

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re:

SECURITIES CERTIFICATE OF	:	
PPL ELECTRIC UTILITIES	:	
CORPORATION IN RESPECT OF	:	SECURITIES CERTIFICATE
NOT IN EXCESS OF \$400 MILLION	:	
AGGREGATE PRINCIPAL AMOUNT	:	
OF DEBT SECURITIES	:	
	:	NO. S-2013-
	:	

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

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

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

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

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

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

5. This Securities Certificate requests Commission authorization for the Company to issue up to \$400 million aggregate principal amount of its secured debt securities, which may include first mortgage bonds (the "New Bonds") in one or more series from time to time, the proceeds of which primarily will be added to the Company's treasury and used for general corporate purposes, such as the retirement of debt, and for capital expenditures. At June 30, 2013, the Company had short-term debt outstanding of \$85,000,000.

PPL Electric proposes to issue the New Bonds under its Indenture dated as of August 1, 2001 (the "2001 Indenture"). The Company previously has issued approximately \$3.704 billion of bonds under the 2001 Indenture (the "Existing Bonds," and collectively with the New Bonds, the "Bonds"), all of which Existing Bonds were authorized by the Commission under prior Securities Certificates filed by the Company. Like the Existing Bonds, the New Bonds will be secured by a lien in favor of the Trustee on the Company's distribution and certain of its transmission properties, subject to customary exceptions and exclusions.

On July 8, 2013, PPL Electric issued \$350 million of the \$400 million of its secured debt securities authorized by Securities Certificate S-2012-2334938. The

Company does not intend to utilize the remaining \$50 million authorized under Securities Certificate S-2012-2334938.

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

EXACT TITLE OF SECURITY:

First Mortgage Bonds, % Series due ____.

AGGREGATE PRINCIPAL AMOUNT TO BE ISSUED:

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

NOMINAL DATE OF ISSUE:

To be determined at the time of sale.

DATE OF MATURITY:

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

INTEREST RATE AND PAYMENT DATES:

Interest Rate:

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

Payment Dates:

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

EXTENT TO WHICH TAXES ON SECURITIES ARE ASSUMED:

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

CALLABILITY PROVISIONS:

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

CONVERSION PROVISIONS:

None.

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

Sinking or Improvement Fund:

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

Maintenance and Replacement Fund:

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

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

Name and Address of Trustee:

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

Affiliation:

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

In addition, in order to limit the Company's exposure to interest rate fluctuations in conjunction with the New Bonds, the Company may enter into arrangements with PPL Corporation ("PPL") or directly with one or more financial

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

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

* * *

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

* * *

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

Filing Fee - Pennsylvania Public	
Utility Commission.....	\$ 350
Filing Fee – Securities and	
Exchange Commission.....	60,000
Printing and Engraving	50,000
Fees of Trustee, including counsel	
and authentication fees.....	35,000
Legal Fees, Expenses and Disbursements.....	250,000
Accounting Fees.....	150,000
Postage	4,000
Rating Agency Fees	450,000
Recording Fees.....	5,000
Blue Sky Fees and Expenses.....	10,000
Miscellaneous	<u>25,000</u>
Total	<u>\$1,039,350</u>

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

7. The net proceeds from the sale of the New Bonds will be added to the Company's treasury and used for general corporate purposes, such as the retirement of debt and for capital expenditures. At June 30, 2013, the Company had short-term debt outstanding of \$85,000,000.

* * *

The issuance and sale of the New Bonds (as described in this Securities Certificate) will provide a portion of the Company's currently estimated capital requirements and, therefore, is necessary for the capital needs of the Company. The registration of this Securities Certificate will place the Company in a position to take advantage of current favorable capital market interest rates.

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

9. There are appended hereto and made a part hereof the following:

- (A) A balance sheet of the Company as of June 30, 2013.
- (B) A statement of income and statement of retained earnings of the Company for the three months ended June 30, 2013.
- (C) Statement of utility plant of the Company at original cost as of June 30, 2013. The Company makes a part hereof by reference the revised Reclassification and Original Cost Studies heretofore filed with the Commission.
- (D) Statement of securities of other corporations owned by the Company as of June 30, 2013.
- (E) Statement showing the status of the funded debt of the Company as of June 30, 2013.
- (F) Statement showing the status of outstanding capital stock of the Company as of June 30, 2013.
- (G) Registration Statement 333-180410-03 filed with the Securities and Exchange Commission on March 28, 2012 under the Securities Act of 1933 with respect to the New Bonds. (A link to Registration Statement 333-180410-03 may also be found on PPL Corporation's website for Investors.)
- (H) The Public Utility Holding Company Act has been repealed.
- (I) Copy of resolutions of the Board of Directors of the Company authorizing the issuance and sale of the New Bonds. (To be supplied following an issuance of New Bonds)

- (J) Proposed form of Supplemental Indenture to 2001 Indenture pursuant to which the New Bonds will be issued. (To be supplied following an issuance of New Bonds)

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

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

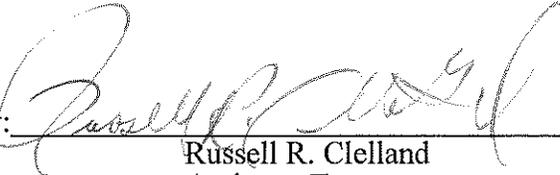
	<u>Securities Certificate Number</u>	<u>Exhibit</u>
Supplemental Indenture No. 1 dated as of August 1, 2001	S-00010853	(J)
Supplemental Indenture No. 2 dated as of February 1, 2003	S-00020932	(J)
Supplemental Indenture No. 3 dated as of May 1, 2003	S-00020933	(J)
Supplemental Indenture No. 4 dated as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

Supplemental Indenture No. 10 dated as of May 1, 2009	S-2009-2094547	(J)
Supplemental Indenture No. 12 dated as of July 1, 2011	S-2011-2219042	(J)
Supplemental Indenture No. 13 dated as of August 1, 2011	S-2011-2246812	(J)
Supplemental Indenture No. 14 dated as of August 1, 2012	S-2012-2301050	(J)
Supplemental Indenture No. 15 dated as of July 1, 2013	S-2012-2334938	(J)

- (K) Statement showing, in journal entry form, all charges to be made on the books of account of the Company as a result of the proposed sale, issuance and delivery of the New Bonds.
- (L) Proposed form of underwriting, agency or other purchase agreement. (To be supplied following an issuance of New Bonds)
- (M) No Net Earnings Certificate is required for the issuance of the New Bonds.
- (N) Not applicable.
- (O) Requirements and Sources of Funds. (Information included in Chapter 19 Securities Certificate Registrations-Data Request Answers)
- (P) Capital Structure of the Company at June 30, 2013 and as adjusted to give effect, among other things, to the issuance and sale of the New Bonds.
- (Q) Calculation of the book value per share of the Company's Common Stock as of June 30, 2013.

WHEREFORE, PPL Electric Utilities Corporation requests the Commission to register this Securities Certificate pursuant to Chapter 19 of the Public Utility Code and evidence such registration by an Order.

PPL Electric Utilities Corporation

By: 

Russell R. Clelland
Assistant Treasurer

Dated: August 15, 2013

COMMONWEALTH OF PENNSYLVANIA)
: SS
COUNTY OF LEHIGH)

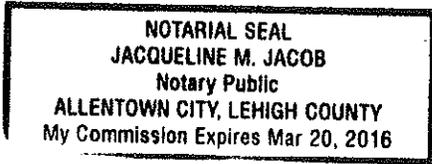
JANIS A. MARSH, being duly sworn according to law, deposes and says that she is Assistant Secretary of PPL Electric Utilities Corporation; that she is authorized to and does make this affidavit for it; and that the facts set forth above are true and correct to the best of her knowledge, information and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

Sworn to and subscribed before me
This 15th day of August, 2013.

Jacqueline M. Jacob

:
:
:
:
:
:

Janis A. Marsh



PPL ELECTRIC UTILITIES CORPORATION
BALANCE SHEET ACCOUNTS

ACCT. NO.	TITLE OF ACCOUNT	JUNE 30, 2013
ASSETS AND OTHER DEBITS		
UTILITY PLANT		
101	UTILITY PLANT IN SERVICE	\$ 6,295,437,959
105	UTILITY PLANT HELD FOR FUTURE USE	42,042,572
106	CC NOT CLASSIFIED	555,364,087
107	CONSTRUCTION WORK IN PROGRESS	457,602,360
	GROSS UTILITY PLANT	<u>7,350,446,978</u>
108/111	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT IN SERVICE	(2,391,277,142)
	NET UTILITY PLANT	<u>4,959,169,836</u>
OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	3,567,870
122	ACCUMULATED PROVISION FOR DEPRECIATION OF NONUTILITY PROPERTY	(843,392)
	NET NONUTILITY PROPERTY	<u>2,724,478</u>
123	INVESTMENT IN SUBSIDIARY COMPANIES	115,376
124	OTHER INVESTMENTS	859,989
128	OTHER SPECIAL FUNDS	0
	TOTAL OTHER PROPERTY AND INVESTMENTS	<u>3,699,843</u>
CURRENT AND ACCRUED ASSETS		
131	CASH	685,586
132	INTEREST SPECIAL DEPOSITS	0
134	OTHER SPECIAL DEPOSITS	0
135	WORKING FUNDS	0
136	TEMPORARY CASH INVESTMENTS	22,830,425
NOTES AND ACCOUNTS RECEIVABLE		
141	NOTES RECEIVABLE	0
142	CUSTOMER ACCOUNTS RECEIVABLE	313,294,924
143	OTHER ACCOUNTS RECEIVABLE	30,273,851
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CREDIT	(25,256,829)
	TOTAL NOTES AND ACCOUNTS RECEIVABLE	<u>318,311,946</u>
RECEIVABLES FROM ASSOCIATED COMPANIES		
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	0
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	3,151,516
	TOTAL RECEIVABLES FROM ASSOCIATED COMPANIES	<u>3,151,516</u>
MATERIALS AND SUPPLIES		
154	PLANT MATERIALS AND OPERATING SUPPLIES	36,028,672
163	STORES EXPENSE UNDISTRIBUTED	2,505,163
	TOTAL MATERIALS AND SUPPLIES	<u>38,533,835</u>
165	PREPAYMENTS	85,077,140
OTHER CURRENT AND ACCRUED ASSETS		
171	INTEREST AND DIVIDENDS RECEIVABLE	1,788
172	RENTS RECEIVABLE	9,922,226
173	ACCRUED UTILITY REVENUES	73,947,660
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	17,754,261
190	ACCUMULATED DEFERRED INCOME TAXES (CURRENT)	54,021,818
	TOTAL OTHER CURRENT AND ACCRUED ASSETS	<u>155,647,753</u>
	TOTAL CURRENT AND ACCRUED ASSETS	<u>624,238,201</u>
DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	17,596,699
182.3	OTHER REGULATORY ASSETS	718,188,523
183	PRELIMINARY SURVEY AND INVESTIGATION CHARGES	0
184	CLEARING ACCOUNTS	0
185	TEMPORARY FACILITIES	215,990
186	MISCELLANEOUS DEFERRED DEBITS	15,418,224
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	60,281,746
190	ACCUMULATED DEFERRED INCOME TAXES	440,306,258
	LESS CURRENT ACCUMULATED DEFERRED INCOME TAXES	(54,021,818)
	TOTAL ACCUMULATED DEFERRED INCOME TAXES (NONCURRENT)	<u>386,284,440</u>
	TOTAL DEFERRED DEBITS	<u>1,197,985,622</u>
TOTAL ASSETS AND OTHER DEBITS		<u>\$ 6,785,093,502</u>

**PPL ELECTRIC UTILITIES CORPORATION
BALANCE SHEET ACCOUNTS**

ACCT. NO.	TITLE OF ACCOUNT	JUNE 30, 2013
	LIABILITIES AND OTHER CREDITS	
	PROPRIETARY CAPITAL	
201	COMMON STOCK ISSUED	\$ 363,833,249
204	PREFERRED STOCK ISSUED	0
207	PREMIUM ON CAPITAL STOCK	0
211	ADDITIONAL PAID IN CAPITAL	1,346,262,745
214	CAPITAL STOCK EXPENSE	(6,283,429)
216	EARNINGS REINVESTED	599,701,445
216.1	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS	5,274,776
217	REACQUIRED CAPITAL STOCK	0
219	OTHER COMPREHENSIVE INCOME	135,293
	TOTAL PROPRIETARY CAPITAL	2,308,924,079
	LONG-TERM DEBT	
221	BONDS	1,974,040,000
222	REACQUIRED BONDS	0
224	OTHER LONG-TERM DEBT	0
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	0
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT-DEBIT	(6,368,559)
	TOTAL LONG-TERM DEBT	1,967,671,441
	OTHER NONCURRENT LIABILITIES	
227	OBLIGATIONS UNDER CAPITAL LEASES-NONCURRENT	0
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	216,778,637
229	ACCUMULATED PROVISION FOR RATE REFUNDS	0
	TOTAL OTHER NONCURRENT LIABILITIES	216,778,637
	CURRENT AND ACCRUED LIABILITIES	
	LONG-TERM DEBT DUE WITHIN ONE YEAR	
221	BONDS	0
231	NOTES PAYABLE	84,993,671
232	ACCOUNTS PAYABLE	246,403,949
233	NOTES PAYABLE - AFFILIATED COMPANIES	0
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	44,469,567
235	CUSTOMER DEPOSITS	13,265,944
236	TAXES ACCRUED	0
237	INTEREST ACCRUED	25,826,008
238	DIVIDENDS DECLARED	28,753,276
240	MATURED INTEREST	0
241	TAX COLLECTIONS PAYABLE	819,634
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	53,559,946
243	OBLIGATIONS UNDER CAPITAL LEASES-CURRENT	0
283	ACCUMULATED DEFERRED INCOME TAXES-OTHER (CURRENT)	9,654,436
	TOTAL CURRENT AND ACCRUED LIABILITIES	507,746,431
	DEFERRED CREDITS	
252	CUSTOMER ADVANCES FOR CONSTRUCTION	89,636
253	OTHER DEFERRED CREDITS	21,702,278
254	OTHER REGULATORY LIABILITIES	63,582,028
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	2,829,077
257	UNAMORTIZED GAIN ON REAQUIRED DEBT	0
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY	0
282	ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY	1,311,269,707
283	ACCUMULATED DEFERRED INCOME TAXES-OTHER LESS ACCUMULATED DEFERRED INCOME TAXES-OTHER (CURRENT)	394,154,624 9,654,436
	TOTAL ACCUMULATED DEFERRED INCOME TAXES-OTHER (NONCURRENT)	384,500,188
	TOTAL DEFERRED CREDITS	1,783,972,914
	TOTAL LIABILITIES AND OTHER CREDITS	\$ 6,785,093,502

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

**PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF CONTINGENT LIABILITIES
JUNE 30, 2013**

Commitments and Contingencies

Energy Purchase Commitments

In May 2012, PPL Electric Utilities Corporation (PPL Electric) filed a plan with the Pennsylvania Public Utility Commission (PUC) to purchase its electric supply for default customers for the period June 2013 through May 2015. The PUC approved the plan in January 2013. The approved plan proposes that PPL Electric procure this electricity through competitive solicitations twice each plan year beginning in April 2013. The solicitations will include layered short-term full-requirement products ranging from three months to 12 months for residential and small commercial and industrial provider of last resort (PLR) customers as well as a recurring 12 month spot market product for large commercial and industrial PLR customers. To date, one of four solicitations has been completed.

Legal Matters

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

Regulatory Issues

New Jersey Capacity Legislation

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

In addition, in February 2011, PPL and several other generating companies and utilities filed a complaint in U.S. District Court in New Jersey challenging the Act on the grounds that it violates well-established principles under the Supremacy Clause and the Commerce Clause of the U.S. Constitution and requesting declaratory and injunctive relief barring implementation of the Act by the BPU Commissioners. In October 2011, the court denied the BPU's motion to dismiss the proceeding and in September 2012, the U.S. District Court denied all summary judgment motions. Trial of this matter was completed in June 2013 and is pending decision. Any decision is expected to be appealed to the U.S. Court of Appeals for the Third Circuit. PPL Electric cannot predict the outcome of this proceeding or the economic impact on its business or operations, or the markets in which it transacts business.

Maryland Capacity Order

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

In April 2012, PPL and several other generating companies filed a complaint in U.S. District Court in Maryland challenging the MD PSC order on the grounds that it violates well-established principles under the Supremacy and Commerce clauses of the U.S. Constitution and requested declaratory and injunctive relief barring implementation of the order by the Commissioners of the MD PSC. In August 2012, the court denied the MD PSC and CPV Maryland, LLC motions to dismiss the proceeding. Trial of this matter was completed in March 2013 and a decision is expected in the third quarter of 2013. Any decision is expected to be appealed to the U.S. Court of Appeals for the Fourth Circuit. PPL Electric cannot predict the outcome of this proceeding or the economic impact on its business or operations, or the markets in which it transacts business.

Electric - Reliability Standards

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

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

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

In October 2012, the FERC issued a Notice of Proposed Rulemaking (NOPR) concerning Reliability Standards for geomagnetic disturbances (GMDs). The FERC proposed to direct the NERC to submit for approval Reliability Standards that address the impact of GMDs on the reliable operation of the bulk-power system. In May 2013, the FERC issued its Final Rule, Order No. 779, which directs the NERC to submit GMD Reliability Standards to the FERC for approval in two stages. In the first stage, the NERC must submit one or more Reliability Standards by January 22, 2014 that require owners and operators of the bulk-power system to develop and implement operational procedures to mitigate the effects of GMDs on the bulk-power system. In the second stage, the NERC must submit one or more Reliability Standards by January 22, 2015 that require owners and operators of bulk-power system facilities to assess yet to be determined "benchmark GMD events" and develop and implement plans to protect the bulk-power system from such GMD events. PPL Electric is unable to predict the specific requirements that will be contained in the Reliability Standards that the NERC has been directed to submit or the amount of any expenditures that may be required as a result of the approval of any such Reliability Standards.

Environmental Matters

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

There are certain costs of complying with the Clean Air Act as amended and those federal, state or local environmental requirements applicable to coal combustion wastes and by-products from facilities that generate electricity from coal in accordance with approved compliance plans. All such costs for PPL Electric are subject to rate recovery before the PUC, or the FERC, if applicable. Because PPL Electric does not own any generating plants, its exposure to related environmental compliance costs is reduced. PPL Electric can provide no assurances as to the ultimate outcome of future environmental or rate proceedings before regulatory authorities.

GHG Regulations and Tort Litigation

As a result of the April 2007 U.S. Supreme Court decision that the Environmental Protection Agency (EPA) has authority under the Clean Air Act to regulate greenhouse gas(es) (GHG) emissions from new motor vehicles, in April 2010, the EPA and the U.S. Department of Transportation issued new light-duty vehicle emissions standards that applied beginning with 2012 model year vehicles. The EPA also clarified that this standard, beginning in 2011, authorized regulation of GHG emissions from stationary sources under the NSR and Title V operating permit provisions of the Clean Air Act. As a result, any new sources or major modifications to existing GHG sources causing a net significant emissions increase now require adherence to the BACT permit limits for GHGs. The rules were challenged, and in June 2012 the Circuit Court upheld the EPA's regulations. In December 2012, the

Circuit Court denied petitions for rehearing pertaining to its June 2012 opinion, and the U.S. Supreme Court has been petitioned by industry groups and sources to hear the case.

In June 2013, President Obama released his Climate Action Plan which reiterates the goal of reducing greenhouse gas emissions in the U.S. "in the range of" 17% below 2005 levels by 2020 through such actions as regulating power plant emissions, promoting increased use of renewables and clean energy technology, and establishing tighter energy efficiency standards. Additionally, the Climate Action Plan requirements related to preparing the U.S. for the impacts of climate change could affect PPL Electric and others in the industry as transmission system modifications to improve the ability to withstand major storms may be needed in order to meet those requirements.

Superfund and Other Remediation

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

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

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

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

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

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

Other

Guarantees and Other Assurances

In the normal course of business, PPL Electric may enter into agreements that provide financial performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit issued by financial institutions and surety bonds issued by insurance companies.

The table below details guarantees provided at June 30, 2013.

	<u>Exposure at</u> <u>June 30, 2013 (a)</u>	<u>Expiration</u> <u>Date</u>
Guarantee of inventory value	\$ 29 (b)	2017

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

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

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

PPL, on behalf of itself and certain of its subsidiaries including PPL Electric, maintains insurance that covers liability assumed under contract for bodily injury and property damage. The coverage requires a maximum \$4 million deductible for PPL Electric, per occurrence and provides maximum aggregate coverage of \$225 million. This insurance may be applicable to obligations under certain of these contractual arrangements.

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF INCOME
TWELVE MONTHS ENDED JUNE 30, 2013

ACCT. NO.		
	UTILITY OPERATING INCOME	
400	OPERATING REVENUES	\$ 1,889,195,413
	OPERATING EXPENSES	
401	OPERATION EXPENSES	1,106,012,362
402	MAINTENANCE EXPENSES	127,835,859
403/406	DEPRECIATION EXPENSES AND AMORTIZATION OF ELECTRIC PLANT ACQUISITION ADJUSTMENTS	168,747,581
407.3	REGULATORY DEBITS	5,284,464
407.4	REGULATORY CREDITS	
408.1	TAXES OTHER THAN INCOME TAXES	
	STATE GROSS RECEIPTS	105,436,567
	STATE CAPITAL STOCK	511,536
	STATE UTILITY AND LOCAL REAL ESTATE	3,135,981
	OTHER	7,029,571
409.1	INCOME TAXES	
	FEDERAL	(22,793,320)
	STATE	(8,862,585)
410.1	PROVISION FOR DEFERRED INCOME TAXES	
	FEDERAL	646,383,922
	STATE	136,592,807
411.1	PROVISION FOR DEFERRED INCOME TAXES-CREDIT	
	FEDERAL	(543,725,054)
	STATE	(100,817,118)
411.4	INVESTMENT TAX CREDIT ADJUSTMENT	(1,233,578)
411.6	GAINS FROM DISPOSITION OF UTILITY PLANT	
411.7	LOSSES FROM DISPOSITION OF UTILITY PLANT	
411.8	GAINS FROM DISPOSITION OF EMISSION ALLOWANCES	
	TOTAL UTILITY OPERATING EXPENSES	<u>1,629,538,995</u>
	NET UTILITY OPERATING INCOME	<u>259,656,418</u>
	OTHER INCOME AND DEDUCTIONS	
	OTHER INCOME	
415/416	MERCHANDISING, JOBBING AND CONTRACT WORK	(3,119)
417.1	EXPENSES OF NONUTILITY OPERATIONS	(87,012)
418	NONOPERATING RENTAL INCOME	(64,269)
418.1	EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	674,551
419	INTEREST AND DIVIDEND INCOME	619,538
419.1	ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	10,734,341
421	MISCELLANEOUS NONOPERATING INCOME	128,664
421.1	GAIN ON DISPOSITION OF PROPERTY	32,781
434	EXTRAORDINARY INCOME	
	TOTAL OTHER INCOME	<u>\$ 12,035,475</u>
	OTHER INCOME AND DEDUCTIONS (CONTINUED)	
	OTHER INCOME DEDUCTIONS	
421.2	LOSS ON DISPOSITION OF PROPERTY	\$ 6,350
426.1-426.5	MISCELLANEOUS INCOME DEDUCTIONS	3,461,707
435	EXTRAORDINARY DEDUCTIONS	
	TOTAL OTHER INCOME DEDUCTIONS	<u>3,468,057</u>

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF INCOME
TWELVE MONTHS ENDED JUNE 30, 2013

ACCT.		
<u>NO.</u>		
	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	
408.2	TAXES OTHER THAN INCOME TAXES	200
409.2	INCOME TAXES	
	FEDERAL	2,953,545
	STATE	98,700
409.3	EXTRAORDINARY ITEMS	
410.2/411.2	PROVISION FOR DEFERRED INCOME TAXES-NET	
	FEDERAL	(1,939,266)
	STATE	(7,209,383)
411.5	INVESTMENT TAX CREDIT	
	TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS	<u>(6,096,204)</u>
	NET OTHER INCOME AND DEDUCTIONS	<u>14,663,622</u>
	INCOME BEFORE INTEREST CHARGES	<u>274,320,040</u>
	INTEREST CHARGES	
427	INTEREST ON LONG-TERM DEBT	90,251,485
428	AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	2,160,812
428.1	AMORTIZATION OF LOSS ON REACQUIRED DEBT	10,771,736
429	AMORTIZATION OF PREMIUM ON DEBT-CREDIT	
429.1	AMORTIZATION OF GAIN ON REACQUIRED DEBT-CREDIT	
430	INTEREST ON DEBT TO ASSOCIATED COMPANIES	
431	OTHER INTEREST CHARGES	(1,538,417)
432	ALLOW. FOR BORROWED FUNDS USED DURING CONSTRUCTION-CREDIT	<u>(5,404,226)</u>
	NET INTEREST CHARGES	<u>96,241,390</u>
	NET INCOME	<u>\$ 178,078,650</u>

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

**PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF RETAINED EARNINGS
TWELVE MONTHS ENDED JUNE 30, 2013**

Retained earnings, June 30, 2012	\$	536,349,387
Activity during the twelve months ended June 30, 2013		
Net income		178,078,650
Preference stock redemption		(5,451,816)
Dividends declared - preferred		0
Dividends declared - common		(104,000,000)
Retained earnings, June 30, 2013	<u>\$</u>	<u>604,976,221</u>

**PPL ELECTRIC UTILITIES CORPORATION
UTILITY PLANT ACCOUNTS**

Acct. No.		JUNE 30, 2013
	Utility plant in service	
101	Electric plant in service	
	Intangible plant	\$ 101,843,610
	Transmission plant	1,387,681,845
	Distribution plant	4,236,135,720
	General plant	569,776,784
	Electric plant in service	6,295,437,959
101.1	Property under capital leases	
	Total utility plant in service	6,295,437,959
105	Electric plant held for future use	42,042,572
106	CC not classified	555,364,087
107	Construction work in progress	457,602,360
	Total utility plant	7,350,446,978
108	Accumulated provision for depreciation of utility plant	(2,336,257,553)
111	Accumulated provision for amortization of utility plant	(55,019,589)
	Net utility plant	\$ 4,959,169,836

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF SECURITIES OF OTHER ENTITIES OWNED
AS OF JUNE 30, 2013

Name of Issuer	Title of Security	Number of Shares or Principal Amount	Date Acquired	Price Paid	Book Value	Approximate Value Indicated by Market Quotations June 30, 2013
Securities of Subsidiaries						
CEP Commerce, LLC	Member's Interests	\$ 10,072	7/1/2000	\$ 10,072	\$ 115,376	Not Available
				<u>10,072</u>	<u>115,376</u>	
Other Corporate Securities:						
Mortgages						
Juniata County Industrial Park Expansion	Mortgage	89,901	7/24/1997	89,901	89,901	Not Available
Pike County Business Park	Mortgage	198,845	7/23/1997	198,845	198,845	Not Available
Pocono Mtn Business Park (Senda)	Mortgage	340,000	3/15/2002	340,000	340,000	Not Available
	Total Mortgages			<u>\$ 628,746</u>	<u>628,746</u>	
Other Corporate Securities						
Stocks						
Sears Holdings Corporation	Common	233 shares	Not Available	Not Available	9,805	\$ 9,805
Time Warner Cable	Common	1,620 shares	Not Available	Not Available	182,412	\$ 182,412
Quad/Graphics Inc.	Common	1,618 shares	Not Available	Not Available	39,026	\$ 39,026
	Total Stocks				<u>231,243</u>	
	Total Securities of Other Entities Owned				<u>\$ 975,365</u>	

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT SHOWING THE STATUS OF THE FUNDED DEBT
AS OF JUNE 30, 2013

Name and Description of Obligation (a)	Interest		Term at Date Of Issue (Years) (d)	Date of Maturity (e)	Total Principal Amount Authorized (f)	Total Principal Amount Outstanding (Not Held by the Public Utility) (g)	Total Principal Amount Held by the Public Utility		
	Rate (b)	Dates Payable (c)					Reacquired and Held in Treasury (h)	Pledged (i)	In Sinking or Other Funds (j)
First Mortgage Bonds:									
7-3/8% Series due 2014 (1)	7-3/8%	Mar. 1 & Sep. 1	20	Mar. 1, 2014	\$100,000,000	\$ 10,290,000	None	None	None
4.95% Series due 2015	4.95%	June 15 & Dec. 15	10	Dec. 15, 2015	100,000,000	100,000,000	None	None	None
5.15% Series due 2020	5.15%	June 15 & Dec. 15	15	Dec. 15, 2020	100,000,000	100,000,000	None	None	None
6.45% Series due 2037	6.45%	Feb. 15 & Aug. 15	30	Aug. 15, 2037	250,000,000	250,000,000	None	None	None
6.25% Series due 2039	6.25%	May 15 & Nov. 15	30	May 15, 2039	300,000,000	300,000,000	None	None	None
5.20% Series due 2041	5.20%	Jan. 15 & July 15	30	July 15, 2041	250,000,000	250,000,000	None	None	None
3.00% Series due 2021	3.00%	Mar. 15 & Sept. 15	10	Sept. 15, 2021	400,000,000	400,000,000	None	None	None
2.50% Series due 2022	2.50%	Mar. 1 & Sept. 1	10	Sept. 1, 2022	250,000,000	250,000,000	None	None	None
						1,660,290,000			
Senior Secured Bonds (Pollution Control Series)									
Series 2008 due 2023	4.00%	Apr. 1 & Oct. 1	15	Oct. 1, 2023	90,000,000	90,000,000	None	None	None
4.75% Series due 2027	4.75%	Feb. 15 & Aug. 15	22	Feb. 15, 2027	108,250,000	108,250,000	None	None	None
4.70% Series due 2029	4.70%	Mar. 1 & Sept. 1	24	Sept. 1, 2029	115,500,000	115,500,000	None	None	None
						313,750,000			
Unamortized Premium on Long-Term Debt						0			
Unamortized Discount on Long-Term Debt						(6,368,559)			
Total Funded Debt						\$ 1,967,671,441			

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

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT SHOWING THE STATUS OF OUTSTANDING CAPITAL STOCK
AS OF JUNE 30, 2013

Designation of Kind and Class (a)	Number of Shares Authorized (b)	Par Value Per Share (c)	Amount Authorized (d)	Amount Outstanding (Not Held by the Public Utility) (1) (e)	Held by the Public Utility			Stated Book Value of Outstanding Stock Having No Par Value As of Date of Balance Sheet (f)
					Reacquired and Held in Treasury (f)	Pledged (g)	In Sinking or Other Funds (h)	
Preference Stock				<u>0 shares</u>	None	None	None	\$ 0.00
Common Stock, no par	170,000,000		170,000,000 shares	<u>66,368,056 shares</u>	None	None	None	\$ 2,308,924,079 (2)
Treasury Stock				<u>0 shares</u>	None	None	None	\$ 0.00

(1) All common shares of PPL Electric stock are owned by PPL.
(2) Book value of common stock held by PPL Corporation.

PPL ELECTRIC UTILITIES CORPORATION
HOLDERS OF EACH CLASS OF CAPITAL STOCK AS OF JUNE 30, 2013

COMMON

Shares

PPL Corporation Two North Ninth Street Allentown, PA 18101	66,368,056
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PPL ELECTRIC UTILITIES CORPORATION

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

Journal Entry 1

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

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

Journal Entry 2

131	Cash	\$	
143	Other Accounts Receivable		\$

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

Journal Entry 3

181	Unamortized Debt Expense	\$	
131	Cash		\$

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

**PPL ELECTRIC UTILITIES CORPORATION
CAPITAL STRUCTURE**

The capital structure of the Company at June 30, 2013, and on a pro forma basis to give effect to the transactions footnoted below, is as follows:

	Actual Amount	Adjustments		Pro Forma Amount	% of Capitalization
		Authorized Issuance	Requested Issuance		
Common Equity					
Common Stock Issued.....	\$ 363,833,249			\$ 363,833,249	
Miscellaneous Paid-In Capital.....	1,346,262,745			1,346,262,745	
Capital Stock Expense.....	(6,283,429)			(6,283,429)	
Treasury Stock.....	-			-	
Other Comprehensive Income.....	135,293			135,293	
Earnings Reinvested.....	604,976,221			604,976,221	
Total Common Equity.....	<u>2,308,924,079</u>	<u>-</u>	<u>-</u>	<u>2,308,924,079</u>	46%
Preferred Securities					
Preferred Stock without Mandatory Redemption.....	-			-	0%
Long-Term Debt (a)					
First Mortgage Bonds.....	1,660,290,000	\$ 350,000,000 (b)	\$ 400,000,000 (c)	2,410,290,000	
Senior Secured Bonds (Pollution Control Series)....	313,750,000			313,750,000	
Unamortized Premium/Discount- Net.....	<u>(6,368,559)</u>			<u>(6,368,559)</u>	
Total Long-Term Debt.....	<u>1,967,671,441</u>	<u>350,000,000</u>	<u>400,000,000</u>	<u>2,717,671,441</u>	54%
Total Capitalization.....	<u>\$ 4,276,595,520</u>	<u>\$ 350,000,000</u>	<u>\$ 400,000,000</u>	<u>\$ 5,026,595,520</u>	100%

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

(b) The authorized issuance of \$350 million of Debt Securities issued in July 2013.

(c) The requested issuance of up to \$400 million of Debt Securities.

PPL ELECTRIC UTILITIES CORPORATION
BOOK VALUE OF COMMON STOCK
JUNE 30, 2013

<u>Acct. No.</u>			
	Common Equity		
201	Common stock issued	\$	363,833,249
207	Premium on capital stock		-
211	Additional paid in capital		1,346,262,745
214	Capital stock expense		(6,283,429)
216	Unappropriated retained earnings		599,701,445
216.1	Unappropriated undistributed subsidiary earnings		5,274,776
217	Reacquired capital stock		-
219	Other comprehensive income		135,293
	Total Common Equity	\$	<u><u>2,308,924,079</u></u>
	Shares of common stock issued at June 30, 2013		66,368,056
	Shares repurchased and held in treasury		<u>0</u>
	Shares of common stock outstanding at June 30, 2013		<u><u>66,368,056</u></u>
	Book Value of Common Stock		
	Total common equity ÷ shares of common stock outstanding at June 30, 2013	\$	<u><u>34.79</u></u>

Chapter 19 Securities Certificate Registrations - Data Request

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

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

Answer:

Authorization of \$50 million remains under Securities Certificate **S-2012-2334938**.

In July 2013, PPL Electric issued \$350 million of the \$400 million for secured debt securities authorized. At this time, PPL Electric does not intend to utilize the remaining \$50 million authorized under Securities Certificate **S-2012-2334938**.

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

(\$ in Millions)	6/30/2013	As Adjusted
Total Long-term Debt	1,968	1,968
Authorized Issuance - July 2013		350
Requested Issuance		400
Total Debt	1,968	2,718
Common Equity	2,310	2,310
Total Capital	4,278	5,028
Debt/Total Capitalization	46.0%	54.1%

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

Sources and Uses of Funds:

\$ (000's)	2013	2014	2015	2016
Requirements				
Construction	968,492	854,197	708,396	651,461
Pension Funding	82,985	60,559	69,536	63,928
Maturities, Redemptions & Sinking Funds	-	10,290	100,000	-
Total Requirements	1,051,477	925,045	877,932	715,389
Sources				
Internal, net	701,477	525,045	527,932	515,389
Outside Financing				
Long-term debt	350,000	400,000	350,000	200,000
Short-term debt change	-	-	-	-
Other	-	-	-	-
Total Outside	350,000	400,000	350,000	200,000
Total Sources	1,051,477	925,045	877,932	715,389

Capital Expenditures & Ratio of Capital Expenditures to Depreciation and Amortization:

\$ (000's)	2013	2014	2015	2016
Capital Expenditures	968,492	854,197	708,396	651,461
Depreciation	178,096	192,684	210,715	226,804
Amortization	18,063	16,564	16,132	14,849
Total Depreciation & Amortization	196,159	209,249	226,847	241,653
Capital / Depreciation & Amortization	494%	408%	312%	270%

Capitalization Ratios:

\$ (000's)	2013	2014	2015	2016
Total Long-term Debt	2,297,993	2,588,273	2,838,841	3,039,409
Total Short-term Debt	-	-	-	-
Total Debt	2,297,993	2,588,273	2,838,841	3,039,409
Total Capitalization	4,661,482	5,286,449	5,764,985	6,135,211
Debt / Total Capitalization	49.3%	49.0%	49.2%	49.5%

Dividend payout ratio:

\$ (000's)	2013	2014	2015	2016
Earnings Available for Common	176,937	218,887	226,868	241,457
Total Dividend Paid to Parent	106,300	134,200	143,900	155,800
% Earnings Available for Common	60.1%	61.3%	63.4%	64.5%

Interest coverage ratios – both SEC and Indenture basis:

\$ (000's)	2013	2014	2015	2016
Income Before Taxes	272,725	357,359	373,553	398,819
Total Interest (as shown below)	114,797	125,833	137,924	141,231
Less Interest Component of AFUDC (est)	(12,092)	(12,445)	(10,227)	(9,368)
Total Earnings	375,430	470,747	501,250	530,682
Fixed Charges, as defined:				
Interest on Long-term Debt	102,873	114,983	127,070	128,725
Interest on Short-term Debt	-	424	301	2,184
Other Interest	1,300	1,300	1,300	1,300
Amortization of Debt Discount, Expense and Premium - net	10,625	9,126	9,253	9,022
Total Interest	114,797	125,833	137,924	141,231
Earnings/Interest	3.27	3.74	3.63	3.76

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

	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2012	June 30, 2013
Moody's				
Issuer Rating	Baa2	Baa2	Baa2	Baa2
First Mortgage Bonds	A3	A3	A3	A3
Tax Exempt Bonds	A3/Baa2	A3/Baa2	A3/Baa2	A3/Baa2
Senior Secured Bonds	A3	A3	A3	A3
Commercial Paper	P-2	P-2	P-2	P-2
Preference Stock	Ba1	Ba1		
Outlook	Stable	Stable	Stable	Stable
Standard & Poor's				
Issuer Rating	A-	BBB	BBB	BBB
First Mortgage Bonds	A-	A-	A-	A-
Tax Exempt Bonds	A/A-	A-	A-	A-
Senior Secured Bonds	A-	A-	A-	A-
Commercial Paper	A-2	A-2	A-2	A-2
Preference Stock	BBB	BB+		
Outlook	Stable	Stable	Stable	Stable
Fitch				
Issuer Rating	BBB/F-2	BBB/F-2	BBB/F-2	BBB
First Mortgage Bonds	A-	A-	A-	A-
Tax Exempt Bonds				
Senior Secured Bonds	A-	A-	A-	A-
Commercial Paper	F-2	F-2	F-2	F-2
Preference Stock	BBB-	BBB-		
Outlook	Stable	Stable	Stable	Stable

5) Projected refinancing savings or costs, if applicable

Answer:

Not applicable

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

Answer:

Not applicable

7) List all unregulated affiliates of the applicant

PPL CORPORATION SUBSIDIARIES AND AFFILIATES

Airborne Pollution Control, Inc.
Aztec Insurance Limited
B-G Mechanical Contractors, Inc.
B-G Mechanical Service, Inc.
BDW Corp.
Brunner Island Services, LLC
Burns Mechanical, Inc.
Cell Site Connection Services Limited
Central Networks Trustees Limited
CEP Commerce, LLC
CEP Lending, Inc.
CEP Reserves, Inc.
Colstrip Comm Serv, LLC
Conemaugh Fuels, LLC
DCUSA Limited
DHA, LLC
Ebusiness South West Limited
Electralink Limited
Electric Energy, Inc.
Electricity Association Services Limited
Electricity Pensions Limited
Electricity Pensions Trustee Limited
Elmsford Sheet Metal Works, Inc.
Energy Networks Association Limited
FCD LLC
Fred Williams, Inc.
Gemserv Limited
General Control Systems, Inc.
General Mechanical Systems, Inc.
H. T. Lyons Co.
H. T. Lyons, Inc.
Hyder Limited
Hyder Profit Sharing Trustee Limited
Hyder Share Scheme Trustee (2) Limited
Hyder Share Scheme Trustee Limited
Indiana-Kentucky Electric Corporation
Infralec 1992 Pension Trustee Limited
Joppa & Eastern Railroad Company
Kelston Properties Limited
Kelston Properties 2 Limited
Kentucky Utilities Company
Keystone Fuels, LLC
Lady Jane Collieries, Inc.
Lexington Utilities Company
LG&E and KU Capital LLC
LG&E and KU Energy LLC
LG&E and KU Foundation Inc.
LG&E and KU Hydro I LLC
LG&E and KU Services Company
LG&E Energy Inc.
LG&E Energy Marketing Inc.
LG&E Home Services Inc.
LG&E International Inc.
LG&E Power Argentina III LLC
Louisville Gas and Electric Company
Lower Mount Bethel Energy, LLC
Massac Enterprises, LLC
McCarl's Inc.
McClure Company
Met-South, Inc.
Meter Operator Services Limited
Meter Reading Services Limited
Midwest Electric Power, Inc.
Millennium Builders, Inc.
Montour Services, LLC
MRA Service Company Limited
Northmere Limited
Ohio Valley Electric Corporation
Pennsylvania Mines, LLC
PMDC Chile, LLC
PMDC International Holdings, Inc.
PMDC International N.V.
PP&L Residual Corporation
PPL Bell Bend Holdings, LLC
PPL Bell Bend, LLC
PPL Brunner Island, LLC
PPL Capital Funding, Inc.
PPL Capital Trust (Business Trust)
PPL Capital Trust II (Business Trust)
PPL Cayman, LLC
PPL Colstrip I, LLC
PPL Colstrip II, LLC
PPL Electric Utilities Corporation
PPL Energy Funding Corporation
PPL Energy Services Group, LLC
PPL Energy Services Holdings, LLC
PPL Energy Services Mid-Atlantic, LLC
PPL Energy Services Northeast, Inc.
PPL Energy Supply, LLC
PPL EnergyPlus, LLC
PPL EnergyPlus Retail, LLC
PPL Foundation
PPL Generation, LLC
PPL Generation Services, LLC
PPL Global, LLC
PPL Holtwood, LLC
PPL Infrastructure Services, LLC
PPL Interstate Energy Company
PPL Investment Corporation
PPL Ironwood, LLC
PPL Ironwood Holdings, LLC
PPL Island Financing LLP
PPL Land Holdings, LLC
PPL Maine, LLC

PPL Martins Creek, LLC
PPL Montana Holdings, LLC
PPL Montana, LLC
PPL Montour, LLC
PPL New Jersey Biogas, LLC
PPL New Jersey Solar, LLC
PPL Nuclear Development, LLC
PPL Power Insurance Ltd.
PPL Prescott, LLC
PPL Receivables Corporation
PPL Renewable Energy, LLC
PPL SavageALERT, Inc.
PPL Services Corporation
PPL Spectrum, Inc.
PPL Strategic Development, LLC
PPL Susquehanna, LLC
PPL Treasure State, LLC
PPL UK Holdings, LLC
PPL UK Investments Limited
PPL UK Resources Limited
PPL WEM Holdings plc
PPL WW Holdings Limited
PPL Solutions, LLC
Realty Company of Pennsylvania
REC Collect Limited
South Wales Electricity Share Scheme
Trustees Limited
South Western Helicopters Limited
Surf Telecoms Limited

The Ombudsman Service Limited
Titan Mechanical Contractors, Inc.
Trystate Mechanical, Inc.
Westech International, Inc.
Western Kentucky Energy Corp.
Western Power Distribution (East Midlands) plc
Western Power Distribution (West Midlands) plc
Western Power Distribution (South Wales) plc
Western Power Distribution (South West) plc
Western Power Distribution Holdings Limited
Western Power Distribution Investments Limited
Western Power Distribution LLP
Western Power Generation Limited
Western Power Pension Trustee Limited
WPD 1957 Limited
WPD Finance Limited
WPD Investments Limited
WPD Limited
WPD Limited (Guernsey)
WPD Midlands Holdings Limited
WPD Midlands Networks Contracting Limited
WPD Midlands Networks Services Limited
WPD Property Developments Limited
WPD Property Investments Limited
WPD Property Limited
WPD Share Scheme Trustees Limited
WPD Smart Metering Limited
WW Share Schemes Trustees Limited

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

Answer:

None

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

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

Answer:

Not applicable

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

Answer:

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

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

Answer:

Current dividend payout ratio does not exceed 75%.

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

Answer:

Debt to total capital ratio does not exceed 55%.

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

A. If the purpose is the purchase or construction of new facilities, or the betterment of existing facilities, provide;

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

Answer:

Not applicable.

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

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

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

Answer:

Not applicable

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

1. Explain the purpose for which obligations were issued, or refer to the number of securities certificate in which the purpose appears.
2. State whether refunding is to meet maturity, or to effect saving in interest or other annual charges; if to effect savings, state date when, and at price which obligations are to be called, and submit statement showing savings to be effected as a result of refunding.

Answer:

Not applicable

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

Answer:

Not applicable

E. If the purpose is to fund pension obligations:

1. Provide the current Accumulated Benefit Obligation (except where no longer used consistent with FASB Statement No. 158), the projected benefit obligation, the current fair value of plan assets, and the percent that the current benefit obligation is funded.
2. Provide the annual contributions to the plan from 2006 to the present, and the projected contributions for the next five years.
3. Provide an explanation as to how compliance with the Pension Protection Act of 2006 will be accomplished.

Answer:

Not applicable

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

	Utility Plant	Working Capital & Other Additions	Other Long Term	Total
Distribution Rate Base	3,145	58	(738)	2,465
Transmission Rate Base	1,195	23	(157)	1,061
Rate Base	<u>4,340</u>	<u>81</u>	<u>(895)</u>	<u>3,526</u>
CWIP 107 (net of Susquehanna-Roseland in Rate Base)	360			360
Other (1)	48			48
Working Capital Other (2)		16		16
Regulatory Assets			721	721
Other Long Term (3)			(544)	(544)
	<u>4,748</u>	<u>97</u>	<u>(718)</u>	<u>4,127</u>

(1) Primarily due to asset additions, retirements, and accumulated depreciation.

(2) Mostly timing differences.

(3) Primarily timing of deferred and current income taxes.

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

\$ (000's)	2010	2011	2012	2013	2014	2015	2016
Capital Expenditures	411,000	490,000	633,000	968,492	854,197	708,396	651,461
Depreciation	136,000	146,000	160,000	178,096	192,684	210,715	226,804
Capital/Depreciation	302%	336%	396%	544%	443%	336%	287%