

PENNSYLVANIA POWER & LIGHT COMPANY

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Exhibit JRS 1
Stranded Costs

APR 01 1997

R-00 97 395 40A

PUBLIC UTILITY COMMISSION

WITNESS: Joseph R. Schadt
NOTARY'S OFFICE

PENNSYLVANIA POWER & LIGHT COMPANY

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Witness: Joseph R. Schadt

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Description of Stranded Model

PP&L's stranded costs represent those capital and operating costs related to the generation of electricity which would be recoverable in a regulated environment but which may not be recoverable in a competitive market and remain after mitigation efforts. PP&L has calculated its stranded costs within four categories:

- Nuclear generation
- Fossil generation
- Contracts with non-utility generators
- Generation-related regulatory assets, net

PP&L's calculation of stranded costs uses a present value methodology to discount the loss of cash flows to January 1, 1999. The discount rate used was 7.92%, which is PP&L's after-tax cost of capital. See Attachment 1 for details.

The basis for each category's calculation of stranded costs is discussed below in detail.

Nuclear generation

General: For this category, PP&L's calculation of stranded costs is the present value (as of January 1, 1999) of the PUC-jurisdictional portion of the amount by which the annual revenue requirements, excluding gross receipts tax, of nuclear generation exceeds the annual market revenues as determined by the market clearing price of generation (MCPG). The methodology used to develop the MCPG is discussed in the response to Question RP - L.9. The model calculates the total stranded costs applicable to nuclear generation, but also shows the cost per kwh, based on net book value, and the MCPG per kwh. The calculation includes only stranded costs related to PP&L's 90% ownership share of Susquehanna SES.

Revenue requirements, excluding gross receipts tax: PP&L's revenue requirements for its nuclear operations are based on traditional ratemaking policy and therefore include a return of and a return on its unrecovered nuclear investment, as well as the costs to operate and maintain that investment. The components of revenue requirements are:

- *Return on investment*

Return on investment is the amount a utility needs to earn to pay its debt and equity investors a reasonable return based on the business risk of their investments. PP&L calculated the return on investment by multiplying its rate base at the end of the previous year by 9.46%, its weighted cost of capital as of December 31, 1996, as shown in Attachment 1.

Rate base for nuclear generation, as calculated for cost-based ratemaking, includes the net book value of Susquehanna SES, the general plant that supports nuclear generation, the intangible plant that supports nuclear generation, prepayments and inventories of materials and supplies applicable to nuclear generation and a rate base adjustment for accumulated deferred income taxes applicable to nuclear generation that were funded by ratepayers and deferred for future payment ("normalized" deferred income taxes):

- The net book value of Susquehanna SES, including land, is calculated by taking the prior year's ending balance (beginning with 1996's actual balance), adding 90% of capital additions (to recognize Allegheny Electric Cooperative's 10% ownership of Susquehanna SES) and subtracting depreciation. Net book value has been reduced by \$205 million to reflect a reclassification from transmission and distribution depreciation reserves, which is one of the Company's mitigation strategies. Capital additions are projected by escalating 1997's budgeted additions (1997, by historical standards, represents an average year for capital additions.) at an escalation factor of 2.5%. For purposes of calculating depreciation, capital additions are assumed to be put in service mid-year. Depreciation is calculated using straight-line depreciation over the remaining life of the plant (the book lives end in 2022 for Unit 1 and 2024 for Unit 2), plus, in 1997 and 1998, an additional depreciation amount related to the modified sinking fund method of depreciation, which converts to straight-line depreciation in 1999.
- The general plant balance is calculated by taking the balance at the end of 1996, adding capital additions and subtracting depreciation. Capital addition projects were budgeted for 1997-2001 and then held constant at a nominal \$0.2 million per year until 2041. For purposes of calculating depreciation, capital additions are assumed to be put in service mid-year. Depreciation is calculated using straight-line depreciation over the remaining life of all generating units (June 30, 2044, when PP&L's last plant is scheduled to retire). The portion of general plant applicable to generation is 66.1% and the portion of generation-related general plant applicable to nuclear is 48.46%. See Note 1 for reference to the allocation factors used.
- PP&L's intangible plant balance represents capitalized software costs related to nuclear operations. Capitalized software costs are amortized over five years.
- The amount of prepayments and inventories related to nuclear operations is calculated by taking the average balance for the 13 month

period ended December 31, 1996 and escalating that amount at a 2.5% rate for the remaining life of the plant. In 2023 and 2024, when only Unit 2 remains in operation, the amount is essentially one-half.

- The accumulated deferred income taxes applicable to normalized taxes reduces rate base, in conformance with cost-based ratemaking. The model amortizes these taxes over the lives of the applicable units. Deferred income taxes related to the Accelerated Cost Recovery System and Class Life System, which comprise the vast majority of accumulated deferred income taxes, are more fully discussed in Attachments 2 and 3.
- *Return of investment (depreciation)*
Depreciation is the return of PP&L's nuclear investment, excluding land, and is calculated using the straight-line methodology over the life of the plant, plus, in 1997 and 1998, additional depreciation related to the modified sinking fund method of depreciation, which converts to straight-line depreciation in 1999. The effect of the reserve reclassification is not reflected in the depreciation basis until the end of the plant's life; this effectively mitigates a portion of the nuclear stranded costs by reducing the book life of Susquehanna by 1-2 years. Book depreciation also includes depreciation related to the portion of general plant allocated to nuclear plant over the life of nuclear plant and depreciation of intangible assets (which is associated with capitalized computer software costs that are being amortized over five years). All capital additions are assumed to be placed in service in the middle of the year; therefore, only a half-year of depreciation is calculated on each year's capital additions.
- *Fuel expense*
Fuel expense was calculated by multiplying the mills/kwh by the kwh expected to be generated. Mills/kwh was calculated by the Nuclear Department and includes variable costs associated with fuel materials, financing costs, disposal fees, costs associated with the DOE's assessment for its decommissioning and decontamination facilities, and costs associated with supplemental on-site spent fuel storage. Susquehanna's generation is calculated by using a 78% capacity factor, which is the average actual capacity factor for 1993-1996.
- *Operation and maintenance expenses*
For 1997, operation and maintenance expenses were calculated by taking 90% (to recognize Allegheny Electric Cooperative's 10% ownership share of Susquehanna SES) of the budgeted operation and maintenance expenses for 1997 and adding 90% of the costs related to the Cowanesque reservoir that are allocated to Susquehanna SES. Cowanesque serves both

Susquehanna SES and Montour SES, and costs are allocated 75% to Susquehanna and 25% to Montour. Operation and maintenance costs (which include payroll taxes and employee benefits), excluding administrative and general expenses, for future years are escalated at the rate of 2.5%. Administrative and general expenses associated with nuclear operations also are included in operation and maintenance expenses. They were calculated by taking 66.1% (the percentage of related to the generation function--See Note 1) of the administrative and general expenses. The model then allocates 48.46% of the generation-related administrative and general costs to nuclear operations (See Note 1). Between 1997 and 2001, administrative and general costs are projected to actually decline as the Company re-engineers its processes in preparation for competition. Beginning in 2002, these costs are calculated to escalate at a 2.5% rate.

- *Decommissioning costs*

Included in the revenue requirements applicable to PUC-jurisdictional customers are decommissioning costs collected through base rates from PUC ratepayers. See the response to Question RP - L.2 for the decommissioning study associated for Susquehanna SES.

- *Income Taxes*

The model calculates income taxes by recognizing that taxes can be calculated by their relationship to the return on investment. The equity return on nuclear operations equals nuclear rate base multiplied by 5.75%, the portion of the weighted cost of capital applicable to preferred and common equity (see Attachment 1). The equity return is essentially equal to 58.5% of taxable income, because income taxes are essentially 41.5% of taxable income. Total income taxes also include the amortization of investment tax credits. The amortization of investment tax credits uses the straight-line methodology over the lives of the related assets. The actual income tax rate of 41.4935% is the net tax rate for federal and state taxes and is calculated as follows :

Statutory federal tax rate	35.0000%
Statutory state tax rate	9.9900%
Less: impact of state tax deduction for federal taxes	-3.4965%
Effective income tax rate	<u>41.4935%</u>

- *Taxes other than income taxes:*

The model escalates 1996's taxes other than income at a rate of 2.5% over the life of the plant. For 1996, taxes other than income include the nuclear portion (48.46% of the 66.1% allocated to generation -- see Note 1) of capital stock taxes. Payroll taxes, which normally are included in taxes other than income, are already included as a component of operation and maintenance

expenses. For PURTA taxes, the portion allocable to nuclear generation was based on the net book value of nuclear assets. Although PP&L's total taxes other than income include gross receipts tax, the model excludes them because the estimated market revenues also exclude gross receipts tax.

Market revenues: The model calculates market revenues by multiplying Susquehanna's net generation (gross generation less the energy used by the plant itself) by its MCPG. (See the response to Question RP - L.9.) Susquehanna's net generation is based on a 78% capacity factor, which is the average capacity factor for 1993-1996.

PUC jurisdictional %: See Note 1.

Fossil generation

General: For this category, PP&L's calculation of stranded costs is the present value (as of January 1, 1999) of the PUC-jurisdictional portion of the amount by which the annual revenue requirements of fossil generation exceeds the annual market revenues as determined using the MCPG. Fossil generation includes generation from coal, oil, gas, and hydroelectric facilities, as well as combustion turbines and diesel generators. The total stranded costs attributable to fossil generation are the sum of all the plants' stranded costs. The model calculates the total stranded costs applicable to fossil generation, but also shows the cost per kwh, based on net book value, and the MCPG per kwh by fossil plant.

Revenue requirements: PP&L's revenue requirements for its fossil facilities are based on traditional ratemaking policy and therefore include a return of and a return on its unrecovered fossil assets, as well as the cost to operate and maintain the assets. The components of the revenue requirements are:

- *Return on investment*

Return on investment is the amount a utility needs to earn to pay its debt and equity investors a reasonable return based on the business risk of their investments. PP&L calculates the return on investment by multiplying its rate base at the end of the previous year by 9.46%, its weighted cost of capital as of December 31, 1996, as shown in Attachment 1.

Rate base for fossil generation, as calculated for cost-based ratemaking, includes the net book value of non-nuclear generating plants, the general plant that supports the fossil generation, prepayments and inventories of fuel and materials and supplies applicable to fossil generation, and a rate base adjustment for the accumulated deferred income taxes applicable to

fossil generation that were funded by ratepayers and deferred for future payments ("normalized" deferred taxes):

- The net book value of fossil generation, including land, is calculated by taking the prior year's ending balance (beginning with 1996's actual balance) for each non-nuclear generating plant, adding capital additions and subtracting depreciation. Capital additions essentially are detailed in PP&L's five-year construction budget for 1997-2001, with minor adjustments to reflect updated information. For example, clean air compliance costs included in the construction budget for Selective Catalytic Reduction (SCR) have been excluded to better reflect current compliance strategies. Beyond 2001, capital additions are forecast on an individual plant basis through their remaining book lives. For purposes of calculating depreciation, capital additions are assumed to be put in service mid-year. Depreciation is calculated using straight-line depreciation over the remaining life of all generating units (June 30, 2044, when PP&L's last fossil plant is scheduled to retire).
- The general plant balance is calculated by taking the balance at the end of 1996, adding capital additions and subtracting depreciation. Capital additions are detailed in PP&L's five-year construction budget for 1997-2001 and then held constant at a nominal \$0.2 million per year until 2041. For purposes of calculating depreciation, capital additions are assumed to be put in service mid-year. Depreciation is calculated using straight-line depreciation over the remaining life of all generating units. The portion of general plant applicable to generation is 66.1% and the portion of generation-related general plant applicable to fossil is 51.54%. See Note 1 for reference to the allocation factors used.
- The amount of prepayments and inventories related to fossil operations is the sum of the prepayments and inventories for all fossil plants. For each plant, the amount is calculated by taking the average balance for the 13 month period ended December 31, 1996 and escalating that amount at a 2.5% rate for the remaining life of the plant.
- The accumulated deferred income taxes applicable to normalized taxes reduces rate base, in conformance with cost-based ratemaking. The model amortizes these taxes over the lives of the applicable units. Deferred income taxes related to the Accelerated Cost Recovery System and Class Life System, which comprise the vast majority of accumulated deferred income taxes, are more fully discussed in Attachment 2.
- *Return of investment (depreciation)*

Depreciation is the return of fossil plant investment, excluding land, and is calculated using the straight-line methodology over the lives of the plants. Depreciation also includes depreciation related to the portion of general plant allocated to fossil generation over the life of fossil plants. All capital additions are assumed to be placed in service in the middle of the year; therefore, only a half-year of depreciation is calculated on each year's capital additions.

- *Fuel expense*

PP&L used the Electric Generation Expansion Analysis System (EGEAS) modeling system to forecast PJM operations over time. Outputs from the EGEAS model include the estimated amount of energy that each plant within PJM will produce, fuel costs (which were based on historical fuel costs and include annual escalation at 2.5%), and each plant's projected capacity factor. Based on this information, the Company calculated the fuel cost for each of its plants within PJM. See the response to Question RP - L.9 for more detailed information.

- *Operation and maintenance expenses*

For 1997, operation and maintenance expenses are based on the budgeted operation and maintenance expenses for 1997, plus applicable costs related to the Cowanesque and Merrill Creek reservoirs. Cowanesque serves both Susquehanna SES and Montour SES, and costs are allocated 75% to Susquehanna and 25% to Montour. Merrill Creek serves the Martins Creek facilities. For 1997 through 2001, the Company has an operations and maintenance plan, which reflects specific costs designed to achieve certain availability goals. Beyond that time frame, direct operation and maintenance costs are escalated at the rate of 2.5%, with certain adjustments. For example, in 2004, operation and maintenance costs are increased to reflect the installation of additional equipment to comply with clean air requirements. Other minor adjustments to reflect timing differences between plant outages also are incorporated. In addition, operation and maintenance costs are projected to begin to decline the two years before a plant is retired. Because all plants are projected to retire on June 30 of their retirement year, operation and maintenance costs in that final year are one-half the annual level. Operation and maintenance expenses also include administrative and general expenses associated with fossil operations. They were calculated by taking 66.1% (the percentage of the Company related to the generation function [See Note 1]) of the administrative and general expenses. Between 1997 and 2001, these costs are projected to actually decline as the Company re-engineers its processes in preparation for competition. Beginning in 2002, costs are calculated to escalate at a 2.5% rate. The model allocates 51.54% of the generation-related administrative and general costs to fossil operations (See Note 1), until large plants begin to retire. At that point, the model assumes that some administrative and general costs would be eliminated. Therefore, the model, beginning in 2013, reflects the level of administrative

and general costs in direct proportion to the level of direct operation and maintenance expenses.

- *Decommissioning*

Unlike decommissioning costs associated with nuclear operations, decommissioning costs for fossil operations are not included in present rates. In conjunction with PP&L's most recent base rate case at Docket No. R-00943271, PP&L submitted a study that estimated the Company's decommissioning costs for its wholly owned fossil plants. See response to RP - L.2. for the decommissioning study completed for fossil plants.

Decommissioning estimates for Keystone and Conemaugh are based on a 1996 study conducted by an independent consultant and provided by the plant operator. Using the studies for its basis, the model escalates each fossil plant's decommissioning costs at a 2.5% annual rate to the end of its book life. The model assumes that the decommissioning costs are incurred over three years: 40% in the year a plant is retired, 40% the year after, and 20% the year after that.

- *Income Taxes*

The model calculates income taxes by recognizing that taxes can be calculated by their relationship to the return on investment. The equity return on fossil operations equals fossil rate base multiplied by 5.75%, the portion of the weighted cost of capital applicable to preferred and common equity (see Attachment 1). The equity return is essentially equal to 58.5% of taxable income, because since income taxes are essentially 41.5% of taxable income. Total income taxes also include the amortization of investment tax credits. The amortization of investment tax credits uses the straight-line methodology over the life of the related assets. The actual income tax rate of 41.4935% is the net tax rate for federal and state taxes, calculated as follows:

Statutory federal tax rate	35.0000%
Statutory state tax rate	9.9900%
Less: impact of state tax deduction for federal taxes	<u>-3.4965%</u>
Effective income tax rate	<u><u>41.4935%</u></u>

- *Taxes other than income taxes:*

The model escalates 1996's taxes other than income at a rate of 2.5% over the life of the plants. For 1996, taxes other than income includes the fossil portion (51.54% of the 66.1% allocated to generation -- see Note 1) of capital stock taxes. Payroll taxes, which normally are included in taxes other than income, are already included as a component of operation and maintenance expenses. For PURTA taxes, the portion allocable to fossil generation was determined by direct assignment. Although PP&L's total taxes other than

income include gross receipts tax, the model excludes them, because the estimated market revenues also excludes gross receipts tax.

Market revenue: Market revenues are the sum of the value of energy and capacity. The output from the Electric Generation Expansion Analysis System provides the market revenues associated with energy, based on estimates of the value of each plant's capacity. See the response to Question RP - L.9.

PUC jurisdictional %: See Note 1.

Contracts with Non-Utility Generators

General: PP&L's calculation of stranded costs is the present value (as of January 1, 1999) of the PUC-jurisdictional portion of the amount by which the price for energy purchased, as set forth in contracts with non-utility generators (NUGs), exceeds the MCPG. In addition, the contract buyout costs associated with two contracts with NUGs also are included in the stranded costs calculation.

Purchases: PP&L calculated the amount it will have to pay the NUGs, in most cases, by multiplying the estimated generation for each NUG by the applicable contract price. Annual generation from each NUG, except for Paxton Creek, Keystone, and West Allegheny, is estimated on the basis of its average annual generation during the three years 1994-1996 and is assumed to continue at this level until the contract ends.

- For the Paxton Creek NUG, the model reflects the renegotiated contract between PP&L and Paxton Creek that was approved by the Commission at Docket Nos. P-00950915 and R-0953346. The new contract, which expires in 2002, calls for Paxton Creek to generate power when requested by PP&L, providing a minimum of 10,800 MWH annually (thereby becoming a dispatchable unit instead of a base-load unit, like other NUGs). In return, PP&L has agreed to pay Paxton Creek \$504,000 annually plus a variable cost payment equal to actual variable costs. The variable cost payment is limited to a total payment of \$371,000 annually, multiplied by a fuel index. The total annual fixed and variable payments approximate \$875,000.
- Keystone began operations in December 1994 and reached current output levels in 1996. The 1996 output levels were used as the estimate for future generation.
- For West Allegheny, which is forecasted to be placed in service on January 1, 1998, PP&L used a 80% capacity factor (based on data supplied by West Allegheny to FERC) to estimate annual generation. Because the contract price of 2.7¢/kwh for West Allegheny is less than the estimated MCPG for six of the contract's ten years, the effect of this contract reduces the total stranded costs estimated for NUGs.

Market value: The market value of the NUG generation is calculated by multiplying the estimated energy purchased from the NUGs by the MCPG, as detailed in the response to Question RP - L.9. For all of the NUGs except Paxton Creek, the MCPG used is the weighted average MCPG that is appropriate for base-load units. For Paxton Creek, the MCPG used is the peak MCPG, because Paxton Creek is dispatched only during times of peak system demand.

Buyout costs: As part of PP&L's efforts to mitigate its level of stranded costs, PP&L has entered into agreements to buy out contracts with two NUGs-- Continental and Archbald. The Continental buyout has been approved by the PUC at Docket No. P-00961023; the Archbald buyout is still pending PUC approval. The payments to buy out these two contracts are included in PP&L's calculation of stranded costs.

PUC-jurisdictional percent: See Note 1.

Net regulatory assets

General: PP&L's calculation of stranded costs is the present value (as of January 1, 1999) of the PUC-jurisdictional portion of PP&L's net regulatory assets that are generation-related. They include taxes recoverable through future rates, the assessment for decommissioning DOE's uranium enrichment facilities and deferred charges associated with employee benefits, such as costs related to PP&L's Voluntary Early Retirement Plan (VERP). Each regulatory asset is discussed below.

Some regulatory assets are specifically related to generation, such as the assessment for decommissioning DOE's uranium enrichment facilities, and others are related to all functional areas, such as the VERP. For regulatory assets that are related to all functional areas, only that portion applicable to generation has been included in the stranded costs calculation. See Note 1.

In addition, some regulatory assets are applicable only to PUC-jurisdictional customers, such as costs related to the Susquehanna SES Unit 2 "window" deferral, and others are applicable to both PUC- and FERC-jurisdictional customers, such as the deferred costs of postretirement benefits other than pensions. For regulatory assets that are related to all customers, only the portion allocable to PUC-jurisdictional customers has been included in the stranded costs calculation. See Note 1.

For SEC reporting, PP&L includes as a regulatory asset the unamortized loss on reacquired debt. The amortization of the loss on reacquired debt increases the effective weighted cost of capital and, consequently, the Company's revenue

requirements. Therefore, the model does not include the loss in the calculation of stranded costs, because that would result in a double-counting of these costs.

Unrecovered Energy Costs: On January 1, 1997, the portion of PP&L's energy costs being recovered through the ECR was rolled into base rates, and the ECR became inactive. At that date, PP&L had unrecovered energy costs of \$17.2 million associated with the ECR. The PUC issued a tentative order at Docket Nos. P-00961131 and R-00963842 on December 19, 1996 allowing PP&L to defer as a regulatory asset the unrecovered energy costs as of December 31, 1996, as well as future amounts that represent the difference between the amount of rolled-in rates and PP&L's estimated on-going energy costs; that difference is estimated at \$31.5 million per year for PUC-jurisdictional customers, per the Company filing and Commission order. PP&L booked as a regulatory asset 16.9 million of the 1996 underrecovery in December 1996 and the remaining \$0.3 million in January 1997. PP&L included in its calculation of stranded costs the \$17.2 million of actual unrecovered 1996 energy costs and \$31.5 million of estimated unrecovered on-going energy costs for the years 1997 and 1998. Since the model calculated stranded costs by determining the present value of the stream of amortizations, the entire balance is simply shown as an amortization in 1999.

Postretirement Benefits Other Than Pensions: The PUC, in its Final Order at Docket No. R-00943271, permitted recovery of the PUC-jurisdictional amount of retiree health care costs resulting from the adoption of Statement of Accounting Standards (SFAS) 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions." In addition, the PUC permitted PP&L to recover, over a period of about 17 years, the amount of SFAS 106 costs that would have been deferred from January 1, 1993, through September 30, 1995. PP&L included in its calculation of stranded costs the present value of the recovery of these generation-related deferred costs that are applicable to PUC-jurisdictional customers.

Deferred Susquehanna Operating and Carrying Costs: The PUC, in its Final Order at Docket No. R-00943271, permitted recovery over ten years of certain deferred operating and capital costs, net of energy savings, incurred from the time Susquehanna Unit 2 was placed in commercial operation until the effective date of base rate recognition for that unit. PP&L included in its calculation of stranded costs the present value of the recovery of these costs.

Utility Plant Carrying Charges Recorded on Common Facilities After In-service Date: Utility plant carrying charges are carrying charge accruals for common facilities that were not included in rates for Pennsylvania rate-making purposes when Susquehanna Unit 1 and Martins Creek Unit 3 were placed in commercial operation. These charges were reclassified in 1987 from electric utility plant in service to a deferred debit in accordance with a FERC order. Such

charges are being amortized over the remaining depreciable life of the related property and are reflected in PUC electric service rates. PP&L included in its calculation of stranded costs the present value of the recovery of these costs.

Retired Miners' Health Care Benefits: The Energy Policy Act of 1992 imposed a new liability on PP&L for the health care of retired coal miners. In December 1992, PP&L recorded a liability of approximately \$36 million, which represented the present value of the health care benefits. The PUC allowed recovery of the PUC-jurisdictional portion of these costs through the ECR over a 10-year period beginning in April 1994, and the amount was set a level that recognized that the liability would be increased each year to account for the passage of time. In January 1997, the portion of the liability that was included in a subsidiary's books was transferred to PP&L's books to maximize tax benefits, and PP&L reduced the regulatory asset by the increased tax benefits, or \$1.56 million. Because the calculations for the health care benefits are already stated on a present value basis, PP&L included in its calculation of stranded costs the recorded value of the regulatory asset at January 1, 1999. The model calculated stranded costs by determining the present value of the stream of amortizations, so the entire balance is simply shown as an amortization in 1999.

DOE Assessment: The Energy Policy Act of 1992 provides for an assessment, over a 15-year period, on utilities with nuclear power operations to provide funds for the decontamination and decommissioning of DOE's uranium enrichment facilities. The Energy Act states that the assessment shall be deemed a necessary and reasonable current cost of fuel and shall be fully recoverable in rates in all jurisdictions in the same manner as other fuel costs. In December 1992, PP&L accrued an estimated liability for its total assessment in the amount of approximately \$39 million, subject to adjustment for inflation. PP&L included in its calculation of stranded costs the present value of the recovery of these costs from PUC-jurisdictional customers.

Deferred Susquehanna refueling costs: This regulatory asset represents incremental maintenance costs incurred during refueling and inspection outages which are deferred and subsequently amortized from the end of the outage until the next scheduled refueling and inspection outage is completed. PP&L included in its calculation of stranded costs the PUC-jurisdictional portion of these costs.

Voluntary Early Retirement Plan (VERP): The PUC, in its Final Order at Docket No. R-00943271, permitted recovery over five years of the PUC-jurisdictional amount of PP&L's 1994 VERP. PP&L included in its calculation of stranded costs the present value of the recovery of these deferred costs that are applicable to the generation function.

Employee Transition Costs: PP&L estimated additional severance and incremental pension costs expected to be incurred between 1997-2001 as a

result of the Company's projected decline in the number of employees as the Company prepares for a competitive market and calculated a 5-year amortization period for the costs incurred in each of those years. PP&L included in its calculation of stranded costs the present value of the recovery of these deferred costs that are applicable to the generation function.

1994 Rate Case Expenses: The PUC, in its Final Order at Docket No. R-00943271, permitted recovery over four years of expenses incurred as a result of the Company's most recent base rate case. PP&L included in its calculation of stranded costs the present value of the recovery of these deferred costs that are applicable to the generation function.

Taxes Recoverable Through Future Rates: Taxes recoverable represent tax liabilities (1) emanating from past regulated operations which have not been funded by ratepayers and (2) that the Company is obligated to pay in the future to taxing authorities. In a capital-intensive industry such as the electric utility industry, significant power plant construction occurred over the last several decades to alleviate a generating capacity shortage dating back to the 1960s. The Internal Revenue Code permits taxpayers to deduct the cost of plant and equipment over a time frame that generally is shorter than the property's useful life--which is used by regulators to set rates. Accordingly, the cost of property, in the earlier years of the property's life, generally is depreciated faster for tax purposes than for regulatory purposes. This increased depreciation results in tax benefits greater than a level commensurate with the level of book depreciation used for rate-setting purposes. Conversely, depreciation of property in the later years of its life is lower for tax purposes than for regulatory purposes.

In addition to the method difference discussed in the preceding paragraph, the cost of property that is subject to depreciation for accounting and regulatory purposes (book cost) has historically differed from the cost of property that is depreciated for tax purposes (tax cost). The book cost includes the cost of money obtained by issuing debt and equity securities and used to finance construction. In the case of power plant construction, which may span several years, this cost of money can accumulate to a substantial sum.

Until the 1980s tax cost has excluded the cost of money. In fact, taxpayers were allowed to currently deduct interest on debt used to finance construction until the tax rules were changed in 1982 and 1986 imposing requirements to capitalize interest.

In Pennsylvania, rates traditionally have been set based on the doctrine of "actual taxes paid." The tax benefits greater than those commensurate with the level of book depreciation in the early life of property have been used--to the extent permitted by federal law--- under the doctrine of "actual taxes paid" to reduce customer rates from levels that would otherwise apply in the absence of

such tax benefits. Accordingly, taxes recoverable is the aggregate of those tax benefits greater than the level commensurate with book depreciation that will become due in the future and should be collectable from ratepayers then and which have benefited ratepayers in the past through reduced rates.

Taxes recoverable were calculated pursuant to the adoption of SFAS109, "Accounting for Income Taxes". In its calculation of deferred taxes required under the accounting standard, PP&L calculated and compared the total amount of deferred taxes under SFAS 109 that would have been recorded if the Company had considered all temporary differences at current Federal and state rates to the amount of deferred taxes previously recorded on its books and records. The net difference, or the amount of unrecorded deferred taxes, was "grossed-up" to the revenue requirement level. The sum of the unrecorded deferred taxes and the applicable revenue requirement "gross-up" represents the SFAS 109 taxes recoverable which are recorded on the Company's books and recoverable through future rates. PP&L included in its calculation of stranded costs the present value of the recovery of these costs that is applicable to generation and PUC-jurisdictional customers

Investment Tax Credits (Regulatory Liability): When federal tax law allowed the Company to take advantage of investment tax credits, the Company deferred immediate recognition of these credits as income by recording a liability for accumulated deferred investment tax credits. The amortization of accumulated investment tax credits, including the associated income tax effect, reduces the cost of service over the lives of the assets that generated the investment tax credits, and accordingly, customer rates. In connection with the adoption of SFAS 109, "Accounting for Income Taxes," the Company recorded a deferred tax asset for the associated income tax effect of accumulated deferred investment tax credits and a regulatory liability to recognize the rate treatment of the tax effect. PP&L included in its calculation of stranded costs the present value of the return of these deferred costs that are applicable to the generation function and to PUC-jurisdictional customers.

Note 1: Allocators used in the model are derived from JMK1, which is a copy of the cost-allocation study that complies with the Commission's Final Order in the Company's most recent base rate proceeding at Docket No. R--00943271. This attachment is discussed in Statement 3, the direct testimony of Joseph M. Kleha..

Pennsylvania Power & Light Company
Cost of Capital and Discount Rate Calculation

	Balance Dec. 31, 1996	(1) Ratio	(2) Cost of Capital	(1) x (2) Weighted Cost of Capital	After Tax Rate
Long-term debt	\$2,744,256	47.0%	7.89%	3.71%	2.17%
Preferred stock	454,911	7.8%	7.10%	0.55%	0.55%
Common equity	2,637,839	45.2%	11.50% *	5.20%	5.20%
	<u>\$5,837,006</u>	<u>100.0%</u>		<u>9.46%</u>	<u>7.92%</u>

* Rate of return on common equity granted by the Commission in its Final Order at Docket No. R-00943271.

Deferred Income Taxes

Re: Accumulated Deferred Income Taxes - Class Life System - Account 28200

PP&L does not currently provide for deferred income taxes related to accelerated tax depreciation of assets acquired prior to January 1, 1981. However, through December 31, 1980, the Company did provide for deferred taxes associated with the difference between 1) tax depreciation resulting from using class lives under the ADR system of depreciation versus 2) tax depreciation resulting from the use of guideline lives in effect prior to the ADR system of depreciation. In accordance with the Commission's Final Order at Docket No. R-80031114, provisions for deferred income taxes were terminated. Reversals of amounts deferred through December 31, 1980, were started as of January 1, 1981. The annual deferred tax amortization is calculated by applying the timing difference reversal times the composite federal and state tax rates until the original deferred income taxes are fully amortized.

Re: Accumulated Deferred Income Taxes - ACRS - Account 28230

PP&L is deferring federal income taxes associated with the use of accelerated tax depreciation under the Accelerated Cost Recovery System (ACRS) of the Economic Recovery Tax Act of 1981 in compliance with the Commission's Final Order at Docket No. R-811636. The Company provides deferred federal income taxes associated with the difference between 1) tax depreciation using the ACRS of depreciation versus 2) depreciation using the method utilized in computing regulated depreciation expense (i.e.: Tax Basis at Book Rates). The deferred income taxes are amortized in accordance with Section 203(e) of the Tax Reform Act of 1986. The amortization is calculated by applying the timing difference reversal times the ratio of the cumulative deferred taxes divided by the cumulative timing differences.

Important notes:

-Deferred Income Tax Deferral/Amortization is recorded by tax vintage by functional plant. Regulated depreciation expense is maintained on a composite vintage basis.

-PP&L does not provide for any state deferred income taxes associated with the use of ACRS tax depreciation.

Pennsylvania Power & Light Company
 Reversal of Deferred Income Taxes-NUCPR Assets
 Account 28230
Based on 12/31/96 Balance plus Projected Additions

	Total	SSES #1	SSES #2
Balance @ 12/31/96	788,670,598	399,956,149	388,714,449
1997 Provision/(Amort)	(42,860,654)	(21,994,304)	(20,866,350)
Balance @ 12/31/97	745,809,944	377,961,845	367,848,099
1998 Provision/(Amort)	(41,842,498)	(21,478,543)	(20,363,955)
Balance @ 12/31/98	703,967,446	356,483,302	347,484,144
1999 Provision/(Amort)	(20,289,668)	(10,557,838)	(9,731,830)
Balance @ 12/31/99	683,677,778	345,925,464	337,752,314
2000 Provision/(Amort)	(19,987,563)	(10,422,624)	(9,564,939)
Balance @ 12/31/00	663,690,215	335,502,840	328,187,375
2001 Provision/(Amort)	(18,465,154)	(9,677,913)	(8,787,241)
Balance @ 12/31/01	645,225,061	325,824,927	319,400,134
2002 Provision/(Amort)	(19,286,009)	(10,260,502)	(9,025,507)
Balance @ 12/31/02	625,939,052	315,564,425	310,374,627
2003 Provision/(Amort)	(20,490,253)	(10,959,532)	(9,530,721)
Balance @ 12/31/03	605,448,799	304,604,893	300,843,906
2004 Provision/(Amort)	(21,031,650)	(11,156,441)	(9,875,209)
Balance @ 12/31/04	584,417,149	293,448,452	290,968,697
2005 Provision/(Amort)	(21,511,871)	(11,431,760)	(10,080,111)
Balance @ 12/31/05	562,905,278	282,016,692	280,888,586
2006 Provision/(Amort)	(21,954,315)	(11,636,682)	(10,317,633)
Balance @ 12/31/06	540,950,963	270,380,010	270,570,953
2007 Provision/(Amort)	(22,570,313)	(11,949,974)	(10,620,339)
Balance @ 12/31/07	518,380,650	258,430,036	259,950,614
2008 Provision/(Amort)	(23,308,056)	(12,447,386)	(10,860,670)
Balance @ 12/31/08	495,072,594	245,982,650	249,089,944
2009 Provision/(Amort)	(24,327,034)	(12,917,017)	(11,410,017)
Balance @ 12/31/09	470,745,560	233,065,633	237,679,927

Pennsylvania Power & Light Company
 Reversal of Deferred Income Taxes-NUCPR Assets
 Account 28230
Based on 12/31/96 Balance plus Projected Additions

	Total	<u>SSES #1</u>	<u>SSES #2</u>
2010 Provision/(Amort)	(25,599,956)	(13,602,358)	(11,997,598)
Balance @ 12/31/10	445,145,604	219,463,275	225,682,329
2011 Provision/(Amort)	(26,566,855)	(14,220,926)	(12,345,929)
Balance @ 12/31/11	418,578,749	205,242,349	213,336,400
2012 Provision/(Amort)	(27,449,347)	(14,673,397)	(12,775,950)
Balance @ 12/31/12	391,129,402	190,568,952	200,560,450
2013 Provision/(Amort)	(28,695,082)	(15,375,150)	(13,319,932)
Balance @ 12/31/13	362,434,320	175,193,802	187,240,518
2014 Provision/(Amort)	(30,141,852)	(16,195,857)	(13,945,995)
Balance @ 12/31/14	332,292,468	158,997,945	173,294,523
2015 Provision/(Amort)	(31,837,815)	(17,166,827)	(14,670,988)
Balance @ 12/31/15	300,454,653	141,831,118	158,623,535
2016 Provision/(Amort)	(33,853,607)	(18,333,348)	(15,520,259)
Balance @ 12/31/16	266,601,046	123,497,770	143,103,276
2017 Provision/(Amort)	(36,287,876)	(19,762,655)	(16,525,221)
Balance @ 12/31/17	230,313,170	103,735,115	126,578,055
2018 Provision/(Amort)	(39,162,726)	(21,431,142)	(17,731,584)
Balance @ 12/31/18	191,150,444	82,303,973	108,846,471
2019 Provision/(Amort)	(31,264,877)	(12,091,791)	(19,173,086)
Balance @ 12/31/19	159,885,567	70,212,182	89,673,385
2020 Provision/(Amort)	(17,308,749)	(3,728,019)	(13,580,730)
Balance @ 12/31/20	142,576,818	66,484,163	76,092,655
2021 Provision/(Amort)	(5,798,239)	(3,616,651)	(2,181,588)
Balance @ 12/31/21	136,778,579	62,867,512	73,911,067
2022 Provision/(Amort)	(65,158,142)	(62,867,512)	(2,290,630)
Balance @ 12/31/22	71,620,437	0	71,620,437

Pennsylvania Power & Light Company
 Reversal of Deferred Income Taxes-NUCPR Assets
 Account 28230
Based on 12/31/96 Balance plus Projected Additions

	Total	<u>SSES #1</u>	<u>SSES #2</u>
2023 Provision/(Amort)	(2,847,919)	0	(2,847,919)
Balance @ 12/31/23	68,772,518	0	68,772,518
2024 Provision/(Amort)	(68,772,518)	0	(68,772,518)
Balance @ 12/31/24	0	0	0

TAB

B

STRANDED EVALUATION
PUC Summary

<u>NPV (thousands of \$)</u>	<u>1/1/99</u>
NUCLEAR	(2,851,961)
FOSSIL	(718,219)
NUG's	(656,870)
REGULATORY ASSETS	<u>(383,911)</u>
NPV TOTAL	<u>(4,610,961)</u>

STRANDED EVALUATION
SusqSummary

PP&L Stranded Capital Summary										
(thousands of \$)										
SUSQUEHANNA	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenue Required w/out GR	835,833	827,528	720,851	720,616	720,274	720,977	722,508	726,476	730,953	735,879
Market Revenue	305,304	295,995	326,701	351,446	384,575	410,117	419,227	429,429	430,567	442,580
Total Excess/(deficiency)	(530,530)	(531,533)	(394,150)	(369,170)	(335,699)	(310,860)	(303,281)	(297,048)	(300,387)	(293,298)
PUC Jurisdiction %	83.0%	85.2%	87.3%	89.5%	93.7%	96.5%	96.5%	96.5%	96.5%	96.5%
PUC Excess/(deficiency)	(440,075)	(452,760)	(344,251)	(330,296)	(314,617)	(299,918)	(292,605)	(286,592)	(289,813)	(282,974)
Sum-year indicated to 2024	(6,562,668)	(6,122,594)	(5,669,834)	(5,325,583)	(4,995,287)	(4,680,670)	(4,380,752)	(4,088,146)	(3,801,554)	(3,511,741)
Total NPV - Nuclear	(3,258,186)	(3,069,404)	(2,851,961)	(2,729,192)	(2,610,812)	(2,498,969)	(2,393,184)	(2,286,294)	(2,176,861)	(2,055,098)
Discount rate is:	7.92%									

STRANDED EVALUATION
SusqSummary

(thousands of \$)										
SUSQUEHANNA	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue Required w/out GR	741,308	743,703	749,640	756,173	763,107	770,653	778,615	787,469	797,002	807,462
Market Revenue	473,406	487,930	503,868	519,638	534,455	549,232	567,619	573,521	590,193	603,320
Total Excess/(deficiency)	(267,902)	(255,774)	(245,772)	(236,535)	(228,652)	(221,420)	(210,995)	(213,948)	(206,809)	(204,143)
PUC Jurisdiction %	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%
PUC Excess/(deficiency)	(258,472)	(246,771)	(237,120)	(228,209)	(220,603)	(213,626)	(203,568)	(206,418)	(199,529)	(196,957)
Sum-year indicated to 2024	(3,228,767)	(2,970,295)	(2,723,525)	(2,486,404)	(2,258,196)	(2,037,592)	(1,823,966)	(1,620,398)	(1,413,980)	(1,214,451)
Total NPV - Nuclear	(1,930,427)	(1,820,927)	(1,714,568)	(1,609,481)	(1,505,004)	(1,399,834)	(1,293,261)	(1,188,366)	(1,071,899)	(953,011)
Discount rate is:										

STRANDED EVALUATION
SusqSummary

(thousands of \$)									
SUSQUEHANNA	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue Required w/out GR	818,799	831,937	847,633	866,409	844,865	602,103	450,368	109,025	0
Market Revenue	618,284	633,882	649,585	665,972	682,470	540,580	358,589	167,162	0
Total Excess/(deficiency)	(200,515)	(198,055)	(198,048)	(200,437)	(162,396)	(61,523)	(91,779)	58,136	-
PUC Jurisdiction %	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	96.5%	0.0%
PUC Excess/(deficiency)	(193,457)	(191,084)	(191,077)	(193,381)	(156,679)	(59,358)	(88,548)	56,090	-
Sum-year indicated to 2024	(1,017,495)	(824,037)	(632,954)	(441,877)	(248,495)	(91,816)	(32,458)	56,090	-
Total NPV - Nuclear	(827,024)	(694,319)	(553,175)	(400,444)	(232,778)	(89,405)	(35,188)	53,756	-
Discount rate is:									

STRANDED EVALUATION
Fossil Summary

PP&L Stranded Capital Summary												
(thousands of \$)												
FOSSIL	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenue Required w/out GRT	883,293	870,582	864,533	894,352	917,069	927,515	948,105	984,173	1,043,262	1,066,559	1,082,079	1,077,519
Market revenue	635,887	590,424	658,221	727,436	829,610	902,728	926,268	934,313	941,870	975,567	1,048,713	1,068,353
Total Excess/(deficiency)	(247,405)	(280,158)	(206,312)	(166,915)	(87,459)	(24,788)	(21,837)	(49,861)	(101,392)	(90,992)	(33,366)	(9,167)
PUC Jurisdiction %	88.43%	91.83%	90.9415	95.92%	96.62%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%
PUC Excess/(deficiency)	(218,780)	(257,269)	(194,243)	(160,105)	(84,503)	(24,014)	(21,156)	(48,305)	(98,228)	(88,153)	(32,325)	(8,881)
Sum-year indicated to 2045	(1,426,533)	(1,207,752)	(950,483)	(756,241)	(596,135)	(511,632)	(487,618)	(466,462)	(418,157)	(319,929)	(231,776)	(199,451)
Total NPV - Fossil	(1,050,850)	(910,266)	(718,219)	(575,762)	(457,007)	(406,907)	(415,424)	(427,605)	(412,631)	(344,651)	(281,535)	(271,136)
Discount rate is:	7.92%											

STRANDED EVALUATION
Fossil Summary

(thousands of \$)												
FOSSIL	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue Required w/out GRT	1,103,127	1,133,996	1,036,480	962,706	846,627	782,384	631,397	535,684	373,584	179,795	88,379	39,018
Market revenue	1,104,850	1,012,114	912,277	941,657	975,007	765,843	532,047	507,537	281,377	44,062	45,073	46,108
Total Excess/(deficiency)	1,723	(121,882)	(124,204)	(21,048)	128,380	(16,541)	(99,350)	(28,147)	(92,207)	(135,733)	(43,306)	7,090
PUC Jurisdiction %	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%
PUC Excess/(deficiency)	1,669	(118,080)	(120,329)	(20,392)	124,374	(16,025)	(96,250)	(27,268)	(89,330)	(131,498)	(41,955)	6,869
Sum-year indicated to 2045	(190,570)	(192,239)	(74,160)	46,169	66,560	(57,814)	(41,789)	54,462	81,730	171,060	302,558	344,513
Total NPV - Fossil	(284,197)	(309,272)	(212,213)	(104,850)	(92,314)	(228,886)	(231,067)	(150,225)	(134,284)	(52,669)	79,384	129,416
Discount rate is:												

STRANDED EVALUATION
Fossil Summary

(thousands of \$)													
FOSSIL	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Revenue Required w/out GRT	39,291	39,564	39,846	40,133	41,830	42,138	42,457	42,787	43,129	43,486	43,862	44,226	44,527
Market revenue	47,167	48,250	49,359	50,493	51,654	52,841	54,057	55,300	56,573	57,875	59,207	60,571	61,966
Total Excess/(deficiency)	7,876	8,686	9,513	10,360	9,824	10,703	11,600	12,514	13,444	14,389	15,345	16,345	17,439
PUC Jurisdiction %	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%
PUC Excess/(deficiency)	7,630	8,415	9,216	10,037	9,518	10,369	11,238	12,123	13,025	13,940	14,866	15,835	16,894
Sum-year indicated to 2045	337,644	330,014	321,598	312,382	302,345	292,828	282,458	271,220	259,097	246,072	232,132	217,266	201,431
Total NPV - Fossil	132,922	135,926	138,364	140,171	141,275	143,008	144,001	144,174	143,443	141,717	138,900	134,891	129,549
Discount rate is:													

STRANDED EVALUATION
Fossil Summary

(thousands of \$)												
FOSSIL	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Revenue Required w/out GRT	42,951	40,662	41,009	41,372	41,757	42,169	42,621	43,139	43,508	43,416	28,351	2,700
Market revenue	58,955	55,774	57,061	58,379	59,727	61,107	62,519	63,964	65,442	66,956	34,252	0
Total Excess/(deficiency)	16,003	15,112	16,052	17,006	17,970	18,938	19,897	20,825	21,934	23,540	5,901	(2,700)
PUC Jurisdiction %	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%	96.88%
PUC Excess/(deficiency)	15,504	14,640	15,551	16,476	17,410	18,347	19,277	20,175	21,250	22,806	5,717	(2,616)
Sum-year indicated to 2045	184,537	169,033	154,393	138,841	122,366	104,956	86,609	67,332	47,157	25,907	3,101	(2,616)
Total NPV - Fossil	122,669	116,665	111,065	104,059	95,519	85,309	73,288	59,316	43,264	24,779	3,163	(2,507)
Discount rate is:												

STRANDED EVALUATION
NUGsSummary

PP&L Stranded Capital Summary										
(thousands of \$)										
NUGs	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Purchases	178,428	168,576	168,576	168,576	168,576	168,576	167,701	167,701	167,701	167,701
Market value	63,127	57,779	63,901	68,778	75,321	80,403	81,241	83,199	83,438	85,747
Cost over market	(115,300)	(110,797)	(104,676)	(99,799)	(93,256)	(88,173)	(86,460)	(84,502)	(84,263)	(81,954)
Buyout Payments	(17,311)	(20,732)	(20,732)	(20,732)	(19,974)	-	-	-	-	-
Total Excess/(Deficiency)	(132,612)	(131,530)	(125,408)	(120,531)	(113,230)	(88,173)	(86,460)	(84,502)	(84,263)	(81,954)
PUC Jurisdiction %	96.46%	96.70%	96.97%	96.72%	97.14%	97.27%	97.27%	97.27%	97.27%	97.27%
PUC Excess/(Deficiency)	(127,917)	(127,189)	(121,345)	(116,578)	(109,991)	(85,766)	(84,100)	(82,195)	(81,963)	(79,717)
Sum-year indicated to 2015	(1,179,427)	(1,051,510)	(924,321)	(802,976)	(686,399)	(576,407)	(490,641)	(406,541)	(324,346)	(242,383)
Total NPV - NUG Related	(796,175)	(728,908)	(656,870)	(584,977)	(512,123)	(440,115)	(387,317)	(331,910)	(273,927)	(211,423)
Discount Rate is:	7.92%									

STRANDED EVALUATION
NUGsSummary

(thousands of \$)										
NUGs	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Purchases	167,701	115,105	82,008	5,983	2,421	2,421	2,421	2,355	-	
Market value	91,740	63,934	47,256	3,662	1,595	1,639	1,694	1,664	-	
Cost over market	(75,961)	(51,171)	(34,752)	(2,321)	(826)	(782)	(727)	(691)	-	
Buyout Payments	-	-	-	-	-	-	-	-	-	
Total Excess/(Deficiency)	(75,961)	(51,171)	(34,752)	(2,321)	(826)	(782)	(727)	(691)	-	
PUC Jurisdiction %	97.27%	97.27%	97.27%	97.27%	97.27%	97.27%	97.27%	97.27%	97.27%	
PUC Excess/(Deficiency)	(73,888)	(49,774)	(33,804)	(2,258)	(804)	(761)	(707)	(672)	-	
Sum-year indicated to 2015	(162,666)	(88,779)	(39,005)	(5,201)	(2,944)	(2,140)	(1,379)	(672)	-	
Total NPV - NUG Related	(146,114)	(81,486)	(36,558)	(4,503)	(2,531)	(1,906)	(1,273)	(644)	-	
Discount Rate is:										

STRANDED EVALUATION
RegAsset Summary

PP&L Stranded Capital Summary											
(thousands of \$)											
REGULATORY ASSETS	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Amortization	(50,919)	(52,473)	(122,081)	(26,261)	(20,676)	(19,630)	(19,713)	(19,409)	(20,009)	(19,754)	(21,372)
Total NPV - Reg. Assets	(423,115)	(405,060)	(383,911)	(288,833)	(285,322)	(287,315)	(290,557)	(293,979)	(297,997)	(301,722)	(306,018)

STRANDED EVALUATION
RegAsset Summary

(thousands of \$)											
REGULATORY ASSETS	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Amortization	(22,384)	(32,208)	(55,303)	(29,942)	(33,379)	(36,236)	(49,327)	(47,987)	(29,624)	(39,546)	(27,523)
Total NPV - Reg. Assets	(308,989)	(311,154)	(303,308)	(270,867)	(262,063)	(248,970)	(231,839)	(199,725)	(166,363)	(149,305)	(120,555)

STRANDED EVALUATION
RegAsset Summary

(thousands of \$)							
REGULATORY ASSETS	2019	2020	2021	2022	2023	2024	2025
Amortization	(21,385)	(10,540)	(1,594)	(47,726)	698	(54,457)	-
Total NPV - Reg. Assets	(101,913)	(88,105)	(84,411)	(89,691)	(47,561)	(52,191)	-

TAB

C

STRANDED EVALUATION
Susq.Rollup

NUCLEAR CALCULATIONS				Escalation Rate	2.50%										
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Return	221,894	213,148	184,014	178,972	173,804	168,457	163,180	158,019	152,796	147,490	142,080	136,562	130,926	125,170	119,287
Taxes	90,080	86,310	73,751	71,577	69,350	67,045	64,770	62,545	60,293	58,006	55,674	53,296	50,866	48,385	45,849
Book Depreciation	187,847	187,733	116,367	118,150	119,696	120,478	121,587	123,947	126,497	129,261	132,267	135,549	139,146	143,110	147,501
Fuel Expense															
Mills/KWH	5.64	5.69	5.85	5.92	5.98	6.05	6.14	6.29	6.46	6.64	6.84	6.79	6.98	7.18	7.38
Total Fuel	76,290	76,984	79,130	80,096	80,889	81,854	83,053	85,101	87,382	89,837	92,522	91,866	94,416	97,143	99,828
O&M	204,336	206,875	209,990	213,075	216,612	222,013	227,552	233,231	239,053	245,021	251,137	257,404	263,826	270,436	277,207
Tax Other Than Inc.	43,708	44,799	45,919	47,067	48,243	49,449	50,686	51,953	53,252	54,583	55,947	57,346	58,780	60,249	61,755
Sub-Total	824,153	815,848	709,170	708,936	708,594	709,296	710,828	714,796	719,273	724,198	729,628	732,023	737,959	744,493	751,426
Decommissioning	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681
Revenue Required w/out GRT	835,833	827,528	720,851	720,616	720,274	720,977	722,508	726,476	730,953	735,879	741,308	743,703	749,640	756,173	763,107
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
REVENUES															
Generation (GWH)	13,527	13,530	13,527	13,530	13,527	13,530	13,527	13,530	13,527	13,530	13,527	13,530	13,527	13,530	13,527
Capacity	17,891	18,284	143,252	57,014	74,708	98,300	96,334	94,368	86,504	88,470	98,300	100,266	104,198	106,282	108,408
Energy	287,413	277,711	283,449	294,432	309,867	311,817	322,893	335,061	344,063	354,110	375,106	387,664	399,670	413,356	426,047
Total Revenues	305,304	295,995	326,701	351,446	384,575	410,117	419,227	429,429	430,567	442,580	473,406	487,930	503,868	519,638	534,455
Avg. MCPG	2.26	2.19	2.42	2.60	2.84	3.03	3.10	3.17	3.18	3.27	3.50	3.61	3.73	3.84	3.95
Cents/KWH															
Total	6.18	6.12	5.33	5.33	5.32	5.33	5.34	5.37	5.40	5.44	5.48	5.50	5.54	5.59	5.64

STRANDED EVALUATION
Susq.Rollup

NUCLEAR CALCULA														
Not Present Valued														
(thousands of \$)														
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Return	113,211	106,890	100,302	93,401	86,126	78,397	70,108	61,093	50,021	32,750	11,631	8,683	-2,907	0
Taxes	43,229	40,504	37,665	34,690	31,554	28,222	24,649	20,763	15,990	8,545	517	3,548	-2,507	0
Book Depreciation	152,399	157,906	164,158	171,339	179,714	189,679	201,867	217,397	238,582	228,024	133,547	115,312	1,397	0
Fuel Expense														
Mills/KWH	7.59	7.80	8.03	8.26	8.49	8.70	8.92	9.14	9.37	9.61	9.85	10.09	10.34	
Total Fuel	102,690	105,507	108,643	111,730	114,866	117,715	120,685	123,675	126,795	129,936	102,921	68,272	31,826	
O&M	284,143	291,244	298,517	305,995	313,651	321,488	329,540	337,782	346,217	354,878	281,034	186,422	43,452	
Tax Other Than Inc.	63,299	64,882	66,504	68,166	69,871	71,617	73,408	75,243	77,124	79,052	60,771	62,291	31,924	0
Sub-Total	758,972	766,934	775,788	785,321	795,782	807,119	820,256	835,952	854,728	833,185	590,423	444,528	103,185	0
Decommissioning	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	11,681	5,840	5,840	
Revenue Required w/out GRT	770,653	778,615	787,469	797,002	807,462	818,799	831,937	847,633	866,409	844,865	602,103	450,368	109,025	
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
REVENUES														
Generation (GWH)	13,530	13,527	13,530	13,527	13,530	13,527	13,530	13,527	13,530	13,527	10,453	6,765	3,077	
Capacity	110,576	112,787	115,043	117,344	119,691	122,659	125,754	128,869	132,120	135,393	107,244	71,139	33,163	
Energy	438,657	454,832	458,478	472,849	483,629	495,625	508,128	520,716	533,852	547,077	433,336	287,450	133,999	
Total Revenues	549,232	567,619	573,521	590,193	603,320	618,284	633,882	649,585	665,972	682,470	540,580	358,589	167,162	
Avg.MCPG	4.06	4.20	4.24	4.36	4.46	4.57	4.69	4.80	4.92	5.05	5.17	5.30	5.43	
Cents/KWH														
Total	5.70	5.76	5.82	5.89	5.97	6.05	6.15	6.27	6.40	6.25	5.76	6.66	3.54	

NUCLEAR														
Thousands of Dollars	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Nuclear Production														
Susquehanna SES #1	1,487,206	1,412,941	1,339,790	1,302,860	1,265,519	1,227,714	1,189,383	1,150,457	1,110,858	1,070,496	1,029,268	987,058	943,726	899,113
Susquehanna SES #2	1,531,755	1,460,140	1,389,591	1,355,213	1,320,501	1,285,408	1,249,884	1,213,872	1,177,308	1,140,118	1,102,221	1,063,523	1,023,916	983,275
Subtotal	3,018,961	2,873,081	2,729,381	2,658,073	2,586,020	2,513,122	2,439,267	2,364,329	2,288,165	2,210,614	2,131,490	2,050,581	1,967,642	1,882,388
Land (Incl general alloc)	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630
General plant alloc to Prod	119,860	122,569	123,399	122,059	120,101	118,320	115,666	113,010	110,350	107,687	105,020	102,350	99,677	96,999
Nuclear %	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846
General plant to nuclear	58,084	59,397	59,799	59,150	58,201	57,338	56,052	54,765	53,476	52,185	50,893	49,599	48,303	47,006
Intangible plant	3277	11520	8820	6120	3420	1080								
Total Nuclear	3,088,952	2,952,628	2,806,630	2,731,973	2,656,271	2,580,170	2,503,950	2,427,724	2,350,272	2,271,429	2,191,013	2,108,810	2,024,575	1,938,024
Accumulated deferred														
Income taxes-nuclear	786,575	743,789	702,022	681,806	661,894	643,504	624,293	603,878	582,921	561,484	539,604	517,109	493,876	469,624
Depreciation change			(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)
Inventory/Prepayments	43,227	44,308	45,415	46,551	47,715	48,907	50,130	51,383	52,668	53,985	55,334	56,718	58,136	59,589
Rate Base	2,345,605	2,253,147	1,945,184	1,891,878	1,837,252	1,780,734	1,724,947	1,670,390	1,615,179	1,559,091	1,501,903	1,443,578	1,383,995	1,323,149
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	232,845	221,894	213,148	184,014	178,972	173,804	168,457	163,180	158,019	152,796	147,490	142,080	136,562	130,926
FEDERAL & STATE TAXES														
Rate Base	2,345,605	2,253,147	1,945,184	1,891,878	1,837,252	1,780,734	1,724,947	1,670,390	1,615,179	1,559,091	1,501,903	1,443,578	1,383,995	1,323,149
Cost of Capital														
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	141,529	134,872	129,556	111,848	108,783	105,642	102,392	99,184	96,047	92,873	89,648	86,359	83,006	79,580
Invest tax credit Amort	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573
Taxable return	141,529	134,872	129,556	111,848	108,783	105,642	102,392	99,184	96,047	92,873	89,648	86,359	83,006	79,580
Fed & State Tax rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	94,801	90,080	86,310	73,751	71,577	69,350	67,045	64,770	62,545	60,293	58,006	55,674	53,296	50,866
Taxes Other Than Inc	42,640	43,706	44,799	45,919	47,067	48,243	49,449	50,686	51,953	53,252	54,583	55,947	57,346	58,780

NUCLEAR															
Thousands of Dollars	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Nuclear Production															
Susquehanna SES #1	853,030	805,249	755,497	703,437	648,649	590,592	528,552	461,544	388,136	306,059	179,088	-	-	-	-
Susquehanna SES #2	941,457	898,293	853,583	807,090	758,527	707,539	653,684	596,395	534,921	468,228	394,811	312,286	186,031	-	-
Subtotal	1,794,486	1,703,541	1,609,080	1,510,528	1,407,176	1,298,131	1,182,236	1,057,939	923,057	774,288	573,899	312,286	186,031	-	-
Land (Incl general alloc)	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630	8,630
General plant alloc to Prod	94,318	91,633	88,943	86,250	83,552	80,850	78,143	75,431	72,714	69,992	67,265	64,532	61,793	59,048	56,297
Nuclear %	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846	0.4846
General plant to nuclear	45,706	44,405	43,102	41,797	40,489	39,180	37,868	36,554	35,237	33,918	32,597	31,272	29,945	28,615	27,281
Intangible plant															
Total Nuclear	1,848,823	1,756,577	1,660,812	1,560,955	1,456,295	1,345,941	1,228,734	1,103,123	966,925	816,836	615,126	352,189	224,606	37,245	35,912
Accumulated deferred															
Income taxes-nuclear	444,099	417,607	390,233	361,612	331,545	299,782	266,003	229,790	190,702	159,512	142,278	136,554	71,471	68,698	(0)
Depreciation change	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(204,840)	(172,822)	(102,420)	(72,113)	-
Inventory/Prepayments	61,079	62,606	64,171	65,775	67,419	69,105	70,832	72,603	74,418	76,279	78,186	80,140	41,072	42,099	
Rate Base	1,260,963	1,196,736	1,129,910	1,060,277	987,329	910,423	828,723	741,097	645,801	528,763	346,194	122,953	91,787	(61,467)	35,912
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	125,170	119,287	113,211	106,890	100,302	93,401	86,126	78,397	70,108	61,093	50,021	32,750	11,631	8,683	(2,907)
FEDERAL & STATE TAXES															
Rate Base	1,260,963	1,196,736	1,129,910	1,060,277	987,329	910,423	828,723	741,097	645,801	528,763	346,194	122,953	91,787	(61,467)	35,912
Cost of Capital															
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	76,081	72,505	68,812	64,970	60,966	56,771	52,349	47,652	42,613	37,134	30,404	19,906	7,070	5,278	(3,534)
Invest tax credit Amort	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	4,497	195	-
Taxable return	76,081	72,505	68,812	64,970	60,966	56,771	52,349	47,652	42,613	37,134	30,404	19,906	7,070	5,278	(3,534)
Fed & State Tax rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935							
Fed and State Taxes	48,385	45,849	43,229	40,504	37,665	34,690	31,554	28,222	24,649	20,763	15,990	8,545	517	3,548	(2,507)
Taxes Other Than Inc	60,249	61,755	63,299	64,882	66,504	68,166	69,871	71,617	73,408	75,243	77,124	79,052	60,771	62,291	31,924

NUCLEAR														
Thousands of Dollars	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Accumulated deferred Income taxes-Nuclear														
SSES test	(15,748)	(15,186)	(14,623)	(14,061)	(13,498)	(12,936)	(12,373)	(11,811)	(11,249)	(10,686)	(10,124)	(9,561)	(8,999)	(8,436)
ACRS	788,671	745,810	703,968	683,678	663,691	645,226	625,940	605,450	584,418	562,906	540,952	518,382	495,074	470,747
ACRS General Plant Alloc	5,938	5,726	5,514	5,302	5,090	4,878	4,666	4,454	4,241	4,029	3,817	3,605	3,393	3,181
Unfunded future tax laib F	9,093	8,768	8,443	8,118	7,794	7,469	7,144	6,820	6,495	6,170	5,845	5,521	5,196	4,871
Full normalization FERC	(1,379)	(1,330)	(1,280)	(1,231)	(1,182)	(1,133)	(1,083)	(1,034)	(985)	(936)	(886)	(837)	(788)	(739)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	786,575	743,789	702,022	681,806	661,894	643,504	624,293	603,878	582,921	561,484	539,604	517,109	493,876	469,624
ACRS Amort	-	42,861	41,842	20,290	19,987	18,465	19,286	20,490	21,032	21,512	21,954	22,570	23,308	24,327
	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NUCLEAR															
Thousands of Dollars	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Accumulated deferred Income taxes-Nuclear															
SSES test	(7,874)	(7,312)	(6,749)	(6,187)	(5,624)	(5,062)	(4,499)	(3,937)	(3,375)	(2,812)	(2,250)	(1,687)	(1,125)	(562)	(0)
ACRS	445,147	418,580	391,131	362,436	332,294	300,456	266,602	230,314	191,151	159,886	142,577	136,779	71,621	68,773	-
ACRS General Plant Alloc	2,969	2,757	2,545	2,333	2,121	1,909	1,697	1,485	1,272	1,060	848	636	424	212	0
Unfunded future tax laib F	4,546	4,222	3,897	3,572	3,247	2,923	2,598	2,273	1,948	1,624	1,299	974	649	325	(0)
Full normalization FERC	(689)	(640)	(591)	(542)	(492)	(443)	(394)	(345)	(295)	(246)	(197)	(148)	(98)	(49)	(0)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	444,099	417,607	390,233	361,612	331,545	299,782	266,003	229,790	190,702	159,512	142,278	136,554	71,471	68,698	(0)
ACRS Amort	25,600	26,567	27,449	28,695	30,142	31,838	33,854	36,288	39,163	31,265	17,309	5,798	65,158	2,848	68,773
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

TAB

D

STRANDED EVALUATION
Fossil Rollup

FOSSIL PLANT SUMMARY		Escalation Rate		2.50%								
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Return	127,726	124,665	123,525	118,959	116,057	112,675	110,155	110,938	120,977	117,921	108,994	100,162
Taxes	52,887	51,644	51,152	49,184	47,933	46,475	45,389	45,744	50,178	48,981	45,173	41,522
Book Depreciation	77,462	80,979	84,584	88,007	92,354	97,232	105,079	121,041	137,948	146,747	150,817	154,439
Fuel Expense	379,140	363,132	356,491	385,589	405,761	414,726	432,579	430,409	451,378	464,954	483,977	490,611
O&M	224,994	228,550	226,630	229,908	231,692	232,553	230,452	250,979	257,091	261,625	262,585	259,819
Tax Other Than Inc.	21,084	21,611	22,152	22,705	23,273	23,855	24,451	25,063	25,689	26,331	26,604	26,939
Subtotal	883,293	870,582	864,533	894,352	917,069	927,515	948,105	984,173	1,043,262	1,066,559	1,078,149	1,073,492
Decommissioning	0	0	0	0	0	0	0	0	0	0	3,929	4,027
Revenue Required w/out GRT	883,293	870,582	864,533	894,352	917,069	927,515	948,105	984,173	1,043,262	1,066,559	1,082,079	1,077,519
REVENUES												
Generation (GWH)	26,321	25,003	23,990	24,338	25,133	25,201	25,817	25,320	25,998	26,382	26,743	26,421
Capacity	56,447	57,688	136,466	179,887	235,714	305,250	294,343	286,656	261,228	267,165	291,550	291,975
MCPG	579,440	532,736	521,755	547,549	593,896	597,478	631,925	647,657	680,642	708,402	757,163	776,378
Total Revenues	635,887	590,424	658,221	727,436	829,610	902,728	926,268	934,313	941,870	975,567	1,048,713	1,068,353
Avg. MCPG	2.42	2.36	2.74	2.99	3.30	3.58	3.59	3.69	3.62	3.70	3.92	4.04
COST - Cents/KWH												
Total	3.36	3.48	3.60	3.67	3.65	3.68	3.67	3.89	4.01	4.04	4.05	4.08

STRANDED EVALUATION
Fossil Rollup

FOSSIL PLANT SU													
Not Present Valued (thousands of \$)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Return	89,996	78,831	65,355	57,841	49,633	40,738	28,828	22,246	17,540	10,383	10,213	10,039	9,859
Taxes	37,388	32,688	26,985	23,895	20,567	17,014	12,038	9,262	7,314	4,332	4,358	4,311	4,244
Book Depreciation	157,875	132,936	109,529	113,081	115,600	92,401	62,803	57,166	30,447	3,732	3,792	3,855	3,922
Fuel Expense	506,982	475,256	438,113	448,908	458,042	355,379	236,146	223,278	114,430	0	0	0	0
O&M	256,186	236,584	219,301	218,631	183,236	150,731	119,707	107,047	78,179	62,375	18,213	18,600	18,998
Tax Other Than Inc.	27,371	22,981	18,608	19,073	19,550	15,954	10,669	9,322	5,805	2,106	2,159	2,213	2,268
Subtotal	1,075,796	979,276	877,892	881,429	846,627	672,216	470,191	428,321	253,715	82,928	38,735	39,018	39,291
Decommissioning	27,330	154,721	158,589	81,277	0	110,169	161,206	107,363	119,868	96,867	49,645	0	0
Revenue Required w/out GRT	1,103,127	1,133,996	1,036,480	962,706	846,627	782,384	631,397	535,684	373,584	179,795	88,379	39,018	39,291
REVENUES													
Generation (GWH)	26,639	24,710	22,681	22,847	22,898	17,673	11,860	11,111	5,892	672	672	672	672
Capacity	301,517	247,514	193,215	197,079	201,021	163,085	115,195	108,976	64,427	18,052	18,413	18,781	19,157
MCPG	803,333	764,600	719,062	744,578	773,986	602,758	416,851	398,561	216,950	26,010	26,660	27,327	28,010
Total Revenues	1,104,850	1,012,114	912,277	941,657	975,007	765,843	532,047	507,537	281,377	44,062	45,073	46,108	47,167
Avg. MCPG	4.15	4.10	4.02	4.12	4.26	4.33	4.49	4.57	4.78	6.56	6.71	6.86	7.02
COST - Cents/KWH													
Total	4.14	4.59	4.57	4.21	3.70	4.43	5.32	4.82	6.34	26.76	13.15	5.81	5.85

STRANDED EVALUATION
Fossil Rollup

FOSSIL PLANT SU													
Not Present Valued (thousands of \$)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Return	9,675	9,485	9,290	9,088	8,880	8,664	8,441	8,209	7,968	7,715	7,450	7,153	6,846
Taxes	4,167	4,089	4,004	3,918	3,828	3,735	3,639	3,539	3,435	3,326	3,211	3,083	2,951
Book Depreciation	3,992	4,066	4,146	5,631	5,725	5,827	5,938	6,060	6,197	6,355	6,505	6,622	6,418
Fuel Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
O&M	19,405	19,823	20,251	20,690	21,139	21,600	22,073	22,557	23,054	23,563	24,084	24,619	23,795
Tax Other Than Inc.	2,325	2,383	2,442	2,504	2,566	2,630	2,696	2,763	2,832	2,903	2,976	3,050	2,941
Subtotal	39,564	39,846	40,133	41,830	42,138	42,457	42,787	43,129	43,486	43,862	44,226	44,527	42,951
Decommissioning	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Required w/out GRT	39,564	39,846	40,133	41,830	42,138	42,457	42,787	43,129	43,486	43,862	44,226	44,527	42,951
REVENUES													
Generation (GWH)	672	672	672	672	672	672	672	672	672	672	672	672	632
Capacity	19,540	19,931	20,329	20,736	21,151	21,574	22,005	22,445	22,894	23,352	23,819	24,295	22,868
MCPG	28,710	29,428	30,164	30,918	31,691	32,483	33,295	34,128	34,981	35,855	36,752	37,670	36,086
Total Revenues	48,250	49,359	50,493	51,654	52,841	54,057	55,300	56,573	57,875	59,207	60,571	61,966	58,955
Avg. MCPG	7.18	7.35	7.51	7.69	7.86	8.04	8.23	8.42	8.61	8.81	9.01	9.22	9.33
COST - Cents/KWH													
Total	5.89	5.93	5.97	6.22	6.27	6.32	6.37	6.42	6.47	6.53	6.58	6.63	6.80

STRANDED EVALUATION
Fossil Rollup

FOSSIL PLANT SU											
Not Present Valued (thousands of \$)	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Return	6,075	5,803	5,518	5,219	4,901	4,563	4,198	3,800	3,257	2,716	0
Taxes	2,619	2,502	2,379	2,250	2,113	1,967	1,810	1,638	1,404	1,171	0
Book Depreciation	6,226	6,386	6,566	6,775	7,021	7,322	7,709	7,979	7,979	3,990	0
Fuel Expense	0	0	0	0	0	0	0	0	0	0	0
O&M	22,917	23,423	23,941	24,472	25,016	25,574	26,146	26,732	27,333	18,711	2,700
Tax Other Than Inc.	2,825	2,896	2,968	3,042	3,118	3,196	3,276	3,358	3,442	1,764	0
Subtotal	40,662	41,009	41,372	41,757	42,169	42,621	43,139	43,508	43,416	28,351	2,700
Decommissioning	0	0	0	0	0	0	0	0	0	0	0
Revenue Required w/out GRT	40,662	41,009	41,372	41,757	42,169	42,621	43,139	43,508	43,416	28,351	2,700
REVENUES											
Generation (GWH)	592	592	592	592	592	592	592	592	592	296	0
Capacity	21,375	21,802	22,238	22,683	23,137	23,599	24,071	24,553	25,044	12,772	0
MCPG	34,399	35,259	36,141	37,044	37,970	38,919	39,892	40,890	41,912	21,480	0
Total Revenues	55,774	57,061	58,379	59,727	61,107	62,519	63,964	65,442	66,956	34,252	0
Avg. MCPG	9.42	9.64	9.86	10.09	10.32	10.56	10.80	11.05	11.31	11.57	0.00
COST - Cents/KWH											
Total	6.87	6.93	6.99	7.05	7.12	7.20	7.29	7.35	7.33	9.58	0.00

Fossil Plant													
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net	2008 net
Steam Production	1,162,004	1,118,546	1,105,490	1,056,248	1,024,946	987,886	961,279	969,207	1,073,233	1,038,247	939,961	846,379	732,436
Hydro Production	73,853	75,821	74,612	73,000	71,388	69,777	68,265	66,753	66,137	65,494	64,824	64,126	63,399
Other Production	5,924	12,742	11,300	10,235	8,643	7,050	5,874	5,303	4,826	4,441	4,029	3,581	3,013
subtotal	1,241,781	1,207,109	1,191,402	1,139,483	1,104,977	1,064,714	1,035,418	1,041,263	1,144,196	1,108,182	1,008,814	914,086	798,848
Land (Incl general alloc)	17,875	17,875	17,875	17,875	17,875	17,875	17,875	17,875	17,792	17,792	17,792	17,216	17,216
General plant	119,860	122,569	123,399	122,059	120,101	118,320	115,666	113,010	110,350	107,687	105,020	102,350	99,677
	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154
subtotal	61,776	63,172	63,600	62,909	61,900	60,982	59,615	58,245	56,874	55,502	54,128	52,751	51,373
Total fossil plant incl gen	1,321,432	1,288,156	1,272,877	1,220,268	1,184,752	1,143,571	1,112,907	1,117,383	1,218,862	1,181,476	1,080,734	984,054	867,438
Accumulated deferred													
Inc tax fossil	114,641	117,306	117,758	117,179	116,203	114,729	114,755	114,702	114,318	113,378	111,466	108,237	103,659
Inventory/Prepayments	143,382	146,967	150,641	154,407	158,267	162,224	166,279	170,030	174,280	178,424	182,884	182,975	187,550
Rate Base	1,350,172	1,317,816	1,305,760	1,257,496	1,226,816	1,191,065	1,164,431	1,172,711	1,278,824	1,246,522	1,152,152	1,058,793	951,329
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	132,061	127,726	124,665	123,525	118,959	116,057	112,675	110,155	110,938	120,977	117,921	108,994	100,162
FEDERAL & STATE TAXES													
Rate Base	1,350,172	1,317,816	1,305,760	1,257,496	1,226,816	1,191,065	1,164,431	1,172,711	1,278,824	1,246,522	1,152,152	1,058,793	951,329
Cost of Capital													
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	70,726	77,635	75,774	75,081	72,306	70,542	68,486	66,955	67,431	73,532	71,675	66,249	60,881
ITC Total	9,919	9,919	9,766	9,766	9,766	9,766	9,766	9,766	9,731	9,517	9,277	9,196	8,884
Less ITC amort Nuclear	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573
Fossil ITC amort (50%)	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812	1,656
Taxable return	70,726	77,635	75,774	75,081	72,306	70,542	68,486	66,955	67,431	73,532	71,675	66,249	60,881
Fed & State Tax rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	47,987	52,887	51,644	51,152	49,184	47,933	46,475	45,389	45,744	50,178	48,981	45,173	41,522
Taxes Other Than Income	20,570	21,084	21,611	22,152	22,705	23,273	23,855	24,451	25,063	25,689	26,331	26,604	26,939

Fossil Plant													
Thousands of Dollars	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net	2017 net	2018 net	2019 net	2020 net	2021 net
Steam Production	606,720	510,275	423,175	327,312	222,717	139,328	80,320	26,773	-	-	-	-	-
Hydro Production	62,643	61,855	61,036	60,216	59,396	58,574	57,746	56,913	56,072	55,179	54,232	53,229	52,166
Other Production	2,426	1,975	1,651	1,244	716	226	-	-	-	-	-	-	-
subtotal	671,789	574,105	485,862	388,772	282,829	198,128	138,066	83,687	56,072	55,179	54,232	53,229	52,166
Land (Incl general alloc)	17,003	15,288	15,288	15,288	15,288	12,748	8,808	8,808	4,178	4,178	4,178	4,178	4,178
General plant	96,999	94,318	91,633	88,943	86,250	83,552	80,850	78,143	75,431	72,714	69,992	67,265	64,532
	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154
subtotal	49,993	48,611	47,227	45,841	44,453	43,063	41,670	40,275	38,877	37,477	36,074	34,668	33,260
Total fossil plant incl gen	738,785	638,005	548,377	449,902	342,571	253,938	188,544	132,769	99,128	96,835	94,485	92,076	89,604
Accumulated deferred													
Inc tax fossil	94,347	73,447	66,411	57,933	47,949	31,667	16,779	12,337	3,689	3,553	3,416	3,279	3,143
Inventory/Prepayments	188,866	126,301	129,458	132,695	136,012	82,465	63,392	64,977	14,323	14,681	15,048	15,424	15,809
Rate Base	833,304	690,859	611,424	524,664	430,634	304,736	235,158	185,409	109,761	107,962	106,116	104,220	102,271
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	89,996	78,831	65,355	57,841	49,633	40,738	28,828	22,246	17,540	10,383	10,213	10,039	9,859
FEDERAL & STATE TAXES													
Rate Base	833,304	690,859	611,424	524,664	430,634	304,736	235,158	185,409	109,761	107,962	106,116	104,220	102,271
Cost of Capital													
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	54,701	47,915	39,724	35,157	30,168	24,761	17,522	13,522	10,661	6,311	6,208	6,102	5,993
ITC Total	8,387	8,160	7,948	7,651	7,231	6,668	6,352	6,229	6,066	5,862	5,662	5,606	5,585
Less ITC amort Nuclear	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573	5,573
Fossil ITC amort (50%)	1,407	1,294	1,188	1,039	829	548	390	328	247	145	45	17	6
Taxable return	54,701	47,915	39,724	35,157	30,168	24,761	17,522	13,522	10,661	6,311	6,208	6,102	5,993
Fed & State Tax rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	37,388	32,688	26,985	23,895	20,567	17,014	12,038	9,262	7,314	4,332	4,358	4,311	4,244
Taxes Other Than Income	27,371	22,981	18,608	19,073	19,550	15,954	10,669	9,322	5,805	2,106	2,159	2,213	2,268

Fossil Plant													
Thousands of Dollars	2022 net	2023 net	2024 net	2025 net	2026 net	2027 net	2028 net	2029 net	2030 net	2031 net	2032 net	2033 net	2034 net
Steam Production	-	-	-	-	-	-	-	-	-	-	-	-	-
Hydro Production	51,040	49,846	48,581	47,239	45,814	44,300	42,687	40,966	39,121	37,132	34,801	32,363	30,143
Other Production	-	-	-	-	-	-	-	-	-	-	-	-	-
subtotal	51,040	49,846	48,581	47,239	45,814	44,300	42,687	40,966	39,121	37,132	34,801	32,363	30,143
Land (incl general alloc)	4,178	4,178	4,178	4,178	4,178	4,178	4,178	4,178	4,178	4,178	4,178	4,178	1,627
General plant	61,793	59,048	56,297	53,539	50,773	48,000	45,219	42,430	39,631	36,823	34,004	31,174	28,331
	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154
subtotal	31,848	30,433	29,015	27,594	26,169	24,739	23,306	21,868	20,426	18,979	17,526	16,067	14,602
Total fossil plant incl gen	87,066	84,458	81,775	79,011	76,161	73,218	70,172	67,012	63,725	60,289	56,505	52,608	46,372
Accumulated deferred													
Inc tax fossil	3,006	2,870	2,733	2,596	2,460	2,323	2,186	2,050	1,913	1,776	1,640	1,503	1,366
Inventory/Prepayments	16,205	16,610	17,025	17,451	17,887	18,334	18,792	19,262	19,744	20,237	20,743	21,262	19,211
Rate Base	100,265	98,198	96,067	93,865	91,588	89,229	86,778	84,225	81,556	78,750	75,609	72,367	64,216
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	9,675	9,485	9,290	9,088	8,880	8,664	8,441	8,209	7,968	7,715	7,450	7,153	6,846
FEDERAL & STATE TAXES													
Rate Base	100,265	98,198	96,067	93,865	91,588	89,229	86,778	84,225	81,556	78,750	75,609	72,367	64,216
Cost of Capital													
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	5,881	5,765	5,646	5,524	5,397	5,266	5,131	4,990	4,843	4,689	4,528	4,347	4,161
ITC Total	4,504	195											
Less ITC amort Nuclear	4,497	195	-										
Fossil ITC amort (50%)	4	-	-	-	-	-	-	-	-	-	-	-	-
Taxable return	5,881	5,765	5,646	5,524	5,397	5,266	5,131	4,990	4,843	4,689	4,528	4,347	4,161
Fed & State Tax rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	4,167	4,089	4,004	3,918	3,828	3,735	3,639	3,539	3,435	3,326	3,211	3,083	2,951
Taxes Other Than Income	2,325	2,383	2,442	2,504	2,566	2,630	2,696	2,763	2,832	2,903	2,976	3,050	2,941

Fossil Plant										
Thousands of Dollars	2035 net	2036 net	2037 net	2038 net	2039 net	2040 net	2041 net	2042 net	2043 net	2044 net
Steam Production										
Hydro Production	28,128	25,969	23,647	21,137	18,405	15,401	12,048	7,229	2,410	-
Other Production										
subtotal	28,128	25,969	23,647	21,137	18,405	15,401	12,048	7,229	2,410	-
Land (Incl general alloc)	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	-
General plant	25,474	22,601	19,711	16,801	13,866	10,902	7,901	4,740	1,580	-
	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154	0.5154
subtotal	13,129	11,649	10,159	8,659	7,147	5,619	4,072	2,443	814	-
Total fossil plant incl gen	42,884	39,245	35,433	31,423	27,179	22,647	17,747	11,299	4,851	-
Accumulated deferred Inc tax fossil	1,230	1,093	957	820	683	547	410	273	137	0
Inventory/Prepayments	19,691	20,184	20,688	21,205	21,736	22,279	22,836	23,407	23,992	-
Rate Base	61,346	58,335	55,165	51,809	48,231	44,380	40,173	34,433	28,707	(0)
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	6,075	5,803	5,518	5,219	4,901	4,563	4,198	3,800	3,257	2,716
FEDERAL & STATE TAXES										
Rate Base	61,346	58,335	55,165	51,809	48,231	44,380	40,173	34,433	28,707	(0)
Cost of Capital										
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	3,692	3,527	3,354	3,172	2,979	2,773	2,552	2,310	1,980	1,651
ITC Total										
Less ITC amort Nuclear										
Fossil ITC amort (50%)	-	-	-	-	-	-	-	-	-	-
Taxable return	3,692	3,527	3,354	3,172	2,979	2,773	2,552	2,310	1,980	1,651
Fed & State Tax rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	2,619	2,502	2,379	2,250	2,113	1,967	1,810	1,638	1,404	1,171
Taxes Other Than Income	2,825	2,896	2,968	3,042	3,118	3,196	3,276	3,358	3,442	1,764

Fossil Plant													
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net	2008 net
Prepayments / Inventory													
Steam Prdction	%	12/31/96 bal											
Sunbury SES	0.109	135,056											0.1089
Martins Creek #1 & #2 SES	0.091	113,013											0.0912
Martins Creek #3 & #4 SES	0.172	214,115											0.1727
Brunner Island SES	0.255	316,226											0.2551
Conemaugh SES	0.051	63,255											0.0510
Keystone SES	0.024	29,579											
Montour SES	0.217	269,573											0.2174
Holtwood SES	0.017	21,187											0.0171
Wallenpaupack HES	0.007	8,751											0.0091
Holtwood HES	0.052	65,102											0.0537
CT's	0.005	5924											
Total	1	1,241,781											0.9761
Prepayments / Inventory Per Plant													
Sunbury SES	15,594	15,984	16,384	16,793	17,213	17,643	18,085	18,537	19,000	19,475	19,962	20,461	20,972
Martins Creek #1 & #2 SES	13,049	13,375	13,710	14,052	14,404	14,764	15,133	15,511	15,899	16,296	16,704	17,121	17,549
Martins Creek #3 & #4 SES	24,723	25,341	25,974	26,624	27,289	27,972	28,671	29,388	30,122	30,875	31,647	32,438	33,249
Brunner Island SES	36,513	37,426	38,361	39,320	40,303	41,311	42,344	43,402	44,488	45,600	46,740	47,908	49,106
Conemaugh SES	7,304	7,486	7,673	7,865	8,062	8,263	8,470	8,682	8,899	9,121	9,349	9,583	9,823
Keystone SES	3,415	3,501	3,588	3,678	3,770	3,864	3,961	4,060	4,161	4,265	4,372	-	
Montour SES	31,126	31,904	32,702	33,520	34,357	35,216	36,097	36,999	37,924	38,872	39,844	40,840	41,861
Holtwood SES	2,446	2,508	2,570	2,634	2,700	2,768	2,837	2,908	2,981	3,055	3,132	3,210	3,290
Wallenpaupack HES	1,010	1,036	1,062	1,088	1,115	1,143	1,172	1,201	1,231	1,262	1,293	1,326	1,359
Holtwood HES	7,517	7,705	7,898	8,095	8,297	8,505	8,717	8,935	9,159	9,388	9,622	9,863	10,110
CT's	684	701	719	737	755	774	793	812	831	851	871	891	911
Total	143,382	146,967	150,641	154,407	158,267	162,224	166,279	170,030	174,280	178,424	182,884	182,975	187,550
Accumulated deferred													
Income taxes													
Pollution Control	9,249	8,809	8,368	7,928	7,487	7,047	6,606	6,166	5,726	5,285	4,845	4,404	3,964
Martins Creek Test Fuel	2,663	2,473	2,283	2,092	1,902	1,712	1,522	1,332	1,141	951	761	571	380
ACRS- Class Life	81,647	85,771	87,681	88,561	89,044	89,029	90,514	91,920	92,995	93,514	93,060	91,290	88,171
ACRS General Plant Alloc	6,318	6,017	5,716	5,415	5,115	4,814	4,513	4,212	3,911	3,610	3,309	3,009	2,708
Unfunded future tax laib FERC	9,672	9,211	8,751	8,290	7,830	7,369	6,909	6,448	5,987	5,527	5,066	4,606	4,145
Full normalization FERC	(1,467)	(1,397)	(1,327)	(1,257)	(1,187)	(1,117)	(1,048)	(978)	(908)	(838)	(768)	(698)	(629)
Hydro ACRS/Class	6,559	6,422	6,286	6,149	6,012	5,876	5,739	5,602	5,466	5,329	5,193	5,056	4,919
Total	114,641	117,306	117,758	117,179	116,203	114,729	114,755	114,702	114,318	113,378	111,466	108,237	103,659
ACRS	-	(4,124)	(1,910)	(880)	(483)	15	(1,485)	(1,406)	(1,075)	(519)	454	1,770	3,119

Fossil Plant														
Thousands of Dollars	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net	2017 net	2018 net	2019 net	2020 net	2021 net	
Prepayments / Inventory														
Steam Production														
Sunbury SES	0.1089													
Martins Creek #1 & #2 SES	0.0912	0.0912				0.0912								
Martins Creek #3 & #4 SES	0.1727													
Brunner Island SES	0.2551	0.2551												
Conemaugh SES	0.0510													
Keystone SES														
Montour SES	0.2174	0.2174				0.2174	0.2174							
Hollywood SES	0.0171	0.0171				0.0171	0.0171		0.0171					
Wallenpaupack HES	0.0091	0.0091				0.0091	0.0091		0.0091					
Hollywood HES														
CT's														
Total	0.9225	0.5898				0.3348	0.2436		0.0262					
Prepayments / Inventory Per PI														
Sunbury SES	21,497	-												
Martins Creek #1 & #2 SES	17,988	18,438	18,899	19,371	19,856	20,352	-							
Martins Creek #3 & #4 SES	34,081	-												
Brunner Island SES	50,334	51,592	52,882	54,204	55,559	-								
Conemaugh SES	10,068	-												
Keystone SES														
Montour SES	42,908	43,980	45,080	46,207	47,362	48,546	49,760	51,004	-					
Hollywood SES	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wallenpaupack HES	1,393	1,428	1,463	1,500	1,537	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	
Hollywood HES	10,362	10,621	10,887	11,159	11,438	11,724	12,017	12,317	12,625	12,941	13,265	13,596	13,936	
CT's	236	242	248	254	260	267	-							
Total	188,866	126,301	129,458	132,695	136,012	82,465	63,392	64,977	14,323	14,681	15,048	15,424	15,809	
Accumulated deferred Income taxes														
Pollution Control	3,523	3,083	2,643	2,202	1,762	1,321	881	440	(0)					
Martins Creek Test Fuel	190	(0)	-	-	-	-	-	-	-	-	-	-	-	
ACRS- Class Life	80,318	60,877	55,110	47,900	39,185	24,172	10,552	7,379	-	-	-	-	-	
ACRS General Plant Alloc	2,407	2,106	1,805	1,504	1,203	903	602	301	(0)	(0)	(0)	(0)	(0)	
Unfunded future tax laib FERC	3,685	3,224	2,763	2,303	1,842	1,382	921	461	(0)	(0)	(0)	(0)	(0)	
Full normalization FERC	(559)	(489)	(419)	(349)	(279)	(210)	(140)	(70)	(0)	(0)	(0)	(0)	(0)	
Hydro ACRS/Class	4,783	4,646	4,509	4,373	4,236	4,099	3,963	3,826	3,689	3,553	3,416	3,280	3,143	
Total	94,347	73,447	66,411	57,933	47,949	31,667	16,779	12,337	3,689	3,553	3,416	3,279	3,143	
ACRS	7,853	19,441	5,767	7,210	8,715	15,013	13,620	3,173	7,379					

Fossil Plant	2022 net	2023 net	2024 net	2025 net	2026 net	2027 net	2028 net	2029 net	2030 net	2031 net	2032 net	2033 net	2034 net
Thousands of Dollars													
Prepayments / Inventory													
Steam Production													
Sunbury SES													
Martins Creek #1 & #2 SES													
Martins Creek #3 & #4 SES													
Brunner Island SES													
Conemaugh SES													
Keystone SES													
Montour SES													
Holtwood SES													
Wallenpaupack HES													
Holtwood HES													
CT's													
Total													
Prepayments / Inventory Per PI													
Sunbury SES													
Martins Creek #1 & #2 SES													
Martins Creek #3 & #4 SES													
Brunner Island SES													
Conemaugh SES													
Keystone SES													
Montour SES													
Holtwood SES													
Wallenpaupack HES	1,920	1,968	2,017	2,068	2,119	2,172	2,227	2,282	2,339	2,398	2,458	2,519	-
Holtwood HES	14,284	14,642	15,008	15,383	15,767	16,162	16,566	16,980	17,404	17,839	18,285	18,742	19,211
CT's													
Total	16,205	16,610	17,025	17,451	17,887	18,334	18,792	19,262	19,744	20,237	20,743	21,262	19,211
Accumulated deferred													
Income taxes													
Pollution Control													
Martins Creek Test Fuel	-	-	-										
ACRS- Class Life	-	-	-										
ACRS General Plant Alloc	(0)	(0)	(0)										
Unfunded future tax laib FERC	(0)	(0)	(0)										
Full normalization FERC	(0)	(0)	(0)										
Hydro ACRS/Class	3,006	2,870	2,733	2,596	2,460	2,323	2,186	2,050	1,913	1,776	1,640	1,503	1,366
Total	3,006	2,870	2,733	2,596	2,460	2,323	2,186	2,050	1,913	1,776	1,640	1,503	1,366
ACRS													

Fossil Plant	2035 net	2036 net	2037 net	2038 net	2039 net	2040 net	2041 net	2042 net	2043 net	2044 net
Thousands of Dollars										
Prepayments / Inventory										
Steam Production										
Sunbury SES										
Martins Creek #1 & #2 SES										
Martins Creek #3 & #4 SES										
Brunner Island SES										
Conemaugh SES										
Keystone SES										
Montour SES										
Hollywood SES										
Wallenpaupack HES										
Hollywood HES										
CT's										
Total										
Prepayments / Inventory Per PI										
Sunbury SES										
Martins Creek #1 & #2 SES										
Martins Creek #3 & #4 SES										
Brunner Island SES										
Conemaugh SES										
Keystone SES										
Montour SES										
Hollywood SES										
Wallenpaupack HES										
Hollywood HES	19,691	20,184	20,688	21,205	21,736	22,279	22,836	23,407	23,992	-
CT's										
Total	19,691	20,184	20,688	21,205	21,736	22,279	22,836	23,407	23,992	-
Accumulated deferred										
Income taxes										
Pollution Control										
Martins Creek Test Fuel										
ACRS- Class Life										
ACRS General Plant Alloc										
Unfunded future tax laib FERC										
Full normalization FERC										
Hydro ACRS/Class	1,230	1,093	957	820	683	547	410	273	137	0
Total	1,230	1,093	957	820	683	547	410	273	137	0
ACRS										

Fossil Plant													
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net	2008 net
Capital Stock/ PURPA	20,570												
Steam Production	1/2	12/31/96 bal											
Sunbury SES	0.109	135,056										0.1089	
Martins Creek #1 & #2 SES	0.091	113,013										0.0912	
Martins Creek #3 & #4 SES	0.172	214,115										0.1727	
Brunner Island SES	0.255	316,226										0.2551	
Conemaugh SES	0.051	63,255										0.0510	
Keystone SES	0.024	29,579											
Montour SES	0.217	269,573										0.2174	
Holtwood SES	0.017	21,187										0.0171	
Wallenpaupack HES	0.007	8,751										0.0091	
Holtwood HES	0.052	65,102										0.0537	
CT's	0.005	5924											
Total	1	1,241,781										0.9761	
Sunbury SES	2,237	2,293	2,350	2,409	2,469	2,531	2,594	2,659	2,726	2,794	2,864	2,935	3,009
Martins Creek #1 & #2 SES	1,872	1,919	1,967	2,016	2,066	2,118	2,171	2,225	2,281	2,338	2,396	2,456	2,518
Martins Creek #3 & #4 SES	3,547	3,635	3,726	3,820	3,915	4,013	4,113	4,216	4,321	4,429	4,540	4,654	4,770
Brunner Island SES	5,238	5,369	5,503	5,641	5,782	5,927	6,075	6,227	6,382	6,542	6,705	6,873	7,045
Conemaugh SES	1,048	1,074	1,101	1,128	1,157	1,186	1,215	1,246	1,277	1,309	1,341	1,375	1,409
Keystone SES	490	502	515	528	541	554	568	582	597	612	627	321	
Montour SES	4,465	4,577	4,692	4,809	4,929	5,052	5,179	5,308	5,441	5,577	5,716	5,859	6,006
Holtwood SES	351	360	369	378	387	397	407	417	428	438	449	460	472
Wallenpaupack HES	145	149	152	156	160	164	168	172	177	181	186	190	195
Holtwood HES	1,078	1,105	1,133	1,161	1,190	1,220	1,251	1,282	1,314	1,347	1,380	1,415	1,450
CT's	98	101	103	106	108	111	114	117	120	123	126	64	66
Total	20,570	21,084	21,611	22,152	22,705	23,273	23,855	24,451	25,063	25,689	26,331	26,604	26,939
Inflation	2.5%												
Land (incl general alloc)													
Sunbury SES	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271
Martins Creek #1 & #2 SES	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940
Martins Creek #3 & #4 SES													
Brunner Island SES	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540
Conemaugh SES	444	444	444	444	444	444	444	444	444	444	444	444	444
Keystone SES	576	576	576	576	576	576	576	576	576	576	576	576	576
Montour SES	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630
Holtwood SES	213	213	213	213	213	213	213	213	213	213	213	213	213
Wallenpaupack HES	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551
Holtwood HES	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
CT's	83	83	83	83	83	83	83	83	83	83			
Total	17,875	17,875	17,875	17,875	17,875	17,875	17,875	17,875	17,792	17,792	17,792	17,216	17,216

Fossil Plant														
Thousands of Dollars	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net	2017 net	2018 net	2019 net	2020 net	2021 net	
Capital Stock/ PURPA														
Steam Production														
Sunbury SES	0.1089													
Martins Creek #1 & #2 SES	0.0912	0.0912				0.0912								
Martins Creek #3 & #4 SES	0.1727													
Brunner Island SES	0.2551	0.2551												
Conemaugh SES	0.0510													
Keystone SES														
Montour SES	0.2174	0.2174				0.2174	0.2174							
Holtwood SES	0.0171	0.0171				0.0171	0.0171		0.0171					
Wallenpaupack HES	0.0091	0.0091				0.0091	0.0091		0.0091					
Holtwood HES														
CT's														
Total	0.9225	0.5898				0.3348	0.2436		0.0262					
Sunbury SES	3,084	1,581												
Martins Creek #1 & #2 SES	2,581	2,645	2,711	2,779	2,849	2,920	1,496							
Martins Creek #3 & #4 SES	4,889	2,506												
Brunner Island SES	7,221	7,402	7,587	7,776	7,971	4,085								
Conemaugh SES	1,444	740												
Keystone SES														
Montour SES	6,156	6,310	6,467	6,629	6,795	6,965	7,139	7,317	3,750					
Holtwood SES	242													
Wallenpaupack HES	200	205	210	215	221	226	232	238	243	250	256	262	269	
Holtwood HES	1,487	1,524	1,562	1,601	1,641	1,682	1,724	1,767	1,811	1,857	1,903	1,951	1,999	
CT's	68	69	71	73	75	77	78							
Total	27,371	22,981	18,608	19,073	19,550	15,954	10,669	9,322	5,805	2,106	2,159	2,213	2,268	
Inflation														
Land (incl general alloc)														
Sunbury SES	1,271													
Martins Creek #1 & #2 SES	3,940	3,940	3,940	3,940	3,940	3,940								
Martins Creek #3 & #4 SES														
Brunner Island SES	2,540	2,540	2,540	2,540	2,540									
Conemaugh SES	444													
Keystone SES														
Montour SES	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630						
Holtwood SES														
Wallenpaupack HES	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	
Holtwood HES	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	
CT's														
Total	17,003	15,288	15,288	15,288	15,288	12,748	8,808	8,808	4,178	4,178	4,178	4,178	4,178	

Fossil Plant	2022 net	2023 net	2024 net	2025 net	2026 net	2027 net	2028 net	2029 net	2030 net	2031 net	2032 net	2033 net	2034 net
Thousands of Dollars													
Capital Stock/ PURPA													
<u>Steam Production</u>													
Sunbury SES													
Martins Creek #1 & #2 SES													
Martins Creek #3 & #4 SES													
Brunner Island SES													
Conemaugh SES													
Keystone SES													
Montour SES													
Holtwood SES													
Wallenpaupack HES													
Holtwood HES													
CT's													
Total													
Sunbury SES													
Martins Creek #1 & #2 SES													
Martins Creek #3 & #4 SES													
Brunner Island SES													
Conemaugh SES													
Keystone SES													
Montour SES													
Holtwood SES													
Wallenpaupack HES	275	282	289	297	304	312	319	327	336	344	353	361	185
Holtwood HES	2,049	2,101	2,153	2,207	2,262	2,319	2,377	2,436	2,497	2,559	2,623	2,689	2,756
CT's													
Total	2,325	2,383	2,442	2,504	2,566	2,630	2,696	2,763	2,832	2,903	2,976	3,050	2,941
Inflation													
Land (incl general alloc)													
Sunbury SES													
Martins Creek #1 & #2 SES													
Martins Creek #3 & #4 SES													
Brunner Island SES													
Conemaugh SES													
Keystone SES													
Montour SES													
Holtwood SES													
Wallenpaupack HES	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	
Holtwood HES	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
CT's													
Total	4,178	1,627											

Fossil Plant											
Thousands of Dollars	2035 net	2036 net	2037 net	2038 net	2039 net	2040 net	2041 net	2042 net	2043 net	2044 net	
Capital Stock/ PURPA											
<u>Steam Production</u>											
Sunbury SES											
Martins Creek #1 & #2 SES											
Martins Creek #3 & #4 SES											
Brunner Island SES											
Conemaugh SES											
Keystone SES											
Montour SES											
Holtwood SES											
Wallenpaupack HES											
Holtwood HES											
CT's											
Total											
Sunbury SES											
Martins Creek #1 & #2 SES											
Martins Creek #3 & #4 SES											
Brunner Island SES											
Conemaugh SES											
Keystone SES											
Montour SES											
Holtwood SES											
Wallenpaupack HES											
Holtwood HES	2,825	2,896	2,968	3,042	3,118	3,196	3,276	3,358	3,442	1,764	
CT's											
Total	2,825	2,896	2,968	3,042	3,118	3,196	3,276	3,358	3,442	1,764	
Inflation											
Land (incl general alloc)											
Sunbury SES											
Martins Creek #1 & #2 SES											
Martins Creek #3 & #4 SES											
Brunner Island SES											
Conemaugh SES											
Keystone SES											
Montour SES											
Holtwood SES											
Wallenpaupack HES											
Holtwood HES	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627		
CT's											
Total	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627		-

Taxes OTI

TAXES OTHER THAN INCOME							
Thousands of dollars			1996 net	1997 net	1998 net	1999 net	
Capital Stock Total Company			34,163				
PURPA Total Company			44,405				
subtotal			78,568				
Total Nuclear			42,640				
Total Fossil			20,570				

TAB

E

STRANDED EVALUATION
NUGs Stranded

PP&L ----Nonutility Generation-Base Case-Stranded													
See Note:	1	2	3										
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Base Kwh-(000)	3,364,381	2,777,735	2,621,283	2,621,283	2,621,283	2,621,283	2,621,283	2,621,283	2,621,283	2,621,283	2,621,283	2,621,283	1,772,806
Peak Kwh-(000)	11,276	10,800	10,800	10,800	10,800	10,800	10,800	0					
Capacity - (000)	12	12	12	12	12	12	12						
Base cents/kwh	6.243	6.399	6.405	6.405	6.405	6.405	6.405	6.398	6.398	6.398	6.398	6.398	6.493
Cost (\$000)	210,738	178,428	168,576	168,576	168,576	168,576	168,576	167,701	167,701	167,701	167,701	167,701	115,105
MCPG-Base	2.46	2.26	2.19	2.42	2.60	2.84	3.03	3.10	3.17	3.18	3.27	3.50	3.61
MCPG-Peak	3.13	2.99	2.97	3.02	3.14	3.14	3.20	3.39	3.36				
Capacity		9.10	9.30	22.00	29.00	38.00	50.00	49.00	48.00	44.00	45.00	50.00	51.00
Value (\$000)	83,226	63,127	57,779	63,901	68,778	75,321	80,403	81,241	83,199	83,438	85,747	91,740	63,934
Loss-(\$000)	127,512	115,300	110,797	104,676	99,799	93,256	88,173	86,460	84,502	84,263	81,954	75,961	51,171
NOTES													
1	1996 KWH are actual.												
2	1997 KWH include partial year effects of buyouts.												
3	1998 KWH include full year effects of buyouts and expiration of Hammermill contract.												

TAB

F

Reg Assets

REGULATORY ASSETS													
		THOUSANDS OF DOLLARS											
	ACCT	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
UNRECOVERED ENERGY COSTS													
BEGINNING OF YEAR	18230		16,889	48,677	80,150								
ADDITIONS			31,788	31,473									
AMORTIZATION			0	0	-80,150								
END OF YEAR		16,889	48,677	80,150	0								
POST RETIREMENT BENEFITS													
BEGINNING OF YEAR	18232		16,559	15,528	14,496	13,464	12,432	11,400	10,368	9,337	8,305	7,273	6,241
ADDITIONS													
AMORTIZATION			-1,032	-1,032	-1,032	-1,032	-1,032	-1,032	-1,032	-1,032	-1,032	-1,032	-1,032
END OF YEAR -- PUC		25,052	15,528	14,496	13,464	12,432	11,400	10,368	9,337	8,305	7,273	6,241	5,209
GEN ALLOCATION 66.1%		16,559											
RECOVERABLE SUSQ OPER COSTS NET													
BEGINNING OF YEAR	18233		16,504	14,670	12,836	11,002	9,168	7,334	5,500	3,666	1,832		
ADDITIONS	25404		0	0	0	0	0	0	0	0	0		
AMORTIZATION	19055		-1,834	-1,834	-1,834	-1,834	-1,834	-1,834	-1,834	-1,834	-1,832		
END OF YEAR		16,504	14,670	12,836	11,002	9,168	7,334	5,500	3,666	1,832	0		
COMMON PLANT ADJ													
BEGINNING OF YEAR	18234		20,764	19,492	18,220	17,505	16,789	16,074	15,359	14,643	13,928	13,213	12,498
ADDITIONS			0	0	0	0	0	0	0	0	0	0	0
AMORTIZATION SUSQ			-1,245	-1,245	-688	-688	-688	-688	-688	-688	-688	-688	-688
AMORTIZATION MC			-27	-27	-27	-27	-27	-27	-27	-27	-27	-27	-27
END OF YEAR		20,764	19,492	18,220	17,505	16,789	16,074	15,359	14,643	13,928	13,213	12,498	11,782
RETIRED MINERS' HEALTH CARE COSTS													
BEGINNING OF YEAR	18235	Note : This asset is already present valued	9,135	7,014	6,582								
ADDITIONS			-564	1,125	0								
AMORTIZATION			-1,557	-1,557	-6,582								
END OF YEAR		9,135	7,014	6,582	0								
DOE ASSESSMENT													
BEGINNING OF YEAR	18236		29,823	27,062	24,301	21,540	18,779	16,018	13,257	10,496	7,735	4,974	2,213
ADDITIONS													
TOTAL AMORTIZATION			-2,761	-2,761	-2,761	-2,761	-2,761	-2,761	-2,761	-2,761	-2,761	-2,761	-2,213
PUC AMORTIZATION			-2,290	-2,352	-2,411	-2,470	-2,588	-2,664	-2,664	-2,664	-2,664	-2,664	-2,135
END OF YEAR		29,823	27,062	24,301	21,540	18,779	16,018	13,257	10,496	7,735	4,974	2,213	0
SSES DEFERRED REFUELING COSTS													
BEGINNING OF YEAR	18237		14,150	9,576	9,552								
ADDITIONS			13,300	13,699									
TOTAL AMORTIZATION			-17,874	-13,723	-9,552								
PUC AMORTIZATION			-14,826	-11,689	-8,343								
END OF YEAR		14,150	9,576	9,552	0								

Reg Assets

	ACCT	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
VOLUNTARY EARLY RETIREMENT COSTS													
BEGINNING OF YEAR	18238		32,551	23,871	15,190	6,510							
ADDITIONS			0	0	0	0							
AMORTIZATION			-8,680	-8,680	-8,680	-6,510							
END OF YEAR		49,245	23,871	15,190	6,510	0							
GEN ALLOCATION 66.1%		32,551											
EMPLOYEE TRANSITION COSTS													
BEGINNING OF YEAR			0	5,014	10,793	12,591	12,518	12,915	8,258	4,605	2,308	842	
ADDITIONS			5,014	6,782	4,157	3,118	4,211						
AMORTIZATION				-1,003	-2,359	-3,191	-3,814	-4,656	-3,653	-2,297	-1,466	-842	
END OF YEAR		0	5,014	10,793	12,591	12,518	12,915	8,258	4,605	2,308	842	-0	
GEN ALLOCATION 66.1%													
1994 RATE CASE EXPENSES													
BEGINNING OF YEAR	18239		678	431	184								
ADDITIONS			0	0	0								
AMORTIZATION			-247	-247	-184								
END OF YEAR		1,025	431	184	-0								
GEN ALLOCATION 66.1%		678											
TAXES RECOVERABLE													
BEGINNING OF YEAR	18231		813,070	786,214	755,805	740,706	725,066	709,668	696,571	682,350	667,039	650,243	631,169
ADDITIONS			0	0	0								
TOTAL AMORTIZATION			-26,856	-30,409	-15,099	-15,640	-15,398	-13,097	-14,221	-15,311	-16,796	-19,074	-22,170
AMORTIZATION PUC JURISDICTION - Nuclear			-17,487	-20,333	-10,352	-10,985	-11,328	-9,919	-10,771	-11,596	-12,721	-14,446	-16,791
AMORTIZATION PUC JURISDICTION-Other Prod			-5,106	-6,004	-3,056	-3,225	-3,199	-2,728	-2,962	-3,189	-3,498	-3,973	-4,618
END OF YEAR- GENERATION		813,070	786,214	755,805	740,706	725,066	709,668	696,571	682,350	667,039	650,243	631,169	608,999
REG LIABILITIES (INVEST TAX CREDIT)													
BEGINNING OF YEAR	25405		-113,591	-109,534	-105,477	-101,421	-97,364	-93,307	-89,250	-85,193	-81,136	-77,080	-73,023
ADDITIONS													
AMORTIZATION			4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057
AMORTIZATION PUC JURISDICTION - Nuclear			2,433	2,512	2,576	2,639	2,764	2,845	2,845	2,845	2,845	2,845	2,845
AMORTIZATION PUC JURISDICTION-Other Prod			979	1,017	1,043	1,062	1,070	1,073	1,073	1,073	1,073	1,073	1,073
END OF YEAR- GENERATION		-113,591	-109,534	-105,477	-101,421	-97,364	-93,307	-89,250	-85,193	-81,136	-77,080	-73,023	-68,966
TOTAL BEGINNING OF YEAR BALANCE													
			856,532	848,014	842,633	721,897	697,389	680,102	660,064	639,904	620,010	599,465	579,098
ADDITIONS			49,538	53,079	4,157	3,118	4,211	0	0	0	0	0	0
AMORTIZATION-PUC JURISDICTION			-50,919	-52,473	-122,081	-26,261	-20,676	-19,630	-19,713	-19,409	-20,009	-19,754	-21,372
AMORTIZATION-TOTAL			-58,029	-58,434	-124,865	-27,599	-21,471	-20,012	-20,133	-19,866	-20,518	-20,340	-22,046
TOTAL END OF YEAR BALANCE		856,532	848,041	842,660	721,924	697,416	680,129	660,091	639,931	620,037	599,492	579,125	557,052

REGULATORY ASSETS													
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
UNRECOVERED ENERGY COSTS													
BEGINNING OF YEAR													
ADDITIONS													
AMORTIZATION													
END OF YEAR													
POST RETIREMENT BENEFITS													
BEGINNING OF YEAR	5,209	4,178	3,146	2,114	1,082	50							
ADDITIONS													
AMORTIZATION	-1,032	-1,032	-1,032	-1,032	-1,032	-50							
END OF YEAR -- PUC	4,178	3,146	2,114	1,082	50	0							
GEN ALLOCATION 66.1%													
RECOVERABLE SUSQ OPER COSTS NET													
BEGINNING OF YEAR													
ADDITIONS													
AMORTIZATION													
END OF YEAR													
COMMON PLANT ADJ													
BEGINNING OF YEAR	11,782	11,067	10,352	9,636	8,948	8,260	7,571	6,883	6,195	5,506	4,818	4,130	3,442
ADDITIONS	0	0	0	0	0	0							
AMORTIZATION SUSQ	-688	-688	-688	-688	-688	-688	-688	-688	-688	-688	-688	-688	-688
AMORTIZATION MC	-27	-27	-27										
END OF YEAR	11,067	10,352	9,636	8,948	8,260	7,571	6,883	6,195	5,506	4,818	4,130	3,442	2,753
RETIRED MINERS' HEALTH CARE COSTS													
BEGINNING OF YEAR													
ADDITIONS													
AMORTIZATION													
END OF YEAR													
DOE ASSESSMENT													
BEGINNING OF YEAR													
ADDITIONS													
TOTAL AMORTIZATION													
PUC AMORTIZATION													
END OF YEAR													
SSES DEFERRED REFUELING COSTS													
BEGINNING OF YEAR													
ADDITIONS													
TOTAL AMORTIZATION													
PUC AMORTIZATION													
END OF YEAR													

Reg Assets

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
VOLUNTARY EARLY RETIREMENT COSTS													
BEGINNING OF YEAR													
ADDITIONS													
AMORTIZATION													
END OF YEAR													
GEN ALLOCATION 66.1%													
EMPLOYEE TRANSITION COSTS													
BEGINNING OF YEAR													
ADDITIONS													
AMORTIZATION													
END OF YEAR													
GEN ALLOCATION 66.1%													
1994 RATE CASE EXPENSES													
BEGINNING OF YEAR													
ADDITIONS													
AMORTIZATION													
END OF YEAR													
GEN ALLOCATION 66.1%													
TAXES RECOVERABLE													
BEGINNING OF YEAR	608,999	583,570	547,968	488,450	455,167	418,324	377,506	323,080	270,042	236,020	191,723	159,876	134,385
ADDITIONS													
TOTAL AMORTIZATION	-25,429	-35,602	-59,518	-33,283	-36,843	-40,818	-54,426	-53,038	-34,022	-44,297	-31,847	-25,491	-14,260
AMORTIZATION PUC JURISDICTION - Nuclear	-19,259	-26,964	-45,077	-25,207	-27,904	-30,914	-41,221	-40,169	-25,767	-33,549	-24,120	-19,306	-10,800
AMORTIZATION PUC JURISDICTION-Other Prod	-5,297	-7,416	-12,397	-6,933	-7,674	-8,502	-11,337	-11,047	-7,087	-9,227	-6,633	-5,310	-2,970
END OF YEAR- GENERATION	583,570	547,968	488,450	455,167	418,324	377,506	323,080	270,042	236,020	191,723	159,876	134,385	120,125
REG LIABILITIES (INVEST TAX CREDIT)													
BEGINNING OF YEAR	-68,966	-64,909	-60,852	-56,795	-52,739	-48,682	-44,625	-40,568	-36,511	-32,455	-28,398	-24,341	-20,284
ADDITIONS													
AMORTIZATION	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057	4,057
AMORTIZATION PUC JURISDICTION - Nuclear	2,845	2,845	2,845	2,845	2,845	2,845	2,845	2,845	2,845	2,845	2,845	2,845	2,845
AMORTIZATION PUC JURISDICTION-Other Prod	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073
END OF YEAR- GENERATION	-64,909	-60,852	-56,795	-52,739	-48,682	-44,625	-40,568	-36,511	-32,455	-28,398	-24,341	-20,284	-16,227
TOTAL BEGINNING OF YEAR BALANCE	557,025	533,905	500,613	443,405	412,458	377,952	340,452	289,395	239,725	209,072	168,143	139,665	117,542
ADDITIONS	0	0	0	0	0	0	0	0	0	0	0	0	0
AMORTIZATION-PUC JURISDICTION	-22,384	-32,208	-55,303	-29,942	-33,379	-36,236	-49,327	-47,987	-29,624	-39,546	-27,523	-21,385	-10,540
AMORTIZATION-TOTAL	-23,092	-33,265	-57,181	-30,946	-34,506	-37,499	-51,057	-49,669	-30,653	-40,928	-28,478	-22,122	-10,891
TOTAL END OF YEAR BALANCE	533,932	500,640	443,432	412,458	377,952	340,453	289,395	239,725	209,072	168,143	139,665	117,542	106,651

REGULATORY ASSETS				
	2021	2022	2023	2024
UNRECOVERED ENERGY COSTS				
BEGINNING OF YEAR				
ADDITIONS				
AMORTIZATION				
END OF YEAR				
POST RETIREMENT BENEFITS				
BEGINNING OF YEAR				
ADDITIONS				
AMORTIZATION				
END OF YEAR -- PUC				
GEN ALLOCATION 86.1%				
RECOVERABLE SUSQ OPER COSTS NET				
BEGINNING OF YEAR				
ADDITIONS				
AMORTIZATION				
END OF YEAR				
COMMON PLANT ADJ				
BEGINNING OF YEAR	2,753	2,065	1,377	688
ADDITIONS				
AMORTIZATION SUSQ	-688	-688	-688	-688
AMORTIZATION MC				
END OF YEAR	2,065	1,377	688	0
RETIRED MINERS' HEALTH CARE COSTS				
BEGINNING OF YEAR				
ADDITIONS				
AMORTIZATION				
END OF YEAR				
DOE ASSESSMENT				
BEGINNING OF YEAR				
ADDITIONS				
TOTAL AMORTIZATION				
PUC AMORTIZATION				
END OF YEAR				
SSES DEFERRED REFUELING COSTS				
BEGINNING OF YEAR				
ADDITIONS				
TOTAL AMORTIZATION				
PUC AMORTIZATION				
END OF YEAR				

Reg Assets

	2021	2022	2023	2024													
VOLUNTARY EARLY RETIREMENT COSTS																	
BEGINNING OF YEAR																	
ADDITIONS																	
AMORTIZATION																	
END OF YEAR																	
GEN ALLOCATION 66.1%																	
AMORTIZATION OF EMPLOYEE TRANSITION COSTS																	
EMPLOYEE TRANSITION COSTS					1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
BEGINNING OF YEAR					-1,003	-1,003	-1,003	-1,003	-1,003								
ADDITIONS						-1,356	-1,356	-1,356	-1,356	-1,356							
AMORTIZATION							-831	-831	-831	-831	-831						
END OF YEAR								-624	-624	-624	-624	-624					
GEN ALLOCATION 66.1%									-842	-842	-842	-842	-842				
					-1,003	-2,359	-3,191	-3,814	-4,656	-3,653	-2,297	-1,466	-842				
1994 RATE CASE EXPENSES																	
BEGINNING OF YEAR																	
ADDITIONS																	
AMORTIZATION																	
END OF YEAR																	
GEN ALLOCATION 66.1%																	
TAXES RECOVERABLE																	
BEGINNING OF YEAR	120,125	115,129	62,361	59,739													
ADDITIONS																	
TOTAL AMORTIZATION	-4,996	-52,768	-2,622	-59,739													
AMORTIZATION PUC JURISDICTION - Nuclear	-3,784	-39,965	-1,986	-45,244													
AMORTIZATION PUC JURISDICTION-Other Prod	-1,041	-10,991	-546	-12,443													
END OF YEAR- GENERATION	115,129	62,361	59,739	0													
REG LIABILITIES (INVEST TAX CREDIT)																	
BEGINNING OF YEAR	-16,227	-12,170	-8,114	-4,057													
ADDITIONS																	
AMORTIZATION	4,057	4,057	4,057	4,057													
AMORTIZATION PUC JURISDICTION - Nuclear	2,845	2,845	2,845	2,845													
AMORTIZATION PUC JURISDICTION-Other Prod	1,073	1,073	1,073	1,073													
END OF YEAR- GENERATION	-12,170	-8,114	-4,057	0													
TOTAL BEGINNING OF YEAR BALANCE																	
	106,651	105,023	55,624	56,370													
ADDITIONS	0	0	0	0													
AMORTIZATION-PUC JURISDICTION	-1,594	-47,726	698	-54,457													
AMORTIZATION-TOTAL	-1,627	-49,399	747	-56,370													
TOTAL END OF YEAR BALANCE																	
	105,023	55,624	56,370	0													

Pennsylvania Power & Light Company				
Reversal of Deferred Income Taxes-Nuclear & Fossil Assets				
Account 28201 and 28304				
Based on 12/31/96 Balance plus Projected Additions				
(\$000s)				
		Total		
Balance @ 12/31/96	813070			
1997 Provision/(Amort)	-26856			
Balance @ 12/31/97	786214			
1998 Provision/(Amort)	-30409			
Balance @ 12/31/98	755805			
1999 Provision/(Amort)	-15099			
Balance @ 12/31/99	740706			
2000 Provision/(Amort)	-15640			
Balance @ 12/31/00	725066			
2001 Provision/(Amort)	-15398			
Balance @ 12/31/01	709668			
2002 Provision/(Amort)	-13097			
Balance @ 12/31/02	696571			
2003 Provision/(Amort)	-14221			
Balance @ 12/31/03	682350			
2004 Provision/(Amort)	-15311			
Balance @ 12/31/04	667039			
2005 Provision/(Amort)	-16796			
Balance @ 12/31/05	650243			

Def Tax

2006 Provision/(Amort	-19074			
Balance @ 12/31/06	631169			
2007 Provision/(Amort	-22170			
Balance @ 12/31/07	608999			
2008 Provision/(Amort	-25429			
Balance @ 12/31/08	583570			
2009 Provision/(Amort	-35602			
Balance @ 12/31/09	547968			
2010 Provision/(Amort	-59518			
Balance @ 12/31/10	488450			
2011 Provision/(Amort	-33283			
Balance @ 12/31/11	455167			
2012 Provision/(Amort	-36843			
Balance @ 12/31/12	418324			
2013 Provision/(Amort	-40818			
Balance @ 12/31/13	377506			
2014 Provision/(Amort	-54426			
Balance @ 12/31/14	323080			
2015 Provision/(Amort	-53038			
Balance @ 12/31/15	270042			
2016 Provision/(Amort	-34022			
Balance @ 12/31/16	236020			
2017 Provision/(Amort	-44297			
Balance @ 12/31/17	191723			

Def Tax

2018 Provision/(Amort	-31847				
Balance @ 12/31/18	159876				
2019 Provision/(Amort	-25491				
Balance @ 12/31/19	134385				
2020 Provision/(Amort	-14260				
Balance @ 12/31/20	120125				
2021 Provision/(Amort	-4996				
Balance @ 12/31/21	115129				
2022 Provision/(Amort	-52768				
Balance @ 12/31/22	62361				
2023 Provision/(Amort	-2622				
Balance @ 12/31/23	59739				
2024 Provision/(Amort	-55661				
Balance @ 12/31/24	4078				
2025 Provision/(Amort	-203				
Balance @ 12/31/25	3875				
2026 Provision/(Amort	-203				
Balance @ 12/31/26	3672				
2027 Provision/(Amort	-203				
Balance @ 12/31/27	3469				
2028 Provision/(Amort	-203				
Balance @ 12/31/28	3266				
2029 Provision/(Amort	-203				

Def Tax

Balance @ 12/31/29	3063			
2030 Provision/(Amort	-203			
Balance @ 12/31/30	2860			
2031 Provision/(Amort	-203			
Balance @ 12/31/31	2657			
2032 Provision/(Amort	-203			
Balance @ 12/31/32	2454			
2033 Provision/(Amort	-203			
Balance @ 12/31/33	2251			
2034 Provision/(Amort	-203			
Balance @ 12/31/34	2048			
2035 Provision/(Amort	-203			
Balance @ 12/31/35	1845			
2036 Provision/(Amort	-203			
Balance @ 12/31/36	1642			
2037 Provision/(Amort	-203			
Balance @ 12/31/37	1439			
2038 Provision/(Amort	-203			
Balance @ 12/31/38	1236			
2039 Provision/(Amort	-203			
Balance @ 12/31/39	1033			
2040 Provision/(Amort	-203			
Balance @ 12/31/40	830			

Def Tax

2041 Provision/(Amort	-203			
Balance @ 12/31/41	627			
2042 Provision/(Amort	-203			
Balance @ 12/31/42	424			
2043 Provision/(Amort	-203			
Balance @ 12/31/43	221			
2044 Provision/(Amort	-221			
Balance @ 12/31/44	0			

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Plant Balances												
Thousands of Dollars	Percentage	Percentage	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net
	of Total Plant	Other Prod	plant									
Steam Production												
Sunbury SES	3.2%	10.9%	\$ 135,056	\$ 128,931	\$ 120,024	\$ 110,443	\$ 101,617	\$ 93,026	\$ 84,174	\$ 75,959	\$ 69,094	\$ 58,553
Martins Creek #1 & #2 SES	2.7%	9.1%	113,013	107,488	102,016	98,049	93,731	90,487	86,794	82,850	82,461	79,489
Martins Creek #3 & #4 SES	5.0%	17.2%	214,115	200,306	209,826	201,270	199,911	190,425	181,858	171,330	175,802	154,838
Brunner Island SES	7.4%	25.5%	316,226	307,724	300,518	283,418	274,847	262,673	262,671	260,149	278,738	271,620
Conemaugh SES	1.5%	5.1%	63,255	59,893	57,687	55,669	51,257	46,746	42,147	37,444	32,612	27,619
Keystone SES	0.7%	2.4%	29,579	28,791	27,778	26,515	24,967	23,092	20,878	18,228	14,986	8,992
Montour SES	6.3%	21.7%	269,573	265,818	269,633	264,462	263,298	266,879	268,174	307,362	406,445	426,858
Holtwood SES	0.5%	1.7%	21,187	19,597	18,008	16,422	15,318	14,558	14,583	15,886	13,094	10,279
Subtotal	27.3%	93.6%	1,162,004	1,118,546	1,105,490	1,056,248	1,024,946	987,886	961,279	969,207	1,073,233	1,038,247
Nuclear Production												
Susquehanna SES #1	34.9%		1,487,206	1,412,941	1,339,790	1,302,860	1,265,519	1,227,714	1,189,383	1,150,457	1,110,858	1,070,496
Susquehanna SES #2	36.0%		1,531,755	1,460,140	1,389,591	1,355,213	1,320,501	1,285,408	1,249,884	1,213,872	1,177,308	1,140,118
Subtotal	70.9%		3,018,961	2,873,081	2,729,381	2,658,073	2,586,020	2,513,122	2,439,267	2,364,329	2,288,165	2,210,614
Hydro Production												
Wallenpaupack HES	0.2%	0.7%	8,751	8,518	8,284	8,051	7,818	7,584	7,449	7,314	7,177	7,040
Holtwood HES	1.5%	5.2%	65,102	67,303	66,328	64,949	63,571	62,193	60,816	59,439	58,959	58,454
Subtotal	1.7%	5.9%	73,853	75,821	74,612	73,000	71,388	69,777	68,265	66,753	66,137	65,494
Other Production												
Allentown CT	0.0%	0.1%	816	668	519	371	223	74	-	-	-	-
Harwood CT	0.0%	0.0%	399	326	254	559	335	112	-	-	-	-
Williamsport CT	0.0%	0.1%	720	589	458	327	196	65	-	-	-	-
Harrisburg CT	0.0%	0.1%	1,225	1,002	780	557	334	111	-	-	-	-
Jenkins CT	0.0%	0.0%	585	479	372	266	160	53	-	-	-	-
Sunbury Diesel	0.0%	0.0%	75	69	64	58	53	47	42	73	100	120
Sunbury CT	0.0%	0.0%	129	2,719	2,502	2,284	2,067	1,849	1,632	1,451	1,266	1,074
Martins Creek Diesel	0.0%	0.0%	35	33	31	29	27	26	24	60	94	125
Martins Creek CT	0.0%	0.0%	104	5,255	4,955	4,655	4,354	4,054	3,754	3,492	3,227	2,960
Brunner Island Diesel	0.0%	0.0%	94	89	83	78	73	67	62	95	125	151
Conemaugh Diesel	0.0%	0.0%	24	22	20	19	17	15	13	12	10	8
Keystone Diesel	0.0%	0.0%	19	17	15	14	12	10	8	6	5	3
Fishbach CT	0.0%	0.0%	484	419	355	290	226	161	97	32	-	-
West Shore CT	0.0%	0.0%	418	362	307	251	195	139	84	28	-	-
Lock Haven CT	0.0%	0.1%	797	691	584	478	372	266	159	53	-	-
Subtotal	0.1%	0.5%	5,924	12,742	11,300	10,235	8,643	7,050	5,874	5,303	4,826	4,441
Total Production	100.0%		4,260,742	4,080,190	3,920,783	3,797,556	3,690,997	3,577,836	3,474,685	3,405,592	3,432,361	3,318,796
General plant	181,331		119,860	122,569	123,399	122,059	120,101	118,320	115,666	113,010	110,350	107,687
Intangible plant (production)			3,277	11,520	8,820	6,120	3,420	1,080	-	-		
Total Production Incl general			\$ 4,383,879	\$ 4,202,759	\$ 4,044,181	\$ 3,919,615	\$ 3,811,098	\$ 3,696,156	\$ 3,590,352	\$ 3,518,602	\$ 3,542,711	\$ 3,426,483

Plant Balances												
Thousands of Dollars	2006 net	2007 net	2008 net	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net	2017 net
	plant											
Steam Production												
Sunbury SES	\$ 46,628	\$ 33,497	\$ 20,098	\$ 6,699	-	-	-	-	-	-	-	-
Martins Creek #1 & #2 SES	75,029	69,143	62,841	55,135	46,133	36,881	27,308	16,385	5,462	-	-	-
Martins Creek #3 & #4 SES	127,274	93,224	55,935	18,645	-	-	-	-	-	-	-	-
Brunner Island SES	258,267	249,615	229,203	197,284	169,021	123,975	74,759	24,920	-	-	-	-
Conemaugh SES	22,421	16,943	10,166	3,389	-	-	-	-	-	-	-	-
Keystone SES	2,997	-	-	-	-	-	-	-	-	-	-	-
Montour SES	399,911	379,496	352,706	325,569	295,122	262,318	225,245	181,413	133,866	80,320	26,773	-
Holtwood SES	7,433	4,460	1,487	-	-	-	-	-	-	-	-	-
Subtotal	939,961	846,379	732,436	606,720	510,275	423,175	327,312	222,717	139,328	80,320	26,773	-
Nuclear Production												
Susquehanna SES #1	1,029,268	987,058	943,726	899,113	853,030	805,249	755,497	703,437	648,649	590,592	528,552	461,544
Susquehanna SES #2	1,102,221	1,063,523	1,023,916	983,275	941,457	898,293	853,583	807,090	758,527	707,539	653,684	596,395
Subtotal	2,131,490	2,050,581	1,967,642	1,882,388	1,794,486	1,703,541	1,609,080	1,510,528	1,407,176	1,298,131	1,182,236	1,057,939
Hydro Production												
Wallenpaupack HES	6,901	6,761	6,620	6,477	6,332	6,185	6,035	5,882	5,727	5,567	5,404	5,236
Holtwood HES	57,923	57,365	56,779	56,166	55,523	54,851	54,182	53,513	52,847	52,179	51,509	50,836
Subtotal	64,824	64,126	63,399	62,643	61,855	61,036	60,216	59,396	58,574	57,746	56,913	56,072
Other Production												
Allentown CT	-	-	-	-	-	-	-	-	-	-	-	-
Harwood CT	-	-	-	-	-	-	-	-	-	-	-	-
Williamsport CT	-	-	-	-	-	-	-	-	-	-	-	-
Harrisburg CT	-	-	-	-	-	-	-	-	-	-	-	-
Jenkins CT	-	-	-	-	-	-	-	-	-	-	-	-
Sunbury Diesel	132	132	79	26	-	-	-	-	-	-	-	-
Sunbury CT	874	662	397	132	-	-	-	-	-	-	-	-
Martins Creek Diesel	153	176	195	208	213	209	192	115	38	-	-	-
Martins Creek CT	2,689	2,414	2,135	1,849	1,556	1,254	938	563	188	-	-	-
Brunner Island Diesel	174	192	204	209	205	188	113	38	-	-	-	-
Conemaugh Diesel	6	4	3	1	-	-	-	-	-	-	-	-
Keystone Diesel	1	-	-	-	-	-	-	-	-	-	-	-
Fishbach CT	-	-	-	-	-	-	-	-	-	-	-	-
West Shore CT	-	-	-	-	-	-	-	-	-	-	-	-
Lock Haven CT	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	4,029	3,581	3,013	2,426	1,975	1,651	1,244	716	226	-	-	-
Total Production	3,140,304	2,964,667	2,766,490	2,554,177	2,368,592	2,189,403	1,997,852	1,793,357	1,605,303	1,436,197	1,265,922	1,114,011
General plant	105,020	102,350	99,677	96,999	94,318	91,633	88,943	86,250	83,552	80,850	78,143	75,431
Intangible plant (production)	-	-	-	-	-	-	-	-	-	-	-	-
Total Production incl general	\$3,245,324	\$3,067,017	\$2,866,167	\$2,651,176	\$2,462,910	\$2,281,036	\$2,086,796	\$1,879,607	\$1,688,855	\$1,517,047	\$1,344,065	\$1,189,442

Plant Balances

Thousands of Dollars	2018 net	2019 net	2020 net	2021 net	2022 net	2023 net	2024 net	2025 net	2026 net	2027 net	2028 net	2029 net	2030 net	2031 net
	plant	plant	plant	plant	plant	plant	plant	plant	plant	plant	plant	plant	plant	plant
Steam Production														
Sunbury SES														
Martins Creek #1 & #2 SES														
Martins Creek #3 & #4 SES														
Brunner Island SES														
Conemaugh SES														
Keystone SES														
Montour SES														
Holtwood SES														
Subtotal														
Nuclear Production														
Susquehanna SES #1	388,136	306,059	179,088	-	-									
Susquehanna SES #2	534,921	468,228	394,811	312,286	186,031	-	-							
Subtotal	923,057	774,288	573,899	312,286	186,031	-	-							
Hydro Production														
Wallenpaupack HES	5,062	4,883	4,697	4,503	4,300	4,087	3,861	3,622	3,366	3,090	2,790	2,460	2,091	1,669
Holtwood HES	50,117	49,349	48,532	47,663	46,740	45,759	44,719	43,617	42,448	41,209	39,897	38,505	37,030	35,464
Subtotal	55,179	54,232	53,229	52,166	51,040	49,846	48,581	47,239	45,814	44,300	42,687	40,966	39,121	37,132
Other Production														
Allentown CT														
Harwood CT														
Williamsport CT														
Harrisburg CT														
Jenkins CT														
Sunbury Diesel														
Sunbury CT														
Martins Creek Diesel														
Martins Creek CT														
Brunner Island Diesel														
Conemaugh Diesel														
Keystone Diesel														
Fishbach CT														
West Shore CT														
Lock Haven CT														
Subtotal														
Total Production	978,236	828,520	627,128	364,452	237,070	49,846	48,581	47,239	45,814	44,300	42,687	40,966	39,121	37,132
General plant	72,714	69,992	67,265	64,532	61,793	59,048	56,297	53,539	50,773	48,000	45,219	42,430	39,631	36,823
Intangible plant (production)														
Total Production Incl general	\$1,050,951	\$898,512	\$694,393	\$428,984	\$298,863	\$108,894	\$104,877	\$100,777	\$ 96,587	\$ 92,300	\$ 87,907	\$ 83,396	\$ 78,752	\$ 73,955

Plant Balances													
Thousands of Dollars	2032 net	2033 net	2034 net	2035 net	2036 net	2037 net	2038 net	2039 net	2040 net	2041 net	2042 net	2043 net	2044 net
	plant	plant	plant										
Steam Production													
Sunbury SES													
Martins Creek #1 & #2 SES													
Martins Creek #3 & #4 SES													
Brunner Island SES													
Conemaugh SES													
Keystone SES													
Montour SES													
Holtwood SES													
Subtotal													
Nuclear Production													
Susquehanna SES #1													
Susquehanna SES #2													
Subtotal													
Hydro Production													
Wallenpaupack HES	1,001	334	-	-	-	-	-	-	-	-	-	-	-
Holtwood HES	33,800	32,029	30,143	28,128	25,969	23,647	21,137	18,405	15,401	12,048	7,229	2,410	-
Subtotal	34,801	32,363	30,143	28,128	25,969	23,647	21,137	18,405	15,401	12,048	7,229	2,410	-
Other Production													
Allentown CT													
Harwood CT													
Williamsport CT													
Harrisburg CT													
Jenkins CT													
Sunbury Diesel													
Sunbury CT													
Martins Creek Diesel													
Martins Creek CT													
Brunner Island Diesel													
Conemaugh Diesel													
Keystone Diesel													
Fishbach CT													
West Shore CT													
Lock Haven CT													
Subtotal													
Total Production	34,801	32,363	30,143	28,128	25,969	23,647	21,137	18,405	15,401	12,048	7,229	2,410	-
General plant	34,004	31,174	28,331	25,474	22,601	19,711	16,801	13,866	10,902	7,901	4,740	1,580	-
Intangible plant (production)													
Total Production incl general	\$ 68,805	\$ 63,537	\$ 58,473	\$ 53,601	\$ 48,570	\$ 43,358	\$ 37,937	\$ 32,271	\$ 26,303	\$ 19,949	\$ 11,969	\$ 3,990	\$ -

Plant Balances												
Thousands of Dollars	Percentage	Percentage	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net
			Percentage Other Prod									
Steam Production												
Sunbury SES			10.9%	10.7%	10.1%	9.7%	9.2%	8.7%	8.1%	7.3%	6.0%	5.3%
Martins Creek #1 & #2 SES			9.1%	8.9%	8.6%	8.6%	8.5%	8.5%	8.4%	8.0%	7.2%	7.2%
Martins Creek #3 & #4 SES			17.2%	16.6%	17.6%	17.7%	18.1%	17.9%	17.6%	16.5%	15.4%	14.0%
Brunner Island SES			25.5%	25.5%	25.2%	24.9%	24.9%	24.7%	25.4%	25.0%	24.4%	24.5%
Conemaugh SES			5.1%	5.0%	4.8%	4.9%	4.6%	4.4%	4.1%	3.6%	2.9%	2.5%
Keystone SES			2.4%	2.4%	2.3%	2.3%	2.3%	2.2%	2.0%	1.8%	1.3%	0.8%
Montour SES			21.7%	22.0%	22.6%	23.2%	23.8%	25.1%	25.9%	29.5%	35.5%	38.5%
Holtwood SES			1.7%	1.6%	1.5%	1.4%	1.4%	1.4%	1.4%	1.5%	1.1%	0.9%
Subtotal			93.6%	92.7%	92.8%	92.7%	92.8%	92.8%	92.8%	93.1%	93.8%	93.7%
Hydro Production												
Wallenpaupack HES			0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%
Holtwood HES			5.2%	5.6%	5.6%	5.7%	5.8%	5.8%	5.9%	5.7%	5.2%	5.3%
Subtotal			5.9%	6.3%	6.3%	6.4%	6.5%	6.6%	6.6%	6.4%	5.8%	5.9%
Other Production												
Allentown CT			0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Harwood CT			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Williamsport CT			0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Harrisburg CT			0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Jenkins CT			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sunbury Diesel			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sunbury CT			0.0%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%
Martins Creek Diesel			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Martins Creek CT			0.0%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%
Brunner Island Diesel			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Conemaugh Diesel			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Keystone Diesel			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fishbach CT			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West Shore CT			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Lock Haven CT			0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Subtotal			0.5%	1.1%	0.9%	0.9%	0.8%	0.7%	0.6%	0.5%	0.4%	0.4%

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Plant Additions

Thousands of Dollars	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Steam Production																
Sunbury SES	\$ 4,028	\$ 1,466	\$ 895	\$ 1,777	\$ 2,223	\$ 2,223	\$ 3,223	\$ 5,223	\$ 2,223	\$ 1,223	\$ 223	\$ -	\$ -	\$ -		
Martins Creek #1 & #2 SES	600	690	2,285	2,075	3,335	3,125	3,125	7,125	5,125	4,125	3,125	3,125	2,125	1,125	1,125	1,125
Martins Creek #3 & #4 SES	2,130	26,609	10,130	18,700	12,200	14,700	14,700	33,400	12,100	7,700	2,700	0	0	0		
Brunner Island SES	9,849	11,802	2,365	11,367	8,499	21,888	21,242	45,534	23,457	19,765	27,625	19,490	10,729	17,525	3,787	468
Conemaugh SES	1,374	2,694	3,134	934	934	957	981	1,006	1,031	1,057	1,083	0	0	0		
Keystone SES	2,130	2,130	2,130	2,130	2,130	2,183	2,238	2,294	0	0	0					
Montour SES	9,630	17,906	9,665	14,358	20,149	19,130	59,743	126,537	55,134	10,634	18,555	13,888	15,255	13,888	13,650	11,683
Holtwood SES	110	120	136	660	1,106	2,106	3,842	106	106	106	0	0				
Subtotal	29,850	63,417	30,740	52,001	50,576	66,313	109,095	221,225	99,176	44,610	53,311	36,503	28,109	32,538	18,562	13,276
Nuclear Production																
Susquehanna SES #1	19,530	20,018	20,519	21,032	21,557	22,096	22,649	23,215	23,795	24,390	25,000	25,625	26,266	26,922	27,595	28,285
Susquehanna SES #2	19,530	20,018	20,519	21,032	21,557	22,096	22,649	23,215	23,795	24,390	25,000	25,625	26,266	26,922	27,595	28,285
Subtotal	39,060	40,037	41,037	42,063	43,115	44,193	45,298	46,430	47,591	48,781	50,000	51,250	52,531	53,845	55,191	56,571
Hydro Production																
Wallenpaupack HES						100	103	105	108	110	113	116	119	122	125	128
Holtwood HES	3,610	477	80	82	85	87	90	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,034
Subtotal	3,610	477	80	82	85	187	193	1,105	1,108	1,110	1,113	1,116	1,119	1,122	1,125	1,162
Other Production																
Allentown CT																
Harwood CT			440													
Williamsport CT																
Harrisburg CT																
Jenkins CT																
Sunbury Diesel							40	41	42	43	44					
Sunbury CT	2700						40	41	42	43	44					
Martins Creek Diesel							40	41	42	43	44	45	46	48	49	50
Martins Creek CT	5300						40	41	42	43	44	45	46	48	49	50
Brunner Island Diesel							40	41	42	43	44	45	46	48	49	
Conemaugh Diesel																
Keystone Diesel																
Fishbach CT																
West Shore CT																
Lock Haven CT																
Subtotal	8,000	0	440	0	0	0	200	205	210	215	221	136	139	143	146	100
Total Production	80,520	103,931	72,297	94,146	93,776	110,693	154,785	268,965	148,085	94,716	104,645	89,005	81,898	87,647	75,024	71,108
General plant (66.1% of total)	5288	3503	1388	793	992	132	132	132	132	132	132	132	132	132	132	132
Intangibla plant (production)	9900															
Total Production incl general	\$95,708	\$107,434	\$73,685	\$94,939	\$94,768	\$110,825	\$154,917	\$269,097	\$148,217	\$94,849	\$104,777	\$89,137	\$82,031	\$87,779	\$75,156	\$71,241
66.1% of General Plant	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661
Total general plant	8,000	5,300	2,100	1,200	1,500	200	200	200	200	200	200	200	200	200	200	200

Plant Additions

Thousands of Dollars	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Steam Production																	
Sunbury SES																	
Martins Creek #1 & #2 SES	0	0	0														
Martins Creek #3 & #4 SES																	
Brunner Island SES	0	0															
Conemaugh SES																	
Keystone SES																	
Montour SES	7,000	5,000	0	0	0												
Holtwood SES																	
Subtotal	7,000	5,000	0	0	0												
Nuclear Production																	
Susquehanna SES #1	28,992	29,717	30,460	31,222	32,002	32,802	33,622	34,463	0	0							
Susquehanna SES #2	28,992	29,717	30,460	31,222	32,002	32,802	33,622	34,463	35,324	36,208	0	0					
Subtotal	57,985	59,434	60,920	62,443	64,004	65,604	67,245	68,926	35,324	36,208	0	0					
Hydro Production																	
Wallenpaupack HES	131	134	138	141	145	148	152	156	160	164	168	172	176	181	185	190	195
Holtwood HES	1,069	1,106	1,143	1,182	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
Subtotal	1,200	1,240	1,281	1,323	1,367	1,370	1,374	1,378	1,382	1,386	1,390	1,394	1,398	1,403	1,407	1,412	1,417
Other Production																	
Allentown CT																	
Harwood CT																	
Williamsport CT																	
Harrisburg CT																	
Jenkins CT																	
Sunbury Diesel																	
Sunbury CT																	
Martins Creek Diesel																	
Martins Creek CT																	
Brunner Island Diesel																	
Conemaugh Diesel																	
Keystone Diesel																	
Fishbach CT																	
West Shore CT																	
Lock Haven CT																	
Subtotal	0	0	0	0	0	0	0	0									
Total Production	66,185	65,675	62,201	63,767	65,371	66,975	68,619	70,304	36,706	37,593	1,390	1,394	1,398	1,403	1,407	1,412	1,417
General plant (66.1% of total)	132	132	132	132	132	132	132	132	132	132	132	132	132	132	132	132	132
Intangible plant (production)																	
Total Production incl general	\$66,317	\$65,807	\$62,333	\$63,899	\$65,503	\$67,107	\$68,751	\$70,436	\$36,838	\$37,726	\$1,522	\$1,526	\$1,531	\$1,535	\$1,540	\$1,544	\$1,549
66.1% of General Plant	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661
Total general plant	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200

Plant Additions																
Thousands of Dollars	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	Total Additions
Steam Production																
Sunbury SES																24,727
Martins Creek #1 & #2 SES																43,360
Martins Creek #3 & #4 SES																155,069
Brunner Island SES																255,392
Conemaugh SES																15,185
Keystone SES																17,365
Montour SES																441,805
Holtwood SES																8,399
Subtotal																961,302
Nuclear Production																
Susquehanna SES #1																631,777
Susquehanna SES #2																703,309
Subtotal																1,335,085
Hydro Production																
Wallenpaupack HES	200	205														4,390
Holtwood HES	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	0	0	0	48,595
Subtotal	1,422	1,427	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	0	0	0	52,985
Other Production																
Allentown CT																0
Harwood CT																440
Williamsport CT																0
Harrisburg CT																0
Jenkins CT																0
Sunbury Diesel																210
Sunbury CT																2,910
Martins Creek Diesel																448
Martins Creek CT																5,748
Brunner Island Diesel																398
Conemaugh Diesel																0
Keystone Diesel																0
Fishbach CT																0
West Shore CT																0
Lock Haven CT																0
Subtotal																10,155
Total Production	1,422	1,427	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	0	0	0	2,359,528
General plant (66.1% of total)	132	132	132	132	132	132	132	132	132	132	132	132	0	0	0	17,252
Intangible plant (production)																9,900
Total Production incl general	\$1,554	\$1,559	\$1,354	\$1,354	\$1,354	\$1,354	\$1,354	\$1,354	\$1,354	\$1,354	\$1,354	\$1,354	\$-	\$-	\$-	2,386,680
66.1% of General Plant	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661	0.661				
Total general plant	200	200	200	200	200	200	200	200	200	200	200	200				

TAB

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Depreciation																	
Thousands of Dollars	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Steam Production																	
Sunbury SES	\$ 10,153	\$ 10,373	\$ 10,476	\$ 10,603	\$ 10,814	\$ 11,075	\$ 11,438	\$ 12,088	\$ 12,765	\$ 13,148	\$ 13,354	\$ 13,399	\$ 13,399	\$ 6,699			
Martins Creek #1 & #2 SES	6,125	6,162	6,252	6,393	6,579	6,818	7,068	7,514	8,097	8,584	9,011	9,427	9,831	10,127	10,377	10,698	10,923
Martins Creek #3 & #4 SES	15,939	17,089	18,686	20,059	21,685	23,268	25,228	28,928	33,064	35,264	36,750	37,290	37,290	18,645			
Brunner Island SES	18,351	19,008	19,465	19,938	20,674	21,889	23,765	26,944	30,575	33,118	36,277	39,901	42,649	45,788	48,833	49,684	49,840
Conemaugh SES	4,736	4,899	5,153	5,346	5,445	5,556	5,685	5,838	6,023	6,255	6,561	6,777	6,777	3,389			
Keystone SES	2,918	3,143	3,393	3,677	4,005	4,397	4,888	5,536	5,994	6,994	2,997						
Montour SES	13,385	14,091	14,836	15,522	16,588	17,835	20,555	27,454	34,721	37,580	38,970	40,678	42,392	44,335	46,453	48,756	50,832
Hollywood SES	1,699	1,709	1,722	1,763	1,867	2,081	2,539	2,898	2,922	2,952	2,973	2,973	1,487				
Subtotal	73,308	76,473	79,982	83,302	87,637	92,920	101,168	117,200	134,162	142,896	148,894	150,448	153,825	128,983	105,663	109,138	111,595
Nuclear Production																	
Susquehanna SES #1	93,795	93,170	57,449	58,372	59,363	60,427	61,575	62,814	64,157	65,618	67,211	68,957	70,878	73,006	75,376	78,037	81,052
Susquehanna SES #2	91,145	90,567	54,896	55,744	56,650	57,620	58,661	59,780	60,985	62,287	63,698	65,232	66,906	68,740	70,760	72,995	75,485
Subtotal	184,940	183,737	112,345	114,116	116,013	118,048	120,236	122,594	125,142	127,905	130,909	134,189	137,785	141,746	146,136	151,032	156,537
Hydro Production																	
Wallenpaupack HES	233	233	233	233	233	235	238	242	245	249	253	257	262	267	272	278	284
Hollywood HES	1,409	1,453	1,459	1,460	1,462	1,464	1,467	1,480	1,505	1,531	1,558	1,585	1,614	1,642	1,672	1,704	1,737
Subtotal	1,642	1,686	1,692	1,694	1,696	1,699	1,705	1,721	1,750	1,780	1,811	1,843	1,875	1,909	1,944	1,981	2,021
Other Production																	
Allentown CT	148	148	148	148	148	74											
Harwood CT	73	73	135	223	223	112											
Williamsport CT	131	131	131	131	131	65											
Harrisburg CT	223	223	223	223	223	111											
Jenkins CT	106	106	106	106	106	53											
Sunbury Diesel	6	6	6	6	6	6	8	14	22	31	44	53	53	26			
Sunbury CT	110	218	218	218	218	218	220	226	234	243	256	265	265	132			
Martins Creek Diesel	2	2	2	2	2	2	3	7	11	15	21	27	34	42	53	67	77
Martins Creek CT	149	300	300	300	300	300	302	305	309	314	319	325	332	341	351	365	375
Brunner Island Diesel	5	5	5	5	5	5	7	11	15	20	26	33	41	52	66	75	75
Conemaugh Diesel	2	2	2	2	2	2	2	2	2	2	2	2	2	1			
Keystone Diesel	2	2	2	2	2	2	2	2	2	2	1						
Fishbach CT	65	65	65	65	65	65	65	32									
West Shore CT	56	56	56	56	56	56	56	28									
Lock Haven CT	106	106	106	106	106	106	106	53									
Subtotal	1,182	1,442	1,505	1,593	1,593	1,177	771	681	595	628	668	704	726	594	470	508	528
Total Production	261,072	263,338	195,523	200,705	206,938	213,844	223,877	242,196	261,650	273,209	280,282	287,182	294,211	273,233	254,213	262,659	270,680
General plant	2,579	2,674	2,727	2,752	2,772	2,786	2,789	2,792	2,795	2,799	2,802	2,806	2,810	2,813	2,817	2,821	2,826
Intangible plant (production)	1,657	2,700	2,700	2,700	2,340	1,080											
Total Production incl general	\$285,308	\$268,711	\$200,951	\$206,156	\$212,050	\$217,709	\$226,666	\$244,988	\$264,445	\$276,008	\$283,084	\$289,988	\$297,021	\$276,046	\$257,030	\$265,481	\$273,506
Fossil Dep(incl Hydro & CT																	
	77,462	80,979	84,584	88,007	92,354	97,232	105,079	121,041	137,948	146,747	150,817	154,439	157,875	132,936	109,529	113,081	115,600
Nuclear incl gen and intang																	
	187,847	187,733	116,367	118,150	119,696	120,478	121,587	123,947	126,497	129,261	132,267	135,549	139,146	143,110	147,501	152,399	157,906
Total	265,308	268,711	200,951	206,156	212,050	217,709	226,666	244,988	264,445	276,008	283,084	289,988	297,021	276,046	257,030	265,481	273,506

Depreciation

Thousands of Dollars	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Steam Production																		
Sunbury SES																		
Martins Creek #1 & #2 SES	10,923	5,462																
Martins Creek #3 & #4 SES																		
Brunner Island SES	24,920																	
Conemaugh SES																		
Keystone SES																		
Monlour SES	52,547	53,547	53,547	26,773														
Holtwood SES																		
Subtotal	88,390	59,008	53,547	26,773														
Nuclear Production																		
Susquehanna SES #1	84,505	88,517	93,262	99,010	106,210	115,699	129,316	108,786	-									
Susquehanna SES #2	78,281	81,448	85,076	89,291	94,276	100,315	107,880	117,850	132,156	113,918	-							
Subtotal	162,786	169,965	178,338	188,301	200,486	216,014	237,196	226,636	132,156	113,918	-							
Hydro Production																		
Wallenpaupack HES	290	297	305	313	322	332	342	354	367	381	397	416	437	461	490	525	569	627
Holtwood HES	1,773	1,811	1,852	1,895	1,941	1,989	2,039	2,091	2,146	2,202	2,262	2,325	2,391	2,461	2,535	2,613	2,698	2,788
Subtotal	2,063	2,108	2,156	2,208	2,263	2,321	2,381	2,445	2,512	2,584	2,659	2,740	2,827	2,922	3,025	3,138	3,267	3,415
Other Production																		
Allentown CT																		
Harwood CT																		
Williamsport CT																		
Harrisburg CT																		
Jenkins CT																		
Sunbury Diesel																		
Sunbury CT																		
Martins Creek Diesel	77	38																
Martins Creek CT	375	188																
Brunner Island Diesel	38																	
Conemaugh Diesel																		
Keystone Diesel																		
Fishbach CT																		
West Shore CT																		
Lock Haven CT																		
Subtotal	490	226	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Production	253,729	231,308	234,041	217,282	202,750	218,335	239,578	229,081	134,668	116,502	2,659	2,740	2,827	2,922	3,025	3,138	3,267	3,415
General plant	2,830	2,835	2,839	2,844	2,849	2,854	2,860	2,865	2,871	2,877	2,884	2,890	2,898	2,905	2,913	2,922	2,931	2,941
Intangible plant (production)																		
Total Production Incl general	\$256,559	\$234,142	\$236,880	\$220,126	\$205,599	\$221,189	\$242,437	\$231,946	\$137,539	\$118,379	\$ 5,543	\$5,631	\$5,725	\$5,827	\$5,938	\$6,060	\$6,197	\$6,355
Fossil Dep(incl Hydro & CT	92,401	62,803	57,166	30,447	3,732	3,792	3,855	3,922	3,992	4,066	4,146	5,631	5,725	5,827	5,938	6,060	6,197	6,355
Nuclear incl gen and intang	164,158	171,339	179,714	189,679	201,867	217,397	238,582	228,024	133,547	115,312	1,397	-	-	-	-	-	-	-
Total	256,559	234,142	236,880	220,126	205,599	221,189	242,437	231,946	137,539	119,379	5,543	5,631	5,725	5,827	5,938	6,060	6,197	6,355

Depreciation																			
Thousands of Dollars	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	TOTAL DEPRE	PLANT 1996	Additions	Net	
Steam Production																			
Sunbury SES															\$ 159,783	\$ 135,056	\$ 24,727	\$ (0)	
Martins Creek #1 & #2 SES															156,373	113,013	43,360	-	
Martins Creek #3 & #4 SES															369,184	214,115	155,069	(0)	
Brunner Island SES															571,618	316,226	255,392	-	
Conemaugh SES															78,440	63,255	15,185	(0)	
Keystone SES															46,944	29,579	17,365	(0)	
Montour SES															711,378	269,573	441,805	-	
Holtwood SES															29,586	21,187	8,399	(0)	
Subtotal															2,123,306	1,162,004	961,302	-	
Nuclear Production																			
Susquehanna SES #1															2,016,563	1,487,206	631,777	102,420	
Susquehanna SES #2															2,132,644	1,531,755	703,309	102,420	
Subtotal															4,149,207	3,018,961	1,335,085	204,840	dep chang
Hydro Production																			
Waltonpaupack HES	668	668	334	-	-	-	-	-	-	-	-	-	-	-	13,141	8,751	4,390	0	
Holtwood HES	2,886	2,992	3,109	3,237	3,381	3,544	3,732	3,954	4,226	4,575	4,819	4,819	2,410		113,697	65,102	48,595	0	
Subtotal	3,554	3,660	3,442	3,237	3,381	3,544	3,732	3,954	4,226	4,575	4,819	4,819	2,410		126,838	73,853	52,985	(0)	
Other Production																			
Allentown CT															816	816	0	-	
Harwood CT															839	399	440	-	
Williamsport CT															720	720	0	(0)	
Harrisburg CT															1,225	1,225	0	0	
Jenkins CT															585	585	0	0	
Sunbury Diesel															285	75	210	-	
Sunbury CT															3,039	129	2,910	-	
Martins Creek Diesel															483	35	448	0	
Martins Creek CT															5,852	104	5,748	0	
Brunner Island Diesel															492	94	398	0	
Conemaugh Diesel															24	24	0	-	
Keystone Diesel															19	19	0	(0)	
Fishbach CT															484	484	0	(0)	
West Shore CT															418	418	0	-	
Lock Haven CT															797	797	0	-	
Subtotal															16,079	5,924	10,155	-	
Total Production	3,554	3,660	3,442	3,237	3,381	3,544	3,732	3,954	4,226	4,575	4,819	4,819	2,410		6,415,430	4,260,742	2,359,528	(204,840)	
General plant	2,951	2,963	2,975	2,989	3,005	3,022	3,043	3,067	3,096	3,134	3,160	3,160	1,580		137,112	119,860	17,252	(0)	
Intangible plant (production)															13,177	3,277	9,900	-	
Total Production incl general	\$6,505	\$6,622	\$6,418	\$6,226	\$6,386	\$6,566	\$6,775	\$7,021	\$7,322	\$7,709	\$7,979	\$7,979	\$3,990	\$-	\$6,565,719	\$4,383,879	\$2,386,680	\$(204,840)	
Fossil Dep(incl Hydro & CT	6,505	6,622	6,418	6,226	6,386	6,566	6,775	7,021	7,322	7,709	7,979	7,979	3,990						
Nuclear incl gen and intang	-	-	-	-	-	-	-	-	-	-	-	-	-						
Total	6,505	6,622	6,418	6,226	6,386	6,566	6,775	7,021	7,322	7,709	7,979	7,979	3,990						

TAB

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Stranded
EGEAS Inputs

NUCLEAR	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Susq Energy	287413	277711	283449	294432	309867	311817	322893	335061	344063	354110	375106	387664	399670	413356
Susq Capacity	17891	18284	43252	57014	74708	98300	96334	94368	86504	88470	98300	100266	104198	106282
Total Revenues	305304	295995	326701	351446	384575	410117	419227	429429	430567	442580	473406	487930	503868	519638
Susq. Generation GWH	13526.589	13529.74	13526.55	13529.66	13526.6	13529.6	13526.6	13529.6	13526.6	13529.6	13526.6	13529.6	13526.6	13529.6
Susq MCPG (Rev./GWH)	2.26	2.19	2.42	2.60	2.84	3.03	3.10	3.17	3.18	3.27	3.50	3.61	3.73	3.84
FOSSIL														
Brunner Energy	187479	174987	172627	190274	202358	207363	216590	231808	239611	255926	276910	293189	301401	319078
Brunner Capacity	13049	13336	31548	41586	54492	71700	70266	68832	63096	64530	71700	73134	76002	77522
Total Revenues	200528	188324	204175	231860	256850	279063	286856	300640	302707	320456	348610	366323	377403	396600
Brunner Energy GWH	8576.4994	8267.313	7975.742	8548	8623.9	8827.4	8905.8	9220.4	9296.9	9706.5	9928.4	10210.9	10157	10435.8
Brunner MCPG	2.34	2.28	2.56	2.71	2.98	3.16	3.22	3.26	3.26	3.30	3.51	3.59	3.72	3.80
Brunner Fuel	134552.13	131823.5	129684.2	141111	145051	152187	156275	164274	168502	178807	186184	194618	197113	205829
Holtwood #17 Energy	11803	12289	7565	7899	8403	8435	8764	9147	9376	9658	10157	10550	5393	0
Holtwood #17 Capacity	655	670	1584	2088	2736	3600	3528	3456	3168	3240	3600	3672	1908	0
Total Revenues	12458	12959	9149	9987	11139	12035	12292	12603	12544	12898	13757	14222	7301	0
Holtwood #17 Energy GWH	555.46901	598.714	341.1187	344.2	346	346.8	347.2	347.8	348.2	348.6	348.7	348.7	174.35	0
Holtwood #17 MCPG	2.24	2.16	2.68	2.90	3.22	3.47	3.54	3.62	3.60	3.70	3.95	4.08	4.19	#DIV/0!
Holtwood #17 Fuel	6082.1186	6653.315	3847.233	4727	4838	4938	5035	5120	5206	5307	5407	5506	2803.5	0
Holtwood Hydro Energy	12952	12469	12467	13181	13913	13971	14485	15058	15445	15893	16782	17381	17854	18440
Holtwood Hydro Capacity	2193	2241	5302	6989	9158	12050	11809	11568	10604	10845	12050	12291	12773	13028
Total Revenues	15146	14710	17769	20170	23071	26021	26294	26626	26049	26738	28832	29672	30627	31468
Holtwood Hydro GWH	592.02487	591.9606	580.0922	592	592	592	592	592	592	592	592	592	592	592
Holtwood Hydro MCPG	2.56	2.49	3.06	3.41	3.90	4.40	4.44	4.50	4.40	4.52	4.87	5.01	5.17	5.32
M.Ck. Coal Energy	31781	26887	28053	29685	33985	34143	37229	26456	28973	30097	34453	35786	37642	39644
M.Ck. Coal Capacity	2548	2604	6160	8120	10640	14000	13720	13440	12320	12600	14000	14280	14840	15137
Total Revenues	34329	29491	34213	37805	44625	48143	50949	39896	41293	42697	48453	50066	52482	54781
M.Ck. Coal Energy GWH	1393.5685	1193.95	1236.167	1270.6	1394.4	1399.6	1484.7	919.9	1001	1013.2	1138	1132.4	1181.1	1213.1
M.Ck. Coal MCPG	2.46	2.47	2.77	2.98	3.20	3.44	3.43	4.34	4.13	4.21	4.26	4.42	4.44	4.52
M.Ck. Coal Fuel	23757.65	21128.91	22071.97	23138	25528	26135	27886	17587	19281	19834	22421	22702	24003	25048

Stranded
EGEAS Inputs

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
M.Ck. Oil Energy	22896	16967	14897	12928	13622	12493	12691	17934	21932	19608	27301	37541	41748	23032
M.Ck. Oil Capacity	14487	14806	35024	46168	60496	79600	78008	76416	70048	71640	79600	81192	84376	43032
Total Revenues	37383	31773	49921	59096	74118	92093	90699	94350	91980	91248	106901	118733	126124	66064
M.Ck. Oil Energy GWH	732.66159	568.4078	502.1051	427.5	434.5	398	397.2	529.5	654	567.7	800.9	1019.6	1181.7	639.55
M.Ck. Oil MCPG	5.10	5.59	9.94	13.82	17.06	23.14	22.83	17.82	14.06	16.07	13.35	11.65	10.67	10.33
M.Ck. Oil Fuel	18790.867	14509.58	12786.69	11190	11643	10970	11237	15664	20078	17850	26070	34337	40966	22813
Montour Energy	206252	189397	193169	196040	215549	214627	229775	238067	251604	258787	284156	291790	306156	314720
Montour Capacity	13696	13997	33110	43645	57190	75250	73745	72240	66220	67725	75250	76755	79765	81360
Total Revenues	219947	203394	226279	239685	272739	289877	303520	310307	317824	326512	359406	368545	385921	396080
Montour Energy GWH	9610.8824	9073.258	9096.933	8847.2	9283.9	9185	9535.6	9512.4	9827.1	9827.7	10212.6	10141.6	10336	10273.5
Montour MCPG	2.29	2.24	2.49	2.71	2.94	3.16	3.18	3.26	3.23	3.32	3.52	3.63	3.73	3.86
Montour Fuel	135852.9	130428	132693.5	144394	153977	154994	163618	165680	173853	176789	186787	188660	195699	197830
Sunbury Energy	44322	40411	33635	35573	40014	39656	42682	36112	38347	39876	44576	46566	48412	25054
Sunbury Capacity	3294	3367	7964	10498	13756	18100	17738	17376	15928	16290	18100	18462	19186	9785
Total Revenues	47616	43777	41599	46071	53770	57756	60420	53488	54275	56166	62676	65028	67598	34839
Sunbury Energy GWH	1977.8569	1858.122	1453.288	1496.2	1605.3	1587.7	1658.1	1281.2	1337.7	1353.1	1471.5	1474.7	1516.4	762.95
Sunbury MCPG	2.41	2.36	2.86	3.08	3.35	3.64	3.64	4.17	4.06	4.15	4.26	4.41	4.46	4.57
Sunbury Fuel	26314.7	24708.55	21604.85	23994	26476	26434	28345	20957	22313	22992	25684	26192	27499	14093
Wallenpaupack Energy	2146	2035	2018	2105	2240	2230	2313	2435	2468	2539	2620	2772	2759	2829
Wallenpaupack Capacity	400	409	968	1276	1672	2200	2156	2112	1936	1980	2200	2244	2332	2379
Total Revenues	2547	2444	2986	3381	3912	4430	4469	4547	4404	4519	4820	5016	5091	5208
Wlpk. EnergyGWH	80	80	78	80	80	80	80	80	80	80	80	80	80	80
Wallenpaupack MCPG	3.18	3.06	3.81	4.23	4.89	5.54	5.59	5.68	5.50	5.65	6.02	6.27	6.36	6.51
Keystone Energy	31010	29309	29414	30001	32254	32640	34278	35978	37312	39045	20954	0	0	0
Keystone Capacity	1929	1972	4664	6148	8056	10600	10388	10176	9328	9540	5300	0	0	0
Total Revenues	32940	31281	34078	36149	40310	43240	44666	46154	46640	48585	26254	0	0	0
Keystone Energy GWH	1455	1416	1398	1366	1399	1405	1431	1442	1463	1484	755	0	0	0
Keystone. MCPG	2.26	2.21	2.44	2.65	2.88	3.08	3.12	3.20	3.19	3.27	3.48	#DIV/0!	#DIV/0!	#DIV/0!
Keystone Fuel	18923.8	18733.4	18754.0	21320.0	22181.0	22688.0	23484.0	24041.0	24751.0	25543.0	13214.0	0.0	0.0	0.0
Conemaugh Energy	28721	27944	27877	29826	31520	31895	33109	34655	35573	36971	39255	40802	41969	21803
Conemaugh Capacity	1775	1814	4290	5655	7410	9750	9555	9360	8580	8775	9750	9945	10335	5271

Stranded
EGEAS Inputs

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Revenues	30496	29758	32167	35481	38930	41645	42664	44015	44153	45746	49005	50747	52304	27074
Conemaugh Energy GWH	1345	1354	1327	1365	1373	1379	1385	1395	1397	1409	1415	1421	1420	713
Conemaugh MCPG	2.27	2.20	2.42	2.60	2.83	3.02	3.08	3.16	3.16	3.25	3.46	3.57	3.68	3.80
Conemaugh Fuel	14724.0	15067.5	14981.0	15641.0	15995.0	16334.0	16679.0	17074.0	17394.0	17832.0	18210.0	18596.0	18898.0	9643.0
CTG's Energy	77	41	33	39	38	25	10	7	0	0	0	0	0	0
CTG's Capacity	2421	2474	5852	7714	10108	8400	3430	1680	0	0	0	0	0	0
Total Revenues	2498	2514	5885	7753	10146	8425	3440	1687	0	0	0	0	0	0
CTG's Energy GWH	2	1	1	1	1	1	0	0	0	0	0	0	0	0
CTG's MCPG	101.31	184.77	533.69	596.41	845.47	1053.14	1146.53	843.39	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CTG's Fuel	141.5	79.6	67.2	74.0	72.0	46.0	20.0	11.5	0.0	0.0	0.0	0.0	0.0	0.0
Total Fossil Revenues	635,887	590,424	658,221	727,436	829,610	902,728	926,268	934,313	941,870	975,567	1,048,713	1,068,353	1,104,850	1,012,114
Total Fossil Generation	26321	25003	23990	24338	25133	25201	25817	25320	25998	26382	26743	26421	26639	24710
Avg. MCPG	2.42	2.36	2.74	2.99	3.30	3.58	3.59	3.69	3.62	3.70	3.92	4.04	4.15	4.10
Total Fossil Fuel Cost	379,140	363,132	356,491	385,589	405,761	414,726	432,579	430,409	451,378	464,954	483,977	490,611	506,982	475,256

Stranded
EGEAS Inputs

NUCLEAR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Susq Energy	426047	438657	454832	458478	472849	483629	0	0	0	0	0	0	0	0
Susq Capacity	108408	110576	112787	115043	117344	119691	0	0	0	0	0	0	0	0
Total Revenues	534455	549232	567619	573521	590193	603320	0	0	0	0	0	0	0	0
Susq. Generation GWH	13526.6	13529.6	13526.6	13529.6	13526.6	13529.6	0	0	0	0	0	0	0	0
Susq MCPG (Rev./GWH)	3.95	4.06	4.20	4.24	4.36	4.46	#DIV/0!							
FOSSIL														
Brunner Energy	326445	343006	352189	180820	0	0	0	0	0	0	0	0	0	0
Brunner Capacity	79072	80654	82267	41956	0	0	0	0	0	0	0	0	0	0
Total Revenues	405517	423660	434456	222776	0	0	0	0	0	0	0	0	0	0
Brunner Energy GWH	10332	10575.9	10449.7	5335.5	0	0	0	0	0	0	0	0	0	0
Brunner MCPG	3.92	4.01	4.16	4.18	#DIV/0!									
Brunner Fuel	207507	215893	217219	112726.5	0	0	0	0	0	0	0	0	0	0
Holtwood #17 Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holtwood #17 Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holtwood #17 Energy GWH	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holtwood #17 MCPG	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Holtwood #17 Fuel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Holtwood Hydro Energy	18984	19526	20218	20417	21039	21518	0	0	0	0	0	0	0	0
Holtwood Hydro Capacity	13289	13555	13826	14102	14384	14672	0	0	0	0	0	0	0	0
Total Revenues	32273	33081	34044	34520	35423	36190	0	0	0	0	0	0	0	0
Holtwood Hydro GWH	592	592	592	592	592	592	0	0	0	0	0	0	0	0
Holtwood Hydro MCPG	5.45	5.59	5.75	5.83	5.98	6.11	#DIV/0!							
M.Ck. Coal Energy	41691	42925	45337	45460	24179	0	0	0	0	0	0	0	0	0
M.Ck. Coal Capacity	15440	15748	16063	16385	8356	0	0	0	0	0	0	0	0	0
Total Revenues	57130	58674	61400	61845	32535	0	0	0	0	0	0	0	0	0
M.Ck. Coal Energy GWH	1248.3	1252.3	1286	1269.6	660.05	0	0	0	0	0	0	0	0	0
M.Ck. Coal MCPG	4.58	4.69	4.77	4.87	4.93	#DIV/0!								
M.Ck. Coal Fuel	26165	26705	27847	27978	14784	0	0	0	0	0	0	0	0	0

Stranded
EGEAS Inputs

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
M.Ck. Oil Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
M.Ck. Oil Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0
M.Ck. Oil Energy GWH	0	0	0	0	0	0	0	0	0	0	0	0	0	0
M.Ck. Oil MCPG	#DIV/0!													
M.Ck. Oil Fuel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montour Energy	329056	336166	353209	352969	368469	373804	0	0	0	0	0	0	0	0
Montour Capacity	82988	84647	86340	88067	89828	91625	0	0	0	0	0	0	0	0
Total Revenues	412044	420813	439550	441036	458297	465429	0	0	0	0	0	0	0	0
Montour Energy GWH	10428.7	10346.5	10490.7	10395.5	10527.5	10439.3	0	0	0	0	0	0	0	0
Montour MCPG	3.95	4.07	4.19	4.24	4.35	4.46	#DIV/0!							
Montour Fuel	204441	206310	212976	214674	221362	223278	0	0	0	0	0	0	0	0
Sunbury Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sunbury Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sunbury Energy GWH	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sunbury MCPG	#DIV/0!													
Sunbury Fuel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wallenpaupack Energy	2886	2954	3032	3092	3166	3239								
Wallenpaupack Capacity	2426	2475	2524	2575	2626	2679								
Total Revenues	5312	5429	5556	5667	5792	5918								
Wlpk. EnergyGWH	80	80	80	80	80	80								
Wallenpaupack MCPG	6.64	6.79	6.95	7.08	7.24	7.40								
Keystone Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Keystone Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Keystone Energy GWH	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Keystone. MCPG	#DIV/0!													
Keystone Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0
Conemaugh Energy	0	0	0	0	0	0								
Conemaugh Capacity	0	0	0	0	0	0								

Stranded
EGEAS Inputs

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Revenues	0	0	0	0	0	0								
Conemaugh Energy GWH	0	0	0	0	0	0								
Conemaugh MCPG	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!								
Conemaugh Fuel	0.0	0.0	0.0	0.0	0.0	0.0								
CTG's Energy	0	0	0	0	0	0								
CTG's Capacity	0	0	0	0	0	0								
Total Revenues	0	0	0	0	0	0								
CTG's Energy GWH	0	0	0	0	0	0								
CTG's MCPG	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!								
CTG's Fuel	0.0	0.0	0.0	0.0	0.0	0.0								
Total Fossil Revenues	912,277	941,657	975,007	765,843	532,047	507,537	0	0	0	0	0	0	0	0
Total Fossil Generation	22681	22847	22898	17673	11860	11111	0	0	0	0	0	0	0	0
Avg. MCPG	4.02	4.12	4.26	4.33	4.49	4.57	#DIV/0!							
Total Fossil Fuel Cost	438,113	448,908	458,042	355,379	236,146	223,278								

TAB

K

STRANDED CALCULATIONS
Brunner

FOSSIL CALCULATIONS		Escalation Rate		2.50%											
Not Present Valued															
(thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Return	32,594	31,744	31,015	29,356	28,559	27,445	27,523	27,330	29,134	28,561	27,469	26,855	25,187	22,479	20,177
Taxes	13,497	13,155	12,848	12,133	11,794	11,299	11,341	11,275	12,076	11,838	11,346	11,101	10,444	9,309	8,395
Book Depreciation	18,690	19,355	19,814	20,291	21,026	22,254	24,124	27,295	30,929	33,487	36,672	40,316	43,074	46,215	49,203
Fuel Expense	134,552	131,824	129,684	141,111	145,051	152,187	156,275	164,274	168,502	178,807	186,184	194,618	197,113	205,829	207,507
O&M	54,588	55,138	56,256	56,925	57,663	59,599	61,718	69,716	71,496	73,456	75,773	78,511	81,476	86,595	92,394
Tax Other Than Inc.	5,369	5,503	5,641	5,782	5,927	6,075	6,227	6,382	6,542	6,705	6,873	7,045	7,221	7,402	7,587
Subtotal															
Decommissioning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Required without GRT	259,291	256,720	255,258	265,599	270,020	278,858	287,207	306,272	318,678	332,854	344,316	358,446	364,516	377,830	385,263
REVENUES															
Generation (GWH)	8,576	8,267	7,976	8,548	8,624	8,827	8,906	9,220	9,297	9,707	9,928	10,211	10,157	10,436	10,332
Capacity	13,049	13,336	31,548	41,586	54,492	71,700	70,266	68,832	63,096	64,530	71,700	73,134	76,002	77,522	79,072
Energy	187,479	174,987	172,627	190,274	202,358	207,363	216,590	231,808	239,611	255,926	276,910	293,189	301,401	319,078	326,445
Total Revenues	200,528	188,324	204,175	231,860	256,850	279,063	286,856	300,640	302,707	320,456	348,610	366,323	377,403	396,600	405,517
MCPG	2.34	2.28	2.56	2.71	2.98	3.16	3.22	3.26	3.26	3.30	3.51	3.59	3.72	3.80	3.92
Costs - Cents/KWH															
Total	3.02	3.11	3.20	3.11	3.13	3.16	3.22	3.32	3.43	3.43	3.47	3.51	3.59	3.62	3.73

STRANDED CALCULATIONS
Brunner

FOSSIL CALCULAT Not Present Valued (thousands of \$)	Escalation Rate				Escalation Rate			0.00%
	2012	2013	2014	2015	2016	2017	2018	
Return	16,180	11,776	7,235	0	0	0	0	
Taxes	6,775	5,003	3,119	0	0	0	0	
Book Depreciation	49,963	49,968	24,920	0	0	0	0	
Fuel Expense	215,893	217,219	112,727	0	0	0	0	
O&M	86,959	63,810	35,329	0	0	0	0	
Tax Other Than Inc.	7,776	7,971	4,085	-	-	-	-	
Subtotal								
Decommissioning	0	0	110,169	112,923	57,873	0	0	
Revenue Required without GRT	383,547	355,748	297,583	112,923	57,873	0	0	
REVENUES								
Generation (GWH)	10,576	10,450	5,336	0	0	0	0	
Capacity	80,654	82,267	41,956	0	0	0	0	
Energy	343,006	352,189	180,820	0	0	0	0	
Total Revenues	423,660	434,456	222,776	0	0	0	0	
MCPG	4.01	4.16	4.18	0	0	0	0	
Costs - Cents/KWH								
Total	3.63	3.40	5.58	0	0	0	0	

Brunner Island												
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	Plant Bal 2000 net	Brunner 2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Plant balance	316,226	307,724	300,518	283,418	274,847	262,673	262,671	260,149	278,738	271,620	258,267	249,615
General Plant Allocation	15,732	16,104	16,042	15,647	15,397	15,045	15,123	14,552	13,855	13,604	13,857	14,405
Subtotal	331,958	323,828	316,560	299,066	290,244	277,717	277,795	274,701	292,594	285,224	272,124	264,020
Accumulated deferred inc tax	26,461	28,232	29,613	30,604	31,193	31,453	31,735	31,743	31,650	31,454	31,039	30,591
Land (Incl general alloc)	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540	2,540
Inventory/Prepayments	36,513	37,426	38,361	39,320	40,303	41,311	42,344	43,402	44,488	45,600	46,740	47,908
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	33,729	32,594	31,744	31,015	29,356	28,559	27,445	27,523	27,330	29,134	28,561	27,469
Federal & State Taxes												
Rate Base	351,784	344,550	335,562	327,849	310,322	301,895	290,115	290,944	288,901	307,971	301,910	290,365
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	18,277	19,812	19,295	18,851	17,844	17,359	16,682	16,729	16,612	17,708	17,360	16,696
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	553	554	529	521	521	517	532	524	506	483	474	495
After tax income	18,277	19,812	19,295	18,851	17,844	17,359	16,682	16,729	16,612	17,708	17,360	16,696
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	12,409	13,497	13,155	12,848	12,133	11,794	11,299	11,341	11,275	12,076	11,838	11,346
Depreciation	18,839	18,351	19,008	19,465	19,938	20,674	21,889	23,765	26,944	30,575	33,118	36,277
Depreciation General Plant	1,032	339	348	350	353	353	364	359	351	353	369	394
Total Depreciation	19,871	18,690	19,355	19,814	20,291	21,026	22,254	24,124	27,295	30,929	33,487	36,672
Taxes Other Than Income	5,238	5,369	5,503	5,641	5,782	5,927	6,075	6,227	6,382	6,542	6,705	6,873
	0.5154											
Accumulated deferred												
Income taxes												
Pollution Control	2,355	2,246	2,111	1,972	1,862	1,739	1,676	1,541	1,395	1,295	1,240	1,203
ACRS- Class Life	20,407	22,460	24,188	25,536	26,406	26,985	27,427	27,783	28,065	28,124	27,851	27,500
ACRS General Plant Alloc	1,609	1,534	1,442	1,347	1,272	1,188	1,145	1,052	953	885	847	822
Unfunded future tax laib FERC	2,463	2,348	2,207	2,062	1,948	1,818	1,753	1,611	1,459	1,355	1,297	1,258
Full normalization FERC	(374)	(356)	(335)	(313)	(295)	(276)	(266)	(244)	(221)	(205)	(197)	(191)
Total	26,461	28,232	29,613	30,604	31,193	31,453	31,735	31,743	31,650	31,454	31,039	30,591

Brunner Island					Plant Ba	Brunner	
Thousands of Dollars	2008 net	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net
Plant balance	229,203	197,284	169,021	123,975	74,759	24,920	
General Plant Allocation	14,740	14,681	14,312	12,051	8,815	3,917	-
Subtotal	243,943	211,965	183,332	136,026	83,574	28,837	
Accumulated deferred inc tax	29,341	27,213	24,178	20,408	15,832	10,459	-
Land (incl general alloc)	2,540	2,540	2,540	2,540	2,540	2,540	-
Inventory/Prepayments	49,106	50,334	51,592	52,882	54,204	55,559	-
Return on Investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	26,855	25,187	22,479	20,177	16,180	11,776	7,235
Federal & State Taxes							
Rate Base	283,877	266,248	237,625	213,286	171,040	124,486	76,477
Cost of Capital							
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	16,323	15,309	13,663	12,264	9,835	7,158	4,397
Fossil ITC Amort	1,656	1,407	1,294	1,188	1,039	829	548
Plant Percentage	475	413	381	303	200	73	-
After tax income	16,323	15,309	13,663	12,264	9,835	7,158	4,397
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	11,101	10,444	9,309	8,395	6,775	5,003	3,119
Depreciation	39,901	42,649	45,788	48,833	49,684	49,840	24,920
Depreciation General Plant	415	425	427	371	280	128	-
Total Depreciation	40,316	43,074	46,215	49,203	49,963	49,968	24,920
Taxes Other Than Income	7,045	7,221	7,402	7,587	7,776	7,971	4,085
Accumulated deferred							
Income taxes							
Pollution Control	1,137	1,035	908	674	423	155	-
ACRS- Class Life	26,418	24,554	21,845	18,675	14,744	10,060	-
ACRS General Plant Alloc	777	707	620	461	289	106	-
Unfunded future tax laib FERC	1,189	1,082	949	705	443	162	-
Full normalization FERC	(180)	(164)	(144)	(107)	(67)	(25)	-
Total	29,341	27,213	24,178	20,408	15,832	10,459	-

TAB

L

STRANDED EVALUATION
Holtwood #17

FOSSIL CALCULATIONS		Escalation Rate		2.50%										
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return	2,027	1,858	1,691	1,526	1,412	1,354	1,374	1,520	1,257	1,001	744	476	209	0
Taxes	838	769	699	629	580	554	560	631	524	418	312	202	90	0
Book Depreciation	1,721	1,730	1,742	1,783	1,887	2,102	2,561	2,914	2,935	2,963	2,980	2,976	1,487	0
Fuel Expense	6,082	6,653	3,847	4,727	4,838	4,938	5,035	5,120	5,206	5,307	5,407	5,506	2,804	0
O&M	9,408	8,951	7,733	7,858	8,020	8,271	8,564	9,398	9,414	9,212	8,338	8,386	4,350	0
Tax Other Than Inc.	360	369	378	387	397	407	417	428	438	449	460	472	242	0
Subtotal	20,436	20,330	16,089	16,911	17,134	17,626	18,511	20,011	19,774	19,349	18,242	18,019	9,181	0
Decommissioning	0	0	0	0	0	0	0	0	0	0	0	0	25,266	25,898
Revenue Required without GRT	20,436	20,330	16,089	16,911	17,134	17,626	18,511	20,011	19,774	19,349	18,242	18,019	34,448	25,898
REVENUES														
Generation (GWH)	555	599	341	344	346	347	347	348	348	349	349	349	174	0
Capacity	655	670	1,584	2,088	2,736	3,600	3,528	3,456	3,168	3,240	3,600	3,672	1,908	0
Energy	11,803	12,289	7,565	7,899	8,403	8,435	8,764	9,147	9,376	9,658	10,157	10,550	5,393	0
Total Revenues	12,458	12,959	9,149	9,987	11,139	12,035	12,292	12,603	12,544	12,898	13,757	14,222	7,301	0
MCPG	2.24	2.16	2.68	2.90	3.22	3.47	3.54	3.62	3.60	3.70	3.95	4.08	4.19	#DIV/0!
Costs - Cents/KWH														
Total	3.68	3.40	4.72	4.91	4.95	5.08	5.33	5.75	5.68	5.55	5.23	5.17	19.76	#DIV/0!

STRANDED EVALUATION
Holtwood #17

FOSSIL CALCULATI							
Not Present Valued							
(thousands of \$)							
Return							
Taxes							
Book Depreciation							
Fuel Expense							
O&M							
Tax Other Than Inc.							
Subtotal							
Decommissioning							
Revenue Required						0	0
without GRT							
REVENUES							
Generation (GWH)						0	0
Capacity						0	0
Energy						0	0
Total Revenues						0	0
MCPG						#DIV/0!	#DIV/0!
Costs - Cents/KWH							
Total						#DIV/0!	#DIV/0!

Holtwood SES	Plant Ba. Holt 17											
	Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net
Plant balance	21,187	19,597	18,008	16,422	15,318	14,558	14,583	15,886	13,094	10,279	7,433	4,460
General Plant Allocation	1,054	1,026	961	907	858	834	840	889	651	515	399	257
Subtotal	22,241	20,623	18,969	17,329	16,177	15,391	15,422	16,775	13,745	10,794	7,832	4,717
Accumulated deferred inc tax	3,478	3,708	3,881	4,044	4,160	4,055	3,949	3,832	3,651	3,485	3,312	3,107
Land (Incl general alloc)	213	213	213	213	213	213	213	213	213	213	213	213
Inventory/Prepayments	2,446	2,508	2,570	2,634	2,700	2,768	2,837	2,908	2,981	3,055	3,132	3,210
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment Federal & State Taxes	2,220	2,027	1,858	1,691	1,526	1,412	1,354	1,374	1,520	1,257	1,001	744
Rate Base	23,466	21,423	19,636	17,872	16,133	14,931	14,318	14,524	16,064	13,288	10,578	7,866
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	1,013	1,232	1,129	1,028	928	859	823	835	924	764	608	452
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	37	35	32	30	29	29	30	32	24	18	14	9
After tax income	1,013	1,232	1,129	1,028	928	859	823	835	924	764	608	452
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	681	838	769	699	629	580	554	560	631	524	418	312
Depreciation	1,776	1,699	1,709	1,722	1,763	1,867	2,081	2,539	2,898	2,922	2,952	2,973
Depreciation General Plant	69	22	21	20	20	20	20	22	16	13	11	7
Total Depreciation	1,845	1,721	1,730	1,742	1,783	1,887	2,102	2,561	2,914	2,935	2,963	2,980
Taxes Other Than Income	351	360	369	378	387	397	407	417	428	438	449	460
	0.5154											
Accumulated deferred Income taxes												
Pollution Control	158	143	126	114	104	96	93	94	66	49	36	21
ACRS- Class Life	3,072	3,340	3,556	3,750	3,893	3,807	3,710	3,590	3,483	3,359	3,220	3,052
ACRS General Plant Alloc	108	98	86	78	71	66	64	64	45	33	24	15
Unfunded future tax laib FERC	165	150	132	119	109	101	97	98	69	51	37	22
Full normalization FERC	(25)	(23)	(20)	(18)	(16)	(15)	(15)	(15)	(10)	(8)	(6)	(3)
Total	3,478	3,708	3,881	4,044	4,160	4,055	3,949	3,832	3,651	3,485	3,312	3,107

Holtwood SES			Plant Bal. Holt 17	
Thousands of Dollars	2008 net	2009 net		
Plant balance	1,487	-		
General Plant Allocation	96	-		
Subtotal	1,582	-		
Accumulated deferred inc tax	2,876	-		
Land (incl general alloc)	213	-		
Inventory/Prepayments	3,290	-		
Return on investment	0.0946	0.0946		
Return on investment	476	209		
Federal & State Taxes				
Rate Base	5,034	2,210		
Cost of Capital				
Total	0.0946	0.0946		
Debt	0.0371	0.0371		
Pfd & Common	0.0575	0.0575		
Equity return	289	127		
Fossil ITC Amort	1,656	1,407		
Plant Percentage	3	-		
After tax income	289	127		
Fed & State Rate	0.414935	0.414935		
Fed and State Taxes	202	90		
Depreciation	2,973	1,487		
Depreciation General Plant	3	-		
Total Depreciation	2,976	1,487		
Taxes Other Than Income	472	242		
Accumulated deferred				
Income taxes				
Pollution Control	7	-		
ACRS- Class Life	2,857	-		
ACRS General Plant Alloc	5	-		
Unfunded future tax laib FERC	8	-		
Full normalization FERC	(1)	-		
Total	2,876	-		

TAB

M

STRANDED EVALUATION
M.Ck.Coal

FOSSIL CALCULATIONS		Escalation Rate		2.50%										
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return	11,861	11,311	10,765	10,375	9,948	9,631	9,258	8,851	8,769	8,474	8,056	7,505	6,935	6,287
Taxes	4,919	4,696	4,460	4,295	4,110	3,976	3,824	3,666	3,639	3,515	3,336	3,105	2,874	2,606
Book Depreciation	6,243	6,280	6,373	6,513	6,701	6,939	7,183	7,618	8,201	8,692	9,120	9,541	9,950	10,243
Fuel Expense	23,758	21,129	22,072	23,138	25,528	26,135	27,886	17,587	19,281	19,834	22,421	22,702	24,003	25,048
O&M	17,010	17,214	17,143	17,287	17,453	18,170	18,811	16,717	17,137	17,600	18,148	18,797	19,500	20,717
Tax Other Than Inc.	1,919	1,967	2,016	2,066	2,118	2,171	2,225	2,281	2,338	2,396	2,456	2,518	2,581	2,645
Subtotal	65,710	62,597	62,830	63,675	65,858	67,021	69,188	56,720	59,364	60,512	63,537	64,168	65,842	67,547
Decommissioning	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Required without GRT	65,710	62,597	62,830	63,675	65,858	67,021	69,188	56,720	59,364	60,512	63,537	64,168	65,842	67,547
REVENUES														
Generation (GWH)	1,394	1,194	1,236	1,271	1,394	1,400	1,485	920	1,001	1,013	1,138	1,132	1,181	1,213
Capacity	2,548	2,604	6,160	8,120	10,640	14,000	13,720	13,440	12,320	12,600	14,000	14,280	14,840	15,137
Energy	31,781	26,887	28,053	29,685	33,985	34,143	37,229	26,456	28,973	30,097	34,453	35,786	37,642	39,644
Total Revenues	34,329	29,491	34,213	37,805	44,625	48,143	50,949	39,896	41,293	42,697	48,453	50,066	52,482	54,781
MCPG	2.46	2.47	2.77	2.98	3.20	3.44	3.43	4.34	4.13	4.21	4.26	4.42	4.44	4.52
Costs - Mills/KWH														
Total	4.72	5.24	5.08	5.01	4.72	4.79	4.66	6.17	5.93	5.97	5.58	5.67	5.57	5.57

MARTINS CREEK COAL				Plant Bal M.Ck Coal								
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Plant balance	113,013	107,488	102,016	98,049	93,731	90,487	86,794	82,850	82,461	79,489	75,029	69,143
General Plant Allocation	5,622	5,625	5,446	5,413	5,251	5,183	4,997	4,634	4,099	3,981	4,026	3,990
Subtotal	118,635	113,113	107,462	103,462	98,982	95,670	91,791	87,485	86,560	83,470	79,055	73,134
Accumulated deferred inc tax	10,248	10,861	11,314	11,778	12,162	12,569	12,995	13,368	13,702	14,124	14,539	14,863
Land (Incl general alloc)	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940	3,940
Inventory/Prepayments	13,049	13,375	13,710	14,052	14,404	14,764	15,133	15,511	15,899	16,296	16,704	17,121
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	12,452	11,861	11,311	10,765	10,375	9,948	9,631	9,258	8,851	8,769	8,474	8,056
Federal & State Taxes												
Rate Base	131,627	125,376	119,567	113,798	109,676	105,163	101,804	97,868	93,568	92,697	89,582	85,159
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	6,434	7,209	6,875	6,543	6,306	6,047	5,854	5,627	5,380	5,330	5,151	4,897
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	198	193	180	180	178	178	176	167	150	141	138	137
After tax income	6,434	7,209	6,875	6,543	6,306	6,047	5,854	5,627	5,380	5,330	5,151	4,897
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	4,365	4,919	4,696	4,460	4,295	4,110	3,976	3,824	3,666	3,639	3,515	3,336
Depreciation	6,684	6,125	6,162	6,252	6,393	6,579	6,818	7,068	7,514	8,097	8,584	9,011
Depreciation General Plant	368	118	118	121	120	121	120	114	104	103	107	109
Total Depreciation	7,052	6,243	6,280	6,373	6,513	6,701	6,939	7,183	7,618	8,201	8,692	9,120
Taxes Other Than Income	1,872	1,919	1,967	2,016	2,066	2,118	2,171	2,225	2,281	2,338	2,396	2,456
Accumulated deferred income taxes	0.5154											
Pollution Control	842	784	717	682	635	599	554	491	413	379	360	333
ACRS- Class Life	8,085	8,845	9,472	10,025	10,530	11,030	11,572	12,107	12,641	13,150	13,613	14,007
ACRS General Plant Alloc	575	536	489	466	434	409	378	335	282	259	246	228
Unfunded future tax laib FERC	880	820	749	713	664	626	579	513	432	396	377	348
Full normalization FERC	(133)	(124)	(114)	(108)	(101)	(95)	(88)	(78)	(65)	(60)	(57)	(53)
Total	10,248	10,861	11,314	11,778	12,162	12,569	12,995	13,368	13,702	14,124	14,539	14,863

							Plant Bal M.Ck Coal	
2008 net	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	
62,841	55,135	46,133	36,881	27,308	16,385	5,462	-	
4,041	4,103	3,906	3,585	3,220	2,575	1,187	-	
66,882	59,238	50,039	40,466	30,528	18,960	6,649	-	
15,067	14,706	13,800	12,582	11,051	9,390	7,526	-	
3,940	3,940	3,940	3,940	3,940	3,940	3,940	-	
17,549	17,988	18,438	18,899	19,371	19,856	20,352	-	
0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	
7,505	6,935	6,287	5,545	4,798	4,048	3,156	2,215	
79,332	73,304	66,460	58,617	50,723	42,789	33,365	23,415	
0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	
0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	
0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	
4,562	4,215	3,821	3,370	2,917	2,460	1,918	1,346	
1,656	1,407	1,294	1,188	1,039	829	548	390	
130	115	104	90	73	48	15		
4,562	4,215	3,821	3,370	2,917	2,460	1,918	1,346	
0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	
3,105	2,874	2,606	2,300	1,995	1,697	1,346	955	
9,427	9,831	10,127	10,377	10,698	10,923	10,923	5,462	
114	119	117	110	102	84	40	-	
9,541	9,950	10,243	10,487	10,800	11,008	10,963	5,462	
2,518	2,581	2,645	2,711	2,779	2,849	2,920	1,496	
312	289	248	201	155	102	36	-	
14,266	13,963	13,163	12,066	10653	9128	7432	0	
213	198	169	137	106	70	25	-	
326	302	259	210	162	107	38	-	
(49)	(46)	(39)	(32)	(25)	(16)	(6)	-	
15,067	14,706	13,800	12,582	11,051	9,390	7,526	-	

TAB

N

STRANDED EVALUATION
M.Ck.Oil

FOSSIL CALCULATIONS		Escalation Rate		2.50%										
Not Present Valued														
(thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return	21,506	20,222	21,354	20,846	21,041	20,375	19,619	18,660	19,153	17,257	14,771	11,660	8,239	4,780
Taxes	8,910	8,348	8,835	8,607	8,695	8,415	8,112	7,724	7,981	7,205	6,183	4,910	3,513	2,060
Book Depreciation	16,160	17,331	18,934	20,316	21,941	23,520	25,464	29,149	33,265	35,446	36,897	37,391	37,330	18,645
Fuel Expense	18,791	14,510	12,787	11,190	11,643	10,970	11,237	15,664	20,078	17,850	26,070	34,337	40,966	22,813
O&M	26,177	30,824	31,556	33,287	32,559	28,609	28,029	33,776	34,537	33,395	34,599	32,075	27,664	16,496
Tax Other Than Inc.	3,635	3,726	3,820	3,915	4,013	4,113	4,216	4,321	4,429	4,540	4,654	4,770	4,889	2,506
Subtotal	95,179	94,961	97,286	98,161	99,892	96,002	96,679	109,294	119,443	115,694	123,174	125,143	122,601	67,299
Decommissioning	0	0	0	0	0	0	0	0	0	0	0	0	0	44,337
Revenue Required without GRT	95,179	94,961	97,286	98,161	99,892	96,002	96,679	109,294	119,443	115,694	123,174	125,143	122,601	111,636
REVENUES														
Generation (GWH)	733	568	502	428	435	398	397	530	654	568	801	1,020	1,182	640
Capacity	14,487	14,806	35,024	46,168	60,496	79,600	78,008	76,416	70,048	71,640	79,600	81,192	84,376	43,032
MCPG	22,896	16,967	14,897	12,928	13,622	12,493	12,691	17,934	21,932	19,608	27,301	37,541	41,748	23,032
Total Revenues	37,383	31,773	49,921	59,096	74,118	92,093	90,699	94,350	91,980	91,248	106,901	118,733	126,124	66,064
MCPG	5.10	5.59	9.94	13.82	17.06	23.14	22.83	17.82	14.06	16.07	13.35	11.65	10.67	10.33
Costs - Cents/KWH														
Total	12.99	16.71	19.38	22.96	22.99	24.12	24.34	20.64	18.26	20.38	15.38	12.27	10.37	17.46

STRANDED EVALUATION
M. Ck. Oil

FOSSIL CALCULATI															
Not Present Valued															
(thousands of \$)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Expense	0	0	0												
O&M	3,843	0													
Tax Other Than Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	3,843	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Decommissioning	45,445	23,291													
Revenue Required without GRT	49,288	23,291	0	0	0	0	0	0	0	0	0	0	0	0	0
REVENUES															
Generation (GWH)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MCPG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MCPG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Costs - Cents/KWH															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

MARTINS CREEK OIL												
	Plant Bal MC Oil											
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Plant balance	214,115	200,306	209,826	201,270	199,911	190,425	181,858	171,330	175,802	154,838	127,274	93,224
General Plant Allocation	10,652	10,483	11,201	11,112	11,199	10,907	10,471	9,584	8,739	7,755	6,829	5,380
Subtotal	224,767	210,788	221,027	212,382	211,110	201,332	192,328	180,914	184,541	162,593	134,103	98,604
Accumulated deferred inc tax	22,156	22,366	21,269	18,645	15,976	13,919	13,605	13,052	12,203	11,047	9,607	7,792
Land (Incl general alloc)	-	-	-	-	-	-	-	-	-	-	-	-
Inventory/Prepayments	24,723	25,341	25,974	26,624	27,289	27,972	28,671	29,388	30,122	30,875	31,647	32,438
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	21,725	21,506	20,222	21,354	20,846	21,041	20,375	19,619	18,660	19,153	17,257	14,771
Federal & State Taxes												
Rate Base	229,647	227,334	213,764	225,733	220,360	222,423	215,384	207,394	197,249	202,460	182,421	156,143
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	12,027	13,072	12,291	12,980	12,671	12,789	12,385	11,925	11,342	11,641	10,489	8,978
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	375	361	369	370	379	375	368	345	319	276	234	185
After tax income	12,027	13,072	12,291	12,980	12,671	12,789	12,385	11,925	11,342	11,641	10,489	8,978
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	8,155	8,910	8,348	8,835	8,607	8,695	8,415	8,112	7,724	7,981	7,205	6,183
Depreciation	15,242	15,939	17,089	18,686	20,059	21,685	23,268	25,228	28,928	33,064	35,264	36,750
Depreciation General Plant	698	221	243	248	257	256	252	236	221	201	182	147
Total Depreciation	15,940	16,160	17,331	18,934	20,316	21,941	23,520	25,464	29,149	33,265	35,446	36,897
Taxes Other Than Income	3,547	3,635	3,726	3,820	3,915	4,013	4,113	4,216	4,321	4,429	4,540	4,654
	0.5154											
Accumulated deferred income taxes												
Pollution Control	1,595	1,462	1,474	1,400	1,355	1,260	1,160	1,015	880	738	611	449
Martins Creek Test Fuel	2,663	2,473	2,283	2,092	1,902	1,712	1,522	1,332	1,141	951	761	571
ACRS- Class Life	15,394	16,136	15,198	12,954	10,592	8,968	9,101	9,113	8,801	8,198	7,275	6,067
ACRS General Plant Alloc	1,089	998	1,007	957	925	861	793	693	601	504	418	307
Unfunded future tax laib FERC	1,668	1,529	1,541	1,464	1,417	1,318	1,213	1,061	920	772	639	470
Full normalization FERC	(253)	(232)	(234)	(222)	(215)	(200)	(184)	(161)	(140)	(117)	(97)	(71)
Total	22,156	22,366	21,269	18,645	15,976	13,919	13,605	13,052	12,203	11,047	9,607	7,792

Plant Bal MC Oil

MARTINS CREEK O			
Thousands of Dollars	2008 net	2009 net	2010 net
Plant balance	55,935	18,645	-
General Plant Allocation	3,597	1,388	-
Subtotal	59,532	20,032	-
Accumulated deferred inc tax	5,689	3,590	(0)
Land (Incl general alloc)	-	-	-
Inventory/Prepayments	33,249	34,081	-
Return on investment	0.0946	0.0946	0.0946
Return on investment	11,660	8,239	4,780
Federal & State Taxes			
Rate Base	123,251	87,092	50,523
Cost of Capital			
Total	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575
Equity return	7,087	5,008	2,905
Fossil ITC Amort	1,656	1,407	1,294
Plant Percentage	116	39	-
After tax income	7,087	5,008	2,905
Fed & State Rate	0.414935	0.414935	0.414935
Fed and State Taxes	4,910	3,513	2,060
Depreciation	37,290	37,290	18,645
Depreciation General Plant	101	40	-
Total Depreciation	37,391	37,330	18,645
Taxes Other Than Income	4,770	4,889	2,506
Accumulated deferred			
Income taxes			
Pollution Control	278	98	-
Martins Creek Test Fuel	380	190	(0)
ACRS- Class Life	4,595	3,148	-
ACRS General Plant Alloc	190	67	-
Unfunded future tax laib FERC	290	102	-
Full normalization FERC	(44)	(16)	-
Total	5,689	3,590	(0)

TAB

O

STRANDED EVALUATION
Montour

FOSSIL CALCULATIONS		Escalation Rate		2.50%										
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return	27,922	27,790	28,352	27,933	27,828	28,217	28,365	32,195	41,763	43,758	41,226	39,397	37,051	34,803
Taxes	11,558	11,505	11,735	11,542	11,470	11,621	11,609	13,140	17,243	18,129	17,019	16,252	15,290	14,338
Book Depreciation	13,677	14,403	15,162	15,860	16,926	18,207	20,979	27,965	35,276	38,152	39,570	41,316	43,094	45,080
Fuel Expense	135,853	130,428	132,693	144,394	153,977	154,994	163,618	165,680	173,853	176,789	186,787	188,660	195,699	197,830
O&M	58,020	58,607	59,784	60,485	61,237	61,194	59,560	66,942	68,655	70,541	72,770	75,405	78,258	83,179
Tax Other Than Inc.	4,577	4,692	4,809	4,929	5,052	5,179	5,308	5,441	5,577	5,716	5,859	6,006	6,156	6,310
Subtotal	251,607	247,425	252,537	265,143	276,490	279,411	289,439	311,363	342,367	353,086	363,231	367,035	375,547	381,540
Decommissioning	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Required without GRT	251,607	247,425	252,537	265,143	276,490	279,411	289,439	311,363	342,367	353,086	363,231	367,035	375,547	381,540
REVENUES														
Generation (GWH)	9,611	9,073	9,097	8,847	9,284	9,185	9,536	9,512	9,827	9,828	10,213	10,142	10,336	10,274
Capacity	13,696	13,997	33,110	43,645	57,190	75,250	73,745	72,240	66,220	67,725	75,250	76,755	79,765	81,360
Energy	206,252	189,397	193,169	196,040	215,549	214,627	229,775	238,067	251,604	258,787	284,156	291,790	306,156	314,720
Total Revenues	219,947	203,394	226,279	239,685	272,739	289,877	303,520	310,307	317,824	326,512	359,406	368,545	385,921	396,080
MCPG	2.29	2.24	2.49	2.71	2.94	3.16	3.18	3.26	3.23	3.32	3.52	3.63	3.73	3.86
Costs - Cents/KWH														
Total	2.62	2.73	2.78	3.00	2.98	3.04	3.04	3.27	3.48	3.59	3.56	3.62	3.63	3.71

STRANDED EVALUATION
Montour

FOSSIL CALCULATI															
Not Present Valued (thousands of \$)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return	32,242	29,488	26,416	22,850	18,896	13,914	8,282	0	0	0	0	0	0	0	0
Taxes	13,258	12,109	10,856	9,480	7,919	5,893	3,570	0	0	0	0	0	0	0	0
Book Depreciation	47,237	49,599	51,766	53,532	54,396	54,015	26,773	0	0	0	0	0	0	0	0
Fuel Expense	204,441	206,310	212,976	214,674	221,362	223,278	114,430	0	0	0	0				
O&M	88,755	92,114	85,393	81,929	90,358	84,823	62,243	0	0	0	0				
Tax Other Than Inc.	6,467	6,629	6,795	6,965	7,139	7,317	3,750	0	0	0	0	0	0	0	0
Subtotal	392,400	396,249	394,202	389,429	400,070	389,240	219,049	0	0	0	0	0	0	0	0
Decommissioning	0	0	0	0	0	0	94,505	96,867	49,645						
Revenue Required without GRT	392,400	396,249	394,202	389,429	400,070	389,240	313,553	96,867	49,645	0	0	0	0	0	0
REVENUES															
Generation (GWH)	10,429	10,347	10,491	10,396	10,528	10,439	5,220	0	0	0	0				
Capacity	82,988	84,647	86,340	88,067	89,828	91,625	46,729	0	0	0	0				
Energy	329,056	336,166	353,209	352,969	368,469	373,804	191,575	0	0	0	0				
Total Revenues	412,044	420,813	439,550	441,036	458,297	465,429	238,303	0	0	0	0				
MCPG	3.95	4.07	4.19	4.24	4.35	4.46	4.57	0	0	0	0	0	0	0	0
Costs - Cents/KWH															
Total	3.76	3.83	3.76	3.75	3.80	3.73	6.01	0	0	0	0				

Montour												
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	Plant Bal 2000 net	Montour 2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Plant balance	269,573	265,818	269,633	264,462	263,298	266,879	268,174	307,362	406,445	426,858	399,911	379,496
General Plant Allocation	13,411	13,911	14,394	14,601	14,750	15,286	15,440	17,193	20,203	21,379	21,457	21,900
Subtotal	282,984	279,729	284,027	279,063	278,047	282,164	283,614	324,555	426,648	448,236	421,368	401,396
Accumulated deferred inc tax	23,586	22,499	21,650	21,939	22,872	23,729	24,498	25,857	27,733	29,177	30,054	30,411
Land (Incl general alloc)	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630
Inventory/Prepayments	31,126	31,904	32,702	33,520	34,357	35,216	36,097	36,999	37,924	38,872	39,844	40,840
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	29,049	27,922	27,790	28,352	27,933	27,828	28,217	28,365	32,195	41,763	43,758	41,226
Federal & State Taxes												
Rate Base	307,073	295,154	293,764	299,708	295,273	294,163	298,281	299,842	340,326	441,469	462,561	435,788
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	15,453	16,971	16,891	17,233	16,978	16,914	17,151	17,241	19,569	25,384	26,597	25,058
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	472	479	474	487	500	526	543	619	739	760	734	752
After tax income	15,453	16,971	16,891	17,233	16,978	16,914	17,151	17,241	19,569	25,384	26,597	25,058
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	10,488	11,558	11,505	11,735	11,542	11,470	11,621	11,609	13,140	17,243	18,129	17,019
Depreciation	13,959	13,385	14,091	14,836	15,522	16,568	17,835	20,555	27,454	34,721	37,580	38,970
Depreciation General Plant	879	293	312	326	338	358	372	424	511	555	572	600
Total Depreciation	14,838	13,677	14,403	15,162	15,860	16,926	18,207	20,979	27,965	35,276	38,152	39,570
Taxes Other Than Income	4,465	4,577	4,692	4,809	4,929	5,052	5,179	5,308	5,441	5,577	5,716	5,859
	0.5154											
Accumulated deferred Income taxes												
Pollution Control	2,008	1,940	1,894	1,840	1,784	1,766	1,711	1,820	2,034	2,036	1,921	1,829
ACRS- Class Life	18,425	17,513	16,782	17,210	18,286	19,189	20,100	21,179	22,505	23,945	25,118	25,711
ACRS General Plant Alloc	1,372	1,325	1,294	1,257	1,219	1,207	1,169	1,243	1,389	1,391	1,312	1,249
Unfunded future tax laib FERC	2,100	2,028	1,980	1,924	1,866	1,847	1,789	1,903	2,127	2,129	2,008	1,912
Full normalization FERC	(318)	(308)	(300)	(292)	(283)	(280)	(271)	(289)	(323)	(323)	(305)	(290)
Total	23,586	22,499	21,650	21,939	22,872	23,729	24,498	25,857	27,733	29,177	30,054	30,411

Montour	Plant Bal Montour									
Thousands of Dollars	2008 net	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net	2017 net
Plant balance	352,706	325,569	295,122	262,318	225,245	181,413	133,866	80,320	26,773	-
General Plant Allocation	22,682	24,228	24,989	25,498	26,559	28,513	29,096	24,241	12,885	-
Subtotal	375,388	349,797	320,111	287,817	251,804	209,926	162,962	104,561	39,658	-
Accumulated deferred inc tax	30,221	29,436	27,893	25,817	23,402	20,379	16,393	11,869	7,741	-
Land (Incl general alloc)	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	4,630	-
Inventory/Prepayments	41,861	42,908	43,980	45,080	46,207	47,362	48,546	49,760	51,004	-
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	39,397	37,051	34,803	32,242	29,488	26,416	22,850	18,896	13,914	8,282
Federal & State Taxes										
Rate Base	416,456	391,658	367,899	340,827	311,709	279,239	241,538	199,745	147,082	87,550
Cost of Capital										
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	23,946	22,520	21,154	19,598	17,923	16,056	13,888	11,485	8,457	5,034
Fossil ITC Amort	1,656	1,407	1,294	1,188	1,039	829	548	390	328	247
Plant Percentage	731	682	665	641	602	532	370	227	105	-
After tax income	23,946	22,520	21,154	19,598	17,923	16,056	13,888	11,485	8,457	5,034
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	16,252	15,290	14,338	13,258	12,109	10,856	9,480	7,919	5,893	3,570
Depreciation	40,678	42,392	44,335	46,453	48,756	50,832	52,547	53,547	53,547	26,773
Depreciation General Plant	639	702	745	784	843	934	986	850	468	-
Total Depreciation	41,316	43,094	45,080	47,237	49,599	51,766	53,532	54,396	54,015	26,773
Taxes Other Than Income	6,006	6,156	6,310	6,467	6,629	6,795	6,965	7,139	7,317	3,750
Accumulated deferred Income taxes										
Pollution Control	1,750	1,708	1,585	1,427	1,276	1,130	893	512	141	-
ACRS- Class Life	25,723	25,047	23,820	22,150	20,123	17,475	14,098	10,552	7,379	-
ACRS General Plant Alloc	1,196	1,166	1,083	975	872	772	610	350	96	-
Unfunded future tax laib FERC	1,830	1,786	1,657	1,492	1,334	1,182	934	536	147	-
Full normalization FERC	(278)	(271)	(251)	(226)	(202)	(179)	(142)	(81)	(22)	-
Total	30,221	29,436	27,893	25,817	23,402	20,379	16,393	11,869	7,741	-

TAB

P

STRANDED EVALUATION
Sunbury

FOSSIL CALCULATIONS		Escalation Rate		2.50%											
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Return	13,775	13,171	12,297	11,375	10,532	9,744	8,928	8,164	7,518	6,551	5,464	4,261	3,039	1,811	0
Taxes	5,706	5,467	5,098	4,711	4,357	4,030	3,696	3,394	3,136	2,739	2,289	1,795	1,296	781	0
Book Depreciation	10,295	10,512	10,612	10,733	10,938	11,192	11,543	12,175	12,841	13,214	13,407	13,435	13,413	6,699	0
Fuel Expense	26,315	24,709	21,605	23,994	26,476	26,434	28,345	20,957	22,313	22,992	25,684	26,192	27,499	14,093	0
O&M	32,042	30,811	26,926	26,810	27,369	28,427	28,674	29,112	29,852	30,666	29,610	26,855	24,347	12,933	0
Tax Other Than Inc.	2,293	2,350	2,409	2,469	2,531	2,594	2,659	2,726	2,794	2,864	2,935	3,009	3,084	1,581	0
Subtotal	90,426	87,020	78,947	80,092	82,203	82,421	83,845	76,528	78,453	79,026	79,390	75,547	72,678	37,898	0
Decommissioning														81,002	83,027
Revenue Required without GRT	90,426	87,020	78,947	80,092	82,203	82,421	83,845	76,528	78,453	79,026	79,390	75,547	72,678	118,899	83,027
REVENUES															
Generation (GWH)	1,978	1,858	1,453	1,496	1,605	1,588	1,658	1,281	1,338	1,353	1,472	1,475	1,516	763	0
Capacity	3,294	3,367	7,964	10,498	13,756	18,100	17,738	17,376	15,928	16,290	18,100	18,462	19,186	9,785	0
Energy	44,322	40,411	33,635	35,573	40,014	39,656	42,682	36,112	38,347	39,876	44,576	46,566	48,412	25,054	0
Total Revenues	47,616	43,777	41,599	46,071	53,770	57,756	60,420	53,488	54,275	56,166	62,676	65,028	67,598	34,839	0
MCPG	2.41	2.36	2.86	3.08	3.35	3.64	3.64	4.17	4.06	4.15	4.26	4.41	4.46	4.57	0
Costs - Cents/KWH															
Total Cost	4.57	4.68	5.43	5.35	5.12	5.19	5.06	5.97	5.86	5.84	5.40	5.12	4.79	15.58	0

STRANDED EVALUATION
Sunbury

FOSSIL CALCULATION															
Not Present Valued															
(thousands of \$)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Return	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
O&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Other Than Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Decommissioning	42,551														
Revenue Required without GRT	42,551	0													
REVENUES															
Generation (GWH)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MCPG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Costs - Cents/KWH															
Total Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Sunbury Plant		Plant Bal Sunbury										
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Sunbury plant balances	\$ 135,056	\$ 128,931	\$ 120,024	\$ 110,443	\$ 101,617	\$ 93,026	\$ 84,174	\$ 75,959	\$ 69,094	\$ 58,553	\$ 46,628	\$ 33,497
General Plant Allocation	6,719	6,747	6,407	6,097	5,692	5,328	4,846	4,249	3,434	2,933	2,502	1,933
subtotal	141,775	135,678	126,431	116,540	107,309	98,354	89,021	80,208	72,529	61,485	49,130	35,430
Accumulated deferred inc tax	13,029	13,704	14,097	14,365	14,460	14,267	14,000	13,714	13,334	12,978	12,602	12,121
Land (Incl general alloc)	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271	1,271
Inventory/Prepayments	15,594	15,984	16,384	16,793	17,213	17,643	18,085	18,537	19,000	19,475	19,962	20,461
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	14,191	13,775	13,171	12,297	11,375	10,532	9,744	8,928	8,164	7,518	6,551	5,464
FEDERAL & STATE TAXES												
Rate Base	150,007	145,610	139,229	129,989	120,240	111,334	103,002	94,376	86,302	79,466	69,253	57,761
Cost of Capital												
total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
pfd & common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	7,592	8,373	8,006	7,474	6,914	6,402	5,923	5,427	4,962	4,569	3,982	3,321
fossil itc amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Sunbury %	236	232	211	203	193	183	170	153	126	104	86	66
After tax income	7,592	8,373	8,006	7,474	6,914	6,402	5,923	5,427	4,962	4,569	3,982	3,321
fed & state rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	5,148	5,706	5,467	5,098	4,711	4,357	4,030	3,696	3,394	3,136	2,739	2,289
Depreciation	9,666	10,153	10,373	10,476	10,603	10,814	11,075	11,438	12,088	12,765	13,148	13,354
Depreciation General Plant	440	142	139	136	130	125	117	105	87	76	67	53
Total Depreciation	10,106	10,295	10,512	10,612	10,733	10,938	11,192	11,543	12,175	12,841	13,214	13,407
Taxes Other Than Income	2,237	2,293	2,350	2,409	2,469	2,531	2,594	2,659	2,726	2,794	2,864	2,935
plant allocator	0.5154											
Accumulated deferred												
Income taxes												
Pollution Control	1,006	941	843	768	689	616	537	450	346	279	224	161
ACRS- Class Life	10,444	11,286	11,930	12,390	12,690	12,684	12,620	12,558	12,445	12,260	12,026	11,706
ACRS General Plant Alloc	687	643	576	525	470	421	367	307	236	191	153	110
Unfunded future tax laib FERC	1,052	984	882	804	720	644	562	470	362	292	234	169
Full normalization FERC	(160)	(149)	(134)	(122)	(109)	(98)	(85)	(71)	(55)	(44)	(36)	(26)
Total	13,029	13,704	14,097	14,365	14,460	14,267	14,000	13,714	13,334	12,978	12,602	12,121

Plant Bal Sunbury

Sunbury Plant			
Thousands of Dollars	2008 net	2009 net	2010 net
Sunbury plant balances	\$ 20,098	\$ 6,699	\$ -
General Plant Allocation	1,292	499	-
subtotal	21,391	7,198	-
Accumulated deferred inc tax	11,510	10,825	-
Land (Incl general alloc)	1,271	1,271	-
Inventory/Prepayments	20,972	21,497	-
Return on investment	0.0946	0.0946	0.0946
Return on investment	4,261	3,039	1,811
FEDERAL & STATE TAXES			
Rate Base	45,041	32,124	19,140
Cost of Capital			
total	0.0946	0.0946	0.0946
debt	0.0371	0.0371	0.0371
pfd & common	0.0575	0.0575	0.0575
Equity return	2,590	1,847	1,101
fossil itc amort	1,656	1,407	1,294
Sunbury %	42	14	-
After tax income	2,590	1,847	1,101
fed & state rate	0.414935	0.414935	0.414935
Fed and State Taxes	1,795	1,296	781
Depreciation	13,399	13,399	6,699
Depreciation General Plant	36	14	-
Total Depreciation	13,435	13,413	6,699
Taxes Other Than Income	3,009	3,084	1,581
plant allocator			
Accumulated deferred			
Income taxes			
Pollution Control	100	35	-
ACRS- Class Life	11,254	10,735	-
ACRS General Plant Alloc	68	24	-
Unfunded future tax laib FERC	104	37	-
Full normalization FERC	(16)	(6)	-
Total	11,510	10,825	-

TAB

Q

STRANDED EVALUATION
Keystone

FOSSIL CALCULATIONS		Escalation Rate		2.50%										
Not Present Valued														
(thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Return	2,983	2,907	2,811	2,705	2,577	2,429	2,252	2,037	1,769	1,243	709	0	0	0
Taxes	1,234	1,204	1,163	1,119	1,066	1,005	934	851	747	531	306	0	0	0
Book Depreciation	2,950	3,175	3,426	3,709	4,036	4,426	4,913	5,555	6,006	5,999	2,997	0	0	0
Fuel Expense	18,924	18,733	18,754	21,320	22,181	22,688	23,484	24,041	24,751	25,543	13,214	0	0	0
O&M	6,875	6,957	7,115	7,221	7,360	7,589	7,856	7,911	8,110	8,329	4,294	0	0	0
Tax Other Than Inc.	502	515	528	541	554	568	582	597	612	627	321	0	0	0
Subtotal	33,469	33,491	33,796	36,615	37,774	38,705	40,022	40,991	41,995	42,272	21,841	0	0	0
Decommissioning											3,929	4,027	2,064	
Revenue Required without GRT	33,469	33,491	33,796	36,615	37,774	38,705	40,022	40,991	41,995	42,272	25,770	4,027	2,064	0
REVENUES														
Generation (GWH)	1,455	1,416	1,398	1,366	1,399	1,405	1,431	1,442	1,463	1,484	755	0	0	0
Capacity	1,929	1,972	4,664	6,148	8,056	10,600	10,388	10,176	9,328	9,540	5,300	0	0	0
Energy	31010.36	29309.11	29413.98	30000.83	32253.70	32639.55	34277.90	35977.95	37312.00	39045.19	20953.70	0	0.00	0.00
Total Revenues	32,940	31,281	34,078	36,149	40,310	43,240	44,666	46,154	46,640	48,585	26,254	0	0	0
MCPG	2.26	2.21	2.44	2.65	2.88	3.08	3.12	3.20	3.19	3.27	3.48	0	0	0
Costs - Cents/KWH														
Total	2.30	2.37	2.42	2.68	2.70	2.76	2.80	2.84	2.87	2.85	3.41	0	0	0

STRANDED EVALUATION
Keystone

FOSSIL CALCULATI															
Not Present Valued															
(thousands of \$)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
O&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Other Than Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Decommissioning															
Revenue Required without GRT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
REVENUES															
Generation (GWH)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MCPG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Costs - Cents/KWH															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Keystone	Plant Bal Keystone											
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Plant balance	29,579	28,791	27,778	26,515	24,967	23,092	20,878	18,228	14,986	8,992	2,997	-
General Plant Allocation	1,471	1,507	1,483	1,464	1,399	1,323	1,202	1,020	745	450	161	-
Subtotal	31,050	30,297	29,261	27,978	26,366	24,415	22,081	19,248	15,731	9,442	3,158	-
Accumulated deferred inc tax	3,504	3,647	3,711	3,636	3,468	3,175	2,813	2,355	1,769	1,138	614	-
Land (incl general alloc)	576	576	576	576	576	576	576	576	576	576	576	-
Inventory/Prepayments	3,415	3,501	3,588	3,678	3,770	3,864	3,961	4,060	4,161	4,265	4,372	-
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	3,192	2,983	2,907	2,811	2,705	2,577	2,429	2,252	2,037	1,769	1,243	709
Federal & State Taxes												
Rate Base	33,746	31,537	30,727	29,713	28,596	27,244	25,680	23,804	21,528	18,699	13,145	7,492
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	1,582	1,813	1,767	1,709	1,644	1,567	1,477	1,369	1,238	1,075	756	431
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	52	52	49	49	47	45	42	37	27	16	6	-
After tax income	1,582	1,813	1,767	1,709	1,644	1,567	1,477	1,369	1,238	1,075	756	431
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	1,070	1,234	1,204	1,163	1,119	1,066	1,005	934	851	747	531	306
Depreciation	2,957	2,918	3,143	3,393	3,677	4,005	4,397	4,888	5,536	5,994	5,994	2,997
Depreciation General Plant	96	32	32	33	32	31	29	25	19	12	4	-
Total Depreciation	3,053	2,950	3,175	3,426	3,709	4,036	4,426	4,913	5,555	6,006	5,999	2,997
Taxes Other Than Income	490	502	515	528	541	554	568	582	597	612	627	321
	0.5154											
Accumulated deferred												
Income taxes												
Pollution Control	220	210	195	184	169	153	133	108	75	43	14	-
ACRS- Class Life	2,938	3,107	3,210	3,162	3,033	2,782	2,471	2,078	1,576	1,028	577	-
ACRS General Plant Alloc	150	144	133	126	116	104	91	74	51	29	10	-
Unfunded future tax laib FERC	230	220	204	193	177	160	139	113	78	45	15	-
Full normalization FERC	(35)	(33)	(31)	(29)	(27)	(24)	(21)	(17)	(12)	(7)	(2)	-
Total	3,504	3,647	3,711	3,636	3,468	3,175	2,813	2,355	1,769	1,138	614	-

TAB

R

STRANDED EVALUATION
Conemaugh

FOSSIL CALCULATI															
Not Present Valued (thousands of \$)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
O&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Other Than Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Decommissioning	4,218	2,162													
Revenue Required without GRT	4,218	2,162	0	0	0	0	0	0	0	0	0	0	0	0	0
REVENUES															
Generation (GWH)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MCPG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Costs - Cents/KWH															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Conemaugh												
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net
Plant balance	63,255	59,893	57,687	55,669	51,257	46,746	42,147	37,444	32,612	27,619	22,421	16,943
General Plant Allocation	3,147	3,134	3,079	3,073	2,871	2,677	2,427	2,094	1,621	1,383	1,203	978
Subtotal	66,402	63,027	60,767	58,742	54,128	49,423	44,574	39,538	34,233	29,003	23,624	17,921
Accumulated deferred inc tax	3,806	3,836	3,876	3,905	3,789	3,585	3,346	3,086	2,773	2,506	2,222	1,868
Land (Incl general alloc)	444	444	444	444	444	444	444	444	444	444	444	444
Inventory/Prepayments	7,304	7,486	7,673	7,865	8,062	8,263	8,470	8,682	8,899	9,121	9,349	9,583
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	7,133	6,654	6,350	6,150	5,974	5,567	5,160	4,743	4,312	3,860	3,411	2,951
Federal & State Taxes												
Rate Base	75,397	70,343	67,121	65,008	63,146	58,845	54,545	50,142	45,578	40,802	36,062	31,195
Cost of Capital												
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	3,840	4,045	3,859	3,738	3,631	3,384	3,136	2,883	2,621	2,346	2,074	1,794
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812
Plant Percentage	111	108	102	102	97	92	85	75	59	49	41	34
After tax income	3,840	4,045	3,859	3,738	3,631	3,384	3,136	2,883	2,621	2,346	2,074	1,794
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	2,613	2,761	2,636	2,549	2,478	2,308	2,139	1,969	1,799	1,615	1,429	1,239
Depreciation	4,986	4,736	4,899	5,153	5,346	5,445	5,556	5,685	5,838	6,023	6,255	6,561
Depreciation General Plant	206	66	67	69	66	63	58	52	41	36	32	27
Total Depreciation	5,192	4,802	4,966	5,221	5,412	5,507	5,614	5,737	5,879	6,059	6,287	6,588
Taxes Other Than Income	1048	1074	1101	1128	1157	1186	1215	1246	1277	1309	1341	1375
	0.5154											
Accumulated deferred												
Income taxes												
Pollution Control	471	437	405	387	347	309	269	222	163	132	108	82
ACRS- Class Life	2,595	2,713	2,835	2,910	2,896	2,790	2,655	2,516	2,354	2,167	1,945	1,658
ACRS General Plant Alloc	322	299	277	265	237	211	184	151	111	90	74	56
Unfunded future tax laib FERC	493	457	424	405	363	324	281	232	171	138	113	85
Full normalization FERC	(75)	(69)	(64)	(61)	(55)	(49)	(43)	(35)	(26)	(21)	(17)	(13)
Total	3,806	3,836	3,876	3,905	3,789	3,585	3,346	3,086	2,773	2,506	2,222	1,868

Conemaugh				Plant Bal	Conemaugh
Thousands of Dollars	2008 net	2009 net	2010 net		
Plant balance	10,166	3,389	-		
General Plant Allocation	654	252	-		
Subtotal	10,820	3,641	-		
Accumulated deferred inc tax	1,445	1,020	-		
Land (incl general alloc)	444	444	-		
Inventory/Prepayments	9,823	10,068	-		
Return on investment	0.0946	0.0946	0.0946		
Return on investment	2,467	1,858	1,242		
Federal & State Taxes					
Rate Base	26,080	19,642	13,133		
Cost of Capital					
Total	0.0946	0.0946	0.0946		
Debt	0.0371	0.0371	0.0371		
Pfd & Common	0.0575	0.0575	0.0575		
Equity return	1,500	1,129	755		
Fossil ITC Amort	1,656	1,407	1,294		
Plant Percentage	21	7	-		
After tax income	1,500	1,129	755		
Fed & State Rate	0.414935	0.414935	0.414935		
Fed and State Taxes	1,042	794	536		
Depreciation	6,777	6,777	3,389		
Depreciation General Plant	18	7	-		
Total Depreciation	6,796	6,785	3,389		
Taxes Other Than Income	1409	1444	740		
Accumulated deferred					
Income taxes					
Pollution Control	50	18	-		
ACRS- Class Life	1,315	974	-		
ACRS General Plant Alloc	34	12	-		
Unfunded future tax laib FERC	53	19	-		
Full normalization FERC	(8)	(3)	-		
Total	1,445	1,020	-		

TAB

S

STRANDED EVALUATION
Wallenpaupack

WALLENPAUPACK CALCULATIONS		Escalation Rate		2.50%									
Not Present Valued (thousands of \$)		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Return		1,190	1,172	1,153	1,134	1,115	1,096	1,086	1,075	1,062	1,052	1,044	1,035
Taxes		498	491	482	474	466	457	453	450	445	441	436	433
Book Depreciation		243	243	243	243	244	245	248	251	254	259	264	269
Fuel Expense													
O&M		1,454	1,472	1,505	1,528	1,557	1,605	1,662	1,674	1,716	1,762	1,817	1,882
Tax Other Than Inc.		149	152	156	160	164	168	172	177	181	186	190	195
Subtotal		3,533	3,530	3,540	3,539	3,545	3,572	3,622	3,626	3,658	3,699	3,751	3,814
Decommissioning													
Revenue Required without GRT		3,533	3,530	3,540	3,539	3,545	3,572	3,622	3,626	3,658	3,699	3,751	3,814
REVENUES													
Generation (GWH)		80	80	78	80	80	80	80	80	80	80	80	80
Capacity		400	409	968	1,276	1,672	2,200	2,156	2,112	1,936	1,980	2,200	2,244
MCPG		2,146	2,035	2,018	2,105	2,240	2,230	2,313	2,435	2,468	2,539	2,620	2,772
Total Revenues		2,547	2,444	2,986	3,381	3,912	4,430	4,469	4,547	4,404	4,519	4,820	5,016
Avg. MCPG		3.18	3.06	3.81	4.23	4.89	5.54	5.59	5.68	5.50	5.65	6.02	6.27
Costs - Cents/KWH													
Total		4.42	4.41	4.52	4.42	4.43	4.46	4.53	4.53	4.57	4.62	4.69	4.77

STRANDED EVALUATION
Wallenpaupack

WALLENPAUPACK													
Not Present Valued													
(thousands of \$)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Return	1,028	1,023	1,018	1,014	1,013	1,022	1,041	1,071	1,148	1,241	1,210	1,179	1,148
Taxes	430	427	424	421	420	425	433	441	472	522	518	507	494
Book Depreciation	276	283	291	300	314	332	356	399	450	457	464	472	481
Fuel Expense													
O&M	1,952	2,074	2,212	2,295	2,126	2,355	2,737	3,073	4,510	8,076	2,369	2,430	2,493
Tax Other Than Inc.	200	205	210	215	221	226	232	238	243	250	256	262	269
Subtotal	3,886	4,012	4,154	4,245	4,094	4,360	4,798	5,221	6,823	10,544	4,816	4,851	4,886
Decommissioning													
Revenue Required without GRT	3,886	4,012	4,154	4,245	4,094	4,360	4,798	5,221	6,823	10,544	4,816	4,851	4,886
REVENUES													
Generation (GWH)	80	80	80	80	80	80	80	80	80	80	80	80	80
Capacity	2,332	2,379	2,426	2,475	2,524	2,575	2,626	2,679	2,732	2,787	2,843	2,900	2,958
MCPG	2,759	2,829	2,886	2,954	3,032	3,092	3,166	3,239	3,320	3,403	3,488	3,575	3,665
Total Revenues	5,091	5,208	5,312	5,429	5,556	5,667	5,792	5,918	6,053	6,190	6,331	6,475	6,622
Avg. MCPG	6.36	6.51	6.64	6.79	6.95	7.08	7.24	7.40	7.57	7.74	7.91	8.09	8.28
Costs - Cents/KWH													
Total	4.86	5.01	5.19	5.31	5.12	5.45	6.00	6.53	8.53	13.18	6.02	6.06	6.11

STRANDED EVALUATION
Wallenpaupack

WALLENPAUPACK													
Not Present Valued													
(thousands of \$)													
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Return	1,116	1,084	1,050	1,016	980	942	902	860	814	764	707	616	527
Taxes	481	467	453	438	422	406	389	371	351	329	305	266	227
Book Depreciation	491	503	516	637	650	664	681	701	726	759	752	698	334
Fuel Expense													
O&M	2,558	2,624	2,692	2,762	2,833	2,906	2,981	3,058	3,137	3,218	3,301	3,386	1,763
Tax Other Than Inc.	275	282	289	297	304	312	319	327	336	344	353	361	185
Subtotal	4,922	4,960	5,000	5,149	5,189	5,230	5,273	5,317	5,363	5,414	5,417	5,327	3,037
Decommissioning													
Revenue Required without GRT	4,922	4,960	5,000	5,149	5,189	5,230	5,273	5,317	5,363	5,414	5,417	5,327	3,037
REVENUES													
Generation (GWH)	80	80	80	80	80	80	80	80	80	80	80	80	40
Capacity	3,017	3,077	3,139	3,201	3,265	3,331	3,397	3,465	3,535	3,605	3,677	3,751	1,913
MCPG	3,757	3,850	3,947	4,045	4,146	4,250	4,356	4,465	4,577	4,691	4,809	4,929	2,526
Total Revenues	6,773	6,927	7,085	7,247	7,412	7,581	7,754	7,931	8,111	8,297	8,486	8,680	4,439
Avg. MCPG	8.47	8.66	8.86	9.06	9.26	9.48	9.69	9.91	10.14	10.37	10.61	10.85	11.10
Costs - Cents/KWH													
Total	6.15	6.20	6.25	6.44	6.49	6.54	6.59	6.65	6.70	6.77	6.77	6.66	7.59

Thousands of Dollars	Plant Bal Wallen										
	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net
Plant balance	8,751	8,518	8,284	8,051	7,818	7,584	7,449	7,314	7,177	7,040	6,901
General Plant Allocation	435	446	442	444	438	434	429	409	357	353	370
Subtotal	9,186	8,963	8,727	8,495	8,255	8,019	7,878	7,723	7,534	7,392	7,272
Accumulated deferred inc tax	168	160	150	144	136	129	122	111	92	86	85
Land (Incl general alloc)	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551
Inventory/Prepayments	1,010	1,036	1,062	1,088	1,115	1,143	1,172	1,201	1,231	1,262	1,293
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	1,233	1,190	1,172	1,153	1,134	1,115	1,096	1,086	1,075	1,062	1,052
Federal & State Taxes											
Rate Base	13,034	12,580	12,390	12,190	11,991	11,786	11,584	11,479	11,364	11,224	11,119
Cost of Capital											
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	576	723	712	701	689	678	666	660	653	645	639
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852
Plant Percentage	15	15	15	15	15	15	15	15	13	13	13
After tax income	576	723	712	701	689	678	666	660	653	645	639
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	393	498	491	482	474	466	457	453	450	445	441
Depreciation	261	233	233	233	233	233	235	238	242	245	249
Depreciation General Plant	28	9	10	10	10	10	10	10	9	9	10
Total Depreciation	289	243	243	243	243	244	245	248	251	254	259
Taxes Other Than Income	145	149	152	156	160	164	168	172	177	181	186
	0.5154										
Accumulated deferred											
Income taxes											
Pollution Control	65	62	58	56	53	50	48	43	36	34	33
ACRS- Class Life	-	-	-	-	-	-	-	-	-	-	-
ACRS General Plant Alloc	45	42	40	38	36	34	32	30	25	23	23
Unfunded future tax laib FERC	68	65	61	59	55	52	50	45	38	35	35
Full normalization FERC	(10)	(10)	(9)	(9)	(8)	(8)	(8)	(7)	(6)	(5)	(5)
Total	168	160	150	144	136	129	122	111	92	86	85

WALLENPAUPACK	Plant Bal Wallen										
	Thousands of Dollars	2007 net	2008 net	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net
Plant balance	6,761	6,620	6,477	6,332	6,185	6,035	5,882	5,727	5,567	5,404	5,236
General Plant Allocation	390	426	482	536	601	712	925	1,245	1,680	2,601	3,630
Subtotal	7,152	7,046	6,959	6,868	6,786	6,747	6,807	6,971	7,248	8,005	8,866
Accumulated deferred inc tax	84	84	87	87	86	88	94	98	91	73	(0)
Land (Incl general alloc)	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551
Inventory/Prepayments	1,326	1,359	1,393	1,428	1,463	1,500	1,537	1,576	1,615	1,656	1,697
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	1,044	1,035	1,028	1,023	1,018	1,014	1,013	1,022	1,041	1,071	1,148
Federal & State Taxes											
Rate Base	11,031	10,945	10,871	10,816	10,759	10,714	10,710	10,801	11,000	11,323	12,138
Cost of Capital											
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	634	629	625	622	619	616	616	621	633	651	698
Fossil ITC Amort	1,812	1,656	1,407	1,294	1,188	1,039	829	548	390	328	247
Plant Percentage	13	14	14	14	15	16	17	16	16	21	23
After tax income	634	629	625	622	619	616	616	621	633	651	698
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	436	433	430	427	424	421	420	425	433	441	472
Depreciation	253	257	262	267	272	278	284	290	297	305	313
Depreciation General Plant	11	12	14	16	18	23	30	42	59	94	137
Total Depreciation	264	269	276	283	291	300	314	332	356	399	450
Taxes Other Than Income	190	195	200	205	210	215	221	226	232	238	243
Accumulated deferred											
Income taxes											
Pollution Control	33	33	34	34	34	34	37	38	36	28	(0)
ACRS- Class Life	-	-	-	-	-	-	-	-	-	-	-
ACRS General Plant Alloc	22	22	23	23	23	23	25	26	24	19	(0)
Unfunded future tax laib FERC	34	34	36	36	35	36	38	40	37	30	(0)
Full normalization FERC	(5)	(5)	(5)	(5)	(5)	(5)	(6)	(6)	(6)	(5)	(0)
Total	84	84	87	87	86	88	94	98	91	73	(0)

WALLENPAUPACK	Plant Bal Wallen										
	2018 net	2019 net	2020 net	2021 net	2022 net	2023 net	2024 net	2025 net	2026 net	2027 net	2028 net
Thousands of Dollars											
Plant balance	5,062	4,883	4,697	4,503	4,300	4,087	3,861	3,622	3,366	3,090	2,790
General Plant Allocation	3,438	3,248	3,059	2,871	2,683	2,495	2,306	2,116	1,923	1,726	1,523
Subtotal	8,501	8,131	7,756	7,374	6,983	6,582	6,168	5,738	5,289	4,816	4,314
Accumulated deferred inc tax	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	-	-	-
Land (Incl general alloc)	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551
Inventory/Prepayments	1,740	1,783	1,828	1,873	1,920	1,968	2,017	2,068	2,119	2,172	2,227
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	1,241	1,210	1,179	1,148	1,116	1,084	1,050	1,016	980	942	902
Federal & State Taxes											
Rate Base	13,114	12,791	12,465	12,135	11,798	11,454	11,101	10,736	10,357	9,960	9,540
Cost of Capital											
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	754	736	717	698	678	659	638	617	596	573	549
Fossil ITC Amort	145	45	17	6	4	-	-	-	-	-	-
Plant Percentage	13	4	1	1	0	-	-	-	-	-	-
After tax income	754	736	717	698	678	659	638	617	596	573	549
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	522	518	507	494	481	467	453	438	422	406	389
Depreciation	322	332	342	354	367	381	397	416	437	461	490
Depreciation General Plant	135	132	130	127	125	122	118	222	213	203	190
Total Depreciation	457	464	472	481	491	503	516	637	650	664	681
Taxes Other Than Income	250	256	262	269	275	282	289	297	304	312	319
Accumulated deferred											
Income taxes											
Pollution Control	-	-	-	-	-	-	-	-	-	-	-
ACRS- Class Life	-	-	-	-	-	-	-	-	-	-	-
ACRS General Plant Alloc	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	-	-	-
Unfunded future tax laib FERC	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	-	-	-
Full normalization FERC	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	-	-	-
Total	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	-	-	-

WALLENPAUPACK					Plant Bal Wallen	
Thousands of Dollars	2029 net	2030 net	2031 net	2032 net	2033 net	2034 net
Plant balance	2,460	2,091	1,669	1,001	334	-
General Plant Allocation	1,313	1,092	853	504	166	-
Subtotal	3,773	3,183	2,522	1,506	499	-
Accumulated deferred inc tax	-	-	-	-	-	-
Land (Incl general alloc)	2,551	2,551	2,551	2,551	2,551	-
Inventory/Prepayments	2,282	2,339	2,398	2,458	2,519	-
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	860	814	764	707	616	527
Federal & State Taxes						
Rate Base	9,092	8,607	8,073	7,471	6,515	5,570
Cost of Capital						
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	523	495	464	430	375	320
Fossil ITC Amort						
Plant Percentage	-	-	-	-	-	-
After tax income	523	495	464	430	375	320
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	371	351	329	305	266	227
Depreciation	525	569	627	668	668	334
Depreciation General Plant	175	157	132	85	31	-
Total Depreciation	701	726	759	752	698	334
Taxes Other Than Income	327	336	344	353	361	185
Accumulated deferred						
Income taxes						
Pollution Control	-	-	-	-	-	-
ACRS- Class Life	-	-	-	-	-	-
ACRS General Plant Alloc	-	-	-	-	-	-
Unfunded future tax laib FERC	-	-	-	-	-	-
Full normalization FERC	-	-	-	-	-	-
Total	-	-	-	-	-	-

TAB

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STRANDED EVALUATION
Holtwood Hydro.

HOLTWOOD HYDRO CALCULATIONS		Escalation Rate		2.50%								
Not Present Valued (thousands of \$)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Return	6,592	6,856	6,803	6,712	6,616	6,523	6,426	6,321	6,286	6,277	6,279	6,281
Taxes	2,720	2,839	2,813	2,773	2,730	2,689	2,650	2,618	2,606	2,599	2,593	2,590
Book Depreciation	1,483	1,529	1,539	1,542	1,546	1,549	1,549	1,554	1,581	1,614	1,649	1,688
Fuel Expense	0											
O&M	8,313	7,337	7,118	6,841	6,586	6,832	7,117	7,212	7,442	7,693	7,986	8,328
Tax Other Than Inc.	1,105	1,133	1,161	1,190	1,220	1,251	1,282	1,314	1,347	1,380	1,415	1,450
Subtotal	20,213	19,694	19,434	19,058	18,697	18,843	19,023	19,019	19,262	19,564	19,922	20,338
Decommissioning												
Revenue Required without GRT	20,213	19,694	19,434	19,058	18,697	18,843	19,023	19,019	19,262	19,564	19,922	20,338
REVENUES												
Generation (GWH)	592	592	580	592	592	592	592	592	592	592	592	592
Capacity	2,193	2,241	5,302	6,989	9,158	12,050	11,809	11,568	10,604	10,845	12,050	12,291
MCPG	12,952	12,469	12,467	13,181	13,913	13,971	14,485	15,058	15,445	15,893	16,782	17,381
Total Revenues	15,146	14,710	17,769	20,170	23,071	26,021	26,294	26,626	26,049	26,738	28,832	29,672
Avg. MCPG	2.56	2.49	3.06	3.41	3.90	4.40	4.44	4.50	4.40	4.52	4.87	5.01
COSTS - Cents/KWH												
Total	3.41	3.33	3.35	3.22	3.16	3.18	3.21	3.21	3.25	3.30	3.37	3.44

STRANDED EVALUATION
Holtwood Hydro.

HOLTWOOD HYDRO													
Not Present Valued													
(thousands of \$)													
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Return	6,293	6,319	6,344	6,378	6,451	6,612	6,875	7,261	8,109	9,143	9,003	8,859	8,711
Taxes	2,595	2,599	2,601	2,605	2,624	2,704	2,817	2,928	3,272	3,810	3,841	3,804	3,750
Book Depreciation	1,735	1,783	1,836	1,906	2,013	2,162	2,363	2,752	3,224	3,275	3,328	3,383	3,440
Fuel Expense													
O&M	8,700	9,309	10,001	10,451	9,757	10,887	12,755	14,434	4,671	42,498	12,466	12,789	13,121
Tax Other Than Inc.	1,487	1,524	1,562	1,601	1,641	1,682	1,724	1,767	1,811	1,857	1,903	1,951	1,999
Subtotal	20,810	21,533	22,344	22,941	22,486	24,048	26,533	29,142	21,088	60,582	30,541	30,786	31,022
Decommissioning													
Revenue Required without GRT	20,810	21,533	22,344	22,941	22,486	24,048	26,533	29,142	21,088	60,582	30,541	30,786	31,022
REVENUES													
Generation (GWH)	592	592	592	592	592	592	592	592	592	592	592	592	592
Capacity	12,773	13,028	13,289	13,555	13,826	14,102	14,384	14,672	14,966	15,265	15,570	15,882	16,199
MCPG	17,854	18,440	18,984	19,526	20,218	20,417	21,039	21,518	22,056	22,607	23,172	23,751	24,345
Total Revenues	30,627	31,468	32,273	33,081	34,044	34,520	35,423	36,190	37,021	37,872	38,742	39,633	40,544
Avg. MCPG	5.17	5.32	5.45	5.59	5.75	5.83	5.98	6.11	6.25	6.40	6.54	6.69	6.85
COSTS - Cents/KWH													
Total	3.52	3.64	3.77	3.88	3.80	4.06	4.48	4.92	3.56	10.23	5.16	5.20	5.24

STRANDED EVALUATION
Holtwood Hydro.

HOLTWOOD HYDRO													
Not Present Valued (thousands of \$)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Return	8,559	8,401	8,239	8,072	7,900	7,722	7,539	7,349	7,153	6,951	6,743	6,536	6,319
Taxes	3,686	3,622	3,552	3,480	3,405	3,329	3,250	3,168	3,084	2,997	2,907	2,818	2,724
Book Depreciation	3,501	3,564	3,630	4,993	5,075	5,163	5,257	5,360	5,472	5,597	5,752	5,924	6,084
Fuel Expense													
O&M	13,461	13,809	14,166	14,533	14,908	15,293	15,688	16,093	16,508	16,933	17,370	17,817	18,560
Tax Other Than Inc.	2,049	2,101	2,153	2,207	2,262	2,319	2,377	2,436	2,497	2,559	2,623	2,689	2,756
Subtotal	31,256	31,496	31,741	33,285	33,551	33,826	34,110	34,406	34,714	35,037	35,395	35,784	36,443
Decommissioning													
Revenue Required without GRT	31,256	31,496	31,741	33,285	33,551	33,826	34,110	34,406	34,714	35,037	35,395	35,784	36,443
REVENUES													
Generation (GWH)	592	592	592	592	592	592	592	592	592	592	592	592	592
Capacity	16,523	16,854	17,191	17,535	17,885	18,243	18,608	18,980	19,360	19,747	20,142	20,545	20,955
MCPG	24,954	25,578	26,217	26,873	27,544	28,233	28,939	29,662	30,404	31,164	31,943	32,742	33,560
Total Revenues	41,477	42,431	43,408	44,407	45,430	46,476	47,547	48,642	49,763	50,911	52,085	53,286	54,516
Avg. MCPG	7.01	7.17	7.33	7.50	7.67	7.85	8.03	8.22	8.41	8.60	8.80	9.00	9.21
COSTS - Cents/KWH													
Total	5.28	5.32	5.36	5.62	5.67	5.71	5.76	5.81	5.86	5.92	5.98	6.04	6.16

STRANDED EVALUATION
Holtwood Hydro.

HOLTWOOD HYDRO											
Not Present Valued											
(thousands of \$)	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Return	6,075	5,803	5,518	5,219	4,901	4,563	4,198	3,800	3,257	2,716	0
Taxes	2,619	2,502	2,379	2,250	2,113	1,967	1,810	1,638	1,404	1,171	0
Book Depreciation	6,226	6,386	6,566	6,775	7,021	7,322	7,709	7,979	7,979	3,990	0
Fuel Expense											
O&M	19,380	19,882	20,397	20,925	21,467	22,022	22,590	23,174	23,772	14,479	0
Tax Other Than Inc.	2,825	2,896	2,968	3,042	3,118	3,196	3,276	3,358	3,442	1,764	0
Subtotal	37,125	37,469	37,829	38,210	38,619	39,069	39,583	39,950	39,855	24,119	0
Decommissioning											
Revenue Required without GRT	37,125	37,469	37,829	38,210	38,619	39,069	39,583	39,950	39,855	24,119	0
REVENUES											
Generation (GWH)	592	592	592	592	592	592	592	592	592	296	0
Capacity	21,375	21,802	22,238	22,683	23,137	23,599	24,071	24,553	25,044	12,772	0
MCPG	34,399	35,259	36,141	37,044	37,970	38,919	39,892	40,890	41,912	21,480	0
Total Revenues	55,774	57,061	58,379	59,727	61,107	62,519	63,964	65,442	66,956	34,252	0
Avg. MCPG	9.42	9.64	9.86	10.09	10.32	10.56	10.80	11.05	11.31	11.57	0
COSTS - Cents/KWH											
Total	6.27	6.33	6.39	6.45	6.52	6.60	6.69	6.75	6.73	8.15	0

Holtwood HES	Plant Bal. Holt HES												
Thousands of Dollars	1996 net	1997 net	1998 net	1999 net	2000 net	2001 net	2002 net	2003 net	2004 net	2005 net	2006 net	2007 net	2008 net
Plant balance	65,102	67,303	66,328	64,949	63,571	62,193	60,816	59,439	58,959	58,454	57,923	57,365	56,779
General Plant Allocation	3,239	3,522	3,541	3,586	3,561	3,562	3,501	3,325	2,931	2,928	3,108	3,310	3,651
Subtotal	68,341	70,826	69,869	68,535	67,132	65,755	64,317	62,764	61,890	61,382	61,031	60,675	60,431
Accumulated deferred inc tax	7,805	7,685	7,483	7,310	7,120	6,934	6,736	6,507	6,224	6,046	5,908	5,766	5,643
Land (incl general alloc)	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
Inventory/Prepayments	7,517	7,705	7,898	8,095	8,297	8,505	8,717	8,935	9,159	9,388	9,622	9,863	10,110
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	6,878	6,592	6,856	6,803	6,712	6,616	6,523	6,426	6,321	6,286	6,277	6,279	6,281
Federal & State Taxes													
Rate Base	72,707	69,680	72,473	71,911	70,947	69,937	68,954	67,926	66,820	66,452	66,351	66,373	66,399
Cost of Capital													
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	3,606	4,007	4,167	4,135	4,079	4,021	3,965	3,906	3,842	3,821	3,815	3,816	3,818
Fossil ITC Amort	2,173	2,173	2,097	2,097	2,097	2,097	2,097	2,097	2,079	1,972	1,852	1,812	1,656
Plant Percentage	114	121	117	119	121	122	123	120	107	104	106	114	118
After tax income	3,606	4,007	4,167	4,135	4,079	4,021	3,965	3,906	3,842	3,821	3,815	3,816	3,818
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	2,443	2,720	2,839	2,813	2,773	2,730	2,689	2,650	2,618	2,606	2,599	2,593	2,590
Depreciation	1,564	1,409	1,453	1,459	1,460	1,462	1,464	1,467	1,480	1,505	1,531	1,558	1,585
Depreciation General Plant	212	74	77	80	82	83	84	82	74	76	83	91	103
Total Depreciation	1,776	1,483	1,529	1,539	1,542	1,546	1,549	1,549	1,554	1,581	1,614	1,649	1,688
Taxes Other Than Income	1,078	1,105	1,133	1,161	1,190	1,220	1,251	1,282	1,314	1,347	1,380	1,415	1,450
	0.5154												
Accumulated deferred													
Income taxes													
Pollution Control	485	491	466	452	431	412	388	352	295	279	278	276	282
ACRS- Class Life	6,559	6,422	6,286	6,149	6,012	5,876	5,739	5,602	5,466	5,329	5,193	5,056	4,919
ACRS General Plant Alloc	331	335	318	309	294	281	265	240	202	190	190	189	192
Unfunded future tax laib FERC	507	514	487	473	450	430	406	368	309	292	291	289	295
Full normalization FERC	(77)	(78)	(74)	(72)	(68)	(65)	(62)	(56)	(47)	(44)	(44)	(44)	(45)
Total	7,805	7,685	7,483	7,310	7,120	6,934	6,736	6,507	6,224	6,046	5,908	5,766	5,643

Holtwood HES	Plant Bal. Holt HES												
	Thousands of Dollars	2009 net	2010 net	2011 net	2012 net	2013 net	2014 net	2015 net	2016 net	2017 net	2018 net	2019 net	2020 net
Plant balance	56,166	55,523	54,851	54,182	53,513	52,847	52,179	51,509	50,836	50,117	49,349	48,532	47,663
General Plant Allocation	4,180	4,701	5,332	6,389	8,411	11,486	15,748	24,789	35,247	34,039	32,826	31,609	30,389
Subtotal	60,346	60,225	60,183	60,570	61,924	64,333	67,927	76,299	86,083	84,155	82,175	80,141	78,052
Accumulated deferred inc tax	5,540	5,412	5,276	5,161	5,093	5,005	4,818	4,523	3,689	3,553	3,416	3,280	3,143
Land (Incl general alloc)	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
Inventory/Prepayments	10,362	10,621	10,887	11,159	11,438	11,724	12,017	12,317	12,625	12,941	13,265	13,596	13,936
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	6,293	6,319	6,344	6,378	6,451	6,612	6,875	7,261	8,109	9,143	9,003	8,859	8,711
Federal & State Taxes													
Rate Base	66,524	66,796	67,061	67,421	68,195	69,897	72,679	76,753	85,721	96,646	95,171	93,651	92,086
Cost of Capital													
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	3,825	3,841	3,856	3,877	3,921	4,019	4,179	4,413	4,929	5,557	5,472	5,385	5,295
Fossil ITC Amort	1,407	1,294	1,188	1,039	829	548	390	328	247	145	45	17	6
Plant Percentage	118	125	134	145	157	146	147	202	223	131	40	15	5
After tax income	3,825	3,841	3,856	3,877	3,921	4,019	4,179	4,413	4,929	5,557	5,472	5,385	5,295
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	2,595	2,599	2,601	2,605	2,624	2,704	2,817	2,928	3,272	3,810	3,841	3,804	3,750
Depreciation	1,614	1,642	1,672	1,704	1,737	1,773	1,811	1,852	1,895	1,941	1,989	2,039	2,091
Depreciation General Plant	121	140	164	203	276	389	552	901	1,329	1,334	1,339	1,344	1,349
Total Depreciation	1,735	1,783	1,836	1,906	2,013	2,162	2,363	2,752	3,224	3,275	3,328	3,383	3,440
Taxes Other Than Income	1,487	1,524	1,562	1,601	1,641	1,682	1,724	1,767	1,811	1,857	1,903	1,951	1,999
Accumulated deferred													
Income taxes													
Pollution Control	295	298	298	307	333	352	333	271	(0)	-	-	-	-
ACRS- Class Life	4,783	4,646	4,509	4,373	4,236	4,099	3,963	3,826	3,689	3,553	3,416	3,280	3,143
ACRS General Plant Alloc	201	204	204	210	228	241	227	185	(0)	-	-	-	-
Unfunded future tax laib FERC	308	312	312	321	349	369	348	283	(0)	-	-	-	-
Full normalization FERC	(47)	(47)	(47)	(49)	(53)	(56)	(53)	(43)	(0)	-	-	-	-
Total	5,540	5,412	5,276	5,161	5,093	5,005	4,818	4,523	3,689	3,553	3,416	3,280	3,143

Holtwood HES	Plant Bal. Holt HES												
Thousands of Dollars	2022 net	2023 net	2024 net	2025 net	2026 net	2027 net	2028 net	2029 net	2030 net	2031 net	2032 net	2033 net	2034 net
Plant balance	46,740	45,759	44,719	43,617	42,448	41,209	39,897	38,505	37,030	35,464	33,800	32,029	30,143
General Plant Allocation	29,165	27,938	26,709	25,478	24,246	23,013	21,783	20,555	19,334	18,126	17,021	15,901	14,602
Subtotal	75,905	73,697	71,428	69,095	66,694	64,223	61,679	59,061	56,364	53,589	50,821	47,931	44,744
Accumulated deferred inc tax	3,006	2,870	2,733	2,596	2,460	2,323	2,186	2,050	1,913	1,776	1,640	1,503	1,366
Land (Incl general alloc)	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627
Inventory/Prepayments	14,284	14,642	15,008	15,383	15,767	16,162	16,566	16,980	17,404	17,839	18,285	18,742	19,211
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment Federal & State Taxes	8,559	8,401	8,239	8,072	7,900	7,722	7,539	7,349	7,153	6,951	6,743	6,536	6,319
Rate Base	90,472	88,810	87,097	85,330	83,508	81,629	79,689	77,686	75,618	73,483	71,279	69,094	66,797
Cost of Capital													
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	5,202	5,107	5,008	4,906	4,802	4,694	4,582	4,467	4,348	4,225	4,099	3,973	3,841
Fossil ITC Amort	4	-	-										
Plant Percentage	3	-	-										
After tax income	5,202	5,107	5,008	4,906	4,802	4,694	4,582	4,467	4,348	4,225	4,099	3,973	3,841
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	3,686	3,622	3,552	3,480	3,405	3,329	3,250	3,168	3,084	2,997	2,907	2,818	2,724
Depreciation	2,146	2,202	2,262	2,325	2,391	2,461	2,535	2,613	2,698	2,788	2,886	2,992	3,109
Depreciation General Plant	1,355	1,361	1,368	2,669	2,685	2,702	2,723	2,746	2,774	2,808	2,866	2,932	2,975
Total Depreciation	3,501	3,564	3,630	4,993	5,075	5,163	5,257	5,360	5,472	5,597	5,752	5,924	6,084
Taxes Other Than Income	2,049	2,101	2,153	2,207	2,262	2,319	2,377	2,436	2,497	2,559	2,623	2,689	2,756
Accumulated deferred Income taxes													
Pollution Control	-	-	-	-	-	-	-	-	-	-	-	-	-
ACRS- Class Life	3,006	2,870	2,733	2,596	2,460	2,323	2,186	2,050	1,913	1,776	1,640	1,503	1,366
ACRS General Plant Alloc													
Unfunded future tax laib FERC													
Full normalization FERC													
Total	3,006	2,870	2,733	2,596	2,460	2,323	2,186	2,050	1,913	1,776	1,640	1,503	1,366

Holtwood HES										
	Plant Bal. Holt HES									
Thousands of Dollars	2035 net	2036 net	2037 net	2038 net	2039 net	2040 net	2041 net	2042 net	2043 net	2044 net
Plant balance	28,128	25,969	23,647	21,137	18,405	15,401	12,048	7,229	2,410	#REF!
General Plant Allocation	13,129	11,649	10,159	8,659	7,147	5,619	4,072	2,443	814	#REF!
Subtotal	41,257	37,617	33,806	29,796	25,551	21,020	16,120	9,672	3,224	#REF!
Accumulated deferred inc tax	1,230	1,093	957	820	683	547	410	273	137	#REF!
Land (Incl general alloc)	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	1,627	-
Inventory/Prepayments	19,691	20,184	20,688	21,205	21,736	22,279	22,836	23,407	23,992	-
Return on investment	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Return on investment	6,075	5,803	5,518	5,219	4,901	4,563	4,198	3,800	3,257	2,716
Federal & State Taxes										
Rate Base	64,216	61,346	58,335	55,165	51,809	48,231	44,380	40,173	34,433	28,707
Cost of Capital										
Total	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946	0.0946
Debt	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371	0.0371
Pfd & Common	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575	0.0575
Equity return	3,692	3,527	3,354	3,172	2,979	2,773	2,552	2,310	1,980	1,651
Fossil ITC Amort Plant Percentage										
After tax income	3,692	3,527	3,354	3,172	2,979	2,773	2,552	2,310	1,980	1,651
Fed & State Rate	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935	0.414935
Fed and State Taxes	2,619	2,502	2,379	2,250	2,113	1,967	1,810	1,638	1,404	1,171
Depreciation	3,237	3,381	3,544	3,732	3,954	4,226	4,575	4,819	4,819	2,410
Depreciation General Plant	2,989	3,005	3,022	3,043	3,067	3,096	3,134	3,160	3,160	1,580
Total Depreciation	6,226	6,386	6,566	6,775	7,021	7,322	7,709	7,979	7,979	3,990
Taxes Other Than Income	2,825	2,896	2,968	3,042	3,118	3,196	3,276	3,358	3,442	1,764
Accumulated deferred Income taxes										
Pollution Control	-	-	-	-	-	-	-	-	-	#REF!
ACRS- Class Life	1,230	1,093	957	820	683	547	410	273	137	0
ACRS General Plant Alloc										
Unfunded future tax laib FERC										
Full normalization FERC										
Total	1,230	1,093	957	820	683	547	410	273	137	#REF!

PENNSYLVANIA POWER & LIGHT COMPANY

RECEIVED ORIGINAL

Exhibit OGK 1

APR 01 1997 Tariff

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE
Witness: Oliver G. Kasper
R-00 97 3954

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APR 02 1997

PENNSYLVANIA POWER AND LIGHT COMPANY

Exhibit OGK-1

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APR 01 1997

PA PUBLIC UTILITY COMMISSION
PROTHONOTARY'S OFFICE

General Tariff
Electric Pa. P.U.C. No. 200
Effective January 1, 1997

Witness: Oliver G. Kasper

DOCUMENT
FOLDER

ERM



Pennsylvania Power & Light Company

GENERAL TARIFF

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

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

ISSUED December 13, 1996

EFFECTIVE January 1, 1997

Issued by
WILLIAM F. HECHT, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

THIS TARIFF MAKES (CHANGES) IN EXISTING RATES AND RULES. SEE PAGE TWO.
(INCREASES)
(DECREASES)

ERM

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rule 6A
 Page Nos. 10B and 10C

All rate levels are decreased to reflect the roll-in of the ECR and the STAS.

Energy Cost Rate
 Page Nos. 15, 15A, and 15B

The ECR is made inactive, subject to reactivation on sixty (60) days' notice.

The base energy costs, E_b , are decreased from 17.913 mills S_b per kilowatt-hour to 16.412 mills per kilowatt-hour to reflect the effect of the roll-in.

State Tax Adjustment Surcharge
 Page No. 16

Surcharge percentage is increased from -0.21% to 0.00% to reflect the roll-in to base rates of the STAS.

Rate Schedules - General and Restricted
 Page Nos. 20 to 42, inclusive

All rate levels are decreased to reflect the roll-in of the ECR and the STAS.

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TABLE OF CONTENTS

	<u>Page</u>	<u>Revision</u>
Table of Contents	3	Fifty-First
Territory Covered by This Tariff	3A	Nineteenth
	4	Second
	4A	Second
	4B	Original
RULES FOR ELECTRIC SERVICE		
1 - Electric Service Tariff	5	Original
2 - Requirements for Service	6	Second
	6A	First
3 - Extension of Service	7	Third
	7A	Second
4 - Supply of Service	8	Third
	8A	First
	8B	Fourth
	8C	Fifth
5 - Use of Service	9	Second
	9A	Original
6 - Auxiliary Service For Non-Qualifying Facilities	10	Seventh
	10A	Third
6A - Standby Service for Qualifying Facilities	10B	Fifth
	10C	Sixth
	10D	First
7 - Temporary Service	11	Third
8 - Measurement of Service	12	Second
9 - Billing and Payment for Service	13	Third
	13A	Second
10 - Disconnection and Reconnection of Service	14	Original
	14A	Second
ENERGY COST RATE	15	Ninth
	15A	Eighth
	15B	Third
STATE TAX ADJUSTMENT SURCHARGE	16	Twenty-First
EMERGENCY ENERGY CONSERVATION RIDER	17	Second
SPECIAL BASE RATE CREDIT ADJUSTMENT	18	Thirteenth
ECONOMIC DEVELOPMENT INITIATIVES RIDER	19	Fifth
	19A	Second
INTERRUPTIBLE SERVICE BY AGREEMENT	19B	Fifth
ELECTRIC VEHICLE RIDER (EXPERIMENTAL)	19C	First
INDUSTRIAL DEVELOPMENT INITIATIVES RIDER	19D	Second
COMPETITIVE RATE RIDER (EXPERIMENTAL)	19E	Third
OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)	19F	Original
OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)	19G	Original
RATE SCHEDULES - GENERAL		
RS - Residential Service	20	Ninth
	20A	Sixth
RTS - Residential Service - Thermal Storage	21	Thirteenth
	21A	Second
RTD - Residential Service - Time of Day	22	Eleventh
	22A	Second
	23	Original
GS-1- Small General Service - Sec. Voltage or Higher	24	Twelfth
	24A	Seventh
GS-3- Large General Service - Sec. Voltage or Higher	25	Thirteenth
	25A	Ninth
	26	Original
LP-4- Large General Service - 12 KV or Higher	27	Sixteenth
	27A	Sixth
LP-5- Large General Service - 69 KV or Higher	28	Fourteenth
	28A	Tenth
LP-6- Large General Service - 69 KV or Higher	28B	Third
	28C	First
LPEP- Power Service to Electric Propulsion.....	29	Fourth
	29A	Original

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>	<u>Revision</u>
IS-1- Interruptible Service - Greenhouses	30	Tenth
IS-P- Interruptible Large General Service - 12 KV or Higher	30A	First
	30B	Second
IS-T- Interruptible Large General Service - 69 KV or Higher	30C	First
	30D	Second
PR-1- Price Response Service (Experimental) - Firm Power	31	Thirteenth
	31A	Eighth
	31B	First
PR-2- Price Response Service (Experimental) - Interruptible Power	32	Fourth
	32A	Third
	32B	First
BL - Borderline Service - Electric Utilities	33	Eighth
SA - Private Area Lighting	34	Ninth
SM - Mercury Vapor Street Lighting	35	Eighth
	35A	Second
	35B	Eighth
SHS - High Pressure Sodium Street Lighting.....	36	Ninth
	36A	Third
SE - Energy Only Street Lighting Service	37	Sixth
	37A	Third
.....	38	Original
RATE SCHEDULES - RESTRICTED		
TS(R) - Municipal Traffic Signal Lighting Service	39	Eighth
SI-1(R) - Municipal Street Lighting	40	Ninth
	40A	Fourth
GH-1(R) - Single Meter Com'l. Space Mtg. Service	41	Eleventh
	41A	Original
GH-2(R) - Separate Meter General Space Mtg. Service	42	Eighth

TERRITORY COVERED BY THIS TARIFF

BERKS COUNTY (C)

Boroughs of New Morgan, Robesonia, Shillington, Sinking Spring, Wernersville, West Lawn, Womelsdorf, Wyomissing, and Wyomissing Hills.
 Townships of Caernarvon, Cumru, Heidelberg, Lower Heidelberg, South Heidelberg, and Spring.

BUCKS COUNTY

Boroughs of Richlandtown, Sellersville, Silverdale, Telford, and Turmbauersville.
 Townships of East Rockhill, Haycock, Hilltown, Milford, Richland, Springfield, and West Rockhill.

CARBON COUNTY

Boroughs of Beaver Meadows, Bowmanstown, East Side, Jim Thorpe, Lansford, Nesquehoning, Palmerton, Parryville, Summit Hill, and Weissport.
 Townships of Banks, East Penn, Franklin, Kidder, Lausanne, Lehigh, Lower Towamensing, Mahoning, Packer, Penn Forest, and Towamensing.

CHESTER COUNTY

Boroughs of Atglen, Elverson, and Honey Brook.
 Townships of Honey Brook, West Nantmeal, and West Sadsbury.

CLINTON COUNTY

City of Lock Haven.
 Boroughs of Avis, Flemington, Loganton, Mill Hall, Renovo, and South Renovo.
 Townships of Allison, Bald Eagle, Castanea, Chapman, Colebrook, Crawford, Dunnstable, Gallagher, Greene, Grugan, Logan, Noyes, Pine Creek, Wayne, and Woodward.

COLUMBIA COUNTY

Town of Bloomsburg.
 Boroughs of Ashland, Benton, Berwick, Briar Creek, Centralia, Millville, Orangeville, and Stillwater.
 Townships of Beaver, Benton, Briar Creek, Catawissa, Cleveland, Conyngham, Fishing Creek, Franklin, Greenwood, Hemlock, Jackson, Locust, Madison, Main, Mifflin, Montour, Mount Pleasant, North Centre, Orange, Pine, Roaring Creek, Scott, South Centre, and Sugarloaf.

CUMBERLAND COUNTY

Boroughs of Camp Hill, Carlisle, Lemoyne, Mechanicsburg, New Cumberland, Newville, Shiremanstown, West Fairview, and Wormleysburg.
 Townships of Dickinson, East Pennsboro, Hampden, Lower Allen, Middlesex, Monroe, North Middleton, North Newton, Penn, Silver Spring, South Middleton, South Newton, Upper Allen, and West Pennsboro.

DAUPHIN COUNTY

City of Harrisburg.
 Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Pillow, Steelton, and Williamstown.

DAUPHIN COUNTY (Continued)

Townships of Derry, East Hanover, Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover, Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco, and Williams.

JUNIATA COUNTY

Boroughs of Mifflin, Mifflintown, Port Royal, and Thompsontown.
 Townships of Delaware, Fayette, Fermanagh, Greenwood, Milford, Monroe, Susquehanna, Turbett, and Walker.

LACKAWANNA COUNTY

Cities of Carbondale and Scranton.
 Boroughs of Archbald, Blakely (part), Clarks Green, Clarks Summit, Dalton, Dickson City, Dunmore, Jermyn, Jessup, Mayfield, Moosic, Moscow, Old Forge, Olyphant (part), Taylor, Throop, and Vandling.
 Townships of Abington, Benton, Carbondale, Clifton, Covington, Elmhurst, Fell, Glenburn, Greenfield, Jefferson, La Plume, Lehigh, Madison, Newton, North Abington, Ransom, Roaring Brook, Scott, South Abington, Spring Brook, and West Abington.

LANCASTER COUNTY

City of Lancaster.
 Boroughs of Adamstown, (part), Akron, Christiana, Columbia, Denver, East Petersburg, Elizabethtown, Ephrata (part), Lititz, Manheim, Marietta, Millersville, Mount Joy, Mountville, New Holland, Quarryville, Strasburg, and Terre Hill.
 Townships of Bart, Brecknock, Caernarvon, Clay, Colerain, Conestoga, Conoy, Drumore, Earl, East Cocalico, East Donegal, East Drumore, East Earl, East Hempfield, East Lampeter, Eden, Elizabeth, Ephrata, Fulton, Lancaster, Leacock, Little Britain, Manheim, Manor, Martick, Mount Joy, Paradise, Penn, Pequea, Providence, Rapho, Sadsbury, Salisbury, Strasburg, Upper Leacock, Warwick, West Cocalico, West Donegal, West Earl, West Hempfield, and West Lampeter.

LEBANON COUNTY

Borough of Richland.
 Townships of Heidelberg and Millcreek.

LEHIGH COUNTY

Cities of Allentown and Bethlehem.
 Boroughs of Alburtis, Catasauqua, Coopersburg, Coplay, Emmaus, Fountain Hill, Macungie, and Slatington.
 Townships of Hanover, Heidelberg, Lower Macungie, Lower Milford, Lowhill, North Whitehall, Salisbury, South Whitehall, Upper Macungie, Upper Milford, Upper Saucon, Washington, and Whitehall.

(C) Indicates Change

TERRITORY COVERED BY THIS TARIFF (CONTINUED)

LUZERNE COUNTY (C)

Cities of Hazleton, Pittston, and Wilkes-Barre.
 Boroughs of Ashley, Avoca, Bear Creek Village, Conyngham, Dupont, Duryea, Exeter, Freeland, Hughestown, Jeddo, Laflin, Laurel Run, Nescopeck, Nuangola, Penn Lake Park, West Hazleton, West Pittston, White Haven, and Yatesville.
 Townships of Bear Creek, Black Creek, Buck, Butler, Dennison, Dorrance, Exeter, Fairview, Foster, Hanover, Hazle, Hollenbach, Jenkins, Nescopeck, Pittston, Plains, Rice, Salem, Slocum, Sugarloaf, Wilkes-Barre, and Wright.

LYCOMING COUNTY

City of Williamsport.
 Boroughs of Duboisstown, Hughesville, Jersey Shore, Montgomery, Montoursville, Muncy, Picture Rocks, Salladasburg, and South Williamsport.
 Townships of Anthony, Armstrong, Bastress, Brady, Clinton, Eldred, Fairfield, Franklin, Hepburn, Jordan, Limestone, Loyalsock, Lycoming, Mifflin, Mill Creek, Moreland, Muncy, Muncy Creek, Nippenose, Old Lycoming, Penn, Piatt, Porter, Shrewbury, Susquehanna, Upper Fairfield, Washington, Watson, Wolf, and Woodward.

MONROE COUNTY

Boroughs of East Stroudsburg (part), Mount Pocono, and Stroudsburg (part).
 Townships of Barrett, Chestnuthill, Coolbaugh, Eldred, Jackson, Paradise, Pocono, Polk, Price, Smithfield, Stroud, Tobyhanna, and Tunkhannock.

MONTGOMERY COUNTY

Boroughs of East Greenville, Pennsburg, Red Hill, Souderton, and Telford.
 Townships of Franconia, Hatfield, and Upper Merion.

MONTOUR COUNTY

Boroughs of Danville and Washingtonville.
 Townships of Anthony, Cooper, Derry, Liberty, Limestone, Mahoning, Mayberry, Valley and West Hemlock.

NORTHAMPTON COUNTY

City of Bethlehem.
 Boroughs of Freemansburg, Hellertown, Nazareth (part), North Catasauqua, Northampton, Pen Argyl (part), Stockerton, Tatamy, and Walnutport.
 Townships of Allen, Bethlehem, Bushkill, East Allen, Forks, Hanover, Lehigh, Lower Mount Bethel, Lower Nazareth, Lower Saucon, Moore, Palmer, Plainfield, Upper Nazareth, Washington, and Williams.

NORTHUMBERLAND COUNTY

Cities of Shamokin and Sunbury.
 Boroughs of Herndon, Kulpmont, Marion Heights, McEwensville, Milton, Mount Carmel, Northumberland, Riverside, Snyderstown, and Turbotville.
 Townships of Coal, Delaware, East Cameron, East Chillisquaque, Jackson, Jordon, Lewis, Little Mahanoy, Lower Augusta, Lower Mahanoy, Mount Carmel, Point, Ralpho, Rockefeller, Rush, Shamokin, Turbot, Upper Augusta, Upper Mahanoy, Washington, West Cameron, West Chillisquaque, and Zerbe.

PERRY COUNTY

(C)
 Boroughs of New Bloomfield, Landisburg, Liverpool, Marysville, Millerstown, New Buffalo, and Newport.
 Townships of Buffalo, Carroll, Centre, Greenwood, Howe, Juniata, Liverpool, Miller, Northeast Madison, Oliver, Penn, Rye, Saville, Southwest Madison, Spring, Tuscarora, Tyrone, Watts, and Wheatfield.

PIKE COUNTY

Townships of Blooming Grove, Greene, Lackawaxen, Palmyra, Porter, and Shohola.

SCHUYLKILL COUNTY

City of Pottsville.
 Boroughs of Ashland, Auburn, Coaldale, Cressona, Deer Lake, Frackville, Gilberton, Girardville, Gordon, Landingville, Mahanoy City, McAadoo, Mechanicsville, Middleport, Minersville, Mount Carbon, New Philadelphia, New Ringgold, Orwigsburg, Pale Alto, Pine Grove, Port Carbon, Port Clinton, Ringtown, Shenandoah, Tamaqua, Tower City, and Tremont.
 Townships of Barry, Blythe, Branch, Butler, Cass, Delano, East Brunswick, East Norwegian, East Union, Eldred, Foster, Frailey, Hegins, Hubley, Kline, Mahanoy, New Castle, North Manheim, North Union, Norwegian, Pine Grove, Porter, Reilly, Rush, Ryan, Schuylkill, South Manheim, Tremont, Union, Upper Mahantongo, Walker, Washington, Wayne, West Brunswick, West Mahanoy, and West Penn.

SNYDER COUNTY

Boroughs of Beavertown, Freeburg, McClure, Middleburg, Selinsgrove, and Shamokin Dam.
 Townships of Adams, Beaver, Centre, Chapman, Franklin, Jackson, Middlecreek, Monroe, Penn, Perry, Spring, Union, Washington, West Beaver, and West Perry.

(C) Indicates Change

TERRITORY COVERED BY THIS TARIFF (CONTINUED)

SUSQUEHANNA COUNTY

Boroughs of Forest City and Union Dale.
Townships of Clifford and Herrick.

UNION COUNTY

Boroughs of Hartleton and New Berlin.
Townships of Gregg, Hartley, Kelly, Lewis,
Limestone, Union, West Buffalo and White Deer.

WAYNE COUNTY

Boroughs of Bethany, Hawley, Honesdale, Prompton
and Waymart.
Townships of Berlin, Canaan, Cherry Ridge, Clinton,
Damascus, Dreher, Dyberry, Lake, Lebanon, Lehigh,
Mount Pleasant, Oregon, Palmyra, Paupack, Salem,
South Canaan, Sterling and Texas.

WYOMING COUNTY

Borough of Factoryville.
Townships of Clinton, Nicholson, Overfield and
Tunkhannock.

YORK COUNTY

Boroughs of East Prospect and Wrightsville.
Townships of Fairview, Hellam and Lower Windsor.

RULES FOR ELECTRIC SERVICE**RULE 1 - ELECTRIC SERVICE TARIFF****A. FILING AND INSPECTION**

A copy of this tariff containing the Pennsylvania Power & Light Company's rules and rate schedules for all electric service supplied by the Company in the territory covered by this tariff is on file with the Pennsylvania Public Utility Commission. A copy is available for inspection in each Company office in the territory covered by this tariff where payment for service is received. This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Tariff Regulations of the Pennsylvania Public Utility Commission.

B. SUPPLY OF SERVICE

The supply of service referred to in these rules, rate schedules and in contracts with customers means readiness and ability on Company's part to maintain standard service at the point of delivery, with a capacity sufficient to supply the estimated maximum requirements, based on customer's advice to Company, whether or not customer makes any use of service.

C. RESPONSIBILITY

Every Company employee is responsible for applying the provisions of this tariff without unlawful preference or advantage to any customer. No Company employee is authorized to modify any provision of this tariff or to bind Company by any promise or statement contrary thereto. No promise of any Company employee is binding unless made in writing over the signature of a duly authorized representative of Company. The failure by Company to enforce any of the provisions of this tariff or standard practices thereunder, shall not be deemed a waiver of Company's rights to do so.

RULES FOR ELECTRIC SERVICE
RULE 2 - REQUIREMENTS FOR SERVICE

A. SERVICE BY APPLICATION

The Company may connect service on request or Company may, for the convenience of a new customer, leave a service energized at a premises which has become vacant. The customer shall notify Company the date service is desired or use of service begun and shall give information necessary for Company to properly supply the service and apply the provisions of this tariff.

B. SERVICE CONTRACTS

(1) Every applicant for electric service may be required to sign a contract specifying the intended use of service, the applicable rate schedule and other service conditions. A contract between Company and customer is valid only when accepted in writing by a duly authorized Company representative. The customer shall abide by the terms and conditions of the contract and the provisions of this tariff. Service is for an initial term of one year except as otherwise specifically provided.

(2) Acceptance or use of service is deemed a request for the supply of such service and constitutes a contract to pay for the service under these rules and the applicable rate schedule. The receipt of electric service makes the receiver a customer of the Company.

(3) Contracts with the Commonwealth of Pennsylvania for service under a street lighting service rate schedule which provides for an initial contract term extending beyond the end of the current fiscal period for which the Commonwealth may contract, shall specify an initial contract term to the end of said fiscal period with provision for renewal for subsequent full fiscal periods. Contracts for new installation shall include a provision that should service be discontinued before the end of the initial term specified in the rate schedule, then the Commonwealth shall pay Company's estimated expense due to such discontinuance.

C. SELECTION OF SCHEDULES

(1) When more than one rate schedule is applicable to a service, the Company applies the rate schedule which is most advantageous to customer, based on customer's advice to Company regarding customer's anticipated service conditions. However, customer has the option of contracting for service under any applicable rate schedule.

(2) When customer's requirements change permanently and another rate schedule becomes more advantageous, Company will, after receiving notice of change in service conditions from the customer, recommend a new contract under the more favorable rate schedule for an initial term of not less than one year from the last meter reading date. (C)

(3) When, through any cause, a contract is entered into with customer on a rate schedule not applicable to the service, Company will transfer the service to the rate schedule applicable, so notify customer and adjust the charges for service already supplied.

D. SECURITY DEPOSITS

(1) The Company may require deposits or guarantees satisfactory to Company as security for the payment of service bills before Company commences or continues to supply service. The need for deposit or guarantee is based on the credit risk of the individual. For residential service, the deposit may be provided by a qualified composite credit group of which the individual is a member, or a guarantee may be provided by a third party who is a responsible ratepayer.

(2) The amount of deposit shall not exceed Company's estimate of the average bill for one billing period plus one month, with a minimum of \$5.00. Interest at the rate of the average of 1-year Treasury Bills for September, October, and November of the previous year is paid annually on all deposits made to secure the payment of bills for service. Interest ceases upon refund of deposit or upon discontinuance or termination of service, whichever occurs first. (C)

(Continued)

(C) Indicates Change

RULE 2 - REQUIREMENTS FOR SERVICE (CONTINUED)

D. SECURITY DEPOSITS (Continued)

(3) Deposit, plus accrued interest, is refunded to a residential ratepayer under the following conditions:

- (a) When a ratepayer establishes credit.
- (b) When a ratepayer becomes a bona fide member of a composite credit group.
- (c) When a ratepayer substitutes a third-party guarantor (up to the limits of the guarantee).
- (d) When a ratepayer is not currently delinquent and has paid bills for service for 12 consecutive months without having service terminated and without having become delinquent on more than 2 occasions.

(4) Deposit, plus accrued interest, is applied to the outstanding balance of any ratepayer upon termination or discontinuance of service and remainder is refunded.

(5) In the event of a termination of service, the Company may transfer to a third-party guarantor's account any portion of the unpaid balance which is equivalent to the deposit requirement of the ratepayer.

E. RIGHT-OF-WAY

The customer (or property owner) shall provide, without charge to the Company, right-of-way across property owned or controlled by customer (or property owner) and locations and housings which are suitable in the opinion of Company for the installation of Company's facilities. Suitable right-of-way includes, but is not limited to, providing ground line clearing of trees, brush and other obstructions, rough grading, and access by mechanical construction equipment.

F. ACCESS

Company employees shall have access at all reasonable hours to customer's premises, without charge, for the purpose of inspecting installations, installing meters, reading, testing, removing, replacing or otherwise maintaining or disposing of any of Company's property.

G. CUSTOMER'S INSTALLATION

The customer's service facilities shall be installed and maintained in accordance with Company's "Rules For Electric Meter and Service Installations". In residential and commercial complexes and multiple occupancy buildings, the owner is responsible for all service entrance facilities including individual service wiring where separate metering for each tenant is required by the Company. Company is not responsible for customer's wiring or equipment. Company is willing to assist customer with advice without incurring responsibility. Company may refuse to commence or continue service when, in Company's opinion, customer's installation is not in proper operating condition or does not conform to this tariff.

H. RESIDENTIAL BUILDING ENERGY CONSERVATION

(C)

Prior to receiving any electric service to or for new or renovated residential buildings or additions thereto as defined by Pa. Building Energy Conservation Act as amended by Act 98 of 1985, applicants for service must provide the Company with the compliance certification copy, or photocopy thereof, of the Pa. Department of Community Affairs (DCA) "Notice of Intent to Construct" form as processed by DCA or the local municipality having jurisdiction.

(C) Indicates Change

RULES FOR ELECTRIC SERVICE
RULE 3 - EXTENSION OF SERVICE

A. GENERAL PROVISIONS

(1) A line extension is any construction to extend the distribution system to the customer's property, consisting of more than the normal service facilities which are the transformers, transformer devices, service drop and meter. The Company constructs line extensions from the nearest suitable and available distribution line to supply new customers, or to change the supply to existing customers, under Company's standard rate schedules subject to the provisions of this rule. However, the estimated cost of facilities subject to annual charges under Rule 4 or customer contributions-in-aid-of-construction are not subject to the provisions of this rule.

(2) All provisions of these rules and of the applicable rate schedule, including any provisions relating to net and gross payments, apply to service supplied and charges made under this rule except as specifically provided herein.

(3) The length of a line extension is the total length of new pole line installed by the Company to the property line of the customers served from that extension, plus the length of any line installed on existing poles where the existing facilities are unsuitable.

(4) The Company requires, before construction, that:

- (a) Customers supplied from a line extension for which an annual guarantee is required, sign contracts acceptable to the Company with an initial term of not more than five years. A contract may be canceled at the request of the customer before the end of the initial term by immediately fulfilling all contract obligations for the remainder of the initial term.
- (b) Customers install wiring and other facilities necessary to use the Company's service.
- (c) Satisfactory right-of-way and other necessary permits are granted to Company to construct the line extension along the route selected by the Company.
- (d) Customer agrees to pay to the Company any initial and recurring right-of-way rental fees in excess of a nominal amount that are incurred by the Company in constructing and maintaining the line extension.

B. LINE EXTENSIONS

(1) The Company requires a minimum revenue guarantee for installation of any length of single phase line extension in excess of 2,500 ft. along the normal route of development of the distribution system, and for installation of all multi-phase line extensions. The guarantee period is 5 years or less.

(2) Minimum revenue guarantees for single phase extensions are based only on the contractor costs, if any, and the direct labor costs and direct material costs attributable to construction of the line extension beyond 2,500 ft. Guarantees for multi-phase extensions are based on fully allocated costs, and are credited with the equivalent single phase length allowance for up to 2,500 ft. of new pole line along the normal route of development of the distribution system. (C)

(3) Any length of line extension on, or through, restricted lands is excluded from the single phase length allowance and is subject to a line extension guarantee. (C)

(4) The excess cost of construction other than would normally be required for installation of the line extension, is paid by the customer prior to installation.

C. SPECULATIVE LINE EXTENSIONS

(1) A line extension is speculative when, in the Company's judgment, the continued future use of the facilities by any customer is uncertain.

(2) The Company requires a minimum revenue guarantee for speculative line extensions equal to the Company's estimated fully allocated installation and removal costs, less salvage, with no length allowance. Prior to construction, the Company may require from the customer a surety bond, or other security acceptable to Company, in the amount of the guarantee in addition to any deposit required to secure payment of service bills. (C)

(3) Guarantees for speculative line extensions include service extension facilities as well as distribution line facilities.

(Continued)

(C) Indicates Change

RULE 3 - EXTENSION OF SERVICE (CONTINUED)

D. EXTENSIONS FOR INDIVIDUAL SERVICE

All service extensions off the Company's distribution system to serve individual customers are installed under Tariff Rule 4.

E. LINE EXTENSIONS FOR DEVELOPMENT AREAS

The Company constructs line extensions to supply service to customers in residential, commercial or industrial developments in specific areas, with annual guarantees determined in accordance with Section B or C hereof, based on the number of customers which the Company knows are to be served in the development within two years from initial construction. The developer (or property owner) provides, without charge to the Company, right-of-way for lines and equipment which is suitable in the opinion of the Company for the installation of Company facilities throughout the development. Suitable right-of-way includes, but is not limited to, providing ground line clearing of trees, brush and other obstructions, rough grading, and access by mechanical construction equipment.

F. ANNUAL GUARANTEE

(1) The total guarantee for a line extension is divided among the customers to be supplied initially from the line extension to determine the total amount to be guaranteed per customer which is then divided by the number of years in the initial term of the contract to determine the customer's annual guarantee. A customer may assume more than a pro rata share of the guarantee for the line extension.

(2) The Company reserves the right to determine the guarantee of a customer on the proportionate length of the line extension used in common with other customers plus the additional length required to serve the individual customer.

(3) Each customer agrees that when the net service bills rendered during the period from the start of the initial term of the contract to the end of the current year total less than the sum of the customer's annual guarantee over that period, then the difference becomes due and payable.

G. TEMPORARY SERVICE

The Company supplies temporary service in accordance with the provisions of Rule 7.

H. REAPPORTIONMENT AND WAIVER OF LINE EXTENSION GUARANTEE

(1) When additional customers are connected to an existing or additional line extension, the remaining total amount to be guaranteed for the existing line extension is reapportioned for all customers including the new customers, providing such reapportionment does not increase the guarantees of the existing customers. Otherwise, the additional line extension is considered as a new line extension.

(2) When the accumulated revenue from the start of the initial term of contract equals the total amount to be guaranteed by the customer, service is supplied without the application of the annual guarantee determined under this rule.

I. TAXES ON CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER ADVANCES

(C)

Any contribution in aid of construction (CIAC), customer advance or other like amounts received from the customer which shall constitute taxable income as defined by the Internal Revenue Service will have the income taxes segregated in a deferred account for inclusion in rate base in a future rate case proceeding. Such income taxes associated with a CIAC or customer advance will not be charged to the specific contributor of the capital.

(C) Indicates Change

RULES FOR ELECTRIC SERVICE
RULE 4 - SUPPLY OF SERVICE**A. CHARACTERISTICS OF SUPPLY**

(1) The Company's standard service is single or three phase, sixty Hertz alternating current at standard voltages as specified in the Company's "Rules for Electric Meter and Service Installations." All nonstandard service is in the process of elimination and no new or additional nonstandard service will be supplied. (C)

(2) When a rate schedule specifies service at secondary voltage or specifies no particular voltage, Company furnishes, where necessary, one standard transformation at the point of delivery from the line voltage to a standard secondary voltage. Where the rate schedule specifies service at 12,000 volts or higher, service is supplied from the nearest available line of not less than that voltage and customer furnishes all equipment necessary to transform the energy from the line voltage.

(3) The Company extends service facilities from its distribution lines to the customer's point of delivery. The customer pays the estimated cost of service extension length over 500 ft. and the additional cost of facilities other than those which the Company would normally install to meet the customer's load requirements.

(4) The Customer provides, without charge to the Company, suitable right-of-way across property owned or controlled by the customer (or property owner) including but not limited to: ground line clearing of trees, brush and other obstructions, rough grading, and access by mechanical construction equipment.

(5) The point of delivery is the point designated by Company where Company's service conductors are connected to customer's service entrance conductors, terminals, or bus. Company installs and maintains facilities to the point of delivery and shall not be required to install or maintain any conductors, meter base, equipment or apparatus except meter and meter accessories beyond that point. (C)

(6) The Company normally supplies energy to only one point of delivery to a premises. The Company may provide a separate point of delivery at the customer's request as a speculative line and/or service extension.

B. SPECULATIVE SERVICE EXTENSIONS

(1) A service extension is speculative when, in the Company's opinion, there is doubt as to the continued use of the new facilities by the customer. This may include, but is not limited to, seasonal service, separate points of delivery, and service at locations which are relatively inaccessible or remote, or where the customer has less investment than is required by the Company to supply service.

(2) When a service extension is speculative, the Company requires a minimum revenue guarantee equal to the Company's estimated fully allocated cost of installation and removal of all facilities less any contribution in aid of construction by the customer. The guarantee is for a five year period or less. (C)

(3) The Company may require, in addition to any deposit necessary to secure payment of service bills, a surety bond or other security acceptable to the Company, to guarantee the fulfillment of the agreement.

(4) Where the customer requires a speculative service extension to be disconnected and Company facilities left in place for subsequent reconnection, an annual minimum revenue guarantee may be required beyond the initial five year period. In addition, for each reconnection of service the customer pays the cost of connection and disconnection. (C)

(5) A speculative service extension guarantee may be discontinued prior to expiration of the contract whenever the service becomes non-speculative in nature.

C. METHOD OF SUPPLY

(1) The Company furnishes and installs all electric service line facilities extending from its distribution supply lines at or near the customer's property line to the customer's point of delivery using normal construction for load conditions according to Company standards except as follows:

- (a) The Company may at its discretion install other than normal service facilities at the customer's request and at the customer's expense.

(Continued)

(C) Indicates Change

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

C. METHOD OF SUPPLY (Continued)

- (b) The customer provides all mechanical facilities on his property, other than poles and guys, which are required to accommodate the installation of the Company's electric facilities. All electric facilities, and all mechanical facilities installed by the customer on the Company's side of the point of delivery which are not in, on or under buildings shall, after installation, be owned and maintained by the Company and be available for further extension.
- (c) The customer at his option may install all service lines and related facilities on his property. Such facilities shall be on the customer's side of the point of delivery and shall be owned and thereafter maintained by the customer.
- (d) When a customer requests service in the vicinity of Company underground distribution facilities, the Company may require the customer to take underground service under the same terms and conditions which would apply if the Company supply were overhead.

(2) The Company may establish an underground system at its own option except as provided in (3) below when in the Company's opinion the circumstances justify the investment, and at the customer's request on condition that Company installs the complete electrical system to the point of delivery and the customer installs the mechanical facilities; ownership and maintenance of all facilities in the development on Company's side of the point of delivery that are not in or under buildings shall vest in the Company; the developer grants the Company, free-of-charge by perpetual easement, the sole right to move, maintain and extend these facilities. The developer agrees to pay the Company, in advance, the Company's estimated excess cost over normal overhead construction.

(3) Underground Electric Service in New Residential Developments

The Company installs only underground distribution and service facilities in residential developments of five or more adjoining lots for the construction of single-family residences, detached or otherwise, mobile homes, or apartment houses intended for year round occupancy, when service requires the extension of primary voltage lines. It does not apply to tracts of land which are subdivided, but not developed into utility-ready lots by a bona fide developer.

The applicant for electric service to a development shall conform with the following:

- (a) At its own cost, provide the Company with a copy of the recorded development plot plan identifying property boundaries, and with easements satisfactory to the Company for occupancy by distribution, service and street-light lines and related facilities.
- (b) At its own cost, clear the ground in which the lines and related facilities are to be laid of trees, stumps and other obstructions, provide the excavating and backfilling subject to the inspection and approval of the Company, and rough grade it to within six inches of final grade, so that the Company's part of the installation shall consist only of laying of the lines and installing other service-related facilities. Excavating and backfilling performed or provided by the applicant shall follow the Company's underground construction standards and specifications set forth by the Company in written form and presented to the applicant at the time of application for service and presentation of the recorded plot plan to the Company. If the Company's specifications have not been met by the applicant's excavating and backfilling, such excavating and backfilling shall be corrected or redone by the applicant or its authorized agent. Failure to comply with the Company's construction standards and specifications permits the Company to refuse service until such standards and specification are met.
- (c) Request electric service at such time that the lines may be installed before curbs, pavements and sidewalks are laid; carefully coordinate scheduling of the Company's line and facility installation with the general project construction schedule, including coordination with any other Company sharing the same trench; keep the route of lines clear of machinery and other obstructions when the line installation crew is scheduled to appear; and otherwise cooperate with the Company to avoid unnecessary costs and delay.
- (d) Pay to the Company any necessary and additional costs incurred by the Company as a result of the following:
 - 1. Installation of underground facilities that deviate from the Company's underground construction standards and specifications if such deviation is requested by the applicant for electric service and is acceptable to the Company.

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

C. METHOD OF SUPPLY (Continued)

2. A change in the plot plan by the applicant for electric service after the Company has completed engineering for the project and/or has commenced installation of its facilities.
 3. Physical characteristics such as oversized lots or lots with extreme set-back where under the Company's line extension policy contained in its tariff a charge is mandated for overhead service.
- (e) No charges other than those described in paragraph (d) shall be borne by the applicant for electric service or by another utility sharing the same trench, even if the Company elects to perform its own excavating and backfilling.

(4) The Company may supply service, upon request, in a manner which requires additional facilities over and above those which the Company would normally install, providing the customer agrees to compensate the Company for the estimated additional fully allocated cost.

(C)

D. ALTERNATE SUPPLY

The Company furnishes one source of supply to a single point of delivery to a premises. However, when a customer requests an alternate source of supply, the Company will install the additional facilities required providing the customer agrees to compensate the Company for the estimated cost of the additional facilities maintained for the alternate supply.

E. CAPACITY

The Company's facilities have a limited capacity. Therefore, to assure satisfactory operation of customers' equipment and to protect both customer's and Company's facilities against damage, each customer shall notify the Company of any substantial increase in use of service so that additional facilities may be provided in accordance with the applicable provisions in this tariff.

F. CONTINUITY

(1) The Company uses reasonable diligence to preserve continuity of service, but in the event of interruption or curtailment of service, Company shall not be subject to any liability, penalty or payment for or on account of any such interruption or curtailment nor shall the application of the rate schedule to the regular billing period be affected.

(2) The Company may temporarily suspend service for the purpose of making necessary repairs and makes every reasonable effort to notify customers in advance, except in cases of emergency.

G. EMERGENCY LOAD CONTROL

(1) A load emergency situation exists whenever:

(a) the demands for power on all or part of the utility's system exceed or threaten to exceed the capacity then actually available to supply such demands;

(b) system instability or cascading outages could result from actual or expected transmission overloads or other contingencies; or

(c) such conditions exist in the system or another public utility or power tool with which the utility's system is interconnected and cause a reduction in the capacity available to the utility from that source or threaten the integrity of the utility's system.

(2) In such case, the utility shall take such reasonable steps as the time available permits to bring the demands within the then-available capacity or to otherwise control load. Such steps shall include but shall not be limited to reduction or interruption of service to one or more customers, in accordance with the utility's procedures for controlling load.

(Continued)

(C) Indicates Change

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

H. EMERGENCY ENERGY CONSERVATION

(C)

An emergency energy conservation situation exists whenever events result or, in the judgment of the utility, threaten to result in a restriction of the fuel supplies available to the utility or its energy vendors, such that the amount of electric energy which the utility is able to supply is or will be adversely affected. In the event of an emergency energy conservation situation, the utility shall take such reasonable measures as it believes necessary and proper to conserve available fuel supplies. Such measures may include, but shall not be limited to reduction, interruption or suspension of service to one or more of its customers or classes of customers in accordance with the utility's procedure for emergency energy conservation.

I. RELOCATION OF FACILITIES

(1) The relocation of customer's facilities due to moving or rearranging Company's facilities at the direction or either the federal, state or local government is the customer's responsibility and expense.

(2) The relocation of Company facilities when done at the request of others is at the applicant's expense and payment of the Company's estimated cost of the relocation is required in advance of construction. When the request is from an affected property owner, the charges for relocation of distribution system facilities are limited to contractor costs and direct labor and material costs, less an amount equal to any maintenance expense avoided as a result of the relocation.

(3) The Company may waive charges under this rule if, in Company's judgment, the location of the Company's existing distribution and/or service facilities on the customer's property restricts the growth of the customer's operations.

J. EMERGENCY ASSISTANCE

The Company may, upon request, assist in emergencies to correct defects in and make temporary repairs to the customer's installation. Any such assistance shall be accepted by the customer without involving responsibility on the part of the Company.

K. CHANGE IN SERVICE CONDITIONS

The Company may, upon request, make a change in service conditions provided the customer pays the estimated fully allocated cost to be incurred by the Company.

(C)

(C) Indicates Change

RULES FOR ELECTRIC SERVICE

RULE 5 - USE OF SERVICE

A. CUSTOMER'S RESPONSIBILITY

The customer assumes full responsibility for the energy and facilities at and beyond the point of delivery. The customer's use of service shall not cause damage to Company's equipment or impair the service to other customers.

B. PURPOSE AND LOCATION

Service shall not be used for any purpose or at any location other than that stipulated in the contract or this tariff.

C. PERMANENT CHANGE OF USE

When a customer notifies Company in writing of any permanent change which reduces the capacity Company is required to have available, and when required, executes a new service contract, the Company will as of the first meter reading date thereafter apply the rate schedule applicable to the changed conditions for subsequent billing.

D. SERVICE DURING CONSTRUCTION OR EMERGENCY

(1) The Company suspends the contract term for a period not exceeding six consecutive months--

(a) following the initial connection of service for gradual installation of equipment or development of customer's operation as contemplated under the contract.

(b) upon written request from the customer following a forced temporary suspension of a portion of all of customer's operation due to an emergency such as an accident, fire, flood or other act of God, but not due to strike, lockout, seasonal curtailment or other business conditions.

(2) Bills for service during the suspension period are based on demands and energy supplied during such period applying the rates and minimum charges of the applicable rate schedule most advantageous to the customer. When the period in which the suspension starts is less than a normal billing period, bills are prorated. The suspension period ceases with the billing month in which the establishment or restoration of normal service occurs or after six full billing months whichever is the earlier. The initial contract term is extended for an equal period, including any extension guarantee period required thereunder.

E. ABNORMAL DEMAND AND USAGE (C)

All metered demands and usage, including abnormal demands and usage which are inconsistent with the customer's normal use pattern, are billed as metered in the billing period in which they occur. This provision may be waived at the Company's option.

F. REDISTRIBUTION OF SERVICE

(1) Energy purchased from the Company shall not be submetered and resold to another party except as permitted under 5F(2) and 5F(4). It is the Company's intent to meter and bill each tenant as an individual customer. Tenant is defined as an occupant of a multi-tenancy commercial building or parcel where it is expected that tenure shall be for a year or more. For the purpose of this rule, the term multi-tenancy commercial building shall include any structure which contains or houses 3 or more separate and distinct residential or commercial units.

(2) Where installation of electric service was completed by May 21, 1980, electric energy may be redistributed and submetered to tenants provided service to the premises is to one point of delivery through a single meter under the applicable general rate schedule, and charges for electric service to such tenants do not exceed charges as computed under the Company's applicable rate schedule for comparable service.

(Continued)

(C) Indicates Change

RULE 5 - USE OF SERVICE (CONTINUED)**F. REDISTRIBUTION OF SERVICE (Continued)**

(3) At service locations covered hereunder connected after May 21, 1980 each tenant shall be served, metered and billed individually by the Company under the appropriate rate schedule except where a definite commitment has been made as of that date to permit master metering with the resale provision of 5F(2). Upon application, affidavit, and proof presented to the Company, any owner (or his duly authorized representative) of a new multi-tenancy commercial building may seek an exception to Tariff Rule 5(F) by demonstrating that the installation of individual electric meters at each separate unit within the building is neither feasible nor practical from a financial, technical, or engineering point of view or by citing any other valid reason; all of which must be designed to prove that the installation of individual electric meters within the building will not achieve any notable reduction in the consumption of electricity by the tenants in the building beyond that which would be accomplished through the use of a master metering system with efficient heat controls.

(4) Company, at its discretion, may permit submetering for both existing and new service locations in accordance with the resale provisions of 5F(2) when all of the following conditions are present:

- (a) It is impractical for the Company to separately bill each tenant.
- (b) Each tenant has control of the majority of his electric energy use.
- (c) That substantial energy conservation will be effected.

G. VANDALISM

When Company street light facilities at a location are repeatedly vandalized, the customer shall reimburse the Company for all costs to repair such vandalism after the second recorded incident over a consecutive 24 month period.

RULES FOR ELECTRIC SERVICE
RULE 6 - AUXILIARY SERVICE
FOR NON-QUALIFYING FACILITIES

A. APPLICATION

(1) Service to customers who have another source of power which can be substituted for Company's service for any of customer's operations. Service is supplied under the terms of this rule unless such other source of power is maintained solely for use in case of interruption of the Company's service. Service to Qualifying Facilities (QFs) is provided for under Rule 6A. (C)

(2) Service is supplied only where Company has available the capacity and facilities adequate for the service and only under a contract for an initial term of one or more years under a general service rate schedule with measured demands. Bills for service are based on charges specified in the rate schedule, subject to a minimum charge as described in this rule.

(3) The customer's equipment may not be operated concurrently by means of service supplied by Company and by such other source of electric or mechanical power except upon written agreement setting forth the conditions of such operation.

B. MINIMUM CHARGE

The minimum monthly charge is the KW demand and KWH energy charges in the rate schedule for 100 hours use of the kilowatts of Reserved Capacity, plus the succeeding KW charge in the rate schedule for any kilowatts of the Billing KW in excess of the kilowatts of Reserved Capacity.

C. RESERVED CAPACITY

(1) When customer's entire power requirements exceed the capacity of such other source of power and no load limiter is installed, the Reserved Capacity is the rated capacity in kilowatts (at unity power factor) of customer's other source of power. In all other cases the Reserved Capacity is the average kilowatts, supplied during the single 15 minute period of maximum use during the current billing month or any of the preceding 11 months, but not less than the kilowatt setting of a load limiter, or, when no limiter is installed, not less than Company's estimate of the number of kilowatts of customer's entire power requirements as stated in the contract. (C)

(2) The customer has the option of furnishing, installing, and maintaining a load limiter for service supplied by Company, which shall be approved, set, and sealed by Company. The limiter will be set at approximately the number of kilowatts of Reserved Capacity contracted for by the customer.

D. PURCHASE OF ENERGY FROM SPECIFIC CUSTOMER-OWNED GENERATING EQUIPMENT (Limited 3-1-88)

The Company will purchase the net electric energy output from a customer's generating facility provided: (1) the facility uses biomass (excluding direct combustion of the biomass resource), municipal solid waste, solar, wind, or small hydro (5 MW or less) as the energy source; (2) the customer's system is installed in accordance with Company specifications and the receipt of the facility's output is not detrimental to the operation of the Company's distribution system or to other customers; and (3) the customer compensates the Company for the estimated cost of interconnection and metering facilities in excess of what is required for normal service. Any subsequent maintenance and modification of such facilities to adjust to changing conditions on the Company's electrical system is at the selling customer's expense. For these provisions to be applicable to a municipal solid waste project, the proposed operator/owner of such project must demonstrate that governmental agencies having the right to approve or reject the operation and location of such project have been informed of the planned source of all waste to be processed, and assent to the processing of such waste, as evidenced in a letter or statement duly executed.

(Continued)

(C) Indicates Change

RULE 6 - AUXILIARY SERVICE
FOR NON-QUALIFYING FACILITIES (CONTINUED)

(C)

D. PURCHASE OF ENERGY FROM SPECIFIC CUSTOMER-OWNED GENERATING EQUIPMENT (Limited 3-1-88)
(Continued) (C)

Energy output is purchased, as available, from the customer's qualifying facility at the rate of \$0.06 per KWH or at the calendar year weighted average value of PP&L's interchange energy sales and purchases when such rate exceeds \$0.06 per KWH. Payments so determined are limited to purchases made prior to January 1, 1990. Thereafter, payments will be maintained at the rate in effect for 1989. Payment on the basis of \$0.06 per KWH is made monthly for energy received from the qualifying generating facility in the preceding month with reconciliation with the annual rate as soon as the calendar year data is available. At the Company's option, when purchases are less than 150 KWH per month, payment may be made annually.

The rate in this rule is available to developers who contacted the Company regarding the application of this rule to a specific project prior to March 1, 1988 or who can demonstrate that they made substantial progress toward the development of a specific project or facility prior to March 1, 1988. The following constitute evidence of substantial progress toward developing a project:

- (1) FERC certification granting qualifying status to the facility,
- (2) a statement of project definition including preliminary project design,
- (3) a letter of intent or similar evidence of host site control,
- (4) evidence of adequate fuel supply consistent with anticipated project life and energy production,
- (5) a plan for obtaining all necessary project licensing, and
- (6) preliminary evidence of the project's financial feasibility and a preliminary financing plan.

A developer unable to reach agreement with PP&L concerning the substantial progress criteria must initiate a formal proceeding with the Commission within ninety (90) days of the effective date of this tariff supplement.

Additionally, the rate is available only to those developers who satisfy the above criteria and who sign a power purchase agreement applicable to the project prior to January 1, 1990 or who began negotiations on the agreement within a reasonable period of time after the effective date of this tariff supplement, but have been unable to sign a power purchase agreement prior to January 1, 1990 due to a legitimate contract dispute.

The rate under this rule expires January 1, 2010.

(C) Indicates Change

RULES FOR ELECTRIC SERVICE

RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES

A. APPLICATION

(1) The Company will supply Stand-by Service under terms of this Rule to: (a) Qualifying Facilities (QFs) as defined in the Public Utility Regulatory Policies Act of 1978, or (b) a customer that contracts with a QF and that must be served under the requirements of either federal or state law.

(2) Stand-by Service is supplied only where the Company has available capacity and facilities adequate for the service requested and only pursuant to a power purchase or interconnection agreement with the Company.

B. TYPES OF STAND-BY SERVICE AVAILABLE

(1) Supplementary Power is electric energy or capacity supplied by the Company and regularly used in addition to that energy or capacity supplied by that QF. All energy or capacity supplied by the Company under this rule shall be Supplementary Power unless it is provided as Back-up Power or Maintenance Power as defined below.

(2) Back-up Power is electric energy or capacity supplied by the Company to replace energy or capacity regularly supplied by the QF's equipment when such equipment is not available during an outage for other than prescheduled maintenance. Back-up Power shall be limited to 1,314 hours during the most recent consecutive twelve-month billing periods. Any additional power supplied above the 1,314 hour limit shall be billed as Supplementary Power. The QF must provide the Company with a written notification of the use of Back-up Power within seven business days after conclusion of the use. This notification must include the day and time at which the use of Back-up Power began, the reason for the usage, and the actual duration of the use of Back-up Power.

(3) Maintenance Power is electric energy or capacity supplied by the Company during a prescheduled maintenance outage of the QF's generating equipment. Maintenance Power is available for not more than 70 days per year and must be scheduled during the periods March 16 to May 31, and September 16 to November 30. The QF must confirm with the Company in writing 60 days before receiving such power and indicate the required capacity and proposed duration of Maintenance Power use. The required capacity and proposed duration of Maintenance Power use can be changed after the 60-day notice is given, but before the outage occurs, by mutual written agreement between the Company and the QF. The QF must provide the Company a written notification of the use of Maintenance Power within seven business days after the conclusion of the use. This notification must include the day and time at which the use of Maintenance Power began and the actual duration of the use of Maintenance Power.

C. INTERCONNECTED AND PARALLEL OPERATION

The QF shall comply with all Company requirements concerning interconnected or parallel operations. These requirements are on file with the Commission as part of the Company's annual PURPA Section 210 filing and/or are contained in power purchase and interconnection agreements between the Company and QFs.

D. INTERRUPTIBLE OPTION

Back-up Power is available on an interruptible basis to QFs with generators rated in excess of 500 KW. Interruptible Back-up Power may be interrupted when, in the Company's opinion, any generation, transmission, or distribution capacity limitations exist or during periods of economic load control. Whenever possible, the QF will be notified in advance of a probable interruption and the estimated duration of the interruption. If the QF fails to interrupt, a penalty of \$24.95 per KW shall be billed for each KW that has not been interrupted, in addition to applicable Back-up Power charges. The Company will notify the QF by telephone at the conclusion of the interruption. A credit of \$0.35/KW for Service at 480 volts or less, \$0.30/KW for Service at 12,470 volts, \$0.25/KW for Service at 69,000 volts or higher will be applied to the QF's monthly bill for each KW interrupted in any month in which an interruption is requested. No credits will be applied if the QF fails to interrupt all Back-up Power.

(D)

(Continued)

(D) Indicates Decrease

**RULE 6A - STAND-BY SERVICE
 FOR QUALIFYING FACILITIES (CONTINUED)**

E. RATES FOR STAND-BY SERVICE

- (1) Supplementary Power is metered and billed separately under the Company's applicable general service rate schedule.
- (2) (a) Back-up Power is billed separately. The billing is based on KW demand and KWH registered on the Company's meters. Where such actual KW demand use exceeds the KW specified under paragraph G, such excess KW and, on a percentage basis, the associated KWH shall be billed as Supplementary Power. When metered KW demand use is not available, the KW demand billed will be based on the KW of Back-up Power specified under paragraph G. When metered KWH use is not available, the KWH energy billed under the Back-up Power rates will be calculated by multiplying the KW of Back-up Power specified under paragraph G by the number of hours of the unscheduled outage.
- (b) The QF will pay a Monthly Reservation Charge equal to the KW of Back-up Power specified under paragraph G multiplied by the Back-up Power capacity charge. The monthly minimum bill shall be the greater of the Monthly Reservation Charge or charges for actual Back-up Power usage.
- (c) Back-up Power will be billed using the following charges: (D)

	<u>Service at 480 Volts or Less</u>	<u>Service at 12,000 Volts</u>	<u>Service at 69,000 Volts or Higher</u>
Capacity Charge	\$1.72/KW	\$1.67/KW	\$1.21/KW
KWH Charge	4.819¢/KWH	4.551¢/KWH	4.085¢/KWH

The Special Base Rate Credit Adjustment, Energy Cost Rate and State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

- (3) (a) Maintenance Power is billed separately. The billing is based on the KWH registered on the Company's meters. When metered KWH use is not available, the KWH energy billed under the Maintenance Power rates will be calculated by multiplying the KW of Maintenance Power specified under paragraph G by the number of hours of the use of Maintenance Power.
- (b) Maintenance Power will be billed using the following charges: (D)

	<u>Service at 480 Volts or Less</u>	<u>Service at 12,000 Volts</u>	<u>Service at 69,000 Volts or Higher</u>
KWH Charge	4.819¢/KWH	4.551¢/KWH	4.085¢/KWH

The Special Base Rate Credit Adjustment, Energy Cost Rate and State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

F. KW DEMAND

The KW Demand is the average number of Kilowatts supplied during the 15 minute period of maximum use during the current billing period.

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(Continued)

(D) Indicates Decrease

RULE 6A - STAND-BY SERVICE
FOR QUALIFYING FACILITIES (CONTINUED)

(C)

G. DATA REQUIREMENTS

The QF must supply the Company with an annual written notice, on or before September 1, of its Stand-by Service needs for the subsequent calendar year. This notice must contain the following information necessary to implement this Tariff:

- KW of Back-up Power
- Designation of Back-up Power as Firm or Interruptible
- KW of Maintenance Power and preliminary schedule for use thereof

The QF shall provide any data, books or records that Company may request to confirm or check the extent, type or duration of any QF outages.

H. PAYMENT

The rates stated in this Tariff apply when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date the bill is mailed. When not so paid, a one time late payment charge equal to 5% of the first \$200.00 of the then unpaid balance plus 2% on the remainder will be added to the unpaid amount.

(C) Indicates Change

RULES FOR ELECTRIC SERVICE
RULE 7 - TEMPORARY SERVICE

A. TEMPORARY SERVICE

(1) Temporary service is service for less than one year or for a year or more when Company must install facilities that will be used solely for a service that is known to be limited in duration. Service is supplied under contract for not less than one month at the applicable rate schedule subject to the provisions of this rule. In no event is service billed for a total period of less than one month. (C)

(2) The customer pays, in advance, a non-refundable temporary connection charge equal to the Company's estimated installed cost and net removal cost of all necessary facilities other than transformer, service drop, and metering, required to provide the temporary service. Where it is necessary to install and remove a transformer, service drop and meter, or to energize facilities already in place, the customer also pays a non-refundable connection and disconnection charge representing the cost of performing this work. The Company may require that the customer pay the connection and disconnection charge in advance. (C)

(3) Company has the option to supply service without the application of this rule for prearranged tests or demonstrations. (C)

(4) The Company may remove all facilities used solely to supply temporary service upon discontinuance of service by the customer.

(5) The provisions in this rule for temporary service do not apply for service to permanent residences on a residential service rate schedule. (C)

RULES FOR ELECTRIC SERVICE
RULE 8 - MEASUREMENT OF SERVICE

A. LOCATION AND METHOD OF MEASUREMENT

(1) The customer provides free of expense to Company, at a location designated by Company, a suitable place for the Company meters which is readily accessible to Company employees at all reasonable hours.

(2) The Company installs and maintains the metering equipment. Where energy is metered at a point other than the point of delivery or at a voltage other than the supply voltage, readings of the meters are corrected to conform to measurement at the point of delivery and voltage supply.

B. METER INSTALLATIONS

Service at each point of delivery is metered through one or more meters as required by the applicable rate schedules. Measurements from two or more sets of metering equipment are never combined for billing purposes except temporarily pending completion of necessary changes in Company's facilities. (C)

In residential and commercial complexes and multiple occupancy buildings connected after May 21, 1980, each independent occupant is separately metered and billed by the Company as an individual customer unless redistribution of service is authorized by the Company. The Company does not provide service to two or more customers through a single meter except as specifically provided for in Tariff Rule 5F or the applicable rate schedule.

C. UNMETERED SERVICE

The Company, at its option, may determine kilowatt hours and billing demands by computation instead of by measurement for installations having a fixed load or demand value controlled to operate for a definite number of hours during a billing period.

D. METER TESTING

The testing and adjustment of meters, the charges therefor, and adjustments due to inaccuracies are made in accordance with any applicable law and any regulation issued thereunder.

E. DETERMINATION OF DEMAND

(1) The fractional part of the demand billing unit specified in the rate schedule in excess of the minimum is taken as a whole when equal to one-half or more, otherwise, the fractional part is disregarded.

(2) Where the rate schedule provides that the demand is determined by quantities supplied during two or more periods of use, not more than one such period is taken from any one day's measurements that apply to such determination.

(3) Where the charges are based on a connected load, the customer's connected load is determined by inspection whenever Company deems necessary. Company will estimate the connected load of any customer who does not permit Company's representative to make such inspection.

(C) Indicates Change

RULES FOR ELECTRIC SERVICE
RULE 9 - BILLING AND PAYMENT FOR SERVICE

A. BILLING PERIOD

(1) Bills for service supplied during the preceding billing period, other than initial and final bills, are rendered monthly. Normal billing is for a period of approximately 30 days and is based on meter readings taken by Company at the end of each period.

(2) When a billing period is more or less than a month, such as for initial or final bills, the monthly rate is prorated.

B. ESTIMATED BILLS

(1) Company may render an appropriately marked estimated bill when a meter reading is not obtained. Company may read meters for longer than monthly intervals and may under such circumstances render estimated interim bills for normal billing periods.

(2) Estimated bills shall be paid in accordance with the provisions of this rule and the applicable rate schedule. If unusual circumstances occur during a period for which an estimated bill has been issued and are brought to the Company's attention, an appropriate adjustment will be made by Company.

(3) Upon request, the Company will supply any customer with a billing schedule and a card form upon which he may record his meter readings at the end of each normal billing period which otherwise would be estimated. If such card is received by the Company by the date specified on the schedule, except where it is apparent to the Company that the information is erroneous, the bill for such period will be computed from the meter reading shown on the card.

(4) The Company will take reasonable measures to obtain meter readings, however, the Company may prepare an estimated bill for any customer if extreme weather conditions, emergencies, equipment failure, work stoppages, or other circumstances prevent actual meter readings or if Company personnel are unable to gain access to obtain an actual meter reading.

C. DUE DATE

The due date specified on the bill is not less than 15 days from the date bill is mailed except that for service under, or billed in conjunction with, residential rate schedules the due date is not less than 20 days from the date bill is mailed and for service to federal, state or local governments or to any governmental department, institution or authority, the due date is not less than 30 days from the date bill is mailed.

When the due date for residential service occurs from the 21st day of the month through the 5th day of the following month, the due date may be extended upon request to the 6th day of the latter month for customers receiving Social Security or equivalent monthly checks on or about the first of the month.

D. PAYMENT

(1) Bills are considered as received by customer when delivered at or mailed to the premises where the service is supplied or an address mutually agreed upon. Delay in the receipt of or failure to receive bill does not extend the due date.

(2) Bills may be paid during business hours at any commercial office or collection agency of the Company authorized to receive payments.

(3) Payment of bills by mail will be accepted as paid when postmarked before midnight on the due date or when received by the Company within five days after the due date. (C)

(4) Payment of bills after the due date specified on the bill is subject to a late payment charge, as provided for in the applicable rate schedule. (C)

(5) The customer is responsible for payment for use up to discontinuance or termination of service.

(Continued)

(C) Indicates Change

RULE 9 - BILLING AND PAYMENT FOR SERVICE (CONTINUED)

D. PAYMENT (Continued)

(6) In the event of discontinuance or termination of service at a residence or dwelling, the Company may transfer any unpaid balance to any other residential account of the same ratepayer, or in the event of termination, to a third-party guarantor's account to the extent of the cash deposit requirement.

(7) Regular employees who are head of a family and mainly responsible for the maintenance of the premises they occupy may secure up to 50% reduction in their bills for service under Residential Rate Schedule RS in lieu of other benefits available to other employees. This option is in the process of elimination and is limited to employees who are presently receiving such reduction and continue to live and work in the area previously served by the former Tariff Electric Pa. P.U.C. No. 196 (Scranton).

(8) Payments which are insufficient to pay for both a balance due for prior use and billing for current use are first applied to the balance due for prior use, except when an unpaid bill is a disputed bill or when a payment plan for an overdue balance is agreed upon. (C)

E. BUDGET BILLING (C)

Budget billing is available upon request for service under residential and general service rate applications except for temporary, seasonal, and speculative service. Budget billing may start in any month, for new or existing customers, and may be discontinued upon request at which time any difference between budget billing and billing based on actual use becomes due and payable. In any month when the amount billed for the previous billing period is overdue, budget billing may be terminated; any difference owed the Company is immediately due, and bills thereafter are rendered based on metered use.

When a customer elects budget billing, the Company bills the customer each month an amount equal to one-twelfth, for residential service customers, or one-eleventh, for general service customers, of the estimated annual charges under the rate schedule. The monthly charge is adjusted, as required, so that total payments at the end of the budget billing cycle approximately equal actual charges. When billing based on actual use exceeds charges at the end of the twelfth month, the excess is added to regular billing in equal increments over the succeeding four months with no penalty.

Each month, interest in the amount of 1% per month is applied to funds in the customer's account which are the result of payments for the billed amount in excess of actual charges for service to date. No interest is charged when there is a negative balance.

F. RETURNED CHECK CHARGE

If a check received in payment of a customer's account is returned to the Company unpaid by the customer's bank and cannot be redeposited by the Company for payment on the second attempt, the Company will charge the customer \$7.00 for processing the returned check, plus any charges assessed by the bank or other financial institution to the Company. (C)

G. SMALL CREDIT BALANCES ON INACTIVE ACCOUNTS (C)

The Company may transfer any customer credit balance less than \$1 from a customer's inactive account to the Company's Operation HELP program instead of refunding the credit amount to the customer. This transfer will occur only after the Company has been unsuccessful in its efforts to transfer the credit balance to an active account of the customer, and only if the customer does not request a refund of the credit balance.

(C) Indicates Change

RULES FOR ELECTRIC SERVICE

RULE 10 - DISCONNECTION AND RECONNECTION OF SERVICE**A. CONTRACT CANCELLATION**

(1) Contracts are cancelled by Company after the expiration of the initial term thereof, upon notification from the customer, as provided in the contract, that service is no longer required at the premises being supplied.

(2) Contracts are cancelled by Company before the expiration of the initial term thereof, at the request of the customer, upon the immediate payment at customer's option of either of the following:

- (a) All remaining obligations under the contract for the initial term.
- (b) The charges for service to date of discontinuance as calculated under the tariff provisions applicable for the period of service actually supplied less the sum of payments already made. This option applies only when the customer completely ceases operations and only when Rule 3, Extension of Service, is not involved. Commercial and industrial customers agree that if operations are resumed before the date when the initial term expires, then the initial obligation of contract is considered as still in force.

B. TERMINATION

(1) Termination of service does not constitute cancellation of any contract during the initial term thereof except by Company consent.

(2) The Company may terminate the supply of electric service and remove Company's equipment from customer's premises, upon notice to customer when appropriate, under any of the following conditions:

- (a) Nonpayment of an undisputed delinquent account.
- (b) The customer's installation, in Company's judgment, has become dangerous or defective or Company has received notice of such a condition, or the customer's equipment or use thereof may impair the equipment of Company or the service to the other customers.
- (c) The Company's property on customer's premises has been interfered with, or evidence is found that the wires, meters, entrance switch or other appurtenances up to and including the point of measurement have been tampered with.
- (d) Energy has been used that has not been registered on the meter.
- (e) A writ of execution is issued against customer, or the premises at which service is supplied is levied upon, or there is an assignment or act of bankruptcy on the part of customer, and Company has not received any written acceptance of responsibility for continuance of service.
- (f) The customer violates any of these rules or any of the terms and conditions of the contract or has made misrepresentations to Company with respect to the use of electric service and customer refuses to correct the situation or execute a contract appropriate for such service.
- (g) The Company's meter readers or other authorized representatives cannot gain admittance or are refused admittance to the premises for the purpose of reading meters, making repairs, making inspections, or removing Company property, or the customer interferes with Company representatives in the performance of their duties, or the meters or other equipment of the Company are not accessible during reasonable hours.
- (h) The customer neglects or refuses to reimburse Company for repairs to or loss of Company's property used to supply service when such repairs are necessitated, or loss occasioned, by negligence on the part of customer.
- (i) Failure to post a deposit, provide a guarantee, or establish credit.

(Continued)

RULE 10 - DISCONNECTION AND RECONNECTION OF SERVICE (CONTINUED)

B. TERMINATION (Continued)

- (j) Failure to comply with the material terms of a settlement or amortization agreement.
- (k) Fraud or material misrepresentation of identity for the purpose of obtaining utility service.
- (l) Unauthorized use of the utility service delivered on or about the affected dwelling or other service location. (C)

(3) The Company shall not terminate, or refuse to restore service to any premises when any occupant residing therein is certified by a physician to be seriously ill or affected with a medical condition which will be aggravated by a cessation of service or failure to restore service. The validity of such certification may be contested before the Pennsylvania Public Utility Commission.

(4) Except in emergencies, service to residential customers will not be terminated: on Friday, Saturday or Sunday; on a bank holiday or the day preceding a bank holiday; on a day or a day preceding a day when the Company's business offices are closed; or on a holiday or the day preceding a holiday observed by the Pennsylvania Public Utility Commission.

(5) The customer may avoid termination under the above conditions by eliminating the cause for termination and fulfilling the appropriate conditions for reconnection under Rule 10C hereof prior to termination.

C. RECONNECTION

Whenever a service has been terminated under any of the above provisions, Company will require payment of a \$15 (\$21 if done during other than the normal working hours of the physical forces reconnecting the service) disconnection and reconnection charge and will, before reconnection, require customer to eliminate the cause of disconnection and fulfill any of the following conditions that are reasonably applicable: (C)

- (1) Establish credit, make a security deposit, or provide a written guarantee acceptable to Company. (C)
- (2) Correct any unsafe or nonstandard conditions in customer's service entrance facilities.
- (3) Make full payment of, or arrange time payments for the charges for energy used but not metered and, all costs of Company investigation and property damage associated therewith, plus the cost of measures considered necessary by the Company to prevent recurrence.
- (4) Make payment of, or arrange for the payment of, all amounts currently due according to a settlement or amortization agreement.

(C) Indicates Change

ENERGY COST RATE (INACTIVE)

(C)

An energy cost rate (ECR) shall be applied to each kilowatt-hour supplied under this tariff, except for incremental and decremental kilowatt-hour usage under Rate Schedules PR-1 and PR-2. The ECR, determined to the nearest one-thousandth of 1 mill per kilowatt-hour in accordance with the formula set forth below, shall be applied to all kilowatt-hours billed during the billing month:

$$ECR = \left[\frac{Fc}{St} - \frac{Fb}{Sb} - \frac{A}{Sr} + \left(\frac{A}{Sr} \times D \right) - \frac{E}{Sr} \right] \times \frac{1}{(1-T)}$$

The ECR so computed shall be filed with the Pennsylvania Public Utility Commission (Commission) by March 1 of each year. Such rate shall become effective for service rendered on and after the following April 1 unless otherwise ordered by the Commission, and shall remain in effect for a period of one year unless revised on an interim basis subject to the approval of the Commission. Upon determination that an ECR, if left unchanged, would result in a material over or under collection of energy costs incurred or expected to be incurred during the current 12-month period ending January 31, the Company may file with the Commission for an interim revision of the ECR, to become effective 30 days from the date of filing, unless otherwise ordered by the Commission.

Where:

ECR = Energy cost rate in mills per kilowatt-hour to be applied to each kilowatt-hour supplied under this tariff.

F_c = The estimated energy-related cost of net energy generated by the Company's fossil and nuclear generating stations, adjusted to exclude: (1) the net change in the cost of energy applicable to incremental and decremental sales under Rate Schedules PR-1 and PR-2, (2) the cost of energy generated for and sold to other utilities on a firm basis and (3) the cost of energy associated with that portion of the Company's generating resources that is not included in jurisdictional revenue requirements, plus the Company's energy-related cost of energy purchased, plus net costs associated with energy interchanged for the computation year (c), less revenues received for energy sold under interchange and other surplus power agreements (excluding any amounts associated with energy sales from that portion of the Company's generating resources that is not included in jurisdictional revenue requirements), defined as follows:

Fossil Generation - the costs charged to fuel Accounts 501 and 547 which are computed on the basis of the cost of fuel delivered to the generating site at which it is consumed, plus the cost of disposing of solid waste from sulfur oxide removal devices.

Nuclear Generation - the costs charged to fuel Accounts 518 and 521 (including Dept. of Energy assessment fees for the disposal of spent nuclear fuel and the decontamination and decommissioning of its uranium enrichment facilities) which are computed on the basis of the costs of such fuel delivered at the generating site at which it is consumed, after deducting therefrom the present salvage or reuse value of such fuel.

Hydro Generation - the amounts charged to Account 536 for the cost of water for power (including FERC assessment fees for headwater benefits).

Energy sales - the amounts of fossil and nuclear fuel costs incurred with respect to intersystem energy sales through firm power contracts and energy sales associated with that portion of the Company's generating resources that is not included in jurisdictional revenue requirements. These amounts to be excluded.

Energy Purchases - the amounts charged to Account 555 associated with interchange and other energy purchases, excluding capacity or demand charges other than those associated with agreements for the purchase of energy at a cost (including associated demand charges) that is less than the energy-related cost of energy from available alternative sources; provided that, during a major fuel supply interruption, the Company's fuel inventory need not be considered an alternative source for the purpose of determining the applicability of including demand charges in the ECR.

Interchange Energy Sales - the amounts credited to Account 555 which are associated with interchange energy sold, excluding capacity or demand credits and amounts from energy sales associated with that portion of the Company's generating resources that is not included in jurisdictional revenue requirements.

Test power - the amounts charged to Account 557 for the value assigned to the energy produced from facilities undergoing operational tests prior to being placed into commercial operation.

Sales for Resale (Account 447) - the amounts for economy energy sold under interchange and other surplus power agreements (including firm and interruptible output reservation contracts), net of associated energy-related delivery costs, which were previously credited to Account 555 and included in the ECR calculation and now are credited to Account 447 pursuant to instructions set forth in the FERC Accounting Release AR-14, issued November 25, 1991. ECR recoverable costs shall be no different than such costs determined prior to the effective date of AR-14. However, any amounts associated with sales from that portion of the Company's generating resources that is not included in jurisdictional revenue requirements shall be excluded.

Emission Allowances - the amounts charged to Account 509 for the cost of allowances used in conjunction with corresponding amounts of sulfur dioxide emitted. Also, gains and losses from the disposition of those allowances associated with utility operations and recorded in Accounts 411.8 and 411.9, respectively.

(Continued)

(C) Indicates Change

ENERGY COST RATE (CONTINUED)

The computation year (c) shall be April 1 through March 31 for which the ECR as computed will apply. In projecting the Company's energy costs for the computation year, the estimated cost of energy generated and sold to other utilities on a firm basis, the estimated net effect on the Company's energy costs of generation forecast for the computation year from a base load unit expected to begin commercial operation and the estimated net effect of any energy sales from that portion of the Company's generating resources that is not included in jurisdictional revenue requirements, shall be excluded. When the in-service date of such a base load unit can be estimated with reasonable certainty, the Company shall file with the Commission no later than 30 days prior to the unit's expected in-service date for an interim revision of the ECR then in effect to reflect the estimated effect of the unit's operation on the Company's energy costs. Such interim revision of the ECR shall not become effective unless and until rates reflecting the unit's base rate revenue requirements become effective by order of the Commission.

- E = Experienced net over or under collection of energy costs as of the end of the 12-month period ending with the January billing period including interest. Interest shall be computed monthly at the appropriate rate as provided in Section 1308(d) of the Public Utility Code from the month the over or under collection occurs to the effective month such over collection is refunded and such under collection is recouped. Customers shall not be liable for interest on net undercollections.
- S_t = The Company's total KWH sales to customers (excluding Company use) projected for the computation year (c), adjusted to exclude any incremental or decremental KWH sales made under Rate Schedules PR-1 and PR-2, any firm sales to other utilities and any sales from that portion of the Company's generating resources that is not included in jurisdictional revenue requirements, the costs with respect to which are excluded from F.
- S_r = The Company's KWH sales to which the ECR applies projected for the computation year (c), adjusted to exclude any incremental or decremental KWH sales made under Rate Schedules PR-1 and PR-2.
- $\frac{F}{S_b}$ = Base energy costs of 16.412 mills per kilowatt-hour. (Effective 1-1-97) (D)
- T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

Demand/Energy Allocation of QF Payments

Consistent with the Settlement Agreement approved by the Commission at Docket No. M-00930406, the Company will allocate the estimated amount of its payments for output purchased from qualifying facilities (QFs), recorded in Account 555, on a demand/energy basis. To develop a demand-related component for the Company's energy-only avoided cost QF payments, a proxy is calculated by using the applicable PJM Installed Capacity Deficiency Rate and the amount of QF capacity claimed for PJM installed capacity accounting purposes. This proxy demand-related component will be allocated on a demand basis. The remaining portion (energy-related component) of QF payments will be allocated on an energy basis.

- A = The Pennsylvania jurisdictional portion (95.70%) of the amount of QF capacity claimed for PJM installed capacity accounting purposes in the ECR period multiplied by the applicable PJM Installed Capacity Deficiency Rate times 365.
- D = Demand Allocation Factors
 - D₁ = 40.21% for Rate Schedules RS, RTS, and RTD (Residential customer group).
 - D₂ = 30.62% for Rate Schedules GS-1, GS-3, GH-1, GH-2, BL, IS-1, SA, SM, SHS, SE, TS, and SI-1 (General Service customer group).
 - D₃ = 13.03% for Rate Schedules LP-4 and IS-P (LP-4 customer group).
 - D₄ = 16.14% for Rate Schedules LP-5, LP-6, IS-T, and LPEP, and Interruptible Service by Agreement contracts (LP-5 customer group).

(D) Indicates Decrease

ENERGY COST RATE (CONTINUED)

Minimum bills shall not be reduced by reason of this ECR, nor shall charges hereunder be a part of the monthly rate schedule minimum. The ECR shall not be subject to any credits or discounts and shall not be affected by the tax adjustment surcharge.

The Company shall file quarterly reports within thirty (30) days following the conclusion of each computation year quarter. These reports will be in such form as the Commission shall have prescribed. The third quarter report shall be accompanied by a tentative estimate of the energy cost rate for the next computation year.

The application of the ECR shall be subject to continuous review and to audit by the Commission at such intervals as the Commission shall determine. The Commission shall continuously review the reasonableness and lawfulness of the amounts of the charges produced by the ECR and the charges included therein.

If from such audit it shall be determined, by final order entered after notice and hearing, that this ECR has been erroneously or improperly utilized, the Company will rectify such error or impropriety, and in accordance with the terms of the order apply credits against future ECR computations for such revenues as shall have been erroneously or improperly collected. The Commission's order shall be subject to the right of appeal.

Note: Effective on January 1, 1997, this rate rider shall be inactive. However, the rider may be reactivated on sixty (60) days' notice, subject to Commission review and approval. (C)

STATE TAX ADJUSTMENT SURCHARGE

(C) (I)

In addition to the charges and credits provided for in this tariff, except for charges or credits applied under the Energy Cost Rate, and except for charges or credits under Rate Schedules PR-1 and PR-2 for incremental or decremental kilowatt-hour usage, a surcharge of 0.00% will be charged for all service rendered on and after January 1, 1997.

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.:

- on March 21, 1997, 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.

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recomputation. 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. Any charges or credits in the surcharge shall be rolled into base rates in the Company's next base rate proceeding.

(C) Indicates Change
(I) Indicates Increase

EMERGENCY ENERGY CONSERVATION RIDER (5-22-81)
MODIFICATION OF RATE SCHEDULE APPLICATION
PURSUANT TO TARIFF RULE 4H

PURPOSE

This rider is applicable in conjunction with Tariff Rule 4H, Emergency Energy Conservation. It provides for deviation from and modification to the charges and practices otherwise applicable to certain customers as a result of compliance with or non-compliance with energy conservation curtailment levels ordered by an appropriate governmental authority under emergency energy conservation conditions resulting from actual or potential shortage of fuel for electric generation.

APPLICABILITY

Applicable to individual electric customer accounts served under this tariff with recorded use of 10 Million KWH's or higher, in a recent period of 12 months or less prior to the emergency energy conservation condition. Customers designated by the procedures of Rule 4H or by Pennsylvania Public Utility Commission, will be exempt from the provisions of this rider.

PROVISIONS

Base Period Energy Use

The base energy use for a weekly period shall be determined by the Company for each applicable electric customer account based upon a consideration of the customer's actual past or current electric consumption and the customer's existing operations.

Curtailment Energy Use Level Target

The Curtailment Energy Use Level Target for each applicable customer shall be that percentage of base period energy use ordered pursuant to the emergency energy conservation procedures provided by Tariff Rule 4H or as a result of the order of an appropriate governmental authority. (C)

Current Energy Use

Current period use will be monitored on a weekly basis commencing one week after the emergency is declared.

Compliance

When the energy consumption in any weekly period during the period of the emergency energy conservation condition is equal to or less than the curtailment energy use level target, the customer will be deemed to have complied.

If the curtailment energy use level target is not met, the customer will be deemed to be in non-compliance. In the event of continued non-compliance, the Company, upon notice to the Commission, may discontinue service.

BILLING

During the emergency, billing for those customers deemed to be in compliance will be based on meter readings especially made to identify the demand established and energy used during the current energy use period. Customers in compliance with conservation orders will be excused from minimum bills and any demands which otherwise might have been imposed, and will be billed instead on the basis of current consumption and demand whenever the normal calculation method would produce a greater bill.

These customers will be individually notified of this special billing provision prior to the implementation of the emergency energy conservation procedure.

(C) Indicates Change

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment will reduce all charges for services under this tariff, except charges or credits applied under the Energy Cost Rate, the State Tax Adjustment Surcharge, the Industrial Development Initiatives Rider, and the Economic Development Initiatives Rider, and except for charges or credits under Rate Schedules PR-1 and PR-2 for incremental and decremental kilowatt-hour usage. For service rendered on and after April 1, 1996, the Special Base Rate Credit Adjustment, which is composed of the GE Settlement Credit, will reduce applicable charges by 0.30%. (C)(I)

(C)

GE SETTLEMENT CREDIT

This credit reflects the impact of a settlement agreement between the Company and the General Electric Company (GE).

Beginning on April 1, 1996, the GE Settlement Credit component will be 0.30%. This credit is being returned to customers over approximately a five-year period (April 1, 1992 through March 31, 1997). The Special Base Rate Credit Adjustment may be modified in the final months of applicability of the GE Settlement Credit component to effectuate a complete return of this credit. (C)(I)

When the credit is completely returned, the GE Settlement Credit component will be 0.00%.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

PURPOSE

This rider provides for an incentive rate billing option to existing commercial and industrial customers and new industrial customers to encourage economic development in the Company's service area.

APPLICATION PROVISIONS

This rider is applicable to existing commercial and industrial customers and new industrial customers served under Rate Schedules GS-3, LP-4, LP-5, and PR-1 with at least a one month Billing KW of 500 KW or greater under contract with the Company. Existing customers must sign a contract agreeing to (1) increase production or (2) expand physical plant at the service location. (C)

This rider is applied to customer baseline load, but is not applied to incremental or decremental kilowatt or kilowatt-hour usage under Rate Schedule PR-1. (C)

DEFINITIONS

1. Base Period -- The base period is normally the twelve months ended December 31, 1986. If twelve months of billing history are unavailable for the period ended December 31, 1986, the base period is the first full twelve months of billing. If less than twelve months of billing history are available, the Company determines a base period use pattern prior to rider application. If, in the opinion of the Company, any billing month(s) during the base period is not representative of the customer's normal usage pattern, the Company may change the base period to reflect normal use conditions.

The base period established when this rider is applied initially at a service location to a customer's bill shall remain the base period for all subsequent applications of this rider at the same service location for the same customer.

2. Sales Tax Exemption Certificate -- A Pennsylvania Sales Tax Exemption Certificate submitted by the customer to the Company which indicates the service address and certifies that, on an annual basis, more than fifty percent of the electricity purchased is exempt from sales tax because it is used in manufacturing operations.

3. Service Location -- A location having one or more points of delivery for electric service billed by the Company under a single rate application.

4. New Service Location -- A service shown on the Sales Tax Exemption Certificate which (a) previously has not been supplied electric service by the Company, (b) previously has been supplied electric service, provided the new service is for a different manufacturing operation than the previous operation, or (c) was disconnected at least twelve months prior to application for service under this rider.

5. Qualifying Service Location -- A new service location identified on the Sales Tax Exemption Certificate or an existing service location which qualifies under the application provisions of this rider.

6. Billing Adjustments - Existing Customers. A reduction of \$2 per kilowatt and 1 cent per kilowatt-hour shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the base period for service supplied to a customer's Qualifying Service Location.

7. Billing Adjustments - New Customers. A reduction of 1 cent per kilowatt-hour shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's Qualifying Service location.

GENERAL CONDITIONS

The provisions of this rider are available to customers who became eligible on or before December 31, 1989, and are subject to any modifications ordered by the Pennsylvania Public Utility Commission in an interim base rate proceeding.

The billing adjustment under this rider will continue through December 31, 1997. Beginning January 1, 1998, billing adjustments calculated under this rider will be 70% of full credit and beginning January 1, 1999, will be 35% of full credit. All provisions of this rider will terminate on January 1, 2000.

The rate reduction under this rider are applicable to base rate charges after application of the Special Base Rate Credit Adjustment, before application of the State Tax Adjustment Surcharge, and before application of the Energy Cost Rate included in this tariff.

(C) Indicates Change

(Continued)

ECONOMIC DEVELOPMENT INITIATIVES RIDER (Continued)

GENERAL CONDITIONS (Continued)

Minimum bills under the applicable rate schedule are not reduced by the application of this rider.

This rider applies only once per customer. Eligible customers who elect to receive billing adjustments under this rider as new customers subsequently may not elect to receive billing adjustments under this rider as existing customers. (C)

This rider does not apply to customers who have another source of power which can be substituted for the Company's service unless the other source of power is maintained solely for use in case of interruption of Company's service.

An electric service contract is required for billing under this rider.

The Company will monitor the effects of this rider and make appropriate modifications or close the rider to additional applications as approved by the Pennsylvania Public Utility Commission.

(C) Indicates Change

INTERRUPTIBLE SERVICE BY AGREEMENT

APPLICATION

This Service is available to large general service customers who take service from available transmission lines of 69,000 volts or higher. The customer furnishes and maintains all equipment necessary to transform the energy from line voltage. This Service is available only to customers who require interruptible service which is different than that provided in the Company's Rate Schedules. It is available only to customers who accept service interruptions pursuant to a service agreement.

The Company will not enter into new contracts for interruptible power if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. For the purpose of determining this amount, interruptible power is the twelve month average of each customer's monthly Maximum On-peak Demand less the customer's contract Firm Power level.

NET MONTHLY SERVICES CHARGES

Charges for service shall be mutually agreed upon by the Company and the customer in a signed service agreement. The agreement's effectiveness will be conditioned upon Pennsylvania Public Utility Commission approval.

CONDITIONS OF SERVICE

A service agreement between the Company and the customer must include, at a minimum, the following:

- the term of the agreement for interruptible service,
- the delivery point location and characteristics of service,
- the metering for the customer's firm and interruptible service,
- the estimated firm power service level (KW),
- the maximum number of interruptions per year,
- the maximum duration of interruption per interruption period and the maximum aggregate hours of interruption per year and in any billing month,
- the amount of advance notice of an interruption given to a customer,
- the additional charge for continued use (KWH) of interruptible load (KW) during a period of economic load control,
- the penalty for failure to interrupt load (KW) when called for during an emergency interruption period,
- the basis for calculating billing demand (KW),
- the minimum billing demand (KW),
- the power factor acceptable to the Company at the delivery point,
- the monthly rate for firm and interruptible demand and energy, and the monthly minimum bill,
- terms for payments of bills rendered by the Company, and
- conditions for termination of the agreement.

(C) Indicates Change

PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 56
Electric Pa. P.U.C. No. 200
First Revised Page No. 19C
Canceling Original Page No. 19C

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

PURPOSE

This experimental rider provides a rate credit to customers located in the Company's service territory for the charging of registered electric-powered vehicles. This credit is provided to encourage the development and use of electric-powered vehicles.

APPLICABILITY

This rider is available, upon application, and in accordance with the conditions set forth below, to any customer receiving service from the Company under Rate Schedules RS, RTD, RTS, GS-1, GS-3, LP-4, LP-5, LP-6, IS-P, IS-T, PR-1, PR-2, and GH-1(R), and the Competitive Rate Rider. This rider and the rate credit contained herein will terminate on December 31, 1998. (C)

CONDITIONS OF SERVICE

1. Any customer served under this rider must have registered, with the Department of Transportation of the Commonwealth of Pennsylvania, one or more electric-powered vehicles suitable for highway use under Sections 1301, et seq., of the Pennsylvania Motor Vehicle Code, 35 Pa.C.S. §§ 1301, et seq. The customers must submit, at time of application and upon request thereafter, proof of each such registration to PP&L. These electric vehicle(s) shall be referenced in this rider as the "registered electric vehicle(s)."

2. Any customer served under this rider will be served at one or more points known as the "designated charging location(s)." The Company will clearly label the designated charging location(s) for the customer.

3. Any customer served under this rider shall agree that the registered electric vehicle(s) will be charged only at the designated charging location(s). Further, any customer served under this rider shall agree that the designated charging location(s) will be used only for charging the registered electric vehicle(s).

4. Any customer served under this rider shall agree to permit the Company to install, at the Company's option, test metering equipment and permit the Company access to customer's premises, during normal business hours, sufficient for the Company to supply, install, read, maintain, and replace the Company's test metering equipment.

5. The test metering equipment will be capable of recording the customer's demand and energy usage and the times of all such usage. The test metering equipment may include load management devices. All test metering equipment will remain the property of the Company.

6. Information obtained from any test metering equipment will remain the property of the Company, will be used in assessing electricity usage associated with electric vehicle charging, but will not be used for billing the customer. Information obtained from any test metering equipment will not be disseminated in any form by which any specific customer can be identified, unless the Company is ordered to disclose such specific customer information by a court or regulatory body with jurisdiction over the Company.

RATE CREDIT

Any customer served under this rider will receive a 2.0 cent per KWH credit for each KWH per month estimated by the Company to be used for charging each registered electric vehicle. Estimated monthly usage will be based on the type of each registered electric vehicle in accordance with the following table:

Passenger Car	300 KWH per month
Commercial Vehicle	1,000 KWH per month

Base rate charges will be reduced by the applicable credit under this rider before application of the Special Base Rate Credit Adjustment, the State Tax Adjustment Surcharge and the Energy Cost Rate included in this Tariff.

OTHER PROVISIONS

All other provisions of this tariff as well as Rate Schedules RS, RTD, RTS, GS-1, GS-3, LP-4, LP-5, LP-6, IS-P, IS-T, PR-1, PR-2, and GH-1(R), and the Competitive Rate Rider remain in effect for customers receiving service under this rider. This rider does not modify any provisions of this tariff or any rate schedules, other than as set forth above. Credits received under this rider cannot be used to reduce a customer's bill below the Net Monthly Rate Minimum set forth in the rate schedule under which the customer receives service. (C)

(C) Indicates Change

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

PURPOSE

This rider provides for an incentive rate billing option to existing and new industrial customers to encourage economic development in the Company's service area.

APPLICATION PROVISIONS

This rider is applicable to existing and new industrial customers served under Rate Schedules GS-3, LP-4, LP-5, and PR-1 with at least a one month Billing KW of 100 KW or greater. Existing customers must sign a contract agreeing to (1) increase production or (2) expand physical plant at the service location. (C)

This rider is applied to customer baseline load, but is not applied to incremental or decremental kilowatt or kilowatt-hour usage under Rate Schedule PR-1. (C)

DEFINITIONS

1. Base Period -- For customers entering the program on or after the effective date of this rider, the base period is the twelve months ended December 31, 1991. If billing history is unavailable for the twelve months ended December 31, 1991, the base period will be the first full twelve months of billing. If less than twelve months of billing history is available, the Company will determine a base period prior to application of the rider. If, in the opinion of the Company, usage during any billing month(s) of the base period is not representative of the customer's expected normal usage pattern, the Company may change the base period Billing KW and kilowatt-hours to reflect normal usage.

The base period established when this rider is applied initially to a customer's bill at a service location shall remain unchanged for all subsequent applications of this rider at the same service location for the same customer.

2. Industrial Customer -- A customer holding a Pennsylvania Sales Tax Exemption Certificate which indicates the service address and certifies that, on an annual basis, more than fifty percent of the electricity purchased is exempt from sales tax because it is used in manufacturing operations. The customer shall submit the Pennsylvania Sales Tax Exemption Certificate to the Company.

3. New Service Location -- A service location shown on the Pennsylvania Sales Tax Exemption Certificate which (a) previously has not been supplied electric service by the Company, (b) previously has been supplied electric service, but the new service is for a different manufacturing operation than the previous operation, or (c) was disconnected at least twelve months prior to application for service under this rider.

4. Billing Adjustments - Existing Customers. A reduction of \$2 per kilowatt and 1 cent per kilowatt-hour shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the Base Period for service supplied to a customer's existing service location.

5. Billing Adjustments - New Customers. A reduction of 1 cent per kilowatt-hour shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's New Service Location.

GENERAL CONDITIONS

The provisions of this rider are available to customers who become eligible on or before December 31, 1997, and are subject to any modifications ordered by the Pennsylvania Public Utility Commission in an interim base rate proceeding.

The billing adjustments under this rider will continue through December 31, 1997. Beginning January 1, 1998, billing adjustments calculated under this rider will be 70% of full credit and, beginning January 1, 1999, will be 35% of full credit. All provisions of this rider will terminate on January 1, 2000.

The rate reductions under this rider are applicable to base rate charges after application of the Special Base Rate Credit Adjustment, before application of the State Tax Adjustment Surcharge, and before application of the Energy Cost Rate included in this Tariff.

Minimum bills under the applicable rate schedule are not reduced by the application of this rider.

This rider applies only once per customer. Eligible customers who elect to receive billing adjustments under this rider as a new customer may not elect subsequently to receive billing adjustments under this rider as an existing customer.

This rider does not apply to customers who have another source of power which can be substituted for the Company's service unless the other source of power is maintained solely for use in case of interruption of Company's service.

An electric service contract is required for billing under this rider.

The Company will monitor the effects of this rider and make appropriate modifications or close the rider to additional applications as ordered by the Pennsylvania Public Utility Commission.

(C) Indicates Change

COMPETITIVE RATE RIDER (EXPERIMENTAL)

PURPOSE

This experimental rider provides competitive rates to existing and new commercial and industrial customers served under Rate Schedules LP-5, LP-6, and IS-T who can demonstrate that they have a viable competitive alternative to purchasing electric service from the Company and intend to select that alternative to the detriment of the Company and its ratepayers.

APPLICATION PROVISIONS

This rider is applicable to existing and new commercial and industrial customers with a monthly maximum demand of 5,000 KW or greater year-round who are served, or who qualify to be served, under Rate Schedules LP-5, LP-6, and IS-T.

The Company will not enter into new contracts for interruptible power if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. For the purpose of determining this amount, interruptible power is the twelve month average of each customer's monthly Maximum On-peak Demand less the customer's contract Firm Power level.

GENERAL CONDITIONS

1. The customer must demonstrate that it has a viable competitive alternative to service under Rate Schedule LP-5, LP-6, or IS-T to be eligible for this rider. The customer must provide written information, satisfactory to Company, documenting the customer's competitive alternative. Because of the proprietary nature of the customer's information, this information shall remain confidential.
2. The customer also must demonstrate, to the satisfaction of the Company, that the customer intends to implement the competitive alternative and is financially able to do so.
3. The Company will provide, upon request, a written description of the information that the customer must provide to the Company.
4. The Company shall be the sole judge of whether or not a competitive rate under this rider is appropriate based on the information provided by the customer.
5. The Company will develop competitive rates and terms, on a case-by-case basis, if the Company, in its sole judgement, determines that they are appropriate. The Company is not obligated to match the customer's costs for an alternative source of energy. The rate shall be sufficient to recover all of the Company's appropriate short-run marginal costs of the service and make a contribution to the Company's fixed costs, but shall not exceed the rate for comparable service under Rate Schedule LP-5, LP-6, or IS-T.
6. To promote energy conservation and efficiency, the Company may require that the customer implement energy efficiency measures prescribed by the Company.
7. The Special Base Rate Credit Adjustment, Energy Cost Rate, and State Tax Adjustment Surcharge are applicable to service under this rider.
8. The Economic Development Initiatives Rider and Industrial Development Initiatives Rider provisions of Rate Schedule LP-5 and the Demand Free Day provision of Rate Schedules LP-5 and LP-6 included in this tariff are not applicable to service under this rider. (C)
9. This rider does not apply to customers who have another source of power which can be substituted for the Company's service, unless the other source of power is maintained solely for use in case of interruption of Company's service.
10. An electric service contract is required for billing under this rider. The competitive rate shall be specified in the contract. A contract under this rider shall have a term of at least five (5) years. Because of the proprietary nature of the terms of the contract, the terms shall remain confidential.
11. This rider is experimental and will terminate on December 31, 1997. When this rider terminates, all existing contracts will continue until the scheduled expiration dates contained in the contracts.

(C) Indicates Change

OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (C)
(EXPERIMENTAL)**PURPOSE**

This experimental rider sets forth the conditions under which residential customers may receive POWER WATCH™ Service. POWER WATCH™ Service is an outage detection service that continuously monitors electric service to the customer's home and automatically calls the Company and, optionally, the customer or a customer designated third party by telephone if the customer's electric service is interrupted for any reason for longer than one minute.

APPLICATION

POWER WATCH™ Service under this rider is available, upon application, in accordance with the conditions set forth below, to any customer receiving single-phase service from the Company under Rate Schedules RS, RTS, or RTD. To be eligible for this service, the customer's premises must have: (1) an active telephone line with pulse or tone dialing, (2) a standard RJ11 telephone jack, and (3) a 120-Volt electrical outlet available for use. The electrical outlet for the plug-in POWER WATCH™ sensor may not be switchable, may not have ground fault protection at the outlet or at the service panel for the outlet, and must be available only for the plug-in POWER WATCH™ sensor. POWER WATCH™ Service is not available where it is incompatible with the customer's telephone equipment or system, or where it will interfere with the automatic telephone notification features of the customer's security or fire alarm system. This experimental rider will terminate on December 31, 2000, and all then existing POWER WATCH™ Service will be terminated at that time.

NET MONTHLY RATE

POWER WATCH™ Service \$3.50 per service location

In addition to the Net Monthly Rate, the customer shall pay an Application Fee of \$19.95 per service location when applying for POWER WATCH™ Service, provided, however, that customers applying for POWER WATCH™ Service during the period August 14, 1996 through December 31, 1996 shall receive a \$5.00 rebate of the normal Application Fee. The customer may pay the Application Fee by credit card, check, or money order.

The charges to the customer for POWER WATCH™ Service will be separate from the charges billed monthly to the customer for electric service.

PAYMENT OPTIONS FOR NET MONTHLY RATE

The customer may elect one of the following payment options for the Net Monthly Rate.

- (a) Pre-payment. - The customer may pre-pay the Net Monthly Rate annually by credit card, check, or money order or biannually by credit card only. Customers electing to pre-pay the Net Monthly Rate annually when applying for POWER WATCH™ Service will receive one month of POWER WATCH™ Service free of charge each year.
- (b) Post-payment. - The customer may post-pay the Net Monthly Rate monthly by credit card only. The Company will automatically bill the Net Monthly Rate to the customer's credit card account at the end of each month of POWER WATCH™ Service.

EQUIPMENT AND SERVICE

The Company will furnish the plug-in POWER WATCH™ sensor, which shall, at all times, remain the property of the Company; however, the customer is responsible for installing this equipment.

EXCLUSIVE REMEDIES

If the customer is dissatisfied for any reason with the POWER WATCH™ Service during the first 90 days after the POWER WATCH™ sensor is shipped to the customer, the customer may return the POWER WATCH™ sensor to the Company, and either request a replacement POWER WATCH™ sensor, at no additional cost to the customer, or terminate POWER WATCH™ Service. If the customer chooses to terminate POWER WATCH™ Service within this 90-day period, the Company will refund any monies paid by the customer to the Company for this service, including the Application Fee, upon return of the POWER WATCH™ sensor.

THE COMPANY MAKES NO WARRANTIES OF ANY KIND WITH RESPECT TO THE POWER WATCH™ SENSOR OR THE POWER WATCH™ SERVICE, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR TO THE PERFORMANCE OR RELIABILITY OF THE POWER WATCH™ SENSOR OR POWER WATCH™ SERVICE.

The Company's total liability to any person or entity for any loss, injury, damage or expense suffered or incurred by any person or entity arising out of, or in any manner relating to, any defect, malfunction or other problem with the POWER WATCH™ sensor, or failure of performance of the POWER WATCH™ Service, whether such claim is based upon breach of contract, strict liability, tort (including negligence) or otherwise, and whether such damages are direct, indirect, special, incidental, consequential or otherwise, shall be limited to \$500. The customer's sole and exclusive remedy and the Company's sole obligation and liability in connection with the POWER WATCH™ Service and POWER WATCH™ sensor are as stated above.

TERMINATION OF SERVICE

Service under this rider may be terminated for non-payment or upon request by the customer. Upon termination of POWER WATCH™ Service, customers utilizing this service shall contact the Company in order to arrange for the return of the POWER WATCH™ sensor(s) to the Company, in the manner specified by the Company. Upon receipt of the POWER WATCH™ sensor, the Company will return to the customer a prorata share of any pre-payment of the Net Monthly Rate made by the customer for whole months of POWER WATCH™ Service not actually received.

(C) Indicates Change

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (C)
(EXPERIMENTAL)**PURPOSE**

This experimental rider sets forth the conditions under which commercial customers may receive POWER WATCH™ Service. POWER WATCH™ Service is an outage detection service that continuously monitors electric service to the customer's business and automatically calls the Company and, optionally, the customer or a customer designated third party by telephone if the customer's electric service is interrupted for any reason for longer than one minute.

APPLICATION

POWER WATCH™ Service under this rider is available, upon application, in accordance with the conditions set forth below, to any commercial customer receiving single-phase service from the Company under Rate Schedules GS-1, GS-3, or GH-1(R). To be eligible for this service, the customer's premises must have: (1) an active telephone line with pulse or tone dialing, (2) a standard RJ11 telephone jack, and (3) a 120-Volt electrical outlet available for use. The electrical outlet for the plug-in POWER WATCH™ sensor may not be switchable, may not have ground fault protection at the outlet or at the service panel for the outlet, and must be available only for the plug-in POWER WATCH™ sensor. POWER WATCH™ Service is not available where it is incompatible with the customer's telephone equipment or system, or where it will interfere with the automatic telephone notification features of the customer's security or fire alarm system. This experimental rider will terminate on December 31, 2000, and all then existing POWER WATCH™ Service will be terminated at that time.

NET MONTHLY RATE

POWER WATCH™ Service \$5.95 per service location

In addition to the Net Monthly Rate, the customer shall pay an Application Fee of \$24.95 per service location when applying for POWER WATCH™ Service, provided, however, that customers applying for POWER WATCH™ Service during the period August 14, 1996 through December 31, 1996 shall receive a \$5.00 rebate of the normal Application Fee. The customer may pay the Application Fee by credit card, check, or money order.

The charges to the customer for POWER WATCH™ Service will be separate from the charges billed monthly to the customer for electric service.

PAYMENT OPTIONS FOR NET MONTHLY RATE

The customer may elect one of the following payment options for the Net Monthly Rate.

- (a) Pre-payment. - The customer may pre-pay the Net Monthly Rate annually by credit card, check, or money order or biannually by credit card only. Customers electing to pre-pay the Net Monthly Rate annually when applying for POWER WATCH™ Service will receive one month of POWER WATCH™ Service free of charge each year.
- (b) Post-payment. - The customer may post-pay the Net Monthly Rate monthly by credit card only. The Company will automatically bill the Net Monthly Rate to the customer's credit card account at the end of each month of POWER WATCH™ Service.

EQUIPMENT AND SERVICE

The Company will furnish the plug-in POWER WATCH™ sensor, which shall, at all times, remain the property of the Company; however, the customer is responsible for installing this equipment.

EXCLUSIVE REMEDIES

If the customer is dissatisfied for any reason with the POWER WATCH™ Service during the first 90 days after the POWER WATCH™ sensor is shipped to the customer, the customer may return the POWER WATCH™ sensor to the Company, and either request a replacement POWER WATCH™ sensor, at no additional cost to the customer, or terminate POWER WATCH™ Service. If the customer chooses to terminate POWER WATCH™ Service within this 90-day period, the Company will refund any monies paid by the customer to the Company for this service, including the Application Fee, upon return of the POWER WATCH™ sensor.

THE COMPANY MAKES NO WARRANTIES OF ANY KIND WITH RESPECT TO THE POWER WATCH™ SENSOR OR THE POWER WATCH™ SERVICE, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR TO THE PERFORMANCE OR RELIABILITY OF THE POWER WATCH™ SENSOR OR POWER WATCH™ SERVICE.

The Company's total liability to any person or entity for any loss, injury, damage or expense suffered or incurred by any person or entity arising out of, or in any manner relating to, any defect, malfunction or other problem with the POWER WATCH™ sensor, or failure of performance of the POWER WATCH™ Service, whether such claim is based upon breach of contract, strict liability, tort (including negligence) or otherwise, and whether such damages are direct, indirect, special, incidental, consequential or otherwise, shall be limited to \$500. The customer's sole and exclusive remedy and the Company's sole obligation and liability in connection with the POWER WATCH™ Service and POWER WATCH™ sensor are as stated above.

TERMINATION OF SERVICE

Service under this rider may be terminated for non-payment or upon request by the customer. Upon termination of POWER WATCH™ Service, customers utilizing this service shall contact the Company in order to arrange for the return of the POWER WATCH™ sensor(s) to the Company, in the manner specified by the Company. Upon receipt of the POWER WATCH™ sensor, the Company will return to the customer a prorata share of any pre-payment of the Net Monthly Rate made by the customer for whole months of POWER WATCH™ Service not actually received.

(C) Indicates Change

RATE SCHEDULE RS
 RESIDENTIAL SERVICE

APPLICATION

This rate schedule is for single phase residential service in accordance with the APPLICATION PROVISIONS hereof. The Multiple Dwelling Unit Application is restricted to eight or less dwelling units for applications after August 26, 1976, and further to buildings converted to multiple dwelling units for application after June 28, 1980. Separate Water Heating Service is available only to service locations served under this application on and continuously after April 26, 1985.

NET MONTHLY RATE (Effective 1-1-97)

\$6.47 per month plus

- 8.845 cts. per KWH for the first 200 KWH.
- 7.847 cts. per KWH for the next 600 KWH.
- 7.248 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Net Monthly Rate Minimum is \$6.47.

OFF-PEAK WATER HEATING

When a customer has an electric water heater supplied through the RS meter which meets all the requirements of this provision, the per month charge of the rate and the Net Monthly Minimum are increased by \$6.00 to \$12.47 per month, and a block of 400 KWH is billed at 4.654 cts. per KWH after the first 200 KWH is billed under the RS rate. All additional KWH is billed at the trailing steps of the rate.

When the regular blocks of the RS rate are increased by the multiple dwelling unit application, the added \$6.00 per month charge is applied only once, and the 400 KWH water heating block is applied only once after the multiple application of the 200 KWH block in the RS rate.

Water heater operation is limited under this provision to any consecutive 14 hours starting and ending on the hour, within the 16-hour period of 5 p.m. to 9 a.m. local time and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Service hours may be changed by the Company as required to correspond to system off-peak demand, but in no event will water heater service be available for less than 14 hours in any 24 hour period. Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted.

The customer provides, installs and maintains the control device specified by the Company to automatically control the water heater operation.

BUDGET BILLING

Budget Billing is available at the option of the customer.

MULTIPLE DWELLING UNIT APPLICATION

When multiple dwelling units are supplied through one meter, the monthly minimum charge plus each energy block of the above rate is multiplied by the number of dwelling units in the determination of the net monthly bill. Demand billing does not apply under this provision.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

SEPARATE WATER HEATING SERVICE (Limited 4-26-85)

When water heating use is supplied exclusively through a separate meter and is equipped with automatic timing controls, water heating service is billed separately at the rate of \$6.00 per month plus 4.155 cts. per KWH for all KWH use, with a monthly minimum charge of \$6.00.

Service through the water heater meter is limited to any consecutive 12 hours starting and ending on the hour, within the 14-hour period of 7 p.m. to 9 a.m. local time and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Service hours may be changed by the Company as required to correspond to system off-peak demand, but in no event will water heater service be available for less than 12 hours in any 24 hour period. Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE RS (CONTINUED)

SEPARATE WATER HEATING SERVICE (Limited 4-26-85) (Continued)

The customer provides the separate meter base and service entrance at the same point of delivery and at the same voltage as the general use service. The customer also provides and installs any control device specified by the Company to automatically control the water heater operation.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 20 days from the date bill is mailed. After the due date, the Company may initiate collection procedures and a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Not less than 1 year.

APPLICATION PROVISIONS

- (1) This rate schedule is for single phase electric service for:
 - (a) A single family dwelling and appurtenant detached buildings.
 - (b) A separate dwelling unit in an apartment house.
 - (c) A single farm dwelling and general farm uses.
 - (d) A building previously wired for single meter service which is converted to not more than 8 separate dwelling units served through one meter.

- (2) This rate schedule does not apply to:
 - (a) Residential service that includes more than 2,000 watts of connected load attributable to commercial or professional use exclusive of space heating and air conditioning in common with the residence.
 - (b) Residential service combined with any commercial or professional use outside the residence or in a section of a multi-use building that is separate from the dwelling unit.
 - (c) Service which includes common use in excess of 5,500 watts of connected load for halls, basement, or other portions of an apartment building. (C)
 - (d) Single meter service to multiple dwelling units in buildings constructed after June 28, 1980.
 - (e) Establishments recognized by name, notice or advertisement, such as hotels, clubs, fraternities, boarding houses, institutions, orphanages, rest homes, tourist homes and rooming houses with more than 3 rooms available for such use and rectories and convents with accommodations for more than 5 adults.
 - (f) Residential service locations connected on or after September 28, 1995, which include more than 2,000 watts of general farm load. (C)

(3) Where any use of service at a residence or on a farm is not eligible for the application of this rate schedule, customer has the option to provide separate circuits so that the portion that is applicable can be metered and billed separately hereunder and the remaining portion can be billed under the applicable general service rate schedule. When separate circuits are not provided, the entire service is billed under the applicable general service rate schedule.

(4) Electric water heaters served hereunder must be equipped with thermostatically controlled noninductive heating elements so connected that not more than 5500 watts can be operated at one time. The Company reserves the right to install necessary devices to control the operation of electric water heaters at its option.

(C) Indicates Change

**RATE SCHEDULE RTS
RESIDENTIAL SERVICE - THERMAL STORAGE**

Applications for service under this rate schedule for new service locations will be accepted only until December 31, 1995. Service will be provided to existing service locations supplied hereunder through the life of the existing thermal storage units.

APPLICATION RATE SCHEDULE RTS

This rate schedule is for single phase residential service in accordance with load management capabilities in accordance with the APPLICATION PROVISIONS hereof.

NET MONTHLY RATE (Effective 1-1-97)

- \$14.97 per month plus
- \$5.79 per kilowatt of on-peak billing KW in excess of 2 KW.
- 3.855 cts. per KWH for all KWH use
- The Energy Cost Rate applies to all KWH supplied under this rate.
- The Net Monthly Rate Minimum is \$14.97.

(0)

BILLING KW

The billing demand is the average kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 5 p.m., 8 a.m. to 6 p.m., or 9 a.m. to 7 p.m. local time at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

BUDGET BILLING

Budget Billing is available at the option of the customer.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 20 days from the date bill is mailed. After the due date, the Company may initiate collection procedures and a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Not less than one year. In the event this rate is withdrawn from the Tariff within 10 years of the date of its application to a specific location, the Company will pay \$50.00 to the ratepayer of record each month after such withdrawal for the remainder of the 10 year period.

APPLICATION PROVISIONS

1. This rate schedule is applicable to service which would otherwise qualify under Rate Schedule RS except for the following:
 - (a) Service to two or more separate dwelling units supplied through a single meter.
 - (b) Seasonal service and seasonal use customers.
 - (c) Service with separate meter controlled water heater service.
 - (d) Residential service with general farm use which includes more than 2,000 watts of connected general farm load.
2. Any changes in service entrance equipment to accommodate metering under this rate are made by the customer at his own expense.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE RTS (CONTINUED)

APPLICATION PROVISIONS (Continued)

3. Load management capability is the positive automatic control of the operation of any thermal storage system for space heating which is acceptable to the Company as being effective in limiting on-peak use of electric service. The Company reserves the right to inspect such systems at reasonable times and may discontinue billing under this rate schedule whenever, in the Company's sole judgment, the system no longer qualifies. (C)

4. The maximum electric thermal unit that may be connected under this rate schedule is 75 KW. Heating elements must be switched in stages not in excess of 7.5 KW per stage.

5. The Company reserves the right to install necessary devices to control the operation of the electric components of the thermal storage system at its option.

6. Customers who elect to take service under this rate agree to allow the Company to install load survey meters.

(C) Indicates Change

RATE SCHEDULE RTD
RESIDENTIAL SERVICE - TIME-OF-DAY

APPLICATION RATE SCHEDULE RTD

This rate schedule is for single phase residential service metered and billed to recognize time-of-day use in accordance with the APPLICATION PROVISIONS hereof.

NET MONTHLY RATE (Effective 1-1-97)

\$12.47 per month plus.

(D)

15.231 cts. per KWH for all on-peak KWH use.

4.954 cts. per KWH for all off-peak KWH use.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Monthly Rate Minimum Charge is \$12.47.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 5 p.m., 8 a.m. to 6 p.m., or 9 a.m. to 7 p.m. local time at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

BUDGET BILLING

Budget Billing is available at the option of the customer.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OPTIONAL POWER WATCH™ SERVICE RIDER - RESIDENTIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 20 days from the date bill is mailed. After the due date, the Company may initiate collection procedures and a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Not less than one year.

APPLICATION PROVISIONS

- (1) This rate schedule is for single phase electric service for:
 - (a) A single family dwelling and appurtenant detached building.
 - (b) A separate dwelling unit in an apartment house.
- (2) This rate schedule does not apply to:
 - (a) Residential service that includes more than 2,000 watts of connected load attributable to commercial or professional use exclusive of space heating and air conditioning in common with the residence.
 - (b) Residential service combined with farm use or with any commercial or professional use outside the residence or in a section of a multi-use building that is separate from the dwelling unit.
 - (c) Service which includes common use in excess of 5,500 watts of connected load for halls, basement, or other portions of an apartment building.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE RTD (CONTINUED)

APPLICATION PROVISIONS (Continued)

(C)

- (d) Single meter service to multiple dwelling units.
- (e) Establishments recognized by name, notice or advertisement, such as hotels, clubs, fraternities, boarding houses, institutions, orphanages, rest homes, tourist homes and rooming houses with more than 3 rooms available for such use and rectories and convents with accommodations for more than 5 adults.
- (3) Where any use of service at a residence or on a farm is not eligible for the application of this rate schedule, customer has the option to provide separate circuits so that the portion that is applicable can be metered and billed separately hereunder and the remaining portion can be billed under the applicable general service rate schedule. When separate circuits are not provided, the entire service is billed under the applicable general service rate schedule.

(C) Indicates Change

(Continued)

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RATE SCHEDULE GS-1
SMALL GENERAL SERVICE
AT SECONDARY VOLTAGE OR HIGHER

APPLICATION RATE SCHEDULE GS-1

This rate schedule is for small general service at secondary voltage or at a higher available voltage at the option of the customer. The billing demand is limited to 5 KW for accounts served under discontinued rate schedule FC as of June 28, 1980.

NET MONTHLY RATE (Effective 1-1-97)

\$7.48 per month plus
\$2.00 per kilowatt for all Billing KW in excess of 5 KW.

(D)

10.436 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.
7.841 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.
The Minimum Billing Demand is 5 KW.
The Net Monthly Rate Minimum is \$7.48.

BILLING KW

Where no demand meter is installed, Billing KW is 5 KW.

The Company installs a demand meter when it estimates that the demand exceeds 5 KW. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the current billing period taken to the nearest 1/2 kilowatt.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

(D)

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time at the option of the customer, Mondays to Fridays inclusive, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Commercial included in this Tariff is available to eligible customers served under this Rate Schedule.

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-97)

(D)

For customers served under this rate schedule, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate meter and billed separately at the rate of \$14.97 per month plus 3.851 cts. per KWH for all KWH of use, with a monthly minimum charge of \$14.97. Any Billing KW resulting from usage during other than the off-peak hours is billed at the rate of \$17.96 per KW.

Service through the separate meter may be used between the off-peak hours of 7 p.m. to 7 a.m. local time, Mondays to Fridays inclusive, and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

SERVICE TO VOLUNTEER FIRE COMPANIES AND NON-PROFIT SENIOR CITIZEN CENTERS

(D)

Upon application and acceptance by the Company, Pursuant to Act 103 of 1985, Volunteer Fire Companies and Non-Profit Senior Citizen Centers may, for a minimum one year period, elect to have electric service rendered pursuant to the following charges.

\$6.47 per month plus

8.845 cts. per KWH for the first 200 KWH
7.847 cts. per KWH for the next 600 KWH
7.248 cts. per KWH for all additional KWH

The Energy Cost Rate applies to the above charges.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE GS-1 (CONTINUED)

SERVICE TO VOLUNTEER FIRE COMPANIES AND NON-PROFIT SENIOR CITIZEN CENTERS (Continued)

VOLUNTEER FIRE COMPANY is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this service location shall be to support the activities of the volunteer fire company.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

NON-PROFIT SENIOR CITIZEN CENTER is defined as a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.

The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

BUDGET BILLING

Budget Billing is available at the option of the customer.

(C)

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than 1 year.

(C) Indicates Change

**RATE SCHEDULE GS-3
LARGE GENERAL SERVICE
AT SECONDARY VOLTAGE OR HIGHER**

APPLICATION RATE SCHEDULE GS-3

This rate schedule is for large general service at secondary voltage, or at a higher available voltage at the option of the customer. Where necessary, the Company furnishes and maintains one transformation from line voltage to a lower Company standard service voltage. However, service from a 69,000 volt line or higher is supplied at not less than 2,300 volts.

NET MONTHLY RATE (Effective 1-1-97)

\$6.94 per kilowatt for all kilowatts of the Billing KW.

(D)

- 6.444 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
- 5.047 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
- 4.849 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 25 KW for service from lines below 69,000 volts and 300 KW from lines of 69,000 volts and higher.

The Net Monthly Rate Minimum is \$173.50 for service from lines below 69,000 volts and \$2,082.00 from lines of 69,000 volts and higher.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the current billing period.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

(D)

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time at the option of the customer, Mondays to Fridays inclusive, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Commercial included in this Tariff is available to eligible customers served under this Rate Schedule.

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-97)

(D)

For customers served under this rate schedule, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate meter and billed separately at the rate of \$14.97 per month plus 3.851 cts. per KWH for all KWH of use, with a monthly minimum charge of \$14.97. Any Billing KW resulting from usage during other than the off-peak hours is billed at the rate of \$17.96 per KW.

Service through the separate meter may be used between the off-peak hours of 7 p.m. to 7 a.m. local time, Mondays to Fridays inclusive, and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE GS-3 (CONTINUED)

SERVICE TO VOLUNTEER FIRE COMPANIES AND NON-PROFIT SENIOR CITIZEN CENTERS

(D)

Upon application and acceptance by the Company, Pursuant to Act 103 of 1985, Volunteer Fire Companies and Non-Profit Senior Citizen Centers may, for a minimum one year period, elect to have electric service rendered pursuant to the following charges.

\$6.47 per month plus

8.845 cts. per KWH for the first 200 KWH
7.847 cts. per KWH for the next 600 KWH
7.248 cts. per KWH for all additional KWH

The Energy Cost Rate applies to the above charges.

VOLUNTEER FIRE COMPANY is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular fire fighting equipment, or a facility certified by the Pennsylvania Emergency Management Agency (PEMA) for fire fighter training. The use of electric service at this service location shall be to support the activities of the volunteer fire company.

The customer of record at this service location must be a predominantly volunteer fire company recognized by the local municipality or PEMA as a provider of fire fighting services.

NON-PROFIT SENIOR CITIZEN CENTER is defined as a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups and where access to a wide range of services to senior citizens is provided.

The customer of record at this service location must be an organization recognized by the Internal Revenue Service (IRS) as non-profit and recognized by the Department of Aging as an operator of a senior citizen center.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

BUDGET BILLING

Budget Billing is available at the option of the customer.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(D) Indicates Decrease

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**RATE SCHEDULE LP-4
 LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER**

APPLICATION RATE SCHEDULE LP-4

This rate schedule is for large general service supplied from available lines of 12,470 volts or higher when customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

NET MONTHLY RATE (Effective 1-1-97)

\$6.44 per kilowatt for all kilowatts of the Billing KW.

6.127 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
 4.730 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
 4.130 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 25 KW.

The Net Monthly Rate Minimum is \$161.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the current billing period.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-97)

For customers served under this rate schedule, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate submeter and billed separately at the rate of \$14.97 per month plus 3.732 cts. per KWH for all KWH of use, with a monthly minimum charge of \$14.97. Any billing KW resulting from usage during other than the off-peak hours is billed at Rate Schedule charges.

Service through the separate meter may be used between the off-peak hours of 7 p.m. to 7 a.m. local time, Mondays to Fridays inclusive, and all day Saturday, Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(D) Indicates Decrease

PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 56
Electric Pa. P.U.C. No. 200
Sixth Revised Page No. 27A
Canceling Fourth and Fifth Revised Page No. 27A

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PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 53
Electric Pa. P.U.C. No. 200
Fourteenth Revised Page No. 28
Canceling Thirteenth Revised Page No. 28

RATE SCHEDULE LP-5 LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

APPLICATION RATE SCHEDULE LP-5

This rate schedule is for large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage. It applies to 3 phase, 60 Hertz service.

NET MONTHLY RATE (Effective 1-1-97)

\$5.99 per kilowatt for all kilowatts of the Billing KW.

5.422 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.

4.623 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

4.024 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 volts.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 300 KW.

The Net Monthly Rate Minimum is \$1,797.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the current billing period, except that where a 1 hr. period of maximum use was in effect as of August 28, 1981 it may be continued for that customer.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute (1 hr.) period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

The Industrial Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Economic Development Initiatives Rider.

ECONOMIC DEVELOPMENT INITIATIVES RIDER

The Economic Development Initiatives Rider included in this Tariff applies to eligible customers served under this Rate Schedule, except for customers served under the Industrial Development Initiatives Rider.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision will terminate on January 1, 1998.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than the sum of the trailing block energy rate under this schedule and the Energy Cost Rate, or the local distribution system has insufficient capacity to meet the expected load.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(D) Indicates Decrease

PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 56
Electric Pa. P.U.C. No. 200
Tenth Revised Page No. 23A
Canceling Eighth and Ninth Revised Page No. 23A

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PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 53
Electric Pa. P.U.C. No. 200
Third Revised Page No. 288
Canceling Second Revised Page No. 288

RATE SCHEDULE LP-6 LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

APPLICATION RATE SCHEDULE LP-6

This rate schedule is for large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage.

NET MONTHLY RATE (Effective 1-1-97)

\$5.99 per kilowatt for all kilowatts of the Billing KW.

5.022 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.

3.126 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.

2.525 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 volts.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 10,000 KW. The Minimum Billing Usage is 400 KWH per kilowatt of the Billing KW.

The Net Monthly Rate Minimum is \$260,780.00.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the current billing period, except that where a 1 hr. period of maximum use was in effect as of August 28, 1981, it may be continued for that customer.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute (1 hr.) period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day; Labor Day, Thanksgiving Day, and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision will terminate on January 1, 1998.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than the sum of the trailing block energy rate under this schedule and the Energy Cost Rate, or the local distribution system has insufficient capacity to meet the expected load.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(D) Indicates Decrease

PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 56
Electric Pa. P.U.C. No. 200
First Revised Page No. 28C
Canceling Original Page No. 28C

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PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 53
Electric Pa. P.U.C. No. 230
Fourth Revised Page No. 29
Canceling Third Revised Page No. 29

RATE SCHEDULE LPEP POWER SERVICE TO ELECTRIC PROPULSION

APPLICATION RATE SCHEDULE

This rate schedule is available for electric propulsion service from the Company's high voltage lines of 69,000 volts or higher, when the customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

NET MONTHLY RATE (Effective 1-1-97)

\$5.99 per kilowatt for all kilowatts for the Billing KW.

5.221 cts. per KWH for the first 1,200,000 KWH.

4.922 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.

3.227 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to the Billing KW when the Company does not utilize its 69,000 volt or 138,000 volt "3 phase" facilities to provide service to the customer.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 20,000 KW.

Net Monthly Rate minimum is \$119,800.00.

FACILITY CHARGE

In addition to the above charges, the customer pays the Company \$3,410.00 per month for use of the Company's 25 Hertz facilities.

BILLING KW

The Billing KW is the average of the weekly demands supplied during the one-hour period of maximum use during the current billing period.

Time-of-day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average of the weekly demands supplied during the one-hour period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

DEMAND FREE DAYS (EXPERIMENTAL)

A customer taking service under this rate schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. This provision will terminate on January 1, 1998.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than the sum of the trailing block energy rate under this schedule and the Energy Cost Rate, or the local distribution system has insufficient capacity to meet the expected load.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

(D) Indicates Decrease

RATE SCHEDULE LPEP (CONTINUED)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(C) Indicates Change

**RATE SCHEDULE IS-1
INTERRUPTIBLE SERVICE TO GREENHOUSES**

APPLICATION RATE SCHEDULE IS-1

This rate schedule is for general service at secondary voltage to greenhouses or other environmentally controlled growing facilities which use a minimum of 300 KW of interruptible lighting load as a daylight supplement.

The Company will not enter into new contracts for interruptible power if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. For the purpose of determining this amount, interruptible power is the twelve month average of each customer's monthly Maximum On-peak Demand less the customer's contract Firm Power level.

NET MONTHLY RATE (Effective 1-1-97)

\$359.24 per month plus
\$9.28 per Billing KW

4.749 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
3.751 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Net Monthly Rate Minimum is \$359.24.

BILLING KW

The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use from 7 a.m.-3 p.m., 8 a.m.-4 p.m., or 9 a.m.-5 p.m. at the option of the customer, Monday to Friday inclusive daily during the current billing period excluding New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

LOAD INTERRUPTION

A total predetermined block of interruptible load (300 KW minimum) equivalent to 60% of the monthly maximum registered demand is to be disconnected by the customer on one-hour notice from the Company during the hours 7 a.m. to 9 p.m. as requested. Interruptions will be limited to a total of 240 hours per year.

Compliance by the customer with a request from the Company for interruption of the committed block of load is determined by the Company from recording meter records. If the customer does not comply, all recorded demands for that 24-hour day are applicable in determining the Billing KW for the billing period. If the customer does not have the interruptible load operating at the time interruption is requested, Billing KW is determined as described in the section above with no penalty.

BUDGET BILLING

Budget Billing is available at the option of the customer.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year. The Company will agree to provide this service to applicable customers for a minimum period of five years during which rate levels are subject to change.

(D) Indicates Decrease

**RATE SCHEDULE IS-P
 INTERRUPTIBLE LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER**

APPLICATION RATE SCHEDULE IS-P

This rate schedule is for interruptible large general service supplied from available lines of 12,470 volts or higher when customer furnishes and maintains all equipment necessary to transform the energy from line voltage.

INTERRUPTIBLE POWER

Interruptible service under this rate schedule is available to customers with at least 1,000 KW of year-round Interruptible Power who contract to accept interruptible service for at least one year, as detailed in this rate schedule.

The Company will not enter into new contracts for interruptible power if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. For the purpose of determining this amount, interruptible power is the twelve month average of each customer's monthly Maximum On-peak Demand less the customer's contract Firm Power level.

NET MONTHLY RATE (Effective 1-1-97)

\$8.28 per kilowatt for all kilowatts of the Billing KW.

5.289 cts. per KWH for first 400 hours use of Billing KW
 3.333 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 25 KW.

The Net Monthly Rate Minimum is \$207.00.

TIME-OF-DAY METERING AND BILLING CHARGE

In addition to the above charges, the customer pays to the Company \$14.97 per month for Time-of-Day metering and billing.

BILLING KW

The monthly Billing KW is calculated as:

$$\text{Billing KW} = \text{Firm Power} + [\text{Interruptible Power} \times (1 - \text{Average On-peak Load Factor})]$$

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 7 p.m. local time, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

MAXIMUM ON-PEAK DEMAND

Maximum On-peak Demand is the average number of kilowatts supplied during the 15 minute period of maximum use during the On-peak Hours of the current billing period.

ON-PEAK LOAD FACTOR

On-peak Load Factor for billing purposes is the ratio of the kilowatt-hours supplied during the On-peak Hours to the product of the Maximum On-peak Demand and the number of On-peak Hours for a billing period.

AVERAGE ON-PEAK LOAD FACTOR

Average On-peak Load Factor is the average of the On-peak Load Factors for the twelve months of the prior calendar year. Average On-peak Load Factor is recalculated annually and applied to service billed on and after April 1 of the current year under this Rate Schedule. The Company may modify the On-peak Load Factors for the twelve months of the prior calendar year to reflect operations expected under this rate.

FIRM POWER

Firm Power is the level of KW demand which the customer has no obligation to curtail during an interruption of service called by the Company. The initial level of Firm Power shall be specified in the contract. This initial level will be adjusted by the Company to the level of Firm Power actually achieved by the customer during an emergency or an emergency test interruption period. The adjusted level shall become the level of Firm Power for the remaining term of the contract or until a new level of Firm Power is achieved during a subsequent emergency or an emergency test interruption period. The level of Firm Power shall not be adjusted below the initial level of Firm Power specified in the contract.

INTERRUPTIBLE POWER

Interruptible Power is the Maximum On-Peak Demand less the Firm Power.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE IS-P (CONTINUED)

HOURS OF INTERRUPTION

Load interruptions may be called by the Company as required for economic load control, for system and local emergencies, and for tests of the customer's ability and readiness to interrupt load during an emergency. The frequency of load interruptions shall be no more than 20 per calendar year with such interruptions being no more than 10 hours in any one day; or more often than five days in any single month; or more than 200 hours in a calendar year. Whenever possible, the customer will be notified in advance of a probable interruption and the estimated duration of the interruption. The customer is obligated to interrupt load during emergencies and emergency tests, but has the option to interrupt, or accept an additional charge for continued use, during periods of economic load control. The Company may cancel the contract for interruptible service if the customer fails to interrupt during an emergency or an emergency test interruption period.

The charge for continued use (KWH) of interruptible load (KW) during a period of economic load control is the sum of the charges under the rate plus the Company's estimated PJM Interconnection billing rate applied to all KWH used during the interruption period.

The additional charge for not interrupting load (KW) when called for during an emergency or an emergency test interruption period is: \$24.95 per KW for all KW by which the maximum 15 minute demand (KW) for the period of requested interruption exceeds the Firm Power (KW). This penalty shall be applied separately for each requested interruption, and shall be in addition to all other charges provided for under the rate. (D)

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

PENNSYLVANIA POWER & LIGHT COMPANY

Supplement No. 63
Electric Pa. P.U.C. No. 200
First Revised Page No. 30C
Canceling Original Page No. 30C

**RATE SCHEDULE IS-T
INTERRUPTIBLE LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER**

APPLICATION RATE SCHEDULE IS-T

This rate schedule is for interruptible large general service supplied from available lines of 69,000 volts or higher, with customer furnishing and maintaining all equipment necessary to transform the energy from the line voltage. It applies to 3 phase, 60 Hertz service.

INTERRUPTIBLE POWER

Interruptible service under this rate schedule is available to customers with at least 1,000 KW of year-round Interruptible Power who contract to accept interruptible service for at least one year, as detailed in this rate schedule.

The Company will not enter into new contracts for interruptible power if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. For the purpose of determining this amount, interruptible power is the twelve month average of each customer's monthly Maximum On-peak Demand less the customer's contract Firm Power level.

NET MONTHLY RATE (Effective 1-1-97)

\$7.78 per kilowatt for all kilowatts of the Billing KW. (D)

4.817 cts. per KWH for first 400 hours use of Billing KW

3.222 cts. per KWH for all additional KWH.

A credit of \$0.85 is applied to all Billing KW when customer takes service at 230,000 Volts.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Minimum Billing Demand is 300 KW.

The Net Monthly Rate Minimum is \$2,334.00.

TIME-OF-DAY METERING AND BILLING CHARGE

In addition to the above charges, the customer pays to the Company \$14.97 per month for Time-of-Day metering and billing. (D)

BILLING KW

The monthly Billing KW is calculated as:

$$\text{Billing KW} = \text{Firm Power} + [\text{Interruptible Power} \times (1 - \text{Average On-peak Load Factor})]$$

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 7 p.m. local time, Mondays to Fridays inclusive except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

MAXIMUM ON-PEAK DEMAND

Maximum On-peak Demand is the average number of kilowatts supplied during the 15 minute period (1 hr. period for 230,000 volt service) of maximum use during the On-peak Hours of the current billing period, except that where a 1 hour period of maximum use was in effect as of August 28, 1981, it may be continued for that customer.

ON-PEAK LOAD FACTOR

On-peak Load Factor for billing purposes is the ratio of the kilowatt-hours supplied during the On-peak Hours to the product of the Maximum On-peak Demand and the number of On-peak Hours for a billing period.

AVERAGE ON-PEAK LOAD FACTOR

Average On-peak Load Factor is the average of the On-peak Load Factors for the twelve months of the prior calendar year. Average On-peak Load Factor is recalculated annually and applied to service billed on and after April 1 of the current year under this Rate Schedule. The Company may modify the On-peak Load Factors for the twelve months of the prior calendar year to reflect operations expected under this rate.

FIRM POWER

Firm Power is the level of KW demand which the customer has no obligation to curtail during an interruption of service called by the Company. The initial level of Firm Power shall be specified in the contract. This initial level will be adjusted by the Company to the level of Firm Power actually achieved by the customer during an emergency or an emergency test interruption period. The adjusted level shall become the level of Firm Power for the remaining term of the contract or until a new level of Firm Power is achieved during a subsequent emergency or an emergency test interruption period. The level of Firm Power shall not be adjusted below the initial level of Firm Power specified in the contract.

INTERRUPTIBLE POWER

Interruptible Power is the Maximum On-Peak Demand less the Firm Power.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE IS-T (CONTINUED)**HOURS OF INTERRUPTION**

Load interruptions may be called by the Company as required for economic load control, for system and local emergencies, and for tests of the customer's ability and readiness to interrupt load during an emergency. The frequency of load interruptions shall be no more than 20 per calendar year with such interruptions being no more than 10 hours in any one day; or more often than five days in any single month; or more than 200 hours in a calendar year. Whenever possible, the customer will be notified in advance of a probable interruption and the estimated duration of the interruption. The customer is obligated to interrupt load during emergencies and emergency tests, but has the option to interrupt, or accept an additional charge for continued use, during periods of economic load control.

The Company may cancel the contract for interruptible service if the customer fails to interrupt during an emergency or an emergency test interruption period.

The charge for continued use (KWH) of interruptible load (KW) during a period of economic load control is the sum of the charges under the rate plus the Company's estimated PJM Interconnection billing rate applied to all KWH used during the interruption period.

The additional charge for not interrupting load (KW) when called for during an emergency or an emergency test interruption period is: \$24.95 per KW for all KW by which the maximum 15 minute (1 hr. for 230,000 volt service) demand (KW) for the period of requested interruption exceeds the Firm Power (KW). This penalty shall be applied separately for each requested interruption, and shall be in addition to all other charges provided for under the rate.

(D)

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

(D) Indicates Decrease

**RATE SCHEDULE PR-1
 PRICE RESPONSE SERVICE (EXPERIMENTAL)
 FIRM POWER**

APPLICATION PROVISIONS

This experimental rate is applicable to industrial and commercial customers with firm power requirements who are selected by the Company for a real time pricing pilot program. Customers selected for this pilot program must have a monthly maximum demand of 2000 KW or greater year-round and be served under Rate Schedule LP-4, LP-5, or LP-6. An electric service contract is required for billing under the pilot program. (C)

The Company will select a maximum of twenty-five (25) customers with firm or interruptible power requirements for the pilot program.

The pilot program and billing under this rate schedule will end on December 31, 1997.

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule LP-4, LP-5, or LP-6 for one complete year. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule LP-4, LP-5, or LP-6. (C)

If less than one complete year of billing history is available, the Company will determine an appropriate CBL level prior to the application of the real time pricing rate. If usage during any billing month(s) of the CBL period is not representative of the customer's normal usage pattern, the Company may adjust the CBL to reflect normal usage.

Agreement on the CBL level by the customer and the Company is a precondition for customer participation in the pilot program. The Company will not change the CBL during the pilot program, except as indicated.

2. Marginal Operating Cost -- is a forecasted hourly short-run marginal cost based on an evaluation of the value of Company generation, transactions with the PJM Interconnection Association, and two-party transactions between the Company and other companies.

3. Marginal Capacity Cost -- is a forecasted hourly short-run marginal cost associated with the effect that a change in customer load has on the Company's generation and transmission systems.

4. Loss Adjustment Factor -- is an adjustment for losses between the generator and the customer's metering point.

5. Risk Adjustment Factor -- is an adder, not to exceed 1.0 cent per KWH, which provides a margin over costs on incremental sales and compensates the Company for the risk that hourly energy prices, quoted a day in advance, may vary from actual energy costs.

6. Real Time Price (RTP) -- is an hourly price determined by the Company from its estimated Marginal Operating Cost, Marginal Capacity Cost, Loss Adjustment Factor, and Risk Adjustment Factor.

The Company will send to the customer, by 4:00 p.m. each day, a message containing 24 hourly firm Real Time Prices that will be charged the next day.

The Company will send weekend and Monday hourly prices by 4:00 p.m. on Friday of each week. The Company may send more than one-day-ahead prices for holidays identified in the Company's Tariff. The Company may revise these prices by 4:00 p.m. the day before they become effective.

The Company is not responsible for failure of the customer to receive and act upon the hourly prices. The customer is responsible for notifying the Company if the customer does not receive the hourly prices.

The customer will provide a telephone line and a personal computer with a modem, both acceptable to the Company, for the Company to read the customer's meter remotely and for the customer to receive price information from the Company.

(C) Indicates Change

RATE SCHEDULE PR-1 (CONTINUED)

NET MONTHLY RATE (Effective 12-6-94)

$$\text{Bill}_{\text{Real-Time}} = \text{Bill}_{\text{CBL}} + \sum_{t=1}^n [(\text{KWH}_{\text{Real-Time}_t} - \text{KWH}_{\text{CBL}_t}) \times \text{RTP}_t]$$

Where:

- a) $\text{Bill}_{\text{Real-Time}}$ is the net monthly bill under the RTP pilot program. Bills will prepared on a calendar month basis.
- b) Bill_{CBL} is the net monthly bill under current Rate Schedule LP-4, LP-5, or LP-6, including all appropriate riders, for the CBL of the current billing month.
- c) $\text{KWH}_{\text{Real-Time}_t}$ is the actual KWH used by the customer in an hour of the billing month.
- d) $\text{KWH}_{\text{CBL}_t}$ is the customer baseline KWH usage during the corresponding hour of the billing month.
- e) RTP_t is the real time price for the corresponding hour of the billing month.
- f) n is the number of hours in the billing month.

ENERGY COST RATE

The current Energy Cost Rate is applied to all KWH_{CBL} , but is not applied to incremental or decremental KWH usage under this rate schedule.

PROGRAM CHARGE

In addition to charges under the NET MONTHLY RATE, the customer shall pay a charge of \$349.27 per billing month to compensate the Company for the additional cost of metering equipment, price transmission equipment, software, program development, and administration required for billing under the RTP pilot program. (D)

GROSS RECEIPTS TAX

The Pennsylvania gross receipts tax in effect during the billing month is applied to additional revenue or credits received under the above rate from incremental or decremental KWH usage and the Program Charge.

APPLICATION OF RIDERS

The Economic Development Initiatives Rider and Industrial Development Initiatives Rider included in this Tariff are applied to the CBL under Rate Schedule LP-4 or LP-5, but are not applied to incremental or decremental KW or KWH usage.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate for the CBL except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge, but is not applied to charges or credits under this rate schedule for incremental or decremental KWH usage.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate for the CBL except for charges made under the Energy Cost Rate, but is not applied to charges or credits under this rate schedule for incremental or decremental KWH usage.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date the bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

(D) indicates Decrease

RATE SCHEDULE PR-1 (CONTINUED)

CONTRACT PERIOD

The contract for electric service under the pilot program shall continue in effect until December 31, 1997, unless the customer and the Company mutually agree to terminate the contract prior to that date.

If a customer and the Company agree to terminate a customer's participation in the pilot program prior to the end of the program, the customer is no longer eligible to participate in the pilot program for the remainder of the program. The customer may return to the then currently effective version of the rate schedule and rate riders under which the customer was served prior to entering the pilot program.

At the end of the pilot program, the Company will evaluate this rate schedule and decide whether to file with the Pennsylvania Public Utility Commission to make the rate schedule permanent. Customers served under this experimental rate schedule may then decide whether to be served under the permanent rate schedule, if filed, or return to the then currently effective version of the rate schedule and rate riders under which the customer was served prior to entering the pilot program.

**RATE SCHEDULE PR-2
PRICE RESPONSE SERVICE (EXPERIMENTAL)
INTERRUPTIBLE POWER****APPLICATION PROVISIONS**

This experimental rate is applicable to industrial and commercial customers with interruptible power requirements selected by the Company for a real time pricing pilot program. Customers selected for this pilot program must have a monthly maximum demand of 2000 KW or greater year-round and currently be served under Rate Schedule IS-P or IS-T. An electric service contract is required for billing under the pilot program. (C)

The Company will select a maximum of twenty-five (25) customers with firm or interruptible power requirements for the pilot program.

The pilot program and billing under this rate schedule will end on December 31, 1997.

The Company will not enter into new contracts for interruptible power if the amount of interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2, the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500 MW. For the purpose of determining this amount, interruptible power is the twelve month average of each customer's monthly Maximum On-peak Demand less the customer's contract Firm Power level.

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5, for one complete year. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5. (C)

If less than one complete year of billing history is available, the Company will determine an appropriate CBL level prior to the application of the real time pricing rate. If usage during any billing month(s) of the CBL period is not representative of the customer's normal usage pattern, the Company may adjust the CBL to reflect normal usage.

Agreement on the CBL level by the customer and the Company is a precondition for customer participation in the pilot program. The Company will not change the CBL during the pilot program, except as indicated.

2. Marginal Operating Cost -- is a forecasted hourly short-run marginal cost based on an evaluation of the value of Company generation, transactions with the PJM Interconnection Association, and two-party transactions between the Company and other companies.

3. Marginal Capacity Cost -- is a forecasted hourly short-run marginal cost associated with the effect that a change in customer load has on the Company's generation and transmission systems.

4. Loss Adjustment Factor -- is an adjustment for losses between the generator and the customer's metering point.

5. Risk Adjustment Factor -- is an adder, not to exceed 1.0 cent per KWH, which provides a margin over costs on incremental sales and compensates the Company for the risk that hourly energy prices, quoted a day in advance, may vary from actual energy costs.

6. Real Time Price (RTP) -- is an hourly price determined by the Company from its estimated Marginal Operating Cost, Marginal Capacity Cost, Loss Adjustment Factor, and Risk Adjustment Factor.

The Company will send to the customer, by 4:00 p.m. each day, a message containing 24 hourly firm Real Time Prices that will be charged the next day.

The Company will send weekend and Monday hourly prices by 4:00 p.m. on Friday of each week. The Company may send more than one-day-ahead prices for holidays identified in the Company's Tariff. The Company may revise these prices by 4:00 p.m. the day before they become effective.

The Company is not responsible for failure of the customer to receive and act upon the hourly prices. The customer is responsible for notifying the Company if the customer does not receive the hourly prices.

The customer will provide a telephone line and a personal computer with a modem, both acceptable to the Company, for the Company to read the customer's meter remotely and for the customer to receive price information from the Company.

(C) Indicates Change

RATE SCHEDULE PR-2 (CONTINUED)

NET MONTHLY RATE (Effective 12-6-94)

$$\text{Bill}_{\text{Real-Time}} = \text{Bill}_{\text{CBL}} + \sum_{t=1}^n [(\text{KWH}_{\text{Real-Time}_t} - \text{KWH}_{\text{CBL}_t}) \times \text{RTP}_t]$$

Where:

- a) Bill_{Real-Time} is the net monthly bill under the RTP pilot program. Bills will prepared on a calendar month basis.
- b) Bill_{CBL} is the net monthly bill under current Rate Schedule IS-P or IS-T, including all appropriate riders, for the CBL of the current billing month.
- c) KWH_{Real-Time_t} is the actual KWH used by the customer in an hour of the billing month.
- d) KWH_{CBL_t} is the customer baseline KWH usage during the corresponding hour of the billing month.
- e) RTP_t is the real time price for the corresponding hour of the billing month.
- f) n is the number of hours in the billing month.

ENERGY COST RATE

The current Energy Cost Rate is applied to all KWH_{CBL_t}, but is not applied to incremental or decremental KWH usage under this rate schedule.

PROGRAM CHARGE

In addition to charges under the NET MONTHLY RATE, the customer shall pay a charge of \$349.27 per billing month to compensate the Company for the additional cost of metering equipment, price transmission equipment, software, program development, and administration required for billing under the RTP pilot program. (D)

GROSS RECEIPTS TAX

The Pennsylvania gross receipts tax in effect during the billing month is applied to additional revenue or credits received under the above rate from incremental or decremental KWH usage and the Program Charge.

OBLIGATION TO INTERRUPT

- a) Customers will be required to interrupt in accordance with Rate Schedule IS-P or IS-T. Failure to interrupt during emergencies and emergency tests will subject the customer to the applicable penalties.
- b) During an interruption, the CBL will be reduced to the customer's Firm Power level after a two hour notice.

APPLICATION OF RIDERS

The Economic Development Initiatives Rider and Industrial Development Initiatives Rider included in this Tariff are not applied to customers served under this Rate Schedule.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate for the CBL except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge, but is not applied to charges or credits under this rate schedule for incremental or decremental KWH usage.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate for the CBL except for charges made under the Energy Cost Rate, but is not applied to charges or credits under this rate schedule for incremental or decremental KWH usage.

(D) Indicates Decrease

RATE SCHEDULE PR-2 (CONTINUED)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date the bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

The contract for electric service under the pilot program shall continue in effect until December 31, 1997, unless the customer and the Company mutually agree to terminate the contract prior to that date.

If a customer and the Company agree to terminate a customer's participation in the pilot program prior to the end of the program, the customer is no longer eligible to participate in the pilot program for the remainder of the program. The customer may return to the then currently effective version of the rate schedule and rate riders under which the customer was served prior to entering the pilot program.

At the end of the pilot program, the Company will evaluate this rate schedule and decide whether to file with the Pennsylvania Public Utility Commission to make the rate schedule permanent. Customers served under this experimental rate schedule may then decide whether to be served under the permanent rate schedule, if filed, or return to the then currently effective version of the rate schedule and rate riders under which the customer was served prior to entering the pilot program.

RATE SCHEDULE BL
BORDERLINE SERVICE - ELECTRIC SERVICE

APPLICATION OF RATE SCHEDULE BL

This rate schedule is for borderline service to public utility companies for resale in adjacent territory under reciprocal agreements subject to the following conditions:

1. Request is made in writing for each point of supply where service is desired under said agreement.
2. Service is supplied when Company has available capacity in lines, transformers, generating apparatus or other equipment over and above that required to meet the demands, present and prospective, for service in its own territory, of which fact Company's determination is final.
3. When such service is supplied, the potential, phase and period of service at the desired point of supply shall be mutually agreed upon.

NET MONTHLY RATE (Effective 1-1-97)

(D)

8.939 cts. per KWH plus 1% on Company's investment in facilities necessary to deliver and meter the service.

The Energy Cost Rate applies to all KWH supplied under this rate.

The energy may be metered at the point of supply or at the nearest suitable point, or the energy may be estimated from the sum of the meter readings of purchaser's customers, plus an agreed upon correction to cover transformation and the line losses from the point of supply.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

Payment shall be made on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed.

CONTRACT PERIOD

Not less than three years.

(D) Indicates Decrease

RATE SCHEDULE SA
PRIVATE AREA LIGHTING SERVICE

APPLICATION OF RATE SCHEDULE SA

This rate schedule is for the lighting of yards, private roadways, alleys and other areas supplied from existing overhead secondary distribution.

NET MONTHLY RATE (Effective 1-1-97)

(D)

\$12.042 per lamp.

The Energy Cost Rate applies to all KWH supplied under this rate. The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

EQUIPMENT AND SERVICE

Company installs and maintains the bracket, luminaire, lamp and photoelectric control on a Company owned wood pole. Lamp is lighted from dusk to dawn or for approximately 4,300 hours per annum.

A mercury vapor lamp of a nominal 6,650 lumens or a high pressure sodium lamp of a nominal 9,500 lumens is installed in a luminaire on a 30 inch bracket. Lamp replacements are normally made on the first working day after outage notification by the customer to a Company office. There is no credit for outages.

Company installs up to one span of secondary not exceeding 150 feet from an existing secondary voltage supply and one pole for each lamp provided the location of the pole is accessible by a service truck for the installation and maintenance of the lamp and provided the Company is furnished a suitable right-of-way.

Upon request and at the Company's discretion, the Company may install an area light fixture on a suitable customer-owned support.

Where a secondary supply is not available at the desired lamp location and/or where the distance is more than one span, the Company may furnish the service providing the customer reimburses Company for the Company's estimated added investment required to supply the service in each case.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed or not less than 20 days when billed in conjunction with a residential rate schedule. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof except, when billed in conjunction with rate schedules RS, RTS and RTD, in which case a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Not less than 1 year.

(D) Indicates Decrease

RATE SCHEDULE SM
 MERCURY VAPOR STREET LIGHTING SERVICE

The application of this rate schedule to all service is limited as indicated in the Application section of Rate Schedule SM.

APPLICATION RATE SCHEDULE SM

This rate schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers, when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this rate schedule is limited as follows:

- (a) 10,500 lumen and 34,000 lumen mercury vapor lamps - fixtures installed on or before and supplied continuously after June 2, 1973, and also prospective fixtures where a definite rate commitment has been made as of that date as long as service is continuous thereafter, and fixtures previously supplied under Hershey Electric Company SMVO rate.
- (b) metal pole overhead - poles installed on or before and in service continuously after June 2, 1973, and fixtures previously supplied under Hershey Electric Company SMVO and S rates.
- (c) customer owned equipment - customers served on or before and supplied continuously after August 26, 1976.
- (d) 20,000 lumen and 51,000 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after August 22, 1983, and additions at locations adjacent to such existing installations.
- (e) 3,350 lumen and 6,650 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after April 28, 1987, and additions at locations adjacent to or interspersed with such existing installations.

NET MONTHLY RATE (Effective 1-1-97)

(D)

(1) Lamp Prices

LAMP DESCRIPTION	OVERHEAD SUPPLY		UNDERGROUND SUPPLY			MULTIPLE UNITS		
	Type	Nominal Lumens Wattage	Wood Pole	Metal Pole	Wood Pole	Low Mounting	High Mounting	Additional Luminaire/Pole
Mercury Vapor	3,350	100	\$ 9.820	----	\$15.917	\$17.444	----	----
Mercury Vapor	6,650	175	12.166	\$18.902	18.623	20.100	\$22.444	\$10.171
Mercury Vapor	10,500	250	15.666	22.352	----	----	25.575	14.319
Mercury Vapor	20,000	400	20.079	26.884	----	----	30.346	17.874
Mercury Vapor	34,000	700	32.944	39.909	----	----	44.449	30.928
Mercury Vapor	51,000	1,000	41.899	49.134	----	----	53.723	39.854

(2) The Energy Cost Rate applies to all KWH supplied under this rate. The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

(3) The Company, at its option, may offer appropriate overhead rates set forth above to customers in recognition of their either installing, owning and/or paying for portions of a street lighting installation.

(4) Whenever customer requests an installation hereunder which requires an investment by the Company greater than five (5) times the estimated annual revenue, the Company, at its option, may install the lamps as requested upon payment by the customer of such estimated excess costs.

(D) Indicates Decrease

RATE SCHEDULE SM (CONTINUED)

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by Company and are connected to Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by Company at the time service is originally contracted for.

Wood Pole Overhead Service. Lamps are mounted on Company's wood poles or on other supports not supplied by Company specifically for street lighting purposes, and are supplied by overhead wires. Lamp fixtures are mounted on brackets or mast arms. A standard installation under the above rates includes one span of secondary per location.

Metal Pole Overhead Service. Lamps are mounted on steel street lighting poles not exceeding 35 feet in height and supplied by overhead wires. A standard installation under the above rates includes one span of secondary per location.

(C)

Wood Pole Underground Service. Lamps are mounted on Company's wood or fiberglass street lighting poles and are supplied by underground wires. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

(C)

Low Mounting Underground Service. Lamps are mounted on Company's low mounting street lighting poles and are supplied by underground cable. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

(C)

High Mounting Underground Service. Lamps are mounted on metal street lighting poles not exceeding 35 feet in height and supplied by underground cable. A standard installation under the above rates includes a maximum of 175 circuit feet of cable and trenching and backfilling.

(C)

All lamps are lighted from dusk to dawn every night, or for approximately 4,300 hours per annum.

(C)

CONTINUOUS OPERATION

At customer request, individual lamps may be operated continuously 24 hours per day. The net monthly rate for continuous operation shall be 160% of the aforementioned applicable net monthly rates.

SPECIAL INSTALLATIONS

Whenever customer requests an installation that is not in conformity with the aforementioned STANDARD INSTALLATION AND SERVICE provisions, Company may, at its option, install the lamps as requested upon payment in advance by the customer of the estimated installed cost of facilities required in excess of that required for standard installation or of the excess investment in special equipment over that of standard equipment. The maintenance of special equipment is subject to (1) time and ability to obtain replacement, and (2) advance payment of the then excess cost over standard for each replacement.

CUSTOMER CONTRIBUTION

When the Company permits the customer to finance all or a portion of the Company's cost of a street lighting installation, the Company will recognize this financing by crediting customer's street lighting account over 120 consecutive bills with an amount equal to customer's contribution plus interest.

REMOVALS

If customer requests Company to remove any part of a mercury vapor street lighting system to install another mercury vapor street lighting system or any other type of street lighting system and if the mercury vapor luminaires, supporting brackets, poles and/or conductors which are removed as a result of any requested removal, are less than ten years old, Company will charge for and Customer shall pay for such a change. The charge will be based upon Company's estimated costs for removal and rehabilitation plus the estimated remaining life value of the removed equipment less salvage. However, if the Customer's request is made to upgrade the lighting on the street to Illuminating Engineering Society standards, the Company may waive the charge calculated hereunder.

(Continued)

(C) Indicates Change

RATE SCHEDULE SM (CONTINUED)

CUSTOMER OWNED EQUIPMENT (Effective 1-1-97)

(D)

Whenever the customer furnishes, installs and owns the entire lighting system using equipment approved by and installed in a manner acceptable to the Company, the Company may, at its discretion, operate and maintain the system at the following net monthly rates.

Wattage	Lamp Size		Customer Owns and Company Operates & Maintains
	Minimum	Initial Lumens	
100	3,350		\$ 5.669
175	6,650		8.125
250	10,500		10.926
400	20,000		15.698

The Energy Cost Rate applies to all KWH supplied under this rate. The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

The Company's responsibility under the aforementioned charges for maintaining the customer owned lighting system is limited to relamping, cleaning fixtures, and painting poles requiring paint but does not include relocating or replacing all or any part of the street lighting facilities.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed for municipalities and other governmental agencies and 15 days for private owner or agencies. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

(D) Indicates Decrease

RATE SCHEDULE SHS
 HIGH PRESSURE SODIUM STREET LIGHTING SERVICE

APPLICATION OF RATE SCHEDULE SHS

This rate schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this rate schedule is limited as follows:

- (a) metal pole overhead - existing locations served under another of the Company's street lighting rate schedules and locations previously served under Hershey Electric Company Rate Schedule SMVO.

NET MONTHLY RATE (Effective 1-1-97)

(D)

(1) Lamp Prices

LAMP DESCRIPTION			OVERHEAD SUPPLY		UNDERGROUND SUPPLY			MULTIPLE UNITS
Type	Nominal Lumens	Wattage	Wood Pole	Metal Pole	Wood Pole	Low Mounting	High Mounting	Additional Luminaire/Pole
H.P. Sodium	5,800	70	\$ 9.618	\$13.560	\$15.785	\$15.925	----	\$ 8.610
H.P. Sodium	9,500	100	10.797	14.460	17.144	17.244	\$20.866	9.740
H.P. Sodium	16,000	150	12.155	15.649	----	----	22.035	10.220
H.P. Sodium	25,500	250	17.075	20.118	----	----	30.566	14.081
H.P. Sodium	50,000	400	22.473	25.107	----	----	35.715	17.304

(2) The Energy Cost Rate applies to all KWH supplied under this rate. The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

(3) The Company, at its option, may offer appropriate overhead rates set forth above to customers in recognition of their either installing, owning and/or paying for portions of a street lighting installation.

(4) Whenever customer requests an installation hereunder which requires an investment by the Company greater than five (5) times the estimated annual revenue, the Company, at its option, may install the lamps as requested upon payment by the customer of such estimated excess costs.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by Company and are connected to Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by Company at the time service is contracted for.

Wood Pole Overhead Service. Lamps are mounted on Company's wood poles, or other supports not supplied by Company specifically for street lighting purposes, and are supplied by overhead wires. Luminaires are mounted on brackets or mast arms. A standard installation under the above rates includes one span of secondary conductor per location.

Metal Pole Overhead Service. Lamps are mounted on Company's existing metal poles served by overhead wires. No new overhead supplied metal pole installations will be made under this rate schedule.

Wood Pole Underground Service. Lamps are mounted on Company's wood or fiberglass street lighting poles and are supplied by underground wires. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

Low Mounting Underground Service. Lamps are mounted on Company's low mounting street lighting poles and are supplied by underground cable. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

High Mounting Underground Service. Lamps are mounted on Company's high mounting metal street lighting poles not exceeding 35 feet in height and are supplied by underground cable. A standard installation under the above rates includes a maximum of 175 circuit feet of cable and trenching and backfilling.

(Continued)

(D) Indicates Decrease

RATE SCHEDULE SMS (CONTINUED)

STANDARD INSTALLATION AND SERVICE (Continued)

(C)

Multiple Unit Service. When practical, each additional lamp after the first mounted on a street lighting pole is billed under the above Multiple Unit rate. A standard installation under the above rates includes only the luminaire, lamp, photocontrol, bracket or mast arm and wire in the bracket or mast arm.

All lamps are lighted from dusk to dawn every night, or for approximately 4,300 hours per annum.

CONTINUOUS OPERATION

At customer request, individual lamps may be operated continuously 24 hours per day. The net monthly rate for continuous operation shall be 160% of the aforementioned applicable net monthly rates.

SPECIAL INSTALLATIONS

Whenever customer requests an installation that is not in conformity with the aforementioned STANDARD INSTALLATION AND SERVICE provisions, Company may, at its option, install the lamps as requested upon payment in advance by the customer of the estimated installed cost of facilities required in excess of that required for standard installation or of the excess investment in special equipment over that of standard equipment. The maintenance of special equipment is subject to (1) time and ability to obtain replacement, and (2) advance payment of the then excess cost over standard for each replacement.

CUSTOMER CONTRIBUTION

When the Company permits the customer to finance all or a portion of the Company's cost of a street lighting installation, the Company will recognize this financing by crediting customer's street lighting account over 120 consecutive bills with an amount equal to customer's contribution plus interest.

REMOVALS

If customer requests Company to remove any part of a mercury vapor street lighting system to install high pressure sodium street lighting equipment or to remove any part of a high pressure sodium street lighting system to install another high pressure sodium street lighting system or any other type of street lighting system and if the mercury vapor or high pressure sodium luminaires, supporting brackets, poles and/or conductors which are to be removed as a result of any requested removal, are less than ten years old, Company will charge for and Customer shall pay for such a change. The charge will be based upon Company's estimated costs for removal and rehabilitation plus the estimated remaining life value of the removed equipment less salvage. However, if the Customer's request is made to upgrade the lighting on the street to Illuminating Engineering Society standards, the Company may waive the charge calculated hereunder.

SPECIAL BASE RATE CREDIT ADJUSTMENT

(C)

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed for municipalities and other governmental agencies and 15 days for private owner or agencies. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

10 years and thereafter until terminated in accordance with contract provisions.

(C) Indicates Change

**RATE SCHEDULE SE
 ENERGY ONLY STREET LIGHTING SERVICE**

APPLICATION OF RATE SCHEDULE SE

This rate schedule is available only to municipalities or other governmental agencies for the operation of mercury vapor, high pressure sodium, or metal halide street lighting systems on public areas such as streets, highways, bridges and parks where the municipality or other governmental agency provides for the installation, ownership, operation and maintenance of the street lighting equipment.

NET MONTHLY RATE (Effective 1-1-97)

(D)

(1) Energy Charges

Street Lighting Equipment on Company Pole.....	8.262 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	3.681 cts. per KWH

(2) The Energy Cost Rate applies to all KWH supplied under this rate schedule.

(3) Service hereunder is unmetered with the number of KWH billed for each size lamp calculated based upon the estimated input wattage of the luminaire and 4,300 burning hours per year.

MINIMUM SYSTEM

Application is limited to mercury vapor, high pressure sodium, or metal halide street lights in systems of a minimum of 100 contiguous lamps of one customer. Customer-owned street lights served hereunder may not be intermixed with street lights served under the Company's other street lighting rate schedules.

The 100 lamp minimum may, at Company's option, be waived when a customer desires to take service for its entire street lighting requirements hereunder and said total requirement is less than the 100 lamp minimum.

INITIAL SYSTEM AND FUTURE ADDITIONS

The Customer provides advance written notice to Company (at least 90 days for initial systems or 30 days for additions to existing systems) of its intentions to install customer-owned street lighting hereunder. The notification includes the location, wattage, lumen size, type of equipment and proposed installation date. In addition, for customer-owned street lighting proposed for installation on Company's poles the customer provides the construction specifications for Company's approval.

STANDARD INSTALLATION AND SERVICE

Street Lighting Equipment on Company Wood Pole: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket and the wire from the luminaire to the point of connection with the Company's overhead general distribution system. The Company provides, installs, operates and maintains the wood pole and the overhead secondary wire from Company's general distribution system to the point of connection with customer's wire. Generally, the customer will attach its street lighting system to Company's existing poles; but the Company at its option provides, installs, operates and maintains a maximum of one wood pole and one span of secondary conductor to new locations requested by the customer. The installation by Company in excess of one wood pole and one span of secondary conductor to serve a customer-owned street light is at customer's expense.

Street Lighting Equipment on Customer Pole or Support: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket, pole or support, foundation and wire between poles or supports. The Company provides, installs, operates and maintains one span of overhead secondary conductor to a group of street lights, as defined by Company, on customer-owned poles or supports. The installation by Company in excess of one span of overhead secondary to a group of customer-owned street lights is at customer's expense.

Customer-owned street lighting equipment mounted on poles or supports of other utilities with whom Company has joint-use agreements are billed at the rate for Street Lighting Equipment on Company Poles.

Customer-owned street lighting installed as multiple units on a Company or other utility pole are billed at the rate for Street Lighting Equipment on customer Pole or Support. Multiple units are defined hereunder as additional lamps installed on a Company or other utility pole already supporting customer-owned street lighting equipment.

(D) Indicates Decrease

RATE SCHEDULE SE (CONTINUED)

STANDARD INSTALLATION AND SERVICE (Continued)

Customer-owned street lighting equipment is installed in accordance with Company and industry safety codes and, where installed on Company poles, in accordance with general Company specifications for similar equipment.

Any rearrangements, replacements or relocations of Company's electric distribution system required solely for the installation, operation or maintenance of customer's street lighting equipment are at customer's expense.

The Company makes all connections of customer's street lighting system to the Company's available general distribution system. Generally customer-owned street lighting equipment will be served at 120 volts or 240 volts. However, at Company's option, customer-owned street lighting equipment mounted on customer pole or support may be served at other available secondary voltages.

All luminaires served hereunder are operated at alternating current, 60 hertz, single phase and are controlled by photocontrol for dusk to dawn operation every night, approximately 4,300 hours per year.

All relocations of customer-owned street lighting equipment are at customer's expense.

CONTINUOUS OPERATION

When the customer operates individual lamps continuously 24 hours per day, the KWH billed hereunder is doubled for those individual lamps operated continuously.

IDENTIFICATION

Each customer-owned luminaire and support bracket served hereunder must be marked by customer with two adjacent wraps of 2 inch wide, yellow and black diagonal striped, pressure sensitive tape, clearly identifiable by a groundlevel observer, that indicates customer ownership of the equipment. Company will supply customer with sufficient tape to mark the equipment. In addition, customer notifies the public of customer's ownership of and responsibility for the street lighting equipment in the areas served hereunder and advertises a customer telephone number for public use in reporting malfunctioning equipment.

CHANGE IN SIZE AND TYPE OF STREET LIGHTING UNIT

Written notice of any change in size or type of any components of customer's street lighting system by location is furnished by customer to Company not more than 14 days after the date of such change.

AUDITING

The Company has the right to periodically audit the number and size of lamps of customer's street lighting system. The customer agrees to cooperate with Company during such audits.

SPECIAL BASE RATE CREDIT ADJUSTMENT

(C)

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

ATTACHMENT AGREEMENT

Customer signs the Company's standard Attachment Agreement for those luminaires mounted by customer on Company's poles. Said Attachment Agreement includes indemnification of Company by customer and provides for purchase of public liability and property damage insurance by customer.

CONTRACT PERIOD

One year and thereafter until terminated in accordance with contract provisions.

(C) Indicates Change

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RATE SCHEDULE TS(R)
MUNICIPAL TRAFFIC SIGNAL LIGHTING SERVICE

This rate schedule is in the process of elimination and service hereunder is available only to existing locations continuously supplied hereunder as of August 26, 1976.

APPLICATION OF RATE SCHEDULE TS(R)

This rate schedule is for traffic signal lighting service to cities, boroughs, and townships. The minimum under this rate schedule is 50 watts.

NET MONTHLY RATE (Effective 1-1-97)

(D)

8.429 cts. per watt of connected load.

The Energy Cost Rate applies to all KWH supplied under this rate. The number of KWH supplied is based upon the average hours use and size of lamps.

The minimum charge is \$4.21.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

Payment shall be made on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than 1 year.

(D) Indicates Decrease

RATE SCHEDULE SI-1(R)
 MUNICIPAL STREET LIGHTING SERVICE

The application of this rate schedule to all service will be eliminated as of January 1, 2002. The rates for available incandescent lamps are limited to those fixtures and lamp sizes installed on or before and supplied continuously after March 28, 1972. No new incandescent street lighting installations will be provided by the Company.

APPLICATION OF RATE SCHEDULE SI-1(R)

This rate schedule is for municipal lighting service on public streets, highways, bridges, parks, etc., to municipalities or other governmental agencies when all such service is supplied under the Company's standard form of contract in accordance with the various laws applicable thereto.

NET MONTHLY RATE (Effective 1-1-97)

LAMP DESCRIPTION		OVERHEAD SUPPLY	UNDERGROUND SUPPLY
Type	Lumens	Wood Pole	Low Mounting
Incandescent	600	\$5.529	-----
Incandescent	1,000	6.854	-----
Incandescent	4,000	-----	20.412

(D)

The Energy Cost Rate applies to all KWH supplied under this rate schedule. The number of KWH supplied is based upon the average hours use and size of lamps.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by the Company and are connected to the Company's general distribution system.

Wood Pole Overhead Service. Lamps are mounted on the Company's wood poles or on other supports not supplied by the Company specifically for street lighting purposes, and are supplied by overhead wires.

Low Mounting Underground Service. Lamps are mounted on street lighting poles approximately 14 feet in height and supplied by underground cable.

All lamps are lighted from dusk-to-dawn each and every night, or for approximately 4,300 hours per annum.

All relocations of lamps ordered by the customer are at the customer's expense.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

10 years and thereafter until terminated in accordance with contract provisions.

(D) Indicates Decrease

RATE SCHEDULE SI-1(R) (CONTINUED)

SPECIAL BASE RATE CREDIT ADJUSTMENT

(C)

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

10 years and thereafter until terminated in accordance with contract provisions.

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(C) Indicates Change

**RATE SCHEDULE GH-1(R)
SINGLE METER COMMERCIAL SPACE HEATING SERVICE**

This rate schedule is in the process of elimination and is available only to service locations supplied hereunder continuously on or after August 21, 1972, and to locations served under discontinued rate GH-4 as of September 26, 1984.

APPLICATION RATE SCHEDULE GH-1(R)

This rate schedule is for all electric commercial service supplied through one meter when electricity is the sole source of all of the customer's energy requirements including electric space heating in accordance with the APPLICATION PROVISIONS hereof. Applications may include wholesale and retail trade and associated warehousing operations, office buildings, and establishments providing professional, personal or business services.

Electric space heating facilities shall be permanently installed and operated for personal comfort. Service hereunder is supplied at secondary voltage or at a higher voltage at Company's option, is available only for service supplied continuously throughout the year and is not available for temporary service for less than one year.

NET MONTHLY RATE (Effective 1-1-97)

\$14.97 per month plus
\$1.30 per KW of Billing KW

8.739 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6,000 KWH.
7.542 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Net Monthly Rate Minimum is \$14.97.

Net Monthly Billing is reduced by 0.05 cts. per KWH for customers, formerly on Rate GH-3(R) Total Electric Service - Schools and Churches, taking primary service at 12,000 volts or higher, but billing may not be reduced below the minimum provisions hereof.

BILLING KW

The Billing KW is the average kilowatts supplied during the 15 minute period of maximum use during the current billing period.

Time-of-Day metering and billing is available on request for an additional charge of \$14.97 per month for a minimum period of one year. The Billing KW is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period.

ON-PEAK HOURS

On-peak hours for billing purposes are 7 a.m. to 3 p.m., 8 a.m. to 4 p.m., or 9 a.m. to 5 p.m. local time, at the option of the customer, Mondays to Fridays inclusive, except New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The Company's system on-peak period is 7 a.m. to 9 p.m. local time.

BUDGET BILLING

Budget Billing is available at the option of the customer.

ELECTRIC VEHICLE RIDER (EXPERIMENTAL)

The Electric Vehicle Rider included in this Tariff applies to eligible customers served under this Rate Schedule.

OPTIONAL POWER WATCH™ SERVICE RIDER - COMMERCIAL (EXPERIMENTAL)

The Optional POWER WATCH™ Service Rider - Commercial included in this Tariff is available to eligible customers served under this Rate Schedule.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bills, which is not less than 15 days from the date bill is mailed. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

(D) Indicates Decrease

RATE SCHEDULE GH-1(R) (CONTINUED)

CONTRACT PERIOD

Not less than one year.

APPLICATION PROVISIONS

(1) This rate schedule applies to single meter service for all of customer's energy requirements, under the following conditions:

- (a) The facilities for electric space heating are, in Company's judgment, a significant and integral portion of customer's total energy requirements to be supplied hereunder.
- (b) Service supplied hereunder includes all energy requirements on customer's premises in a building.
- (c) All service in one building is supplied at one voltage from one service connection.
- (d) Another form of energy may be used for classroom instruction, for emergency lighting generators and, upon Company approval, for other similar uses.
- (e) When customer occupies an entire building, service hereunder may include uses of service outside the building only when they are directly incident to the principal use of service in the building.

(2) Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted in conjunction with service supplied hereunder without violating the total electric energy requirement of the rate. Any customer system of this type that produces electric energy may not be operated concurrently with service supplied by the Company except under written agreement setting forth the conditions of such operation.

RATE SCHEDULE GH-2(R)
SEPARATE METER GENERAL SPACE HEATING SERVICE

This rate schedule is in the process of elimination and is available only to service locations supplied hereunder continuously on or after August 21, 1972, and also to prospective service locations where a definite rate commitment has been made as of that date for so long as service is continuous thereafter.

APPLICATION OF RATE SCHEDULE GH-2(R)

This rate schedule is for separately metered electric space heating service to customers whose general use is supplied under some other general service rate schedule in accordance with the APPLICATION PROVISIONS hereof and may include service for general use in an all electric apartment building when individual living units in the building are metered separately under a residential rate schedule.

Electric space heating facilities shall be permanently installed and operated for personal comfort. Service hereunder is supplied at secondary voltage or at a higher voltage at Company's option, is available only for service supplied continuously throughout the year and is not available for temporary service for less than one year.

NET MONTHLY RATE (Effective 1-1-97)

(D)

\$17.46 including 200 KWH.

8.131 cts. per KWH for all additional KWH.

The Energy Cost Rate applies to all KWH supplied under this rate.

The Net Monthly Rate Minimum is \$17.46 which includes 200 KWH.

BUDGET BILLING

Budget Billing is available at the option of the customer.

SPECIAL BASE RATE CREDIT ADJUSTMENT

The Special Base Rate Credit Adjustment included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate and charges made under the State Tax Adjustment Surcharge.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this rate except for charges made under the Energy Cost Rate.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Not less than one year.

APPLICATION PROVISIONS

Service hereunder is applicable under the following conditions:

- (a) All the space heating requirements on customer's premises, or in customer's building or newly constructed section thereof, are supplied hereunder through a separate meter from the same point of delivery and at the same voltage as the general service.
- (b) Use of service for comfort cooling air conditioning, for commercial cooking and for automatic storage type water heaters with thermostatically controlled noninductive heating units, may be included hereunder in connection with and on the same premises as the space heating equipment. This does not include ventilating fans, water for process purposes and plug-in commercial cooking appliances not used with commercial electric ovens and ranges.
- (c) Supplemental use of renewable energy sources such as wood, solar, wind, and water is permitted in conjunction with service supplied hereunder without violating the total electric energy requirement of the rate. Any customer system of this type that produces electric energy may not be operated concurrently with service supplied by the Company except under written agreement setting forth the conditions of such operation.

(D) Indicates Decrease