

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Taxes Other Than Income
Year Ended December 31, 2010
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>PA Capital Stock Tax</u>	
	Adjustment to reflect current taxable value	
1	Estimated Tax applicable to T&D operations at 2.89 mills (D-10, page 2)	\$ 2,497
2	Less: Capital stock tax on T&D operations per budget	<u>3,123</u>
3	Net decrease in expense	<u><u>\$ (626)</u></u>
	 <u>PA Gross Receipts Tax</u>	
	Adjustment to provide for gross receipts tax on pro forma revenue at present rates	
4	Gross receipts tax recoverable through base rates (D-10, page 3)	\$ 40,389
5	Less: Gross receipts tax on T&D operations per budget	<u>40,038</u>
6	Net increase in expense	<u><u>\$ 351</u></u>
	 <u>PA Public Utility Realty</u>	
	Adjustment to reflect current taxable value	
7	Public utility realty tax recoverable through base rates (D-10, page 4)	\$ 4,414
8	Less: Public utility realty tax on T&D operations per budget	<u>5,000</u>
9	Net decrease in expense	<u><u>\$ (586)</u></u>

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Capital Stock Tax at Present Rates
Year Ended December 31, 2010
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	PA Capital Stock Tax=50%((5 Year Average Net Income/0.095)+(75%(Net Worth))	
	Net Income	
2	2006	\$ 85,102
3	2007	52,414
4	2008	87,403
5	2009	103,885
6	2010	<u>50,248</u>
7	Total	<u>\$ 379,052</u>
8	Average	<u>\$ 75,810</u>
9	Net worth at December 31, 2010	<u>\$ 1,591,090</u>
10	PA Capital stock value = 0.5(((\$75,810/0.095) + (0.75 x \$1,591,090)) =	\$ 995,659
11	Statutory Exemption	<u>160</u>
12	Value of Capital Stock less Statutory Exemption	995,499
13	Apportionment Percentage	<u>0.958008</u>
14	PA Capital Stock Taxable Value	<u>\$ 953,696</u>
15	PA Capital Stock Tax at 2.89 mills	\$ 2,756
16	Less: PA Education tax credit	<u>(259)</u>
17	Pa Capital Stock Tax	<u>\$ 2,497</u>

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Gross Receipts Tax (GRT) at Present Rates
Year Ended December 31, 2010
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Pro Forma Revenue</u>	<u>Applicable GRT Rate (Mills)</u>	<u>Amount</u>
	Tariff Revenue			
1	Total Tariff Revenue (D-3, page 1, line 1-8)	\$ 670,507	59	\$ 39,560
	Other Electric Revenue			
2	Late payment (D-3, page 1, line 10)	14,048	59	829
3	Other electric revenue (D-3, page 1, line 11-13)	204,598	-	
4	Total Other	<u>\$ 218,646</u>		
5	Total gross receipts tax on pro forma revenue at present rates			<u>\$ 40,389</u>

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Public Utility Realty Tax (PURTA) at Present Rates
Year Ended December 31, 2010
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	State Taxable Value (per Notice of Determination dated July 31, 2009)	\$ 166,973
2	Rate @ 26.4341 mills (per Notice of Determination dated July 31, 2009)	<u>0.0264341</u>
3	Tax Amount	<u><u>\$ 4,414</u></u>