

ATTACHMENT H-8G

**PPL Electric Utilities Corporation**

**Formula Rate -- Appendix A**

Notes

FERC Form 1 Page # or Instruction

2018 Data

**Shaded cells are input cells**

**Allocators**

|   |   |                     |                 |
|---|---|---------------------|-----------------|
| <b>Wages &amp; Salary Allocation Factor</b> |   |                     |                 |
| 1   | Transmission Wages Expense                                    | p354.21.b           | 6,177,931       |
| 2   | Total Wages Expense   | p354.28.b           | 70,989,896      |
| 3   | Less A&G Wages Expense  | p354.27.b           | 1,426,717       |
| 4   | Total Wages Less A&G Wages Expense                            | (Line 2 - Line 3)   | 69,563,179      |
| 5   | <b>Wages &amp; Salary Allocator</b>                           | (Line 1 / Line 4)   | <b>8.8810%</b>  |
| <b>Plant Allocation Factors</b>             |   |                     |                 |
| 6   | Electric Plant in Service                                     | p207.104.g          | 11,982,211,334  |
| 7   | Accumulated Depreciation (Total Electric Plant)               | p219.29.c           | 2,667,119,242   |
| 8   | Accumulated Amortization                                      | p200.21.c           | 109,719,988     |
| 9   | Total Accumulated Depreciation                                | (Line 7 + 8)        | 2,776,839,230   |
| 10  | Net Plant   | (Line 6 - Line 9)   | 9,205,372,104   |
| 11  | Transmission Gross Plant (excluding Land Held for Future Use) | (Line 25 - Line 24) | 5,528,064,393   |
| 12  | <b>Gross Plant Allocator</b>                                  | (Line 11 / Line 6)  | <b>46.1356%</b> |
| 13  | Transmission Net Plant (excluding Land Held for Future Use)   | (Line 33 - Line 24) | 4,869,778,277   |
| 14  | <b>Net Plant Allocator</b>                                    | (Line 13 / Line 10) | <b>52.9015%</b> |

**Plant Calculations**

|                                 |   |                                      |                      |
|---------------------------------|---|--------------------------------------|----------------------|
| <b>Plant In Service</b>         |   |                                      |                      |
| 15                              | Transmission Plant In Service   | (Note B) p207.58.g                   | 5,210,364,255        |
| 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                | 227,147,388          |
| 18                              | <b>Total Transmission Plant</b>   | (Line 15 - Line 16 + Line 17)        | <b>5,437,511,643</b> |
| 19                              | General   | p207.99.g                            | 794,030,775          |
| 20                              | Intangible  | p205.5.g                             | 225,588,430          |
| 21                              | Total General and Intangible Plant  | (Line 19 + Line 20)                  | 1,019,619,205        |
| 22                              | Wage & Salary Allocator   | (Line 5)                             | 8.8810%              |
| 23                              | <b>Total General and Intangible Functionalized to Transmission</b>                          | (Line 21 * Line 22)                  | <b>90,552,749</b>    |
| 24                              | <b>Land Held for Future Use</b>   | (Note C) (Note P) Attachment 5       | <b>21,217,341</b>    |
| 25                              | <b>Total Plant In Rate Base</b>   | (Line 18 + Line 23 + Line 24)        | <b>5,549,281,734</b> |
| <b>Accumulated Depreciation</b> |   |                                      |                      |
| 26                              | Transmission Accumulated Depreciation   | (Note J) p219.25.c                   | 622,192,635          |
| 27                              | Accumulated General Depreciation  | (Note J) p219.28.c                   | 296,690,713          |
| 28                              | Accumulated Amortization  | (Line 8)                             | 109,719,988          |
| 29                              | Total Accumulated Depreciation  | (Line 27 + 28)                       | 406,410,701          |
| 30                              | Wage & Salary Allocator   | (Line 5)                             | 8.8810%              |
| 31                              | Subtotal General and Intangible Accum. Depreciation Allocated to Transmission               | (Line 29 * Line 30)                  | 36,093,481           |
| 32                              | <b>Total Accumulated Depreciation</b>   | (Sum Lines 26 + 31)                  | <b>658,286,116</b>   |
| 33                              | <b>Total Net Property, Plant &amp; Equipment</b>  | (Line 25 - Line 32)                  | <b>4,890,995,618</b> |

**Adjustment To Rate Base**

|    |   |                   |                                |                      |
|----|---|-------------------|--------------------------------|----------------------|
| 34 | <b>Accumulated Deferred Income Taxes</b>                        |                   |                                |                      |
|    | ADIT net of FASB 106 and 109                                    |                   | Attachment 1                   | -826,686,142         |
| 35 | <b>CWIP for Incentive Transmission Projects</b>                 |                   |                                |                      |
|    | CWIP Balances for Current Rate Year                             | (Note H)          | Attachment 6                   | 0                    |
| 36 | <b>Prepayments</b>  |                   |                                |                      |
|    | Prepayments   | (Note A) (Note O) | Attachment 5                   | 223,147              |
| 37 | <b>Materials and Supplies</b>                                   |                   |                                |                      |
|    | Undistributed Stores Expense                                    | (Note A)          | p227.16.c<br>(Line 5)          | 3,667,076            |
|    | Wage & Salary Allocator   |                   |                                | 8.8810%              |
| 39 | Total Undistributed Stores Expense Allocated to Transmission    |                   | (Line 37 * Line 38)            | 325,674              |
| 40 | Transmission Materials & Supplies                               |                   | p227.8.c                       | 4,539,332            |
| 41 | <b>Total Materials &amp; Supplies Allocated to Transmission</b> |                   | (Line 39 + Line 40)            | <b>4,865,006</b>     |
| 42 | <b>Cash Working Capital</b>                                     |                   |                                |                      |
|    | Operation & Maintenance Expense                                 |                   | (Line 70)                      | 56,580,735           |
| 43 | 1/8th Rule  |                   | 1/8                            | 12.5%                |
| 44 | <b>Total Cash Working Capital Allocated to Transmission</b>     |                   | (Line 42 * Line 43)            | <b>7,072,592</b>     |
| 45 | <b>Total Adjustment to Rate Base</b>                            |                   | (Lines 34 + 35 + 36 + 41 + 44) | <b>-814,525,396</b>  |
| 46 | <b>Rate Base</b>  |                   | (Line 33 + Line 45)            | <b>4,076,470,221</b> |

**Operations & Maintenance Expense**

|    |  |          |  |                   |
|----|--|----------|--|-------------------|
| 47 | <b>Transmission O&amp;M</b>  |          |  |                   |
|    | Transmission O&M   |          | Attachment 5   | 179,831,230       |
| 48 | Less Account 565   |          | Attachment 5   | 138,780,889       |
| 49 | Plus Charges billed to Transmission Owner and booked to Account 565    | (Note N) | Attachment 5   | 0                 |
| 50 | <b>Transmission O&amp;M</b>  |          | (Lines 47 - 48 + 49)                                 | <b>41,050,341</b> |
| 51 | <b>Allocated Administrative &amp; General Expenses</b>                 |          |  |                   |
|    | Total A&G  |          | 323.197b   | 168,215,352       |
| 52 | Less: Administrative & General Expenses on Securitization Bonds        | (Note O) | Attachment 8   | 0                 |
| 53 | Plus: Fixed PBOP expense   | (Note J) | Attachment 5   | 1,518,585         |
| 54 | Less: Actual PBOP expense  |          | Attachment 5   | -64,038           |
| 55 | Less Property Insurance Account 924                                    |          | p323.185.b   | 1,619,278         |
| 56 | Less Regulatory Commission Exp Account 928                             | (Note E) | p323.189.b   | 6,755,111         |
| 57 | Less General Advertising Exp Account 930.1                             |          | p323.191.b   | 135               |
| 58 | Less EPRI Dues   | (Note D) | p352 & 353   | 0                 |
| 59 | Administrative & General Expenses                                      |          | Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58) | 161,423,451       |
| 60 | Wage & Salary Allocator  |          | (Line 5)   | 8.8810%           |
| 61 | <b>Administrative &amp; General Expenses Allocated to Transmission</b> |          | (Line 59 * Line 60)                                  | <b>14,336,075</b> |
| 62 | <b>Directly Assigned A&amp;G</b>                                       |          |  |                   |
|    | Regulatory Commission Exp Account 928                                  | (Note G) | Attachment 5   | 337,697           |
| 63 | General Advertising Exp Account 930.1                                  | (Note K) | Attachment 5   | 0                 |
| 64 | <b>Subtotal - Accounts 928 and 930.1 - Transmission Related</b>        |          | (Line 62 + Line 63)                                  | <b>337,697</b>    |
| 65 | Property Insurance Account 924   | (Note G) | Attachment 5   | 1,619,278         |
| 66 | General Advertising Exp Account 930.1                                  | (Note F) | Attachment 5   | 0                 |
| 67 | Total Accounts 924 and 930.1 - General                                 |          | (Line 65 + Line 66)                                  | 1,619,278         |
| 68 | Net Plant Allocator  |          | (Line 14)  | 52.9015%          |
| 69 | <b>A&amp;G Directly Assigned to Transmission</b>                       |          | (Line 67 * Line 68)                                  | <b>856,622</b>    |
| 70 | <b>Total Transmission O&amp;M</b>                                      |          | (Lines 50 + 61 + 64 + 69)                            | <b>56,580,735</b> |

**Depreciation & Amortization Expense**

|    |   |          |                        |                    |
|----|---|----------|------------------------|--------------------|
| 71 | <b>Depreciation Expense</b>   |          |                        |                    |
|    | Transmission Depreciation Expense Including Amortization of Limited Term Plant      | (Note J) | Attachment 5           | 101,532,406        |
| 72 | General Depreciation Expense Including Amortization of Limited Term Plant           | (Note J) | Attachment 5           | 52,831,297         |
| 73 | Intangible Amortization   | (Note A) | p336.1.d&e             | 47,276,400         |
| 74 | Total   |          | (Line 72 + Line 73)    | 100,107,697        |
| 75 | Wage & Salary Allocator   |          | (Line 5)               | 8,8810%            |
| 76 | <b>General Depreciation &amp; Intangible Amortization Allocated to Transmission</b> |          | (Line 74 * Line 75)    | <b>8,890,601</b>   |
| 77 | <b>Total Transmission Depreciation &amp; Amortization</b>                           |          | <b>(Lines 71 + 76)</b> | <b>110,423,007</b> |

**Taxes Other than Income Taxes**

|    |  |  |                  |                  |
|----|--|--|------------------|------------------|
| 78 | <b>Taxes Other than Income Taxes</b>       |  | Attachment 2     | 3,421,346        |
| 79 | <b>Total Taxes Other than Income Taxes</b> |  | <b>(Line 78)</b> | <b>3,421,346</b> |

**Return \ Capitalization Calculations**

|                           |   |                              |                                 |                      |
|---------------------------|---|------------------------------|---------------------------------|----------------------|
| <b>Long Term Interest</b> |   |                              |                                 |                      |
| 80                        | Long Term Interest                                      |                              | p117.62.c through 66.c          | 159,392,857          |
| 81                        | Less LTD Interest on Securitization Bonds               | (Note O)                     | Attachment 8                    | 0                    |
| 82                        | <b>Long Term Interest</b>                               |                              | <b>(Line 80 - Line 81)</b>      | <b>159,392,857</b>   |
| 83                        | <b>Preferred Dividends</b>                              | enter positive               | p118.29.c                       | -                    |
| <b>Common Stock</b>       |   |                              |                                 |                      |
| 84                        | Proprietary Capital                                     |                              | p112.16.c                       | 4,459,940,796        |
| 85                        | Less Accumulated Other Comprehensive Income Account 219 |                              | p112.15.c                       | 0                    |
| 86                        | Less Preferred Stock                                    |                              | (Line 94)                       | 0                    |
| 87                        | Less Account 216.1                                      |                              | p112.12.c                       | 644,022              |
| 88                        | <b>Common Stock</b>                                     |                              | <b>(Line 84 - 85 - 86 - 87)</b> | <b>4,459,296,774</b> |
| <b>Capitalization</b>     |   |                              |                                 |                      |
| 89                        | Long Term Debt  |                              | p112.18.c, 19.c & 21.c          | 3,738,750,000        |
| 90                        | Less Loss on Reacquired Debt                            |                              | p111.81.c                       | 21,675,204           |
| 91                        | Plus Gain on Reacquired Debt                            |                              | p113.61.c                       | 0                    |
| 92                        | Less LTD on Securitization Bonds                        | (Note O)                     | Attachment 8                    | 0                    |
| 93                        | <b>Total Long Term Debt</b>                             |                              | <b>(Line 89 - 90 + 91 - 92)</b> | <b>3,717,074,796</b> |
| 94                        | Preferred Stock   |                              | p112.3.c                        | 0                    |
| 95                        | Common Stock  |                              | (Line 88)                       | 4,459,296,774        |
| 96                        | <b>Total Capitalization</b>                             |                              | <b>(Sum Lines 93 to 95)</b>     | <b>8,176,371,570</b> |
| 97                        | Debt %  | Total Long Term Debt         | (Line 93 / Line 96)             | 45.5%                |
| 98                        | Preferred %   | Preferred Stock              | (Line 94 / Line 96)             | 0.0%                 |
| 99                        | Common %  | Common Stock                 | (Line 95 / Line 96)             | 54.5%                |
| 100                       | Debt Cost   | Total Long Term Debt         | (Line 82 / Line 93)             | 0.0429               |
| 101                       | Preferred Cost  | Preferred Stock              | (Line 83 / Line 94)             | 0.0000               |
| 102                       | Common Cost   | Common Stock                 | (Note J)<br>Fixed               | 0.1168               |
| 103                       | Weighted Cost of Debt                                   | Total Long Term Debt (WCLTD) | (Line 97 * Line 100)            | 0.0195               |
| 104                       | Weighted Cost of Preferred                              | Preferred Stock              | (Line 98 * Line 101)            | 0.0000               |
| 105                       | Weighted Cost of Common                                 | Common Stock                 | (Line 99 * Line 102)            | 0.0637               |
| 106                       | <b>Rate of Return on Rate Base ( ROR )</b>              |                              | <b>(Sum Lines 103 to 105)</b>   | <b>0.0832</b>        |
| 107                       | <b>Investment Return = Rate Base * Rate of Return</b>   |                              | <b>(Line 46 * Line 106)</b>     | <b>339,144,676</b>   |

**Composite Income Taxes**

| Income Tax Rates       |  |   |   |
|------------------------|--|---|---|
| 108                    | FIT=Federal Income Tax Rate                            | (Note I)  | 21.00%  |
| 109                    | SIT=State Income Tax Rate or Composite                 |   | 9.99%   |
| 110                    | p  | (percent of federal income tax deductible for state purposes)       | 0.00%   |
| 111                    | T  | $T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$         | 28.89%  |
| 112                    | T / (1-T)  |   | 40.63%  |
| ITC Adjustment         |  |   |   |
| 113                    | Amortized Investment Tax Credit - Transmission Related |   | Attachment 5  |
| 114                    | <b>ITC Adjust. Allocated to Trans. - Grossed Up</b>    | ITC Adjustment x 1 / (1-T)  | Line 113 * (1 / (1 - Line 111))<br>-13,577<br><b>-19,094</b>              |
| Income Tax Adjustments |  |   |   |
| 114a                   | Other Income Tax Adjustments                           | (Note Q, Note R)  | Attachment 5  |
| 114b                   | Other Income Tax Adjustments - Grossed Up              | Other Income Tax Adjustment x 1 / (1-T)                             | Line 114a * (1 / (1 - Line 111))<br>-1,959,873<br><b>-2,756,196</b>       |
| 115                    | <b>Income Tax Component =</b>                          | $(T/(1-T)) * \text{Investment Return} * (1 - (\text{WCLTD/ROR})) =$ | [Line 112 * Line 107 * (1 - (Line 103 / Line 106))]<br><b>105,510,123</b> |
| 116                    | <b>Total Income Taxes</b>                              |   | <b>(Line 114 + Line 114b + Line 115)</b><br><b>102,734,834</b>            |

**Revenue Requirement**

| Summary  |   |   |                    |
|--|---|---|--------------------|
| 117  | Net Property, Plant & Equipment   | (Line 33)   | 4,890,995,618      |
| 118  | Total Adjustment to Rate Base   | (Line 45)   | -814,525,396       |
| 119  | Rate Base   | (Line 46)   | 4,076,470,221      |
| 120  | Total Transmission O&M  | (Line 70)   | 56,580,735         |
| 121  | Total Transmission Depreciation & Amortization                            | (Line 77)   | 110,423,007        |
| 122  | Taxes Other than Income   | (Line 79)   | 3,421,346          |
| 123  | Investment Return   | (Line 107)  | 339,144,676        |
| 124  | Income Taxes  | (Line 116)  | 102,734,834        |
| <b>125</b>   | <b>Gross Revenue Requirement</b>  | <b>(Sum Lines 120 to 124)</b>                         | <b>612,304,598</b> |
| Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities |   |   |                    |
| 126  | Transmission Plant In Service   | (Line 15)   | 5,210,364,255      |
| 127  | Excluded Transmission Facilities  | (Note M) Attachment 5                                 | 0                  |
| 128  | Included Transmission Facilities  | (Line 126 - Line 127)                                 | 5,210,364,255      |
| 129  | Inclusion Ratio   | (Line 128 / Line 126)                                 | 100.00%            |
| 130  | Gross Revenue Requirement   | (Line 125)  | 612,304,598        |
| 131  | <b>Adjusted Gross Revenue Requirement</b>                                 | (Line 129 * Line 130)                                 | <b>612,304,598</b> |
| Revenue Credits  |   |   |                    |
| 132  | Revenue Credits   | Attachment 3  | 102,976,062        |
| <b>133</b>   | <b>Net Revenue Requirement</b>  | <b>(Line 131 - Line 132)</b>                          | <b>509,328,536</b> |
| Net Plant Carrying Charge  |   |   |                    |
| 134  | Gross Revenue Requirement   | (Line 130)  | 612,304,598        |
| 135  | Net Transmission Plant  | (Line 18 - Line 26 + Line 35)                         | 4,815,319,008      |
| 136  | Net Plant Carrying Charge   | (Line 134 / Line 135)                                 | 12.7158%           |
| 137  | Net Plant Carrying Charge without Depreciation                            | (Line 134 - Line 71) / Line 135                       | 10.6072%           |
| 138  | Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes  | (Line 134 - Line 71 - Line 107 - Line 116) / Line 135 | 1.4307%            |
| 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)                      | 170,425,088        |
| 140  | Increased Return and Taxes  | Attachment 4  | 473,145,499        |
| 141  | Net Revenue Requirement per 100 Basis Point increase in ROE               | (Line 139 + Line 140)                                 | 643,570,588        |
| 142  | Net Transmission Plant  | (Line 18 - Line 26 + Line 35)                         | 4,815,319,008      |
| 143  | Net Plant Carrying Charge per 100 Basis Point increase in ROE             | (Line 141 / Line 142)                                 | 13.3651%           |
| 144  | Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation | (Line 141 - Line 71) / Line 142                       | 11.2565%           |
| 145  | <b>Net Revenue Requirement</b>  | (Line 133)  | <b>509,328,536</b> |
| 146  | True-up amount  | Attachment 6  | 3,175,565          |
| 147  | Facility Credits under Section 30.9 of the PJM OATT                       | Attachment 5  | -                  |
| 148  | <b>Net Zonal Revenue Requirement</b>                                      | (Line 145 + 146 + 147)                                | <b>512,504,101</b> |
| Network Zonal Service Rate   |   |   |                    |
| 149  | 1 CP Peak   | (Note L) PJM Data                                     | 7,681.3            |
| 150  | Rate (\$/MW-Year)   | (Line 148 / 149)                                      | \$ 66,721          |
| <b>151</b>   | <b>Network Service Rate (\$/MW/Year)</b>                                  | <b>(Line 150)</b>                                     | <b>\$ 66,721</b>   |

## Notes

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

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

|                          | Transmission Related   | Plant Related                | Labor Related                | Total Transmission ADIT |   |
|--------------------------|------------------------|------------------------------|------------------------------|-------------------------|---|
| ADIT- 282                | (939,823,299)          | 0                            | (73,194,141)                 |                         | From Acct. 282 total, below                               |
| ADIT-283                 | 0                      | (6,262,421)                  | (609,494)                    |                         | From Acct. 283 total, below                               |
| ADIT-190                 | 121,994,142            | 0                            | 11,377,683                   |                         | From Acct. 190 total, below                               |
| Subtotal                 | (817,829,157)          | (6,262,421)                  | (62,425,952)                 |                         | Sum lines 1 through 3                                     |
| Wages & Salary Allocator |                        | 52,9015%                     | 8.8810%                      |                         |   |
| Net Plant Allocator      |                        | (3,312,914)                  | (5,544,071)                  | (826,686,142)           | Sum Cols. D, E, F; Enter as negative Appendix A, line 42. |
| ADIT                     | (817,829,157)<br>row 4 | (3,312,914)<br>row 5 * row 4 | (5,544,071)<br>row 5 * row 4 |                         |   |

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

| A  | B                  | C                                | D                    | E             | F                 | G   |
|--|--------------------|----------------------------------|----------------------|---------------|-------------------|---|
| ADIT-190   | Total              | Gas, Prod, Dist Or Other Related | Transmission Related | Plant Related | Labor Related     | Justification   |
| <b>Account 190</b>   |                    |                                  |                      |               |                   |   |
| Accumulated Deferred Investment Tax Credits (Transmission)                       | 69,585             |                                  | 69,585               |               |                   | Basis difference between book plant and tax plant basis related to investment tax credits on transmission property. Removed as a FAS109 item below.   |
| Regulatory Liability - Income Taxes Related to ITC (Tx)                          | 28,273             |                                  | 28,273               |               |                   | Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on transmission property. Removed as a FAS109 item below.  |
| Regulatory Liability - Tax Gross-up Related to Plant net of NOLs                 | 181,145,956        | 89,229,999                       | 90,815,138           |               | 1,100,819         | Deferred tax asset recorded for the income tax gross-up on the regulatory liability account 254 related to ASC 740 (FAS109) tax adjustments on plant related book and tax basis differences. The labor related balance reflects the amount allocated to Transmission using the wage and salary allocator. Removed as a FAS109 item below. |
| Contributions in Aid of Construction (Non-Tx)                                    | 92,348,956         | 92,348,956                       |                      |               |                   | Distribution related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.  |
| Contributions in Aid of Construction (Tx-related)                                | 25,308,262         |                                  | 25,308,262           |               |                   | Transmission related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.  |
| FAS109 regulatory assets/liabilities related to deficient ADIT on plant and NOLs | (92,560,469)       | (47,515,207)                     | (45,045,262)         |               |                   | ASC740 (FAS109) adjustment to adjust deferred tax assets for the differences in regulatory versus GAAP treatment of ADIT on plant related book and tax differences with an offset to regulatory liability account 254. Removed as a FAS109 item below.  |
| Pensions and Post-Retirement   | 25,324,328         | 25,324,328                       |                      |               |                   | Expense and equity(FAS158) adjustments for book purposes not deductible for tax purposes  |
| FAS158 Regulatory Liability  | 161,193,720        | 161,193,720                      |                      |               |                   | Liability recorded for regulatory purposes for FAS 158 pension and post-retirement costs  |
| Bad Debts  | 8,048,488          | 8,048,488                        |                      |               |                   | Retail related book expense not deductible for tax return purposes  |
| Service Company Labor Related Costs  | 9,225,113          |                                  |                      |               | 9,225,113         | Book expense not deductible for tax return purposes - labor related to all functions  |
| Service Company Other Related Costs  | (6,720,685)        | (6,720,685)                      |                      |               |                   | Book expense not deductible for tax return purposes   |
| Vacation Pay   | 1,872,847          |                                  |                      |               | 1,872,847         | Book expense not deductible for tax return purposes - labor related to all functions  |
| Deferred Compensation  | 279,723            |                                  |                      |               | 279,723           | Book expense not deductible for tax return purposes - labor related to all functions  |
| Taxes Other Than Income Taxes  | 2,148,207          | 2,148,207                        |                      |               |                   | Book expense not deductible for tax return purposes - retail related gross receipts and sales & use taxes   |
| AMT Tax Carryforward   | 438,636            | 438,636                          |                      |               |                   | Tax credits carryforward to a future period.  |
| Obsolete Inventory   | 785,526            | 785,526                          |                      |               |                   | Distribution related book expense not deductible for tax return purposes  |
| Environmental Liability  | 3,233,988          | 3,233,988                        |                      |               |                   | Distribution related book expense for manufactured gas plants not deductible for tax return purposes  |
| Post Employment Liabilities  | 1,292,166          | 1,292,166                        |                      |               |                   | Book expense not deductible for tax return purposes   |
| State NOL Carryforwards  | 14,179,622         | 14,179,622                       |                      |               |                   | State net operating loss carryforward   |
| Tax Credit Carryforward  | 164,560            | 164,560                          |                      |               |                   | Tax credits carryforward to a future period.  |
| Universal Service Rider overcollection   | 7,722,092          | 7,722,092                        |                      |               |                   | Distribution related expense deferred for book purposes and deducted for tax purposes.  |
| Generation Service Charge overcollection   | 9,444,036          | 9,444,036                        |                      |               |                   | Distribution related expense deferred for book purposes and deducted for tax purposes.  |
| Transmission Formula Rate overcollection   | 928,761            |                                  | 928,761              |               |                   | Transmission related expense deferred for book purposes and deducted for tax purposes.  |
| Transmission Service Charge overcollection                                       | 767,188            |                                  | 767,188              |               |                   | Distribution related expense deferred for book purposes and deducted for tax purposes.  |
| Distribution System Improvement Charge overcollection                            | 4,612              |                                  | 4,612                |               |                   | Distribution related expense deferred for book purposes and deducted for tax purposes.  |
| Distribution TCJA Refund   | 11,867,846         | 11,867,846                       |                      |               |                   | Distribution related income that is taxable for tax return purposes, but deferred into a regulatory liability for book purposes to reflect the future refund to customers for overcollected income taxes from January 1 thru June 30, 2018.   |
| Distribution TCJA overcollection   | 782,849            | 782,849                          |                      |               |                   | Distribution related income that is taxable for tax return purposes, but deferred for book purposes.  |
| Competitive Enhancement Rider overcollection                                     | 21,824             | 21,824                           |                      |               |                   | Distribution related expense deferred for book purposes and deducted for tax purposes.  |
| Storm Damage overcollection  | 1,594,329          | 1,594,329                        |                      |               |                   | Distribution related expense deferred for book purposes and deducted for tax purposes.  |
| Book Contingencies   | 488,130            | 488,130                          |                      |               |                   | Distribution related book expense not deductible for tax return purposes.   |
| Charitable Contributions   | 1,707,501          | 1,707,501                        |                      |               |                   | Distribution related tax deduction carryforward to a future period.   |
| Federal NOL Carryforward   | 77,605,435         | 19,904,912                       | 57,700,523           |               |                   | Federal net operating loss carryforward   |
| 2018 Rate Change on NOL deferred taxes assets                                    | 60,360,994         | 22,304,398                       | 38,056,596           |               |                   | 21% to reflect NOL deferred tax assets at the funded amount prior to the rate change. The related FAS 109 deferred tax adjustment is recorded in Account 282.   |
| Subtotal - p224  | 601,102,399        | 420,762,021                      | 167,861,876          | 0             | 12,478,502        |   |
| Less FASB 109 Above if not separately removed                                    | 88,683,345         | 41,714,792                       | 45,867,734           | 0             | 1,100,819         |   |
| Less FASB 106 Above if not separately removed                                    | 24,233,956         |                                  |                      |               |                   |   |
| <b>Total</b>   | <b>488,185,098</b> | <b>354,813,273</b>               | <b>121,994,142</b>   | <b>0</b>      | <b>11,377,683</b> |   |

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

| A  | B                      | C                                | D                    | E             | F                   | G  |
|--|------------------------|----------------------------------|----------------------|---------------|---------------------|--|
| ADIT-282   | Total                  | Gas, Prod, Dist Or Other Related | Transmission Related | Plant Related | Labor Related       | Justification  |
| Account 282  |                        |                                  |                      |               |                     |  |
| ACRS/MACRS Property (Non-Transmission)                               | (814,953,430)          | (814,953,430)                    |                      |               |                     | Deductions for distribution related tax depreciation in excess of book depreciation at federal rate  |
| ACRS/MACRS Property (General Plant)                                  | (72,742,073)           |                                  |                      |               | (72,742,073)        | Deductions for general plant related tax depreciation in excess of book depreciation at applicable federal and state rates   |
| ACRS/MACRS Property (Transmission)                                   | (887,040,863)          |                                  | (887,040,863)        |               |                     | Deductions for transmission related method/life, book and tax recovery differences on pre-ACRS/MACRS property, ACRS/MACRS property and unamortized net negative salvage at federal and state rates.  |
| FAS109 regulatory assets/liabilities related to excess ADIT on plant | 753,422,384            | 435,288,133                      | 315,262,719          |               | 2,871,532           | ASC740 (FAS109) adjustment to adjust deferred tax liabilities for income tax rate changes on plant related book and tax differences with an offset to regulatory liability account 254. The labor related balance reflects the amount allocated to Transmission using the wage and salary allocator. Removed as a FAS109 item below.                                     |
| FAS109 regulatory assets/liabilities related to plant                | (215,033,869)          | (168,164,181)                    | (46,707,440)         |               | (162,248)           | ASC740 (FAS109) adjustment to adjust deferred tax liabilities for the differences in regulatory versus GAAP treatment of ADIT on plant related book and tax differences with an offset to regulatory liability account 254. The labor related balance reflects the amount allocated to Transmission using the wage and salary allocator. Removed as a FAS109 item below. |
| Basis adjustments between book and tax plant (Non-Tx)                | (359,961,975)          | (359,961,975)                    |                      |               |                     | Basis difference between Distribution related book plant and tax plant basis at federal & state rates  |
| Basis adjustments between book and tax plant (General Plant)         | (452,068)              |                                  |                      |               | (452,068)           | Basis difference between book plant and tax plant basis at federal & state rates   |
| Basis adjustments between book and tax plant (Tx-related)            | (52,782,436)           |                                  | (52,782,436)         |               |                     | Basis difference between Transmission related plant and tax plant basis at federal & state rates   |
| RAR adjustments related to plant (Non-Transmission)                  | 2,199,479              | 2,199,479                        |                      |               |                     | Settled IRS audit adjustments related to Distribution plant  |
| Non-Utility Property   | 9,776                  | 9,776                            |                      |               |                     | Difference between net book plant and net tax plant resulting from deductions for non-utility related tax depreciation in excess of book depreciation and cost basis differences between book plant and tax plant at federal and state tax rates   |
| <b>Subtotal - p275</b>   | <b>(1,647,335,075)</b> | <b>(905,582,198)</b>             | <b>(671,268,020)</b> | <b>-</b>      | <b>(70,484,857)</b> |  |
| <b>Less FASB 109 Above if not separately removed</b>                 | <b>539,388,515</b>     | <b>287,123,952</b>               | <b>268,555,279</b>   | <b>-</b>      | <b>2,709,284</b>    |  |
| <b>Less FASB 106 Above if not separately removed</b>                 | <b>-</b>               | <b>-</b>                         | <b>-</b>             | <b>-</b>      | <b>-</b>            |  |
| <b>Total</b>   | <b>(2,185,723,590)</b> | <b>(1,172,706,150)</b>           | <b>(939,823,299)</b> | <b>-</b>      | <b>(73,194,141)</b> |  |

Instructions for Account 282:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
  - ADIT items related only to Transmission are directly assigned to Column D
  - ADIT items related to Plant and not in Columns C & D are included in Column E
  - ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PPL Electric Utilities Corporation

| A  | B                    | C                                | D                    | E                  | F                | G  |
|--|----------------------|----------------------------------|----------------------|--------------------|------------------|--|
| ADIT-283   | Total                | Gas, Prod, Dist Or Other Related | Transmission Related | Plant Related      | Labor Related    | Justification  |
| Account 283  |                      |                                  |                      |                    |                  |  |
| Reacquired debt costs                                | (6,262,421)          |                                  |                      | (6,262,421)        |                  | Plant related expense deferred for book purposes and deducted for tax purposes           |
| Pension and post-retirement                          | (89,381,245)         | (89,381,245)                     |                      |                    |                  | Expense and equity(FAS158) adjustments for book purposes not deductible for tax purposes |
| FAS158 Regulatory Asset                              | (161,193,720)        | (161,193,720)                    |                      |                    |                  | Asset recorded for regulatory purposes for FAS 158 pension and post-retirement costs     |
| Storms Deferrals                                     | (6,358,658)          | (6,358,658)                      |                      |                    |                  | Distribution related expense deferred for book purposes and deducted for tax purposes    |
| Clearing accounts                                    | (429,808)            |                                  |                      |                    | (429,808)        | Expense deferred for book purposes and deducted for tax purposes                         |
| Prepaid Insurance                                    | (1,044,119)          | (864,433)                        |                      |                    | (179,686)        | Distribution related expense deferred for book purposes and deducted for tax purposes.   |
| Conservation Program undercollection                 | (5,509,830)          | (5,509,830)                      |                      |                    |                  | Distribution related expense deferred for book purposes and deducted for tax purposes.   |
| Smart Meter Technology undercollection               | (3,106,641)          | (3,106,641)                      |                      |                    |                  | Distribution related expense deferred for book purposes and deducted for tax purposes.   |
| <b>Subtotal - p277</b>                               | <b>(273,286,442)</b> | <b>(266,414,527)</b>             | <b>-</b>             | <b>(6,262,421)</b> | <b>(609,494)</b> |  |
| <b>Less FASB 109 Above if not separately removed</b> | <b>-</b>             | <b>-</b>                         | <b>-</b>             | <b>-</b>           | <b>-</b>         |  |
| <b>Less FASB 106 Above if not separately removed</b> | <b>-</b>             | <b>-</b>                         | <b>-</b>             | <b>-</b>           | <b>-</b>         |  |
| <b>Total</b>   | <b>(273,286,442)</b> | <b>(266,414,527)</b>             | <b>-</b>             | <b>(6,262,421)</b> | <b>(609,494)</b> |  |

Instructions for Account 283:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
  - ADIT items related only to Transmission are directly assigned to Column D
  - ADIT items related to Plant and not in Columns C & D are included in Column E
  - ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

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

| Other Taxes   | Page 263<br>Col (i) | Allocator                           | Allocated<br>Amount |
|---|---------------------|-------------------------------------|---------------------|
| <b>Plant Related</b>  |                     | <b>Net Plant Allocator</b>          |                     |
| 1 Real Property (State, Municipal or Local)                                 | 3,457,471           |                                     |                     |
| 2 PURTA   | 2,144,942           |                                     |                     |
| 3   |                     |                                     |                     |
| 4   |                     |                                     |                     |
| 5   |                     |                                     |                     |
| 6   |                     |                                     |                     |
| 7   |                     |                                     |                     |
| 8 <b>Total Plant Related</b>  | 5,602,413           | 52.9015%                            | 2,963,760           |
| <b>Labor Related</b>  |                     | <b>Wages &amp; Salary Allocator</b> |                     |
| 9 Federal FICA  | 4,912,921           |                                     |                     |
| 10 Federal Unemployment   | 26,861              |                                     |                     |
| 11 State Unemployment   | 212,473             |                                     |                     |
| 12  |                     |                                     |                     |
| 13  |                     |                                     |                     |
| 14 <b>Total Labor Related</b>   | 5,152,255           | 8.8810%                             | 457,574             |
| <b>Other Included</b>   |                     | <b>Net Plant Allocator</b>          |                     |
| 15 PA Capital Stock Tax   | 0                   |                                     |                     |
| 16 Tax on Insurance Premiums  | 0                   |                                     |                     |
| 17 Local Business License Tax   | 25                  |                                     |                     |
| 18  |                     |                                     |                     |
| 19 <b>Total Other Included</b>  | 25                  | 52.9015%                            | 13                  |
| 20 <b>Total Included (Lines 8 + 14 + 19)</b>                                | 10,754,693          |                                     | 3,421,346           |
| <b>Currently Excluded</b>   |                     |                                     |                     |
| 21 Gross Receipts   | 103,489,511         |                                     |                     |
| 22 Sales and Use  | 108,709             |                                     |                     |
| 23 Indirect Tax   | 0                   |                                     |                     |
| 24  |                     |                                     |                     |
| 25  |                     |                                     |                     |
| 26  |                     |                                     |                     |
| 27  |                     |                                     |                     |
| 28 <b>Subtotal, Excluded</b>  | 103,598,220         |                                     |                     |
| 29 <b>Total, Included and Excluded (Line 20 + Line 28)</b>                  | 114,352,913         |                                     |                     |
| 30 <b>Total Other Taxes from p114.14.c less Tax on Securitization Bonds</b> | 114,352,913         |                                     |                     |
| 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**

|   |  |                                     |
|---|--|-------------------------------------|
| <b>Account 454 - Rent from Electric Property</b>      |  |                                     |
| 1   | Rent from Electric Property - Transmission Related   | 4,718,173                           |
| <b>Account 456 - Other Electric Revenues (Note 1)</b> |  |                                     |
| 2   | Transmission for Others (Note 3)   | -                                   |
| 3   | Schedule 12 Revenues (Note 3)  | 91,531,892                          |
| 4   | Schedule 1A  | 2,694,323                           |
| 5   | Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (Note 3)  | -                                   |
| 6   | Point-to-Point Service revenues for which the load is not included in the divisor received by Transmission Owner (e.g. Schedule 8)   | 2,505,320                           |
| 7   | Professional Services provided to others   | 1,207,214                           |
| 8   | Facilities Charges including Interconnection Agreements (Note 2)   | 319,140                             |
| 9   | Gross Revenue Credits  | (Sum Lines 1-10) <u>102,976,062</u> |
| 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. |                                     |

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

|   |   |                              |                |
|---|---|------------------------------|----------------|
| A | Return and Taxes with 100 Basis Point increase in ROE<br>100 Basis Point increase in ROE and Income Taxes | Line 29 + Line 39 from below | 473,145,499.26 |
| B | 100 Basis Point increase in ROE   |                              | 1.00%          |

| <b>Return Calculation</b> |   | <b>Appendix A Line or Source Reference</b> |                     |
|---------------------------|---|--|---------------------|
| 1                         | <b>Rate Base</b>  | (Attachment A Line 46)                     | 4,076,470,221       |
| <b>Long Term Interest</b> |   |  |                     |
| 2                         | Long Term Interest                                      | (Attachment A Line 80)                     | 159,392,857         |
| 3                         | Less LTD Interest on Securitization Bonds               | Attachment 8                               | -                   |
| 4                         | Long Term Interest                                      | (Line 2 - Line 3)                          | 159,392,857         |
| 5                         | <b>Preferred Dividends</b>                              | enter positive                             | p118.29.c           |
|                           |   |  | 0                   |
| <b>Common Stock</b>       |   |  |                     |
| 6                         | Proprietary Capital                                     | p112.16.c                                  | 4,459,940,796       |
| 7                         | Less Accumulated Other Comprehensive Income Account 219 | p112.15.c                                  | 0                   |
| 8                         | Less Preferred Stock                                    | (Attachment A Line 86)                     | 0                   |
| 9                         | Less Account 216.1                                      | p112.12.c                                  | 644,022             |
| 10                        | Common Stock  | (Line 6 - 7 - 8 - 9)                       | 4,459,296,774       |
| <b>Capitalization</b>     |   |  |                     |
| 11                        | Long Term Debt  | p112.18.c, 19.c & 21.c                     | 3,738,750,000       |
| 12                        | Less Loss on Reacquired Debt                            | p111.81.c                                  | 21,675,204          |
| 13                        | Plus Gain on Reacquired Debt                            | p113.61.c                                  | 0                   |
| 14                        | Less LTD on Securitization Bonds                        | Attachment 8                               | 0                   |
| 15                        | Total Long Term Debt                                    | (Line 11 - 12 + 13 - 14)                   | 3,717,074,796       |
| 16                        | Preferred Stock   | p112.3.c                                   | 0                   |
| 17                        | Common Stock  | (Line 10)                                  | 4,459,296,774       |
| 18                        | Total Capitalization                                    | (Sum Lines 15 to 17)                       | 8,176,371,570       |
| 19                        | Debt %  | Total Long Term Debt                       | (Line 15 / Line 18) |
|                           |   |  | 45.5%               |
| 20                        | Preferred %   | Preferred Stock                            | (Line 16 / Line 18) |
|                           |   |  | 0.0%                |
| 21                        | Common %  | Common Stock                               | (Line 17 / Line 18) |
|                           |   |  | 54.5%               |
| 22                        | Debt Cost   | Total Long Term Debt                       | (Line 4 / Line 15)  |
|                           |   |  | 0.0429              |
| 23                        | Preferred Cost  | Preferred Stock                            | (Line 5 / Line 16)  |
|                           |   |  | 0.0000              |
| 24                        | Common Cost   | Common Stock                               | Fixed               |
|                           |   |  | 0.1268              |
| 25                        | Weighted Cost of Debt                                   | Total Long Term Debt (WCLTD)               | (Line 19 * Line 22) |
|                           |   |  | 0.0195              |
| 26                        | Weighted Cost of Preferred                              | Preferred Stock                            | (Line 20 * Line 23) |
|                           |   |  | 0.0000              |
| 27                        | Weighted Cost of Common                                 | Common Stock                               | (Line 21 * Line 24) |
|                           |   |  | 0.0692              |
| 28                        | <b>Rate of Return on Rate Base ( ROR )</b>              | (Sum Lines 25 to 27)                       | <b>0.0886</b>       |
| 29                        | <b>Investment Return = Rate Base * Rate of Return</b>   | (Line 1 * Line 28)                         | <b>361,377,264</b>  |

| <b>Composite Income Taxes</b> |   |   |                    |
|-------------------------------|---|---|--------------------|
| <b>Income Tax Rates</b>       |   |   |                    |
| 30                            | FIT=Federal Income Tax Rate                                     |   | 21.00%             |
| 31                            | SIT=State Income Tax Rate or Composite                          |   | 9.99%              |
| 32                            | p = percent of federal income tax deductible for state purposes | Per State Tax Code  | 0.00%              |
| 33                            | T   |   | 28.89%             |
| 34                            | CIT = T / (1-T)   | $T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$       | 40.63%             |
| 35                            | 1 / (1-T)   |   | 140.63%            |
| <b>ITC Adjustment</b>         |   |   |                    |
| 36                            | Amortized Investment Tax Credit                                 | Attachment 5  | (13,577)           |
| 37                            | ITC Adjust. Allocated to Trans. - Grossed Up                    | (Line 36 * (1 / (1 - Line 33))                                  | -19,094            |
| <b>Income Tax Adjustments</b> |   |   |                    |
| 37a                           | Other Income Tax Adjustments                                    | Attachment 5  | -1,959,873         |
| 37b                           | Other Income Tax Adjustments - Gross Up                         | Line 37a * (1 / (1 - Line 33))                                  | -2,756,196         |
| 38                            | <b>Income Tax Component =</b>                                   | $CIT=(T/(1-T) * Investment Return * (1-(WCLTD/R)) + Line 37b =$ | 111,787,328        |
| 39                            | <b>Total Income Taxes</b>                                       |   | <b>111,768,235</b> |

Attachment 5 - Cost Support

ITC Adjustment

| 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 | -33,116           | -13,577              | -19,539                  | 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 | Details  |
|--|--------------------------|---|-------------------|----------------------------------|----------------------------------|--------------------------|--|
| 24   | Land Held for Future Use | (Note C) p.214.d - p214.6.d & Company Records<br>(Note P) Company Records | 23,810,510        | 18,113,471                       | 3,103,870                        | 2,593,169                | Removal of land held for future use (if any) that is included in CWIP balance<br>Gains from the sale of Land Held for Future Use<br>Balance for Appendix A |
|  |                          |   |                   | 0                                | 0                                |                          |  |
|  |                          |   |                   | 18,113,471                       | 3,103,870                        |                          |  |

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   |
|--|--------------------------------|--|-----------|-------------------------|----------------|---|
| <b>Allocated Administrative &amp; General Expenses</b>                       |                                |  |           |                         |                |   |
| 53   | Fixed PBOP expense             | FERC Authorized Company Records p323.185.b | 1,518,585 |                         |                | Current year actual PBOP expense<br>Annual Premium associated with storm insurance excluding recoveries related to prior periods.<br>(See FM 1 note to page 320 line 185) |
| 54   | Actual PBOP expense            |  | -64,038   |                         |                |   |
| 65   | Property Insurance Account 924 |  | 1,619,278 | 0                       | 1,619,278      |   |

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 |
|--|---------------------------------------|--------------------|-------------------|----------------------|--------------------------|---------|
| <b>Directly Assigned A&amp;G</b>   |                                       |                    |                   |                      |                          |         |
| 62   | Regulatory Commission Exp Account 928 | (Note G) p350-151h | 6,755,111         | 337,697              | 6,417,414                |         |

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 |
|--|---------------------------------------|---------------------|-------------------|----------------|--------------------|---------|
| <b>Directly Assigned A&amp;G</b>   |                                       |                     |                   |                |                    |         |
| 66   | General Advertising Exp Account 930.1 | (Note F) p323.191.b | 135               | -              | 135                |         |

MultiState Workpaper

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

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 |
|--|---------------------------------------|---------------------|-------------------|----------------------|-------|---------|
| <b>Directly Assigned A&amp;G</b>   |                                       |                     |                   |                      |       |         |
| 63   | General Advertising Exp Account 930.1 | (Note K) p323.191.b | 135               | -                    | 135   |         |

Attachment 5 - Cost Support

Excluded Plant Cost Support

| Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions |  |  | Excluded Transmission Facilities | Description of the Facilities         |
|--|--|--|----------------------------------|---------------------------------------|
| 127  | Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities<br>Excluded Transmission Facilities (Note M)  |  |                                  | General Description of the Facilities |
|  | Instructions:<br>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<br>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:<br>Example<br>A Total investment in substation 1,000,000<br>B Identifiable investment in Transmission (provide workpaper) 500,000<br>C Identifiable investment in Distribution (provide workpapers) 400,000<br>D Amount to be excluded (A x (C / (B + C))) 444,444 |  | Enter \$<br>0<br>Or<br>Enter \$  | None                                  |
| Add more lines if necessary  |  |  |                                  |                                       |

Prepayments and Prepaid Pension Asset

| Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions |  |  | Form No. 1 Amount | Prepayments on Securitization Bonds Adjustment | POLR and Retail Related Adjustment | Prepayments | W&S Allocator | Functionalized to TX | Description of the Prepayments                                       |
|--|--|--|-------------------|--|------------------------------------|-------------|---------------|----------------------|--|
| 36   | Prepayments<br>Prepayments (Note A) (Note O) Form 1 -- p111.57.c |  | 5,504,560         | 0  | 2,991,935                          | 2,512,625   | 8.8810%       | 223,147              | 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 |  | 179,960,117 | 128,887     | 179,831,230          | Adjustment for Ancillary Services p321.88b and p321.92b. |
| 48   | Less Account 565 p.321.96.b  |  | 138,780,889 | 0           | 138,780,889          | None   |

Facility Credits under Section 30.9 of the PJM OATT

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

PJM Load Cost Support

| Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions |   |  | 1 CP Peak | Description & PJM Documentation |
|--|---|--|-----------|---------------------------------|
| 149  | Network Zonal Service Rate<br>1 CP Peak (Note L) PJM Data |  | 7,681.3   |                                 |

Depreciation Expense

| Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions |   |  | Total       | Actual Cost of Removal, Net of Salvage Costs |             |             |             |             | Total       | 5 - Year Amortization |
|--|---|--|-------------|--|-------------|-------------|-------------|-------------|-------------|-----------------------|
|  |   |  |             | Year 1 2013                                  | Year 2 2014 | Year 3 2015 | Year 4 2016 | Year 5 2017 |             |                       |
| 71   | Transmission Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records   |  | 80,461,717  |  |             |             |             |             |             |                       |
|  | Transmission Plant Cost of Removal, Net of Salvage (Note J) Company Records                               |  | 21,070,690  | 1,560,069                                    | 16,131,452  | 8,276,939   | 49,254,536  | 30,130,454  | 105,353,450 | 21,070,690            |
|  | Total Transmission Depreciation Expense Including Amortization of Limited Term F (Note J) Company Records |  | 101,532,406 |  |             |             |             |             |             |                       |
| 72   | General Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records        |  | 53,234,251  |  |             |             |             |             |             |                       |
|  | General Plant Cost of Removal, Net of Salvage (Note J) Company Records                                    |  | -402,954    | -384,081                                     | -686,454    | 1,119       | -962,228    | 16,883      | -2,014,761  | -402,952              |
|  | Total General Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records  |  | 52,831,297  |  |             |             |             |             |             |                       |

Other Income Tax Adjustments

| Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions |  |  | Total      |
|--|--|--|------------|
|  | Amortized Excess Deferred Taxes (Note Q) Company Records                 |  | -2,298,474 |
|  | Amortized Deficient Deferred Taxes (Note Q) Company Records              |  | 0          |
|  | Tax effect of AFUDC Equity Permanent Difference (Note Q) Company Records |  | 338,601    |
| 114a   | Total Other Income Tax Adjustments                                       |  | -1,959,873 |

**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)  
\$ 413,855,178 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<br>Other Plant In Service | Monthly Additions<br>Northeast Pocono<br>Reliability Project CWIP | Monthly Additions<br>Susq-Rose CWIP<br>< 500kV (b0487.1) | Monthly Additions<br>Susq-Rose PIS<br>< 500kV (b0487.1) | Monthly Additions<br>Susq-Rose CWIP<br>≥ 500kV (b0487) | Monthly Additions<br>Susq-Rose PIS<br>≥ 500kV (b0487) | Weighting | Other Plant In Service<br>Amount (A x G) | NPR CWIP<br>Amount (B x G) | Susq-Rose CWIP<br>Amount (C x G) | Susq-Rose PIS<br>Amount (D x G) | Susq-Rose CWIP<br>Amount (E x G) | Susq-Rose PIS<br>Amount (F x G) | Other Plant In Service<br>(H / I)  | NPR CWIP<br>(J / I) | Susq-Rose CWIP<br>(L / I) | Susq-Rose PIS<br>(K / I) | Susq-Rose CWIP<br>(R / I) | Susq-Rose PIS<br>(S / I) |             |
| CWIP Balance Dec (prior yr.)  |   |   |  |   |  |   | 12        |  |                            |                                  |                                 |                                  |                                 |  |                     |                           |                          |                           |                          |             |
| Jan   | 17,095,816                                  | 0   | -  | -   | -  | -   | 11.5      | 196,401,884                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 16,282,490  |
| Feb   | 24,301,926                                  | 0   | -  | -   | -  | -   | 10.5      | 255,170,223                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 21,244,185  |
| Mar   | 20,322,227                                  | 0   | -  | -   | -  | -   | 9.5       | 193,061,157                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 16,088,430  |
| Apr   | 36,859,111                                  | 0   | -  | -   | -  | -   | 8.5       | 313,302,444                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 26,108,537  |
| May   | 32,820,732                                  | 0   | -  | -   | -  | -   | 7.5       | 246,155,490                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 20,512,958  |
| Jun   | 90,169,760                                  | 0   | -  | -   | -  | -   | 6.5       | 586,103,440                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 48,841,953  |
| Jul   | 48,246,672                                  | 0   | -  | -   | -  | -   | 5.5       | 265,356,696                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 22,113,058  |
| Aug   | 21,535,534                                  | 0   | -  | -   | -  | -   | 4.5       | 96,909,903                               | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 8,075,825   |
| Sep   | 32,581,440                                  | 0   | -  | -   | -  | -   | 3.5       | 113,965,040                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 9,497,087   |
| Oct   | 26,544,510                                  | 0   | -  | -   | -  | -   | 2.5       | 66,361,275                               | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 5,530,106   |
| Nov   | 120,676,843                                 | 0   | -  | -   | -  | -   | 1.5       | 181,015,265                              | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 15,084,605  |
| Dec   | 90,016,631                                  | 0   | -  | -   | -  | -   | 0.5       | 45,008,316                               | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 3,750,693   |
| Total   | 561,151,202                                 | -   | -  | -   | -  | -   |           | 2,559,011,131                            | -                          | -                                | -                               | -                                | -                               | -  | -                   | -                         | -                        | -                         | -                        | 213,250,928 |
| New Transmission Plant Additions and CWIP (weighted by months in service) |   |   |  |   |  |   |           |  |                            |                                  |                                 |                                  |                                 | 213,250,928  |                     |                           |                          |                           |                          | 213,250,928 |
|   |   |   |  |   |  |   |           |  |                            |                                  |                                 |                                  |                                 | Input to Line 17 of Appendix A<br>Input to Line 35 of Appendix A<br>Month in Service or Month for CWIP | 7.44                | #DIV/0!                   |                          | #DIV/0!                   |                          |             |

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula  
\$ 437,357,581 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  
\$ 437,357,581 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)  
\$ 437,357,581

6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)  
\$ 484,389,762 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

\$ 619,178,996 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<br>Other Plant In Service | Monthly Additions<br>Northeast Pocono<br>Reliability Project CWIP | Monthly Additions<br>Susq-Rose CWIP<br>< 500KV (B0487.1) | Monthly Additions<br>Susq-Rose PIS<br>< 500KV (B0487.1) | Monthly Additions<br>Susq-Rose CWIP<br>>= 500KV (B0487) | Monthly Additions<br>Susq-Rose PIS<br>>= 500KV (B0487) | Weighting | Other Plant In Service<br>Amount (A x G) | NPR CWIP<br>Amount (B x G) | Susq-Rose CWIP<br>Amount (C x G)<br>< 500KV (B0487.1) | Susq-Rose PIS<br>Amount (D x G)<br>< 500KV (B0487.1) | Susq-Rose CWIP<br>Amount (E x G)<br>>= 500KV (B0487) | Susq-Rose PIS<br>Amount (F x G)<br>>= 500KV (B0487) | Other Plant In Service<br>(H / 12) | NPR CWIP<br>(I / 12) | Susq-Rose CWIP<br>(J / 12)<br>< 500KV (B0487.1) | Susq-Rose PIS<br>(K / 12)<br>< 500KV (B0487.1) | Susq-Rose CWIP<br>(L / 12)<br>>= 500KV (B0487) | Susq-Rose PIS<br>(M / 12)<br>>= 500KV (B0487) |             |
| CWIP Balance Dec (prior yr)   |   |   |  |   |   |  | 12        |  |                            |   |  |  |   |                                    |                      |   |  |  |   |             |
| Jan   | 17,095,816                                  | 0   | 0  | 0   | -   | -  | 11.5      | 196,601,884                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 16,383,490  |
| Feb   | 24,301,926                                  | 0   | 0  | 0   | -   | -  | 10.5      | 255,170,223                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 21,264,185  |
| Mar   | 20,322,227                                  | 0   | 0  | 0   | -   | -  | 9.5       | 193,361,157                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 16,088,430  |
| Apr   | 48,248,157                                  | 0   | 0  | 0   | -   | -  | 8.5       | 410,109,335                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 34,175,778  |
| May   | 31,060,565                                  | 0   | 0  | 0   | -   | -  | 7.5       | 232,954,238                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 19,412,853  |
| Jun   | 85,649,350                                  | 0   | 0  | 0   | -   | -  | 6.5       | 556,720,775                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 46,393,398  |
| Jul   | 54,752,199                                  | 0   | 0  | 0   | -   | -  | 5.5       | 301,137,095                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 25,094,758  |
| Aug   | 60,788,688                                  | 0   | 0  | 0   | -   | -  | 4.5       | 273,549,096                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 22,795,758  |
| Sep   | 21,845,622                                  | 0   | 0  | 0   | -   | -  | 3.5       | 76,459,677                               | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 6,371,640   |
| Oct   | 95,441,815                                  | 0   | 0  | 0   | -   | -  | 2.5       | 238,604,538                              | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 19,883,711  |
| Nov   | 63,751,523                                  | 0   | 0  | 0   | -   | -  | 1.5       | 95,627,285                               | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 7,968,940   |
| Dec   | 95,921,108                                  | 0   | 0  | 0   | -   | -  | 0.5       | 47,960,554                               | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 3,996,713   |
| Total   | 619,178,996                                 | -   | -  | -   | -   | -  | -         | 2,877,955,854                            | -                          | -   | -  | -  | -   | -                                  | -                    | -   | -  | -  | -   | 239,829,655 |
| New Transmission Plant Additions and CWIP (weighted by months in service) |   |   |  |   |   |  |           |  |                            |   |  |  |   |                                    |                      |   |  |  |   |             |
|   |   |   |  |   |   |  |           |  |                            |   |  |  |   | Input to Line 17 of Appendix A     | 239,829,655          |   |  |  |   | 239,829,655 |
|   |   |   |  |   |   |  |           |  |                            |   |  |  |   | Input to Line 35 of Appendix A     |                      |   |  |  |   |             |
|   |   |   |  |   |   |  |           |  |                            |   |  |  |   | Month in Service or Month for CWIP | 7.35                 |   |  |  |   |             |

\$ 442,740,583 Result of Formula for Reconciliation

Must run Appendix A to get this number (with inputs in lines 16, 17 and 35 of Appendix A)  
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)

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

|                              |             |                            |             |   |           |   |
|------------------------------|-------------|----------------------------|-------------|---|-----------|---|
| The Reconciliation in Step 8 | 442,740,583 | The forecast in Prior Year | 437,357,581 | = | 3,003,503 | added Act 129 Wage Adj. Debl. Cost Adj. |
|------------------------------|-------------|----------------------------|-------------|---|-----------|---|

Interest on Amount of Refunds or Surcharges

| Month  | Yr     | 1/12 of Step 8<br>(See Note #1) | Interest rate for<br>March of the Current Yr | Months                      | Interest  | Surcharge (Refund) Owed | Note #1: For the initial rate year, enter zero for the first five months,<br>June Year 1 through October Year 1. Enter 1/12 of Step 8<br>for the months Nov Year 1 through May Year 2. |
|--|--------|---------------------------------|--|-----------------------------|-----------|-------------------------|--|
| Jun  | Year 1 | 250,291.92                      | 0.4500%                                      | 11.5                        | 12,953    | 263,245                 |  |
| Jul  | Year 1 | 250,292                         | 0.4500%                                      | 10.5                        | 11,826    | 262,118                 |  |
| Aug  | Year 1 | 250,292                         | 0.4500%                                      | 9.5                         | 10,700    | 260,992                 |  |
| Sep  | Year 1 | 250,292                         | 0.4500%                                      | 8.5                         | 9,574     | 259,866                 |  |
| Oct  | Year 1 | 250,292                         | 0.4500%                                      | 7.5                         | 8,447     | 258,739                 |  |
| Nov  | Year 1 | 250,292                         | 0.4500%                                      | 6.5                         | 7,321     | 257,613                 |  |
| Dec  | Year 1 | 250,292                         | 0.4500%                                      | 5.5                         | 6,195     | 256,487                 |  |
| Jan  | Year 2 | 250,292                         | 0.4500%                                      | 4.5                         | 5,068     | 255,360                 |  |
| Feb  | Year 2 | 250,292                         | 0.4500%                                      | 3.5                         | 3,942     | 254,234                 |  |
| Mar  | Year 2 | 250,292                         | 0.4500%                                      | 2.5                         | 2,816     | 253,108                 |  |
| Apr  | Year 2 | 250,292                         | 0.4500%                                      | 1.5                         | 1,689     | 251,981                 |  |
| May  | Year 2 | 250,292                         | 0.4500%                                      | 0.5                         | 563       | 250,855                 |  |
| Total  |        | 3,003,503                       |  |                             |           | 3,084,598               |  |
|  |        | Balance                         | Interest rate from above                     | Amortization over Rate Year | Balance   |                         |  |
| Jun  | Year 2 | 3,084,598                       | 0.4500%                                      | 264,630                     | 2,833,848 |                         |  |
| Jul  | Year 2 | 2,833,848                       | 0.4500%                                      | 264,630                     | 2,581,970 |                         |  |
| Aug  | Year 2 | 2,581,970                       | 0.4500%                                      | 264,630                     | 2,328,958 |                         |  |
| Sep  | Year 2 | 2,328,958                       | 0.4500%                                      | 264,630                     | 2,074,808 |                         |  |
| Oct  | Year 2 | 2,074,808                       | 0.4500%                                      | 264,630                     | 1,819,514 |                         |  |
| Nov  | Year 2 | 1,819,514                       | 0.4500%                                      | 264,630                     | 1,563,072 |                         |  |
| Dec  | Year 2 | 1,563,072                       | 0.4500%                                      | 264,630                     | 1,305,475 |                         |  |
| Jan  | Year 3 | 1,305,475                       | 0.4500%                                      | 264,630                     | 1,046,720 |                         |  |
| Feb  | Year 3 | 1,046,720                       | 0.4500%                                      | 264,630                     | 786,799   |                         |  |
| Mar  | Year 3 | 786,799                         | 0.4500%                                      | 264,630                     | 525,710   |                         |  |
| Apr  | Year 3 | 525,710                         | 0.4500%                                      | 264,630                     | 263,445   |                         |  |
| May  | Year 3 | 263,445                         | 0.4500%                                      | 264,630                     | -         |                         |  |
| Total with interest  |        |                                 |  |                             | 3,175,565 |                         |  |
| The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest |        |                                 |  |                             | 3,175,565 |                         |  |
| Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 9)                |        |                                 |  | \$                          | -         |                         |  |
| Revenue Requirement for Year 3   |        |                                 |  |                             | 3,175,565 |                         |  |



Attachment 7 - Transmission Enhancement

|   |   |     |   |          |
|---|---|-----|---|----------|
| 1 | New Plant Carrying Charge                   |     |   |          |
| 2 | <b>Fixed Charge Rate (FCR) if not a CMC</b> |     |   |          |
| 3 | Formula Line                                |     |   |          |
| 4 | A   | 137 | Net Plant Carrying Charge without Depreciation                            | 10.6072% |
| 5 | B   | 144 | Net Plant Carrying Charge per 100 Basic Poles in ROE without Depreciation | 11.2556% |
|   | C   |     | Line B Less Line A  | 0.6493%  |
| 6 | <b>FCR if a CIAC</b>                        |     |   |          |
| 7 | D   | 138 | Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes  | 1.4307%  |

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   | Sonogahanna - Rosland CWP (00487) - 500kV |              |        |         | Actual Sonogahanna - Rosland PS (00487) - 500kV |              |        |         | Hosack Wavrap (001173) |              |        |         | Alburtis Wavrap (010121) |              |        |         | Junida Wavrap (003412) |              |        |         | Sonogahanna - Rosland CBIP (00487) - 500kV |              |        |         | Actual Sonogahanna - Rosland PS (00487) - 500kV |              |        |         |         |  |  |  |
|---|---|--------------|--------|---------|---|--------------|--------|---------|------------------------|--------------|--------|---------|--------------------------|--------------|--------|---------|------------------------|--------------|--------|---------|--|--------------|--------|---------|---|--------------|--------|---------|---------|--|--|--|
| "Yes" if a project under PJM OATT Schedule 12, otherwise "No"   | Yes                                       |              |        |         | Yes   |              |        |         | Yes                    |              |        |         | Yes                      |              |        |         | Yes                    |              |        |         | Yes  |              |        |         | Yes   |              |        |         |         |  |  |  |
| Useful life of the project  | 42.00                                     |              |        |         | 42.00   |              |        |         | 42.00                  |              |        |         | 42.00                    |              |        |         | 42.00                  |              |        |         | 42.00                                      |              |        |         | 42.00   |              |        |         |         |  |  |  |
| "Yes" if the customer has paid a lumpsum payment in the amount of the investment on line 25. Otherwise "No" | No  |              |        |         | No  |              |        |         | No                     |              |        |         | No                       |              |        |         | No                     |              |        |         | No   |              |        |         | No  |              |        |         |         |  |  |  |
| CIAC  | Yes                                       |              |        |         | No  |              |        |         | No                     |              |        |         | No                       |              |        |         | No                     |              |        |         | No   |              |        |         | No  |              |        |         |         |  |  |  |
| Input the allowed increase in ROE   | 1.25                                      |              |        |         | 1.25  |              |        |         | 0                      |              |        |         | 0                        |              |        |         | 0                      |              |        |         | 1.25                                       |              |        |         | 1.25  |              |        |         |         |  |  |  |
| From line 3 above if "No" on line 13 and from line 7 above if "Yes" on line 13                              | 10.6072%                                  |              |        |         | 10.6072%  |              |        |         | 10.6072%               |              |        |         | 10.6072%                 |              |        |         | 10.6072%               |              |        |         | 10.6072%                                   |              |        |         | 10.6072%  |              |        |         |         |  |  |  |
| Line 14 plus (line 5 times line 15)/100   | 11.4189%                                  |              |        |         | 11.4189%  |              |        |         | 10.6072%               |              |        |         | 10.6072%                 |              |        |         | 10.6072%               |              |        |         | 11.4189%                                   |              |        |         | 11.4189%  |              |        |         |         |  |  |  |
| Project subaccount of Plant in Service Account 101 or 106 if not yet classified                             | 0   |              |        |         | 618,943,596                                     |              |        |         | 86,626                 |              |        |         | 62,267                   |              |        |         | 125,504                |              |        |         | 0  |              |        |         | 14,971,415                                      |              |        |         |         |  |  |  |
| Line 17 divided by line 12  | -   |              |        |         | 14,737,371                                      |              |        |         | 1,478                  |              |        |         | 1,478                    |              |        |         | 2,941                  |              |        |         | -  |              |        |         | 14,971,415                                      |              |        |         |         |  |  |  |
| Months in which project is placed in service (e.g., Jan-Mar)  | -   |              |        |         | -   |              |        |         | -                      |              |        |         | -                        |              |        |         | -                      |              |        |         | -  |              |        |         | -   |              |        |         | 266,487 |  |  |  |
| Invest Yr   | Beginning                                 | Depreciation | Ending | Revenue | Beginning                                       | Depreciation | Ending | Revenue | Beginning              | Depreciation | Ending | Revenue | Beginning                | Depreciation | Ending | Revenue | Beginning              | Depreciation | Ending | Revenue | Beginning                                  | Depreciation | Ending | Revenue | Beginning                                       | Depreciation | Ending | Revenue |         |  |  |  |
| 2008  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2009  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2010  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2011  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2012  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2013  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2014  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2015  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2016  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2017  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2018  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2019  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2020  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2021  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2022  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2023  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2024  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2025  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 2026  | -   | -            | -      | -       | -   | -            | -      | -       | -                      | -            | -      | -       | -                        | -            | -      | -       | -                      | -            | -      | -       | -  | -            | -      | -       | -   | -            | -      | -       |         |  |  |  |
| 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 CWP:  
 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     | <b>Less Prepayments on Securitization Bonds</b>                         | 0 | (See FM 1, note to page 110, line 57)       |
|        | Administrative and General Expenses                                     |   |   |
| 52     | <b>Less Administrative and General Expenses on Securitization Bonds</b> | 0 | (See FM 1, note to page 114, line 4)        |
|        | Taxes Other Than Income   |   |   |
| 78     | <b>Less Taxes Other Than Income on Securitization Bonds</b>             | 0 | (See FM 1, note to page 114, line 14)       |
|        | Long Term Interest  |   |   |
| 81     | <b>Less LTD Interest on Securitization Bonds</b>                        | 0 | (See FM 1, note to page 114, lines 62 + 63) |
|        | Capitalization  |   |   |
| 92     | <b>Less LTD on Securitization Bonds</b>                                 | 0 | (See FM 1, note to page 112, line 18)       |

Calculation of the above Securitization Adjustments

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

PPL Electric Utilities Corporation

Attachment 9 - Depreciation Rates

| (A)                 | (B)  | (C)            | (D)             | (E)         | (F)            | (G)                       | (H)                        | (I)                         | (J)                    | (K)                     |
|---------------------|--|----------------|-----------------|-------------|----------------|---------------------------|----------------------------|-----------------------------|------------------------|-------------------------|
| Number              | Plant Type   | Estimated Life | Mortality Curve | Current Age | Remaining Life | Applied Depreciation Rate | Gross Depreciable Plant \$ | Accumulated Depreciation \$ | Depreciable Balance \$ | Depreciation Expense \$ |
| <b>Transmission</b> |  |                |                 |             |                |                           |                            |                             |                        |                         |
| 350.4               | Land Rights  | 80             | S4              | 15.3        | 64.70          | 1.5116                    | 218,904,892                | 51,487,669                  | 167,417,223            | 2,530,718               |
| 352                 | Structures and Improvements                              | 65             | R3              | 8.3         | 56.70          | 1.5806                    | 134,629,039                | 20,148,743                  | 114,480,296            | 1,809,521               |
| 353                 | Station Equipment  | 46             | R1.5            | 6.1         | 39.90          | 2.3010                    | 1,708,526,312              | 215,910,513                 | 1,492,615,799          | 34,345,550              |
| 354                 | Towers and Fixtures                                      | 75             | R3              | 7.3         | 67.70          | 1.1804                    | 1,852,507,369              | 193,800,318                 | 1,658,707,051          | 19,578,593              |
| 354.2               | Towers and Fixtures - Clearing Land and Rights of Way    | 80             | R4              | 33.7        | 46.30          | 2.6010                    | 11,335,284                 | 7,678,473                   | 3,656,811              | 95,114                  |
| 355                 | Poles and Fixtures                                       | 53             | R0.5            | 14.8        | 38.20          | 2.6533                    | 130,811,040                | 2,062,274                   | 128,748,766            | 3,416,048               |
| 355.2               | Poles and Fixtures - Clearing Land and Rights of Way     | 80             | R4              | 18.0        | 62.00          | 1.5966                    | 12,465,210                 | 4,620,699                   | 7,844,511              | 125,244                 |
| 356                 | Overhead Conductors and Devices                          | 65             | R2.5            | 7.8         | 57.20          | 1.9037                    | 994,242,724                | 111,770,661                 | 882,472,063            | 16,799,527              |
| 357                 | Underground Conduit                                      | 55             | S4              | 9.0         | 46.00          | 2.0049                    | 19,688,059                 | 4,113,211                   | 15,574,848             | 312,253                 |
| 358                 | Underground Conductors and Devices                       | 45             | S3              | 8.2         | 36.80          | 2.7346                    | 64,051,010                 | 13,520,996                  | 50,530,014             | 1,381,789               |
| 359                 | Roads and Trails   | 80             | R4              | 33.0        | 47.00          | 2.1607                    | 6,572,347                  | 3,455,579                   | 3,116,768              | 67,344                  |
|                     |  |                |                 |             |                |                           |                            |                             |                        | 80,461,701              |
| <b>General</b>      |  |                |                 |             |                |                           |                            |                             |                        |                         |
| 389.4               | Land Rights  | 75             | R4              | 44.4        | 30.60          | 3.2312                    | 4,399                      | 2,016                       | 2,383                  | 77                      |
| 390.2               | Structures and Improvements - Buildings                  | 52             | S0.5            | 33.8        | 18.20          | 7.0549                    | 396,813,405                | 114,998,573                 | 281,814,832            | 19,881,741              |
| 390.21              | Structures and Improvements - Leaseholds                 | 10             | SQ              |             | 6.50           | 62.1289                   | 931,821                    | 879,256                     | 52,565                 | 32,658                  |
| 390.4               | Structures and Improvements - Air Conditioning           | 30             | S1              | 9.0         | 21.00          | 4.5544                    | 51,774,094                 | 15,253,143                  | 36,520,951             | 1,663,317               |
| 391.1               | Office Furniture and Equipment - RF Mesh Computer Equip. | 5              | SQ              |             | 2.60           | 18.3910                   | 23,122,338                 | 7,877,000                   | 15,245,338             | 4,252,428               |
| 391.2               | Office Furniture and Equipment - Furniture               | 20             | SQ              |             | 9.30           | 4.8755                    | 23,371,275                 | 11,907,818                  | 11,463,457             | 1,139,462               |
| 391.4               | Office Furniture and Equipment - Equipment               | 15             | SQ              |             | 6.70           | 6.3345                    | 4,115,098                  | 1,849,472                   | 2,265,626              | 260,672                 |
| 391.6               | Office Furniture and Equipment - Computers               | 5              | SQ              |             | 2.20           | 20.0851                   | 93,320,991                 | 44,529,015                  | 48,791,976             | 18,743,615              |
| 392.1               | Transportation Equipment - Automobiles                   | 9              | S3              | 2.1         | 6.90           | 9.7579                    | 8,044,798                  | 6,704,412                   | 1,340,386              | 130,793                 |
| 392.2               | Transportation Equipment - Light Duty Trucks             | 9              | R1              | 2.9         | 6.10           | 9.4584                    | 17,842,895                 | 8,764,661                   | 9,078,234              | 858,653                 |
| 392.3               | Transportation Equipment - Heavy Duty Trucks             | 13             | S3              | 4.4         | 8.60           | 7.2216                    | 86,824,496                 | 52,542,779                  | 34,281,717             | 2,475,689               |
| 392.4               | Transportation Equipment - Trailers                      | 23             | L2              | 7.4         | 15.60          | 3.3943                    | 8,270,185                  | 3,148,342                   | 5,121,843              | 173,852                 |
| 392.5               | Transportation Equipment - Large Tankers/Tractors        | 15             | L4              | 8.1         | 6.90           | 8.9210                    | 2,706,373                  | 1,204,684                   | 1,501,689              | 133,965                 |
| 392.6               | Transportation Equipment - Large Crane Trucks            | 13             | S3              | 10.4        | 2.60           | 31.8145                   | 526,575                    | 398,432                     | 128,143                | 40,768                  |
| 393                 | Stores Equipment   | 25             | SQ              |             | 9.30           | 4.4651                    | 2,308,537                  | 1,129,453                   | 1,179,084              | 103,078                 |
| 394                 | Tools and Work Equipment - L&S Line Crews                | 20             | SQ              |             | 5.80           | 5.7167                    | 4,542,464                  | 2,971,165                   | 1,571,299              | 259,679                 |
| 394.2               | Tools and Work Equipment - Tools                         | 20             | SQ              |             | 7.70           | 5.3812                    | 169,163                    | 94,804                      | 74,359                 | 9,103                   |
| 394.4               | Tools and Work Equipment - Construction Dept.            | 20             | SQ              |             | 8.40           | 5.0161                    | 1,253,451                  | 740,457                     | 512,994                | 62,874                  |
| 394.6               | Tools and Work Equipment - Other                         | 20             | SQ              |             | 12.70          | 4.8200                    | 30,003,804                 | 10,725,613                  | 19,278,191             | 1,446,189               |
| 394.8               | Tools and Work Equipment - Garage Equipment              | 20             | SQ              |             | 12.70          | 4.5837                    | 2,235,660                  | 761,637                     | 1,474,023              | 102,475                 |
| 395                 | Laboratory Equipment                                     | 20             | SQ              |             | 9.50           | 5.1884                    | 4,513,449                  | 2,382,447                   | 2,131,002              | 234,175                 |
| 396                 | Power Operated Equipment                                 | 16             | R1              | 4.4         | 11.60          | 8.3148                    | 1,734,020                  | 642,772                     | 1,091,248              | 90,735                  |
| 397                 | Communication Equipment                                  | 15             | SQ              |             | 11.20          | 6.0188                    | 16,089,070                 | 6,586,148                   | 9,502,922              | 968,375                 |
| 398                 | Miscellaneous Equipment                                  | 20             | SQ              |             | 13.00          | 5.1799                    | 3,910,105                  | 1,198,984                   | 2,711,121              | 202,540                 |
|                     |  |                |                 |             |                |                           |                            |                             |                        | 53,266,913              |
| <b>Intangible</b>   |  |                |                 |             |                |                           |                            |                             |                        |                         |
| 303.2               | Miscellaneous Intangible Plant - Software                | 5              | SQ              |             | 2.60           | 20.00                     | 143,270,509                | 75,236,136                  | 68,034,373             | 29,938,571              |
| 303.5               | Smart Meter Software                                     | 5              | SQ              |             | 1.00           | 20.00                     | 1,290,325                  | 1,230,362                   | 59,963                 | 569,696                 |
| 303.6               | Smart Meter Software - RF Mesh                           | 5              | SQ              |             | 2.50           | 20.00                     | 80,261,961                 | 32,661,398                  | 47,600,563             | 16,768,133              |
|                     |  |                |                 |             |                |                           |                            |                             |                        | 47,276,400              |

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 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 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)<br>Number  | (B)<br>Plant Type   | (C)<br>Estimated<br>Life | (G)<br>Applied<br>Depreciation Rate | (H)<br>Gross Depreciable<br>Plant<br>\$ | (I)<br>Accumulated<br>Depreciation<br>\$ | (J)<br>Depreciable<br>Balance<br>\$ | (K)<br>Depreciation<br>Expense<br>\$ |
|----------------|---|--------------------------|-------------------------------------|---|--|-------------------------------------|--------------------------------------|
| <b>General</b> |   |                          |                                     |   |  |                                     |                                      |
| 390.21         | Structures and Improvements - Leaseholds - Net Method                       | 10                       | 62.1289                             | 931,821                                 | 879,256                                  | 52,565                              | 32,658                               |
| 391.1          | Structures and Improvements - Leaseholds - Net Method                       | 5                        | 18.3910                             | 23,122,338                              | 7,877,000                                | 15,245,338                          | 4,252,428                            |
| 391.2          | Office Furniture and Equipment - Furniture - Gross Method                   | 20                       | 4.7839                              | 21,799,323                              | 10,414,268                               | 11,385,055                          | 1,042,861                            |
| 391.2          | Office Furniture and Equipment - Furniture - Net Method                     | 20                       | 123.2124                            | 1,571,952                               | 1,493,550                                | 78,402                              | 96,601                               |
|                |   |                          |                                     | 23,371,275                              | 11,907,818                               | 11,463,457                          | 1,139,462                            |
| 391.4          | Office Furniture and Equipment - Mechanical Equipment - Gross Method        | 15                       | 6.3333                              | 4,110,182                               | 1,845,054                                | 2,265,128                           | 260,312                              |
| 391.4          | Office Furniture and Equipment - Mechanical Equipment - Net Method          | 15                       | 72.2892                             | 4,916                                   | 4,418                                    | 498                                 | 360                                  |
|                |   |                          |                                     | 4,115,098                               | 1,849,472                                | 2,265,626                           | 260,672                              |
| 391.6          | Office Furniture and Equipment - Computer Equipment - General- Gross Method | 5                        | 20.0851                             | 93,320,991                              | 44,529,015                               | 48,791,976                          | 18,743,615                           |
| 393            | Store Equipment - Gross Method  | 25                       | 3.5435                              | 1,693,166                               | 756,436                                  | 936,730                             | 59,997                               |
| 393            | Store Equipment - Net Method  | 25                       | 17.7761                             | 615,371                                 | 373,017                                  | 242,354                             | 43,081                               |
|                |   |                          |                                     | 2,308,537                               | 1,129,453                                | 1,179,084                           | 103,078                              |
| 394            | Tools, Shop and Garage Equipment - Distribution Line Crews - Gross Method   | 20                       | 5.0000                              | 2,371,042                               | 1,420,128                                | 950,914                             | 118,553                              |
| 394            | Tools, Shop and Garage Equipment - Distribution Line Crews - Net Method     | 20                       | 22.7481                             | 2,171,422                               | 1,551,037                                | 620,385                             | 141,126                              |
|                |   |                          |                                     | 4,542,464                               | 2,971,165                                | 1,571,299                           | 259,679                              |
| 394.2          | Tools, Shop and Garage Equipment - Tools - Gross Method                     | 20                       | 4.9641                              | 138,818                                 | 68,887                                   | 69,931                              | 6,891                                |
| 394.2          | Tools, Shop and Garage Equipment - Tools - Net Method                       | 20                       | 49.9548                             | 30,345                                  | 25,917                                   | 4,428                               | 2,212                                |
|                |   |                          |                                     | 169,163                                 | 94,804                                   | 74,359                              | 9,103                                |
| 394.4          | Tools, Shop and Garage Equipment - Construction Department - Gross Method   | 20                       | 5.0000                              | 1,245,500                               | 733,105                                  | 512,395                             | 62,275                               |
| 394.4          | Tools, Shop and Garage Equipment - Construction Department - Net Method     | 20                       | 100.0000                            | 7,951                                   | 7,352                                    | 599                                 | 599                                  |
|                |   |                          |                                     | 1,253,451                               | 740,457                                  | 512,994                             | 62,874                               |
| 394.6          | Tools, Shop and Garage Equipment - Gross Method                             | 20                       | 4.8128                              | 30,003,804                              | 10,725,431                               | 19,278,373                          | 1,444,023                            |
| 394.6          | Tools, Shop and Garage Equipment - Net Method                               | 20                       | (1,190.1099)                        | 0                                       | 182                                      | (182)                               | 2,166                                |
|                |   |                          |                                     | 30,003,804                              | 10,725,613                               | 19,278,191                          | 1,446,189                            |
| 394.8          | Tools, Shop and Garage Equipment - Garage Tools Support - Gross Method      | 20                       | 4.4495                              | 2,106,475                               | 662,561                                  | 1,443,914                           | 93,727                               |
| 394.8          | Tools, Shop and Garage Equipment - Garage Tools Support - Net Method        | 20                       | 29.0544                             | 129,185                                 | 99,076                                   | 30,109                              | 8,748                                |
|                |   |                          |                                     | 2,235,660                               | 761,637                                  | 1,474,023                           | 102,475                              |
| 395            | Laboratory Equipment - Gross Method   | 20                       | 5.0000                              | 3,172,894                               | 1,486,191                                | 1,686,703                           | 158,645                              |
| 395            | Laboratory Equipment - Net Method   | 20                       | 16.9998                             | 1,340,555                               | 896,256                                  | 444,299                             | 75,530                               |
|                |   |                          |                                     | 4,513,449                               | 2,382,447                                | 2,131,002                           | 234,175                              |
| 397            | Communication Equipment - Gross Method                                      | 15                       | 6.0131                              | 16,018,072                              | 6,522,464                                | 9,495,608                           | 963,189                              |
| 397            | Communication Equipment - Net Method  | 15                       | 70.9051                             | 70,998                                  | 63,684                                   | 7,314                               | 5,186                                |
|                |   |                          |                                     | 16,089,070                              | 6,586,148                                | 9,502,922                           | 968,375                              |
| 398            | Miscellaneous Equipment - Gross Method                                      | 20                       | 4.8036                              | 3,341,353                               | 863,814                                  | 2,477,539                           | 160,504                              |
| 398            | Miscellaneous Equipment - Net Method  | 20                       | 17.9962                             | 568,752                                 | 335,170                                  | 233,582                             | 42,036                               |
|                |   |                          |                                     | 3,910,105                               | 1,198,984                                | 2,711,121                           | 202,540                              |

Notes:

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