

Q.21. Show income tax loss/gain carryovers from previous years. Show loss/gain carryovers by years of origin and amounts remaining by years at the beginning of the test year.

A.21. For federal income tax purposes, PPL Electric experienced net operating losses in 1982, 1983 and 1984. The Company carried back and utilized the 1982 loss to tax years 1979, 1980 and 1981. The Company carried forward and utilized the 1983 and 1984 losses to tax year 1985. No additional net operating losses have been experienced since 1985 and there were no net operating loss carryovers remaining at the beginning of the test year.

For Pennsylvania income tax purposes, PPL Electric experienced net operating losses in 2004 and 2008 in the amount of \$14,593,188 and \$2,009,824 respectively. The amount of the net operating loss carry forward remaining at December 31, 2009 is \$0.