

1. REPORT DATE: 00/00/00 :
 2. BUREAU: FUS :
 3. SECTION(S): : 4. PUBLIC MEETING DATE:
 5. APPROVED BY: : 00/00/00
 DIRECTOR: :
 SUPERVISOR: :
 6. PERSON IN CHARGE: : 7. DATE FILED: 10/29/01
 8. DOCKET NO: R-00016850 : 9. EFFECTIVE DATE: 01/01/02

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: PPL ELECTRIC UTILITIES CORP

COMP/APP COUNTY:

UTILITY CODE: 110500

ALLEGATION OR SUBJECT

PPL ELECTRIC UTILITIES CORPORATION FILED THEIR STATE TAX ADJUSTMENT SURCHASE (STAS) FILING FOR SERVICE RENDERED ON AND AFTER JANUARY 1, 2002.

DOCUMENT
FOLDER

DOCKETED
OCT 30 2001

One Commerce Square
417 Walnut Street
Harrisburg, PA 17101-1904
717-237-4000
Fax: 717-237-4004

Morgan, Lewis
& Bockius LLP
COUNSELORS AT LAW

ORIGINAL

John H. Isom
717.237.4022
jisom@morganlewis.com

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01 OCT 29 PM 4:14
SECRETARY'S BUREAU

October 29, 2001

DOCUMENT
FOLDER

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
PO Box 3265
Harrisburg, PA 17105-3265

Re: Supplement No. 18 to PPL Electric Utilities Corporation's Tariff Electric - Pa. P.U.C. No. 201, Issued October 29, 2001, Effective for Service On and After January 1, 2002

R-00016850

Dear Secretary McNulty:

Enclosed, for filing, are eight (8) copies of Supplement No. 18 to PPL Electric Utilities Corporation's ("PPL Electric") Tariff Electric - Pa. P.U.C. No. 201. Supplement No. 18 is being issued today, October 29, 2001 to become effective for service furnished on and after January 1, 2002. Supplement No. 18 is being issued pursuant to Section 2804(16) of the Electricity Generation Customer Choice and Competition Act ("Act"), 66 Pa.C.S. § 2804(16), and the Pennsylvania Public Utility Commission's ("Commission") regulations at 52 Pa. Code §§ 54.91 *et seq.* In Supplement No. 18, PPL Electric proposes to increase the State Tax Adjustment Surcharge to recover increased state taxes incurred pursuant to the Revenue Neutral Reconciliation ("RNR") provisions of Section 2810 of the Act. Recovery of the increase in state tax liability will produce rates above PPL Electric's current rate caps under certain retail rate schedules. Also enclosed are data explaining PPL Electric's filing.

The filing consists of five sections. The first section is the Statement of Reasons for the filing. Section two contains Supplement No. 18. Section three contains the notice of the RNR tax increases as published by the Department of Revenue in the Pennsylvania Bulletin. Section four shows the calculation of the State Tax Adjustment Surcharge that is required to recover the increase in state tax liability resulting from increased RNR tax rate and changes

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James J. McNulty
October 29, 2001
Page 2

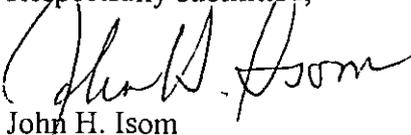
Morgan, Lewis
& Bockius LLP

in other taxes. Section five is a proof of revenue showing the impact of the proposed changes in the State Tax Adjustment Surcharge and the extent to which proposed rates will increase rates under certain rate schedules above current rate caps.

As indicated by the enclosed certificate of service, copies of this filing are being served upon the Office of Trial Staff, Office of Consumer Advocate and Office of Small Business Advocate.

If there are any questions concerning these matters, contact me at the address or telephone number provided above.

Respectfully submitted,



John H. Isom

JHI/jl

Enclosure

c: Chairman Glen R. Thomas
Vice Chairman Robert K. Bloom
Commissioner Aaron Wilson, Jr.
Commissioner Terrance J. Fitzpatrick
Karen Moury
Robert Rosenthal
Robert Wilson

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01 OCT 29 PM 4: 14
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing filing has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

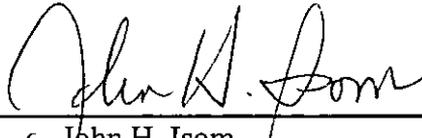
VIA HAND DELIVERY

Office of Small Business Advocate
Commerce Building Suite 1102
300 North Second Street
Harrisburg, PA 17101

Office of Consumer Advocate
555 Walnut Street
Forum Place 5th Floor
Harrisburg, PA 17101-1923

Office of Trial Staff
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265

Date: October 29, 2001



John H. Isom

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ORIGINAL

DOCKETED
OCT 30 2001

R-00016850

Supplement No. 18 to

PPL Electric Utilities Corporation's

Tariff Electric - Pa. P.U.C. No. 201

Issued: October 29, 2001

Effective: January 1, 2002

**To provide for recovery of increases in
state tax liability resulting primarily
from the Revenues Neutral Reconciliation
under 66 Pa.C.S. § 2810**

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P.U.C.
SECRETARY'S BUREAU

**PPL Electric Utilities Corporation
Supplement No. 18 To
Tariff Electric Pa. P.U.C. No. 201**

STATEMENT OF REASONS

1. Introduction

Pursuant to Section 2804(16) of the Electricity Generation Customer Choice and Competition Act (the "Act"), 66 Pa. C.S. §2804(16), and the Pennsylvania Public Utility Commission's (the "Commission") regulations at 52 Pa. Code §§54.91 *et seq.*, PPL Electric Utilities Corporation ("PPL Electric") files herewith Supplement No. 18 to its Tariff-Electric Pa. P.U.C. No. 201 to recover increased state taxes incurred pursuant to the Revenue Neutral Reconciliation ("RNR") provisions of Section 2810 of the Act. Recovery of this increase in state tax liability will produce rates above PPL Electric's current rate caps for certain retail rate schedules. Supplement No. 18 is included as Section 2 of this filing. This Statement of Reasons explains and summarizes PPL Electric's filing.

One of the goals of the Act was to restructure the electric utility industry in a manner that "maintains revenue neutrality to the Commonwealth." 66 Pa. C.S. §2810. To achieve this goal, the Act imposed an additional state tax on each electric distribution company's ("EDC") gross receipts designed to replace certain tax revenue which might be lost as a result of electric restructuring. The RNR tax is calculated by comparing current tax receipts from EDCs, and certain other entities, with tax receipts immediately prior to restructuring, *i.e.*, the 1995-96 fiscal year of the Commonwealth. The difference between these two amounts (with certain adjustments provided for in the Act) is recovered or refunded as an additional charge or credit to the existing 44 mill tax

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SECRETARY'S BUREAU

on each EDC's gross receipts. Pursuant to the Act, the Department of Revenue publishes a new RNR tax rate on or before each October 1 to be effective for the next calendar year. Under current law, the RNR tax rate for calendar year 2003 is locked in and is not subject to further recalculation.

The Act also authorizes EDCs to increase their rates to recover increased RNR tax liability. Section 2804(16)(i) addresses rate increases to recover RNR tax increases which do not result in rates above an EDC's rate cap. Section 2804(16)(ii) addresses increases in an EDC's tax liability that would cause it to exceed the applicable rate caps. Pursuant to these provisions, the Commission has promulgated regulations establishing procedures for changing rates to reflect changes in the RNR tax rate. 52 Pa. Code §§54.91 *et seq.*

2. PPL Electric's Proposal to Recover its 2002 RNR Tax Liability

In accordance with the procedures outlined above, on September 29, 2001, the Department of Revenue published in the Pa. Bulletin an RNR tax rate of 16 mills for the tax year beginning January 1, 2002. A copy of the notice is provided in Section 3 to this filing. This RNR tax increases the electric utility Gross Receipts Tax ("GRT") for 2002 from 44 mills to 60 mills. This additional GRT will increase PPL Electric's 2002 total GRT liability by approximately \$43 million, or 1.7% of pro forma 2002 intrastate operating revenues. Section 4 of this filing provides a calculation of PPL Electric's 2002 State Tax Adjustment Surcharge ("STAS"), including the additional state tax liability resulting from application of the 2002 RNR.

Section 2804(4) of the Act establishes certain rate caps on the charges of EDCs, such as PPL Electric. The duration of these rate caps was extended as part of the

settlement of PPL Electric's restructuring proceeding. Specifically, the cap on total rates established by Section 2804(4)(i) was extended until December 31, 2004, and the cap on the generation component of rates established by Section 2804(4)(ii) was extended until December 31, 2009. The Act also establishes several exceptions to these rate caps. One of these exceptions, as explained above, applies to rate increases associated with the recovery of increased state tax liability resulting from application of the RNR mechanism established by Section 2810 of the Act.

PPL Electric can recover a substantial portion of the 2002 RNR increase within its current rate caps. However, for certain rate schedules, there is not sufficient "headroom" available to recover the 2002 RNR tax increase, and for these rate schedules an increase above the rate caps is required. Section 5 provides a proof of revenue for each rate schedule showing the impact of the proposed rate increase and the extent to which the proposed rates will increase rates for certain rate schedules above current rate caps on both a dollar and percentage basis. As shown in Section 5, PPL Electric anticipates that recovery of the 2002 RNR tax will require it to exceed its cap on total rates by approximately \$4.6 million. The exact amount will depend on PPL Electric's 2001 Competitive Transition Charge ("CTC") reconciliation and 2001 Intangible Transition Charge ("ITC") reconciliation, and the effect of these reconciliations on 2002 rates, as well as the final calculations of the 2002 STAS. PPL Electric will file its proposed 2002 CTC and ITC rates on December 15, 2001. PPL Electric anticipates that these rates will be reviewed by the Commission on or before December 20, 2001, and PPL Electric will submit its 2002 CTC and ITC reconciliation compliance filing on or about December 21, 2001.

PPL Electric proposes to recover the increased RNR tax liability for 2002 through its existing STAS. The proposed STAS rate of 1.19% contained in Supplement No. 18 reflects 1.70% for the RNR less 0.51% to reflect estimated changes to the other components of the STAS, primarily a decrease in the Capital Stock Tax rate. Use of the STAS to recover the increased RNR tax liability is appropriate for several reasons. First, and most importantly, the Commission's regulations authorize the use of the STAS to recover additional taxes resulting from electric restructuring. Second, the STAS is an existing rate rider and use of the STAS will avoid the need to establish a new base rate surcharge. Third, the STAS is designed, *inter alia*, to recover changes in the GRT rate. The RNR tax is recovered as a surcharge or surcredit to the GRT and, therefore, is appropriately reflected in the STAS. Fourth, PPL Electric has used the STAS in the past to recover RNR tax charges.

In accordance with 66 Pa. C.S. §1308(a) and 52 Pa. Code §§54.94 and 54.95, PPL Electric proposes that this tariff filing become effective on 60 days' notice for service rendered on and after January 1, 2002. PPL Electric requests that the Commission approve this filing on or before December 20, 2001, and PPL Electric will make its compliance filing on December 21, 2001, effective on 10 days notice in accordance with standard STAS practice and the Commission's regulations at 52 Pa. Code §54.97.

3. Public Notice

PPL Electric's request to recover its RNR tax liability does not constitute a general rate increase within the meaning of 66 Pa. C.S. §1308(d). Accordingly, the requirements for public notice of this filing are established by the Commission's

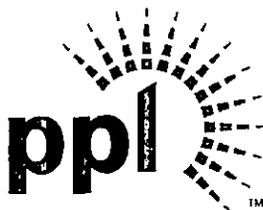
regulations at 52 Pa. Code § 53.45(g). Those regulations provide that "...public notice of the proposed changes shall be given in the manner directed by the Commission."

PPL Electric requests that the Commission adopt the following public notice requirements in this case. After the Commission has acted on this request, PPL Electric will notify its customers of the Commission's action by bill insert. The bill insert will be sent as soon after the Commission action as practicable. In addition, on the date that the Commission acts on this request, PPL Electric will distribute a news release containing a description of the Commission's actions to the major newspapers and radio and television stations in its service area.

This proposed public notice is appropriate for the following reasons. First, all customers will receive actual notice of the Commission's action on PPL Electric's request. Public notice of this nature satisfies due process requirements. Second, the proposed approach avoids multiple notices which may contain slightly different information. Customers will receive a single notice describing the Commission's action, which reflects the latest rate and billing data. Third, the proposed approach is consistent with the current practice of providing customer notice of changes in the STAS. For all the foregoing reasons, PPL Electric respectfully requests that the Commission accept the proposed public notice requirements outlined above.

4. Conclusion

For the reasons set forth above, PPL Electric requests that the Commission approve Supplement No. 18 as filed and permit it to become effective for service rendered on and after January 1, 2002.



PPL Electric Utilities Corporation

GENERAL TARIFF

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

In the territory listed on pages 4, 4A, and 4B
and in the adjacent territory served.

ISSUED: October 29, 2001

EFFECTIVE: January 1, 2002

Issued by
MICHAEL E. BRAY, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

**THIS TARIFF MAKES (CHANGES) IN EXISTING RATES. SEE PAGE TWO.
(INCREASES)**

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

State Tax Adjustment Surcharge
Page No. 16

The State Tax Adjustment Surcharge is increased
from -0.73% to 1.19%.

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Table of Contents -----	3	Sixteenth
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	3B	Ninth
	3C	Eighth
	3D	Fourth
Territory Covered by This Tariff -----	4	Second
	4A	Second
	4B	Second
RULES FOR ELECTRIC SERVICE		
1 - Electric Service Tariff -----	5	Second
	5A	Original
2 - Requirements for Service -----	6	Second
	6A	Fourth
	6B	First
3 - Extension of Service -----	7	Second
	7A	Second
	7B	Second
4 - Supply of Service -----	8	Second
	8A	Second
	8B	Second
	8C	Second
	8D	Second
5 - Use of Service -----	9	Second
	9A	Second
6 - Auxiliary Service For Non-Qualifying Facilities -----	10	Second
	10A	Second
	10A.1	First
6A - Standby Service for Qualifying Facilities -----	10B	Second
	10C	Second
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9 - Billing and Payment for Service -----	13	Second
	13A	Second
	13B	Second
10 - Disconnection and Reconnection of Service -----	14	Second
	14A	Second
GENERATION RATE ADJUSTMENT SURCHARGE -----	15	Fourth
	15A	Fourth
	15B	Second
STATE TAX ADJUSTMENT SURCHARGE-----	16	Ninth
EMERGENCY ENERGY CONSERVATION RIDER -----	17	Third
	17A	First
	18	Second
ECONOMIC DEVELOPMENT INITIATIVES RIDER-----	19	Second
	19A	Third
	19A.1	First
	19A.2	First
	19A.3	Original
	19A.4	Original
INTERRUPTIBLE SERVICE BY AGREEMENT (R) -----	19B	Second
	19C	Second

STATE TAX ADJUSTMENT SURCHARGE

STATE TAX ADJUSTMENT SURCHARGE

(C)(I)

In addition to the charges and credits provided for in this tariff, except for charges or credits under Rate Schedules PR-1(R) and PR-2(R) for incremental or decremental kilowatt-hour usage and under the Generation Rate Adjustment Rider, a surcharge of 1.19% will be charged for all service rendered on and after January 1, 2002.

The State Tax Adjustment Surcharge will be recomputed using the elements prescribed by the Commission in its regulations at 52 Pa. Code §69.51, et seq. and at 52 Pa. Code §54.91, et seq.:

- on December 21, 2002, and each year thereafter until the surcharge is rolled into base rates, and
- whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge due to a change in the applicable tax rates, or in the basis of calculating such tax rates, or due to changes in its state tax liability arising under 66 Pa. C. S. §§2806 (g), 2809(c) or 2810 (c).

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recomputation or as prescribed in the Commission's regulations at 52 Pa. Code §54.91, et seq. If the recomputed surcharge is less than the one in effect, the utility will, or if the recomputed surcharge is more than the one in effect the utility may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge. The effective date of such tariff or supplement shall be 10 days after filing or as prescribed in the Commission's regulations at 52 Pa. Code §54.91, et seq.

TAX INDEMNIFICATION

If the Company becomes liable, under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. §§ 2806(g) and 2809(c), for any Pennsylvania state taxes not paid by an electric generation supplier, the non-tax-compliant electric generation supplier shall indemnify the Company for the full amount of additional state tax liability imposed upon it by the Pennsylvania Department of Revenue due to the failure of the electric generation supplier to pay, or remit to the Commonwealth, the tax imposed on the electric generation supplier's gross receipts under Section 1101 of the Tax Report Code of 1971 or Chapter 28 of Title 66.

(C) Indicates Change
(I) Indicates Increase

Get	Win	Approximate Odds	Approximate No. of Winners Per 3,840,000 Tickets
X Card 4 (SNOWFLAKE)	\$3,000	1:60,000	64
X Card 5 (SNOWFLAKE)	\$3,000	1:120,000	32
X Card 6	\$30,000	1:640,000	6

8. *Retailer Incentive Awards:* The Lottery may conduct a separate Retailer Incentive Game for retailers who sell Pennsylvania Snowflake Bingo instant lottery game tickets. The conduct of the game will be governed by 61 Pa. Code § 819.222 (relating to retailer bonuses and incentives).

9. *Unclaimed Prize Money:* For a period of 1 year from the announced close of Pennsylvania Snowflake Bingo, prize money from winning Pennsylvania Snowflake Bingo instant lottery game tickets will be retained by the Secretary for payment to the persons entitled thereto. If no claim is made within 1 year of the announced close of the Pennsylvania Snowflake Bingo instant lottery game, the right of a ticket holder to claim the prize represented by the ticket, if any, will expire and the prize money will be paid into the State Lottery Fund and used for purposes provided for by statute.

10. *Governing Law:* In purchasing a ticket, the customer agrees to comply with and abide by the State Lottery Law (72 P. S. §§ 3761-101—3761-314), the regulations contained in 61 Pa. Code Part V (relating to State Lotteries) and the provisions contained in this notice.

11. *Termination of the Game:* The Secretary may announce a termination date, after which no further tickets from this game may be sold. The announcement will be disseminated through media used to advertise or promote Pennsylvania Snowflake Bingo or through normal communications methods.

LARRY P. WILLIAMS,
Secretary

[Pa.B. Doc. No. 01-1782. Filed for public inspection September 28, 2001, 9:00 a.m.]

Revenue-Neutral Reconciliation Rate Notice for the Tax Year Beginning January 1, 2002

Title 66 Pa.C.S. § 2810(a) provides: "It is the intention of the General Assembly that the restructuring of the electric industry be accomplished in a manner that allows Pennsylvania to enjoy the benefits of competition, promotes the competitiveness of Pennsylvania's electric utilities and maintains revenue neutrality to the Commonwealth. This section is not intended to cause a shift in proportional tax obligations among customer classes or individual electric distribution companies. It is the intention of the General Assembly to establish this revenue replacement at a level necessary to recoup losses that may result from the restructuring of the electric industry and the transition thereto."

Title 66 Pa.C.S. § 2810(c) requires the Secretary of Revenue to publish the rate of the revenue-neutral recon-

ciliation (RNR) tax in the form of a notice in the *Pennsylvania Bulletin* by December 1, 1998, and each October 1 thereafter until and including October 1, 2002. The tax rate established in 66 Pa.C.S. §§ 2810(c) shall be imposed upon gross receipts as provided in 66 Pa.C.S. § 2810(b) for the period beginning the next January 1. In the event the RNR tax rate is negative, a credit is provided under 66 Pa.C.S. § 2810(c)(5). This credit is available only to a taxpayer upon which tax is imposed under 66 Pa.C.S. § 2810(b).

The result of the revenue-neutral reconciliation calculation provided in 66 Pa.C.S. § 2810 is +0.016 for tax periods beginning on or after January 1, 2002. Therefore, the combined utility gross receipts tax rate for electric distribution companies and electric generation suppliers is effectively 0.060 for tax periods beginning on or after January 1, 2002, rather than 0.044.

The utility gross receipts tax rate, however, remains 0.050 for all gross receipts taxable under 72 P. S. § 8101(a).

LARRY P. WILLIAMS,
Secretary

[Pa.B. Doc. No. 01-1783. Filed for public inspection September 28, 2001, 9:00 a.m.]

DEPARTMENT OF TRANSPORTATION

Bureau of Driver Licensing; Increase of Cost of the Photograph for Photo Driver's License or Photo Identification Card

The Department of Transportation, Bureau of Driver Licensing, pursuant to the authority contained in 67 Pa. Code 73.5(d) hereby gives notice that, effective November 5, 2001, the cost of the photograph associated with the issuance of a photo driver's license or photo identification card will be \$5.00.

Although the cost of producing the Pennsylvania driver's license and identification card has increased during the past six (6) years, the photo fee has remained constant (i.e., \$4.00). Additionally, the Pennsylvania Department of Transportation recently has deployed a new generation of Photo License Systems across the Commonwealth. This new generation of equipment features the first significant technological and product improvements in more than seven (7) years. Several features have been added to increase durability while taking added steps toward preventing tampering and fraud. These improvements and added steps have increased production costs.

PPL ELECTRIC UTILITIES CORPORATION

Computation of State Tax Adjustment Surcharge
As of January 1, 2002, Based on Application Year 2002 Operations

	<u>Amount</u>	<u>Schedule</u>
1. Capital Stock Tax	\$ (7,795,930)	A
2. Corporate Net Income Tax	-	B 1/
3. Utility Realty Tax	(4,054,105)	C
4. Gross Receipts Tax	-	D
5. Total of Lines 1, 2, 3, and 4	(11,850,035)	
6. Revenue Neutral Reconciliation (RNR) Tax Adjustment	40,907,152	D
7. Total of Lines 5 and 6	<u>\$ 29,057,117</u>	
8. Line 7 divided by complement of Gross Receipts Tax Rate (.94)	\$ 30,911,827	
9. STAS reconciliation for period January 1, 2001 through December 31, 2001	(419,245)	
10. Total of Lines 8 and 9	<u>\$30,492,582</u>	
11. Gross Intrastate Operating Revenues derived from service under rates subject to the jurisdiction of the Pennsylvania Public Utility Commission projected for the application period January 1, 2002 through December 31, 2002	<u>\$ 2,556,697,000</u>	E
12. Surcharge rate to be applied for the period January 1, 2002 through December 31, 2002 (Line 10 divided by Line 11)	<u>1.19%</u>	

1/ Not applicable to this filing.

PPL ELECTRIC UTILITIES CORPORATION

Capital Stock Tax Adjustment
(Electric Department)

1. Value of capital stock (Per official settlement dated March 26, 2001 attached, Schedule A, Page 3) (Value per settlement of \$1,571,651,695 plus 1998 statutory exemption of \$125,000)	\$1,571,776,695
2. Statutory exemption	<u>125,000</u>
3. Value of capital stock less statutory exemption	1,571,651,695
4. Apportionment percentage	<u>0.909612</u>
5. Taxable value of capital stock	1,429,593,242
6. Tax rate - 2002 (6.49 mills)	<u>0.00649</u>
7. Pa. capital stock tax based on new tax rate - 2002	9,278,060
8. Pa. capital stock tax (Based on 1998 settled value and 1998 tax rates)	<u>17,140,823</u>
9. Tax decrease - 2002	(7,862,763)
10. PUC jurisdictional allocation factor	<u>0.99150</u>
11. Allocated tax decrease - 2002	<u><u>(\$7,795,930)</u></u>

REPORT
RECEIVED 10/14/99

Bureau of Corporation Taxes
DEPT. 280703
HARRISBURG, PA 17128-0703

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE



OFFICIAL NOTICE OF SETTLEMENT

PP & L INC
2 N 9TH ST
ALLENTOWN PA 18101

PA ACCOUNT ID: 0280-166
TAXABLE YEAR: 01/01/98 TO 12/31/98
DLN: 01-7-66352

PPL ELECTRIC UTILITIES CO
TAX SECTION TW 10
2 N 9TH ST
ALLENTOWN PA 18101

OFFICIAL SETTLEMENT HAS BEEN MADE BY THE PA DEPARTMENT OF REVENUE AND THE DEPARTMENT OF THE AUDITOR GENERAL FOR THE TAXES LISTED BELOW:

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----		
TAX	AS REPORTED	AS SETTLED
	16,064,738	17,140,823
----- SECTION B - LOANS TAX -----		
TAX	AS REPORTED	AS SETTLED
	6,748	6,748
----- SECTION C - CORPORATE NET INCOME TAX -----		
TAX	AS REPORTED	AS SETTLED
	60,047,140	60,047,140

DEPARTMENT OF REVENUE	MAILING DATE	AUDITED AND APPROVED BY
CAROLYN MOYER		DEPARTMENT OF AUDITOR GENERAL
		BRYAN MYERS
03/15/01	03/26/01	03/23/01

IF YOU DISAGREE WITH THIS SETTLEMENT, IT WILL BE NECESSARY TO FILE A PETITION FOR RESETTLEMENT WITH THE BOARD OF APPEALS, DEPT. 281021, HARRISBURG, PA 17128-1021 WITHIN 90 DAYS OF THE SETTLEMENT MAILING DATE. PLEASE FORWARD A COPY OF THIS DOCUMENT WITH YOUR PETITION. NOTE: PETITIONS MUST BE SIGNED BY A CORPORATE OFFICER.

LOANS AND CNI SETTLED AS REPORTED

ADJUSTMENTS NOTED ON THE NEXT PAGE ARE EXPLAINED BELOW:

- * DEPARTMENT OF REVENUE COMPUTATION DIFFERS FROM SUBMITTED FIGURE
- D4 INCLUDE DIVIDENDS RECEIVED AND EXCLUDE INCOME/LOSS OF SUBSIDIARIES.
- F1 USE CONSOLIDATED NET WORTH.
- PY PRIOR YEAR SETTLEMENT FIGURES EMPLOYED.
- S8 USE AVERAGE TOTAL ASSETS PER BALANCE SHEET.

OFFICIAL NOTICE OF SETTLEMENT
 RE: 0280-166 PPL ELECTRIC UTILITIES CO 01/01/98 TO 12/31/98 DLN 01-7-66352

SECTION A - CAPITAL STOCK/FRANCHISE TAX

HISTORY OF EARNINGS - BOOK INCOME	AS REPORTED	AS ADJUSTED	NOTES
01/01/94 TO 12/31/94		248,336,852	PY
01/01/95 TO 12/31/95		324,596,820	PY
01/01/96 TO 12/31/96		353,296,416	PY
01/01/97 TO 12/31/97		345,010,976	PY
01/01/98 TO 12/31/98	554,453,594-	560,378,205-	D4
TOTAL BOOK INCOME		710,862,859	
AVERAGE NET INCOME	143,357,494	142,172,572	*
EQUITY YEAR ENDING	1,901,034,851	2,196,000,000	F1
EQUITY YEAR BEGINNING	3,077,716,037	3,077,716,037	PY
NET WORTH	1,901,034,851	2,196,000,000	*
CAPITAL STOCK VALUE	1,467,276,196	1,571,651,695	*
APPORTIONMENT PROPORTION	.913151	.909612	*
CAPITAL STOCK/FRANCHISE TAX	16,064,738	17,140,823	*

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FRANCHISE TAX

PROPERTY FACTOR - PA	0		
PROPERTY FACTOR - TOTAL	0		
PAYROLL FACTOR - PA	0		
PAYROLL FACTOR - TOTAL	0		
SALES FACTOR - PA	0		
SALES FACTOR - TOTAL	0		
SINGLE FACTOR - NUMERATOR	8,238,691,478	7,885,457,508	
SINGLE FACTOR - DENOMINATOR	9,022,268,455	8,669,034,485	SB

SECTION B - LOANS TAX

INDEBTEDNESS	1,708,000	
LOANS TAX	6,748	6,748

SECTION C - CORPORATE NET INCOME TAX

NET INCOME	579,624,775	
DIVIDENDS	21,698,855	
US INTEREST	0	
OTHER	0	
TOTAL DEDUCTIONS	21,698,855	21,698,855
INCOME TAXES	60,063,376	
TAX PREFERENCE ITEMS	288,948-	
EIP ADJUSTMENTS	0	
OTHER	0	
TOTAL ADDITIONS	59,774,428	59,774,428
ADJUSTED INCOME	617,700,348	617,700,348
TOTAL NONBUSINESS INCOME	0	
INCOME TO BE APPORTIONED		617,700,348
APPORTIONMENT PROPORTION	.973081	.973081
PA APPORTIONED INCOME		601,072,472
PA NONBUSINESS INCOME	0	
INCOME PRIOR TO NL DEDUCTION	601,072,472	601,072,472
NET LOSS DEDUCTION	0	0
PA TAXABLE INCOME		601,072,472
CORPORATE NET INCOME TAX	60,047,140	60,047,140

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

PROPERTY FACTOR - PA	10,602,055,023
PROPERTY FACTOR - TOTAL	10,602,639,920
PAYROLL FACTOR - PA	391,557,905
PAYROLL FACTOR - TOTAL	391,843,930
SALES FACTOR - PA	3,518,522,190
SALES FACTOR - TOTAL	3,717,185,809
SINGLE FACTOR - PA	0
SINGLE FACTOR - TOTAL	0

SCHEDULE C-2: NET LOSS DEDUCTION AND CARRYFORWARD

NL CARRYFWD TO CURRENT TAXABLE YEAR	NL CARRYFWD TO NEXT TAXABLE YEAR	
12-31-94	0	12-31-94 0 PY
12-31-95	0	12-31-95 0 PY
12-31-96	0	12-31-96 0 PY
12-31-97	0	12-31-97 0 PY
		12-31-98 0

PPL ELECTRIC UTILITIES CORPORATION

Pennsylvania Public Utility Realty Tax Adjustment
(Electric Department)

1. Total plant taxable value at December 31, 1998 (per report due April 15, 1999 - attached, Schedule C, Page 6)	\$451,241,209
2. Less: Taxable value of generating plant at December 31, 1998 (per report due April 15, 1999 - attached, Schedule C, Page 8)	<u>(266,713,084)</u>
3. Taxable value of T&D plant at December 31, 1998	<u>184,528,125</u>
4. Pa. Public Utility Realty Tax (Based on applied rate of 42 mills)	\$7,750,18
5. Taxable value of T&D plant at December 31, 2000 (per Notice of Determination dated August 1, 2001 - attached, Schedule C, Page 3)	<u>119,508,829</u>
6. Pa. Public Utility Realty Tax (Based on applied rate of 30.6364 mills per Notice of Determination dated August 1, 2001 - attached, Schedule C, Page 3)	<u>3,661,32</u>
7. Decrease in Pa. Public Utility Realty Tax	(4,088,86
8. PUC jurisdictional allocation factor	<u>0.9915</u>
9. Allocated tax decrease - 2002	<u>(\$4,054,10</u>



Mailing Date:
August 1, 2001

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION TW 10
2 N 9TH STREET
ALLENTOWN, PA 18101

**Re: 2000 Pennsylvania Public Utility Realty Tax
Notice of Determination
Amended per Act 4 of 1999 & Act 23 of 2000**

Dear Taxpayer:

Pursuant to the changes made to the Public Utility Realty Tax, as amended in Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable value of PURTA realty, the millage rate and transition credit applicable to tax year 2000. Notice is also given for any PURTA/PTA Tax increase (or decrease), and transitional credit increase (or decrease) for tax years 1999 and 1998 based on information filed by LTAs as of 4/1/2001 and utilities as of 5/1/2001.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Payments or credits previously submitted toward your 1999 PURTA account should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to:

**PURTA UNIT
Bureau of Corporation Taxes
Dept. 280704
Harrisburg, PA 17128-0704**

Thank you for your attention to this matter.

Sincerely,
Thomas S. Rominiecki
Director

2000, 1999 & 1998 NOTICES:

2000 Liability:	\$3,661,321.00
2000 Transition Credit:	\$0.00
1999 Liability Adjustment:	(\$1,484,717.00)
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$3,823,916.00
1998 Transition Credit Adjustment:	\$0.00

PLEASE SEE
REVERSE SIDE
FOR DETAIL

Account Id: 3500090

Mailing Date:
August 1, 2001

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

Tax Year 2000

1) 2000 Realty Tax Equivalent (RTE):	\$ 34,960,073
2) 2000 Total State Taxable Value (STV) for all utilities:	\$ 1,517,600,944
3) 2000 PURTA Millage Rate (including 7.6 mills for Public Transportation Act):	30.6364 mills
4) 2000 STV for Utility:	\$119,508,829
5) 2000 Liability (Line 3 x Line 4):	\$3,661,321
6) 2000 Transition Credit:	\$0

Tax Year 1999

1) 1999 Adjusted Realty Tax Equivalent (RTE):	\$ 48,644,825
2) 1999 Adjusted Total State Taxable Value (STV) for all utilities:	\$ 2,514,334,230
3) 1999 Adjusted Millage Rate (including 7.6 mills for Public Transportation Act):	26.9470 mills
4) 1999 Adjusted STV for Utility:	\$271,593,282
5) 1999 Adjusted Liability (Line 3 x Line 4):	\$7,318,624
6) 1999 Adjusted Transition Credit:	\$0
7) 1999 Adjustment to previously posted Liability of 8/1/2000:	(\$1,484,717)
8) 1999 Adjustment to previously posted Transition Credit of 8/1/2000:	\$0

Tax Year 1998

1) 1998 Adjusted Realty Tax Equivalent (RTE):	\$ 133,200,000
2) 1998 Adjusted Total State Taxable Value (STV) for all utilities:	\$ 2,518,974,751
3) 1998 Adjusted Millage Rate (including 7.6 mills for Public Transportation Act):	60.4787 mills
4) 1998 Adjusted STV for Utility:	\$280,127,922
5) 1998 Adjusted Liability (Line 3 x Line 4):	\$16,941,760
6) 1998 Adjusted Transition Credit:	\$0
7) 1998 Adjustment to previously posted Liability of 8/1/2000:	\$3,823,916
8) 1998 Adjustment to previously posted Transition Credit of 8/1/2000:	\$0

If you do not agree with this Notice, you may file a Petition for Recalculation with the Board of Finance and Revenue which must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within thirty (30) days of the mailing date. Address the petition to: Board of Finance and Revenue, Harrisburg, PA 17128-1021.

Imposition, Base and Rate

This tax is imposed under the Tax Reform Code, Sec. 1102-A. The public utilities realty tax (commonly called PURTA) is imposed on public utilities. A public utility, which is not limited to corporations, is defined as follows: "Any person, partnership, association, corporation or other entity furnishing public utility service under the jurisdiction of the Pennsylvania Public Utility Commission or the corresponding regulatory agency of any other state or of the United States; and any electric cooperative corporation, municipality or municipality authority furnishing public utility service, but shall not mean any public utility furnishing public utility sewage services, or municipality or municipality authority furnishing public utility services". The tax is imposed at a rate of 42 mills on the utility realty (lands, buildings, structures and enclosures however designated) located within this Commonwealth and owned by a public utility either directly or by or through a subsidiary, which are used or are in the course of development or construction for use, in the furnishing, including producing, storing, distributing or transporting, of public utility service. The state taxable value is the cost of utility realty, less reserves for depreciation and depletion, as shown on the books of account of a public utility; provided that for any public utility which was not required to record annual depreciation on its utility prior to enactment of Section 503 of the Public Utility Law (P.L. 1053) May 28, 1937, the depreciation deduction prescribed in this definition shall be the book reserve or fifty percent of the book cost, whichever is greater. The following are exempt: (1) machinery and equipment, (not determined under any county assessment law; all structures and enclosures, however designated, are taxable), (2) easements or similar interests, (3) railroad rights-of-way and super-structures thereon, (4) pole, transmission tower, pipe, rail or other lines, whether or not attached to land or to any structure or enclosure; (5) such realty as is subject to local real estate taxation under any law in effect on April 23, 1968.

All utilities must complete Table A of the tax report summarizing by county end of year book values of all public utility realty property used, or in the course of development for use, in furnishing public utility service. Electric utilities must include electric generation realty in Table A. Electric utilities must also complete Table B Insert Sheet itemizing by county electric generation assets only.

Reports and Due Dates

This report is due on or before April 15 following the end of the calendar year for which it is filed. The time for filing the annual report may be extended. A penalty for late filing will be imposed based on the amount of tax: 10% of the first \$1,000, 5% of the next \$4,000, and 1% on excess of \$5,000. Penalty for late filing, where appropriate, will be assessed at the time of settlement. Mail this form with remittance payable to the PA Department of Revenue, Dept. 390407, Harrisburg, PA, 17128-0407.

Included in Annual Report Package

RCT-127	Public Utility Realty Tax Report	Extension to File Coupon
	Estimated Payment Coupon	Custom Refund/Transfer Request Coupon

Annual Payments

Page 1 of the RCT-127 provides an area to record the self-assessed tax from the tax report, any prepayments and any balance due or overpayment of tax.

Payment must be postmarked no later than the due date. NO extension of time for payment is permitted. All late payments and untimely transfers will be subject to interest charges. Make remittance payable to the PA Department of Revenue and mail the report to the address shown on the tax report by using the envelope (E-140) provided in this package. Effective January 1, 1994, any tax payment of \$20,000 or more must be submitted by Electronic Funds Transfer. To participate in the EFT Program, the Department of Revenue FIRST must receive your completed Authorization Agreement. For EFT questions only, call 1 (800) 892-9816.

Overpayment Instructions

After completing the annual payment section on Page 1 of form RCT-127, if an overpayment exists (the remittance column is less than zero), you must instruct the Department of Revenue as to how you want this overpayment to be transferred and/or refunded. You provide these instructions to the Department of Revenue by selecting only one of the options available in the "Overpayment Instructions" area of Page 1. (YOU MUST SELECT ONE OF THESE OPTIONS if you have an overall overpayment of tax for the year being reported). Requests for refunds and/or transfers of overpayments in a year not covered by the annual report being filed should be made on the Custom Refund/Transfer Request Coupon provided in this package.

Taxpayers have three options for handling overpayments of tax in the current tax year. Check the block on Page 1, "Overpayment Instructions", which directs the Department to handle the overpayment for the current tax year as desired. TAXPAYERS MUST SELECT ONE OF THE OPTIONS LISTED BELOW

- Any overpayment in the current tax year is transferred automatically to offset other underpaid taxes in the current tax year and the remaining portion of the credit is applied to the next tax year for Estimated Tax purposes.
- The amount of the overpayment to be transferred to the next tax year for Estimated Tax purposes must be entered. Any overpayment in the current tax year is transferred automatically to offset other underpaid taxes in the current year. Secondly, the amount of the overpayment to be applied to the next year will be transferred automatically. Finally, the remaining portion of the overpayment will be refunded.
- Any overpayment in the current tax year is transferred to offset automatically other underpaid taxes in the current tax year and the remaining portion of the overpayment will be refunded.

Estimated Payment Coupon

All accounts are expected to remit estimated prepayments toward a final liability which a corporation estimates due for the taxable year. The prepayment for Public Utility Realty Tax is due by April 15 of the reported year. Tax remaining due at the close of the taxable year must be paid by April 15th of the following year, without regard to extension of time to file the return. Should a corporation realize that the estimated tax is underpaid, additional payments should be submitted to minimize the underpayment penalty. The underpayment is measured against 90% of the tax reported due for the taxable year. However, if the final settled tax increases the self-reported tax by 10% or more, the underpayment will be measured against the settled tax. The period of underpayment is from the due date of the installment to either the date(s) the underpayment is paid, or the Safe Harbor is satisfied.

A corporation may avoid the imposition of interest if it timely pays the estimated tax at an amount equal to 90% of the tax of the immediate prior year (Safe Harbor). This amount must be adjusted to reflect the estimated tax year's tax rate and law and must reflect the settled liability if it exceeds the self reported liability by 10% or more. Where the prior year is a short period, the Safe Harbor is annualized.

Mail the Estimated Payment Coupon separately from all other forms in the enclosed return envelope (E-203).

Extension Request Coupon

When an extension of time to file the annual report is desired, the Annual Extension Request Coupon must be filed by the original date in lieu of the annual report. There is no extension for payment of taxes. For this reason, the Annual Extension request must also be used to make payment of taxes owed for the taxable year for which the extension is requested. Taxpayers making a payment with an extension request through Electronic Funds Transfer (EFT) are not required to submit the extension coupon. Note that a Federal Form 7004 must accompany your annual report should the extension be selected.

Mail the Extension Coupon separately from all other forms in the enclosed return envelope (E-203).

Custom Refund/Transfer Request

Refunds: Requests for refund of overpayments from prior years or refunds of estimated tax payments in advance of filing the annual tax report must be submitted on the Custom Refund/Transfer Request.

Transfers: Use this coupon to transfer overpayments to or from tax years prior to that covered by the current annual report.

NOTE: DO NOT DUPLICATE REQUESTS FOR REFUND AND TRANSFER ON RCT-127 and REV-427. Use the front page of RCT-127 for Refund and Transfers in the current tax year. Use REV-427 for Refund and Transfers in prior tax years.

Mail the Custom Refund/Transfer Request separately from all other forms in the enclosed return envelope (E-203).

Commonwealth of Pennsylvania
1998 Public Utility Realty Tax Report

PP&L, Inc.
Account ID: 3500-090

Table A

County Summary of Public Utility Realty Realty
To Be Completed by All Utilities

Line Reference	Item 1 Column A, Line 1C	Item 2 Column A, Line 1D	Item 3 Column B, Line 1C	Item 4 Column B, Line 1D	Item 5 Line 2
County Property Location	Book Cost Land	Book Depletion Reserve	Book Cost Other Utility Realty	Book Depreciation Reserve	Net Book Value Items (1-2) + (3-4)
Armstrong	500,715		12,455,835	8,182,852	4,773,698
Berks	246,756		9,802,244	5,267,271	4,781,728
Bucks	174,504		1,482,913	493,561	1,163,856
Carbon	284,821		664,623	268,646	680,798
Chester	26,446		127,681	51,610	102,517
Clinton	95,504		2,039,545	732,824	1,402,225
Columbia	175,112		972,044	392,909	754,247
Cumberland	2,199,489		5,913,256	1,979,061	6,133,684
Dauphin	1,901,973		10,512,137	3,578,566	8,835,544
Indiana	252,464		17,193,117	11,367,440	6,078,141
Juniata	50,829		1,798,459	726,953	1,122,335
Lackawanna	893,215		28,065,322	8,648,627	20,309,910
Lancaster	2,416,071		35,999,291	17,403,028	21,012,334
Lebanon	6,628		113,801	46,000	74,429
Lehigh	3,156,184		62,620,080	18,818,224	46,958,040
Luzerna	3,836,621		1,056,047,452	864,580,023	195,304,050
Lycoming	470,776		9,336,056	3,022,631	6,784,201
Monroe	798,630		10,452,823	3,509,964	7,741,489
Montgomery	290,494		4,356,919	1,437,501	3,209,912
Montour	597,019		54,151,180	35,003,008	19,745,191
Northampton	1,377,294		97,978,133	63,433,517	35,921,910
Northumberland	173,245		3,911,980	1,252,865	2,832,360
Perry	119,665		5,319,028	1,549,473	3,889,220
Pike	1,082,848		13,906,379	6,359,080	8,630,147
Schuylkill	545,959		7,382,892	2,516,517	5,412,334
Snyder	206,065		42,572,283	28,166,688	14,611,660
Susquehanna	5,833		188,121	76,040	117,914
Union	91,963		389,495	157,437	324,021
Wayne	942,337		2,234,928	707,689	2,469,576
York	560,404		59,833,569	40,330,237	20,063,736
Total	23,479,866	0	1,557,821,585	1,130,060,242	451,241,209

Insert

Commonwealth of Pennsylvania
1998 Public Utility Realty Tax Report

Taxpayer Name: PP&L, Inc.
3500-090

Account ID (PURTA Box Number): 3500-090

Table B

County Summary of Electric Generating Assets Only
To Be Completed by Electric Utilities Only

County Property Location	Column 1 Book Cost Land	Column 2 Book Depletion Reserve	Column 3 Book Cost Other Utility Realty	Column 4 Book Depreciation Reserve	Column 5 Net Book Value Items (1-2) + (3-4)
Armstrong	500,715	-	12,455,933	8,182,919	4,773,729
Berks	-	-	7,765,169	4,549,485	3,215,684
Bucks	-	-	-	-	-
Carbon	-	-	-	-	-
Chester	-	-	-	-	-
Clinton	-	-	168,659	151,321	17,338
Columbia	-	-	-	-	-
Cumberland	-	-	51,652	46,342	5,310
Dauphin	-	-	28,601	25,661	2,940
Indiana	251,765	-	17,105,676	11,343,525	6,013,916
Juniata	-	-	-	-	-
Lackawanna	-	-	-	-	-
Lancaster	565,669	-	21,502,185	12,547,843	9,520,011
Lebanon	-	-	-	-	-
Lehigh	-	-	603	541	62
Luzerne	1,786,207	-	996,859,064	846,733,448	151,911,823
Lycoming	-	-	-	-	-
Monroe	-	-	-	-	-
Montgomery	-	-	-	-	-
Montour	553,131	-	51,881,252	34,310,027	18,124,356
Northampton	559,390	-	94,524,876	62,081,606	33,002,660
Northumberland	-	-	-	-	-
Perry	-	-	-	-	-
Pike	959,880	-	12,989,340	5,988,405	7,960,815
Schuylkill	49,917	-	84,431	75,752	58,596
Snyder	64,670	-	40,296,016	27,419,411	12,941,275
Susquehanna	-	-	-	-	-
Union	-	-	-	-	-
Wayne	-	-	-	-	-
Wyoming	-	-	-	-	-
York	39,003	-	59,301,582	40,176,015	19,164,570
Total	5,330,347	-	1,315,015,038	1,053,632,301	266,713,084

PA Department of Revenue
Dept. 280407
Harrisburg, Pennsylvania
17128-0407

OFFICIAL SETTLEMENT
PENNSYLVANIA PUBLIC UTILITY REALTY TAX
FOR OFFICIAL USE ONLY

BUREAU USE ONLY T/C 04

MAILING INSTRUCTIONS If Settlement Notice Should Be Mailed To Address Other Than That On Front, Fill In New Address In Block To Left.	Received
	Mailed
	DLN
	TAX PERIOD ENDING 12/31/98

← NAME

← STREET

← CITY
STATE
ZIP CODE

DO NOT WRITE BELOW THIS LINE

SETTLEMENT - PUBLIC UTILITY REALTY TAX	
<input type="checkbox"/> WHITE <input type="checkbox"/> OTHER	TYPE OF TAX <div style="border: 1px solid black; padding: 5px; text-align: center; font-size: 24px;">20</div>
Tax on Utility Realty of Public Utilities as of December 31, 1998	SELF ASSESSED TAX
State Taxable Value \$ _____	TAX DEBIT OR CREDIT
Tax at the Rate of 42 Mills (.042)	TOTAL TAX

DEPARTMENT OF REVENUE

Harrisburg, PA _____ 19 _____

SETTLED AND DELIVERED TO AUDITOR GENERAL:

(FOR THE SECRETARY OF REVENUE)

DEPARTMENT OF AUDITOR GENERAL

Harrisburg, PA _____ 19 _____

AUDITED AND APPROVED:

(FOR THE AUDITOR GENERAL)

PPL ELECTRIC UTILITIES CORPORATION

Revenue Neutral Reconciliation (RNR) Tax Adjustment
Applicable to Gross Receipts Tax

1. Projected taxable revenues for Pa. gross receipts tax for period January 1, 2002 to December 31, 2002 (Schedule E, Page 3)	\$2,556,697,000
2. RNR tax rate adjustment as published by the Department of Revenue in the <u>Pennsylvania Bulletin</u> on September 28, 2001	<u>0.016</u>
3. Projected increase in applicable 2002 gross receipts tax liability based on RNR tax rate adjustment	<u>\$40,907,152</u>

PPL ELECTRIC UTILITIES CORPORATION

Projected Revenues from Service Under
Rates Subject to Jurisdiction of
Pennsylvania Public Utility Commission
For the Application Period January 1, 2002 to December 31, 2002

Month	(A) Base Rate Revenue	(B) Delayed Payment Charge	(C) (A)+(B) PUC Jurisdictional Sales
January 2002	\$235,458,000	\$554,000	\$236,012,000
February	238,424,000	561,000	238,985,000
March	225,828,000	531,000	226,359,000
April	210,724,000	496,000	211,220,000
May	184,959,000	435,000	185,394,000
June	199,360,000	469,000	199,829,000
July	209,612,000	493,000	210,105,000
August	214,027,000	503,000	214,530,000
September	203,789,000	479,000	204,268,000
October	199,421,000	469,000	199,890,000
November	206,461,000	486,000	206,947,000
December	222,634,000	524,000	223,158,000
Total Projected Revenue	<u>\$2,550,697,000</u>	<u>\$6,000,000</u>	<u>\$2,556,697,000</u>

PPL ELECTRIC UTILITIES CORPORATION

Reconciliation of State Tax Adjustment Surcharge
for the Period January 1, 2001 through December 31, 2001

	<u>Amount</u>	<u>Schedule Number</u>
1. Capital Stock Tax	(\$11,505,433)	A
2. Corporate Net Income Tax	-	B 1/
3. Utility Realty Tax	(2,460,210)	C
4. Gross Receipts Tax	<u>-</u>	D
5. Total of Lines 1, 2, 3, and 4	(13,965,643)	
6. Revenue Neutral Reconciliation (RNR) Tax Adjustment	<u>(2,385,851)</u>	D
7. Total of Lines 5 and 6	<u>(\$16,351,494)</u>	
8. Revised Tax Liability for the period January 1, 2001 through December 31, 2001 (Line 7 divided by complement of Gross Receipts Tax Rate (.957))	(\$17,086,201)	
9. STAS Revenue Collections	<u>(16,666,956)</u>	E
10. (Over)/Under Collection (Line 8 minus Line 9)	<u>(\$419,245)</u>	

1/ Not applicable to this filing.

PPL ELECTRIC UTILITIES CORPORATION

Capital Stock Tax Adjustment
(Electric Department)

1. Value of capital stock (Per official settlement dated September 30, 1999 attached, Schedule A, Page 3) (Value per settlement of \$2,855,237,793 plus 1997 statutory exemption of \$125,000)	\$2,855,362,793
2. Statutory exemption	<u>125,000</u>
3. Value of capital stock less statutory exemption	2,855,237,793
4. Apportionment percentage	<u>0.920426</u>
5. Taxable value of capital stock	2,628,035,101
6. Tax rate - 2001 (7.49 mills)	<u>0.00749</u>
7. Pa. capital stock tax based on new tax rate - 2001	19,683,983
8. Pa. capital stock tax (Based on 1997 settled value and 1998 tax rates)	<u>31,510,141</u>
9. Tax decrease - 2001	(11,826,158)
10. PUC jurisdictional allocation factor	<u>0.97288</u>
11. Allocated tax decrease - 2001	<u><u>(\$11,505,433)</u></u>

Bureau of Corporation Taxes
DEPT. 280783
HARRISBURG, PA 17128-0703

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

REPORT RECEIVED 09/29/98 SCHEDULE
PAGE



OFFICIAL NOTICE OF SETTLEMENT

PA ACCOUNT ID: 0280-166
TAXABLE YEAR: 01/01/97 TO 12/31/97
DLN: 98-7-43317

PP & L INC
TAX SECTION TW 10
2 N 9TH ST
ALLENTOWN PA 18101

OFFICIAL SETTLEMENT HAS BEEN MADE BY THE PA DEPARTMENT OF REVENUE AND
THE DEPARTMENT OF THE AUDITOR GENERAL FOR THE TAXES LISTED BELOW:

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----
TAX AS REPORTED AS SETTLED
33,507,448 33,507,448

----- SECTION B - LOANS TAX -----
TAX AS REPORTED AS SETTLED
17,213 17,213

----- SECTION C - CORPORATE NET INCOME TAX -----
TAX AS REPORTED AS SETTLED
52,931,791 52,931,791

DEPARTMENT OF REVENUE MAILING DATE AUDITED AND APPROVED BY
SANDY SCOTT DEPARTMENT OF AUDITOR GENERAL
BRYAN MYERS
09/21/99 09/30/99 09/29/99

IF YOU DISAGREE WITH THIS SETTLEMENT, IT WILL BE NECESSARY TO FILE A
PETITION FOR RESETTLEMENT WITH THE BOARD OF APPEALS, DEPT. 281021,
HARRISBURG, PA 17128-1021 WITHIN 90 DAYS OF THE SETTLEMENT MAILING DATE.
PLEASE FORWARD A COPY OF THIS DOCUMENT WITH YOUR PETITION.

LOANS AND CNI SETTLED AS REPORTED

ADJUSTMENTS NOTED ON THE NEXT PAGE ARE EXPLAINED BELOW:
D4 INCLUDE DIVIDENDS RECEIVED AND EXCLUDE INCOME/LOSS OF SUBSIDIARIES.
F1 USE CONSOLIDATED NET WORTH.
PY PRIOR YEAR SETTLEMENT FIGURES EMPLOYED.

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----

HISTORY OF EARNINGS - BOOK INCOME	AS REPORTED	AS ADJUSTED	NOTES
01/01/93 TO 12/31/93		344,917,249	PY
01/01/94 TO 12/31/94		248,336,852	PY
01/01/95 TO 12/31/95		324,596,820	PY
01/01/96 TO 12/31/96		353,296,416	PY
01/01/97 TO 12/31/97	345,010,976		D4
TOTAL BOOK INCOME		1,616,158,313	
AVERAGE NET INCOME	323,231,663	323,231,663	
EQUITY YEAR ENDING	3,077,716,037		F1
EQUITY YEAR BEGINNING	3,083,111,406	3,083,111,406	PY
NET WORTH	3,077,716,037	3,077,716,037	
CAPITAL STOCK VALUE	2,855,237,793	2,855,237,793	
APPORTIONMENT PROPORTION	.920426	.920426	
CAPITAL STOCK/FRANCHISE TAX	33,507,448	33,507,448	

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FRANCHISE TAX

PROPERTY FACTOR - PA	
PROPERTY FACTOR - TOTAL	
PAYROLL FACTOR - PA	
PAYROLL FACTOR - TOTAL	
SALES FACTOR - PA	
SALES FACTOR - TOTAL	
SINGLE FACTOR - NUMERATOR	8,560,965,614
SINGLE FACTOR - DENOMINATOR	9,301,086,405

----- SECTION B - LOANS TAX -----

INDEBTEDNESS	4,337,621	
LOANS TAX	17,213	17,213

----- SECTION C - CORPORATE NET INCOME TAX -----

NET INCOME	503,620,712	
DIVIDENDS	26,181,583	
US INTEREST		
OTHER		
TOTAL DEDUCTIONS	26,181,583	26,181,583
INCOME TAXES	52,945,870	
TAX PREFERENCE ITEMS	432,307-	
EIP ADJUSTMENTS		
OTHER		
TOTAL ADDITIONS	52,513,563	52,513,563
ADJUSTED INCOME	529,952,692	529,952,692
TOTAL NONBUSINESS INCOME		
INCOME TO BE APPORTIONED		529,952,692
APPORTIONMENT PROPORTION	.999802	.999802
PA APPORTIONED INCOME		529,847,761
PA NONBUSINESS INCOME		
INCOME PRIOR TO NL DEDUCTION	529,847,761	529,847,761
NET LOSS DEDUCTION	0	0
PA TAXABLE INCOME		529,847,761
CORPORATE NET INCOME TAX	52,931,791	52,931,791

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

PROPERTY FACTOR - PA	10,456,612,488
PROPERTY FACTOR - TOTAL	10,457,197,136
PAYROLL FACTOR - PA	384,331,466
PAYROLL FACTOR - TOTAL	384,614,889
SALES FACTOR - PA	1
SALES FACTOR - TOTAL	1
SINGLE FACTOR - PA	
SINGLE FACTOR - TOTAL	

SCHEDULE C-2: NET LOSS DEDUCTION AND CARRYFORWARD

NL CARRYFWD TO CURRENT TAXABLE YEAR	NL CARRYFWD TO NEXT TAXABLE YEAR		
12-31-89	0		
12-31-90	0		
12-31-91	0		
12-31-92	0		
12-31-93	0		
12-31-94	0	12-31-94	0 PY
12-31-95	0	12-31-95	0 PY
12-31-96	0	12-31-96	0 PY
		12-31-97	0

PPL ELECTRIC UTILITIES CORPORATION

Pennsylvania Public Utility Realty Tax Adjustment
(Electric Department)

1. Total plant taxable value at December 31, 1998 (per report due April 15, 1999 - attached, Schedule C, Page 7)	\$451,241,209
2. Less: Taxable value of generating plant at December 31, 1998 (per report due April 15, 1999 - attached, Schedule C, Page 9)	<u>(266,713,084)</u>
3. Taxable value of T&D plant at December 31, 1998	<u>184,528,125</u>
4. Pa. Public Utility Realty Tax (Based on applied rate of 42 mills)	\$7,750,18
5. Total plant taxable value at December 31, 1999 (per Notice of Determination dated August 1, 2000 - attached, Schedule C, Page 3)	\$285,032,445
6. Less: Taxable value of generating plant at December 31, 1999 (Schedule C, Page 4)	<u>(115,975,549)</u>
7. Taxable value of T&D plant at December 31, 1999	<u>169,056,896</u>
8. Pa. Public Utility Realty Tax (Based on applied rate of 30.8854 mills per Notice of Determination dated August 1, 2000- attached, Schedule C, Page 3)	<u>5,221,31</u>
9. Decrease in Pa. Public Utility Realty Tax	(2,528,71
10. PUC jurisdictional allocation factor	<u>0.972</u>
11. Allocated tax decrease - 2001	<u>(\$2,460,2</u>

BUREAU OF CORPORATION TAXES
PURTA UNIT
DEPT. 280704
HARRISBURG, PA 17128-0704

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

SCHEDULE C
PAGE 2



Mailing Date:
August 1, 2000

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION TW-10
2 N-9TH STREET
ALLENTOWN PA 18101

**Re: 1999 Pennsylvania Public Utility Realty Tax
Notice of Determination
Amended per Act 4 of 1999 & Act 23 of 2000**

Dear Taxpayer:

Pursuant to the changes made to the Public Utility Realty Tax, as amended in Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable value of PURTA realty, the millage rate and transition credit applicable to tax year 1999. Notice is also given of the adjusted state taxable value, millage rate adjustment factor and transition credit for tax year 1998 based on information filed by utilities as of 5/1/2000.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Payments or credits previously submitted toward your 1999 PURTA account should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to:

**PURTA UNIT
Bureau of Corporation Taxes
Dept. 280704
Harrisburg, PA 17128-0704**

Thank you for your attention to this matter.

Sincerely,

Thomas S. Rominiecki
Director

1999 & 1998 NOTICES
Account Id 3500-090

1999

1999 PURTA/PTA Tax Determination: \$8,803,341
1999 Transitional Credit: \$0

1998

Increase or (Decrease) to 1998 PURTA/PTA Tax Determination: (\$3,757,924)
1998 Transitional Credit: \$0

PLEASE SEE REVERSE SIDE FOR DETAIL



Mailing Date:
 August 1, 2000

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500-090

Computation

Tax Year 1999 Detail

1) 1999 Realty Tax Equivalent (RTE):	\$61,041,787	
2) 1999 Total State Taxable Value (STV) for all utilities:	\$2,621,466,274	
3) 1999 PURTA Millage Rate (including 7.6 mills for Public Transportation Act):	30.8854 mills	
* [1999 RTE (Line 1) / 1999 STV (Line 2)] + 7.6 mills		
4) 1999 STV for Utility:	\$185,032,445	
5) 1999 Liability (Line 3 x Line 4):	\$8,803,341	TC 04
6) 1999 Transition Credit:	\$0	TC 13

Tax Year 1998 Detail

1) 1998 Realty Tax Equivalent (RTE):	\$133,200,000	
2) 1998 Total State Taxable Value (STV) for all utilities as determined 11/1/99:	\$2,402,948,870	
3) 1998 Millage Rate as determined 11/1/99:	63.0319 mills	
* [1998 RTE (Line 1) / 1998 STV (Line 2)] + 7.6 mills		
4) 1998 State Taxable Value (STV) for Utility as determined 11/1/99:	\$267,733,771	
5) 1998 Compensating Adjustment for Utility:	(\$51,371,080)	
6) 1998 Clean Up Adjustment for Utility:	(\$70,080)	
7) 1998 Adjusted STV for Utility (Line 4 + Line 5 + Line 6):	\$216,292,611	
8) Change to 1998 Liability per Compensating & Clean-up Adjustments ((Line 5 + Line 6) x Line 3):	(\$3,242,434)	
9) 1998 Compensating Adjustment for all Utilities:	\$16,692,154	
10) 1998 Clean Up Adjustment for all Utilities:	\$91,264,647	
11) 1998 Adjusted Total State Taxable Value (STV) for all utilities (Line 2 + Line 9 + Line 10):	\$2,510,905,671	
12) 1998 Adjusted Millage Rate	60.6486 mills	
* [1998 RTE (Line 1) / 1998 Adjusted STV (Line 11)] + 7.6 mills		
13) Millage Rate Adjustment Factor (Line 12 - Line 3):	-7.3833 mills	
14) Change made to 1998 Liability per Millage Rate Adjustment Factor (Line 7 x Line 13):	(\$515,490)	
15) Total Adjustment to 1998 Liability for Utility (Line 8 + Line 14):	(\$3,757,924)	TC 05
16) 1998 Transition Credit:	\$0	TC 13

The Transition Credit is reflected on the attached account review. Any overpayment is available for transfer within the account, any net credit balance for the account is available for refund/assignment.

If you do not agree with this Notice, you may file a Petition for Recalculation with the Board of Finance and Revenue which must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within thirty (30) days of the mailing date. Address the petition to: Board of Finance and Revenue, Harrisburg, PA 17128-1011.

PPL ELECTRIC UTILITIES CORPORATION

Pennsylvania Public Utility Realty Tax Adjustment
Taxable Value of Generating Plant at December 31, 1999

<u>Generating Station</u>	<u>County</u>	<u>Taxable Value</u>
Brunner Island	York	\$ 5,961,005
Conemaugh	Indiana	1,079,277
Holtwood	Lancaster	12,470,760
Keystone	Indiana	947,974
Lake Wallenpaupack	Pike/Wayne	2,594,302
Martins Creek	Northampton	6,500,000
Mountour	Montour	12,448,089
Susquehanna	Luzerne	73,142,739
Various Combustion Turbines	Various	<u>831,403</u>
Total		<u>\$ 115,975,549</u>

ACT-127 (5-98)



PA Department of Revenue
Dept. 280407
Harrisburg, Pennsylvania 17128-0407

Commonwealth of Pennsylvania
PUBLIC UTILITY REALTY
TAX REPORT

1998

OLN

Date Received

NAME/ ADDRESS PP&L, INC. TWO NORTH NINTH STREET ALLENTOWN, PA 18101	ACCOUNT ID (PURTA BOX NUMBER) 3 5 0 0 - 0 9 0
	FEDERAL ID (EIN) 2 3 - 0 9 5 9 5 9 0
	MAKE ADDRESS CHANGES IN SPACE BELOW ADDRESS
	CITY STATE ZIP CODE

First Report Amended Report Last Report (out of existence as of _____)

ANNUAL PAYMENTS TAX PERIOD **12/31/98** DUE DATE **04/15/99**

Fill in corresponding self-assessed tax, remittance amount and Grand Totals.

✓	TAX TYPE	T/C 01-15	REVENUE USE ONLY		1. SELF-ASSESSED TAX	2. PREPAYMENTS	3. REMITTANCE COLUMN 1 LESS COLUMN 2 POSITIVE (NEGATIVE)
			TYPE CODE	BUDGET CODE			
✓	PUBLIC UTILITY REALTY TAX		20	124101	18,952,131	37,878,709	(18,926,578)
GRAND TOTALS					18,952,131		(18,926,578)

PLEASE CHECK THIS BLOCK ONLY IF THE TOTAL PAYMENT SHOWN ABOVE HAS BEEN (OR WILL BE) PAID BY ELECTRONIC FUNDS TRANSFER (EFT)

OVERPAYMENT INSTRUCTIONS (CHECK ONLY ONE BOX)

- A. Automatically transfer overpayments to other current tax period underpaid taxes and the remaining portion of the overpayment(s) to the next tax period.
- B. Automatically transfer \$ _____ of the current tax period overpayment(s) to the next tax period after paying any other current tax period underpaid taxes and refund the remaining portion of the current tax period overpayment(s).
- C. Refund the overpayment(s) of the current tax period after paying any other current tax period underpaid taxes.

I hereby affirm, under penalties prescribed by law that this report (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is correct and complete report. If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

Signature of Officer of Company <i>[Signature]</i>	Title VP & CONTROLLER	Date 4/14/99	Telephone Number 16101774-5641
PRINT Individual Preparer or Firm's Name S. D. MCDANIEL	Signature of Preparer		
PRINT Individual or Firm's Street Address TWO NORTH NINTH STREET	Title ACCOUNTING ANALYST	Telephone Number 16101774-503	
City ALLENTOWN	State PA	Zip Code 18101	Date 4/14/99
			Preparer's EIN or SSN

Instructions for RCT-127 Package

Imposition, Base and Rate

This tax is imposed under the Tax Reform Code, Sec. 1102-A. The public utilities realty tax (commonly called PURTA) is imposed on public utilities. A public utility, which is not limited to corporations, is defined as follows: "Any person, partnership, association, corporation or other entity furnishing public utility service under the jurisdiction of the Pennsylvania Public Utility Commission or the corresponding regulatory agency of any other state or of the United States and any electric cooperative corporation, municipality or municipality authority furnishing public utility service, but shall not mean any public utility furnishing public utility sewage services, or municipality or municipality authority furnishing public utility services". The tax is imposed at a rate of 42 mills on the utility realty (lands, buildings, structures and enclosures however designated) located within this Commonwealth and owned by a public utility either directly or through a subsidiary, which are used or are in the course of development or construction for use, in the furnishing, including producing, storing, distributing, transporting, of public utility service. The state taxable value is the cost of utility realty, less reserves for depreciation and depletion, as shown on the book account of a public utility; provided that for any public utility which was not required to record annual depreciation on its utility prior to enactment of Section 1053 of the Public Utility Law (P.L. 1053) May 28, 1937, the depreciation deduction prescribed in this definition shall be the book reserve or fifty percent of the book cost, whichever is greater. The following are exempt: (1) machinery and equipment, (not determined under any county assessment law; all structures and enclosures, however designated, are taxable), (2) easements or similar interests, (3) railroad rights-of-way and super-structures thereon, (4) pole, transmission tower, pipe, rail or other lines, whether or not attached to land or to any structure or enclosure; (5) such realty as is subject to local real estate taxation under any law in effect on April 23, 1968.

All utilities must complete Table A of the tax report summarizing by county end of year book values of all public utility realty property used, or in the course of development for use, in furnishing public utility service. Electric utilities must include electric generation realty in Table A. Electric utilities must also complete Table B Insert Sheet itemizing by county electric generation assets only.

Reports and Due Dates

This report is due on or before April 15 following the end of the calendar year for which it is filed. The time for filing the annual report may be extended. A penalty for late filing will be imposed based on the amount of tax: 10% of the first \$1,000, 5% of the next \$4,000, and 1% on excess of \$5,000. Penalty for late filing, where appropriate, will be assessed at the time of settlement. Mail this form with remittance payable to the PA Department of Revenue, Dept. 2804, Harrisburg, PA, 17128-0407.

Included in Annual Report Package

RCT-127	Public Utility Realty Tax Report	Extension to File Coupon
	Estimated Payment Coupon	Custom Refund/Transfer Request Coupon

Annual Payments

Page 1 of the RCT-127 provides an area to record the self-assessed tax from the tax report, any prepayments and any balance due or overpayment of tax. Payment must be postmarked no later than the due date. NO extension of time for payment is permitted. All late payments and untimely transfers will be subject to interest charges. Make remittance payable to the PA Department of Revenue and mail the report to the address shown on the tax report by using the envelope (E-140) provided in this package. Effective January 1, 1994, any tax payment of \$20,000 or more must be submitted by Electronic Funds Transfer. To participate in the EFT Program, the Department of Revenue FIRST must receive your completed Authorization Agreement. For EFT questions only, call (800) 892-9816.

Overpayment Instructions

After completing the annual payment section on Page 1 of form RCT-127, if an overpayment exists (the remittance column is less than zero), you must instruct the Department of Revenue as to how you want this overpayment to be transferred and/or refunded. You provide these instructions to the Department of Revenue by selecting only one of the options available in the "Overpayment Instructions" area of Page 1. (YOU MUST SELECT ONE OF THESE OPTIONS if you have an overall overpayment of tax for the year being reported). Requests for refunds and/or transfers of overpayments in a year not covered by the annual report being filed should be made on the Custom Refund/Transfer Request Coupon provided in this package.

Taxpayers have three options for handling overpayments of tax in the current tax year. Check the block on Page 1, "Overpayment Instructions", which direct the Department to handle the overpayment for the current tax year as desired. TAXPAYERS MUST SELECT ONE OF THE OPTIONS LISTED BELOW

- Any overpayment in the current tax year is transferred automatically to offset other underpaid taxes in the current tax year and the remaining portion of the credit is applied to the next tax year for Estimated Tax purposes.
- The amount of the overpayment to be transferred to the next tax year for Estimated Tax purposes must be entered. Any overpayment in the current tax year is transferred automatically to offset other underpaid taxes in the current year. Secondly, the amount of the overpayment to be applied to the next year will be transferred automatically. Finally, the remaining portion of the overpayment will be refunded.
- Any overpayment in the current tax year is transferred to offset automatically other underpaid taxes in the current tax year and the remaining portion of the overpayment will be refunded.

Estimated Payment Coupon

All accounts are expected to remit estimated prepayments toward a final liability which a corporation estimates due for the taxable year. The prepayment of Public Utility Realty Tax is due by April 15 of the reported year. Tax remaining due at the close of the taxable year must be paid by April 15th of the following year, without regard to extension of time to file the return. Should a corporation realize that the estimated tax is underpaid, additional payments should be submitted to minimize the underpayment penalty. The underpayment is measured against 90% of the tax reported due for the taxable year. However, if the final settled tax increases the self-reported tax by 10% or more, the underpayment will be measured against the settled tax. The period of underpayment is from the due date of the installment to either the date(s) the underpayment is paid, or the Safe Harbor is satisfied.

A corporation may avoid the imposition of interest if it timely pays the estimated tax at an amount equal to 90% of the tax of the immediate prior year (Safe Harbor). This amount must be adjusted to reflect the estimated tax year's tax rate and law and must reflect the settled liability if it exceeds the self-reported liability by 10% or more. Where the prior year is a short period, the Safe Harbor is annualized.

Mail the Estimated Payment Coupon separately from all other forms in the enclosed return envelope (E-203).

Extension Request Coupon

When an extension of time to file the annual report is desired, the Annual Extension Request Coupon must be filed by the original date in lieu of the annual report. There is no extension for payment of taxes. For this reason, the Annual Extension request must also be used to make payment of taxes owed for the taxable year for which the extension is requested. Taxpayers making a payment with an extension request through Electronic Funds Transfer (EFT) are not required to submit the extension coupon. Note that a Federal Form 7004 must accompany your annual report should the extension be selected.

Mail the Extension Coupon separately from all other forms in the enclosed return envelope (E-203).

Custom Refund/Transfer Request

Refunds: Requests for refund of overpayments from prior years or refunds of estimated tax payments in advance of filing the annual tax report must be submitted on the Custom Refund/Transfer Request

Transfers: Use this coupon to transfer overpayments to or from tax years prior to that covered by the current annual report.

NOTE: DO NOT DUPLICATE REQUESTS FOR REFUND AND TRANSFER ON RCT-127 and REV-427. Use the front page of RCT-127 for Refund and Transfers in the current tax year. Use REV-427 for Refund and Transfers in prior tax years

Mail the Custom Refund/Transfer Request

Commonwealth of Pennsylvania
1998 Public Utility Realty Tax Report

PP&L, Inc.
Account ID: 3500-090

Table A

County Summary of Public Utility Realty
To Be Completed by All Utilities

Line Reference	Item 1	Item 2	Item 3	Item 4	Item 5
	Column A, Line 1C	Column A, Line 1D	Column B, Line 1C	Column B, Line 1D	Line 2
County Property Location	Book Cost Land	Book Depletion Reserve	Book Cost Other Utility Realty	Book Depreciation Reserve	Net Book Value Items (1-2) + (3-4)
Armstrong	500,715		12,455,835	8,182,852	4,773,698
Berks	246,756		9,802,244	5,267,271	4,781,728
Bucks	174,504		1,482,913	493,561	1,163,856
Carbon	284,821		664,623	268,646	680,798
Chester	26,446		127,681	51,610	102,517
Clinton	95,504		2,039,545	732,824	1,402,225
Columbia	175,112		972,044	392,909	754,247
Cumberland	2,199,489		5,913,256	1,979,061	6,133,684
Dauphin	1,901,973		10,512,137	3,578,566	8,835,544
Indiana	252,464		17,193,117	11,367,440	6,078,141
Juniata	50,829		1,798,459	726,953	1,122,335
Lackawanna	893,215		28,065,322	8,648,627	20,309,910
Lancaster	2,416,071		35,999,291	17,403,028	21,012,334
Lebanon	6,628		113,801	46,000	74,429
Lehigh	3,156,184		62,620,080	18,818,224	46,958,040
Luzerne	3,836,621		1,056,047,452	864,580,023	195,304,050
Lycoming	470,776		9,336,056	3,022,631	6,784,201
Monroe	798,630		10,452,823	3,509,964	7,741,489
Montgomery	290,494		4,356,919	1,437,501	3,209,912
Montour	597,019		54,151,180	35,003,008	19,745,191
Northampton	1,377,294		97,978,133	63,433,517	35,921,910
Northumberland	173,245		3,911,980	1,252,865	2,832,360
Perry	119,665		5,319,028	1,549,473	3,889,220
Pike	1,082,848		13,906,379	6,359,080	8,630,147
Schuylkill	545,959		7,382,892	2,516,517	5,412,334
Snyder	206,065		42,572,283	28,166,688	14,611,660
Susquehanna	5,833		188,121	76,040	117,914
Union	91,963		389,495	157,437	324,021
Wayne	942,337		2,234,928	707,689	2,469,576
York	560,404		59,833,569	40,330,237	20,063,736
Total	23,479,866	0	1,557,821,585	1,130,060,242	451,241,209

Insert

Commonwealth of Pennsylvania
1998 Public Utility Realty Tax Report

Taxpayer Name: PP&L, Inc.
3500-090

Account ID (PURTA Box Number): 3500-090

Table B

County Summary of Electric Generating Assets Only
To Be Completed by Electric Utilities Only

County Property Location	Column 1 Book Cost Land	Column 2 Book Depletion Reserve	Column 3 Book Cost Other Utility Realty	Column 4 Book Depreciation Reserve	Column 5 Net Book Value Items (1-2) + (3-4)
Armstrong	500,715	-	12,455,933	8,182,919	4,773,729
Berks	-	-	7,765,169	4,549,485	3,215,684
Bucks	-	-	-	-	-
Carbon	-	-	-	-	-
Chester	-	-	-	-	-
Clinton	-	-	168,659	151,321	17,338
Columbia	-	-	-	-	-
Cumberland	-	-	51,652	46,342	5,310
Dauphin	-	-	28,601	25,661	2,940
Indiana	251,765	-	17,105,676	11,343,525	6,013,916
Juniata	-	-	-	-	-
Lackawanna	-	-	-	-	-
Lancaster	565,669	-	21,502,185	12,547,843	9,520,011
Lebanon	-	-	-	-	-
Lehigh	-	-	603	541	62
Luzerne	1,786,207	-	996,859,064	846,733,448	151,911,823
Lycoming	-	-	-	-	-
Monroe	-	-	-	-	-
Montgomery	-	-	-	-	-
Montour	553,131	-	51,881,252	34,310,027	18,124,356
Northampton	559,390	-	94,524,876	62,081,606	33,002,660
Northumberland	-	-	-	-	-
Perry	-	-	-	-	-
Pike	959,880	-	12,989,340	5,988,405	7,960,815
Schuylkill	49,917	-	84,431	75,752	58,596
Snyder	64,670	-	40,296,016	27,419,411	12,941,275
Susquehanna	-	-	-	-	-
Union	-	-	-	-	-
Wayne	-	-	-	-	-
Wyoming	-	-	-	-	-
York	39,003	-	59,301,582	40,176,015	19,164,570
Total	5,330,347	-	1,315,015,038	1,053,632,301	266,713,084

PA Department of Revenue
Dept. 280407
Harrisburg, Pennsylvania
17128-0407

OFFICIAL SETTLEMENT
PENNSYLVANIA PUBLIC UTILITY REALTY TAX
FOR OFFICIAL USE ONLY

BUREAU USE ONLY

T/C

MAILING INSTRUCTIONS

If Settlement Notice
Should Be Mailed To
Address Other Than
That On Front, Fill In
New Address in Block
To Left.

Received

Mailed

DLN

NAME

STREET

CITY
STATE
ZIP CODE

ACCOUNT ID

TAX PERIOD ENDING

12/31/98

DO NOT WRITE BELOW THIS LINE

SETTLEMENT - PUBLIC UTILITY REALTY TAX

WHITE

OTHER

TYPE OF TAX

20

SELF ASSESSED TAX

Tax on Utility Realty of Public Utilities as of December 31, 1998

TAX DEBIT OR CREDIT

State Taxable Value \$

Tax at the Rate of 42 Mills (.042)

TOTAL TAX

DEPARTMENT OF REVENUE

DEPARTMENT OF AUDITOR GENERAL

Harrisburg, PA _____ 19 _____

Harrisburg, PA _____ 19 _____

SETTLED AND DELIVERED TO AUDITOR GENERAL:

AUDITED AND APPROVED:

PPL ELECTRIC UTILITIES CORPORATION

Revenue Neutral Reconciliation (RNR) Tax Adjustment
Applicable to Gross Receipts Tax

1. Actual taxable revenues for Pa. gross receipts tax for period January 1, 2001 to December 31, 2001	\$2,437,983,399
2. RNR tax rate adjustment as published by the Department of Revenue in the <u>Pennsylvania Bulletin</u> on September 29, 2000	<u>(0.001)</u>
3. Actual decrease in applicable 2001 gross receipts tax liability based on RNR tax rate adjustment	<u>(\$2,437,983)</u>

PPL ELECTRIC UTILITIES CORPORATION

Computation of Revenues from Service Under
Rates Subject to Jurisdiction of
Pennsylvania Public Utility Commission
For Twelve Months Ended December 31, 2001

<u>Month</u>	(A) Base Rate Revenue	(B) Delayed Payment Charge	(C) (A)+(B) PUC Jurisdictional Sales
January 2001	\$230,804,940	\$490,246	\$231,295,186
February	230,016,556	784,751	230,801,307
March	205,018,525	638,658	205,657,183
April	190,489,089	588,752	191,077,841
May	177,096,546	707,292	177,803,838
June	185,120,909	602,120	185,723,029
July	210,017,492	598,896	210,616,388
August	212,787,380	733,217	213,520,597
September	207,503,675	406,355	207,910,030
October (Estimated)	180,466,000	445,000	180,911,000
November (Estimated)	190,700,000	528,000	191,228,000
December (Estimated)	210,895,000	544,000	211,439,000
Total	<u>\$2,430,916,112</u>	<u>\$7,067,287</u>	<u>\$2,437,983,399</u>

PPL ELECTRIC UTILITIES CORPORATIONDetail of Tax Surcharge Revenue Collections

<u>Month</u>	<u>STAS Revenues</u>
January 2001	(\$620,685)
February	(1,620,386)
March	(1,597,500)
April	(1,392,453)
May	(1,286,787)
June	(1,345,664)
July	(1,529,349)
August	(1,534,494)
September	(1,479,519)
October (Estimated)	(1,320,650)
November (Estimated)	(1,395,964)
December (Estimated)	(1,543,505)
Total	<u>(\$16,666,956)</u>

Summary of Proofs of Revenue
PPL Electric Utilities Corporation
Rate Revenues At Rate Cap as Filed August 11, 1998
for 12 Month Period Ended December 31, 2002

Rate Schedule	Sales (KWH) 2002	Energy and Capacity	Transmission	Distribution	CTC	Base Rate Cap Revenues	State Tax Adjustment Surcharge	Total Rate Cap Rate Revenues
RS	11,999,301,000	\$518,735,834	\$45,237,365	\$278,983,396	\$186,685,965	\$1,029,642,560	\$0	\$1,029,642,560
RTS	380,001,000	\$13,898,410	\$452,201	\$2,793,013	\$3,707,012	\$20,850,636	\$0	\$20,850,636
RTD	4,999,000	\$184,327	\$18,846	\$109,619	\$76,459	\$389,251	\$0	\$389,251
GS-1	1,749,484,000	\$91,708,911	\$10,147,007	\$53,060,797	\$34,546,859	\$189,463,574	\$0	\$189,463,574
GS-3 (1)	8,140,190,000	\$382,711,717	\$37,607,677	\$73,400,546	\$123,011,424	\$616,731,364	\$0	\$616,731,364
LP4 (1)	5,294,768,605	\$225,348,641	\$19,981,277	\$22,101,570	\$75,016,503	\$342,427,991	\$0	\$342,427,991
ISP	498,880,980	\$13,116,864	\$1,800,960	\$1,947,551	\$3,752,806	\$20,618,181	\$0	\$20,618,181
LP5 (1)	3,381,916,757	\$132,098,237	\$10,281,027	\$1,830,108	\$45,267,736	\$189,477,108	\$0	\$189,477,108
IST	2,201,182,309	\$53,428,949	\$7,858,221	\$1,162,151	\$15,417,316	\$77,866,637	\$0	\$77,866,637
LP6	530,695,000	\$19,572,306	1,613,313	\$246,103	\$6,849,485	\$28,281,207	\$0	\$28,281,207
LPEP	109,788,000	\$3,371,170	\$352,419	\$188,361	\$3,688,875	\$7,600,825	\$0	\$7,600,825
ISA (1)	210,295,986	\$5,743,814	\$475,269	\$555,015	\$2,274,328	\$9,048,426	\$0	\$9,048,426
IS1	3,588,000	\$69,536	\$16,577	\$35,114	\$54,788	\$176,015	\$0	\$176,015
BL	6,564,000	\$208,144	\$38,071	\$229,656	\$131,280	\$607,151	\$0	\$607,151
SA	22,916,261	\$685,767	\$78,452	\$3,071,674	\$307,615	\$4,143,508	\$0	\$4,143,508
SM	5,183,055	\$174,410	\$16,371	\$730,872	\$64,215	\$985,868	\$0	\$985,868
SHS	61,608,979	\$3,436,670	\$194,735	\$12,596,612	\$763,590	\$16,991,607	\$0	\$16,991,607
SE	18,676,844	\$30,869	\$59,019	\$689,812	\$150,767	\$930,467	\$0	\$930,467
TS	441,418	\$16,611	\$1,396	\$27,473	\$5,471	\$50,951	\$0	\$50,951
SI-1	118,961	\$4,815	\$377	\$19,107	\$1,474	\$25,772	\$0	\$25,772
GH-1	335,001,000	\$13,690,936	\$1,551,055	\$4,511,319	\$7,667,513	\$27,420,823	\$0	\$27,420,823
GH-2	72,001,000	\$2,980,480	\$333,365	\$1,064,149	\$1,671,483	\$6,049,477	\$0	\$6,049,477
Standby	11,219,000	\$565,306	\$34,106	\$24,466	\$341,511	\$965,389	\$0	\$965,389
	35,038,821,154	\$1,481,782,724	\$138,129,105	\$459,378,482	\$511,454,475	\$2,590,744,787	\$0	\$2,590,744,787

(1) Economic Development Credits are included in revenue for this rate schedule

Summary of Proofs of Revenue
PPL Electric Utilities Corporation
Proposed Rate Revenues
for 12 Month Period Ended December 31, 2002

Rate	Sales (KWH) 2002	Energy and Capacity	Transmission	Distribution	CTC	ITC	Base Rate Revenue 2002
RS	11,999,301,000	\$518,735,834	\$45,237,365	\$278,983,396	\$29,521,992	#####	\$1,010,910,553
RTS	380,001,000	\$13,898,410	\$452,201	\$2,793,012	\$473,598	\$3,233,414	\$20,850,635
RTD	4,999,000	\$184,327	\$18,846	\$109,619	\$14,769	\$61,701	\$389,262
GS-1	1,749,484,000	\$91,708,911	\$10,147,007	\$53,060,797	\$5,073,650	\$25,604,417	\$185,594,782
GS-3 (1)	8,140,190,000	\$382,711,717	\$37,607,677	\$73,400,546	\$20,641,038	\$97,139,675	\$611,500,653
LP4 (1)	5,294,768,605	\$225,348,641	\$19,961,277	\$22,101,570	\$10,235,856	\$48,801,480	\$326,448,824
ISP	498,880,980	\$13,116,864	\$1,800,960	\$1,947,551	\$617,120	\$3,135,685	\$20,618,180
LP5 (1)	3,381,916,757	\$132,098,237	\$10,281,027	\$1,830,108	\$5,991,805	\$27,168,797	\$177,369,974
IST	2,201,182,309	\$53,428,949	\$7,858,221	\$1,162,151	\$931,076	\$14,486,240	\$77,866,637
LP6	530,695,000	\$19,572,306	\$1,613,313	\$246,103	\$943,576	\$5,905,909	\$28,281,207
LPEP	109,788,000	\$3,371,170	\$352,419	\$188,361	\$364,157	\$1,679,301	\$5,955,408
ISA (1)	210,295,986	\$5,453,900	\$475,269	\$555,015	\$0	\$2,564,242	\$9,048,426
IS1	3,588,000	\$63,879	\$16,577	\$35,114	\$0	\$60,446	\$176,016
BL	6,564,000	\$208,144	\$38,071	\$229,656	\$20,132	\$72,532	\$568,535
SA	22,916,261	\$685,767	\$78,452	\$3,071,674	\$27,527	\$280,088	\$4,143,508
SM	5,183,055	\$164,981	\$16,371	\$730,872	\$0	\$73,647	\$985,869
SHS	61,608,979	\$3,436,670	\$194,735	\$12,596,612	\$121,495	\$642,094	\$16,991,606
SE	18,676,844	\$30,869	\$59,019	\$689,812	\$2,105	\$81,103	\$862,908
TS	441,418	\$16,611	\$1,396	\$27,473	\$206	\$5,265	\$50,951
SI-1	118,961	\$4,324	\$377	\$19,107	\$0	\$1,965	\$25,772
GH-1	335,001,000	\$13,690,936	\$1,551,055	\$4,511,319	\$699,823	\$6,967,562	\$27,420,695
GH-2	72,001,000	\$2,980,480	\$333,365	\$1,064,149	\$146,289	\$1,525,195	\$6,049,478
Standby	11,219,000	\$565,306	\$34,106	\$24,466	\$80,216	\$261,291	\$965,384
	35,038,821,154	\$1,481,477,233	\$138,129,105	\$459,378,482	\$75,906,430	\$378,184,014	\$2,533,075,264

(1) Economic Development Credits are included in revenue for this rate schedule

**Summary Proofs of Revenue
PPL Electric Utilities Corporation
Proposed Rate Revenue
for 12 Months Ended December 31, 2002**

Rate Schedule	Sales (KWH) 2002	STAS		Net STAS	Proposed Total Rate Revenues with STAS Recovery
		RNR	Other Taxes		
RS	11,999,301,000	\$17,576,665	(\$5,353,812)	\$12,222,853	\$1,023,133,406
RTS	380,001,000	\$362,698	(\$110,477)	\$252,221	\$21,102,856
RTD	4,999,000	\$6,773	(\$2,063)	\$4,710	\$393,972
GS-1	1,749,484,000	\$3,202,876	(\$975,589)	\$2,227,287	\$187,822,069
GS-3 (1)	8,140,190,000	\$10,435,098	(\$3,178,507)	\$7,256,591	\$618,757,244
LP4 (1)	5,294,768,605	\$5,506,715	(\$1,677,333)	\$3,829,382	\$330,278,206
ISP	498,880,980	\$348,950	(\$106,289)	\$242,660	\$20,860,840
LP5 (1)	3,381,916,757	\$2,989,125	(\$910,480)	\$2,078,644	\$179,448,618
IST	2,201,182,309	\$1,354,879	(\$412,693)	\$942,186	\$78,808,823
LP6	530,695,000	\$492,093	(\$149,890)	\$342,203	\$28,623,410
LPEP	109,788,000	\$103,624	(\$31,564)	\$72,060	\$6,027,468
ISA (1)	210,295,986	\$157,443	(\$47,957)	\$109,486	\$9,157,912
IS1	3,588,000	\$3,063	(\$933)	\$2,130	\$178,146
BL	6,564,000	\$9,893	(\$3,013)	\$6,879	\$575,414
SA	22,916,261	\$71,988	(\$21,927)	\$50,061	\$4,193,568
SM	5,183,055	\$17,128	(\$5,217)	\$11,911	\$997,780
SHS	61,608,979	\$295,136	(\$89,898)	\$205,238	\$17,196,844
SE	18,676,844	\$15,002	(\$4,570)	\$10,432	\$873,340
TS	441,418	\$884	(\$269)	\$615	\$51,566
SI-1	118,961	\$448	(\$136)	\$311	\$26,084
GH-1	335,001,000	\$474,728	(\$144,601)	\$330,127	\$27,750,822
GH-2	72,001,000	\$105,004	(\$31,984)	\$73,020	\$6,122,498
Standby	11,219,000	\$16,798	(\$5,117)	\$11,681	\$977,065
	35,038,821,154	\$43,547,009	-\$13,264,319	\$30,282,690	\$2,563,357,955

(1) Economic Development Credits are included in revenue for this rate schedule

Summary Proofs of Revenue
PPL Electric Utilities Corporation
Summary of Net STAS Revenue Over Rate Revenue at Rate Cap
for 12 Months Ended December 31, 2002

Rate Schedule	Sales (KWH) 2002	Total Rate Cap Rate Revenue	Proposed Total Rate Revenue with STAS Recovery	Projected Amount of STAS Recovery over Rate Cap Revenue	% Change from Rate Cap Revenue
RS	11,999,301,000	\$1,029,642,560	\$1,023,133,406	\$0	-0.63%
RTS	380,001,000	\$20,850,636	\$21,102,856	\$252,220	1.21%
RTD	4,999,000	\$389,251	\$393,972	\$4,721	1.21%
GS-1	1,749,484,000	\$189,463,574	\$187,822,069	\$0	-0.87%
GS-3 (1)	8,140,190,000	\$616,731,364	\$618,757,244	\$2,025,880	0.33%
LP4 (1)	5,294,768,605	\$342,427,991	\$330,278,206	\$0	-3.55%
ISP	498,880,980	\$20,618,181	\$20,860,840	\$242,659	1.18%
LP5 (1)	3,381,916,757	\$189,477,108	\$179,448,618	\$0	-5.29%
IST	2,201,182,309	\$77,866,637	\$78,808,823	\$942,186	1.21%
LP6	530,695,000	\$28,281,207	\$28,623,410	\$342,203	1.21%
LPEP	109,788,000	\$7,600,825	\$6,027,468	\$0	-20.70%
ISA (1)	210,295,986	\$9,048,426	\$9,157,912	\$109,486	1.21%
IS1	3,588,000	\$176,015	\$178,146	\$2,131	1.21%
BL	6,564,000	\$607,151	\$575,414	\$0	-5.23%
SA	22,916,261	\$4,143,508	\$4,193,568	\$50,061	1.21%
SM	5,183,055	\$985,868	\$997,780	\$11,913	1.21%
SHS	61,608,979	\$16,991,607	\$17,196,844	\$205,237	1.21%
SE	18,676,844	\$930,467	\$873,340	\$0	-6.14%
TS	441,418	\$50,951	\$51,566	\$615	1.21%
SI-1	118,961	\$25,772	\$26,084	\$312	1.21%
GH-1	335,001,000	\$27,420,823	\$27,750,822	\$329,999	1.20%
GH-2	72,001,000	\$6,049,477	\$6,122,498	\$73,021	1.21%
Standby	11,219,000	\$965,389	\$977,065	\$11,676	1.21%
	35,038,821,154	\$2,590,744,787	\$2,563,357,955	\$4,604,320	-1.06%

(1) Economic Development Credits are included in revenue for this rate schedule

**Summary of Proofs of Revenue
PPL Electric Utilities Corporation
Summary of CTC Undercollection by Rate Schedule**

Rate Schedule	Sales (KWH) 2002	Required 2002 CTC Revenue, including previously deferred amount (2)	Projected 2002 CTC Revenue Recovery	Projected Underrecovery of 2002 CTC Deferral
RS	11,999,301,000	\$29,509,193	\$29,521,992	\$0
RTS	380,001,000	\$1,521,227	\$473,598	\$1,047,629
RTD	4,999,000	\$25,892	\$14,769	\$11,123
GS-1	1,749,484,000	\$5,065,591	\$5,073,650	\$0
GS-3 (1)	8,140,190,000	\$20,596,649	\$20,641,038	\$0
LP4 (1)	5,294,768,605	\$10,228,600	\$10,235,856	\$0
ISP	498,880,980	\$744,042	\$617,120	\$126,922
LP5 (1)	3,381,916,757	\$5,978,575	\$5,991,805	\$0
IST	2,201,182,309	\$8,144,444	\$931,076	\$7,213,368
LP6	530,695,000	\$4,278,833	\$943,576	\$3,335,257
LPEP	109,788,000	\$364,028	\$364,157	\$0
ISA (1)	210,295,986	\$1,201,212	\$0	\$1,201,212
IS1	3,588,000	\$51,332	\$0	\$51,332
BL	6,564,000	\$20,128	\$20,132	\$0
SA	22,916,261	\$143,723	\$27,527	\$116,196
SM	5,183,055	\$49,664	\$0	\$49,664
SHS	61,608,979	\$189,765	\$121,495	\$68,270
SE	18,676,844	\$2,105	\$2,105	\$0
TS	441,418	\$3,300	\$206	\$3,094
SI-1	118,961	\$1,172	\$0	\$1,172
GH-1	335,001,000	\$6,298,438	\$699,823	\$5,598,615
GH-2	72,001,000	\$2,099,432	\$146,289	\$1,953,143
Standby	11,219,000	\$123,640	\$80,216	\$43,424
	35,038,821,154	\$96,640,985	\$75,906,430	\$20,820,421

(1) Economic Development Credits are included in revenue for this rate schedule

(2) Pursuant to PPL's 2001 Competitive Transition Charge Reconciliation Filing

PPL Electric Utilities Corporation
Rate Schedule RS
Residential Service
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	11,991,724,651	\$0.00377	\$45,208,802
Distribution			
Total Bills	13,535,575	\$6.47	\$87,575,170
First 200 KWH	2,595,233,262	\$0.01796	\$46,610,389
Next 600 KWH	5,181,892,028	\$0.01594	\$82,599,359
Excess	4,214,599,362	\$0.01472	\$62,038,903
Subtotal	11,991,724,651		\$278,823,821
Energy & Capacity			
First 200 KWH	2,595,233,262	\$0.04920	\$127,685,476
Next 600 KWH	5,181,892,028	\$0.04321	\$223,909,555
Excess	4,214,599,362	\$0.03963	\$167,024,573
Subtotal	11,991,724,651		\$518,619,604
Competitive Transition Charge			
First 200 KWH	2,595,233,262	\$0.01752	\$45,468,487
Next 600 KWH	5,181,892,028	\$0.01555	\$80,578,421
Excess KWH	4,214,599,362	\$0.01436	\$60,521,647
Subtotal	11,991,724,651		\$186,568,555
RWO			\$230,278
RWI			\$191,500
Total Rate Revenue			<u>\$1,029,642,559</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	11,991,724,651	\$0.00377	\$45,208,802
Distribution			
Total Bills	13,535,575	\$6.47	\$87,575,170
First 200 KWH	2,595,233,262	\$0.01796	\$46,610,389
Next 600 KWH	5,181,892,028	\$0.01594	\$82,599,359
Excess	4,214,599,362	\$0.01472	\$62,038,903
Subtotal	11,991,724,651		\$278,823,821
Energy & Capacity			
First 200 KWH	2,595,233,262	\$0.04920	\$127,685,476
Next 600 KWH	5,181,892,028	\$0.04321	\$223,909,555
Excess	4,214,599,362	\$0.03963	\$167,024,573
Subtotal	11,991,724,651		\$518,619,604
Competitive Transition Charge			
First 200 KWH	2,595,233,262	\$0.00277	\$7,188,796
Next 600 KWH	5,181,892,028	\$0.00246	\$12,737,091
Excess KWH	4,214,599,362	\$0.00227	\$9,567,141
Subtotal	11,991,724,651		\$29,493,027
Intangible Transition Charge			
First 200 KWH	2,595,233,262	\$0.01299	\$33,717,271
Next 600 KWH	5,181,892,028	\$0.01153	\$59,726,488
Excess KWH	4,214,599,362	\$0.01065	\$44,868,625
Subtotal	11,991,724,651		\$138,312,383
RWO			\$222,367
RWI			\$187,790
Total Rate Revenue			<u>\$1,010,867,794</u>

PPL Electric Utilities Corporation
Rate Schedule RS with Off-Peak Water Heating-Separate Meter (RWO)
Residential Service
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	5,170,636	\$0.00377	\$19,493
<u>Distribution</u>			
Total Bills	2,573	\$6.00	\$15,438
All KWH	5,170,636	\$0.01592	\$82,317
Subtotal			\$97,755
<u>Energy & Capacity</u>			
All KWH	5,170,636	\$0.00634	\$32,782
<u>Competitive Transition Charge</u>			
All KWH	5,170,636	\$0.01552	\$80,248
Total Rate Revenue			\$230,278
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	5,170,636	\$0.00377	\$19,493
<u>Distribution</u>			
Total Bills	2,573	\$6.00	\$15,438
All KWH	5,170,636	\$0.01592	\$82,317
Subtotal			\$97,755
<u>Energy & Capacity</u>			
All KWH	5,170,636	\$0.00634	\$32,782
<u>Competitive Transition Charge</u>			
All KWH	5,170,636	\$0.00246	\$12,720
<u>Intangible Transition Charge</u>			
All KWH	5,170,636	\$0.01153	\$59,617
Total Rate Revenue			\$222,367

PPL Electric Utilities Corporation
Rate Schedule RS with Off-Peak Water Heating-Single Meter (RW1)
Residential Service
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Transmission - All KWH	2,405,713	\$0.00377	\$9,070
<u>Distribution</u>			
Total Bills	1,902	\$12.47	\$23,718
First 200 KWH	354,715	\$0.01796	\$6,371
Next 400 KWH	622,379	\$0.01592	\$9,908
Next 600 KWH	650,252	\$0.01594	\$10,365
Excess KWH	778,367	\$0.01472	\$11,458
Subtotal	2,405,713		\$61,819
<u>Energy & Capacity</u>			
First 200 KWH	354,715	\$0.04920	\$17,452
Next 400 KWH	622,379	\$0.01133	\$7,052
Next 600 KWH	650,252	\$0.04321	\$28,097
Excess KWH	778,367	\$0.03963	\$30,847
Subtotal	2,405,713		\$83,448
<u>Competitive Transition Charge</u>			
First 200 KWH	354,715	\$0.01752	\$6,215
Next 400 KWH	622,379	\$0.01552	\$9,659
Next 600 KWH	650,252	\$0.01555	\$10,111
Excess KWH	778,367	\$0.01436	\$11,177
Subtotal	2,405,713		\$37,163
Total Rate Revenue			<u>\$191,499</u>
<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Transmission - All KWH	2,405,713	\$0.00377	\$9,070
<u>Distribution</u>			
Total Bills	1,902	\$12.47	\$23,718
First 200 KWH	354,715	\$0.01796	\$6,371
Next 400 KWH	622,379	\$0.01592	\$9,908
Next 600 KWH	650,252	\$0.01594	\$10,365
Excess KWH	778,367	\$0.01472	\$11,458
Subtotal	2,405,713		\$61,819
<u>Energy & Capacity</u>			
First 200 KWH	354,715	\$0.04920	\$17,452
Next 400 KWH	622,379	\$0.01133	\$7,052
Next 600 KWH	650,252	\$0.04321	\$28,097
Excess KWH	778,367	\$0.03963	\$30,847
Subtotal	2,405,713		\$83,448
<u>Competitive Transition Charge</u>			
First 200 KWH	354,715	\$0.00277	\$983
Next 400 KWH	622,379	\$0.00246	\$1,531
Next 600 KWH	650,252	\$0.00246	\$1,600
Excess KWH	778,367	\$0.00227	\$1,767
Subtotal	2,405,713		\$5,880
<u>Intangible Transition Charge</u>			
First 200 KWH	354,715	\$0.01299	\$4,608
Next 400 KWH	622,379	\$0.01153	\$7,176
Next 600 KWH	650,252	\$0.01153	\$7,497
Excess KWH	778,367	\$0.01065	\$8,290
Subtotal	2,405,713		\$27,571
Total Rate Revenue			<u>\$187,788</u>

PPL Electric Utilities Corporation
Rate Schedule RTS (R)
Residential Service - Thermal Storage
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	380,001,000	\$0.00119	\$452,201
<u>Distribution</u>			
Total Bills	145,417	\$14.97	\$2,176,892
First 2 on-peak KW	284,127	\$0.00	\$0
Excess on-peak KW	695,113	\$0.89	\$616,120
Subtotal			<u>\$2,793,013</u>
<u>Energy & Capacity</u>			
First 2 on-peak KW	284,127	\$0.00	\$0
Excess on-peak KW	695,113	\$4.90	\$3,408,584
All KWH	380,001,000	\$0.02760	\$10,489,826
Subtotal			<u>\$13,898,410</u>
<u>Competitive Transition Charge</u>			
All KWH	380,001,000	\$0.00976	\$3,707,012
Total Rate Revenue			<u><u>\$20,850,635</u></u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	380,001,000	\$0.00119	\$452,201
<u>Distribution</u>			
Total Bills	145,417	\$14.97	\$2,176,892
First 2 on-peak KW	284,127	\$0.00	\$0
Excess on-peak KW	695,113	\$0.89	\$616,120
Subtotal			<u>\$2,793,012</u>
<u>Energy & Capacity</u>			
First 2 on-peak KW	284,127	\$0.00	\$0
Excess on-peak KW	695,113	\$4.90	\$3,408,584
All KWH	380,001,000	\$0.02760	\$10,489,826
Subtotal			<u>\$13,898,410</u>
<u>Competitive Transition Charge</u>			
All KWH	380,001,000	\$0.00125	\$473,598
<u>Intangible Transition Charge</u>			
All KWH	380,001,000	\$0.00851	\$3,233,414
Total Rate Revenue			<u><u>\$20,850,635</u></u>

PPL Electric Utilities Corporation
Rate Schedule RTD (R)
Residential Service - Time-of-Day
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	4,999,000	\$0.00377	\$18,846
<u>Distribution</u>			
Total Bills	3,169	\$12.47	\$39,517
On-peak KWH	993,331	\$0.03053	\$30,326
Off-peak KWH	4,005,669	\$0.00993	\$39,776
Subtotal	4,999,000		\$109,620
<u>Energy & Capacity</u>			
On-peak KWH	993,331	\$0.08471	\$84,145
Off-peak KWH	4,005,669	\$0.02501	\$100,182
Subtotal	4,999,000		\$184,327
<u>Competitive Transition Charge</u>			
On-peak KWH	993,331	\$0.03330	\$33,078
Off-peak KWH	4,005,669	\$0.01083	\$43,381
Subtotal	4,999,000		\$76,459
Total Rate Revenue			\$389,253
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	4,999,000	\$0.00377	\$18,846
<u>Distribution</u>			
Total Bills	3,169	\$12.47	\$39,517
On-peak KWH	993,331	\$0.03053	\$30,326
Off-peak KWH	4,005,669	\$0.00993	\$39,776
Subtotal	4,999,000		\$109,620
<u>Energy & Capacity</u>			
On-peak KWH	993,331	\$0.08471	\$84,145
Off-peak KWH	4,005,669	\$0.02501	\$100,182
Subtotal	4,999,000		\$184,327
<u>Competitive Transition Charge</u>			
On-peak KWH	993,331	\$0.00644	\$6,392
Off-peak KWH	4,005,669	\$0.00209	\$8,380
Subtotal	4,999,000		\$14,772
<u>Intangible Transition Charge</u>			
On-peak KWH	993,331	\$0.02687	\$26,686
Off-peak KWH	4,005,669	\$0.00874	\$35,002
Subtotal	4,999,000		\$61,687
Total Rate Revenue			\$389,253

PPL Electric Utilities Corporation
Rate Schedule GS-1
Small General Service at Secondary Voltage
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	1,725,062,041	\$0.00580	\$10,005,360
Distribution			
Total Bills	1,657,199	\$7.48	\$12,395,849
First 5 KW	8,285,994	\$0.00	\$0
Excess KW	5,142,407	\$1.86	\$9,564,877
First 150 Hours	1,164,480,336	\$0.01913	\$22,276,509
Excess KWH	560,581,705	\$0.01437	\$8,055,559
Subtotal	1,725,062,041		\$52,292,793
Energy and Capacity			
First 150 Hours	1,164,480,336	\$0.05784	\$67,353,543
Excess KWH	560,581,705	\$0.04202	\$23,555,643
Subtotal	1,725,062,041		\$90,909,186
Competitive Transition Charge			
First 150 Hours	1,164,480,336	\$0.02159	\$25,141,130
Excess KWH	560,581,705	\$0.01622	\$9,092,635
Subtotal	1,725,062,041		\$34,233,766
T. O. D. Metering	9,996	\$14.97	\$149,640
GIV			\$1,586,200
GIC			\$286,630
Total Rate Revenue			\$189,463,575
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	1,725,062,041	\$0.00580	\$10,005,360
Distribution			
Total Bills	1,657,199	\$7.48	\$12,395,849
First 5 KW	8,285,994	\$0.00	\$0
Excess KW	5,142,407	\$1.86	\$9,564,877
First 150 Hours	1,164,480,336	\$0.01913	\$22,276,509
Excess KWH	560,581,705	\$0.01437	\$8,055,559
Subtotal	1,725,062,041		\$52,292,793
Energy and Capacity			
First 150 Hours	1,164,480,336	\$0.05784	\$67,353,543
Excess KWH	560,581,705	\$0.04202	\$23,555,643
Subtotal	1,725,062,041		\$90,909,186
Competitive Transition Charge			
First 150 Hours	1,164,480,336	\$0.00317	\$3,686,745
Excess KWH	560,581,705	\$0.00238	\$1,333,624
Subtotal	1,725,062,041		\$5,020,369
Intangible Transition Charge			
First 150 Hours	1,164,480,336	\$0.01600	\$18,632,850
Excess KWH	560,581,705	\$0.01202	\$6,739,313
Subtotal	1,725,062,041		\$25,372,163
T. O. D. Metering	9,996	\$14.97	\$149,640
GIV			\$1,555,708
GIC			\$286,630
Total Rate Revenue			\$185,591,849

PPL Electric Utilities Corporation
Rate Schedule GS-1
Off-Peak Space Conditioning and Water Heating (G1C)
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	3,905,158	\$0.00580	\$22,650
<u>Distribution</u>			
Excess KW	6,744	\$17.96	\$121,113
All KWH	3,905,158	\$0.03038	\$118,639
Subtotal			\$239,752
<u>Energy & Capacity</u>			
All KWH	3,905,158	\$0.00000	\$0
<u>Competitive Transition Charge</u>			
All KWH	3,905,158	\$0.00233	\$9,099
T. O. D. Metering	1,010	\$14.97	\$15,120
Total Rate Revenue			\$286,621
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	3,905,158	\$0.00580	\$22,650
<u>Distribution</u>			
Excess KW	6,744	\$17.96	\$121,113
All KWH	3,905,158	\$0.03038	\$118,639
Subtotal			\$239,752
<u>Energy & Capacity</u>			
All KWH	3,905,158	\$0.00000	\$0
<u>Competitive Transition Charge</u>			
All KWH	3,905,158	\$0.00000	\$0
<u>Intangible Transition Charge</u>			
All KWH	3,905,158	\$0.00233	\$9,099
T. O. D. Metering	1,010	\$14.97	\$15,120
Total Rate Revenue			\$286,621

PPL Electric Utilities Corporation
Rate Schedule GS-1
Volunteer Fire Co./Sr. Citizens Centers (G1V)
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Transmission - All KWH	20,516,801	\$0.00580	\$118,997
<u>Distribution</u>			
Total Bills	8,016	\$6.47	\$51,864
First 200 KWH	1,479,507	\$0.01796	\$26,572
Next 600 KWH	3,948,310	\$0.01594	\$62,936
Excess KWH	15,088,984	\$0.01472	\$222,110
Subtotal	20,516,801		\$363,481
<u>Energy & Capacity</u>			
First 200 KWH	1,479,507	\$0.04717	\$69,788
Next 600 KWH	3,948,310	\$0.04118	\$162,591
Excess KWH	15,088,984	\$0.03760	\$567,346
Subtotal	20,516,801		\$799,726
<u>Competitive Transition Charge</u>			
First 200 KWH	1,479,507	\$0.01752	\$25,921
Next 600 KWH	3,948,310	\$0.01555	\$61,396
Excess KWH	15,088,984	\$0.01436	\$216,678
Subtotal	20,516,801		\$303,995
Total Rate Revenue			<u>\$1,586,199</u>
<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Transmission - All KWH	20,516,801	\$0.00580	\$118,997
<u>Distribution</u>			
Total Bills	8,016	\$6.47	\$51,864
First 200 KWH	1,479,507	\$0.01796	\$26,572
Next 600 KWH	3,948,310	\$0.01594	\$62,936
Excess KWH	15,088,984	\$0.01472	\$222,110
Subtotal	20,516,801		\$363,481
<u>Energy & Capacity</u>			
First 200 KWH	1,479,507	\$0.04717	\$69,788
Next 600 KWH	3,948,310	\$0.04118	\$162,591
Excess KWH	15,088,984	\$0.03760	\$567,346
Subtotal	20,516,801		\$799,726
<u>Competitive Transition Charge</u>			
First 200 KWH	1,479,507	\$0.00277	\$4,098
Next 600 KWH	3,948,310	\$0.00246	\$9,713
Excess KWH	15,088,984	\$0.00227	\$34,252
Subtotal	20,516,801		\$48,063
<u>Intangible Transition Charge</u>			
First 200 KWH	1,479,507	\$0.01299	\$19,219
Next 600 KWH	3,948,310	\$0.01153	\$45,524
Excess KWH	15,088,984	\$0.01065	\$160,698
Subtotal	20,516,801		\$225,440
Total Rate Revenue			<u>\$1,555,708</u>

PPL Electric Utilities Corporation
Rate Schedule GS-3
Large General Service at Secondary Voltage
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	8,114,512,182	\$0.00462	\$37,489,046
<u>Distribution</u>			
All KW	21,854,618	\$2.84	\$62,067,115
First 200 Hours	4,267,009,834	\$0.00151	\$6,443,185
Next 200 Hours	2,752,549,195	\$0.00119	\$3,275,534
Excess KWH	1,094,953,153	\$0.00114	\$1,248,247
Subtotal	8,114,512,182		\$73,034,080
<u>Energy & Capacity</u>			
All KW	21,854,618	\$4.10	\$89,603,934
First 200 Hours	4,267,009,834	\$0.04127	\$176,099,496
Next 200 Hours	2,752,549,195	\$0.03132	\$86,209,841
Excess KWH	1,094,953,153	\$0.02991	\$32,750,049
Subtotal	8,114,512,182		\$384,663,319
<u>Competitive Transition Charge</u>			
First 200 Hours	4,267,009,834	\$0.01704	\$72,709,848
Next 200 Hours	2,752,549,195	\$0.01334	\$36,719,006
Excess KWH	1,094,953,153	\$0.01282	\$14,037,299
Subtotal	8,114,512,182		\$123,466,153
T. O. D. Metering	30,343	\$14.97	\$454,235
G3V			\$324,758
G3C			\$1,053,046
Econ. Dev. Credits			(\$3,753,276)
Total Rate Revenue			<u>\$616,731,362</u>

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	8,114,512,182	\$0.00462	\$37,489,046
<u>Distribution</u>			
All KW	21,854,618	\$2.84	\$62,067,115
First 200 Hours	4,267,009,834	\$0.00151	\$6,443,185
Next 200 Hours	2,752,549,195	\$0.00119	\$3,275,534
Excess KWH	1,094,953,153	\$0.00114	\$1,248,247
Subtotal	8,114,512,182		\$73,034,080
<u>Energy & Capacity</u>			
All KW	21,854,618	\$4.10	\$89,603,934
First 200 Hours	4,267,009,834	\$0.04127	\$176,099,496
Next 200 Hours	2,752,549,195	\$0.03132	\$86,209,841
Excess KWH	1,094,953,153	\$0.02991	\$32,750,049
Subtotal	8,114,512,182		\$384,663,319
<u>Competitive Transition Charge</u>			
First 200 Hours	4,267,009,834	\$0.00286	\$12,182,313
Next 200 Hours	2,752,549,195	\$0.00224	\$6,154,700
Excess KWH	1,094,953,153	\$0.00215	\$2,351,959
Subtotal	8,114,512,182		\$20,688,972
<u>Intangible Transition Charge</u>			
First 200 Hours	4,267,009,834	\$0.01346	\$57,425,418
Next 200 Hours	2,752,549,195	\$0.01054	\$29,014,621
Excess KWH	1,094,953,153	\$0.01013	\$11,088,591
Subtotal	8,114,512,182		\$97,528,630
T. O. D. Metering	30,343	\$14.97	\$454,235
G3V			\$318,377
G3C			\$1,033,667
Econ. Dev. Credits			(\$3,753,276)
Total Rate Revenue			<u>\$611,457,051</u>

PPL Electric Utilities Corporation
Rate Schedule GS-3
Volunteer Fire Co./Sr. Citizens Centers (G3V)
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	4,382,099	\$0.00462	\$20,245
<u>Distribution</u>			
Total Bills	539	\$6.47	\$3,487
First 200 KWH	107,800	\$0.01796	\$1,936
Next 600 KWH	323,400	\$0.01594	\$5,155
Excess KWH	3,950,899	\$0.01472	\$58,157
Subtotal	4,382,099		\$68,736
<u>Energy & Capacity</u>			
First 200 KWH	107,800	\$0.04835	\$5,212
Next 600 KWH	323,400	\$0.04236	\$13,699
Excess KWH	3,950,899	\$0.03878	\$153,216
Subtotal	4,382,099		\$172,127
<u>Competitive Transition Charge</u>			
First 200 KWH	107,800	\$0.01752	\$1,889
Next 600 KWH	323,400	\$0.01555	\$5,029
Excess KWH	3,950,899	\$0.01436	\$56,735
Subtotal	4,382,099		\$63,652
Total Rate Revenue			<u>\$324,761</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	4,382,099	\$0.00462	\$20,245
<u>Distribution</u>			
Total Bills	539	\$6.47	\$3,487
First 200 KWH	107,800	\$0.01796	\$1,936
Next 600 KWH	323,400	\$0.01594	\$5,155
Excess KWH	3,950,899	\$0.01472	\$58,157
Subtotal	4,382,099		\$68,736
<u>Energy & Capacity</u>			
First 200 KWH	107,800	\$0.04835	\$5,212
Next 600 KWH	323,400	\$0.04236	\$13,699
Excess KWH	3,950,899	\$0.03878	\$153,216
Subtotal	4,382,099		\$172,127
<u>Competitive Transition Charge</u>			
First 200 KWH	107,800	\$0.00277	\$299
Next 600 KWH	323,400	\$0.00246	\$796
Excess KWH	3,950,899	\$0.00227	\$8,969
Subtotal	4,382,099		\$10,063
<u>Intangible Transition Charge</u>			
First 200 KWH	107,800	\$0.01299	\$1,400
Next 600 KWH	323,400	\$0.01153	\$3,729
Excess KWH	3,950,899	\$0.01065	\$42,077
Subtotal	4,382,099		\$47,206
Total Rate Revenue			<u>\$318,377</u>

PPL Electric Utilities Corporation
Rate Schedule GS-3
Off-Peak Space Conditioning and Water Heating (G3C)
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	21,295,719	\$0.00462	\$98,386
<u>Distribution</u>			
Excess KW	12,076	\$17.96	\$216,885
All KWH	21,295,719	\$0.00553	\$117,765
Subtotal			<u>\$334,650</u>
<u>Energy & Capacity</u>			
All KWH	21,295,719	\$0.01303	\$277,483
<u>Competitive Transition Charge</u>			
All KWH	21,295,719	\$0.01533	\$326,463
T. O. D. Metering	1,073	\$14.97	\$16,063
Total Rate Revenue			<u><u>\$1,053,046</u></u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	21,295,719	\$0.00462	\$98,386
<u>Distribution</u>			
Excess KW	12,076	\$17.96	\$216,885
All KWH	21,295,719	\$0.00553	\$117,765
Subtotal			<u>\$334,650</u>
<u>Energy & Capacity</u>			
All KWH	21,295,719	\$0.01303	\$277,483
<u>Competitive Transition Charge</u>			
All KWH	21,295,719	\$0.00240	\$51,110
<u>Intangible Transition Charge</u>			
All KWH	21,295,719	\$0.01202	\$255,975
T. O. D. Metering	1,073	\$14.97	\$16,063
Total Rate Revenue			<u><u>\$1,033,667</u></u>

PPL Electric Utilities Corporation
Rate Schedule LP-4
Large General Service at Secondary Voltage
Calculation of Effect of Proposed Rate vs. Original Cap
12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	5,290,658,935	\$0.00377	\$19,945,784
<u>Distribution</u>			
All KW	12,476,899	\$1.75	\$21,834,573
First 200 Hours	2,248,563,754	\$0.00025	\$562,141
Next 200 Hours	1,974,374,192	\$0.00019	\$375,131
Excess KWH	1,067,720,988	\$0.00017	\$181,513
Subtotal	5,290,658,935		\$22,953,357
<u>Energy & Capacity</u>			
All KW	12,476,899	\$3.57	\$44,542,529
First 200 Hours	2,248,563,754	\$0.04293	\$96,530,842
Next 200 Hours	1,974,374,192	\$0.03229	\$63,752,543
Excess KWH	1,067,720,988	\$0.02771	\$29,586,549
Subtotal	5,290,658,935		\$234,412,462
<u>Competitive Transition Charge</u>			
All KW	12,476,899	\$1.12	\$13,974,127
First 200 Hours	2,248,563,754	\$0.01432	\$32,199,433
Next 200 Hours	1,974,374,192	\$0.01105	\$21,816,835
Excess KWH	1,067,720,988	\$0.00965	\$10,303,508
Subtotal	5,290,658,935		\$78,293,902
T. O. D. Metering L4C	5,059	\$14.97	\$75,733 \$159,326
Econ. Dev. Credits			(\$13,412,576)
Total Rate Revenue			<u>\$342,427,989</u>

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	5,290,658,935	\$0.00377	\$19,945,784
<u>Distribution</u>			
All KW	12,476,899	\$1.75	\$21,834,573
First 200 Hours	2,248,563,754	\$0.00025	\$562,141
Next 200 Hours	1,974,374,192	\$0.00019	\$375,131
Excess KWH	1,067,720,988	\$0.00017	\$181,513
Subtotal	5,290,658,935		\$22,953,357
<u>Energy & Capacity</u>			
All KW	12,476,899	\$3.57	\$44,542,529
First 200 Hours	2,248,563,754	\$0.04293	\$96,530,842
Next 200 Hours	1,974,374,192	\$0.03229	\$63,752,543
Excess KWH	1,067,720,988	\$0.02771	\$29,586,549
Subtotal	5,290,658,935		\$234,412,462
<u>Competitive Transition Charge</u>			
All KW	12,476,899	\$0.154	\$1,921,442
First 200 Hours	2,248,563,754	\$0.00198	\$4,440,913
Next 200 Hours	1,974,374,192	\$0.00152	\$3,008,946
Excess KWH	1,067,720,988	\$0.00133	\$1,421,137
Subtotal	5,290,658,935		\$10,792,439
<u>Intangible Transition Charge</u>			
All KW	12,476,899	\$0.737	\$9,195,474
First 200 Hours	2,248,563,754	\$0.00942	\$21,188,216
Next 200 Hours	1,974,374,192	\$0.00728	\$14,363,572
Excess KWH	1,067,720,988	\$0.00635	\$6,782,164
Subtotal	5,290,658,935		\$51,529,427
T. O. D. Metering L4C	5,059	\$14.97	\$75,733 \$148,928
Econ. Dev. Credits			(\$13,412,576)
Total Rate Revenue			<u>\$326,445,554</u>

PPL Electric Utilities Corporation
Rate Schedule LP-4
Off-Peak Space Conditioning and Water Heating (L4C)
Calculation Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Transmission - All KWH	4,109,670	\$0.00377	\$15,493
<u>Distribution</u>			
All KWH	4,109,670	\$0.00417	\$17,137
<u>Energy & Capacity</u>			
All KWH	4,109,670	\$0.01836	\$75,454
<u>Competitive Transition Charge</u>			
All KWH	4,109,670	\$0.01221	\$50,179
T. O. D. Metering	71	\$14.97	\$1,063
Total Rate Revenue			<u>\$159,326</u>
<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Transmission - All KWH	4,109,670	\$0.00377	\$15,493
<u>Distribution</u>			
All KWH	4,109,670	\$0.00417	\$17,137
<u>Energy & Capacity</u>			
All KWH	4,109,670	\$0.01836	\$75,454
<u>Competitive Transition Charge</u>			
All KWH	4,109,670	\$0.00168	\$6,904
<u>Intangible Transition Charge</u>			
All KWH	4,109,670	\$0.00800	\$32,877
T. O. D. Metering	71	\$14.97	\$1,063
Total Rate Revenue			<u>\$148,929</u>

PPL Electric Utilities Corporation
Rate Schedule ISP (R)
Interruptible Large General Service at 12,470 Volts or Higher
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	498,880,980	\$0.00361	\$1,800,960
<u>Distribution</u>			
All KW	470,948	\$4.12	\$1,940,306
First 400 KWH	4,283,408	\$0.00000	\$0
Excess KWH	494,597,572	\$0.00000	\$0
Subtotal	498,880,980		\$1,940,306
<u>Energy & Capacity</u>			
All KW	470,948	\$3.25	\$1,530,581
First 400 KWH	4,283,408	\$0.03876	\$166,025
Excess KWH	494,597,572	\$0.02309	\$11,420,258
Subtotal	498,880,980		\$13,116,864
<u>Competitive Transition Charge</u>			
All KW	470,948	\$0.91	\$428,563
First 400 KWH	4,283,408	\$0.01052	\$45,061
Excess KWH	494,597,572	\$0.00663	\$3,279,182
Subtotal	498,880,980		\$3,752,806
T. O. D. Metering	484	\$14.97	\$7,245
Total Rate Revenue			<u>\$20,618,181</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	498,880,980	\$0.00361	\$1,800,960
<u>Distribution</u>			
All KW	470,948	\$4.12	\$1,940,306
First 400 KWH	4,283,408	\$0.00000	\$0
Excess KWH	494,597,572	\$0.00000	\$0
Subtotal	498,880,980		\$1,940,306
<u>Energy & Capacity</u>			
All KW	470,948	\$3.25	\$1,530,581
First 400 KWH	4,283,408	\$0.03876	\$166,025
Excess KWH	494,597,572	\$0.02309	\$11,420,258
Subtotal	498,880,980		\$13,116,864
<u>Competitive Transition Charge</u>			
All KW	470,948	\$0.15	\$70,642
First 400 KWH	4,283,408	\$0.00172	\$7,385
Excess KWH	494,597,572	\$0.00109	\$537,628
Subtotal	498,880,980		\$615,654
<u>Intangible Transition Charge</u>			
All KW	470,948	\$0.76	\$357,920
First 400 KWH	4,283,408	\$0.00880	\$37,677
Excess KWH	494,597,572	\$0.00554	\$2,741,554
Subtotal	498,880,980		\$3,137,152
T. O. D. Metering	484	\$14.97	\$7,245
Total Rate Revenue			<u>\$20,618,181</u>

PPL Electric Utilities Corporation
Rate Schedule LP-5
Large General Service at 69,000 Volts or Higher
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	3,381,916,757	\$0.00304	\$10,281,027
Distribution			
All KW	6,725,267	\$0.289	\$1,943,602
First 200 Hours	1,250,322,934	\$0.00000	\$0
Next 200 Hours	1,166,812,243	\$0.00000	\$0
Excess KWH	964,781,580	\$0.00000	\$0
Subtotal	3,381,916,757		\$1,943,602
<u>Energy & Capacity</u>			
All KW	6,725,267	\$4.341	\$29,194,386
First 200 Hours	1,250,322,934	\$0.03816	\$47,712,323
Next 200 Hours	1,166,812,243	\$0.03209	\$37,443,005
Excess KWH	964,781,580	\$0.02754	\$26,570,085
Subtotal	3,381,916,757		\$140,919,798
<u>Competitive Transition Charge</u>			
All KW	6,725,267	\$1.36	\$9,146,364
First 200 Hours	1,250,322,934	\$0.01302	\$16,279,205
Next 200 Hours	1,166,812,243	\$0.01110	\$12,951,616
Excess KWH	964,781,580	\$0.00966	\$9,319,790
Subtotal	3,381,916,757		\$47,696,974
T. O. D. Metering	793	\$14.97	\$11,871
Eco. Dev. Credits			(\$11,376,163)
Total Rate Revenue			<u>\$189,477,110</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	3,381,916,757	\$0.00304	\$10,281,027
Distribution			
All KW	6,725,267	\$0.289	\$1,943,602
First 200 Hours	1,250,322,934	\$0.00000	\$0
Next 200 Hours	1,166,812,243	\$0.00000	\$0
Excess KWH	964,781,580	\$0.00000	\$0
Subtotal	3,381,916,757		\$1,943,602
<u>Energy & Capacity</u>			
All KW	6,725,267	\$4.341	\$29,194,386
First 200 Hours	1,250,322,934	\$0.03816	\$47,712,323
Next 200 Hours	1,166,812,243	\$0.03209	\$37,443,005
Excess KWH	964,781,580	\$0.02754	\$26,570,085
Subtotal	3,381,916,757		\$140,919,798
<u>Competitive Transition Charge</u>			
All KW	6,725,267	\$0.182	\$1,223,999
First 200 Hours	1,250,322,934	\$0.00175	\$2,185,564
Next 200 Hours	1,166,812,243	\$0.00149	\$1,738,550
Excess KWH	964,781,580	\$0.00130	\$1,251,322
Subtotal	3,381,916,757		\$6,399,435
<u>Intangible Transition Charge</u>			
All KW	6,725,267	\$0.832	\$5,595,422
First 200 Hours	1,250,322,934	\$0.00797	\$9,960,072
Next 200 Hours	1,166,812,243	\$0.00679	\$7,924,989
Excess KWH	964,781,580	\$0.00591	\$5,703,789
Subtotal	3,381,916,757		\$29,184,272
T. O. D. Metering	793	\$14.97	\$11,871
Eco. Dev. Credits			(\$11,376,163)
Total Rate Revenue			<u>\$177,363,843</u>

PPL Electric Utilities Corporation
Rate Schedule IST (R)
Interruptible Large General Service at 69,000 Volts or Higher
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	2,201,182,309	\$0.00357	\$7,858,221
<u>Distribution</u>			
All KW	792,077	\$1.46	\$1,156,432
First 400 KWH	48,681,183	\$0.00000	\$0
Excess KWH	2,152,501,126	\$0.00000	\$0
Subtotal	2,201,182,309		\$1,156,432
<u>Energy & Capacity</u>			
All KW	792,077	\$4.92	\$3,897,019
First 400 KWH	48,681,183	\$0.03499	\$1,703,355
Excess KWH	2,152,501,126	\$0.02222	\$47,828,575
Subtotal	2,201,182,309		\$53,428,948
<u>Competitive Transition Charge</u>			
All KW	792,077	\$1.40	\$1,108,908
First 400 KWH	48,681,183	\$0.00961	\$467,826
Excess KWH	2,152,501,126	\$0.00643	\$13,840,582
Subtotal	2,201,182,309		\$15,417,316
T. O. D. Metering	382	\$14.97	\$5,719
Total Rate Revenue			<u>\$77,866,636</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	2,201,182,309	\$0.00357	\$7,858,221
<u>Distribution</u>			
All KW	792,077	\$1.46	\$1,156,432
First 400 KWH	48,681,183	\$0.00000	\$0
Excess KWH	2,152,501,126	\$0.00000	\$0
Subtotal	2,201,182,309		\$1,156,432
<u>Energy & Capacity</u>			
All KW	792,077	\$4.92	\$3,897,019
First 400 KWH	48,681,183	\$0.03499	\$1,703,355
Excess KWH	2,152,501,126	\$0.02222	\$47,828,575
Subtotal	2,201,182,309		\$53,428,948
<u>Competitive Transition Charge</u>			
All KW	792,077	\$0.08	\$63,366
First 400 KWH	48,681,183	\$0.000580	\$28,235
Excess KWH	2,152,501,126	\$0.000390	\$839,475
Subtotal	2,201,182,309		\$931,077
<u>Intangible Transition Charge</u>			
All KW	792,077	\$1.32	\$1,045,542
First 400 KWH	48,681,183	\$0.00903	\$439,786
Excess KWH	2,152,501,126	\$0.00604	\$13,007,564
Subtotal	2,201,182,309		\$14,492,892
T. O. D. Metering	382	\$14.97	\$5,719
Total Rate Revenue			<u>\$77,873,289</u>

PPL Electric Utilities Corporation
Rate Schedule LP-6
Large General Service at 69,000 Volts or Higher
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	530,695,000	\$0.00304	\$1,613,313
Distribution			
All KW	805,078	\$0.305	\$245,549
First 400 Hours	372,839,401	\$0.00000	\$0
Next 200 Hours	124,523,502	\$0.00000	\$0
Excess KWH	33,332,097	\$0.00000	\$0
Subtotal	530,695,000		\$245,549
<u>Energy & Capacity</u>			
All KW	805,078	\$4.215	\$3,393,404
First 400 Hours	372,839,401	\$0.03505	\$13,068,021
Next 200 Hours	124,523,502	\$0.02067	\$2,573,901
Excess KWH	33,332,097	\$0.01611	\$536,980
Subtotal	530,695,000		\$19,572,306
<u>Competitive Transition Charge</u>			
All KW	805,078	\$1.47	\$1,183,465
First 400 Hours	372,839,401	\$0.01213	\$4,522,542
Next 200 Hours	124,523,502	\$0.00755	\$940,152
Excess KWH	33,332,097	\$0.00610	\$203,326
Subtotal	530,695,000		\$6,849,485
T. O. D. Metering	37	\$14.97	\$554
Total Rate Revenue			<u>\$28,281,206</u>

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	530,695,000	\$0.00304	\$1,613,313
Distribution			
All KW	805,078	\$0.305	\$245,549
First 400 Hours	372,839,401	\$0.00000	\$0
Next 200 Hours	124,523,502	\$0.00000	\$0
Excess KWH	33,332,097	\$0.00000	\$0
Subtotal	530,695,000		\$245,549
<u>Energy & Capacity</u>			
All KW	805,078	\$4.215	\$3,393,404
First 400 Hours	372,839,401	\$0.03505	\$13,068,021
Next 200 Hours	124,523,502	\$0.02067	\$2,573,901
Excess KWH	33,332,097	\$0.01611	\$536,980
Subtotal	530,695,000		\$19,572,306
<u>Competitive Transition Charge</u>			
All KW	805,078	\$0.203	\$163,431
First 400 Hours	372,839,401	\$0.00167	\$623,387
Next 200 Hours	124,523,502	\$0.00104	\$129,504
Excess KWH	33,332,097	\$0.00084	\$28,066
Subtotal	530,695,000		\$944,388
<u>Intangible Transition Charge</u>			
All KW	805,078	\$1.267	\$1,020,034
First 400 Hours	372,839,401	\$0.01046	\$3,899,154
Next 200 Hours	124,523,502	\$0.00651	\$810,648
Excess KWH	33,332,097	\$0.00526	\$175,260
Subtotal	530,695,000		\$5,905,096
T. O. D. Metering	37	\$14.97	\$554
Total Rate Revenue			<u>\$28,281,206</u>

PPL Electric Utilities Corporation
Rate Schedule LPEP
Power Service to Electric Propulsion
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	109,788,000	\$0.00321	\$352,419
<u>Distribution</u>			
Facility Charge	12	\$3,410.00	\$40,920
All KW	433,120	\$1.19	\$515,413
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.00000	\$0
Next 250 Hours	83,245,632	\$0.00000	\$0
Excess KWH	7,504,445	\$0.00000	\$0
T. O. D. Metering	12	\$14.97	\$180
230 KV Credit	433,120	(\$0.85)	(\$368,152)
Subtotal	109,788,000		\$188,361
<u>Energy & Capacity</u>			
All KW	433,120	\$2.29	\$991,846
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.02353	\$447,962
Next 250 Hours	83,245,632	\$0.02200	\$1,831,404
Excess KWH	7,504,445	\$0.01332	\$99,959
Subtotal	109,788,000		\$3,371,171
<u>Competitive Transition Charge</u>			
All KW	433,120	\$2.51	\$1,087,132
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.02547	\$484,896
Next 250 Hours	83,245,632	\$0.02401	\$1,998,728
Excess KWH	7,504,445	\$0.01574	\$118,120
Subtotal	109,788,000		\$3,688,876
Total Rate Revenue			<u>\$7,600,827</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	109,788,000	\$0.00321	\$352,419
<u>Distribution</u>			
Facility Charge	12	\$3,410.00	\$40,920
All KW	433,120	\$1.19	\$515,413
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.00000	\$0
Next 250 Hours	83,245,632	\$0.00000	\$0
Excess KWH	7,504,445	\$0.00000	\$0
T. O. D. Metering	12	\$14.97	\$180
230 KV Credit	433,120	(\$0.85)	(\$368,152)
Subtotal	109,788,000		\$188,361
<u>Energy & Capacity</u>			
All KW	433,120	\$2.29	\$991,846
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.02353	\$447,962
Next 250 Hours	83,245,632	\$0.02200	\$1,831,404
Excess KWH	7,504,445	\$0.01332	\$99,959
Subtotal	109,788,000		\$3,371,171
<u>Competitive Transition Charge</u>			
All KW	433,120	\$0.25	\$108,280
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.00251	\$47,709
Next 250 Hours	83,245,632	\$0.00236	\$196,709
Excess KWH	7,504,445	\$0.00155	\$11,624
Subtotal	109,788,000		\$364,323
<u>Intangible Transition Charge</u>			
All KW	433,120	\$1.14	\$493,757
First 60 Hours (1,200,000 KWH Max)	19,037,923	\$0.01161	\$220,935
Next 250 Hours	83,245,632	\$0.01094	\$910,790
Excess KWH	7,504,445	\$0.00717	\$53,829
Subtotal	109,788,000		\$1,679,312
Total Rate Revenue			<u>\$5,955,587</u>

PPL Electric Utilities Corporation
Rate Schedule ISA
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	210,295,986	\$0.00226	\$475,269
<u>Distribution</u>			
Customer Charge	12	\$21,095.00	\$253,140
All KW	90,000	\$3.24	\$291,600
Firm KWH	65,700,000	\$0.00019	\$12,483
Interruptible KWH	144,595,986	\$0.00000	\$0
Subtotal	210,295,986		\$557,223
<u>Energy & Capacity</u>			
All KW	90,000	\$1.72	\$154,800
Firm KWH	65,700,000	\$0.02878	\$1,890,846
Interruptible KWH	144,595,986	\$0.02655	\$3,839,023
Excess KWH	0	Market Value	Market Value
Subtotal	210,295,986		\$5,884,669
<u>Competitive Transition Charge</u>			
All KW	90,000	\$0.66	\$59,400
Firm KWH	65,700,000	\$0.01141	\$749,637
Interruptible KWH	144,595,986	\$0.01053	\$1,522,596
Subtotal	210,295,986		\$2,331,633
Eco. Dev. Credits			(\$200,368)
Total Rate Revenue			<u>\$9,048,426</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	210,295,986	\$0.00226	\$475,269
<u>Distribution</u>			
Customer Charge	12	\$21,095.00	\$253,140
All KW	90,000	\$3.24	\$291,600
Firm KWH	65,700,000	\$0.00019	\$12,483
Interruptible KWH	144,595,986	\$0.00000	\$0
Subtotal	210,295,986		\$557,223
<u>Energy & Capacity</u>			
All KW	90,000	\$1.64	\$147,600
Firm KWH	65,700,000	\$0.02736	\$1,797,368
Interruptible KWH	144,595,986	\$0.02524	\$3,649,603
Excess KWH	0	Market Value	Market Value
Subtotal	210,295,986		\$5,594,571
<u>Competitive Transition Charge</u>			
All KW	90,000	\$0.00	\$0
Firm KWH	65,700,000	\$0.00000	\$0
Interruptible KWH	144,595,986	\$0.00000	\$0
Subtotal	210,295,986		\$0
<u>Intangible Transition Charge</u>			
All KW	90,000	\$0.74	\$66,600
Firm KWH	65,700,000	\$0.01283	\$843,128
Interruptible KWH	144,595,986	\$0.01184	\$1,712,016
Subtotal	210,295,986		\$2,621,745
Eco. Dev. Credits			(\$200,368)
Total Rate Revenue			<u>\$9,048,439</u>

PPL Electric Utilities Corporation
Rate Schedule IS1 (R)
Interruptible Service to Greenhouses
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	3,588,000	\$0.00462	\$16,577
<u>Distribution</u>			
Total Bills	47	\$359.24	\$16,884
All KW	1,327	\$7.01	\$9,303
First 730 Hours	1,225,518	\$0.00289	\$3,542
Excess KWH	2,362,482	\$0.00228	\$5,386
Subtotal	3,588,000		\$35,116
<u>Energy & Capacity</u>			
All KW	1,327	\$1.27	\$1,685
First 730 Hours	1,225,518	\$0.02269	\$27,807
Excess KWH	2,362,482	\$0.01695	\$40,044
Subtotal	3,588,000		\$69,537
<u>Competitive Transition Charge</u>			
All KW	1,327	\$1.00	\$1,327
First 730 Hours	1,225,518	\$0.01729	\$21,189
Excess KWH	2,362,482	\$0.01366	\$32,272
Subtotal	3,588,000		\$54,788
Total Rate Revenue			<u>\$176,017</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	3,588,000	\$0.00462	\$16,577
<u>Distribution</u>			
Total Bills	47	\$359.24	\$16,884
All KW	1,327	\$7.01	\$9,303
First 730 Hours	1,225,518	\$0.00289	\$3,542
Excess KWH	2,362,482	\$0.00228	\$5,386
Subtotal	3,588,000		\$35,116
<u>Energy & Capacity</u>			
All KW	1,327	\$1.17	\$1,553
First 730 Hours	1,225,518	\$0.02090	\$25,617
Excess KWH	2,362,482	\$0.01554	\$36,718
Subtotal	3,588,000		\$63,887
<u>Competitive Transition Charge</u>			
All KW	1,327	\$0.00	\$0
First 730 Hours	1,225,518	\$0.00000	\$0
Excess KWH	2,362,482	\$0.00000	\$0
Subtotal	3,588,000		\$0
<u>Intangible Transition Charge</u>			
All KW	1,327	\$1.10	\$1,460
First 730 Hours	1,225,518	\$0.01908	\$23,379
Excess KWH	2,362,482	\$0.01507	\$35,598
Subtotal	3,588,000		\$60,437
Total Rate Revenue			<u>\$176,017</u>

PPL Electric Utilities Corporation
Rate Schedule BL
Borderline Service - Electric Service
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	6,564,000	\$0.00580	\$38,071
<u>Distribution</u>			
All KWH	6,564,000	\$0.03188	\$209,260
<u>Energy & Capacity</u>			
All KWH	6,564,000	\$0.03171	\$208,144
<u>Competitive Transition Charge</u>			
All KWH	6,564,000	\$0.02000	\$131,280
Facility Charge			\$20,396
Total Rate Revenue			<u>\$607,152</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	6,564,000	\$0.00580	\$38,071
<u>Distribution</u>			
All KWH	6,564,000	\$0.03188	\$209,260
<u>Energy & Capacity</u>			
All KWH	6,564,000	\$0.03171	\$208,144
<u>Competitive Transition Charge</u>			
All KWH	6,564,000	\$0.003067	\$20,132
<u>Intangible Transition Charge</u>			
All KWH	6,564,000	\$0.01105	\$72,558
Facility Charge			\$20,396
Total Rate Revenue			<u>\$568,562</u>

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SHS
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2001

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE			
				TRANS CHARGE	DIST CHARGE	CTC	CAPACITY & ENERGY
PRESENT (RATE CAP)							
OVERHEAD							
WOOD POLE	5800	33,424	11,932,368	\$ 0.094	\$ 7.130	\$ 0.389	\$ 2.005
	9500	44,028	22,542,336	\$ 0.135	\$ 8.004	\$ 0.559	\$ 2.099
	16000	12,548	9,448,644	\$ 0.198	\$ 9.011	\$ 0.821	\$ 2.125
	25500	3,794	5,156,046	\$ 0.358	\$ 12.657	\$ 1.482	\$ 2.578
	50000	459	979,047	\$ 0.562	\$ 16.660	\$ 2.327	\$ 2.924
METAL POLE	5800	133	47,481	\$ 0.094	\$ 10.053	\$ 0.389	\$ 3.024
	9500	620	317,440	\$ 0.135	\$ 10.720	\$ 0.559	\$ 3.046
	16000	602	453,306	\$ 0.198	\$ 11.601	\$ 0.821	\$ 3.029
	25500	255	346,545	\$ 0.358	\$ 14.915	\$ 1.482	\$ 3.363
	50000	16	34,128	\$ 0.562	\$ 18.613	\$ 2.327	\$ 3.605
UNDERGROUND							
WOOD POLE	5800	1,171	418,047	\$ 0.094	\$ 11.702	\$ 0.389	\$ 3.600
	9500	2,822	1,444,864	\$ 0.135	\$ 12.710	\$ 0.559	\$ 3.740
LOW MOUNT	5800	4,722	1,685,754	\$ 0.094	\$ 11.810	\$ 0.389	\$ 3.632
	9500	7,425	3,801,600	\$ 0.135	\$ 12.784	\$ 0.559	\$ 3.766
HIGH MOUNT	9500	1,413	723,456	\$ 0.135	\$ 15.469	\$ 0.559	\$ 4.703
	16000	1,954	1,471,362	\$ 0.198	\$ 16.336	\$ 0.821	\$ 4.680
	25500	1,677	2,279,043	\$ 0.358	\$ 22.660	\$ 1.482	\$ 6.066
	50000	305	650,565	\$ 0.562	\$ 26.477	\$ 2.327	\$ 6.349
MULTIPLE UNIT	5800	27	9,639	\$ 0.094	\$ 6.383	\$ 0.389	\$ 1.744
	9500	270	138,240	\$ 0.135	\$ 7.221	\$ 0.559	\$ 1.825
	16000	193	145,329	\$ 0.198	\$ 7.577	\$ 0.821	\$ 1.624
	25500	195	265,005	\$ 0.358	\$ 10.439	\$ 1.482	\$ 1.802
	50000	59	125,847	\$ 0.562	\$ 12.828	\$ 2.327	\$ 1.587
			64,416,092				
CALCULATED ANNUAL REVENUE				\$ 203,627	\$ 13,020,112	\$ 843,237	\$ 3,495,925

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE					CAPACITY & ENERGY
				TRANS CHARGE	DIST CHARGE	PROPOSED			
						CTC	ITC		
OVERHEAD									
WOOD POLE	5800	33,424	11,932,368	\$ 0.094	\$ 7.130	\$ 0.128	\$ 0.318	\$ 2.005	
	9500	44,028	22,542,336	\$ 0.135	\$ 8.004	\$ 0.184	\$ 0.457	\$ 2.099	
	16000	12,548	9,448,644	\$ 0.198	\$ 9.011	\$ 0.270	\$ 0.673	\$ 2.125	
	25500	3,794	5,156,046	\$ 0.358	\$ 12.657	\$ 0.487	\$ 1.214	\$ 2.578	
	50000	459	979,047	\$ 0.562	\$ 16.660	\$ 0.768	\$ 1.900	\$ 2.924	
METAL POLE	5800	133	47,481	\$ 0.094	\$ 10.053	\$ 0.128	\$ 0.318	\$ 3.024	
	9500	620	317,440	\$ 0.135	\$ 10.720	\$ 0.184	\$ 0.457	\$ 3.046	
	16000	602	453,306	\$ 0.198	\$ 11.601	\$ 0.270	\$ 0.673	\$ 3.029	
	25500	255	346,545	\$ 0.358	\$ 14.915	\$ 0.487	\$ 1.214	\$ 3.363	
	50000	16	34,128	\$ 0.562	\$ 18.613	\$ 0.768	\$ 1.900	\$ 3.605	
UNDERGROUND									
WOOD POLE	5800	1,171	418,047	\$ 0.094	\$ 11.702	\$ 0.128	\$ 0.318	\$ 3.600	
	9500	2,822	1,444,864	\$ 0.135	\$ 12.710	\$ 0.184	\$ 0.457	\$ 3.740	
LOW MOUNT	5800	4,722	1,685,754	\$ 0.094	\$ 11.810	\$ 0.128	\$ 0.318	\$ 3.632	
	9500	7,425	3,801,600	\$ 0.135	\$ 12.784	\$ 0.184	\$ 0.457	\$ 3.766	
HIGH MOUNT	9500	1,413	723,456	\$ 0.135	\$ 15.469	\$ 0.184	\$ 0.457	\$ 4.703	
	16000	1,954	1,471,362	\$ 0.198	\$ 16.336	\$ 0.270	\$ 0.673	\$ 4.680	
	25500	1,677	2,279,043	\$ 0.358	\$ 22.660	\$ 0.487	\$ 1.214	\$ 6.066	
	50000	305	650,565	\$ 0.562	\$ 26.477	\$ 0.768	\$ 1.900	\$ 6.349	
MULTIPLE UNIT	5800	27	9,639	\$ 0.094	\$ 6.383	\$ 0.128	\$ 0.318	\$ 1.744	
	9500	270	138,240	\$ 0.135	\$ 7.221	\$ 0.184	\$ 0.457	\$ 1.825	
	16000	193	145,329	\$ 0.198	\$ 7.577	\$ 0.270	\$ 0.673	\$ 1.624	
	25500	195	265,005	\$ 0.358	\$ 10.439	\$ 0.487	\$ 1.214	\$ 1.802	
	50000	59	125,847	\$ 0.562	\$ 12.828	\$ 0.768	\$ 1.900	\$ 1.587	
			64,416,092						
CALCULATED ANNUAL REVENUE				\$ 203,627	\$ 13,020,112	\$ 277,458	\$ 689,843	\$ 3,495,925	
TOTAL PRESENT REVENUE								\$ 17,562,901	
TOTAL PROPOSED REVENUE								\$ 17,686,964	
RATE CHANGE: AMOUNT								\$ 124,063	
PERCENT								0.71%	

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SM
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2001

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE			
				TRANS CHARGE	DIST CHARGE	CIC	CAPACITY & ENERGY
OVERHEAD							
WOOD POLE	3350	1,992	1,173,288	\$ 0.155	\$ 7.280	\$ 0.643	\$ 1.742
	6650	1,810	1,665,200	\$ 0.242	\$ 9.019	\$ 1.004	\$ 1.901
	10500	80	102,880	\$ 0.339	\$ 11.614	\$ 1.403	\$ 2.310
	20000	547	1,114,786	\$ 0.537	\$ 14.886	\$ 2.223	\$ 2.433
	34000	15	52,110	\$ 0.915	\$ 24.423	\$ 3.790	\$ 3.816
	51000	5	24,005	\$ 1.264	\$ 31.062	\$ 5.237	\$ 4.336
METAL POLE	6650	8	7,360	\$ 0.242	\$ 14.103	\$ 1.004	\$ 3.553
	10500	8	10,288	\$ 0.339	\$ 16.571	\$ 1.403	\$ 4.039
	20000	72	146,736	\$ 0.537	\$ 19.931	\$ 2.223	\$ 4.193
	34000	0	0	\$ 0.915	\$ 29.624	\$ 3.790	\$ 5.580
	51000	0	0	\$ 1.264	\$ 36.517	\$ 5.237	\$ 6.116
UNDERGROUND							
WOOD POLE	3350	15	8,835	\$ 0.155	\$ 11.800	\$ 0.643	\$ 3.319
	6650	317	291,640	\$ 0.242	\$ 13.806	\$ 1.004	\$ 3.571
LOW MOUNT	3350	457	269,173	\$ 0.155	\$ 12.932	\$ 0.643	\$ 3.714
	6650	304	279,680	\$ 0.242	\$ 14.901	\$ 1.004	\$ 3.953
HIGH MOUNT	6650	68	62,560	\$ 0.242	\$ 16.639	\$ 1.004	\$ 4.559
	10500	63	81,018	\$ 0.339	\$ 18.960	\$ 1.403	\$ 4.873
	20000	555	1,131,090	\$ 0.537	\$ 22.497	\$ 2.223	\$ 5.089
	34000	12	41,688	\$ 0.915	\$ 32.952	\$ 3.790	\$ 6.792
MULTIPLE UNIT	51000	29	139,229	\$ 1.264	\$ 39.828	\$ 5.237	\$ 7.394
	6650	5	4,600	\$ 0.242	\$ 7.540	\$ 1.004	\$ 1.385
	10500	0	0	\$ 0.339	\$ 10.586	\$ 1.403	\$ 1.991
	20000	13	26,494	\$ 0.537	\$ 13.251	\$ 2.223	\$ 1.863
CUSTOMER OWNEC	34000	0	0	\$ 0.915	\$ 22.924	\$ 3.790	\$ 3.299
	51000	0	0	\$ 1.264	\$ 29.568	\$ 5.237	\$ 3.785
	3350	95	55,955	\$ 0.155	\$ 4.203	\$ 0.643	\$ 0.668
	6650	34	31,280	\$ 0.242	\$ 6.024	\$ 1.004	\$ 0.855
CUSTOMER OWNEC	10500	8	10,288	\$ 0.339	\$ 8.100	\$ 1.403	\$ 1.084
	20000	30	61,140	\$ 0.537	\$ 11.638	\$ 2.223	\$ 1.300
CALCULATED ANNUAL REVENUE			6,791,323	\$ 21,455	\$ 896,202	\$ 88,926	\$ 202,291

TYPE OF SERVICE	LUMEN	NUMBER	MONTHLY RATE					
			ANNUAL KWH	TRANS CHARGE	DIST CHARGE	PROPOSED		CAPACITY & ENERGY
						CTC	ITC	
OVERHEAD								
WOOD POLE	3350	1,992	1,173,288	\$ 0.155	\$ 7.280	\$ 0.128	\$ 0.573	\$ 1.742
	6650	1,810	1,665,200	\$ 0.242	\$ 9.019	\$ 0.197	\$ 0.895	\$ 1.901
	10500	80	102,880	\$ 0.339	\$ 11.614	\$ 0.277	\$ 1.251	\$ 2.310
	20000	547	1,114,786	\$ 0.537	\$ 14.886	\$ 0.439	\$ 1.983	\$ 2.433
	34000	15	52,110	\$ 0.915	\$ 24.423	\$ 0.746	\$ 3.378	\$ 3.816
METAL POLE	51000	5	24,005	\$ 1.264	\$ 31.062	\$ 1.040	\$ 4.669	\$ 4.336
	6650	8	7,360	\$ 0.242	\$ 14.103	\$ 0.197	\$ 0.895	\$ 3.553
	10500	8	10,288	\$ 0.339	\$ 16.571	\$ 0.277	\$ 1.251	\$ 4.039
	20000	72	146,736	\$ 0.537	\$ 19.931	\$ 0.439	\$ 1.983	\$ 4.193
	34000	0	0	\$ 0.915	\$ 29.624	\$ 0.746	\$ 3.378	\$ 5.580
51000	0	0	\$ 1.264	\$ 36.517	\$ 1.040	\$ 4.669	\$ 6.116	
UNDERGROUND								
WOOD POLE	3350	15	8,835	\$ 0.155	\$ 11.800	\$ 0.128	\$ 0.573	\$ 3.319
	6650	317	291,640	\$ 0.242	\$ 13.806	\$ 0.197	\$ 0.895	\$ 3.571
LOW MOUNT	3350	457	269,173	\$ 0.155	\$ 12.932	\$ 0.128	\$ 0.573	\$ 3.714
	6650	304	279,680	\$ 0.242	\$ 14.901	\$ 0.197	\$ 0.895	\$ 3.953
HIGH MOUNT	6650	68	62,560	\$ 0.242	\$ 16.639	\$ 0.197	\$ 0.895	\$ 4.559
	10500	63	81,018	\$ 0.339	\$ 18.960	\$ 0.277	\$ 1.251	\$ 4.873
	20000	555	1,131,090	\$ 0.537	\$ 22.497	\$ 0.439	\$ 1.983	\$ 5.089
	34000	12	41,688	\$ 0.915	\$ 32.952	\$ 0.746	\$ 3.378	\$ 6.792
	51000	29	139,229	\$ 1.264	\$ 39.828	\$ 1.040	\$ 4.669	\$ 7.394
MULTIPLE UNIT	6650	5	4,600	\$ 0.242	\$ 7.540	\$ 0.197	\$ 0.895	\$ 1.385
	10500	0	0	\$ 0.339	\$ 10.586	\$ 0.277	\$ 1.251	\$ 1.991
	20000	13	26,494	\$ 0.537	\$ 13.251	\$ 0.439	\$ 1.983	\$ 1.863
	34000	0	0	\$ 0.915	\$ 22.924	\$ 0.746	\$ 3.378	\$ 3.299
	51000	0	0	\$ 1.264	\$ 29.568	\$ 1.040	\$ 4.669	\$ 3.785
CUSTOMER OWNED	3350	95	55,955	\$ 0.155	\$ 4.203	\$ 0.128	\$ 0.573	\$ 0.668
	6650	34	31,280	\$ 0.242	\$ 6.024	\$ 0.197	\$ 0.895	\$ 0.855
	10500	8	10,288	\$ 0.339	\$ 8.100	\$ 0.277	\$ 1.251	\$ 1.084
	20000	30	61,140	\$ 0.537	\$ 11.638	\$ 0.439	\$ 1.983	\$ 1.300
CALCULATED ANNUAL REVENUE			6,791,323	\$ 21,455	\$ 896,202	\$ 17,555	\$ 79,286	\$ 202,291
TOTAL PRESENT REVENUE								\$ 1,208,873
TOTAL PROPOSED REVENUE								\$ 1,216,789
RATE CHANGE: AMOUNT								\$ 7,915
PERCENT								0.65%

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SA
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2001

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE			
				PRESENT (RATE CAP)			
				TRANS CHARGE	DIST CHARGE	CTC	CAPACITY & ENERGY
OVERHEAD							
WOOD POLE	6650	25,565	22,149,516	\$ 0.228	\$ 8.927	\$ 0.945	\$ 1.942
	9500	4,789	4,149,190	\$ 0.228	\$ 8.927	\$ 0.945	\$ 1.942
			26,298,706				
CALCULATED ANNUAL REVENUE				\$ 83,049	\$ 3,251,642	\$ 344,214	\$ 707,370

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE				
				PROPOSED				
				TRANS CHARGE	DIST CHARGE	CTC	ITC	CAPACITY & ENERGY
OVERHEAD								
WOOD POLE	6650	25,565	22,149,516	\$ 0.228	\$ 8.927	\$ 0.197	\$ 0.827	\$ 1.942
	9500	4,789	4,149,190	\$ 0.228	\$ 8.927	\$ 0.197	\$ 0.827	\$ 1.942
			26,298,706					
CALCULATED ANNUAL REVENUE				\$ 83,049	\$ 3,251,642	\$ 71,757	\$ 301,233	\$ 707,370
TOTAL PRESENT REVENUE								\$ 4,386,274
TOTAL PROPOSED REVENUE								\$ 4,415,050
RATE CHANGE: AMOUNT								\$ 28,776
PERCENT								0.66%

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SE
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2001

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE			
				TRANS CHARGE	DIST CHARGE	CTC	CAPACITY & ENERGY
PRESENT (RATE CAP)							
UTILITY POLE	3350	93	54,777	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	6650	60	55,200	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	5800	596	212,772	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	9500	2,712	1,388,544	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	10500	46	59,156	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	16000	1,000	753,000	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	20000	399	813,162	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	25500	1,305	1,773,495	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	34000	10	34,740	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	50000	22	46,926	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	51000	2	9,602	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	21000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	22000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	14000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
	37000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.01309	\$ 0.00512
CUSTOMER POLE	3350	11	6,479	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	6650	531	488,520	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	10500	663	852,618	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	20000	476	970,088	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	34000	24	83,376	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	51000	134	643,334	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	5800	358	127,806	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	9500	764	391,168	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	16000	1,004	756,012	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	25500	1,462	1,986,858	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	50000	2,016	4,300,128	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	21000	19	23,693	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	22000	1,094	1,081,966	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	14000	206	186,018	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
	37000	27	42,390	\$ 0.00316	\$ 0.02729	\$ 0.00636	\$ 0.00000
			17,141,828				
CALCULATED ANNUAL REVENUE				\$ 54,168	\$ 644,439	\$ 144,027	\$ 26,631

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE					
				TRANS CHARGE	DIST CHARGE	PROPOSED			CAPACITY & ENERGY
						CTC	ITC		
UTILITY POLE	3350	93	54,777	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	6650	60	55,200	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	5800	596	212,772	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	9500	2,712	1,388,544	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	10500	46	59,156	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	16000	1,000	753,000	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	20000	399	813,162	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	25500	1,305	1,773,495	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	34000	10	34,740	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	50000	22	46,926	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	51000	2	9,602	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	21000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	22000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	14000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
	37000	0	0	\$ 0.00316	\$ 0.06125	\$ 0.00067	\$ 0.00757	\$ 0.00512	
CUSTOMER POLE	3350	11	6,479	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	6650	531	488,520	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	10500	663	852,618	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	20000	476	970,088	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	34000	24	83,376	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	51000	134	643,334	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	5800	358	127,806	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	9500	764	391,168	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	16000	1,004	756,012	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	25500	1,462	1,986,858	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	50000	2,016	4,300,128	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	21000	19	23,693	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	22000	1,094	1,081,966	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	14000	206	186,018	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
	37000	27	42,390	\$ 0.00316	\$ 0.02729	\$ 0.00033	\$ 0.00369	\$ 0.00000	
			17,141,828						
CALCULATED ANNUAL REVENUE				\$ 54,168	\$ 644,439	\$ 7,425	\$ 83,435	\$ 26,631	
TOTAL PRESENT REVENUE								\$ 869,266	
TOTAL PROPOSED REVENUE								\$ 816,098	
RATE CHANGE: AMOUNT								\$ (53,167)	
PERCENT								-6.12%	

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SI-1(R)
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2001

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE			
				TRANS CHARGE	DIST CHARGE	CTC	CAPACITY & ENERGY
OVERHEAD							
WOOD POLE	600	216	53,784	\$ 0.066	\$ 4.099	\$ 0.272	\$ 1.092
	1000	17	7,531	\$ 0.117	\$ 5.081	\$ 0.483	\$ 1.173
UNDERGROUND							
LOW MOUNT	4000	83	116,698	\$ 0.370	\$ 15.133	\$ 1.534	\$ 3.375
			178,013				
CALCULATED ANNUAL REVENUE				\$ 563	\$ 26,734	\$ 2,331	\$ 6,431

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE				
				TRANS CHARGE	DIST CHARGE	CTC	ITC	CAPACITY & ENERGY
OVERHEAD								
WOOD POLE	600	216	53,784	\$ 0.066	\$ 4.099	\$ 0.055	\$ 0.246	\$ 1.092
	1000	17	7,531	\$ 0.117	\$ 5.081	\$ 0.105	\$ 0.437	\$ 1.173
UNDERGROUND								
LOW MOUNT	4000	83	116,698	\$ 0.370	\$ 15.133	\$ 0.315	\$ 1.386	\$ 3.375
			178,013					
CALCULATED ANNUAL REVENUE				\$ 563	\$ 26,734	\$ 478	\$ 2,107	\$ 6,431
TOTAL PRESENT REVENUE							\$	36,060
TOTAL PROPOSED REVENUE							\$	36,313

PPL Electric Utilities Corporation
Rate Schedule GH-1 (R)
Single Meter Commercial Space Heating Service
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	335,001,000	\$0.00463	\$1,551,055
<u>Distribution</u>			
Monthly Charge	11,875	\$14.97	\$177,769
All KW	1,037,048	\$1.30	\$1,348,162
First 150 Hours (6000 KWH Max)	51,715,762	\$0.01005	\$519,743
Excess KWH	283,285,238	\$0.00867	\$2,456,083
Subtotal	335,001,000		\$4,501,757
<u>Energy & Capacity</u>			
All KW	1,037,048	\$0.00	\$0
First 150 Hours (6000 KWH Max)	51,715,762	\$0.04683	\$2,421,849
Excess KWH	283,285,238	\$0.03978	\$11,269,087
Subtotal	335,001,000		\$13,690,936
<u>Competitive Transition Charge</u>			
First 150 Hours (6000 KWH Max)	51,715,762	\$0.02589	\$1,338,921
Excess KWH	283,285,238	\$0.02234	\$6,328,592
Subtotal	335,001,000		\$7,667,513
T.O.D. Metering	1,010	\$14.97	\$15,120
12 KV Credit	11,116,000	(\$0.0005)	(\$5,558)
Total Rate Revenue			<u>\$27,420,823</u>
PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	335,001,000	\$0.00463	\$1,551,055
<u>Distribution</u>			
Monthly Charge	11,875	\$14.97	\$177,769
All KW	1,037,048	\$1.30	\$1,348,162
First 150 Hours (6000 KWH Max)	51,715,762	\$0.01005	\$519,743
Excess KWH	283,285,238	\$0.00867	\$2,456,083
Subtotal	336,049,923		\$4,501,757
<u>Energy & Capacity</u>			
All KW	1,037,048	\$0.00	\$0
First 150 Hours (6000 KWH Max)	51,715,762	\$0.04683	\$2,421,849
Excess KWH	283,285,238	\$0.03978	\$11,269,087
Subtotal	335,001,000		\$13,690,936
<u>Competitive Transition Charge</u>			
First 150 Hours (6000 KWH Max)	51,715,762	\$0.002363	\$122,204
Excess KWH	283,285,238	\$0.002039	\$577,619
Subtotal	335,001,000		\$699,823
<u>Intangible Transition Charge</u>			
First 150 Hours (6000 KWH Max)	51,715,762	\$0.02353	\$1,216,872
Excess KWH	283,285,238	\$0.02030	\$5,750,690
Subtotal	335,001,000		\$6,967,562
T.O.D. Metering	1,010	\$14.97	\$15,120
12 KV Credit	11,116,000	(\$0.0005)	(\$5,558)
Total Rate Revenue			<u>\$27,420,695</u>

PPL Electric Utilities Corporation
Rate Schedule GH-2 (R)
Separate Meter General Space Heating Service
Calculation of Effect of Proposed Rate vs. Original Cap
For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	72,001,000	\$0.00463	\$333,365
<u>Distribution</u>			
Total Bills	31,080	\$17.46	\$542,657
First 200 KWH	4,274,772	\$0.00000	\$0
Excess KWH	67,726,228	\$0.00770	\$521,492
Subtotal	72,001,000		\$1,064,149
<u>Energy & Capacity</u>			
First 200 KWH	4,274,772	(\$0.00463)	(\$19,792)
Excess KWH	67,726,228	\$0.04430	\$3,000,272
Subtotal	72,001,000		\$2,980,480
<u>Competitive Transition Charge</u>			
First 200 KWH	4,274,772	\$0.00000	\$0
Excess KWH	67,726,228	\$0.02468	\$1,671,483
Subtotal	72,001,000		\$1,671,483
Total Rate Revenue			<u>\$6,049,476</u>

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	72,001,000	\$0.00463	\$333,365
<u>Distribution</u>			
Total Bills	31,080	\$17.46	\$542,657
First 200 KWH	4,274,772	\$0.00000	\$0
Excess KWH	67,726,228	\$0.00770	\$521,492
Subtotal	72,001,000		\$1,064,149
<u>Energy & Capacity</u>			
First 200 KWH	4,274,772	(\$0.00463)	(\$19,792)
Excess KWH	67,726,228	\$0.04430	\$3,000,272
Subtotal	72,001,000		\$2,980,480
<u>Competitive Transition Charge</u>			
First 200 KWH	4,274,772	\$0.00000	\$0
Excess KWH	67,726,228	\$0.00216	\$146,356
Subtotal	72,001,000		\$146,356
<u>Intangible Transition Charge</u>			
First 200 KWH	4,274,772	\$0.00000	\$0
Excess KWH	67,726,228	\$0.02252	\$1,525,127
Subtotal	72,001,000		\$1,525,127
Total Rate Revenue			<u>\$6,049,476</u>

PPL Electric Utilities Corporation
 Tariff Rule 6A
 Stand-By Service for Qualifying Facilities
 Calculation of Effect of Proposed Rate vs. Original Cap
 For 12 months ended December 2002

PRESENT RATE	Units	Rate	Rate Revenue
Back-Up Power Transmission Charge:			
Service at 480 Volts or Less	0	\$0.00462	\$0
Service at 12 KV	0	\$0.00377	\$0
Service at 69 KV or Higher	8,503,302	\$0.00304	\$25,850
Subtotal	8,503,302		\$25,850
Back-Up Power Distribution Charge:			
Service at 480 Volts or Less - All KW	0	\$0.70	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00110	\$0
Service at 12 KV - All KW	0	\$0.45	\$0
Service at 12 KV - All KWH	0	\$0.00018	\$0
Service at 69 KV or Higher - All KW	419,085	\$0.06	\$24,466
Service at 69 KV or Higher - All KWH	8,503,302	\$0.00000	\$0
Subtotal	8,503,302		\$24,466
Back-Up Power Energy & Capacity Charge:			
Service at 480 Volts or Less - All KW	0	\$1.02	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00688	\$0
Service at 12 KV - All KW	0	\$1.22	\$0
Service at 12 KV - All KWH	0	\$0.00696	\$0
Service at 69 KV or Higher - All KW	419,085	\$1.15	\$482,627
Service at 69 KV or Higher - All KWH	8,503,302	\$0.00737	\$62,666
Subtotal	8,503,302		\$545,293
Back-Up Power CTC Charge:			
Service at 480 Volts or Less	0	\$0.03559	\$0
Service at 12 KV	0	\$0.03460	\$0
Service at 69 KV or Higher	8,503,302	\$0.03044	\$258,844
Subtotal	8,503,302		\$258,844
Maintenance Power Transmission Charge:			
Service at 480 Volts or Less	0	\$0.00462	\$0
Service at 12 KV	0	\$0.00377	\$0
Service at 69 KV or Higher	2,715,698	\$0.00304	\$8,256
Subtotal	2,715,698		\$8,256
Maintenance Power Distribution Charge:			
Service at 480 Volts or Less	0	\$0.00110	\$0
Service at 12 KV	0	\$0.00018	\$0
Service at 69 KV or Higher	2,715,698	\$0.00000	\$0
Subtotal	2,715,698		\$0
Maintenance Power Energy & Capacity Charge:			
Service at 480 Volts or Less	0	\$0.00688	\$0
Service at 12 KV	0	\$0.00696	\$0
Service at 69 KV or Higher	2,715,698	\$0.00737	\$20,014
Subtotal	2,715,698		\$20,014
Maintenance Power CTC Charge:			
Service at 480 Volts or Less	0	\$0.03559	\$0
Service at 12 KV	0	\$0.03460	\$0
Service at 69 KV or Higher	2,715,698	\$0.03044	\$82,667
Subtotal	2,715,698		\$82,667
Total Rate Revenue			\$965,389

PPL Electric Utilities Corporation
 Tariff Rule 6A
 Stand-By Service for Qualifying Facilities
 Calculation of Effect of Proposed Rate vs. Original Cap
 For 12 months ended December 2002

PROPOSED RATE	Units	Rate	Rate Revenue
Back-Up Power Transmission Charge:			
Service at 480 Volts or Less	0	\$0.00462	\$0
Service at 12 KV	0	\$0.00377	\$0
Service at 69 KV or Higher	8,503,302	\$0.00304	\$25,850
Subtotal	8,503,302		\$25,850
Back-Up Power Distribution Charge:			
Service at 480 Volts or Less - All KW	0	\$0.70	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00110	\$0
Service at 12 KV - All KW	0	\$0.45	\$0
Service at 12 KW - All KWH	0	\$0.00018	\$0
Service at 69 KV or Higher - All KW	419,085	\$0.06	\$24,466
Service at 69 KV or Higher - All KWH	8,503,302	\$0.00000	\$0
Subtotal	8,503,302		\$24,466
Back-Up Power Energy & Capacity Charge:			
Service at 480 Volts or Less - All KW	0	\$1.02	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00688	\$0
Service at 12 KV - All KW	0	\$1.22	\$0
Service at 12 KW - All KWH	0	\$0.00696	\$0
Service at 69 KV or Higher - All KW	419,085	\$1.15	\$482,627
Service at 69 KV or Higher - All KWH	8,503,302	\$0.00737	\$62,666
Subtotal	8,503,302		\$545,293
Back-Up Power CTC Charge:			
Service at 480 Volts or Less	0	\$0.00836	\$0
Service at 12 KV	0	\$0.00813	\$0
Service at 69 KV or Higher	8,503,302	\$0.00715	\$60,799
Subtotal	8,503,302		\$60,799
Back-Up Power ITC Charge:			
Service at 480 Volts or Less	0	\$0.02723	\$0
Service at 12 KV	0	\$0.02647	\$0
Service at 69 KV or Higher	8,503,302	\$0.02329	\$198,042
Subtotal	8,503,302		\$198,042
Maintenance Power Transmission Charge:			
Service at 480 Volts or Less	0	\$0.00462	\$0
Service at 12 KV	0	\$0.00377	\$0
Service at 69 KV or Higher	2,715,698	\$0.00304	\$8,256
Subtotal	2,715,698		\$8,256
Maintenance Power Distribution Charge:			
Service at 480 Volts or Less	0	\$0.00110	\$0
Service at 12 KV	0	\$0.00018	\$0
Service at 69 KV or Higher	2,715,698	\$0.00000	\$0
Subtotal	2,715,698		\$0
Maintenance Power Energy & Capacity Charge:			
Service at 480 Volts or Less	0	\$0.00688	\$0
Service at 12 KV	0	\$0.00696	\$0
Service at 69 KV or Higher	2,715,698	\$0.00737	\$20,014
Subtotal	2,715,698		\$20,014
Maintenance Power CTC Charge:			
Service at 480 Volts or Less	0	\$0.00836	\$0
Service at 12 KV	0	\$0.00813	\$0
Service at 69 KV or Higher	2,715,698	\$0.00715	\$19,417
Subtotal	2,715,698		\$19,417
Maintenance Power ITC Charge:			
Service at 480 Volts or Less	0	\$0.02723	\$0
Service at 12 KV	0	\$0.02647	\$0
Service at 69 KV or Higher	2,715,698	\$0.02329	\$63,249
Subtotal	2,715,698		\$63,249
Total Rate Revenue			\$965,384

Exelon Business Services Company
Legal Department
2301 Market Street/23-1
P.O.Box 8699
Philadelphia, PA 19101-8699

Telephone 215 841-5544
Fax 215 568-3389
www.exeloncorp.com

Business Services
Company

ORIGINAL

RECEIVED
2001 NOV 13 AM 10:26
SECRETARY'S BUREAU
PA PUC
November 8, 2001

James J. McNulty, Secretary
Commonwealth of Pennsylvania
PA Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

**DOCUMENT
FOLDER**

Re: Rate Change to State Tax Adjustment Surcharge to Implement 2002 Revenue Neutral Reconciliation, Docket Numbers R00016850, R00016851, R00016852, R00016854, R00016855 and R00016857

Dear Sir:

Enclosed for filing please find an original and three (3) copies of the Notice of Appearance and Motion to Intervene in the above-entitled cases. These documents have been served by US Mail on all parties of record as evidenced by the attached Certificates of Service. We respectfully request that one copy of the filings be stamped and returned to us in the self-addressed, stamped envelope enclosed as proof of filing.

Respectfully Submitted,

Kent D. Murphy/hob

Kent D. Murphy, Assistant General Counsel
Ward L. Smith, Associate General Counsel
Exelon Business Services Company
P.O. Box 8699
2301 Market St., S23-1
Phila., PA 19101
215-841-4941
Kent.Murphy@exeloncorp.com
Counsel for: PECO Energy Company

Hob/Enclosures
Cc: All counsel of record

44

ORIGINAL

PPL Electric Utilities Corporation's Rate Change to :
State Tax Adjustment Surcharge to Implement :
2002 Revenue Neutral Reconciliation :

Docket Number: R00016850

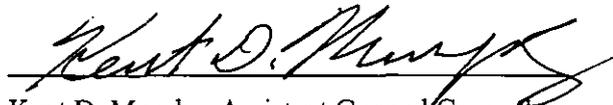
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PA PUC

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NOTICE OF APPEARANCE

Enclosed for filing please find the Notice of Appearance of the undersigned as counsel for PECO Energy Company in regard to the above-captioned proceeding. Also enclosed is a copy of this Notice that we request be date stamped and returned in the self-addressed, stamped envelope enclosed as proof of filing.

Respectfully submitted,



Kent D. Murphy, Assistant General Counsel
Ward L. Smith, Associate General Counsel
Exelon Business Services Company
Counsel for:
PECO Energy Company
2301 Market Street, S23-1
P.O. Box 8699
Philadelphia, PA 19103
215-841-4941

DOCUMENT
FOLDER

Dated: November 8, 2001

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation's Rate Change to :
State Tax Adjustment Surcharge to Implement :
2002 Revenue Neutral Reconciliation :

Docket No. R000160

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SECRETARY'S BUREAU

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**PECO ENERGY COMPANY'S
PETITION TO INTERVENE**

Pursuant to 52 Pa. Code § 5.71, PECO Energy Company ("PECO Energy") hereby files this Petition to Intervene in the above-captioned proceeding and in support thereof states the following:

BACKGROUND

1. PECO Energy will be represented in this proceeding by the following counsel, who should be placed on the Commission's service list and receive copies of all correspondence and other documents:

Ward L. Smith, Esquire
Associate General Counsel
Kent D. Murphy, Esquire
Assistant General Counsel
Exelon Business Services Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 841-4941
fax (215) 568-3389

**DOCUMENT
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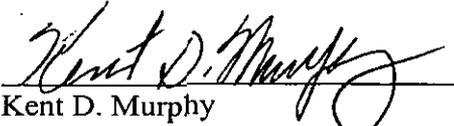
2. PECO Energy is a public utility providing electric service in southeastern Pennsylvania subject to the jurisdiction of the Pennsylvania Public Utility Commission ("PUC" or the "Commission"), with its principal place of business at 2301 Market Street, Philadelphia, Pennsylvania 19101.

3. On October 29, 2001, PPL Electric Utilities Corporation (“PPL”) filed its Supplement No. 18 to PPL Electric Utilities Corporation’s Tariff Electric – Pa. PUC No. 201 pursuant to Section 2804(16)(i) of the Electric Competition and Customer Choice Act, 66 Pa. C.S. Section 2804(16)(i), and the Commission’s regulations at 52 Pa. Code Section 54.91 et seq. PPL asserts that Supplement No. 18 has been filed to increase the State Tax Adjustment Surcharge to recover increased state taxes incurred pursuant to the revenue neutral reconciliation (“RNR”) tax provisions of the 1996 Electricity Generation Customer Choice Act (“Customer Choice Act”), 66 Pa.C.S. §§ 2810. PPL asserts that its proposed 2002 State Tax Adjustment Surcharge (“STAS”) rates will be utilized to reflect changes in PPL’s state tax liability for calendar year 2002 pursuant to 52 Pa. C.S. §§ 54.94 and 54.95. PPL purports that recovery of the increase in state tax liability will produce rates above PPL’s current rate caps under certain retail rate schedules. PPL states that the RNR Tax rate increases the electric utility Gross Tax Receipts (“GRT”) for 2002 from 44 mills to 60 mills. This additional GRT will increase PPL’s 2002 total GRT liability by approximately \$43 million, or 1.7% of pro forma 2002 intrastate operating revenues.

4. PECO Energy Company is filing this petition to intervene because this matter involves provisions of the Electric Restructuring Act that affects all electric utilities. Through this intervention, PECO will act to ensure that there is consistent, just and reasonable application of the provisions for all affected utility companies.

WHEREFORE, PECO Energy respectfully requests this Honorable Commission to enter an Order that grants its Petition to Intervene in this matter as a full party.

Respectfully submitted,



Kent D. Murphy
Assistant General Counsel
Ward L. Smith
Associate General Counsel
Exelon Business Services Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 841-4941
(215) 568-3389 (FAX)
ward.smith@exeloncorp.com

Counsel for PECO Energy Company

Dated: November 8, 2001

CERTIFICATE OF SERVICE

ORIGINAL

Ward L. Smith, Esquire and Kent D. Murphy, Esquire, Counsel for PECO Energy Company, certify that on November 8, 2001, we served by Regular U.S. Mail, postage prepaid, one (1) copy of our Motion to Intervene and Entry of Appearance on behalf of PECO Energy Company in Docket Nos. R00016850, R00016852, R00016855, R00016854 and R00016857 to the parties listed below:

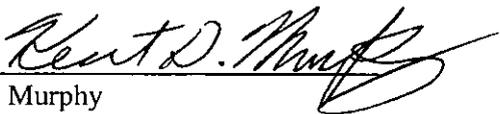
Mark R. Dingman, Esquire
UGI Utilities Inc.
Hanover Industrial Estates
400 Stewart Road, PO Box 3200
Wilkes Barre, PA 18773
Counsel for UGI Utilities Inc.

Daniel P. Delaney
Kirkpatrick & Lockhart LLP
Payne Shoemaker Building
240 North Third Street
Harrisburg, PA 17101
Counsel for Duquesne Light Company

Jack Munsch, Esquire
Allegheny Energy Company
800 Cabin Hill Drive
Greensburg, PA 195601
Counsel for Allegheny Energy Company

David Epple, Esquire
Energy Association of Pennsylvania
800 N. Third Street
Harrisburg, PA 17102
Counsel for Energy Assn. Of PA

Office of the Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101



Kent D. Murphy
Assistant General Counsel
Ward L. Smith
Associate General Counsel
Exelon Business Services Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 84941
(215) 568-3389 (FAX)
kent.murphy@exeloncorp.com

November 8, 2001

John H. Isom
Morgan Lewis & Bockius LLP
One Commerce Square
417 Walnut Street
Harrisburg, PA 17101
Counsel for PPL Electric Utilities Corporation

W. Edwin Ogden, Esquire
Ryan Russell Ogden & Seltzer, LLP
Suite 301, 1100 Berkshire Boulevard
Reading, PA 19610
Counsel for Metropolitan Edison & Penelec

Stephen L. Feld, Senior Attorney
Pennsylvania Power Company
76 S. Main Street
Akron, OH 44308

Irwin A. Popowsky, Esquire
Office of the Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101
Counsel for OCA

Kenneth L. Mickens, Esquire
Pennsylvania Public Utility Commission
Office of Trial Staff
901 N. 7th St., 3rd Floor
Harrisburg, PA 17102

SECRETARY'S BUREAU

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ORIGINAL

OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

Bernard A. Ryan, Jr
Small Business Advocate

November 28, 2001

(717) 783-2525
(717) 783-2831 (FAX)

HAND DELIVERED

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
P. O. Box 3265
Harrisburg, PA 17105-3265

Re: PPL Electric Utilities Corporation Rate Change to
State Tax Adjustment Surcharge to Implement
2002 Revenue Neutral Reconciliation
Docket No. R-00016850

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NOV 29 2001
OFFICE OF SMALL BUSINESS ADVOCATE

Dear Secretary McNulty:

I am delivering for filing today the original plus three copies of the:

1. Notice of Intervention of the Small Business Advocate in the above captioned matter; and
2. Public Statement of the Small Business Advocate relating to the filing of that Notice of Intervention.

Copies of each of the documents listed above are being served today on all known parties in this proceeding. A Certificate of Service to that effect is enclosed.

DOCUMENT FOLDER

Sincerely,

Steven C. Gray
Assistant Small Business Advocate

Enclosures

cc: Hon. Robert A. Christianson
Chief Administrative Law Judge

Parties of Record

Robert D. Knecht



ORIGINAL

OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

Bernard A. Ryan, Jr
Small Business Advocate

(717) 783-2525
(717) 783-2831 (FAX)

November 28, 2001

ALL PARTIES OF RECORD AT DOCKET NO. R-00016850:

Re: FPL Electric Utilities Corporation Rate Change to
State Tax Adjustment Surcharge to Implement
2002 Revenue Neutral Reconciliation
Docket No. R-00016850

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NOV 29 2001

The Office of Small Business Advocate has retained the services of Robert D. Knecht as its expert witness in this case. In order to provide our consultant all materials, including discovery, testimony, briefs, etc., in a timely fashion, we request that you add the name of Mr. Knecht to your service lists so that he receives copies of documents when they are served in this case. Those items should be addressed to:

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
(617) 354-0074
(617) 354-0463 - Fax

If you have any questions or concerns, please do not hesitate to contact me. Thank you in advance for your cooperation.

DOCUMENT
FOLDER

Sincerely,

Steven C. Gray
Assistant Small Business Advocate

cc: Robert D. Knecht

DOCKETED
NOV 29 2001

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

PPL ELECTRIC UTILITIES CORPORATION :
RATE CHANGE TO STATE TAX ADJUSTMENT :
SURCHARGE TO IMPLEMENT 2002 REVENUE :
NEUTRAL RECONCILIATION :

Docket No. R-00016850

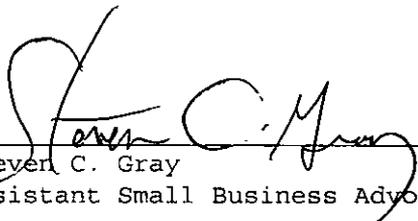
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GENERAL COUNSEL
NOV 29 2001

Office of
Small Business Advocate
Notice of Intervention

The Office of Small Business Advocate, an agency of the Commonwealth authorized by the Small Business Advocate Act (Act 181 of 1988, 73. P.S. §§399.41 - 399.50) to represent the interest of small business consumers as a party in proceedings before the Pennsylvania Public Utility Commission, files this Notice of Intervention in this proceeding pursuant to the provisions of 52 Pa. Code §5.71(a)(1).

Representing the Office of Small Business Advocate in this proceeding is:

Steven C. Gray
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
(717) 783-2525
(717) 783-2831


Steven C. Gray
Assistant Small Business Advocate

Dated: November 28, 2001

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NOV 29 2001

PUBLIC STATEMENT OF
SMALL BUSINESS ADVOCATE
CONCERNING THE INTEREST
OF SMALL BUSINESS CONSUMERS
TO BE PROTECTED BY THE FILING OF A
NOTICE OF INTERVENTION
IN THE PROCEEDINGS INVOLVING
PPL ELECTRIC UTILITIES CORPORATION
AT DOCKET NO. R-00016850

The Small Business Advocate is authorized and directed to represent the interest of small business consumers of utility services in Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§399.41 - 399.50 (the "Act"). The Act further provides that the Small Business Advocate is to issue publicly a written statement setting forth the specific interest of small business consumers to be protected by the intervention in any proceeding involving those interests before the Public Utility Commission ("PUC" or "Commission"). This public statement relates to the filing today by the Small Business Advocate of a notice of intervention in the proceedings involving PPL Electric Utilities Corporation Rate Change to State Tax Adjustment Surcharge to Implement 2002 Revenue Neutral Reconciliation at Docket No. R-00016850.

On October 29, 2001, PPL Electric Utilities filed Supplement No. 18 to Tariff Electric - Pa. P.U.C. No. 201 proposing an increase in the State Tax Adjustment Surcharge. The Office of Small Business Advocate ("OSBA") has intervened in this proceeding to assure that the interests of the small business customers served by PPL are adequately represented and protected.

The OSBA will participate in this proceeding to the extent necessary to identify and advance any issues that are important to small business consumers who will be affected by this proceeding.

Date: November 28, 2001

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL ELECTRIC UTILITIES CORPORATION :
RATE CHANGE TO STATE TAX ADJUSTMENT :
SURCHARGE TO IMPLEMENT 2002 REVENUE : Docket No. R-00016850
NEUTRAL RECONCILIATION :

CERTIFICATE OF SERVICE

I certify that I am serving a copy of the Notice of Intervention on behalf of the Office of Small Business Advocate by first class mail upon the persons addressed below:

Hon. Robert A. Christianson
Chief Administrative Law Judge
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
(hand delivered)

Tanya J. McCloskey, Esquire
Office of Consumer Advocate
555 Walnut Street
5th FL Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
(717) 783-7152

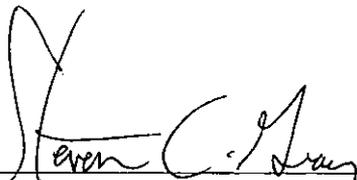
John H. Isom, Esquire
Morgan, Lewis & Bockius
One Commerce Square
417 Walnut Street
Harrisburg, PA 17101
(717) 237-4000
(717) 237-4004 (fax)

Kenneth L. Mickens, Esquire
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105
(717) 787-1976
(717) 772-2677 (fax)

Kent D. Murphy, Esquire
Assistant General Counsel
Exelon Business Services Company
2301 Market Street, S23-1
Philadelphia, PA 19103
(215) 841-4941
(215) 568-3389 (fax)

David M. Kleppinger, Esquire
McNees, Wallace & Nurick
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
(717) 232-8000
(717) 236-2665 (fax)

David Epple, Esquire
Energy Association of Pennsylvania
800 North Third Street
Harrisburg, PA 17102



Steven C. Gray
Assistant Small Business Advocate

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Date: November 28, 2001



McNees Wallace & Nurick LLC
attorneys at law

ORIGINAL

KAREN S. MILLER ORNER
DIRECT DIAL: (717) 237-5359
E-MAIL ADDRESS: KORNER@MWN.COM

November 28, 2001

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

VIA HAND DELIVERY

**Re: PPL Electric Utilities Corporation Rate Change to State Tax
Adjustment Surcharge to Implement 2002 Revenue Neutral
Reconciliation; Docket No. R-00016850**

Dear Secretary McNulty:

Enclosed for filing with the Commission are the original and three (3) copies of a Petition to Intervene of the PP&L Industrial Customer Alliance in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Please date stamp the extra copy of this transmittal letter and kindly return it for our filing purposes.

Very truly yours,

MCNEES WALLACE & NURICK LLC

By *Karen S. Miller Orner*
Karen S. Miller Orner

Counsel to the PP&L Industrial Customer
Alliance

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SECRETARY'S BUREAU

KSMO
Enclosures

c: Chief Administrative Law Judge Robert Christianson (via hand delivery)
Judy Weaver, Scheduling Officer (via hand delivery)
Certificate of Service

DOCUMENT
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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant):

VIA HAND DELIVERY

Kenneth L. Mickens, Esq.
Office of Trial Staff
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor West
Harrisburg, PA 17120

Tanya J. McCloskey, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1921

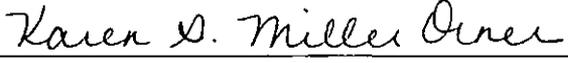
Office of Small Business Advocate
300 North 2nd Street, Suite 1102
Harrisburg, PA 17101

VIA FACSIMILE AND FIRST-CLASS MAIL

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Assistant General Counsel
Ward L. Smith, Esq.
Associate General Counsel
Exelon Business Services Company
2301 Market Street, S23-1
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Harrisburg, PA 17102

John H. Isom, Esq.
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One Commerce Square
417 Walnut Street
Harrisburg, PA 17101


Karen S. Miller Orner
Karen S. Miller Orner

Dated this 28th day of November, 2001, in Harrisburg, Pennsylvania.

ORIGINAL

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation Rate Change :
to State Tax Adjustment Surcharge to Implement : Docket No. R-00016850
2002 Revenue Neutral Reconciliation :

**PP&L INDUSTRIAL CUSTOMER ALLIANCE
PETITION TO INTERVENE**

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 5.71 through 5.74 of the Regulations of the Pennsylvania Public Utility Commission ("PUC" or "Commission"), the PP&L Industrial Customer Alliance ("PPLICA" or "Petitioner") hereby files this Petition To Intervene in the above-captioned proceeding. In support thereof, Petitioner avers as follows:

1. Petitioner is PPLICA, which for purposes of this proceeding includes the companies listed on Attachment "A" to this Petition. The list and Attachment "A" will be updated, as necessary, if the composition of PPLICA changes during the course of this proceeding.

2. The names and address of Petitioner's attorneys are:

David M. Kleppinger
Pamela C. Polacek
Karen S. Miller Orner
McNEES WALLACE & NURICK LLC
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Phone: (717) 232-8000
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dkleppin@mwn.com
ppolacek@mwn.com
korner@mwn.com

SECRETARY'S BUREAU

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**DOCUMENT
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3. PPLICA is an ad hoc coalition of large, energy-intensive industrial consumers of electricity located within the service territory of PPL Electric Utilities Corporation ("PPL" or "Company"). PPLICA members purchase service from PPL primarily under Rate Schedules LP-4, LP-5, LP-6, LPEP, IS-P, IS-T, ISM, and Standby, as well as available riders. PPLICA has been actively involved in PPL's restructuring process as an intervenor in the Company's restructuring proceeding, as a signatory to the Company's restructuring settlement agreement, and as a participant in PPL's Qualified Rate Order proceeding. By virtue of their payment of PPL's State Tax Adjustment Surcharge, PPLICA members are directly affected by the Commission's resolution of the above-captioned proceeding.

WHEREFORE, the PP&L Industrial Customer Alliance respectfully requests that the Commission grant this Petition To Intervene and provide the PP&L Industrial Customer Alliance with full-party status in this proceeding.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Karen S. Miller Orner

David M. Kleppinger
Pamela C. Polacek
Karen S. Miller Orner
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Fax: (717) 237-5300

Counsel to the PP&L Industrial Customer
Alliance

Dated: November 28, 2001

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Attachment "A"

PP&L Industrial Customers Alliance

Agere Systems, Inc.
Air Products and Chemicals, Inc.
Alcoa Engineered Products
Armstrong World Industries, Inc.
Binkley & Ober, Inc.
BOC Gases
Buckeye Pipe Line Company, L.P.
CertainTeed Corporation
Chamberlain Manufacturing Corp.
Hercules Cement Company
Hershey Foods Corporation
Lafarge Whitehall Cement
Magee Rieter Automotive Systems
Mount Joy Wire Corporation
Praxair, Inc.
RR Donnelley & Sons Company
TIMET North America
WEA Manufacturing, Inc.
Wegmans Food Markets, Inc.

DATE: November 30, 2001
SUBJECT: R-00016850; R-00016852; R-00016853; R-00016854; R-00016856
TO: Bureau of Fixed Utility Services
FROM: James J. McNulty, Secretary

LAF

R-00016850: PPL Electric Utilities Corporation's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016852: Metropolitan Edison Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016853: Pennsylvania Electric Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016854: Duquesne Light Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016856: PECO Energy Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

Attached are copies of Petitions to Intervene filed in connection with the above docketed proceedings by the following: PP&L Industrial Customer Alliance; Met-Ed Industrial Users Group; Penelec Industrial Customer Alliance; Duquesne Industrial Intervenors; Philadelphia Area Industrial Energy Users Group

This matter is assigned to your Bureau for appropriate action.

Attachments

cc: OTS

laf

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DEC 04 2001

RHOADS & SINON LLP

ROBERT H. LONG, JR.¹
SHERILL T. MOYER
JAN P. PADEN
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JOHN P. MANBECK
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JACK F. HURLEY, JR.
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KATHLEEN D. BRUDER³
CHRISTYLEE L. PECK
JOHN M. COLES

¹ ALSO ADMITTED TO THE DISTRICT OF COLUMBIA BAR
² ALSO ADMITTED TO THE FLORIDA BAR
³ ALSO ADMITTED TO THE MARYLAND BAR
⁴ ALSO ADMITTED TO THE NEW JERSEY BAR
⁵ ALSO ADMITTED TO THE NEW YORK BAR

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December 7, 2001

OF COUNSEL
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RETIRED
FRANK A. SINON

PAUL H. RHOADS
1907-1984
JOHN M. MUSSELMAN
1919-1980
CLYLE R. HENDERSHOT
1922-1980

DIRECT DIAL NO.
(717) 237-6736

FILE NO.

7135/1

Re: RNR Filings for
Pike County Power & Light Company, R-00016849C001
PPL Electric Utilities, R-00016850C000/1
Pennsylvania Power Company, R-00016851C001
Metropolitan Edison Company, R-00016852C001
Pennsylvania Electric Company, R-00016853C001
Duquesne Light Company, R-00016854C001
UGI Utilities -Electric Division, R-00016855C001
PECO Energy Company, R-00016856C001
West Penn Power Company, R-00016857C001

VIA HAND DELIVERY

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

Dear Secretary McNulty:

Enclosed please find an original and three copies of the Mid-Atlantic Power Supply Association's Petitions to Intervene in the above-captioned dockets.

Sincerely,

RHOADS & SINON LLP

By: 
Kathryn G. Sophy

Cc: Certificate of Service

DOCUMENT FOLDER

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ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PPL Electric Utilities, Inc. :
Supplement No. 18 to Its Tariff Electric : Docket No. R-00016850C000/1
- Pa. PUC No. 201 :

DOCUMENT
FOLDER

PETITION TO INTERVENE OF
MID-ATLANTIC POWER SUPPLY ASSOCIATION

Now comes the Mid-Atlantic Power Supply Association ("MAPSA"), pursuant to 52 Pa. Code § 5.71 *et seq.*, and hereby petitions to intervene in the above-captioned proceeding. In support of this petition, MAPSA states as follows:

1. MAPSA is an association of power marketers, independent power producers, and a broad range of companies who support the electric services industry with an interest in the emerging electric power supply market within the Commonwealth of Pennsylvania and the Mid-Atlantic region.¹

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¹ MAPSA's Board of Directors includes representatives of Amerada Hess; Calpine Eastern; Chevron Energy Solutions; DTE Energy Marketing, Inc.; Green Mountain Energy Company; Odyssey Strategies, Inc.; PG&E National Energy Group; Shell Energy Services Co., LLC; and Strategic Energy L.L.C. This filing represents the position of MAPSA as an organization, *but not necessarily* the views of any particular member with respect to any specific issue.

2. The names and address of Petitioner's attorneys are:

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Kathryn G. Sophy
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P.O. Box 1146
Harrisburg, PA 17108
717.233.5731
717.231.6600 (fax)
jcawley@rhoads-sinon.com
ksophy@rhoads-sinon.com

3. On October 29, 2001, PPL Electric Utilities, Inc. ("PPL") filed with the Commission a tariff supplement to recover increased tax obligations associated with an increase in the Gross Receipts Tax ("GRT") through the Revenue Neutral Reconciliation ("RNR") charge.

4. On November 19, 2001, the Office of Consumer Advocate filed a complaint against PPL, arguing that PPL's request will result in charges that exceed the statutory rate cap.

5. MAPSA has no objection to an EDC recovering costs associated with the RNR, provided those costs are recovered in a competitively-neutral manner. However, recovery of these costs through mechanisms which potentially extend CTC recovery, conceal the increased tax recovery or otherwise tilt the competitive playing field would result in direct harm to EGSs that operate or intend to operate within PPL's distribution territory.

6. The standard for eligibility to intervene is set forth in 52 Pa. Code § 5.72:

A petition to intervene may be filed by a person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought. The right or interest may be one of the following:

- (1) A right conferred by statute of the United States or the Commonwealth.
- (2) An interest which may be directly affected and which is not adequately represented by existing

participants, and as to which the petitioner may be bound by the action of the Commission in the proceeding.
(3) Another interest of such nature that participation of the petitioner may be in the public interest.

52 Pa. Code § 5.72(a).

7. MAPSA meets the eligibility standards set forth in 52 Pa. Code § 5.72(a). As an organization whose members include alternative generation suppliers licensed to do business in Pennsylvania, MAPSA has an interest that may be directly affected by this proceeding. MAPSA members operating or intending to operate within PPL's distribution territory must compete against PPL's provider of last resort ("POLR") service. In offering customers a "price to compare" against PPL's shopping credit, EGSs must recover the same RNR increase from their customers through the price to compare. If PPL's shopping credit does not include the RNR increase, but PPL is permitted to collect that increase in another manner, customers are no longer comparing like products. EGSs are disadvantaged because their prices appear to be that much higher than the EDC's prices. Accordingly, how the Commission permits recovery of this tax increase will have a direct impact on Mid-Atlantic Power Supply Association members' potential customer base and potential revenue.

8. MAPSA's interest in this proceeding is not adequately represented by existing participants, none of whom are believed to be suppliers or marketers of electric generation.

9. In addition, MAPSA may be bound by the action of the Commission in this proceeding. The Commission has the authority to direct how recovery of the RNR increase will be made. The Commission's actions will determine whether competitive suppliers are unharmed or competitively disadvantaged.

10. Finally, MAPSA's intervention is in the public interest. Through the Competition Act, the Pennsylvania Legislature declared retail electric generation competition to be in the

public interest. MAPSA members, as competitive suppliers, have a direct interest in maintaining/supporting the competitive environment.

WHEREFORE, the Mid-Atlantic Power Supply Association respectfully request your Honor to grant this Petition to Intervene.

Respectfully Submitted,

RHOADS & SINON LLP

By:


Kathryn G. Sephy
James H. Cawley
One South Market Square
P. O. Box 1146
Harrisburg, PA 17108-1146
(717) 233-5731

Dated: December 7, 2001

Attorneys for
Mid-Atlantic Power Supply Association

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DEC 07 2001

CERTIFICATE OF SERVICE

PUBLIC UTILITY COMMISSION

I hereby certify that I have this day served a true and correct copy of the foregoing documents upon the following persons and in the manner indicated below:

SERVICE BY FIRST CLASS U.S. MAIL:

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Harrisburg, PA 17120

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Acting Small Business Advocate
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Pennsylvania Public Utility Commission
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Michael Hassell
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Harrisburg, PA 17101-1904



Kathryn G. Sophy

Dated: December 7, 2001

DATE: December 12, 2001

SUBJECT: R-00016849C0001;R-00016850C0001;R-00016851C0001;R-00016852C0001
R-00016853C0001;R-00016854C0001;R-00016855C0001;R-00016856C0001
R-00016857C0001

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary

R-00016849: Pike County Light & Power Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016850: PPL Electric Utilities Corporation's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016851: Pennsylvania Power Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016852: Metropolitan Edison Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016853: Pennsylvania Electric Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016854: Duquesne Light Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016855: UGI Utilities, Inc. - Electric Division's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016856: PECO Energy Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

R-00016857: West Penn Power Company's State Tax Adjustment Surcharge (STAS) Filing for Service Rendered on or after January 1, 2002

DOCUMENT
FOLDER

Attached are copies of Petitions to Intervene filed in connection with the above docketed proceedings by Mid-Atlantic Power Supply Association.

This matter is assigned to your Bureau for appropriate action.

Attachments

cc: OTS

was

One Commerce Square
417 Walnut Street
Harrisburg, PA 17101-1904
717-237-4000
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**Morgan, Lewis
& Bockius LLP**
COUNSELORS AT LAW

Michael W. Hassell
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mhassell@morganlewis.com

DOCUMENT
FOLDER

ORIGINAL

December 14, 2001

VIA HAND DELIVERY

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17105-3265

DOCKETED
DEC 19 2001

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SECRETARY'S BUREAU

Re: Joint Settlement Agreement of PPL Electric Utilities Corporation's Notice and Petition for Recovery of the Revenue Neutral Reconciliation (RNR) Tax Effects of 2002, Docket Nos. R-00016850 and R-00016850C0001

Dear Secretary McNulty:

PPL Electric Utilities Corporation ("PPL Electric") hereby notifies the Pennsylvania Public Utility Commission ("Commission") that all of the parties have reached a joint settlement agreement on all issues in the above-referenced proceedings¹ or do not oppose the joint settlement². This Joint Settlement Agreement is subject to the approval by the Commission of the following terms and conditions:

Joint Settlement Agreement Terms and Conditions

The terms and conditions of the Joint Settlement Agreement are as follows:

¹ The undersigned has been authorized by all of the following parties to state that they fully support the settlement terms and conditions: the Office of Consumer Advocate; the Office of Small Business Advocate; the PPL Industrial Customer Alliance; and the Mid-Atlantic Power Supply Association ("Sponsoring Parties").

² The undersigned has been authorized by the Office of Trial Staff ("OTS") to state that OTS does not oppose the settlement terms and conditions.

- (a) PPL Electric's Supplement No. 18, revised to reflect the reduction of the RNR rate from 16 mills to 15 mills by the Department of Revenue, the terms and conditions of this settlement agreement and reconciliation of the Competitive Transition Charge ("CTC"), the Intangible Transition Charge ("ITC") and the State Tax Adjustment Surcharge ("STAS"), will be approved, effective for service on and after January 1, 2002.
- (b) PPL Electric will be allowed to recover in rates on a full and current basis that portion of its 2002 RNR tax liability that can be recovered under its existing total rate cap.
- (c) That portion of PPL Electric's 2002 RNR tax liability which cannot be recovered in 2002 under its current rate caps will be deferred for future recovery. Any amounts deferred under this section plus carrying charges at an annual rate of 6% will be fully recovered by PPL Electric. Such recovery will commence on or before January 1, 2003 and will be completed on or before December 31, 2003. Any under-recovery or over-recovery of this deferred amount at the end of the recovery period will be reflected in PPL Electric's stranded cost balance. Any commencement of recovery prior to January 1, 2003, shall occur only following consultation with the parties and consent of the Commission.
- (d) PPL Electric will establish this deferral by charging all rate schedules the rates set forth in Supplement No. 18 (as revised to reflect the 15 mill RNR rate and the reconciliation of the CTC, ITC and STAS) and by correspondingly reducing the CTC rate for each rate schedule which exceeds the rate cap by an amount that will reduce total rates under each rate schedule to the current rate cap applicable to that rate schedule.
- (e) PPL Electric will be permitted to recover any amounts deferred pursuant to paragraphs (c) and (d) by increasing its CTC rates by an amount designed to fully recover over 12 months the deferred amount plus the 6% carrying charges. Recovery of the deferred amounts and reconciliation of the CTC will be undertaken consistent with the provisions of PPL Electric's tariff regarding CTC reconciliation.
- (f) Recovery of the deferred amounts is guaranteed, and the CTC rate increases described above to recover the deferred amounts may be implemented by tariff filings to be effective on one day's notice and without further action by the Commission (except with respect to commencement of recovery prior to January 1, 2003).

- (g) The participants will not challenge PPL Electric's filing to recover the amounts deferred pursuant to paragraphs (c) and (d) above, except on the grounds that PPL Electric's filing contains mathematical or computational errors, or fails to comply with the terms of this settlement agreement.
- (h) In determining whether any rate filing made by PPL Electric, during the period of recovery of deferred costs under this settlement, causes PPL Electric's rates to exceed its rate caps, PPL Electric's recovery of the deferred amounts will not be considered. If the filing for recovery of deferred costs is made as part of a filing for recovery of other costs, the portion of the rate increase to recover the deferred amounts shall not be considered in determining whether such rate filing causes PPL Electric's rates to exceed its rate caps or constitutes a general rate increase under Section 1308(d) of the Public Utility Code or the Commission's rate filing regulations.
- (i) In any publication or description of PPL Electric's "price to compare," PPL Electric will include all applicable taxes.
- (j) With the Commission's approval, competitive Electric Generation Suppliers ("EGS") shall receive a one-time waiver of the Commission's regulations at 52 Pa. Code §54.5(g)(1), to allow EGSs to provide one rather than the multiple customer notices related to any contractually permitted pricing changes associated with the 2002 RNR tax adjustment.
- (k) Except as specifically noted herein, this settlement is without prejudice to arguments that participants, including PPL Electric, may present in connection with any rate filing by PPL Electric to recover its 2003 RNR tax liability.
- (l) Within 10 days of the Commission's Order approving the terms and conditions of this Joint Settlement Agreement, PPL Electric shall file compliance tariff sheets.
- (m) The proceeding at R-00016850C001 shall be marked closed.
- (n) The formal complaint of the Office of Consumer Advocate, docketed at R-00016850C001 shall be deemed satisfied.
- (o) The Joint Settlement Agreement is expressly conditioned on the Commission adopting an order approving the settlement, without modification, not later than December 19, 2001. Rejection or modification of this Joint Settlement Agreement shall not be construed to prejudice the arguments raised, or

positions taken by any party with respect to PPL Electric's October 29, 2001 RNR petition and rate filing.

**The Joint Settlement Agreement is just and reasonable
and otherwise in the public interest**

The Sponsoring Parties agree that the above settlement is just and reasonable, and otherwise in the public interest, for the following reasons:

1. The resulting rates will not exceed the total rate cap established by the Electric Generation Customer Choice and Competition Act on a rate class specific basis;
2. The resulting rates will allow PPL Electric to recover in a timely manner known and measurable Year 2002 RNR-related tax expense; and
3. The settlement minimizes the cost of protracted litigation and regulatory uncertainty relative to the Year 2002 RNR adjustment.

Conclusion

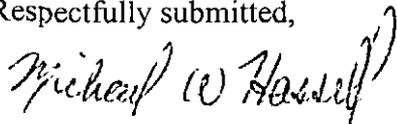
Accordingly, PPL Electric and the Sponsoring Parties respectfully request this Honorable Commission to

- 1) approve the Joint Settlement Agreement without modification;
- 2) find that the rates resulting from the Joint Settlement are just and reasonable, and otherwise lawful; and

James J. McNulty
December 14, 2001
Page 5

3) permit PPL Electric to implement the terms of this Joint Settlement Agreement.

Respectfully submitted,



Michael W. Hassell
Counsel for PPL Electric Utilities Corporation

MWH/kms

cc: Chairman Glen R. Thomas
Vice-Chairman Robert K. Bloom
Commissioner Aaron Wilson, Jr.
Commissioner Terrance J. Fitzpatrick
Bob Wilson, FUS
Bob Rosenthal, FUS
Bob Bennett, FUS
Karen Moury, Esq., Law Bureau
C. B. Glantz, FUS
All Parties

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