

PPL ELECTRIC UTILITIES CORPORATION

Deferred Income Tax Calculation Due to Excess of Tax
Depreciation Over Depreciation Using Tax Basis and Book Rates
for Year Ended December 31, 2010
(Thousand of Dollars)

Description	ACRS & MACRS Tax Depreciation	Depreciation Using Tax Basis & Book Rates	Excess Depreciation	(a) Rate	Deferred Federal Income Taxes
<u>Vintage 1981:</u>					
General	\$ 226	\$ 257	\$ (31)	38.71%	\$ (12)
Transmission	57	910	(853)	42.20%	(360)
Distribution	77	982	(905)	42.43%	(384)
Subtotal-1981 Vintage	360	2,149	(1,789)		(756)
<u>Vintage 1982:</u>					
General	0	93	(93)	41.94%	(39)
Transmission	0	348	(348)	41.09%	(143)
Distribution	96	1,195	(1,099)	41.77%	(459)
Subtotal-1982 Vintage	96	1,636	(1,540)		(641)
<u>Vintage 1983:</u>					
General	0	101	(101)	40.59%	(41)
Transmission	0	37	(37)	37.84%	(14)
Distribution	45	1,046	(1,001)	40.76%	(408)
Subtotal-1983 Vintage	45	1,184	(1,139)		(463)
<u>Vintage 1984:</u>					
General	0	8	(8)	37.50%	(3)
Transmission	1	270	(269)	39.41%	(106)
Distribution	44	1,285	(1,241)	39.89%	(495)
Subtotal-1984 Vintage	45	1,563	(1,518)		(604)
<u>Vintage 1985:</u>					
General	0	90	(90)	38.89%	(35)
Transmission	0	221	(221)	37.56%	(83)
Distribution	106	1,620	(1,514)	38.84%	(588)
Subtotal-1985 Vintage	106	1,931	(1,825)		(706)
<u>Vintage 1986:</u>					
General	0	41	(41)	39.02%	(16)
Transmission	0	131	(131)	37.40%	(49)
Distribution	66	1,769	(1,703)	37.58%	(640)
Subtotal-1986 Vintage	66	1,941	(1,875)		(705)
<u>Vintage 1987:</u>					
General	96	105	(9)	44.44%	(4)
Transmission	0	73	(73)	35.62%	(26)
Distribution	96	2,364	(2,268)	36.51%	(828)
Subtotal-1987 Vintage	192	2,542	(2,350)		(858)
<u>Vintage 1988:</u>					
General	66	45	21	33.33%	7
Transmission	0	9	(9)	33.33%	(3)
Distribution	83	2,911	(2,828)	34.65%	(980)
Subtotal-1988 Vintage	149	2,965	(2,816)		(976)
<u>Vintage 1989:</u>					
General	54	52	2	35.00%	1
Transmission	0	5	(5)	35.00%	(2)
Distribution	79	2,766	(2,687)	35.00%	(933)
Subtotal-1989 Vintage	133	2,823	(2,690)		(934)

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<u>Vintage 1990:</u>					
General	\$ 112	\$ 159	\$ (47)	34.04%	\$ (16)
Transmission	13	11	2	35.00%	1
Distribution	2,888	3,301	(413)	34.62%	(143)
Subtotal-1990 Vintage	3,013	3,471	(458)		(158)
<u>Vintage 1991:</u>					
General	36	163	(127)	34.65%	(44)
Transmission	130	48	82	35.37%	29
Distribution	5,622	3,269	2,353	35.02%	824
Subtotal-1991 Vintage	5,788	3,480	2,308		809
<u>Vintage 1992:</u>					
General	1,007	577	430	35.12%	151
Transmission	202	84	118	34.75%	41
Distribution	7,397	4,231	3,166	35.03%	1,109
Subtotal-1992 Vintage	8,606	4,892	3,714		1,301
<u>Vintage 1993:</u>					
General	491	588	(97)	35.00%	(34)
Transmission	531	194	337	35.00%	118
Distribution	6,728	3,833	2,895	35.00%	1,013
Subtotal-1993 Vintage	7,750	4,615	3,135		1,097
<u>Vintage 1994:</u>					
General	85	302	(217)	35.00%	(76)
Transmission	146	62	84	35.00%	29
Distribution	7,171	4,079	3,092	35.00%	1,082
Subtotal-1994 Vintage	7,402	4,443	2,959		1,035
<u>Vintage 1995:</u>					
General	561	524	37	35.00%	13
Transmission	702	260	442	35.00%	155
Distribution	6,099	3,552	2,547	35.00%	892
Subtotal-1995 Vintage	7,362	4,336	3,026		1,060
<u>Vintage 1996:</u>					
General	63	114	(51)	35.00%	(18)
Transmission	583	217	366	35.00%	128
Distribution	5,857	3,363	2,494	35.00%	873
Subtotal-1996 Vintage	6,503	3,694	2,809		983
<u>Vintage 1997:</u>					
General	228	352	(124)	35.00%	(43)
Transmission	209	74	135	35.00%	47
Distribution	5,406	3,118	2,288	35.00%	801
Subtotal-1997 Vintage	5,843	3,544	2,299		805
<u>Vintage 1998:</u>					
General	142	397	(255)	35.00%	(89)
Transmission	77	29	48	35.00%	17
Distribution	4,488	2,618	1,870	35.00%	655
Subtotal-1998 Vintage	4,707	3,044	1,663		583

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<u>Vintage 1999:</u>					
General	\$ 125	\$ 807	\$ (682)	35.00%	\$ (239)
Transmission	95	36	59	35.00%	21
Distribution	4,133	2,521	1,612	35.00%	564
Subtotal-1999 Vintage	<u>4,353</u>	<u>3,364</u>	<u>989</u>		<u>346</u>
<u>Vintage 2000:</u>					
General	427	1,009	(582)	35.00%	(204)
Transmission	147	53	94	35.00%	33
Distribution	2,522	1,590	932	35.00%	326
Subtotal-2000 Vintage	<u>3,096</u>	<u>2,652</u>	<u>444</u>		<u>155</u>
<u>Vintage 2001:</u>					
General	267	1,014	(747)	35.00%	(261)
Transmission	213	84	129	35.00%	45
Distribution	2,728	1,746	982	35.00%	344
Subtotal-2001 Vintage	<u>3,208</u>	<u>2,844</u>	<u>364</u>		<u>128</u>
<u>Vintage 2002:</u>					
General	489	1,409	(920)	35.00%	(322)
Transmission	12,463	6,362	6,101	35.00%	2,135
Distribution	(4,542)	(3,243)	(1,299)	35.00%	(455)
Subtotal-2002 Vintage	<u>8,410</u>	<u>4,528</u>	<u>3,882</u>		<u>1,358</u>
<u>Vintage 2003:</u>					
General	858	1,534	(676)	35.00%	(236)
Transmission	1,354	684	670	35.00%	235
Distribution	3,939	4,311	(372)	35.00%	(130)
Subtotal-2003 Vintage	<u>6,151</u>	<u>6,529</u>	<u>(378)</u>		<u>(131)</u>
<u>Vintage 2004:</u>					
General	272	1,306	(1,034)	35.00%	(362)
Transmission	983	568	415	35.00%	145
Distribution	3,866	3,089	777	35.00%	272
Subtotal-2004 Vintage	<u>5,121</u>	<u>4,963</u>	<u>158</u>		<u>55</u>
<u>Vintage 2005:</u>					
General	524	1,818	(1,294)	35.00%	(453)
Transmission	1,378	421	957	35.00%	335
Distribution	5,003	2,249	2,754	35.00%	964
Subtotal-2005 Vintage	<u>6,905</u>	<u>4,488</u>	<u>2,417</u>		<u>846</u>
<u>Vintage 2006:</u>					
General	803	1,458	(655)	35.00%	(229)
Transmission	1,267	200	1,067	35.00%	373
Distribution	7,286	3,029	4,257	35.00%	1,490
Subtotal-2006 Vintage	<u>9,356</u>	<u>4,687</u>	<u>4,669</u>		<u>1,634</u>
<u>Vintage 2007:</u>					
General	4,465	3,635	830	35.00%	291
Transmission	3,081	708	2,373	35.00%	831
Distribution	8,197	3,102	5,095	35.00%	1,783
Subtotal-2007 Vintage	<u>15,743</u>	<u>7,445</u>	<u>8,298</u>		<u>2,905</u>

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<u>Vintage 2008:</u>					
General	\$ 4,917	\$ 3,237	\$ 1,680	35.00%	\$ 588
Transmission	5,637	1,102	4,535	35.00%	1,587
Distribution	7,592	2,877	4,715	35.00%	1,650
Subtotal-2008 Vintage	<u>18,146</u>	<u>7,216</u>	<u>10,930</u>		<u>3,825</u>
<u>Vintage 2009:</u>					
General	11,149	6,098	5,051	35.00%	1,768
Transmission	2,028	561	1,467	35.00%	513
Distribution	6,580	2,893	3,687	35.00%	1,290
Subtotal-2009 Vintage	<u>19,757</u>	<u>9,552</u>	<u>10,205</u>		<u>3,571</u>
<u>Vintage 2010:</u>					
General	6,953	2,690	4,263	35.00%	1,492
Transmission	5,143	450	4,693	35.00%	1,642
Distribution	10,957	2,581	8,376	35.00%	2,931
Subtotal-2010 Vintage	<u>23,053</u>	<u>5,721</u>	<u>17,332</u>		<u>6,065</u>
<u>Summary:</u>					
Total General	34,416	29,983	4,433		1,535
Total Transmission	36,440	14,212	22,228		7,674
Distribution	110,609	74,047	36,562		12,420
Grand Total	<u>\$ 181,465</u>	<u>\$ 118,242</u>	<u>\$ 63,223</u>		<u>\$ 21,629</u>