



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

May 5, 2003

PPL ENERGYPLUS LLC
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-

ATTENTION: JESSE A DILLON

RE: License Bond or Other Financial Security

Dear Mr. Dillon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by PPL EnergyPlus LLC will have been in place for approximately one year on 7/6/2003.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

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MAY 14 2003

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763 or Darren Gill at (717) 783-5244, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Rosenthal". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert A. Rosenthal
Director, Bureau of Fixed Utility Services

cc: J. McNulty, Secretary



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

May 3, 2004

PPL ENERGYPLUS LLC
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-

ATTENTION: JESSE A DILLON

RE: License Bond or Other Financial Security

Dear Mr. Dillon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by PPL EnergyPlus LLC will have been in place for approximately one year on 7/6/2004.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

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JUN 24 2004

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FOLDER**

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Please direct any questions to James Shurskis at (717) 787-8763 or Darren Gill at (717) 783-5244, Bureau of Fixed Utility Services.

Sincerely,



Robert A. Rosenthal
Director, Bureau of Fixed Utility Services

cc: J. McNulty, Secretary

Mel R. Jiganti
Counsel



PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5314 Fax 610.774.6726
mrjiganti@pplweb.com

VIA FEDERAL EXPRESS

**DOCUMENT
FOLDER**

RECEIVED

May 21, 2004

MAY 21 2004

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Secretary McNulty:

This letter is in response to the Pennsylvania Public Utility Commission's (the "Commission") letter, dated May 3, 2004, in which the Commission requested that PPL EnergyPlus, LLC ("PPL EnergyPlus") provide evidence to the Commission that PPL EnergyPlus has obtained a bond or other approved security required to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c). To that end, we have attached for your reference a copy of PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective July 5, 2002, and was increased May 15, 2004 to an amount equal to 10% of PPL EnergyPlus' calendar year 2003 gross receipts, as reported to the Commission in April 2004.

James McNulty

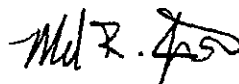
- 2 -

May 21, 2004

Please address future letters regarding this surety bond to my attention.

In the meantime, if you would like to discuss further, please feel free to contact me at the numbers set forth above.

Sincerely,

A handwritten signature in black ink, appearing to read "Mel R. Jiganti". The signature is stylized and cursive.

Mel R. Jiganti

Attachments

cc: Mr. James Shurskis – via fax – 717-787-4750

LIBERTY MUTUAL INSURANCE COMPANY
GENERAL PURPOSE RIDER

DOCKETED
OCT 07 2004

To be attached to and form part of Bond Number 019-007-643 dated effective July 5, 2002,
executed by PPL ENERGYPLUS, LLC, as Principal, and by LIBERTY MUTUAL
INSURANCE COMPANY, as Surety, in favor of the PENNSYLVANIA PUBLIC UTILITY
COMMISSION, as Obligee:

Now, therefore, it is agreed that the sum of the bond shall be increased as follows:

From: FIVE MILLION SEVEN HUNDRED FIFTY SIX THOUSAND TWO HUNDRED
FORTY FIVE AND NO/100.....DOLLARS (\$5,756,245.00)

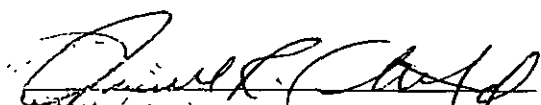
To: FIVE MILLION EIGHT HUNDRED FORTY ONE THOUSAND NINE HUNDRED
SIXTY SIX AND NO/100.....DOLLARS (\$5,841,966.00)

This rider is to be effective the 15th day of May, 2004.

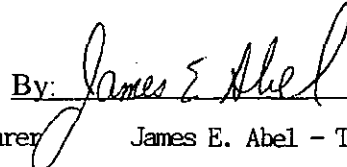
Signed, sealed and dated this 15th day of May, 2004.


**DOCUMENT
FOLDER**

Principal: **PPL ENERGYPLUS, LLC**



Attest
Witness


Russell R. Clelland - Asst. Treasurer

By:  (Seal)
James E. Abel - Treasurer


Attest Elizabeth Duane - Secretary

Surety: **LIBERTY MUTUAL INSURANCE COMPANY**


Witness

By:  (seal)
Christine A. Dunn, Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, DOUGLAS J. CORNFORTH, JOYCE M. HOFFMAN, LORI A. ADDINGTON, ALL OF THE CITY OF BALA-CYNWYD, STATE OF PENNSYLVANIA.....

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIFTY MILLION AND 00/100***** DOLLARS (\$ 50,000,000.00*****) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 31st day of October, 2003

LIBERTY MUTUAL INSURANCE COMPANY

By Garnet W. Elliott, Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 31st day of October, 2003, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2006
Member, Pennsylvania Association of Notaries

By Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 15th day of May, 2004



By David M. Carey, Assistant Secretary

currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**NOTICE FROM SURETY REQUIRED BY
TERRORISM RISK INSURANCE ACT OF 2002**

In accordance with the Terrorism Risk Insurance Act of 2002 (referred to hereinafter as the "Act"), this disclosure notice is provided for surety bonds on which one or more of the following companies is the issuing surety: Liberty Mutual Insurance Company; Liberty Mutual Fire Insurance Company; LM Insurance Corporation; The First Liberty Insurance Corporation; Liberty Insurance Corporation; Employers Insurance Company of Wausau (formerly "EMPLOYERS INSURANCE OF WAUSAU A Mutual Company"); Peerless Insurance Company; and any other company that is a part of or added to the Liberty Mutual Group for which surety business is underwritten by Liberty Bond Services (referred to collectively hereinafter as the "Issuing Sureties").

NOTICE FORMS PART OF BOND

This notice forms part of surety bonds issued by any one or more of the Issuing Sureties.

DISCLOSURE OF PREMIUM

The premium attributable to any bond coverage for "acts of terrorism" as defined in Section 102(1) of the Act is Zero Dollars (\$0.00).

**DISCLOSURE OF FEDERAL PARTICIPATION
IN PAYMENT OF TERRORISM LOSSES**

The United States will reimburse the Issuing Sureties for ninety percent (90%) of any covered losses from terrorist acts certified under the Act exceeding the applicable surety deductible.

LIABILITIES, SURPLUS AND OTHER FUNDS	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)	8,334,384,830	7,843,934,245
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6)	29,467,012	11,796,518
3. Loss adjustment expenses (Part 2A, Line 34, Column 8)	1,048,044,852	1,484,842,422
4. Commissions payable, contingent commissions and other similar charges	77,518,988	18,719,154
5. Other expenses (including taxes, licenses and fees)	237,417,888	302,742,031
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	227,083,137	229,682,965
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	57,144,062	147,943,450
7.2 Not deferred tax liability		
8. Borrowed money \$ 38,352,075 and interest thereon \$ 476,708	38,828,782	445,105,146
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 2,282,895,172 and including warranty reserves of \$ 0)	2,423,884,655	2,032,173,547
10. Advance premium	24,228,007	15,306,921
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	2,217,160	35,644,457
12. Ceded reinsurance premiums payable (net of ceding commissions)	534,723,921	488,934,549
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 18)	2,283,414,541	1,905,190,754
14. Amounts withheld or retained by company for account of others	71,237,310	115,525,713
15. Reimbursements and items not allocated		
16. Provision for reinsurance (Schedule F, Part 7)	142,998,781	164,160,271
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding	257,130,803	202,597,173
19. Payable to parent, subsidiaries and affiliates		
20. Payable for securities	150,878,309	497,221,810
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ 0 and interest thereon \$ 0		
23. Aggregate write-ins for liabilities	(588,526,364)	(620,780,609)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	16,022,057,314	15,288,749,667
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	16,022,057,314	15,288,749,667
27. Aggregate write-ins for special surplus funds	702,727,523	733,738,917
28. Common capital stock	10,000,000	10,000,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds	1,250,000	1,250,000
31. Surplus notes	1,141,346,459	1,341,182,628
32. Gross paid in and contributed surplus	1,430,234,831	81,645,843
33. Unassigned funds (surplus)	2,837,835,421	2,039,634,832
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0)		
34.2 0 shares preferred (value included in Line 29 \$ 0)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 38)	6,123,094,334	4,007,749,220
36. TOTALS (Page 2, Line 26, Col. 3)	22,145,151,648	18,296,496,887
DETAILS OF WRITE-INS		
2301. Amounts held under reinsurance plans	343,142,887	299,592,639
2302. Other liabilities	258,757,476	203,429,851
2303. Reinsurance (reinsurance reserve - ceded)	(1,353,086,452)	(1,383,817,325)
2398. Summary of remaining write-ins for Line 21 from overflow page	171,638,625	259,834,226
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	(588,526,364)	(620,780,609)
2701. Special surplus from reinsurance	702,727,523	733,738,917
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	702,727,523	733,738,917
3001. Guaranty funds	1,250,000	1,250,000
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	1,250,000	1,250,000

State of Massachusetts
County of Suffolk

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as therein stated, and that the statement, together with related exhibits, schedules and explanations therein contained, submitted as referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been compiled in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except in the extent that (1) state law may differ, or (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Edmond F. Kelly
(Signature)

Robert R. Legg
(Signature)

Laurence Henry Coyer Tabin
(Signature)

Edmond Francis Kelly
(Printed Name)
President (Chairman & CEO)

Robert R. Legg
(Printed Name)
Secretary

Laurence Henry Coyer Tabin
(Printed Name)
Treasurer

Subscribed and sworn to before me this
16 day of February, 2004

a. Is this an original filing? YES (X) NO ()
b. If not, 1. State the amendment number.

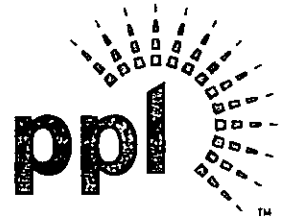
ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	10,155,163,434		10,155,163,434	8,468,975,732
2. Stocks (Schedule D):				
2.1 Preferred stocks	120,146,803		120,146,803	109,944,274
2.2 Common stocks	5,204,104,751		5,204,104,751	4,633,614,837
3. Mortgage loans on real estate (Schedule E):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	214,378,885		214,378,885	179,919,527
4.2 Properties held for the production of income (less \$ 0 encumbrances)	1,056,080		1,056,080	1,728,481
4.3 Properties held for sale (less \$ 0 encumbrances)				384,849
5. Cash (\$ 150,190,447, Schedule E-Part 1), cash equivalents (\$ 0, Schedule E-Part 2) and short-term investments (\$ 773,827,277, Schedule DA)	423,217,719		423,217,719	1,105,465,241
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule EA)	973,135,874		973,135,874	732,531,144
8. Receivable for securities	10,821,182		10,821,182	18,600,818
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	17,102,022,839		17,102,022,839	15,309,570,003
11. Investment income due and accrued	130,436,960		130,436,960	177,897,731
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	681,959,134	8,379,231	673,579,903	622,435,983
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but un billed premiums)	973,405,672		973,405,672	816,117,738
12.3 Accrued retrospective premiums	536,511,628	53,064,048	589,575,676	440,668,486
13. Reinsurance:				
13.1 Amounts receivable from reinsurers	324,609,376		324,609,376	315,563,551
13.2 Funds held by or deposited with reinsured companies	681,442,561		681,442,561	633,962,604
13.3 Other amounts receivable under reinsurance contracts				
14. Amounts receivable relating to unsecured plans	2,750,281	2,750,281		
15.1 Current federal and foreign income tax recoverable and interest thereon				
15.2 Net deferred tax assets	536,855,421	503,879,930	432,875,471	322,281,624
16. Security funds receivable or on deposit	28,941,454		28,941,454	18,910,233
17. Electronic data processing equipment and software	113,354,731	54,340,423	49,014,308	54,320,524
18. Furniture and equipment, including health care delivery assets (\$ 0)	23,477,300	23,477,300		
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivables from parent, subsidiaries and affiliates	938,737,486		938,737,486	300,171,841
21. Health care (\$ 0) and other amounts receivable				
22. Other assets nonadmitted	24,354,631	24,354,631		
23. Aggregate write-ins for other than invested assets	386,916,041	80,477,003	306,439,038	334,681,072
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	22,905,874,515	760,822,867	22,145,151,648	19,298,498,887
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	22,905,874,515	760,822,867	22,145,151,648	19,298,498,887

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903) (Line 9 above)				
2301. Other assets	103,116,803	75,669,644	27,447,159	29,771,921
2302. Cash surrender value life insurance	104,600,738		104,600,738	145,286,916
2303. Equities and deposits in pools and associations	30,417,338		30,417,338	23,507,413
2398. Summary of remaining write-ins for Line 23 from overflow page	148,781,160	4,807,359	143,973,801	136,094,822
2399. Totals (Lines 2301 through 2303) (Line 23 above)	386,916,041	80,477,003	306,439,038	334,681,072

Dorene L. Wehr
Senior Paralegal

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.4026 Fax 610.774.6726
dlwehr@pplweb.com



VIA FEDERAL EXPRESS

May 25, 2004

Doreen Trout
Secretary's Office
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

**DOCUMENT
FOLDER**

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Doreen:

Pursuant to our conversation, enclosed is the original PPL EnergyPlus Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective July 5, 2002.

Please replace this original with the copy filed with your office on May 21, 2004. Thank you.

Sincerely,

Dorene L. Wehr

Attachment

RECEIVED

MAY 25 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

114

LIBERTY MUTUAL INSURANCE COMPANY
GENERAL PURPOSE RIDER

RECEIVED

MAY 25 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

To be attached to and form part of Bond Number 019-007-643 dated effective July 5, 2002,
executed by PPL ENERGYPLUS, LLC, as Principal, and by LIBERTY MUTUAL
INSURANCE COMPANY, as Surety, in favor of the PENNSYLVANIA PUBLIC UTILITY
COMMISSION, as Obligee:

Now, therefore, it is agreed that the sum of the bond shall be increased as follows:

From: FIVE MILLION SEVEN HUNDRED FIFTY SIX THOUSAND TWO HUNDRED
FORTY FIVE AND NO/100.....DOLLARS (\$5,756,245.00)

To: FIVE MILLION EIGHT HUNDRED FORTY ONE THOUSAND NINE HUNDRED
SIXTY SIX AND NO/100.....DOLLARS (\$5,841,966.00)

This rider is to be effective the 15th day of May, 2004.

Signed, sealed and dated this 15th day of May, 2004.

DOCKETED
OCT 07 2004

Principal: **PPL ENERGYPLUS, LLC**

Russell R. Clelland
Attest
Witness
Russell R. Clelland - Asst. Treasurer

By: James E. Abel (Seal)
James E. Abel - Treasurer

Nizabeth Duane
Attest
Secretary
Surety:

LIBERTY MUTUAL INSURANCE COMPANY

Julie A. Kuntz
Witness

By: Christine A. Dunn (seal)
Christine A. Dunn, Attorney-in-Fact

**DOCUMENT
FOLDER**

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint

DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, DOUGLAS J. CORNFORTH, JOYCE M. HOFFMAN, LORI A. ADDINGTON, ALL OF THE CITY OF BALA-CYNWYD, STATE OF PENNSYLVANIA.

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIFTY MILLION AND 00/100***** DOLLARS (\$ 50,000,000.00*****) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 31st day of October 2003.

RECEIVED

MAY 25 2004



LIBERTY MUTUAL INSURANCE COMPANY

By Garnet W. Elliott, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF MONTGOMERY
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

On this 31st day of October, 2003, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2005
Member, Pennsylvania Association of Notaries

By Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 15th day of May 2004.



By David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**NOTICE FROM SURETY REQUIRED BY
TERRORISM RISK INSURANCE ACT OF 2002**

In accordance with the Terrorism Risk Insurance Act of 2002 (referred to hereinafter as the "Act"), this disclosure notice is provided for surety bonds on which one or more of the following companies is the issuing surety: Liberty Mutual Insurance Company; Liberty Mutual Fire Insurance Company; LM Insurance Corporation; The First Liberty Insurance Corporation; Liberty Insurance Corporation; Employers Insurance Company of Wausau (formerly "EMPLOYERS INSURANCE OF WAUSAU A Mutual Company"); Peerless Insurance Company; and any other company that is a part of or added to the Liberty Mutual Group for which surety business is underwritten by Liberty Bond Services (referred to collectively hereinafter as the "Issuing Sureties").

NOTICE FORMS PART OF BOND

This notice forms part of surety bonds issued by any one or more of the Issuing Sureties.

DISCLOSURE OF PREMIUM

The premium attributable to any bond coverage for "acts of terrorism" as defined in Section 102(1) of the Act is Zero Dollars (\$0.00).

**DISCLOSURE OF FEDERAL PARTICIPATION
IN PAYMENT OF TERRORISM LOSSES**

The United States will reimburse the Issuing Sureties for ninety percent (90%) of any covered losses from terrorist acts certified under the Act exceeding the applicable surety deductible.

MAY 25 2004

Annual Statement for the year 2003 of the Liberty Mutual Insurance Company

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	10,155,163,434		10,155,163,434	8,469,975,732
2. Stocks (Schedule D):				
2.1 Preferred stocks	120,146,803		120,146,803	109,848,274
2.2 Common stocks	5,204,104,751		5,204,104,751	4,693,814,837
3. Mortgage loans on real estate (Schedule E):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	214,378,898		214,378,898	179,919,527
4.2 Properties held for the production of income (less \$ 0 encumbrances)	1,856,090		1,856,090	1,129,481
4.3 Properties held for sale (less \$ 0 encumbrances)				364,948
5. Cash (\$ 150,193,667, Schedule E-Part 1), cash equivalents (\$ 0, Schedule E-Part 2) and short-term investments (\$ 271,027,277, Schedule DA)	423,217,719		423,217,719	1,105,465,241
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule BA)	973,135,974		973,135,974	732,531,144
8. Receivable for securities	10,821,162		10,821,162	16,501,818
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	17,102,022,839		17,102,022,839	15,309,570,003
11. Investment income due and accrued	130,435,960		130,435,960	127,837,231
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	681,959,134	8,379,231	673,579,903	622,415,981
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	973,405,672		973,405,672	816,117,739
12.3 Accrued retrospective premiums	556,511,628	53,064,048	503,447,580	440,588,485
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	324,809,376		324,809,376	315,589,551
13.2 Funds held by or deposited with reinsured companies	681,442,561		681,442,561	633,982,604
13.3 Other amounts receivable under reinsurance contracts				
14. Amounts receivable relating to unassigned plans	2,750,281	2,750,281		
15.1 Current federal and foreign income tax recoverable and interest thereon				
15.2 Net deferred tax assets	536,835,421	503,979,850	432,875,471	322,261,824
16. Security funds receivable or on deposit	28,941,454		28,941,454	18,910,233
17. Electronic data processing equipment and software	113,354,731	84,340,423	89,014,308	54,328,624
18. Furniture and equipment, including health care delivery assets (\$ 0)	23,477,300	23,477,300		
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivables from parent, subsidiaries and affiliates	538,737,486		538,737,486	300,171,841
21. Health care (\$ 0) and other amounts receivable				
22. Other assets nonadmitted	24,354,631	24,354,631		
23. Aggregate write-ins for other than invested assets	386,916,041	80,477,003	306,439,038	334,661,872
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	22,905,974,515	760,822,867	22,145,151,648	19,298,498,887
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	22,905,974,515	760,822,867	22,145,151,648	19,298,498,887

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0904. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 - 0998) (Line 9 above)				
2301. Other assets	103,116,603	75,669,644	27,447,159	29,771,921
2302. Cash surrender value life insurance	104,600,738		104,600,739	145,286,916
2303. Equities and deposits in pools and associations	30,417,339		30,417,339	23,507,419
2398. Summary of remaining write-ins for Line 23 from overflow page	148,781,160	4,807,359	143,973,801	138,094,822
2399. Totals (Lines 2301 through 2303 - 2398) (Line 23 above)	386,916,041	80,477,003	306,439,038	334,661,872

LIABILITIES, SURPLUS AND OTHER FUNDS		1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 6)		8,334,384,830	7,843,934,245
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6)		29,467,012	11,796,518
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)		1,643,044,862	1,494,942,432
4. Commissions payable, contingent commissions and other similar charges		77,518,588	18,719,154
5. Other expenses (excluding taxes, licenses and fees)		297,417,888	302,742,031
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		227,093,137	229,602,905
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		57,144,082	147,343,450
7.2 Net deferred tax liability			
8. Borrowed money \$ 38,352,075 and interest thereon \$ 476,708		38,828,782	445,105,148
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 2,282,995,172 and including warranty reserves of \$ 0)		2,423,884,655	2,032,173,547
10. Advance premium		24,228,007	15,598,921
11. Dividends declared and unpaid:			
11.1 Stockholders			
11.2 Policyholders		2,217,160	35,644,457
12. Ceded reinsurance premiums payable (net of ceding commissions)		534,723,921	488,934,549
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 18)		2,293,414,541	1,905,190,754
14. Amounts withheld or retained by company for account of others		71,227,910	115,825,713
15. Reinsurances and risks not allocated			
16. Provision for reinsurance (Schedule F, Part 7)		142,690,781	164,160,271
17. Net adjustments in assets and liabilities due to foreign exchange rates			
18. Drafts outstanding		257,130,403	202,557,173
19. Payable to parent, subsidiaries and affiliates			
20. Payable for securities		150,878,309	457,221,010
21. Liability for amounts held under uninsured accident and health plans			
22. Capital notes \$ 0 and interest thereon \$ 0			
23. Aggregate write-ins for liabilities		(588,528,364)	(620,780,609)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)		16,022,057,314	15,288,749,567
25. Protected cell liabilities			
26. Total liabilities (Lines 24 and 25)		16,022,057,314	15,288,749,567
27. Aggregate write-ins for special surplus funds		702,727,523	733,738,917
28. Common capital stock		10,000,000	10,000,000
29. Preferred capital stock			
30. Aggregate write-ins for other than special surplus funds		1,250,000	1,250,000
31. Surplus notes		1,141,346,439	1,341,162,626
32. Gross paid in and contributed surplus		1,430,234,931	81,645,843
33. Unassigned funds (surplus)		2,877,535,421	2,059,930,832
34. Less treasury stock, at cost:			
34.1 0 shares common (value included in Line 28 \$ 0)			
34.2 0 shares preferred (value included in Line 29 \$ 0)			
35. Surplus as regards policyholders (Lines 27 to 34, less 34) (Page 4, Line 38)		6,123,094,334	4,007,749,220
36. TOTALS (Page 2, Line 26, Col. 3)		22,145,151,646	18,286,488,887
DETAILS OF WRITE-INS			
Z301. Amounts held under prepared plans		343,147,987	299,592,639
Z302. Other liabilities		258,757,076	263,429,851
Z303. Retrospective reinsurance reserve - ceded		(1,363,066,432)	(1,383,617,325)
Z308. Summary of remaining write-ins for Line 23 from overflow page		771,538,625	299,634,226
Z399. Totals (Lines Z301 through Z308 plus Z398) (Line 23 above)		(588,528,364)	(620,780,609)
Z701. Special surplus from retrospective reinsurance		702,727,523	733,738,917
Z702.			
Z703.			
Z798. Summary of remaining write-ins for Line 27 from overflow page			
Z799. Totals (Lines Z701 through Z703 plus Z798) (Line 27 above)		702,727,523	733,738,917
3001. Guaranty funds		1,250,000	1,250,000
3002.			
3003.			
3098. Summary of remaining write-ins for Line 30 from overflow page			
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		1,250,000	1,250,000

State of Massachusetts
County of Suffolk

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein completed, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and status of the said reporting entity as of the reporting period stated above, and of its income and disbursements therefrom for the period ended, and have been compiled in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that (1) state law may differ, or (2) that state law or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Edmund F. Kelly (Signature) Dexter R. Legg (Signature) Laurence Henry Goyer Taha (Signature)
 Edmund Francis Kelly Dexter Robert Legg Laurence Henry Goyer Taha
 President (Chairman & CEO) Secretary Treasurer

ORIGINAL

PPL Energy Plus, LLC
Two North Ninth Street (GENPL7)
Allentown, PA 18101-1179
Tel. 610.774.4573
Fax 610.774.4877
fthanner@pplweb.com



February 18, 2005

Pennsylvania PUC

FEB 22 2004

Consumer Services
CAC Division

Jim Farley
Supervisor
Pennsylvania Public Utility Commission
Bureau of Consumer Services
PO Box 3265
Harrisburg PA 17105-3265

RECEIVED

MAR 21 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

A-110098

RE: CHANGE TO ELECTRIC SUPPLIERS LIST

Dear Mr. Farley,

Please change the contact name information from David Bonenberger to the following:

Frank T. Hanner
Phone (610) 774-4573
Fax (610) 774-4877

If you have any questions, please contact me.

Sincerely,

Frank T. Hanner
Senior Energy Marketing Specialist



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

May 9, 2005

PPL ENERGYPLUS LLC
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-

ATTENTION: JESSE A DILLON

RE: License Bond or Other Financial Security

Dear Mr. Dillon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by PPL EnergyPlus LLC will have been in place for approximately one year on July 6, 2005.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

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2005 MAY 10 PM 1:49
SECRETARY'S BUREAU

KJR

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DOCKETED
MAY 19 2005

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763 or Darren Gill at (717) 783-5244, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Rosenthal". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Robert A. Rosenthal
Director, Bureau of Fixed Utility Services

cc: J. McNulty, Secretary

Laura A. Frederick
Counsel

PPL

Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5314 Fax 610.774.6726
lafrederick@pplweb.com



VIA FEDERAL EXPRESS

May 16, 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

MAY 18 2005

**DOCUMENT
FOLDER**

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

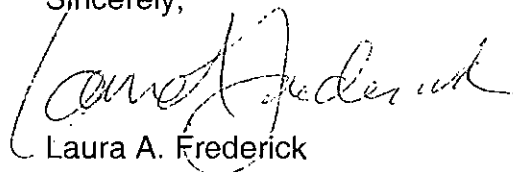
Dear Secretary McNulty:

This letter is in response to the Pennsylvania Public Utility Commission's (the "Commission") letter, dated May 9, 2005, in which the Commission requested that PPL EnergyPlus, LLC ("PPL EnergyPlus") provide evidence to the Commission that PPL EnergyPlus has obtained a bond or other approved security required to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c). To that end, we have attached for your reference PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective July 5, 2002, and was increased May 15, 2005 to an amount equal to 10% of PPL EnergyPlus' calendar year 2004 gross receipts, as reported to the Commission in April 2005.

Please address future letters regarding this surety bond to my attention, rather than Jesse Dillon.

In the meantime, if you would like to discuss further, please feel free to contact me at the numbers set forth above.

Sincerely,


Laura A. Frederick

Attachments

cc: Mr. James Shurskis – via fax – 717-787-4750

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**LIBERTY MUTUAL INSURANCE COMPANY
GENERAL PURPOSE RIDER**

To be attached to and form part of Bond Number 019-007-643 dated effective July 5, 2002, executed by PPL ENERGYPLUS, LLC, as Principal, and by LIBERTY MUTUAL INSURANCE COMPANY, as Surety, in favor of the PENNSYLVANIA PUBLIC UTILITY COMMISSION, as Obligee:

Now, therefore, it is agreed that the sum of the bond shall be decreased as follows:

From: FIVE MILLION EIGHT HUNDRED FORTY ONE THOUSAND NINE HUNDRED SIXTY SIX AND NO/100.....DOLLARS (\$5,841,966.00)

To: TWO MILLION FIVE HUNDRED FIFTY THOUSAND FOUR HUNDRED FIVE AND NO/100.....DOLLARS (\$2,550,405.00)

This rider is to be effective the 15th day of May, 2005.

Signed, sealed and dated this 15th day of May, 2005.

DOCKETED
SEP 26 2005

Principal: **PPL ENERGYPLUS, LLC**

William M. Koch
Attest

By: *James E. Abel* (Seal)

Surety: **LIBERTY MUTUAL INSURANCE COMPANY**

Christine A. Quinn
Witness

By: *Julia R. Burnet* (seal)
Julia R. Burnet, Attorney-in-Fact

**DOCUMENT
FOLDER**

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint

DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, JULIA R. BURNET, KIMBERLY G. TOMMASSELO, ALL OF THE CITY OF BALA CYNWYD, STATE OF PENNSYLVANIA

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIFTY MILLION AND 00/100 DOLLARS (\$ 50,000,000.00) each, and the

execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 9th day of March 2005

LIBERTY MUTUAL INSURANCE COMPANY



By Garnet W. Elliott, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 9th day of March, 2005, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2005
Member, Pennsylvania Association of Notaries

By Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 15th day of May 2005



By David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

LIABILITIES, SURPLUS AND OTHER FUNDS	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)	8,904,510,525	8,334,334,830
2. Reinsurance payable on paid loss and loss adjustment expenses (Schedule F, Part 1, Column 6)	38,308,668	29,467,012
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)	1,636,423,690	1,648,044,862
4. Commissions payable, contingent commissions and other similar charges	85,958,653	77,518,988
5. Other expenses (excluding taxes, licenses and fees)	311,368,367	297,417,888
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	180,991,939	227,063,137
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	0	57,144,082
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ 27,650,282 and interest thereon \$ 404,263	28,054,545	38,829,792
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 2,333,638,890 and including warranty reserves of \$ 0)	2,581,566,143	2,423,884,665
10. Advance premium	21,822,691	24,228,007
11. Dividends declared and unpaid:		
11.1 Stockholders	2,388,563	2,217,180
11.2 Policyholders	501,805,081	534,723,921
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,187,564,613	2,293,414,541
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	479,378,043	71,237,810
14. Amounts withheld or retained by company for account of others	131,753,666	142,998,781
15. Remittances and claims not advocated	0	0
16. Provision for reinsurance (Schedule F, Part 7)	244,683,669	257,130,893
17. Net adjustments in assets and liabilities due to foreign exchange rates	282,830,036	0
18. Drafts outstanding	128,000,354	150,878,309
19. Payable to parent, subsidiaries and affiliates	0	0
20. Payable for securities	0	0
21. Liability for amounts held under uninsured accident and health plans	7702,802,962	(588,526,364)
22. Capital notes \$ 0 and interest thereon \$ 0	0	0
23. Aggregate write-ins for liabilities	16,928,697,813	16,022,057,314
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	16,928,697,813	16,022,057,314
25. Protected cell liabilities	757,681,198	702,727,523
26. Total liabilities (Lines 24 and 25)	10,000,000	10,000,000
27. Aggregate write-ins for special surplus funds	1,250,000	1,250,000
28. Common capital stock	1,012,858,828	1,141,348,459
29. Preferred capital stock	2,004,071,957	1,430,234,931
30. Aggregate write-ins for other than special surplus funds	3,840,896,481	2,837,535,421
31. Surplus notes	0	0
32. Gains paid in and contributed surplus	7,426,550,562	6,123,094,334
33. Unassigned funds (surplus)	24,356,248,475	22,145,151,648
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0)	0	0
34.2 0 shares preferred (value included in Line 29 \$ 0)	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 38)	7,426,550,562	6,123,094,334
36. TOTALS (Page 2, Line 28, Col. 3)	24,356,248,475	22,145,151,648

DETAILS OF WRITE-INS		
2301. Amounts held under uninsured plans	447,633,169	343,142,987
2302. Other liabilities	185,142,312	259,757,419
2303. Retroactive reinsurance reserve - ceded	(1,469,780,179)	(1,363,659,452)
2398. Summary of remaining write-ins for Line 23 from overflow page	134,181,731	(71,838,625)
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	7702,802,962	(588,526,364)
2701. Special surplus from retrospective reinsurance	757,681,198	702,727,523
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	757,681,198	702,727,523
3001. Guaranty fund	1,250,000	1,250,000
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	1,250,000	1,250,000

State of Massachusetts
County of Norfolk

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any lease or other encumbrance, except as herein stated, and that the statements, together with related exhibits, schedules and attachments thereto contained, prepared or referred to, in a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and production therefrom for the period ended, and have been compiled in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual accepted by the extent that (1) same may vary slightly, or (2) that such rules or regulations require otherwise in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the copies of this statement by the described officers and including the filing confirming electronic filing with the NAIC, when required, and an exact copy (except for formatting differences due to electronic filing) of the enclosed statement, the electronic filing may be requested by various regulatory in lieu of or in addition to the enclosed statement.

Edward F. Kelly (Signature) *Robert P. Long* (Signature) *Lawrence Henry Joyce Yip* (Signature)
 Edward Francis Kelly (Printed Name) Robert P. Long (Printed Name) Lawrence Henry Joyce Yip (Printed Name)
 Chairman of the Board, President & CEO Vice President & Secretary Senior Vice President & Treasurer
 (Title) (Title) (Title)

Subscribed and sworn to before me this 22 day of February, 2005.

[Signature]

Is this an original filing? YES NO
 If no:
 1. State the Attachment number
 2. Date filed
 3. Number of pages attached



ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	11,780,170,508		11,780,170,508	16,155,163,434
2. Stocks (Schedule D):				
2.1 Preferred stocks	100,083,888		100,083,888	120,146,803
2.2 Common stocks	5,373,428,576		5,373,428,576	5,204,104,751
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	243,801,947		243,801,947	214,376,888
4.2 Properties held for the production of income (less \$ 0 encumbrances)	1,137,938		1,137,938	1,058,090
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 137,665,621, Schedule E-Part 1), cash equivalents (\$ 103,709,478, Schedule E-Part 2) and short-term investments (\$ 443,067,966, Schedule DA)	864,443,263		864,443,263	473,217,719
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule BA)	2,168,663,950		2,168,663,950	973,135,974
8. Receivable for securities	37,646,647		37,646,647	10,821,182
9. Aggregate write-ins for invested assets				
10. Subtotal, cash and invested assets (Lines 1 to 9)	20,389,376,716		20,389,376,716	17,102,022,639
11. Investment income due and accrued	147,367,617		147,367,617	130,435,960
12. Premiums and considerations:				
12.1 Uncollected premiums and agent's balances in the course of collection	629,035,740	18,816,975	610,218,765	673,579,803
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but un billed premiums)	1,264,875,628		1,264,875,628	873,405,672
12.3 Accrued retrospective premiums	868,977,651	57,036,114	809,941,537	603,447,580
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	344,030,884		344,030,884	324,809,375
13.2 Funds held by or deposited with reinsured companies	23,834,810		23,834,810	861,442,961
13.3 Other amounts receivable under reinsurance contracts				
14. Amounts receivable relating to unassigned plans	2,521,873	2,521,873		
14.1 Current federal and foreign income tax recoverable and interest thereon	35,422,303		35,422,303	
14.2 Net deferred tax asset	802,631,006	400,482,481	539,138,519	432,875,471
15. Guaranty funds receivable or on deposit	37,427,058		37,427,058	28,941,454
16. Electronic data processing equipment and software	128,484,159	86,412,225	41,871,930	48,014,308
17. Furniture and equipment, including health care delivery assets (\$ 0)	18,206,912	16,206,912		
18. Net adjustment in assets and liabilities due to foreign exchange rates				
19. Receivables from parent, subsidiaries and affiliates				838,737,486
20. Health care (\$ 0) and other amounts receivable				
21. Other assets nonadmitted	36,247,922	36,247,922		
22. Aggregate write-ins for other than invested assets	493,196,116	74,153,434	419,042,682	306,439,038
23. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	25,047,525,591	692,277,116	24,355,248,475	22,145,151,641
24. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
25. Total (Lines 24 and 25)	25,047,525,591	692,277,116	24,355,248,475	22,145,151,641

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 + 0998) (Line 9 above)				
2301. Other assets	184,924,035	89,974,856	118,949,379	27,447,159
2302. Cash surrender value life insurance	125,987,107		125,987,107	104,800,738
2303. Equities and deposits in pools and associations	20,076,818		20,076,818	30,417,319
2398. Summary of remaining write-ins for Line 23 from overflow page	154,238,156	4,178,778	154,059,378	143,873,801
2399. Totals (Lines 2301 through 2303 + 2398) (Line 23 above)	493,196,116	74,153,434	419,042,682	306,439,038

Deidre Bilger
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.6737 Fax 610.774.6726
dbliger@pplweb.com



DOCUMENT
FOLDER

VIA FEDERAL EXPRESS

RECEIVED

May 20, 2005

MAY 20 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Secretary McNulty:

It has come to our attention that the transmittal letter for the above filing sent to you May 16, 2005, contained a typographical error. The first paragraph should have stated that the bond for PPL EnergyPlus had been **decreased** to an amount equal to 10% of PPL EnergyPlus' 2004 gross receipts. Please substitute the attached, revised letter.

I apologize for any inconvenience this oversight may have caused. Please call Laura Frederick or me if there are any concerns with this matter.

Sincerely,

Deidre L. Bilger

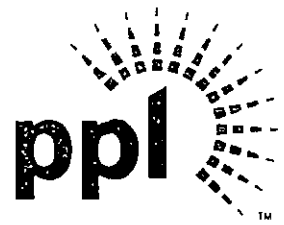
Attachment

cc: James Shurskis – via fax 717-787-4750

DOCKETED
SEP 13 2005

Laura A. Frederick
Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5314 Fax 610.774.6726
lafrederick@pplweb.com



VIA FEDERAL EXPRESS

May 20, 2005

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

MAY 20 2005

PA PUBLIC UTILITY COMMISSION
GENERAL COUNSEL'S BUREAU

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Secretary McNulty:

This letter is in response to the Pennsylvania Public Utility Commission's (the "Commission") letter, dated May 9, 2005, in which the Commission requested that PPL EnergyPlus, LLC ("PPL EnergyPlus") provide evidence to the Commission that PPL EnergyPlus has obtained a bond or other approved security required to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c). To that end, we have attached for your reference PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective July 5, 2002, and was decreased May 15, 2005 to an amount equal to 10% of PPL EnergyPlus' calendar year 2004 gross receipts, as reported to the Commission in April 2005.

Please address future letters regarding this surety bond to my attention, rather than Jesse Dillon.

In the meantime, if you would like to discuss further, please feel free to contact me at the numbers set forth above.

Sincerely,


Laura A. Frederick

Attachments

cc: Mr. James Shurskis – via fax – 717-787-4750

PPL Energy PPL LLC
Two North Ninth Street (GENPL7)
Allentown, PA 18101-1179
Tel. 610.774.5916
Fax 610.774.5077
dzabrecky@pplweb.com



June 29, 2005

ORIGINAL

**DOCUMENT
FOLDER**

James McNulty
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RECEIVED

JUN 29 2005

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

RE: CHANGE TO ELECTRIC SUPPLIERS LIST

Dear Mr. McNulty:

A-110098

I have made several attempts over the last few months to change PPL's contact information to the Electric Supplier List on the PUC website.

Please change the contact name information from David Bonenberger to the following:

Frank T. Hanner
Phone (610) 774-4573
Fax (610) 774-4877

If you have any questions, or need additional information or need to direct my request to someone else at the PUC, please contact me at the above address or phone number.

Thank you.

Sincerely,

Dolores Zabrecky
Contract Administrator

63

PPL Energy, LLC

Two North Ninth Street (GENPL7)
Allentown, PA 18101-1179
Tel. 610.774.5916
Fax 610.774.5077
Dzabrecky@ppiweb.com



RECEIVED
05 JUN 13 AM 9:11

PA.P.U.C.
SECRETARY'S BUREAU

June 9, 2005

A-110098

Pennsylvania Public Utility Commission
Secretary of the Commission
400 North Street
Commonwealth Keystone Building
2nd Floor - Room N201
Harrisburg, PA 17120

DOCUMENT
FOLDER

RE: CHANGE TO ELECTRIC SUPPLIERS LIST

Dear Secretary:

Please change the contact name information from David Bonenberger to the following:

Frank T. Hanner
Phone (610) 774-4573
Fax (610) 774-4877

If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Dolores Zabrecky".

Dolores Zabrecky
Contract Administrator



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

May 8, 2006

PPL ENERGYPLUS LLC
TWO NORTH NINTH STREET
ALLENTOWN PA 18101-

ATTENTION: JESSE A DILLON

**DOCUMENT
FOLDER**

RE: License Bond or Other Financial Security

Dear Mr. Dillon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the bond or other approved security provided by PPL EnergyPlus LLC will have been in place for approximately one year on July 6, 2006.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

DOCKETED
MAY 31 2006

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,



Robert A. Rosenthal
Director, Bureau of Fixed Utility Services

cc: J. McNulty, Secretary

Eric W. Hurlocker
Associate General Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5529 Fax 610.774.6726
ewhurlocker@pplweb.com



VIA FEDERAL EXPRESS

May 19, 2006

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

MAY 19 2006

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

**DOCUMENT
FOLDER**

Dear Secretary McNulty:

This letter is in response to the Pennsylvania Public Utility Commission's (the "Commission") letter, dated May 8, 2006, in which the Commission requested that PPL EnergyPlus, LLC ("PPL EnergyPlus") provide evidence to the Commission that PPL EnergyPlus has obtained a bond or other approved security required to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c). To that end, we have attached for your reference a copy of PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective July 5, 2002, and an original of a General Purpose Rider, dated May 15, 2006, that decreases the amount of the bond to an amount equal to 10% of PPL EnergyPlus' calendar year 2005 gross receipts, as reported to the Commission in April 2006.

If you would like to discuss this surety bond further, please feel free to contact me at the numbers set forth above.

Sincerely,

Eric W. Hurlocker

Attachments

cc: Mr. James Shurskis – via fax – 717-787-4750

86

**LIBERTY MUTUAL INSURANCE COMPANY
GENERAL PURPOSE RIDER**

To be attached to and form part of Bond Number 019-007-643 dated effective July 5, 2002, executed by PPL ENERGYPLUS, LLC., as Principal, and by LIBERTY MUTUAL INSURANCE COMPANY, as Surety, in favor of the PENNSYLVANIA PUBLIC UTILITY COMMISSION, as Obligee:

Now, therefore, it is agreed that the sum of the bond shall be decreased as follows:

From: TWO MILLION FIVE HUNDRED FIFTY THOUSAND FOUR HUNDRED FIVE AND NO/100 DOLLARS.....(\$2,550,405.00)

To: ONE MILLION FOUR THOUSAND TWO HUNDRED EIGHTY AND NO/100 DOLLARS.....(\$1,004,280.00)

This rider is to be effective the 15th day of May, 2006.

Signed, sealed and dated this 11th day of May, 2006.

DOCUMENT
FOLDER

Principal: **PPL ENERGYPLUS, LLC**

Alvin M. Koch
Attest

By: *Cheryl D.* (seal)

Surety: **LIBERTY MUTUAL INSURANCE COMPANY**

Quinn A. Quinn
Witness

By: *Julia R. Burnet* (seal)
Julia R. Burnet, Attorney-in-Fact

DOCKETED

MAY 25 2006

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint **DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, JULIA R. BURNET, KIMBERLY G. TOMMASSELO, ALL OF THE CITY OF BALA CYNWYD, STATE OF PENNSYLVANIA**

each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding **FIFTY MILLION AND 00/100***** DOLLARS (\$ 50,000,000.00*****)** each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.
Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings; bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 5th day of April, 2005

LIBERTY MUTUAL INSURANCE COMPANY

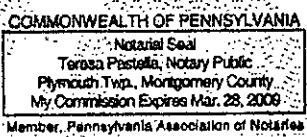
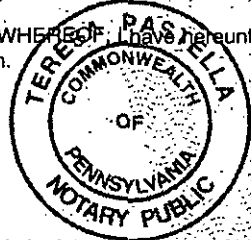


By Garnet W. Elliott
Garnet W. Elliott, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 5th day of April, 2005, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 11th day of May, 2006



By David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

POOR ORIGINAL

LIABILITIES, SURPLUS AND OTHER FUNDS	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 6)	9,447,745,191	8,904,510,525
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	51,399,570	38,308,568
3. Loss adjustment expenses (Part 2A, Line 34, Column 6)	1,934,941,136	1,694,423,690
4. Commissions payable, contingent commissions and other similar charges	93,935,574	90,474,680
5. Other expenses (excluding taxes, licenses and fees)	313,866,523	326,334,460
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	199,306,654	201,866,425
7.1 Current federal and foreign income taxes (including 1/2 on realized capital gains (losses))	0	0
7.2 Not deferred tax liability	0	0
8. Borrowed money \$ 102,110,430 and interest thereon \$ 652,834	102,773,665	28,054,545
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 2,248,043,792 and including warranty reserves of \$ 0)	2,792,636,119	2,582,556,143
10. Advance premium	616,342,899	124,936,687
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	2,371,401	2,386,953
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,617,616,942	901,805,061
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	2,150,116,985	2,187,584,513
14. Amounts withheld or retained by company for account of others	614,474,229	170,375,043
15. Refinances and items not allocated	0	0
16. Provision for reinsurance (Schedule F, Part 7)	149,117,360	131,753,265
17. Not adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	313,708,632	244,683,669
19. Payable to parent, subsidiaries and affiliates	0	0
20. Payable for securities	106,507,786	42,382,549
21. Liability for amounts held under uninsured accident and health plans	0	0
22. Capital notes \$ 0 and interest thereon \$ 0	0	0
23. Aggregate write-ins for liabilities	(741,705,216)	(702,803,013)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	18,066,211,457	16,701,614,750
25. Protected cell liabilities	0	0
26. Total liabilities (Lines 24 and 25)	18,066,211,457	16,701,614,750
27. Aggregate write-ins for special surplus funds	781,222,476	757,681,196
28. Common capital stock	10,000,000	10,000,000
29. Preferred capital stock	0	0
30. Aggregate write-ins for other than special surplus funds	1,250,000	1,250,000
31. Surplus notes	1,012,988,458	1,012,890,926
32. Gross paid in and contributed surplus	2,269,796,957	2,004,071,957
33. Unassigned funds (surplus)	13,848,446,941	3,459,446,837
34. Less treasury stock, at cost	0	0
34.1 0 shares common (value included in Line 28 \$ 0)	0	0
34.2 0 shares preferred (value included in Line 28 \$ 0)	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	7,824,696,832	7,255,349,918
36. TOTALS (Page 2, Line 25, Col. 3)	26,011,808,289	23,956,964,668

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

MAY 19 2006

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DETAILS OF WRITE-INS	1 Current Year	2 Prior Year
2301. Other liabilities	182,180,071	165,142,261
2302. Retroactive reinsurance reserve - ceded	(1,601,122,223)	(1,469,790,174)
2303. Amounts held under uninsured plans	473,271,904	447,633,169
2398. Summary of remaining write-ins for Line 23 from overflow page	103,965,033	154,181,731
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	(741,705,216)	(702,803,013)
2701. Special surplus from retroactive reinsurance	781,222,476	757,681,196
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	781,222,476	757,681,196
3001. Guaranty fund	1,250,000	1,250,000
3002.	0	0
3003.	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	1,250,000	1,250,000

State of Massachusetts
County of Suffolk

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a true and correct statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Edmund F. Kelly
(Signature)
Edmund Francis Kelly
(Printed Name)
1.
Chairman of the Board, President & CEO
(Title)

Dexter R. Legg
(Signature)
Dexter Robert Legg
(Printed Name)
2.
Vice President & Secretary
(Title)

Laurence Henry Boyer Yehle
(Signature)
Laurence Henry Boyer Yehle
(Printed Name)
3.
Senior Vice President & Treasurer
(Title)

Subscribed and sworn to before me this
23 day of January, 2006

Anna Komlar

a. Is this an original filing? YES [X] NO []
b. If no:
1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year		Prior Year	
	Assets	Nonadmitted Assets	Net Admitted Assets (Col. 1-2)	Net Admitted Assets
1. Bonds (Schedule D)	12,856,582,894		12,856,582,894	11,700,170,508
2. Stocks (Schedule D)	59,716,967		59,716,967	190,043,858
2.1 Preferred stocks	5,205,385,252		5,205,385,252	4,971,839,607
2.2 Common stocks	5,511,581,715		5,511,581,715	188,204,251
3. Mortgage loans on real estate (Schedule G)	19,500,000		19,500,000	
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A)	311,128,829		311,128,829	243,801,347
4.1 Properties occupied by the company (less \$ 0 encumbrances)	1,199,491		1,199,491	1,137,939
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	1,082,172,507		1,082,172,507	684,443,263
6. Contract loans (including \$ 0 premium notes)	2,216,280,424	2,667,944	2,213,612,480	1,664,663,950
7. Other invested assets (Schedule BA)	31,385,363		31,385,363	37,546,847
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotal cash and invested assets (Lines 1 to 9)	21,505,331,721	2,667,944	21,500,663,777	19,987,787,747
11. Title plans less \$ 0 charged off (for Title Insurers only)				
12. Investment income due and accrued	153,675,619		153,675,619	147,367,617
13. Premiums and considerations				
13.1 Uncollected premiums and agents' balances in the course of collection	855,364,742	19,085,084	836,279,658	609,392,140
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbooked premiums)	1,376,405,401		1,376,405,401	1,273,321,091
13.3 Accrued retrospective premiums	520,880,792	52,651,630	468,229,162	509,941,443
14. Reinsurance				
14.1 Amounts recoverable from reinsurers	399,753,189		399,753,189	344,030,984
14.2 Funds held by or deposited with reinsured companies	24,877,116		24,877,116	23,934,810
14.3 Other amounts recoverable under reinsurance contracts				
15. Amounts receivable relating to unassigned plans	2,347,430		2,347,430	
16. Current federal and foreign income tax recoverable and interest thereon	58,065,885		58,065,885	90,900,531
17. Net deferred tax asset	64,671,000	98,803,423	34,867,577	52,136,530
18. Guaranty funds receivable or on deposit	37,683,992		37,683,992	37,427,058
19. Electronic data processing equipment and software	211,571,028	167,239,087	43,331,941	41,671,930
20. Furniture and equipment including health care delivery assets (Schedule B)	18,944,330	18,944,330		
21. Net adjustment in assets and liabilities due to foreign exchange rates				
22. Receivables from parent, subsidiaries and affiliates	284,222,350		284,222,350	
23. Health Care (Schedule C) and other amounts receivable				
24. Aggregate write-ins for other than invested assets	4,623,773,517	83,588,685	4,440,184,832	419,042,678
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	26,457,938,102	446,329,819	26,011,608,283	23,958,964,668
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
27. Total Lines 24 and 25	20,457,938,102	446,329,819	20,011,608,283	23,958,964,668

DETAILS OF WRITE-INS

0901				
0902				
0903				
0998 Summary of remaining write-ins for Line 09 from overflow page				
0999 Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301 Other assets	187,237,669	77,401,984	109,835,685	116,548,374
2302 Cash surrender value life insurance	143,031,210		143,031,210	125,957,107
2303 Equities and deposits in pools and associations	20,932,222		20,932,222	20,076,819
2398 Summary of remaining write-ins for Line 23 from overflow page	172,572,416	8,186,803	164,385,613	154,059,376
2399 Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	623,773,517	83,588,685	440,184,832	419,042,678

POOR ORIGINAL

Laura A. Frederick
Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5314 Fax 610.774.6726
lafrederick@pplweb.com



VIA FEDERAL EXPRESS

May 29, 2007

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

MAY 29 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

**DOCUMENT
FOLDER**

Dear Secretary McNulty:

This letter is in response to the Pennsylvania Public Utility Commission's (the "Commission") letter, dated May 7, 2007, in which the Commission requested that PPL EnergyPlus, LLC ("PPL EnergyPlus") provide evidence to the Commission that PPL EnergyPlus has obtained a bond or other approved security required to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c). To that end, we have attached for your reference a copy of PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective July 5, 2002, and an original of a General Purpose Rider, dated March 2, 2007, that decreases the amount of the bond to the initial security level of \$250,000.

If you would like to discuss this surety bond further, please feel free to contact me at the numbers set forth above.

Respectfully submitted,

Laura A. Frederick

Attachments

cc: Mr. James Shurskis – via fax – 717-787-4750

203

LICENSE BOND

DOCUMENT
FOLDER

Bond No. 019007643

KNOW ALL MEN BY THESE PRESENTS, That we PPL ENERGYPLUS, LLC, Two North Ninth Street, Allentown, PA 18101-1179, hereinafter referred to as the Principal, and LIBERTY MUTUAL INSURANCE COMPANY, 450 Plymouth Road, Suite 400, Blue Bell, PA 19462, a corporation organized and existing under the laws of the State of Massachusetts, and authorized to do business in the Commonwealth of Pennsylvania, as Surety, are held and firmly bound unto PENNSYLVANIA PUBLIC UTILITY COMMISSION, P.O. Box 3265, Harrisburg, PA 17105, as Obligee, in the sum of SEVENTEEN MILLION EIGHT HUNDRED NINETY-SIX THOUSAND SEVENTY SIX NO/100 DOLLARS (\$17,896,076.00) lawful money of the United States of America, to the payment of which sum, well and truly to be made, we bind ourselves, our executors, administrators, successors, and assigns, jointly, severally, and firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, That whereas, the Principal has been granted a license by the Obligee to offer, render, furnish or supply electricity or electric generation services to the public, and this license bond must be in effect during the term of the license.

JUN 11 2007

NOW THEREFORE, the condition of this obligation is such that the principal must act in accordance with Section 2809(c)(1)(i) of the Public Utility Code, 66 Pa. C.S. Section 2809(c)(1)(i), to assure compliance with applicable provisions of the Public Utility Code, 66 Pa. C.S. Sections 101, et seq. and the rules and regulations of the Pennsylvania Public Utility Commission by the Principal as a licensed electric generation supplier; to ensure the payment of Gross Receipts Tax as required by Section 2810 of the Public Utility Code, 66 Pa. C.S. Section 2810, and to ensure the supply of electricity at retail in accordance with contracts, agreements or arrangements. Payment of claims shall have the following priority: (I) The Commonwealth of Pennsylvania; (II) Electric Distribution Companies for the reimbursement of Gross Receipts Tax; and (III) Private Individuals. Proceeds of the bond may not be used to pay any penalties or fines levied against the Principal for violations of the law, or for payment of any other tax obligations owed to the Commonwealth of Pennsylvania.

NOW THEREFORE, if the Principal shall, during the period commencing on the dated specified below, faithfully observe and honestly comply with such rules, regulations and statutes that are applicable to an electric generation supplier licensed in Pennsylvania and fulfills its obligation to pay to the Gross Receipts Tax to the Commonwealth, and to deliver electricity at retail in accordance with contracts agreements and arrangements, require the execution of this bond, then this obligation shall become void and of no effect.

PROVIDED, HOWEVER, the Principal and Surety shall have no obligation to any claimant other than the Commonwealth unless the claimant furnishes a written notice to Principal, Surety and Commonwealth within ninety days (90) days following a breach for which recovery is

demanded, said notice to provide a reasonable explanation of the breach. Further, at the option of the Principal and Surety, any payment to a claimant other than the Commonwealth may be made jointly to such claimant and the Commonwealth; the penal sum hereof shall be reduced by any and all payments hereunder.

PROVIDED, FURTHER, the Surety may terminate its future liability under this Bond sixty (60) days after furnishing written notice of such intention to terminate. This termination shall not effect the liability of the Surety and the Principal for any liability incurred by the Principal prior to the effective date of such termination. Any claim under the bond must be instituted within three (3) months of the effective date of termination.

SIGNED, SEALED AND DATED this 5th day of July, 2002.

PPL ENERGYPLUS, LLC.

By: *James E. Abel*

LIBERTY MUTUAL INSURANCE COMPANY

By: *Patricia A. Rambo*
Patricia A. Rambo, Attorney-in-fact

**LIBERTY MUTUAL INSURANCE COMPANY
GENERAL PURPOSE RIDER**

To be attached to and form part of Bond Number 019007643 dated effective July 5, 2002, executed by PPL ENERGYPLUS, LLC as Principal, and by LIBERTY MUTUAL INSURANCE COMPANY, as Surety, in favor of the PENNSYLVANIA PUBLIC UTILITY COMMISSION as Obligee:

Now, therefore, it is agreed that the sum of the bond shall be decreased as follows:


From: ONE MILLION FOUR THOUSAND TWO HUNDRED EIGHTY AND NO/100 DOLLARS.....(\$1,004,280.00)


To: TWO HUNDRED FIFTY THOUSAND AND NO/100.....(\$250,000.00) DOLLARS

This rider is to be effective the 15th day of May, 2007.

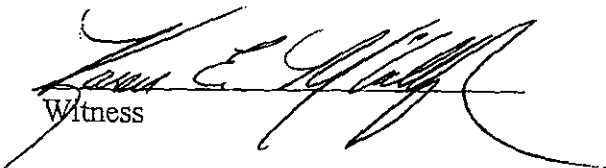
Signed, sealed and dated this 3rd day of May, 2007.

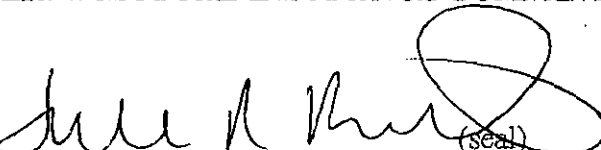
Principal: PPL ENERGYPLUS, LLC


Attest Assistant Secretary

By:  (seal)

Surety: LIBERTY MUTUAL INSURANCE COMPANY


Witness

By:  (seal)
Julia R. Burnet, Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of the named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint **DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, JULIA R. BURNET, KIMBERLY G. TOMMASSELO, SHARON A. SIMPSON, ALL OF THE CITY OF BALA CYNWYD, STATE OF PENNSYLVANIA**

each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding **FIFTY MILLION AND 00/100** DOLLARS (\$ **50,000,000.00**) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 2nd day of March, 2007.

LIBERTY MUTUAL INSURANCE COMPANY

By Garnet W. Elliott
Garnet W. Elliott, Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 2nd day of March, 2007, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2009
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public.

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company, at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 3rd day of May, 2007.



By David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

ORIGINAL **Jesse A. Dillon**
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5013 Fax 610.774.6726
jadillon@pplweb.com



April 28, 2008

VIA FEDERAL EXPRESS

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

DOCUMENT
FOLDER

RECEIVED

APR 25 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**RE: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Secretary McNulty:

Enclosed please find PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective May 15, 2008.

This bond satisfies the Pennsylvania Public Utility Commission's requirement that PPL EnergyPlus provide a bond or other approved security to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c).

If you would like to discuss this surety bond further, please feel free to contact me at the numbers set forth above.

Respectfully submitted,


Jesse A. Dillon

Enclosure

cc: James Shurskis – via Fax – 717-787-4750

RECEIVED

APR 25 2008

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CONTINUATION CERTIFICATE
LIBERTY MUTUAL INSURANCE COMPANY

The LIBERTY MUTUAL INSURANCE COMPANY (hereinafter called the Surety) hereby continues in force its Bond No. 019007643 in the sum of TWO HUNDRED FIFTY THOUSAND AND NO/100 (\$250,000.00) DOLLARS, on behalf of PPL ENERGYPLUS, LLC, in favor of the PENNSYLVANIA PUBLIC UTILITY COMMISSION, for the (extended) term beginning on the 15th day of May, 2008 and ending on the 15th day of May, 2009, subject to all the covenants and conditions of said Bond.

This Continuation is executed upon the express condition that the Company's liability shall be limited at all times by the amount of the penalty stated in the bond.

IN WITNESS WHEREOF, the Surety has caused this instrument to be signed by its duly authorized Attorney-in-Fact and its corporate seal to be hereto affixed this 3rd day of April, 2008.

Anne C. Lovett

Attest/Witness

Kimberly Thomas
Witness

PPL ENERGYPLUS, LLC

By: [Signature]

LIBERTY MUTUAL INSURANCE COMPANY

By: [Signature]

Julia R. Burnet
Attorney-in-Fact

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint **DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, JULIA R. BURNET, KIMBERLY G. TOMMASSELO, ALL OF THE CITY OF CYNWYD, STATE OF PENNSYLVANIA**

each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding **FIFTY MILLION AND 00/100 ***** DOLLARS (\$ 50,000,000.00 *****)** each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5: Surety Bonds and Undertakings:
Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 28th day of September 2006

LIBERTY MUTUAL INSURANCE COMPANY

By Garnet W. Elliott
Garnet W. Elliott, Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 28th day of September, 2006, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company, that he knows the seal of said corporation, and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2009
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 3rd day of April 2006



By David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

Jesse Dillon
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5013 Fax 610.774.6726
jadillon@pplweb.com



May 15, 2009

VIA FEDERAL EXPRESS

DOCUMENT
FOLDER

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

**RE: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Secretary McNulty:

Enclosed please find PPL EnergyPlus' current bond, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective May 15, 2009.

This bond satisfies the Pennsylvania Public Utility Commission's requirement that PPL EnergyPlus provide a bond or other approved security to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c).

If you would like to discuss this surety bond further, please feel free to contact me at the numbers set forth above.

Respectfully submitted,

Jesse A. Dillon

Enclosure

cc: James Shurskis – via Fax – 717-787-4750

RECEIVED

MAY 15 2009

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

CONTINUATION CERTIFICATE

LIBERTY MUTUAL INSURANCE COMPANY

hereby continues in force Bond No. 019007643 briefly described
as License & Permit Bond.

for PPL ENERGYPLUS, LLC

_____, as Principal,
PENNSYLVANIA PUBLIC UTILITY COMMISSION, as Obligee,

in the sum of Two Hundred Fifty Thousand and 00/100 (\$ 250,000.00) Dollars, for the term
beginning 05/15, 2009, and ending 05/15, 2010,


subject to all the covenants and conditions of the original bond referred to above.

This continuation is issued upon the express condition that the liability of _____
LIBERTY MUTUAL INSURANCE COMPANY

under said Bond and this and all continuations thereof shall not be cumulative and shall in no event
exceed the total sum above written.

Dated this 12th day of May, 2009.

LIBERTY MUTUAL INSURANCE COMPANY

By 
Christine A. Dunn, Attorney-in-Fact

THIS "Continuation Certificate" MUST BE FILED WITH THE ABOVE BOND.

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.
This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint

DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON,
CHRISTINE A. DUNN, SHERRIL FEENEY, JULIA R. BURNET, KIMBERLY G. RIVELY, SHARON A. SIMPSON,
ALL OF THE CITY OF KING OF PRUSSIA, STATE OF PENNSYLVANIA

each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding FIFTY MILLION AND 00/100 DOLLARS (\$ 50,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts, Section 5: Surety Bonds and Undertakings

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 3rd day of February 2009.

LIBERTY MUTUAL INSURANCE COMPANY

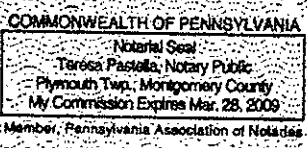


By *Garnet W. Elliott*
Garnet W. Elliott, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss:
COUNTY OF MONTGOMERY

On this 3rd day of February, 2009, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



By *Teresa Pastella*
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 12th day of May 2009.



By *David M. Carey*
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

Jesse Dillon
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5013 Fax 610.774.6726
jadillon@pplweb.com



VIA FEDERAL EXPRESS

June 19, 2009

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
North Office Building
North Street and Commonwealth Avenue
Harrisburg, PA 17105-3265

RECEIVED

JUN 19 2009

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**DOCUMENT
FOLDER**

**Re: PPL EnergyPlus, LLC
Annual Report of Electric Generation
Sales (kwh) and Supply by Energy Source
Docket No. A-110098**

Dear Mr. McNulty,

Enclosed for filing on behalf of PPL EnergyPlus, LLC ("PPL EnergyPlus") are an original and three (3) copies of Ernst & Young's Report of Independent Accountants on Applying Agreed-Upon Procedures. This report was not attached to the original filing on April 21, 2009 or the Amended filing on April 29, 2009.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on June 19, 2009, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

In addition, please stamp the enclosed extra copy of this letter and return in the envelope provided. If you have any questions regarding the enclosed report, please contact me at the above number.

Respectfully submitted,

Jesse A. Dillon

Enclosures

cc: Mr. Dale Kirkwood
Mr. Robert F. Wilson



Ernst & Young LLP
Two Commerce Square
Suite 4000
2001 Market Street
Philadelphia, Pennsylvania 19103-7096
Tel: 215 448 5000
Fax: 215 448 4069

**Report of Independent Accountants on
Applying Agreed-Upon Procedures**

RECEIVED

JUN 19 2009

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

To the Audit Committee and Management of
PPL EnergyPlus, LLC:

We have performed the procedures enumerated below, which were agreed to by PPL EnergyPlus, LLC, solely to assist you with respect to procedures relating to information contained in the "Reports of Electric Generation Supply by Energy Source" (the "Reports") for the year ended December 31, 2008, as required by the Pennsylvania Public Utility Commission (the "PPUC"). Management of PPL EnergyPlus, LLC, is responsible for the information contained in the Report. This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. Obtained the "PPL EnergyPlus Retail Sales & Revenues (2008)" report, which contains PPL EnergyPlus, LLC's (PPL EnergyPlus) cumulative monthly net energy deliveries by state in Pennsylvania ("PA"), Delaware ("DE"), New Jersey ("NJ"), Montana ("MT"), and Maine ("ME") and verified the mathematical accuracy of the report.
2. Obtained the "PPL EnergyPlus Gross Receipts Tax Reporting, kWh and Gross Revenue by State, 2008 YTD" report and verified the mathematical accuracy of the report.
3. Compared and agreed the amount identified as "Total Reported Deliveries YTD" included in the "Reported Deliveries by State (mWh)" section of the "PPL EnergyPlus Retail Sales & Revenues (2008)" report to the amount identified as "MWh by State -- Total" per the "PPL EnergyPlus Gross Receipts Tax Reporting, kWh and Gross Revenue by State, 2008 YTD" report.
4. Obtained the "Annual Report -- Pennsylvania Gross Receipts" and "Annual Report -- Electric Generation Sales (kWh) & Supply by Energy Source (Based on Total Retail Sales in Pennsylvania)" reports. Recalculated the amount of kWh identified as "Retail Sales Report Sales for Resale" per the "Annual Report -- Pennsylvania Gross Receipts" report and the amount of kWh identified as "Total Retail Sales (kWh)" per the "Annual Report -- Electric Generation Sales (kWh) & Supply by Energy Source (Based on Total Retail Sales in Pennsylvania)" report as follows:

- A) Compared and agreed the amount of mWh reported as "mWh by State - PA" per the "PPL EnergyPlus Gross Receipts Tax Reporting, kWh and Gross Revenue by State, 2008 YTD" report to the amount identified as "Reported Deliveries by State (mWh) - Pennsylvania - YTD" per the "PPL EnergyPlus Retail Sales & Revenues (2008)" report.
- B) Multiplied the amount identified in 4.A) by 1,000 and verified the mathematical accuracy of the Retail Sales for Resale in kWh.
5. Obtained the "PUC Quarterly Gross Receipts Report, PPL EnergyPlus, Sales to Ultimate Customers, Gross Receipts (Total Revenue)" report, which contains PPL EnergyPlus retail electric revenues by quarter. Verified the mathematical accuracy of the report. Compared and agreed the amount identified as "Gross Receipts by State - Total" per the "PPL EnergyPlus Gross Receipts Tax Reporting, kWh and Gross Revenue by State, 2008 YTD" report to the 2008 year to date amount per the "PUC Quarterly Gross Receipts Report, PPL EnergyPlus, Sales to Ultimate Customers, Gross Receipts (Total Revenue)" report.
6. Recalculated the amount identified as "Gross Receipts" per the "Annual Report - Pennsylvania Gross Receipts" report as follows:
- A) Using the "PUC Quarterly Gross Receipts Report, PPL EnergyPlus, Sales to Ultimate Customers, Gross Receipts (Total Revenue)" report, summed the following items per the report:
- 2008 - 1st Quarter - Total
 - 2008 - 2nd Quarter - Total
 - 2008 - 3rd Quarter - Total
 - 2008 - 4th Quarter - Total
- B) Subtracted from the total amount identified in 6.A) the sum of the "Gross Receipts by State" amounts for NJ, DE, MT and ME per the "PPL EnergyPlus Gross Receipts Tax Reporting, kWh and Gross Revenue by State, 2008 YTD" report as follows:
- Amount per 6.A) - Amount per 6.B)
- C) Compared and agreed the amount computed in 6.B) to the amount for PA "Gross Receipts by State" per the "PPL EnergyPlus Gross Receipts Tax Reporting, kWh and Gross Revenue by State, 2008 YTD" report.
- D) Compared and agreed the amount computed in 6.B) to the "Gross Receipts" amount per the "Annual Report - Pennsylvania Gross Receipts" report.

7. Verified the mathematical accuracy of the "2008 System less NJ KWH" schedule. Compared and agreed the percentages identified as "Coal," "Nuclear," "Oil," "Hydropower," "Natural Gas," and "Renewable" per the "Annual Report - Electric Generation Sales (kWh) & Supply by Energy Source (Based on Total Retail Sales in Pennsylvania)" report to the respective percentages per the "2008 System less NJ KWH" schedule.
8. Compared and agreed the percentages identified for "Wind Power," "Landfill or Other Biomass-based Methane Gas," "Mine-based Methane Gas," "Energy from Waste," "Sustainable Biomass Energy," "Other-Wood-Black Liquor" and for "Total Renewable Sources" included in the "Percent of Total Renewable Energy Supplied (%)" column per the "Annual Report - Electric Generation Sales (kWh) & Supply by Energy Source (Based on Total Retail Sales in Pennsylvania)" report to the respective "Renewable Source" percentages per the "2008 System less NJ KWH" schedule. Compared the amounts identified as kWh for "Wind Power," "Landfill or Other Biomass-based Methane Gas," "Mine-based Methane Gas," "Energy from Waste," "Sustainable Biomass Energy," "Other-Wood-Black Liquor" and "Total Renewable Sources" included in the "Total Renewable Energy Supplied (kWh)" column per the "Annual Report - Electric Generation Sales (kWh) & Supply by Energy Source (Based on Total Retail Sales in Pennsylvania)" report to the respective "Renewable Source" amounts per the "2008 System less NJ KWH" schedule and noted the following:

	Wind Power	Landfill or Other Biomass-based Methane Gas	Mine-based Methane Gas	Energy from Waste	Sustainable Biomass Energy	Other-Wood-Black Liquor	Total Renewable Sources
Amounts (of kWh's) per the Annual Report - Electric Generation Sales (kWh) & Supply by Energy Source (Based on Total Retail Sales in Pennsylvania)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Amounts (of kWh's) per the 2008 System-less NJ KWH schedule	3,589,567,000	1,688,313,000	32,796,000	4,149,402,000	1,064,090,000	544,795,000	11,068,963,000

The information made available to us, as documented in procedures 1 through 8 above, was assembled by PPL EnergyPlus, L.L.C. We have assumed for purposes of our procedures, but did not attempt to investigate or provide assurance thereon, that any information provided by PPL EnergyPlus, L.L.C that we were furnished is authentic. We should not be regarded as having, in any way, warranted or given any assurance as to the completeness or integrity of the information to which the procedures were applied, or as having, in any way, substantiated the comprehensiveness, integrity or accuracy of any information obtained or derived from PPL.



EnergyPlus, I.I.C. or any analyses, presentations, tabulations or reports based thereon or derived there from, including the above-referenced PPL EnergyPlus, LLC prepared, unaudited schedules.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of PPL EnergyPlus, LLC and is not intended to be and should not be used by anyone other than this specified party.

Ernst + Young LLP

April 29, 2009



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

March 15, 2010

PPL ENERGYPLUS LLC
2 NORTH NINTH ST
ALLENTOWN PA 18101-1179

ORIGINAL

ATTENTION: JESSE A DIXON

RE: License Bond or Other Financial Security

Dear Mr. Dixon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the anniversary of the bond or other approved security provided by PPL EnergyPlus LLC occurs on May 15, 2010.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Wilson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert Wilson, Director
Bureau of Fixed Utility Services

cc: J. McNulty, Secretary



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

March 7, 2011

PPL ENERGYPLUS LLC
2 NORTH NINTH ST
ALLENTOWN PA 18101-1179

ATTENTION: JESSE A DIXON

ORIGINAL

RE: License Bond or Other Financial Security

Dear Mr. Dixon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes an original of a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the anniversary of the bond or other approved security provided by PPL EnergyPlus LLC occurs on May 15, 2011.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

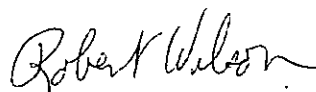
In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained. Provide an original of any documentation submitted as proof; including bond, letter of credit, continuation certificate, amendment, etc.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Fixed Utility Services.

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Fixed Utility Services.

Sincerely,

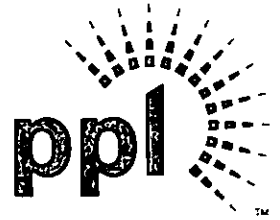
A handwritten signature in cursive script that reads "Robert Wilson".

Robert Wilson, Director
Bureau of Fixed Utility Services

cc: R. Chiavetta, Secretary

Jesse A. Dillon
Senior Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5013 Fax 610.774.6726
jadillon@pplweb.com



May 4, 2011

ORIGINAL

VIA FEDERAL EXPRESS

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

MAY 4 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**RE: PPL EnergyPlus, LLC: License Bond or Other
Financial Security; Docket No. A-110098**

Dear Secretary Chiavetta:

Enclosed please find PPL EnergyPlus' current bond Continuation Certification, Bond No. 019-007-643 issued by Liberty Mutual Insurance Company effective May 15, 2011.

This bond satisfies the Pennsylvania Public Utility Commission's requirement that PPL EnergyPlus provide a bond or other approved security to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania pursuant to 66 Pa. C.S. Section 2809(c).

If you would like to discuss this surety bond further, please feel free to contact me at the numbers set forth above.

Respectfully submitted,


Jesse A. Dillon

Enclosure

cc: James Shurskis – via Fax – 717-787-4750

69597



Interchange Corporate Center
450 Plymouth Road, Suite 400
Plymouth Meeting, PA 19462-1644
Ph. (610) 832-8240

CHANGE RIDER

To be attached to and form a part of surety bond number 019007643, dated the 5th day of July, 2002, issued by Liberty Mutual Insurance Company, a Massachusetts stock insurance company, as surety (the "Surety"), on behalf of PPL ENERGYPLUS, LLC, as principal (the "Principal"), in favor of PENNSYLVANIA PUBLIC UTILITY COMMISSION, as obligee (the "Obligee").

The Principal and the Surety hereby consent to changing the attached bond as follows:

BOND SHALL INCREASE FROM TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$250,000.00) to TWENTY FIVE MILLION FOUR HUNDRED EIGHTY FOUR THOUSAND THREE HUNDRED SIXTY THREE AND NO/100 DOLLARS (\$25,484,363.00)

This change is effective 15th day of May, 2011. The attached bond shall be subject to all of its terms, conditions and limitations except as herein modified.

IN WITNESS WHEREOF, said Principal and Surety have caused these presents to be duly signed and sealed this 14th day of April, 2011.

WITNESS / ATTEST:

Stacy Frey

PPL ENERGYPLUS, LLC
(Principal)
By: [Signature] (Seal)
Name:
Title:

LIBERTY MUTUAL INSURANCE COMPANY
(Surety)
By: [Signature] (Seal)
Julia R. Burnet, Attorney-in-Fact

ACCEPTED:

(Obligee)

By: _____ (Seal)
Name:
Title:

Date: _____

RECEIVED

MAY 4 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint DAVID C. ROSENBERG, HARRY C. ROSENBERG, MATTHEW J. ROSENBERG, DAVID A. JOHNSON, CHRISTINE A. DUNN, SHERRI L. FEENEY, JOYCE M. HOFFMAN, JULIA R. BURNET, KIMBERLY G. RIVELY, SHARON A. SIMPSON, ALL OF THE CITY OF KING OF PRUSSIA, STATE OF PENNSYLVANIA

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding ONE HUNDRED EIGHTY MILLION AND 00/100 DOLLARS (\$ 180,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 7th day of January, 2011.

LIBERTY MUTUAL INSURANCE COMPANY

By Garnet W. Elliott, Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 7th day of January, 2011, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires March 28, 2013
Member, Pennsylvania Association of Notaries

By Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 11th day of April, 2011.



By David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.



LIBERTY MUTUAL INSURANCE COMPANY
FINANCIAL STATEMENT — DECEMBER 31, 2010

Assets		Liabilities	
Cash and Bank Deposits.....	\$ 795,278,733	Unearned Premiums.....	\$3,502,531,059
*Bonds — U.S Government.....	928,976,332	Reserve for Claims and Claims Expense	15,450,806,243
*Other Bonds.....	12,269,586,768	Funds Held Under Reinsurance Treaties.....	1,764,193,716
*Stocks.....	8,410,330,089	Reserve for Dividends to Policyholders.....	4,776,435
Real Estate.....	280,897,925	Additional Statutory Reserve.....	89,441,297
Agents' Balances or Uncollected Premiums.....	2,971,477,549	Reserve for Commissions, Taxes and	
Accrued Interest and Rents.....	156,129,412	Other Liabilities	2,126,508,564
Other Admitted Assets.....	<u>10,888,871,535</u>	Total	<u>\$22,938,257,314</u>
		Special Surplus Funds.....	\$1,218,426,655
		Capital Stock.....	10,000,000
		Paid in Surplus.....	7,731,965,815
		Unassigned Surplus.....	4,802,898,559
Total Admitted Assets	<u>\$36,701,548,343</u>	Surplus to Policyholders	<u>13,763,291,029</u>
		Total Liabilities and Surplus	<u>\$36,701,548,343</u>



* Bonds are stated at amortized or investment value; Stocks at Association Market Values.
The foregoing financial information is taken from Liberty Mutual Insurance Company's financial statement filed with the state of Massachusetts Department of Insurance.

I, TIM MIKOLAJEWSKI, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the foregoing is a true, and correct statement of the Assets and Liabilities of said Corporation, as of December 31, 2010, to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation at Seattle, Washington, this 29th day of March, 2011.

Assistant Secretary

RECEIVED

MAY 4 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

Docket No. A-110098

March 12, 2012

PPL ENERGYPLUS LLC
2 NORTH NINTH ST
ALLENTOWN PA 18101-1179

**DOCUMENT
FOLDER**

ATTENTION: JESSE A DIXON

RE: License Bond or Other Financial Security

Dear Mr. Dixon:

Pursuant to 66 Pa. C.S. §2809(c), no electric supplier license shall remain in force unless the licensee furnishes an original of a bond or other security approved by the Commission to ensure the financial responsibility of the electric generation supplier and the supply of electricity at retail. The Commission's records indicate that the anniversary of the bond or other approved security provided by PPL EnergyPlus LLC occurs on May 15, 2012.

The Commission's regulations at 52 Pa. Code §54.40(d) require "the security level for each licensee will be reviewed annually and modified primarily based upon the licensee's reported annual gross receipts information. The security level will be 10% of the licensee's reported gross receipts." The minimum security level provided may not be less than the initial security level provided when the license was granted. Unless approved by the Commission, the initial security level is \$250,000.

The Commission's regulations at 52 Pa. Code §54.39(b) require a licensee to file an annual report on or before April 30 of each year, for the previous calendar year, in order to comply with 66 Pa. C.S. §2810(c)(6). This report discloses the total amount of gross receipts from the sale of electricity and the total amount of electricity sold during the preceding calendar year. You must use this same information in calculating the appropriate security level necessary to maintain your license.

In order for your company to maintain its status as a licensed electric supplier in the Commonwealth of Pennsylvania, it must provide proof to the Commission that a bond or other approved security has been obtained. Provide an original of any documentation submitted as proof; including bond, letter of credit, continuation certificate, amendment, etc.

Your response in this matter is requested within fifteen (15) days of the date of this letter. Submit your response to the Commission's Secretary. Additionally, fax a copy of your response to James Shurskis at (717) 787-4750, Bureau of Technical Utility Services.

Failure to respond to this matter within fifteen (15) days will cause Commission staff to initiate a formal proceeding, that may lead to the following: cancellation of your company's electric supplier license, removal of your information from the Commission's website and notification to all electric distribution companies, in which your company is licensed to do business, of the cancellation of the license.

Please direct any questions to James Shurskis at (717) 787-8763, Bureau of Technical Utility Services.

Sincerely,

A handwritten signature in black ink that reads "Paul Diskin". The signature is written in a cursive, flowing style.

Paul Diskin, Director
Bureau of Technical Utility Services

cc: R. Chiavetta, Secretary