

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re:

SECURITIES CERTIFICATE OF	:	
PPL ELECTRIC UTILITIES	:	
CORPORATION IN RESPECT OF	:	SECURITIES CERTIFICATE
NOT IN EXCESS OF \$400 MILLION	:	
AGGREGATE PRINCIPAL AMOUNT	:	
OF DEBT SECURITIES	:	
	:	NO.S-2012-
	:	

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

1. The name of the public utility filing this Securities Certificate is PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

2. The name and address of PPL Electric’s attorneys are Michael A. McGrail and Frederick C. Paine, Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

3. PPL Electric is a corporation organized on June 4, 1920 under the laws of the Commonwealth of Pennsylvania to exist perpetually. The Company is subject to the Pennsylvania Associations Code (15 Pa. C.S. §101 et seq.), including the Pennsylvania Business Corporation Law of 1988 (15 Pa. C.S. §1101 et seq.) for the government and regulation of its affairs. PPL Electric is engaged, *inter alia*, in the distribution of electricity and its intrastate rates and services are regulated by the Pennsylvania Public Utility Commission (“PUC” or “Commission”) pursuant to the Public Utility Code, 66 Pa.C.S. §§ 101 et seq. PPL Electric presently serves

approximately 1.4 million customers in its service territory, which encompasses approximately 10,000 square miles in eastern and central Pennsylvania. PPL Electric's service territory encompasses all or portions of 29 counties and includes 129 communities with populations over 5,000. The largest cities served by PPL Electric are Allentown, Bethlehem, Harrisburg, Hazleton, Lancaster, Scranton, Wilkes-Barre and Williamsport.

4. The Company is a direct subsidiary of PPL Corporation. PPL Corporation owns all of the Common Stock of the Company, and 100% of the outstanding voting stock of the Company.

5. This Securities Certificate requests Commission authorization for the Company to (a) issue up to \$400 million aggregate principal amount of its secured debt securities, which may include first mortgage bonds (the "New Bonds") in one or more series from time to time, the proceeds of which primarily will be added to the Company's treasury and used for general corporate purposes, such as the retirement of debt, and for capital expenditures. At September 30, 2012, the Company had no short-term debt outstanding

PPL Electric proposes to issue the New Bonds under its Indenture dated as of August 1, 2001 (the "2001 Indenture"). The Company previously has issued approximately \$3.354 billion of bonds under the 2001 Indenture (the "Existing Bonds," and collectively with the New Bonds, the "Bonds"), all of which Existing Bonds were authorized by the Commission under prior Securities Certificates filed by the Company. Like the Existing Bonds, the New Bonds will be secured by a lien in favor of the Trustee on the Company's distribution and certain of its transmission properties, subject to customary exceptions and exclusions.

Set forth below is a description of the general terms or range of terms the Company expects will be applicable to each series of the New Bonds.

EXACT TITLE OF SECURITY:

First Mortgage Bonds, % Series due ____.

AGGREGATE PRINCIPAL AMOUNT TO BE ISSUED:

Not in excess of \$400,000,000. The principal amount of the New Bonds will be determined by the Company at or about the time of the sale of that series based on the Company's capital requirements.

NOMINAL DATE OF ISSUE:

To be determined at the time of sale.

DATE OF MATURITY:

To be determined at the time of sale. It currently is expected that each series of the New Bonds will mature not later than 30 years from its original issue date.

INTEREST RATE AND PAYMENT DATES:

Interest Rate:

To be determined at the time of sale, depending on market conditions.

Payment Dates:

To be determined at the time of sale, depending on market conditions. It currently is expected that interest will be payable semiannually.

EXTENT TO WHICH TAXES ON SECURITIES ARE ASSUMED:

Based on tax laws currently in effect, the Company will not assume any taxes associated with the New Bonds.

CALLABILITY PROVISIONS:

To be determined at the time of sale, depending on market conditions.

CONVERSION PROVISIONS:

None.

**MAINTENANCE, DEPRECIATION AND SINKING
FUND OR OTHER PROVISIONS:**

Sinking or Improvement Fund:

To be determined at the time of sale, depending on market conditions. None currently expected.

Maintenance and Replacement Fund:

To be determined at the time of sale, depending on market conditions. None currently expected.

**NAME AND ADDRESS OF TRUSTEE AND
WHETHER AFFILIATED:**

Name and Address of Trustee:

The Bank of New York Mellon
Global Structured Finance
101 Barclay Street, 4th Floor
New York, New York 10286

Affiliation:

The Bank of New York Mellon is not an affiliated interest of the Company within the meaning of Section 2101 of the Pennsylvania Public Utility Code.

In addition, in order to limit the Company's exposure to interest rate fluctuations in conjunction with the New Bonds, the Company may enter into arrangements with PPL Corporation ("PPL") or directly with one or more financial institutions (the "Counterparty") that will provide interest rate protection in the form of interest rate liability management instruments with respect to a nominal amount of up to

\$400 million of New Bonds. Such instruments may include interest-rate swaps and/or interest-rate caps. If PPL is involved, PPL would serve only as a “conduit” between the Company and the Counterparty to procure such protection on behalf of the Company or by entering into a transaction with a Counterparty on terms substantially similar to the terms of its arrangements with the Company. PPL would pass through direct costs of procuring such instruments but would not charge the Company any fee or additional administrative costs associated with negotiating the terms of the interest rate liability management instrument.

6. Subject to the approval of the Commission, as evidenced by the registration of this Securities Certificate, the Company proposes to issue and sell the New Bonds in one or more series from time to time directly to investors, through agents or to one or more underwriters for public offering, or in private placements directly to one or more institutional investors or through agents, in each case on terms to be determined by market conditions at the time of sale. The Company will enter into one or more underwriting agreements, agency agreements or purchase agreements with underwriters, agents or other purchasers. The price to be paid to the Company by the underwriters, agents or other purchasers of the New Bonds and the compensation received by such parties will be determined at the time of sale.

* * *

None of the underwriters, agents or other purchasers described above will be an affiliated interest of the Company within the meaning of Section 2101 of the Pennsylvania Public Utility Code.

* * *

The estimate of expenses set forth below is based on a public offering of a series of New Bonds in the principal amount of \$400 million and would be expected to be the same whether that series of New Bonds is sold through competitive bidding or negotiated offering. These expenses would be paid from the general funds of the Company.

Filing Fee - Pennsylvania Public Utility Commission.....	\$ 350
Filing Fee – Securities and Exchange Commission.....	60,000
Printing and Engraving	50,000
Fees of Trustee, including counsel and authentication fees.....	35,000
Legal Fees, Expenses and Disbursements.....	250,000
Accounting Fees.....	50,000
Postage	4,000
Rating Agency Fees	140,000
Recording Fees.....	5,000
Blue Sky Fees and Expenses.....	10,000
Miscellaneous	<u>25,000</u>
Total	<u>\$629,350</u>

Any discounts relating to the sale of a series of the New Bonds will be charged to Unamortized Discount on Long-Term Debt. Any premiums relating to the sale of a series of the New Bonds will be credited to Unamortized Premium on Long-Term Debt. The issuance expenses related thereto will be charged to Unamortized Debt Expense. These amounts will be amortized over the life of the series being issued.

7. The net proceeds from the sale of the New Bonds will be added to the Company's treasury and used for general corporate purposes, such as the retirement of debt and for capital expenditures. At September 30, 2010, the Company had no short-term debt outstanding.

* * *

The issuance and sale of the New Bonds (as described in this Securities Certificate) will provide a portion of the Company's currently estimated capital

requirements and, therefore, is necessary for the capital needs of the Company. The registration of this Securities Certificate will place the Company in a position to take advantage of current favorable capital market interest rates.

8. If the Company decides to issue the New Bonds pursuant to one or more public offerings, it will issue such New Bonds under a Prospectus Supplement to Registration Statement 333-180410-03, to be filed with the Securities and Exchange Commission (the "SEC") with respect to the New Bonds.

9. There are appended hereto and made a part hereof the following:
- (A) A balance sheet of the Company as of September 30, 2012.
 - (B) A statement of income and statement of retained earnings of the Company for the three months ended September 30, 2012.
 - (C) Statement of utility plant of the Company at original cost as of September 30, 2012. The Company makes a part hereof by reference the revised Reclassification and Original Cost Studies heretofore filed with the Commission.
 - (D) Statement of securities of other corporations owned by the Company as of September 30, 2012.
 - (E) Statement showing the status of the funded debt of the Company as of September 30, 2012.
 - (F) Statement showing the status of outstanding capital stock of the Company as of September 30, 2012.
 - (G) Registration Statement filed with the Securities and Exchange Commission under the Securities Act of 1933 with respect to the New Bonds. (To be supplied in the future if filed with the SEC)
 - (H) The Public Utility Holding Company Act has been repealed.
 - (I) Copy of resolutions of the Board of Directors of the Company authorizing the issuance and sale of the New Bonds. (To be supplied following an issuance of New Bonds)
 - (J) Proposed form of Supplemental Indenture to 2001 Indenture pursuant to which the New Bonds will be issued. (To be supplied following an issuance of New Bonds)

A copy of the 2001 Indenture is attached as Exhibit (J) to Securities Certificate No. S-00010853.

Copies of supplements to the 2001 Indenture pursuant to which Senior Secured Bonds are currently outstanding have been filed as exhibits to Securities Certificates of the Company as follows:

	<u>Securities Certificate Number</u>	<u>Exhibit</u>
Supplemental Indenture No. 1 dated as of August 1, 2001	S-00010853	(J)
Supplemental Indenture No. 2 dated as of February 1, 2003	S-00020932	(J)
Supplemental Indenture No. 3 dated as of May 1, 2003	S-00020933	(J)
Supplemental Indenture No. 4 dated as of February 1, 2005	S-00041035	(J)
Supplemental Indenture No. 5 dated as of May 1, 2005	S-00041035	(J)
Supplemental Indenture No. 6 dated as of December 1, 2005	S-00051056	(J)
Supplemental Indenture No. 7 dated as of August 1, 2007	S-2008-2035720	(J)
Supplemental Indenture No. 8 dated as of October 1, 2008	S-2008-2065794	(J)
Supplemental Indenture No. 9 dated as of October 1, 2008	S-2008-2060876	(J)
Supplemental Indenture No. 10 dated as of May 1, 2009	S-2009-2094547	(J)


Supplemental Indenture No. 12 dated as of July 1, 2011	S-2011-2219042	(J)
Supplemental Indenture No. 13 dated as of August 1, 2011	S-2011-2246812	(J)
Supplemental Indenture No. 14 dated as of August 1, 2012	S-2012-2301050	(J)

- (K) Statement showing, in journal entry form, all charges to be made on the books of account of the Company as a result of the proposed sale, issuance and delivery of the New Bonds.
- (L) Proposed form of underwriting, agency or other purchase agreement. (To be supplied following an issuance of New Bonds)
- (M) No Net Earnings Certificate is required for the issuance of the New Bonds.
- (N) Not applicable.
- (O) Requirements and Sources of Funds.
- (P) Capital Structure of the Company at September 30, 2012 and as adjusted to give effect, among other things, to the issuance and sale of the New Bonds.
- (Q) Calculation of the book value per share of the Company's Common Stock as of September 30, 2012.

WHEREFORE, PPL Electric Utilities Corporation requests the

Commission to register this Securities Certificate pursuant to Chapter 19 of the Public Utility Code and evidence such registration by an Order.

PPL Electric Utilities Corporation

By: 

Russell R. Clelland
Assistant Treasurer

Dated: November 19, 2012

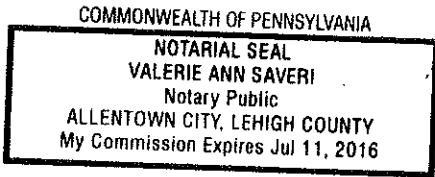
COMMONWEALTH OF PENNSYLVANIA)
 : SS
COUNTY OF LEHIGH)

MICHAEL A. McGRAIL, being duly sworn according to law, deposes and says that he is Assistant Secretary of PPL Electric Utilities Corporation; that he is authorized to and does make this affidavit for it; and that the facts set forth above are true and correct to the best of his knowledge, information and belief and he expects the said PPL Electric Utilities Corporation to be able to prove the same at any hearing hereof.

Sworn to and subscribed before me
This 19th day of November, 2012.

Valerie Ann Saveri

Michael McGrail



PPL ELECTRIC UTILITIES CORPORATION
BALANCE SHEET ACCOUNTS

ACCT. NO.	TITLE OF ACCOUNT	SEPTEMBER 30, 2012
ASSETS AND OTHER DEBITS		
UTILITY PLANT		
101	UTILITY PLANT IN SERVICE	\$ 6,048,077,317
105	UTILITY PLANT HELD FOR FUTURE USE	40,520,038
106	CC NOT CLASSIFIED	253,573,989
107	CONSTRUCTION WORK IN PROGRESS	371,154,799
	GROSS UTILITY PLANT	6,713,326,143
108/111	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT IN SERVICE	(2,331,243,746)
	NET UTILITY PLANT	4,382,082,397
OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	3,558,183
122	ACCUMULATED PROVISION FOR DEPRECIATION OF NONUTILITY PROPERTY	(811,253)
	NET NONUTILITY PROPERTY	2,746,930
123	INVESTMENT IN SUBSIDIARY COMPANIES	216,857,779
124	OTHER INVESTMENTS	1,010,427
128	OTHER SPECIAL FUNDS	10,669,444
	TOTAL OTHER PROPERTY AND INVESTMENTS	231,284,580
CURRENT AND ACCRUED ASSETS		
131	CASH	1,747,171
132	INTEREST SPECIAL DEPOSITS	0
134	OTHER SPECIAL DEPOSITS	0
135	WORKING FUNDS	88,296
136	TEMPORARY CASH INVESTMENTS	23,023,786
	NOTES AND ACCOUNTS RECEIVABLE	
141	NOTES RECEIVABLE	0
142	CUSTOMER ACCOUNTS RECEIVABLE	262,403,418
143	OTHER ACCOUNTS RECEIVABLE	19,918,152
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CREDIT	(21,757,348)
	TOTAL NOTES AND ACCOUNTS RECEIVABLE	260,564,222
	RECEIVABLES FROM ASSOCIATED COMPANIES	
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	0
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	3,099,067
	TOTAL RECEIVABLES FROM ASSOCIATED COMPANIES	3,099,067
	MATERIALS AND SUPPLIES	
154	PLANT MATERIALS AND OPERATING SUPPLIES	34,840,671
163	STORES EXPENSE UNDISTRIBUTED	2,923,412
	TOTAL MATERIALS AND SUPPLIES	37,764,083
165	PREPAYMENTS	76,734,355
	OTHER CURRENT AND ACCRUED ASSETS	
171	INTEREST AND DIVIDENDS RECEIVABLE	7,942
172	RENTS RECEIVABLE	4,066,196
173	ACCRUED UTILITY REVENUES	79,709,370
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	4,719,372
190	ACCUMULATED DEFERRED INCOME TAXES (CURRENT)	28,078,366
	TOTAL OTHER CURRENT AND ACCRUED ASSETS	116,581,246
	TOTAL CURRENT AND ACCRUED ASSETS	519,602,226
DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	18,221,825
182.3	OTHER REGULATORY ASSETS	601,350,327
183	PRELIMINARY SURVEY AND INVESTIGATION CHARGES	0
184	CLEARING ACCOUNTS	0
185	TEMPORARY FACILITIES	174,157
186	MISCELLANEOUS DEFERRED DEBITS	51,535,235
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	68,233,160
190	ACCUMULATED DEFERRED INCOME TAXES	318,228,256
	LESS CURRENT ACCUMULATED DEFERRED INCOME TAXES	28,078,366
	TOTAL ACCUMULATED DEFERRED INCOME TAXES (NONCURRENT)	288,149,890
	TOTAL DEFERRED DEBITS	1,027,664,594
TOTAL ASSETS AND OTHER DEBITS		\$ 6,160,633,797

PPL ELECTRIC UTILITIES CORPORATION
BALANCE SHEET ACCOUNTS

ACCT. NO.	TITLE OF ACCOUNT	SEPTEMBER 30, 2012
LIABILITIES AND OTHER CREDITS		
PROPRIETARY CAPITAL		
201	COMMON STOCK ISSUED	\$ 363,833,249
204	PREFERRED STOCK ISSUED	0
207	PREMIUM ON CAPITAL STOCK	0
211	ADDITIONAL PAID IN CAPITAL	1,141,262,745
214	CAPITAL STOCK EXPENSE	(11,735,245)
216	EARNINGS REINVESTED	545,447,151
216.1	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS	4,848,179
217	REACQUIRED CAPITAL STOCK	0
219	OTHER COMPREHENSIVE INCOME	101,121
	TOTAL PROPRIETARY CAPITAL	2,043,757,200
LONG-TERM DEBT		
221	BONDS	1,974,040,000
222	REACQUIRED BONDS	0
224	OTHER LONG-TERM DEBT	0
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	0
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT-DEBIT	(6,752,945)
		1,967,287,055
LESS AMOUNTS DUE WITHIN ONE YEAR		
221	BONDS	0
	TOTAL LONG-TERM DEBT	1,967,287,055
OTHER NONCURRENT LIABILITIES		
227	OBLIGATIONS UNDER CAPITAL LEASES-NONCURRENT	0
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	198,017,366
229	ACCUMULATED PROVISION FOR RATE REFUNDS	0
	TOTAL OTHER NONCURRENT LIABILITIES	198,017,366
CURRENT AND ACCRUED LIABILITIES		
LONG-TERM DEBT DUE WITHIN ONE YEAR		
221	BONDS	0
231	NOTES PAYABLE	0
232	ACCOUNTS PAYABLE	181,038,000
233	NOTES PAYABLE - AFFILIATED COMPANIES	0
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	58,406,694
235	CUSTOMER DEPOSITS	15,656,510
236	TAXES ACCRUED	0
237	INTEREST ACCRUED	19,646,765
238	DIVIDENDS DECLARED	0
240	MATURED INTEREST	0
241	TAX COLLECTIONS PAYABLE	794,700
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	55,946,231
243	OBLIGATIONS UNDER CAPITAL LEASES-CURRENT	0
283	ACCUMULATED DEFERRED INCOME TAXES-OTHER (CURRENT)	2,383,559
	TOTAL CURRENT AND ACCRUED LIABILITIES	333,872,459
DEFERRED CREDITS		
252	CUSTOMER ADVANCES FOR CONSTRUCTION	129,350
253	OTHER DEFERRED CREDITS	50,174,835
254	OTHER REGULATORY LIABILITIES	66,362,176
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	3,719,613
257	UNAMORTIZED GAIN ON REAQUIRED DEBT	0
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY	0
282	ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY	1,196,421,125
283	ACCUMULATED DEFERRED INCOME TAXES-OTHER	303,276,177
	LESS ACCUMULATED DEFERRED INCOME TAXES-OTHER (CURRENT)	2,383,559
	TOTAL ACCUMULATED DEFERRED INCOME TAXES-OTHER (NONCURRENT)	300,892,618
	TOTAL DEFERRED CREDITS	1,617,699,717
	TOTAL LIABILITIES AND OTHER CREDITS	\$ 6,160,633,797

Note: This schedule includes the consolidated accounts of PPL Group and PPL Receivables Corporation. PPL Receivables Corporation was formed to purchase receivables and unbilled revenues from PPL Electric Utilities Corporation to secure commercial paper financing.

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF CONTINGENT LIABILITIES
SEPTEMBER 30, 2012

Commitments and Contingencies

Energy Purchase Commitments

In 2009, the Pennsylvania Public Utility Commission (PUC) approved PPL Electric Utilities Corporation's (PPL Electric) procurement plan for the period January 2011 through May 2013. To date, PPL Electric has conducted 13 of its 14 planned competitive solicitations. The solicitations include a mix of short-term and long-term purchases, ranging from five months to ten years, to fulfill PPL Electric's obligation to provide for customer supply as a provider of last resort (PLR). In May 2012, PPL Electric filed a plan with the PUC to purchase its electric supply for default customers for the period June 2013 through May 2015. The plan proposes to procure this electricity twice a year, beginning in April 2013.

Legal Matters

PPL Electric is involved in legal proceedings, claims and litigation in the ordinary course of business. PPL Electric cannot predict the outcome of such matters, or whether such matters may result in material liabilities, unless otherwise noted.

Regulatory Issues

Enactment of Financial Reform Legislation

In July 2010, the Dodd-Frank Act was signed into law. The Dodd-Frank Act includes provisions that impose derivative transaction reporting requirements and require most over-the-counter derivative transactions to be executed through an exchange and to be centrally cleared. The Dodd-Frank Act also provides that the U.S. Commodity Futures Trading Commission (CFTC) may impose collateral and margin requirements for over-the-counter derivative transactions, as well as capital requirements for certain entity classifications. Final rules on major provisions in the Dodd-Frank Act are being established through rulemakings. The rulemakings are scheduled to become effective at different times beginning on the October 12, 2012 effective date of the definitional rule for the term "swap". In particular, the CFTC's Final Rule (Final Rule), defining key terms such as "swap dealer" and "major swap participant", took effect with the effectiveness of the swap definitional rule. The heightened thresholds and requirements for these entity classifications set forth in the Final Rule resulted in PPL Electric currently being designated neither a swap dealer nor major swap participant. The Dodd-Frank Act and its implementing regulations, however, will impose on PPL Electric significant additional and costly recordkeeping and reporting requirements. Also, PPL Electric could face significantly higher operating costs or may be required to post additional collateral if they or their counterparties are subject to capital or margin requirements as ultimately adopted in the implementing regulations of the Dodd-Frank Act. PPL Electric will continue to evaluate the provisions of the Dodd-Frank Act and its implementing regulations. At this time, PPL Electric cannot predict the full impact that the law or its implementing regulations will have on its business or operations, or the markets in which it transacts business, but could incur material costs related to compliance with the Dodd-Frank Act.

New Jersey Capacity Legislation

In January 2011, New Jersey enacted a law that intervenes in the wholesale capacity market exclusively regulated by the Federal Energy Regulatory Commission (FERC): S. No. 2381, 214th Leg. (N.J. 2011) (the Act). To create incentives for the development of new, in-state electric generation facilities, the Act implements a "long-term capacity agreement pilot program (LCAPP)." The Act requires New Jersey utilities to pay a guaranteed fixed price for wholesale capacity, imposed by the New Jersey Board of Public Utilities (BPU), to certain new generators participating in PJM, with the ultimate costs of that guarantee to be borne by New Jersey ratepayers. PPL Corporation (PPL) believes the intent and effect of the LCAPP is to encourage the construction of new generation in New Jersey even when, under the FERC-approved PJM Interconnection, L.L.C. (PJM) economic model, such new generation would not be economic. The Act could depress capacity prices in PJM in the short term, and harm the long-term ability of the PJM capacity market to incent necessary generation investment throughout PJM. In February 2011, the PJM Power Providers Group (P3), an organization in which PPL is a member, filed a complaint before the FERC seeking changes in PJM's capacity market rules designed to ensure that subsidized generation, such as the generation that may result from the implementation of the LCAPP, will not be able to set capacity prices artificially low as a result of their exercise of buyer market power. In April 2011, the FERC issued an order granting in part and denying in part P3's complaint and ordering changes in PJM's capacity rules consistent with a significant portion of P3's requested changes. Several parties have filed appeals of the FERC's order. PPL Electric cannot predict the outcome of this proceeding or the economic impact on its business or operations, or the markets in which it transacts business.

In addition, in February 2011, PPL and several other generating companies and utilities filed a complaint in U.S. District Court in New Jersey challenging the Act on the grounds that it violates well-established principles under the Supremacy Clause and the Commerce Clause of the U.S. Constitution. In this action, the plaintiffs request declaratory and injunctive relief barring implementation of the Act by the Commissioners of the BPU. In October 2011, the court denied the BPU's motion to dismiss the proceeding. In September 2012, the court denied all summary judgment motions, and the litigation is continuing. Trial has been scheduled for January 17, 2013. PPL Electric cannot predict the outcome of this proceeding or the economic impact on its business or operations, or the markets in which it transacts business.

Maryland Capacity Order

In April 2012, the Maryland Public Service Commission (MD PSC) ordered three electric utilities in Maryland to enter into long-term contracts to support the construction of new electric generating facilities in Maryland, specifically a 661 MW natural gas-fired combined-cycle generating facility to be owned by CPV Maryland, LLC. PPL believes the intent and effect of the action by the MD PSC is to encourage the construction of new generation in Maryland even when, under the FERC-approved PJM economic model, such new generation would not be economic. The MD PSC action could depress capacity prices in PJM in the short term, and harm the long-term ability of the PJM capacity market to encourage necessary generation investment throughout PJM.

In April 2012, PPL and several other generating companies filed a complaint in U.S. District Court in Maryland challenging the MD PSC order on the grounds that it violates well-established principles under the Supremacy and Commerce clauses of the U.S. Constitution. In this action, the plaintiffs request declaratory and injunctive relief barring implementation of the order by the Commissioners of the MD PSC. In August 2012, the court denied the MD PSC and CPV Maryland, LLC motions to dismiss the proceeding and the litigation is continuing. PPL Electric cannot predict the outcome of this proceeding or the economic impact on its business or operations, or the markets in which it transacts business.

FERC Market-Based Rate Authority

Periodic market-based rate filings with the FERC have been made by PPL Electric. These filings consisted of a Northeast market-based rate filing for most of the PPL subsidiaries in PJM's region. In June 2011, FERC approved PPL's market-based rate update for the Eastern region.

Currently, a seller granted FERC market-based rate authority may enter into power contracts during an authorized time period. If the FERC determines that the market is not workably competitive or that the seller possesses market power or is not charging "just and reasonable" rates, it may institute prospective action, but any contracts entered into pursuant to the FERC's market-based rate authority remain in effect and are generally subject to a high standard of review before the FERC can order changes. Recent court decisions by the U.S. Court of Appeals for the Ninth Circuit have raised issues that may make it more difficult for the FERC to continue its program of promoting wholesale electricity competition through market-based rate authority. These court decisions permit retroactive refunds and a lower standard of review by the FERC for changing power contracts, and could have the effect of requiring the FERC in advance to review most, if not all, power contracts. In June 2008, the U.S. Supreme Court reversed one of the decisions of the U.S. Court of Appeals for the Ninth Circuit, thereby upholding the higher standard of review for modifying contracts. At this time, PPL Electric cannot predict the impact of these court decisions on the FERC's future market-based rate authority program or on its business.

Energy Policy Act of 2005 - Reliability Standards

The North American Electric Reliability Corporation (NERC) is responsible for establishing and enforcing mandatory reliability standards (Reliability Standards) regarding the bulk power system. The FERC oversees this process and independently enforces the Reliability Standards. The Reliability Standards have the force and effect of law and apply to certain users of the bulk power electricity system, including electric utility companies, generators and marketers. Under the Federal Power Act, the FERC may assess civil penalties of up to \$1 million per day, per violation, for certain violations.

PPL Electric monitors its compliance with the Reliability Standards and continues to self-report potential violations of certain applicable reliability requirements and submit accompanying mitigation plans, as required. The resolution of a potential violation is pending. Any Reliability First Corporation (RFC) or SERC Reliability Corporation (SERC) determination concerning the resolution of violations of the Reliability Standards remains subject to the approval of the NERC and the FERC.

In the course of implementing its program to ensure compliance with the Reliability Standards, certain other instances of potential non-compliance may be identified from time to time. PPL Electric cannot predict the outcome of these matters, and cannot estimate a range of reasonably possible losses, if any.

On October 18, 2012, the FERC issued a Notice of Proposed Rulemaking (NOPR) concerning Reliability Standards for Geomagnetic Disturbances. The FERC proposes to direct NERC to submit for approval Reliability Standards that address the impact of geomagnetic disturbances on the reliable operation of the bulk-power system. The FERC proposes to direct NERC to file one or more Reliability Standards that include measures to protect against damage to the bulk-power system, such as the installation of equipment that blocks geomagnetically induced currents on implicated transformers. If the NOPR is adopted by the FERC, it is expected to require PPL Electric to make significant expenditures in new equipment and/or modifications to its facilities. PPL Electric is unable to predict whether the NOPR will be adopted as proposed by the FERC or the amount of any expenditures that may be required as a result of the adoption of any Reliability Standards for geomagnetic disturbances.

Environmental Matters

Due to the environmental issues discussed below or other environmental matters, it may be necessary for PPL Electric to modify, curtail, replace or cease operating certain facilities or operations to comply with statutes, regulations and other requirements of regulatory bodies or courts. In addition, legal challenges to new environmental permits or rules add to the uncertainty of estimating the future cost impact of these permits and rules.

Other Issues

The Environmental Protection Agency (EPA) is reassessing its polychlorinated biphenyls (PCB) regulations under the Toxics Substance Control Act, which currently allow certain PCB articles to remain in use. In April 2010, the EPA issued an Advanced Notice of Proposed Rulemaking for changes to these regulations. This rulemaking could lead to a phase-out of all PCB-containing equipment. The EPA is planning to propose the revised regulations in late 2012 or 2013. PCBs are found, in varying degrees, in PPL Electric's operations. PPL Electric cannot predict at this time the outcome of these proposed EPA regulations and what impact, if any, they would have on its facilities, but the costs could be significant.

The EPA and the Army Corps of Engineers are working on a guidance document that will expand the federal government's interpretation of what constitutes "waters of the United States" subject to regulation under the Clean Water Act. This change has the potential to affect generation and delivery operations, with the most significant effect being the potential elimination of the existing regulatory exemption for plant waste water treatment systems. The costs that may be imposed on PPL Electric as a result of any eventual expansion of this interpretation cannot reliably be estimated at this time.

Superfund and Other Remediation

PPL Electric is potentially responsible for costs at several sites listed by the EPA under the federal Superfund program, including the Columbia Gas Plant site, the Metal Bank site and the Ward Transformer site. Clean-up actions have been or are being undertaken at all of these sites, the costs of which have not been significant to PPL Electric. However, should the EPA require different or additional measures in the future, or should PPL Electric's share of costs at multi-party sites increase substantially more than currently expected, the costs could be significant.

PPL Electric is remediating or has completed the remediation of several sites that were not addressed under a regulatory program such as Superfund, but for which PPL Electric may be liable for remediation. These include a number of former coal gas manufacturing plants in Pennsylvania previously owned or operated or currently owned by a predecessor of PPL Electric. There are additional sites, formerly owned or operated by a PPL Electric predecessor, for which PPL Electric lacks information on current site conditions and is therefore unable to predict what, if any, potential liability it may have.

Depending on the outcome of investigations at sites where investigations have not begun or been completed or developments at sites for which PPL Electric currently lacks information, the costs of remediation and other liabilities could be material. PPL Electric is unable to estimate a range of reasonably possible losses, if any, related to these matters.

The EPA is evaluating the risks associated with polycyclic aromatic hydrocarbons and naphthalene, chemical by-products of coal gas manufacturing. As a result of the EPA's evaluation, individual states may establish more stringent standards for water quality and soil cleanup. This could require PPL Electric to take more extensive assessment and remedial actions at former coal gas manufacturing plants. PPL Electric cannot estimate a range of reasonably possible losses, if any, related to these matters.

From time to time, PPL Electric undertakes remedial action in response to spills or other releases at various on-site and off-site locations, negotiates with the EPA and state and local agencies regarding actions necessary for compliance with applicable requirements, negotiates with property owners and other third parties alleging impacts from PPL Electric's operations, and undertakes similar actions necessary to resolve environmental matters which arise in the course of normal operations. Based on analyses to date, resolution of these environmental matters is not expected to have a significant impact on PPL Electric's operations.

Future cleanup or remediation work at sites currently under review, or at sites not currently identified, may result in significant additional costs for PPL Electric.

Other

Guarantees and Other Assurances

In the normal course of business, PPL Electric may enter into agreements that provide financial performance assurance to third parties on behalf of certain subsidiaries. Such agreements may include, for example, guarantees, stand-by letters of credit issued by financial institutions and surety bonds issued by insurance companies. These agreements are entered into primarily to support or enhance the creditworthiness attributed to a subsidiary on a stand-alone basis or to facilitate the commercial activities in which these subsidiaries enter.

The table below details guarantees provided at September 30, 2012.

	<u>Exposure at September 30, 2012 (a)</u>	<u>Expiration Date</u>
Guarantee of inventory value	\$ 22 (b)	2016

(a) Represents the estimated maximum potential amount of future payments that could be required to be made under the guarantee.

(b) PPL Electric entered into a contract with a third party logistics firm that provides inventory procurement and fulfillment services. Under the contract, the logistics firm has title to the inventory purchased for PPL Electric's use. Upon termination of the contract, PPL Electric has guaranteed to purchase any remaining inventory that has not been used or sold by the logistics firm at the weighted-average cost at which the logistics firm purchased the inventory, thus protecting the logistics firm from reductions in the fair value of the inventory.

PPL Electric provides other miscellaneous guarantees through contracts entered into in the normal course of business. These guarantees are primarily in the form of indemnification or warranties related to services or equipment and vary in duration. The amounts of these guarantees often are not explicitly stated, and the overall maximum amount of the obligation under such guarantees cannot be reasonably estimated. Historically, no significant payments have been made with respect to these types of guarantees and the probability of payment/performance under these guarantees is remote.

PPL, on behalf of itself and certain of its subsidiaries, including PPL Electric, maintains insurance that covers liability assumed under contract for bodily injury and property damage. The coverage requires a maximum \$4 million deductible per occurrence and provides maximum aggregate coverage of \$200 million. This insurance may be applicable to obligations under certain of these contractual arrangements.

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF INCOME
TWELVE MONTHS ENDED SEPTEMBER 30, 2012

ACCT. NO.		
	UTILITY OPERATING INCOME	
400	OPERATING REVENUES	\$ 1,805,942,350
	OPERATING EXPENSES	
401	OPERATION EXPENSES	1,120,612,967
402	MAINTENANCE EXPENSES	118,533,287
403/406	DEPRECIATION EXPENSES AND AMORTIZATION OF ELECTRIC PLANT ACQUISITION ADJUSTMENTS	156,518,683
407.3	REGULATORY DEBITS	2,961,503
407.4	REGULATORY CREDITS	(2,511,642)
408.1	TAXES OTHER THAN INCOME TAXES	
	STATE GROSS RECEIPTS	91,379,950
	STATE CAPITAL STOCK	3,452,392
	STATE UTILITY AND LOCAL REAL ESTATE	827,651
	OTHER	6,513,509
409.1	INCOME TAXES	
	FEDERAL	(73,136,496)
	STATE	(5,334,917)
410.1	PROVISION FOR DEFERRED INCOME TAXES	
	FEDERAL	671,820,308
	STATE	117,259,856
411.1	PROVISION FOR DEFERRED INCOME TAXES-CREDIT	
	FEDERAL	(531,806,001)
	STATE	(114,832,701)
411.4	INVESTMENT TAX CREDIT ADJUSTMENT	(1,421,222)
411.6	GAINS FROM DISPOSITION OF UTILITY PLANT	
411.7	LOSSES FROM DISPOSITION OF UTILITY PLANT	
411.8	GAINS FROM DISPOSITION OF EMISSION ALLOWANCES	
	TOTAL UTILITY OPERATING EXPENSES	1,560,837,127
	NET UTILITY OPERATING INCOME	245,105,223
	OTHER INCOME AND DEDUCTIONS	
	OTHER INCOME	
415/416	MERCHANDISING, JOBBING AND CONTRACT WORK	(24,565)
417.1	EXPENSES OF NONUTILITY OPERATIONS	(79,420)
418	NONOPERATING RENTAL INCOME	(52,670)
418.1	EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	1,899,100
419	INTEREST AND DIVIDEND INCOME	448,182
419.1	ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	9,315,007
421	MISCELLANEOUS NONOPERATING INCOME	141
421.1	GAIN ON DISPOSITION OF PROPERTY	(4,498)
434	EXTRAORDINARY INCOME	
	TOTAL OTHER INCOME	\$ 11,501,277

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF INCOME
TWELVE MONTHS ENDED SEPTEMBER 30, 2012

ACCT. NO.		
	OTHER INCOME AND DEDUCTIONS (CONTINUED)	
	OTHER INCOME DEDUCTIONS	
421.2	LOSS ON DISPOSITION OF PROPERTY	\$ 303,960
426.1-426.5	MISCELLANEOUS INCOME DEDUCTIONS	3,117,067
435	EXTRAORDINARY DEDUCTIONS	<u> </u>
	TOTAL OTHER INCOME DEDUCTIONS	<u>3,421,027</u>
	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	
408.2	TAXES OTHER THAN INCOME TAXES	200
409.2	INCOME TAXES	<u> </u>
	FEDERAL	(1,075,457)
	STATE	(43,518)
409.3	EXTRAORDINARY ITEMS	<u> </u>
410.2/411.2	PROVISION FOR DEFERRED INCOME TAXES-NET	<u> </u>
	FEDERAL	4,981,399
	STATE	(6,012,979)
411.5	INVESTMENT TAX CREDIT	<u> </u>
	TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	<u>(2,150,355)</u>
	NET OTHER INCOME AND DEDUCTIONS	<u>10,230,605</u>
	INCOME BEFORE INTEREST CHARGES	<u>255,335,828</u>
	INTEREST CHARGES	
427	INTEREST ON LONG-TERM DEBT	85,563,985
428	AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	2,109,578
428.1	AMORTIZATION OF LOSS ON REACQUIRED DEBT	11,219,976
429	AMORTIZATION OF PREMIUM ON DEBT-CREDIT	<u> </u>
429.1	AMORTIZATION OF GAIN ON REACQUIRED DEBT-CREDIT	<u> </u>
430	INTEREST ON DEBT TO ASSOCIATED COMPANIES	115,511
431	OTHER INTEREST CHARGES	204,024
432	ALLOW. FOR BORROWED FUNDS USED DURING CONSTRUCTION-CREDIT	(4,485,337)
	NET INTEREST CHARGES	<u>94,727,737</u>
	NET INCOME	<u>\$ 160,608,091</u>

Note: This schedule includes the consolidated accounts of PPL Group and PPL Receivables Corporation. PPL Receivables Corporation was formed to purchase receivables and unbilled revenues from PPL Electric Utilities Corporation to secure commercial paper financing.

**PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF RETAINED EARNINGS
TWELVE MONTHS ENDED SEPTEMBER 30, 2012**

Retained earnings, September 30, 2011	\$	489,899,739
Activity during the twelve months ended September 30, 2012		
Net income		160,608,091
Dividends declared - preferred		(7,812,500)
Dividends declared - common		(92,400,000)
Retained earnings, September 30, 2012	<u>\$</u>	<u>550,295,330</u>

PPL ELECTRIC UTILITIES CORPORATION
UTILITY PLANT ACCOUNTS

Acct. No.		<u>SEPTEMBER 30, 2012</u>
	Utility plant in service	
101	Electric plant in service	
	Intangible plant	\$ 88,446,521
	Transmission plant	1,326,935,216
	Distribution plant	4,077,867,812
	General plant	554,827,768
	Electric plant in service	<u>6,048,077,317</u>
101.1	Property under capital leases	
	Total utility plant in service	<u>6,048,077,317</u>
105	Electric plant held for future use	40,520,038
106	CC not classified	253,573,989
107	Construction work in progress	371,154,799
	Total utility plant	<u>6,713,326,143</u>
108	Accumulated provision for depreciation of utility plant	(2,290,581,781)
111	Accumulated provision for amortization of utility plant	(40,661,965)
	Net utility plant	<u><u>\$ 4,382,082,397</u></u>

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF SECURITIES OF OTHER ENTITIES OWNED
AS OF SEPTEMBER 30, 2012

Name of Issuer	Title of Security	Number of Shares or Principal Amount	Date Acquired	Price Paid	Book Value	Approximate Value Indicated by Market Quotations September 30, 2012
Securities of Subsidiaries						
CEP Commerce, LLC	Member's Interests	\$ 10,072	7/1/2000	\$ 10,072	\$ 216,857,779	Not Available
				<u>10,072</u>	<u>216,857,779</u>	
Other Corporate Securities						
Mortgages						
Juniata County Industrial Park Expansion	Mortgage	99,900	7/24/1997	99,900	99,900	Not Available
Pike County Business Park	Mortgage	397,692	7/23/1997	397,692	397,692	Not Available
Pocono Mtn Business Park (Senda)	Mortgage	340,000	3/15/2002	340,000	340,000	Not Available
	Total Mortgages			<u>\$ 837,592</u>	<u>837,592</u>	
Other Corporate Securities						
Stocks						
Sears Holdings Corporation	Common	233 shares	Not Available	Not Available	12,927	\$ 12,927
Time Warner Cable	Common	1,820 shares	Not Available	Not Available	153,997	\$ 153,997
Quad/Graphics Inc.	Common	349 shares	Not Available	Not Available	5,911	\$ 5,911
	Total Stocks				<u>172,835</u>	
	Total Securities of Other Entities Owned				<u>\$ 217,868,206</u>	

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT SHOWING THE STATUS OF THE FUNDED DEBT
AS OF SEPTEMBER 30, 2012

Name and Description of Obligation (a)	Interest		Term at Date Of Issue (Years) (d)	Date of Maturity (e)	Total Principal Amount Authorized (1) (f)	Total Principal Amount Outstanding (Not Held by the Public Utility) (g)	Total Principal Amount Held by the Public Utility		
	Rate (b)	Dates Payable (c)					Reacquired and Held In Treasury (h)	Pledged (i)	In Sinking or Other Funds (j)
First Mortgage Bonds (1):									
7-3/8% Series due 2014	7-3/8%	Mar. 1 & Sep. 1	20	Mar. 1, 2014	\$100,000,000	\$ 10,290,000	None	None	None
						10,290,000			
Senior Secured Bonds (Pollution Control Series)									
Series 2008 due 2023	4.00%	Apr. 1 & Oct. 1	15	Oct. 1, 2023	90,000,000	90,000,000	None	None	None
4.75% Series due 2027	4.75%	Feb. 15 & Aug. 15	22	Feb. 15, 2027	108,250,000	108,250,000	None	None	None
4.70% Series due 2029	4.70%	Mar. 1 & Sept. 1	24	Sept. 1, 2029	115,500,000	115,500,000	None	None	None
						313,750,000			
Senior Secured Bonds									
4.95% Series due 2015	4.95%	June 15 & Dec. 15	10	Dec. 15, 2015	100,000,000	100,000,000	None	None	None
5.15% Series due 2020	5.15%	June 15 & Dec. 15	15	Dec. 15, 2020	100,000,000	100,000,000	None	None	None
6.45% Series due 2037	6.45%	Feb. 15 & Aug. 15	30	Aug. 15, 2037	250,000,000	250,000,000	None	None	None
6.25% Series due 2039	6.25%	May 15 & Nov. 15	30	May 15, 2039	300,000,000	300,000,000	None	None	None
5.20% Series due 2041	5.20%	July 15 & Jan. 15	30	July 15, 2041	250,000,000	250,000,000	None	None	None
3.00% Series due 2021	3.00%	Mar. 15 & Sept. 15	10	Sept. 15, 2021	400,000,000	400,000,000	None	None	None
2.50% Series due 2022 (2)	2.50%	Mar. 1 & Sept. 1	10	Sept. 1, 2022	250,000,000	250,000,000	None	None	None
						1,650,000,000			
Unamortized Premium on Long-Term Debt						0			
Unamortized Discount on Long-Term Debt						(6,762,945)			
Total Funded Debt:						\$ 1,967,287,055			

(1) In December 2008, PPL Electric completed an in-substance defeasance of the 1945 First Mortgage Bonds by depositing sufficient funds with the trustee to solely satisfy the principal and remaining interest obligations on the bonds when due. Also in December 2008, PPL Electric discharged the lien under the 1945 First Mortgage Bond Indenture, dated as of October 1, 1945, which covered substantially all electric distribution and certain transmission plant owned by PPL Electric and was the agreement under which the First Mortgage Bonds had been issued.

(2) In August 2012, PPL Electric issued \$250 million of 2.50% First Mortgage Bonds due 2022 (2022 Bonds). The issuance of the 2022 Bonds was authorized by the PUC at Docket No. S-2012-2301050.

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT SHOWING THE STATUS OF OUTSTANDING CAPITAL STOCK
AS OF SEPTEMBER 30, 2012

Designation of Kind and Class (a)	Number of Shares Authorized (b)	Par Value Per Share (c)	Amount Authorized (d)	Amount Outstanding (Not Held by the Public Utility) (1) (e)	Held by the Public Utility			Stated Book Value of Outstanding Stock Having No Par Value As of Date of Balance Sheet (i)
					Reacquired and Held in Treasury (f)	Pledged (g)	In Sinking or Other Funds (h)	
Preference Stock (3)				0 shares	None	None	None	\$ 0.00
Common Stock, no par	170,000,000		170,000,000 shares	66,368,056 shares	None	None	None	\$ 2,043,757,200 (2)
Treasury Stock				0 shares	None	None	None	\$ 0.00

(1) All common shares of PPL Electric stock are owned by PPL.

(2) Book value of common stock held by PPL Corporation.

(3) In June 2012, PPL Electric redeemed all 2.5 million shares of its 6.25% Series Preference Stock, par value \$100 per share. The price paid for the redemption was the par value, without premium (\$250 million in the aggregate).

**PPL ELECTRIC UTILITIES CORPORATION
HOLDERS OF EACH CLASS OF CAPITAL STOCK AS OF SEPTEMBER 30, 2012**

COMMON (a)

	<u>Shares</u>
PPL Corporation Two North Ninth Street Allentown, PA 18101	66,368,056

(a) In June 2012, PPL Electric redeemed all 2.5 million shares of its 6.25% Series Preference Stock, par value \$100 per share. The price paid for the redemption was the par value, without premium (\$250 million in the aggregate).

PPL ELECTRIC UTILITIES CORPORATION

STATEMENT SHOWING, IN JOURNAL ENTRY FORM, ALL CHARGES AND CREDITS
 TO BE MADE ON THE BOOKS OF ACCOUNT TO GIVE EFFECT TO
 THE PROPOSED ISSUANCE FROM TIME TO TIME OF NOT IN EXCESS OF
\$400,000,000 AGGREGATE PRINCIPAL AMOUNT OF DEBT SECURITIES

Journal Entry 1

143	Other Accounts Receivable	\$	
221	Long-Term Debt - Bonds		\$

To give effect to the sale of a particular series of Debt Securities.

Journal Entry 2

131	Cash	\$	
143	Other Accounts Receivable		\$

To record receipt of proceeds from the sale of a particular series of Debt Securities.

Journal Entry 3

181	Unamortized Debt Expense	\$	
131	Cash		\$

To record the payment of expenses in connection with the issuance and sale of a particular series of Debt Securities. Expenses will be amortized over the life of the debt.

**PPL ELECTRIC UTILITIES CORPORATION
CAPITAL STRUCTURE**

The capital structure of the Company at September 30, 2012, and on a pro forma basis to give effect to the transactions footnoted below, is as follows:

	Actual Amount	Adjustments (a)	Pro Forma Amount	% of Capitalization
Common Equity				
Common Stock Issued.....	\$ 363,833,249		\$ 363,833,249	
Miscellaneous Paid-In Capital.....	1,141,262,745		1,141,262,745	
Capital Stock Expense.....	(11,735,245)		(11,735,245)	
Treasury Stock.....	-		-	
Other Comprehensive Income.....	101,121		101,121	
Earnings Reinvested.....	550,295,330		550,295,330	
Total Common Equity.....	2,043,757,200	-	2,043,757,200	46%
Preferred Securities				
Preferred Stock without Mandatory Redemption.....	-		-	0%
Long-Term Debt (b)				
First Mortgage Bonds.....	10,290,000	\$ 400,000,000 (a)	410,290,000	
Senior Secured Bonds (Pollution Control Series).....	313,750,000		313,750,000	
Senior Secured Bonds.....	1,650,000,000		1,650,000,000	
Unamortized Premium/Discount- Net.....	(6,752,945)		(6,752,945)	
Total Long-Term Debt.....	1,967,287,055	400,000,000	2,367,287,055	54%
Total Capitalization.....	\$ 4,011,044,255	\$ 400,000,000	\$ 4,411,044,255	100%

(a) The planned issuance of \$400 million of Debt Securities. The net proceeds from the issuance will be used for general corporate purposes, such as the retirement of debt, and for capital expenditures.

(b) Long-term debt includes amounts due within one year.

PPL ELECTRIC UTILITIES CORPORATION
BOOK VALUE OF COMMON STOCK
SEPTEMBER 30, 2012

<u>Acct. No.</u>			
	Common Equity		
201	Common stock issued	\$	363,833,249
207	Premium on capital stock		-
211	Additional paid in capital		1,141,262,745
214	Capital stock expense		(11,735,245)
216	Unappropriated retained earnings		545,447,151
216.1	Unappropriated undistributed subsidiary earnings		4,848,179
217	Reacquired capital stock		-
219	Other comprehensive income		101,121
	Total Common Equity	\$	<u>2,043,757,200</u>
	Shares of common stock issued at September 30, 2012		66,368,056
	Shares repurchased and held in treasury		0
	Shares of common stock outstanding at September 30, 2012		<u>66,368,056</u>
	Book Value of Common Stock		
	Total common equity + shares of common stock outstanding at September 30, 2012	\$	<u>30.79</u>

Chapter 19 Securities Certificate registrations-Data Request

To the extent the following information has not been filed with Applicant's registration:

1.) Previous registration balances. Provide docket numbers, initial registration amount, issuances by type, amount and date and current remaining balance. Plans for these balances vis-à-vis the current registration.

\$100 million authorization remains for First Mortgage Bonds under Securities Certificate S-2011-2246812 (authorized \$500 million of FMB's in July 2011, but sold only \$400 million in August 2011). At this time we do not have any plans to issue the remaining \$100 million.

All \$250 million of First Mortgage Bonds subsequently registered under Securities Certificate S-2012-2301050 in June 2012 were issued in August 2012.

2.) What effect will this issuance have upon the capital structure of the utility. Show calculations.

\$ (000's)	<u>30-Sep-12</u>
Total LT Debt as of September 30, 2012	1,967,287
Forecasted Redemption	-
Requested Issuance	<u>400,000</u>
Total Debt	<u>2,367,287</u>
Common Equity	2,045,157
Total Capitalization	4,412,444
Debt / Total Capitalization %	53.7%

3.) Current and three year projections for; (Provide details of calculation)

Sources and Uses of Funds				
(000's)	2012	2013	2014	2015
Construction	653,906	968,311	853,930	708,152
Pension Funding	54,000	82,985	60,559	69,536
Security Maturities, Redemptions and Sinking Funds	(250,000)	0	10,290	100,000
Other (Includes changes in working capital)	(29,840)	29,690	14,162	9,833
Total Requirements	428,066	1,080,986	938,941	887,522
Sources	174,066	680,986	628,941	552,522
Total Internal (Net)				
Sale of Investments	4,000			
Outside Financing				
Long-term debt	250,000	400,000	310,000	335,000
Short-term debt change				
Other				
Total Outside	254,000	400,000	310,000	335,000
Total Fund Sources	428,066	1,080,986	938,941	887,522

Capital Expenditures				
\$ (000's)	2012	2013	2014	2015
Capital Expenditure	653,906	968,311	853,930	708,152

Ratio of Capital Expenditures to Depreciation and Amortization				
\$ (000's)	2012	2013	2014	2015
Capital Expenditure	653,906	968,311	853,930	708,152
Depreciation	161,289	177,730	189,962	208,249
Amortization	17,028	18,135	16,771	16,258
Total Depreciation & Amortization	178,317	195,865	206,732	224,506
Capital / Depreciation & Amortization	367%	494%	413%	315%

Capitalization Ratios

\$ (000's)	2012	2013	2014	2015
Total LT Debt	1,967,958	2,393,129	2,713,009	2,888,856
Total ST Debt	-	-	-	-
Total Debt	1,967,958	2,393,129	2,713,009	2,888,856
Total Preferred	-	-	-	-
Total Common Equity	2,056,457	2,414,010	2,751,112	2,981,517
Total Capitalization	4,024,415	4,807,139	5,464,121	5,870,373
Debt / Total Capitalization %	48.9%	49.8%	49.7%	49.2%

Dividend payout ratio

\$ (000's)	2012	2013	2014	2015
Earnings Available for Common	127,755	180,555	225,302	233,205
Total Dividend Paid to Parent	96,400	105,200	138,200	147,800
<i>% of Earnings Available for Common</i>	<i>75.5%</i>	<i>58.3%</i>	<i>61.3%</i>	<i>63.4%</i>

Interest coverage ratios – both SEC and Indenture basis

Computation of Ratio of Earnings to Combined Fixed Charges as required under Item 503 (d) of Regulation S-K of the Securities Act of 1933

\$ (000's)	2012	2013	2014	2015
Income Before Income Taxes	193,355	279,208	368,300	384,358
Total Interest (as shown below)	102,992	122,935	135,715	147,434
Less interest component of AFUDC (est)	(3,300)	(4,300)	(4,400)	(3,600)
Total Earnings	293,048	397,843	499,614	528,192
Fixed charges, as defined:				
Interest on long term debt	87,575	101,152	117,631	129,388
Interest on short term debt				
Other Interest	2,240	2,367	1,589	1,564
Amortization of debt discount, expense and premium - net	13,178	19,416	16,495	16,482
Total Interest	102,992	122,935	135,715	147,434
Earnings / Interest	2.85	3.24	3.68	3.58

4.) Three year history of credit ratings – By credit rating agency and class

	Ratings (as of Dec. 31, 2009)			Ratings (as of Dec. 31, 2010)		
	Moody's	S&P	Fitch	Moody's	S&P	Fitch
Issuer Rating	Baa1	A-	BBB/F-2	Baa2	A-	BBB/F2
First Mortgage Bonds	A3	A-	A-	A3	A-	A-
Tax Exempt Bonds	A3/Baa1	A/A-		A3/Baa2	A/A-	
Senior Secured Bonds	A3	A-	A-	A3	A-	A-
Commercial Paper	P-2	A-2	F-2	P-2	A-2	F-2
Preferred Stock	Baa3	BBB	BBB			
Preference Stock	Baa3	BBB	BBB	Ba1	BBB	BBB-
Outlook	Negative	Negative	STABLE	Stable	Stable	Stable

	Ratings (as of Dec. 31, 2011)			Ratings (as of Nov 5, 2012)		
	Moody's	S&P	Fitch	Moody's	S&P	Fitch
Issuer Rating	Baa2	BBB	BBB/F-2	Baa2	BBB	BBB/F-2
First Mortgage Bonds	A3	A-	A-	A3	A-	A-
Tax Exempt Bonds	A3/Baa2	A-		A3/Baa2	A-	
Senior Secured Bonds	A3	A-	A-	A3	A-	A-
Commercial Paper	P-2	A-2	F-2	P-2	A-2	F-2
Preferred Stock	Ba1	BB+	BBB-			
Preference Stock						
Outlook	Stable	Stable	Stable	Stable	Stable	Stable

5.) Projected refinancing savings or costs, if applicable

Answer:
Not Applicable

6.) Affiliated interest agreement applicable to instant registration, if financing involves an affiliate

Answer:
Not Applicable

7.) List all unregulated affiliates of the applicant

Airborne Pollution Control, Inc.
Aztec Insurance Limited
B-G Mechanical Contractors, Inc.
B-G Mechanical Service, Inc.
BDW Corp.
BrunnerIsland Services, LLC
Burns Mechanical, Inc.
Cell Site Connection Services Limited

Central Networks Trustees Limited
CEP Commerce, LLC
CEP Lending, Inc.
CEP Reserves, Inc.
Colstrip Comm Serv, LLC
Conemaugh Fuels, LLC
DCUSA Limited
DHA, LLC
EA Technology Limited
Ebusiness South West Limited
Electralink Limited
Electric Energy, Inc.
Electricity Association Services Limited
Electricity Pensions Limited
Electricity Pensions Trustee Limited
Elmsford Sheet Metal Works, Inc.
Energy Networks Association Limited
FCD LLC
Fred Williams, Inc.
Gemserv Limited
General Control Systems, Inc.
General Mechanical Systems, Inc.
H. T. Lyons Co.
H. T. Lyons, Inc.
Hyder Limited
Hyder Profit Sharing Trustee Limited
Hyder Share Scheme Trustee (2) Limited
Hyder Share Scheme Trustee Limited
Indiana-Kentucky Electric Corporation
Infralec 1992 Pension Trustee Limited
Joppa & Eastern Railroad Company
Kelston Properties Limited
Kelston Properties 2 Limited
Keystone Fuels, LLC
Lady Jane Collieries, Inc.
Lexington Utilities Company
LG&E and KU Capital LLC
LG&E and KU Energy LLC
LG&E and KU Foundation Inc.
LG&E and KU Hydro I LLC
LG&E and KU Services Company
LG&E Energy Inc.
LG&E Energy Marketing Inc.
LG&E Home Services Inc.
LG&E International Inc.
LG&E Power Argentina III LLC
Lower MountBethel Energy, LLC
Massac Enterprises, LLC
McCarl's Inc.
McClure Company
Met-South, Inc.
Meter Operator Services Limited
Meter Reading Services Limited
Midwest Electric Power, Inc.
Millennium Builders, Inc.
Montour Services, LLC
MRA Service Company Limited
Ninth Street & Hamilton Corporation
Northmere Limited

Ohio Valley Electric Corporation
Pennsylvania Mines, LLC
PMDC Chile, LLC
PMDC Europe B.V.
PMDC International Holdings, Inc.
PMDC International N.V.
PPL BellBend Holdings, LLC
PPL BellBend, LLC
PPLBrunnerIsland, LLC
PPL Capital Funding, Inc.
PPL Capital Trust (Business Trust)
PPL Capital Trust II (Business Trust)
PPL Cayman, LLC
PPL Chile Inversiones Energeticas S.A.
PPL Colstrip I, LLC
PPL Colstrip II, LLC
PPL Corporation
PPL Energy Funding Corporation
PPL Energy Services Group, LLC
PPL Energy Services Holdings, LLC
PPL Energy Services Mid-Atlantic, LLC
PPL Energy Services Northeast, Inc.
PPL Energy Supply, LLC
PPL EnergyPlus, LLC
PPL EnergyPlus Retail, LLC
PPL Generation, LLC
PPL Generation Services, LLC
PPL Global, LLC
PPL Great Works, LLC
PPL Holtwood, LLC
PPL Infrastructure Services, LLC
PPL Ironwood, LLC
PPL Ironwood Holdings, LLC
PPL Interstate Energy Company
PPL Investment Corporation
PPLIsland Financing LLP
PPLLand Holdings, LLC
PPL Maine, LLC
PPL Martins Creek, LLC
PPL Montana Holdings, LLC
PPL Montana, LLC
PPL Montour, LLC
PPL New Jersey Biogas, LLC
PPL New Jersey Solar, LLC
PPL Nuclear Development, LLC
PPL Power Insurance Ltd.
PPL Prescott, LLC
PPL Receiveables Corporation
PPL Renewable Energy, LLC
PPL SavageALERT, Inc.
PPL Services Corporation
PPL Spectrum, Inc.
PPL Strategic Development, LLC
PPL Susquehanna, LLC
PPLTreasureState, LLC
PPL UK Holdings, LLC
PPL UK Investments Limited
PPL UK Resources Limited
PPL WEM Holdings plc

PPL WW Holdings Limited
PPLG El Salvador Holdings, S.A. de C.V.
PPLSolutions, LLC
Realty Company of Pennsylvania
REC Collect Limited
SIUK Finance
SIUK Investments
South Wales Electricity Share Scheme
Trustees Limited
South Western Helicopters Limited
Surf Telecoms Limited
The Ombudsman Service Limited
Titan Mechanical Contractors, Inc.
Trystate Mechanical, Inc.
Westech International, Inc.
Western Kentucky Energy Corp.
Western Power Distribution (East Midlands) plc
Western Power Distribution (West Midlands) plc
Western Power Distribution (South Wales) plc
Western Power Distribution (South West) plc
Western Power Distribution Holdings Limited
Western Power Distribution Investments Limited
Western Power Distribution LLP
Western Power Generation Limited
Western Power Pension Trustee Limited
WPD 1957 Limited
WPD Finance Limited
WPD Guernsey Limited
WPD Investments Limited
WPD Limited
WPD Limited (Guernsey)
WPD Midlands Holdings Limited
WPD Midlands Networks Contracting Limited
WPD Midlands Networks Services Limited
WPD Property Developments Limited
WPD Property Investments Limited
WPD Property Limited
WPD Share Scheme Trustees Limited
WPDH Limited
WW Share Schemes Trustees Limited

8.) List all debt for which the applicant is a guarantor of affiliated company debt instruments

Answer:
None

9.) For any corporate money pool from which applicant may potentially borrow, lend or deposit excess cash to, provide;

Commission ordered reporting requirements
Current balances of borrowed and lent funds
Eligible borrowing and lending entities
Accounting for money pool transactions
3 year history of borrowing and lending to the pool

Answer:
Not Applicable

10.) Describe historical reliance by type of both corporate internal and external sources of financing

Answer:
PPL Electric historically has used a combination of equity and debt to fund its ongoing operations and expand/maintain its capital infrastructure in a manner that supports its investment-grade credit ratings. PPL Electric typically relies on issuing either external first mortgage bonds or, temporarily, incurring bank debt as a bridge to the external debt capital markets. Equity sources have been preferred/preference stock, retained earnings or capital contributions from its parent, PPL Corporation.

11.) Where current dividend payout ratio exceeds 75 %, provide three year history and plan for future dividend payouts.

\$ (000's)	2009 *	2010	2011	2012	2013	2014	2015
Earnings Available for Common	123,586	115,352	173,385	127,755	180,555	225,302	233,205
Ordinary Dividends Paid to Parent	74,000	71,000	92,000	96,400	105,200	138,200	147,800
<i>% of Earnings Available for Common</i>	60%	62%	53%	75%	58%	61%	63%
Special Dividend Paid to Parent	200,000	-	-	-	-	-	-
<i>% of Earnings Available for Common</i>	161.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Dividend Paid to Parent	274,000	71,000	92,000	96,400	105,200	138,200	147,800
<i>% of Earnings Available for Common</i>	221.7%	61.6%	53.1%	75.5%	58.3%	61.3%	63.4%

* High dividend distribution reflects the cash proceeds associated with the final year receipt of stranded costs collected through the Competitive Transition Clause ("CTC") at PPL Electric Utilities.

12.) Where the debt to total capital ratio exceeds 55%, provide plan for managing future debt to total capital levels.

Answer:
Debt to total capital ratio does not exceed 55%.

13.) With respect to the purpose for which you propose to issue or assume securities;

- A. If the purpose is the purchase or construction of new facilities, or the betterment of existing facilities, provide;
1. Estimated final cost
 2. A brief description of the new facilities or betterments
 3. The date when it is expected that the purchase or construction or betterment will be completed.
 4. Estimated amount of AFUDC included in the project costs

Answers:
Not Applicable

B. If the purpose is to obtain working capital, explain any unusual condition which exists, or will exist, in the public utility's current assets or current liabilities, stating;

1. The approximate cost of average materials and supplies inventory which the public utility expects to carry

Not Applicable

2. The average time elapsing between the date when the public utility furnishes or begins a period of furnishing services to customers and the date when collection is made from customers for the service.

Not Applicable

3. The minimum bank balance requirements.

Not Applicable

C. If the purpose is to refund obligations, describe obligations in detail.

1. Explain the purpose for which obligations were issued, or refer to the number of securities certificate in which the purpose appears.

Not Applicable

2. State whether refunding is to meet maturity, or to effect saving in interest or other annual charges; if to effect savings, state date when, and at price which obligations are to be called, and submit statement showing savings to be effected as a result of refunding.

Not Applicable

D. If the purpose is for the payment of dividends, please justify the use of funds from the registration to pay dividends.

Not Applicable

E. If the purpose is to fund pension obligations;

1. Provide the current Accumulated Benefit Obligation (except where no longer used consistent with FASB Statement No. 158), the projected benefit obligation, the

current fair value of plan assets, and the percent that the current benefit obligation is funded.

Not Applicable

2. Provide the annual contributions to the plan from 2006 to the present, and the projected contributions for the next five years.

Not Applicable

3. Provide an explanation as to how compliance with the Pension Protection Act of 2006 will be accomplished.

Not Applicable

14.) Reconcile total capitalization with total rate base for ratemaking purposes. Are any of the funds to be issued for a non-utility purpose? If so, please describe that purpose.

	Utility Plant	Working Capital & Other Additions	Other Long Term	Total
Distribution Rate Base	2,904	65	(711)	2,258
Transmission Rate Base	953	24	(135)	842
Rate Base	<u>3,857</u>	<u>89</u>	<u>(846)</u>	<u>3,100</u>
CWIP 107 (net of Susquehanna-Roseland in Rate Base)	328			328
Other	197			197
Working Capital Other		71		71
Regulatory Assets			601	601
Other Long Term			(286)	(286)
Total Capitalization	<u>4,382</u>	<u>160</u>	<u>(531)</u>	<u>4,011</u>

15.) Three year history and three year projections for ratio of capital expenditures to depreciation expense. Show calculations.

\$ (000's)	2009	2010	2011	2012	2013	2014	2015
Capital Expenditure	288,000	401,000	481,000	653,906	968,311	853,930	708,152
Depreciation	128,000	136,000	146,000	161,289	177,730	189,962	208,249
Capital / Depreciation	225%	295%	329%	405%	545%	450%	340%