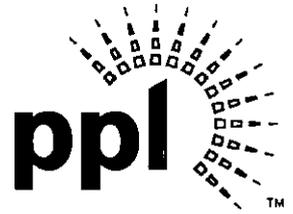


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Paul E. Russell
Associate General Counsel

PPL
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.4254 Fax 610.774.6726
perussell@ppiweb.com



FEDERAL EXPRESS

October 15, 2002

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

RECEIVED

OCT 15 2002

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

R-00973954

Re: **PPL Electric Utilities Corporation
Competitive Default Service**

Dear Mr. McNulty:

By letter dated September 16, 2002, PPL Electric Utilities Corporation ("PPL Electric") informed the Pennsylvania Public Utility Commission (the "Commission") of its plans to implement Competitive Default Service ("CDS") in its service territory for calendar year 2003, including a detailed schedule for issuing a Request for Proposal ("RFP") and negotiation of a CDS Agreement. Pursuant to that schedule, PPL Electric issued notice of an RFP requesting bids for CDS on September 23, 2002.

The purpose of this letter is to inform the Commission that, although several entities expressed interest in providing CDS and requested copies of the RFP, no conforming bids were submitted. As a result, PPL Electric will not offer CDS for calendar year 2003. In accordance with the requirements of its electric restructuring plan settlement, PPL Electric will conduct an RFP for calendar year 2004, and will keep the Commission informed as to the status of its future efforts to implement CDS.

DOCUMENT
FOLDER
SOCKETED

OCT 25 2002

Very truly yours,

Paul E. Russell

cc: The Hon. Glen R. Thomas, Chairman
The Hon. Robert K. Bloom, Vice Chairman
The Hon. Aaron Wilson, Jr., Commissioner
The Hon. Terrance J. Fitzpatrick, Commissioner
The Hon. Kim Pizzingrilli, Commissioner
Irwin A. Popowsky, Esquire
Carol Pennington, Esquire
Charles F. Hoffman, Esquire
David M. Kleppinger, Esquire