

CAPTION SHEET

CASE MANAGEMENT SYSTEM

- 1. REPORT DATE: 00/00/00
- 2. BUREAU: OTR
- 3. SECTION(S):
- 5. APPROVED BY: DIRECTOR: SUPERVISOR:
- 6. PERSON IN CHARGE:
- 8. DOCKET NO: R-00943271
- 4. PUBLIC MEETING DATE: 00/00/00
- 7. DATE FILED: 12/30/94
- 9. EFFECTIVE DATE: 02/28/95

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: PENNSYLVANIA POWER & LIGHT CO.

COMP/APP COUNTY:

UTILITY CODE: 110500

ALLEGATION OR SUBJECT

PENNSYLVANIA POWER & LIGHT COMPANY FILED SUPPLEMENT NO. 50 TO TARIFF ELECTRIC PA PUC NO. 200, EFFECTIVE DATE FEBRUARY 28, 1995, PROPOSING TO INCREASE ITS RETAIL BASE RATES BY APPROXIMATELY \$261 MILLION, OR ABOUT 11.7% (ON RETAIL RATES). ADDRESS: PP&L; PAUL E RUSSELL, ESQUIRE; 2 NORTH 9TH STREET; ALLENTOWN PA 18101-1179.

**DOCKETED**  
**DEC 3 0 1994**  
**LPW**

ORIGINAL



Pennsylvania Power & Light Company

Two North Ninth Street • Allentown, PA 18101-1179 • 610/774-5151

Paul E. Russell  
Associate General Counsel  
610/774-4254

FAX: 610/774-6726

December 30, 1994

**HAND DELIVERED**

Mr. John G. Alford, Secretary  
Pennsylvania Public Utility Commission  
P. O. Box 3265  
Harrisburg, Pennsylvania 17105-3265

**Re: Pennsylvania Power & Light Company  
Supplement No. 50 to Tariff  
Electric Pa. P.U.C. No. 200  
Docket No. R-00943271**

RECEIVED  
94 DEC 30 AM 11:36  
PA. P. U. C.  
INFO. CONTROL DIV.

DOCKETED  
DEC 30 1994

Dear Mr. Alford:

Enclosed for filing on behalf of Pennsylvania Power & Light Company (PP&L) are eight (8) copies of Supplement No. 50 to PP&L's Tariff Electric - Pa. P.U.C. No. 200. Also enclosed are eight (8) copies of a Statement of Reasons and supporting data, including data required by Sections 53.52 and 53.53 of the Commission's regulations, 52 Pa. Code §§ 53.52 and 53.53.

In this filing, PP&L is proposing to increase its retail base rates by approximately \$261 million, or about 11.7% (on total retail rates). This increase is set forth in Supplement No. 50 to PP&L's Tariff Electric - Pa. P.U.C. No. 200. PP&L requests that Supplement No. 50 become effective 60 days after filing, i.e., on February 28, 1995.

PP&L hereby advises the Commission that it has elected to use the alternative method of customer notification set forth in the Commission's regulations at 52 Pa. Code § 53.45(b)(4).

Mr. John G. Alford

- 2 -

December 30, 1994

As indicated on the attached Certificate of Service, I have served copies of this filing and all supporting data on the Office of Consumer Advocate, as required by Section 53.51(d) of the Commission's regulations, 52 Pa. Code § 53.51(d), on the Office of Small Business Advocate and on the PUC Office of Trial Staff.

If you have any questions regarding the enclosed filing, please call.

Very truly yours,



Paul E. Russell

RECEIVED

DEC 30 1994

PUBLIC UTILITY COMMISSION  
SECRETARY BUREAU

Enclosures

cc: Irwin A. Popowsky, Esquire  
Bernard J. Ryan, Jr., Esquire  
Charles F. Hoffman, Esquire  
Cheryl Walker Davis, Esquire  
Dr. Z. Ahmed Kaloko  
David M. Kleppinger, Esquire

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Re: Docket No. R-00943271

**CERTIFICATE OF SERVICE**

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

**HAND DELIVERED**

Irwin A. Popowsky, Esquire  
Office of Consumer Advocate  
1425 Strawberry Square  
Harrisburg, Pennsylvania 17120

Bernard A. Ryan, Jr., Esquire  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, Pennsylvania 17101

Charles F. Hoffman, Esquire  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
P. O. Box 3265  
Harrisburg, Pennsylvania 17105-3265

David M. Kleppinger, Esquire  
McNees, Wallace & Nurick  
P. O. Box 1166  
100 Pine Street  
Harrisburg, Pennsylvania 17108

  
Paul E. Russell

Dated: December 30, 1994  
at Allentown, Pennsylvania

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Exhibit Future 1**

**Summary of Measures of Value &  
Rate of Return**

**Witness: Various**

**Docket No. R-00943271**

**RECEIVED**

94 DEC 30 AM 11:47

PA. P. U. C.  
INFO. CONTROL DIV.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Exhibit Future 1  
Docket No. R-00943271  
Summary of Measures of Value and Rates of Return  
Year Ended September 30, 1995**

---

follows: This book contains a series of schedules (see Table of Contents) which are grouped as

- A - Statement of Reasons
- B - Financial Statements, Cost of Capital and Capital Structure
- C - Measures of Value
- D - Operating Income and Adjustments

# PENNSYLVANIA POWER & LIGHT COMPANY

## Table of Contents

### SECTION A--REASONS FOR PROPOSED INCREASE

- A-1 Statement of Reasons

### SECTION B--BOOK STATEMENTS

- B-1 Balance Sheet at September 30, 1995
- B-2 Electric Service--Statement of Net Utility Operating Income--Year Ended September 30, 1995
- B-3 Electric Service--Operating Revenues--Year Ended September 30, 1995
- B-4 Electric Service--Operation and Maintenance Expenses--Year Ended September 30, 1995
- B-5 Electric Service--Detail of Taxes--Year Ended September 30, 1995
- B-6 Historical (Embedded) Cost of Debt Capital at September 30, 1995
- B-7 Historical (Embedded) Cost of Preferred and Preference Stock Capital at September 30, 1995
- B-8 Capital Structures--Years Ended 1989-1993 and September 30, 1994 and 1995
- B-9 Rate of Return at September 30, 1995

### SECTION C--MEASURES OF VALUE

- C-1 Measures of Value and Rates of Return
- C-2 Electric Plant in Service
- C-3 Construction Work in Progress--Pollution Control Projects
- C-4 Working Capital
- C-5 Fuel Stock and Materials and Operating Supplies
- C-6 Accumulated Deferred Taxes on Income

# PENNSYLVANIA POWER & LIGHT COMPANY

## Table of Contents

### SECTION D--OPERATING INCOME

- D-1 Operating Income Pro Forma at Present Rates and Proposed Rates
- D-2 Adjustments to Income
- D-3 Adjustments to Operating Revenue
- D-4 Adjustment to Energy Costs
- D-5 Adjustment to Wage Expense
- D-6 Adjustment to Employee Benefits Expense
- D-7 Adjustment to Rate Case Expense
- D-8 Adjustment for Land Management Projects/Recreational Facilities Expense
- D-9 Adjustment for Interest Expense on Customer Deposits
- D-10 Adjustment for Voluntary Early Retirement Program
- D-11 Adjustment to Decommissioning Expense-SSES
- D-12 Adjustment to Decommission Fossil Units
- D-13 Adjustment for Amortization of Management Audit Cost
- D-14 Adjustment to Amortize "Window Deferral"
- D-15 Adjustment for Social Programs
- D-16 Adjustment for Environmental Remediation
- D-17 Adjustment to Depreciation Expense
- D-18 Adjustments to Taxes Other Than Income
- D-19 Adjustment to Federal and State Income Taxes
- D-20 Adjustment to Deferred Income Taxes
- D-21 Adjustment to Investment Tax Credit

**PENNSYLVANIA POWER & LIGHT COMPANY**

**A--Reasons for Proposed Increase  
Index**

A-1      Statement of Reasons

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Statement of Reasons  
for the Proposed Increase  
Docket No. R-00943271**

## STATEMENT OF REASONS FOR THE PROPOSED INCREASE

---

### 1. Introduction

The purpose of this filing is to bring Pennsylvania Power & Light Company's ("PP&L" or the "Company") rates for retail electric service in line with the cost of providing that service. PP&L is requesting an overall annual net increase of approximately \$261 million, based on a future test year ending September 30, 1995. This level of additional annual revenue will produce an increase in overall rates of about 11.7%.

This increase in rates is necessary to cover the Company's cost of service including a fair return on its capital investment. In addition, an increase in rates is necessary to address future known changes in several aspects of the Company's business and to avoid future financial deterioration.

### 2. PP&L's Rate Philosophy

The Company's overall approach to ratemaking over the past ten years has been based on two objectives. The first has been to maintain rate stability. Since the Susquehanna Unit 2 case was concluded in April 1985, the Company has undertaken extensive efforts to avoid filing a base rate increase. For example, during this period, PP&L undertook a \$3.46 billion refinancing program to replace high cost securities at a lower cost. The Company has implemented a series of cost

reduction measures, including reductions in staff levels, elimination of unnecessary functions, a fundamental restructuring at the corporate level and a re-engineering of critical processes. In addition, the Company has pursued revenue growth opportunities in both the retail market and the bulk power market.

The Company has been successful in these efforts. PP&L's last retail base rate increase request was filed with the Commission on July 27, 1984, more than a decade ago. During that ten-year time period, every major electric utility in Pennsylvania has filed at least one base rate increase request; some have filed a number of requests.

The Company's second ratemaking objective has been to pass through to customers the rate impacts of certain non-recurring cost savings. Under traditional ratemaking practice, changes that occur outside of a base rate proceeding are not generally reflected in customer rates until the utility's next base rate proceeding. PP&L generally follows this traditional approach because the various changes in costs and revenue that occur between rate cases can offset one another and, thereby, eliminate or moderate the need for interim rate changes.

However, PP&L has adopted a different approach if the change is non-recurring and, in a number of instances, has developed innovative mechanisms to flow through to customers specific non-recurring cost savings. For example, in 1986, the Company passed through the impact of reductions in its Federal income tax liability. PP&L returned this credit to customers by creating a special rate clause -- the Income Tax Adjustment ("ITA"). In 1991, the Company began to pass through

(over a five year period) the cost savings associated with a change in the method of accounting for spare parts inventory at its power plants. A year later, PP&L began another five-year pass through of the proceeds from a settlement of potential litigation with the General Electric Company. These two credits currently are reflected on customer bills through another unique clause -- the Special Base Rate Credit Adjustment ("SBRCA").

The decision to file the present case was a difficult one and was made only after all other alternatives for maintaining the Company's financial health had been explored. Both the revenue requirements component and the rate design component of the filing are designed to maintain, to the extent possible, the stability of the Company's retail rates. Moreover, as discussed in more detail below, the present filing reflects a number of cost savings that substantially reduce PP&L's overall revenue requirement.

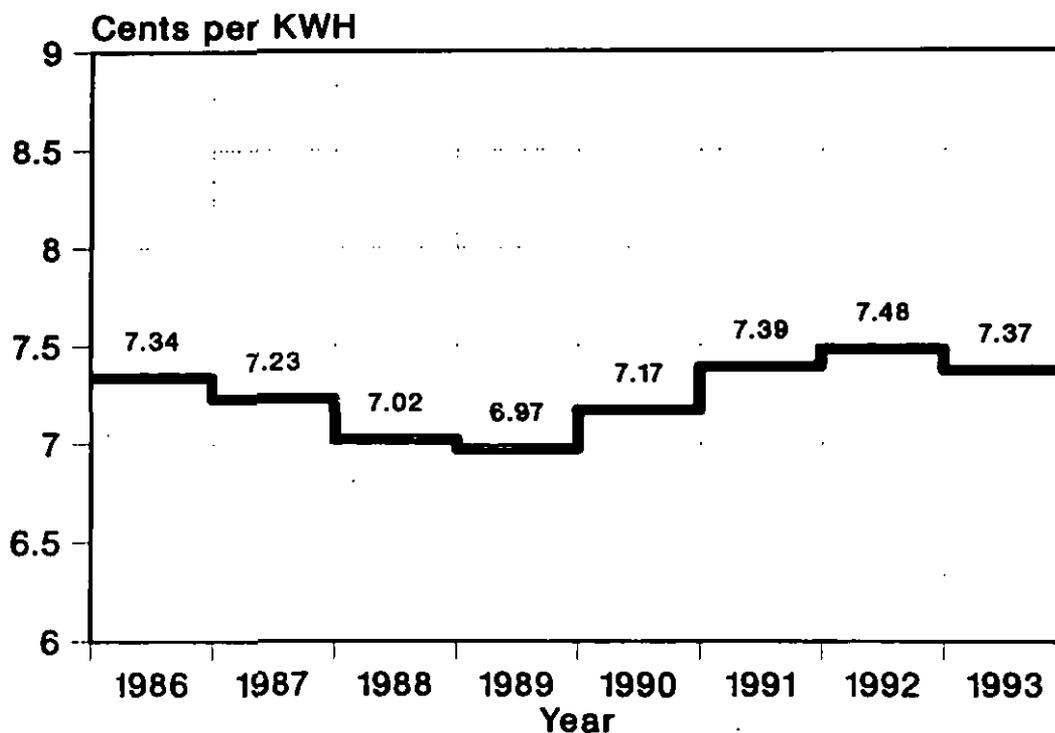
### 3. Comparisons of PP&L's Rates

An analysis of PP&L's retail rates demonstrates that its ratemaking philosophy has been successful. The Company's rates have remained relatively stable over the last decade; its rates over this time period have not tracked the general rate of inflation; and PP&L's rates compare favorably to the rates of other electric utilities in the region.

As shown in the chart below, after the Susquehanna Unit 2 base rate case concluded in 1985, PP&L's average price (based upon customer use in that

year) was 7.34¢ per KWH. In 1993, the Company's average price for electricity was only 7.37¢ per KWH.

## PP&L Total Price

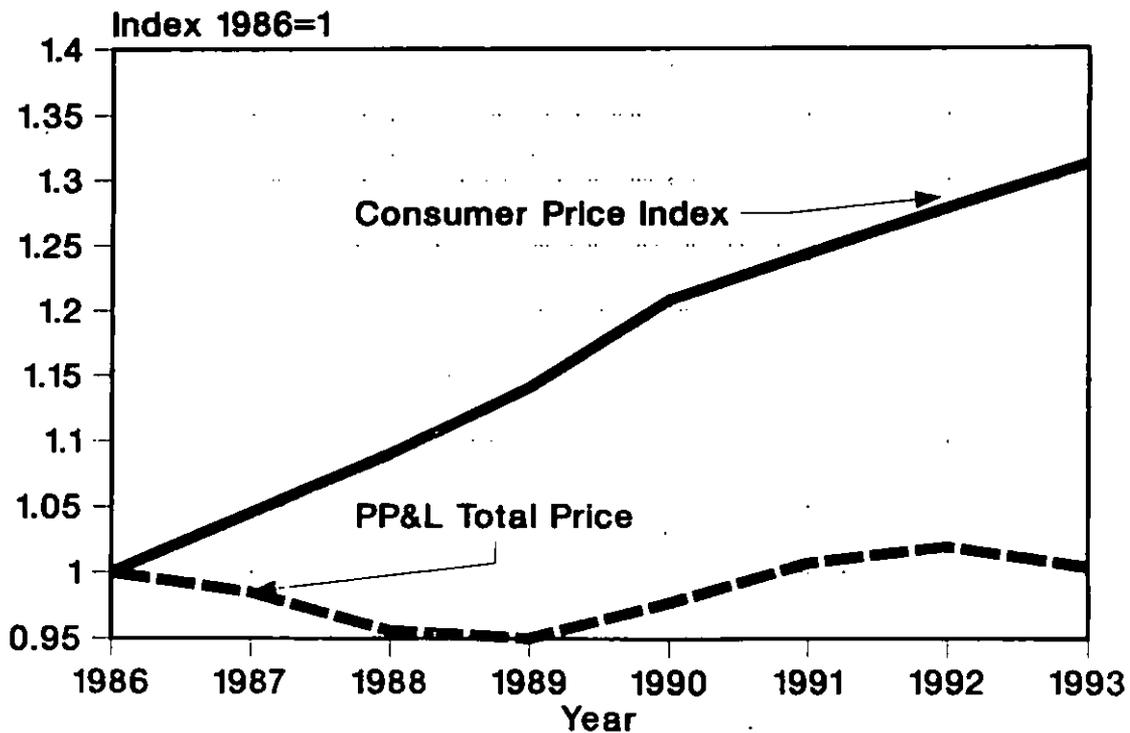


Thus, since the Company's last base rate case, its average price has remained essentially unchanged.

PP&L's average price also compares favorably with increases in the Consumer Price Index ("CPI"). As previously discussed, during the period from 1986 through 1993, the Company's average price remained essentially unchanged.

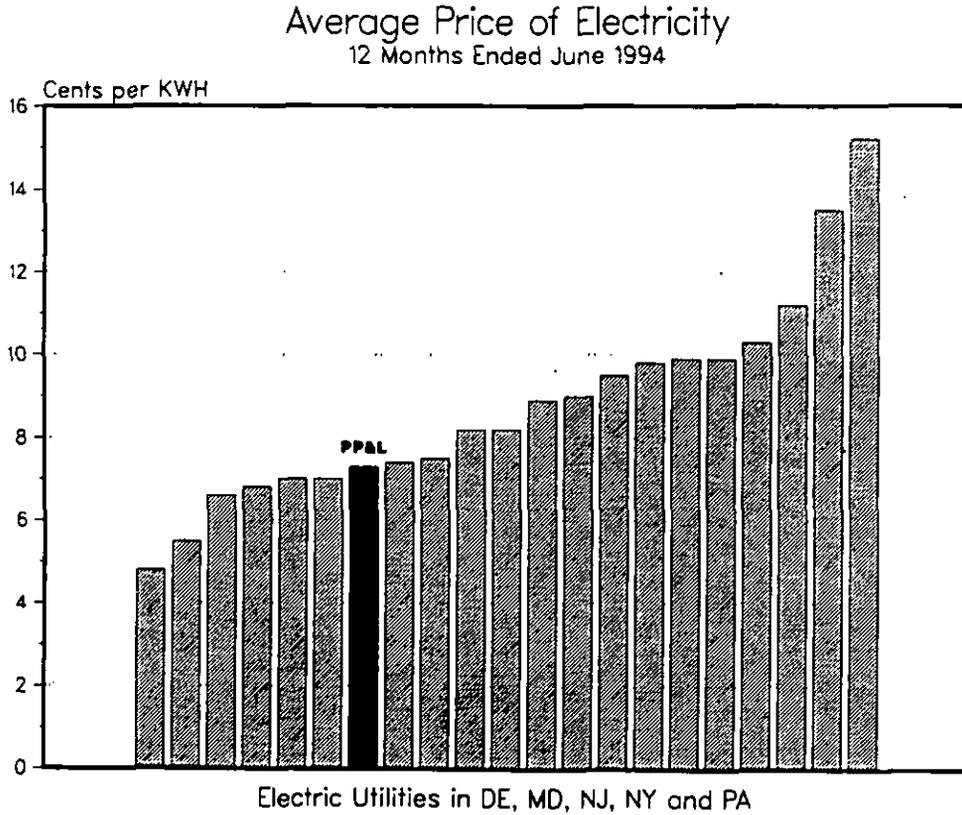
However, as shown on the chart below, over the same time period, the CPI increased by 31%.

### Total Price Changes Relative to CPI 1986 Price = 1



Thus, while the overall rate of inflation, as measured by the CPI, increased more than 30%, PP&L's average price for electricity remained virtually the same.

In addition, the Company's total price for electricity compares favorably with the average prices of other electric utilities in the region. The chart below shows a comparison for the 12-month period ended June 30, 1994.



In summary, these three comparisons demonstrate the success of PP&L's ratemaking philosophy.

#### 4. PP&L's Commitment to Communities

For decades, PP&L has been firmly committed to the communities it serves in central-eastern Pennsylvania. This commitment is demonstrated in at least three ways.

First, the Company continues to support and enhance economic development within its service area. Over the past ten years, the Company has proposed, and the Commission has approved, a series of economic development initiatives. Examples of these initiatives include interruptible service options; demand-free day options; and rate credits for incremental electricity use.

Recently, the Commission approved two innovative rates proposed by PP&L to respond to competitive pressures and to promote economic development in its service area. The first is a competitive rate rider. Under this program, PP&L can offer flexible rates to customers that have a credible alternative to the purchase of electricity from the Company. The second program is real time pricing which provides qualifying customers with an opportunity to purchase incremental energy at the cost PP&L actually incurs to provide that electricity. Because costs generally are lower during off-peak periods, the rates that customers will pay under this program will be lower during those periods. Customers who can add load during off-peak periods and/or shift load to those periods will experience cost savings under this rate option.

Second, PP&L supports efficient and effective use of energy by its customers. To this end, the Company has developed a portfolio of demand-side

management (DSM) programs and high-efficiency energy use programs. The Company's DSM plan has been submitted to the Commission and currently is under review. In addition, the Company continues to develop new initiatives in this area.

Third, PP&L has a long history of developing and supporting programs that assist the communities and individuals that it serves. Examples of successful existing programs in this area include Operation HELP, CARES, WRAP and "On Track" -- the Company's pilot customer assistance program. In addition to these programs, most of which have been in place for over ten years, PP&L has developed an extensive family of new programs. With this combination of existing and new initiatives, PP&L can continue to assist its customers who truly are in need.

#### 5. Specific Claims in the Filing

This base rate increase is being requested to cover the Company's cost of service including a fair return on capital investment. In addition, an increase in rates is needed to address future known changes in several aspects of the Company's business and to avoid future financial deterioration. Attachment A to this Statement of Reasons and the following discussion summarize the major components in the filing.

Environmental costs. As one of its principal corporate objectives, PP&L is committed to fully meeting all of its environmental responsibilities. With passage of the 1990 amendments to the Clean Air Act, these responsibilities have increased dramatically. The Company expects to incur significant additional costs to comply

with these amendments and other legal requirements regarding the emission of air pollutants such as sulfur dioxide and nitrogen oxide. The future test year data in this filing reflect the costs that PP&L will incur as of September 30, 1995, for these items.

Susquehanna depreciation. Currently, the Company depreciates the cost of Susquehanna nuclear plant facilities placed in service prior to January 1, 1989, using a sinking fund method. That method was proposed by PP&L and approved by the Commission in the Susquehanna Unit 1 case (Docket No. R-822169) and the Susquehanna Unit 2 case (Docket No. R-842651). Under the sinking fund method, the annual depreciation expense for Susquehanna increases every year until 1999. In this filing, the Company is requesting permission to set Susquehanna's depreciation expense for facilities placed in service prior to January 1, 1989, at a level amount of approximately \$173 million per year through 1998. When the plant's depreciation switches to straight-line in 1999, this expense will fall to about \$102 million per year. In this filing, PP&L is proposing to reduce its rates in 1999 by approximately \$70 million to recognize this change.

Fossil plant depreciation. This filing reflects a proposal to decrease, for depreciation purposes, the lives of certain fossil-fueled plants on the Company's system. This change is based on studies of the economic lives of these plants that considered, among other things, the cost of complying with new environmental requirements. The studies conclude that the depreciation lives of Holtwood Unit 17, Martins Creek Units 1 & 2 and the Sunbury station should be reduced by amounts that range from six to twelve years to reflect the uncertainties introduced by these

new requirements. The Company is proposing a deactivation date of 2003 for these units.

Susquehanna decommissioning. This filing includes a claim to recover the estimated cost of decommissioning the Susquehanna nuclear plant. This claim is based upon a site-specific study of the cost of decommissioning the plant that was conducted in late 1993 by TLG Services, Inc. That study estimated that the Company's 90% share of the total cost of decommissioning will be approximately \$724 million (in 1993 dollars), including both the radioactive and non-radioactive portions of the plant. The Company is proposing to use an annuity to collect this cost over the remaining life of Susquehanna.

Fossil plant decommissioning. This filing also includes a claim to recover the cost of decommissioning the Company's fossil-fueled power plants. The claim is based upon a study of the cost of decommissioning those plants that was conducted by TLG Services, Inc. earlier this year. The total cost of decommissioning is estimated to be \$614 million. If this request is granted, the Company proposes to use an annuity to collect this cost over the remaining lives of the affected plants.

SFAS 106. This filing reflects an estimate of the costs that PP&L will incur to comply with Statement of Financial Accounting Standards No. 106 (SFAS 106). Under SFAS 106, most major corporations, including PP&L, must accrue for the cost of certain post-retirement benefits rather than reflect those costs on a "pay-as-you-go" basis. In PP&L's case, this accrual is approximately \$17 million more than its annual cash payments for these benefits.

## 6. Issues Related to JCP&L Agreement

This filing addresses the upcoming termination of PP&L's capacity and energy sales agreement with Jersey Central Power & Light Company (JCP&L). That contract phases out in five steps, beginning on January 1, 1996. As the capacity and energy formerly sold to JCP&L is used to serve retail customers, PP&L should begin to recover the associated costs from those customers. The Company has not reflected any of those costs in the filing. Rather, PP&L is proposing that it be permitted to recover the costs through its Energy Cost Rate ("ECR") beginning on January 1, 1996.

An issue related to the JCP&L agreement is the Company's ratemaking treatment of revenue from its off-system sales of (1) installed capacity credits, (2) output reservations, and (3) transmission entitlements. Pursuant to a Commission-approved settlement agreement (Docket No. M-00930406), a portion of the revenue from installed capacity credit sales now is flowed through the ECR. If its proposal regarding the JCP&L agreement is approved, the Company proposes to flow through the ECR all current and future revenue from these capacity-related off-system sales.

## 7. Credits in the Filing

The discussion above summarizes the major specific items reflected in this filing. An equally important issue is the number of credits that PP&L has

included in the filing that reduce, to the extent possible, the amount of its rate increase request. Following is a discussion of four principal credits reflected in the filing.

Refinancings. Over the past several years, PP&L has vigorously pursued refinancing opportunities to replace high cost securities at a lower cost. The Company was in a unique position to benefit from these opportunities because during construction of the Susquehanna plant it was forced to borrow funds at rates exceeding 16%. Through its refinancing efforts, the Company was able to reduce its average embedded cost of long-term debt from 11.24% at December 31, 1985, to 7.97% in the future test year in this filing. Similarly, PP&L was able to reduce its average embedded cost of preferred and preference stock from 10.02% at December 31, 1985, to 7.31% in the future test year in this filing. The cumulative reduction in the Company's annual revenue requirement attributable to these reductions in embedded cost rates is approximately \$133 million.

Voluntary Early Retirement Program. Another revenue requirement credit arises from the Company's Voluntary Early Retirement Program ("VERP"). The VERP was offered to all employees 55 and older; approximately 850 employees were eligible. As of December 15, 1994, the cut-off date for participation, over 600 employees have elected to take early retirement under this program. The estimated impact of the VERP is reflected in the Company's filing as the annual savings less the total cost amortized over five years. The result is a net credit which will reduce the Company's rate increase request by \$12 million.

Depreciation of T&D facilities. The Company has determined that the depreciation lives of some of its transmission and distribution ("T&D") facilities are too short. In this filing, the Company is proposing to increase the lives of those facilities. This change will reduce the Company's revenue requirement by \$31 million.

Off-System Sales. As a part of its effort to avoid retail base rate increases and maintain rate stability, PP&L vigorously pursued capacity-related off-system sales. These sales can take many different forms. As indicated above, they have included: (1) sales of installed capacity credits, (2) output reservations, and (3) sales of transmission entitlements. In the future test year, revenue from these sales will reduce the Company's revenue requirement by about \$21 million.

#### 8. Rate of Return

In line with the Company's rate philosophy described earlier, the requested rate increase will produce a conservative return on rate base. PP&L's rate of return expert is recommending, and his studies support, a minimum rate of return on common equity of 13%. In light of the ongoing changes in the electric utility industry and recent trends in financial markets, this claim clearly is at the low end of the range of reasonableness. Moreover, the requested rate levels are designed to produce a rate of return on common equity slightly less than the claimed 13%.

## 9. Rate Design

As in previous cases, PP&L has prepared cost allocation studies designed to establish the rate of return for each rate class and the relationship of those rates of return to that of the system under both present and proposed conditions. Upon careful review of this material, it was concluded that the findings of these studies would form a principal basis for the assignment of increases to each rate group. Following this method produces varying percentage increases for each major customer class.

The Company is not proposing any major changes in the design of residential rates. The Residential Thermal Storage rate will continue to provide significant savings for qualifying customers. However, the Company is proposing to restrict the size of farms taking service under residential rate schedules.

PP&L also is proposing to re-price a credit that customers receive for taking interruptible service. This re-pricing will more closely approximate the current value of interruptible load to the Company. The credit now reflected in PP&L's tariff, which was established several years ago, is much higher than the current value of interruptible load.

The Company is proposing to offer a new rate to large high load factor industrial customers. This rate is designated Rate Schedule LP-6. In addition, PP&L will continue several economic development initiatives currently reflected in its tariff. Under one of these programs, qualifying industrial and commercial customers can receive credits for expanded electric use. Under the other program, the Company

can declare demand-free days so that qualifying customers will not incur any demand charges when they use electricity.

#### 10. Conclusion

As discussed above, the Company's overall approach to ratemaking has been based on two objectives. The first is to maintain rate stability. The second is to pass through to customers the rate impacts of specific non-recurring cost savings. This two-part philosophy has been successful. The decision to file the present case was made only after extensive analysis and deliberation. Both the revenue requirement component and the rate design component of the filing are designed to maintain, to the extent possible, the stability of the Company's retail rates.

**PENNSYLVANIA POWER AND LIGHT COMPANY**  
**MAJOR COMPONENTS OF THE 1994 BASE RATE INCREASE**

<u>Component</u>	<u>Amount</u> <u>(\$-Millions)</u>
Traditional Rate Items	\$150
(Includes, among other things: increases in rate base, depreciation and operating and maintenance expenses, a return on the common equity invested in Susquehanna Unit No. 2 and SFAS 106 costs, offset by sales growth and savings from the Company's refinancing program.)	
Decommissioning	
Nuclear	18
Fossil	43
Depreciation	
Levelize Susquehanna Sinking Fund Depreciation	33
Shorten Fossil Plant and General Lives	28
Lengthen T&D Lives	(31)
Voluntary Early Retirement Program	
Savings	(23)
Amortize Costs	11
Miscellaneous Items	20
(Includes, among other things: amortization of deferred SFAS 106 costs, the recovery of deferred operating and maintenance costs for the Susquehanna station, social programs, annualizing depreciation and environmental remediation.)	
Gross Receipts Tax	<u>12</u>
Total	<u>\$261</u>

# PENNSYLVANIA POWER & LIGHT COMPANY

## B--Book Statements Index

- B-1 Balance Sheet at September 30, 1995
- B-2 Electric Service--Statement of Net Utility Operating Income  
--Year Ended September 30, 1995
- B-3 Electric Service--Operating Revenues--Year Ended September 30, 1995
- B-4 Electric Service--Operation and Maintenance Expenses--Year Ended September 30, 1995
- B-5 Electric Service--Detail of Taxes--Year Ended September 30, 1995
- B-6 *Historical (Embedded) Cost of Debt Capital at September 30, 1995*
- B-7 *Historical (Embedded) Cost of Preferred and Preference Stock Capital at  
September 30, 1995*
- B-8 Capital Structures--Years Ended 1989-1993 and September 30, 1994 and 1995
- B-9 Rate of Return at September 30, 1995

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1995  
Assets and Other Debits  
(Thousands of Dollars)**

<u>Acct. No.</u>	<u>Title of Account</u>	<u>Amount</u>
	<b>Utility Plant</b>	
101	Plant in service	\$9,607,472
101.1	Property under capital leases	98,801
105	Plant held for future use	30,340
107	Construction work in progress	113,214
	Gross utility plant	<u>9,849,827</u>
108	Accumulated provision for depreciation	(2,845,830)
111	Accumulated provision for amortization	(15,715)
	Net utility plant, less nuclear fuel	<u>6,988,282</u>
120.1	Nuclear fuel in process	-
120.6	Nuclear fuel under capital leases	175,612
	Net Utility Plant	<u>7,163,894</u>
	<b>Other Property and Investments</b>	
121	Nonutility property	3,697
122	Accumulated provision for depreciation of nonutility property	<u>(434)</u>
	Net nonutility property	3,263
123.1	Investment in subsidiary companies	98,381
124	Other investments	9,156
128	Other special funds	126,026
	Total Other Property and Investments	<u>236,826</u>
	<b>Current and Accrued Assets</b>	
131	Cash	574
132	Interest special deposits	289
134	Other special deposits	1
135	Working funds	1,510
	<b>Notes and accounts receivable</b>	
141	Notes receivable	10
142	Customer accounts receivable	209,330
143	Other accounts receivable	18,931
144	Accumulated provision for uncollectible accounts--credit	<u>(27,466)</u>
	Total notes and accounts receivable	200,805
145	Notes receivable from associated companies	70,238
146	Accounts receivable from associated companies	1,003

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1995  
Assets and Other Debits (Continued)  
(Thousands of Dollars)**

<b><u>Acct. No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
	Current and Accrued Assets (Continued)	
	Materials and supplies	
151	Fuel stock	\$93,953
152	Fuel stock expenses undistributed	288
154	Plant materials and operating supplies	115,634
163	Stores expense undistributed	1,173
	Total materials and supplies	<u>211,048</u>
165	Prepayments	31,521
	Other current and accrued assets	
171	Interest and dividends receivable	1
172	Rents receivable	2,918
173	Accrued utility revenues	66,805
174	Miscellaneous current and accrued assets	12,519
190	Accumulated deferred income taxes (current)	34,966
	Total other current and accrued assets	<u>117,209</u>
	Total Current and Accrued Assets	<u>634,198</u>
	Deferred Debits	
181	Unamortized debt expense	5,002
182.3	Other regulatory assets	1,364,017
183	Preliminary survey and investigation charges	529
184	Clearing accounts	(905)
185	Temporary facilities	(14)
186	Miscellaneous deferred debits	15,637
189	Unamortized loss on reacquired debt	115,887
190	Accumulated deferred income taxes (noncurrent)	
	Susquehanna SES test power	16,852
	SFAS 109	149,275
	Other	128,497
	Total accumulated deferred income taxes (noncurrent)	<u>294,624</u>
	Total Deferred Debits	<u>1,794,777</u>
	Total Assets and Other Debits	<u>\$9,829,695</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1995  
Liabilities and Other Credits  
(Thousands of Dollars)**

<b>Acct. No.</b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
	Proprietary Capital	
201	Common stock issued	\$1,598,327
204	Preferred stock issued	466,375
207	Premium on capital stock	87
211	Miscellaneous paid-in capital- unrealized holding gains and (losses)	1,014
214	Capital stock expense	(14,085)
215.1	Appropriated retained earnings-- amortization reserve--Federal	3,063
216	Unappropriated retained earnings	1,084,586
216.1	Unappropriated undistributed subsidiary earnings	15,877
	Total Proprietary Capital	<u>3,155,244</u>
	Long-Term Debt	
221	Bonds	2,873,250
225	Unamortized premium on long-term debt	60
226	Unamortized discount on long-term debt--debit	<u>(21,779)</u>
	Total Long-Term Debt	<u>2,851,531</u>
	Other Noncurrent Liabilities	
227	Obligations under capital leases (noncurrent)	<u>109,306</u>
	Current and Accrued Liabilities	
231	Notes payable	111,703
232	Accounts payable	32,730
234	Accounts payable to associated companies	1,867
235	Customer deposits	1,106
236	Taxes accrued	27,741
237	Interest accrued	58,777
238	Dividends declared	75,108
240	Matured interest	2
241	Tax collections payable	4,891
242	Miscellaneous current and accrued liabilities	78,374
243	Obligations under capital leases--current	77,773
283	Accumulated deferred income taxes-other (current)	7,048
	Total Current and Accrued Liabilities	<u>477,120</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1995  
Liabilities and Other Credits (Continued)  
(Thousands of Dollars)**

<b><u>Acct. No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
	Deferred Credits	
228.4	Accumulated miscellaneous operating provisions	\$32,962
252	Customer advances for construction	40
253	Other deferred credits	319,819
254	Other regulatory liabilities	273,664
255	Accumulated deferred investment tax credits	219,815
281	Accumulated deferred income taxes-- accelerated amortization property	456
282	Accumulated deferred income taxes--other property	
	Class life depreciation system	39,195
	Accelerated cost recovery system	
	Nuclear	845,227
	Non-nuclear	231,646
	Removal of retired depreciable property	4,931
	Fuel costs-test generation	2,909
	SFAS 109	677,238
	Other	40,005
	Total accumulated deferred income taxes--other property	<u>1,841,151</u>
283	Accumulated deferred income taxes--other (noncurrent)	<u>548,587</u>
	Total Deferred Credits	<u>3,236,494</u>
	Total Liabilities and Other Credits	<u>\$9,829,695</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Net Utility Operating Income  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<b><u>Acct. No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
400	Operating Revenues (B-3)	<u>\$2,757,934</u>
	Operating Expenses:	
401)	Operation and maintenance expense (B-4)	
402)	Power production	1,156,372
	Transmission	12,819
	Distribution	93,799
	Customer accounts	51,984
	Customer service and informational expenses	18,067
	Sales	4,959
	Administrative and general	<u>173,326</u>
	Total Operation and Maintenance Expense	<u>1,511,326</u>
403)	Depreciation expense and amortization of electric plant	
406)	acquisition adjustments	339,837
407.3	Regulatory debits	22,402
407.4	Regulatory credits	(58,750)
	Taxes (B-5)	
408.1	Taxes other than income taxes	204,772
409.1	Income taxes	263,422
	Deferred income taxes	
410.1	Provision	49,128
411.1	Provision - credit	(73,224)
	Investment tax credits adjustment	
411.4	Amortization of deferments--credits	<u>(11,037)</u>
	Total Taxes	<u>433,061</u>
411.8	Gains from disposition of emission allowances	<u>(486)</u>
	Total Operating Expenses	<u>2,247,390</u>
	Net Utility Operating Income	<u><u>\$510,544</u></u>

PENNSYLVANIA POWER & LIGHT COMPANY

Electric Service  
Statement of Operating Revenue  
Year Ended September 30, 1995  
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>Sales of Electricity</u>	
1	Residential	\$919,237
2	Commercial	760,197
3	Industrial	526,157
4	Public authorities	17,014
5	Railroads	8,459
6	Sales for resale	484,414
7	Interdepartmental sales	<u>0</u>
8	Sales revenue	<u>2,715,478</u>
	<u>Other Operating Revenue</u>	
9	Forfeited discounts	7,074
10	Miscellaneous service revenue	203
11	Rental of electric property	12,692
	Other electric revenues	
12	Unbilled revenues	(11,023)
13	Other	<u>33,510</u>
14	Other Operating Revenue	<u>42,456</u>
15	Total Electric Operating Revenue	<u>\$2,757,934</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1995  
(Thousands of Dollars)

<u>Acct.</u> <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
	<u>Power Production Expenses</u>	
	<u>Steam Power Generation</u>	
	Operation	
500	Operation supervision and engineering	\$10,034
501	Fuel	
	Average Costs- Boiler	445,954
	Waste Heat Utilization- Credit	(95)
	Differential Fuel Cost- Oil Terminaling	6,718
	Retired Miners' Health Care Costs	3,858
	Other--fuel unloading, handling, etc.	<u>17,415</u>
		473,850
502	Steam expenses	15,384
505	Electric expenses	7,666
506	Miscellaneous steam power expenses	29,461
507	Rents	335
	Total Operation	<u>536,730</u>
	Maintenance	
510	Maintenance supervision and engineering	5,528
511	Maintenance of structures	5,251
512	Maintenance of boiler plant	60,752
513	Maintenance of electric plant	14,269
514	Maintenance of miscellaneous steam plant	7,417
	Total Maintenance	<u>93,217</u>
	Total Power Production Expense--Steam Power	<u>629,947</u>
	<u>Nuclear Power Generation</u>	
	Operation	
517	Operation supervision and engineering	17,876
518	Nuclear fuel expense	
	Nuclear fuel consumed--leased	58,073
	Financing costs	6,366
	Spent fuel disposal	13,248
	Decontamination and decommissioning fund assessment	2,889
	Other	<u>475</u>
		81,051
519	Coolants and water	3,595
520	Steam expenses	25,698
523	Electric expenses	2,989
524	Miscellaneous nuclear power expenses	49,092
525	Rents	568
	Total Operation	<u>\$180,869</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1995  
(Thousands of Dollars)

<u>Acct.</u> <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
<u>Nuclear Power Generation (Continued)</u>		
Maintenance		
528	Maintenance supervision and engineering	\$22,073
529	Maintenance of structures	6,657
530	Maintenance of reactor plant equipment	18,066
531	Maintenance of electric plant	8,909
532	Maintenance of miscellaneous nuclear plant	4,493
	Total Maintenance	<u>60,198</u>
	Total Power Production Expenses-- Nuclear Power	<u>241,067</u>
<u>Hydraulic Power Generation</u>		
Operation		
535	Operation supervision and engineering	541
536	Water for power	348
537	Hydraulic expenses	844
538	Electric expenses	997
539	Miscellaneous hydraulic power generation expenses	1,085
540	Rents	27
	Total Operation	<u>3,842</u>
Maintenance		
541	Maintenance supervision and engineering	159
542	Maintenance of structures	160
543	Maintenance of reservoirs, dams and waterways	843
544	Maintenance of electric plant	518
545	Maintenance of miscellaneous hydraulic plant	508
	Total Maintenance	<u>2,188</u>
	Total Power Production Expense-- Hydraulic Power	<u>\$6,030</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<b>Acct. No.</b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
<b><u>Other Power Generation</u></b>		
<b>Operation</b>		
546	Operation supervision and engineering	\$165
547	Fuel	
	Cost of oil	1,867
	Other--Fuel unloading, handling, etc.	<u>24</u>
		1,891
548	Generation expenses	99
549	Miscellaneous other power generation expenses	153
550	Rents	1,655
	<b>Total Operation</b>	<u><u>3,963</u></u>
<b>Maintenance</b>		
551	Maintenance supervision and engineering	165
552	Maintenance of structures	215
553	Maintenance of generating and electric plant	1,788
	<b>Total Maintenance</b>	<u><u>2,168</u></u>
	<b>Total Power Production Expense--Other Power</b>	<u><u>6,131</u></u>
<b><u>Other Power Supply Expenses</u></b>		
555	Purchased power	
	Interchange-receipts	3,989
	Purchased power-firm	10,505
	-surplus	<u>248,803</u>
		263,297
556	System control and load dispatching	9,398
557	Other expenses	502
	<b>Total Other Power Supply Expenses</b>	<u><u>273,197</u></u>
	<b>Total Power Production Expenses</b>	<u><u>\$1,156,372</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<b><u>Acct. No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
<b><u>Transmission Expenses</u></b>		
Operation		
560	Operation supervision and engineering	\$1,522
561	Load dispatching	2,683
562	Station expenses	691
563	Overhead line expenses	117
565	Transmission of electricity by others	502
566	Miscellaneous transmission expenses	511
567	Rents	24
	Total Operation	<u>6,050</u>
Maintenance		
568	Maintenance supervision and engineering	1,058
569	Maintenance of structures	63
570	Maintenance of station equipment	3,052
571	Maintenance of overhead lines	2,596
573	Maintenance of miscellaneous transmission plant	0
	Total Maintenance	<u>6,769</u>
	Total Transmission Expenses	<u>12,819</u>
<b><u>Distribution Expenses</u></b>		
Operation		
580	Operation supervision and engineering	5,529
581	Load dispatching	3,847
582	Station expenses	3,733
583	Overhead line expenses	2,801
584	Underground line expenses	1,225
585	Street lighting and signal system expenses	162
586	Meter expenses	5,260
587	Customer installations expenses	3,170
588	Miscellaneous distribution expenses	5,930
589	Rents	5,386
	Total Operation	<u>\$37,043</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1995  
(Thousands of Dollars)

<u>Acct.</u> <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
Distribution Expenses (Continued)		
Maintenance		
590	Maintenance supervision and engineering	\$5,803
591	Maintenance of structures	214
592	Maintenance of station equipment	5,989
593	Maintenance of overhead lines	32,642
594	Maintenance of underground lines	2,747
595	Maintenance of line transformers	4,235
596	Maintenance of street lighting and signal systems	1,665
597	Maintenance of meters	3,026
598	Maintenance of miscellaneous distribution plant	435
	Total Maintenance	<u>56,756</u>
	Total Distribution Expenses	<u>93,799</u>
<u>Customer Accounts Expenses</u>		
Operation		
901	Supervision	1,636
902	Meter reading expenses	9,378
903	Customer records and collection expenses	22,222
904	Uncollectible accounts	16,932
905	Miscellaneous customer accounts expenses	1,816
	Total Customer Accounts Expenses	<u>51,984</u>
<u>Customer Service and Informational Expenses</u>		
Operation		
907	Supervision	0
908	Customer assistance expenses	15,852
909	Informational and instructional expenses	1,147
910	Miscellaneous customer service and information expenses	1,068
	Total Customer Service and Informational Expenses	<u>18,067</u>
<u>Sales Expenses</u>		
Operation		
911	Supervision	0
912	Demonstrating and selling expenses	2,105
913	Advertising expenses	204
916	Miscellaneous sales expenses	2,650
	Total Sales Expenses	<u>\$4,959</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1995  
(Thousands of Dollars)

Acct.

No. Title of Account

Administrative and General Expenses

Operation

920	Administrative and general salaries	\$37,564
921	Office supplies and expenses	19,364
923	Outside services employed	7,876
924	Property insurance	8,868
925	Injuries and damages	8,327
926	Employee pensions and benefits	66,373
928	Regulatory commission expenses	4,919
929	Duplicate charges--credit	0
930	Miscellaneous general expenses	16,309
931	Rents--office buildings	49
	Total Operation	<u>169,649</u>
935	Maintenance of General Plant	3,677
	Total Administrative & General Expenses	<u>173,326</u>
	Total Electric Operation & Maintenance Expenses	<u>\$1,511,326</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Detail of Taxes  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
	<b>Taxes Other Than Income Taxes</b>	
	<b>State and Local</b>	
1	Capital Stock	\$36,525
2	Gross Receipts	100,619
3	Local Property and Other	771
4	Public Utility Realty	46,000
5	Regulatory Commission Assessment	813
6	State Unemployment Compensation	625
7	Sales and Use	0
8	<b>Total State and Local</b>	<b><u>185,353</u></b>
	<b>Federal</b>	
9	Unemployment Tax Act	139
10	Social Security and Hospital Insurance	18,497
11	Environmental Tax	783
12	<b>Total Federal</b>	<b><u>19,419</u></b>
13	<b>Total Taxes Other Than Income</b>	<b><u>204,772</u></b>
	<b>Income Taxes</b>	
14	State	70,411
15	Federal	<u>193,011</u>
16	<b>Total Income Taxes</b>	<b><u>263,422</u></b>
	<b>Investment Tax Credit</b>	
17	Deferred	0
18	Amortization of Deferral	<u>(11,037)</u>
19	<b>Net Investment Tax Credit</b>	<b><u>(11,037)</u></b>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Detail of Taxes  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>		
		<u>Federal</u>	<u>State</u>	<u>Total</u>
	Deferred Income Taxes			
	Provision for Deferred Taxes			
20	Contributions in Aid of Construction	286	104	390
21	A&G Costs Capitalized	132	48	180
22	Interest Capitalized	5	1	6
23	Susquehanna SES Test Power	577	211	788
24	M&S Inventory Adjustment	1,554	567	2,121
25	ACRS & MACRS	27,941	0	27,941
26	Pension Costs Capitalized	1,890	686	2,576
27	Unfunded Future Tax Liability-FERC	2,304	837	3,141
28	SSES Deferred Refueling Outage Costs	6,130	2,163	8,293
29	Energy Trust Financing Costs	67	24	91
30	Loss on Reaquired Debt	2,462	869	3,331
31	Environmental Cleanup Costs	200	70	270
32	Total Provision	<u>43,548</u>	<u>5,580</u>	<u>49,128</u>
	Provision for Deferred Taxes - Credit			
33	Bad Debts	(617)	(198)	(815)
34	Vacation Pay	(604)	(221)	(825)
35	Contributions in Aid of Construction	(1,494)	(540)	(2,034)
36	PURTA Capitalized	(164)	(58)	(222)
37	A&G Costs Capitalized	(764)	(279)	(1,043)
38	Gross Receipts Tax-Late Payment Char	(74)	(26)	(100)
39	Gross Pension Costs	(5,557)	(2,024)	(7,581)
40	Retired Miners' Health Care Costs	(865)	(305)	(1,170)
41	Post Employment Benefits	(146)	(52)	(198)
42	Decommissioning Costs	(340)	(123)	(463)
43	Post Retirement Benefits	(2,544)	(898)	(3,442)
44	Restricted Stock Award	(14)	(7)	(21)
45	Supplemental Executive Retirement Pla	(371)	(136)	(507)
46	Pollution Control Facilities	(95)	0	(95)
47	Class Life System	(1,327)	0	(1,327)
48	Removal Costs	(779)	0	(779)
49	Martins Creek Test Power	(197)	0	(197)
50	ACRS & MACRS	(29,596)	0	(29,596)
51	Pension Costs Capitalized	(44)	(16)	(60)
52	Full Normalization of Taxes-FERC	(2,969)	0	(2,969)
53	SSES Deferred Refueling Outage Costs	(6,961)	(2,519)	(9,480)
54	ECR/FAC Over/Under Collection	(2,991)	(1,146)	(4,137)
55	DOE Assessment-D&D Fund	(896)	(325)	(1,221)
56	Loss on Reaquired Debt	(2,263)	(825)	(3,088)
57	Disposal of Low Level Radwaste	(1,371)	(483)	(1,854)
58	Total Credits	<u>(63,043)</u>	<u>(10,181)</u>	<u>(73,224)</u>
59	Total Taxes			<u>\$433,061</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Calculation of Composite Cost Rate of Long-Term Debt  
At September 30, 1995  
(Thousands of Dollars)

<u>First Mortgage Bonds</u>	<u>Amount Outstanding</u>	<u>Percent to Total</u>	<u>Effective Interest Rate (a)</u>	<u>Average Weighted Cost Rate</u>	
5-5/8 % Series Due 1996	\$ 30,000	1.17 %	5.53 %	0.06 %	
6-3/4 % Series Due 1997	30,000	1.17	6.67	0.08	
5-1/2 % Series Due 1998	150,000	5.86	5.72	0.34	
7 % Series Due 1999	40,000	1.56	7.02	0.11	
8-1/8 % Series Due 1999	40,000	1.56	8.16	0.13	
6 % Series Due 2000	125,000	4.88	6.16	0.30	
7-1/4 % Series Due 2001	60,000	2.35	7.26	0.17	
7-5/8 % Series Due 2002	75,000	2.93	7.64	0.22	
7-3/4 % Series Due 2002	150,000	5.86	7.88	0.46	
7-1/2 % Series Due 2003	80,000	3.13	7.50	0.23	
6-7/8 % Series Due 2003	100,000	3.91	7.09	0.28	
6-7/8 % Series Due 2004	150,000	5.86	7.07	0.41	
6-1/2 % Series Due 2005	125,000	4.88	6.71	0.33	
6.55 % Series Due 2006	150,000	5.86	6.67	0.39	
7.70 % Series Due 2009 (b)	200,000	7.82	7.85	0.61	
7-3/8 % Series Due 2014	100,000	3.91	7.55	0.30	
9-1/4 % Series Due 2019 (c)	154,500	6.04	9.37	0.57	
9-3/8 % Series Due 2021	150,000	5.86	9.52	0.56	
8-1/2 % Series Due 2022	150,000	5.86	8.61	0.50	
7-7/8 % Series Due 2023	200,000	7.81	8.03	0.63	
6-3/4 % Series Due 2023	150,000	5.86	6.91	0.40	
7.30 % Series Due 2024	150,000	5.86	7.42	0.44	
<b>Total</b>	<b>\$ 2,559,500</b>	<b>100.00 %</b>		<b>7.52 %</b>	
<u>Pollution Control Series H</u>					
6.40 % Series Due 2021	\$ 90,000	28.69	6.56	1.88	
<u>Pollution Control Series I</u>					
5.50 % Series Due 2027	53,250	16.97	5.67	0.96	
<u>Pollution Control Series J</u>					
6.40 % Series Due 2029	115,500	36.81	6.52	2.40	
<u>Pollution Control Series K</u>					
6.50 % Series Due 2025 (b)	55,000	17.53	6.58	1.16	
<b>Total</b>	<b>\$ 313,750</b>	<b>100.00 %</b>		<b>6.40 %</b>	
<b>Total First Mortgage Bonds</b>	<b>\$ 2,559,500</b>	<b>89.08</b>	<b>7.52</b>	<b>6.70</b>	
<b>Total Pollution Control Bonds</b>	<b>313,750</b>	<b>10.92</b>	<b>6.40</b>	<b>0.70</b>	
	<b>2,873,250</b>	<b>100.00 %</b>		<b>7.40 %</b>	
Long-Term Debt	2,873,250			7.40 %	\$ 212,621 (d)
Loss on Reacquired Debt	(115,887)				7,289 (e)
Gain of Reacquired Debt					(82) (f)
<b>Adjusted Long-Term Debt</b>	<b>\$ 2,757,363</b>			<b>7.97 % (g)</b>	<b>\$ 219,828</b>

- (a) Effective cost rate from Schedule B-6, page 2.  
(b) Bonds issued subsequent to September 30, 1994.  
(c) \$95,500 of bonds redeemed subsequent to September 30, 1994.  
(d) 7.40% x \$2,873,250  
(e) Annualized amortization of loss on reacquired debt.  
(f) Annualized amortization of gain on reacquired debt.  
(g) \$219,828 / \$2,757,363

PENNSYLVANIA POWER AND LIGHT COMPANY  
 Schedule of Long-Term Debt and Calculation  
 of Average Weighted Cost Rate at September 30, 1995

Description of Issue	Nominal Date of Issue	Date of Maturity	Amount Issued	Amount Outstanding	Amount Retired	Coupon Rate - %	Premium or (Discount) at Issuance	Issuance Expense	Net Proceeds	Annual Sinking Fund Requirement(1)	Average Term in Years	Net Proceeds Ratio	Effective Interest Rate
5-5/8 % Series Due 1996	6/1/66	6/1/96	\$ 30,000,000	\$ 30,000,000		5-5/8%	\$ 470,970	\$ 54,725	\$ 30,416,245	\$ 300,000	30	101.39	5.53 %
6-3/4 % Series Due 1997	11/1/67	11/1/97	30,000,000	30,000,000		6-3/4	378,300	54,843	30,323,457	300,000	30	101.08	6.67
5-1/2 % Series Due 1998	4/1/93	4/1/98	150,000,000	150,000,000		5-1/2	(1,264,500)	168,141	148,567,359		5	99.04	5.72
7 % Series Due 1999	1/1/69	1/1/99	40,000,000	40,000,000		7	(36,400)	65,884	39,897,716	400,000	30	99.74	7.02
8-1/8 % Series Due June 1, 1999	6/1/69	6/1/99	40,000,000	40,000,000		8-1/8	(80,000)	65,906	39,854,094	400,000	30	99.64	8.16
6 % Series Due 2000	6/1/93	6/1/00	125,000,000	125,000,000		6	(993,750)	137,817	123,868,433		7	99.09	6.16
7-1/4 % Series Due 2001	2/1/71	2/1/01	60,000,000	60,000,000		7-1/4	30,000	96,892	59,933,108	600,000	30	99.89	7.26
7-5/8 % Series Due 2002	2/1/72	2/1/02	75,000,000	75,000,000		7-5/8	(35,250)	110,041	74,854,709	750,000	30	99.81	7.64
7-3/4 % Series Due 2002	5/1/92	5/1/02	150,000,000	150,000,000		7-3/4	(1,182,000)	190,078	148,627,922		10	99.09	7.88
7-1/2 % Series Due 2003	1/1/73	1/1/03	80,000,000	80,000,000		7-1/2	79,200	115,987	79,963,213		30	99.95	7.50
6-7/8 % Series Due 2003	2/1/93	2/1/03	100,000,000	100,000,000		6-7/8	(1,185,000)	315,508	98,499,492		10	98.50	7.09
6-7/8 % Series Due 2004	3/1/94	3/1/04	150,000,000	150,000,000		6-7/8	(1,888,500)	180,604	147,930,896		10	98.62	7.07
6-1/2 % Series Due 2005	4/1/93	4/1/05	125,000,000	125,000,000		6-1/2	(2,045,000)	109,199	122,845,801		12	98.28	6.71
6.55 % Series Due 2006	3/1/94	3/1/06	150,000,000	150,000,000		6.55	(1,345,500)	183,693	148,470,807		12	98.98	6.67
7.70 % Series Due 2009	(2) 10/1/94	10/1/09	200,000,000	200,000,000		7.70	-	1,250,000	198,750,000		5 (3)	98.38	7.85
7-3/8 % Series Due 2014	3/1/94	3/1/14	100,000,000	100,000,000		7-3/8	(1,655,000)	122,873	98,222,127		20	98.22	7.55
9-1/4 % Series Due 2019	(4) 10/1/89	10/1/19	250,000,000	154,500,000	\$95,500,000	9-1/4	(1,660,875)	197,679	152,641,446		30	98.80	9.37
9-3/8 % Series Due 2021	7/1/91	7/1/21	150,000,000	150,000,000		9-3/8	(2,001,000)	161,507	147,837,493		30	98.56	9.52
8-1/2 % Series Due 2022	5/1/92	5/1/22	150,000,000	150,000,000		8-1/2	(1,636,500)	189,347	148,174,153		30	98.78	8.61
7-7/8 % Series Due 2023	2/1/93	2/1/23	200,000,000	200,000,000		7-7/8	(3,230,000)	187,187	196,582,813		30	98.29	8.03
6-3/4 % Series Due 2023	10/1/93	10/1/23	150,000,000	150,000,000		6-3/4	(2,844,000)	174,957	146,981,043		30	97.99	6.91
7.30 % Series Due 2024	3/1/94	3/1/24	150,000,000	150,000,000		7.30	(2,037,000)	151,193	147,811,807		30	98.54	7.42
<u>Pollution Control Series G</u>													
9-3/8 % Series Due 2015	(5) 6/15/85	7/1/15	55,000,000	-	55,000,000	9-3/8	-	-	-		30	-	-
<u>Pollution Control Series H</u>													
6.40 % Series Due 2021	11/1/92	11/1/21	90,000,000	90,000,000		6.40	(787,500)	1,047,512	88,164,988		29	97.96	6.56
<u>Pollution Control Series I</u>													
5.50 % Series Due 2027	2/15/94	2/15/27	53,250,000	53,250,000		5.50	(998,438)	310,584	51,940,978		33	97.54	5.67
<u>Pollution Control Series J</u>													
6.40 % Series Due 2029	9/1/94	9/1/29	115,500,000	115,500,000		6.40	(990,990)	915,000 (6)	113,594,010		35	98.35	6.52
<u>Pollution Control Series K</u>													
6.50 % Series Due 2025	(2) 6/1/95	6/1/25	55,000,000	55,000,000		6.50	-	550,000	54,450,000		30	99.00	6.58

- (1) The sinking fund requirements may be met with property additions or bonds.  
 (2) Bonds were issued subsequent to September 30, 1994, all information provided is budgeted information.  
 (3) The bondholders have the right to require the Company to redeem the bonds on October 1, 1999 at 100% of the principal amount.  
 (4) \$95,500,000 redeemed subsequent to September 30, 1994.  
 (5) Pollution Control series G redeemed subsequent to September 30, 1994  
 (6) Estimate

NOTE: No bonds under any series outstanding have been reacquired by the Company.

PENNSYLVANIA POWER & LIGHT COMPANY

Composite Cost Rate of Preferred Stock  
At September 30, 1995  
(Thousands of Dollars)

	<u>Amount Outstanding</u>	<u>Percent to Total</u>	<u>Effective Cost Rate (1)</u>	<u>Weighted Cost Rate</u>	<u>Annual Cost</u>
4-1/2 % Preferred Series Preferred	\$ 53,019	11.37 %	5.03 %	0.57 %	\$ 2,667
3.35%	4,178	0.89	3.37	0.03	141
4.60%	6,300	1.35	4.79	0.07	302
4.40%	22,878	4.91	4.46	0.22	1,020
6.33%	100,000	21.44	6.44	1.38	6,440
6.125%	115,000	24.66	6.23	1.54	7,165
6.75%	85,000	18.23	6.82	1.24	5,797
5.95%	30,000	6.43	6.11	0.39	1,833
6.05%	25,000	5.36	6.19	0.33	1,547
6.15%	25,000	5.36	6.28	0.34	1,570
Total Preferred Stock	466,375	100.00 %		6.11 %	28,482
Unamortized Premiums and Unrecovered Original Issue Costs on Redeemed Stock (2)	<u>(16,840)</u>				<u>4,359</u>
	<u>\$ 449,535</u>			7.31 % (3)	<u>\$ 32,841</u>

(1) Effective cost rate from Schedule B-7, Page 2.

(2) See Schedule B-7, Page 3 for determination of this amount.

(3) \$32,841 / \$449,535

PENNSYLVANIA POWER & LIGHT COMPANY

Computation of Preferred Stock Effective Cost Rate by Series  
At September 30, 1995

Description of Issue	Date of Issue	Date of Maturity(1)	Amount Issued	Amount Outstanding	Amount Retired	Gain on Reacquisition	Issuance Expenses Net of Premium	Net Proceeds(2)	Sinking Fund Requirements		Nominal Dividend Rate	Average Term in Years(1)	Net Proceeds Ratio	Effective Cost Rate (3)
									Annual Requirements (Shares)	Redemption Period				
<u>Cumulative Preferred Stock</u>														
3.35 % Series	5/2/46	*	\$ 4,178,300	\$ 4,178,300			\$ 21,029	\$ 4,157,271	-	-	3.35 %	*	99.50 %	3.37 %
4.60 % Series	10/21/48	*	6,300,000	6,300,000			248,899	6,051,101	-	-	4.60	*	96.05	4.79
4.40 % Series	8/5/52	*	22,877,300	22,877,300			316,821	22,560,479	-	-	4.40	*	98.62	4.46
4-1/2 % Series	12/10/45	*	53,018,900	53,018,900			154,373 (4)	47,435,627 (5)	-	-	4.50	*	89.47	5.03
	12/22/54	*												
6.33 % Series	6/10/93	7/1/08	100,000,000	100,000,000			1,056,645	98,943,355	50,000	2003-2007	6.33	14.25	98.94	6.44
									750,000	2008				
6.125 % Series	8/17/93	10/1/08	115,000,000	115,000,000			1,114,078	113,885,922	57,500	2003-2007	6.125	14.25	99.03	6.23
									862,500	2008				
6.75 % Series	10/5/93	*	85,000,000	85,000,000			851,022	84,148,978	-	-	6.75	*	99.00	6.82
5.95 % Series	3/23/94	4/1/01	30,000,000	30,000,000			264,883	29,735,117	-	-	5.95	6.00	99.12	6.11
6.05 % Series	3/23/94	4/1/02	25,000,000	25,000,000			224,926	24,775,074	-	-	6.05	7.00	99.10	6.19
6.15 % Series	3/23/94	4/1/03	25,000,000	25,000,000			224,926	24,775,074	-	-	6.15	8.00	99.10	6.28

(1) Date of Maturity and Average Term in Years are listed for issues with sinking fund requirements. Issues marked with an \* do not have sinking fund requirements and therefore these fields are not applicable to these issues.

(2) Amount outstanding less issuance expenses net of premium.

(3) For issues without sinking fund requirements the effective cost rate is computed by dividing the nominal dividend rate by the net proceeds ratio.

(4) Includes \$87,000 premium.

(5) Net proceeds after deducting \$5,428,900 attributable to cost of Company refinanced issues carried forward.

PENNSYLVANIA POWER & LIGHT COMPANY  
 DETERMINATION OF UNAMORTIZED PREMIUMS AND  
 ORIGINAL ISSUE COSTS ON REACQUIRED PREFERRED AND PREFERENCE STOCK  
 AS OF SEPTEMBER 30, 1995

	(1) Date Redeemed	(2) Unrecovered Original Issue Costs	(3) Average Remaining Life-Mos.	(4) Monthly Amortization(a)	(5) Amortization through 9/30/95-Mos.	(6) Amortization(b)	(7) Unamortized Premium/OIC 9/30/95(c)	Oct. 1, 1995- Sept. 30, 1996 Amortization(e)	
<b>Preferred Stock(d)</b>									
9.24% Series	2/1/92	\$258,900	\$371,446	101	\$6,241	44.00	\$274,604	\$355,742	\$74,892
9.00% Series	2/1/92	77,630	152,830	171	1,348	44.00	59,312	171,148	16,176
7.40% Series	7/1/93	236,800	84,230	120	2,675	27.00	72,225	248,805	32,100
8.75% Series	7/1/93	1,074,000	134,765	111	10,890	27.00	294,030	914,735	130,680
8.00% Series	7/1/93	500,000	116,531	111	5,554	27.00	149,958	466,573	66,648
8.60% Series	7/15/93	297,976	393,860	171	4,046	26.50	107,219	584,617	48,552
7.375% Series	11/1/93	2,106,823	492,810	221	11,763	23.00	270,549	2,329,084	141,156
7.82% Series	11/1/93	590,500	329,639	32	28,754	23.00	661,342	258,797	258,797
6.875% Series	5/1/94	0	202,499	23	8,804	17.00	149,668	52,831	52,831
7.00% Series	5/1/94	0	611,359	32	19,105	17.00	324,785	286,574	229,260
<b>Preference Stock</b>									
\$15.00 Series	2/19/86	10,000,000	1,549,988	136	84,926	115.32	9,793,666	1,756,322	1,019,112
\$13.68 Series	4/1/86	7,000,000	1,755,915	163	53,717	114.00	6,123,738	2,632,177	644,604
\$13.00 Second Series	6/13/86	7,000,000	1,553,360	144	59,398	111.57	6,627,035	1,926,325	712,776
\$11.60 Series	2/18/87	7,000,000	1,443,951	141	59,886	103.36	6,189,817	2,254,134	718,632
\$ 8.00 Series	9/15/93	351,944	582,445	171	5,464	24.50	133,868	800,521	65,568
\$ 8.40 Series	9/15/93	401,333	678,905	171	6,317	24.50	154,767	925,471	75,804
\$ 8.70 Series	9/15/93	400,667	621,621	171	5,978	24.50	146,461	875,827	71,736
		<u>\$37,296,573</u>	<u>\$11,076,154</u>		<u>\$374,866</u>		<u>\$31,533,044</u>	<u>\$16,839,683</u>	<u>\$4,359,324</u>

(a)  $((1) + (2)) / (3) = (4)$

(b)  $(5) \times (4) = (6)$

(c)  $(1) + (2) - (6) = (7)$

(d) Unrecovered Original Issue Costs include litigation fees and settlements with former holders pro-rated based on principal amount at time of redemption.

(e)  $(4) \times 12$  months

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Capital Structure**  
*(Millions of Dollars)*

<u>Line No.</u>		<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>Sept. 30 1994</u>	<u>Sept. 30 1995</u>
	Capitalization							
1	Long-Term Debt (a)	\$2,572.2	\$2,389.3	\$2,513.0	\$2,550.0	\$2,572.0	\$2,653.5	\$2,757.4
2	Preferred & Preference Stock	613.9	591.3	575.5	532.0	482.6	445.1	449.5
3	Common Equity (b)	<u>2,179.4</u>	<u>2,257.9</u>	<u>2,330.6</u>	<u>2,396.1</u>	<u>2,460.5</u>	<u>2,531.3</u>	<u>2,718.7</u>
4	Total	<u>\$5,365.5</u>	<u>\$5,238.5</u>	<u>\$5,419.1</u>	<u>\$5,478.1</u>	<u>\$5,515.1</u>	<u>\$5,629.9</u>	<u>\$5,925.6</u>
	Capitalization Ratios							
5	Long-Term Debt (a)	47.94%	45.61%	46.37%	46.55%	46.64%	47.13%	46.53%
6	Preferred & Preference Stock	11.44%	11.29%	10.62%	9.71%	8.75%	7.91%	7.59%
7	Common Equity (b)	<u>40.62%</u>	<u>43.10%</u>	<u>43.01%</u>	<u>43.74%</u>	<u>44.61%</u>	<u>44.96%</u>	<u>45.88%</u>
8	Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

(a) Long-term debt includes amount due within one year and the unamortized loss on reacquired debt.

(b) Common equity includes an adjustment for the unamortized premiums and unrecovered original issue costs on reacquired preferred and preference stock.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Capital Structure**  
*(Millions of Dollars)*

COMPUTATION OF COMMON EQUITY:	1989	1990	1991	1992	1993	SEPT 30 1994	SEPT 30 1995
COMMON EQUITY PER BOOKS							
COMMON STOCK ISSUED	\$1,340.2	\$1,349.6	\$1,358.0	\$1,364.1	\$1,370.8	\$1,413.9	\$1,598.3
COMMON STOCK SUBSCRIBED - ESOP		1.5	0.1				
EARNINGS REINVESTED	811.7	883.2	952.1	1,014.8	1,066.0	1,096.1	1,103.5
	<u>2,151.9</u>	<u>2,234.2</u>	<u>2,310.2</u>	<u>2,378.9</u>	<u>2,436.7</u>	<u>2,510.0</u>	<u>2,701.9</u>
ADJUSTMENT FOR UNAMORTIZED PREMIUMS AND UNRECOVERED ORIGINAL ISSUE COSTS ON REACQUIRED PREFERRED AND PREFERENCE STOCK	27.4	23.7	20.4	17.2	23.8	21.3	16.8
ADJUSTED COMMON EQUITY	<u>\$2,179.4</u>	<u>\$2,257.9</u>	<u>\$2,330.6</u>	<u>\$2,396.1</u>	<u>\$2,460.5</u>	<u>\$2,531.3</u>	<u>\$2,718.7</u>
COMPUTATION OF LONG-TERM DEBT:							
LONG-TERM DEBT - PP&L	\$2,633.6	\$2,460.0	\$2,578.9	\$2,628.9	\$2,673.8	\$2,768.8	\$2,873.3
UNAMORTIZED LOSS ON REACQUIRED DEBT	(61.4)	(70.7)	(65.9)	(78.9)	(101.8)	(115.3)	(115.9)
ADJUSTED LONG-TERM DEBT	<u>\$2,572.2</u>	<u>\$2,389.3</u>	<u>\$2,513.0</u>	<u>\$2,550.0</u>	<u>\$2,572.0</u>	<u>\$2,653.5</u>	<u>\$2,757.4</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Rate of Return at  
September 30, 1995

<u>Line</u> <u>No.</u>		<u>Capitalization</u> <u>Ratio (B-8)</u>	<u>Embedded</u> <u>Cost</u>		<u>Return</u>
1	Long-Term Debt	46.53%	7.97%	(B-6)	3.71%
2	Preferred Stock	7.59	7.31	(B-7)	0.56
3	Common Equity	<u>45.88</u>	13.00		<u>5.96</u>
4	Total	<u>100.00%</u>			<u>10.23%</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**C--Measures of Value  
Index**

- C-1 Measures of Value and Rates of Return
- C-2 Electric Plant in Service
- C-3 Construction Work in Progress--Pollution Control Projects
- C-4 Working Capital
- C-5 Fuel Stock and Materials and Operating Supplies
- C-6 Accumulated Deferred Taxes on Income

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Measures of Value and Rates of Return**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Original Cost</u>	
		<u>Total Company</u>	<u>PPUC Jurisdictional (Exhibit JMK 2)</u>
	Electric Plant		
1	Electric plant in service (C-2)	\$9,607,472	\$8,196,706
2	Reserve for depreciation (C-2)	2,860,571	2,477,122
3	Net Electric Plant in Service	<u>6,746,901</u>	<u>5,719,584</u>
	Additions and Deductions		
4	Pollution control projects (C-3)	15,274	12,723
5	Retirements associated with pollution control projects (C-3)	(414)	(345)
6	Net Additions and Deductions	<u>14,860</u>	<u>12,378</u>
7	Total Electric Plant (net)	<u>6,761,761</u>	<u>5,731,962</u>
	Working Capital		
8	Cash working capital (C-4)	(392)	(530)
9	Fuel stock and materials and operating supplies (C-5)	226,697	188,808
10	Total Working Capital	<u>226,305</u>	<u>188,278</u>
	Deductions		
11	Accumulated deferred taxes on income (C-6)	1,107,512	901,916
12	Customer advances for construction (B-1)	40	40
13	Customer deposits (B-1)	1,106	1,106
14	Total Deductions	<u>1,108,658</u>	<u>903,062</u>
15	Measures of Value (net)	<u>\$5,879,408</u>	<u>\$5,017,178</u>
	Pro forma return at present rates		
16	Amount (D-1, col. 4)		\$ 366,622
17	Percent		7.31%
	Pro forma return at proposed rates		
18	Amount (D-1, col. 6)		\$ 510,275
19	Percent		10.17%

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Plant in Service—Original Cost**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Steam production	\$2,072,976
2	Nuclear production	4,068,284
3	Hydraulic production	106,790
4	Other production	<u>36,395</u>
5	Total Production	6,284,445
6	Transmission	446,993
7	Distribution	2,556,014
8	General	298,117
9	Intangible	<u>21,903</u>
10	Total Electric Plant In Service	<u><u>\$ 9,607,472</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Reserve for Depreciation—Original Cost**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Steam production	\$ 859,272
2	Nuclear	820,122
3	Hydraulic production	23,076
4	Other production	<u>29,172</u>
5	Total Production	1,731,642
6	Transmission	142,010
7	Distribution	874,813
8	General	103,256
9	Intangible	<u>8,850</u>
10	Total Reserve for Depreciation	<u><u>\$ 2,860,571</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
<b><u>Martins Creek</u></b>		
1	Install a new bottom ash handling system due to the closure of basin No.1 in compliance with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 500
2	Close the low volume waste basin to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	500
3	Install waste sluice channels due to closure of the low volume waste basin to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>500</u>
	Total Martins Creek	<u>\$ 1,500</u>
<b><u>Sunbury SES</u></b>		
4	Close ash basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 408
5	Close ash basin No. 2 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>503</u>
	Total Sunbury	<u>\$ 911</u>
<b><u>Holtwood SES</u></b>		
6	Close ash basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 150
7	Add a dry fly ash system due to the closure of basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>260</u>
	Total Holtwood	<u>\$ 410</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
	<b><u>Brunner Island SES</u></b>	
1	Construct new pyrites facilities due to basin closures to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 43
2	Install a coal pile liner under the coal pile to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	570
3	Close ash basin No. 6 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	361
4	Close ash basin No. 7 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	465
5	Add land improvements to wetlands to replace wetlands lost when basin No. 7 was constructed. The new wetlands are to comply with the Dam Safety and Waterway Management regulations of Pennsylvania Department of Environmental Resources.	84
6	Close south portion of ash basin No. 4 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources and to provide space for new waste water treatment facilities.	86
7	Install waste water treatment facilities to treat water that was previously discharged through the ash basins now being closed to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>145</u>
	Total Brunner Island	<u>\$ 1,754</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<b><u>Montour SES</u></b>	
1	Close ash area No. 1, Section A to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 1,100
2	Install new bottom ash facilities due to basin closures required by Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	400
3	Install new pyrites facilities due to basin closures to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	374
4	Replace sulfur burning gas conditioning system controls on Unit 2 due to obsolescence. The controls on Unit 2 gas conditioning system is needed to comply with particulate emissions limits according to Pennsylvania Department of Environmental Resources regulations.	75
5	Install coal yard sewage pump station to replace an existing sewage drain field being removed from service to avoid ground water contamination in violation of the National Pollution Discharge Elimination System permit.	<u>150</u>
	Total Montour	<u>\$ 2,099</u>
	<b><u>Conemaugh SES</u></b>	
6	Install flue gas desulfurization on Unit 2 to comply with the 1990 Clean Air Act Amendments to reduce sulfur dioxide emissions.	<u>\$ 8,600</u>
7	Total Conemaugh	<u>\$ 8,600</u>
8	Total pollution control projects	<u><u>\$ 15,274</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Retirements Associated with Pollution Control Projects**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Steam Production	
1	Montour SES	\$ 150
2	Conemaugh SES	<u>457</u>
3	Total	<u>\$ 607</u>
	Less: Reserve for Depreciation	
4	Montour SES	\$ 79
5	Conemaugh SES	<u>144</u>
6	Total	<u>\$ 193</u>
7	Net retirements associated with pollution control projects	<u><u>\$ 414</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Cash Working Capital**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Operation and maintenance expense (C-4, pg. 2)	\$ 20,238
2	Average prepayments (C-4, pg. 3)	13,013
3	Accrued taxes (C-4, pg. 4)	(329)
4	Interest payments (C-4, pg. 5)	(32,477)
5	Preferred dividend payments (C-4, pg. 6)	<u>(\$837)</u>
6	Total cash working capital requirement	<u>\$ (392)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Working Capital Required for Operation and Maintenance Expenses**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

The Company bills its customers every month. On this basis, there is a considerable span of days between the time electricity is furnished to a customer and the time the customer pays for such electricity.

In many instances the Company must pay its bills for payroll, fuel and other operating expenses prior to the time it is able to collect the amount due for the service producing such expenses. Thus, the Company has examined its records to determine, as to the major categories of expense, the average span of days which exists between the time an expense is incurred and the time it must be paid. Schedule C-4, page 2, of Exhibit Historic 1 sets forth the individual components which result in the days lag between payment of expenses and receipt of the related revenues employed in the determination of the working capital required for pro forma operating and maintenance expense for the test year ended September 30, 1995.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Pro forma operation and maintenance expense (a)	\$ 1,571,676
2	Operating expense per day (line 1 ÷ 365 days)	\$4,306
3	Average lag in days between payment of operating expenses and receipt of revenue (b)	4.7
4	Working capital requirement (line 2 x line 3)	<u>\$ 20,238</u>
	(a) Pro forma operation and maintenance expense (D-1)	\$ 1,588,608
	Less: Non-cash items	
	Uncollectible accounts expense per budget (B-4)	<u>16,932</u>
	Total pro forma O&M expense	<u>\$ 1,571,676</u>

(b) See Exhibit Historic 1, Schedule C-4, page 2.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Average Prepayments  
As of September 30, 1995  
(Thousands of Dollars)**

Line No.	Month	Insurance		NRC Annual Fee	PUC Annual Assessment	Postage	Other	Total
		Nuclear	Other					
1	September 1994	\$2,245	\$1,641	\$0	\$2,461	\$242	\$2,043	\$8,632
2	October	1,937	1,244	0	0	184	2,756	\$6,121
3	November	2,889	802	462	0	87	1,829	\$6,069
4	December	2,306	2,753	0	0	191	1,518	\$6,768
5	January 1995	3,297	5,697	0	0	112	2,231	\$11,337
6	February	2,714	5,266	444	0	74	1,292	\$9,790
7	March	2,693	4,857	0	0	156	68,114	\$75,820
8	April	2,391	4,476	907	0	163	2,034	\$9,971
9	May	2,089	4,033	426	0	185	1,121	\$7,854
10	June	1,827	3,633	0	0	173	209	\$5,842
11	July	1,519	3,194	0	0	132	1,135	\$5,980
12	August	1,210	2,748	0	0	157	2,143	\$6,258
13	September	2,321	2,338	0	2,461	178	1,428	\$8,726
14	Total Prepayments	\$29,438	\$42,682	\$2,239	\$4,922	\$2,034	\$87,853	\$169,168
15	Monthly Average	\$2,264	\$3,283	\$172	\$379	\$156	\$6,758	\$13,013

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Accrued Taxes**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	<u>12-Month Accrued Factor (c)</u>	<u>Accrued Taxes</u>
1	Federal income tax (D-1, line 6, col. 3 + col. 5)	\$258,313	-6.72%	\$(17,359)
2	PA income tax (D-1, line 7, col. 3 + col. 5)	91,053	-11.72%	(10,671)
3	PA gross receipts tax (a)	111,468	22.87%	25,493
4	PA capital stock tax (b)	37,873	-11.72%	(4,439)
5	PA public utility realty tax (D-18, pg. 4)	45,750	14.53%	6,647
6	Total Accrued Taxes			<u><u>\$(329)</u></u>
	(a) PA gross receipts tax			
	Amount per D-18, pg. 3	\$99,956		
	Amount due to proposed increase (D-19, pg. 5)	<u>11,512</u>		
	TOTAL	<u><u>\$111,468</u></u>		
	(b) PA capital stock tax			
	Amount applicable to electric operations (D-18, pg. 2)	\$36,041		
	Amount applicable to proposed increase (D-19, pg. 5)	<u>1,832</u>		
	TOTAL	<u><u>\$37,873</u></u>		

(c) The 12 month average factor represents, in the case of Federal and State income tax and public utility realty tax, the portion of the tax liability which is available to the Company for the payment of other costs. This situation exists since revenue is available from customers prior to payment dates of the tax. The factors for the other Pennsylvania taxes represent the portions of those tax liabilities which must be provided by the Company due to payment of the taxes before the revenue is available from customers. Exhibit Historic 1, Schedule C-4, pages 7 through 12 reflect the computation of such factors.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Interest Payments**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<b>Line No.</b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Measures of value at September 30, 1995 (C-1)	\$ 5,879,408
2	Long-term debt ratio (B-9)	46.53%
3	Embedded cost of long-term debt (B-9)	7.97%
4	Pro forma interest (line 1 x line 2 x line 3)	<u>\$ 218,034</u>
5	Daily amount (line 4 ÷ 365)	<u>\$ 597</u>
6	Days to mid-point of interest payments	90
7	Less: Revenue lag days	<u>35.6</u>
8	Interest payments lag days (line 6 - line 7)	<u>54.4</u>
9	Total interest payments (line 5 x line 8)	<u>\$ 32,477</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Preferred Dividend Payments**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Measures of value at September 30, 1995 (C-1)	\$ 5,879,408
2	Preferred stock ratio (B-9)	7.59%
3	Embedded cost of preferred stock (B-9)	7.31%
4	Pro forma dividends (line 1 x line 2 x line 3)	<u>\$32,621</u>
5	Daily amount (line 4 ÷ 365)	<u>\$89</u>
6	Days to midpoint of dividend payments	45
7	Less: Revenue lag days	<u>35.6</u>
8	Dividend payments lag days (line 6 - line 7)	<u>9.4</u>
9	Total preferred dividend payments (line 5 x line 8)	<u>\$837</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Fuel Stock and Materials and Operating Supplies

As of September 30, 1995

*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Fuel Stock	
1	Coal stock for steam electric stations (C-5, pg 2)	\$ 81,068
2	Oil stock for all stations (C-5, pg 3)	25,697
3	Fuel stock expense undistributed (C-5, pg 4)	<u>313</u>
4	Total Fuel Stock	107,078
5	Plant materials and operating supplies (C-5, pg 5)	118,417
6	Stores expense undistributed (C-5, pg 6)	<u>1,202</u>
7	Total fuel stock and materials and operating supplies	<u>\$ 226,697</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Coal Stock**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Coal Stock in Tons</u>	<u>Average Inventory Price per Ton at 9/30/95</u>	<u>Total Inventory Value</u>
	Bituminous			
1	Montour	500,000 (a)	\$36.86	\$ 18,430
2	Brunner Island	500,000 (a)	39.50	19,750
3	Sunbury	88,000 (a)	34.68	3,052
4	Martins Creek	96,000 (a)	40.81	3,918
5	Keystone	60,740	36.08	2,191
6	Conemaugh	88,609	30.30	2,685
7	Off Site	21,701	32.72	710
	Anthracite			
7	Sunbury	558,961	12.72	7,110
8	Holtwood	62,657	17.31	1,085
	Petro Coke			
9	Sunbury	10,098	12.14	123
10	Holtwood	968	11.18	11
11	System Reserve	4,183,124	5.26	<u>22,003</u>
12	Total			<u>\$ 81,068</u>

(a) Represents a 40-day supply of bituminous. All other stations are based on a 13-month average of coal stock.

PENNSYLVANIA POWER & LIGHT COMPANY

**Oil Stock**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Oil Stock (a)</u>	<u>Average Price at 9/30/95</u>	<u>Amount</u>
<b>Steam Electric Stations</b>				
1	Martins Creek No. 3 and 4 (Residual)	1,155,232 (b)	18.43	\$ 21,291
2	Martins Creek No. 3 and 4 (Light Dist.)	138,223	23.83	3,294
3	Sunbury	39,309	0.59	23
4	Martins Creek No. 1 and 2	53,146	0.60	32
5	Keystone	47,583	0.59	28
6	Conemaugh	30,323	0.56	17
7	Holtwood	14,204	0.59	8
8	Montour	301,989	0.59	178
9	Brunner Island	75,074	0.60	45
<b>Combustion Turbines</b>				
10	Allentown	191,574	0.59	113
11	Martins Creek	219,914	0.59	130
12	Harwood	94,688	0.59	56
13	Jenkins	96,050	0.59	57
14	Fishbach	95,603	0.59	56
15	WilliamSPORT	94,583	0.59	56
16	Lock Haven	87,453	0.59	52
17	Sunbury	175,501	0.59	104
18	Harrisburg	180,568	0.59	107
19	West Shore	85,256	0.59	50
20	Total Inventory Value			<u>\$ 25,697</u>

- (a) Oil stock stated in gallons except for Martins Creek No. 3 and 4 which is stated in barrels.  
 (b) Represents a 25-day supply of oil. All other stations are based on a 13-month average of oil stocks.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Fuel Stock Expense Undistributed**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Amount</u>
1	September 1994	\$325
2	October	330
3	November	331
4	December	318
5	January 1995	309
6	February	307
7	March	304
8	April	312
9	May	325
10	June	331
11	July	304
12	August	290
13	September	<u>288</u>
14	Total Fuel Stock Expense Undistributed	<u><u>\$4,074</u></u>
15	Monthly Average	<u><u>\$313</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Plant Materials and Operating Supplies**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Amount</u>
1	September 1994	\$121,141
2	October	120,682
3	November	120,225
4	December	119,769
5	January 1995	119,316
6	February	118,864
7	March	118,413
8	April	117,965
9	May	117,518
10	June	117,073
11	July	116,629
12	August	116,187
13	September	<u>115,634</u>
14	Total Plant Materials and Operating Supplies	<u><u>\$1,539,416</u></u>
15	Monthly Average	<u><u>\$118,417</u></u>

PENNSYLVANIA POWER & LIGHT COMPANY

Stores Expense Undistributed  
As of September 30, 1995  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Month</u>	<u>Amount</u>
1	September 1994	\$1,229
2	October	1,225
3	November	1,220
4	December	1,215
5	January 1995	1,211
6	February	1,206
7	March	1,202
8	April	1,197
9	May	1,193
10	June	1,188
11	July	1,184
12	August	1,179
13	September	<u>1,173</u>
14	Total Stores Expense Undistributed	<u><u>\$15,622</u></u>
15	Monthly Average	<u><u>\$1,202</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Accumulated Deferred Taxes on Income**  
**As of September 30, 1995**  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Accelerated Amortization Property Pollution control facilities (B-1)	\$ 456
	Liberalized Depreciation	
2	Class life depreciation system (B-1)	\$ 39,195
3	Deduction of costs of removing retired depreciable property (B-1)	<u>4,931</u>
4	Balance at September 30, 1995	44,126
5	Test power--Martins Creek--balance at September 30, 1995 (B-1)	2,909
	Accelerated Cost Recovery System (ACRS)	
6	Non-Susquehanna property (B-1)	231,646
7	Susquehanna property (B-1)	<u>845,227</u>
8	Balance at September 30, 1995	1,076,873
9	Test power--Susquehanna--balance at September 30, 1995	<u>(16,852)</u>
10	Total accumulated deferred taxes on income	<u><u>\$1,107,512</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**D--Operating Income**  
**Index**

- D-1 Operating Income Pro Forma at Present Rates and Proposed Rates
- D-2 Adjustments to Income
- D-3 Adjustments to Operating Revenue
- D-4 Adjustments to Energy Costs
- D-5 Adjustments to Wage Expense
- D-6 Adjustments to Employee Benefits Expense
- D-7 Adjustment to Rate Case Expense
- D-8 Adjustment for Land Management Projects/Recreational Facilities Expense
- D-9 Adjustment for Interest Expense on Customer Deposits
- D-10 Adjustment for Voluntary Early Retirement Program
- D-11 Adjustment to Decommissioning Expense-SSES
- D-12 Adjustment to Decommission Fossil Units
- D-13 Adjustment for Amortization of Management Audit Cost
- D-14 Adjustment to Amortize "Window Deferral"
- D-15 Adjustment for Social Programs
- D-16 Adjustment for Environmental Remediation
- D-17 Adjustment to Depreciation Expense
- D-18 Adjustments to Taxes Other Than Income
- D-19 Adjustment to Federal and State Income Taxes
- D-20 Adjustment to Deferred Income Taxes
- D-21 Adjustment to Investment Tax Credit

PENNSYLVANIA POWER & LIGHT COMPANY

Operating Income  
 Pro Forma at Present and Proposed Rates  
Year Ended September 30, 1995  
 (Thousands of Dollars)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)
	Per Budget	Adjustments (D-2)	Pro Forma at Present Rates	Pro Forma at Present Rates (Exhibit JMK 2)	Rate Increase (D-19, Pg 5)	Pro Forma at Proposed Rates
1	<u>\$2,757,934</u>	<u>\$ 9,108</u>	<u>\$ 2,767,042</u>	<u>\$ 2,402,255</u>	<u>\$ 261,635</u>	<u>\$ 2,663,890</u>
	PPUC Jurisdictional					
	Operating Expenses					
2	<u>1,511,326</u>	<u>77,282</u>	<u>1,588,608</u>	<u>1,372,927</u>	<u>-</u>	<u>\$ 1,372,927</u>
3	<u>339,837</u>	<u>43,550</u>	<u>383,387</u>	<u>320,797</u>	<u>-</u>	<u>320,797</u>
4	<u>(36,348)</u>	<u>-</u>	<u>(36,348)</u>	<u>(29,208)</u>	<u>-</u>	<u>(29,208)</u>
	Provision for Taxes					
5	<u>204,772</u>	<u>(1,397)</u>	<u>203,375</u>	<u>186,553</u>	<u>13,344</u>	<u>199,897</u>
	Income Taxes					
6	<u>193,011</u>	<u>(12,049)</u>	<u>180,962</u>	<u>154,601</u>	<u>77,351</u>	<u>231,952</u>
7	<u>70,411</u>	<u>(6,645)</u>	<u>63,766</u>	<u>54,478</u>	<u>27,287</u>	<u>81,765</u>
8	<u>(24,096)</u>	<u>646</u>	<u>(23,450)</u>	<u>(15,424)</u>	<u>-</u>	<u>(15,424)</u>
9	<u>(11,037)</u>	<u>928</u>	<u>(10,109)</u>	<u>(8,625)</u>	<u>-</u>	<u>(8,625)</u>
10	<u>433,061</u>	<u>(18,517)</u>	<u>414,544</u>	<u>371,583</u>	<u>117,982</u>	<u>489,565</u>
11	<u>(486)</u>	<u>0</u>	<u>(486)</u>	<u>(466)</u>	<u>-</u>	<u>(466)</u>
12	<u>2,247,390</u>	<u>102,315</u>	<u>2,349,705</u>	<u>2,035,633</u>	<u>117,982</u>	<u>2,153,615</u>
13	<u>\$ 510,544</u>	<u>(93,207)</u>	<u>\$ 417,337</u>	<u>\$ 366,622</u>	<u>\$ 143,653</u>	<u>\$ 510,275</u>

D-1  
Various

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustments to Income**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Reference</u>	<u>Description</u>	<u>Amount</u>
		<u>Operating Revenues</u>	
1	D-3, pg 1	Operating Revenue	<u>\$ 9,108</u>
		<u>Operation and Maintenance Expenses</u>	
2	D-4	Energy costs	10,879
3	D-5	Wage expense	(671)
4	D-6	Employee benefits expense	152
5	D-7	Rate case expense	(745)
6	D-8	Land management projects/recreational facilities expense	(533)
7	D-9	Interest expense on customer deposits	122
8	D-10	Voluntary Early Retirement Program	(13,917)
9	D-11	Decommissioning expense--SSES	22,916
10	D-12	Decommissioning expense--Fossil Plants	52,818
11	D-13	Management audit costs	182
12	D-14	Amortization of Window Deferral	1,199
13	D-15	Social Programs	3,530
14	D-16	Environmental Remediation	<u>1,350</u>
15		TOTAL	<u>77,282</u>
		<u>Depreciation</u>	
16	D-17	Annual depreciation expense	<u>43,550</u>
		<u>Provision for Taxes</u>	
		Taxes other than income	
17	D-18, pg 1	Capital stock	(484)
18	D-18, pg 1	Gross receipts	(663)
19	D-18, pg 1	Public utility realty	(250)
		Income taxes	
20	D-19, pg 2	Federal	(12,049)
20	D-19, pg 2	State	(6,645)
21	D-20, pg 1	Deferred income taxes	646
		Investment tax credit	
22	D-21	Amortization	<u>928</u>
23		Total Taxes	<u>\$ (18,517)</u>
24		Total Operating Expenses	<u>102,315</u>
25		Total Adjustments to Income	<u>\$ (93,207)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustments to Operating Revenue**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Per Budget</u>	<u>Adjustments</u>	<u>Pro Forma at Present Rates</u>
PPUC Jurisdictional				
1	Rate revenue	\$ 1,949,955	\$ 339,262 (a)	\$ 2,289,217
2	Energy cost rate revenue	339,692	(361,178) (b)	(21,486)
3	Special base rate credit	(44,844)	6,760 (c)	(38,084)
4	Tax surcharge revenue	(5,272)	5,272 (d)	-
5	Total PPUC	<u>2,239,531</u>	<u>(9,884)</u>	<u>2,229,647</u>
FERC Jurisdictional				
6	Municipalities	66,319	-	66,319
7	Power Contracts	309,956	-	309,956
8	PJM Interchange	<u>107,642</u>	<u>-</u>	<u>107,642</u>
9	Total FERC	<u>483,917</u>	<u>-</u>	<u>483,917</u>
Other Electric Revenue				
10	Late Payment	7,074	-	7,074
11	Misc. Revenue	203	-	203
12	Rent	12,692	-	12,692
13	Other	<u>33,510</u>	<u>-</u>	<u>33,510</u> 1)
14	Total Other	<u>53,479</u>	<u>-</u>	<u>53,479</u>
15	Operating Revenue (excl. unbilled)	2,776,926		
16	Unbilled Revenue	(18,992) (e)	18,992	-
17	Total Operating Revenue	<u>\$ 2,757,934</u>	<u>\$ 9,108</u>	<u>\$ 2,767,042</u>

- (a) Net increase in revenue resulting from annualization of sales, the full recovery of energy costs through base rates; the roll-in to base rates of the Atlantic City Electric (ACE) bulk power and energy agreement credit previously included in the SBRCA and the roll-in to the base rates of tax rate reduction previously included in the tax surcharge.
- (b) Adjustment to eliminate energy cost rate (ECR) revenue associated with energy costs to be fully recovered through base rates.
- (c) Adjustment to eliminate that portion of SBRCA revenues associated with the ACE agreement credit to be included in base rates.
- (d) Adjustment to eliminate tax rate reduction credit to be included in base rates.
- (e) Adjustment to eliminate unbilled revenue.

1) Amount includes \$25,529,000 associated with total installed capacity credit output reservation and transmission entitlement sales revenues. The PUC jurisdictional portion of \$20,884,000 (plus applicable GRT) is included in the Company's proforma ECR (see Exhibit Future 1, Schedule D-3, page 9).

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1995 PRO-FORMA

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
LINE NO.	RATE SCHEDULE	NUMBER OF CUSTOMERS	SALES (KWH)	PRESENT RATE REVENUE	ECONOMIC DEVELOPMENT INITIATIVE CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVE CREDIT	SPECIAL BASE RATE CREDIT ADJ. -2.30%	STATE TAX ADJUSTMENT SURCHARGE -0.49%	ENERGY COST RATE *	TOTAL REVENUE	
1	RS	1,066,365	10,894,124,000	\$ 799,738,000	\$ 0	\$ 0	\$ (18,393,974)	\$ (3,828,586)	\$ 111,032,912	\$ 888,548,352	
2	RTS	14,544	385,160,000	\$ 16,369,000	\$ 0	\$ 0	\$ (376,487)	\$ (78,363)	\$ 3,925,551	\$ 19,839,700	
3	RTD	323	4,877,000	\$ 324,000	\$ 0	\$ 0	\$ (7,452)	\$ (1,551)	\$ 49,706	\$ 364,703	
4	GS-1	121,387	1,496,385,000	\$ 150,958,000	\$ 0	\$ 0	\$ (3,472,034)	\$ (722,681)	\$ 15,212,250	\$ 161,975,535	
5	GS-3	18,944	6,709,042,000	\$ 455,826,000	\$ (1,964,000)	\$ (1,315,000)	\$ (10,483,998)	\$ (2,166,109)	\$ 68,204,121	\$ 508,101,014	
6	LP-4	843	4,521,059,000	\$ 248,672,000	\$ (12,061,000)	\$ (1,258,000)	\$ (5,719,456)	\$ (1,125,204)	\$ 45,612,964	\$ 274,121,304	
7	LP-5	119	5,587,275,000	\$ 223,703,000	\$ (12,333,000)	\$ (821,000)	\$ (5,145,169)	\$ (1,006,479)	\$ 56,129,765	\$ 260,527,117	
8	LPEP	1	148,928,000	\$ 7,131,000	\$ 0	\$ 0	\$ (164,013)	\$ (34,138)	\$ 1,496,131	\$ 8,428,979	
9	ISA	1	540,441,000	\$ 16,433,000	\$ (872,000)	\$ 0	\$ (377,959)	\$ (74,397)	\$ 5,429,270	\$ 20,537,914	
10	IS-1	4	3,828,000	\$ 152,000	\$ 0	\$ 0	\$ (3,496)	\$ (728)	\$ 38,915	\$ 186,692	
11	BL	24	5,508,000	\$ 438,000	\$ 0	\$ 0	\$ (10,074)	\$ (2,097)	\$ 55,994	\$ 481,823	
12	SA	0	29,113,000	\$ 4,115,000	\$ 0	\$ 0	\$ (94,645)	\$ (19,700)	\$ 295,963	\$ 4,296,618	
13	SM	121	9,875,000	\$ 1,563,000	\$ 0	\$ 0	\$ (35,949)	\$ (7,483)	\$ 100,389	\$ 1,619,958	
14	SHS	809	58,745,000	\$ 14,595,000	\$ 0	\$ 0	\$ (335,685)	\$ (69,871)	\$ 597,202	\$ 14,786,646	
15	SE	58	9,120,000	\$ 263,000	\$ 0	\$ 0	\$ (6,049)	\$ (1,259)	\$ 92,714	\$ 348,406	
16	TS(R)	17	517,000	\$ 51,000	\$ 0	\$ 0	\$ (1,173)	\$ (244)	\$ 5,256	\$ 54,839	
17	SI-1(R)	5	367,000	\$ 68,000	\$ 0	\$ 0	\$ (1,564)	\$ (326)	\$ 3,731	\$ 69,841	
18	GH-1(R)	1,570	462,090,000	\$ 32,374,000	\$ 0	\$ 0	\$ (744,602)	\$ (154,984)	\$ 4,697,607	\$ 36,172,021	
19	GH-2(R)	2,903	97,756,000	\$ 6,743,000	\$ 0	\$ 0	\$ (155,089)	\$ (32,281)	\$ 993,787	\$ 7,549,418	
20	STANDBY	9	11,600,000	\$ 1,063,000	\$ 0	\$ 0	\$ (24,449)	\$ (5,089)	\$ 116,534	\$ 1,149,996	
21											
22	TOTAL PUC	1,228,047	30,975,810,000	\$ 1,980,579,000	\$ (27,230,000)	\$ (3,394,000)	\$ (45,553,317)	\$ (9,331,568)	\$ 314,090,762	\$ 2,209,160,877	
23											
24	OTHER ELECTRIC REVENUES										
25	Late Payment			\$ 7,074,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,074,000	
26	Misc. Revenue			\$ 203,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 203,000	
27	Rent			\$ 12,692,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,692,000	
28	Other			\$ 33,510,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,510,000	
29											
30	TOTAL OTHER			\$ 53,479,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,479,000	
31											
32	Ann. Adj.		430,277,067	\$ 21,943,744	\$ 0	\$ 0	\$ (504,706)	\$ (105,051)	\$ 4,353,270	\$ 25,687,257	
33											
34	FERC SALES FOR RESALE										
35	Muni.	19	1,392,478,000	\$ 66,753,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ (434,000)	\$ 66,319,000	
36	Pwr Contr	9	7,211,800,000	\$ 309,955,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 309,955,000	
37	PJM Intch	1	4,601,300,000	\$ 107,642,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 107,642,000	
38											
39	TOTAL	29	13,205,578,000	\$ 484,350,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ (434,000)	\$ 483,916,000	
40											
41	TOTAL OPERATING REVENUE										
42		1,228,076	44,611,665,067	\$ 2,540,351,744	\$ (27,230,000)	\$ (3,394,000)	\$ (46,058,023)	\$ (9,436,620)	\$ 318,010,032	\$ 2,772,243,133	
43											

\* ECR: RS,RTD,RTS = 1.0192c/kwh  
Gen Svc = 1.0166c/kwh  
LP-4 = 1.0089c/kwh  
LP-5,LPEP,ISA,Standby = 1.0046c/kwh

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1995 SBRCA-ACE, STAS, ECR ROLL-IN

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
LINE NO.	RATE SCHEDULE	NUMBER OF CUSTOMERS	SALES (KWH)	PRESENT RATE REVENUE	ECONOMIC DEVELOPMENT INITIATIVE CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVE CREDIT	SBRCA ACE CREDIT col 4 x -0.64%	STAS ROLL-IN col 8 pge 2 -0.49%	ECR ROLL-IN col 3 x 1.0836c/kwh	TOTAL REVENUE
1	RS	1,066,365	10,894,124,000	\$ 799,738,000	\$ 0	\$ 0	\$ (5,118,323)	\$ (3,828,586)	\$ 118,048,728	\$ 908,839,819
2	RTS	14,544	385,160,000	\$ 16,369,000	\$ 0	\$ 0	\$ (104,762)	\$ (78,363)	\$ 4,173,594	\$ 20,359,469
3	RTD	323	4,877,000	\$ 324,000	\$ 0	\$ 0	\$ (2,074)	\$ (1,551)	\$ 52,847	\$ 373,222
4	GS-1	121,387	1,496,385,000	\$ 150,958,000	\$ 0	\$ 0	\$ (966,131)	\$ (722,681)	\$ 16,214,828	\$ 165,484,015
5	GS-3	18,944	6,709,042,000	\$ 455,826,000	\$ 0	\$ 0	\$ (2,917,286)	\$ (2,166,109)	\$ 72,699,179	\$ 523,441,784
6	LP-4	843	4,521,059,000	\$ 248,672,000	\$ 0	\$ 0	\$ (1,591,501)	\$ (1,125,204)	\$ 48,990,195	\$ 294,945,490
7	LP-5	119	5,587,275,000	\$ 223,703,000	\$ 0	\$ 0	\$ (1,431,699)	\$ (1,006,479)	\$ 60,543,712	\$ 281,808,534
8	LPEP	1	148,928,000	\$ 7,131,000	\$ 0	\$ 0	\$ (45,638)	\$ (34,138)	\$ 1,613,784	\$ 8,665,007
9	ISA	1	540,441,000	\$ 16,433,000	\$ 0	\$ 0	\$ (105,171)	\$ (74,397)	\$ 5,856,219	\$ 22,109,651
10	IS-1	4	3,828,000	\$ 152,000	\$ 0	\$ 0	\$ (973)	\$ (728)	\$ 41,480	\$ 191,780
11	BL	24	5,508,000	\$ 438,000	\$ 0	\$ 0	\$ (2,803)	\$ (2,097)	\$ 59,685	\$ 492,785
12	SA	0	29,113,000	\$ 4,115,000	\$ 0	\$ 0	\$ (26,336)	\$ (19,700)	\$ 315,468	\$ 4,384,433
13	SM	121	9,875,000	\$ 1,563,000	\$ 0	\$ 0	\$ (10,003)	\$ (7,483)	\$ 107,006	\$ 1,652,520
14	SHS	809	58,745,000	\$ 14,595,000	\$ 0	\$ 0	\$ (93,408)	\$ (69,871)	\$ 636,561	\$ 15,068,282
15	SE	58	9,120,000	\$ 263,000	\$ 0	\$ 0	\$ (1,683)	\$ (1,259)	\$ 98,824	\$ 358,882
16	TS(R)	17	517,000	\$ 51,000	\$ 0	\$ 0	\$ (326)	\$ (244)	\$ 5,602	\$ 56,032
17	SI-1(R)	5	367,000	\$ 68,000	\$ 0	\$ 0	\$ (435)	\$ (326)	\$ 3,977	\$ 71,216
18	GH-1(R)	1,570	462,090,000	\$ 32,374,000	\$ 0	\$ 0	\$ (207,194)	\$ (154,984)	\$ 5,007,207	\$ 37,019,030
19	GH-2(R)	2,903	97,756,000	\$ 6,743,000	\$ 0	\$ 0	\$ (43,155)	\$ (32,281)	\$ 1,059,284	\$ 7,726,848
20	STANDBY	9	11,600,000	\$ 1,063,000	\$ 0	\$ 0	\$ (6,803)	\$ (5,089)	\$ 125,698	\$ 1,176,806
21										
22	TOTAL PU	1,228,047	30,975,810,000	\$ 1,980,579,000	\$ 0	\$ 0	\$ (12,675,706)	\$ (9,331,568)	\$ 335,653,877	\$ 2,294,225,603
23										
24	OTHER ELECTRIC REVENUES									
25	Late Payment			\$ 7,074,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,074,000
26	Misc. Revenue			\$ 203,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 203,000
27	Rent			\$ 12,692,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,692,000
28	Other			\$ 33,510,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,510,000
29										
30	TOTAL OTHER			\$ 53,479,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,479,000
31										
32	Ann. Adj.		430,277,067	\$ 21,943,744	\$ 0	\$ 0	\$ (140,440)	\$ (105,051)	\$ 4,662,482	\$ 26,360,735
33										
34	FERC SALES FOR RESALE									
35	Muni.	19	1,392,478,000	\$ 66,753,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 66,753,000
36	Pwr Cont	9	7,211,800,000	\$ 309,955,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 309,955,000
37	PJM Intc	1	4,601,300,000	\$ 107,642,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 107,642,000
38										
39	TOTAL	29	13,205,578,000	\$ 484,350,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 484,350,000
40										
41	TOTAL OPERATING REVENUE									
42		1,228,076	44,611,665,067	\$ 2,540,351,744	\$ 0	\$ 0	\$ (12,816,146)	\$ (9,436,620)	\$ 340,316,359	\$ 2,858,415,338
43										

Note: ECR Roll-in = 1.0359c/kwh x 1.046025(GRT) = 1.0836c/kwh

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1995 PROFORMA WITH ROLL-IN

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
LINE NO.	RATE SCHEDULE	PRESENT RATE REVENUE ROLLED-IN	ECONOMIC DEVELOPMENT INITIATIVE CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVE CREDIT	SPECIAL BASE RATE CREDIT ADJ. -1.66%	STAS 0.0%	ENERGY COST RATE *	TOTAL REVENUE
1	RS	\$ 908,839,819	\$ 0	\$ 0	\$ (15,086,741)	\$ 0	\$ (7,004,922)	\$ 886,748,156
2	RTS	\$ 20,359,469	\$ 0	\$ 0	\$ (337,967)	\$ 0	\$ (247,658)	\$ 19,773,844
3	RTD	\$ 373,222	\$ 0	\$ 0	\$ (6,195)	\$ 0	\$ (3,136)	\$ 363,891
4	GS-1	\$ 165,484,015	\$ 0	\$ 0	\$ (2,747,035)	\$ 0	\$ (1,001,082)	\$ 161,735,899
5	GS-3	\$ 523,441,784	\$ (1,964,000)	\$ (1,315,000)	\$ (8,689,134)	\$ 0	\$ (4,488,349)	\$ 506,985,301
6	LP-4	\$ 294,945,490	\$ (12,061,000)	\$ (1,258,000)	\$ (4,896,095)	\$ 0	\$ (3,377,231)	\$ 273,353,164
7	LP-5	\$ 281,808,534	\$ (12,333,000)	\$ (821,000)	\$ (4,678,022)	\$ 0	\$ (4,363,662)	\$ 259,612,850
8	LPEP	\$ 8,665,007	\$ 0	\$ 0	\$ (143,839)	\$ 0	\$ (116,313)	\$ 8,404,855
9	ISA	\$ 22,109,651	\$ (872,000)	\$ 0	\$ (367,020)	\$ 0	\$ (422,084)	\$ 20,448,546
10	IS-1	\$ 191,780	\$ 0	\$ 0	\$ (3,184)	\$ 0	\$ (2,561)	\$ 186,035
11	BL	\$ 492,785	\$ 0	\$ 0	\$ (8,180)	\$ 0	\$ (3,685)	\$ 480,920
12	SA	\$ 4,384,433	\$ 0	\$ 0	\$ (72,782)	\$ 0	\$ (19,477)	\$ 4,292,175
13	SM	\$ 1,652,520	\$ 0	\$ 0	\$ (27,432)	\$ 0	\$ (6,606)	\$ 1,618,482
14	SMS	\$ 15,068,282	\$ 0	\$ 0	\$ (250,133)	\$ 0	\$ (39,300)	\$ 14,778,848
15	SE	\$ 358,882	\$ 0	\$ 0	\$ (5,957)	\$ 0	\$ (6,101)	\$ 346,823
16	TS(R)	\$ 56,032	\$ 0	\$ 0	\$ (930)	\$ 0	\$ (346)	\$ 54,756
17	SI-1(R)	\$ 71,216	\$ 0	\$ 0	\$ (1,182)	\$ 0	\$ (246)	\$ 69,788
18	GH-1(R)	\$ 37,019,030	\$ 0	\$ 0	\$ (614,516)	\$ 0	\$ (309,138)	\$ 36,095,375
19	GH-2(R)	\$ 7,726,848	\$ 0	\$ 0	\$ (128,266)	\$ 0	\$ (65,399)	\$ 7,533,184
20	STANDBY	\$ 1,176,806	\$ 0	\$ 0	\$ (19,535)	\$ 0	\$ (9,060)	\$ 1,148,211
21								
22	TOTAL PUC	\$2,294,225,603	\$ (27,230,000)	\$ (3,394,000)	\$ (38,084,145)	\$ 0	\$ (21,486,355)	\$2,204,031,104
23								
24	OTHER ELECTRIC REVENUES							
25	Late Paymt	\$ 7,074,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,074,000
26	Misc. Rev.	\$ 203,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 203,000
27	Rent	\$ 12,692,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,692,000
28	Other	\$ 33,510,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,510,000
29								
30	TOTAL OTHER	\$ 53,479,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,479,000
31								
32	Ann. Adj.	\$ 26,360,735	\$ 0	\$ 0	\$ (437,588)	\$ 0	\$ (307,648)	\$ 25,615,499
33								
34	FERC SALES FOR RESALE							
35	Munl.	\$ 66,753,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ (434,000)	\$ 66,319,000
36	Pwr Contr	\$ 309,955,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 309,955,000
37	PJM Intchg	\$ 107,642,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 107,642,000
38								
39	TOTAL	\$ 484,350,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ (434,000)	\$ 483,916,000
40								
41	TOTAL OPERATING REVENUE							
42		\$2,858,415,338	\$ (27,230,000)	\$ (3,394,000)	\$ (38,521,733)	\$ 0	\$ (22,228,003)	\$2,767,041,602
43								

\* ECR: RS,RTD,RTS =-0.0643c/kwh  
Gen Svc =-0.0669c/kwh  
LP-4 =-0.0747c/kwh  
LP-5,LPEP,ISA,Standby =-0.0781c/kwh

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1995

LINE NO.	(1) RATE SCHEDULE	(2) PROPOSED RATE REVENUE		(3)	(4)	(5)	(6)	(7)	(8)	(9)		(10)		(11)		(12)	
		Inc1	ROLL-IN	ECONOMIC DEVELOPMENT INITIATIVE CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVE CREDIT	SPECIAL BASE RATE CREDIT ADJ. -1.66%	STAS 0.0%	ENERGY COST RATE *	TOTAL REVENUE	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
										cols(8)-(8)p.4		cols(2)-(4)p.2					
1	RS	\$1,046,697,094	\$	0	\$	0	\$	(17,375,172)	\$	0	\$	(7,004,922)	\$1,022,317,001	\$135,568,845	15.29	\$246,959,094	30.88
2	RTS	\$ 23,856,181	\$	0	\$	0	\$	(396,013)	\$	0	\$	(247,658)	\$ 23,212,510	\$ 3,438,666	17.39	\$ 7,487,181	45.74
3	RTD	\$ 426,481	\$	0	\$	0	\$	(7,080)	\$	0	\$	(3,136)	\$ 416,266	\$ 52,375	14.39	\$ 102,481	31.63
4	GS-1	\$ 171,850,587	\$	0	\$	0	\$	(2,852,720)	\$	0	\$	(1,001,082)	\$ 167,996,786	\$ 6,260,887	3.87	\$ 20,892,587	13.84
5	GS-3	\$ 558,113,354	\$	(1,964,000)	\$	(1,315,000)	\$	(9,264,682)	\$	0	\$	(4,488,349)	\$ 541,081,324	\$ 34,096,022	6.73	\$102,287,354	22.44
6	LP-4	\$ 324,168,819	\$	(13,015,227)	\$	(1,258,000)	\$	(5,381,202)	\$	0	\$	(3,377,231)	\$ 301,137,159	\$ 27,783,995	10.16	\$ 75,496,819	30.36
7	LP-5	\$ 322,736,318	\$	(12,471,954)	\$	(821,000)	\$	(5,357,423)	\$	0	\$	(4,363,662)	\$ 299,722,279	\$ 40,109,429	15.45	\$ 99,033,318	44.27
8	LPEP	\$ 9,135,524	\$	0	\$	0	\$	(151,650)	\$	0	\$	(116,313)	\$ 8,867,562	\$ 462,706	5.51	\$ 2,004,524	28.11
9	ISA	\$ 22,141,824	\$	(872,000)	\$	0	\$	(367,554)	\$	0	\$	(422,084)	\$ 20,480,185	\$ 31,640	0.15	\$ 5,708,824	34.74
10	IS-1	\$ 195,274	\$	0	\$	0	\$	(3,242)	\$	0	\$	(2,561)	\$ 189,472	\$ 3,437	1.85	\$ 43,274	28.47
11	BL	\$ 536,944	\$	0	\$	0	\$	(8,913)	\$	0	\$	(3,685)	\$ 524,346	\$ 43,427	9.03	\$ 98,944	22.59
12	SA	\$ 4,968,863	\$	0	\$	0	\$	(82,483)	\$	0	\$	(19,477)	\$ 4,866,903	\$ 574,728	13.39	\$ 853,862	20.75
13	SM	\$ 1,877,632	\$	0	\$	0	\$	(31,169)	\$	0	\$	(6,606)	\$ 1,839,857	\$ 221,375	13.68	\$ 314,632	20.13
14	SHS	\$ 17,241,074	\$	0	\$	0	\$	(286,202)	\$	0	\$	(39,300)	\$ 16,915,571	\$ 2,136,723	14.46	\$ 2,646,074	18.13
15	SE	\$ 431,136	\$	0	\$	0	\$	(7,157)	\$	0	\$	(6,101)	\$ 417,878	\$ 71,054	20.49	\$ 168,136	63.93
16	TS(R)	\$ 63,378	\$	0	\$	0	\$	(1,052)	\$	0	\$	(346)	\$ 61,980	\$ 7,224	13.19	\$ 12,378	24.27
17	SI-1(R)	\$ 85,299	\$	0	\$	0	\$	(1,416)	\$	0	\$	(246)	\$ 83,638	\$ 13,849	19.84	\$ 17,299	25.44
18	GH-1(R)	\$ 42,940,874	\$	0	\$	0	\$	(712,819)	\$	0	\$	(309,138)	\$ 41,918,917	\$ 5,823,541	16.13	\$ 10,566,874	32.64
19	GH-2(R)	\$ 8,965,493	\$	0	\$	0	\$	(148,827)	\$	0	\$	(65,399)	\$ 8,751,267	\$ 1,218,083	16.17	\$ 2,222,493	32.96
20	STANDBY	\$ 1,184,820	\$	0	\$	0	\$	(19,668)	\$	0	\$	(9,060)	\$ 1,156,092	\$ 7,881	0.69	\$ 121,820	11.46
21																	
22	TOTAL PUC	\$2,557,616,969	\$	(28,323,181)	\$	(3,394,000)	\$	(42,456,442)	\$	0	\$	(21,486,355)	\$2,461,956,992	\$257,925,888	11.70	\$577,037,969	29.13
23																	
24	OTHER ELECTRIC REVENUES																
25	Late Paymt	\$ 7,869,118	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 7,869,118	\$ 795,118	11.24		
26	Misc. Rev.	\$ 203,000	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 203,000	\$ 0	0.00		
27	Rent	\$ 12,692,000	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 12,692,000	\$ 0	0.00		
28	Other	\$ 33,510,000	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 33,510,000	\$ 0	0.00		
29																	
30	TOTAL OTHER	\$ 54,274,118	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 54,274,118	\$ 795,118	1.49		
31																	
32	Ann. Adj.	\$ 29,323,682	\$	0	\$	0	\$	(486,773)	\$	0	\$	(307,648)	\$ 28,529,260	\$ 2,913,762	11.05		
33																	
34	FERC SALES FOR RESALE																
35	Muni.	\$ 66,753,000	\$	0	\$	0	\$	0	\$	0	\$	(434,000)	\$ 66,319,000	\$ 0	0.00		
36	Pwr Contr	\$ 309,955,000	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 309,955,000	\$ 0	0.00		
37	PJM Intchg	\$ 107,642,000	\$	0	\$	0	\$	0	\$	0	\$	0	\$ 107,642,000	\$ 0	0.00		
38																	
39	TOTAL	\$ 484,350,000	\$	0	\$	0	\$	0	\$	0	\$	(434,000)	\$ 483,916,000	\$ 0	0.00		
40																	
41	TOTAL OPERATING REVENUE																
42		\$3,125,564,768	\$	(28,323,181)	\$	(3,394,000)	\$	(42,943,215)	\$	0	\$	(22,228,003)	\$3,028,676,370	\$261,634,767	9.15		
43																	

\* ECR: RS,RTD,RTS =-0.0643c/kwh  
Gen Svc =-0.0669c/kwh  
LP-4 =-0.0747/kwh  
LP-5,LPEP,ISA,Standby =-0.0781c/kwh

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Computation of Energy Cost Rate  
Year Ended September 30, 1995**

<u>Line No.</u>		<u>\$1,000</u>
	<b>Generation</b>	
1	Coal	\$ 389,007
2	Oil	60,247
3	Nuclear	74,210
4	CTS & Diesels	1,867
5	Total Generation	<u>\$ 525,331</u>
	<b>Purchased Power</b>	
6	PJM Interchange	\$ 4,418
7	Borderline	113
8	Other Utilities	21,996
9	Non-Utility Generation	229,157
10	Total Purchased Power	<u>\$ 255,684</u>
	<b>Energy Sales</b>	
11	PJM Interchange	\$ -100,064
12	JCP&L	-56,204
13	ACE	-12,112
14	BG&E	-4,023
15	GPU	-3,043
16	Other	-20,755
17	Total Energy Sales	<u>\$ -196,201</u>
18	System Cost of Power	\$ 584,814
	<b>Less Adjustments</b>	
19	Waste Heat	\$ -95
20	Emission Allowances	-486
21	Net Energy Costs	<u>\$ 584,233</u>
	<b>Total Sales</b>	
22	1994 Test Year System Sales <sup>1</sup>	32,368,288,000 KWH
23	Annualization	<u>430,277,067 KWH</u>
24	Total Sales	32,798,565,067 KWH
25	Net Energy Cost (line 21 + line 24)	17.813 mills/ KWH <sup>2</sup>
26	Less Base Energy Cost	7.454 mills/ <u>KWH</u>
27	Cost Above Base Cost	10.359 mills/ KWH

<sup>1</sup> Excludes company use

<sup>2</sup> Energy cost included in proposed base rates

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Computation of Energy Cost Rates Before Roll-In  
Future Test Year Period  
October 1, 1994, Through September 30, 1995**

	<u>Residential</u>	<u>General Service</u>	<u>LP-4</u>	<u>LP-5</u>	<u>Total</u>
1. PUC Jurisdictional Sales (MWH)	11,284,161	8,882,346	4,521,059	6,288,244	30,975,810
2. Annualization Sales (MWH)	<u>109,427</u>	<u>91,309</u>	<u>87,745</u>	<u>141,796</u>	<u>430,277</u>
3. Sales (lines 1 + 2) (MWH)	11,393,588	8,973,655	4,608,804	6,430,040	31,406,087
4. Energy Cost to be Recovered (lines 3 x 27, page 3)	\$ 118,026,178	\$ 92,958,092	\$ 47,742,601	\$ 66,608,784	\$ 325,335,655
5. NUG Output Payments	\$ 1,398,198	\$ 656,476	\$ -570,070	\$ -1,484,604	\$ 0
6. Installed Capacity Credit, Output Reservation and Transmission Entitlement Revenues	\$ <u>-8,401,075</u>	\$ <u>-6,397,437</u>	\$ <u>-2,722,358</u>	\$ <u>-3,372,130</u>	\$ <u>-20,893,000</u>
7. Net Costs to be Recovered (lines 4 + 5 + 6)	\$ 111,023,301	\$ 87,217,131	\$ 44,450,173	\$ 61,752,050	\$ 304,442,655
8. Energy Cost Rate (lines 7 + 3) (mills/KWH)	9.744	9.719	9.645	9.604	
9. Energy Cost Rate Including GRT (line 8 x 1.046025) (mills/KWH)	10.192	10.166	10.089	10.048	

PENNSYLVANIA POWER & LIGHT COMPANY

Computation of Energy Cost Rates After ECR Roll-In  
 Future Test Year Period  
 October 1, 1994, Through September 30, 1995

	<u>Residential</u>	<u>General Service</u>	<u>LP-4</u>	<u>LP-5</u>	<u>Total</u>
1. PUC Jurisdictional Sales (MWH)	11,284,161	8,882,346	4,521,059	6,288,244	30,975,810
2. Annualization Sales (MWH)	<u>109,427</u>	<u>91,309</u>	<u>87,745</u>	<u>141,796</u>	<u>430,277</u>
3. Sales (lines 1 + 2) (MWH)	11,393,588	8,973,655	4,608,804	6,430,040	31,406,087
4. Energy Cost to be Recovered	\$0	\$0	\$0	\$0	\$0
5. NUG Output Payments	\$ 1,398,198	\$ 656,476	\$ -570,070	\$ -1,484,604	\$0
6. Installed Capacity Credit, Output Reservation and Transmission Entitlement Revenues	\$ <u>-8,401,075</u>	\$ <u>-6,397,437</u>	\$ <u>-2,722,358</u>	\$ <u>-3,372,130</u>	\$ <u>-20,893,000</u>
7. Net Costs to be Recovered (lines 4 + 5 + 6)	\$ <u>-7,002,877</u>	\$ <u>-5,740,961</u>	\$ <u>-3,292,428</u>	\$ <u>-4,856,734</u>	\$ <u>-20,893,000</u>
8. Energy Cost Rate (lines 7 ÷ 3) (mills/KWH)	-0.615	-0.64	-0.714	-0.755	
9. Energy Cost Rate Including GRT (line 8 x 1.046025) (mills/KWH)	-0.643	-0.669	-0.747	-0.781	

Pennsylvania Power & Light Company

Adjustments to ECR  
12 Months Ended September 30, 1995

<u>Adjustment</u>	<u>Customer Group</u>			
	<u>Residential</u>	<u>General Service</u>	<u>LP-4</u>	<u>LP-5</u>
1. Demand/Energy Allocation of NUG Output Payments	\$1,398,198	\$656,476	\$(570,070)	\$(1,484,604)
2. Demand Allocation of Installed Capacity Credit, Output Reservation and Transmission Entitlement Sales Revenues	<u>(8,397,456)</u>	<u>(6,394,681)</u>	<u>(2,721,185)</u>	<u>(3,370,678)</u>
3. Total PUC Jurisdictional ECR Adjustments	<u>\$(6,999,258)</u>	<u>\$(5,738,205)</u>	<u>\$(3,291,255)</u>	<u>\$(4,855,282)</u>

Pennsylvania Power & Light Company

Future Test Year ECR Period

A. Assignment of NUG output payments on an energy basis.

1. NUG Payments , Total System Sales = Applicable Energy Rate  
 $\$229,157,300 \div 32,368,288,000 \text{ KWH} = \$.00708$

2. Applicable Energy Rate x Rate Group Sales = Applicable NUG Payment Amount

Residential:

$11,284,161,000 \text{ KWH} \times .00708 = \$79,891,860$

General Service:

$8,882,346,000 \text{ KWH} \times .00708 = 62,887,010$

LP-4:

$4,521,059,000 \text{ KWH} \times .00708 = 32,009,098$

LP-5:

$6,288,244,000 \text{ KWH} \times .00708 = 44,520,768$

B. Assignment of NUG output payments on a demand and energy basis.

1. NUG Payments - (PJM Capacity Deficiency Rate x NUG Capacity) = Energy-Related Amount  
 $\$229,157,300 - (\$204/\text{MW}/\text{Day} \times 365 \text{ days} \times 504 \text{ MW}) = \$191,629,460$

2. Energy-Related Amount , Total System Sales = Applicable Energy Rate  
 $\$191,629,460 \div 32,368,288,000 \text{ KWH} = \$.00592$

3. Demand-Related Amount , Total System Demand = Demand-Related Rate  
 $\$37,527,840 \div 5,580,000 \text{ KW} = \$6.725$

4. (Demand-Related Rate x Rate Group Demand ) , Rate Group Sales = Applicable Demand Rate

Residential:

$$(\$6.725 \times 2,142,000 \text{ KW}) \div 11,284,161,000 \text{ KWH} = \$0.00128$$

General Service:

$$(\$6.725 \times 1,631,000 \text{ KW}) \div 8,882,346,000 \text{ KWH} = .00123$$

LP-4:

$$(\$6.725 \times 694,000 \text{ KW}) \div 4,521,059,000 \text{ KWH} = .00103$$

LP-5:

$$(\$6.725 \times 860,000 \text{ KW}) \div 6,288,244,000 \text{ KWH} = .00092$$

5. (Applicable Energy Rate + Applicable Demand Rate) x Rate Group Sales = Applicable NUG Payment Amount

Residential:

$$(\$0.00592 + .00128) \times 11,284,161,000 \text{ KWH} = \$81,290,058$$

General Services:

$$(\$0.00592 + .00123) \times 8,882,346,000 \text{ KWH} = 63,543,486$$

LP-4:

$$(\$0.00592 + .00103) \times 4,521,059,000 \text{ KWH} = 31,439,028$$

LP-5:

$$(\$0.00592 + .00092) \times 6,288,244,000 \text{ KWH} = 43,036,164$$

Pennsylvania Power & Light Company

Capacity/Demand Allocation Factors  
12 Months Ending September 30, 1995

Total Company	100.00%
Less: FERC Jurisdiction	
Atlantic City Electric Agreement	1.527%
Jersey Central Power & Light Agreement	11.185
Baltimore Gas & Electric Agreement	1.562
UGI-Luzerne Agreement	1.481
FERC resale customers	<u>2.440</u>
Total FERC	<u>18.195</u>
PUC Jurisdiction	<u>81.805%</u>

Pennsylvania Power & Light Company

PUC Jurisdictional Allocation Factors  
12 Months Ended September 30, 1995

<u>Rate Group</u>	<u>Demand Basis</u>	<u>Energy Basis</u>
Residential	40.21%	36.43%
General Service	30.62	28.67
LP-4	13.03	14.60
LP-5	16.14	20.30

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Energy Costs**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>		<u>Per Budget</u>	<u>Adjustments</u>	<u>Pro Forma</u>
	Energy Related			
	Fuel			
1	Coal (a)	\$ 389,565	\$ (558)	\$ 389,007
2	Oil	60,247	-	60,247
3	Nuclear (b)	74,210	-	74,210
4	CTS & Diesels	1,867	-	1,867
5	Total Generation	<u>\$ 525,889</u>	<u>\$ (558)</u>	<u>\$ 525,331</u>
	Purchased Power			
6	PJM Interchange	\$ 3,989	\$ 429	\$ 4,418
7	Borderline	113	-	113
8	Other Utilities	20,186	1,810	21,996
9	Non-Utility Generation	229,157	-	229,157
10	Total Purchased Power	<u>\$ 253,445</u>	<u>\$ 2,239</u>	<u>\$ 255,684</u>
	Energy Sales			
11	PJM Interchange	\$ (107,642)	\$ 7,578	\$ (100,064)
12	JCP&L	(56,204)	-	(56,204)
13	ACE	(12,112)	-	(12,112)
14	BG&E	(4,023)	-	(4,023)
15	GPU	(3,043)	-	(3,043)
16	Other	(22,375)	1,620	(20,755)
17	Waste Heat	(95)	-	(95)
18	Emmission Allowances	(486)	-	(486)
19	Total Energy Sales	<u>\$ (205,980)</u>	<u>\$ 9,198</u>	<u>\$ (196,782)</u>
20	Net Energy Related (line 5 + 10 + 19)	<u>\$ 573,354</u>	<u>\$ 10,879</u>	<u>\$ 584,233</u>
	Demand Related			
21	Safe Harbor	\$ 9,845	-	\$ 9,845
22	Borderline	6	-	6
23	Total Demand Related (lines 21 + 22)	<u>\$ 9,851</u>	<u>-</u>	<u>\$ 9,851</u>

(a) Includes retired miners' health care cost

(b) Includes decommissioning and decontamination and spent fuel disposal expense.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Wage Expense**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment was made to reflect the number of employees and level wages in effect at the end of the year.

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Average monthly wage per employee	\$4.523
2	Personnel employed at end of the test year	7,593
3	Annualized total wages (line 1 x line 2 x 12 months)	\$ 412,118
4	Less: Actual wages for the test year ended September 30, 1995	<u>413,034</u>
5	Decrease in total wages	<u>\$ (916)</u>
6	Decrease in wages to expense (line 5 x 73.3%)	<u>\$ (671)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Employee Benefits Expense**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment was made to reflect the level of benefit costs at the end of the test year.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Annual effect of post-retirement benefits other than pensions (D-6, pg. 2)	\$ (1,645)
2	Amortization of SFAS costs which would have been deferred under PUC Order at Docket No. P-920635 (D-6, pg. 3)	<u>1,797</u>
3	Total	<u><u>\$ 152</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Employee Benefits Expense**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment was made to reflect the full annual effect of accounting for post-retirement benefits other than pensions on an accrual basis as required by Statement of Financial Accounting Standards No. 106 (SFAS 106).

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Annual accrual for post-retirement benefits per actuarial study	\$25,857
2	Post-retirement benefits to expense (line 1 x 68.7%)	17,764
3	Less: Amount charged to expense	<u>19,409</u>
4	Adjustment (line 2 - line 3)	<u><u>(\$1,645)</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Employee Benefits Expense**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment was made to reflect the amortization for SFAS post-retirement benefits which would have been deferred in accordance with the Pennsylvania Public Utility Commission Order entered May 6, 1993 at Docket No. P-920635.

<b><u>Line No.</u></b>		<b><u>Amount</u></b>
1	SFAS 106 expenses which would have been deferred under the PUC Order at Docket No. P-920635	<u>\$ 31,095</u>
2	Adjustment (line 1 ÷ 17.3 years)	<u>\$ 1,797</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Rate Case Expense**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

Rate case expenditures are charged to expense when incurred. The Company's claim for rate case expense is based on a normalized amount as shown below.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Total rate case expense	<u>\$ 1,491</u>
2	Normalized amount (line 1 ÷ 2 years )	\$ 746
3	Less: PPUC rate case expense per budget	<u>1,491</u>
4	Decrease in expense	<u>\$ (745)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Land Management  
Projects/Recreational Facilities Expense  
Year Ended September 30, 1995**

*(Thousands of Dollars)*

The Commission in its Rate Order at Docket No. R-822169, dated August 19, 1983, determined that operation and maintenance expenses incurred for certain land management projects/recreational facilities which are not owned or operated pursuant to any specific Federal or State licensing requirement should not be recovered from ratepayers. This adjustment provides for the elimination of the test year operating expense for such facilities.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Montour Preserve	\$ 500
2	Shady Nook Boat Ramp	6
3	Martins Creek Boat Ramp	22
4	Brunner Island Boat Ramp	<u>5</u>
5	Decrease in expense	<u>\$ 533</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Interest Expense on Customer Deposits  
Year Ended September 30, 1995**

*(Thousands of Dollars)*

The Commission in its Rate Order at Docket No. R-80031114, dated January 30, 1981, determined that it was appropriate to include in the cost of service interest expense on customer deposits when such customer deposits are treated as a reduction to rate base. The interest on these deposits is computed at an interest rate of 11% in accordance with Rule 2--Requirement for Service set forth in the Company's Tariff Electric--PA PUC No. 200.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Customer deposits (B-1)	\$ 1,106
2	Interest rate	<u>11%</u>
3	Increase in expense (line 1 x line 2)	<u>\$ 122</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Voluntary Early Retirement Program (VERP)**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

On September 29, 1994 the Company announced a voluntary early retirement program to all management employees who were 55 or older by December 31, 1994. Agreement on a VERP applicable to eligible bargaining unit employees was also reached with the union.

This adjustment reflects the estimated cost of the VERP amortized over five years and the anticipated annual savings of the program.

**Line  
No.**

1	Estimated cost of the VERP	<u>\$ 65,800</u>	
2	Amortization over five years (line 1 ÷ 5)		\$ 13,160
	VERP Payroll Savings		
3	Wages	<u>\$ (27,100)</u>	
4	Wages to expense (line 3 x 73.3%)		\$ (19,864)
5	Benefits	<u>\$ (10,500)</u>	
6	Benefits to expense (line 5 x 68.7%)		<u>\$ (7,213)</u>
7	Total Adjustment (lines 2 + 4 + 6)		<u>\$ (13,917)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Annual Accrual for Decommissioning Expense  
Year Ended September 30, 1995**

*(Thousands of Dollars)*

This adjustment provides for an annual accrual of decommissioning expense associated with the Susquehanna Steam Electric Station (SSES), based upon the total estimated cost of immediate dismantlement of the facility.

Line No.	Description	Amount		
		Unit 1	Unit 2	Total
1	Cost of decommissioning in 1993 dollars	\$350,524	\$453,735	\$804,259
2	PP&L share (90%)	\$ 315,471	\$ 408,361	\$ 723,832
3	Rate of inflation	4%	4%	
	<u>Years to Retirement</u>			
4	Unit 1 (1994-2022)	29		
5	Unit 2 (1994-2024)		31	
	<u>Cost of Decommissioning</u>			
6	Unit 1 (line 2 x 3.118651 (a))	\$983,844		
7	Unit 2 (line 2 x 3.373133 (b))		\$1,377,456	\$2,361,300
8	Value of trust @ 9/30/95	\$56,548	\$41,717	\$98,265
9	Earnings on trust (c)	5.50%	5.50%	
	<u>Value of Trust</u>			
10	@ 2022 (line 8 x 4.244401 (d))	\$240,012		
11	@ 2024 (line 8 x 4.724124 (e))		\$197,076	\$437,088
	<u>Net Cost of Decommissioning</u>			
12	Unit 1 (line 6 - line 10)	\$743,832		
13	Unit 2 (line 7 - line 11)		\$1,180,380	\$1,924,212
	<u>Annuity Amount</u>			
14	Unit 1 (line 12 x .016952 (f))	\$12,609		
15	Unit 2 (line 13 x .014769 (g))		\$17,433	\$30,042
16	Less: Amount per budget	3,818	3,308	7,126
17	Increase in expense	\$8,791	\$14,125	\$22,916

- a) Future value of \$1 with compound interest @ 4% for 29 years.
- b) Future value of \$1 with compound interest @ 4% for 31 years.
- c) Reflects an after tax rate of return of 1.5% above the assumed rate of inflation.
- d) Future value of \$1 with compound interest @ 5.5% for 27 years.
- e) Future value of \$1 with compound interest @ 5.5% for 29 years.
- f) Periodic deposit that will grow to \$1 in 27 years with interest compounded @ 5.5%.
- g) Periodic deposit that will grow to \$1 in 29 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission Fossil Units  
All Stations  
Year Ended September 30, 1995  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with PP&L's fossil fueled stations.

<u>Line No.</u>	<u>Station</u>	<u>Amount</u>
1	Martins Creek	\$14,339
2	Brunner Island	10,670
3	Montour	7,560
4	Sunbury	14,795
5	Holtwood	<u>5,454</u>
6	Total	<u><u>\$52,818</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Martins Creek Steam Electric Station  
Year Ended September 30, 1995  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with the Martins Creek Steam Electric Station.

Line No.	Description	Amount				Total
		Coal		Oil		
		Unit 1	Unit 2	Unit 3	Unit 4	
1	Cost of Decommissioning in 1994 dollars	\$30,142	\$30,619	\$41,620	\$45,946	
2	Rate of inflation	4%	4%	4%	4%	
	<u>Years to Retirement</u>					
3	Unit 1 (1994-2003)	9				
4	Unit 2 (1994-2003)		9			
5	Unit 3 (1994-2010)			16		
6	Unit 4 (1994-2010)				16	
	<u>Cost of Decommissioning</u>					
7	Unit 1 (line 1 x 1.423312 (a))	\$42,901				
8	Unit 2 (line 1 x 1.423312 (a))		\$43,580			
9	Unit 3 (line 1 x 1.872981 (b))			\$77,953		
10	Unit 4 (line 1 x 1.872981 (b))				\$86,056	
	<u>Annuity Amount</u>					
11	Unit 1 (line 7 x .088839 (c))	\$3,811				
12	Unit 2 (line 8 x .088839 (c))		\$3,872			
13	Unit 3 (line 9 x .040583 (d))			\$3,164		
14	Unit 4 (line 10 x .040583 (d))				\$3,492	<u>\$14,339</u>

- a) Future value of \$1 with compound interest @ 4% for 9 years.
- b) Future value of \$1 with compound interest @ 4% for 16 years.
- c) Periodic deposit that will grow to \$1 in 9 years with interest compounded @ 5.5%.
- d) Periodic deposit that will grow to \$1 in 16 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Brunner Island Steam Electric Station  
Year Ended September 30, 1995**

*(Thousands of Dollars)*

This adjustment provides for an annual accrual of decommissioning expense associated with the Brunner Island Steam Electric Station.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>			<u>Total</u>
		<u>Unit 1</u>	<u>Unit 2</u>	<u>Unit 3</u>	
1	Cost of Decommissioning in 1994 dollars	\$55,758	\$55,612	\$58,413	
2	Rate of inflation	4%	4%	4%	
	<u>Years to Retirement</u>				
3	Unit 1 (1994-2014)	20			
4	Unit 2 (1994-2014)		20		
5	Unit 3 (1994-2014)			20	
	<u>Cost of Decommissioning</u>				
6	Unit 1 (line 1 x 2.191123 (a))	\$122,173			
7	Unit 2 (line 1 x 2.191123 (a))		\$121,853		
8	Unit 3 (line 1 x 2.191123 (a))			\$127,990	
	<u>Annuity Amount</u>				
9	Unit 1 (line 6 x .028679 (b))	\$3,504			
10	Unit 2 (line 7 x .028679 (b))		\$3,495		
11	Unit 3 (line 8 x .028679 (b))			\$3,671	<u>\$10,670</u>

- a) Future value of \$1 with compound interest @ 4% for 20 years.  
b) Periodic deposit that will grow to \$1 in 20 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Montour Steam Electric Station  
Year Ended September 30, 1995  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with the Montour Steam Electric Station.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>		<u>Total</u>
		<u>Unit 1</u>	<u>Unit 2</u>	
1	Cost of Decommissioning in 1994 dollars	\$58,682	\$76,614	
2	Rate of inflation	4%	4%	
	<u>Years to Retirement</u>			
3	Unit 1 (1994-2017)	23		
4	Unit 2 (1994-2017)		23	
	<u>Cost of Decommissioning</u>			
5	Unit 1 (line 1 x 2.464716 (a))	\$144,634		
6	Unit 2 (line 1 x 2.464716 (a))		\$188,832	
	<u>Annuity Amount</u>			
8	Unit 1 (line 5 x .022670 (b))	\$3,279		
9	Unit 2 (line 6 x .022670 (b))		\$4,281	<u>\$7,560</u>

- a) Future value of \$1 with compound interest @ 4% for 23 years.  
b) Periodic deposit that will grow to \$1 in 23 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Sunbury Steam Electric Station  
Year Ended September 30, 1995  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with the Sunbury Steam Electric Station.

Line No.	Description	Amount				Total
		Unit 1	Unit 2	Unit 3	Unit 4	
1	Cost of Decommissioning in 1994 dollars	\$29,304	\$28,551	\$29,553	\$29,604	
2	Rate of inflation	4%	4%	4%	4%	
	<u>Years to Retirement</u>					
3	Unit 1 (1994-2003)	9				
4	Unit 2 (1994-2003)		9			
5	Unit 3 (1994-2003)			9		
6	Unit 4 (1994-2003)				9	
	<u>Cost of Decommissioning</u>					
7	Unit 1 (line 1 x 1.423312 (a))	\$41,709				
8	Unit 2 (line 1 x 1.423312 (a))		\$40,637			
9	Unit 3 (line 1 x 1.423312 (a))			\$42,063		
10	Unit 4 (line 1 x 1.423312 (a))				\$42,136	
	<u>Annuity Amount</u>					
11	Unit 1 (line 7 x .088839 (b))	\$3,705				
12	Unit 2 (line 8 x .088839 (b))		\$3,610			
13	Unit 3 (line 9 x .088839 (b))			\$3,737		
14	Unit 4 (line 10 x .088839 (b))				\$3,743	<u>\$14,795</u>

- a) Future value of \$1 with compound interest @ 4% for 9 years.  
b) Periodic deposit that will grow to \$1 in 9 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Holtwood Steam Electric Station  
Year Ended September 30, 1995  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated

<u>Description</u>	<u>Amount</u>
Cost of Decommissioning in 1994 dollars	\$43,132
Rate of inflation	4%
<u>Years to Retirement</u>	
Unit 17 (1994-2003)	9
<u>Cost of Decommissioning</u>	
Unit 17 (line 1 x 1.423312 (a))	<u>\$61,390</u>
<u>Annuity Amount</u>	
Unit 17 (line 4 x .088839 (b))	<u><u>\$5,454</u></u>

Future value of \$1 with compound interest @ 4% for 9 years.

Periodic deposit that will grow to \$1 in 9 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Amortization of  
Management Audit Cost  
Year Ended September 30, 1995  
*(Thousands of Dollars)***

The adjustment provides for the amortization over a five-year period of the cost of the Commission-mandated management audit. The audit was performed by Shumaker & Company.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Cost of the management audit	\$911
2	Annual level of amortization \$911 ÷ 5 years	182
3	Less: Amount per budget	<u>-</u>
4	Increase in expense	<u><u>\$182</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Amortize the SSES Early Window Deferrals**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment amortizes the "early window" deferrals applicable to Susquehanna Units 1 and 2 over a period of ten years. This is consistent with the Pennsylvania Public Utility Commission (PUC) Order entered May 16, 1990 in the Philadelphia Electric Company rate case at Docket R-891364. The deferral of these costs for Units 1 and 2 was authorized by the PUC in its Orders at Docket Nos. P-820367 entered July 29, 1982 and P-830461 entered November 9, 1983 respectively.

	<u>Unit 1</u>	<u>Unit 2</u>	<u>Total</u>
Deferred Costs			
Operating Expenses	\$ 21,102	\$ 18,092	\$ 39,194
Interchange Energy Savings	(40,994)	(47,167)	(88,161)
Carrying Costs	<u>28,834</u>	<u>32,125</u>	<u>60,959</u>
 TOTAL	 <u>\$ 8,942</u>	 <u>\$ 3,050</u>	 <u>\$ 11,992</u>
 Amortization over 10 years	 <u>\$ 894</u>	 <u>\$ 305</u>	 <u>\$ 1,199</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Social Programs**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Program</u>	<u>Amount</u>
1	Build-a-Neighborhood	\$ 600
2	Affordable Housing	600
3	Small Business	1,250
6	Keep Warm Plan	1,000
7	Operation HELP	50
8	CARES	<u>30</u>
9	Total Cost of Programs	<u>\$ 3,530</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Environmental Remediation**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

The test year included only nine months of environmental remediation expenses. This adjustment annualizes the amount of the expense to a twelve-month level.

<u>Line No.</u>		<u>Amount</u>
1	Annual Amount (line 2 x 12/9)	\$ 5,400
2	Expense per Budget	<u>4,050</u>
3	Increase in Expense	<u>\$ 1,350</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Annual Depreciation Expense**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

The depreciation on electric plant in service, net of clearing accounts and customer advances for construction, represents the annual depreciation expense as of September 30, 1995 using average service lives and life spans as filed in this proceeding.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Depreciation--electric plant in service	\$ 365,749
	Less:	
2	Clearing	2,530
3	Customer advances for construction	<u>1</u>
4	Net Depreciation--electric plant in service	\$ 363,218
5	Amortization of negative net salvage (a)	<u>20,169</u>
6	Total annual depreciation expense	\$ 383,387
7	Less: Depreciation expense per budget	<u>339,837</u>
8	Increase in expense	<u><u>\$ 43,550</u></u>

(a) Based on a five-year average of negative net salvage as prescribed by the Pennsylvania Public Utility Commission.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Taxes Other Than Income**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>PA Capital Stock Tax</u>	
	Adjustment to reflect current taxable value	
1	Estimated tax applicable to electric operations at 12.75 mills (D-18, pg. 2)	\$ 36,041
2	Less: Capital stock tax per budget (B-5)	<u>36,525</u>
3	Decrease in expense	<u>\$ (484)</u>
	<u>PA Gross Receipts Tax</u>	
	Adjustment to provide for gross receipts tax on pro forma revenue at present rates	
4	Gross receipts tax recoverable through base rates (D-18, pg. 3)	\$ 99,956
5	Less: Gross receipts tax per budget (B-5)	<u>100,619</u>
6	Increase in expense	<u>\$ (663)</u>
	<u>PA Public Utility Realty Tax</u>	
7	Adjustment to reflect current taxable base	
8	Public utility realty tax recoverable through base rates (D-18, pg. 4)	\$ 45,750
9	Less: Public utility realty tax per budget (B-5)	<u>46,000</u>
10	Increase in expense	<u>\$ (250)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Capital Stock Tax at Present Rates**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<b>Line</b>	<b><u>No.</u>    <u>Description</u></b>	<b><u>Amount</u></b>
1	PA Capital Stock Valuc = 50% ((5 Yr. Average Net Income/.095) +( 75% (Net Worth))	
	Net income	
2	1990	\$ 346,325
3	1991	348,154
4	1992	344,850
5	1993	344,917
6	1994	<u>338,849</u>
7	Total	<u>\$1,723,095</u>
8	Average	<u>\$344,619</u>
9	Net worth at December 31, 1993	<u>\$3,098,900</u>
10	PA Capital stock value = .5((\$344,619/.095) + (.75 x \$3,098,900)) =	\$ 2,975,872
11	Statutory Exemption	<u>75</u>
12	Value of Capital Stock less Statutory Exemption	2,975,797
13	Apportionment Percentage	<u>0.94992</u>
14	PA Capital Stock Taxable Value	<u>2,826,769</u>
15	PA Capital Stock Tax at 12.75 mills	<u>\$ 36,041</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Gross Receipts Tax (GRT) at Present Rates**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Pro Forma Revenue</u>	<u>Applicable GRT Rate (Mills)</u>	<u>Gross Receipts Tax</u>
	PPUC Jurisdictional			
1	Total Tariff Revenue (D-3, pg. 1)	<u>\$2,229,647</u>	x 44	\$ 98,104
	FERC Jurisdictional			
2	Total rate revenue (D-3, pg. 1)	\$ 483,916	-	
	Less:			
3	UGI	24,628	-	
4	Citizens' Electric	6,665	-	
5	Power Contracts	309,956	-	
6	PJM Power Sales	107,642	-	
7	Net FERC Tariff Revenue	<u>\$ 35,025</u>	44	\$ 1,541
	Other Electric Revenue			
8	Late Payment	\$ 7,074	44	311
9	Other	46,405		
10	Total Other Electric Revenue	<u>\$ 53,479</u>		
11	Total gross receipts tax on pro forma revenue at present rates			<u>\$ 99,956</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Public Utility Realty Tax at Present Rates**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>PURTA Base</u>	
1	Land	\$ 22,275
2	Structures	1,524,287
3	Less Reserve for Depreciation	<u>(457,265)</u>
4	Total Base	\$ 1,089,297
5	Rate @ 42 mills	<u>0.042</u>
6	Tax	<u>\$ 45,750</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Computation of Income Taxes-Electric**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Per Budget</u>	<u>Adjustments</u>	<u>Pro Forma at Present Rates</u>
1	Operating Revenues	\$ 2,757,934	\$ 9,108	\$ 2,767,042
	Operating Expenses			
2	Operation and maintenance	1,511,326	77,282	1,588,608
3	Depreciation	339,837	43,550	383,387
4	Regulatory Credits	(36,348)	-	(36,348)
5	Taxes Other than Income	204,772	(1,397)	203,375
6	Income Taxes-Federal	193,011	(12,051)	180,960
7	Income Taxes-State	70,411	(6,645)	63,766
8	Deferred Income Taxes	(24,096)	646	(23,450)
9	Investment Tax Credit-Amortization	(11,037)	928	(10,109)
10	Gains-Disposal of Emission Allowance	(486)	-	(486)
11	Total Operating Expense	<u>2,247,390</u>	<u>102,313</u>	<u>2,349,703</u>
12	Operating Income	510,544	(93,205)	417,339
13	Less: Interest Expense	<u>219,715</u>	<u>(1,681)</u>	<u>218,034</u>
14	Net Operating Income	<u>290,829</u>	<u>(91,524)</u>	<u>199,305</u>
	Income Tax Adjustments			
15	Federal Income Tax	193,011	(12,051)	180,960
16	Pennsylvania corporate net income tax	70,411	(6,645)	63,766
17	Deferred Income Taxes	(24,096)	646	(23,450)
18	Pension and supplemental retirements	13,012	-	13,012
19	Health care cost PMC amortization	2,772	-	2,772
20	Contributions in aid of construction	4,809	-	4,809
21	Depreciation charged to clearing	740	-	740
22	Nuclear Fuel	58,073	-	58,073
23	Amortization leased equipment, leasehold			
24	improvements, software	7,759	-	7,759
25	Book Depreciation	339,837	43,550	383,387
26	Tax Depreciation	(329,432)	22,605	(306,827)
27	Nuclear Decommissioning--Book	7,125	22,916	30,041
28	Nuclear Decommissioning--Tax	(6,024)	(22,696)	(28,720)
29	Miscellaneous adjustments-net	1,381	-	1,381
30	ECR/FAC underrecovery	9,690	-	9,690
31	Power plant inventory-tax accounting change	(5,012)	-	(5,012)
32	DOE-uranium enrichment cleanup	2,889	-	2,889
33	Investment tax credit amortization	(11,037)	928	(10,109)
34	Removal costs	(15,244)	-	(15,244)
35	Refueling costs	2,724	-	2,724
36	ESOP dividend paid in cash	(9,478)	-	(9,478)
37	Post-retirement/employment benefits	8,643	-	8,643
38	Bad debts	1,959	-	1,959
39	Low level Radwaste disposal	4,401	-	4,401
40	Amortization of "Window Deferral"	-	1,199	1,199
41	Income Tax Adjustments	<u>328,913</u>	<u>50,452</u>	<u>379,365</u>
42	Taxable Net Income Before Special Deductions	<u>\$ 619,742</u>	<u>\$ (41,072)</u>	<u>\$ 578,670</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Computation of Income Taxes-Electric**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Per Budget</u>	<u>Adjustments</u>	<u>Pro Forma at Present Rates</u>
<u>PA Corporate Net Income Tax Calculation</u>				
1	Taxable Net Income Before Special Deductions	\$ 619,742	\$ (41,072)	\$ 578,670
PA Special Deductions				
2	Tax Preference Income	(694)		(694)
3	Dividends Paid Credit	(831)		(831)
	Federal Environmental Tax	-	783	783
4	PA Taxable Income	<u>618,217</u> *	<u>(40,289)</u>	<u>577,928</u>
5	PA Tax @ 10.99%	70,159	(6,645)	63,514
6	Accrual for potential deficiency	<u>252</u>	<u>-</u>	<u>252</u>
7	Total PA Income Tax	<u>\$ 70,411</u>	<u>(6,645)</u>	<u>\$ 63,766</u>
<u>Federal Income Tax Calculation</u>				
8	Taxable Net Income Before Special Deductions	619,742	(41,072)	578,670
Federal Special Deductions				
9	PA Income Tax	(70,159)	6,645	(63,514)
10	Dividends Paid Credit	<u>(831)</u>	<u>-</u>	<u>(831)</u>
11	Federal Taxable Income	<u>548,752</u>	<u>(34,427)</u>	<u>514,325</u>
12	Federal Tax @ 35%	192,063	(12,049)	180,014
13	Accrual for potential deficiency	<u>948</u>	<u>-</u>	<u>948</u>
14	Total Federal Income Tax	<u>\$ 193,011</u>	<u>\$ (12,049)</u>	<u>\$ 180,962</u>

\* \$176,038 taxed at 12.25% and \$442,179 taxed at 10.99%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Interest Deduction for Income Tax Purposes**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment provides for the annualized interest on claimed measures of value at September 30, 1995.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Measures of value at September 30, 1995 (C-1)	\$ 5,879,408
2	Long-term debt ratio (B-9)	46.53%
3	Embedded cost of long-term debt (B-9)	7.97%
4	Annualized interest (line 1 x line 2 x line 3)	218,034
5	Less: Interest expense per budget (D-19, pg. 1)	<u>219,715</u>
6	Decrease in interest deduction (line 4 - line 5)	<u><u>\$ (1,681)</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Tax Depreciation Deduction  
for Income Tax Purposes  
Year Ended September 30, 1995  
(Thousands of Dollars)**

This adjustment provides for the annualized tax depreciation on year-end tax base at September 30, 1995.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Property depreciated under the Accelerated Cost Recovery System (ACRS) or Modified Accelerated Cost Recovery System (MACRS):	
	Non-Susquehanna (D-20)	\$ 185,584
	Susquehanna (D-20)	68,101
2	Property depreciated under other methods:	
	Non-Susquehanna	43,188
	Susquehanna	9,954
5	Total	306,827
6	Less: Tax depreciation per budget (D-19, pg 1)	<u>329,432</u>
7	Decrease in tax depreciation deduction	<u>\$ 22,605</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Operating Revenue and Applicable Tax  
Related to Proposed Rate Increase  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Additional operating revenue from proposed rate increase	\$ 261,635
	Less:	
2	PA gross receipts tax (line 1 x 44 mills)	11,512
3	PA Capital stock tax (line 8 x 12.75 mills)	<u>1,832</u>
4	Taxable income for PA Corporate Net Income Tax	\$ 248,291
5	PA corporate net income tax (line 4 x 10.99%)	<u>27,287</u>
6	Taxable income for Federal income tax	221,004
7	Federal income tax (line 6 x 35%)	<u>77,351</u>
8	Operating income	<u><u>\$ 143,653</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Deferred Income Taxes**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

	<u>Debit</u>	<u>Credit</u>	<u>Net</u>	<u>Adjustment</u>	<u>Adjusted</u>
Provision					
SSES Test Power	\$ 788	\$ -	\$ 788	\$ -	\$ 788
ACRS & MACRS	27,941	(29,596)	(1,655)	\$ (20,185)	(21,840)
Pollution Control Facilities		(95)	(95)	-	(95)
Class Life System		(1,327)	(1,327)	-	(1,327)
Removal Costs		(779)	(779)	-	(779)
Martins Creek Test Fuel		(197)	(197)	-	(197)
Total	<u>\$ 28,729</u>	<u>(31,994)</u>	<u>(3,265)</u>	<u>\$ (20,185)</u>	<u>\$ (23,450)</u>
Deferred Income Taxes Per Budget (D-1)					<u>(24,096)</u>
Adjustment					<u>\$ 646</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Provision for Deferred Income Taxes**  
**Year Ended September 30, 1995**  
*(Thousands of Dollars)*

This adjustment provides for the annual provision for deferred income taxes due to (1) the Accelerated Cost Recovery System (ACRS) of the Economic Recovery Act of 1981 and (2) Modified Accelerated Cost Recovery System (MACRS) of the Tax Reform Act of 1986.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Non Nuclear	
1	Tax depreciation computed under ACRS and MACRS	\$ 185,584
2	Tax depreciation computed on a straight-line tax basis	<u>118,765</u>
3	Excess tax depreciation	<u>\$ 66,819</u>
	Nuclear	
4	Tax depreciation computed under ACRS and MACRS	68,101
5	Tax depreciation computed on a straight line tax basis	<u>179,438</u>
6	Excess straight line tax depreciation	<u>(111,337)</u>
7	Net excess straight line tax depreciation	<u>(44,518)</u>
8	Tax Rate	35%/Average Rate Assumption Method Rate
9	Net annual deferred tax credit	<u>(21,840)</u>
10	Less: Net deferred tax credit per budget (B-5)	
	Provision for deferred taxes	27,941
	Provision for deferred taxes--credit	<u>(29,596)</u>
		<u>(1,655)</u>
11	Decrease in provision	<u>\$ (20,185)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Amortization of  
Deferred Investment Tax Credit  
Year Ended September 30, 1995  
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>4% Investment Tax Credit</u>	<u>10% Investment Tax Credit</u>	<u>10% Progress Payments</u>	<u>Total</u>
<b>Owned Property</b>					
1	1971	35	0	0	35
2	1972	214	0	0	214
3	1973	239	0	0	239
4	1974	82	0	0	82
5	1975	189	123	59	371
6	1976	88	408	287	783
7	1977	0	227	458	686
8	1978	0	212	779	991
9	1979	0	297	1,594	1,892
10	1980	0	420	377	797
11	1981	0	564	586	1,149
12	1982	52	816	0	868
13	1983	0	572	0	572
14	1984	20	312	0	333
15	1985	0	292	0	292
16	1986	0	430	0	430
17	1987	0	165	0	165
18	1988	0	27	0	27
19	1989	0	5	0	5
20	1990	0	3	0	3
21	Total Owned Property				<u>9,935</u>
<b>Leased Property</b>					
22	1986		21		21
23	1988		153		<u>153</u>
24	Total Leased Property				<u>174</u>
25	Total Amount of Amortization				10,109
26	Less Amortization per Schedule B-5				11,037
27	Decrease in Amortization				<u>(928)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Exhibit Historic 1  
Summary of Measures of Value &  
Rate of Return**

**Witness: Various  
Docket No. R-00943271**

**RECEIVED**  
94 DEC 30 AM 11:47  
P.A. P. U. C.  
INFO. CONTROL DIV.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Exhibit Historic 1  
Docket No. R-00943271  
Summary of Measures of Value and Rates of Return  
Year Ended September 30, 1994**

---

follows: This book contains a series of schedules (see Table of Contents) which are grouped as

- A - Statement of Reasons
- B - Financial Statements, Cost of Capital and Capital Structure
- C - Measures of Value
- D - Operating Income and Adjustments

# PENNSYLVANIA POWER & LIGHT COMPANY

## Table of Contents

### SECTION A--REASONS FOR PROPOSED INCREASE

A-1 Statement of Reasons

### SECTION B--BOOK STATEMENTS

B-1 Balance Sheet at September 30, 1994

B-2 Electric Service--Statement of Net Utility Operating Income--Year Ended September 30, 1994

B-3 Electric Service--Operating Revenues--Year Ended September 30, 1994

B-4 Electric Service--Operation and Maintenance Expenses--Year Ended September 30, 1994

B-5 Electric Service--Detail of Taxes--Year Ended September 30, 1994

B-6 Historical (Embedded) Cost of Debt Capital at September 30, 1994

B-7 Historical (Embedded) Cost of Preferred and Preference Stock Capital at September 30, 1994

B-8 Capital Structures--Years Ended 1989-1993 and September 30, 1994

B-9 Rate of Return at September 30, 1994

### SECTION C--MEASURES OF VALUE

C-1 Measures of Value and Rates of Return

C-2 Electric Plant in Service

C-3 Construction Work in Progress--Pollution Control Projects

C-4 Working Capital

C-5 Fuel Stock and Materials and Operating Supplies

C-6 Accumulated Deferred Taxes on Income

# PENNSYLVANIA POWER & LIGHT COMPANY

## Table of Contents

### SECTION D--OPERATING INCOME

D-1	Operating Income Pro Forma at Present Rates and Proposed Rates
D-2	Adjustments to Income
D-3	Adjustments to Operating Revenue
D-4	Adjustment to Energy Costs
D-5	Adjustment to Wage Expense
D-6	Adjustment to Employee Benefits Expense
D-7	Adjustment to Rate Case Expense
D-8	Adjustment for Land Management Projects/Recreational Facilities Expense
D-9	Adjustment for Interest Expense on Customer Deposits
D-10	Adjustment for Voluntary Early Retirement Program
D-11	Adjustment to Decommissioning Expense-SSES
D-12	Adjustment to Decommission Fossil Units
D-13	Adjustment for Amortization of Management Audit Cost
D-14	Adjustment to Amortize "Window Deferral"
D-15	Adjustment for Social Programs
D-16	Adjustment for Environmental Remediation
D-17	Adjustment to Depreciation Expense
D-18	Adjustments to Taxes Other Than Income
D-19	Adjustment to Federal and State Income Taxes
D-20	Adjustment to Deferred Income Taxes
D-21	Adjustment to Investment Tax Credit

**PENNSYLVANIA POWER & LIGHT COMPANY**

**A--Reasons for Proposed Increase  
Index**

A-1 Statement of Reasons

The Statement of Reasons appears in Section A-1 of Exhibit Future 1.

PENNSYLVANIA POWER & LIGHT COMPANY

**B—Book Statements**

**Index**

- B-1 Balance Sheet at September 30, 1994
- B-2 Electric Service--Statement of Net Utility Operating Income  
--Year Ended September 30, 1994
- B-3 Electric Service--Operating Revenues--Year Ended September 30, 1994
- B-4 Electric Service--Operation and Maintenance Expenses--Year Ended September 30, 1994
- B-5 Electric Service--Detail of Taxes--Year Ended September 30, 1994
- B-6 Historical (Embedded) Cost of Debt Capital at September 30, 1994
- B-7 *Historical (Embedded) Cost of Preferred and Preference Stock Capital at September 30, 1994*
- B-8 Capital Structures--Years Ended 1989-1993
- B-9 Rate of Return at September 30, 1994

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1994  
Assets and Other Debits  
(Thousands of Dollars)**

<b><u>Acct. No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
	<b>Utility Plant</b>	
101	Plant in service	\$9,139,860
101.1	Property under capital leases	80,265
105	Plant held for future use	34,856
107	Construction work in progress	242,347
	Gross utility plant	9,497,328
108	Accumulated provision for depreciation	(2,548,996)
111	Accumulated provision for amortization	(11,151)
	Net utility plant, less nuclear fuel	6,937,181
120.1	Nuclear fuel in process	5,125
120.6	Nuclear fuel under capital leases	141,322
	Net Utility Plant	7,083,628
	<b>Other Property and Investments</b>	
121	Nonutility property	3,697
122	Accumulated provision for depreciation of nonutility property	(420)
	Net nonutility property	3,277
123.1	Investment in subsidiary companies	98,378
124	Other investments	9,156
128	Other special funds	112,108
	Total Other Property and Investments	222,919
	<b>Current and Accrued Assets</b>	
131	Cash	589
132	Interest special deposits	289
134	Other special deposits	1
135	Working funds	1,587
	Notes and accounts receivable	
141	Notes receivable	10
142	Customer accounts receivable	206,802
143	Other accounts receivable	15,934
144	Accumulated provision for uncollectible accounts--credit	(29,575)
	Total notes and accounts receivable	193,171
145	Notes receivable from associated companies	70,238
146	Accounts receivable from associated companies	1,003

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1994  
Assets and Other Debits (Continued)  
(Thousands of Dollars)**

<u>Acct. No.</u>	<u>Title of Account</u>	<u>Amount</u>
	Current and Accrued Assets (Continued)	
	Materials and supplies	
151	Fuel stock	\$105,651
152	Fuel stock expenses undistributed	325
154	Plant materials and operating supplies	121,141
163	Stores expense undistributed	1,229
	Total materials and supplies	228,346
165	Prepayments	28,077
	Other current and accrued assets	
171	Interest and dividends receivable	1
172	Rents receivable	2,918
173	Accrued utility revenues	85,797
174	Miscellaneous current and accrued assets	12,426
190	Accumulated deferred income taxes (current)	33,226
	Total other current and accrued assets	134,368
	Total Current and Accrued Assets	657,669
	Deferred Debits	
181	Unamortized debt expense	4,417
182.3	Other regulatory assets	1,390,041
183	Preliminary survey and investigation charges	528
184	Clearing accounts	(905)
185	Temporary facilities	(14)
186	Miscellaneous deferred debits	23,198
189	Unamortized loss on reacquired debt	115,273
190	Accumulated deferred income taxes (noncurrent)	
	Susquehanna SES test power	17,640
	SFAS 109	157,371
	Other	109,587
	Total accumulated deferred income taxes (noncurrent)	284,598
	Total Deferred Debits	1,817,136
	Total Assets and Other Debits	\$9,781,352

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1994  
Liabilities and Other Credits  
(Thousands of Dollars)**

<u>Acct. No.</u>	<u>Title of Account</u>	<u>Amount</u>
	Proprietary Capital	
201	Common stock issued	\$1,413,855
204	Preferred stock issued	466,375
207	Premium on capital stock	87
211	Miscellaneous paid-in capital- unrealized holding gains and (losses)	1,014
214	Capital stock expense	(10,585)
215.1	Appropriated retained earnings-- amortization reserve--Federal	3,063
216	Unappropriated retained earnings	1,079,733
216.1	Unappropriated undistributed subsidiary earnings	13,320
	Total Proprietary Capital	<u>2,966,862</u>
	Long-Term Debt	
221	Bonds	2,768,750
224	Other long-term debt	39
225	Unamortized premium on long-term debt	94
226	Unamortized discount on long-term debt--debit	(27,354)
		<u>2,741,529</u>
	Less amount due within one year	
224	Other long-term debt	(39)
	Total Long-Term Debt	<u>2,741,490</u>
	Other Noncurrent Liabilities	
227	Obligations under capital leases (noncurrent)	<u>143,814</u>
	Current and Accrued Liabilities	
224	Long-term debt due within one year-other	39
231	Notes payable	212,000
232	Accounts payable	101,305
234	Accounts payable to associated companies	1,965
235	Customer deposits	1,106
236	Taxes accrued	33,753
237	Interest accrued	59,042
238	Dividends declared	71,295
240	Matured interest	2
241	Tax collections payable	4,891
242	Miscellaneous current and accrued liabilities	91,144
243	Obligations under capital leases--current	77,773
283	Accumulated deferred income taxes-other (current)	11,185
	Total Current and Accrued Liabilities	<u>665,500</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Balance Sheet at  
September 30, 1994  
Liabilities and Other Credits (Continued)  
(Thousands of Dollars)**

<u>Acct. No.</u>	<u>Title of Account</u>	<u>Amount</u>
	Deferred Credits	
228.4	Accumulated miscellaneous operating provisions	\$31,522
252	Customer advances for construction	40
253	Other deferred credits	271,192
254	Other regulatory liabilities	320,831
255	Accumulated deferred investment tax credits	230,852
281	Accumulated deferred income taxes-- accelerated amortization property	551
282	Accumulated deferred income taxes--other property	
	Class life depreciation system	40,522
	Accelerated cost recovery system	
	Nuclear	874,824
	Non-nuclear	203,705
	Removal of retired depreciable property	5,710
	Fuel costs-test generation	3,106
	SFAS 109	688,051
	Other	37,316
	Total accumulated deferred income taxes--other property	<u>1,853,234</u>
283	Accumulated deferred income taxes--other (noncurrent)	<u>555,464</u>
	Total Deferred Credits	<u>3,263,686</u>
	Total Liabilities and Other Credits	<u><u>\$9,781,352</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Net Utility Operating Income  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<b>Acct. No.</b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
400	Operating Revenue (B-3)	<u>\$ 2,765,136</u>
	Operating Expenses:	
401)	Operation and maintenance expense (B-4)	
402)	Power production	1,216,939
	Transmission	12,218
	Distribution	89,566
	Customer accounts	50,750
	Customer service and informational expenses	17,114
	Sales	4,669
	Administrative and general	<u>171,841</u>
	Total Operation and Maintenance Expenses	<u>1,563,097</u>
403)	Depreciation expense and	304,993
406)	Amortization of electric plant acquisition adjustments	
407.3	Regulatory debits	11,211
407.4	Regulatory credits	(98,696)
	Taxes (B-5)	
408.1	Taxes other than income taxes	203,409
409.1	Income taxes	238,251
	Deferred income taxes	
410.1	Provision	128,743
411.1	Provison - Credit	(115,459)
411.4	Investment tax credit adjustments	<u>(12,430)</u>
	Total Taxes	<u>442,514</u>
411.6	Gain from disposition of utility plant	0
411.8	Gains from disposition of emission allowances	<u>(487)</u>
	Total Operating Expenses	<u>2,222,632</u>
	Net Utility Operating Income	<u><u>\$ 542,504</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operating Revenue  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<b><u>Description</u></b>	<b><u>Amount</u></b>
<b><u>Sales of Electricity</u></b>	
Residential	\$ 939,511
Commercial	752,858
Industrial	524,558
Public authorities	16,651
Railroads	9,037
Sales for resale	<u>441,395</u>
Sales revenue	<u>2,684,010</u>
<b><u>Other Operating Revenue</u></b>	
Forfeited discounts	6,783
Miscellaneous service revenue	154
Other electric revenues	57,979
Unbilled revenues	<u>16,210</u>
Total Other Operating Revenue	<u>81,126</u>
Total Electric Operating Revenue	<u>\$ 2,765,136</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<u>Acct.</u> <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
<u>Power Production Expenses</u>		
<u>Steam Power Generation</u>		
Operation		
500	Operation supervision and engineering	\$ 9,552
501	Fuel	
	Average Cost - Boiler	417,307
	Waste Heat Utilization - Credit	(90)
	Differential Fuel Cost - Oil Terminating	6,394
	Retired Miners Health Care Costs	15,268
	Other--fuel unloading, handling, etc.	16,578
502	Steam expenses	14,645
505	Electric expenses	7,298
506	Miscellaneous steam power expenses	28,742
507	Rents	319
	Total Operation	<u>516,013</u>
Maintenance		
510	Maintenance supervision and engineering	5,263
511	Maintenance of structures	4,999
512	Maintenance of boiler plant	58,508
513	Maintenance of electric plant	13,785
514	Maintenance of miscellaneous steam plant	21,859
	Total Maintenance	<u>104,414</u>
	Total Power Production Expense--Steam Power	<u>620,427</u>
<u>Nuclear Power Generation</u>		
Operation		
517	Operation supervision and engineering	19,301
518	Nuclear fuel expense	
	Nuclear fuel consumed--leased	54,069
	Financing costs	5,279
	Spent fuel disposal	10,349
	Decontamination and decommissioning fund assessment	2,634
	Other	394
519	Coolants and water	3,882
520	Steam expenses	29,519
523	Electric expenses	3,227

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service**  
**Statement of Operation and Maintenance Expenses**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<b>Acct. No.</b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
<b><u>Nuclear Power Generation</u> (Continued)</b>		
524	Miscellaneous nuclear power expenses	\$ 63,148
525	Rents	613
	Total Operation	192,415
 <b>Maintenance</b>		
528	Maintenance supervision and engineering	23,833
529	Maintenance of structures	7,188
530	Maintenance of reactor plant equipment	19,507
531	Maintenance of electric plant	9,620
532	Maintenance of miscellaneous nuclear plant	16,608
	Total Maintenance	76,756
	Total Power Production Expenses-- Nuclear Power	269,171
 <b><u>Hydraulic Power Generation</u></b>		
<b>Operation</b>		
535	Operation supervision and engineering	515
536	Water for power	332
537	Hydraulic expenses	804
538	Electric expenses	949
539	Miscellaneous hydraulic power generation expenses	1,033
540	Rents	26
	Total Operation	3,659
 <b>Maintenance</b>		
541	Maintenance supervision and engineering	151
542	Maintenance of structures	152
543	Maintenance of reservoirs, dams and waterways	803
544	Maintenance of electric plant	493
545	Maintenance of miscellaneous hydraulic plant	483
	Total Maintenance	2,082
	Total Power Production Expense-- Hydraulic Power	5,741

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<b>Acct. No.</b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
<b><u>Other Power Generation</u></b>		
Operation		
546	Operation supervision and engineering	\$ 157
547	Fuel - Cost of oil	2,593
	Other - fuel unloading, handling, etc.	23
548	Generation expenses	95
549	Miscellaneous other power generation expenses	145
550	Rents	1,576
	Total Operation	<u>4,589</u>
Maintenance		
551	Maintenance supervision and engineering	157
552	Maintenance of structures	205
553	Maintenance of generating and electric plant	1,702
	Total Maintenance	<u>2,064</u>
	Total Power Production Expense--Other Power	<u>6,653</u>
<b><u>Other Power Supply Expenses</u></b>		
555	Purchased power	
	Interchange-receipts	38,324
	Purchased power-firm	10,222
	-surplus	256,976
556	System control and load dispatching	8,947
557	Other expenses	478
	Total Other Power Supply Expenses	<u>314,947</u>
	Total Power Production Expenses	<u>1,216,939</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<u>Acct.</u> <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
<u>Transmission Expenses</u>		
Operation		
560	Operation supervision and engineering	\$ 1,449
581	Load dispatching	2,554
562	Station expenses	658
563	Overhead line expenses	111
565	Transmission of electricity by others	478
566	Miscellaneous transmission expenses	487
567	Rents	23
	Total Operation	<u>5,760</u>
Maintenance		
568	Maintenance supervision and engineering	1,007
569	Maintenance of structures	60
570	Maintenance of station equipment	2,905
571	Maintenance of overhead lines	2,486
573	Maintenance of miscellaneous transmission plant	0
	Total Maintenance	<u>6,458</u>
	Total Transmission Expenses	<u>12,218</u>
<u>Distribution Expenses</u>		
Operation		
580	Operation supervision and engineering	5,264
581	Load dispatching	3,663
582	Station expenses	3,554
583	Overhead line expenses	2,667
584	Underground line expenses	1,167
585	Street lighting and signal system expenses	154
586	Meter expenses	5,007
587	Customer installations expenses	3,017
588	Miscellaneous distribution expenses	5,645
589	Rents	5,128
	Total Operation	<u>35,266</u>

PENNSYLVANIA POWER & LIGHT COMPANY

**Electric Service**  
**Statement of Operation and Maintenance Expenses**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Acct.</u> <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
Distribution Expenses (Continued)		
Maintenance		
590	Maintenance supervision and engineering	\$ 5,525
591	Maintenance of structures	204
592	Maintenance of station equipment	5,702
593	Maintenance of overhead lines	31,341
594	Maintenance of underground lines	2,616
595	Maintenance of line transformers	4,032
596	Maintenance of street lighting and signal systems	1,585
597	Maintenance of meters	2,881
598	Maintenance of miscellaneous distribution plant	414
	Total Maintenance	<u>54,300</u>
	Total Distribution Expenses	<u>89,566</u>
<u>Customer Accounts Expenses</u>		
Operation		
901	Supervision	1,572
902	Meter reading expenses	8,927
903	Customer records and collection expenses	21,155
904	Uncollectible accounts	17,367
905	Miscellaneous customer accounts expenses	1,729
	Total Customer Accounts Expenses	<u>50,750</u>
<u>Customer Service and Informational Expenses</u>		
Operation		
907	Supervision	0
908	Customer assistance expenses	15,078
909	Informational and instructional expenses	1,019
910	Miscellaneous customer service and information expenses	1,017
	Total Customer Service and Informational Expenses	<u>17,114</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended September 30, 1994  
(Thousands of Dollars)**

**Acct. Title of Account  
No.**

**Sales Expenses**

Operation		
911	Supervision	\$ -
912	Demonstrating and selling expenses	1,979
913	Advertising expenses	167
916	Miscellaneous sales expenses	2,523
	Total Sales Expenses	<u>4,669</u>

**Administrative and General Expenses**

Operation		
920	Administrative and general salaries	35,760
921	Office supplies and expenses	18,434
923	Outside services employed	7,497
924	Property insurance	8,408
925	Injuries and damages	7,209
926	Employee pensions and benefits	70,352
928	Regulatory commission expenses	3,193
929	Duplicate charges--credit	0
930	Miscellaneous general expenses	17,441
931	Rents--office buildings	47
	Total Operation	<u>168,341</u>

**Maintenance**

935	Maintenance of general plant	<u>3,500</u>
	Total Administrative and General Expenses	<u>171,841</u>
	Total Operating and Maintenance Expenses	<u>\$ 1,563,097</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Detail of Taxes  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Taxes Other Than Income Taxes	
	State and Local	
1	Capital Stock	36,144
2	Gross Receipts	100,072
3	Local Property and Other	729
4	Public Utility Realty	45,706
5	Regulatory Commission Assessment	774
6	State Unemployment Compensation	1,122
7	Sales and Use	(42)
8	Total State and Local	<u>184,505</u>
	Federal	
9	Unemployment Tax Act	255
10	Social Security and Hospital Insurance	17,947
11	Environmental Tax	702
12	Total Federal	<u>18,904</u>
13	Total Taxes Other Than Income	<u>203,409</u>
	Income Taxes	
14	State	65,619
15	Federal	172,632
16	Total Income Taxes	<u>238,251</u>
	Investment Tax Credit	
17	Deferred	0
18	Amortization of Deferral	(12,430)
19	Net Investment Tax Credit	<u>(12,430)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service**  
**Statement of Detail of Taxes**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Deferred Income Taxes				
Provision for Deferred Taxes				
20	Bad Debts	700	337	1,037
21	Vacation Pay	5,708	2,318	8,026
22	Susquehanna SES Test Power	570	141	711
23	M&S Inventory Adjustment	1,675	664	2,339
24	Post Retirement Benefits	7,031	2,804	9,835
25	ECR Settlement	1,968	785	2,753
26	Fuel Cost Adjustment	2,837	1,165	4,002
27	M&S Inventory-Investment Recovery	2,003	800	2,803
28	ACRS & MACRS	38,988	0	38,988
29	Pension Costs Capitalized	1,598	633	2,231
30	Unfunded Future Tax Liability-FERC	1,453	1,066	2,519
31	Full Normalization of Taxes-FERC	258	503	761
32	SSES Deferred Refueling Outage Costs	9,231	3,672	12,903
33	ECR/FAC Over/Under Collection	17,098	6,931	24,029
34	DOE Assessment-D&D Fund	807	322	1,129
35	Loss on Reacquired Debt	8,501	3,373	11,874
36	Miscellaneous	1,987	816	2,803
37	Total Provision	102,413	26,330	128,743
Provision for Deferred Taxes - Credit				
38	Bad Debts	(979)	(357)	(1,336)
39	Vacation Pay	(5,762)	(2,280)	(8,042)
40	Contributions in Aid of Construction	(1,510)	(599)	(2,109)
41	Gross Pension Costs	(4,765)	(1,886)	(6,651)
42	Environmental Cleanup Costs	(1,200)	(477)	(1,677)
43	Retired Miners' Health Care Costs	(3,347)	(1,332)	(4,679)
44	Post Employment Benefits	(1,926)	(767)	(2,693)
45	Post Retirement Benefits	(7,617)	(3,027)	(10,644)
46	1991 PA CNI Refund	(4,243)	0	(4,243)
47	ECR Settlement	(5,873)	(2,345)	(8,218)
48	Pollution Control Facilities	(94)	0	(94)
49	Class Life System	(75)	(29)	(104)
50	Removal Costs	(627)	(151)	(778)

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Service  
Statement of Detail of Taxes  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
	Deferred Income Taxes			
	Provision for Deferred Taxes - Credit (cont'd)			
51	Martins Creek Test Fuel	(152)	(45)	(197)
52	ACRS & MACRS	(29,182)	0	(29,182)
53	Unfunded Future Tax Liability-FERC	(286)	(5)	(291)
54	Full Normalization of Taxes-FERC	(1,902)	(556)	(2,458)
55	SSES Deferred Refueling Outage Costs	(5,158)	(2,109)	(7,267)
56	Deferred Fossil Plant Outage Costs	(900)	(359)	(1,259)
57	ECR/FAC Over/Under Collection	(10,896)	(4,438)	(15,334)
58	DOE Assessment-D&D Fund	(746)	(298)	(1,044)
59	Loss on Reacquired Debt	(2,100)	(755)	(2,855)
60	Miscellaneous	(3,069)	(1,235)	(4,304)
61	Total Credits	<u>(92,409)</u>	<u>(23,050)</u>	<u>(115,459)</u>
62	Total Deferred Income Taxes	<u>10,004</u>	<u>3,280</u>	<u>13,284</u>
63	Total All Taxes			<u><u>442,514</u></u>

PENNSYLVANIA POWER & LIGHT COMPANY

Calculation of Composite Cost Rate of Long-Term Debt  
At September 30, 1994  
(Thousands of Dollars)

<u>First Mortgage Bonds</u>	<u>Amount Outstanding</u>	<u>Percent to Total</u>	<u>Effective Interest Rate (a)</u>	<u>Average Weighted Cost Rate</u>
5-5/8 % Series Due 1996	\$ 30,000	1.22 %	5.53 %	0.07 %
6-3/4 % Series Due 1997	30,000	1.22	6.67	0.08
5-1/2 % Series Due 1998	150,000	6.11	5.72	0.35
7 % Series Due 1999	40,000	1.63	7.02	0.12
8-1/8 % Series Due 1999	40,000	1.63	8.16	0.13
6 % Series Due 2000	125,000	5.09	6.16	0.31
7-1/4 % Series Due 2001	60,000	2.45	7.26	0.18
7-5/8 % Series Due 2002	75,000	3.06	7.64	0.23
7-3/4 % Series Due 2002	150,000	6.11	7.88	0.48
7-1/2 % Series Due 2003	80,000	3.26	7.50	0.25
6-7/8 % Series Due 2003	100,000	4.07	7.09	0.29
6-7/8 % Series Due 2004	150,000	6.11	7.07	0.43
6-1/2 % Series Due 2005	125,000	5.09	6.71	0.34
6.55 % Series Due 2006	150,000	6.11	6.67	0.41
7-3/8 % Series Due 2014	100,000	4.07	7.55	0.31
9-1/4 % Series Due 2019	250,000	10.18	9.37	0.96
9-3/8 % Series Due 2021	150,000	6.11	9.52	0.58
8-1/2 % Series Due 2022	150,000	6.11	8.61	0.53
7-7/8 % Series Due 2023	200,000	8.15	8.03	0.65
6-3/4 % Series Due 2023	150,000	6.11	6.91	0.42
7.30 % Series Due 2024	150,000	6.11	7.42	0.45
<b>Total</b>	<b>\$ 2,455,000</b>	<b>100.00 %</b>		<b>7.57 %</b>
<u>Pollution Control Series G</u>				
9-3/8 % Series Due 2015	\$ 55,000	17.53	9.76	1.71
<u>Pollution Control Series H</u>				
6.40 % Series Due 2021	90,000	28.69	6.56	1.88
<u>Pollution Control Series I</u>				
5.50 % Series Due 2027	53,250	16.97	5.67	0.97
<u>Pollution Control Series J</u>				
6.40 % Series Due 2029	115,500	36.81	6.52	2.40
<b>Total</b>	<b>\$ 313,750</b>	<b>100.00 %</b>		<b>6.96 %</b>
Total First Mortgage Bonds	\$ 2,455,000	88.67	7.57	6.71
Total Pollution Control Bonds	313,750	11.33	6.96	0.79
Other Long Term Debt	39	0.00	8.00	0.00
	2,768,789	100.00 %		7.50 %
Long-Term Debt	2,768,789			7.50 %
Loss on Reacquired Debt	(115,273)			\$ 207,659 (b)
Gain on Reacquired Debt				7,101 (c)
Adjusted Long-Term Debt	\$ 2,653,516			(82) (d)
			8.09 % (e)	\$ 214,678

- (a) Effective cost rate from Schedule B-6, page 2.  
(b) 7.50% x \$2,768,789  
(c) Annualized amortization of loss on reacquired debt.  
(d) Annualized amortization of gain on reacquired debt.  
(e) \$214,678 / \$2,653,516

PENNSYLVANIA POWER & LIGHT COMPANY

Schedule of Long-Term Debt and Calculation  
of Average Weighted Cost Rate at September 30, 1994

Description of Issue	Nominal Date of Issue	Date of Maturity	Amount Issued	Amount Outstanding	Amount Retired	Coupon Rate - %	Premium or (Discount) at Issuance	Issuance Expense	Net Proceeds	Annual Sinking Fund Requirement(1)	Average Term in Years	Net Proceeds Ratio	Effective Interest Rate
5-5/8 % Series Due 1996	6/1/66	6/1/96	\$ 30,000,000	\$ 30,000,000		5-5/8%	\$ 470,970	\$ 54,725	\$ 30,416,245	\$ 300,000	30	101.39	5.53 %
6-3/4 % Series Due 1997	11/1/67	11/1/97	30,000,000	30,000,000		6-3/4	378,300	54,843	30,323,457	300,000	30	101.08	6.67
5-1/2 % Series Due 1998	4/1/93	4/1/98	150,000,000	150,000,000		5-1/2	(1,264,500)	168,141	148,567,359		5	99.04	5.72
7 % Series Due 1999	1/1/69	1/1/99	40,000,000	40,000,000		7	(36,400)	65,884	39,897,716	400,000	30	99.74	7.02
8-1/8 % Series Due June, 1 1999	6/1/69	6/1/99	40,000,000	40,000,000		8-1/8	(80,000)	65,906	39,854,094	400,000	30	99.64	8.16
6 % Series Due 2000	6/1/93	6/1/00	125,000,000	125,000,000		6	(993,750)	137,817	123,868,433		7	99.09	6.16
7-1/4 % Series Due 2001	2/1/71	2/1/01	60,000,000	60,000,000		7-1/4	30,000	96,892	59,933,108	600,000	30	99.89	7.26
7-5/8 % Series Due 2002	2/1/72	2/1/02	75,000,000	75,000,000		7-5/8	(35,250)	110,041	74,854,709	750,000	30	99.81	7.64
7-3/4 % Series Due 2002	5/1/92	5/1/02	150,000,000	150,000,000		7-3/4	(1,182,000)	190,078	148,627,922		10	99.09	7.88
7-1/2 % Series Due 2003	1/1/73	1/1/03	80,000,000	80,000,000		7-1/2	79,200	115,987	79,963,213		30	99.95	7.50
6-7/8 % Series Due 2003	2/1/93	2/1/03	100,000,000	100,000,000		6-7/8	(1,185,000)	315,508	98,499,492		10	98.50	7.09
6-7/8 % Series Due 2004	3/1/94	3/1/04	150,000,000	150,000,000		6-7/8	(1,888,500)	180,604	147,930,896		10	98.62	7.07
6-1/2 % Series Due 2005	4/1/93	4/1/05	125,000,000	125,000,000		6-1/2	(2,045,000)	109,199	122,845,801		12	98.28	6.71
6.55 % Series Due 2006	3/1/94	3/1/06	150,000,000	150,000,000		6.55	(1,345,500)	183,693	148,470,807		12	98.98	6.67
7-3/8 % Series Due 2014	3/1/94	3/1/14	100,000,000	100,000,000		7-3/8	(1,655,000)	122,873	98,222,127		20	98.22	7.55
9-1/4 % Series Due 2019	10/1/89	10/1/19	250,000,000	250,000,000		9-1/4	(2,687,500)	319,869	246,992,631		30	98.80	9.37
9-3/8 % Series Due 2021	7/1/91	7/1/21	150,000,000	150,000,000		9-3/8	(2,001,000)	161,507	147,837,493		30	98.56	9.52
8-1/2 % Series Due 2022	5/1/92	5/1/22	150,000,000	150,000,000		8-1/2	(1,636,500)	189,347	148,174,153		30	98.78	8.61
7-7/8 % Series Due 2023	2/1/93	2/1/23	200,000,000	200,000,000		7-7/8	(3,230,000)	187,187	196,582,813		30	98.29	8.03
6-3/4 % Series Due 2023	10/1/93	10/1/23	150,000,000	150,000,000		6-3/4	(2,844,000)	174,957	146,981,043		30	97.99	6.91
7.30 % Series Due 2024	3/1/94	3/1/24	150,000,000	150,000,000		7.30	(2,037,000)	151,193	147,811,807		30	98.54	7.42
<u>Pollution Control Series G</u>													
9-3/8 % Series Due 2015	6/15/85	7/1/15	55,000,000	55,000,000		9-3/8	(1,804,000)	255,985	52,940,015		30	96.25	9.76
<u>Pollution Control Series H</u>													
6.40 % Series Due 2021	11/1/92	11/1/21	90,000,000	90,000,000		6.40	(787,500)	1,047,512	88,164,988		29	97.96	6.56
<u>Pollution Control Series I</u>													
5.50 % Series Due 2027	2/15/94	2/15/27	53,250,000	53,250,000		5.50	(998,438)	310,584	51,940,978		33	97.54	5.67
<u>Pollution Control Series J</u>													
6.40 % Series Due 2029	9/1/94	9/1/29	115,500,000	115,500,000		6.40	(990,990)	915,000 (2)	113,594,010		35	98.35	6.52

(1) The sinking fund requirements may be met with property additions or bonds

(2) Estimate

NOTE: No bonds under any series outstanding have been reacquired by the Company.

PENNSYLVANIA POWER & LIGHT COMPANY

Composite Cost Rate of Preferred Stock  
At September 30, 1994  
(Thousands of Dollars)

	<u>Amount Outstanding</u>	<u>Percent to Total</u>	<u>Effective Cost Rate (1)</u>	<u>Weighted Cost Rate</u>	<u>Annual Cost</u>
4-1/2 % Preferred Series Preferred	\$ 53,019	11.37 %	5.03 %	0.57 %	\$ 2,667
3.35%	4,178	0.89	3.37	0.03	141
4.60%	6,300	1.35	4.79	0.07	302
4.40%	22,878	4.91	4.46	0.22	1,020
6.33%	100,000	21.44	6.44	1.38	6,440
6.125%	115,000	24.66	6.23	1.54	7,165
6.75%	85,000	18.23	6.82	1.24	5,797
5.95%	30,000	6.43	6.11	0.39	1,833
6.05%	25,000	5.36	6.19	0.33	1,547
6.15%	25,000	5.36	6.28	0.34	1,570
Total Preferred Stock	466,375	100.00 %		6.11 %	28,482
Unamortized Premiums and Unrecovered Original Issue Costs on Redeemed Stock (2)	<u>(21,338)</u>				<u>4,498</u>
	<u>\$ 445,037</u>			7.41 % (3)	<u>\$ 32,980</u>

(1) Effective cost rate from Schedule B-7, Page 2.  
(2) See Schedule B-7, Page 3 for determination of this amount.  
(3) \$32,980 / \$445,037

PENNSYLVANIA POWER & LIGHT COMPANY

Computation of Preferred Stock Effective Cost Rate by Series  
At September 30, 1994

Description of Issue	Date of Issue	Date of Maturity(1)	Amount Issued	Amount Outstanding	Amount Retired	Gain on Recquisition	Issuance Expenses Net of Premium	Net Proceeds(2)	Sinking Fund Requirements		Nominal Dividend Rate	Average Term in Years(1)	Net Proceeds Ratio	Effective Cost Rate (3)
									Annual Requirements (Shares)	Redemption Period				
<b>Cumulative Preferred Stock</b>														
3.35 % Series	5/2/46	*	\$ 4,178,300	\$ 4,178,300			\$ 21,029	\$ 4,157,271	-	-	3.35 %	*	99.50 %	3.37 %
4.60 % Series	10/21/48	*	6,300,000	6,300,000			248,899	6,051,101	-	-	4.60	*	98.05	4.79
4.40 % Series	8/5/52	*	22,877,300	22,877,300			318,821	22,560,479	-	-	4.40	*	98.62	4.46
4-1/2 % Series	12/10/45	*	53,018,900	53,018,900			154,373 (4)	47,435,627 (5)	-	-	4.50	*	89.47	5.03
	12/22/54	*												
6.33 % Series	6/10/93	7/1/08	100,000,000	100,000,000			1,056,645	98,943,355	50,000	2003-2007	6.33	14.25	98.94	6.44
									750,000	2008				
6.125 % Series	8/17/93	10/1/08	115,000,000	115,000,000			1,114,078	113,885,922	57,500	2003-2007	6.125	14.25	99.03	6.23
									862,500	2008				
6.75 % Series	10/5/93	*	85,000,000	85,000,000			851,022	84,148,978	-	-	6.75	*	99.00	6.82
5.95 % Series	3/23/94	4/1/01	30,000,000	30,000,000			264,683	29,735,117	-	-	5.95	6.00	99.12	6.11
6.05 % Series	3/23/94	4/1/02	25,000,000	25,000,000			224,926	24,775,074	-	-	6.05	7.00	99.10	6.19
6.15 % Series	3/23/94	4/1/03	25,000,000	25,000,000			224,926	24,775,074	-	-	6.15	8.00	99.10	6.28

(1) Date of Maturity and Average Term in Years are listed for issues with sinking fund requirements. Issues marked with an \* do not have sinking fund requirements and therefore these fields are not applicable to these issues.

(2) Amount outstanding less issuance expenses net of premium.

(3) For issues without sinking fund requirements the effective cost rate is computed by dividing the nominal dividend rate by the net proceeds ratio.

(4) Includes \$87,000 premium.

(5) Net proceeds after deducting \$5,428,900 attributable to cost of Company refinanced issues carried forward.

PENNSYLVANIA POWER & LIGHT COMPANY  
 DETERMINATION OF UNAMORTIZED PREMIUMS AND  
 ORIGINAL ISSUE COSTS ON REACQUIRED PREFERRED AND PREFERENCE STOCK  
 AS OF SEPTEMBER 30, 1994

	(1)	(2)	(3)	(4)	(5)	(6)	(7)		
Date Redeemed	Premium	Unrecovered Original Issue Costs	Average Remaining Life-Mos.	Monthly Amortization(a)	Amortization through 9/30/94-Mos.	Amortization(b)	Unamortized Premium/OIC 9/30/94(c)	Oct. 1, 1994-Sept. 30, 1995 Amortization(e)	
<b>Preferred Stock(d)</b>									
9.24% Series	2/1/92	\$258,900	\$371,446	101	\$6,241	32.00	\$199,712	\$430,634	\$74,892
9.00% Series	2/1/92	77,630	152,830	171	1,348	32.00	43,136	187,324	16,176
7.40% Series	7/1/93	236,800	84,230	120	2,675	15.00	40,125	280,905	32,100
8.75% Series	7/1/93	1,074,000	134,765	111	10,890	15.00	163,350	1,045,415	130,680
8.00% Series	7/1/93	500,000	116,531	111	5,554	15.00	83,310	533,221	66,648
8.60% Series	7/15/93	297,976	393,860	171	4,046	14.50	58,667	633,169	48,552
7.375% Series	11/1/93	2,106,823	492,810	221	11,763	11.00	129,393	2,470,240	141,156
7.82% Series	11/1/93	590,500	329,639	32	28,754	11.00	316,294	603,845	345,048
6.875% Series	5/1/94	0	202,499	23	8,804	5.00	44,020	158,479	105,648
7.00% Series	5/1/94	0	611,359	32	19,105	5.00	95,525	515,834	229,260
<b>Preference Stock</b>									
\$15.00 Series	2/19/86	10,000,000	1,549,988	136	84,926	103.32	8,774,554	2,775,434	1,019,112
\$13.68 Series	4/1/86	7,000,000	1,755,915	163	53,717	102.00	5,479,134	3,276,781	644,604
\$13.00 Second Series	6/13/86	7,000,000	1,553,360	144	59,398	99.57	5,914,259	2,639,101	712,776
\$11.60 Series	2/18/87	7,000,000	1,443,951	141	59,886	91.36	5,471,185	2,972,766	718,632
\$ 8.00 Series	9/15/93	351,944	582,445	171	5,464	12.50	68,300	866,089	65,568
\$ 8.40 Series	9/15/93	401,333	678,905	171	6,317	12.50	78,963	1,001,275	75,804
\$ 8.70 Series	9/15/93	400,667	621,621	171	5,978	12.50	74,725	947,563	71,736
		<u>\$37,296,573</u>	<u>\$11,076,154</u>		<u>\$374,866</u>		<u>\$27,034,652</u>	<u>\$21,338,075</u>	<u>\$4,498,392</u>

(a)  $((1) + (2)) / (3) = (4)$

(b)  $(5) \times (4) = (6)$

(c)  $(1) + (2) - (6) = (7)$

(d) Unrecovered Original Issue Costs include litigation fees and settlements with former holders pro-rated based on principal amount at time of redemption.

(e)  $(4) \times 12$  months

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Capital Structure**  
*(Millions of Dollars)*

<u>Line No.</u>		<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>Sept. 30 1994</u>
	<b>Capitalization</b>						
1	Long-Term Debt (a)	\$2,572.2	\$2,389.3	\$2,513.0	\$2,550.0	\$2,572.0	\$2,653.5
2	Preferred & Preference Stock	613.9	591.3	575.5	532.0	482.6	445.1
3	Common Equity (b)	2,179.4	2,257.9	2,330.6	2,396.1	2,460.5	2,531.3
4	<b>Total</b>	<b>\$5,365.5</b>	<b>\$5,238.5</b>	<b>\$5,419.1</b>	<b>\$5,478.1</b>	<b>\$5,515.1</b>	<b>\$5,629.9</b>
	<b>Capitalization Ratios</b>						
5	Long-Term Debt (a)	47.94%	45.61%	46.37%	46.55%	46.64%	47.13%
6	Preferred & Preference Stock	11.44%	11.29%	10.62%	9.71%	8.75%	7.91%
7	Common Equity (b)	40.62%	43.10%	43.01%	43.74%	44.61%	44.96%
8	<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

(a) Long-term debt includes amount due within one year and the unamortized loss on reacquired debt.

(b) Common equity includes an adjustment for the unamortized premiums and unrecovered original issue costs on reacquired preferred and preference stock.

Capital Structure  
(Thousands of Dollars)

	1989	1990	1991	1992	1993	SEPT 30 1994
COMPUTATION OF COMMON EQUITY:						
COMMON EQUITY PER BOOKS						
COMMON STOCK ISSUED	\$1,340,224	\$1,349,595	\$1,357,996	\$1,364,148	\$1,370,783	\$1,413,855
COMMON STOCK SUBSCRIBED - ESOP		1,451	95			
EARNINGS REINVESTED	811,710	883,162	952,106	1,014,760	1,065,958	1,096,116
	<u>2,151,934</u>	<u>2,234,208</u>	<u>2,310,197</u>	<u>2,378,908</u>	<u>2,436,741</u>	<u>2,509,971</u>
ADJUSTMENT FOR UNAMORTIZED PREMIUMS AND UNRECOVERED ORIGINAL ISSUE COSTS ON REACQUIRED PREFERRED AND PREFERENCE STOCK	27,422	23,707	20,430	17,196	23,786	21,338
ADJUSTED COMMON EQUITY	<u>\$2,179,356</u>	<u>\$2,257,915</u>	<u>\$2,330,627</u>	<u>\$2,396,104</u>	<u>\$2,460,527</u>	<u>\$2,531,309</u>
COMPUTATION OF LONG-TERM DEBT:						
LONG-TERM DEBT - PP&L	\$2,633,577	\$2,460,004	\$2,578,905	\$2,628,866	\$2,673,827	\$2,768,789
UNAMORTIZED LOSS ON REACQUIRED DEBT	(61,368)	(70,737)	(85,926)	(78,917)	(101,836)	(115,273)
ADJUSTED LONG-TERM DEBT	<u>\$2,572,209</u>	<u>\$2,389,267</u>	<u>\$2,512,979</u>	<u>\$2,549,949</u>	<u>\$2,571,991</u>	<u>\$2,653,516</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Rate of Return at  
September 30, 1994

<u>Line</u> <u>No.</u>		<u>Capitalization</u> <u>Ratio (B-8)</u>	<u>Embedded</u> <u>Cost</u>		<u>Return</u>
1	Long-Term Debt	47.13%	8.09%	(B-6)	3.81%
2	Preferred Stock	7.91	7.41	(B-7)	0.59
3	Common Equity	<u>44.96</u>	13.00		<u>5.84</u>
4	Total	<u>100.00%</u>			<u>10.24%</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**C—Measures of Value  
Index**

- C-1 Measures of Value and Rates of Return
- C-2 Electric Plant in Service
- C-3 Construction Work in Progress--Pollution Control Projects
- C-4 Working Capital
- C-5 Fuel Stock and Materials and Operating Supplies
- C-6 Accumulated Deferred Taxes on Income

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Measures of Value and Rates of Return**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Original Cost</u>	
		<u>Total Company</u>	<u>PPUC Jurisdictional (Exhibit JMK 1)</u>
	Electric Plant		
1	Electric plant in service (C-2)	\$9,169,262	\$7,804,709
2	Reserve for depreciation (C-2)	<u>2,566,167</u>	<u>2,226,189</u>
3	Net Electric Plant in Service	<u>6,603,095</u>	<u>5,578,520</u>
	Additions and Deductions		
4	Pollution control projects (C-3)	70,133	58,352
5	Retirements associated with pollution control projects (C-3)	<u>(2,427)</u>	<u>(2,019)</u>
6	Net Additions and Deductions	<u>67,706</u>	<u>56,333</u>
7	Total Electric Plant (net)	<u>6,670,801</u>	<u>5,634,853</u>
	Working Capital		
8	Cash working capital (C-4)	1,901	1,697
9	Fuel stock and materials and operating supplies (C-5)	<u>234,046</u>	<u>194,642</u>
10	Total Working Capital	<u>235,947</u>	<u>196,339</u>
	Deductions		
11	Accumulated deferred taxes on income (C-6)	1,110,777	900,744
12	Customer advances for construction (B-1)	40	40
13	Customer deposits (B-1)	<u>1,106</u>	<u>1,106</u>
14	Total Deductions	<u>1,111,923</u>	<u>901,890</u>
15	Measures of Value (net)	<u>\$ 5,794,825</u>	<u>\$ 4,929,302</u>
	Pro forma return at present rates		
16	Amount (D-1, col. 4)		\$ 428,232
17	Percent		8.69%
	Pro forma return at proposed rates		
18	Amount (D-1, col. 6)		\$ 535,537
19	Percent		10.86%

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Electric Plant in Service—Original Cost**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Steam production	\$ 1,884,784
2	Nuclear production	4,024,385
3	Hydraulic production	93,997
4	Other production	<u>35,356</u>
5	Total Production	\$ 6,038,522
6	Transmission	431,529
7	Distribution	2,404,616
8	General	273,171
9	Intangible	<u>21,424</u>
10	Total Electric Plant In Service	<u><u>\$ 9,169,262</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Reserve for Depreciation—Original Cost**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Steam production	\$ 803,051
2	Nuclear	676,450
3	Hydraulic production	22,546
4	Other production	<u>27,752</u>
5	Total Production	\$ 1,529,799
6	Transmission	132,949
7	Distribution	806,050
8	General	91,524
9	Intangible	<u>5,845</u>
10	Total Reserve for Depreciation	<u><u>\$ 2,566,167</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
<b><u>Martins Creek</u></b>		
1	Close ash basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 154
2	Install a new bottom ash handling system due to the closure of basin No. 1 in compliance with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	76
3	Replace ash lines on Units 3&4 due to wear. Leaks would be in violation of National Pollution Discharge Elimination System permit and Pennsylvania Department of Environmental Resources regulations.	432
4	Close the low volume waste basin to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	28
5	Install waste sluice channels due to closure of the low volume waste basin to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>8</u>
6	Total Martins Creek	<u>\$ 698</u>
<b><u>Sunbury SES</u></b>		
7	Install low NOx burners on Unit 4 to comply with the 1990 Clean Air Act Amendments to reduce nitric oxide emissions.	\$ 379
8	Modify precipitator for Unit 4 to improve performance to allow lower sulfur coal to be burned to comply with the 1990 Clean Air Act Amendments to reduce sulfur dioxide emissions.	189
9	Close ash basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	73
10	Close ash basin No. 2 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>62</u>
11	Total Sunbury	<u>\$ 703</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

**Holtwood SES**

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Close ash basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 98
2	Add a dry fly ash system due to the closure of basin No. 1 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>163</u>
3	Total Holtwood	<u>\$ 261</u>

**Brunner Island SES**

4	Construct new pyrites facilities due to basin closures to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	16
5	Install a coal pile liner under the coal pile to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	420
6	Install low NOx burners in Unit 3 to comply with the 1990 Clean Air Act Amendments reduce nitric oxide emissions.	9,938
7	Add a dry fly ash handling system due to closure of basins to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	15,224
8	Add a dry fly ash crew & service building to support the additional people needed to operate and maintain the dry fly ash handling system being installed to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	19
9	Install a slurry wall and cap on basin No. 3 to prevent ground water contamination in violation of Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	2,132

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
<b><u>Brunner Island</u></b> (Continued)		
1	Close ash basin No. 6 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 82
2	Close ash basin No. 7 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	119
3	Install oil tank false bottoms and liners to prevent and detect oil leaks. Leaking oil will contaminate ground water in violation of the Oil Pollution Act of 1990 and regulations of the Pennsylvania Department of Environmental Resources.	184
4	Add land improvements to wetlands to replace wetlands lost when basin No. 7 was constructed. The new wetlands are to comply with the Dam Safety and Waterway Management regulations of Pennsylvania Department of Environmental Resources.	20
5	Close south portion of ash basin No. 4 to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources and to provide space for new waste water treatment facilities.	58
6	Install waste water treatment facilities to treat water that was previously discharged through the ash basins now being closed to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	<u>21</u>
7	Total Brunner Island	<u>\$ 28,233</u>
<b><u>Montour SES</u></b>		
8	Install low NO <sub>x</sub> burners in Unit 1 to comply with the 1990 Clean Air Act Amendments to reduce nitric oxide emissions.	1,984
9	Close ash area No. 2 which will reach the end of its useful life and must be closed according to Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	113
10	Close ash area No. 1, Section A to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	277

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

**Montour** (Continued)

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Install new bottom ash facilities due to basin closures required by Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	\$ 73
2	Install new pyrites facilities due to basin closures to comply with Residual Waste Regulations of the Pennsylvania Department of Environmental Resources.	29
3	Construct coal yard equipment wash pad to collect and treat vehicle wash water in accordance with the National Pollution Discharge Elimination System permit.	72
4	Replace sulfur burning gas conditioning system controls on Unit 2 due to obsolescence. The controls on Unit 2 gas conditioning system is needed to comply with particulate emissions limits according to Pennsylvania Department of Environmental Resources regulations.	12
5	Replace sulfur burning gas conditioning system controls on Unit 2 due to obsolescence. The controls on Unit 2 gas conditioning system is needed to comply with particulate emissions limits according to Pennsylvania Department of Environmental Resources regulations.	14
6	Install coal yard sewage pump station to replace an existing sewage drain field being removed from service to avoid ground water contamination in violation of the National Pollution Discharge Elimination System permit.	<u>22</u>
7	Total Montour	<u>\$ 2,596</u>
 <b><u>Keystone SES</u></b>		
8	Install low NOx burners in Unit 1 to comply with the 1990 Clean Air Act Amendments to reduce nitric oxide emissions.	<u>\$ 292</u>
9	Total Keystone	<u>\$ 292</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Pollution Control Projects**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

**Conemaugh SES**

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Install low NO <sub>x</sub> burners in Unit 1 to comply with the 1990 Clean Air Act Amendments to reduce nitric oxide emissions.	\$ 1,363
2	Install flue gas desulfurization on Unit 1 to comply with the 1990 Clean Air Act Amendments to reduce sulfur dioxide emissions.	30,335
3	Install flue gas desulfurization on Unit 2 to comply with the 1990 Clean Air Act Amendments to reduce sulfur dioxide emissions.	<u>5,652</u>
4	Total Conemaugh	<u>\$ 37,350</u>
5	Total pollution control projects	<u><u>\$ 70,133</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Retirements Associated with Pollution Control Projects**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Steam Production	
1	Martins Creek SES 3&4	\$ 518
2	Sunbury SES	146
3	Brunner Island SES	1,888
4	Montour SES	1,822
5	Conemaugh SES	<u>457</u>
6	Total	<u>\$ 4,831</u>
	Less: Reserve for Depreciation	
7	Martins Creek Ses 3&4	\$ 247
8	Sunbury SES	64
9	Brunner Island SES	887
10	Montour SES	1,078
11	Conemaugh SES	<u>128</u>
12	Total	<u>\$ 2,404</u>
13	Net retirements associated with pollution control projects	<u><u>\$ 2,427</u></u>

PENNSYLVANIA POWER & LIGHT COMPANY

**Cash Working Capital**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Operation and maintenance expense (C-4, pg. 2)	\$ 20,671
2	Average prepayments (C-4, pg. 3)	12,824
3	Accrued taxes (C-4, pg. 4)	2,192
4	Interest payments (C-4, pg. 5)	(32,912)
5	Preferred dividend payments (C-4, pg. 6)	<u>(874)</u>
6	Total cash working capital requirement	<u>\$ 1,901</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Working Capital Required for Operation and Maintenance Expenses  
As of September 30, 1994  
(Thousands of Dollars)

Line No.	Description	Amount	Avg. Days	Weighted Amount
Average Lag in Receipt of Operating Revenue				
1	Revenue from 15-day due date customers	\$1,228,343	35 (a)	\$42,992,005
2	Revenue from 20-day due date customers	953,979	42 (a)	40,067,118
3	Revenue from 30-day due date customers	209,584	39 (a)	8,173,776
4	Interchange delivered	74,326	35	2,601,410
5	Revenue from UGI	26,356	20	527,120
6	Revenue from Power Contracts	296,990	17	5,048,830
7	Total Revenue (D-3)	<u>\$2,789,578</u>		<u>\$99,410,259</u>
Average Lag in Payment of Operation and Maintenance Expense				
9	Payroll--salary	\$216,316	11	\$2,379,476
10	Payroll--hourly	71,368	16	1,141,888
11	Employee benefits	64,720	37	2,394,640
12	Bituminous coal	241,427	36	8,691,372
13	Anthracite	10,051	37	371,887
14	Coal freight bills	77,349	23	1,779,027
15	Petroleum coke	2,621	39	102,219
16	Oil	9,039	15	135,585
17	Martins Creek Units No. 3 and 4 oil	61,917	24	1,486,008
18	Martins Creek Units No. 3 and 4 oil transportation	14,903	41	611,023
19	Interchange Purchased	42,178	35	1,476,230
20	Purchased power--firm	10,222	32	327,104
21	Purchased Power--surplus	260,146	46	11,966,716
22	Other	523,011	32	16,736,352
23	Total pro forma O&M expense (b)	<u>\$1,605,268</u>		<u>\$49,599,527</u>
24	Average lag in receipt of revenue (\$99,410,239 ÷ \$2,789,578)			35.6
25	Average lag in payment of operating expense (\$49,599,527 ÷ \$1,605,268)			30.9
26	Average lag in days between payment of operating expense and receipt of revenue (line 24-line 25)			4.7
27	Operating expense per day (line 23 ÷ 365 days)			\$ 4,398
28	Working capital requirement (line 27 x line 26)			\$ 20,671

	Customer Due Date		
	15 Days	20 Days	30 Days
(a) Midpoint of 30-day service period	15 days	15 days	15 days
Lag between meter reading and billing date	3 days	3 days	3 days
Lag between billing date and payment date	17 days	24 days	21 days
	<u>35 days</u>	<u>42 days</u>	<u>39 days</u>

(b) Pro forma operation and maintenance expense (D-1)	\$1,622,636
Less: Non-cash item	
Uncollectible accounts expense per books (B-4)	17,367
Total pro forma O&M expense	<u>\$1,605,269</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Average Prepayments  
As of September 30, 1994  
(Thousands of Dollars)

Line No.	Month	Insurance		NRC Annual Fee	PUC Annual Assessment	Postage	Other	Total
		Nuclear	Other					
1	September 1993	\$2,245	\$1,641	\$0	\$0	\$242	\$2,043	\$6,171
2	October	1,937	1,244	0	0	184	2,756	\$6,121
3	November	2,889	802	462	0	87	1,829	\$6,069
4	December	2,306	2,753	0	0	191	1,518	\$6,768
5	January 1994	3,297	5,697	0	0	112	2,231	\$11,337
6	February	2,714	5,266	444	0	74	1,292	\$9,790
7	March	2,693	4,857	0	0	156	68,114	\$75,820
8	April	2,391	4,476	907	0	163	2,034	\$9,971
9	May	2,089	4,033	426	0	185	1,121	\$7,854
10	June	1,827	3,633	0	0	173	209	\$5,842
11	July	1,519	3,194	0	0	132	1,135	\$5,980
12	August	1,210	2,748	0	0	157	2,143	\$6,258
13	September	2,321	2,338	0	2,461	178	1,428	\$8,726
14	Total Prepayments	\$29,438	\$42,682	\$2,239	\$2,461	\$2,034	\$87,853	\$166,707
15	Monthly Average	\$2,264	\$3,283	\$172	\$189	\$156	\$6,758	\$12,824

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Accrued Taxes**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	<u>12-Month Accrued Factor (c)</u>	<u>Accrued Taxes</u>
1	Federal income tax (D-1, line 6, col. 3 + col. 5)	\$ 227,001	-6.72%	\$ (15,254)
2	PA income tax (D-1, line 7, col. 3 + col. 5)	88,238	-11.72%	(10,341)
3	PA gross receipts tax (a)	111,091	22.87%	25,407
4	PA capital stock tax (b)	36,837	-11.72%	(4,317)
5	PA public utility realty tax (D-18, pg. 4)	46,090	14.53%	<u>6,697</u>
6	Total Accrued Taxes			<u>\$ 2,192</u>
	(a) PA gross receipts tax			
	Amount per D-18, pg. 3	\$ 102,395		
	Amount due to proposed increase (D-19, pg. 5)	<u>8,696</u>		
	TOTAL	<u>\$ 111,091</u>		
	(b) PA capital stock tax			
	Amount applicable to electric operations (D-18, pg. 2)	\$ 35,469		
	Amount applicable to proposed increase (D-19, pg. 5)	<u>1,368</u>		
	TOTAL	<u>\$ 36,837</u>		

TOTAL

- (c) The 12 month average factor represents, in the case of Federal and State income tax and public utility realty tax, the portion of the tax liability which is available to the Company for the payment of other costs. This situation exists since revenue is available from customers prior to payment dates of the tax. The factors for the other Pennsylvania taxes represent the portions of those tax liabilities which must be provided by the Company due to payment of the taxes before the revenue is available from customers. Exhibit Historic 1, Schedule C-4, pages 7 through 12 reflect the computation of such factors.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Interest Payments**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<b>Line No.</b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Measures of value at September 30, 1994 (C-1)	\$ 5,794,825
2	Long-term debt ratio (B-9)	47.13%
3	Embedded cost of long-term debt (B-9)	8.09%
4	Pro forma interest (line 1 x line 2 x line 3)	<u>\$ 220,946</u>
5	Daily amount (line 4 ÷ 365)	<u>\$ 605</u>
6	Days to mid-point of interest payments	90
7	Less: Revenue lag days (C-4, pg. 2)	<u>35.6</u>
8	Interest payments lag days (line 6 - line 7)	<u>54.4</u>
9	Total interest payments (line 5 x line 8)	<u>\$ 32,912</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Preferred Dividend Payments**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Measures of value at September 30, 1994 (C-1)	\$ 5,794,825
2	Preferred stock ratio (B-9)	7.91%
3	Embedded cost of preferred stock (B-9)	7.41%
4	Pro forma dividends (line 1 x line 2 x line 3)	<u>\$33,965</u>
5	Daily amount (line 4 ÷ 365)	<u>\$93</u>
6	Days to midpoint of dividend payments	45
7	Less: Revenue lag days (C-4, pg. 2)	<u>35.6</u>
8	Dividend payments lag days (line 6 - line 7)	<u>9.4</u>
9	Total preferred dividend payments (line 5 x line 8)	<u>\$874</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Average Percent of Federal Income Tax Available After Payout

Line No.	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Prior Year Available in Current Year</b>														
1	Cumulative Collections		98.84%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
2	Cumulative Payments		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
3	Prior Year Available	-1.16%	-1.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Current Year Available in Current Year</b>														
4	Cumulative Collections		1.14%	9.09%	17.88%	26.62%	34.51%	42.17%	50.00%	58.35%	67.90%	75.64%	82.61%	90.86%
Cumulative Payments														
5	April 15 25%				12.50%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	
6	June 15 25%						12.50%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	
7	Sept 15 25%									12.50%	25.00%	25.00%	25.00%	
8	Dec 15 25%												12.50%	
9	Current Year Available	81.77%	1.14%	9.09%	17.88%	14.12%	9.51%	4.67%	0.00%	8.35%	5.40%	0.64%	7.61%	3.36%
10	Total--Prior Year and Current Year Available	80.61%	-0.02%	9.09%	17.88%	14.12%	9.51%	4.67%	0.00%	8.35%	5.40%	0.64%	7.61%	3.36%
11	Average Percent Available	<u>6.72%</u>												

NOTE: Payments  
 April 15 25%  
 June 15 25%  
 Sept 15 25%  
 Dec 15 25%

PENNSYLVANIA POWER & LIGHT COMPANY

Average Percent of State Income Tax and PA Capital Stock Tax Available After Payout

Line No.		<u>Total</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
	<u>Prior Year Available in Current Year</u>													
1	Cumulative Collections		98.84%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Cumulative Payments													
2	Previous Year-90%		90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
3	April 15--10%					5.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4	Prior Year Available	33.84%	8.84%	10.00%	10.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	<u>Current Year Available in Current Year</u>													
5	Cumulative Collections		1.14%	9.09%	17.88%	26.62%	34.51%	42.17%	50.00%	58.35%	67.90%	75.64%	82.61%	90.86%
	Cumulative Payments													
6	March 15 22.5%				11.25%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%
7	June 15 22.5%							11.25%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%
8	Sept 15 22.5%										11.25%	22.50%	22.50%	22.50%
9	Dec 15 22.5%													11.25%
10	Current Year Available	106.77%	1.14%	9.09%	6.63%	4.12%	12.01%	8.42%	5.00%	13.35%	11.65%	8.14%	15.11%	12.11%
11	Total--Prior Year and Current Year Available	140.61%	9.98%	19.09%	16.63%	9.12%	12.01%	8.42%	5.00%	13.35%	11.65%	8.14%	15.11%	12.11%
12	Average Percent Available	<u>11.72%</u>												

NOTE: Payments  
 March 15 22.5% This Year  
 June 15 22.5% This Year  
 Sept 15 22.5% This Year  
 Dec 15 22.5% This Year  
 April 15 10% Next Year

PENNSYLVANIA POWER & LIGHT COMPANY

Average Percent of PA Gross Receipts Tax and  
PA Capital Stock Tax Available After Payout

Line No.	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
<b><u>Prior Year Available in Current Year</u></b>														
1	Cumulative Collections	98.84%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Cumulative Payments														
2	Previous Year--90%	90.00%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	
3	March 15--10%			5%	10%	10%	10%	10%	10%	10%	10%	10%	10%	
4	Prior Year Available	23.84%	8.84%	10%	5%	0%	0%	0%	0%	0%	0%	0%	0%	
<b><u>Current Year Available in Current Year</u></b>														
5	Cumulative Collections	1.14%	9.09%	17.88%	26.62%	34.51%	42.17%	50.00%	58.35%	67.90%	75.64%	82.61%	90.86%	
Cumulative Payments														
6	March 15--90%			45%	90%	90%	90%	90%	90%	90%	90%	90%	90%	
7	Current Year Available	-298.23%	1.14%	9.09%	-27.12%	-63.38%	-55.49%	-47.83%	-40.00%	-31.65%	-22.10%	-14.36%	-7.39%	0.86%
8	Total--Prior Year and Current Year Available	-274.39%	9.98%	19.09%	-22.12%	-63.38%	-55.49%	-47.83%	-40.00%	-31.65%	-22.10%	-14.36%	-7.39%	0.86%
9	Average Percent Available	<u>-22.87%</u>												

NOTE: Payments  
March 15--90% This Year  
March 15--10% Next Year

PENNSYLVANIA POWER & LIGHT COMPANY

Average Percent of PA Utility Realty Tax

Line No.		<u>Total</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
	<u>Prior Year Available in Current Year</u>													
1	Cumulative Collections		98.84%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Cumulative Payments													
2	Previous Year-90%		90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
3	April 15-10%					5.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4	Prior Year Available	33.84%	8.84%	10.00%	10.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	<u>Current Year Available in Current Year</u>													
5	Cumulative Collections		1.14%	9.09%	17.88%	26.62%	34.51%	42.17%	50.00%	58.35%	67.90%	75.64%	82.61%	90.86%
	Cumulative Payments													
6	April 15-90%					45.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
7	Current Year Available	-208.23%	1.14%	9.09%	17.88%	-18.38%	-55.49%	-47.83%	-40.00%	-31.65%	-22.10%	-14.36%	-7.39%	0.86%
8	Total-Prior Year and Current Year Available	-174.39%	9.98%	19.09%	27.88%	-13.38%	-55.49%	-47.83%	-40.00%	-31.65%	-22.10%	-14.36%	-7.39%	0.86%
9	Average Percent Available	<u>-14.53%</u>												

NOTE: Payments  
 April 15-90% This Year  
 April 15-10% Next Year

PENNSYLVANIA POWER & LIGHT COMPANY

Revenues--Percent Weighted Amount Collected and Available

	<u>Total</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
<u>Prior Year in Current Year</u>													
January	9.14%	9.14%	9.14%										
February	8.71%	8.71%	8.71%										
March	8.91%	8.91%	8.91%										
April	7.77%	7.77%	7.77%										
May	7.62%	7.62%	7.62%										
June	7.77%	7.77%	7.77%										
July	8.40%	8.40%	8.40%										
August	8.61%	8.61%	8.61%										
September	7.72%	7.72%	7.72%										
October	7.93%	7.93%	7.93%										
November	8.13%	8.13%	8.13%										
December	9.29%	8.13%	9.29%										
<b>Total</b>	<b>100.00%</b>	<b>98.84%</b>	<b>100.00%</b>										

DETAIL SAME AS FEBRUARY

<u>Current Year</u>													
January	9.14%	1.14%	8.00%	9.14%	9.14%	9.14%	9.14%	9.14%	9.14%	9.14%	9.14%	9.14%	9.14%
February	8.71%		1.09%	7.62%	8.71%	8.71%	8.71%	8.71%	8.71%	8.71%	8.71%	8.71%	8.71%
March	8.91%			1.11%	7.80%	8.91%	8.91%	8.91%	8.91%	8.91%	8.91%	8.91%	8.91%
April	7.77%				0.97%	6.80%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%
May	7.62%					0.95%	6.67%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
June	7.77%						0.97%	6.80%	7.77%	7.77%	7.77%	7.77%	7.77%
July	8.40%							1.05%	7.35%	8.40%	8.40%	8.40%	8.40%
August	8.61%								1.08%	8.61%	8.61%	8.61%	8.61%
September	7.72%									0.97%	7.72%	7.72%	7.72%
October	7.93%										0.99%	6.94%	7.93%
November	8.13%											1.02%	7.11%
December	9.29%												1.16%
<b>Total</b>	<b>100.00%</b>	<b>1.14%</b>	<b>9.09%</b>	<b>17.87%</b>	<b>26.62%</b>	<b>34.51%</b>	<b>42.17%</b>	<b>50.00%</b>	<b>58.35%</b>	<b>67.90%</b>	<b>75.64%</b>	<b>82.61%</b>	<b>90.85%</b>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Monthly Revenues as a Percent of Annual Revenues  
1991 to 1993 Inclusive  
(Thousands of Dollars)**

	<u>1991</u>		<u>1992</u>		<u>1993</u>		<u>Three Year Total</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
January	\$ 235,183	9.20%	\$ 255,791	9.33%	242,912	8.91%	733,886	9.14%
February	209,873	8.21%	249,516	9.10%	239,834	8.80%	699,223	8.71%
March	219,437	8.58%	251,124	9.16%	244,285	8.96%	714,846	8.91%
April	196,580	7.69%	220,393	8.04%	206,594	7.58%	623,567	7.77%
May	198,740	7.77%	211,151	7.70%	201,372	7.39%	611,263	7.62%
June	198,068	7.74%	213,183	7.78%	212,113	7.78%	623,364	7.77%
July	208,240	8.14%	227,246	8.29%	238,270	8.74%	673,756	8.40%
August	240,888	9.42%	219,339	8.00%	230,427	8.45%	690,654	8.61%
September	196,007	7.66%	209,023	7.62%	214,407	7.87%	619,437	7.72%
October	201,461	7.88%	217,681	7.94%	217,316	7.97%	636,458	7.93%
November	217,668	8.51%	218,511	7.97%	216,492	7.94%	652,671	8.13%
December	235,529	9.21%	248,658	9.07%	261,717	9.60%	745,904	9.29%
<b>Total</b>	<b>\$ 2,557,674</b>	<b>100.00%</b>	<b>\$ 2,741,616</b>	<b>100.00%</b>	<b>\$2,725,739</b>	<b>100.00%</b>	<b>\$8,025,029</b>	<b>100.00%</b>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Fuel Stock and Materials and Operating Supplies**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
	Fuel Stock	
1	Coal stock for steam electric stations (C-5, pg 2)	\$ 84,847
2	Oil stock for all stations (C-5, pg 3)	23,646
3	Fuel stock expense undistributed (C-5, pg 4)	<u>497</u>
4	Total Fuel Stock	108,990
5	Plant materials and operating supplies (C-5, pg 5)	123,608
6	Stores expense undistributed (C-5, pg 6)	<u>1,448</u>
7	Total fuel stock and materials and operating supplies	<u><u>\$ 234,046</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Coal Stock**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Coal Stock in Tons</u>	<u>Average Inventory Price per Ton at 9/30/94</u>	<u>Total Inventory Value</u>
	Bituminous			
1	Montour	500,000 (a)	\$37.49	\$ 18,745
2	Brunner Island	500,000 (a)	38.88	19,440
3	Sunbury	88,000 (a)	21.32	1,876
4	Martins Creek	96,000 (a)	38.98	3,742
5	Keystone	79,779	37.93	3,026
6	Conemaugh	73,574	31.50	2,318
	Anthracite			
7	Sunbury	647,074	12.90	8,347
8	Holtwood	64,910	17.33	1,125
	Petro Coke			
9	Sunbury	14,242	17.92	255
10	Holtwood	8,537	10.97	94
11	System Reserve	4,696,692	5.51	<u>25,879</u>
12	Total			<u>\$ 84,847</u>

(a) Represents a 40-day supply of bituminous. All other stations are based on a 13-month average of coal stock.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Oil Stock**  
As of September 30, 1994  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Oil Stock (a)</u>	<u>Average Price at 9/30/94</u>	<u>Amount</u>
<b>Steam Electric Stations</b>				
1	Martins Creek No. 3 and 4 (Residual)	1,155,232 (b)	17.29	\$ 19,974
2	Martins Creek No. 3 and 4 (Light Dist.)	111,812	22.99	2,571
3	Sunbury	41,003	0.53	22
4	Martins Creek No. 1 and 2	42,288	0.57	24
5	Keystone	45,501	0.52	24
6	Conemaugh	27,601	0.53	15
7	Holtwood	16,881	0.56	9
8	Montour	427,342	0.52	222
9	Brunner Island	140,168	0.52	73
<b>Combustion Turbines</b>				
10	Allentown	171,681	0.54	93
11	Martins Creek	212,124	0.56	119
12	Harwood	94,191	0.56	53
13	Jenkins	92,267	0.56	52
14	Fishbach	89,792	0.57	51
15	Williamsport	93,200	0.53	49
16	Lock Haven	87,460	0.62	54
17	Sunbury	186,454	0.56	104
18	Harrisburg	182,108	0.51	93
19	West Shore	83,553	0.53	44
20	Total Inventory Value			<u>\$ 23,646</u>

- (a) Oil stock stated in gallons except for Martins Creek No. 3 and 4 which is stated in barrels.  
(b) Represents a 25-day supply of oil. All other stations are based on a 13-month average of oil stocks.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Fuel Stock Expense Undistributed**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Amount</u>
1	September 1993	\$713
2	October	689
3	November	640
4	December	622
5	January 1994	504
6	February	452
7	March	427
8	April	441
9	May	495
10	June	464
11	July	364
12	August	322
13	September	<u>325</u>
14	Total Fuel Stock Expense Undistributed	<u><u>\$6,458</u></u>
15	Monthly Average	<u><u>\$497</u></u>

PENNSYLVANIA POWER & LIGHT COMPANY

Plant Materials and Operating Supplies  
As of September 30, 1994  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Amount</u>
1	September 1993	\$126,910
2	October	125,516
3	November	125,910
4	December	124,135
5	January 1994	123,887
6	February	123,751
7	March	123,633
8	April	123,345
9	May	122,606
10	June	122,590
11	July	122,112
12	August	121,363
13	September	<u>121,141</u>
14	Total Plant Materials and Operating Supplies	<u>\$1,606,899</u>
15	Monthly Average	<u>\$123,608</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Stores Expense Undistributed**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Month</u></b>	<b><u>Amount</u></b>
1	September 1993	\$1,829
2	October	1,582
3	November	1,539
4	December	1,516
5	January 1994	1,663
6	February	1,635
7	March	1,511
8	April	1,384
9	May	1,297
10	June	1,192
11	July	1,233
12	August	1,213
13	September	<u>1,229</u>
14	Total Stores Expense Undistributed	<u><u>\$18,823</u></u>
15	Monthly Average	<u><u>\$1,448</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Accumulated Deferred Taxes on Income**  
**As of September 30, 1994**  
*(Thousands of Dollars)*

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Accelerated Amortization Property Pollution control facilities (B-1)	\$ 551
2	Liberalized Depreciation Class life depreciation system (B-1)	\$ 40,522
3	Deduction of costs of removing retired depreciable property (B-1)	<u>5,710</u>
4	Balance at September 30, 1994	46,232
5	Test power--Martins Creek--balance at September 30, 1994 (B-1)	3,106
6	Accelerated Cost Recovery System (ACRS) Non-Susquehanna property (B-1)	203,704
7	Susquehanna property (B-1)	<u>874,824</u>
8	Balance at September 30, 1994	1,078,528
9	Test power--Susquehanna--balance at September 30, 1994	<u>(17,640)</u>
10	Total accumulated deferred taxes on income	<u><u>\$1,110,777</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**D--Operating Income  
Index**

- D-1 Operating Income Pro Forma at Present Rates and Proposed Rates
- D-2 *Adjustments to Income*
- D-3 Adjustments to Operating Revenue
- D-4 Adjustments to Energy Costs
- D-5 *Adjustments to Wage Expense*
- D-6 *Adjustments to Employee Benefits Expense*
- D-7 Adjustment to Rate Case Expense
- D-8 *Adjustment for Land Management Projects/Recreational Facilities Expense*
- D-9 Adjustment for Interest Expense on Customer Deposits
- D-10 Adjustment for Voluntary Early Retirement Program
- D-11 Adjustment to Decommissioning Expense-SSES
- D-12 Adjustment to Decommission Fossil Units
- D-13 Adjustment for Amortization of Management Audit Cost
- D-14 Adjustment to Amortize "Window Deferral"
- D-15 Adjustment for Social Programs
- D-16 Adjustment for Environmental Remediation
- D-17 Adjustment to Depreciation Expense
- D-18 Adjustments to Taxes Other Than Income
- D-19 Adjustment to Federal and State Income Taxes
- D-20 Adjustment to Deferred Income Taxes
- D-21 Adjustment to Investment Tax Credit

PENNSYLVANIA POWER & LIGHT COMPANY

Operating Income  
 Pro Forma at Present and Proposed Rates  
Year Ended September 30, 1994  
 (Thousands of Dollars)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	
	<u>Per Books</u>	<u>Adjustments (D-2)</u>	<u>Pro Forma at Present Rates</u>	<u>Pro Forma at Present Rates (Exhibit JMK 1)</u>	<u>Rate Increase (D-19, Pg 5)</u>	<u>Pro Forma at Proposed Rates</u>	
1	Operating Revenues	\$2,765,136	\$ 24,442	\$2,789,578	\$2,423,752	\$197,638	\$2,621,390
	Operating Expenses						
2	Operation and Maintenance	1,563,097	59,539	1,622,636	1,404,433	-	1,404,433
3	Depreciation	304,993	45,554	350,547	293,184	-	293,184
4	Regulatory Debits/Credits	(87,485)	-	(87,485)	(70,344)	-	(70,344)
	Provision for Taxes						
5	Taxes Other Than Income	203,409	2,032	205,441	188,363	10,064	198,427
	Income Taxes						
6	Federal	172,632	(3,410)	169,222	144,026	57,779	201,805
7	State	65,619	129	65,748	55,961	22,490	78,451
8	Deferred Income Taxes	13,284	(30,371)	(17,087)	(10,241)	-	(10,241)
9	Investment Tax Credit	(12,430)	1,393	(11,037)	(9,395)	-	(9,395)
10	Total Taxes	442,514	(30,227)	412,287	368,714	90,333	459,047
11	Gain from Disposition of Emission Allowances	(487)	-	(487)	(467)	-	(467)
12	Total Operating Expenses	2,222,632	74,866	2,297,498	1,995,520	90,333	2,085,853
13	Operating Income	\$ 542,504	\$ (50,424)	\$ 492,080	\$ 428,232	\$ 107,305	\$ 535,537

D-1  
Various

PENNSYLVANIA POWER & LIGHT COMPANY

**Adjustments to Income**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Reference</u>	<u>Description</u>	<u>Amount</u>
		<u>Operating Revenues</u>	
1	D-3, pg 1	Operating Revenue	<u>\$ 24,442</u>
		<u>Operation and Maintenance Expenses</u>	
2	D-4	Energy costs	168
3	D-5	Wage expense	(3,312)
4	D-6	Employee benefits expense	(2,430)
5	D-7	Rate case expense	746
6	D-8	Land management projects/recreational facilities expense	(557)
7	D-9	Interest expense on customer deposits	122
8	D-10	Voluntary Early Retirement Program	(14,011)
9	D-11	Decommissioning expense--SSES	21,433
10	D-12	Decommissioning expense--Fossil Plants	52,818
11	D-13	Management audit costs	(167)
12	D-14	Amortization of Window Deferral	1,199
13	D-15	Social Programs	3,530
14	D-16	Environmental Remediation	-
15		TOTAL	<u>59,539</u>
		<u>Depreciation</u>	
16	D-17	Annual depreciation expense	<u>45,554</u>
		<u>Provision for Taxes</u>	
		Taxes other than income	
17	D-18, pg 1	Capital stock	(675)
18	D-18, pg 1	Gross receipts	2,323
19	D-18, pg 1	Public utility realty	384
		Income taxes	
20	D-19, pg 2	Federal	(3,410)
21	D-19, pg 2	State	129
22	D-20, pg 1	Deferred income taxes	(30,371)
		Investment tax credit	
23	D-21	Amortization	<u>1,393</u>
24		Total Taxes	<u>(30,227)</u>
25		Total Operating Expenses	<u>74,866</u>
26		Total Adjustments to Income	<u>\$ (50,424)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustments to Operating Revenue**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Per Books</u>	<u>Adjustments</u>	<u>Pro Forma at Present Rates</u>
PPUC Jurisdictional				
1	Rate revenue	\$ 1,958,014	396,206 (a)	\$ 2,354,220
2	Energy cost rate revenue	330,465	(361,437) (b)	(30,972)
3	Special Base Rate Credit	(45,649)	6,546 (c)	(39,103)
4	Tax surcharge revenue	664	(664) (d)	-
5	Total PPUC Tariff Revenue	<u>2,243,494</u>	<u>40,651</u>	<u>\$ 2,284,145</u>
FERC Jurisdictional				
6	Municipalities	\$ 69,201	-	\$ 69,201
7	Power Contracts	296,990	-	296,990
8	PJM Interchange	74,326	-	74,326
9	Total FERC	<u>\$ 440,517</u>	<u>-</u>	<u>\$ 440,517</u>
Other Electric Revenue				
10	Late Payment	\$ 6,783	-	6,783
11	Misc. Revenue	155	-	155
12	Rent	12,542	-	12,542
13	Other	45,436	-	45,436 1)
14	Total Other	<u>\$ 64,916</u>	<u>-</u>	<u>64,916</u>
15	Operating Revenue (excl. unbilled)	2,748,927	40,651	2,789,578
16	Unbilled Revenue	16,209	(16,209)	-
17	Total Operating Revenue	<u>\$ 2,765,136</u>	<u>\$ 24,442</u>	<u>\$ 2,789,578</u>

- (a) Net increase in revenue resulting from annualization of sales, the full recovery of energy costs through base rates; the roll-in to base rates of the Atlantic City Electric (ACE) bulk power and energy agreement credit previously included in the SBRCA and the roll-in to the base rates of tax rate reduction previously included in the tax surcharge.
- (b) Adjustment to eliminate energy cost rate (ECR) revenue associated with energy costs to be fully recovered through base rates.
- (c) Adjustment to eliminate that portion of SBRCA revenues associated with the ACE agreement credit to be included in base rates.
- (d) Adjustment to eliminate tax rate reduction credit to be included in base rates.
- (e) Adjustment to eliminate unbilled revenue.

1) Amount includes \$36,694,000 associated with total installed capacity credit, output reservation, and transmission entitlement sales revenues. The PUC jurisdictional portion or \$29,990,000 (plus applicable GRT) is included in the Company's proforma ECR (see Exhibit Historic 1, Schedule D-3, page 10)

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1994 ACTUAL

LINE NO.	(1) RATE SCHEDULE	(2) NUMBER OF CUSTOMERS	(3) SALES (KWH)	(4) PRESENT RATE REVENUE	(5) ECONOMIC DEVELOPMENT INITIATIVES CREDIT	(6) INDUSTRIAL DEVELOPMENT INITIATIVES CREDIT	(7) SPECIAL BASE RATE CREDIT ADJ.	(8) STATE TAX ADJUSTMENT SURCHARGE	(9) ENERGY COST RATE	(10) TOTAL REVENUE	
1	RS	1,048,903	11,139,035,739	\$ 815,055,418	\$ 0	\$ 0	\$ (18,750,867)	\$ 350,293	\$ 120,789,095	\$ 917,443,939	
2	RTS	14,059	392,081,365	\$ 16,631,735	\$ 0	\$ 0	\$ (382,883)	\$ 8,789	\$ 4,259,576	\$ 20,517,217	
3	RTD	310	5,545,324	\$ 367,714	\$ 0	\$ 0	\$ (8,457)	\$ 189	\$ 60,178	\$ 419,624	
4	GS-1	119,226	1,402,863,818	\$ 142,360,338	\$ 0	\$ 0	\$ (3,273,303)	\$ 43,164	\$ 15,307,673	\$ 154,437,872	
5	GS-3	18,562	6,616,201,950	\$ 451,687,394	\$ (1,858,065)	\$ (904,020)	\$ (10,389,185)	\$ 122,319	\$ 72,182,575	\$ 510,841,018	
6	LP-4	832	4,471,059,120	\$ 247,797,166	\$ (10,661,230)	\$ (861,454)	\$ (5,703,514)	\$ 58,783	\$ 47,367,761	\$ 277,997,512	
7	LP-5	118	5,567,805,220	\$ 227,778,423	\$ (11,005,356)	\$ (589,467)	\$ (5,235,388)	\$ 49,022	\$ 57,306,332	\$ 268,303,566	
8	LPEP	1	85,982,000	\$ 3,870,302	\$ 0	\$ 0	\$ (89,017)	\$ (1,453)	\$ 853,482	\$ 4,633,314	
9	ISA	1	403,060,000	\$ 13,235,834	\$ (660,100)	\$ 0	\$ (304,424)	\$ 3,255	\$ 4,163,369	\$ 16,437,934	
10	IS-1	4	3,726,940	\$ 147,529	\$ 0	\$ 0	\$ (3,393)	\$ 126	\$ 40,713	\$ 184,975	
11	BL	23	9,938,028	\$ 787,464	\$ 0	\$ 0	\$ (18,112)	\$ 658	\$ 108,530	\$ 878,540	
12	SA	0	28,329,534	\$ 4,053,091	\$ 0	\$ 0	\$ (93,226)	\$ 879	\$ 309,656	\$ 4,270,400	
13	SM	135	9,589,640	\$ 1,518,453	\$ 0	\$ 0	\$ (34,914)	\$ 296	\$ 104,657	\$ 1,588,492	
14	SHS	777	57,453,634	\$ 14,315,522	\$ 0	\$ 0	\$ (329,126)	\$ 2,162	\$ 627,126	\$ 14,615,684	
15	SE	59	8,917,627	\$ 257,387	\$ 0	\$ 0	\$ (5,897)	\$ 85	\$ 97,257	\$ 348,832	
16	YS(R)	17	503,527	\$ 51,240	\$ 0	\$ 0	\$ (1,179)	\$ 8	\$ 5,494	\$ 55,563	
17	SI-1(R)	5	356,108	\$ 68,209	\$ 0	\$ 0	\$ (1,569)	\$ 13	\$ 3,886	\$ 70,539	
18	GH-1(R)	1,618	521,694,702	\$ 36,765,675	\$ 0	\$ 0	\$ (845,609)	\$ 20,864	\$ 5,695,125	\$ 41,636,055	
19	GH-2(R)	2,947	97,159,016	\$ 6,741,872	\$ 0	\$ 0	\$ (155,060)	\$ 4,156	\$ 1,060,908	\$ 7,651,876	
20	STANDBY	9	11,598,000	\$ 1,062,688	\$ 0	\$ 0	\$ (24,062)	\$ 302	\$ 121,375	\$ 1,160,303	
21											
22	TOTAL PUC	1,207,606	30,832,901,292	\$ 1,984,553,454	\$ (24,184,751)	\$ (2,354,941)	\$ (45,649,185)	\$ 663,910	\$ 330,464,768	\$ 2,243,493,255	
23											
24	OTHER ELECTRIC REVENUES										
25	Late Payment		0	\$ 6,782,803	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,782,803	
26	Misc. Revenue		0	\$ 155,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 155,442	
27	Rent		0	\$ 12,541,682	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,541,682	
28	Other		0	\$ 45,436,249	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,436,249	
29											
30	TOTAL OTHER		0	\$ 64,916,176	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,916,176	
31											
32	Ann. Adj.		0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
33											
34	FERC SALES FOR RESALE										
35	Muni.	19	1,407,412,025	\$ 70,081,652	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 69,200,841	
36	Pwr Contr	9	6,032,665,000	\$ 296,989,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296,989,693	
37	PJM Intch	1	2,892,549,000	\$ 74,326,294	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,326,294	
38											
39	TOTAL	29	10,332,626,025	\$ 441,397,639	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 440,516,828	
40											
41	TOTAL OPERATING REVENUE										
42		1,207,635	41,165,527,317	\$ 2,490,867,269	\$ (24,184,751)	\$ (2,354,941)	\$ (45,759,185)	\$ 663,910	\$ 329,693,957	\$ 2,748,926,259	
43											

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1994 PRO-FORMA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
LINE NO.	RATE SCHEDULE	NUMBER OF CUSTOMERS	SALES (KWH)	PRESENT RATE REVENUE	ECONOMIC DEVELOPMENT INITIATIVES CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVES CREDIT	SPECIAL BASE RATE CREDIT ADJ. -2.30%	STATE TAX ADJUSTMENT SURCHARGE -0.20%	ENERGY COST RATE *	TOTAL REVENUE
1	RS	1,048,903	11,139,035,739	\$ 815,055,418	\$ 0	\$ 0	\$ (18,746,275)	\$ (1,592,618)	\$ 137,767,594	\$ 932,484,119
2	RTS	14,059	392,081,365	\$ 16,631,735	\$ 0	\$ 0	\$ (382,530)	\$ (32,498)	\$ 4,849,262	\$ 21,065,969
3	RTD	310	5,545,324	\$ 367,714	\$ 0	\$ 0	\$ (8,457)	\$ (719)	\$ 68,585	\$ 427,123
4	GS-1	119,226	1,402,863,818	\$ 142,360,338	\$ 0	\$ 0	\$ (3,274,288)	\$ (278,172)	\$ 17,342,203	\$ 156,150,081
5	GS-3	18,562	6,616,201,950	\$ 451,687,394	\$ (1,858,065)	\$ (904,020)	\$ (10,388,810)	\$ (877,073)	\$ 81,789,489	\$ 519,448,914
6	LP-4	832	4,471,059,120	\$ 245,617,945	\$ (10,315,015)	\$ (861,454)	\$ (5,649,213)	\$ (457,585)	\$ 55,257,820	\$ 283,592,498
7	LP-5	118	5,494,549,220	\$ 220,111,797	\$ (10,676,894)	\$ (589,467)	\$ (5,062,571)	\$ (407,566)	\$ 65,945,580	\$ 269,320,879
8	LPEP	1	159,238,000	\$ 7,314,120	\$ 0	\$ 0	\$ (168,225)	\$ (14,292)	\$ 1,911,174	\$ 9,042,778
9	ISA	1	403,060,000	\$ 13,235,834	\$ (660,100)	\$ 0	\$ (304,424)	\$ (24,543)	\$ 4,837,526	\$ 17,084,293
10	IS-1	4	3,726,940	\$ 147,529	\$ 0	\$ 0	\$ (3,393)	\$ (288)	\$ 46,072	\$ 189,920
11	BL	23	9,938,028	\$ 787,464	\$ 0	\$ 0	\$ (18,112)	\$ (1,539)	\$ 122,854	\$ 890,668
12	SA	0	28,329,534	\$ 4,053,091	\$ 0	\$ 0	\$ (93,221)	\$ (7,920)	\$ 350,210	\$ 4,302,160
13	SM	135	9,589,640	\$ 1,518,453	\$ 0	\$ 0	\$ (34,924)	\$ (2,967)	\$ 118,547	\$ 1,599,109
14	SMS	777	57,453,634	\$ 14,315,522	\$ 0	\$ 0	\$ (329,257)	\$ (27,973)	\$ 710,242	\$ 14,668,534
15	SE	59	8,917,627	\$ 257,387	\$ 0	\$ 0	\$ (5,920)	\$ (503)	\$ 110,240	\$ 361,204
16	TS(R)	17	503,527	\$ 51,240	\$ 0	\$ 0	\$ (1,179)	\$ (100)	\$ 6,225	\$ 56,186
17	SI-1(R)	5	356,108	\$ 68,209	\$ 0	\$ 0	\$ (1,569)	\$ (133)	\$ 4,402	\$ 70,909
18	GH-1(R)	1,618	521,694,702	\$ 36,765,675	\$ 0	\$ 0	\$ (845,611)	\$ (71,840)	\$ 6,449,190	\$ 42,297,414
19	GH-2(R)	2,947	97,159,016	\$ 6,741,872	\$ 0	\$ 0	\$ (155,063)	\$ (13,174)	\$ 1,201,080	\$ 7,774,715
20	STANDBY	9	11,598,000	\$ 1,062,688	\$ 0	\$ 0	\$ (24,442)	\$ (2,076)	\$ 139,199	\$ 1,175,369
21										
22	TOTAL PUC	1,207,606	30,832,901,292	\$ 1,978,151,425	\$ (23,510,074)	\$ (2,354,941)	\$ (45,497,483)	\$ (3,813,578)	\$ 379,027,492	\$ 2,282,002,842
23										
24	OTHER ELECTRIC REVENUES									
25	Late Payment			\$ 6,782,803	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,782,803
26	Misc. Revenue			\$ 155,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 155,442
27	Rent			\$ 12,541,682	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,541,682
28	Other			\$ 45,436,249	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,436,249
29										
30	TOTAL OTHER			\$ 64,916,176	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,916,176
31										
32	Ann. Adj.		402,626,920	\$ 20,338,225	\$ 0	\$ 0	\$ (467,779)	\$ (39,741)	\$ 4,930,048	\$ 24,760,753
33										
34	FERC SALES FOR RESALE									
35	Muni.	19	1,407,412,025	\$ 70,081,652	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 69,200,841
36	Pwr Contr	9	6,032,665,000	\$ 296,989,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296,989,693
37	PJM Intch	1	2,892,549,000	\$ 74,326,294	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,326,294
38										
39	TOTAL	29	10,332,626,025	\$ 441,397,639	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 440,516,828
40										
34	TOTAL OPERATING REVENUE									
35		1,207,635	41,568,154,237	\$ 2,504,803,465	\$ (23,510,074)	\$ (2,354,941)	\$ (46,075,262)	\$ (3,853,319)	\$ 383,186,729	\$ 2,812,196,599
36										

\* ECR: RS,RTD,RTS = 1.2368c/kwh  
Gen Svc = 1.2362c/kwh  
LP-4 = 1.2359c/kwh  
LP-5,LPEP,ISA,Standby = 1.2002c/kwh

PENNSYLVANIA POWER & LIGHT COMPANY  
 12 MONTH PERIOD ENDED SEPTEMBER 30, 1994 SBRCA-ACE, STAS, ECR ROLL-IN

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
LINE NO.	RATE SCHEDULE	NUMBER OF CUSTOMERS	SALES (KWH)	PRESENT RATE REVENUE	ECONOMIC DEVELOPMENT INITIATIVES CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVES CREDIT	SBRCA ACE CREDIT col 4 x -0.64%	STAS ROLL-IN col 8 pge 3 -0.20%	ECR ROLL-IN col 3 x 1.2776c/kwh	TOTAL REVENUE
1	RS	1,048,903	11,139,035,739	\$ 815,055,418	\$ 0	\$ 0	\$ (5,216,355)	\$ (1,592,618)	\$ 142,312,321	\$ 950,558,766
2	RTS	14,059	392,081,365	\$ 16,631,735	\$ 0	\$ 0	\$ (106,443)	\$ (32,498)	\$ 5,009,232	\$ 21,502,025
3	RTD	310	5,545,324	\$ 367,714	\$ 0	\$ 0	\$ (2,353)	\$ (719)	\$ 70,847	\$ 435,489
4	GS-1	119,226	1,402,863,818	\$ 142,360,338	\$ 0	\$ 0	\$ (911,106)	\$ (278,172)	\$ 17,922,988	\$ 159,094,048
5	GS-3	18,562	6,616,201,950	\$ 451,687,394	\$ 0	\$ 0	\$ (2,890,799)	\$ (877,073)	\$ 84,528,596	\$ 532,448,118
6	LP-4	832	4,471,059,120	\$ 245,617,945	\$ 0	\$ 0	\$ (1,571,955)	\$ (457,585)	\$ 57,122,251	\$ 300,710,657
7	LP-5	118	5,494,549,220	\$ 220,111,797	\$ 0	\$ 0	\$ (1,408,716)	\$ (407,566)	\$ 70,198,361	\$ 288,493,877
8	LPEP	1	159,238,000	\$ 7,314,120	\$ 0	\$ 0	\$ (46,810)	\$ (14,292)	\$ 2,034,425	\$ 9,287,443
9	ISA	1	403,060,000	\$ 13,235,834	\$ 0	\$ 0	\$ (84,709)	\$ (24,543)	\$ 5,149,495	\$ 18,276,077
10	IS-1	4	3,726,940	\$ 147,529	\$ 0	\$ 0	\$ (944)	\$ (288)	\$ 47,615	\$ 193,912
11	BL	23	9,938,028	\$ 787,464	\$ 0	\$ 0	\$ (5,040)	\$ (1,539)	\$ 126,968	\$ 907,854
12	SA	0	28,329,534	\$ 4,053,091	\$ 0	\$ 0	\$ (25,940)	\$ (7,920)	\$ 361,938	\$ 4,381,170
13	SM	135	9,589,640	\$ 1,518,453	\$ 0	\$ 0	\$ (9,718)	\$ (2,967)	\$ 122,517	\$ 1,628,285
14	SHS	777	57,453,634	\$ 14,315,522	\$ 0	\$ 0	\$ (91,619)	\$ (27,973)	\$ 734,028	\$ 14,929,958
15	SE	59	8,917,627	\$ 257,387	\$ 0	\$ 0	\$ (1,647)	\$ (503)	\$ 113,932	\$ 369,168
16	TS(R)	17	503,527	\$ 51,240	\$ 0	\$ 0	\$ (328)	\$ (100)	\$ 6,433	\$ 57,245
17	SI-1(R)	5	356,108	\$ 68,209	\$ 0	\$ 0	\$ (437)	\$ (133)	\$ 4,550	\$ 72,189
18	GH-1(R)	1,618	521,694,702	\$ 36,765,675	\$ 0	\$ 0	\$ (235,300)	\$ (71,840)	\$ 6,665,172	\$ 43,123,706
19	GH-2(R)	2,947	97,159,016	\$ 6,741,872	\$ 0	\$ 0	\$ (43,148)	\$ (13,174)	\$ 1,241,304	\$ 7,926,854
20	STANDBY	9	11,598,000	\$ 1,062,688	\$ 0	\$ 0	\$ (6,801)	\$ (2,076)	\$ 148,176	\$ 1,201,986
21	TOTAL PUC	1,207,606	30,832,901,292	\$ 1,978,151,425	\$ 0	\$ 0	\$ (12,660,169)	\$ (3,813,578)	\$ 393,921,147	\$ 2,355,598,825
24	OTHER ELECTRIC REVENUES									
25	Late Payment		0	\$ 6,782,803	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,782,803
26	Misc. Revenue		0	\$ 155,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 155,442
27	Rent		0	\$ 12,541,682	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,541,682
28	Other		0	\$ 45,436,249	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,436,249
30	TOTAL OTHER		0	\$ 64,916,176	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,916,176
32	Ann. Adj.		402,626,920	\$ 20,338,225	\$ 0	\$ 0	\$ (130,165)	\$ (39,741)	\$ 5,143,962	\$ 25,312,281
34	FERC SALES FOR RESALE									
35	Muni.	19	1,407,412,025	\$ 70,081,652	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 70,081,652
36	Pwr Contr	9	6,032,665,000	\$ 296,989,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296,989,693
37	PJM Intchg	1	2,892,549,000	\$ 74,326,294	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,326,294
39	TOTAL	29	10,332,626,025	\$ 441,397,639	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 441,397,639
34	TOTAL OPERATING REVENUE									
35		1,207,635	41,568,154,237	\$ 2,504,803,465	\$ 0	\$ 0	\$ (12,790,334)	\$ (3,853,319)	\$ 399,065,108	\$ 2,887,224,921

NOTE: ECR Roll-in = 1.2214c/kwh x 1.046025 = 1.2776c/kwh

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1994 PRO-FORMA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
LINE NO.	RATE SCHEDULE	PRESENT RATE REVENUE ROLLED-IN	ECONOMIC DEVELOPMENT INITIATIVES CREDIT	INDUSTRIAL DEVELOPMENT INITIATIVES CREDIT	SPECIAL BASE RATE CREDIT ADJ. -1.66%	STA %	ENERGY COST RATE	TOTAL REVENUE
1	RS	\$ 950,558,766	\$ 0	\$ 0	\$ (15,779,276)	\$ 0	\$ (11,094,480)	\$ 923,685,010
2	RTS	\$ 21,502,025	\$ 0	\$ 0	\$ (356,934)	\$ 0	\$ (390,513)	\$ 20,754,578
3	RTD	\$ 435,489	\$ 0	\$ 0	\$ (7,229)	\$ 0	\$ (5,523)	\$ 422,736
4	GS-1	\$ 159,094,048	\$ 0	\$ 0	\$ (2,640,961)	\$ 0	\$ (1,405,670)	\$ 155,047,417
5	GS-3	\$ 532,448,118	\$ (1,858,065)	\$ (904,020)	\$ (8,838,639)	\$ 0	\$ (6,629,434)	\$ 514,217,959
6	LP-4	\$ 300,710,657	\$ (10,315,015)	\$ (861,454)	\$ (4,991,797)	\$ 0	\$ (4,493,414)	\$ 280,048,976
7	LP-5	\$ 288,493,877	\$ (10,676,894)	\$ (589,467)	\$ (4,788,998)	\$ 0	\$ (5,626,418)	\$ 266,812,098
8	LPEP	\$ 9,287,443	\$ 0	\$ 0	\$ (154,172)	\$ 0	\$ (163,060)	\$ 8,970,211
9	ISA	\$ 18,276,077	\$ (660,100)	\$ 0	\$ (303,383)	\$ 0	\$ (412,733)	\$ 16,899,860
10	IS-1	\$ 193,912	\$ 0	\$ 0	\$ (3,219)	\$ 0	\$ (3,734)	\$ 186,958
11	BL	\$ 907,854	\$ 0	\$ 0	\$ (15,070)	\$ 0	\$ (9,958)	\$ 882,825
12	SA	\$ 4,381,170	\$ 0	\$ 0	\$ (72,727)	\$ 0	\$ (28,386)	\$ 4,280,055
13	SM	\$ 1,628,285	\$ 0	\$ 0	\$ (27,030)	\$ 0	\$ (9,609)	\$ 1,591,646
14	SMS	\$ 14,929,958	\$ 0	\$ 0	\$ (247,837)	\$ 0	\$ (57,569)	\$ 14,624,551
15	SE	\$ 369,168	\$ 0	\$ 0	\$ (6,128)	\$ 0	\$ (8,935)	\$ 354,104
16	TS(R)	\$ 57,245	\$ 0	\$ 0	\$ (950)	\$ 0	\$ (505)	\$ 55,790
17	SI-1(R)	\$ 72,189	\$ 0	\$ 0	\$ (1,198)	\$ 0	\$ (357)	\$ 70,633
18	GH-1(R)	\$ 43,123,706	\$ 0	\$ 0	\$ (715,854)	\$ 0	\$ (522,738)	\$ 41,885,114
19	GH-2(R)	\$ 7,926,854	\$ 0	\$ 0	\$ (131,586)	\$ 0	\$ (97,353)	\$ 7,697,914
20	STANDBY	\$ 1,201,986	\$ 0	\$ 0	\$ (19,953)	\$ 0	\$ (11,876)	\$ 1,170,157
21								
22	TOTAL PUC	\$2,355,598,825	\$ (23,510,074)	\$ (2,354,941)	\$ (39,102,940)	\$ 0	\$ (30,972,266)	\$2,259,658,603
23								
24	OTHER ELECTRIC REVENUES							
25	Late Paymt	\$ 6,782,803	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,782,803
26	Misc. Rev.	\$ 155,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 155,442
27	Rent	\$ 12,541,682	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,541,682
28	Other	\$ 45,436,249	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,436,249
29								
30	TOTAL OTHR	\$ 64,916,176	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 64,916,176
31								
32	Ann. Adj.	\$ 25,312,281	\$ 0	\$ 0	\$ (420,184)	\$ 0	\$ (406,083)	\$ 24,486,014
33								
34	FERC SALES FOR RESALE							
35	Muni.	\$ 70,081,652	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 69,200,841
36	Pwr Contr	\$ 296,989,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296,989,693
37	PJM Intchg	\$ 74,326,294	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,326,294
38								
39	TOTAL FERC	\$ 441,397,639	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 440,516,828
40								
34	TOTAL OPERATING REVENUE							
35		\$2,887,224,921	\$ (23,510,074)	\$ (2,354,941)	\$ (39,633,124)	\$ 0	\$ (32,149,160)	\$2,789,577,621
36								

\* ECR: RS, RTD, RTS = -0.0996c/kwh  
Gen Svc = -0.1002c/kwh  
LP-4 = -0.1005c/kwh  
LP-5, LPEP, ISA, Standby = -0.1024c/kwh

PENNSYLVANIA POWER & LIGHT COMPANY  
12 MONTH PERIOD ENDED SEPTEMBER 30, 1994 PRO-FORMA

LINE NO.	(1) RATE SCHEDULE	(2) PROPOSED RATE REVENUE Incl ROLL-IN	(3) ECONOMIC DEVELOPMENT INITIATIVES CREDIT	(4) INDUSTRIAL DEVELOPMENT INITIATIVES CREDIT	(5) SPECIAL BASE RATE CREDIT ADJ. -1.66%	(6) STAS 0%	(7) ENERGY COST RATE *	(8) TOTAL REVENUE	(9) TOTAL REVENUE CHANGE		(11) BASE RATE CHANGE		(12)
									(9) (\$)	(10) (%)	(11) (\$)	(12) (%)	
									cols(8)-(8)p.5		cols(2)-(4)p.3		
1	RS	\$1,066,744,531	\$ 0	\$ 0	\$ (17,707,959)	\$ 0	\$ (11,094,480)	\$1,037,942,092	\$114,257,082	12.37	\$ 251,689,113	30.88	
2	RTS	\$ 24,239,091	\$ 0	\$ 0	\$ (402,369)	\$ 0	\$ (390,513)	\$ 23,446,208	\$ 2,691,630	12.97	\$ 7,607,356	45.74	
3	RTD	\$ 484,022	\$ 0	\$ 0	\$ (8,035)	\$ 0	\$ (5,523)	\$ 470,464	\$ 47,728	11.29	\$ 116,308	31.63	
4	GS-1	\$ 162,063,009	\$ 0	\$ 0	\$ (2,690,246)	\$ 0	\$ (1,405,670)	\$ 157,967,093	\$ 2,919,676	1.88	\$ 19,702,671	13.84	
5	GS-3	\$ 553,046,045	\$ (1,858,065)	\$ (904,020)	\$ (9,180,564)	\$ 0	\$ (6,629,434)	\$ 534,473,961	\$ 20,256,002	3.94	\$ 101,358,651	22.44	
6	LP-4	\$ 320,187,553	\$ (11,269,242)	\$ (861,454)	\$ (5,315,113)	\$ 0	\$ (4,493,414)	\$ 298,248,329	\$ 18,199,353	6.50	\$ 74,569,608	30.36	
7	LP-5	\$ 317,555,290	\$ (10,815,848)	\$ (589,467)	\$ (5,271,418)	\$ 0	\$ (5,626,418)	\$ 295,252,138	\$ 28,440,040	10.66	\$ 97,443,493	44.27	
8	LPEP	\$ 9,370,119	\$ 0	\$ 0	\$ (155,544)	\$ 0	\$ (163,060)	\$ 9,051,515	\$ 81,304	0.91	\$ 2,055,999	28.11	
9	ISA	\$ 17,833,963	\$ (660,100)	\$ 0	\$ (296,044)	\$ 0	\$ (412,733)	\$ 16,465,085	\$ (434,775)	-2.57	\$ 4,598,129	34.74	
10	IS-1	\$ 189,531	\$ 0	\$ 0	\$ (3,146)	\$ 0	\$ (3,734)	\$ 182,649	\$ (4,309)	-2.30	\$ 42,002	28.47	
11	BL	\$ 965,352	\$ 0	\$ 0	\$ (16,025)	\$ 0	\$ (9,958)	\$ 939,369	\$ 56,544	6.40	\$ 177,888	22.59	
12	SA	\$ 4,894,107	\$ 0	\$ 0	\$ (81,242)	\$ 0	\$ (28,386)	\$ 4,784,479	\$ 504,424	11.79	\$ 841,016	20.75	
13	SM	\$ 1,824,118	\$ 0	\$ 0	\$ (30,280)	\$ 0	\$ (9,609)	\$ 1,784,228	\$ 192,582	12.10	\$ 305,665	20.13	
14	SHS	\$ 16,910,926	\$ 0	\$ 0	\$ (280,721)	\$ 0	\$ (57,569)	\$ 16,572,636	\$ 1,948,085	13.32	\$ 2,595,404	18.13	
15	SE	\$ 421,935	\$ 0	\$ 0	\$ (7,004)	\$ 0	\$ (8,935)	\$ 405,994	\$ 51,890	14.65	\$ 164,548	63.93	
16	TS(R)	\$ 63,676	\$ 0	\$ 0	\$ (1,057)	\$ 0	\$ (505)	\$ 62,114	\$ 6,324	11.34	\$ 12,436	24.27	
17	SI-1(R)	\$ 85,561	\$ 0	\$ 0	\$ (1,420)	\$ 0	\$ (357)	\$ 83,784	\$ 13,151	18.62	\$ 17,352	25.44	
18	GH-1(R)	\$ 48,765,991	\$ 0	\$ 0	\$ (809,515)	\$ 0	\$ (522,738)	\$ 47,433,737	\$ 5,548,623	13.25	\$ 12,000,316	32.64	
19	GH-2(R)	\$ 8,963,993	\$ 0	\$ 0	\$ (148,802)	\$ 0	\$ (97,353)	\$ 8,717,837	\$ 1,019,923	13.25	\$ 2,222,121	32.96	
20	STANDBY	\$ 1,184,472	\$ 0	\$ 0	\$ (19,662)	\$ 0	\$ (11,876)	\$ 1,152,933	\$ (17,224)	-1.47	\$ 121,784	11.46	
21													
22	TOTAL PUC	\$2,555,793,284	\$ (24,603,255)	\$ (2,354,941)	\$ (42,426,169)	\$ 0	\$ (30,972,266)	\$2,455,436,653	\$195,778,053	8.66	\$ 577,641,859	29.20	
23													
24	OTHER ELECTRIC REVENUES												
25	Late Paym	\$ 7,370,194	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,370,194	\$ 587,391	8.66			
26	Misc. Rev	\$ 155,442	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 155,442	\$ 0	0.00			
27	Rent	\$ 12,541,682	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,541,682	\$ 0	0.00			
28	Other	\$ 45,436,249	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,436,249	\$ 0	0.00			
29													
30	TOTAL OTH	\$ 65,503,567	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 65,503,567	\$ 587,391	0.90			
31													
32	Ann. Adj.	\$ 26,606,503	\$ 0	\$ 0	\$ (441,668)	\$ 0	\$ (406,083)	\$ 25,758,752	\$ 1,272,738	5.20			
33													
34	FERC SALES FOR RESALE												
35	Muni.	\$ 70,081,652	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 69,200,841	\$ 0	0.00			
36	Pwr Contr	\$ 296,989,693	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296,989,693	\$ 0	0.00			
37	PJM Intch	\$ 74,326,294	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 74,326,294	\$ 0	0.00			
38													
39	TOTAL FER	\$ 441,397,639	\$ 0	\$ 0	\$ (110,000)	\$ 0	\$ (770,811)	\$ 440,516,828	\$ 0	0.00			
40													
34	TOTAL OPERATING REVENUE	\$3,089,300,993	\$ (24,603,255)	\$ (2,354,941)	\$ (42,977,836)	\$ 0	\$ (32,149,160)	\$2,987,215,800	\$197,638,179	7.08			
35													
36													

\* ECR: RS,RTD,RTS = -0.0996c/kwh  
Gen Svc = -0.1002c/kwh  
LP-4 = -0.1005c/kwh  
LP-5,LPEP,ISA,Standby = -0.1024c/kwh

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Computation of Energy Cost Rate  
Year Ended September 30, 1994**

<u>Line No.</u>		<u>\$1,000</u>
	<b>Generation</b>	
1	Coal	\$ 343,788
2	Oil	78,820
3	Nuclear	67,052
4	CTS & Diesels	2,593
5	Total Generation	<u>\$ 490,251</u>
	<b>Purchased Power</b>	
6	PJM Interchange	\$ 42,178
7	Borderline	108
8	Other Utilities	37,985
9	Non-Utility Generation	222,089
10	Total Purchased Power	<u>\$ 302,360</u>
	<b>Energy Sales</b>	
11	PJM Interchange	\$ -89,861
12	JCP&L	-53,657
13	ACE	-10,462
14	BG&E	-3,742
15	GPU	-4,598
16	Other	-7,892
17	Total Energy Sales	<u>\$ -150,012</u>
18	System Cost of Power	\$ 642,599
	<b>Less</b>	
19	Waste Heat	\$ -90
20	Emission Allowances	-487
21	Net Energy Costs	<u>\$ 642,022</u>
	<b>Total Sales</b>	
22	1994 Test Year System Sales <sup>1</sup>	32,240,313,317 KWH
23	Annualization	<u>402,626,920 KWH</u>
24	Total Sales	32,642,940,237 KWH
25	Net Energy Cost (line 21 + line 24)	19.668 mills/KWH
26	Less Base Energy Cost	<u>7.454 mills/KWH</u>
27	Cost Above Base Cost	12.214 mills/KWH

<sup>1</sup> excludes company use

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Computation of Energy Cost Rates Before Roll-In  
Historic Test Year Period  
October 1, 1994, Through September 30, 1994**

	<u>Residential</u>	<u>General Service</u>	<u>LP-4</u>	<u>LP-5</u>	<u>Total</u>
1. PUC Jurisdictional Sales (MWH)	11,536,862	8,756,735	4,471,059	6,068,445	30,832,901
2. Annualization Sales (MWH)	82,968	105,450	82,330	131,880	402,628
3. Sales (lines 1 + 2) (MWH)	<u>11,619,830</u>	<u>8,862,185</u>	<u>4,553,389</u>	<u>6,200,325</u>	<u>312,355,529</u>
4. Energy Cost to be Recovered (lines 3 x 27, page 4)	\$ 148,452,392	\$ 113,223,276	\$ 58,174,098	\$ 79,215,352	\$ 399,065,118
5. NUG Output Payments	\$ 1,442,823	\$ 307,047	\$ -433,406	\$ -1,316,484	\$ 0
6. Installed Capacity Credit, Output Reservation and Transmission Entitlement Revenues	\$ -12,500,249	\$ -8,793,360	\$ -3,943,817	\$ -4,753,574	\$ -29,991,000
7. Net Costs to be Recovered (lines 4 + 5 + 6)	\$ <u>137,394,966</u>	\$ <u>104,736,963</u>	\$ <u>53,796,875</u>	\$ <u>73,145,314</u>	\$ <u>369,074,118</u>
8. Energy Cost Rate (lines 7 + 3) (mills/KWH)	11.824	11.818	11.815	11.474	
9. Energy Cost Rate Including GRT (line 8 x 1.046025) (mills/KWH)	12.368	12.362	12.359	12.002	

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Computation of Energy Cost Rates After ECR Roll-In  
Historic Test Year Period  
October 1, 1994, Through September 30, 1994**

	<u>Residential</u>	<u>General Service</u>	<u>LP-4</u>	<u>LP-5</u>	<u>Total</u>
1. PUC Jurisdictional Sales (MWH)	11,536,862	8,756,735	4,471,059	6,068,445	30,832,901
2. Annualization Sales (MWH)	<u>82,968</u>	<u>105,450</u>	<u>82,330</u>	<u>131,880</u>	<u>402,628</u>
3. Sales (lines 1 + 2) (MWH)	11,619,630	8,862,185	4,553,389	6,200,325	31,235,529
4. Energy Cost to be Recovered	\$0	\$0	\$0	\$0	\$0
5. NUG Output Payments	\$ 1,442,823	\$ 307,047	\$ -433,406	\$ -1,316,464	\$0
6. Installed Capacity Credit, Output Reservation and Transmission Entitlement Revenues	<u>\$ -12,500,249</u>	<u>\$ -8,793,360</u>	<u>\$ -3,943,817</u>	<u>\$ -4,753,574</u>	<u>\$ -29,991,000</u>
7. Net Costs to be Recovered (lines 4 + 5 + 6)	\$ -11,057,426	\$ -8,486,313	\$ -4,377,223	\$ -6,070,038	\$ -29,991,000
8. Energy Cost Rate (lines 7 + 3) (mills/KWH)	-0.952	-0.958	-0.961	-0.979	
9. Energy Cost Rate Including GRT (line 8 x 1.046025) (mills/KWH)	-0.996	-1.002	-1.005	-1.024	

Pennsylvania Power & Light Company

Adjustments to ECR  
12 Months Ended September 30, 1994

<u>Adjustment</u>	<u>Customer Group</u>			
	<u>Residential</u>	<u>General Service</u>	<u>LP-4</u>	<u>LP-5</u>
1. Demand/Energy Allocation of NUG Output Payments	\$1,442,823	\$307,047	\$(433,406)	\$(1,316,464)
2. Demand Allocation of Installed Capacity Credit, Output Reservation and Transmission Entitlement Sales Revenues	<u>(12,499,832)</u>	<u>(8,793,068)</u>	<u>(3,943,685)</u>	<u>(4,753,415)</u>
3. Total PUC Jurisdictional ECR Adjustments	<u>\$(11,057,009)</u>	<u>\$(8,486,021)</u>	<u>\$(4,377,091)</u>	<u>\$(6,069,879)</u>

Pennsylvania Power & Light Company

Historic Test Year ECR Period

A. Assignment of NUG output payments on an energy basis.

1. NUG Payments , Total System Sales = Applicable Energy Rate  
 $\$222,088,703 \div 32,240,313,000 \text{ KWH} = \$.00688$

2. Applicable Energy Rate x Rate Group Sales = Applicable NUG Payment Amount

Residential:

$11,536,662,000 \text{ KWH} \times .00688 = \$79,429,178$

General Service:

$8,756,735,000 \text{ KWH} \times .00688 = 60,289,559$

LP-4:

$4,471,059,000 \text{ KWH} \times .00688 = 30,747,186$

LP-5:

$6,068,445,000 \text{ KWH} \times .00688 = 41,732,308$

B. Assignment of NUG output payments on a demand and energy basis.

1. NUG Payments - (PJM Capacity Deficiency Rate x NUG Capacity) = Energy-Related Amount  
 $\$222,088,703 - (\$201/\text{MW}/\text{Day} \times 365 \text{ days} \times 504 \text{ MW}) = \$185,112,743$

2. Energy-Related Amount , Total System Sales = Applicable Energy Rate  
 $\$185,112,743 \div 32,240,313,000 \text{ KWH} = \$.00574$

3. Demand-Related Amount , Total System Demand = Demand-Related Rate  
 $\$36,975,960 \div 5,315,167 \text{ KW} = \$6.957$

4. (Demand-Related Rate x Rate Group Demand) , Rate Group Sales = Applicable Demand Rate

Residential:

$(\$6.957 \times 2,113,191 \text{ KW}) \div 11,536,662,000 \text{ KWH} = \$0.00127$

General Service:

$(\$6.957 \times 1,486,591 \text{ KW}) \div 8,756,735,000 \text{ KWH} = .00118$

LP-4:

$(\$6.957 \times 666,849 \text{ KW}) \div 4,471,059,000 \text{ KWH} = .00104$

LP-5:

$(\$6.957 \times 803,299 \text{ KW}) \div 6,068,445,000 \text{ KWH} = .00092$

5. (Applicable Energy Rate + Applicable Demand Rate) x Rate Group Sales = Applicable NUG Payment Amount

Residential:

$(\$0.00574 + .00127) \times 11,536,662,000 \text{ KWH} = \$80,872,001$

General Services:

$(\$0.00574 + .00118) \times 8,756,735,000 \text{ KWH} = 60,596,606$

LP-4:

$(\$0.00574 + .00104) \times 4,471,059,000 \text{ KWH} = 30,313,780$

LP-5:

$(\$0.00574 + .00092) \times 6,068,445,000 \text{ KWH} = 40,415,844$

Pennsylvania Power & Light Company

Capacity/Demand Allocation Factors  
12 Months Ended September 30, 1994

Total Company		100.00%
Less: FERC Jurisdiction		
Atlantic City Electric Agreement	1.535%	
Jersey Central Power & Light Agreement	11.245	
Baltimore Gas & Electric Agreement	1.535	
UGI-Luzerne Agreement	1.538	
FERC resale customers	<u>2.415</u>	
Total FERC	<u>18.268</u>	
PUC Jurisdiction	<u>81.732%</u>	

Pennsylvania Power & Light Company

PUC Jurisdictional Allocation Factors  
12 Months Ended September 30, 1994

<u>Rate Group</u>	<u>Demand Basis</u>	<u>Energy Basis</u>
Residential	41.68%	37.42%
General Service	29.32	28.40
LP-4	13.15	14.50
LP-5	15.85	19.68

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Energy Costs**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>		<u>Per Books</u>	<u>Adjustments</u>	<u>Pro Forma</u>
	Energy Related			
	Fuel			
1	Coal (a)	\$ 355,754	\$ (11,968)	\$ 343,786
2	Oil	76,820	-	76,820
3	Nuclear (b)	67,052	-	67,052
4	CTS & Diesels	2,593	\$ -	2,593
5	Total Generation	<u>\$ 502,219</u>	<u>\$ (11,968)</u>	<u>\$ 490,251</u>
	Purchased Power			
6	PJM Interchange	\$ 38,324	\$ 3,854	\$ 42,178
7	Borderline	108	-	108
8	Other Utilities	34,815	3,170	37,985
9	Non-Utility Generation	222,089	-	222,089
10	Total Purchased Power	<u>\$ 295,336</u>	<u>\$ 7,024</u>	<u>\$ 302,360</u>
	Energy Sales			
11	PJM Interchange	\$ (74,326)	\$ 4,465	\$ (69,861)
12	JCP&L	(53,657)	-	(53,657)
13	ACE	(10,462)	-	(10,462)
14	BG&E	(3,742)	-	(3,742)
15	GPU	(4,598)	-	(4,598)
16	Other	(8,339)	647	(7,692)
17	Waste Heat	(90)	-	(90)
18	Emmission Allowances	(487)	-	(487)
19	Total Energy Sales	<u>\$ (155,701)</u>	<u>\$ 5,112</u>	<u>\$ (150,589)</u>
20	Net Energy Related (line 5 + 10 + 19)	<u>\$ 641,854</u>	<u>\$ 168</u>	<u>\$ 642,022</u>
	Demand Related			
21	Safe Harbor	\$ 10,179	-	\$ 10,179
22	Borderline	6	-	6
23	Total Demand Related (lines 21 + 22)	<u>\$ 10,185</u>	<u>\$ -</u>	<u>\$ 10,185</u>

(a) Includes retired miners' health care cost

(b) Includes decommissioning and decontamination and spent fuel disposal expense.

## PENNSYLVANIA POWER &amp; LIGHT COMPANY

**Adjustment to Wage Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment was made to reflect the number of employees and level wages in effect at the end of the year.

<b>Line No.</b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Average monthly wage per employee	\$4.473
2	Personnel employed at end of the year	7,671
3	Annualized total wages (line 1 x line 2 x 12 months)	\$ 411,748
4	Less: Actual wages for the year ended September 30, 1994	<u>416,354</u>
5	Decrease in total wages	<u>\$ (4,606)</u>
6	Decrease in wages to expense (line 5 x 71.9%)	<u>\$ (3,312)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Employee Benefits Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment was made to reflect the level of benefit costs at the end of the test year.

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Annual effect of post-retirement benefits other than pensions (D-6, pg. 2)	\$ (3,556)
2	Amortization of SFAS costs which would have been deferred under PUC Order at Docket No. P-920635 (D-6, pg. 3)	<u>1,126</u>
3	Total	<u><u>\$ (2,430)</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Employee Benefits Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment was made to reflect the full annual effect of accounting for post-retirement benefits other than pensions on an accrual basis as required by Statement of Financial Accounting Standards No. 106 (SFAS 106).

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Annual accrual for post-retirement benefits per actuarial study	\$25,857
2	Post-retirement benefits to expense (line 1 x 73.2%)	18,927
3	Less: Amount charged to expense	<u>22,483</u>
4	Adjustment (line 2 - line 3)	<u><u>(\$3,556)</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Employee Benefits Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment was made to reflect the amortization for SFAS post-retirement benefits which would have been deferred in accordance with the Pennsylvania Public Utility Commission Order entered May 6, 1993 at Docket No. P-920635.

<u>Line No.</u>		<u>Amount</u>
1	SFAS 106 expenses which would have been deferred under the PUC Order at Docket No. P-920635	<u>\$ 19,480</u>
2	Adjustment (line 1 ÷ 17.3 years)	<u><u>\$1,126</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Rate Case Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

Rate case expenditures are charged to expense when incurred. The Company's claim for rate case expense is based on a normalized amount as shown in Exhibit Future 1, Schedule D-7.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Total rate case expense	<u>\$ 1,491</u>
2	Normalized amount (line 1 ÷ 2 years )	\$ 746
3	Less: PPUC rate case expense per books	<u>0</u>
4	Increase in expense	<u>\$ 746</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Land Management  
Projects/Recreational Facilities Expense  
Year Ended September 30, 1994  
(Thousands of Dollars)**

The Commission in its Rate Order at Docket No. R-822169, dated August 19, 1983, determined that operation and maintenance expenses incurred for certain land management projects/recreational facilities which are not owned or operated pursuant to any specific Federal or State licensing requirement should not be recovered from ratepayers. This adjustment provides for the elimination of the test year operating expense for such facilities.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Montour Preserve	\$ (533)
2	Shady Nook Boat Ramp	(7)
3	Martins Creek Boat Ramp	(11)
4	Brunner Island Boat Ramp	<u>(6)</u>
5	Decrease in expense	<u>\$ (557)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Interest Expense on Customer Deposits**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

The Commission in its Rate Order at Docket No. R-80031114, dated January 30, 1981, determined that it was appropriate to include in the cost of service interest expense on customer deposits when such customer deposits are treated as a reduction to rate base. The interest on these deposits is computed at an interest rate of 11% in accordance with Rule 2--Requirement for Service set forth in the Company's Tariff Electric--PA PUC No. 200.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Customer deposits (B-1)	\$ 1,106
2	Interest rate	<u>11%</u>
3	Increase in expense (line 1 x line 2)	<u>\$ 122</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Voluntary Early Retirement Program (VERP)**

**Year Ended September 30, 1994**

*(Thousands of Dollars)*

On September 29, 1994 the Company announced a voluntary early retirement program to all management employees who were 55 or older by December 31, 1994. Agreement on a VERP applicable to eligible bargaining unit employees was also reached with the union.

This adjustment reflects the estimated cost of the VERP amortized over five years and the anticipated annual savings of the program.

<u>Line No.</u>			
1	Estimated Cost of the VERP	<u>\$ 65,800</u>	
2	Amortization over five years (line 1 ÷ 5)		\$ 13,160
	VERP Payroll Savings		
3	Wages	<u>\$ (27,100)</u>	
4	Wages to expense (line 3 x 71.9%)		(\$19,485)
5	Benefits	<u>\$ (10,500)</u>	
6	Benefits to expense (line 5 x 73.2%)		<u>(7,686)</u>
7	Total Adjustment (lines 2 + 4 + 6)		<u>\$ (14,011)</u>

## PENNSYLVANIA POWER &amp; LIGHT COMPANY

**Adjustment to Annual Accrual for Decommissioning Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment provides for an annual accrual of decommissioning expense associated with the Susquehanna Steam Electric Station (SSES), based upon the total estimated cost of immediate dismantlement of the facility.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>		
		<u>Unit 1</u>	<u>Unit 2</u>	<u>Total</u>
1	Cost of decommissioning in 1993 dollars	\$350,524	\$453,735	\$804,259
2	PP&L share (90%)	\$ 315,471	\$ 408,361	\$ 723,832
3	Rate of inflation	4%	4%	
	<u>Years to Retirement</u>			
4	Unit 1 (1994-2022)	29		
5	Unit 2 (1994-2024)		31	
	<u>Cost of Decommissioning</u>			
6	Unit 1 (line 2 x 3.118651 (a))	\$983,844		
7	Unit 2 (line 2 x 3.373133 (b))		\$1,377,456	\$2,361,300
8	Value of trust @ 9/30/94	\$50,005	\$36,433	\$86,438
9	Earnings on trust (c)	5.50%	5.50%	
	<u>Value of Trust</u>			
10	@ 2022 (line 8 x 4.477843 (d))	\$223,915		
11	@ 2024 (line 8 x 4.983951 (e))		\$181,580	\$405,495
	<u>Net Cost of Decommissioning</u>			
12	Unit 1 (line 6 - line 10)	\$759,929		
13	Unit 2 (line 7 - line 11)		\$1,195,876	\$1,955,805
	<u>Annuity Amount</u>			
14	Unit 1 (line 12 x .015814 (f))	\$12,018		
15	Unit 2 (line 13 x .013805 (g))		\$16,509	\$28,527
16	Less: Amount per books	3,803	3,291	7,094
17	Increase in expense	<u>\$8,215</u>	<u>\$13,218</u>	<u>\$21,433</u>

- a) Future value of \$1 with compound interest @ 4% for 29 years.  
b) Future value of \$1 with compound interest @ 4% for 31 years.  
c) Reflects an after tax rate of return of 1.5% above the assumed rate of inflation.  
d) Future value of \$1 with compound interest @ 5.5% for 28 years.  
e) Future value of \$1 with compound interest @ 5.5% for 30 years.  
f) Periodic deposit that will grow to \$1 in 28 years with interest compounded @ 5.5%.  
g) Periodic deposit that will grow to \$1 in 30 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission Fossil Units  
All Stations  
Year Ended September 30, 1994  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with PP&L's fossil fueled stations.

<u>Line No.</u>	<u>Station</u>	<u>Amount</u>
1	Martins Creek	\$14,339
2	Brunner Island	10,669
3	Montour	7,560
4	Sunbury	14,796
5	Holtwood	<u>5,454</u>
6	Total	<u><u>\$52,817</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Martins Creek Steam Electric Station  
Year Ended September 30, 1994  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with the Martins Creek Steam Electric Station.

Line No.	Description	Amount				Total
		Coal		Oil		
		Unit 1	Unit 2	Unit 3	Unit 4	
1	Cost of Decommissioning in 1994 dollars	\$30,142	\$30,619	\$41,620	\$45,946	
2	Rate of inflation	4%	4%	4%	4%	
	<u>Years to Retirement</u>					
3	Unit 1 (1994-2003)	9				
4	Unit 2 (1994-2003)		9			
5	Unit 3 (1994-2010)			16		
6	Unit 4 (1994-2010)				16	
	<u>Cost of Decommissioning</u>					
7	Unit 1 (line 1 x 1.423312 (a))	\$42,901				
8	Unit 2 (line 1 x 1.423312 (a))		\$43,580			
9	Unit 3 (line 1 x 1.872981 (b))			\$77,953		
10	Unit 4 (line 1 x 1.872981 (b))				\$86,056	
	<u>Annuity Amount</u>					
11	Unit 1 (line 7 x .088839 (c))	\$3,811				
12	Unit 2 (line 8 x .088839 (c))		\$3,872			
13	Unit 3 (line 9 x .040583 (d))			\$3,164		
14	Unit 4 (line 10 x .040583 (d))				\$3,492	\$14,339

- a) Future value of \$1 with compound interest @ 4% for 9 years.
- b) Future value of \$1 with compound interest @ 4% for 16 years.
- c) Periodic deposit that will grow to \$1 in 9 years with interest compounded @ 5.5%.
- d) Periodic deposit that will grow to \$1 in 16 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Brunner Island Steam Electric Station  
Year Ended September 30, 1994  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with the Brunner Island Steam Electric Station.

Line No.	Description	Amount			Total
		Unit 1	Unit 2	Unit 3	
1	Cost of Decommissioning in 1994 dollars	\$55,758	\$55,612	\$58,413	
2	Rate of inflation	4%	4%	4%	
	<u>Years to Retirement</u>				
3	Unit 1 (1994-2014)	20			
4	Unit 2 (1994-2014)		20		
5	Unit 3 (1994-2014)			20	
	<u>Cost of Decommissioning</u>				
6	Unit 1 (line 1 x 2.191123 (a))	\$122,173			
7	Unit 2 (line 1 x 2.191123 (a))		\$121,853		
8	Unit 3 (line 1 x 2.191123 (a))			\$127,990	
	<u>Annuity Amount</u>				
9	Unit 1 (line 6 x .028679 (b))	\$3,504			
10	Unit 2 (line 7 x .028679 (b))		\$3,495		
11	Unit 3 (line 8 x .028679 (b))			\$3,671	<u>\$10,669</u>

- a) Future value of \$1 with compound interest @ 4% for 20 years.  
b) Periodic deposit that will grow to \$1 in 20 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Montour Steam Electric Station  
Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment provides for an annual accrual of decommissioning expense associated with the Montour Steam Electric Station.

Line No.	Description	Amount		Total
		Unit 1	Unit 2	
1	Cost of Decommissioning in 1994 dollars	\$58,682	\$76,614	
2	Rate of inflation	4%	4%	
	<u>Years to Retirement</u>			
3	Unit 1 (1994-2017)	23		
4	Unit 2 (1994-2017)		23	
	<u>Cost of Decommissioning</u>			
5	Unit 1 (line 1 x 2.464716 (a))	\$144,634		
6	Unit 2 (line 1 x 2.464716 (a))		\$188,832	
	<u>Annuity Amount</u>			
8	Unit 1 (line 5 x .022670 (b))	\$3,279		
9	Unit 2 (line 6 x .022670 (b))		\$4,281	<u>\$7,560</u>

- a) Future value of \$1 with compound interest @ 4% for 23 years.  
b) Periodic deposit that will grow to \$1 in 23 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Sunbury Steam Electric Station  
Year Ended September 30, 1994  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated with the Sunbury Steam Electric Station.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>				<u>Total</u>
		<u>Unit 1</u>	<u>Unit 2</u>	<u>Unit 3</u>	<u>Unit 4</u>	
1	Cost of Decommissioning in 1994 dollars	\$29,304	\$28,551	\$29,553	\$29,604	
2	Rate of inflation	4%	4%	4%	4%	
	<u>Years to Retirement</u>					
3	Unit 1 (1994-2003)	9				
4	Unit 2 (1994-2003)		9			
5	Unit 3 (1994-2003)			9		
6	Unit 4 (1994-2003)				9	
	<u>Cost of Decommissioning</u>					
7	Unit 1 (line 1 x 1.423312 (a))	\$41,709				
8	Unit 2 (line 1 x 1.423312 (a))		\$40,637			
9	Unit 3 (line 1 x 1.423312 (a))			\$42,063		
10	Unit 4 (line 1 x 1.423312 (a))				\$42,136	
	<u>Annuity Amount</u>					
11	Unit 1 (line 7 x .088839 (b))	\$3,705				
12	Unit 2 (line 8 x .088839 (b))		\$3,610			
13	Unit 3 (line 9 x .088839 (b))			\$3,737		
14	Unit 4 (line 10 x .088839 (b))				\$3,743	<u>\$14,796</u>

- a) Future value of \$1 with compound interest @ 4% for 9 years.  
b) Periodic deposit that will grow to \$1 in 9 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Decommission  
The Holtwood Steam Electric Station  
Year Ended September 30, 1994  
(Thousands of Dollars)**

This adjustment provides for an annual accrual of decommissioning expense associated

<u>Description</u>	<u>Amount</u>
Cost of Decommissioning in 1994 dollars	\$43,132
Rate of inflation	4%
<u>Years to Retirement</u>	
Unit 17 (1994-2003)	9
<u>Cost of Decommissioning</u>	
Unit 17 (line 1 x 1.423312 (a))	<u>\$61,390</u>
<u>Annuity Amount</u>	
Unit 17 (line 4 x .088839 (b))	<u><u>\$5,454</u></u>

Future value of \$1 with compound interest @ 4% for 9 years.

Periodic deposit that will grow to \$1 in 9 years with interest compounded @ 5.5%.

**PENNSYLVANIA POWER & LIGHT COMPANY****Adjustment for Amortization of  
Management Audit Cost  
Year Ended September 30, 1994**  
*(Thousands of Dollars)*

The adjustment provides for the amortization over a five-year period of the cost of the Commission-mandated management audit. The audit was performed by Shumaker & Company.

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Cost of the management audit	\$911
2	Annual level of amortization $\$911 \div 5 \text{ years}$	182
3	Less: Amount per books	<u>349</u>
4	Decrease in expense	<u><u>\$167</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Amortize the SSES Early Window Deferrals  
Year Ended September 30, 1994**

*(Thousands of Dollars)*

This adjustment amortizes the "early window" deferrals applicable to Susquehanna Units 1 and 2 over a period of ten years. This is consistent with the Pennsylvania Public Utility Commission (PUC) Order entered May 16, 1990 in the Philadelphia Electric Company rate case at Docket R-891364. The deferral of these costs for Units 1 and 2 was authorized by the PUC in its Orders at Docket Nos. P-820367 entered July 29, 1982 and P-830461 entered November 9, 1983 respectively.

	<u>Unit 1</u>	<u>Unit 2</u>	<u>Total</u>
Deferred Costs			
Operating Expenses	\$ 21,102	\$ 18,092	\$ 39,194
Interchange Energy Savings	(40,994)	(47,167)	\$ (88,161)
Carrying Costs	<u>28,834</u>	<u>32,125</u>	<u>\$ 60,959</u>
 TOTAL	 <u>\$ 8,942</u>	 <u>\$ 3,050</u>	 <u>\$ 11,992</u>
 Amortization over 10 years	 <u>\$ 894</u>	 <u>\$ 305</u>	 <u>\$ 1,199</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Social Programs**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Program</u></b>	<b><u>Amount</u></b>
1	Build-a-Neighborhood	\$ 600
2	Affordable Housing	600
3	Small Business	1,250
6	Keep Warm Plan	1,000
7	Operation HELP	50
8	CARES	<u>30</u>
9	Total Cost of Programs	<u><u>\$ 3,530</u></u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment for Environmental Remediation**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment is only applicable to the future test year.

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Annual Depreciation Expense**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

The depreciation on electric plant in service, net of clearing accounts and customer advances for construction, represents the annual depreciation expense as of September 30, 1994 using average service lives and life spans as filed in this proceeding.

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Depreciation--electric plant in service	\$ 334,169
	Less:	
2	Clearing	1,758
3	Customer advances for construction	1
4	Net Depreciation--electric plant in service	332,410
5	Amortization of negative net salvage (a)	<u>18,137</u>
6	Total annual depreciation expense	350,547
7	Less: Depreciation expense per books	<u>304,993</u>
8	Increase in expense	<u><u>\$ 45,554</u></u>

(a) Based on a five-year average of negative net salvage as prescribed by the Pennsylvania Public Utility Commission.

PENNSYLVANIA POWER & LIGHT COMPANY

Adjustment to Taxes Other Than Income  
Year Ended September 30, 1994  
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>PA Capital Stock Tax</u>	
	Adjustment to reflect current taxable value	
1	Estimated tax applicable to electric operations at 12.75 mills (D-18, pg 2)	\$ 35,469
2	Less: Capital stock tax per books (B-5)	<u>36,144</u>
3	Decrease in expense	<u>\$ (675)</u>
	<u>PA Gross Receipts Tax</u>	
	Adjustment to provide for gross receipts tax on pro forma revenue at present rates	
4	Gross receipts tax recoverable through base rates (D-18, pg. 3)	\$ 102,395
5	Less: Gross receipts tax per books (B-5)	<u>100,072</u>
6	Increase in expense	<u>\$ 2,323</u>
	<u>PA Public Utility Realty Tax</u>	
	Adjustment to reflect current taxable base	
7	Public utility realty tax recoverable through base rates (D-18, pg. 4)	\$ 46,090
8	Less: Public utility realty tax per books (B-5)	<u>45,706</u>
9	Increase in expense	<u>\$ 384</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Capital Stock Tax at Present Rates**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<b><u>Line</u></b>	<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1		PA Capital Stock Value = 50% ((5 Yr. Average Net Income/.095) +( 75% (Net Worth))	
		Net income	
2		1989	\$353,354
3		1990	346,325
4		1991	348,154
5		1992	344,850
6		1993	<u>344,917</u>
7		Total	<u>\$1,737,600</u>
8		Average	<u>\$347,520</u>
9		Net worth at December 31, 1993	<u>\$2,932,209</u>
10		PA Capital stock value = .5((\$347,520/.095) + (.75 x \$2,932,209)) =	\$ 2,928,631
11		Statutory Exemption	<u>75</u>
12		Value of Capital Stock less Statutory Exemption	2,928,556
13		Apportionment Percentage	<u>0.94992</u>
14		PA Capital Stock Taxable Value	<u>2,781,894</u>
15		PA Capital Stock Tax at 12.75 mills	<u>\$ 35,469</u>

PENNSYLVANIA POWER & LIGHT COMPANY

**Gross Receipts Tax (GRT) at Present Rates**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Pro Forma Revenue</u>	<u>Applicable GRT Rate (Mills)</u>	<u>Gross Receipts Tax</u>
PPUC Jurisdictional				
1	Total Tariff Revenue (D-3, pg 1, line 5)	\$2,284,145	44	\$ 100,502
FERC Jurisdictional				
2	Total rate revenue (D-3, pg. 1)	\$ 440,517	-	
Less:				
3	UGI	26,356	-	
4	Citizens' Electric	6,598	-	
5	Power Contracts	296,990	-	
6	PJM Power Sales	74,326	-	
7	Net FERC Tariff	<u>\$ 36,247</u>	44	\$ 1,595
Other Electric Revenue				
8	Late payment	\$ 6,783	44	298
9	Other electric revenue	58,133	0	-
10	Total Other	<u>\$ 64,916</u>		
11	Total gross receipts tax on pro forma revenue at present rates			<u>\$ 102,395</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Public Utility Realty Tax at Present Rates**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>PURTA Base</u>	
1	Land	\$ 21,515
2	Structures	1,490,869
3	Less Reserve for Depreciation	<u>(415,001)</u>
4	Total Base	\$ 1,097,383
5	Rate @ 42 mills	<u>0.042</u>
6	Tax	<u>\$ 46,090</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Computation of Income Taxes-Electric**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Per Books</u>	<u>Adjustments</u>	<u>Pro Forma at Present Rates</u>
1	Operating revenues	\$ 2,765,136	\$ 24,442	\$ 2,789,578
	Operating expenses			
2	Operation and maintenance	1,563,097	59,539	1,622,636
3	Depreciation	304,993	45,554	350,547
4	Regulatory Credits	(87,485)	-	(87,485)
5	Taxes Other than Income	203,409	2,032	205,441
6	Income Taxes-Federal	172,632	(3,410)	169,222
7	Income Taxes-State	65,619	129	65,748
8	Deferred Income Taxes	13,284	(30,371)	(17,087)
9	Investment Tax Credit-Amortization	(12,430)	1,393	(11,037)
10	Gains-Disposal of Emission Allowance	(487)	-	(487)
11	Total Operating Expense	<u>2,222,632</u>	<u>74,866</u>	<u>2,297,498</u>
12	Operating Income	542,504	(50,424)	492,080
13	Less: Interest Expense	218,735	2,070	220,805
13	Net Operating Income	<u>323,769</u>	<u>(52,494)</u>	<u>271,275</u>
	Income Tax Adjustments			
14	Federal Income Tax	172,632	(3,410)	169,222
15	Pennsylvania corporate net income tax	65,619	129	65,748
16	1991 PA CNI Refund	12,124	-	12,124
17	Deferred Income Taxes	13,284	(30,371)	(17,087)
18	Pension and supplemental retirements	11,391	-	11,391
19	ECR Settlement	12,715	-	12,715
20	Health care cost PMC amortization	10,889	-	10,889
21	Contributions in aid of construction	4,620	-	4,620
22	Environmental clean-up	3,350	-	3,350
23	Clearing and payroll equalization	1,961	-	1,961
24	Depreciation charged to clearing	422	-	422
25	Nuclear Fuel	54,069	-	54,069
26	Amortization leased equipment, leasehold improvements, software	6,681	-	6,681
27	Book Depreciation	304,993	45,554	350,547
28	Tax Depreciation	(324,913)	28,181	(296,732)
29	Nuclear Decommissioning--Book	7,094	21,433	28,527
30	Nuclear Decommissioning--Tax	(6,777)	(21,228)	(28,005)
31	Miscellaneous adjustments-net	20	-	20
32	ECR/FAC underrecovery	(20,522)	-	(20,522)
33	Power plant inventory-tax accounting change	(5,442)	-	(5,442)
34	Investment tax credit amortization	(12,430)	1,393	(11,037)
35	Removal costs	(24,990)	-	(24,990)
36	Adjust-sales of property	(5,873)	-	(5,873)
37	Refueling costs	(10,125)	-	(10,125)
38	ESOP dividend paid in cash	(9,087)	-	(9,087)
39	Coal inventory adjustment	(9,510)	-	(9,510)
40	Realized loss on inventory	(6,532)	-	(6,532)
41	Reacquired debt costs	(20,854)	-	(20,854)
42	Post-retirement/employment benefits	8,166	-	8,166
43	Amortization of Window Deferral		1,199	1,199
44	Income Tax Adjustments	<u>232,975</u>	<u>42,880</u>	<u>275,855</u>
45	Taxable Net Income Before Special Deductions	<u>\$ 556,744</u>	<u>\$ (9,614)</u>	<u>\$ 547,130</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Computation of Income Taxes-Electric  
Year Ended September 30, 1994  
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Per Books</u>	<u>Adjustments</u>	<u>Pro Forma at Present Rates</u>
<u>PA Corporate Net Income Tax Calculation</u>				
1	Taxable Net Income Before Special Deductions	\$ 556,744	\$ (9,614)	\$ 547,130
PA Special Deductions				
2	Tax Preference Income	(714)	-	(714)
3	Dividends Paid Credit	(838)	-	(838)
4	Interest on U.S. Securities	(26)	-	(26)
5	Federal Environmental Tax	702	-	702
6	1991 PA CNI Refund	(12,124)	12,124	-
7	PA Taxable Income	<u>543,744</u>	* <u>\$ 2,510</u>	<u>\$ 546,254</u>
8	PA Tax @ 11.99%	65,367	129	65,496
9	Accrual for Potential Deficiency	<u>252</u>	<u>-</u>	<u>252</u>
10	Total PA Income Tax	<u>\$ 65,619</u>	<u>\$ 129</u>	<u>\$ 65,748</u>
<u>Federal Income Tax Calculation</u>				
11	Taxable Net Income Before Special Deductions	\$ 556,744	\$ (9,614)	\$ 547,130
Federal Special Deductions				
12	PA Income Tax	(65,367)	(129)	(65,496)
13	Dividends Paid Credit	(838)	-	(838)
14	Federal Taxable Income	<u>\$ 490,539</u>	<u>\$ (9,743)</u>	<u>\$ 480,796</u>
15	Federal Tax @ 35%	\$ 171,688	\$ (3,410)	\$ 168,279
16	Credit for Qualified Electric Vehicle	(4)	-	(4)
17	Accrual for Potential Deficiency	<u>948</u>	<u>-</u>	<u>948</u>
18	Total Federal Income Tax	<u>\$ 172,632</u>	<u>\$ (3,410)</u>	<u>\$ 169,223</u>

\* \$66,269,100 taxed at 12.25% and \$477,474,682 taxed at 11.99%.

**PENNSYLVANIA POWER & LIGHT COMPANY**  
**Adjustment to Interest Deduction for Income Tax Purposes**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment provides for the annualized interest on claimed measures of value at September 30, 1994.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Measures of value at September 30, 1994 (C-1)	\$ 5,794,825
2	Long-term debt ratio (B-9)	47.1%
3	Embedded cost of long-term debt (B-9)	8.09%
4	Annualized interest (line 1 x line 2 x line 3)	220,805
5	Less: Interest expense per books (D-19, pg 1)	<u>218,735</u>
6	Increase in interest deduction (line 4 - line 5)	<u>\$ 2,070</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Adjustment to Tax Depreciation Deduction  
for Income Tax Purposes  
Year Ended September 30, 1994  
(Thousands of Dollars)

This adjustment provides for the annualized tax depreciation on year-end tax base at September 30, 1994.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Property depreciated under the Accelerated Cost Recovery System (ACRS) or Modified Accelerated Cost Recovery System (MACRS): Non-Susquehanna (D-20) Susquehanna (D-20)	\$ 166,104 69,999
2	Property depreciated under other methods: Non-Susquehanna Susquehanna	49,275 <u>11,354</u>
5	Total	296,732
6	Less: Tax depreciation per books (D-19, pg 1)	<u>324,913</u>
7	Decrease in tax depreciation deduction	<u>\$ 28,181</u>

PENNSYLVANIA POWER & LIGHT COMPANY

Operating Revenue and Applicable Tax  
Related to Proposed Rate Increase  
Year Ended September 30, 1994  
*(Thousands of Dollars)*

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Additional operating revenue from proposed rate increase	\$ 197,638
	Less:	
2	PA gross receipts tax (line 1 x 44 mills)	8,696
3	PA Capital stock tax (line 8 x 12.75 mills)	<u>1,368</u>
4	Taxable income for PA Corporate net income tax	187,574
5	PA corporate net income tax (line 4 x 11.99%)	<u>22,490</u>
6	Taxable income for Federal income tax	165,084
7	Federal income tax (line 6 x 35%)	<u>57,779</u>
8	Operating income	<u>\$ 107,305</u>

PENNSYLVANIA POWER & LIGHT COMPANY

**Adjustment to Deferred Income Taxes**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

Provision	<u>Debit</u>	<u>Credit</u>	<u>Net</u>	<u>Adjustment</u>	<u>Adjusted</u>
SSES Test Power	\$ 711	\$ -	\$ 711	\$ -	\$ 711
ACRS & MACRS	38,988	(29,182)	9,806	(26,431)	(16,625)
Pollution Control Facilities		(94)	(94)	-	(94)
Class Life System		(104)	(104)	-	(104)
Removal Costs		(778)	(778)	-	(778)
Martins Creek Test Fuel		(197)	(197)	-	(197)
Total	<u>\$ 39,699</u>	<u>\$(30,355)</u>	<u>\$ 9,344</u>	<u>\$ (26,431)</u>	<u>\$ (17,087)</u>
Deferred Income Taxes Per Books (D-1)					<u>13,284</u>
Adjustment					<u>\$ (30,371)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Provision for Deferred Income Taxes**  
**Year Ended September 30, 1994**  
*(Thousands of Dollars)*

This adjustment provides for the annual provision for deferred income taxes due to (1) the Accelerated Cost Recovery System (ACRS) of the Economic Recovery Act of 1981 and (2) Modified Accelerated Cost Recovery System (MACRS) of the Tax Reform Act of 1986.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Non Nuclear	
1	Tax depreciation computed under ACRS and MACRS	\$ 166,104
2	Tax depreciation computed on a straight-line tax basis	<u>96,663</u>
3	Excess tax depreciation	<u>69,441</u>
	Nuclear	
4	Tax depreciation computed under ACRS and MACRS	69,999
5	Tax depreciation computed on a straight line tax basis	<u>170,138</u>
6	Excess straight line tax depreciation	<u>(100,139)</u>
7	Net excess straight line tax depreciation	<u>(30,698)</u>
8	Tax Rate	35%/Average Rate Assumption Method Rate
9	Net annual deferred tax credit	<u>(16,625)</u>
10	Less Net provision per books (B-5)	
	Provision for deferred taxes	38,988
	Provision for deferred taxes--credit	<u>(29,182)</u>
		<u>9,806</u>
11	Decrease in provision	<u>\$ (26,431)</u>

**PENNSYLVANIA POWER & LIGHT COMPANY**

**Adjustment to Amortization of  
Deferred Investment Tax Credit  
Year Ended September 30, 1994  
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>4% Investment Tax Credit</u>	<u>10% Investment Tax Credit</u>	<u>10% Progress Payments</u>	<u>Total</u>
	<b>Owned Property</b>				
1	1971	35	0	0	35
2	1972	214	0	0	214
3	1973	239	0	0	239
4	1974	82	0	0	82
5	1975	189	123	59	371
6	1976	88	408	287	783
7	1977	0	227	458	685
8	1978	0	212	779	991
9	1979	0	297	1,594	1,891
10	1980	0	420	377	797
11	1981	0	564	586	1,150
12	1982	52	816	0	868
13	1983	0	572	0	572
14	1984	20	312	0	332
15	1985	0	398	0	398
16	1986	0	1,156	0	1,156
17	1987	0	165	0	165
18	1988	0	27	0	27
19	1989	0	5	0	5
20	1990	0	3	0	3
21	Total Owned Property				<u>10,767</u>
	<b>Leased Property</b>				
22	1985		32		32
23	1986		86		86
24	1988		153		153
25	Total Leased Property				<u>271</u>
26	Total Amount of Amortization				11,037
27	Less Amortization per Books (B-5)				12,430
28	Decrease in Amortization				<u>(1,393)</u>