Less Account 216.1		p112.12.c	-
88	Common Stock		(Line 84 - 85 - 86 - 87)	-
Capitalization				
89	Long Term Debt		p112.18.c, 19.c & 21.c	-
90	Less Loss on Reacquired Debt		p111.81.c	-
91	Plus Gain on Reacquired Debt		p113.61.c	-
92	Less LTD on Securitization Bonds	(Note O)	Attachment 8	-
93	Total Long Term Debt		(Line 89 - 90 + 91 - 92)	-
94	Preferred Stock		p112.3.c	-
95	Common Stock		(Line 88)	-
96	Total Capitalization		(Sum Lines 93 to 95)	-
97	Debt %	Total Long Term Debt	(Line 93 / Line 96)	-
98	Preferred %	Preferred Stock	(Line 94 / Line 96)	-
99	Common %	Common Stock	(Line 95 / Line 96)	-
100	Debt Cost	Total Long Term Debt	(Line 82 / Line 93)	-
101	Preferred Cost	Preferred Stock	(Line 83 / Line 94)	-
102	Common Cost	Common Stock	(Note J) Fixed	0.1040 4468
103	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 97 * Line 100)	-
104	Weighted Cost of Preferred	Preferred Stock	(Line 98 * Line 101)	-
105	Weighted Cost of Common	Common Stock	(Line 99 * Line 102)	-
106	Rate of Return on Rate Base (ROR)		(Sum Lines 103 to 105)	-
107	Investment Return = Rate Base * Rate of Return		(Line 46 * Line 106)	-
Composite Income Taxes				
Income Tax Rates				
108	FIT=Federal Income Tax Rate	(Note I)		-
109	SIT=State Income Tax Rate or Composite			-
110	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	-
111	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		-
112	T / (1-T)			-
ITC Adjustment				
113	Amortized Investment Tax Credit - Transmission Related		Attachment 5	-
114	ITC Adjust. Allocated to Trans. - Grossed Up	ITC Adjustment x 1 / (1-T)	Line 113 * (1 / (1 - Line 111))	-
Income Tax Adjustments				
114a	Other Income Tax Adjustments	(Note Q, Note R, Note S)	Attachment 5	-
114b	Other Income Tax Adjustments - Grossed Up	Other Income Tax Adjustment x 1 / (1-T) (Note S)	Line 114a * (1 / (1 - Line 111))	-
115	Income Tax Component =	$(T/1-T) * Investment Return * (1-(WCLTD/ROR)) =$	Line 112 * Line 107 * (1-(Line 103 / Line 106))	-
116	Total Income Taxes		(Line 114 + Line 114b + Line 115)	-

Revenue Requirement

Summary			
117	Net Property, Plant & Equipment	(Line 33)	-
118	Total Adjustment to Rate Base	(Line 45)	-
119	Rate Base	(Line 46)	-
120	Total Transmission O&M	(Line 70)	-
121	Total Transmission Depreciation & Amortization	(Line 77)	-
122	Taxes Other than Income	(Line 79)	-
123	Investment Return	(Line 107)	-
124	Income Taxes	(Line 116)	-
125	Gross Revenue Requirement	(Sum Lines 120 to 124)	-
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
126	Transmission Plant In Service	(Line 15)	-
127	Excluded Transmission Facilities	(Note M) Attachment 5	-
128	Included Transmission Facilities	(Line 126 - Line 127)	-
129	Inclusion Ratio	(Line 128 / Line 126)	-
130	Gross Revenue Requirement	(Line 125)	-
131	Adjusted Gross Revenue Requirement	(Line 129 * Line 130)	-
Revenue Credits			
132	Revenue Credits	Attachment 3	-
133	Net Revenue Requirement	(Line 131 - Line 132)	-
Net Plant Carrying Charge			
134	Gross Revenue Requirement	(Line 130)	-
135	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	-
136	Net Plant Carrying Charge	(Line 134 / Line 135)	-
137	Net Plant Carrying Charge without Depreciation	(Line 134 - Line 71) / Line 135	-
138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 134 - Line 71 - Line 107 - Line 116) / Line 135	-
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)	-
140	Increased Return and Taxes	Attachment 4	-
141	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 139 + Line 140)	-
142	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	-
143	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 141 / Line 142)	-
144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	(Line 141 - Line 71) / Line 142	-
145	Net Revenue Requirement	(Line 133)	-
146	True-up amount	Attachment 6	-
147	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	-
148	Net Zonal Revenue Requirement	(Line 145 + 146 + 147)	-
Network Zonal Service Rate			
149	1 CP Peak	(Note L) PJM Data	-
150	Rate (\$/MW-Year)	(Line 148 / 149)	-
151	Network Service Rate (\$/MW/Year)	(Line 150)	-

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 Base ROE will be as follows: (i.) ~~41.609.90%~~ for the period ~~November-May 21, 20204, 2008~~ through May 31, 200922; (ii.) ~~41.649.95%~~ for the period June 1, 200922 through May 31, 204023;
(iii.) ~~10.004.68%~~ on June 1, 2023 ~~40 through May 31, 2044~~ and thereafter. If PPL Electric transitions from a June 1 to May 31 Rate Year period to a projected rate year based on January 1 to December 31 period and the transition occurs during a year when the Base ROE would change on June 1 PPL Electric will use a blended Base ROE that reflects the number of months each ROE is in effect during the transition year. 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.
- Q Includes amounts associated with the amortization of any deficient or excess deferred income taxes (resulting from changes in income tax laws, income tax rates, and other actions taken by a tax authority), and amounts associated with the tax effect of the AFUDC Equity permanent difference. See Attachment 5 for a detailed breakdown of these amounts.
- R PPL Electric must submit a FPA section 205 filing to obtain Commission approval prior to reflecting in rates any regulatory assets and liabilities arising from future tax changes.
- S The revisions to PPL Electric's Formula Rate to allow for the flow back of excess ADIT approved by the Commission in *PPL Electric Utilities Corporation*, 167 FERC ¶ 61,083 (2019), were applied effective January 1, 2018, and were included in true-up calculations for the period beginning January 1, 2018.

PPL Electric Utilities Corporation
Attachment 2 - Taxes Other Than Income Worksheet

Page 263
Col (i)

Other Taxes			Allocator		Allocated Amount
	Plant Related		Net Plant Allocator		
1		-			
2		-			
3					
4					
5					
6					
7					
8	Total Plant Related	-			-
	Labor Related		Wages & Salary Allocator		
9		-			
10		-			
11		-			
12					
13					
14	Total Labor Related	-			-
	Other Included		Net Plant Allocator		
15		-			
16		-			
17					
18					
19	Total Other Included	-			-
20	Total Included (Lines 8 + 14 + 19)	-			-
	Currently Excluded				
21		-			
22		-			
23		-			
24		-			
25		-			
26		-			
27					
28	Subtotal, Excluded	-			
29	Total, Included and Excluded (Line 20 + Line 28)	-			
30	Total Other Taxes from p114.14.c less Tax on Securitization Bonds	-			
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	-
Account 456 - Other Electric Revenues (Note 1)		
2	Transmission for Others (Note 3)	-
3	Schedule 12 Revenues (Note 3)	-
4	Schedule 1A	-
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)	-
7	Professional Services provided to others	-
8	Facilities Charges including Interconnection Agreements (Note 2)	-
9	Gross Revenue Credits	(Sum Lines 1-10)
10	Amount offset from Note 3 below	-
11	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.	-
12	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.	-
13	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.	-

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				
B	100 Basis Point increase in ROE and Income Taxes			Line 29 + Line 39 from below	-
	100 Basis Point increase in ROE				1.00%
Return Calculation					
1	Rate Base			Appendix A Line or Source Reference	
	Long Term Interest			(Attachment A Line 46)	-
2	Long Term Interest			(Attachment A Line 80)	-
3	Less LTD Interest on Securitization Bonds			Attachment 8	-
4	Long Term Interest			(Line 2 - Line 3)	-
5	Preferred Dividends	enter positive		p118.29.c	-
	Common Stock				
6	Proprietary Capital			p112.16.c	-
7	Less Accumulated Other Comprehensive Income Account 219			p112.15.c	-
8	Less Preferred Stock			(Attachment A Line 86)	-
9	Less Account 216.1			p112.12.c	-
10	Common Stock			(Line 6 - 7 - 8 - 9)	-
	Capitalization				
11	Long Term Debt			p112.18.c, 19.c & 21.c	-
12	Less Loss on Reacquired Debt			p111.81.c	-
13	Plus Gain on Reacquired Debt			p113.61.c	-
14	Less LTD on Securitization Bonds			Attachment 8	-
15	Total Long Term Debt			(Line 11 - 12 + 13 - 14)	-
16	Preferred Stock			p112.3.c	-
17	Common Stock			(Line 10)	-
18	Total Capitalization			(Sum Lines 15 to 17)	-
19	Debt %	Total Long Term Debt		(Line 15 / Line 18)	-
20	Preferred %	Preferred Stock		(Line 16 / Line 18)	-
21	Common %	Common Stock		(Line 17 / Line 18)	-
22	Debt Cost	Total Long Term Debt		(Line 4 / Line 15)	-
23	Preferred Cost	Preferred Stock		(Line 5 / Line 16)	-
24	Common Cost	Common Stock		Fixed	0.1260
25	Weighted Cost of Debt	Total Long Term Debt (WCLTD)		(Line 19 * Line 22)	-
26	Weighted Cost of Preferred	Preferred Stock		(Line 20 * Line 23)	-
27	Weighted Cost of Common	Common Stock		(Line 21 * Line 24)	-
28	Rate of Return on Rate Base (ROR)			(Sum Lines 25 to 27)	-
29	Investment Return = Rate Base * Rate of Return			(Line 1 * Line 28)	-
Composite Income Taxes					
	Income Tax Rates				
30	FIT=Federal Income Tax Rate				-
31	SIT=State Income Tax Rate or Composite				-
32	p = percent of federal income tax deductible for state purposes			Per State Tax Code	-
33	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$			-
34	CIT = T / (1-T)				-
35	1 / (1-T)				-
	ITC Adjustment				
36	Amortized Investment Tax Credit			Attachment 5	-
37	ITC Adjust. Allocated to Trans. - Grossed Up			(Line 36 * (1 / (1 - Line 33)))	-
	Income Tax Adjustments				
37a	Other Income Tax Adjustments			Attachment 5	-
37b	Other Income Tax Adjustments - Grossed Up	Other Income Tax Adjustment x 1 / (1-T)		Line 114a * (1 / (1 - Line 111))	-
38	Income Tax Component =	$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$			-
39	Total Income Taxes				-

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
ITC Adjustment							
113	Amortized Investment Tax Credit		Company Records	-	-	-	- Enter Negative
Transmission / Non-transmission Cost Support							
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
24	Land Held for Future Use	(Note C) p.214.d - p214.6.d &	Company Records	-	-	-	Removal of land held for future use (if any) that is included in CWIP balance
		(Note P) Company Records		-	-	-	Gains from the sale of Land Held for Future Use Balance for Appendix A
Adjustments to A & G Expense							
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	1,518,585	-	-	Current year actual PBOP expense Annual Premium associated with storm insurance excluding recoveries related to prior periods. (See FM 1 note to page 320 line 185)
54	Actual PBOP expense		Company Records	-	-		
65	Property Insurance Account 924		p323.185.b	-	-		
Regulatory Expense Related to Transmission 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
62	Directly Assigned A&G			-	-	-	
	Regulatory Commission Exp Account 928	(Note G) p350-151h					
Safety Related Advertising Cost Support							
Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Form No. 1 Amount	Safety Related	Non-safety Related	Details
66	Directly Assigned A&G			-	-	-	
	General Advertising Exp Account 930.1	(Note F) p323.191.b					
MultiState Workpaper							
Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				State 1	State 2	State 3	State 4
Income Tax Rates							
109	SIT=State Income Tax Rate or Composite	(Note I)		PA			
Education and Out Reach Cost Support							
Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Form No. 1 Amount	Education & Outreach	Other	Details
63	Directly Assigned A&G			-	-	-	
	General Advertising Exp Account 930.1	(Note K) p323.191.b					
Excluded Plant Cost Support							
Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities		
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities							
127	Excluded Transmission Facilities	(Note M)		Enter \$	General Description of the Facilities		
	Instructions:			-	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.			Or			
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:			Enter \$			
	Example						
A	Total investment in substation	1,000,000					
B	Identifiable investment in Transmission (provide workpapers)	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
Prepayments							
36	Prepayments	(Note A) (Note O)	Form 1 -- p111.57.c	-	-	-	W&S Allocator
							Functionalized to TX
							Description of the Prepayments
							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	-	-	-	Adjustment for Ancillary Services p321.88b and p321.92b.
48	Less Account 565		p.321.96.b	-	-	-	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		
Net Revenue Requirement							
147	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		
Network Zonal Service Rate							
149	1 CP Peak	(Note L)	PJM Data	-			
Depreciation Expense							
Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Total	Year 1	Year 2	Year 3
					Enter the Year	Enter the Year	Enter the Year
					Year 4	Year 5	Total
					Enter the Year	Enter the Year	5 - Year Amortization
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant, Transmission Plant Cost of Removal Net of Salvage	(Note J)	Company Records	-	-	-	-
	Total Transmission Depreciation Expense Including Amortization of Limited Term	(Note J)	Company Records	-	-	-	-
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Company Records	-	-	-	-
	General Plant Cost of Removal, Net of Salvage	(Note J)	Company Records	-	-	-	-
	Total General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Company Records	-	-	-	-
Other Income Tax Adjustments							
Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions				Total			
Amortized Excess Deferred Taxes							
Amortized Deficient Deferred Taxes							
Tax effect of AFUDC Equity Permanent Difference							
114a	Total Other Income Tax Adjustments			-			

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)
			\$ - 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)	(N)	(O)	(P)	(Q)	(R)	(S)	Total
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Weighting	Other Plant In Service	Hosensack Wavetrap	Alburtis Wavetrap	S. Akron - Berks Rebuild	Susq-Rose CWIP	Susq-Rose PIS	Other Plant In Service	Hosensack Wavetrap	Alburtis Wavetrap	S. Akron - Berks Rebuild	Susq-Rose CWIP	Susq-Rose PIS	
	Other Plant In Service	Hosensack Wavetrap	Alburtis Wavetrap	S. Akron - Berks Rebuild	Susq-Rose CWIP	Susq-Rose PIS		Amount (A x G)	Amount (B x G)	Amount (C x G)	Amount (D x G)	Amount (E x G)	Amount (F x G)	(H / 12)	(I / 12)	(J / 12)	(K / 12)	(L / 12)	(M / 12)	
	(b0171.2)	(b0171.2)	(b0172.1)	(b0074)	(b0487)	(b0487)			(b0171.2)	(b0172.1)	(b0074)	(b0487)	(b0487)		(b0171.2)	(b0172.1)	(b0074)	(b0487)	(b0487)	(b0487)
CWIP Balance Dec (prior yr.)							12													
Jan	-	-	-	-	-	-	11.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	10.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	9.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	8.5	-	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	7.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	6.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	5.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	4.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	3.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Oct	-	-	-	-	-	-	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Nov	-	-	-	-	-	-	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-														
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
			\$ - 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
			\$ - 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)
			\$ -

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 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)**
 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 \$ - Input to Formula Line 16
 Add weighted Cap Adds actually placed in service in Year 2

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	Total	
	Monthly Additions Other Plant In Service	Monthly Additions Hosensack Wavetrap (b0171.2)	Monthly Additions Alburis Wavetrap (b0172.1)	Monthly Additions S. Akron - Berks Rebuild (b0074)	Monthly Additions Susq-Rose CWIP (b0487)	Monthly Additions Susq-Rose PIS (b0487)	Weighting	Other Plant In Service Amount (A x G)	Hosensack Wavetrap Amount (B x G)	Alburis Wavetrap Amount (C x G)	S. Akron - Berks Rebuild Amount (D x G)	Susq-Rose CWIP Amount (E x G)	Susq-Rose PIS Amount (F x G)	Other Plant In Service (H / 12)	Hosensack Wavetrap (I / 12)	Alburis Wavetrap (J / 12)	S. Akron - Berks Rebuild (K / 12)	Susq-Rose CWIP (L / 12)	Susq-Rose PIS (M / 12)		
CWIP Balance Dec (prior yr.)							12														
Jan							11.5														
Feb							10.5														
Mar							9.5														
Apr							8.5														
May							7.5														
Jun							6.5														
Jul							5.5														
Aug							4.5														
Sep							3.5														
Oct							2.5														
Nov							1.5														
Dec							0.5														
Total																					
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

Result of Formula for Reconciliation **Must run Appendix A to get this number (with inputs in lines 16, 17 and 35 of Appendix A)**

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

Interest on Amount of Refunds or Surcharges

Yr	Month	Yr	1/12 of Step 8 (See Note #1)	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed	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.
Jun	Year 1	Year 1	-	0.0000%	11.5	-	-	
Jul	Year 1	Year 1	-	0.0000%	10.5	-	-	
Aug	Year 1	Year 1	-	0.0000%	9.5	-	-	
Sep	Year 1	Year 1	-	0.0000%	8.5	-	-	
Oct	Year 1	Year 1	-	0.0000%	7.5	-	-	
Nov	Year 1	Year 1	-	0.0000%	6.5	-	-	
Dec	Year 1	Year 1	-	0.0000%	5.5	-	-	
Jan	Year 2	Year 2	-	0.0000%	4.5	-	-	
Feb	Year 2	Year 2	-	0.0000%	3.5	-	-	
Mar	Year 2	Year 2	-	0.0000%	2.5	-	-	
Apr	Year 2	Year 2	-	0.0000%	1.5	-	-	
May	Year 2	Year 2	-	0.0000%	0.5	-	-	
Total								
Jun	Year 2	Year 2	Balance	Interest rate from above	Amortization over Rate Year	Balance	-	
Jul	Year 2	Year 2	-	0.0000%	-	-	-	
Aug	Year 2	Year 2	-	0.0000%	-	-	-	
Sep	Year 2	Year 2	-	0.0000%	-	-	-	
Oct	Year 2	Year 2	-	0.0000%	-	-	-	
Nov	Year 2	Year 2	-	0.0000%	-	-	-	
Dec	Year 2	Year 2	-	0.0000%	-	-	-	
Jan	Year 3	Year 3	-	0.0000%	-	-	-	
Feb	Year 3	Year 3	-	0.0000%	-	-	-	
Mar	Year 3	Year 3	-	0.0000%	-	-	-	
Apr	Year 3	Year 3	-	0.0000%	-	-	-	
May	Year 3	Year 3	-	0.0000%	-	-	-	
Total with interest								

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

Attachment 7 – Transmission Enhancement Charge Worksheet

New Plant Carrying Charge			
Fixed Charge Rate (FCR) if not a CIAC			
	Formula Line		
A	137	Net Plant Carrying Charge without Depreciation	-
B	144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	-
C		Line B less Line A	-
FCR if a CIAC			
D	138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	-

The FCR resulting from Formula in a given year is used for that year only.
Therefore actual revenues collected in a year do not change based on cost data for subsequent years

10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Useful life of the project	Life	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	"Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 29, Otherwise "No"	CIAC (Yes or No)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Input the allowed increase in ROE	Increased ROE (Basis Points)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	From line 3 above if "No" on line 13 and from line 7 above if "Yes" on line 13	11.68% ROE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Line 14 plus (line 5 times line 15)/100	FCR for This Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Project subaccount of Plant in Service Account 101 or 106 if not yet classified	Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Line 17 divided by line 12	Annual Depreciation Exp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Month in which project is placed in service (e.g. Jan=1)	Month In Service or Month for CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

20		Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
21	W 11.68 % ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
22	W Increased ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
23	W 11.68 % ROE	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
24	W Increased ROE	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
25	W 11.68 % ROE	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
26	W Increased ROE	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
27	W 11.68 % ROE	2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
28	W Increased ROE	2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
29	W 11.68 % ROE	2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
30	W Increased ROE	2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
31	W 11.68 % ROE	2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
32	W Increased ROE	2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
33	W 11.68 % ROE	2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
34	W Increased ROE	2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
35	W 11.68 % ROE	2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
36	W Increased ROE	2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
37	W 11.68 % ROE	2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
38	W Increased ROE	2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
39	W 11.68 % ROE	2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
40	W Increased ROE	2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
41	W 11.68 % ROE	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
42	W Increased ROE	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
43	W 11.68 % ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
44	W Increased ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
45	W 11.68 % ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
46	W Increased ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
47	W 11.68 % ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
48	W Increased ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
49	W 11.68 % ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
50	W Increased ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
51	W 11.68 % ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
52	W Increased ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
53	W 11.68 % ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
54	W Increased ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
55	W 11.68 % ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
56	W Increased ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
57	W 11.68 % ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
58	W Increased ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
59	W 11.68 % ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
60	W Increased ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
61		....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	\$ -	\$ -	\$ -
62		....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	\$ -	\$ -	\$ -

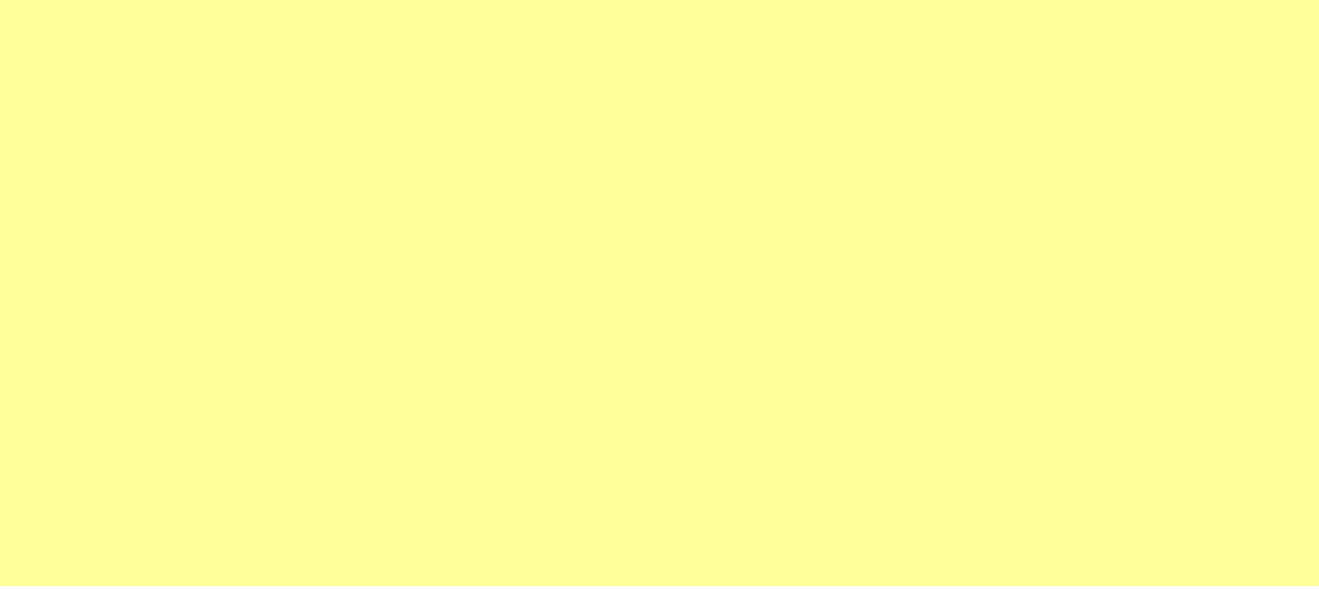
On the formulas used in the Columns for lines 22+ are as follows
For Plant in service: (first year means first year the project is placed in service)
"Beginning" is the investment on line 17 for the first year and is the "Ending" for the prior year after the first year
"Depreciation" is the annual depreciation in line 18 divided by twelve times the difference of thirteen minus line 19 in the first year and line 18 thereafter if "no" on line 13. "Depreciation" is "0" (zero) if "Yes" on line 13
"Ending" is "Beginning" less "Depreciation"
Revenue is "Ending" times line 16 for the current year times the quotient line 19 divided by 13 plus "Depreciation" for the first year and "Ending" times line 16 plus "Depreciation" thereafter

For CWIP:
Beginning is the line 17 for that year
Depreciation is not used
Ending is the same as Beginning
Revenue is Ending times line 16 for the current year

PPL Electric Utilities Corporation
Attachment 8 - Company Exhibit - Securitization Worksheet

Line #

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



**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	80	S4							
352	Structures and Improvements	65	R3							
353	Station Equipment	46	R1.5							
354	Towers and Fixtures	75	R3							
354.2	Towers and Fixtures - Clearing Land and Rights of Way	80	R4							
355	Poles and Fixtures	53	R0.5							
355.2	Poles and Fixtures - Clearing Land and Rights of Way	80	R4							
356	Overhead Conductors and Devices	65	R2.5							
357	Underground Conduit	55	S4							
358	Underground Conductors and Devices	45	S3							
359	Roads and Trails	80	R4							
General										
389.4	Land Rights	75	R4							
390.2	Structures and Improvements - Buildings	52	S0.5							
390.21	Structures and Improvements - Leaseholds	10	SQ							
390.4	Structures and Improvements - Air Conditioning	30	S1							
391.1	Office Furniture and Equipment - RF Mesh Computer Equip.	5	SQ							
391.2	Office Furniture and Equipment - Furniture	20	SQ							
391.4	Office Furniture and Equipment - Equipment	15	SQ							
391.6	Office Furniture and Equipment - Computers	5	SQ							
392.1	Transportation Equipment - Automobiles	9	S3							
392.2	Transportation Equipment - Light Duty Trucks	9	R1							
392.3	Transportation Equipment - Heavy Duty Trucks	13	S3							
392.4	Transportation Equipment - Trailers	23	L2							
392.5	Transportation Equipment - Large Tankers/Tractors	15	L4							
392.6	Transportation Equipment - Large Crane Trucks	13	S3							
393	Stores Equipment	25	SQ							
394	Tools and Work Equipment - L&S Line Crews	20	SQ							
394.2	Tools and Work Equipment - Tools	20	SQ							
394.4	Tools and Work Equipment - Construction Dept	20	SQ							
394.6	Tools and Work Equipment - Other	20	SQ							
394.8	Tools and Work Equipment - Garage Equipment	20	SQ							
395	Laboratory Equipment	20	SQ							
396	Power Operated Equipment	16	R1							
397	Communication Equipment	15	SQ							
398	Miscellaneous Equipment	20	SQ							
Intangible										
303.2	Miscellaneous Intangible Plant - Software	5	SQ							
303.5	Smart Meter Software	5	SQ							
303.6	Smart Meter Software - RF Mesh	5	SQ							

- 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, 303.5, and 303.6 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 "SQ" 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					
391.1	Office Furniture and Equipment - RF Mesh Computer Equip - Gross Method	5					
391.2	Office Furniture and Equipment - Furniture - Gross Method	20					
391.2	Office Furniture and Equipment - Furniture - Net Method	20					
391.4	Office Furniture and Equipment - Equipment - Gross Method	15					
391.4	Office Furniture and Equipment - Equipment - Net Method	15					
391.6	Office Furniture and Equipment - Computers - Gross Method	5					
393	Stores Equipment - Gross Method	25					
393	Stores Equipment - Net Method	25					
394	Tools and Work Equipment - L&S Line Crews - Gross Method	20					
394	Tools and Work Equipment - L&S Line Crews - Net Method	20					
394.2	Tools and Work Equipment - Tools - Gross Method	20					
394.2	Tools and Work Equipment - Tools - Net Method	20					
394.4	Tools and Work Equipment - Construction Dept - Gross Method	20					
394.4	Tools and Work Equipment - Construction Dept - Net Method	20					
394.6	Tools and Work Equipment - Other - Gross Method	20					
394.6	Tools and Work Equipment - Other - Method	20					
394.8	Tools and Work Equipment - Garage Equipment - Gross Method	20					
394.8	Tools and Work Equipment - Garage Equipment - Net Method	20					
395	Laboratory Equipment - Gross Method	20					
395	Laboratory Equipment - Net Method	20					
397	Communication Equipment - Gross Method	15					
397	Communication Equipment - Net Method	15					
398	Miscellaneous Equipment - Gross Method	20					
398	Miscellaneous Equipment - Net Method	20					

Notes:

- 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).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 20th day of August, 2021.

/s/ Thomas C. Kirby
Thomas C. Kirby
Steptoe & Johnson LLP
1330 Connecticut Avenue, NW
Washington, DC 20036