



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

August 8, 2007

Honorable Susan D. Colwell
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
400 North Street
PO Box 3265
Harrisburg, PA 17105-3265

**DOCUMENT
FOLDER**

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2007 AUG -9 PM 1:11
PENNSYLVANIA
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation

Docket No. R-00072155

Dear Judge Colwell:

Enclosed please find a copy of the prepared **Surrebuttal Testimony and Exhibit** of Office of Trial Staff (OTS) witness:

Kevan L. Deardorff	OTS Statement No. 1-SR
Janet M. Markovich	OTS Statement No. 2-SR
Joseph Kubas	OTS Statement No. 3-SR
Amanda Gordon	OTS Statement No. 4-SR
Debra J. Backer	OTS Statement No. 5-SR; OTS Exhibit No. 5-SR

Copies of this surrebuttal testimony are being served upon all active parties of record.

Sincerely,

Kenneth L. Mickens
Senior Prosecutor
Office of Trial Staff
PA Attorney I.D. #31255

PA PUC

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OFFICE OF C.A.L.J.
07 Aug -8 AM 11:19

Enclosure
KLM:clp
cc: Parties of Record

BTL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-00072155
 :
 PPL Electric Utilities Corporation :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Surrebuttal Testimonies**
dated August 8, 2007, either personally, by first class mail, electronic mail, express mail
and/or by fax upon the persons listed below:

Honorable Susan J. Colwell
Office of Administrative Law Judge
PO Box 3265
Harrisburg, PA 17105-3265

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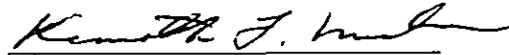
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Kenneth L. Mickens, Esquire
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Office of Trial Staff
PA Attorney I.D. #31255

Dated: August 8, 2007
Docket No. R-00072155



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August 8, 2007

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Honorable Susan D. Colwell
Administrative Law Judge
PA Public Utility Commission
Commonwealth Keystone Bldg.
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Harrisburg, PA 17120

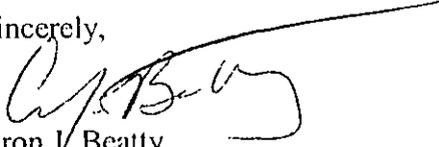
RE: Pennsylvania Public Utility Commission
v.
PPL Electric Utilities Corporation
Base Rate Proceeding
Docket No. R-00072155

Dear Judge Colwell:

Enclosed please find the Office of Consumer Advocate's Surrebuttal Testimonies of Lafayette K. Morgan, OCA Statement No. 1S, David C. Parcell, OCA Statement No. 2S, Richard Galligan, OCA Statement No. 3S and Roger D. Colton, OCA Statement No. 4S, in the above-referenced proceeding.

Copies of the Surrebuttal Testimonies have been served upon all parties of record as shown on the attached Certificate of Service.

Sincerely,


Aron J. Beatty
Assistant Consumer Advocate
PA Attorney I.D. # 86625

BTL

Enclosures

cc: All parties of record
James McNulty, Secretary (Certificate of Service only)

*94168

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-00072155
 :
 PPL Electric Utilities Corporation :
 Base Rate Proceeding :

I hereby certify that I have this day served a true copy of the foregoing document, the Surrebuttal Testimonics of Lafayette K. Morgan, OCA Statement No. 1S, David C. Parcell, OCA Statement 2S, Richard Galligan, OCA Statement No. 3S and Roger D. Colton, OCA Statement 4S on behalf of the Office of Consumer Advocate, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 8th day of August, 2007.

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August 8, 2007

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In re: Docket No. R-00072155
Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation

Dear Judge Colwell:

Enclosed on behalf of the Sustainable Energy Fund of Central Eastern Pennsylvania are two (2) copies of its prepared written surrebuttal testimony in the above matter as follows:

SEF Statement No. 1-SR, the Surrebuttal Testimony of Jennifer Hopkins

Copies of the above testimony are being served upon the persons and in the manner set forth on the certificate of service included herewith.

Very truly yours,

THOMAS, THOMAS, ARMSTRONG & NIESEN

By

Thomas T. Niesen

BTL

cc: Certificate of Service (w/encl.)
Jennifer Hopkins (w/encl.)
G. Scott Paterno, Esq. (w/encl.)
James J. McNulty, Secretary
(Certificate of Service Only)

070808 ALJ Colwell (SEF Witness).wpd

2007 AUG -9 AM 8:32
SECRETARY'S BUREAU

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility
Commission

Docket No. R-00072155

v.

PPL Electric Utilities Corporation

RECEIVED
2007 AUG -9 AM 8:30
P.U.C.
SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I hereby certify that I have this 8th day of August, 2007, served a true and correct copy of SEF Statement No. 1-SR, the Surrebuttal Testimony of Jennifer Hopkins, in the above matter, upon the persons and in the manner listed below:

VIA EMAIL AND/OR FIRST CLASS MAIL

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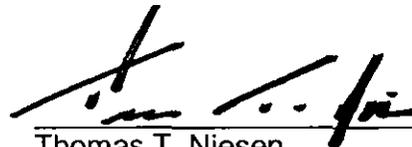
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PA Attorney ID No. 31379



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Attorneys and Counsellors at Law

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August 8, 2007

HAND DELIVERY

Honorable Susan D. Colwell
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Pennsylvania Public Utility Commission
Commonwealth Keystone Building
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Harrisburg, PA 17105-3265

COPY

2007 AUG -9 AM 8:32
SECRETARY'S BUREAU

In re: Docket No. R-00072155
Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation

Dear Judge Colwell:

Enclosed on behalf of the City of Scranton are two (2) copies of its prepared written surrebuttal testimony in the above matter as follows:

City Statement No. 1-SR, the Surrebuttal Testimony of George Parker, PE

Copies of the above testimony are being served upon the persons and in the manner set forth on the certificate of service included herewith.

Very truly yours,

THOMAS, THOMAS, ARMSTRONG & NIESEN

By

Thomas T. Niesen

cc: Certificate of Service (w/encl.)
Robert Farrell, Esquire (w/encl.)
James J. McNulty, Secretary
(Certificate of Service Only)

070808 ALJ Colwell (City Witness).wpd

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DEF. 1111
2007 AUG -9 AM 8:32
PENNSYLVANIA
SECRETARY'S BUREAU

Pennsylvania Public Utility
Commission

Docket No. R-00072155

v.

PPL Electric Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this 8th day of August, 2007, served a true and correct copy of City Statement No. 1-SR, the Surrebuttal Testimony of George Parker, PE, in the above matter, upon the persons and in the manner listed below:

VIA EMAIL AND/OR FIRST CLASS MAIL

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Thomas T. Niesen
PA Attorney ID No. 31379



McNees Wallace & Nurick LLC
attorneys at law

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August 8, 2007

Honorable Susan D. Colwell
Administrative Law Judge
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

BTL

**RE: Pennsylvania Public Utility Commission v. PPL Electric Utilities Corporation;
Docket No. R-00072155**

Dear Judge Colwell:

Enclosed please find three copies of PP&L Industrial Customer Alliance ("PPLICA")
Statement No. 4, Surrebuttal Testimony of Stephen J. Baron, in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, copies have been duly served upon the
participants in this proceeding. Please contact us if you have any questions regarding the enclosed
documents. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

RECEIVED

AUG - 8 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

By *Vasiliki Karandrikas*
Pamela C. Polacek (PA I.D. 78276)
Vasiliki Karandrikas (PA I.D. 89711)

Counsel to the PP&L Industrial
Customer Alliance

VK/sds

Enclosures

c: James J. McNulty, Secretary (transmittal letter and certificate of service only - hand delivery)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

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Certificate of Service

Page 2

Docket No. R-00072155

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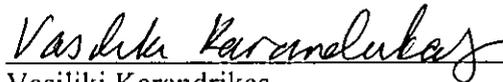
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Vasiliki Karandrikas

Counsel to the PP&L Industrial Customer Alliance

Dated this 8th day of August, 2007, at Harrisburg, Pennsylvania.



THOMAS, THOMAS,
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Attorneys and Counsellors at Law

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August 13, 2007

DOCUMENT
FOLDER

HAND DELIVERY

John A. Kelly
Commonwealth Reporting Company, Inc.
700 Lisburn Road
Camp Hill, PA 17011

In re: Docket No. R-00072155
Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation

Dear Mr. Kelly:

Enclosed on behalf of the City of Scranton in regard to the above matter are the verifications of George Parker in support of City Statement No. 1 - the Direct Testimony of Mr. Parker and City Statement No. 1-SR - the Surrebuttal Testimony of Mr. Parker. Please include Mr. Parker's verifications with the statements of his testimony that we provided to you at today's hearing. Thank you for your attention to this matter.

Very truly yours,

THOMAS, THOMAS, ARMSTRONG & NIESEN

By

Thomas T. Niesen

cc: Certificate of Service (w/encl.)
The Honorable Susan D. Colwell (w/encl.)
Robert Farrell, Esquire (w/encl.)
James J. McNulty, Secretary
(Certificate of Service Only)

070813 J. Kelly (Parker Verifications) wpd

KJR

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2007 AUG 15 AM 8:44
SECRETARY'S BUREAU

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY'S BUREAU

2007 AUG 15 AM 8:44

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Pennsylvania Public Utility
Commission

Docket No. R-00072155

v.

PPL Electric Utilities Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this 13th day of August, 2007, served a true and correct copy of the foregoing letter and the Verifications of George Parker, in the above matter, upon the persons and in the manner listed below:

BY FIRST CLASS MAIL, POSTAGE PREPAID

Kenneth Mickens, Esquire
Charles Daniel Shields, Esquire
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chshields@state.pa.us

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Vasiliki Karandrikas, Esquire
McNees, Wallace & Nurick
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vkandrikas@mwn.com

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Michael W. Hassell, Esquire
John H. Isom, Esquire
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Jennedy C. Santolla, Esquire
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abeatty@paoca.org
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Macungie, PA 18062
Jems2@enter.net



Thomas T. Niesen
PA Attorney ID No. 31379

OALJ Hearing Report

Please Check Those Blocks Which Apply

Docket No.:	R-00072155		YES	NO
Case Name:	Pa PUC v. PPL Electric Utilities Corporation	Prehearing Held:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Evidentiary hearings		Hearing Held:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Testimony Taken:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Transcript Due:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Hearing Concluded:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Location:	Harrisburg	Further Hearing Needed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Date:	Monday, August 13, 2007	Estimated Add'l Days:		
ALJ:	Susan D. Colwell	RECORD CLOSED:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reporting Firm:	Commonwealth Reporting	DATE:		
<p style="font-size: 2em; font-weight: bold; margin: 0;">DOCUMENT FOLDER</p> <p style="font-size: 3em; font-weight: bold; margin: 0;">RECEIVED</p> <p style="margin: 0;">AUG 24 2007</p> <p style="margin: 0;">PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU</p>		Briefs to be Filed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		DATE:		
		Bench Decision:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		REMARKS:	FURTHER HEARINGS TO COMMENCE THUR. AUG. 16, 2007	

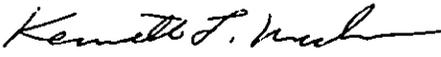
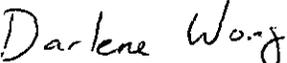
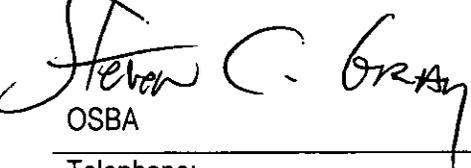
PLEASE PRINT CLEARLY – Incomplete Information may result in delay of processing.

Name and Telephone Number	Address	Who are you representing?
Paul E. Russell, Esq. Telephone:	Two North Ninth Street City: Allentown State: PA Zip: 18101-1179 E-mail Address:	PPL Electric Utilities Corporation Fax Number:
David B. MacGregor, Esq. Telephone:	Post & Schell, PC Four Penn Center 1600 John F. Kennedy Blvd. City: Philadelphia State: PA Zip: 19103 E-mail Address:	PPL Electric Utilities Corporation Fax Number:
John H. Isom Telephone: 717-612-6032	Post & Schell, PC 17 North Second Street, 12 th Floor City: Harrisburg State: PA Zip: 17101-1601 E-mail Address: j.isom@postschell.com	PPL Electric Utilities Corporation Fax Number:

Check this box if additional parties or attendees appear on back of form.

John A. Kelly CRC Inc.
 Reporter's Signature

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address	Who are you representing?
	Post & Schell, PC 17 North Second Street, 12 th Floor City: Harrisburg State: PA Zip: 17101-1601	PPL Electric Utilities Corporation
Telephone:	E-mail Address:	Fax Number:
 Kenneth Mickens, Esq.	P.O. Box 3265 City: Harrisburg State: PA Zip: 17105-3265	Office of Trial Staff
Telephone:	E-mail Address:	Fax Number:
 Charles Daniel Shields, Esq.	P.O. Box 3265 City: Harrisburg State: PA Zip: 17105-3265	Office of Trial Staff
Telephone:	E-mail Address:	Fax Number:
 OCA	555 Walnut Street Forum Place, 5 th Floor City: Harrisburg State: PA Zip: 17101-1923	Office of Consumer Advocate
Telephone: 717-783-5048	E-mail Address: <i>c.beatty@pc.odd.org</i>	Fax Number: 717-783-7152
 OCA	555 Walnut Street Forum Place, 5 th Floor City: Harrisburg State: PA Zip: 17101-1923	Office of Consumer Advocate
Telephone: 717-783-5048	E-mail Address:	Fax Number:
 OSBA	Commerce Building 300 North Second Street, Suite 1102 City: Harrisburg State: PA Zip: 17101	Office of Small Business Advocate
Telephone:	E-mail Address:	Fax Number:
	City: State: Zip:	
Telephone:	E-mail Address:	Fax Number:
	City: State: Zip:	
Telephone:	E-mail Address:	Fax Number:

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

OALJ Hearing Report

Please check Those Blocks Which Apply

Docket No.:	R-00072155		YES	NO
		Prehearing Held:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Case Name:	Pa PUC v. PPL Electric Utilities Corporation	Hearing Held:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Evidentiary hearings	Testimony Taken:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Transcript Due:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		Hearing Concluded:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Location:	Harrisburg	Further Hearing Needed:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		Estimated Add'l Days:		
Date:	Thursday, August 16, 2007			
		RECORD CLOSED:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ALJ:	Susan D. Colwell	DATE:		
		Briefs to be Filed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reporting Firm:	Commonwealth Reporting	DATE:		
		Bench Decision:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<div style="font-size: 2em; font-weight: bold; margin-bottom: 10px;">RECEIVED</div> <div style="font-size: 1.2em; font-weight: bold; margin-bottom: 10px;">AUG 24 2007</div> <div style="font-size: 0.8em; font-weight: bold;">PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU</div>		REMARKS:	FULL SETTLEMENT TO BE SUBMITTED	

DOCUMENT FOLDER

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AUG 24 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PLEASE PRINT CLEARLY - Incomplete information may result in delay of processing.

Name and Telephone Number	Address	Who are you representing?
<div style="font-size: 1.5em; font-family: cursive; margin-bottom: 5px;">Paul E Russell</div> Paul E. Russell, Esq. Telephone:	Two North Ninth Street City: Allentown State: PA Zip: 18101-1179	PPL Electric Utilities Corporation
	E-mail Address:	Fax Number:
<div style="font-size: 1.5em; font-family: cursive; margin-bottom: 5px;">David B MacGregor</div> David B. MacGregor, Esq. Telephone:	Post & Schell, PC Four Penn Center 1600 John F. Kennedy Blvd. City: Philadelphia State: PA Zip: 19103	PPL Electric Utilities Corporation
	E-mail Address:	Fax Number:
<div style="font-size: 1.5em; font-family: cursive; margin-bottom: 5px;">John H. Isom</div> Telephone: 717-612-6032	Post & Schell, PC 17 North Second Street, 12 th Floor City: Harrisburg State: PA Zip: 17101-1601	PPL Electric Utilities Corporation
	E-mail Address:	Fax Number:

Check this box if additional parties or attendees appear on back of form.

CRC Inc.
 Reporter's Signature

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address	Who are you representing?
	Post & Schell, PC 17 North Second Street, 12 th Floor	PPL Electric Utilities Corporation
	City: Harrisburg State: PA Zip: 17101-1601	
Telephone:	E-mail Address:	Fax Number:
<i>Kenneth F. Mick</i> Kenneth Mickens, Esq.	P.O. Box 3265	Office of Trial Staff
	City: Harrisburg State: PA Zip: 17105-3265	
Telephone:	E-mail Address:	Fax Number:
Charles Daniel Shields, Esq.	P.O. Box 3265	Office of Trial Staff
	City: Harrisburg State: PA Zip: 17105-3265	
Telephone:	E-mail Address:	Fax Number:
<i>Aron Beatty</i> OCA <i>Darlene Wingo</i>	555 Walnut Street Forum Place, 5 th Floor	Office of Consumer Advocate
	City: Harrisburg State: PA Zip: 17101-1923	
Telephone: 717-783-5018	E-mail Address: <i>cbeatty@pcca.org</i>	Fax Number: 717-783-7152
OCA	555 Walnut Street Forum Place, 5 th Floor	Office of Consumer Advocate
	City: Harrisburg State: PA Zip: 17101-1923	
Telephone:	E-mail Address:	Fax Number:
<i>Ferran C. Moran</i> OSBA	Commerce Building 300 North Second Street, Suite 1102	Office of Small Business Advocate
	City: Harrisburg State: PA Zip: 17101	
Telephone:	E-mail Address:	Fax Number:
	City: State: Zip:	
Telephone:	E-mail Address:	Fax Number:
	City: State: Zip:	
Telephone:	E-mail Address:	Fax Number:

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

R-00072155

THUR AUGUST 16, 2007

Name and Telephone Number	Address			Who are you representing?
<i>Vicki Karandnikas</i> McNees, Wallace & Nurick	P.O. Box 1166 100 Pine Street			PP&L Industrial Customer Alliance (PPLICA)
Telephone: 237-5274	City Harrisburg	State PA	Zip 17108-1166	E-mail Address: <i>vkarandnikas@mw.com</i> Fax Number: 260-1707
McNees, Wallace & Nurick	P.O. Box 1166 100 Pine Street			PP&L Industrial Customer Alliance (PPLICA)
Telephone:	City Harrisburg	State PA	Zip 17108-1166	E-mail Address: Fax Number:
RECEIVED AUG 24 2007	4100 Hillsdale Road			Pro se DOCUMENT FOLDER
Eric Joseph Epstein PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU	City Harrisburg	State PA	Zip 17112	E-mail Address: Fax Number:
Telephone:	25 West Second Street P.O. Box 403			Richards Energy Group
<i>Craig A. Doll</i> Craig A. Doll, Esq.	City Hummelstown	State PA	Zip 17036-0403	E-mail Address: Fax Number:
Telephone:	Burke Vullo Reilly Roberts 1460 Wyoming Avenue			Commission on Economic Opportunity (CEO)
Joseph L. Vullo, Esq.	City Forty Fort	State PA	Zip 18704	E-mail Address: Fax Number:
Telephone:	Thomas, Thomas, Armstrong & Niesen 212 Locust Street Suite 500 P.O. Box 9500			Sustainable Energy Fund
Thomas T. Niesen, Esq.	City Harrisburg	State PA	Zip 17108-9500	E-mail Address: Fax Number:
Telephone:	2301 Market Street/S23-1 P.O. Box 8699			Exelon Business Services KJR
Anthony E. Gay, Esq.	City Philadelphia	State PA	Zip 19101-8699	E-mail Address: Fax Number:
Telephone:	901 North Stuart Street			U.S. Department of Defense and All Federal Executive Agencies
<i>Peter Q. Nyce</i> Peter Q. Nyce, Jr., Esq.	City Arlington	State VA	Zip 22202-1837	E-mail Address: Fax Number:
Telephone:				

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address	Who are you representing?
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Pamela Polacek McNees, Wallace & Nurick Telephone: 237-5368	P.O. Box 1166 100 Pine Street City: Harrisburg State: PA Zip: 17108-1166	PP&L Industrial Customer Alliance (PPLICA)
ERIC J. EPSTEIN Eric Joseph Epstein Telephone: 541-1101	4100 Hillsdale Road City: Harrisburg State: PA Zip: 17112	Pro se DOCUMENT FOLDER
Craig A. Doll Craig A. Doll, Esq. Telephone: 717-566-9000	25 West Second Street P.O. Box 403 City: Hummelstown State: PA Zip: 17036-0403	Richards Energy Group
Joseph L. Vullo, Esq. Telephone: [Handwritten]	Burke Vullo Reilly Roberts 1460 Wyoming Avenue City: Forty Fort State: PA Zip: 18704	Commission on Economic Opportunity (CEO)
Thomas T. Niesen, Esq. Telephone: 717.255.7641	Thomas, Thomas, Armstrong & Niesen 212 Locust Street Suite 500 P.O. Box 9500 City: Harrisburg State: PA Zip: 17108-9500	Sustainable Energy Fund City of Scranton
Anthony E. Gay, Esq. Telephone: 215-568-3369	2301 Market Street/S23-1 P.O. Box 8699 City: Philadelphia State: PA Zip: 19101-8699	Exelon Business Services
Peter Q. Nyce, Jr., Esq. Telephone: 703-696-2960	901 North Stuart Street City: Arlington State: VA Zip: 22202-1837	Department of the Army

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.



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AUG 16 2007

McNees Wallace & Nurick LLC
attorneys at law

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VASILIKI KARANDRIKAS
DIRECT DIAL: (717) 237-5274
DIRECT FAX: (717) 260-1707
E-MAIL ADDRESS: VKARANDRIKAS@MWN.COM

August 17, 2007

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

RE: Pennsylvania Public Utility Commission, et al., v. PPL Electric Utilities Corporation; Docket No. R-00072155

Dear Secretary McNulty:

Enclosed please find the original and three copies of the affidavit of Stephen J. Baron for inclusion in the record of the above-captioned proceeding. This affidavit is related to Mr. Baron's testimony, PP&L Industrial Customer Alliance Statement No. 1, Statement No. 2, Statement No. 3, and Statement No. 4, and accompanying exhibits, which were admitted into the record at the evidentiary hearing on August 16, 2007.

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

Very truly yours,

McNEES WALLACE & NURICK LLC

By *Vasiliki Karandrikas*
Vasiliki Karandrikas

Counsel to PP&L Industrial Customer Alliance

DOCUMENT
FOLDER

DOCKETED
SEP 26 2007

VK/sds
Enclosure

c: Administrative Law Judge Susan D. Colwell (via hand delivery)
Certificate of Service

ORIGINAL

AFFIDAVIT

STATE OF GEORGIA)
)
COUNTY OF FULTON) SS:

Stephen J. Baron, being duly sworn according to law, deposes and says that the information contained in PPLICA Statement No. 1, the Direct Testimony and Exhibits of Stephen J. Baron, PPLICA Statement No. 2, the Supplemental Direct Testimony and Exhibits of Stephen J. Baron, PPLICA Statement No. 3, the Rebuttal Testimony and Exhibits of Stephen J. Baron and PPLICA Statement No. 4, the Surrebuttal Testimony of Stephen J. Baron, including all exhibits thereto, are true and correct to the best of his knowledge, information and belief.

Stephen J. Baron
Stephen J. Baron

SWORN TO and subscribed
before me this 15th day
of August, 2007.

Randy A. Futral
Notary Public

(SEAL)

RANDY A. FUTRAL
NOTARY PUBLIC
Cobb County
State of Georgia
My Comm. Expires Aug. 26, 2008

DOCKETED
SEP 26 2007

DOCUMENT
FOLDER

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL

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 Michael W. Hassell, Esquire
 John H. Isom, Esquire
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AUG 16 2007

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Executive Agencies
Regulatory Law Office
U.S. Army Legal Services Agency
Department of the Army (JALS-RL)
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Mr. Joseph Nabogis
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Mr. Michael Ochs
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rdk@indecon.com

Mr. Kenneth L. Kincel
Decision Analysis Corporation of Virginia
8009 Snowpine Way, Suite 100
McLean, Virginia 22102
kenkincel@aol.com



Vasiliki Karandrikas

Counsel to the PP&L Industrial Customer Alliance

Dated this 17th day of August, 2007, at Harrisburg, Pennsylvania.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
Office of Administrative Law Judge
P.O. BOX 3265, HARRISBURG, PA 17105-3265
August 17, 2007

IN REPLY PLEASE
REFER TO OUR FILE

In Re: R-00072155 et al

(SEE LETTER OF 8-6-07)

**DOCUMENT
FOLDER**

Pennsylvania Public Utility Commission
v.
PPL Electric Utilities Corporation

DOCKETED
AUG 21 2007

PPL Electric Utilities Corporation filed Supplement No. 54
To Tariff - Electric PA PUC No. 201 proposing a Distribution Only Rate Increase in the
amount of \$83,521,261. or 2.67%.
Number of Customers: 1,382,796. Area Served: Portions of Berks, Bucks, Carbon,
Chester, Clinton, Columbia, Cumberland, Dauphin, Juniata, Lackawanna, Lancaster,
Lebanon, Lehigh, Luzerne, Lycoming, Monroe, Montgomery, Montour, Northampton,
Northumberland, Perry, Pike, Schuylkill, Snyder, Susquehanna, Union, Wayne,
Wyoming & York Counties. Address of Utility:
2 N. Ninth Street, Allentown, PA 18101.

Telephone Hearing Notice

This is to inform you that a hearing by telephone on the above-
captioned case will be held as follows:

Type: Further Evidentiary Hearing - Telephonic

Date: Monday, August 27, 2007

Time: 10:00 a.m.

Presiding: Administrative Law Judge Susan D. Colwell
PO Box 3265
Harrisburg, PA 17105-3265
Phone: 717.783.5452
Fax: 717.787.0481

KJR

If you have not provided a current telephone number where you can be reached for participation in the hearing OR YOUR AREA CODE HAS CHANGED, then you must contact the presiding officer at least 7 days before the actual hearing and provide the necessary information.

At the above date and time, the Presiding Officer will contact the parties as follows:

Joseph McAndrew	610.966.4537
David B. MacGregor, Esquire	215.587.1197
Joseph M. Kleha	610.657.2712
Kenneth Mickens	717.783.6156
Tanya McCloskey	717.783.5048

If you have any hearing exhibits to which you will refer during the hearing, 3 copies must be sent to the Administrative Law Judge and 1 copy each must be sent to every other party. All copies must be received at least 5 days before the hearing.

Attention: You may lose the case if you do not take part in this hearing and present facts on the issues raised.

Except for those individuals representing themselves, the Commission's rules require that all parties have an attorney; therefore, you should have an attorney of your choice file an entry of appearance before the scheduled hearing.

If you are a person with a disability, and you wish to attend the hearing, we may be able to make arrangements for your special needs. Please call the scheduling office at the Public Utility Commission at least (2) two business days prior to your hearing:

- Scheduling Office: 717.787.1399
- AT&T Relay Service number for persons who are deaf or hearing-impaired: 1.800.654.5988

pc: Judge Colwell
Ona Lester
Beth Plantz
Docket Section
Calendar File

OALJ Hearing Report

Please Check Those Blocks Which Apply

Docket No.:	R-00072155		YES	NO
		Prehearing Held:	<input type="checkbox"/>	<input type="checkbox"/>
Case Name:	Pa PUC v. PPL Electric Utilities Corporation	Hearing Held:	<input type="checkbox"/>	<input type="checkbox"/>
	Evidentiary hearings	Testimony Taken:	<input type="checkbox"/>	<input type="checkbox"/>
		Transcript Due:	<input type="checkbox"/>	<input type="checkbox"/>
		Hearing Concluded:	<input type="checkbox"/>	<input type="checkbox"/>
Location:	Harrisburg	Further Hearing Needed:	<input type="checkbox"/>	<input type="checkbox"/>
		Estimated Add'l Days:		
Date:	Monday, August 27, 2007	RECORD CLOSED:	<input type="checkbox"/>	<input type="checkbox"/>
ALJ:	Susan D. Colwell	DATE:		
Reporting Firm:	Commonwealth Reporting	Briefs to be Filed:	<input type="checkbox"/>	<input type="checkbox"/>
		DATE:		
		Bench Decision:	<input type="checkbox"/>	<input type="checkbox"/>
RECEIVED		REMARKS:		
SEP 17 2007				
PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU				

DOCUMENT FOLDER

PLEASE PRINT CLEARLY – Incomplete information may result in delay of processing.

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	E-mail Address:	Fax Number:
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	City: Philadelphia State: PA Zip: 19103	
	E-mail Address:	Fax Number:
ARON BEATTY DARLENE WONG OCA	555 Walnut Street 5 th Floor Forum Place	Office of Consumer Advocate
	City: Harrisburg State: PA Zip: 17101-1923	
	E-mail Address:	Fax Number:

RJP

Check this box if additional parties or attendees appear on back of form.

John A. Kelly CRC/Inc.
Reporter's Signature

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address			Who are you representing?
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Kenneth Mickens, Esq.	City Harrisburg	State PA	Zip 17105-3265	
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Telephone:	E-mail Address:			Fax Number:
Telephone:	E-mail Address:			Fax Number:
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Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.



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ORIGINAL

August 30, 2007

VIA HAND DELIVERY

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

**DOCUMENT
FOLDER**

2007 AUG 30 11:45

**RE: Pennsylvania Public Utility Commission v.
PPL Electric Utilities Corporation
Docket No. R-00072155**

Dear Mr. McNulty:

Enclosed, for filing, are an original and three (3) copies of the Joint Stipulation for Settlement of Rate Investigation in the above-referenced proceeding. As indicated on the certificate of service, copies have been served on the parties in the manner indicated.

Respectfully yours,

David B. MacGregor

DBM:skr

Enclosures

cc: Honorable Susan Colwell
Certificate of Service

KJR

34

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility
Commission, *et al.*

:
:
:
: Docket Nos. R-00072155, *etc.*
:
:

SEARCHED
SERIALIZED
INDEXED
AUG 30 2007

v.

PPL Electric Utilities Corporation

DOCUMENT
FOLDER

JOINT STIPULATION FOR SETTLEMENT
OF RATE INVESTIGATION

DOCKETED
AUG 30 2007

TO THE HONORABLE SUSAN D. COLWELL, ADMINISTRATIVE LAW JUDGE:

I. INTRODUCTION

The Office of Trial Staff ("OTS") of the Pennsylvania Public Utility Commission ("Commission"), Office of Consumer Advocate ("OCA"), Office of Small Business Advocate ("OSBA"), PP&L Industrial Customer Alliance ("PPLICA"), Richards Energy Group, Inc. ("REG"), Department of Defense and Federal Executive Agencies ("DOD"), Sustainable Energy Fund of Central Eastern Pennsylvania ("SEF"), City of Scranton ("Scranton"), Commission on Economic Opportunity ("CEO"), Eric Joseph Epstein, *Pro Se* and PPL Electric Utilities Corporation ("PPL Electric"), being all of the active parties to the above-captioned proceeding (hereinafter collectively referred to as "Joint Petitioners"), hereby join in this "Joint Stipulation for Settlement of Rate Investigation" ("Settlement"), or join as to their respective interests as

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34

defined below,¹ and respectfully request that the Administrative Law Judge recommend approval of, and that the Commission approve the Settlement as set forth below.

In support of Settlement, Joint Petitioners state the following:

II. BACKGROUND

1. PPL Electric provides electric distribution, transmission and provider of last resort services to approximately 1.4 million customers in a certificated service territory that spans approximately 10,000 square miles in all or portions of 29 counties in eastern and central Pennsylvania. PPL Electric Exhibit Regs. § 53.53, I-B-1. PPL Electric is a “public utility” and an “electric distribution company” as those terms are defined under the Public Utility Code, 66 Pa. C.S. §§ 102 and 2803.

2. On March 29, 2007, PPL Electric filed with the Commission Supplement No. 54 to its Tariff-Electric Pa. P.U.C. No. 201 (“Supplement No. 54”), to become effective on June 1, 2007, together with supporting data, written testimony and exhibits.

3. In Supplement No. 54, PPL Electric proposed a general increase in base rates designed to produce \$83.6 million in additional annual base rate operating revenues based upon a future test year ending December 31, 2007, as adjusted for ratemaking purposes.

¹ OTS joins the Settlement but takes no position with regard to funding of the LEED Certification Program, the Solar Scholars/Consumer Education Program or the Small Business Guarantee Program discussed in Paragraph 26(c). REG joins in the Settlement with respect to Paragraphs 26 and 29(d)-(g) and takes no position with respect to the other provisions. SEF joins in the Settlement with respect to the Solar Scholars/Consumer Education and Small Business Guarantee Program provisions and takes no position with respect to the other provisions. The City of Scranton joins in the Settlement as to Paragraph 29(b) regarding Rate Schedule SE, and the City of Scranton takes no position with respect to the other provisions. Mr. Epstein joins in the Settlement with regard to Paragraphs 25 and 26 relating to Universal Service Programs, Energy Efficiency and Customer Education Issues and takes no position with respect to the other provisions.

4. The supporting data, written testimony and exhibits submitted by PPL Electric meet all of the Commission's filing requirements applicable to a general rate increase for an electric distribution company.

5. Supplement No. 54 was suspended by operation of Section 1308(d) of the Public Utility Code, 66 Pa.C.S. § 1308(d), for up to seven months, or until January 1, 2008, unless permitted by Commission Order to become effective at an earlier date.

6. By Order entered May 30, 2007, the Commission initiated an investigation of PPL Electric's proposed general rate increase. The matter was assigned to the Office of Administrative Law Judge, and the Honorable Susan D. Colwell (the "ALJ") was assigned to preside over the proceeding.

7. OTS filed its Notice of Appearance, and OCA, OSBA, PPLICA, Eric Epstein, Scranton, DOD and 21 customers filed complaints against the proposed general rate increase. In addition, REG, SEF, CEO and PECO Energy filed Petitions to Intervene.

8. An initial prehearing conference was held on May 31, 2007. Prior to the prehearing conference, the parties agreed to a procedural schedule. Parties participating in the prehearing conference filed prehearing memoranda identifying potential issues and their expected witnesses.

9. At the prehearing conference, the ALJ adopted the schedule proposed by the parties. In addition, the parties agreed to, and the ALJ approved, modified discovery rules for the above-captioned proceeding, which included shorter response times than those provided in the Commission's regulations. 52 Pa. Code §§ 5.321 *et seq.*

10. Also, on May 31, 2007, the ALJ issued a Prehearing Order, setting forth the litigation schedule for the proceeding and the revised periods for responding to discovery requests. In addition, the ALJ listed the parties that had filed notices of intervention, petitions to intervene and complaints. The ALJ also granted Petitions to Intervene of REG and CEO. Further, the ALJ indicated that the parties had agreed that there should be five public input hearings.

11. Public input hearings were held on June 22, 2007 in Allentown and Bethlehem, on June 27, 2007 in Harrisburg, and on June 28, 2007 in Scranton and Wilkes-Barre.

12. On June 21, 2007, the ALJ issued an Order granting SEF's Petition to Intervene.

13. On July 16, 2007, the ALJ issued an Order granting PECO Energy's Petition to Intervene.

14. The parties to the proceeding undertook substantial formal and informal discovery in this proceeding. PPL Electric responded to almost 600 discovery requests, many of which had multiple subparts.

15. On July 26, 2007, PPL Electric submitted supplemental direct testimony and exhibits, which presented revised results of its cost of service study to incorporate revised present rates for each of the customer classes resulting from the proposed settlement of the remand of PPL Electric's 2004 base rate proceeding at Docket No. R-00049255 ("Remand Proceeding").

16. Pursuant to the procedural schedule, OTS, OCA, OSBA, PPLICA, SEF, Scranton, CEO, DOD and REG submitted direct testimony on July 6, 2007. In addition, OCA filed

supplemental direct testimony on July 10, 2007, to update its cost of service study testimony to reflect the results of the proposed settlement of the Remand Proceeding. On July 19, 2007, PPLICA also submitted supplemental direct testimony and accompanying exhibits in response to the Company's updated cost of service study reflecting the settlement of the Remand Proceeding.

17. On July 25, 2007, the Commission approved the settlement of the Remand Proceeding, and revised rates became effective on August 1, 2007, in accordance with that settlement.

18. PPL Electric, OCA, OSBA and PPLICA submitted rebuttal testimony on July 27, 2007.

19. OTS, OCA, OSBA, PPLICA, Scranton, SEF and DOD submitted surrebuttal testimony on August 8, 2006.

20. The parties held multiple settlement conferences to attempt to resolve amicably the issues in the case. These conferences have resulted in a settlement of all issues in this proceeding.

21. Hearings were held on August 13 and 16, 2007. At these hearings, all testimony and exhibits submitted by the Joint Petitioners were admitted into the evidentiary record to provide context and support for the Settlement. In addition, on August 27, 2007, a hearing was held for Mr. Joseph E. McAndrew, a customer complainant in this proceeding.

22. The Joint Petitioners are in full agreement that the Settlement is in the public interest as a reasonable resolution of their respective interests and should be approved. The terms and conditions of the Settlement are set forth below.

III. SETTLEMENT PROVISIONS

The Joint Petitioners, as to their respective interests, agree as follows:

23. Except as specified below, PPL Electric's filing is approved.

24. Revenue Requirement.

a. PPL Electric will receive a rate increase of \$55 million in lieu of the revised increase of \$76.996 million, as set forth in PPL Electric Exhibit Future 1-Revised, Schedule D-1, based upon a future test year ending December 31, 2007, as adjusted for ratemaking purposes, as set forth in PPL Electric Exhibit DRW 1 (Revised).

b. This Settlement does not identify any specific components of the annual revenue requirement of PPL Electric, except for the following items: (i) the increase includes and incorporates the anticipated January 1, 2008 reduction in the Pennsylvania Capital Stock Tax rate; (ii) it does not include iteration of the Capital Stock Tax; (iii) it reflects \$2.4 million annually for consumer education relating to PPL Electric's Meter Data Management System; (iv) it does not include PPL Electric's Sustainable Development Program proposal, except as provided in paragraph 26.c, below; (v) it includes PPL Electric's proposed amortization of storm damage expenses relating to the January 2005 ice storms; (vi) it includes the distribution-related portion of the premium for storm damage insurance; (vii) it includes PPL Electric's modified universal service expense claim and Universal Service Rider as described in paragraph 25.a, below; (viii) it reflects PPL Electric's revised claim for pension and other post retirement benefits expense; (ix) it reflects PPL Electric's alternative claim to accrue an Allowance for Funds Used During Construction ("AFUDC") on plant held for future use; and (x) it includes PPL Electric's claimed normalized level of rate case expense. The reflection of these

components in the agreed upon revenue requirement is without prejudice to positions a party may take in future proceedings regarding such claims, except to the extent necessary to effectuate the terms and conditions of this Settlement.

25. Universal Service Programs.

a. PPL Electric's universal service programs, its expense claim for those programs and its proposal to establish a reconcilable Universal Service Rider ("USR") are approved, as filed,² except for the following modifications: (i) internal administrative costs will be recovered in base rates and not in the USR; (ii) PPL Electric will increase annual WRAP funding by an additional \$500,000 to a total of \$7,750,000, which will be reflected in the initial USR; (iii) any unspent WRAP dollars, on an annual basis and including associated accrued interest, will be carried over and expended in subsequent years; (iv) to the extent that the net annual average CAP enrollment exceeds 22,000 the USR will include an annual credit of \$40 for each customer over 22,000, which, for purposes of settlement only, reflects an agreed upon estimate of the savings in collection costs, uncollectible accounts expense and cash working capital from incremental CAP enrollment; (v) PPL Electric confirms its present intention to continue to use Community Based Organizations ("CBOs") to coordinate and implement its universal service programs; and (vi) the reconciliation provisions of the USR are approved on a pilot basis for 2008 and 2009, including any under/over collections for 2009, which would be collected or refunded in 2010.

² See PPL Electric St. No. 8 and PPL Electric St. No. 8-R.

b. During 2008 and 2009, PPL Electric will provide to interested parties, on a quarterly basis, the following information:

- the number of CAP participants receiving a CAP credit on their bill each month,
- the number of CAP participants with a CAP credit reversed each month for non-payment,
- the number of CAP participants with an arrearage forgiveness credit on their bill each month,
- the dollars of CAP credits billed each month,
- the dollars of CAP credits reversed each month, and
- the dollars of arrearage forgiveness credit billed each month.

c. PPL Electric agrees that it will not remove customers from its Universal Service Programs who exceed their CAP credit limit for reasons beyond their control, as is permitted in the Commission's CAP Policy Statement at § 69.265(3)(vi)(A-E).

d. During 2008 and 2009, PPL Electric will prepare and provide to interested parties, for informational purposes only, a parallel filing which adjusts the USR on a quarterly basis and without reconciliation.

e. No later than July 1, 2009, PPL Electric will convene a meeting or meetings, as appropriate, with interested parties, to discuss whether continued reconciliation of the USR is necessary or appropriate. At the meetings, all parties may also raise USR issues, in addition to reconciliation, based on changes in law after the approval of this Settlement. If a consensus can be reached among the interested parties, PPL Electric will follow that consensus for its 2010 USR filing. If consensus cannot be reached, PPL Electric will file its preferred approach on or before October 1, 2009, and all parties will be provided an opportunity to support or oppose PPL Electric's proposal.

The USR mechanism established by this Settlement will remain in place until a new mechanism is approved by the Commission.

26. Energy Efficiency and Customer Education Issues.

a. PPL Electric agrees to withdraw its proposed Energy Efficiency Rider (“EER”), *without prejudice to subsequent refiling*. See PPL Electric St. No. 9, pp. 18-19.

b. PPL Electric agrees to solicit input from interested parties through a collaborative on the development of Time of Use (“TOU”) rates. The collaborative will be composed of the following steps.

PPL Electric agrees to meet with interested parties within 30 days after the entry of a final order in this proceeding to discuss TOU rate issues. PPL Electric will convene meetings in March and May 2008 (and on an as needed basis) to discuss and review TOU options and to develop specific and consensus based TOU rate filing parameters. PPL Electric will prepare and distribute minutes of each of these meetings within 10 days following each meeting for review and comment and subject to party ratification. No later than June 30, 2008, PPL Electric will prepare and distribute a report summarizing the results of the meetings and presenting the group’s recommendations regarding TOU rate offerings and any proposed TOU rate filings. Interested parties will have thirty (30) days to comment, and are not obligated to support the group’s recommendations.

c. PPL Electric agrees not to implement its Sustainable Development Program (“SDP”) as proposed in its filing, except for the \$150,000 LEED certification program. See PPL Electric St. No. 8, pp. 17-25. In lieu of the remainder of the SDP, PPL Electric will participate in the two SEF-proposed programs explained immediately below.

Solar Scholars™/Consumer Education.

PPL Electric will provide funding of \$250,000 for the Solar Scholars™ Program, to be paid ratably over two years. Employing these funds, PPL Electric and SEF will collaboratively implement Solar Scholars Projects among 12-15 universities within PPL Electric's service territory over 2.5 years. See SEF St. No. 1, pp. 8-9.

Small Business Loan Guarantee Program.

PPL Electric will provide \$250,000 of capital for the development of a small business loan guarantee pilot program tied to energy efficiency improvements. The SEF will develop and administer a one-year pilot small business loan guarantee program, collaboratively with PPL Electric and participating financial institutions within PPL Electric's service territory. PPL Electric's \$250,000 contribution will provide the capital to create the initial guarantee pool, and an 8% administrative fee which will cover program development, legal costs, and administrative costs. SEF will contribute staff time to the final development and marketing of the program (not covered under the administrative fee). PPL Electric's agreement to contribute to the development of this pilot program is contingent upon its review of the final details of the program and its determination that it is a viable program. In addition, if PPL Electric does participate in the program, at the end of one year, PPL Electric will evaluate the pilot program and its results and determine whether to continue to participate. See SEF St. No. 1, pp. 9-10.

27. Allocation of Revenue Requirement Among Rate Classes.

- a. The Joint Petitioners agree to allocate the \$55 million increase in annual revenue requirement among the rate classes as shown in the chart immediately below:

TABLE 1	
Rate Schedule	Revenue Increase
RS/RTD	\$ 47,000
RTS	\$ 830
GS-1	\$ (929)
GS-3	\$ 4,936
LP-4	\$ (241)
ISP	\$ (203)
LP-5	\$ (140)
IST	\$ (164)
LP-6	\$ 6
LPEP	\$ (7)
ISA	\$ 0
GH	\$ 506
SL/RL	\$ 3,404
L5-S	\$ 1
Total (\$000)	\$ 55,000

- b. The Parties agree that the revenue allocation does not reflect the adoption of any specific cost of service study result or scaleback proposal. In general, the allocations reflect a compromise between results of the OCA's scaleback proposal (see OCA St. No. 3) and the OSBA's scaleback proposal (see OSBA St. No. 1). In addition, the allocations reflect additional adjustments to certain rate schedules, including ISP, LP-5 and IST, in response to contentions of PPLICIA and DOD.

28. Rate Design.

- a. The Parties agree to the proposed rate design for each rate schedule as set forth in the form of Tariff Supplement provided as Attachment "A" to this Settlement. The Joint Petitioners agree that the rates contained in Attachment "A" are designed, to

the maximum extent possible, to produce the level of revenues set forth in Table 1. A proof of revenues is provided as Attachment "B" to this Settlement. Based upon this rate design, monthly bills for an average residential customer using 1,000 kWh of electricity supplied by PPL Electric would increase by \$3.44 from \$98.08 to \$101.52, excluding Gross Receipts Tax ("GRT"). Monthly bills for an average commercial customer using 1,000 kWh of electricity with a maximum demand of 3 kW supplied by PPL Electric would decrease by \$0.22 from \$119.43 to \$119.21, excluding GRT. Monthly bills for an average industrial customer using 150,000 kWh of electricity with a maximum demand of 500 kW supplied by PPL Electric would decrease by \$41.48 from \$12,986.32 to \$12,944.84, excluding GRT.

b. For residential customers receiving service under Rate Schedule RS, the Company will hold the customer charge at \$8.00, and the existing Rate Schedule RS rate blocks will be increased by equal percentages.

29. Tariff Issues.

a. The Parties agree that PPL Electric's proposed tariff revisions, as reflected in Attachment A to this Joint Petition, are reasonable and should be approved. An itemized list of the tariff changes is provided in Attachment C to this Settlement. Attachment A reflects the tariff changes proposed by PPL Electric in this filing, as modified to reflect: (1) the revisions agreed to by PPL Electric in its rebuttal testimony and; (2) the revisions set forth below in this section.

b. The City of Scranton's issues regarding service to non-municipal customers under Rate Schedule SE are resolved by the further revisions to PPL Electric's tariff set forth in Attachment A to this Settlement. See City St. No. 1-SR.

c. PPL Electric agrees to further revise Tariff Rule 4A(2) to read as follows:

“The distribution system is defined, for the purposes of this rule, as including all lines energized at voltages less than the nominal 69,000 volts and excluding service extensions and lines energized at voltages of nominal 69,000 volts or higher. However, this definition does not affect the Company’s obligations under the Federal Power Act and/or the Public Utility Code, as applicable: (1) to provide safe, reliable and adequate retail electric service to customers taking service at voltages of 69 kV and above, and (2) to provide just and reasonable and non-discriminatory distribution and transmission rates, terms and conditions of service to such customers.”

d. PPL Electric confirms its existing practice regarding the portability of time of day (“TOD”) rates under Rate Schedules GS and GH. That is, an existing TOD customer at a specific site may retain its status as a TOD customer even if the customer switches to another delivery service rate schedule. For example, if a TOD customer under Rate Schedule GS-1 migrates to the Rate Schedule GS-3, TOD rates would still be available. Similarly, a customer switching from Rate Schedule GH-1 (TOD) to Rate Schedule GS-3 may retain TOD status.

e. Effective January 1, 2008, new General Service customers will be placed on Rate Schedule GS-1 and GS-3 based on whether they receive single-phase or three-phase service. Customers receiving single-phase service will be served under Rate Schedule GS-1, and customers receiving three-phase service will be served under Rate Schedule GS-3. Customers taking service under Rate Schedule GS-1 or Rate Schedule GS-3 as of December 31, 2007 will continue to be allowed to switch from one rate schedule to the other until January 1, 2010, subject to existing rules and restrictions. On and after January 1, 2010, these customers may no longer switch between Rate Schedule GS-1 and Rate Schedule GS-3 except that: (1) three-phase customers on Rate Schedule

GS-1 may switch to Rate Schedule GS-3 but may not thereafter switch back to Rate Schedule GS-1; and (2) single-phase customers on Rate Schedule GS-3 may switch to Rate Schedule GS-1, but may not thereafter switch back to Rate Schedule GS-3.

f. PPL Electric agrees that no later than February 1, 2008, it will prepare and provide rate comparisons to all customers then-currently taking service on Rate Schedule GH-1, who qualify to take service on Rate Schedule GS-3, which show the current rate differences between the two schedules, based upon the customer's prior year's usage. It is understood and agreed that any such comparison will not include any recommendation regarding whether the customer should change rate schedules, and any decision whether to change rate schedules would be made by the customer.

g. Customers who wish to have special equipment installed by PPL Electric to enable them to receive data via KYZ pulses must pay the installed cost of that equipment as non-standard service. PPL Electric agrees, however, that it will not charge for annual maintenance of such non-standard equipment which enables customers to receive data via KYZ pulses.

IV. THE PUBLIC INTEREST

30. This Settlement was achieved by the Joint Petitioners after an extensive investigation of PPL Electric's filing, including extensive informal and formal discovery and the filing of direct, rebuttal and surrebuttal testimony by a number of the Joint Petitioners.

31. Acceptance of the Settlement will avoid the necessity of further administrative and potential appellate proceedings, which would have imposed a substantial cost on the Joint Petitioners and PPL Electric's customers.

32. Joint Petitioners are submitting their respective Statements in Support of this Settlement as Attachments “D” through “M” to this Settlement. In their respective Statements in Support, the Joint Petitioners explain why, in their view, the Settlement is fair, just and reasonable and reflects a reasonable compromise of the disputed issues in this proceeding. It is noted that, because certain Joint Petitioners only participated with regard to certain issues in this proceeding, some of the Statements in Support may be limited in the scope of issues addressed.

V. SETTLEMENT CONDITIONS

33. This Settlement is conditioned upon Commission approval of all terms and conditions contained herein without modification. If the Commission modifies the Settlement, then any Joint Petitioner may elect to withdraw from this Settlement and may proceed with litigation and, in such event, this Settlement shall be void and of no effect. Such election to withdraw from the Settlement must be made in writing, filed with the Secretary of the Commission and served upon all Joint Petitioners within five (5) business days after the entry of an order modifying the Settlement.

34. This Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding and that the rates set forth in Attachment “A” hereto, upon the Commission’s approval of this Settlement, will be “just and reasonable” as those terms are used in the Public Utility Code.

35. This Settlement is proposed by the Joint Petitioners to settle all issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings continue to further hearings, the Joint Petitioners reserve all of their respective rights, including their rights to present additional testimony and to conduct full cross-examination, briefing and argument.

36. The Settlement is made without any admission against, or prejudice to, any position which any Joint Petitioner may adopt in the event of any subsequent litigation of this proceeding.

37. This Settlement may not be cited as precedent in any future proceeding, except to the extent required to implement this Settlement.

38. The Commission's approval of the Settlement shall not be construed as approval of any party's position on any issue, except to the extent required to effectuate the terms and agreements of the Settlement in this and future proceedings involving PPL Electric.

39. *It is understood and agreed among the Joint Petitioners that the Settlement is the result of compromise and does not necessarily represent the position(s) that would be advanced by any party in this proceeding, if it were fully litigated.*

40. This Settlement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner which is fair and reasonable. The Settlement is the product of compromise. This Settlement is presented without prejudice to any position which any of the parties may have advanced and without prejudice to the position any of the parties may advance in the future on the merits of the issues in future proceedings, except to the extent necessary to effectuate the terms and conditions of this Settlement. This Settlement does not preclude the parties from taking other positions in proceedings of other public utilities under Section 1308 of the Public Utility Code, 66 Pa.C.S. § 1308, or any other proceeding.

VI. PROCEDURES

41. The ALJ will serve a copy of the Settlement upon customer complainants who will have ten days to submit comments on the Settlement.

42. If the ALJ adopts the Settlement without modification, the Joint Petitioners waive their rights to file Exceptions.

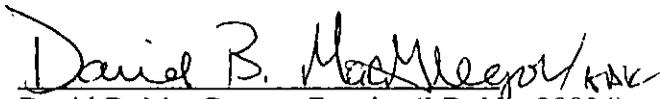
43. This Settlement may be signed in counterparts.

VII. CONCLUSION

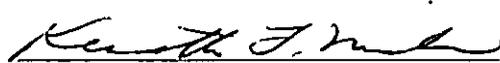
WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request as follows:

1. That Administrative Law Judge Susan D. Colwell recommend approval of and the Commission approve this Settlement; and
2. That the Commission allow PPL Electric to implement the form of tariff supplement provided as Attachment A hereto to be effective for service rendered on and after January 1, 2008.

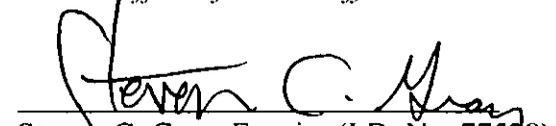
Respectfully submitted,


David B. MacGregor, Esquire (I.D. No. 28804)
Michael W. Gang, Esquire (I.D. No. 25670)
Michael W. Hassell, Esquire (I.D. No. 34851)
John H. Isom, Esquire (I.D. No. 16569)
Paul E. Russell, Esquire (I.D. No. 21643)
For: *PPL Electric Utilities Corporation*

Date: 8/29/07


Kenneth L. Mickens, Esquire (I.D. No. 31255)
Charles Daniel Shields, Esquire (I.D. No. 29363)
For: *Office of Trial Staff*

Date: 8-29-07


Steven C. Gray, Esquire (I.D. No. 77538)
For: *Office of Small Business Advocate*

Date: 8/29/07



Tanya J. McCloskey, Esquire (I.D. No. 50044)
Aron J. Beatty, Esquire (I.D. No. 86625)
For: *Office of Consumer Advocate*

Date: 8/29/07

Joseph L. Vullo, Esquire (I.D. No. 41279)
For: *Commission on Economic Opportunity*

Date: _____

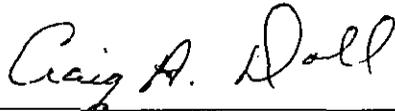


Thomas T. Niesen, Esquire (I.D. No. 31379)
For: *City of Scranton and Sustainable Energy Fund
of Central Eastern Pennsylvania*

Date: 8/28/07

Pamela C. Polacek, Esquire (I.D. No. 78276)
For: *PP&L Industrial Customer Alliance*

Date: _____

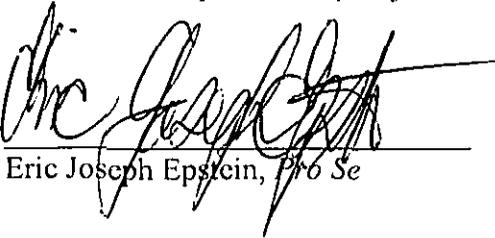


Craig A. Doll, Esquire (I.D. No. 22814)
For: *Richards Energy Group, Inc.*

Date: 8/28/07

Peter Q. Nyce, Jr. Esquire (D.C. Bar No. 923011)
For: *U.S. Department of Defense and Federal Executive Agencies*

Date: _____

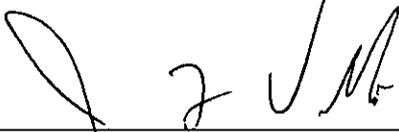


Eric Joseph Epstein, *Pro Se*

Date: 8/28/07

Tanya J. McCloskey, Esquire (I.D. No. 50044)
Aron J. Beatty, Esquire (I.D. No. 86625)
For: *Office of Consumer Advocate*

Date: _____



Joseph L. Yullo, Esquire (I.D. No. 41279)
For: *Commission on Economic Opportunity*

Date: 8/28/07

Thomas T. Niesen, Esquire (I.D. No. 31379)
For: *City of Scranton and Sustainable Energy Fund
of Central Eastern Pennsylvania*

Date: _____

Pamela C. Polacek, Esquire (I.D. No. 78276)
For: *PP&L Industrial Customer Alliance*

Date: _____

Craig A. Doll, Esquire (I.D. No. 22814)
For: *Richards Energy Group, Inc.*

Date: _____

Peter Q. Nyce, Jr. Esquire (D.C. Bar No. 923011)
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of Central Eastern Pennsylvania*

Date: _____

Vasiliki Karandrikas

Pamela C. Polacek, Esquire (I.D. No. 78276)
Vasiliki Karandrikas, Esquire (I.D. No. 89711)
For: *PP&L Industrial Customer Alliance*

Date: 8/29/07

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For: *Richards Energy Group, Inc.*

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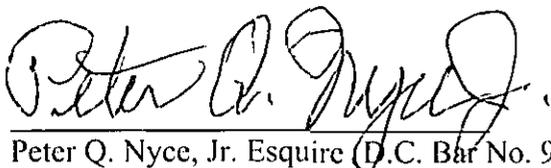
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For: *U.S. Department of Defense and Federal Executive Agencies*

Date: 8/29/07

Eric Joseph Epstein, *Pro Se*

Date: _____



SECRET

2007 11 09 09:11:46

PPL Electric Utilities Corporation

GENERAL TARIFF

RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE

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

ISSUED:

EFFECTIVE: January 1, 2008

Issued by
DAVID G. DeCAMPLI, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

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

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

- | | |
|--|---|
| Territory Covered by this
Tariff
Page No. 4 | The Borough of Morgantown was added to the territory covered list. |
| Rule 1
Page No. 5A | Transmission and Distribution Rate Cap language is outdated and was removed. |
| Rule 2
Page No. 6B | Residential Building Energy Conservation section is outdated and was removed. |
| Rule 3
Page Nos. 7 and 7B | "Contribution-in-aid-of-construction" abbreviated to "CIAC". |
| Rule 4
Page No. 8
Page No. 8A
Page No. 8E | In Section A(2), the Supply of Service rules were changed to clarify that it applies only to distribution facilities and that the Company may provide a separate point of delivery at the customer's request.
In Section C(1), the Method of Service was changed to clarify that the Company furnishes and installs all electric service line facilities extending from its distribution supply lines to the customer's point of delivery.
In Section I, the Relocation of Facilities was changed to clarify that when a request for relocation is from a property owner and the facilities are on the customer's property, the charges for relocation of distribution facilities are limited to estimated contractor, labor, and material costs, less maintenance. |
| Rule 6A
Page Nos. 10D, 10E,
10F, and 10G | The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Under Back-up Power Rates, the Distribution Charge for demand increases. |
| Rule 7
Page No. 11 | Tariff Rule 7A(5) is revised to clarify that the provisions for temporary service apply to annually recurring service. |
| Universal Service Rider
Page No. 18 | The new Universal Service Rider (USR) provides for recovery of the costs associated with the universal service programs to residential customers. |

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT (Continued)

CHANGES:

Remand Rider-1 (RR-1) Page No. 18A	In the current tariff, RR-1 is on Page No. 18B. In the proposed tariff RR-1 is on Page No. 18A.
Remand Rider-1 (RR-2) Page No. 18B and 18C	In the current tariff, RR-2 is on Page Nos. 18C and 18D. In the proposed tariff RR-2 is on Page Nos. 18B and 18C. The 2008 and 2009 rates are decreased.
Economic Development Initiatives Rider Page Nos. 19A and 19A.1	The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed.
Interruptible Service Agreement (R) Page No. 19B	Under the Application provision, the service and billing under this Rate Schedule will end on January 1, 2010.
Industrial Development Initiatives Rider Page Nos. 19D.1 and 19D.2	The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed.
Competitive Rate Rider (R) Page No. 19E	Under the Application provision, the service and billing under this Rate Schedule will end on January 1, 2010.
Sustainable Energy Fund Rider Page No. 19K	The Sustainable Energy Fund Rider ended on December 31, 2007 and is eliminated from the tariff.
Metering and Billing Credit Rider Page No. 19M	The Metering, Meter Reading, and Billing and Collection charges were revised.
Interim Code of Conduct Page Nos. 19N and 19O	The Interim Code of Conduct has been superseded by the PUC Competitive Safeguards Code of Conduct (52 Pa. Code §54.122) and can now be removed from the tariff.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT (Continued)

CHANGES:

PP&L-GENCO Code of Conduct Page No. 19P	The PP&L-GENCO Code of Conduct has been superseded by PPL's FERC-approved Market based Rate Code of Conduct and can now be removed from the tariff.
Demand Side Response Rider-Residential Page No. 19X	Applicable riders are added to this Rider. Capacity and Energy charges are removed for the 2005 through 2007 summer peak load periods and added for the 2008 through 2010 summer peak load periods.
Rate Schedule RS Page Nos. 20, 20A, 20B, 20C, 20D, and 20E	Under Net Monthly Rate, the Distribution Customer Charge and energy rates, are increased. Under the Application Provisions, a dwelling is defined. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
Rate Schedule RTS Page Nos. 21, 21A, and 21B	Under Net Monthly Rate, the Distribution Customer Charge is increased. The demand charge is eliminated and an energy charge structure is added. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
Rate Schedule RTD Page Nos. 22, 22A, and 22B	Under Net Monthly Rate, the Distribution Customer Charge is decreased and the energy charges are increased. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
Rate Schedule GS-1 Page Nos. 24, 24A, 24B, 24C, 24D, and 24E	Under Net Monthly Rate, the Distribution Customer Charge and first step of the Energy Charge increased while the Demand Charge and second step Energy Charge decreased. New applications for two phase or above will not be accepted after January 1, 2008. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
Rate Schedule GS-3 Page Nos. 25, 25A, 25B, 25C, 25D and 25E	Under Net Monthly Rate, the Distribution Demand Charge increased and the energy charges were eliminated. New applications for two phase service will not be accepted after January 1, 2008. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT (Continued)

CHANGES:

- Rate Schedule LP-4
Page Nos. 27, 27A, 27B,
27C, and 27D
Under Net Monthly Rate, the Distribution Demand Charge decreased. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule LP-5
Page Nos. 28, 28A,
28A.1, and 28A.2
Under Net Monthly Rate, the Distribution Customer Charge replaces the Distribution Demand charge. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule LP-6
Page Nos. 28B, 28C,
28D, and 28E
Under Net Monthly Rate, the Distribution Customer Charge replaces the Distribution Demand charge. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule LPEP
Page Nos. 29, 29A, 29B,
and 29C
Under Net Monthly Rate, the Distribution Customer Charge replaces the Distribution Demand and Facility charges. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule IS-1(R)
Page Nos. 30, 30.1, and
30.2
Under Net Monthly Rate, the Distribution Customer charge is decreased. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule IS-P(R)
Page Nos. 30A, 30B,
30B.1, 30B.2, and 30B.3
The paragraph for the interruptible service constraint is removed as this rate is restricted. Under Net Monthly Rate, the Distribution Demand Charge is decreased. The time-of-day rate is eliminated and the Distribution Billing Demand will be based on the actual kW during the current billing period. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule IS-T(R)
Page Nos. 30C, 30D,
30E, 30F, and 30G
The paragraph for the interruptible service constraint is removed as this rate is restricted. Under Net Monthly Rate, the Distribution Customer Charge replaces the Distribution Demand charge. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT (Continued)

CHANGES:

- Rate Schedule PR-2(R)
Page Nos. 31B, 32, and 32B
- The paragraph for the interruptible service constraint is removed as this rate is restricted. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule BL
Page Nos. 33 and 33A
- Under Net Monthly Rate, the Distribution Energy Charge is increased. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedules SA, SM(R), SHS, and SE
Page Nos. 34, 34A, 34B, 35, 35A, 35B, 35C, 35D, 35E, 35F, 35G, 35H, 36, 36A, 36B, 36C, 36D, 37, 37A, 37B, 37C, and 37D
- Under Net Monthly Rate, the Distribution Lamp Prices are increased. Under SA, lamp replacements will be made by the third day. Under SM(R), there will be no new installations of mercury vapor lamps and fixtures after January 1, 2008 and it will be a restricted rate. Under SE, the minimum system is reduced to 5 lamps, the lamp type is expanded to include induction systems, and non-municipal customers qualify for this rate schedule. On Page 37B, a paragraph was added to note that non-municipal customers shall adhere to codes and standards for installation, ownership, and maintenance of street lighting equipment. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedules TS(R) and SI-1(R)
Page Nos. 39, 39A, 39B, 40, 40A, 40B, and 40C
- Under Net Monthly Rate for TS(R), the Distribution Charge for the per watt of connected load is increased. Under Net Monthly Rate for SI-1(R), the Distribution Charge for lamps is increased. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule GH-1
Page Nos. 41, 41A, 41B, and 41C
- Under Net Monthly Rate, the Distribution Demand Charge is increased and the Distribution Energy Charge is eliminated. The Monthly Minimum will be based on 25 kW times the Demand step of the Distribution Charge. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.
- Rate Schedule GH-2
Page Nos. 42, 42A, and 42B
- Under Net Monthly Rate, the Distribution Demand Charge replaces the Distribution Customer Charge and Energy Charges. Also, the Monthly Minimum will be based on 25 kW times the Demand step of the Distribution Charge. The CTC, ITC, and Capacity & Energy Charges for 2005 through 2007 were removed. Applicable riders are added to this Rate Schedule.

PPL Electric Utilities Corporation

Supplement No. 59
 Electric Pa. P.U.C. No. 201
 Fifty-First Revised Page No. 3
 Canceling Fiftieth Revised Page No. 3

TABLE OF CONTENTS

	<u>Page</u>	<u>Revision</u>
Table of Contents	3	Fifty-First
	3A	Twenty-Ninth
Territory Covered by This Tariff	3B	Twenty-Sixth
	4	Fourth
	4A	Second
	4B	Second
RULES FOR ELECTRIC SERVICE		
1 - Electric Service Tariff	5	Fourth
	5A	Fourth
2 - Requirements for Service	6	Second
	6A	Sixth
	6B	Fifth
3 - Extension of Service	7	Sixth
	7A	Fourth
	7B	Seventh
4 - Supply of Service	8	Sixth
	8A	Sixth
	8B	Fourth
	8C	Fourth
	8D	Fourth
	8E	Third
5 - Use of Service	9	Fourth
	9A	Fourth
6 - Auxiliary Service For Non-Qualifying Facilities	10	Third
	10A	Second
	10A.1	First
6A - Standby Service for Qualifying Facilities	10B	Fifth
	10C	Second
	10D	Sixteenth
	10E	Thirteenth
	10F	Tenth
	10G	Twelfth
7 - Temporary Service	11	Sixth
8 - Measurement of Service	12	Fourth
9 - Billing and Payment for Service	13	Second
	13A	Fourth
	13B	Second
10 - Disconnection and Reconnection of Service	14	Second
	14A	Sixth
11 - Net Service for Generation Facilities	14B	Original
	14C	Original
GENERATION RATE ADJUSTMENT SURCHARGE	15	Fourth
	15A	Fourth
STATE TAX ADJUSTMENT SURCHARGE	16	Twenty-Second
EMERGENCY ENERGY CONSERVATION RIDER	17	Third
	17A	First
UNIVERSAL SERVICE RIDER	18	Fourth
REMAND-1	18A	First
REMAND-2	18B	First
	18C	First
ECONOMIC DEVELOPMENT INITIATIVES RIDER	19	Fourth
	19A	Seventh
	19A.1	Fourth
INTERRUPTIBLE SERVICE BY AGREEMENT (R)	19B	Fourth
INDUSTRIAL DEVELOPMENT INITIATIVES RIDER	19D	Fourth
	19D.1	Seventh
	19D.2	Fourth
	19D.3	Fourth
COMPETITIVE RATE RIDER (R)	19E	Fourth
	19E.1	Fourth

(R) Riders and Rate Schedules closed to new customers.

Issued:

Effective: January 1, 2008

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>	<u>Revision</u>
COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER -----	19J	Third
	19J.1	Original
RENEWABLE ENERGY DEVELOPMENT RIDER -----	19L	Fourth
	19L.1	First
NET METERING FOR RENEWABLE CUSTOMER-GENERATORS -----	19L.2	Original
	19L.3	Original
	19L.4	Original
METERING AND BILLING CREDIT RIDER -----	19M	Sixth
INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER -----	19Q	Original
	19R	Original
	19S	Original
DEMAND SIDE INITIATIVE RIDER (EXPERIMENTAL) -----	19T	Fourth
	19U	Original
	19V	First
DEMAND SIDE RESPONSE RIDER - RESIDENTIAL (EXPERIMENTAL) -----	19W	Sixth
	19X	Fifth
	19Y	Third
TRANSMISSION SERVICE CHARGE -----	19Z	Third
	19Z.1	Second
GENERATION SUPPLY CHARGE -----	19Z.2	Original
	19Z.3	Original
RATE SCHEDULES - GENERAL		
RS - Residential Service -----	20	Sixteenth
	20A	Thirteenth
	20B	Thirteenth
	20C	Ninth
	20D	Eleventh
	20E	Seventh
RTS(R) - Residential Service - Thermal Storage -----	21	Seventeenth
	21A	Fifteenth
	21B	Seventh
	21C	Sixth
RTD(R) - Residential Service - Time of Day -----	22	Seventeenth
	22A	Sixteenth
	22B	Seventh
GS-1 - Small General Service - Sec. Voltage -----	24	Eighteenth
	24A	Seventeenth
	24B	Tenth
	24C	Twelfth
	24D	Fourteenth
	24E	Twelfth
GS-3 - Large General Service - Sec. Voltage -----	25	Seventeenth
	25A	Thirteenth
	25B	Thirteenth
	25C	Ninth
	25D	Eleventh
	25E	Twelfth
LP-4 - Large General Service - 12 KV -----	27	Fifteenth
	27A	Eleventh
	27B	Thirteenth
	27C	Tenth
	27D	Sixth
LP-5 - Large General Service - 69 KV or Higher -----	28	Sixteenth
	28A	Eleventh
	28A.1	Sixteenth
	28A.2	Sixth
LP-6 - Large General Service - 69 KV or Higher -----	28B	Fifteenth
	28C	Eleventh
	28D	Sixteenth
	28E	Sixth
LPEP - Power Service to Electric Propulsion -----	29	Fifteenth
	29A	Twelfth
	29B	Twelfth
	29C	Eighth

(R) Riders and Rate Schedules closed to new customers.

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>	<u>Revision</u>
IS-1(R) - Interruptible Service - Greenhouses- -----	30	Thirteenth
	30.1	Thirteenth
	30.2	Fourteenth
IS-P(R) - Interruptible Large General Service - 12 KV or Higher -----	30A	Fourteenth
	30B	Thirteenth
	30B.1	Fifteenth
	30B.2	Seventh
	30B.3	Fifth
IS-T(R) - Interruptible Large General Service - 69 KV or Higher -----	30C	Fourteenth
	30D	Thirteenth
	30E	Fifteenth
	30F	Eighth
	30G	Fifth
PR-1(R) - Price Response Service (Experimental) - Firm Power-----	31	Third
	31A	Third
	31B	Sixth
	31C	First
PR-2(R) - Price Response Service (Experimental) - Interruptible Power-----	32	Fifth
	32A	Third
	32B	Sixth
	32C	Second
BL - Borderline Service - Electric Utilities -----	33	Fourteenth
	33A	Thirteenth
SA - Private Area Lighting -----	34	Seventeenth
	34A	Twelfth
	34B	Sixth
SM(R) - Mercury Vapor Street Lighting -----	35	Tenth
	35A	Eleventh
	35B	Thirteenth
	35C	Seventh
	35D	Tenth
	35E	Tenth
	35F	Eleventh
	35G	Eleventh
	35H	Seventh
SHS - High Pressure Sodium Street Lighting-----	36	Eleventh
	36A	Fourteenth
	36B	Ninth
	36C	Tenth
	36D	Tenth
SE - Energy Only Street Lighting Service-----	37	Fifteenth
	37A	Thirteenth
	37B	Eighth
	37C	Seventh
	37D	Sixth
TS(R) - Municipal Traffic Signal Lighting Service -----	39	Seventeenth
	39A	Thirteenth
	39B	Fifth
SI-1(R) - Municipal Street Lighting -----	40	Twelfth
	40A	Fourteenth
	40B	Eighth
	40C	Eleventh
GH-1(R) - Single Meter Com'l Space Heating Service -----	41	Sixteenth
	41A	Fifteenth
	41B	Eleventh
	41C	Eighth
GH-2(R) - Separate Meter General Space Heating Service -----	42	Seventeenth
	42A	Sixteenth
	42B	Eighth

(R) Riders and Rate Schedules closed to new customers.

Issued:

Effective: January 1, 2008

TERRITORY COVERED BY THIS TARIFF

BERKS COUNTY

(C)

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

BUCKS COUNTY

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

CARBON COUNTY

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

CHESTER COUNTY

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

CLINTON COUNTY

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

COLUMBIA COUNTY

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

CUMBERLAND COUNTY

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

DAUPHIN COUNTY

City of Harrisburg.
Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Pillow, Steelton, and Williamstown.
Townships of Derry, East Hanover, Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover, Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco, and Williams.

JUNIATA COUNTY

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

LACKAWANNA COUNTY

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

LANCASTER COUNTY

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

LEBANON COUNTY

Borough of Richland.
Townships of Heidelberg and Millcreek.

LEHIGH COUNTY

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

LUZERNE COUNTY

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

RULE 1 - ELECTRIC SERVICE TARIFF (Continued)

B. SUPPLY OF ELECTRIC SERVICE (Continued)

(3) Rate Caps

- (a) Generation Rate Cap - The cap on generation charges shall extend from January 1, 1999 through December 31, 2009, if the customer is purchasing Basic Utility Supply Service.

(C)

C. RESPONSIBILITY

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

RULE 2 - REQUIREMENTS FOR SERVICE (CONTINUED)

F. ACCESS

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

G. CUSTOMER'S INSTALLATION

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

(C)

**RULES FOR ELECTRIC SERVICE
RULE 3 - EXTENSION OF SERVICE**

A. GENERAL PROVISIONS

(1) A line extension is any construction beyond the normal service facilities (which include the service extension to the customer, transformers, transformer devices, service drop and meter) to extend the distribution system along the normal route of development of the distribution system to the point where the extension departs from the normal route development and is being installed as a service extension solely for the customer. The distribution system is defined, for the purposes of this rule, as including all lines energized at voltages less than the nominal 69,000 volts and excluding service extensions and lines energized at voltages of nominal 69,000 volts or higher. The Company constructs line extensions from the nearest suitable and available distribution line to supply new customers, or to change the supply to existing customers, under Company's standard rate schedules subject to the provisions of this rule. However, the estimated cost of facilities subject to annual charges under Rule 4 or customer contributions-in-aid-of-construction (CIAC) are not subject to the provisions of this rule. (C)

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

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

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

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

B. LINE EXTENSIONS

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

(Continued)

RULE 3 - EXTENSION OF SERVICE (CONTINUED)

F. ANNUAL GUARANTEE

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

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

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

The customer may elect to make a one-time payment to the Company in lieu of annual differential billings during the period of the guarantee. The payment, which will be equal to the total amount of the guarantee, will be subject to partial refunds each year based upon the actual amount of the customer's distribution service billings.

G. TEMPORARY SERVICE

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

H. REAPPORTIONMENT AND WAIVER OF LINE EXTENSION GUARANTEE

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

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

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

(C)

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

RULES FOR ELECTRIC SERVICE

(C)

RULE 4 - SUPPLY OF SERVICE

A. CHARACTERISTICS OF SERVICE

(C)

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

(2) The distribution system is defined, for the purposes of this rule, as including all lines energized at voltages less than the nominal 69,000 volts and excluding service extensions and lines energized at voltages of nominal 69,000 volts or higher. However, this definition does not affect the Company's obligations under the Federal Power Act and/or the Public Utility Code, as applicable: (1) to provide safe, reliable and adequate retail electric service to customers taking service at voltages of 69 kV and above, and (2) to provide just and reasonable and non-discriminatory distribution and transmission rates, terms and conditions of service to such customers.

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

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

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

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

(7) The Company normally supplies energy to only one point of delivery to a premise. The Company may provide a separate point of delivery at the customer's request as a speculative line and/or service extension. In the case of two or more services, the customer pays the fully allocated cost of any primary or secondary to serve the additional points of delivery. For application of this rule, services to more than one building or facility located on the same property and owned by the same entity will be considered service to a single premise; each individual building or facility will not be considered a separate premise.

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

(C)

B. SPECULATIVE SERVICE EXTENSIONS

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

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

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

(4) The customer may elect to make a one-time payment to the Company in lieu of annual differential billings during the period of the guarantee. The payment, which will be equal to the total amount of the guarantee, will be subject to partial refunds each year based upon the actual amount of the customer's distribution service billings.

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

(6) Where the customer requires a speculative service extension to be disconnected and Company facilities left in place for subsequent reconnection, the service extension shall be treated as temporary service under Tariff Rule 7. In addition, for each reconnection of service the customer pays the cost of connection and disconnection.

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

C. METHOD OF SERVICE

(C)

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

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

(b) The customer provides all mechanical facilities on his property, other than poles and guys, which are required to accommodate the installation of the Company's electric facilities. All electric facilities, and all mechanical facilities, installed by the customer on the Company's side of the point of delivery which are not in, on or under buildings shall, after installation, be owned and maintained by the Company and be available for further extension.

(c) The customer at his option may install all service lines and related facilities on his property. Such facilities shall be on the customer's side of the point of delivery and shall be owned and thereafter maintained by the customer.

(Continued)

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

I. RELOCATION OF FACILITIES (Continued)

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

J. EMERGENCY ASSISTANCE

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

K. CHANGE IN SERVICE CONDITIONS

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

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

RATES FOR STAND-BY SERVICE (Continued)

(c) Back-up Power will be billed using the following charges:

	<u>Service at 480 Volts or Less</u>	<u>Service at 12,470 Volts</u>	<u>Service at 69,000 Volts or Higher</u>
Distribution Charge	\$1.525/KW (I) 0.232¢/KWH	\$0.987/KW (I) 0.043¢/KWH (I)	\$0.089/KW (I) 0.000¢/KWH
Competitive Transition Charge (Effective 1-1-08 through 12-31-08)	0.477¢/KWH	0.462¢/KWH	0.397¢/KWH
Competitive Transition Charge (Effective 1-1-09 through 12-31-09)	2.889¢/KWH	2.789¢/KWH	2.416¢/KWH

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the above Competitive Transition Charges.

	<u>Service at 480 Volts or Less</u>	<u>Service at 12,470 Volts</u>	<u>Service at 69,000 Volts or Higher</u>
Intangible Transition Charge (Effective 1-1-08 through 12-31-08)	2.563¢/KWH	2.482¢/KWH	2.131¢/KWH
Intangible Transition Charge (Effective 1-1-09 through 12-31-09)	0.000¢/KWH	0.000¢/KWH	0.000¢/KWH

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the above Intangible Transition Charges.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

	<u>Service at 480 Volts or Less</u>	<u>Service at 12,470 Volts</u>	<u>Service at 69,000 Volts or Higher</u>
Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)	\$1.110/KW 1.224¢/KWH	\$1.330/KW 1.224¢/KWH	\$1.250/KW 1.281¢/KWH
Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)	1.110/KW 1.519¢/KWH	1.330/KW 1.519¢/KWH	1.250/KW 1.511¢/KWH

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this Tariff Rule.

Generation Charge

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

Remand Riders

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

State Tax Adjustment Surcharge

The State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

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

(b) Maintenance Power will be billed using the following charges:

	Service at 480 Volts <u>or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
Distribution Charge	0.232¢/KWH	0.043¢/KWH (I)	0.000¢/KWH
Competitive Transition Charge (Effective 1-1-08 through 12-31-08)	0.477¢/KWH	0.462¢/KWH	0.397¢/KWH
Competitive Transition Charge (Effective 1-1-09 through 12-31-09)	2.889¢/KWH	2.789¢/KWH	2.416¢/KWH

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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

(C)

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the above Competitive Transition Charges.

	Service at 480 Volts <u>or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
Intangible Transition Charge (Effective 1-1-08 through 12-31-08)	2.563¢/KWH	2.482¢/KWH	2.131¢/KWH
Intangible Transition Charge (Effective 1-1-09 through 12-31-09)	0.000¢/KWH	0.000¢/KWH	0.000¢/KWH

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the above Intangible Transition Charges.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

	Service at 480 Volts <u>or Less</u>	Service at <u>12,470 Volts</u>	Service at 69,000 Volts <u>or Higher</u>
Capacity and Energy Charge (Effective 1-1-08 through (12-31-08)	1.224¢/KWH	1.224¢/KWH	1.281¢/KWH
Capacity and Energy Charge (Effective 1-1-09 through (12-31-09)	1.519¢/KWH	1.519¢/KWH	1.511¢/KWH

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW or kWh billed under this Tariff Rule.

Generation Charge

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

Remand Riders

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

The State Tax Adjustment Surcharge included in this Tariff shall be applied to the above charges.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

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

(C)

F. KW DEMAND

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

G. DATA REQUIREMENTS

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

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

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

H. PAYMENT

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

I. ADJUSTMENTS TO COMPETITIVE TRANSITION CHARGE AND INTANGIBLE TRANSITION CHARGE

- (1) Except as provided for in subsection (2), if a customer installs on-site generation, which, after January 1, 1999, operates in parallel with other generation on the Company's system and which reduces by 10% or more the customer's purchases of electricity through the Company's transmission and distribution network, the customer's fully allocated share of transition or stranded costs shall be recovered from the customer through the CTC and ITC.
- (2) If an existing industrial or commercial customer installs on-site generation with an installed capacity of 4 MW or more or expands existing on-site generation by 4 MW or more after January 1, 1999 and prior to December 31, 2009, and the customer can document that it *had concluded a written economic feasibility study of self-generation as of December 31, 1996 or earlier*, then, in addition to any other applicable charges, the Company will calculate a separate bill annually in the first quarter of each calendar year in the Transition Period for one-third of the difference between: a) the amount of annual CTC and ITC revenue that the customer would have been billed by the Company based on the customer's average billing demand and energy usage for the calendar year 1996 and the prevailing CTC and ITC charges in the Rate Schedule applicable to that customer and b) the amount of annual CTC and ITC actually billed in the just completed calendar year with the self-generation in operation, using the prevailing CTC and ITC charges in the Rate Schedule applicable to that customer. For purposes of this provision, self-generation means self-generation which had not commenced operation as of December 31, 1998 or additions and/or expansions of self-generation which existed prior to December 31, 1998. This charge is in addition to all other applicable Tariff charges and will be paid monthly.

(C) Indicates Change

Issued:

Effective: January 1, 2008

RULES FOR ELECTRIC SERVICE

RULE 7 - TEMPORARY SERVICE

A. TEMPORARY SERVICE

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

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

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

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

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

UNIVERSAL SERVICE RIDER

The Universal Service Rider (USR) charge, stated as a percentage, shall be added to all of the distribution charges of each customer who takes distribution service under Rate Schedules RS, RTS(R), and RTD(R) of this tariff. The USR charge provides for recovery of the costs, except internal administrative costs, associated with universal service programs provided by the Company to residential customers. The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rider.

Beginning January 1, 2008 and continuing through December 31, 2008, the USR charge will be 6.52%. For subsequent years, the USR charge shall be filed with the Pennsylvania Public Utility Commission (Commission) by December 1 of the previous year. The USR charge shall become effective for service rendered on or after the following January 1, unless otherwise ordered by the Commission, and shall remain in effect for a period of one year, unless revised on an interim basis subject to the approval of the Commission. Upon determination that a USR charge, if left unchanged, would result in a material over or under-collection of all USR costs incurred or expected to be incurred during the current 12-month period, the Company may file with the Commission for an interim revision of the USR charge to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

The Company will file with the Pennsylvania Public Utility Commission by December 1 of each year annual reconciliation of the USR revenue recovery during the immediately preceding application period pursuant to 66 Pa. C.S. §1307. The reconciliation shall become effective for service rendered on and after January 1 and shall remain in effect for a period of one year, or until new USR rates are approved by the Commission. Interest on overcollections and undercollections shall be computed monthly at the appropriate rate, as provided for in Section 1308(d) of the Public Utility Code, from the month the over or undercollection occurs to the effective month that the overcollection is refunded or the undercollection is recouped.

The Company shall file a report of collections under the USR within thirty (30) days following the conclusion of each computation-year quarter. These reports will be in a form prescribed by the Commission. The third-quarter report shall be accompanied by a preliminary forecast of the USR charge for the next computation year.

Application of the USR shall be subject to review and audit by the Commission at intervals that it shall determine. The Commission shall review the level of charges produced by the USR charge and the costs included therein.

PPL Electric Utilities Corporation

Supplement No. 59
Electric Pa. P.U.C. No. 201
First Revised Page No. 18A
Canceling Original Page No. 18A

REMAND RIDER-1

The Remand Rider-1 (RR-1), stated on a kWh basis, shall be applied, on a non-bypassable basis, to the kWh sales of each customer who takes distribution service from the Company. Pursuant to the terms of the Commission order entered on July 25, 2007 at Docket No. R-00049255, the RR-1 provides for reallocation among customer classes of charges for transmission service billed by the Company during the period January 1, 2005 through July 31, 2007. The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rider.

The RR-1, inclusive of calculated interest, initially shall be established at the following levels:

Customer Class	8/1/07 – 12/31/07	1/1/08 – 12/31/08	1/1/09 – 12/31/09
Residential (Rate Schedules RS, RTS (R), and RTD (R))	0.123	0.136	0.135
Small Commercial and Industrial (Rate Schedules GS-1, GS-3, IS-1 (R), BL, SA, SM, SHS, SE, TS (R), SI-1 (R), GH-1 (R), and GH-2 (R))	-0.025	-0.030	-0.029
Large Commercial and Industrial – Primary (Rate Schedules LP-4 and IS-P (R))	-0.087	-0.103	-0.102
Large Commercial and Industrial – Transmission (Rate Schedules LP-5, LP-6, LPEP, IS-T (R), ISA (R), L5S)	-0.135	-0.171	-0.170

On December 1, 2007, December 1, 2008 and December 1, 2009, the Company shall file a recomputation of the RR-1 to reflect over or under recoveries of charges or refunds during the preceding application period and changes to estimated sales in the application period. The recomputed RR-1 shall become effective for service rendered on or after the following January 1, unless otherwise ordered by the Commission, and shall remain in effect for a period of one year, unless revised on an interim basis subject to the approval of the Commission.

The Company will file with the Pennsylvania Public Utility Commission by December 1 of each year an annual reconciliation of the RR-1 revenue reallocation during the immediately preceding application period, pursuant to 66 Pa. C.S. §1307. The reconciliation shall become effective for service rendered on and after January 1 and shall remain in effect for a period of one year, or until new RR-1 rates are approved by the Commission.

The RR-1 shall terminate on December 31, 2009. Final reconciliation of charges and refunds by customer class of the RR-1 shall be calculated and remaining amounts will be reflected in the Transmission Service Charge (TSC) E-factor for each customer class effective January 1, 2010.

(C) Indicates Change

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REMAND RIDER-2

The Remand Rider-2 (RR-2), stated on a percentage basis, shall be applied, on a non-bypassable basis, to all of the distribution charges of each customer who takes distribution service from the Company. Pursuant to the terms of the Commission order entered on July 25, 2007 at Docket No. R-00049255, the RR-2 provides for the refund of Hurricane Isabel costs and the reallocation among customer classes of charges for distribution service billed by the Company during the period January 1, 2005 through July 31, 2007. The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rider.

The RR-2, inclusion of calculated interest, initially shall be established at the following levels:

Customer Class	8/1/07 – 12/31/07	1/1/08 – 12/31/08	1/1/09 – 12/31/09
Large Commercial and Industrial – Transmission (Rate Schedule L5S)	-41.97	-52.38 (D)	-51.22 (D)
Large Commercial and Industrial – Transmission (Rate Schedule ISA (R))	0.00	0.00	0.00
Residential (Rate Schedule RS)	3.16	2.85 (D)	2.82 (D)
Residential (Rate Schedule RTS (R))	9.58	8.77 (D)	8.76 (D)
Residential (Rate Schedule RTD (R))	3.67	3.20 (D)	3.19 (D)
Small Commercial and Industrial (Rate Schedule GS-1)	-3.75	-3.84 (D)	-3.76 (D)
Small Commercial and Industrial (Rate Schedule GS-3)	-6.71	-6.91 (D)	-6.78 (D)
Large Commercial and Industrial – Primary (Rate Schedule LP-4)	-5.85	-6.09 (D)	-6.01 (D)
Large Commercial and Industrial – Transmission (Rate Schedule LP-5)	-40.80	-57.80 (D)	-57.10 (D)
Large Commercial and Industrial – Transmission (Rate Schedule LP-6)	-100.98	-355.11 (D)	-348.84 (D)
Large Commercial and Industrial – Transmission (Rate Schedule LPEP)	-0.38	-0.38	-0.38
Small Commercial and Industrial – Primary (Rate Schedule IS-1 (R))	-0.11	-0.11	-0.11
Large Commercial and Industrial – Primary (Rate Schedule IS-P (R))	-9.80	-10.04 (D)	-10.04 (D)
Large Commercial and Industrial – Transmission (Rate Schedule IS-T (R))	-18.08	-20.70 (D)	-20.60 (D)
Small Commercial and Industrial (Rate Schedule BL)	-0.14	-0.14	-0.14

(Continued)

(C) Indicates Change

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REMAND RIDER-2

Customer Class	8/1/07 – 12/31/07	1/1/08 – 12/31/08	1/1/09 – 12/31/09
Small Commercial and Industrial (Rate Schedule SA)	6.42	5.36 (D)	5.36 (D)
Small Commercial and Industrial (Rate Schedule SM)	5.42	4.58 (D)	4.58 (D)
Small Commercial and Industrial (Rate Schedule SHS)	8.32	7.07 (D)	7.07 (D)
Small Commercial and Industrial (Rate Schedule SE)	1.73	1.51 (D)	1.51 (D)
Small Commercial and Industrial (Rate Schedule TS (R))	8.92	7.84 (D)	7.84 (D)
Small Commercial and Industrial (Rate Schedule SI-1 (R))	7.39	6.29 (D)	6.29 (D)
Small Commercial and Industrial (Rate Schedule GH-1 (R))	-20.40	-22.19 (D)	-21.75 (D)
Small Commercial and Industrial (Rate Schedule GH-2 (R))	-18.12	-20.68 (D)	-20.25 (D)

On December 1, 2007, December 1, 2008 and December 1, 2009, the Company shall file a recomputation of the RR-2 to reflect changes to estimated sales in the application period or changes to distribution rates in the application period. The recomputed RR-2 shall become effective for service rendered on or after the following January 1, unless otherwise ordered by the Commission, and shall remain in effect for a period of one year, unless revised on an interim basis subject to the approval of the Commission.

The RR-2 shall terminate on December 31, 2009.

(C) Indicates Change

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PPL Electric Utilities Corporation

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ECONOMIC DEVELOPMENT INITIATIVES RIDER (CONTINUED)

(C)

DEFINITIONS (Continued)

6. Billing Adjustments - Existing Customers. For that portion of the customer's load purchased from the Company, a credit of \$1.73/KW for Rate Schedule GS-3, \$1.86/KW for Rate Schedule LP-4, \$1.98/KW for Rate Schedule LP-5, 0.86 cents/KWH for Rate Schedule GS-3, 0.93 cents/KWH for Rate Schedule LP-4, and 0.99 cents/KWH for Rate Schedule LP-5, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the base period for service supplied to a customer's Qualifying Service Location. For that portion of the customer's load purchased from an electric generation supplier, the following credits shall apply for Rate Schedules GS-3, LP-4, and LP-5.

	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Distribution Charge	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH
Competitive Transition Charge (Effective 1-1-08 through 12-31-08)	\$0.047/KW 0.023¢/KWH	\$0.053/KW 0.027¢/KWH	\$0.058/KW 0.029¢/KWH
Competitive Transition Charge (Effective 1-1-09 through 12-31-09)	\$0.270/KW 0.133¢/KWH	\$0.310/KW 0.155¢/KWH	\$0.330/KW 0.166¢/KWH
Intangible Transition Charge (Effective 1-1-08 through 12-31-08)	\$0.253/KW 0.125¢/KWH	\$0.287/KW 0.145¢/KWH	\$0.312/KW 0.155¢/KWH
Intangible Transition Charge (Effective 1-1-09 through 12-31-09)	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH

7. Billing Adjustments - New Customers. For that portion of the customer's load purchased from the Company, a reduction of 0.86 cents/KWH for Rate Schedule GS-3, 0.93 cents/KWH for Rate Schedule LP-4, and 0.99 cents/KWH for Rate Schedule LP-5 shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's Qualifying Service location. For that portion of the customer's load purchased from an electric generation supplier, the following reductions shall apply for Rate Schedules GS-3, LP-4, and LP-5.

	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Distribution Charge	0.000¢/KWH	0.000¢/KWH	0.000¢/KWH

(Continued)

(C) Indicates Change (I) Indicates Increase (D) Indicates Decrease

Issued:

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ECONOMIC DEVELOPMENT INITIATIVES RIDER (CONTINUED)

(C)

	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Competitive Transition Charge (Effective 1-1-08 through 12-31-08)	0.023¢/KWH	0.027¢/KWH	0.029¢/KWH
Competitive Transition Charge (Effective 1-1-09 through 12-31-09)	0.133¢/KWH	0.155¢/KWH	0.166¢/KWH
	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Intangible Transition Charge (Effective 1-1-08 through 12-31-08)	0.125¢/KWH	0.145¢/KWH	0.155¢/KWH
Intangible Transition Charge (Effective 1-1-09 through 12-31-09)	0.000¢/KWH	0.000¢/KWH	0.000¢/KWH

GENERAL CONDITIONS

The provisions of this rider are available to customers who became eligible on or before December 31, 1989.

The billing adjustment under this rider will continue through December 31, 2009. All provisions of this rider will terminate on January 1, 2010.

The rate reductions under this rider are applicable to base rate charges before application of the State Tax Adjustment Surcharge included in this tariff.

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

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

This rider does not apply to customers who have on-site generation which can be substituted for the Company's service, unless the on-site generation is maintained solely for use in case of interruption of Company's service.

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

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

INTERRUPTIBLE SERVICE BY AGREEMENT (R)

No new applications for service under this Rate Schedule will be accepted after August 27, 1998.

APPLICATION

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

Service and billing under this Rate Schedule will end on January 1, 2010. At that time, any customer receiving service under this Rate Schedule will be transferred to the appropriate rate schedule in this tariff. (C)

NET MONTHLY SERVICES CHARGES

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

CONDITIONS OF SERVICE

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

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

PPL Electric Utilities Corporation

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INDUSTRIAL DEVELOPMENT INITIATIVES RIDER (CONTINUED)

(C)

DEFINITIONS (Continued)

4. Billing Adjustments - Existing Customers. For that portion of the customer's load purchased from the Company, \$1.73/KW for Rate Schedule GS-3, \$1.86/KW for Rate Schedule LP-4, \$1.98/KW for Rate Schedule LP-5, 0.86 cents/KWH for Rate Schedule GS-3, 0.93 cents/KWH for Rate Schedule LP-4, and 0.99 cents/KWH for Rate Schedule LP-5 shall apply, respectively, to each kilowatt of Billing KW and each kilowatt-hour of energy billed in excess of the Billing KW and kilowatt-hours for the corresponding billing month of the Base Period for service supplied to a customer's existing service location. For that portion of the customer's load purchased from an electric generation supplier, the following credits shall apply for Rate Schedules GS-3, LP-4, and LP-5.

	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Distribution Charge	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH
Competitive Transition Charge (Effective 1-1-08 through 12-31-08)	\$0.047/KW 0.023¢/KWH	\$0.053/KW 0.027¢/KWH	\$0.058/KW 0.029¢/KWH
Competitive Transition Charge (Effective 1-1-09 through 12-31-09)	\$0.270/KW 0.133¢/KWH	\$0.310/KW 0.155¢/KWH	\$0.330/KW 0.166¢/KWH
Intangible Transition Charge (Effective 1-1-08 through 12-31-08)	\$0.253/KW 0.125¢/KWH	\$0.287/KW 0.145¢/KWH	\$0.312/KW 0.155¢/KWH
Intangible Transition Charge (Effective 1-1-09 through 12-31-09)	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH	\$0.000/KW 0.000¢/KWH

5. Billing Adjustments - New Customers. For that portion of the customer's load purchased from the Company, a reduction of \$1.73/KW for Rate Schedule GS-3, \$1.86/KW for Rate Schedule LP-4, \$1.98/KW for Rate Schedule LP-5, 0.86 cents/KWH for Rate Schedule GS-3, 0.93 cents/KWH for Rate Schedule LP-4, and 0.99 cents/KWH for Rate Schedule LP-5 shall apply to all kilowatt-hours billed in excess of 400 hours use of the monthly Billing KW for service supplied to a customer's New Service Location. For that portion of the customer's load purchased from an electric generation supplier, the following reductions shall apply for Rate Schedules GS-3, LP-4, and LP-5.

	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Distribution Charge	0.000¢/KWH	0.000¢/KWH	0.000¢/KWH
Competitive Transition Charge (Effective 1-1-08 through 12-31-08)	0.023¢/KWH	0.027¢/KWH	0.029¢/KWH
Competitive Transition Charge (Effective 1-1-09 through 12-31-09)	0.133¢/KWH	0.155¢/KWH	0.166¢/KWH

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER (CONTINUED)

(C)

	<u>GS-3</u>	<u>LP-4</u>	<u>LP-5</u>
Intangible Transition Charge (Effective 1-1-08 through 12-31-08)	0.125¢/KWH	0.145¢/KWH	0.155¢/KWH
Intangible Transition Charge (Effective 1-1-09 through 12-31-09)	0.000¢/KWH	0.000¢/KWH	0.000¢/KWH

GENERAL CONDITIONS

The provisions of this rider are available to customers who become eligible on or before December 31, 1997.

The billing adjustments under this rider will continue through December 31, 2009. All provisions of this rider will terminate on January 1, 2010.

The rate reductions under this rider are applicable to base rate charges before application of the State Tax Adjustment Surcharge included in this Tariff.

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

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

This rider does not apply to customers who have on-site generation which can be substituted for the Company's service, unless the on-site generation is maintained solely for use in case of interruption of Company's service.

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

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

COMPETITIVE RATE RIDER (R)

No new applications for service under this Rate Schedule will be accepted after August 27, 1998.

PURPOSE

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

APPLICATION PROVISIONS

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

Service and billing under this Rate Schedule will end on January 1, 2010. At that time, any customer receiving service under this Rider will be transferred to the appropriate rate schedule in this tariff. (C)

GENERAL CONDITIONS

1. The customer must demonstrate that it has a viable competitive alternative to service under Rate Schedule LP-5, LP-6, or IS-T to be eligible for this rider. The customer must provide written information, satisfactory to Company, documenting the customer's competitive alternative. Because of the proprietary nature of the customer's information, this information shall remain confidential.
2. The customer also must demonstrate, to the satisfaction of the Company, that the customer intends to implement the competitive alternative and is financially able to do so.
3. The Company will provide, upon request, a written description of the information that the customer must provide to the Company.
4. The Company shall be the sole judge of whether or not a competitive rate under this rider is appropriate based on the information provided by the customer.
5. The Company will develop competitive rates and terms, on a case-by-case basis, if the Company, in its sole judgement, determines that they are appropriate. The Company is not obligated to match the customer's costs for an alternative source of energy. The rate shall be sufficient to recover all of the Company's appropriate short-run marginal costs of the service and make a contribution to the Company's fixed costs, but shall not exceed the rate for comparable service under Rate Schedule LP-5, LP-6, or IS-T.

(Continued)

PPL Electric Utilities Corporation

Supplement No. 59
 Electric Pa. P.U.C. No. 201
 Sixth Revised Page No. 19M
 Canceling Fourth & Fifth Revised Page No. 19M

METERING AND BILLING CREDIT RIDER

PURPOSE

This rider provides for monthly Distribution Charge credits when an Electric Generation Supplier licensed by the Commission provides metering, meter reading, and/or billing and collection service to a customer in lieu of the Company.

APPLICATION

This rider applies to the Distribution Charges included in each Rate Schedule included in this Tariff.

NET MONTHLY DISTRIBUTION CHARGE CREDIT

<u>Rate Schedule</u>	<u>Metering</u>	<u>Meter Reading</u>	<u>Billing and Collection</u>
RS	\$ 2.22 (I)	\$ 0.21 (D)	\$ 1.84 (I)
Separate Water Heating Service	2.22 (I)	0.21 (D)	1.84 (I)
RTS	2.22 (I)	0.21 (D)	1.84 (I)
RTD(R)	2.22 (I)	0.21 (D)	1.84 (I)
GS-1	5.89 (I)	0.21 (D)	1.84 (I)
Off-Peak Space Conditioning and Water Heating	5.89 (I)	0.21 (D)	1.84 (I)
Volunteer Fire Co./Sr. Citizen Centers	2.22 (I)	0.21 (D)	1.84 (I)
GS-3	5.89 (I)	0.21 (D)	1.84 (I)
Off-Peak Space Conditioning and Water Heating	5.89 (I)	0.21 (D)	1.84 (I)
Volunteer Fire Co./Sr. Citizen Centers	2.22 (I)	0.21 (D)	1.84 (I)
LP-4	129.41 (I)	0.21 (D)	1.84 (I)
Off-Peak Space Conditioning and Water Heating	5.89 (I)	0.21 (D)	1.84 (I)
LP-5	1178.34 (D)	0.21 (D)	1.84 (I)
LP-6	1178.34 (D)	0.21 (D)	1.84 (I)
LPEP	1178.34 (D)	0.21 (D)	1.84 (I)
IS-1(R)	5.89 (I)	0.21 (D)	1.84 (I)
IS-P(R)	129.41 (I)	0.21 (D)	1.84 (I)
IS-T(R)	1178.34 (D)	0.21 (D)	1.84 (I)
BL	5.89 (I)	0.21 (D)	1.84 (I)
SA	—	—	1.84 (I)
SM	—	—	1.84 (I)
SHS	—	—	1.84 (I)
SE	—	—	1.84 (I)
TS(R)	—	—	1.84 (I)
SI-1(R)	—	—	1.84 (I)
GH-1(R)	5.89 (I)	0.21 (D)	1.84 (I)
GH-2(R)	5.89 (I)	0.21 (D)	1.84 (I)
Standby Service - 480 Volts or Less	5.89 (I)	0.21 (D)	1.84 (I)
Standby Service - 12,470 Volts	129.41 (I)	0.21 (D)	1.84 (I)
Standby Service - 69,000 Volts or Higher	1178.34 (D)	0.21 (D)	1.84 (I)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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DEMAND SIDE RESPONSE RIDER – RESIDENTIAL (CONTINUED) (C)
(EXPERIMENTAL)

NET MONTHLY CAPACITY AND ENERGY CHARGES

The following Capacity and Energy Charges apply for service under this Rider during the four-month PJM summer peak load period of June, July, August, and September. During all other months, the then effective Capacity and Energy Charges under Rate Schedule RS will apply.

Capacity and Energy Charge (Effective 6-1-08 through 9-30-08) (C)
9.300 cts. per KWH for all on-peak KWH.
3.700 cts. per KWH for all off-peak KWH.

Capacity and Energy Charge (Effective 6-1-09 through 9-30-09) (C)
9.700 cts. per KWH for all on-peak KWH.
3.700 cts. per KWH for all off-peak KWH.

Capacity and Energy Charge (Effective 6-1-10 through 9-30-10) (C)
Market price for all on-peak KWH.
Market price for all off-peak KWH.

ON-PEAK HOURS

On-peak hours for billing purposes are noon to 7 p.m. local time, Mondays to Fridays inclusively, except Independence Day and Labor Day.

ANNUAL REVIEW OF CHARGES AND ON-PEAK HOURS

The Company will review the above Capacity and Energy Charges and On-peak Hours annually. The Company will file any proposed changes in charges and on-peak hours with the Commission for approval.

OTHER TARIFF PROVISIONS

All other provisions of this Tariff, including all charges under Rate Schedule RS other than Capacity and Energy Charges, remain in effect for customers receiving service under this Rider. This Rider does not modify any provisions of this Tariff or Rate Schedule RS, other than as specifically set forth herein.

LOAD CONTROL

The Company will not directly control the load of Participating Customers. The Company, without incurring any liability, may provide advice to Participating Customers on how they can take advantage of this Rider, by using devices such as programmable thermostats, water heater timers, and timers on swimming pools, to reduce usage during summer peak load periods.

(Continued)

**RATE SCHEDULE RS
RESIDENTIAL SERVICE**

(C)

APPLICATION RATE SCHEDULE RS

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

NET MONTHLY RATE

Distribution Charge

\$8.00 per month plus

- 2.640 cts. per KWH for the first 200 KWH
- 2.387 cts. per KWH for the next 600 KWH
- 2.242 cts. per KWH for all additional KWH.

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(I)
(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

- 0.214 cts. per KWH for the first 200 KWH.
- 0.190 cts. per KWH for the next 600 KWH.
- 0.175 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

- 1.293 cts. per KWH for the first 200 KWH.
- 1.147 cts. per KWH for the next 600 KWH.
- 1.059 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

- 1.154 cts. per KWH for the first 200 KWH.
- 1.024 cts. per KWH for the next 600 KWH.
- 0.946 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

- 0.000 cts. per KWH for the first 200 KWH.
- 0.000 cts. per KWH for the next 600 KWH.
- 0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

- 5.819 cts. per KWH for the first 200 KWH.
- 5.114 cts. per KWH for the next 600 KWH.
- 4.692 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE RS (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

- 5.949 cts. per KWH for the first 200 KWH.
- 5.231 cts. per KWH for the next 600 KWH.
- 4.800 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and kWh billed under this rate schedule.

MONTHLY MINIMUM

The Monthly Minimum Distribution Charge is \$8.00. Monthly Minimums apply to services provided by the Company.

(I)

OFF-PEAK WATER HEATING (Effective 1-1-08)

(C)

When a customer has an electric water heater supplied through the Rate Schedule RS meter which meets all the requirements of this provision, the Distribution per month charge and the KWH block charges of the Distribution Charge rate are billed for all KWHs under this tariff provisions. For the Competitive Transition Charge, Intangible Transition Charge, and Capacity and Energy Charge rates, the following rate charges apply for the 400 KWH block of energy after the first 200 KWH is billed. All additional KWH are billed at the trailing steps of the Competitive Transition Charge, Intangible Transition Charge, and Capacity and Energy Charge rates. The Monthly Minimum also applies to this service. No new applications will be accepted after January 1, 2000.

<u>Effective</u>	<u>Competitive Transition Charge</u>	<u>Intangible Transition Charge</u>	<u>Capacity and Energy Charge</u>
1-1-08 through 12-31-08	0.189 cts. per KWH	1.022 cts. per KWH	1.603 cts. per KWH
1-1-09 through 12-31-09	1.144 cts. per KWH	0.000 cts. per KWH	1.802 cts. per KWH

When the regular blocks of the Distribution Charge, Competitive Transition Charge, Intangible Transition Charge, and Capacity and Energy Charge rates are increased by the multiple dwelling unit application, the Distribution per month charge is applied only once to the Distribution Charge rate, and the 400 KWH water heating block is applied only once after the multiple application of the 200 KWH block in the Competitive Transition Charge, Intangible Transition Charge, and Capacity and Energy Charge rates.

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

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE RS (CONTINUED)

(C)

OFF-PEAK WATER HEATING (Effective 1-1-08) (Continued)

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

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

MULTIPLE DWELLING UNIT APPLICATION

When multiple dwelling units are supplied through one meter, the per month charge and the KWH block charges of the Distribution Charge rate, plus each block of the Competitive Transition Charge, and Intangible Transition Charge rates and, for customers who receive Basic Utility Supply Service from the Company, Capacity and Energy Charge rates are multiplied by the number of dwelling units in the determination of the net monthly bill under this Rate Schedule. Demand billing does not apply under this provision.

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

(C)

When water heating use is supplied exclusively through a separate meter and is equipped with automatic timing controls, water heating service is billed separately at the per month charge and the KWH block charges of the Distribution Charge rate, plus the following Competitive Transition Charge and Intangible Transition Charge rates and, for customers who receive Basic Utility Supply Service from the Company, the following Capacity and Energy Charge rate. The Monthly Minimum Bill applies to this service. No new applications will be accepted after January 1, 2000.

<u>Effective</u>	<u>Competitive Transition Charge</u>	<u>Intangible Transition Charge</u>	<u>Capacity and Energy Charge</u>
1-1-08 through 12-31-08	0.189 cts. per KWH	1.022 cts. per KWH	1.051 cts. per KWH
1-1-09 through 12-31-09	1.144 cts. per KWH	0.000 cts. per KWH	1.250 cts. per KWH

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and kWh billed under this rate schedule.

(Continued)

RATE SCHEDULE RS (CONTINUED)

(C)

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

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

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

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

RENEWABLE ENERGY DEVELOPMENT RIDER

The Renewable Energy Development Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

DEMAND SIDE RESPONSE RIDER – RESIDENTIAL (EXPERIMENTAL)

The Demand Side Response Rider – Residential included in this Tariff is available to eligible customers served under this Rate Schedule.

UNIVERSAL SERVICE RIDER

The Universal Service Rider included in this tariff applies to the Distribution Charges under this Rate Schedule.

(Continued)

RATE SCHEDULE RS (CONTINUED)

(C)

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

PAYMENT

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

APPLICATION PROVISIONS

(C)

For the purposes of the application of this Rate Schedule, a dwelling is defined as a living space consisting of at least permanent provisions for shelter, dining, sleeping, and cooking, with provisions for permanent electric, water, and sanitation services.

- (1) This Rate Schedule is for single phase electric service for:
 - (a) A single family dwelling and detached buildings when the detached buildings are served at the customer's expense through the same meter as the single family dwelling.
 - (b) A separate dwelling unit in an apartment house.
 - (c) A single farm dwelling and general farm uses when general farm uses are served at the customer's expense through the same meter as the single farm dwelling.
 - (d) A building previously wired for single meter service which is converted to not more than 8 separate dwelling units served through one meter.

(Continued)

RATE SCHEDULE RS (CONTINUED)

(C)

APPLICATION PROVISIONS (Continued)

(2) This Rate Schedule does not apply to:

- (a) Residential service that includes more than 2,000 watts of connected load attributable to commercial or professional use exclusive of space heating and air conditioning in common with the residence.
- (b) Residential service combined with any commercial or professional use outside the residence or in a section of a multi-use building that is separate from the dwelling unit.
- (c) Service which includes common use in excess of 5,500 watts of connected load for halls, basement, or other portions of an apartment building.
- (d) Single meter service to multiple dwelling units in buildings constructed after June 28, 1980.
- (e) Establishments recognized by name, notice or advertisement, such as hotels, clubs, fraternities, sororities, boarding houses, institutions, orphanages, rest homes, tourist homes and rooming houses with more than 3 rooms available for such use and rectories and convents with accommodations for more than 5 adults.
- (f) Residential service locations connected on or after September 28, 1995, which include more than 2,000 watts of general farm load.

(C)

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

(4) Electric water heaters served hereunder must be equipped with thermostatically controlled noninductive heating elements so connected that not more than 5,500 watts can be operated at one time. The Company reserves the right to install necessary devices to control the operation of electric water heaters at its option.

RATE SCHEDULE RTS (R)

(C)

RESIDENTIAL SERVICE - THERMAL STORAGE

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

APPLICATION RATE SCHEDULE RTS (R)

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

NET MONTHLY RATE

Distribution Charge

\$17.13 per month plus

0.534 cts. per KWH for the first 200 KWH

0.534 cts. per KWH for the next 600 KWH

0.534 cts. per KWH for all additional KWH.

(I)

(I)

(I)

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.119 cts. per KWH for all KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

0.719 cts. per KWH for all KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

0.641 cts. per KWH for all KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per KWH for all KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$5.31 per kilowatt of on-peak billing KW in excess of 2 KW.

3.201 cts. per KWH for all KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$5.31 per kilowatt of on-peak billing KW in excess of 2 KW.

3.275 cts. per KWH for all KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and kWh billed under this rate schedule.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE RTS (R) (CONTINUED) (C)

MONTHLY MINIMUM

The Monthly Minimum Distribution Charge is \$17.13. Monthly Minimums apply to services provided by the Company. (I)

BILLING KW (C)

The billing demand is the average kilowatts supplied during the 15-minute period of maximum use during the on-peak hours of the current billing period and is applied to the non-distribution components of the bill.

ON-PEAK HOURS

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

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

RENEWABLE ENERGY DEVELOPMENT RIDER

The Renewable Energy Development Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

UNIVERSAL SERVICE RIDER

The Universal Service Rider included in this tariff applies to the Distribution Charges under this Rate Schedule.

(Continued)

RATE SCHEDULE RTS (R) (CONTINUED)

(C)

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

PAYMENT

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

APPLICATION PROVISIONS

1. This Rate Schedule is applicable to service which would otherwise qualify under Rate Schedule RS except for the following:

- (a) Service to two or more separate dwelling units supplied through a single meter.
- (b) Seasonal service and seasonal use customers.
- (c) Service with separate meter controlled water heater service.
- (d) Residential service with general farm use which includes more than 2,000 watts.

2. Any changes in service entrance equipment to accommodate metering under this Rate Schedule are made by the customer at his own expense.

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

(Continued)

RATE SCHEDULE RTS (R) (CONTINUED)

(C)

APPLICATION PROVISIONS (Continued)

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

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

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

**RATE SCHEDULE RTD (R)
RESIDENTIAL SERVICE - TIME-OF-DAY**

(C)

No new applications will be accepted after January 1, 2000.

APPLICATION RATE SCHEDULE RTD (R)

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

NET MONTHLY RATE

Distribution Charge

\$8.00 per month plus

- 3.500 cts. per KWH for the first 200 KWH
- 2.907 cts. per KWH for the next 600 KWH
- 2.025 cts. per KWH for all additional KWH.

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Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

- 0.407 cts. per KWH for all on-peak KWH.
- 0.133 cts. per KWH for all off-peak KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

- 2.314 cts. per KWH for all on-peak KWH.
- 0.753 cts. per KWH for all off-peak KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

- 2.188 cts. per KWH for all on-peak KWH.
- 0.712 cts. per KWH for all off-peak KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

- 0.000 cts. per KWH for all on-peak KWH.
- 0.000 cts. per KWH for all off-peak KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

- 10.17 cts. per KWH for all on-peak KWH.
- 3.025 cts. per KWH for all off-peak KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

- 10.528 cts. per KWH for all on-peak KWH.
- 3.143 cts. per KWH for all off-peak KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or kWh billed under this rate schedule.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE RTD (R) (CONTINUED) (C)

MONTHLY MINIMUM

The Monthly Minimum Distribution Charge is \$8.00. Monthly Minimums apply to services provided by the Company. (D)

ON-PEAK HOURS

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

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

RENEWABLE ENERGY DEVELOPMENT RIDER

The Renewable Energy Development Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

UNIVERSAL SERVICE RIDER

The Universal Service Rider included in this tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE RTD (R) (CONTINUED)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

PAYMENT

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

APPLICATION PROVISIONS

(C)

- (1) This Rate Schedule is applicable for single phase electric service which would qualify under Rate Schedule RS.
- (2) This Rate Schedule does not apply to:
 - (a) Residential service that includes more than 2,000 watts of connected load attributable to commercial or professional use exclusive of space heating and air conditioning in common with the residence.
 - (b) Residential service combined with farm use or with any commercial or professional use outside the residence or in a section of a multi-use building that is separate from the dwelling unit.
 - (c) Service which includes common use in excess of 5,500 watts of connected load for halls, basement, or other portions of an apartment building.
 - (d) Single meter service to multiple dwelling units.
 - (e) Establishments recognized by name, notice or advertisement, such as hotels, clubs, fraternities, sororities, boarding houses, institutions, orphanages, rest homes, tourist homes and rooming houses with more than 3 rooms available for such use and rectories and convents with accommodations for more than 5 adults.
- (3) Where any use of service at a residence or on a farm is not eligible for the application of this Rate Schedule, customer has the option to provide separate circuits so that the portion that is applicable can be metered and billed separately hereunder and the remaining portion can be billed under the applicable general service rate schedule. When separate circuits are not provided, the entire service is billed under the applicable general service rate schedule.

**RATE SCHEDULE GS-1
SMALL GENERAL SERVICE
AT SECONDARY VOLTAGE**

(C)

APPLICATION RATE SCHEDULE GS-1

This Rate Schedule is for small general single phase service at secondary voltage. The billing demand is limited to 5 KW for accounts served under discontinued Rate Schedule FC as of June 28, 1980. New applications with voltage levels higher than the secondary voltage will not be accepted after January 1, 2005.

Effective January 1, 2008, new General Service customers receiving single-phase service will be served under Rate Schedule GS-1. Customers taking service under Rate Schedule GS-1 or Rate Schedule GS-3 as of December 31, 2007 will continue to be allowed to switch from one rate schedule to the other until January 1, 2010, subject to existing rules and restrictions. On and after January 1, 2010, these customers may no longer switch between Rate Schedule GS-1 and Rate Schedule GS-3 except that: (1) three-phase customers on Rate Schedule GS-1 may switch to Rate Schedule GS-3 but may not thereafter switch back to Rate Schedule GS-1; and (2) single phase customers on Rate Schedule GS-3 may switch to Rate Schedule GS-1, but may not thereafter switch back to Rate Schedule GS-3.

NET MONTHLY RATE

Distribution Charge

\$11.32 per month plus

\$2.26 per kilowatt for all Billing KW in excess of 5 KW.

2.404 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

1.339 cts. per KWH for all additional KWH.

**(I)
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Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.248 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

0.186 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

1.484 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

1.115 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

1.334 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

1.002 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

6.983 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

5.087 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

PPL Electric Utilities Corporation

Supplement No. 59
Electric Pa. P.U.C. No. 201
Seventeenth Revised Page No. 24A
Canceling Fifteenth & Sixteenth Revised Page No. 24A

RATE SCHEDULE GS-1 (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

7.149 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

5.213 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and KWH billed under this rate schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand for the bill is 5 KW.

The Monthly Minimum Distribution Charge is 5 KW times the demand step of the effective Distribution Charge.

Monthly Minimums apply to services provided by the Company.

BILLING KW

(C)

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

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

The Billing KW applicable to the charges under this Rate Schedule for customers with on-peak hours for billing purposes is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE GS-1 (CONTINUED)

(C)

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-08)

(C)

For customers served under this Rate Schedule, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate meter. The KWH block charges of the Distribution Charge rate is billed for all KWHs under this tariff provision. The following Competitive Transition Charge, Intangible Transition Charge and, for customers who receive Basic Utility Supply Service from the Company, the following Capacity and Energy Charge applies. Any Billing KW resulting from usage during on-peak hours is billed at a rate of \$20.67 per KW. The Monthly Minimum applies to this service. No new applications will be accepted after January 1, 2000.

(I)

<u>Effective</u>	<u>Competitive Transition Charge</u>	<u>Intangible Transition Charge</u>	<u>Capacity and Energy Charge</u>
1-1-08 through 12-31-08	0.000 cts. per KWH	0.236 cts. per KWH	0.000 cts. per KWH
1-1-09 through 12-31-09	0.236 cts. per KWH	0.000 cts. per KWH	0.000 cts. per KWH

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and KWH billed under this rate schedule.

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

SERVICE TO VOLUNTEER FIRE COMPANIES, NON-PROFIT SENIOR CITIZEN CENTERS, NON-PROFIT RESCUE SQUADS, AND NON-PROFIT AMBULANCE SERVICES

Upon application and acceptance by the Company, Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-profit Ambulance Services may, for a minimum one year period, elect to have electric service rendered pursuant to the following charges.

Distribution Charge

- \$8.00 per month plus
- 2.640 cts. per KWH for the first 200 KWH.
- 2.387 cts. per KWH for the next 600 KWH.
- 2.242 cts. per KWH for all additional KWH.

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Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

- 0.214 cts. per KWH for the first 200 KWH.
- 0.190 cts. per KWH for the next 600 KWH.
- 0.175 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE GS-1 (CONTINUED)

(C)

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

- 1.293 cts. per KWH for the first 200 KWH.
- 1.147 cts. per KWH for the next 600 KWH.
- 1.059 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

- 1.154 cts. per KWH for the first 200 KWH.
- 1.024 cts. per KWH for the next 600 KWH.
- 0.946 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

- 0.000 cts. per KWH for the first 200 KWH.
- 0.000 cts. per KWH for the next 600 KWH.
- 0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

- 5.819 cts. per KWH for the first 200 KWH.
- 5.114 cts. per KWH for the next 600 KWH.
- 4.692 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

- 5.949 cts. per KWH for the first 200 KWH.
- 5.231 cts. per KWH for the next 600 KWH.
- 4.800 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

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

NON-PROFIT SENIOR CITIZEN CENTER is defined as a separately metered service location consisting of a facility for the use of senior citizens coming together as individuals or groups where access to a wide range of service to senior citizens is provided, which is qualified by the Internal Revenue Service (IRS) as non-profit and recognized by the Pennsylvania Department of Aging as an operator of a senior citizen center. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit senior citizen center.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE GS-1 (CONTINUED)

(C)

NON-PROFIT RESCUE SQUAD is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular rescue equipment, or a facility that is qualified by the IRS as non-profit and recognized by PEMA and the Departments of Health as a provider of rescue services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit rescue squad.

NON-PROFIT AMBULANCE SERVICE is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular ambulance equipment, or a facility that is qualified by the IRS as non-profit and certified by Pennsylvania Department of Health as a provider of ambulance services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit ambulance service.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

RENEWABLE ENERGY DEVELOPMENT RIDER

The Renewable Energy Development Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

(Continued)

RATE SCHEDULE GS-1 (CONTINUED)

(C)

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

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

(C)

APPLICATION RATE SCHEDULE GS-3

(C)

This Rate Schedule is for large general two and greater service at secondary voltage. Where necessary, the Company furnishes and maintains one transformation from line voltage to a lower Company standard service voltage. New applications with voltage levels higher than the secondary voltage will not be accepted after January 1, 2005.

Effective January 1, 2008, new General Service customers receiving three-phase service will be served under Rate Schedule GS-3. Customers taking service under Rate Schedule GS-1 or Rate Schedule GS-3 as of December 31, 2007 will continue to be allowed to switch from one rate schedule to the other until January 1, 2010, subject to existing rules and restrictions. On and after January 1, 2010, these customers may no longer switch between Rate Schedule GS-1 and Rate Schedule GS-3 except that: (1) three-phase customers on Rate Schedule GS-1 may switch to Rate Schedule GS-3 but may not thereafter switch back to Rate Schedule GS-1; and (2) single phase customers on Rate Schedule GS-3 may switch to Rate Schedule GS-1, but may not thereafter switch back to Rate Schedule GS-3.

NET MONTHLY RATE

Distribution Charge

\$4.692 per kilowatt for all kilowatts of the Billing KW

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.196 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.154 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.148 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

1.168 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.914 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.879 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

1.055 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.826 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.794 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$4.461 per kilowatt for all kilowatts of the Billing KW.
4.940 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
3.760 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
3.593 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$4.451 per kilowatt for all kilowatts of the Billing KW.

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

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

3.693 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and KWH billed under this rate schedule.

MONTHLY MINIMUMS

The Minimum Billing Demand for the bill is 25 KW.

(C)

The Monthly Minimum Distribution Charge is 25 KW times the demand step of the effective Distribution Charge, and the Monthly Minimum Capacity and Energy Charge is 25 KW times the demand step of the effective Capacity and Energy Charge.

Monthly Minimums apply to services provided by the Company.

BILLING KW

(C)

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

The Billing KW applicable to the charges under this Rate Schedule for customers with on-peak hours for billing purposes is the average number of kilowatts supplied during the 15-minute period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

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

ECONOMIC DEVELOPMENT INITIATIVES RIDER

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

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)

(C)

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-08)

(C)

For customers served under this Rate Schedule, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate meter. The following Competitive Transition Charge, Intangible Transition Charge and, for customers who receive Basic Utility Supply Service from the Company, the following Capacity and Energy Charge applies. All Billing KW resulting from usage during on-peak hours is billed at a rate of \$22.14 per KW. The Monthly Minimum applies to this service. No new applications will be accepted after January 1, 2000.

(I)

<u>Effective</u>	<u>Competitive Transition Charge</u>	<u>Intangible Transition Charge</u>	<u>Capacity and Energy Charge</u>
1-1-08 through 12-31-08	0.176 cts. per KWH	0.948 cts. per KWH	1.828 cts. per KWH
1-1-09 through 12-31-09	1.050 cts. per KWH	0.000 cts. per KWH	1.950 cts. per KWH

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and KWH billed under this rate schedule.

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

SERVICE TO VOLUNTEER FIRE COMPANIES NON-PROFIT SENIOR CITIZEN CENTERS NON-PROFIT RESCUE SQUADS, AND NON-PROFIT AMBULANCE SERVICES

Upon application and acceptance by the Company, Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Revenue Squads, and Non-Profit Ambulance Services may for a minimum one-year period, elect to have electric service rendered pursuant to the following charges.

Distribution Charge

- \$8.000 per month plus
- 2.640 cts. per KWH for the first 200 KWH
- 2.387 cts. per KWH for the next 600 KWH.
- 2.242 cts. per KWH for all additional KWH.

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(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)

(C)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

- 0.214 cts. per KWH for the first 200 KWH.
- 0.190 cts. per KWH for the next 600 KWH.
- 0.175 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

- 1.293 cts. per KWH for the first 200 KWH.
- 1.147 cts. per KWH for the next 600 KWH.
- 1.059 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

- 1.154 cts. per KWH for the first 200 KWH.
- 1.024 cts. per KWH for the next 600 KWH.
- 0.946 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

- 0.000 cts. per KWH for the first 200 KWH.
- 0.000 cts. per KWH for the next 600 KWH.
- 0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

- 5.819 cts. per KWH for the first 200 KWH.
- 5.114 cts. per KWH for the next 600 KWH.
- 4.692 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

- 5.949 cts. per KWH for the first 200 KWH.
- 5.231 cts. per KWH for the next 600 KWH.
- 4.800 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

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

(Continued)

RATE SCHEDULE GS-3 (CONTINUED)

(C)

NON-PROFIT RESCUE SQUAD is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular rescue equipment, or a facility that is qualified by the IRS as non-profit and recognized by PEMA and the Departments of Health as a provider of rescue services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit rescue squad.

NON-PROFIT AMBULANCE SERVICE is defined as a separately metered service location consisting of a building, sirens, a garage for housing vehicular ambulance equipment, or a facility that is qualified by the IRS as non-profit and certified by Pennsylvania Department of Health as a provider of ambulance services. The use of electric service by the customer of record at this location shall be to support the activities of the non-profit ambulance service.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

RENEWABLE ENERGY DEVELOPMENT RIDER

The Renewable Energy Development Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE GS-3 (CONTINUED)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

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

(C)

APPLICATION RATE SCHEDULE LP-4

This Rate Schedule is for large general service supplied from available lines of three phase 12,470 volts or single phase 7,200 volts when the customer furnishes and maintains all equipment necessary to transform the energy from line voltage. New applications with voltage levels higher or lower than 12,470 volts will not be accepted after January 1, 2005.

NET MONTHLY RATE

Distribution Charge

\$2.299 per kilowatt for all kilowatts of the Billing KW.

(D)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.139 per kilowatt for all kilowatts of the Billing KW.

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

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

0.116 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.809 per kilowatt for all kilowatts of the Billing KW.

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

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

0.682 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.744 per kilowatt for all kilowatts of the Billing KW.

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

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

0.623 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.000 per kilowatt for all kilowatts of the Billing KW.

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

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

0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$4.107 per kilowatt for all kilowatts of the Billing KW.

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

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

3.229 cts. per KWH for all additional KWH

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE LP-4 (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$4.198 per kilowatt for all kilowatts of the Billing KW.

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

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

3.302 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

The Minimum Billing Demand for the bill is 25 KW.

The Monthly Minimum Distribution Charge is 25 KW times the demand step of the effective Distribution Charge. The Monthly Minimum Competitive Transition Charge is 25 KW times the demand step of the effective Competitive Transition Charge. The Monthly Minimum Intangible Transition Charge is 25 KW times the demand step of the effective Intangible Transition Charge. The Monthly Minimum Capacity and Energy Charge is 25 KW times the demand step of the effective Capacity and Energy Charge.

Monthly Minimums apply to services provided by the Company.

BILLING KW

(C)

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

The Billing KW applicable to the charges under this Rate Schedule for customers with on-peak hours for billing purposes is the average number of kilowatts supplied during the 15-minute period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE LP-4 (CONTINUED)

(C)

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

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

ECONOMIC DEVELOPMENT INITIATIVES RIDER

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

OFF-PEAK SPACE CONDITIONING AND WATER HEATING (Effective 1-1-08)

(C)

For customers served under this Rate Schedule, off-peak energy for storage space conditioning and/or water heating may be supplied exclusively through a separate submeter. The following Competitive Transition Charge, Intangible Transition Charge and, for customers who receive Basic Utility Supply Service from the Company, the following Capacity and Energy Charge applies. The Monthly Minimum applies to this service. No new applications will be accepted after January 1, 2000.

<u>Effective</u>	<u>Competitive Transition Charge</u>	<u>Intangible Transition Charge</u>	<u>Capacity and Energy Charge</u>
1-1-08 through 12-31-08	0.147 cts. per KWH	0.786 cts. per KWH	2.141 cts. per KWH
1-1-09 through 12-31-09	0.860 cts. per KWH	0.000 cts. per KWH	2.233 cts. per KWH

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

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

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

(Continued)

RATE SCHEDULE LP-4 (CONTINUED)

(C)

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

DEMAND SIDE INITIATIVE RIDER (EXPERIMENTAL)

The Demand Side Initiative Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

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

(C)

APPLICATION RATE SCHEDULE LP-5

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

NET MONTHLY RATE

Distribution Charge
\$696.00 per month

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.169 per kilowatt for all kilowatts of the Billing KW.
0.156 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.133 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.115 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.981 per kilowatt for all kilowatts of the Billing KW.
0.913 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.779 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.678 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.899 per kilowatt for all kilowatts of the Billing KW.
0.843 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.718 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.625 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.000 per kilowatt for all kilowatts of the Billing KW.
0.000 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$4.975 per kilowatt for all kilowatts of the Billing KW.
4.423 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
3.723 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
3.199 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE LP-5 (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$5.076 per kilowatt for all kilowatts of the Billing KW.

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

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

3.273 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

(C)

The Monthly Minimum Distribution Charge is \$696.00 per month. It applies to services provided by the Company.

(I)

BILLING KW

(C)

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

The Billing KW applicable to the charges under this Rate Schedule for customers with on-peak hours for billing purposes is the average number of kilowatts supplied during the 15-minute period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

INDUSTRIAL DEVELOPMENT INITIATIVES RIDER

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

ECONOMIC DEVELOPMENT INITIATIVES RIDER

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

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE LP-5 (CONTINUED)

(C)

DEMAND FREE DAYS (EXPERIMENTAL)

(C)

A customer taking service under this Rate Schedule having a monthly maximum demand of 5,000 KW or greater, is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than 4.071 cts. per KWH, or the local distribution system has insufficient capacity to meet the expected load.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

DEMAND SIDE INITIATIVE RIDER (EXPERIMENTAL)

The Demand Side Initiative Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE LP-5 (CONTINUED)

(C)

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

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

(C)

APPLICATION RATE SCHEDULE LP-6

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

NET MONTHLY RATE

Distribution Charge
\$891.00 per month

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.178 per kilowatt for all kilowatts of the Billing KW.
0.145 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.
0.090 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.073 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

\$1.062 per kilowatt for all kilowatts of the Billing KW.
0.865 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.
0.538 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.435 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.957 per kilowatt for all kilowatts of the Billing KW.
0.775 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.
0.483 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.389 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.000 per kilowatt for all kilowatts of the Billing KW.
0.000 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$4.953 per kilowatt for all kilowatts of the Billing KW.
4.135 cts. per KWH for the first 400 KWH per kilowatt of the Billing KW.
2.449 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
1.914 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE LP-6 (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$4.996 per kilowatt for all kilowatts of the Billing KW.

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

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

1.930 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

(C)

The Monthly Minimum Distribution Charge is \$891.00 per month. It applies to services provided by the Company.

(I)

BILLING KW

(C)

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

The Billing KW applicable to the charges under this Rate Schedule for customers with on-peak hours for billing purposes is the average number of kilowatts supplied during the 15-minute period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

DEMAND FREE DAYS (EXPERIMENTAL)

(C)

A customer taking service under this Rate Schedule having a monthly maximum demand of 5,000 KW or greater, is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free Day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than 4.071cts. per KWH, or the local distribution system has insufficient capacity to meet the expected load.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE LP-6 (CONTINUED)

(C)

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

DEMAND SIDE INITIATIVE RIDER (EXPERIMENTAL)

The Demand Side Initiative Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE LP-6 (CONTINUED)

(C)

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

**RATE SCHEDULE LPEP
POWER SERVICE TO ELECTRIC PROPULSION**

(C)

APPLICATION RATE SCHEDULE LPEP

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

NET MONTHLY RATE

Distribution Charge
\$37,100.00 per month

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.334 per kilowatt for all kilowatts of the Billing KW.
0.329 cts. per KWH for the first 1,200,000 KWH.
0.310 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.203 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
\$2.064 per kilowatt for all kilowatts of the Billing KW.
1.994 cts. per KWH for the first 1,200,000 KWH.
1.880 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
1.232 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
\$1.801 per kilowatt for all kilowatts of the Billing KW.
1.765 cts. per KWH for the first 1,200,000 KWH.
1.664 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
1.092 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.000 per kilowatt for all kilowatts of the Billing KW.
0.000 cts. per KWH for the first 1,200,000 KWH.
0.000 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)
\$2.883 per kilowatt for all Billing KW.
3.047 cts. per KWH for the first 1,200,000 KWH.
2.852 cts. per KWH for the next 250 KWH per kilowatt of the Billing KW.
1.747 cts. per KWH for all additional KWH.

(Continued)

RATE SCHEDULE LPEP (CONTINUED)

(C)

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$3.045 per kilowatt for all Billing KW.

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

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

1.864 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

The Monthly Minimum Distribution Charge is \$37,100.00 per month. It applies to services provided by the Company.

(I)

(C)

BILLING KW

(C)

The Billing KW applicable to the charges under this Rate Schedule is the average of the weekly demands supplied during the one-hour period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

DEMAND FREE DAYS (EXPERIMENTAL)

(C)

A customer taking service under this Rate Schedule having a monthly maximum demand of 5,000 KW or greater is eligible for Demand Free days. An eligible customer may pre-select three (3) weekdays per week, from Tuesday through Friday, as Demand Free. The demand created by the customer on the pre-selected days will not be used for billing purposes. The customer must specify annually which three weekdays per week will be Demand Free for the succeeding year. Terms and conditions for service under this provision are covered by contract. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE LPEP (CONTINUED)

(C)

DEMAND FREE DAYS (EXPERIMENTAL) (Continued)

The Company will notify the customer by 2:00 p.m. of the weekday preceding a Demand Free day if the Demand Free day is canceled. A Demand Free day will not be canceled by the Company unless the incremental cost to carry the Company's system load is greater than 4.071 cts. per KWH or the local distribution system has insufficient capacity to meet the expected load.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

(Continued)

RATE SCHEDULE LPEP (CONTINUED)

(C)

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

**RATE SCHEDULE IS-1(R)
INTERRUPTIBLE SERVICE TO GREENHOUSES**

(C)

No new applications will be accepted after January 1, 2000.

APPLICATION RATE SCHEDULE IS-1(R)

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

NET MONTHLY RATE

Distribution Charge
\$840.00 per month

(D)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.121 per kilowatt for all kilowatts of the Billing KW.
0.198 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
0.157 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.759 per kilowatt for all kilowatts of the Billing KW.
1.292 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
1.021 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.627 per kilowatt for all kilowatts of the Billing KW.
1.066 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
0.842 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.000 per kilowatt for all kilowatts of the Billing KW.
0.000 cts. per KWH for the first 730 KWH per kilowatt of Billing KW.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)
\$1.679 per kilowatt for all kilowatts of the Billing KW.
3.011 cts. per KWH for the first 730 KWH per kilowatt of the Billing KW.
2.271 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)
\$1.699 per kilowatt for all kilowatts of the Billing KW.
3.036 cts. per KWH for the first 730 KWH per kilowatt of the Billing KW.
2.289 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-1(R) (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUM

The Monthly Minimum Distribution Charge is \$840.00. Monthly Minimums apply to services provided by the Company.

(D)

BILLING KW

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

(C)

LOAD INTERRUPTION

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

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

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-1(R) (CONTINUED)

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

RATE SCHEDULE IS-P(R)

(C)

INTERRUPTIBLE LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER

(C)

No new applications will be accepted after January 1, 2000.

APPLICATION RATE SCHEDULE IS-P(R)

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

INTERRUPTIBLE POWER

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

(C)

NET MONTHLY RATE

Distribution Charge

\$1.817 per kilowatt for all kilowatts of the Billing KW.

(D)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.111 per kilowatts for all kilowatts of the Billing KW.

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

0.079 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.658 per kilowatts for all kilowatts of the Billing KW.

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

0.471 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.587 per kilowatts for all kilowatts of the Billing KW.

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

0.423 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.000 per kilowatts for all kilowatts of the Billing KW.

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

0.000 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$3.733 per kilowatt for all kilowatts of the Billing KW.

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

2.662 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$3.804 per kilowatt for all kilowatts of the Billing KW.

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

2.712 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 25 KW.

The Monthly Minimum Distribution Charge is 25 KW times the demand step of the effective Distribution Charge. The Monthly Minimum Competitive Transition Charge is 25 KW times the demand step of the effective Competitive Transition Charge. The Monthly Minimum Intangible Transition Charge is 25 KW times the demand step of the effective Intangible Transition Charge. The Monthly Minimum Capacity and Energy Charge is 25 KW times the demand step of the effective Capacity and Energy Charge.

Monthly Minimums apply to services provided by the Company.

(C)

BILLING KW

(C)

The monthly Billing KW for the non-distribution components of the bill is calculated as:

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

The billing KW for the distribution component of the bill is the average number of kilowatts supplied during the 15-minute period of maximum use during the current billing period.

ON-PEAK HOURS

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

MAXIMUM ON-PEAK DEMAND

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

ON-PEAK LOAD FACTOR

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

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

AVERAGE ON-PEAK LOAD FACTOR

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

FIRM POWER

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

INTERRUPTIBLE POWER

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

HOURS OF INTERRUPTION

Load interruptions may be called by the Company as required for economic load control, for system and local emergencies, and for tests of the customer's ability and readiness to interrupt load during an emergency. The frequency of load interruptions shall be no more than 15 per calendar year with such interruptions being no more than 10 hours in any one day; or more often than five days in any single month; or more than 150 hours in a calendar year. No more than 5 of these load interruptions and 50 hours of interruptions may be for economic load control. Whenever possible, the customer will be notified in advance of a probable interruption and the estimated duration of the interruption. The customer is obligated to interrupt load during emergencies and emergency tests, but has the option to interrupt, or accept an additional charge for continued use, during periods of economic load control.

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

The charge for continued use (KWH) of interruptible load (KW) during a period of economic load control is the sum of the charges under the Rate Schedule plus the actual Locational Marginal Price rate as developed by PJM for the load bus to which the energy is delivered, applied to all KWH used during the interruption period. PP&L shall, upon request of the customer, identify the load bus to which energy used by that customer is delivered. Upon request of any customer subject to economic load control, the Company will develop terms and conditions consistent with applicable PJM, operational, legal and regulatory requirements under which such customer may arrange in advance for a supplier, other than the Company, to provide to the Company the actual replacement capacity and energy used during the economic load control period, in lieu of the Company's charges for actual replacement capacity and energy costs.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

HOURS OF INTERRUPTION (Continued)

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

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

DEMAND SIDE INITIATIVE RIDER (EXPERIMENTAL)

The Demand Side Initiative Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from time date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

RATE SCHEDULE IS-T(R) (C)
INTERRUPTIBLE LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

No new applications will be accepted after January 1, 2000.

APPLICATION RATE SCHEDULE IS-T(R) (C)

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

INTERRUPTIBLE POWER

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

NET MONTHLY RATE

Distribution Charge (C)
\$1,270.20 per month (I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.172 per kilowatt for all kilowatts of the Billing KW.
0.113 cts. per KWH for the first 400 hours use of Billing KW.
0.076 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
\$1.012 per kilowatt for all kilowatts of the Billing KW.
0.684 cts. per KWH for the first 400 hours use of Billing KW.
0.457 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.910 per kilowatt for all kilowatts of the Billing KW.
0.613 cts. per KWH for the first 400 hours use of Billing KW.
0.410 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.000 per kilowatt for all kilowatts of the Billing KW.
0.000 cts. per KWH for the first 400 hours use of Billing KW.
0.000 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

- \$5.624 per kilowatt for all kilowatts of the Billing KW.
- 4.011 cts. per KWH for the first 400 hours use of Billing KW.
- 2.553 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

- \$5.736 per kilowatt for all kilowatts of the Billing KW.
- 4.082 cts. per KWH for the first 400 hours use of Billing KW.
- 2.604 cts. per KWH for all additional KWH.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

(C)

The Monthly Minimum Distribution Charge is \$1,270.20 per month. It applies to services provided by the Company.

(I)

BILLING KW

(C)

The monthly Billing KW is calculated as:

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

ON-PEAK HOURS

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

MAXIMUM ON-PEAK DEMAND

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

ON-PEAK LOAD FACTOR

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

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

AVERAGE ON-PEAK LOAD FACTOR

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

FIRM POWER

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

INTERRUPTIBLE POWER

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

HOURS OF INTERRUPTION

Load interruptions may be called by the Company as required for economic load control, for system and local emergencies, and for tests of the customer's ability and readiness to interrupt load during an emergency. The frequency of load interruptions shall be no more than 15 per calendar year with such interruptions being no more than 10 hours in any one day; or more often than five days in any single month; or more than 150 hours in a calendar year. No more than 5 of these load interruptions and 50 hours of interruptions may be for economic load control. Whenever possible, the customer will be notified in advance of a probable interruption and the estimated duration of the interruption. The customer is obligated to interrupt load during emergencies and emergency tests, but has the option to interrupt, or accept an additional charge for continued use, during periods of economic load control.

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

The charge for continued use (KWH) of interruptible load (KW) during a period of economic load control is the sum of the charges under the Rate Schedule plus the actual Locational Marginal Price rate for the PPL Zone as developed by PJM, applied to all KWH used during the interruption period. The Company shall, upon request of the customer, identify the load bus to which energy used by that customer is delivered. Upon request of any customer subject to economic load control, the Company will develop terms and conditions consistent with applicable PJM, operational, legal and regulatory requirements under which such customer may arrange in advance for a supplier, other than the Company, to provide to the Company the actual replacement capacity and energy used during the economic load control period, in lieu of the Company's charges for actual replacement capacity and energy costs.

(C)

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

HOURS OF INTERRUPTION (Continued)

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

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

DEMAND SIDE INITIATIVE RIDER (EXPERIMENTAL)

The Demand Side Initiative Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-T (R) (CONTINUED)

(C)

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

RATE SCHEDULE PR-1(R) (CONTINUED)

(C)

If customers served under this Rate Schedule purchase capacity and energy from their choice of electric generation supplier, the applicable rate schedule Distribution Charge will not be applied to the customers' incremental usage above the CBL.

PROGRAM CHARGE

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

GROSS RECEIPTS TAX

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

APPLICATION OF RIDERS

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

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

TRANSMISSION CHARGE

The Company will provide and charge for Transmission service consistent with the PJM Open Access Transmission tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule for the CBL, but is not applied to charges or credits under this Rate Schedule for incremental or decremental KWH usage, nor to charges under the Generation Rate Adjustment Rider.

(Continued)

(C) Indicates Change

RATE SCHEDULE PR-1(R) (CONTINUED)

(C)

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

PARTICIPATION IN PJM LOAD RESPONSE PROGRAMS

A customer served under this Rate Schedule may elect to participate in either the PJM Emergency Load Response Program (effective June 1, 2002) or the PJM Economic Load Response Program (effective June 1, 2002) only if the customer agrees to forego compensation from the Company for KWH reductions below the CBL. A customer may elect this option or reverse such prior election for an entire billing period at no additional charge.

However, a charge of \$225, plus gross receipts tax, will be imposed in the event a customer changes his election during a billing period. The \$225 charge, plus gross receipts tax, will cover all subsequent changes within the same billing period. A customer electing this option will continue to be billed at the RTP for usage above the CBL.

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

Service under Rate Schedule PR-2(R) is available only to existing customers taking service under this Rate Schedule as of August 1, 1998.

APPLICATION PROVISIONS

This Rate Schedule is applicable to industrial and commercial customers with interruptible power requirements with a monthly maximum demand of 2000 KW or greater year-round and currently are served under Rate Schedule IS-P or IS-T. An electric service contract is required for billing under this Rate Schedule.

The pilot program and billing under this Rate Schedule will end on January 1, 2010.

(C)

DEFINITIONS

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5, for one complete year. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5.

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

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

2. Marginal Operating Cost -- is a forecasted hourly marginal cost based on the day-ahead PJM Locational Marginal Price.

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

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

If customers served under this Rate Schedule purchase capacity and energy from their choice of electric generation supplier, the applicable rate schedule Distribution Charge will not be applied to the customers' incremental usage above the CBL.

(Continued)

RATE SCHEDULE PR-2(R) (CONTINUED)

(C)

PROGRAM CHARGE

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

GROSS RECEIPTS TAX

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

OBLIGATION TO INTERRUPT

a) Customers will be required to interrupt in accordance with Rate Schedule IS-P or IS-T. Failure to interrupt during emergencies and emergency tests will subject the customer to the applicable penalties.

b) During an interruption, the CBL will be reduced to the customer's Firm Power level after a two hour notice.

APPLICATION OF RIDERS

The Economic Development Initiatives Rider and Industrial Development Initiatives Rider included in this Tariff are not applied to customers served under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

TRANSMISSION CHARGE

The Company will provide and charge for Transmission service consistent with the PJM Open Access Transmission tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

(Continued)

RATE SCHEDULE PR-2(R) (CONTINUED)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule for the CBL, but is not applied to charges or credits under this Rate Schedule for incremental or decremental KWH usage, nor to charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

PARTICIPATION IN PJM LOAD RESPONSE PROGRAMS

A customer served under this Rate Schedule may elect to participate in either the PJM Emergency Load Response Program (effective June 1, 2002) or the PJM Economic Load Response Program (effective June 1, 2002) only if the customer agrees to forego compensation from the Company for KWH reductions below the CBL. A customer may elect this option or reverse such prior election for an entire billing period at no additional charge.

However, a charge of \$225, plus gross receipts tax, will be imposed in the event a customer changes his election during a billing period. The \$225 charge, plus gross receipts tax, will cover all subsequent changes within the same billing period. A customer electing this option will continue to be billed at the RTP for usage above the CBL.

**RATE SCHEDULE BL
BORDERLINE SERVICE - ELECTRIC SERVICE**

(C)

APPLICATION OF RATE SCHEDULE BL

This Rate Schedule is for borderline service to public utility companies for resale in adjacent territory under reciprocal agreements subject to the following conditions:

1. Request is made in writing for each point of supply where service is desired under said agreement.
2. Service is supplied when Company has available capacity in lines, transformers, generating apparatus or other equipment over and above that required to meet the demands, present and prospective, for service in its own territory, of which fact Company's determination is final.
3. When such service is supplied, the potential, phase and period of service at the desired point of supply shall be mutually agreed upon.

NET MONTHLY RATE

Distribution Charge

4.033 cts. per KWH plus 1% on Company's investment in facilities necessary to deliver and meter the service. **(I)**

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.230 cts. per KWH

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

1.294 cts. per KWH

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

1.235 cts. per KWH

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per KWH

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

4.195 cts. per KWH

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

4.411 cts. per KWH

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE BL (CONTINUED)

(C)

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

Payment shall be made on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

**RATE SCHEDULE SA
PRIVATE AREA LIGHTING SERVICE**

(C)

APPLICATION OF RATE SCHEDULE SA

This Rate Schedule is for the lighting of yards, private roadways, alleys and other areas supplied from existing overhead secondary distribution.

NET MONTHLY RATE

Distribution Charge
\$12.394 per lamp.

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.104 per lamp.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.599 per lamp.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.541 per lamp.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.000 per lamp.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)
\$2.861 per lamp.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)
\$2.931 per lamp.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE SA (CONTINUED)

(C)

EQUIPMENT AND SERVICE

Company installs and maintains the bracket, luminaire, lamp and photoelectric control on a Company-owned wood pole. Lamp is lighted from dusk to dawn or for approximately 4,300 hours per annum.

A high pressure sodium lamp of a nominal 9,500 lumens is installed in a luminaire on a 30-inch bracket. Lamp replacements are normally made by the third working day after outage notification by the customer to a Company office. There is no credit for outages. The Company reserves the right to make substitutes when identical materials are not available.

(C)

Company installs up to one span of secondary not exceeding 150 feet from an existing secondary voltage supply and one pole for each lamp provided the location of the pole is accessible by a service truck for the installation and maintenance of the lamp and provided the Company is furnished a suitable right-of-way.

Upon request and at the Company's discretion, the Company may install an area light fixture on a suitable customer-owned support.

Where a secondary supply is not available at the desired lamp location and/or where the distance is more than one span, the Company may furnish the service providing the customer reimburses Company for the Company's estimated added investment required to supply the service in each case.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

(Continued)

RATE SCHEDULE SA (CONTINUED)

(C)

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 15 days from the date bill is mailed or not less than 20 days when billed in conjunction with a residential rate schedule. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof except, when billed in conjunction with Rate Schedules RS, RTS, and RTD, in which case a late payment charge of 1.25% per month on the then unpaid and overdue balance is applicable.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in a contract for service.

**RATE SCHEDULE SM(R)
 MERCURY VAPOR STREET LIGHTING SERVICE**

(C)

The application of this Rate Schedule to all service is limited as indicated in the Application section of this Rate Schedule. No new installations of mercury vapor lamps and fixtures shall be offered after January 1, 2008 in accordance with the Energy Policy Act of 2005.

(C)

APPLICATION RATE SCHEDULE SM

This Rate Schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers, when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this Rate Schedule is limited as follows:

- (a) 10,500 lumen and 34,000 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after June 2, 1973, and also prospective fixtures where a definite rate commitment has been made as of that date as long as service is continuous thereafter, and fixtures previously supplied under Hershey Electric Company SMVO rate.
- (b) metal pole overhead -- poles installed on or before and in service continuously after June 2, 1973, and fixtures previously supplied under Hershey Electric Company SMVO and S rates.
- (c) customer-owned equipment -- customers served on or before and supplied continuously after August 26, 1976.
- (d) 20,000 lumen and 51,000 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after August 22, 1983, and additions at locations adjacent to such existing installations.
- (e) 3,350 lumen and 6,650 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after April 28, 1987, and additions at locations adjacent to or interspersed with such existing installations.
- (f) The mercury vapor lamps which fail will be transitioned to the High Pressure Sodium Rate (SHS) nominal lumens equivalent. A nominal lumen/wattage equivalent table is shown below. This is in accordance with the Energy Policy Act of 2005 – Section 135 H.R. 6-39, which states that "Mercury Vapor Lamp ballasts shall not be manufactured or imported after January 1, 2008."

(C)

<u>Lamp Description</u>	<u>Nominal Lumen</u>	<u>Wattage</u>	<u>Lamp Description</u>	<u>Nominal Lumen</u>	<u>Wattage</u>
Mercury Vapor	3,350	100	High Pressure Sodium	5,800	70
Mercury Vapor	6,650	175	High Pressure Sodium	9,500	100
Mercury Vapor	10,500	250	High Pressure Sodium	16,000	150
Mercury Vapor	20,000	400	High Pressure Sodium	25,500	250
Mercury Vapor	34,000	700	High Pressure Sodium	25,500	250
Mercury Vapor	51,000	1,100	High Pressure Sodium	50,000	400

(Continued)

(C) Indicates Change

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RATE SCHEDULE SM(R) (CONTINUED)

NET MONTHLY RATE

(1) Lamp Prices

Distribution Charge

(I)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$10.109	----	\$16.387	\$17.959	----	----
Mercury Vapor	6,650	175	\$12.525	\$19.585	\$19.173	\$20.694	\$23.106	\$10.470
Mercury Vapor	10,500	250	\$16.128	\$23.012	----	----	\$26.330	\$14.702
Mercury Vapor	20,000	400	\$20.672	\$27.679	----	----	\$31.241	\$18.403
Mercury Vapor	34,000	700	\$33.916	\$41.139	----	----	\$45.761	\$31.835
Mercury Vapor	51,000	1,100	\$43.136	\$50.712	----	----	\$55.309	\$41.061

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$0.071	----	\$0.071	\$0.071	----	----
Mercury Vapor	6,650	175	0.111	\$0.111	0.111	0.111	\$0.111	\$0.111
Mercury Vapor	10,500	250	0.155	0.155	----	----	0.155	0.155
Mercury Vapor	20,000	400	0.246	0.246	----	----	0.246	0.246
Mercury Vapor	34,000	700	0.418	0.418	----	----	0.418	0.418
Mercury Vapor	51,000	1,100	0.578	0.578	----	----	0.578	0.578

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$0.408	----	\$0.408	\$0.408	----	----
Mercury Vapor	6,650	175	0.636	\$0.636	0.636	0.636	\$0.636	\$0.636
Mercury Vapor	10,500	250	0.890	0.890	----	----	0.890	0.890
Mercury Vapor	20,000	400	1.410	1.410	----	----	1.410	1.410
Mercury Vapor	34,000	700	2.405	2.405	----	----	2.405	2.405
Mercury Vapor	51,000	1,100	3.323	3.323	----	----	3.323	3.323

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$0.368	----	\$0.368	\$0.368	----	----
Mercury Vapor	6,650	175	0.575	\$0.575	0.575	0.575	\$0.575	\$0.575
Mercury Vapor	10,500	250	0.803	0.803	----	----	0.803	0.803
Mercury Vapor	20,000	400	1.274	1.274	----	----	1.274	1.274
Mercury Vapor	34,000	700	2.171	2.171	----	----	2.171	2.171
Mercury Vapor	51,000	1,100	3.000	3.000	----	----	3.000	3.000

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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RATE SCHEDULE SM(R) (CONTINUED)

(C)

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$0.000	---	\$0.000	\$0.000	---	---
Mercury Vapor	6,650	175	0.000	\$0.000	0.000	0.000	\$0.000	\$0.000
Mercury Vapor	10,500	250	0.000	0.000	---	---	0.000	0.000
Mercury Vapor	20,000	400	0.000	0.000	---	---	0.000	0.000
Mercury Vapor	34,000	700	0.000	0.000	---	---	0.000	0.000
Mercury Vapor	51,000	1,100	0.000	0.000	---	---	0.000	0.000

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$2.454	---	\$4.358	\$4.834	---	---
Mercury Vapor	6,650	175	2.844	\$4.856	4.860	5.321	\$6.052	\$2.221
Mercury Vapor	10,500	250	3.555	5.643	---	---	6.649	3.164
Mercury Vapor	20,000	400	4.152	6.276	---	---	7.357	3.464
Mercury Vapor	34,000	700	6.678	8.814	---	---	10.270	6.052
Mercury Vapor	51,000	1,100	8.096	10.263	---	---	11.787	7.435

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
Mercury Vapor	3,350	100	\$2.502	---	\$4.406	\$4.882	---	---
Mercury Vapor	6,650	175	2.917	\$4.930	4.934	5.394	\$6.126	\$2.295
Mercury Vapor	10,500	250	3.658	5.746	---	---	6.752	3.267
Mercury Vapor	20,000	400	4.315	6.440	---	---	7.521	3.628
Mercury Vapor	34,000	700	6.956	9.092	---	---	10.548	6.311
Mercury Vapor	51,000	1,100	8.480	10.647	---	---	12.172	7.820

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

(2) The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SM(R) (CONTINUED)

(C)

(3) The Company, at its option, may offer appropriate overhead rates set forth above to customers in recognition of their either installing, owning and/or paying for portions of a street lighting installation.

(4) Whenever customer requests an installation hereunder which requires an investment by the Company greater than five (5) times the estimated annual revenue, the Company, at its option, may install the lamps as requested upon payment by the customer of such estimated excess costs.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by Company and are connected to Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by Company at the time service is originally contracted for.

Wood Pole Overhead Service. Lamps are mounted on Company's wood poles or on other supports not supplied by Company specifically for street lighting purposes, and are supplied by overhead wires. Lamp fixtures are mounted on brackets or mast arms. A standard installation under the above rates includes one span of secondary per location.

Metal Pole Overhead Service. Lamps are mounted on steel street lighting poles not exceeding 35 feet in height and supplied by overhead wires. A standard installation under the above rates includes one span of secondary per location.

Wood Pole Underground Service. Lamps are mounted on Company's wood or fiberglass street lighting poles and are supplied by underground wires. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

Low Mounting Underground Service. Lamps are mounted on Company's low mounting street lighting poles and are supplied by underground cable. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

High Mounting Underground Service. Lamps are mounted on metal street lighting poles not exceeding 35 feet in height and supplied by underground cable. A standard installation under the above rates includes a maximum of 175 circuit feet of cable and trenching and backfilling.

All lamps are lighted from dusk to dawn every night, or for approximately 4,300 hours per annum.

CONTINUOUS OPERATION

At customer request, individual lamps may be operated continuously 24 hours per day. The net monthly rate for continuous operation shall be 160% of the aforementioned applicable net monthly rates.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

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RATE SCHEDULE SM(R) (CONTINUED)

(C)

SPECIAL INSTALLATIONS

Whenever customer requests an installation that is not in conformity with the aforementioned STANDARD INSTALLATION AND SERVICE provisions, Company may, at its option, install the lamps as requested upon payment in advance by the customer of the estimated installed cost of facilities required in excess of that required for standard installation or of the excess investment in special equipment over that of standard equipment. The maintenance of special equipment is subject to (1) time and ability to obtain replacement, and (2) advance payment of the then excess cost over standard for each replacement.

REMOVALS

If customer requests Company to remove any part of a mercury vapor street lighting system to install another mercury vapor street lighting system or any other type of street lighting system and if the mercury vapor luminaires, supporting brackets, poles and/or conductors which are removed as a result of any requested removal, are less than ten years old, Company will charge for and Customer shall pay for such a change. The charge will be based upon Company's estimated costs for removal and rehabilitation plus the estimated remaining life value of the removed equipment less salvage. However, if the Customer's request is made to upgrade the lighting on the street to Illuminating Engineering Society standards, in accordance with the Energy Policy Act of 2005 which states that Mercury Vapor ballasts shall not be manufactured or imported after January 1, 2008, the Company may waive the charge calculated hereunder.

(C)

CUSTOMER-OWNED EQUIPMENT

Whenever the customer furnishes, installs and owns the entire lighting system using equipment approved by and installed in a manner acceptable to the Company, the Company may, at its discretion, operate and maintain the system at the following net monthly rates.

Distribution Charge

(I)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$5.837
175	6,650		\$8.365
250	10,500		\$11.249
400	20,000		\$16.162

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$0.071
175	6,650		0.111
250	10,500		0.155
400	20,000		0.246

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(I) Indicates Change (D) Indicates Decrease (C) Indicates Change

PPL Electric Utilities Corporation

Supplement No. 59
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RATE SCHEDULE SM(R) (CONTINUED)

(C)

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$0.408
175	6,650		0.636
250	10,500		0.890
400	20,000		1.410

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$0.368
175	6,650		0.575
250	10,500		0.803
400	20,000		1.274

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$0.000
175	6,650		0.000
250	10,500		0.000
400	20,000		0.000

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$1.157
175	6,650		\$1.581
250	10,500		\$2.075
400	20,000		\$2.784

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

<u>Wattage</u>	<u>Lamp Size</u>		<u>Customer Owns and Company Operates & Maintains</u>
	<u>Minimum</u>	<u>Initial Lumens</u>	
100	3,350		\$1.205
175	6,650		1.655
250	10,500		2.178
400	20,000		2.948

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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RATE SCHEDULE SM(R) (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

The Company's responsibility under the aforementioned charges for maintaining the customer-owned lighting system is limited to relamping, cleaning fixtures, and painting poles requiring paint, but does not include relocating or replacing all or any part of the street lighting facilities.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE SM(R) (CONTINUED)

(C)

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed for municipalities and other governmental agencies and 15 days for private owner or agencies. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

**RATE SCHEDULE SHS
 HIGH PRESSURE SODIUM STREET LIGHTING SERVICE**

(C)

APPLICATION OF RATE SCHEDULE SHS

This Rate Schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this Rate Schedule is limited as follows:

- (a) metal pole overhead - existing locations served under another of the Company's street lighting rate schedules and locations previously served under Hershey Electric Company Rate Schedule SMVO.

NET MONTHLY RATE

- (1) Lamp Prices

Distribution Charge

(I)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$9.975	\$14.064	\$16.372	\$16.523	---	\$8.930
H.P.Sodium	9,500	100	\$11.198	\$14.998	\$17.780	\$17.884	\$21.641	\$10.103
H.P.Sodium	16,000	150	\$12.607	\$16.230	---	---	\$22.853	\$10.600
H.P.Sodium	25,500	250	\$17.708	\$20.866	---	---	\$31.701	\$14.604
H.P.Sodium	50,000	400	\$23.308	\$26.040	---	---	\$37.042	\$17.947

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$0.042	\$0.042	\$0.042	\$0.042	---	\$0.042
H.P.Sodium	9,500	100	0.062	0.062	0.062	0.062	\$0.062	0.062
H.P.Sodium	16,000	150	0.091	0.091	---	---	0.091	0.091
H.P.Sodium	25,500	250	0.164	0.164	---	---	0.164	0.164
H.P.Sodium	50,000	400	0.257	0.257	---	---	0.257	0.257

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
<u>Type</u>	<u>Nominal Lumens</u>	<u>Wattage</u>	<u>Wood Pole</u>	<u>Metal Pole</u>	<u>Wood Pole</u>	<u>Low Mounting</u>	<u>High Mounting</u>	<u>Additional Luminaire/Pole</u>
H.P.Sodium	5,800	70	\$0.247	\$0.247	\$0.247	\$0.247	---	\$0.247
H.P.Sodium	9,500	100	0.354	0.354	0.354	0.354	\$0.354	0.354
H.P.Sodium	16,000	150	0.521	0.521	---	---	0.521	0.521
H.P.Sodium	25,500	250	0.941	0.941	---	---	0.941	0.941
H.P.Sodium	50,000	400	1.476	1.476	---	---	1.476	1.476

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(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

PPL Electric Utilities Corporation

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 Fourteenth Revised Page No. 36A
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RATE SCHEDULE SHS (CONTINUED)

(C)

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
Type	Nominal Lumens	Wattage	Wood Pole	Metal Pole	Wood Pole	Low Mounting	High Mounting	Additional Luminaire/Pole
H.P.Sodium	5,800	70	\$0.224	\$0.224	\$0.224	\$0.224	----	\$0.224
H.P.Sodium	9,500	100	0.320	0.320	0.320	0.320	\$0.320	0.320
H.P.Sodium	16,000	150	0.470	0.470	----	----	0.470	0.470
H.P.Sodium	25,500	250	0.849	0.849	----	----	0.849	0.849
H.P.Sodium	50,000	400	1.333	1.333	----	----	1.333	1.333

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
Type	Nominal Lumens	Wattage	Wood Pole	Metal Pole	Wood Pole	Low Mounting	High Mounting	Additional Luminaire/Pole
H.P.Sodium	5,800	70	\$0.000	\$0.000	\$0.000	\$0.000	----	\$0.000
H.P.Sodium	9,500	100	0.000	0.000	0.000	0.000	\$0.000	0.000
H.P.Sodium	16,000	150	0.000	0.000	----	----	0.000	0.000
H.P.Sodium	25,500	250	0.000	0.000	----	----	0.000	0.000
H.P.Sodium	50,000	400	0.000	0.000	----	----	0.000	0.000

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
Type	Nominal Lumens	Wattage	Wood Pole	Metal Pole	Wood Pole	Low Mounting	High Mounting	Additional Luminaire/Pole
H.P.Sodium	5,800	70	\$2.632	\$3.862	\$4.557	\$4.597	----	\$2.318
H.P.Sodium	9,500	100	2.840	3.983	4.820	4.852	\$5.983	2.509
H.P.Sodium	16,000	150	3.013	4.103	----	----	6.097	2.408
H.P.Sodium	25,500	250	3.922	4.870	----	----	8.132	2.985
H.P.Sodium	50,000	400	4.802	5.623	----	----	8.936	3.188

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>			<u>OVERHEAD SUPPLY</u>		<u>UNDERGROUND SUPPLY</u>			<u>MULTIPLE UNITS</u>
Type	Nominal Lumens	Wattage	Wood Pole	Metal Pole	Wood Pole	Low Mounting	High Mounting	Additional Luminaire/Pole
H.P.Sodium	5,800	70	\$2.662	\$3.892	\$4.587	\$4.626	----	\$2.347
H.P.Sodium	9,500	100	2.881	4.024	4.862	4.893	\$6.024	2.550
H.P.Sodium	16,000	150	3.074	4.165	----	----	6.159	2.469
H.P.Sodium	25,500	250	4.030	4.978	----	----	8.240	3.093
H.P.Sodium	50,000	400	4.973	5.794	----	----	9.107	3.359

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE SHS (CONTINUED)

(C)

(2) The number of KWH supplied is based upon the average hours use and input wattage of each luminaire.

(3) The Company, at its option, may offer appropriate overhead rates set forth above to customers in recognition of their either installing, owning and/or paying for portions of a street lighting installation.

(4) Whenever customer requests an installation hereunder which requires an investment by the Company greater than five (5) times the estimated annual revenue, the Company, at its option, may install the lamps as requested upon payment by the customer of such estimated excess costs.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by Company and are connected to Company's available general distribution system. The equipment installed under the above rate is of the type currently being furnished by Company at the time service is contracted for.

Wood Pole Overhead Service. Lamps are mounted on Company's wood poles, or other supports not supplied by Company specifically for street lighting purposes, and are supplied by overhead wires. Luminaires are mounted on brackets or mast arms. A standard installation under the above rates includes one span of secondary conductor per location.

Metal Pole Overhead Service. Lamps are mounted on Company's existing metal poles served by overhead wires. No new overhead supplied metal pole installations will be made under this rate schedule.

Wood Pole Underground Service. Lamps are mounted on Company's wood or fiberglass street lighting poles and are supplied by underground wires. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

Low Mounting Underground Service. Lamps are mounted on Company's low mounting street lighting poles and are supplied by underground cable. A standard installation under the above rates includes a maximum of 150 circuit feet of cable and trenching and backfilling.

High Mounting Underground Service. Lamps are mounted on Company's high mounting metal street lighting poles not exceeding 35 feet in height and are supplied by underground cable. A standard installation under the above rates includes a maximum of 175 circuit feet of cable and trenching and backfilling.

Multiple Unit Service. When practical, each additional lamp after the first mounted on a street lighting pole is billed under the above Multiple Unit rate. A standard installation under the above rates includes only the luminaire, lamp, photocontrol, bracket or mast arm and wire in the bracket or mast arm.

All lamps are lighted from dusk to dawn every night, or for approximately 4,300 hours per annum.

(Continued)

RATE SCHEDULE SHS (CONTINUED)

(C)

CONTINUOUS OPERATION

At customer request, individual lamps may be operated continuously 24 hours per day. The net monthly rate for continuous operation shall be 160% of the aforementioned applicable net monthly rates.

SPECIAL INSTALLATIONS

Whenever customer requests an installation that is not in conformity with the aforementioned STANDARD INSTALLATION AND SERVICE provisions, Company may, at its option, install the lamps as requested upon payment in advance by the customer of the estimated installed cost of facilities required in excess of that required for standard installation or of the excess investment in special equipment over that of standard equipment. The maintenance of special equipment is cost over standard for each replacement subject to (1) time and ability to obtain replacement, and (2) advance payment of the then excess

REMOVALS

If customer requests Company to remove any part of a mercury vapor street lighting system to install high pressure sodium street lighting equipment or to remove any part of a high pressure sodium street lighting system to install another high pressure sodium street lighting system or any other type of street lighting system and if the mercury vapor or high pressure sodium luminaires, supporting brackets, poles and/or conductors which are to be removed as a result of any requested removal, are less than ten years old, Company will charge for and Customer shall pay for such a change. The charge will be based upon Company's estimated costs for removal and rehabilitation plus the estimated remaining life value of the removed equipment less salvage. However, if the Customer's request is made to upgrade the lighting on the street to Illuminating Engineering Society standards, in accordance with the Energy Policy Act of 2005 which states Mercury Vapor Lamp ballasts shall not be manufactured or imported after January 1, 2008, the Company may waive the charge calculated hereunder.

(C)

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SHS (CONTINUED)

(C)

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed for municipalities and other governmental agencies and 15 days for private owner or agencies. When not so paid, the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

RATE SCHEDULE SE (C)
ENERGY ONLY STREET LIGHTING SERVICE

APPLICATION OF RATE SCHEDULE SE (C)

This Rate Schedule is available to municipalities, other governmental agencies, and non-municipal customers for the operation of mercury vapor, high pressure sodium, metal halide, or induction street lighting systems on public areas such as streets, highways, bridges and parks where the municipality, other governmental agency and non-municipal customers provides for the installation, ownership, operation and maintenance of the street lighting equipment.

NET MONTHLY RATE

(1) Lamp Rates

Distribution Charge		(I)
Street Lighting Equipment on Company Pole.....	7.958 cts. per KWH	
Street Lighting Equipment on Customer Pole or Support.....	3.547 cts. per KWH	

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

Street Lighting Equipment on Company Pole.....	0.099 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.089 cts. per KWH

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

Street Lighting Equipment on Company Pole.....	0.831 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.830 cts. per KWH

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

Street Lighting Equipment on Company Pole.....	0.827 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.740 cts. per KWH

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

Street Lighting Equipment on Company Pole.....	0.000 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.000 cts. per KWH

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

Street Lighting Equipment on Company Pole.....	1.333 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.000 cts. per KWH

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

Street Lighting Equipment on Company Pole.....	1.429 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.000 cts. per KWH

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

(2) Service hereunder is unmetered with the number of KWH billed for each size lamp calculated based upon the estimated input wattage of the luminaire and 4,300 burning hours per year.

MINIMUM SYSTEM

(C)

Application is limited to mercury vapor, high pressure sodium, metal halide, or induction street lights in systems of a minimum of 5 contiguous lamps of one customer. Customer-owned street lights served hereunder may not be intermixed with street lights served under the Company's other street lighting rate schedules.

The 5 lamp minimum may, at Company's option, be waived when a customer desires to take service for its entire street lighting requirements hereunder and said total requirement is less than the 5 lamp minimum.

INITIAL SYSTEM AND FUTURE ADDITIONS

The Customer provides advance written notice to Company (at least 90 days for initial systems or 30 days for additions to existing systems) of its intentions to install customer-owned street lighting hereunder. The notification includes the location, wattage, lumen size, type of equipment and proposed installation date. In addition, for customer-owned street lighting proposed for installation on Company's poles the customer provides the construction specifications for Company's approval.

STANDARD INSTALLATION AND SERVICE

Street Lighting Equipment on Company Wood Pole: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket and the wire from the luminaire to the point of connection with the Company's overhead general distribution system. The Company provides, installs, operates and maintains the wood pole and the overhead secondary wire from Company's general distribution system to the point of connection with customer's wire. Generally, the customer will attach its street lighting system to Company's existing poles; but the Company at its option provides, installs, operates and maintains a maximum of one wood pole and one span of secondary conductor to new locations requested by the customer. The installation by Company in excess of one wood pole and one span of secondary conductor to serve a customer-owned street light is at customer's expense.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

(C)

STANDARD INSTALLATION AND SERVICE (Continued)

Street Lighting Equipment on Customer Pole or Support: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket, pole or support, foundation and wire between poles or supports. The Company provides, installs, operates and maintains one span of overhead secondary conductor to a group of street lights, as defined by Company, on customer-owned poles or supports. The installation by Company in excess of one span of overhead secondary to a group of customer-owned street lights is at customer's expense.

Customer-owned street lighting equipment mounted on poles or supports of other utilities with whom Company has joint-use agreements are billed at the rate for Street Lighting Equipment on Company Poles.

Any non-municipal customer will be required to demonstrate that it has complied with all municipal requirements pertaining to lighting before being eligible for service under Rate SE. In addition, before street lighting facilities may be energized, the non-municipal customer shall provide the Company and the municipality with an inspector's certification that the street lighting facilities are constructed to applicable electrical code requirements and also provide the Company and the municipality with as-built drawings certified by engineering seal of the final placement, configuration, and cut sheets for street lighting facilities to be energized. The non-municipal customer shall provide certification to the municipality of continued compliance with the National Electrical Code requirements as required by the municipality.

Customer-owned street lighting installed as multiple units on a Company or other utility pole are billed at the rate for Street Lighting Equipment on customer Pole or Support. Multiple units are defined hereunder as additional lamps installed on a Company or other utility pole already supporting customer-owned street lighting equipment.

Customer-owned street lighting equipment is installed in accordance with Company and industry safety codes and, where installed on Company poles, in accordance with general Company specifications for similar equipment.

Any rearrangements, replacements or relocations of Company's electric distribution system required solely for the installation, operation or maintenance of customer's street lighting equipment are at the customer's expense.

The Company makes all connections of customer's street lighting system to the Company's available general distribution system. Generally customer-owned street lighting equipment will be served at 120 volts or 240 volts. However, at Company's option, customer-owned street lighting equipment mounted on customer pole or support may be served at other available secondary voltages.

All luminaires served hereunder are operated at alternating current, 60 hertz, single phase and are controlled by photo control for dusk to dawn operation every night, approximately 4,300 hours per year.

All relocations of customer-owned street lighting equipment are at customer's expense.

CONTINUOUS OPERATION

When the customer operates individual lamps continuously 24 hours per day, the KWH billed hereunder is doubled for those individual lamps operated continuously.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

(C)

IDENTIFICATION

Each customer-owned luminaire and support bracket served hereunder must be marked by customer with two adjacent wraps of 2 inch wide, yellow and black diagonal striped, pressure sensitive tape, clearly identifiable by a ground level observer, that indicates customer ownership of the equipment. Company will supply customer with sufficient tape to mark the equipment. In addition, customer shall notify the public and the local municipality of customer's ownership of and responsibility for the street lighting equipment in the areas served hereunder and shall publish and advertise a customer telephone number for public and municipal use in reporting malfunctioning equipment.

CHANGE IN SIZE AND TYPE OF STREET LIGHTING UNIT

Written notice of any change in size or type of any components of customer's street lighting system by location is furnished by customer to Company not more than 14 days after the date of such change.

AUDITING

The Company has the right to periodically audit the number and size of lamps of customer's street lighting system. The customer agrees to cooperate with Company during such audits.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

(Continued)

RATE SCHEDULE SE (CONTINUED)

(C)

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

ATTACHMENT AGREEMENT

Customer signs the Company's standard Attachment Agreement for those luminaires mounted by customer on Company's poles. The Attachment Agreement includes indemnification of Company by customer and provides for purchase of public liability and property damage insurance by customer.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

RATE SCHEDULE TS(R) (C)
MUNICIPAL TRAFFIC SIGNAL LIGHTING SERVICE

This Rate Schedule is in the process of elimination and service hereunder is available only to existing locations continuously supplied hereunder as of August 26, 1976.

APPLICATION OF RATE SCHEDULE TS(R)

This Rate Schedule is for traffic signal lighting service to cities, boroughs, and townships. The minimum under this rate schedule is 50 watts.

NET MONTHLY RATE

Distribution Charge

6.414 cts. per watt of connected load. (I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.105 cts. per watt of connected load.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

0.606 cts. per watt of connected load.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

0.547 cts. per watt of connected load.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per watt of connected load.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

3.444 cts. per watt of connected load.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

3.515 cts. per watt of connected load.

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

The number of KWH supplied is based upon the average hours use and size of lamps.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE TS(R) (CONTINUED)

(C)

MONTHLY MINIMUMS

The Minimum Billing Demand is 50 KW.

The Monthly Minimum Distribution Charge is 50 KW times the demand step of the effective Distribution Charge. The Monthly Minimum Competitive Transition Charge is 50 Watts times the effective Competitive Transition Charge. The Monthly Minimum Intangible Transition Charge is 50 Watts times the effective Intangible Transition Charge. The Monthly Minimum Capacity and Energy Charge is 50 Watts times the effective Capacity and Energy Charge.

Monthly Minimums apply to services provided by the Company.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE TS(R) (CONTINUED)

(C)

PAYMENT

Payment shall be made on or before the due date specified on the bill, which is not less than 30 days from the date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the then unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

RATE SCHEDULE SI-1(R)
MUNICIPAL STREET LIGHTING SERVICE

(C)

The rates for available incandescent lamps are limited to those fixtures and lamp sizes installed on or before and supplied continuously after March 28, 1972. No new incandescent street lighting installations will be provided by the Company.

APPLICATION OF RATE SCHEDULE SI-1(R)

This Rate Schedule is for municipal lighting service on public streets, highways, bridges, parks, etc., to municipalities or other governmental agencies when all such service is supplied under the Company's standard form of contract in accordance with the various laws applicable thereto.

NET MONTHLY RATE

Distribution Charge

(I)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$5.568	----
Incandescent	1,000	\$6.903	----
Incandescent	4,000	----	\$20.558

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.030	----
Incandescent	1,000	0.054	----
Incandescent	4,000	----	\$0.169

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.172	----
Incandescent	1,000	0.307	----
Incandescent	4,000	----	\$0.973

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.156	----
Incandescent	1,000	0.277	----
Incandescent	4,000	----	\$0.879

(Continued)

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PPL Electric Utilities Corporation

Supplement No. 54
 Electric Pa. P.U.C. No. 201
 Thirteenth Revised Page No. 40A
 Canceling Twelfth Revised Page No. 40A

RATE SCHEDULE SI-1(R) (CONTINUED)

(C)

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$0.000	----
Incandescent	1,000	0.000	----
Incandescent	4,000	----	\$0.000

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$1.467	----
Incandescent	1,000	1.680	----
Incandescent	4,000	----	\$4.913

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

<u>LAMP DESCRIPTION</u>		<u>OVERHEAD SUPPLY</u>	<u>UNDERGROUND SUPPLY</u>
<u>Type</u>	<u>Lumens</u>	<u>Wood Pole</u>	<u>Low Mounting</u>
Incandescent	600	\$1.487	----
Incandescent	1,000	1.716	----
Incandescent	4,000	----	\$5.026

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

The number of KWH supplied is based upon the average hours use and size of lamps.

STANDARD INSTALLATION AND SERVICE

All necessary street lighting facilities are supplied, installed, operated and maintained by the Company and are connected to the Company's general distribution system.

Wood Pole Overhead Service. Lamps are mounted on the Company's wood poles or on other supports not supplied by the Company specifically for street lighting purposes, and are supplied by overhead wires.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE SI-1(R) (CONTINUED)

(C)

STANDARD INSTALLATION AND SERVICE (Continued)

Low Mounting Underground Service. Lamps are mounted on street lighting poles approximately 14 feet in height and supplied by underground cable.

All lamps are lighted from dusk-to-dawn each and every night, or for approximately 4,300 hours per annum.

All relocations of lamps ordered by the customer are at the customer's expense.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

(Continued)

RATE SCHEDULE SI-1(R) (CONTINUED)

(C)

PAYMENT

The above net rate applies when bills are paid on or before the due date specified on the bill, which is not less than 30 days from date bill is mailed. When not so paid the gross rate applies which is the above net rate plus 5% on the first \$200.00 of the unpaid balance of the monthly bill and 2% on the remainder thereof.

CONTRACT PERIOD

Ten (10) years and thereafter until terminated in accordance with contract provisions.

**RATE SCHEDULE GH-1(R)
SINGLE METER COMMERCIAL SPACE HEATING SERVICE**

(C)

This Rate Schedule is in the process of elimination and is available only to service locations supplied hereunder continuously on or after August 21, 1972, and to locations served under discontinued Rate Schedule GH-4 as of September 26, 1984.

APPLICATION RATE SCHEDULE GH-1(R)

This Rate Schedule is for all electric commercial service supplied through one meter when electricity is the sole source of all of the customer's energy requirements including electric space heating in accordance with the APPLICATION PROVISIONS hereof. Applications may include wholesale and retail trade and associated warehousing operations, office buildings, and establishments providing professional, personal or business services.

Electric space heating facilities shall be permanently installed and operated for personal comfort. Service hereunder is supplied at secondary voltage or at a higher voltage at Company's option, is available only for service supplied continuously throughout the year and is not available for temporary service for less than one year.

NET MONTHLY RATE

Distribution Charge
\$4.98 per KW of the Billing KW.

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
0.337 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6000 KWH.
0.290 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
2.054 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6000 KWH.
1.772 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
1.813 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6000 KWH.
1.564 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
0.000 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6000 KWH.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)
5.599 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6000 KWH.
4.762 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)
5.784 cts. per KWH for the first 150 KWH per kilowatt of Billing KW but not more than 6000 KWH.
4.921 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE GH-1(R) (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

Net Monthly Billing is reduced by 0.00 cts. per KWH for customers, formerly on Rate Schedule GH-3(R) Total Electric Service – Schools and Churches, taking primary service at 12,000 volts or higher, but billing may not be reduced below the minimum provisions hereof.

MONTHLY MINIMUM

(C)

The Minimum Billing Demand for the bill is 25 KW.

The Monthly Minimum Distribution Charge is 25 KW times the demand step of the effective Distribution Charge.

Monthly Minimums apply to services provided by the Company.

BILLING KW

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

The Billing KW applicable to the charges under this Rate Schedule for customers with on-peak hours for billing purposes is the average number of kilowatts supplied during the 15 minute period of maximum use during the on-peak hours of the current billing period. No new applications will be accepted after January 1, 2000. This provision will terminate on January 1, 2010.

ON-PEAK HOURS

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

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(Continued)

RATE SCHEDULE GH-1(R) (CONTINUED)

(C)

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive *Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source.* The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE GH-1(R) (CONTINUED)

(C)

APPLICATION PROVISIONS

(1) This Rate Schedule applies to single meter service for all of customer's energy requirements, under the following conditions:

- (a) The facilities for electric space heating are, in Company's judgment, a significant and integral portion of customer's total energy requirements to be supplied hereunder.
- (b) Service supplied hereunder includes all energy requirements on customer's premises in a building.
- (c) All service in one building is supplied at one voltage from one service connection.
- (d) Another form of energy may be used for classroom instruction, for emergency lighting generators and, upon Company approval, for other similar uses.
- (e) When customer occupies an entire building, service hereunder may include uses of service outside the building only when they are directly incident to the principal use of service in the building.

(2) Supplemental use of renewable energy sources such as wood, solar, wind and water is permitted in conjunction with service supplied hereunder without violating the total electric energy requirement of this Rate Schedule. Any customer system of this type that produces electric energy may not be operated concurrently with service supplied by the Company except under written agreement setting forth the conditions of such operation.

(C)

**RATE SCHEDULE GH-2(R)
SEPARATE METER GENERAL SPACE HEATING SERVICE**

(C)

This Rate Schedule is in the process of elimination and is available only to service locations supplied hereunder continuously on or after August 21, 1972, and also to prospective service locations where a definite rate commitment has been made as of that date for so long as service is continuous thereafter.

APPLICATION OF RATE SCHEDULE GH-2(R)

This Rate Schedule is for separately metered electric space heating service to customers whose general use is supplied under some other general service rate schedule in accordance with the APPLICATION PROVISIONS hereof and may include service for general use in an all electric apartment building when individual living units in the building are metered separately under a residential rate schedule.

Electric space heating facilities shall be permanently installed and operated for personal comfort. Service hereunder is supplied at secondary voltage or at a higher voltage at Company's option, is available only for service supplied continuously throughout the year and is not available for temporary service for less than one year.

NET MONTHLY RATE

Distribution Charge
\$1.89 per KW of the Billing KW.

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
0.321 cts. per KWH for all KWH in excess of 200 KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
1.957 cts. per KWH for all KWH in excess of 200 KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
1.728 cts. per KWH for all KWH in excess of 200 KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
0.000 cts. per KWH for all KWH in excess of 200 KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)
-0.512 cts. per KWH for first 200 KWH.
5.296 cts. per KWH for all KWH in excess of 200 KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)
-0.511 cts. per KWH for first 200 KWH.
5.473 cts. per KWH for all KWH in excess of 200 KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE GH-2(R) (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUM

The Minimum Billing Demand for the bill is 25 KW.

The Monthly Minimum Distribution Charge is 25 KW times the demand step of the effective Distribution Charge.

Monthly Minimums apply to services provided by the Company.

BUDGET BILLING

Budget Billing is available at the option of the customer for charges under this Rate Schedule.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE GH-2(R) (CONTINUED)

(C)

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule, except for charges under the Generation Rate Adjustment Rider.

PAYMENT

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

CONTRACT PERIOD

Service under this Rate Schedule is for an initial term of one (1) year from the date service is first rendered, unless the Company and the customer mutually agree to a different term in the contract for service.

APPLICATION PROVISIONS

Service hereunder is applicable under the following conditions:

- (a) All the space heating requirements on customer's premises, or in customer's building or newly constructed section thereof, are supplied hereunder through a separate meter from the same point of delivery and at the same voltage as the general service.
- (b) Use of service for comfort cooling air conditioning, for commercial cooking and for automatic storage type water heaters with thermostatically controlled noninductive heating units, may be included hereunder in connection with and on the same premises as the space heating equipment. This does not include ventilating fans, water for process purposes and plug-in commercial cooking appliances not used with commercial electric ovens and ranges.
- (c) Supplemental use of renewable energy sources such as wood, solar, wind, and water is permitted in conjunction with service supplied hereunder without violating the total electric energy requirement of this Rate Schedule. Any customer system of this type that produces electric energy may not be operated concurrently with service supplied by the Company except under written agreement setting forth the conditions of such operation.

PPL Electric Utilities Corporation
12 month Period Ended December 31, 2007 Budget

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line Number	Rate Schedule	Number of Customers	Sales (KWH)	Distribution Present Rate Revenue	USR (Universal Service Rider)	Transmission Present Rate Revenue	CTC Present Rate Revenue	ITC Present Rate Revenue	E&C Present Rate Revenue	Present Rate Revenue	State Tax Adjustment Surcharge (STAS) Distribution	State Tax Adjustment Surcharge (STAS) Other	Total Revenue
1	RS	1,193,652	13,782,978,000	\$ 375,738,309	\$ -	\$ 77,978,133	\$ 26,849,832	\$ 131,640,768	\$ 688,169,807	\$ 1,300,376,849	\$ (200,456)	\$ 29,439	\$ 1,300,205,832
2	RTS	14,157	385,602,000	\$ 3,683,000	\$ -	\$ 2,183,290	\$ 627,715	\$ 3,074,619	\$ 16,895,636	\$ 26,464,260	\$ (1,892)	\$ 839	\$ 26,463,207
3	RTD	269	5,013,000	\$ 132,691	\$ -	\$ 28,378	\$ 12,504	\$ 61,202	\$ 225,437	\$ 460,212	\$ (71)	\$ 12	\$ 460,153
4	GS-1	146,161	1,968,887,000	\$ 75,415,309	\$ -	\$ 11,019,603	\$ 4,864,555	\$ 23,829,428	\$ 121,181,809	\$ 236,310,704	\$ (38,394)	\$ 4,048	\$ 236,276,358
5	GS-3	22,521	8,734,385,000	\$ 115,677,144	\$ -	\$ 49,129,868	\$ 18,475,321	\$ 90,353,803	\$ 466,734,879	\$ 740,371,015	\$ (59,186)	\$ 15,490	\$ 740,327,319
6	LP-4	1,011	5,824,347,220	\$ 30,263,941	\$ -	\$ 33,008,249	\$ 9,546,644	\$ 46,737,611	\$ 271,683,756	\$ 391,240,200	\$ (15,600)	\$ 8,756	\$ 391,233,356
7	IS-P	28	350,179,965	\$ 1,800,382	\$ -	\$ 1,962,576	\$ 615,832	\$ 3,006,678	\$ 13,247,870	\$ 20,633,338	\$ (928)	\$ 433	\$ 20,632,843
8	LP-5	104	3,203,809,537	\$ 1,615,397	\$ -	\$ 18,057,516	\$ 5,325,890	\$ 26,024,214	\$ 136,217,290	\$ 187,240,308	\$ (881)	\$ 4,335	\$ 187,243,762
9	IS-T	25	2,028,985,247	\$ 713,399	\$ -	\$ 11,309,318	\$ 2,838,172	\$ 13,877,496	\$ 63,869,215	\$ 92,607,600	\$ (379)	\$ 2,057	\$ 92,609,278
10	LP-6	3	363,650,000	\$ 139,000	\$ -	\$ 2,055,141	\$ 1,157,228	\$ 5,655,761	\$ 16,119,588	\$ 25,126,718	\$ (71)	\$ 604	\$ 25,127,251
11	LPEP	1	72,000,000	\$ 331,000	\$ -	\$ 406,884	\$ 328,789	\$ 1,609,563	\$ 2,787,456	\$ 5,463,692	\$ (169)	\$ 122	\$ 5,463,645
12	ISA	1	264,373,863	\$ 526,600	\$ -	\$ 1,491,906	\$ 501,308	\$ 2,460,059	\$ 11,449,120	\$ 16,428,993	\$ (275)	\$ 596	\$ 16,429,314
13	IS-1	3	1,447,000	\$ 31,691	\$ -	\$ 8,179	\$ 11,504	\$ 56,381	\$ 39,574	\$ 147,329	\$ (16)	\$ 3	\$ 147,316
14	BL	46	6,468,000	\$ 280,856	\$ -	\$ 36,556	\$ 12,400	\$ 60,788	\$ 264,432	\$ 655,032	\$ (144)	\$ 9	\$ 654,897
15	SA	0	23,015,000	\$ 3,386,787	\$ -	\$ 129,397	\$ 55,265	\$ 260,737	\$ 1,024,286	\$ 4,856,472	\$ (1,731)	\$ 37	\$ 4,854,778
16	SM	104	5,733,000	\$ 888,622	\$ -	\$ 32,236	\$ 14,478	\$ 68,261	\$ 284,007	\$ 1,287,604	\$ (454)	\$ 10	\$ 1,287,160
17	SHS	1,163	48,806,000	\$ 10,968,285	\$ -	\$ 274,327	\$ 126,294	\$ 596,495	\$ 3,735,967	\$ 15,701,368	\$ (5,602)	\$ 116	\$ 15,695,882
18	SE	88	35,699,000	\$ 1,396,986	\$ -	\$ 201,942	\$ 9,298	\$ 104,435	\$ 181,415	\$ 1,894,076	\$ (723)	\$ 14	\$ 1,893,367
19	TS	9	334,000	\$ 20,748	\$ -	\$ 1,889	\$ 1,036	\$ 4,899	\$ 16,203	\$ 44,775	\$ (11)	\$ 1	\$ 44,765
20	SI-1	3	87,000	\$ 14,572	\$ -	\$ 492	\$ 389	\$ 1,838	\$ 5,340	\$ 22,631	\$ (7)	\$ -	\$ 22,624
21	GH-1	957	299,775,000	\$ 5,743,944	\$ -	\$ 1,570,988	\$ 1,323,507	\$ 6,487,607	\$ 13,312,104	\$ 28,438,150	\$ (2,931)	\$ 566	\$ 28,435,785
22	GH-2	2,481	64,845,000	\$ 1,356,056	\$ -	\$ 363,742	\$ 289,954	\$ 1,418,549	\$ 3,907,900	\$ 6,436,201	\$ (688)	\$ 131	\$ 6,435,644
23	Standby(LP5-S)	6	6,581,000	\$ 45,000	\$ -	\$ 37,197	\$ 51,223	\$ 250,359	\$ 712,050	\$ 1,095,829	\$ (23)	\$ 27	\$ 1,095,833
24	PRS	0	141,624,168	\$ 421,281	\$ -	\$ (56,906)	\$ -	\$ -	\$ 8,506,065	\$ 8,870,440	\$ -	\$ -	\$ 8,870,440
25	Rate Revenue	1,382,796	37,618,625,000	\$ 630,591,000	\$ -	\$ 211,230,901	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,112,173,796	\$ (330,632)	\$ 67,645	\$ 3,111,910,809
26													
27	Annualization Adjustment		0	\$ 0	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ -	\$ -	\$ -
28													
29	Total PUC Tariff Revenue		37,618,625,000	\$ 630,591,000	\$ -	\$ 211,230,901	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,112,173,796	\$ (330,632)	\$ 67,645	\$ 3,111,910,809
30													
31	Other Electric Revenues												
32	Late Payment			\$ 9,262,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,262,000
33	Misc. Revenue			\$ 369,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,000
34	Rent			\$ 29,693,492	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,596,795
35	Other			\$ 2,686,087	\$ -	\$ -	\$ (a)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,686,087
36	Total Other			\$ 42,010,579	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,913,882
37													
38	Total Operating Revenue		\$ 37,618,625,000	\$ 672,601,579	\$ -	\$ 212,134,204	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,112,173,796	\$ (330,632)	\$ 67,645	\$ 3,154,824,691

(a): \$149,005,912 was removed from Page 1. This revenue is received from PJM and is not related to charges for retail service.

B-1

PPL Electric Utilities Corporation
Remand Adjustments to Budget at Present Rates
12 month Period Ended December 31, 2007

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Line Number	Rate Schedule	Number of Customers	Sales (KWH)	Hurricane Isabel adjustment	Distribution Present Rate Revenue (page 2 col. 5)	Distribution Remand rate change.	Adjusted Distribution Revenues	Transmission Present Rate Revenue (page 2 col. 7)	Transmission Remand Rate change	Adjusted Transmission Revenue
1	RS	1,193,652	13,782,978,000	\$ 795,709	\$ 375,738,309	2.61%	\$ 386,343,017	\$ 77,978,133	14.44%	\$ 69,235,540
2	RTS	14,157	385,602,000	\$ 22,000	\$ 3,683,000	7.71%	\$ 3,990,636	\$ 2,183,290	14.44%	\$ 2,498,483
3	RTD	269	5,013,000	\$ 291	\$ 132,691	2.82%	\$ 136,735	\$ 28,378	14.44%	\$ 32,475
4	GS-1	146,161	1,968,887,000	\$ 111,582	\$ 75,415,309	-2.57%	\$ 73,585,280	\$ 11,019,603	5.75%	\$ 11,653,749
5	GS-3	22,521	8,734,385,000	\$ 120,967	\$ 115,677,144	-5.22%	\$ 109,752,651	\$ 49,129,868	5.63%	\$ 51,897,747
*6	LP-4	1,011	5,824,347,220	\$ 29,000	\$ 30,263,941	-4.80%	\$ 28,838,237	\$ 33,008,249	-12.57%	\$ 28,857,948
*7	IS-P	28	350,179,965	\$ 2,000	\$ 1,800,382	-2.06%	\$ 1,765,281	\$ 1,962,576	-7.97%	\$ 1,806,132
*8	LP-5	104	3,203,809,537	\$ 1,000	\$ 1,615,397	-34.10%	\$ 1,065,194	\$ 18,057,516	-26.01%	\$ 13,360,616
*9	IS-T	25	2,028,985,247	\$ -	\$ 713,399	-24.52%	\$ 538,503	\$ 11,309,318	-35.26%	\$ 7,321,987
10	LP-6	3	363,650,000	\$ -	\$ 139,000	-74.39%	\$ 35,596	\$ 2,055,141	-25.71%	\$ 1,526,702
11	LPEP	1	72,000,000	\$ 1,000	\$ 331,000	0.34%	\$ 333,125	\$ 406,884	54.98%	\$ 630,589
*12	ISA	1	264,373,863	\$ -	\$ 526,600	0.00%	\$ 526,600	\$ 1,491,906	-64.51%	\$ 529,528
13	IS-1	3	1,447,000	\$ -	\$ 31,691	0.00%	\$ 31,691	\$ 8,179	5.63%	\$ 8,639
14	BL	46	6,468,000	\$ -	\$ 280,856	0.00%	\$ 280,856	\$ 36,556	5.63%	\$ 38,615
15	SA	0	23,015,000	\$ 6,296	\$ 3,386,787	4.95%	\$ 3,561,159	\$ 129,397	5.63%	\$ 136,682
16	SM	104	5,733,000	\$ 1,652	\$ 888,622	4.88%	\$ 933,723	\$ 32,236	5.71%	\$ 34,076
17	SHS	1,163	48,806,000	\$ 20,390	\$ 10,968,285	5.10%	\$ 11,548,813	\$ 274,327	5.72%	\$ 290,009
18	SE	88	35,699,000	\$ 2,597	\$ 1,396,986	2.64%	\$ 1,436,561	\$ 201,942	5.63%	\$ 213,319
19	TS	9	334,000	\$ 39	\$ 20,748	5.98%	\$ 22,029	\$ 1,889	5.62%	\$ 1,995
20	SI-1	3	87,000	\$ 27	\$ 14,572	5.06%	\$ 15,337	\$ 492	5.79%	\$ 520
21	GH-1	957	299,775,000	\$ 7,281	\$ 5,743,944	-9.06%	\$ 5,230,227	\$ 1,570,988	5.63%	\$ 1,659,493
22	GH-2	2,481	64,845,000	\$ 1,719	\$ 1,356,056	-9.47%	\$ 1,229,243	\$ 363,742	5.63%	\$ 384,235
23	Standby(LP5-S)	6	6,581,000	\$ -	\$ 45,000	-22.32%	\$ 34,955	\$ 37,197	-78.87%	\$ 7,859
24	PRS		141,624,168	\$ -	\$ 421,281		\$ -	\$ (56,906)		\$ -
25	Rate Revenue	1,382,796	37,618,625,000	\$ -	\$ 630,591,000		\$ 631,235,451	\$ 211,230,901		\$ 212,126,939

B-2

D3
Settlement
Page 2A
O.G. Kasper

PPL Electric Utilities Corporation
12 month Period Ended December 31, 2007 Budget at Present Rates, Annualized

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line Number	Rate Schedule	Number of Customers	Sales (KWH)	Distribution Present Rate Revenue	USR (Universal Service Rider)	Transmission Present Rate Revenue	CTC Present Rate Revenue	ITC Present Rate Revenue	E&C Present Rate Revenue	Present Rate Revenue	State Tax Adjustment Surcharge (STAS) Distribution	State Tax Adjustment Surcharge (STAS) Other	Total Revenue
			(page 2A col 8)			(page 2A col 11)					-0.049%	0.126%	(Note 6)
1	RS	1,193,652	13,782,978,000	\$ 386,343,017	\$	89,235,540	\$ 26,849,832	\$ 131,640,768	\$ 688,169,807	\$ 1,322,238,964	\$ (195,629)	\$ 1,179,229	\$ 1,323,222,563
2	RTS	14,157	385,602,000	\$ 3,990,636	\$	2,488,483	\$ 627,715	\$ 3,074,619	\$ 16,895,636	\$ 27,087,089	\$ (1,955)	\$ 29,102	\$ 27,114,235
3	RTD	269	5,013,000	\$ 136,735	\$	32,475	\$ 12,504	\$ 61,202	\$ 225,437	\$ 468,354	\$ (67)	\$ 418	\$ 468,704
4	GS-1	146,161	1,968,887,000	\$ 73,585,280	\$	11,653,749	\$ 4,864,555	\$ 23,829,428	\$ 121,181,809	\$ 235,114,821	\$ (36,057)	\$ 203,527	\$ 235,282,282
5	GS-3	22,521	8,734,385,000	\$ 109,752,651	\$	51,897,747	\$ 18,475,321	\$ 90,353,803	\$ 466,734,879	\$ 737,214,401	\$ (53,779)	\$ 750,602	\$ 737,951,224
6	LP-4	1,011	5,824,347,220	\$ 28,838,237	\$	28,857,948	\$ 9,546,644	\$ 46,737,611	\$ 271,683,756	\$ 385,664,196	\$ (14,131)	\$ 449,601	\$ 386,099,666
7	IS-P	28	350,179,965	\$ 1,765,281	\$	1,806,132	\$ 615,832	\$ 3,006,678	\$ 13,247,870	\$ 20,441,793	\$ (865)	\$ 23,532	\$ 20,464,461
8	LP-5	104	3,203,809,537	\$ 1,065,194	\$	13,360,616	\$ 5,325,890	\$ 26,024,214	\$ 136,217,290	\$ 181,993,204	\$ (522)	\$ 227,969	\$ 182,220,651
9	IS-T	25	2,028,985,247	\$ 538,503	\$	7,321,987	\$ 2,838,172	\$ 13,877,496	\$ 63,889,215	\$ 88,445,374	\$ (264)	\$ 110,763	\$ 88,555,873
10	LP-6	3	363,650,000	\$ 35,596	\$	1,526,702	\$ 1,157,228	\$ 5,655,761	\$ 16,119,588	\$ 24,494,875	\$ (17)	\$ 30,819	\$ 24,525,676
11	LPEP	1	72,000,000	\$ 333,125	\$	630,589	\$ 326,789	\$ 1,609,563	\$ 2,787,456	\$ 5,689,522	\$ (163)	\$ 6,749	\$ 5,696,108
12	ISA	1	264,373,963	\$ 526,600	\$	529,528	\$ 501,308	\$ 2,460,059	\$ 11,449,120	\$ 15,466,615	\$ (258)	\$ 18,824	\$ 15,485,182
13	IS-1	3	1,447,000	\$ 31,691	\$	8,639	\$ 11,504	\$ 56,381	\$ 39,574	\$ 147,789	\$ (16)	\$ 146	\$ 147,820
14	BL	46	6,468,000	\$ 280,856	\$	38,615	\$ 12,400	\$ 60,788	\$ 264,432	\$ 657,091	\$ (138)	\$ 474	\$ 657,428
15	SA	0	23,015,000	\$ 3,561,159	\$	136,682	\$ 55,265	\$ 260,737	\$ 1,024,286	\$ 5,038,129	\$ (1,745)	\$ 1,661	\$ 5,038,245
16	SM	104	5,733,000	\$ 933,723	\$	34,076	\$ 14,478	\$ 68,261	\$ 284,007	\$ 1,334,545	\$ (458)	\$ 505	\$ 1,334,593
17	SHS	1,163	48,806,000	\$ 11,548,813	\$	290,009	\$ 126,294	\$ 596,495	\$ 3,735,967	\$ 16,297,578	\$ (5,659)	\$ 5,983	\$ 16,297,902
18	SE	88	35,699,000	\$ 1,436,561	\$	213,319	\$ 9,298	\$ 104,435	\$ 181,415	\$ 1,945,028	\$ (704)	\$ 641	\$ 1,944,965
19	TS	9	334,000	\$ 22,029	\$	1,995	\$ 1,036	\$ 4,899	\$ 16,203	\$ 46,162	\$ (11)	\$ 30	\$ 46,182
20	SI-1	3	87,000	\$ 15,337	\$	520	\$ 389	\$ 1,838	\$ 5,340	\$ 23,425	\$ (8)	\$ 10	\$ 23,427
21	GH-1	957	299,775,000	\$ 5,230,227	\$	1,659,493	\$ 1,323,507	\$ 6,487,607	\$ 13,312,104	\$ 28,012,939	\$ (2,563)	\$ 28,706	\$ 28,039,082
22	GH-2	2,481	64,845,000	\$ 1,229,243	\$	384,235	\$ 289,954	\$ 1,418,549	\$ 3,007,900	\$ 6,329,881	\$ (602)	\$ 6,427	\$ 6,335,705
23	Standby(LPS-S)	6	6,581,000	\$ 34,955	\$	7,859	\$ 51,223	\$ 250,359	\$ 712,050	\$ 1,056,447	\$ (17)	\$ 1,287	\$ 1,057,716
24	PRS		141,624,168	\$ 421,281	\$	(56,906)	\$ -	\$ -	\$ 8,506,065	\$ 8,870,440	\$ (206)	\$ 10,646	\$ 8,880,879
25	Rate Revenue	1,382,796	37,618,625,000	\$ 631,656,732	\$ -	212,070,034	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,114,078,661	\$ (315,833)	\$ 3,127,852	\$ 3,116,890,680
26													
27	Annualization Adjustment		255,002,796	\$ 2,916,897	\$ -	1,478,192	\$ 432,439	\$ 2,124,401	\$ 10,875,885	\$ 17,827,814	\$ -	\$ -	\$ 17,827,814
28													
29	Total PUC Tariff Revenue		37,873,627,796	\$ 634,573,629	\$ -	213,548,226	\$ 73,471,577	\$ 359,765,952	\$ 1,850,547,091	\$ 3,131,906,475	\$ (315,833)	\$ 3,127,852	\$ 3,134,716,494
30													
31	Other Electric Revenues												
32	Late Payment			\$ 9,262,000	\$ -					\$ 9,262,000			\$ 9,262,000
33	Misc. Revenue			\$ 369,000	\$ -					\$ 369,000			\$ 369,000
34	Rent			\$ 29,693,492	\$ 903,303					\$ 30,596,795			\$ 30,596,795
35	Other			\$ 2,686,087	\$ -					\$ 2,686,087			\$ 2,686,087
36	Total Other			\$ 42,010,579	\$ 903,303	\$ -	\$ -	\$ -	\$ -	\$ 42,913,882	\$ -	\$ -	\$ 42,913,882
37													
38	Total Operating Revenue			\$ 676,584,208	\$ 214,451,529	\$ 73,471,577	\$ 359,765,952	\$ 1,850,547,091	\$ 3,174,820,358	\$ (315,833)	\$ 3,127,852	\$ 3,177,632,376	

B-3

PPL Electric Utilities Corporation
12 month Period Ended December 31, 2007 Pro Forma Budget at Present Rates

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line Number	Rate Schedule	Distribution Present Rate Revenue	USR (Universal Service Rider)	Transmission Rate Revenue	CTCRate Revenue	ITC Rate Revenue	E&CRate Revenue	Present Rate Revenue	State Tax Adjustment Surcharge (STAS) Distribution -0.049%	State Tax Adjustment Surcharge (STAS) Other 0.126%	Total Revenue
		(Note 1)	(Note 2)	(Note 3)	(Note 4)	(Note 5)	(Note 6)				
1	RS	\$ 365,875,461	\$ 20,467,556	\$ 89,235,540	\$ 26,849,832	\$ 131,640,768	\$ 688,169,807	\$ 1,322,238,964	\$ (195,629)	\$ 1,179,229	\$ 1,323,222,563
2	RTS	\$ 3,795,919	\$ 194,717	\$ 2,498,483	\$ 627,715	\$ 3,074,619	\$ 16,895,636	\$ 27,087,089	\$ (1,955)	\$ 29,102	\$ 27,114,235
3	RTD	\$ 129,507	\$ 7,228	\$ 32,475	\$ 12,504	\$ 61,202	\$ 225,437	\$ 468,354	\$ (67)	\$ 418	\$ 468,704
4	GS-1	\$ 73,585,280	\$ -	\$ 11,653,749	\$ 4,864,555	\$ 23,829,428	\$ 121,181,809	\$ 235,114,821	\$ (36,057)	\$ 203,527	\$ 235,282,292
5	GS-3	\$ 109,752,651	\$ -	\$ 51,897,747	\$ 18,475,321	\$ 90,353,803	\$ 466,734,879	\$ 737,214,401	\$ (53,779)	\$ 796,602	\$ 737,951,224
6	LP-4	\$ 28,838,237	\$ -	\$ 28,857,948	\$ 9,546,644	\$ 46,737,611	\$ 271,683,756	\$ 385,664,196	\$ (14,131)	\$ 449,601	\$ 386,099,666
7	IS-P	\$ 1,765,281	\$ -	\$ 1,806,132	\$ 615,832	\$ 3,006,678	\$ 13,247,870	\$ 20,441,793	\$ (865)	\$ 23,532	\$ 20,464,461
8	LP-5	\$ 1,065,194	\$ -	\$ 13,360,616	\$ 5,325,890	\$ 26,024,214	\$ 136,217,290	\$ 181,993,204	\$ (522)	\$ 227,969	\$ 182,220,651
9	IS-T	\$ 538,503	\$ -	\$ 7,321,987	\$ 2,838,172	\$ 13,877,496	\$ 63,869,215	\$ 88,445,374	\$ (264)	\$ 110,763	\$ 88,555,873
10	LP-6	\$ 35,596	\$ -	\$ 1,526,702	\$ 1,157,228	\$ 5,655,761	\$ 16,119,588	\$ 24,494,875	\$ (17)	\$ 30,819	\$ 24,525,676
11	LPEP	\$ 333,125	\$ -	\$ 630,589	\$ 328,789	\$ 1,609,563	\$ 2,787,456	\$ 5,689,522	\$ (163)	\$ 6,749	\$ 5,696,108
12	ISA	\$ 526,600	\$ -	\$ 529,528	\$ 501,308	\$ 2,460,059	\$ 11,449,120	\$ 15,466,615	\$ (258)	\$ 18,824	\$ 15,485,182
13	IS-1	\$ 31,691	\$ -	\$ 8,639	\$ 11,504	\$ 56,381	\$ 39,574	\$ 147,789	\$ (16)	\$ 146	\$ 147,920
14	BL	\$ 280,856	\$ -	\$ 38,615	\$ 12,400	\$ 60,788	\$ 264,432	\$ 657,091	\$ (138)	\$ 474	\$ 657,428
15	SA	\$ 3,561,159	\$ -	\$ 136,682	\$ 55,255	\$ 260,737	\$ 1,024,286	\$ 5,038,129	\$ (1,745)	\$ 1,861	\$ 5,038,245
16	SM	\$ 933,723	\$ -	\$ 34,076	\$ 14,478	\$ 68,261	\$ 284,007	\$ 1,334,545	\$ (458)	\$ 505	\$ 1,334,593
17	SHS	\$ 11,548,813	\$ -	\$ 290,009	\$ 126,294	\$ 596,495	\$ 3,735,967	\$ 16,297,578	\$ (5,659)	\$ 5,983	\$ 16,297,902
18	SE	\$ 1,436,561	\$ -	\$ 213,319	\$ 9,298	\$ 104,435	\$ 181,415	\$ 1,945,028	\$ (704)	\$ 641	\$ 1,944,965
19	TS	\$ 22,029	\$ -	\$ 1,995	\$ 1,036	\$ 4,899	\$ 16,203	\$ 46,162	\$ (11)	\$ 30	\$ 46,182
20	SI-1	\$ 15,337	\$ -	\$ 520	\$ 389	\$ 1,838	\$ 5,340	\$ 23,425	\$ (8)	\$ 10	\$ 23,427
21	GH-1	\$ 5,230,227	\$ -	\$ 1,659,493	\$ 1,323,507	\$ 6,487,607	\$ 13,312,104	\$ 28,012,939	\$ (2,563)	\$ 28,706	\$ 28,039,082
22	GH-2	\$ 1,229,243	\$ -	\$ 384,235	\$ 289,954	\$ 1,418,549	\$ 3,007,900	\$ 6,329,881	\$ (602)	\$ 6,427	\$ 6,335,705
23	Standby(LP5-S)	\$ 34,955	\$ -	\$ 7,859	\$ 51,223	\$ 250,359	\$ 712,050	\$ 1,056,447	\$ (17)	\$ 1,287	\$ 1,057,716
24	PRS	\$ 421,281	\$ -	\$ (56,906)	\$ -	\$ -	\$ 8,506,065	\$ 8,870,440	\$ (206)	\$ 10,646	\$ 8,880,879
25	Rate Revenue	\$ 610,987,231	\$ 20,669,501	\$ 212,070,034	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,114,078,661	\$ (315,833)	\$ 3,127,852	\$ 3,116,890,680
26											
27	Annualization Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28											
29	Total PUC Tariff Revenue	\$ 610,987,231	\$ 20,669,501	\$ 212,070,034	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,114,078,661	\$ (315,833)	\$ 3,127,852	\$ 3,116,890,680
30											
31	Other Electric Revenues										
32	Late Payment	\$ 9,262,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,262,000	\$ -	\$ -	\$ 9,262,000
33	Misc. Revenue	\$ 369,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,000	\$ -	\$ -	\$ 369,000
34	Rent	\$ 29,693,492	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ 30,596,795	\$ -	\$ -	\$ 30,596,795
35	Other	\$ 2,686,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,686,087	\$ -	\$ -	\$ 2,686,087
36	Total Other	\$ 42,010,579	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ 42,913,882	\$ -	\$ -	\$ 42,913,882
37											
38	Total Operating Revenue	\$ 652,997,810	\$ 20,669,501	\$ 212,973,337	\$ 73,039,138	\$ 357,641,551	\$ 1,839,671,206	\$ 3,156,992,543	\$ (315,833)	\$ 3,127,852	\$ 3,159,804,562

Note 1: Col 5, page 3- Column 4
 Note 2: USR Current Budget
 Note 3: Col 7, page 3
 Note 4: Col 8, page 3
 Note 5: Col 9, page 3
 Note 6: Col 10, page 3

PPL Electric Utilities Corporation
12 month Period Ended December 31, 2007 Pro Forma Budget at Present Rates, Without Shopping

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line Number	Rate Schedule	Distribution Present Rate Revenue	USR (Universal Service Rider)	Transmission Rate Revenue	CTC Rate Revenue	ITC Rate Revenue	E&C Rate Revenue	Present Rate Revenue	State Tax Adjustment Surcharge (STAS) -0.049% Distribution	State Tax Adjustment Surcharge (STAS) 0.126% Other	Total Revenue	Shopping Factor
		(Note 1)	(Note 2)	(Note 3)	(Note 4)	(Note 5)	(Note 6)					(Note 7)
1	RS	\$ 365,875,461	\$ 20,467,556	\$ 89,235,540	\$ 26,849,832	\$ 131,640,788	\$ 888,109,807	\$ 1,322,238,084	\$ (195,629)	\$ 1,179,229	\$ 1,323,222,563	0.000%
2	RTS	\$ 3,795,919	\$ 194,717	\$ 2,498,483	\$ 627,715	\$ 3,074,819	\$ 18,895,836	\$ 27,087,069	\$ (1,955)	\$ 29,102	\$ 27,114,235	0.000%
3	RTD	\$ 129,507	\$ 7,228	\$ 32,475	\$ 12,504	\$ 81,202	\$ 225,437	\$ 468,354	\$ (67)	\$ 418	\$ 468,704	0.000%
4	GS-1	\$ 73,585,280	\$ -	\$ 11,053,749	\$ 4,864,555	\$ 23,829,428	\$ 121,181,809	\$ 235,114,821	\$ (38,057)	\$ 203,527	\$ 235,282,292	0.000%
5	GS-3	\$ 109,752,851	\$ -	\$ 51,908,128	\$ 18,475,321	\$ 90,353,803	\$ 488,828,245	\$ 737,318,148	\$ (53,779)	\$ 790,733	\$ 738,055,102	0.020%
6	LP-4	\$ 28,838,237	\$ -	\$ 28,861,053	\$ 9,546,844	\$ 48,737,611	\$ 271,901,277	\$ 385,904,822	\$ (14,131)	\$ 446,904	\$ 386,340,565	0.080%
7	IS-P	\$ 1,765,281	\$ -	\$ 1,808,132	\$ 615,832	\$ 3,006,678	\$ 13,247,870	\$ 20,441,793	\$ (865)	\$ 23,532	\$ 20,484,481	0.000%
8	LP-5	\$ 1,065,194	\$ -	\$ 13,383,368	\$ 5,325,890	\$ 26,024,214	\$ 138,449,254	\$ 182,247,920	\$ (522)	\$ 228,290	\$ 182,475,888	0.170%
9	IS-T	\$ 538,503	\$ -	\$ 7,330,784	\$ 2,838,172	\$ 13,877,496	\$ 63,945,950	\$ 88,530,906	\$ (264)	\$ 110,819	\$ 88,841,513	0.120%
10	LP-8	\$ 35,596	\$ -	\$ 1,528,702	\$ 1,157,228	\$ 5,655,781	\$ 18,119,588	\$ 24,494,875	\$ (17)	\$ 30,819	\$ 24,525,676	0.000%
11	LPEP	\$ 333,125	\$ -	\$ 630,589	\$ 328,789	\$ 1,009,563	\$ 2,787,458	\$ 5,689,522	\$ (183)	\$ 6,749	\$ 5,696,108	0.000%
12	ISA	\$ 528,800	\$ -	\$ 529,528	\$ 501,308	\$ 2,480,059	\$ 11,449,120	\$ 15,486,615	\$ (258)	\$ 18,824	\$ 15,485,182	0.000%
13	IS-1	\$ 31,691	\$ -	\$ 8,639	\$ 11,504	\$ 58,381	\$ 39,574	\$ 147,789	\$ (18)	\$ 148	\$ 147,920	0.000%
14	BL	\$ 280,856	\$ -	\$ 38,815	\$ 12,400	\$ 60,788	\$ 264,432	\$ 657,091	\$ (138)	\$ 474	\$ 657,426	0.000%
15	SA	\$ 3,581,159	\$ -	\$ 136,882	\$ 55,285	\$ 280,737	\$ 1,024,288	\$ 5,038,129	\$ (1,745)	\$ 1,681	\$ 5,038,245	0.000%
16	SM	\$ 933,723	\$ -	\$ 34,078	\$ 14,478	\$ 68,201	\$ 284,007	\$ 1,334,545	\$ (458)	\$ 505	\$ 1,334,593	0.000%
17	SHS	\$ 11,548,813	\$ -	\$ 290,009	\$ 128,294	\$ 598,495	\$ 3,735,967	\$ 18,297,578	\$ (5,859)	\$ 5,983	\$ 18,297,902	0.000%
18	SE	\$ 1,438,581	\$ -	\$ 213,319	\$ 9,298	\$ 104,435	\$ 181,415	\$ 1,945,028	\$ (704)	\$ 841	\$ 1,944,965	0.000%
19	TS	\$ 22,029	\$ -	\$ 1,995	\$ 1,036	\$ 4,899	\$ 16,203	\$ 48,162	\$ (11)	\$ 30	\$ 48,182	0.000%
20	SI-1	\$ 15,337	\$ -	\$ 520	\$ 389	\$ 1,838	\$ 5,340	\$ 23,425	\$ (8)	\$ 10	\$ 23,427	0.000%
21	GH-1	\$ 5,230,227	\$ -	\$ 1,659,493	\$ 1,323,507	\$ 6,487,607	\$ 13,312,104	\$ 28,012,939	\$ (2,563)	\$ 28,706	\$ 28,039,082	0.000%
22	GH-2	\$ 1,229,243	\$ -	\$ 384,235	\$ 289,954	\$ 1,418,549	\$ 3,007,900	\$ 6,329,881	\$ (802)	\$ 6,427	\$ 6,335,705	0.000%
23	Standby(LP5-S)	\$ 34,955	\$ -	\$ 7,859	\$ 51,223	\$ 250,359	\$ 712,050	\$ 1,058,447	\$ (17)	\$ 1,287	\$ 1,057,716	0.000%
24	PRS	\$ 421,281	\$ -	\$ (58,908)	\$ -	\$ -	\$ 8,508,065	\$ 8,870,440	\$ (208)	\$ 10,648	\$ 8,880,879	0.000%
25	Rate Revenue	\$ 610,987,231	\$ 20,669,501	\$ 212,135,069	\$ 73,039,138	\$ 357,641,551	\$ 1,840,290,792	\$ 3,114,763,281	\$ (315,833)	\$ 3,128,714	\$ 3,117,576,163	
26	Annualization Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28	Total PUC Tariff Revenue	\$ 610,987,231	\$ 20,669,501	\$ 212,135,069	\$ 73,039,138	\$ 357,641,551	\$ 1,840,290,792	\$ 3,114,763,281	\$ (315,833)	\$ 3,128,714	\$ 3,117,576,163	
31	Other Electric Revenues											
32	Late Payment	\$ 9,282,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,282,000	\$ -	\$ -	\$ 9,282,000	
33	Misc. Revenue	\$ 369,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,000	\$ -	\$ -	\$ 369,000	
34	Rent	\$ 29,893,492	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ 30,596,795	\$ -	\$ -	\$ 30,596,795	
35	Other	\$ 2,688,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,688,087	\$ -	\$ -	\$ 2,688,087	
36	Total Other	\$ 42,010,579	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ 42,913,882	\$ -	\$ -	\$ 42,913,882	
37												
38	Total Operating Revenue	\$ 652,997,810	\$ 20,669,501	\$ 213,038,372	\$ 73,039,138	\$ 357,641,551	\$ 1,840,290,792	\$ 3,157,677,164	\$ (315,833)	\$ 3,128,714	\$ 3,160,490,045	

Note 1: Col 3, page 4
 Note 2: Col 4, page 4
 Note 3: Col 5, page 4 / (1-Col 14)
 Note 4: Col 6, page 4
 Note 5: Col 7, page 4
 Note 6: Col 8, page 4 / (1-Col 14)
 Note 7: Percent customer shopping usage.

B-5

PPL Electric Utilities Corporation
 12 month Period Ended December 31, 2007 Proforma Budget at Proposed Rates, Without Shopping

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(10)	(11)	(12)	(13)	(14)
Line Number	Rate Schedule	Proposed Distribution Rate Revenue	USR (Universal Service Rider)	Transmission Rate Revenue	CTC Rate Revenue	ITCRate Revenue	E&CRate Revenue	Total Proposed Rate Revenue		State Tax Adjustment Surcharge (STAS) Distribution -0.049%	State Tax Adjustment Surcharge (STAS) Other 0.126%	Total Revenue	Total Revenue \$ Change	Total Revenue % Change
			(Note 1)	(Note 2)	(Note 3)	(Note 4)	(Note 5)						(Note 6)	(Note 7)
1	RS	\$ 405,875,846	\$ 27,061,115	\$ 89,235,540	\$ 26,849,832	\$ 131,640,768	\$ 668,169,807	\$ 1,368,832,907	\$ 1,368,832,907	\$ (212,139)	\$ 1,179,229	\$ 1,369,799,997	\$ 46,577,434	3.52%
2	RTS	\$ 4,519,414	\$ 301,325	\$ 2,498,483	\$ 627,715	\$ 3,074,819	\$ 16,895,636	\$ 27,917,192	\$ 27,917,192	\$ (2,362)	\$ 29,102	\$ 27,943,931	\$ 829,696	3.06%
3	RTD	\$ 142,564	\$ 5,505	\$ 32,475	\$ 12,504	\$ 61,202	\$ 225,437	\$ 483,688	\$ 485,000	\$ (75)	\$ 418	\$ 484,031	\$ 15,327	3.27%
4	GS-1	\$ 72,643,690	\$ -	\$ 11,653,749	\$ 4,864,555	\$ 23,829,428	\$ 121,181,809	\$ 234,173,231	\$ 234,173,231	\$ (35,595)	\$ 203,527	\$ 234,341,163	\$ (941,129)	-0.40%
5	GS-3	\$ 114,640,971	\$ -	\$ 51,908,128	\$ 18,475,321	\$ 90,353,803	\$ 466,828,245	\$ 742,206,469	\$ 742,206,469	\$ (56,174)	\$ 790,733	\$ 742,941,027	\$ 4,885,925	0.66%
6	LP-4	\$ 28,586,993	\$ -	\$ 28,861,053	\$ 9,546,644	\$ 46,737,811	\$ 271,901,277	\$ 385,653,578	\$ 385,653,578	\$ (14,008)	\$ 449,904	\$ 386,089,474	\$ (251,121)	-0.06%
7	IS-P	\$ 1,562,584	\$ -	\$ 1,806,132	\$ 615,832	\$ 3,006,678	\$ 13,247,870	\$ 20,239,096	\$ 20,239,096	\$ (766)	\$ 23,532	\$ 20,261,863	\$ (202,598)	-0.99%
8	LP-5	\$ 919,142	\$ -	\$ 13,383,368	\$ 5,325,890	\$ 26,024,214	\$ 136,449,254	\$ 182,101,867	\$ 182,101,867	\$ (450)	\$ 228,290	\$ 182,329,707	\$ (145,981)	-0.08%
9	IS-7	\$ 378,870	\$ -	\$ 7,330,784	\$ 2,838,172	\$ 13,877,496	\$ 63,945,950	\$ 88,371,273	\$ 88,371,273	\$ (186)	\$ 110,870	\$ 88,481,958	\$ (159,555)	-0.18%
10	LP-6	\$ 42,958	\$ -	\$ 1,526,702	\$ 1,157,228	\$ 5,655,761	\$ 16,119,588	\$ 24,502,236	\$ 24,502,236	\$ (21)	\$ 30,819	\$ 24,533,034	\$ 7,358	0.03%
11	LPEP	\$ 326,287	\$ -	\$ 630,589	\$ 328,789	\$ 1,609,563	\$ 2,787,456	\$ 5,682,684	\$ 5,682,684	\$ (160)	\$ 6,749	\$ 5,689,279	\$ (6,835)	-0.12%
12	ISA	\$ 526,600	\$ -	\$ 529,528	\$ 501,308	\$ 2,460,059	\$ 11,449,120	\$ 15,466,615	\$ 15,466,615	\$ (258)	\$ 18,824	\$ 15,485,182	\$ -	0.00%
13	IS-1	\$ 31,425	\$ -	\$ 8,639	\$ 11,504	\$ 56,381	\$ 39,514	\$ 147,523	\$ 147,523	\$ (19)	\$ 146	\$ 147,654	\$ (266)	-0.18%
14	BL	\$ 281,383	\$ -	\$ 38,615	\$ 12,400	\$ 60,788	\$ 264,432	\$ 657,618	\$ 657,618	\$ (138)	\$ 474	\$ 657,954	\$ 526	0.08%
15	SA	\$ 4,270,484	\$ -	\$ 138,682	\$ 55,265	\$ 260,737	\$ 1,074,286	\$ 5,747,454	\$ 5,747,454	\$ (2,093)	\$ 1,861	\$ 5,747,223	\$ 708,978	14.07%
16	SM	\$ 1,119,706	\$ -	\$ 34,076	\$ 14,478	\$ 68,261	\$ 284,007	\$ 1,520,528	\$ 1,520,528	\$ (549)	\$ 505	\$ 1,520,484	\$ 165,892	13.93%
17	SHS	\$ 13,848,832	\$ -	\$ 290,009	\$ 126,294	\$ 598,495	\$ 3,735,967	\$ 18,597,596	\$ 18,597,596	\$ (6,786)	\$ 5,983	\$ 18,596,794	\$ 2,298,892	14.11%
18	SE	\$ 1,722,701	\$ -	\$ 213,319	\$ 9,298	\$ 104,435	\$ 181,415	\$ 2,231,168	\$ 2,231,168	\$ (844)	\$ 641	\$ 2,230,965	\$ 286,000	14.70%
19	TS	\$ 26,417	\$ -	\$ 1,995	\$ 1,036	\$ 4,899	\$ 16,203	\$ 50,550	\$ 50,550	\$ (13)	\$ 30	\$ 50,568	\$ 4,386	9.50%
20	SI-1	\$ 18,392	\$ -	\$ 520	\$ 369	\$ 1,838	\$ 5,340	\$ 26,479	\$ 26,479	\$ (9)	\$ 10	\$ 26,480	\$ 3,053	13.03%
21	GH-1	\$ 5,645,409	\$ -	\$ 1,659,493	\$ 1,323,507	\$ 6,487,607	\$ 13,312,104	\$ 28,428,120	\$ 28,428,120	\$ (2,766)	\$ 28,706	\$ 28,454,060	\$ 414,978	1.48%
22	GH-2	\$ 1,328,128	\$ -	\$ 384,235	\$ 289,954	\$ 1,418,549	\$ 3,007,900	\$ 6,428,766	\$ 6,428,766	\$ (651)	\$ 6,427	\$ 6,434,542	\$ 98,837	1.56%
23	Standby(LPS-S)	\$ 36,013	\$ -	\$ 7,859	\$ 51,223	\$ 250,359	\$ 712,050	\$ 1,057,505	\$ 1,057,505	\$ (18)	\$ 1,287	\$ 1,058,774	\$ 1,058	0.10%
24	PRS	\$ 421,281	\$ -	\$ (56,906)	\$ -	\$ -	\$ 8,506,065	\$ 8,870,640	\$ 8,870,640	\$ (206)	\$ 10,646	\$ 8,882,879	\$ (0)	0.00%
25	Rate Revenue	\$ 658,916,090	\$ 27,371,945	\$ 212,135,069	\$ 73,039,138	\$ 357,641,551	\$ 1,840,280,792	\$ 3,169,394,584	\$ 3,169,394,584	\$ (338,281)	\$ 3,128,714	\$ 3,172,187,017	\$ 54,610,854	1.75%
26														
27	Annualization Adjustment	\$ 3,137,178	\$ -	\$ 1,478,769	\$ 432,439	\$ 2,124,401	\$ 10,879,523	\$ 18,052,311	\$ 18,052,311	\$ (1,537)	\$ 18,793	\$ 18,069,567	\$ 220,174	
28														
29	Total PUC Tariff Revenue	\$ 662,053,269	\$ 27,371,945	\$ 213,613,838	\$ 73,471,577	\$ 359,765,952	\$ 1,851,170,315	\$ 3,187,446,895	\$ 3,187,446,895	\$ (337,818)	\$ 3,147,507	\$ 3,190,256,584	\$ 54,831,028	1.75%
30														
31	Other Electric Revenues													
32	Late Payment	\$ 9,424,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,424,243	\$ 9,424,243	\$ -	\$ -	\$ 9,424,243	\$ 162,243	1.75%
33	Misc. Revenue	\$ 369,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,000	\$ 369,000	\$ -	\$ -	\$ 369,000	\$ -	0.00%
34	Rent	\$ 29,693,492	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ 30,596,795	\$ 30,596,795	\$ -	\$ -	\$ 30,596,795	\$ -	0.00%
35	Other	\$ 2,686,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,686,087	\$ 2,686,087	\$ -	\$ -	\$ 2,686,087	\$ -	0.00%
36	Total Other	\$ 42,172,822	\$ -	\$ 903,303	\$ -	\$ -	\$ -	\$ 43,076,126	\$ 43,076,126	\$ -	\$ -	\$ 43,076,126	\$ 162,243	0.38%
37														
38	Total Operating Revenue	\$ 704,226,091	\$ 27,371,945	\$ 214,517,141	\$ 73,471,577	\$ 359,765,952	\$ 1,851,170,315	\$ 3,230,523,021	\$ 3,230,523,021	\$ (337,818)	\$ 3,147,507	\$ 3,233,332,110	\$ 54,993,271	1.73%

Note 1: USR As Proposed with GRT
 Note 2: Col 5, page 5
 Note 3: Col 6, page 4
 Note 4: Col 7, page 4
 Note 5: Col 8, page 5
 Note 6: Col 12 - Col 12, page 5
 Note 7: Col 13 / Col 12, page 5 (%)

B-6

Rate Schedule RS
Residential Service
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KWH	13,307,098,330	\$0.00650	\$86,496,139
Distribution			
Total Bills	14,082,483	\$7.96	\$112,096,565
First 200 KWH	2,668,989,214	\$0.02265	\$60,452,606
Next 600 KWH	5,714,018,120	\$0.02048	\$117,023,091
Excess KWH	4,924,090,996	\$0.01924	\$94,739,511
Subtotal	13,307,098,330		\$384,311,773
Energy & Capacity			
First 200 KWH	2,668,989,214	\$0.05728	\$152,879,702
Next 600 KWH	5,714,018,120	\$0.05034	\$287,643,672
Excess KWH	4,924,090,996	\$0.04618	\$227,394,522
Subtotal	13,307,098,330		\$667,917,896
Competitive Transition Charge			
First 200 KWH	2,668,989,214	\$0.00237	\$6,325,504
Next 600 KWH	5,714,018,120	\$0.00210	\$11,999,438
Excess KWH	4,924,090,996	\$0.00194	\$9,552,737
Subtotal	13,307,098,330		\$27,877,679
Intangible Transition Charge			
First 200 KWH	2,668,989,214	\$0.01101	\$29,385,571
Next 600 KWH	5,714,018,120	\$0.00976	\$55,768,817
Excess KWH	4,924,090,996	\$0.00901	\$44,366,060
Subtotal	13,307,098,330		\$129,520,448
RWO			\$54,151
RW1			\$155,353
Total Rate Revenue			\$1,296,333,439

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KWH	13,307,098,330	\$0.00650	\$86,496,139
Distribution			
Total Bills	14,082,483	\$8.00	\$112,659,864
First 200 KWH	2,668,989,214	\$0.02640	\$70,461,315
Next 600 KWH	5,714,018,120	\$0.02387	\$136,393,613
Excess KWH	4,924,090,996	\$0.02242	\$110,398,120
Subtotal	13,307,098,330		\$429,912,912
Energy & Capacity			
First 200 KWH	2,668,989,214	\$0.05728	\$152,879,702
Next 600 KWH	5,714,018,120	\$0.05034	\$287,643,672
Excess KWH	4,924,090,996	\$0.04618	\$227,394,522
Subtotal	13,307,098,330		\$667,917,896
Competitive Transition Charge			
First 200 KWH	2,668,989,214	\$0.00237	\$6,325,504
Next 600 KWH	5,714,018,120	\$0.00210	\$11,999,438
Excess KWH	4,924,090,996	\$0.00194	\$9,552,737
Subtotal	13,307,098,330		\$27,877,679
Intangible Transition Charge			
First 200 KWH	2,668,989,214	\$0.01101	\$29,385,571
Next 600 KWH	5,714,018,120	\$0.00976	\$55,768,817
Excess KWH	4,924,090,996	\$0.00901	\$44,366,060
Subtotal	13,307,098,330		\$129,520,448
RWO			\$60,437
RW1			\$161,348
Total Rate Revenue			\$1,341,946,859

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$1,341,946,859
Total from bill distributions Present Rates	\$1,296,333,439
Rate Change Amount	\$45,613,420
Percent	3.52%
2006 Rate revenue under Present Rates	\$1,295,767,257
Rate Change Percent	3.52%
Amount	\$45,611,007
2006 Projected Revenue under Proposed Rates	\$1,341,378,264
2007 Rate revenue under Present Rates	\$1,323,222,563
Rate Change Percent	3.52%
Amount	\$46,577,434
2007 Projected Revenue under Proposed Rates	\$1,369,799,997

PPL Electric Utilities Corporation
Rate Schedule RS with Off-Peak Water Heating-Separate Meter (RWO)
Residential Service
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
Transmission - All KWH	696,379	\$0.00650	\$4,526
<u>Distribution</u>			
Total Bills	2,835	\$7.49	\$21,234
All KWH	696,379	\$0.01855	\$12,918
Subtotal	696,379		\$34,152
<u>Energy & Capacity</u>			
All KWH	696,379	\$0.00965	\$6,720
<u>Competitive Transition Charge</u>			
All KWH	696,379	\$0.00213	\$1,483
<u>Intangible Transition Charge</u>			
All KWH	696,379	\$0.01044	\$7,270
Total Rate Revenue			<u>\$54,151</u>
<u>PROPOSED RATE</u>			
<u>Transmission</u>			
All KWH	696,379	\$0.00650	\$4,526
<u>Distribution</u>			
Total Bills	2,835	\$8.00	\$22,680
First 200 KWH	460,539	\$0.02640	\$12,158
Next 600 KWH	215,341	\$0.02387	\$5,140
Excess KWH	20,499	\$0.02242	\$460
Subtotal	696,379		\$40,438
<u>Energy & Capacity</u>			
All KWH	696,379	\$0.00965	\$6,720
<u>Competitive Transition Charge</u>			
All KWH	696,379	\$0.00213	\$1,483
<u>Intangible Transition Charge</u>			
All KWH	696,379	\$0.01044	\$7,270
Total Rate Revenue			<u>\$60,437</u>

PPL Electric Utilities Corporation
Rate Schedule RS with Off-Peak Water Heating-Single Meter (RW1)
Residential Service

Attachment IV-C Settlement
O. G. Kasper
Page 3

Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	1,721,533	\$0.00650	\$11,190
<u>Distribution</u>			
Total Bills	1,161	\$15.45	\$17,937
First 200 KWH	229,648	\$0.02265	\$5,202
Next 400 KWH	437,638	\$0.02048	\$8,963
Next 600 KWH	504,228	\$0.02048	\$10,327
Excess KWH	550,019	\$0.01924	\$10,582
Subtotal	1,721,533		\$53,011
<u>Energy & Capacity</u>			
First 200 KWH	229,648	\$0.05728	\$13,154
Next 400 KWH	437,638	\$0.01517	\$6,639
Next 600 KWH	504,228	\$0.05034	\$25,383
Excess KWH	550,019	\$0.04618	\$25,400
Subtotal	1,721,533		\$70,576
<u>Competitive Transition Charge</u>			
First 200 KWH	229,648	\$0.00237	\$544
Next 400 KWH	437,638	\$0.00213	\$932
Next 600 KWH	504,228	\$0.00210	\$1,059
Excess KWH	550,019	\$0.00194	\$1,067
Subtotal	1,721,533		\$3,602
<u>Intangible Transition Charge</u>			
First 200 KWH	229,648	\$0.01101	\$2,528
Next 400 KWH	437,638	\$0.01044	\$4,569
Next 600 KWH	504,228	\$0.00976	\$4,921
Excess KWH	550,019	\$0.00901	\$4,956
Subtotal	1,721,533		\$16,974
Total Rate Revenue			<u>\$155,353</u>
<u>PROPOSED RATE</u>			
<u>Transmission</u>			
All KWH	1,721,533	\$0.00650	\$11,190
<u>Distribution</u>			
Total Bills	1,161	\$16.00	\$18,576
First 200 KWH	229,648	\$0.02640	\$6,063
Next 600 KWH	633,749	\$0.02387	\$15,128
Excess KWH	858,137	\$0.02242	\$19,239
Subtotal	1,721,534		\$59,006
<u>Energy & Capacity</u>			
First 200 KWH	229,648	\$0.05728	\$13,154
Next 400 KWH	437,638	\$0.01517	\$6,639
Next 600 KWH	504,228	\$0.05034	\$25,383
Excess KWH	550,019	\$0.04618	\$25,400
Subtotal	1,721,533		\$70,576
<u>Competitive Transition Charge</u>			
First 200 KWH	229,648	\$0.00237	\$544
Next 400 KWH	437,638	\$0.00213	\$932
Next 600 KWH	504,228	\$0.00210	\$1,059
Excess KWH	550,019	\$0.00194	\$1,067
Subtotal	1,721,533		\$3,602
<u>Intangible Transition Charge</u>			
First 200 KWH	229,648	\$0.01101	\$2,528
Next 400 KWH	437,638	\$0.01044	\$4,569
Next 600 KWH	504,228	\$0.00976	\$4,921
Excess KWH	550,019	\$0.00901	\$4,956
Subtotal	1,721,533		\$16,974
Total Rate Revenue			<u>\$161,348</u>

PPL Electric Utilities Corporation
Rate Schedule RTS (R)
Residential Service - Thermal Storage
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 4

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	360,438,186	\$0.00650	\$2,342,848
Subtotal			<u>\$2,342,848</u>
<u>Distribution</u>			
Total Bills	166,177	\$16.45	\$2,733,612
First 2 on-peak KW	326,061	\$0.00	\$0
Excess on-peak KW	866,581	\$1.442	\$1,249,610
Subtotal			<u>\$3,983,222</u>
<u>Energy & Capacity</u>			
First 2 on-peak KW	326,061	\$0.00	\$0
Excess on-peak KW	866,581	\$5.32	\$4,610,211
All KWH	360,438,186	\$0.03149	\$11,350,198
Subtotal			<u>\$15,960,409</u>
<u>Competitive Transition Charge</u>			
All KWH	360,438,186	\$0.00032	\$115,340
<u>Intangible Transition Charge</u>			
All KWH	360,438,186	\$0.00810	\$2,919,549
Total Rate Revenue			<u><u>\$25,321,368</u></u>
PROPOSED RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	360,438,186	\$0.00650	\$2,342,848
Subtotal			<u>\$2,342,848</u>
<u>Distribution</u>			
Total Bills	166,177	\$17.13	\$2,846,612
First 200 KWII	33,116,933	\$0.0053	\$175,520
Next 600 KWII	95,871,093	\$0.0053	\$508,117
Excess KWII	231,450,159	\$0.0053	\$1,226,686
Subtotal	360,438,185		<u>\$4,756,935</u>
<u>Energy & Capacity</u>			
First 2 on-peak KW	326,061	\$0.00	\$0
Excess on-peak KW	866,581	\$5.32	\$4,610,211
All KWH	360,438,186	\$0.03149	\$11,350,198
Subtotal			<u>\$15,960,409</u>
<u>Competitive Transition Charge</u>			
All KWH	360,438,186	\$0.00032	\$115,340
<u>Intangible Transition Charge</u>			
All KWH	360,438,186	\$0.00810	\$2,919,549
Total Rate Revenue			<u><u>\$26,095,081</u></u>
<u>Summary of Total Revenues</u>			
Total from bill distributions Proposed Rates			\$26,095,081
Total from bill distributions Present Rates			\$25,321,368
Rate Change Amount			\$773,713
Percent			3.06%
2006 Rate revenue under Present Rates			\$25,571,489
Rate Change Percent			3.06%
Amount			\$782,488
2006 Projected Revenue under Proposed Rates			\$26,353,977
2007 Rate revenue under Present Rates			\$27,114,235
Rate Change Percent			3.06%
Amount			\$829,696
2007 Projected Revenue under Proposed Rates			\$27,943,931

PPL Electric Utilities Corporation
Rate Schedule RTD (R)
Residential Service - Time-of-Day
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 5

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	4,728,544	\$0.00650	\$30,736
<u>Distribution</u>			
Total Bills	3,161	\$15.89	\$50,228
On-peak KWH	1,037,771	\$0.04043	\$41,957
Off-peak KWH	3,690,773	\$0.01215	\$44,843
Subtotal			\$137,028
<u>Energy & Capacity</u>			
On-peak KWH	1,037,771	\$0.09965	\$103,414
Off-peak KWH	3,690,773	\$0.02958	\$109,173
Subtotal	4,728,544		\$212,587
<u>Competitive Transition Charge</u>			
On-peak KWH	1,037,771	\$0.00256	\$2,657
Off-peak KWH	3,690,773	\$0.00088	\$3,248
Subtotal	4,728,544		\$5,905
<u>Intangible Transition Charge</u>			
On-peak KWH	1,037,771	\$0.02623	\$27,221
Off-peak KWH	3,690,773	\$0.00849	\$31,335
Subtotal	4,728,544		\$58,556
Total Rate Revenue			<u>\$444,812</u>

PROPOSED RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	4,728,544	\$0.00650	\$30,736
<u>Distribution</u>			
Total Bills	3,161	\$8.00	\$25,288
First 200 KWH	625,788	\$0.03500	\$21,903
Next 600 KWH	2,415,971	\$0.02907	\$70,232
Excess KWH	1,686,784	\$0.02025	\$34,157
			\$151,580
<u>Energy & Capacity</u>			
On-peak KWH	1,037,771	\$0.09965	\$103,414
Off-peak KWH	3,690,773	\$0.02958	\$109,173
Subtotal	4,728,544		\$212,587
<u>Competitive Transition Charge</u>			
On-peak KWH	1,037,771	\$0.00256	\$2,657
Off-peak KWH	3,690,773	\$0.00088	\$3,248
Subtotal	4,728,544		\$5,905
<u>Intangible Transition Charge</u>			
On-peak KWH	1,037,771	\$0.02623	\$27,221
Off-peak KWH	3,690,773	\$0.00849	\$31,335
Subtotal	4,728,544		\$58,556
Total Rate Revenue			<u>\$459,364</u>

Summary of Total Revenues	
Total from bill distributions Proposed Rates	\$459,364
Total from bill distributions Present Rates	\$444,812
Rate Change Amount	\$14,552
Percent	3.27%
2006 Rate revenue under Present Rates	\$447,828
Rate Change Percent	3.27%
Amount	\$14,644
2006 Projected Revenue under Proposed Rates	\$462,472
2007 Rate revenue under Present Rates	\$468,704
Rate Change Percent	3.27%
Amount	\$15,327
2007 Projected Revenue under Proposed Rates	\$484,031

PPL Electric Utilities Corporation
Rate Schedule GS-1
Small General Service at Secondary Voltage
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 6

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KWH	1,901,806,480	\$0.00600	\$11,410,839
Subtotal			\$11,410,839
Distribution			
Total Bills	1,718,122	\$11.03	\$18,950,886
First 5 KW	8,590,613	\$0.00	\$0
Excess KW	5,465,035	\$2.27	\$12,405,629
First 150 Hours	1,314,609,455	\$0.02371	\$31,169,390
Excess KWH	587,197,025	\$0.01638	\$9,618,287
Subtotal	1,901,806,480		\$72,144,192
Energy and Capacity			
First 150 Hours	1,314,609,455	\$0.06862	\$90,208,501
Excess KWH	587,197,025	\$0.04996	\$29,336,363
Subtotal	1,901,806,480		\$119,544,864
Competitive Transition Charge			
First 150 Hours	1,314,609,455	\$0.00407	\$5,350,460
Excess KWH	587,197,025	\$0.00305	\$1,790,951
Subtotal	1,901,806,480		\$7,141,411
Intangible Transition Charge			
First 150 Hours	1,314,609,455	\$0.01351	\$17,760,374
Excess KWH	587,197,025	\$0.01013	\$5,948,306
Subtotal	1,901,806,480		\$23,708,680
T. O. D. Metering	9,996	\$14.45	\$144,442
GIV			\$2,331,427
GIC			\$123,285
Total Rate Revenue			\$236,549,140

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KWH	1,901,806,480	\$0.00600	\$11,410,839
Subtotal			\$11,410,839
Distribution			
Total Bills	1,718,122	\$11.32	\$19,449,141
First 5 KW	8,590,613	\$0.00	\$0
Excess KW	5,465,035	\$2.26	\$12,350,979
First 150 Hours	1,314,609,455	\$0.02404	\$31,603,211
Excess KWH	587,197,025	\$0.01339	\$7,862,568
Subtotal	1,901,806,480		\$71,265,899
Energy and Capacity			
First 150 Hours	1,314,609,455	\$0.06862	\$90,208,501
Excess KWH	587,197,025	\$0.04996	\$29,336,363
Subtotal	1,901,806,480		\$119,544,864
Competitive Transition Charge			
First 150 Hours	1,314,609,455	\$0.00407	\$5,350,460
Excess KWH	587,197,025	\$0.00305	\$1,790,951
Subtotal	1,901,806,480		\$7,141,411
Intangible Transition Charge			
First 150 Hours	1,314,609,455	\$0.01351	\$17,760,374
Excess KWH	587,197,025	\$0.01013	\$5,948,306
Subtotal	1,901,806,480		\$23,708,680
T. O. D. Metering	9,996	\$0.00	\$0
GIV			\$2,418,126
GIC			\$112,536
Total Rate Revenue			\$235,602,355

Summary of Total Revenues		
Total from bill distributions Proposed Rates		\$235,602,355
Total from bill distributions Present Rates		\$236,549,140
Rate Change Amount		-\$946,785
Percent		-0.40%
2006 Rate revenue under Present Rates		\$234,445,376
Rate Change Percent		-0.40%
Amount		-\$937,782
2006 Projected Revenue under Proposed Rates		\$233,507,594
2007 Rate revenue under Present Rates		\$235,282,292
Rate Change Percent		-0.40%
Amount		-\$941,129
2007 Projected Revenue under Proposed Rates		\$234,341,163

PPL Electric Utilities Corporation
Rate Schedule GS-1
Volunteer Fire Co./Sr. Citizens Centers (GIV)
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 7

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KWH	26,526,284	\$0.00650	\$172,421
<u>Distribution</u>			
Total Bills	9,329	\$7.96	\$74,259
First 200 KWH	1,733,281	\$0.02265	\$39,259
Next 600 KWH	4,686,866	\$0.02048	\$95,987
Excess KWH	20,106,137	\$0.01924	\$386,842
Subtotal	26,526,284		\$596,347
<u>Energy & Capacity</u>			
First 200 KWH	1,733,281	\$0.05728	\$99,282
Next 600 KWH	4,686,866	\$0.05034	\$235,937
Excess KWH	20,106,137	\$0.04618	\$928,501
Subtotal	26,526,284		\$1,263,720
<u>Competitive Transition Charge</u>			
First 200 KWH	1,733,281	\$0.00237	\$4,108
Next 600 KWH	4,686,866	\$0.00210	\$9,842
Excess KWH	20,106,137	\$0.00194	\$39,006
Subtotal	26,526,284		\$52,956
<u>Intangible Transition Charge</u>			
First 200 KWH	1,733,281	\$0.01101	\$19,083
Next 600 KWH	4,686,866	\$0.00976	\$45,744
Excess KWH	20,106,137	\$0.00901	\$181,156
Subtotal	26,526,284		\$245,983
<u>Total Rate Revenue</u>			<u>\$2,331,427</u>
<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KWH	26,526,284	\$0.00650	\$172,421
<u>Distribution</u>			
Total Bills	9,329	\$8.00	\$74,632
First 200 KWH	1,733,281	\$0.02640	\$45,759
Next 600 KWH	4,686,866	\$0.02387	\$111,875
Excess KWH	20,106,137	\$0.02242	\$450,780
Subtotal	26,526,284		\$683,046
<u>Energy & Capacity</u>			
First 200 KWH	1,733,281	\$0.05728	\$99,282
Next 600 KWH	4,686,866	\$0.05034	\$235,937
Excess KWH	20,106,137	\$0.04618	\$928,501
Subtotal	26,526,284		\$1,263,720
<u>Competitive Transition Charge</u>			
First 200 KWH	1,733,281	\$0.00237	\$4,108
Next 600 KWH	4,686,866	\$0.00210	\$9,842
Excess KWH	20,106,137	\$0.00194	\$39,006
Subtotal	26,526,284		\$52,956
<u>Intangible Transition Charge</u>			
First 200 KWH	1,733,281	\$0.01101	\$19,083
Next 600 KWH	4,686,866	\$0.00976	\$45,744
Excess KWH	20,106,137	\$0.00901	\$181,156
Subtotal	26,526,284		\$245,983
<u>Total Rate Revenue</u>			<u>\$2,418,126</u>

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KWH	3,071,599	\$0.00600	\$18,430
Subtotal			<u>\$18,430</u>
<u>Distribution</u>			
All KW	2,300	\$ 20.14	\$46,322
All KWH	3,071,599	\$0.01216	\$37,351
Subtotal			<u>\$83,673</u>
<u>Energy & Capacity</u>			
All KWH	3,071,599	\$0.00000	\$0
<u>Competitive Transition Charge</u>			
All KWH	3,071,599	\$0.00000	\$0
<u>Intangible Transition Charge</u>			
All KWH	3,071,599	\$0.00236	\$7,249
T. O. D. Metering	932	\$14.95	\$ 13,933.40
Total Rate Revenue			<u><u>\$123,285</u></u>

<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KWH	3,071,599	\$0.00600	\$18,430
Subtotal			\$18,430
<u>Distribution</u>			
All KW	2,300	\$20.67	\$47,541
All KWH	3,071,599	\$0.01280	\$39,316
Subtotal			<u>\$86,857</u>
<u>Energy & Capacity</u>			
All KWH	3,071,599	\$0.00000	\$0
<u>Competitive Transition Charge</u>			
All KWH	3,071,599	\$0.00000	\$0
<u>Intangible Transition Charge</u>			
All KWH	3,071,599	\$0.00236	\$7,249
T. O. D. Metering	932	\$0.00	\$0
Total Rate Revenue			<u><u>\$112,536</u></u>

PPL Electric Utilities Corporation
Rate Schedule GS-1
Large General Service at Secondary Voltage
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 9

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KWH	8,529,776,577	\$0.00600	\$51,178,659
Subtotal			\$51,178,659
Distribution			
All KW	24,062,868	\$4.193	\$100,895,606
First 200 Hours	4,649,162,261	\$0.00086	\$1,998,280
Next 200 Hours	3,040,976,039	\$0.00068	\$2,067,864
Excess KWH	839,638,277	\$0.00057	\$478,594
Subtotal	8,529,776,577		\$107,440,344
Energy & Capacity			
All KW	24,062,868	\$4.461	\$107,344,454
First 200 Hours	4,649,162,261	\$0.04844	\$225,205,420
Next 200 Hours	3,040,976,039	\$0.03684	\$112,029,557
Excess KWH	839,638,277	\$0.03519	\$29,546,871
Subtotal	8,529,776,577		\$474,126,302
Competitive Transition Charge			
First 200 Hours	4,649,162,261	\$0.00209	\$9,716,749
Next 200 Hours	3,040,976,039	\$0.00165	\$5,017,610
Excess KWH	839,638,277	\$0.00160	\$1,341,421
Subtotal	8,529,776,577		\$16,077,780
Intangible Transition Charge			
First 200 Hours	4,649,162,261	\$0.01183	\$54,999,590
Next 200 Hours	3,040,976,039	\$0.00925	\$28,129,028
Excess KWH	839,638,277	\$0.00888	\$7,455,988
Subtotal	8,529,776,577		\$90,584,606
T. O. D. Metering	30,343	\$14.08	\$427,229
G3V			\$567,712
G3C			\$1,156,908
Econ. Dev. Credits			(\$3,752,711)
Total Rate Revenue			\$737,806,829

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KWH	8,529,776,577	\$0.00600	\$51,178,659
Subtotal			\$51,178,659
Distribution			
All KW	24,062,868	\$4.692	\$112,902,977
First 200 Hours	4,649,162,261	\$0.00000	\$0
Next 200 Hours	3,040,976,039	\$0.00000	\$0
Excess KWH	839,638,277	\$0.00000	\$0
Subtotal	8,529,776,577		\$112,902,977
Energy & Capacity			
All KW	24,062,868	\$4.461	\$107,344,454
First 200 Hours	4,649,162,261	\$0.04844	\$225,205,420
Next 200 Hours	3,040,976,039	\$0.03684	\$112,029,557
Excess KWH	839,638,277	\$0.03519	\$29,546,871
Subtotal	8,529,776,577		\$474,126,302
Competitive Transition Charge			
First 200 Hours	4,649,162,261	\$0.00209	\$9,716,749
Next 200 Hours	3,040,976,039	\$0.00165	\$5,017,610
Excess KWH	839,638,277	\$0.00160	\$1,341,421
Subtotal	8,529,776,577		\$16,077,780
Intangible Transition Charge			
First 200 Hours	4,649,162,261	\$0.01183	\$54,999,590
Next 200 Hours	3,040,976,039	\$0.00925	\$28,129,028
Excess KWH	839,638,277	\$0.00888	\$7,455,988
Subtotal	8,529,776,577		\$90,584,606
T. O. D. Metering	30,343	\$0.00	\$0
G3V			\$589,271
G3C			\$983,299
Econ. Dev. Credits			(\$3,752,711)
Total Rate Revenue			\$742,600,183

Summary of Total Revenues		
Total from bill distributions Proposed Rates		\$742,600,183
Total from bill distributions Present Rates		\$737,806,829
Rate Change Amount		\$4,883,354
Percent		0.662%
2006 Rate revenue under Present Rates		\$739,986,865
Rate Change Percent		0.662%
Amount		\$4,898,713
2006 Projected Revenue under Proposed Rates		\$744,885,578
2007 Rate revenue under Present Rates		\$738,055,102
Rate Change Percent		0.662%
Amount		\$4,885,925
2007 Projected Revenue under Proposed Rates		\$742,941,027

PPL Electric Utilities Corporation
Rate Schedule GS-3
Volunteer Fire Co./Sr. Citizens Centers (G3V)
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 10

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	6,714,553	\$0.00650	\$43,645
<u>Distribution</u>			
Total Bills	749	\$7.96	\$5,962
First 200 KWH	148,944	\$0.02265	\$3,374
Next 600 KWH	442,282	\$0.02048	\$9,058
Excess KWH	6,123,327	\$0.01924	\$117,813
Subtotal	6,714,553		\$136,207
<u>Energy & Capacity</u>			
First 200 KWH	148,944	\$0.05728	\$8,532
Next 600 KWH	442,282	\$0.05034	\$22,264
Excess KWH	6,123,327	\$0.04618	\$282,775
Subtotal	6,714,553		\$313,571
<u>Competitive Transition Charge</u>			
First 200 KWH	148,944	\$0.00237	\$353
Next 600 KWH	442,282	\$0.00210	\$929
Excess KWH	6,123,327	\$0.00194	\$11,879
Subtotal	6,714,553		\$13,161
<u>Intangible Transition Charge</u>			
First 200 KWH	148,944	\$0.01101	\$1,640
Next 600 KWH	442,282	\$0.00976	\$4,317
Excess KWH	6,123,327	\$0.00901	\$55,171
Subtotal	6,714,553		\$61,128
Total Rate Revenue			<u>\$567,712</u>

PROPOSED RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	6,714,553	\$0.00650	\$43,645
<u>Distribution</u>			
Total Bills	749	\$8.00	\$5,992
First 200 KWH	148,944	\$0.02640	\$3,932
Next 600 KWH	442,282	\$0.02387	\$10,557
Excess KWH	6,123,327	\$0.02242	\$137,285
Subtotal	6,714,553		\$157,766
<u>Energy & Capacity</u>			
First 200 KWH	148,944	\$0.05728	\$8,532
Next 600 KWH	442,282	\$0.05034	\$22,264
Excess KWH	6,123,327	\$0.04618	\$282,775
Subtotal	6,714,553		\$313,571
<u>Competitive Transition Charge</u>			
First 200 KWH	148,944	\$0.00237	\$353
Next 600 KWH	442,282	\$0.00210	\$929
Excess KWH	6,123,327	\$0.00194	\$11,879
Subtotal	6,714,553		\$13,161
<u>Intangible Transition Charge</u>			
First 200 KWH	148,944	\$0.01101	\$1,640
Next 600 KWH	442,282	\$0.00976	\$4,317
Excess KWH	6,123,327	\$0.00901	\$55,171
Subtotal	6,714,553		\$61,128
Total Rate Revenue			<u>\$589,271</u>

PPL Electric Utilities Corporation
Rate Schedule GS-3

Off-Peak Space Conditioning and Water Heating (G3C)
Calculation of Effect of Proposed Rate vs. Current Tariff

Based on bill frequency distribution for 12 months ended December 2006

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	16,524,550	\$0.00600	\$99,147
Subtotal			\$99,147
<u>Distribution</u>			
All KW	18,081	\$20.01	\$361,801
All KWH	16,524,550	\$0.01209	\$199,782
Subtotal			\$561,583
<u>Energy & Capacity</u>			
All KWH	16,524,550	\$0.01738	\$287,197
<u>Competitive Transition Charge</u>			
All KWH	16,524,550	\$0.00199	\$32,884
<u>Intangible Transition Charge</u>			
All KWH	16,524,550	\$0.00977	\$161,445
T. O. D. Metering	986	\$14.86	\$14,652
Total Rate Revenue			<u>\$1,156,908</u>
PROPOSED RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	16,524,550	\$0.00600	\$99,147
Subtotal			\$99,147
<u>Distribution</u>			
All KW	18,081	\$22.14	\$400,313
All KWH	16,524,550	\$0.00014	\$2,313
Subtotal			\$402,626
<u>Energy & Capacity</u>			
All KWH	16,524,550	\$0.01738	\$287,197
<u>Competitive Transition Charge</u>			
All KWH	16,524,550	\$0.00199	\$32,884
<u>Intangible Transition Charge</u>			
All KWH	16,524,550	\$0.00977	\$161,445
T. O. D. Metering	986	\$0.00	\$0
Total Rate Revenue			<u>\$983,299</u>

PPL Electric Utilities Corporation
Rate Schedule LP-4
Large General Service at Secondary Voltage
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kaspar
Page 12

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KW	13,054,555	\$1.61000	\$21,017,834
All KWH	5,789,729,986	\$0.00133	\$7,700,341
Subtotal			\$28,718,175
Distribution			
All KW	12,795,190	\$2.312	\$29,582,479
First 200 Hours	2,508,232,481	\$0.00000	\$0
Next 200 Hours	2,170,416,386	\$0.00000	\$0
Excess KWH	1,111,081,119	\$0.00000	\$0
Subtotal	5,789,729,986		\$29,582,479
Energy & Capacity			
All KW	12,795,190	\$4.046	\$51,769,339
First 200 Hours	2,508,232,481	\$0.04908	\$123,104,050
Next 200 Hours	2,170,416,386	\$0.03696	\$80,218,590
Excess KWH	1,111,081,119	\$0.03175	\$35,276,826
Subtotal	5,789,729,986		\$290,368,805
Competitive Transition Charge			
All KW	12,795,190	\$0.232	\$2,968,484
First 200 Hours	2,508,232,481	\$0.00290	\$7,273,874
Next 200 Hours	2,170,416,386	\$0.00224	\$4,861,733
Excess KWH	1,111,081,119	\$0.00195	\$2,166,608
Subtotal	5,789,729,986		\$17,270,699
Intangible Transition Charge			
All KW	12,795,190	\$0.679	\$8,687,934
First 200 Hours	2,508,232,481	\$0.00848	\$21,269,811
Next 200 Hours	2,170,416,386	\$0.00654	\$14,194,523
Excess KWH	1,111,081,119	\$0.00570	\$6,333,162
Subtotal	5,789,729,986		\$50,485,430
T. O. D. Metering L4C	5,263	\$14.65	\$77,103
			\$156,905
Econ. Dev. Credits			(\$18,183,546)
Total Rate Revenue			\$398,476,050

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KW	13,054,555	\$1.61000	\$21,017,834
All KWH	5,789,729,986	\$0.00133	\$7,700,341
Subtotal			\$28,718,175
Distribution			
All KW	12,795,190	2.299	\$29,416,142
First 200 Hours	2,508,232,481	\$0.00000	\$0
Next 200 Hours	2,170,416,386	\$0.00000	\$0
Excess KWH	1,111,081,119	\$0.00000	\$0
Subtotal	5,789,729,986		\$29,416,142
Energy & Capacity			
All KW	12,795,190	4.046	\$51,769,339
First 200 Hours	2,508,232,481	\$0.04908	\$123,104,050
Next 200 Hours	2,170,416,386	\$0.03696	\$80,218,590
Excess KWH	1,111,081,119	\$0.03175	\$35,276,826
Subtotal	5,789,729,986		\$290,368,805
Competitive Transition Charge			
All KW	12,795,190	0.232	\$2,968,484
First 200 Hours	2,508,232,481	\$0.00290	\$7,273,874
Next 200 Hours	2,170,416,386	\$0.00224	\$4,861,733
Excess KWH	1,111,081,119	\$0.00195	\$2,166,608
Subtotal	5,789,729,986		\$17,270,699
Intangible Transition Charge			
All KW	12,795,190	0.679	\$8,687,934
First 200 Hours	2,508,232,481	\$0.00848	\$21,269,811
Next 200 Hours	2,170,416,386	\$0.00654	\$14,194,523
Excess KWH	1,111,081,119	\$0.00570	\$6,333,162
Subtotal	5,789,729,986		\$50,485,430
T. O. D. Metering L4C	5,263	\$0.00	\$0
			\$139,397
Econ. Dev. Credits			(\$18,183,546)
Total Rate Revenue			\$398,215,102

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$398,215,102
Total from bill distributions Present Rates	\$398,476,050
Rate Change Amount	-\$260,948
Percent	-0.065%
2006 Rate revenue under Present Rates	\$396,452,520
Rate Change Percent	-0.065%
Amount	-\$257,694
2006 Projected Revenue under Proposed Rates	\$396,194,826
2007 Rate revenue under Present Rates	\$386,340,595
Rate Change Percent	-0.065%
Amount	-\$251,121
2007 Projected Revenue under Proposed Rates	\$386,089,474

PPL Electric Utilities Corporation
Rate Schedule LP-4

Off-Peak Space Conditioning and Water Heating (L4C)

Calculation Effect of Proposed Rate vs. Current Tariff

Based on bill frequency distribution for 12 months ended December 2006

<u>PRESENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KW	27,037	\$1.61000	\$43,530
All KWH	3,005,230	\$0.00133	\$3,997
Subtotal			\$47,527
<u>Distribution</u>			
All KW	2,213	\$2.429	\$5,375
All KWH	3,005,230	\$0.00387	\$11,630
Subtotal			\$17,005
<u>Energy & Capacity</u>			
All KWH	3,005,230	\$0.02073	\$62,298
<u>Competitive Transition Charge</u>			
All KWH	3,005,230	\$0.00165	\$4,959
<u>Intangible Transition Charge</u>			
All KWH	3,005,230	\$0.00806	\$24,222
T. O. D. Metering	61	\$14.65	\$894
Total Rate Revenue			<u>\$156,905</u>

<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KW	27,037	\$1.61000	\$43,530
All KWH	3,005,230	\$0.00133	\$3,997
Subtotal			\$47,527
<u>Distribution</u>			
All KW	2,213	\$0.00000	\$0
All KWH	3,005,230	\$0.00013	\$391
Subtotal			\$391
<u>Energy & Capacity</u>			
All KWH	3,005,230	\$0.02073	\$62,298
<u>Competitive Transition Charge</u>			
All KWH	3,005,230	\$0.00165	\$4,959
<u>Intangible Transition Charge</u>			
All KWH	3,005,230	\$0.00806	\$24,222
T. O. D. Metering	61	\$0.00	\$0
Total Rate Revenue			<u>\$139,397</u>

PPL Electric Utilities Corporation
Rate Schedule IS-P (R)
Interruptible Large General Service at 12,470 Volts or Higher
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachmont IV-C Settlement
O. G. Kasper
Page 14

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KW	774,787	\$1.61000	\$1,247,407
All KWH	320,075,335	\$0.00133	\$425,700
Subtotal			\$1,673,107
Distribution			
All KW	331,301	4.758	\$1,576,330
First 400 KWH	125,342,900	\$0.00000	\$0
Excess KWH	194,732,435	\$0.00000	\$0
Subtotal			\$1,576,330
Energy & Capacity			
All KW	331,301	3.682	\$1,219,850
First 400 KWH	125,342,900	\$0.04395	\$5,508,820
Excess KWH	194,732,435	\$0.02625	\$5,111,726
Subtotal			\$11,840,396
Competitive Transition Charge			
All KW	331,301	-0.091	(\$30,148)
First 400 KWH	125,342,900	(\$0.00119)	(\$149,158)
Excess KWH	194,732,435	(\$0.00075)	(\$146,049)
Subtotal			(\$325,355)
Intangible Transition Charge			
All KW	331,301	0.880	\$291,545
First 400 KWH	125,342,900	\$0.01004	\$1,258,443
Excess KWH	194,732,435	\$0.00631	\$1,228,762
Subtotal			\$2,778,750
T. O. D. Metering	336	\$14.33	\$4,815
Total Rate Revenue			\$17,548,043

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KW	774,787	\$1.61000	\$1,247,407
All KWH	320,075,335	\$0.00133	\$425,700
Subtotal			\$1,673,107
Distribution			
All KW	774,787	\$1.81700	\$1,407,788
First 400 KWH	270,839,260	\$0.00000	\$0
Excess KWH	49,236,075	\$0.00000	\$0
Subtotal	320,075,335		\$1,407,788
Energy & Capacity			
All KW	331,301	\$3.68200	\$1,219,850
First 400 KWH	125,342,900	\$0.04395	\$5,508,820
Excess KWH	194,732,435	\$0.02625	\$5,111,726
Subtotal	320,075,335		\$11,840,396
Competitive Transition Charge			
All KW	331,301	-0.091	(\$30,148)
First 400 KWH	125,342,900	(\$0.00119)	(\$149,158)
Excess KWH	194,732,435	(\$0.00075)	(\$146,049)
Subtotal	320,075,335		(\$325,355)
Intangible Transition Charge			
All KW	331,301	0.880	\$291,545
First 400 KWH	125,342,900	\$0.01004	\$1,258,443
Excess KWH	194,732,435	\$0.00631	\$1,228,762
Subtotal	320,075,335		\$2,778,750
T. O. D. Metering	336	\$0.00	\$0
Total Rate Revenue			\$17,374,686

Summary of Total Revenues	
Total from bill distributions Proposed Rates	\$17,374,686
Total from bill distributions Present Rates	\$17,548,043
Rate Change Amount	-\$173,357
Percent	-0.99%
2006 Rate revenue under Present Rates	\$18,308,271
Rate Change Percent	-0.99%
Amount	-\$181,252
2006 Projected Revenue under Proposed Rates	\$18,127,019
2007 Rate revenue under Present Rates	\$20,464,461
Rate Change Percent	-0.99%
Amount	-\$202,598
2007 Projected Revenue under Proposed Rates	\$20,261,863

PPL Electric Utilities Corporation
Rate Schedule I.P-5
Large General Service at 69,000 Volts or Higher
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 15

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KW	5,215,044	\$1.76400	\$9,199,338
All KWH	3,063,803,130	\$0.00120	\$3,676,564
Subtotal			\$12,875,902
Distribution			
All KW	6,309,306	\$0.172	\$1,085,201
First 200 Hours	1,167,893,030	\$0.00000	\$0
Next 200 Hours	1,084,422,891	\$0.00000	\$0
Excess KWH	811,487,209	\$0.00000	\$0
Subtotal			\$1,085,201
Energy & Capacity			
All KW	6,309,306	\$4.895	\$30,884,053
First 200 Hours	1,167,893,030	\$0.04137	\$50,651,521
Next 200 Hours	1,084,422,891	\$0.03649	\$39,570,591
Excess KWH	811,487,209	\$0.03114	\$25,432,009
Subtotal	3,063,803,130		\$146,538,174
Competitive Transition Charge			
All KW	6,309,306	\$0.292	\$1,842,317
First 200 Hours	1,167,893,030	\$0.00278	\$3,246,743
Next 200 Hours	1,084,422,891	\$0.00237	\$2,570,082
Excess KWH	811,487,209	\$0.00206	\$1,671,664
Subtotal	3,063,803,130		\$9,330,806
Intangible Transition Charge			
All KW	6,309,306	\$0.866	\$5,463,859
First 200 Hours	1,167,893,030	\$0.00819	\$9,565,044
Next 200 Hours	1,084,422,891	\$0.00699	\$7,580,116
Excess KWH	811,487,209	\$0.00607	\$4,925,727
Subtotal	3,063,803,130		\$27,534,746
T. O. D. Metering	1,367	\$8.05	\$11,004
Eco. Dev. Credits			(\$14,258,662)
Total Rate Revenue			\$183,117,171

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KW	5,215,044	\$1.76400	\$9,199,338
All KWH	3,063,803,130	\$0.00120	\$3,676,564
Subtotal			\$12,875,902
Distribution			
Total Bills	1,367	\$696,000	\$951,432
First 200 Hours	1,246,804,430	\$0.00000	\$0
Next 200 Hours	1,090,304,591	\$0.00000	\$0
Excess KWH	726,694,109	\$0.00000	\$0
Subtotal	3,063,803,130		\$951,432
Energy & Capacity			
All KW	6,309,306	\$4.895	\$30,884,053
First 200 Hours	1,167,893,030	\$0.04137	\$50,651,521
Next 200 Hours	1,084,422,891	\$0.03649	\$39,570,591
Excess KWH	811,487,209	\$0.03114	\$25,432,009
Subtotal	3,063,803,130		\$146,538,174
Competitive Transition Charge			
All KW	6,309,306	\$0.292	\$1,842,317
First 200 Hours	1,167,893,030	\$0.00278	\$3,246,743
Next 200 Hours	1,084,422,891	\$0.00237	\$2,570,082
Excess KWH	811,487,209	\$0.00206	\$1,671,664
Subtotal	3,063,803,130		\$9,330,806
Intangible Transition Charge			
All KW	6,309,306	\$0.866	\$5,463,859
First 200 Hours	1,167,893,030	\$0.00819	\$9,565,044
Next 200 Hours	1,084,422,891	\$0.00699	\$7,580,116
Excess KWH	811,487,209	\$0.00607	\$4,925,727
Subtotal	3,063,803,130		\$27,534,746
T. O. D. Metering	1,367	\$0.00	\$0
Eco. Dev. Credits			(\$14,258,662)
Total Rate Revenue			\$182,972,398

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$182,972,398
Total from bill distributions Present Rates	\$183,117,171
Rate Change Amount	-\$144,773
Percent	-0.08%
2006 Rate revenue under Present Rates	\$178,251,386
Rate Change Percent	-0.08%
Amount	-\$142,601
2006 Projected Revenue under Proposed Rates	\$178,108,785
2007 Rate revenue under Present Rates	\$182,475,688
Rate Change Percent	-0.08%
Amount	-\$145,981
2007 Projected Revenue under Proposed Rates	\$182,329,707

PPL Electric Utilities Corporation
Rate Schedule IS-T (R)
Interruptible Large General Service at 69,000 Volts or Higher
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kaspar
Page 16

<u>PRESIDENT RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KW	2,689,788	\$1.76400	\$4,744,786
All KWH	1,915,227,926	\$0.00120	\$2,298,274
Subtotal			\$7,043,060
<u>Distribution</u>			
All KW	894,752	\$0.585	\$523,430
First 400 KWH	357,900,800	\$0.00000	\$0
Excess KWH	1,557,327,126	\$0.00000	\$0
Subtotal	1,915,227,926		\$523,430
<u>Energy & Capacity</u>			
All KW	894,752	\$5.564	\$4,978,400
First 400 KWH	357,900,800	\$0.03956	\$14,158,556
Excess KWH	1,557,327,126	\$0.02518	\$39,213,497
Subtotal	1,915,227,926		\$58,350,453
<u>Competitive Transition Charge</u>			
All KW	894,752	-\$0.068	(\$60,843)
First 400 KWH	357,900,800	(\$0.00044)	(\$157,476)
Excess KWH	1,557,327,126	(\$0.00028)	(\$436,052)
Subtotal	1,915,227,926		(\$654,371)
<u>Intangible Transition Charge</u>			
All KW	894,752	\$1.261	\$1,128,282
First 400 KWH	357,900,800	\$0.00854	\$3,056,473
Excess KWH	1,557,327,126	\$0.00570	\$8,876,765
Subtotal	1,915,227,926		\$13,061,520
T. O. D. Metering	304	\$8.56	\$2,602
Total Rate Revenue			\$78,326,694

<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
<u>Transmission</u>			
All KW	2,689,788	\$1.76400	\$4,744,786
All KWH	1,915,227,926	\$0.00120	\$2,298,274
Subtotal			\$7,043,060
<u>Distribution</u>			
Total Bills	304	\$1,270.200	\$386,141
First 400 KWH	357,900,800	\$0.00000	\$0
Excess KWH	1,557,327,126	\$0.00000	\$0
Subtotal	1,915,227,926		\$386,141
<u>Energy & Capacity</u>			
All KW	894,752	\$5.564	\$4,978,400
First 400 KWH	357,900,800	\$0.03956	\$14,158,556
Excess KWH	1,557,327,126	\$0.02518	\$39,213,497
Subtotal	1,915,227,926		\$58,350,453
<u>Competitive Transition Charge</u>			
All KW	894,752	-\$0.068	(\$60,843)
First 400 KWH	357,900,800	(\$0.00044)	(\$157,476)
Excess KWH	1,557,327,126	(\$0.00028)	(\$436,052)
Subtotal	1,915,227,926		(\$654,371)
<u>Intangible Transition Charge</u>			
All KW	894,752	\$1.261	\$1,128,282
First 400 KWH	357,900,800	\$0.00854	\$3,056,473
Excess KWH	1,557,327,126	\$0.00570	\$8,876,765
Subtotal	1,915,227,926		\$13,061,520
T. O. D. Metering	304	\$0.00	\$0
Total Rate Revenue			\$78,186,803

<u>Summary of Total Revenues</u>	
Total from bill distributions Proposed Rates	\$78,186,803
Total from bill distributions Present Rates	\$78,326,694
Rate Change Amount	-\$139,891
Percent	-0.18%
2006 Rate revenue under Present Rates	\$82,692,881
Rate Change Percent	-0.18%
Amount	-\$148,847
2006 Projected Revenue under Proposed Rates	\$82,544,034
2007 Rate revenue under Present Rates	\$88,641,513
Rate Change Percent	-0.18%
Amount	-\$159,555
2007 Projected Revenue under Proposed Rates	\$88,481,958

PPE Electric Utilities Corporation
Rate Schedule LP-6
Large General Service at 69,000 Volts or Higher
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. C. Kasper
Page 17

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KW	731,208	\$1.76400	\$1,289,851
All KWII	427,174,000	\$0.00120	\$512,609
Subtotal			\$1,802,460
Distribution			
All KW	765,395	\$0.042	\$32,147
First 400 Hours	306,158,000	\$0.00000	\$0
Next 200 Hours	110,352,600	\$0.00000	\$0
Excess KWII	10,663,400	\$0.00000	\$0
Subtotal	427,174,000		\$32,147
Energy & Capacity			
All KW	765,395	\$4.793	\$3,668,538
First 400 Hours	306,158,000	\$0.04005	\$12,261,628
Next 200 Hours	110,352,600	\$0.02369	\$2,614,253
Excess KWII	10,663,400	\$0.01850	\$197,273
Subtotal	427,174,000		\$18,741,692
Competitive Transition Charge			
All KW	765,395	(\$0.451)	(\$345,193)
First 400 Hours	306,158,000	(\$0.00366)	(\$1,120,538)
Next 200 Hours	110,352,600	(\$0.00227)	(\$250,500)
Excess KWII	10,663,400	(\$0.00182)	(\$19,407)
Subtotal	427,174,000		(\$1,735,638)
Intangible Transition Charge			
All KW	765,395	\$1.714	\$1,311,887
First 400 Hours	306,158,000	\$0.01389	\$4,252,535
Next 200 Hours	110,352,600	\$0.00863	\$952,343
Excess KWII	10,663,400	\$0.00696	\$74,217
Subtotal	427,174,000		\$6,590,982
T. O. D. Metering	46	\$2.68	\$123
Total Rate Revenue			\$25,431,766

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KW	731,208	\$1.76400	\$1,289,851
All KWII	427,174,000	\$0.00120	\$512,609
Subtotal			\$1,802,460
Distribution			
Total Bills	46	\$891,000	\$40,986
First 400 Hours	310,229,200	\$0.00000	\$0
Next 200 Hours	108,337,800	\$0.00000	\$0
Excess KWII	8,607,000	\$0.00000	\$0
Subtotal	427,174,000		\$40,986
Energy & Capacity			
All KW	765,395	\$4.793	\$3,668,538
First 400 Hours	306,158,000	\$0.04005	\$12,261,628
Next 200 Hours	110,352,600	\$0.02369	\$2,614,253
Excess KWII	10,663,400	\$0.01850	\$197,273
Subtotal	427,174,000		\$18,741,692
Competitive Transition Charge			
All KW	765,395	(\$0.451)	(\$345,193)
First 400 Hours	306,158,000	(\$0.00366)	(\$1,120,538)
Next 200 Hours	110,352,600	(\$0.00227)	(\$250,500)
Excess KWII	10,663,400	(\$0.00182)	(\$19,407)
Subtotal	427,174,000		(\$1,735,638)
Intangible Transition Charge			
All KW	765,395	\$1.714	\$1,311,887
First 400 Hours	306,158,000	\$0.01389	\$4,252,535
Next 200 Hours	110,352,600	\$0.00863	\$952,343
Excess KWII	10,663,400	\$0.00696	\$74,217
Subtotal	427,174,000		\$6,590,982
T. O. D. Metering	46	\$0.00	\$0
Total Rate Revenue			\$25,440,482

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$25,440,482
Total from bill distributions Present Rates	\$25,431,766
Rate Change Amount	\$8,716
Percent	0.03%
2006 Rate revenue under Present Rates	\$25,543,220
Rate Change Percent	0.03%
Amount	\$7,663
2006 Projected Revenue under Proposed Rates	\$25,550,883
2007 Rate revenue under Present Rates	\$24,525,676
Rate Change Percent	0.03%
Amount	\$7,358
2007 Projected Revenue under Proposed Rates	\$24,533,034

PPL Electric Utilities Corporation
Rate Schedule LPEP
Power Service to Electric Propulsion
Calculation of Effect of Proposed Rate vs Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 18

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KW	267,264	\$1.76400	\$471,454
All KWH	62,010,000	\$0.00120	\$74,412
Subtotal			\$545,866
Distribution			
Facility Charge	12	\$3,329.11	\$39,949
All KW	306,056	\$1.345	\$411,645
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.00000	\$0
Next 250 Hours	45,190,000	\$0.00000	\$0
Excess KWH	2,420,000	\$0.00000	\$0
T. O. D. Metering	12	\$14.64	\$176
230 KV Credit	306,056	\$0.00	\$0
Subtotal			\$451,770
Energy & Capacity			
All KW	306,056	\$2.721	\$832,778
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.02949	\$424,656
Next 250 Hours	45,190,000	\$0.02759	\$1,246,792
Excess KWH	2,420,000	\$0.01686	\$40,801
Subtotal	62,010,000		\$2,545,027
Competitive Transition Charge			
All KW	306,056	\$0.498	\$152,416
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.00466	\$67,104
Next 250 Hours	45,190,000	\$0.00440	\$198,836
Excess KWH	2,420,000	\$0.00291	\$7,042
Subtotal	62,010,000		\$425,398
Intangible Transition Charge			
All KW	306,056	\$1.890	\$578,446
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.01814	\$261,216
Next 250 Hours	45,190,000	\$0.01709	\$772,297
Excess KWH	2,420,000	\$0.01117	\$27,031
Subtotal	62,010,000		\$1,638,990
Total Rate Revenue			\$ 5,607,051

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KW	267,264	\$1.76400	\$471,454
All KWH	62,010,000	\$0.00120	\$74,412
Subtotal			\$545,866
Distribution			
Customer Charge	12	\$37,100.00	\$445,200
All KW	306,056	\$0.000	\$0
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.00000	\$0
Next 250 Hours	45,190,000	\$0.00000	\$0
Excess KWH	2,420,000	\$0.00000	\$0
T. O. D. Metering	12	\$0.00	\$0
230 KV Credit	306,056	\$0.00	\$0
Subtotal			\$445,200
Energy & Capacity			
All KW	306,056	\$2.721	\$832,778
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.02949	\$424,656
Next 250 Hours	45,190,000	\$0.02759	\$1,246,792
Excess KWH	2,420,000	\$0.01686	\$40,801
Subtotal	62,010,000		\$2,545,027
Competitive Transition Charge			
All KW	306,056	\$0.498	\$152,416
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.00466	\$67,104
Next 250 Hours	45,190,000	\$0.00440	\$198,836
Excess KWH	2,420,000	\$0.00291	\$7,042
Subtotal	62,010,000		\$425,398
Intangible Transition Charge			
All KW	306,056	\$1.890	\$578,446
First 60 Hours (1,200,000 KWH Max)	14,400,000	\$0.01814	\$261,216
Next 250 Hours	45,190,000	\$0.01709	\$772,297
Excess KWH	2,420,000	\$0.01117	\$27,031
Subtotal	62,010,000		\$1,638,990
Total Rate Revenue			\$5,600,481

Summary of Total Revenues		
Total from bill distributions Proposed Rates		\$5,600,481
Total from bill distributions Present Rates		\$5,607,051
Rate Change Amount		-\$6,570
Percent		-0.12%
2006 Rate revenue under Present Rates		\$5,637,652
Rate Change Percent		-0.12%
Amount		-\$6,765
2006 Projected Revenue under Proposed Rates		\$5,630,887
2007 Rate revenue under Present Rates		\$5,696,108
Rate Change Percent		-0.12%
Amount		-\$6,835
2007 Projected Revenue under Proposed Rates		\$5,689,273

PPL Electric Utilities Corporation
Rate Schedule ISA
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 19

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KW	202,692	\$1.76400	\$357,549
All KWH	438,159,287	\$0.00120	\$525,791
Subtotal			\$883,340
Distribution			
Customer Charge	12	\$19,822.73	\$237,873
All KW	90,000	\$3.05	\$274,500
Firm KWH	438,159,287	\$0.00018	\$78,869
Interruptible KWH	0	\$0.00000	\$0
Subtotal	438,159,287		\$591,242
Energy & Capacity			
All KW	90,000	\$1.92	\$172,800
Firm KWH	438,159,287	\$0.03248	\$14,231,414
Interruptible KWH	0	\$0.02997	\$0
Excess KWH	0	Market Value	Market Value
Subtotal	438,159,287		\$14,404,214
Competitive Transition Charge			
All KW	90,000	\$0.14	\$12,600
Firm KWH	438,159,287	\$0.00236	\$1,034,056
Interruptible KWH	0	\$0.00219	\$0
Subtotal	438,159,287		\$1,046,656
Intangible Transition Charge			
All KW	90,000	\$0.48	\$43,200
Firm KWH	438,159,287	\$0.00801	\$3,509,656
Interruptible KWH	0	\$0.00739	\$0
Subtotal	438,159,287		\$3,552,856
Eco. Dev. Credits			\$0
Total Rate Revenue			<u>\$ 20,478,308</u>

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KW	202,692	\$1.76400	\$357,549
All KWH	438,159,287	\$0.00120	\$525,791
Subtotal			\$883,340
Distribution			
Customer Charge	12	\$19,823.00	\$237,876
All KW	90,000	\$3.05	\$274,500
Firm KWH	438,159,287	\$0.0001800	\$78,869
Interruptible KWH	0	\$0.00000	\$0
Subtotal	438,159,287		\$591,245
Energy & Capacity			
All KW	90,000	\$1.92	\$172,800
Firm KWH	438,159,287	\$0.03248	\$14,231,414
Interruptible KWH	0	\$0.02997	\$0
Excess KWH	0	Market Value	Market Value
Subtotal	438,159,287		\$14,404,214
Competitive Transition Charge			
All KW	90,000	\$0.14	\$12,600
Firm KWH	438,159,287	\$0.00236	\$1,034,056
Interruptible KWH	0	\$0.00219	\$0
Subtotal	438,159,287		\$1,046,656
Intangible Transition Charge			
All KW	90,000	\$0.48	\$43,200
Firm KWH	438,159,287	\$0.00801	\$3,509,656
Interruptible KWH	0	\$0.00739	\$0
Subtotal	438,159,287		\$3,552,856
Eco. Dev. Credits			\$0
Total Rate Revenue			<u>\$20,478,311</u>

Summary of Total Revenues	
Total from bill distributions Proposed Rates	\$20,478,311
Total from bill distributions Present Rates	\$20,478,308
Rate Change Amount	\$3
Percent	0.00%
2006 Rate revenue under Present Rates	\$13,116,966
Rate Change Percent	0.00%
Amount	\$0
2006 Projected Revenue under Proposed Rates	\$13,116,966
2007 Rate revenue under Present Rates	\$15,485,182
Rate Change Percent	0.00%
Amount	\$0
2007 Projected Revenue under Proposed Rates	\$15,485,182

PPL Electric Utilities Corporation
Rate Schedule IS-1 (R)
Interruptible Service to Greenhouses
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 20

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	1,664,560	\$0.00600	\$9,987
Subtotal			\$9,987
<u>Distribution</u>			
Total Bills	36	\$845.39	\$30,434
All KW	1,371	\$0.000	\$0
First 730 Hours	890,770	\$0.00000	\$0
Excess KWH	773,790	\$0.00000	\$0
Subtotal			\$30,434
<u>Energy & Capacity</u>			
All KW	1,371	\$1.598	\$2,191
First 730 Hours	890,770	\$0.02908	\$25,904
Excess KWH	773,790	\$0.02189	\$16,938
Subtotal			\$45,033
<u>Competitive Transition Charge</u>			
All KW	1,371	(\$1.540)	(\$2,111)
First 730 Hours	890,770	(\$0.02595)	(\$23,115)
Excess KWH	773,790	(\$0.02047)	(\$15,839)
Subtotal			(\$41,065)
<u>Intangible Transition Charge</u>			
All KW	1,371	\$2.390	\$3,277
First 730 Hours	890,770	\$0.04017	\$35,782
Excess KWH	773,790	\$0.03166	\$24,498
Subtotal			\$63,557
Total Rate Revenue			<u>\$107,946</u>

PROPOSED RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	1,664,560	\$0.00600	\$9,987
Subtotal			\$9,987
<u>Distribution</u>			
Total Bills	36	\$840.00	\$30,240
All KW	1,371	\$0.000	\$0
First 730 kWh	890,770	\$0.00000	\$0
Excess kWh	773,790	\$0.00000	\$0
Subtotal			\$30,240
<u>Energy & Capacity</u>			
All KW	1,371	\$1.598	\$2,191
First 730 Hours	890,770	\$0.02908	\$25,904
Excess KWH	773,790	\$0.02189	\$16,938
Subtotal			\$45,033
<u>Competitive Transition Charge</u>			
All KW	1,371	(\$1.540)	(\$2,111)
First 730 Hours	890,770	(\$0.02595)	(\$23,115)
Excess KWH	773,790	(\$0.02047)	(\$15,839)
Subtotal			(\$41,065)
<u>Intangible Transition Charge</u>			
All KW	1,371	\$2.390	\$3,277
First 730 Hours	890,770	\$0.04017	\$35,782
Excess KWH	773,790	\$0.03166	\$24,498
Subtotal			\$63,557
Total Rate Revenue			<u>\$107,752</u>

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$107,752
Total from bill distributions Present Rates	\$107,946
Rate Change Amount	-\$194
Percent	-0.18%
2006 Rate revenue under Present Rates	\$108,222
Rate Change Percent	-0.18%
Amount	-\$195
2006 Projected Revenue under Proposed Rates	\$108,027
2007 Rate revenue under Present Rates	\$147,920
Rate Change Percent	-0.18%
Amount	-\$266
2007 Projected Revenue under Proposed Rates	\$147,654

PPL Electric Utilities Corporation
Rate Schedule BL
Borderline Service - Electric Service
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 21

PRESENT RATE	Units	Rate	Rate Revenue
Transmission - All KWH	6,164,221	\$0.00600	\$36,985
<u>Distribution</u>			
All KWH	6,164,221	\$0.04025	\$248,110
<u>Energy & Capacity</u>			
All KWH	6,164,221	\$0.04065	\$250,576
<u>Competitive Transition Charge</u>			
All KWH	6,164,221	\$0.00286	\$17,630
<u>Intangible Transition Charge</u>			
All KWH	6,164,221	\$0.00952	\$58,683
Facility Charge			\$18,293
Total Rate Revenue			<u>\$630,277</u>

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission - All KWH	6,164,221	\$0.00600	\$36,985
<u>Distribution</u>			
All KWH	6,164,221	\$0.04033	\$248,603
<u>Energy & Capacity</u>			
All KWH	6,164,221	\$0.04065	\$250,576
<u>Competitive Transition Charge</u>			
All KWH	6,164,221	\$0.002860	\$17,630
<u>Intangible Transition Charge</u>			
All KWH	6,164,221	\$0.00952	\$58,683
Facility Charge			\$18,293
Total Rate Revenue			<u>\$630,770</u>

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$630,770
Total from bill distributions Present Rates	\$630,277
Rate Change Amount	\$493
Percent	0.08%
2006 Rate revenue under Present Rates	\$634,447
Rate Change Percent	0.08%
Amount	\$508
2006 Projected Revenue under Proposed Rates	\$634,955
2007 Rate revenue under Present Rates	\$657,428
Rate Change Percent	0.08%
Amount	\$526
2007 Projected Revenue under Proposed Rates	\$657,954

PPL ELECTRIC UTILITIES CORPORATION
RATE SCHEDULE SA
CALCULATION OF EFFECT OF PROPOSED RATE
BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 2007

TYPE OF SERVICE	LUMEN NUMBER	ANNUAL KWH	MONTHLY RATE					CAPACITY & ENERGY			
			TRANS CHARGE	DIST CHARGE	CTC	ITC					
OVERHEAD											
WOOD POLE	6650 19,690	15,499,968	\$ 0.394	\$ 93,094	\$ 10.382	\$ 2,453,059	\$ (0.041)	\$ (9,687)	\$ 0.759	179,336.52	\$ 2.809
	9500 9,305	7,324,896	\$ 0.394	\$ 43,994	\$ 10.382	\$ 1,159,254	\$ (0.041)	\$ (4,578)	\$ 0.759	84,749.94	\$ 2.809
			22,824,864	\$ 137,088	\$ 3,612,313	\$ 3,612,313	\$ (14,266)	\$ (14,266)	\$ 264,086	264,086.46	\$ 977,363
CALCULATED ANNUAL REVENUE			\$ 137,088	\$ 3,612,313	\$ (14,266)	\$ 264,086	\$ 264,086	\$ 977,363			

TYPE OF SERVICE	LUMEN NUMBER	ANNUAL KWH	MONTHLY RATE					CAPACITY & ENERGY			
			TRANS CHARGE	DIST CHARGE	CTC	ITC					
OVERHEAD											
WOOD POLE	6650 19,690	15,499,968	\$ 0.394	\$ 93,094	\$ 12.394	\$ 2,928,388	\$ (0.041)	\$ (9,687)	\$ 0.759	179,336.52	\$ 2.809
	9500 9,305	7,324,896	\$ 0.394	\$ 43,994	\$ 12.394	\$ 1,383,883	\$ (0.041)	\$ (4,578)	\$ 0.759	84,749.94	\$ 2.809
			22,824,864	\$ 137,088	\$ 4,312,271	\$ 4,312,271	\$ (14,266)	\$ (14,266)	\$ 264,086	264,086.46	\$ 977,363
CALCULATED ANNUAL REVENUE			\$ 137,088	\$ 4,312,271	\$ (14,266)	\$ 264,086	\$ 264,086	\$ 977,363			
TOTAL PRESENT REVENUE										\$ 4,976,586	
TOTAL PROPOSED REVENUE										\$ 5,676,544	
RATE CHANGE: AMOUNT										\$ 699,958	
PERCENT										14.07%	

2006 Rate revenue under Present Rates	\$ 5,015,729
Rate Change Percent	14.07%
2006 Projected Revenue under Proposed Rates	\$ 5,721,539
2007 Rate revenue under Present Rates	\$ 5,038,245
Rate Change Percent	14.07%
2007 Projected Revenue under Proposed Rates	\$ 5,747,223

PPL ELECTRIC UTILITIES CORPORATION
RATE SCHEDULE SM
CALCULATION OF EFFECT OF PROPOSED RATE
BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 2007

PAGE 1 OF 2

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE									
				PRESENT									
				TRANS CHARGE	DIST CHARGE	CTC		ITC		CAPACITY & ENERGY			
OVERHEAD													
WOOD POLE	3350	1,598	941,222	\$ 0.295	\$ 5,657	\$ 8.481	\$ 162,632	\$ (0.275)	\$ (5,273)	\$ 0.765	14,669.64	\$ 2.420	
	6650	1,570	1,444,400	\$ 0.460	\$ 8,668	\$ 10.508	\$ 197,971	\$ (0.430)	\$ (8,101)	\$ 1.195	22,513.80	\$ 2.788	
	10500	23	29,578	\$ 0.643	\$ 177	\$ 13.531	\$ 3,735	\$ (0.601)	\$ (166)	\$ 1.673	461.75	\$ 3.478	
	20000	67	136,546	\$ 1.019	\$ 819	\$ 17.343	\$ 13,944	\$ (0.952)	\$ (765)	\$ 2.650	2,130.60	\$ 4.030	
	34000	3	10,422	\$ 1.737	\$ 63	\$ 28.454	\$ 1,024	\$ (1.623)	\$ (58)	\$ 4.516	162.58	\$ 6.470	
	51000	10	48,010	\$ 2.401	\$ 288	\$ 36.189	\$ 4,343	\$ (2.242)	\$ (269)	\$ 6.240	748.80	\$ 7.809	
METAL POLE	6650	4	3,680	\$ 0.460	\$ 22	\$ 16.431	\$ 789	\$ (0.430)	\$ (21)	\$ 1.195	57.36	\$ 4.800	
	10500	8	10,288	\$ 0.643	\$ 62	\$ 19.306	\$ 1,853	\$ (0.601)	\$ (58)	\$ 1.673	160.61	\$ 5.566	
	20000	11	22,418	\$ 1.019	\$ 135	\$ 23.221	\$ 3,065	\$ (0.952)	\$ (126)	\$ 2.650	349.80	\$ 6.155	
	34000	0	0	\$ 1.737	\$ -	\$ 34.514	\$ -	\$ (1.623)	\$ -	\$ 4.516	-	\$ 8.607	
	51000	0	0	\$ 2.401	\$ -	\$ 42.545	\$ -	\$ (2.242)	\$ -	\$ 6.240	-	\$ 9.975	
UNDERGROUND													
WOOD POLE	3350	13	7,657	\$ 0.295	\$ 46	\$ 13.748	\$ 2,145	\$ (0.275)	\$ (43)	\$ 0.765	119.34	\$ 4.324	
	6650	301	276,920	\$ 0.460	\$ 1,662	\$ 16.085	\$ 58,099	\$ (0.430)	\$ (1,553)	\$ 1.195	4,316.34	\$ 4.804	
LOW MOUNT	3350	412	242,668	\$ 0.295	\$ 1,458	\$ 15.067	\$ 74,491	\$ (0.275)	\$ (1,360)	\$ 0.765	3,782.16	\$ 4.800	
	6650	335	308,200	\$ 0.460	\$ 1,849	\$ 17.361	\$ 69,791	\$ (0.430)	\$ (1,729)	\$ 1.195	4,803.90	\$ 5.285	
HIGH MOUNT	6650	12	11,040	\$ 0.460	\$ 66	\$ 19.385	\$ 2,791	\$ (0.430)	\$ (62)	\$ 1.195	172.08	\$ 5.997	
	10500	0	0	\$ 0.643	\$ -	\$ 22.090	\$ -	\$ (0.601)	\$ -	\$ 1.673	-	\$ 6.572	
	20000	362	737,756	\$ 1.019	\$ 4,427	\$ 26.210	\$ 113,856	\$ (0.952)	\$ (4,135)	\$ 2.650	11,511.60	\$ 7.236	
	34000	9	31,266	\$ 1.737	\$ 188	\$ 38.391	\$ 4,146	\$ (1.623)	\$ (175)	\$ 4.516	487.73	\$ 10.062	
	51000	10	48,010	\$ 2.401	\$ 288	\$ 46.402	\$ 5,568	\$ (2.242)	\$ (269)	\$ 6.240	748.80	\$ 11.500	
MULTIPLE UNIT	6650	5	4,600	\$ 0.460	\$ 28	\$ 8.784	\$ 527	\$ (0.430)	\$ (26)	\$ 1.195	71.70	\$ 2.168	
	10500	0	0	\$ 0.643	\$ -	\$ 12.334	\$ -	\$ (0.601)	\$ -	\$ 1.673	-	\$ 3.087	
	20000	10	20,380	\$ 1.019	\$ 122	\$ 15.439	\$ 1,853	\$ (0.952)	\$ (114)	\$ 2.650	318.00	\$ 3.342	
	34000	0	0	\$ 1.737	\$ -	\$ 26.708	\$ -	\$ (1.623)	\$ -	\$ 4.516	-	\$ 5.845	
	51000	0	0	\$ 2.401	\$ -	\$ 34.448	\$ -	\$ (2.242)	\$ -	\$ 6.240	-	\$ 7.148	
CUSTOMER OWN	3350	95	55,955	\$ 0.295	\$ 336	\$ 4.897	\$ 5,583	\$ (0.275)	\$ (314)	\$ 0.765	872.10	\$ 1.123	
	6650	31	28,520	\$ 0.460	\$ 171	\$ 7.018	\$ 2,611	\$ (0.430)	\$ (160)	\$ 1.195	444.54	\$ 1.525	
	10500	0	0	\$ 0.643	\$ -	\$ 9.437	\$ -	\$ (0.601)	\$ -	\$ 1.673	-	\$ 1.998	
	20000	7	14,266	\$ 1.019	\$ 86	\$ 13.559	\$ 1,139	\$ (0.952)	\$ (80)	\$ 2.650	222.60	\$ 2.663	
CALCULATED ANNUAL REVENUE			4,433,802	\$ 26.616	\$ 26,616	\$ 731,955	\$ 731,955	\$ (24,857)	\$ (24,857)	\$ 69,126	69125.82	\$ 206.168	

PPL ELECTRIC UTILITIES CORPORATION
RATE SCHEDULE SM
CALCULATION OF EFFECT OF PROPOSED RATE
BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 2007

PAGE 2 OF 2

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE					CAPACITY & ENERGY			
				TRANS CHARGE	DIST CHARGE	PROPOSED		ITC				
							CTC					
OVERHEAD												
WOOD POLE	3350	1,598	941,222	\$ 0.295	\$ 5,657	\$ 10,109	\$ 193,850	\$ (0.275)	\$ (5,273)	\$ 0.765	14,669.64	\$ 2,420
	6650	1,570	1,444,400	\$ 0.460	\$ 8,666	\$ 12,525	\$ 235,973	\$ (0.430)	\$ (8,101)	\$ 1.195	22,513.80	\$ 2,788
	10500	23	29,578	\$ 0.643	\$ 177	\$ 16,128	\$ 4,451	\$ (0.601)	\$ (166)	\$ 1.673	461.75	\$ 3,478
	20000	67	136,546	\$ 1.019	\$ 819	\$ 20,672	\$ 16,620	\$ (0.952)	\$ (765)	\$ 2.650	2,130.60	\$ 4,030
	34000	3	10,422	\$ 1.737	\$ 63	\$ 33,916	\$ 1,221	\$ (1.623)	\$ (58)	\$ 4.516	162.58	\$ 6,470
	51000	10	48,010	\$ 2.401	\$ 288	\$ 43,136	\$ 5,176	\$ (2.242)	\$ (269)	\$ 6.240	748.80	\$ 7,809
METAL POLE	6650	4	3,680	\$ 0.460	\$ 22	\$ 19,585	\$ 940	\$ (0.430)	\$ (21)	\$ 1.195	57.36	\$ 4,800
	10500	8	10,288	\$ 0.643	\$ 62	\$ 23,012	\$ 2,209	\$ (0.601)	\$ (58)	\$ 1.673	160.61	\$ 5,566
	20000	11	22,418	\$ 1.019	\$ 135	\$ 27,679	\$ 3,654	\$ (0.952)	\$ (126)	\$ 2.650	349.80	\$ 6,155
	34000	0	0	\$ 1.737	\$ -	\$ 41,139	\$ -	\$ (1.623)	\$ -	\$ 4.516	-	\$ 8,607
	51000	0	0	\$ 2.401	\$ -	\$ 50,712	\$ -	\$ (2.242)	\$ -	\$ 6.240	-	\$ 9,975
UNDERGROUND												
WOOD POLE	3350	13	7,657	\$ 0.295	\$ 46	\$ 16,387	\$ 2,556	\$ (0.275)	\$ (43)	\$ 0.765	119.34	\$ 4,324
	6650	301	276,920	\$ 0.460	\$ 1,662	\$ 19,173	\$ 69,252	\$ (0.430)	\$ (1,553)	\$ 1.195	4,316.34	\$ 4,804
LOW MOUNT	3350	412	242,668	\$ 0.295	\$ 1,458	\$ 17,959	\$ 88,791	\$ (0.275)	\$ (1,380)	\$ 0.765	3,782.16	\$ 4,800
	6650	335	308,200	\$ 0.460	\$ 1,849	\$ 20,694	\$ 83,188	\$ (0.430)	\$ (1,729)	\$ 1.195	4,803.90	\$ 5,265
HIGH MOUNT	6650	12	11,040	\$ 0.460	\$ 86	\$ 23,106	\$ 3,327	\$ (0.430)	\$ (62)	\$ 1.195	172.08	\$ 5,997
	10500	0	0	\$ 0.643	\$ -	\$ 26,330	\$ -	\$ (0.601)	\$ -	\$ 1.673	-	\$ 6,572
	20000	362	737,756	\$ 1.019	\$ 4,427	\$ 31,241	\$ 135,712	\$ (0.952)	\$ (4,135)	\$ 2.650	11,511.60	\$ 7,236
	34000	9	31,266	\$ 1.737	\$ 188	\$ 45,761	\$ 4,942	\$ (1.623)	\$ (175)	\$ 4.516	487.73	\$ 10,062
	51000	10	48,010	\$ 2.401	\$ 288	\$ 55,309	\$ 6,637	\$ (2.242)	\$ (269)	\$ 6.240	748.80	\$ 11,500
MULTIPLE UNIT	6650	5	4,600	\$ 0.460	\$ 28	\$ 10,470	\$ 628	\$ (0.430)	\$ (26)	\$ 1.195	71.70	\$ 2,166
	10500	0	0	\$ 0.643	\$ -	\$ 14,702	\$ -	\$ (0.601)	\$ -	\$ 1.673	-	\$ 3,087
	20000	10	20,380	\$ 1.019	\$ 122	\$ 18,403	\$ 2,208	\$ (0.952)	\$ (114)	\$ 2.650	318.00	\$ 3,342
	34000	0	0	\$ 1.737	\$ -	\$ 31,835	\$ -	\$ (1.623)	\$ -	\$ 4.516	-	\$ 5,845
	51000	0	0	\$ 2.401	\$ -	\$ 41,061	\$ -	\$ (2.242)	\$ -	\$ 6.240	-	\$ 7,148
CUSTOMER OWNED	3350	95	55,955	\$ 0.295	\$ 336	\$ 5,837	\$ 6,654	\$ (0.275)	\$ (314)	\$ 0.765	872.10	\$ 1,123
	6650	31	28,520	\$ 0.460	\$ 171	\$ 8,365	\$ 3,112	\$ (0.430)	\$ (160)	\$ 1.195	444.54	\$ 1,525
	10500	0	0	\$ 0.643	\$ -	\$ 11,249	\$ -	\$ (0.601)	\$ -	\$ 1.673	-	\$ 1,998
	20000	7	14,266	\$ 1.019	\$ 86	\$ 16,162	\$ 1,358	\$ (0.952)	\$ (80)	\$ 2.650	222.60	\$ 2,663
CALCULATED ANNUAL REVENUE			4,433,802	\$ 26,616	\$ 26,616	\$ 872,461	\$ 872,461	\$ (24,857)	\$ (24,857)	\$ 69,128	69,125.82	\$ 206,168
TOTAL PRESENT REVENUE											\$ 1,009,008	
TOTAL PROPOSED REVENUE											\$ 1,149,514	
RATE CHANGE: AMOUNT											\$ 140,506	
PERCENT											13.93%	
2006 Rate revenue under Present Rates											\$ 1,025,743	
Rate Change Percent											13.93%	
2006 Projected Revenue under Proposed Rates											\$ 1,168,616	
2007 Rate revenue under Present Rates											\$ 1,334,593	
Rate Change Percent											13.93%	
2007 Projected Revenue under Proposed Rates											\$ 1,520,484	

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SHS
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2007

PAGE 1 OF 2

TYPE OF SERVICE	LUMEN NUMBER	ANNUAL KWH	MONTHLY RATE							CAPACITY & ENERGY		
			PRESENT									
			TRANS CHARGE	DIST CHARGE	CTC	ITC						
OVERHEAD												
WOOD POLE	5800	28,505	9,462,285	\$ 0.179	\$ 58,933	\$ 8,359	\$ 2,658,664	\$ (0.065)	\$ (20,674)	\$ 0.362	115,137.72	\$ 2.611
	9500	31,149	15,948,288	\$ 0.256	\$ 95,690	\$ 9,384	\$ 3,507,627	\$ (0.093)	\$ (34,762)	\$ 0.519	193,995.97	\$ 2.809
	16000	7,267	5,472,051	\$ 0.377	\$ 32,876	\$ 10,565	\$ 921,310	\$ (0.135)	\$ (11,773)	\$ 0.761	66,362.24	\$ 2.969
	25500	2,724	3,701,916	\$ 0.680	\$ 22,228	\$ 14,839	\$ 485,057	\$ (0.245)	\$ (8,009)	\$ 1.375	44,946.00	\$ 3.840
	50000	542	1,156,086	\$ 1.067	\$ 6,940	\$ 19,532	\$ 127,036	\$ (0.387)	\$ (2,517)	\$ 2.161	14,055.14	\$ 4.675
METAL POLE	5800	148	52,836	\$ 0.179	\$ 318	\$ 11,786	\$ 20,932	\$ (0.065)	\$ (115)	\$ 0.362	642.91	\$ 3.841
	9500	499	255,488	\$ 0.256	\$ 1,533	\$ 12,568	\$ 75,257	\$ (0.093)	\$ (557)	\$ 0.519	3,107.77	\$ 3.952
	16000	194	146,082	\$ 0.377	\$ 878	\$ 13,601	\$ 31,663	\$ (0.135)	\$ (314)	\$ 0.761	1,771.61	\$ 4.060
	25500	126	171,234	\$ 0.680	\$ 1,028	\$ 17,486	\$ 26,439	\$ (0.245)	\$ (370)	\$ 1.375	2,079.00	\$ 4.788
	50000	6	12,798	\$ 1.067	\$ 77	\$ 21,822	\$ 1,571	\$ (0.387)	\$ (28)	\$ 2.161	155.59	\$ 5.496
UNDERGROUND												
WOOD POLE	5800	1,163	415,191	\$ 0.179	\$ 2,498	\$ 13,720	\$ 191,476	\$ (0.065)	\$ (907)	\$ 0.362	5,052.07	\$ 4.536
	9500	3,286	1,682,432	\$ 0.256	\$ 10,095	\$ 14,900	\$ 587,537	\$ (0.093)	\$ (3,667)	\$ 0.519	20,465.21	\$ 4.790
LOW MOUNT	5800	4,822	1,721,454	\$ 0.179	\$ 10,358	\$ 13,846	\$ 801,185	\$ (0.065)	\$ (3,761)	\$ 0.362	20,946.77	\$ 4.575
	9500	10,562	5,407,744	\$ 0.256	\$ 32,446	\$ 14,987	\$ 1,899,512	\$ (0.093)	\$ (11,787)	\$ 0.519	65,780.14	\$ 4.821
HIGH MOUNT	9500	1,270	650,240	\$ 0.256	\$ 3,901	\$ 18,135	\$ 276,377	\$ (0.093)	\$ (1,417)	\$ 0.519	7,909.56	\$ 5.952
	16000	1,112	837,336	\$ 0.377	\$ 5,031	\$ 19,151	\$ 255,551	\$ (0.136)	\$ (1,815)	\$ 0.761	10,154.78	\$ 6.053
	25500	913	1,240,767	\$ 0.680	\$ 7,450	\$ 26,566	\$ 291,057	\$ (0.246)	\$ (2,695)	\$ 1.375	15,064.50	\$ 8.050
	50000	345	735,885	\$ 1.067	\$ 4,417	\$ 31,041	\$ 128,510	\$ (0.387)	\$ (1,602)	\$ 2.161	8,946.54	\$ 8.809
MULTIPLE UNIT	5800	61	21,777	\$ 0.179	\$ 131	\$ 7,483	\$ 5,478	\$ (0.065)	\$ (48)	\$ 0.362	264.98	\$ 2.296
	9500	225	115,200	\$ 0.256	\$ 691	\$ 8,466	\$ 22,858	\$ (0.093)	\$ (251)	\$ 0.519	1,401.30	\$ 2.478
	16000	146	109,938	\$ 0.377	\$ 661	\$ 8,883	\$ 15,563	\$ (0.136)	\$ (238)	\$ 0.761	1,333.27	\$ 2.364
	25500	140	190,260	\$ 0.680	\$ 1,142	\$ 12,238	\$ 20,560	\$ (0.246)	\$ (413)	\$ 1.375	2,310.00	\$ 2.903
	50000	85	181,305	\$ 1.067	\$ 1,088	\$ 15,040	\$ 15,341	\$ (0.387)	\$ (395)	\$ 2.161	2,204.22	\$ 3.060
CALCULATED ANNUAL REVENUE			49,688,593	\$ 0.475	\$ 298,409	\$ 12,366,561	\$ 12,366,561	\$ (108,116)	\$ (108,116)	\$ 604,087	604,087.308	\$ 4,336
				\$ 298,409	\$ 298,409	\$ 12,366,561	\$ 12,366,561	\$ (108,116)	\$ (108,116)	\$ 604,087	\$ 604,087.308	\$ 4,336

PPL ELECTRIC UTILITIES CORPORATION
RATE SCHEDULE SHS
CALCULATION OF EFFECT OF PROPOSED RATE
BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 2007

PAGE 2 OF 2

TYPE OF SERVICE	LUMEN NUMBER	ANNUAL KWH	TRANS CHARGE	DIST CHARGE	MONTHLY RATE				CAPACITY & ENERGY			
					PROPOSED							
					CTC	ITC						
OVERHEAD												
WOOD POLE	5800	26,505	9,462,285 \$	0.179 \$	56,933 \$	9.975 \$	3,172,610 \$	(0.065) \$	(20,674) \$	0.362	115,137.72 \$	2.611
	9500	31,149	15,948,288 \$	0.256 \$	95,690 \$	11.198 \$	4,185,686 \$	(0.093) \$	(34,762) \$	0.519	193,995.97 \$	2.809
	16000	7,267	5,472,051 \$	0.377 \$	32,876 \$	12.607 \$	1,099,409 \$	(0.135) \$	(11,773) \$	0.761	66,362.24 \$	2.969
	25500	2,724	3,701,916 \$	0.680 \$	22,228 \$	17.708 \$	578,824 \$	(0.245) \$	(8,009) \$	1.375	44,946.00 \$	3.840
	50000	542	1,156,086 \$	1.067 \$	6,940 \$	23.308 \$	151,593 \$	(0.387) \$	(2,517) \$	2.161	14,055.14 \$	4.675
METAL POLE	5800	148	52,836 \$	0.179 \$	318 \$	14.064 \$	24,978 \$	(0.065) \$	(115) \$	0.362	642.91 \$	3.841
	9500	499	255,488 \$	0.256 \$	1,533 \$	14.998 \$	89,805 \$	(0.093) \$	(557) \$	0.519	3,107.77 \$	3.952
	16000	194	146,082 \$	0.377 \$	878 \$	16.230 \$	37,784 \$	(0.135) \$	(314) \$	0.761	1,771.61 \$	4.060
	25500	126	171,234 \$	0.680 \$	1,028 \$	20.866 \$	31,550 \$	(0.245) \$	(370) \$	1.375	2,079.00 \$	4.788
	50000	6	12,798 \$	1.067 \$	77 \$	26.040 \$	1,875 \$	(0.387) \$	(28) \$	2.161	155.59 \$	5.496
UNDERGROUND												
WOOD POLE	5800	1,163	415,191 \$	0.179 \$	2,498 \$	16.372 \$	228,491 \$	(0.065) \$	(907) \$	0.362	5,052.07 \$	4.536
	9500	3,286	1,682,432 \$	0.256 \$	10,095 \$	17.780 \$	701,114 \$	(0.093) \$	(3,667) \$	0.519	20,465.21 \$	4.790
LOW MOUNT	5800	4,822	1,721,454 \$	0.179 \$	10,358 \$	16.523 \$	956,062 \$	(0.065) \$	(3,761) \$	0.362	20,946.77 \$	4.575
	9500	10,562	5,407,744 \$	0.256 \$	32,446 \$	17.884 \$	2,266,707 \$	(0.093) \$	(11,787) \$	0.519	65,780.14 \$	4.821
HIGH MOUNT	9500	1,270	650,240 \$	0.256 \$	3,901 \$	21.641 \$	329,804 \$	(0.093) \$	(1,417) \$	0.519	7,909.56 \$	5.952
	16000	1,112	837,336 \$	0.377 \$	5,031 \$	22.853 \$	304,951 \$	(0.136) \$	(1,815) \$	0.761	10,154.78 \$	6.053
	25500	913	1,240,767 \$	0.680 \$	7,450 \$	31.701 \$	347,321 \$	(0.246) \$	(2,695) \$	1.375	15,064.50 \$	8.050
	50000	345	735,885 \$	1.067 \$	4,417 \$	37.042 \$	153,352 \$	(0.387) \$	(1,602) \$	2.161	8,946.54 \$	8.809
MULTIPLE UNIT	5800	61	21,777 \$	0.179 \$	131 \$	8.930 \$	6,536 \$	(0.065) \$	(48) \$	0.362	264.98 \$	2.296
	9500	225	115,200 \$	0.256 \$	691 \$	10.103 \$	27,277 \$	(0.093) \$	(251) \$	0.519	1,401.30 \$	2.478
	16000	146	109,938 \$	0.377 \$	661 \$	10.600 \$	18,572 \$	(0.136) \$	(238) \$	0.761	1,333.27 \$	2.364
	25500	140	190,260 \$	0.680 \$	1,142 \$	14.604 \$	24,534 \$	(0.246) \$	(413) \$	1.375	2,310.00 \$	2.903
	50000	85	181,305 \$	1.067 \$	1,088 \$	17.947 \$	18,306 \$	(0.387) \$	(395) \$	2.161	2,204.22 \$	3.060
CALCULATED ANNUAL REVENUE			49,688,593		\$ 298,409		\$ 14,757,141		\$ (108,116)		604,087.308	\$ 3,787,435
TOTAL PRESENT REVENUE												\$ 16,948,377
TOTAL PROPOSED REVENUE												\$ 19,338,957
RATE CHANGE: AMOUNT												\$ 2,390,580
PERCENT												14.11%
2006 Rate revenue under Present Rates							\$ 16,885,020					
Rate Change Percent							14.11%					
2006 Projected Revenue under Proposed Rates							\$ 19,266,727					
2007 Rate revenue under Present Rates							\$ 16,297,902					
Rate Change Percent							14.11%					
2007 Projected Revenue under Proposed Rates							\$ 18,596,794					

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SE
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2007

PAGE 1 OF 2

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE							CAPACITY & ENERGY	
				PRESENT								
				TRANS CHARGE	DIST CHARGE	GTC	ITC					
UTILITY POLE	3350	115	67,735	\$ 0.00600	\$ 406	\$ 0.06662	\$ 4,513	\$ 0.00043	\$ 29	\$ 0.00325	220,13875	\$ 0.01261
	6650	63	57,960	\$ 0.00600	\$ 348	\$ 0.06662	\$ 3,861	\$ 0.00043	\$ 25	\$ 0.00325	188.37	\$ 0.01261
	5800	6,691	2,388,687	\$ 0.00600	\$ 14,332	\$ 0.06662	\$ 159,134	\$ 0.00043	\$ 1,027	\$ 0.00325	7763.23275	\$ 0.01261
	9500	13,172	6,744,064	\$ 0.00600	\$ 40,464	\$ 0.06662	\$ 449,290	\$ 0.00043	\$ 2,900	\$ 0.00325	21918.208	\$ 0.01261
	10500	40	51,440	\$ 0.00600	\$ 309	\$ 0.06662	\$ 3,427	\$ 0.00043	\$ 22	\$ 0.00325	167.18	\$ 0.01261
	16000	5,296	3,987,888	\$ 0.00600	\$ 23,927	\$ 0.06662	\$ 265,673	\$ 0.00043	\$ 1,715	\$ 0.00325	12960.636	\$ 0.01261
	20000	256	521,728	\$ 0.00600	\$ 3,130	\$ 0.06662	\$ 34,758	\$ 0.00043	\$ 224	\$ 0.00325	1695.616	\$ 0.01261
	25500	1,628	2,212,452	\$ 0.00600	\$ 13,275	\$ 0.06662	\$ 147,394	\$ 0.00043	\$ 951	\$ 0.00325	7190.469	\$ 0.01261
	34000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	50000	90	191,970	\$ 0.00600	\$ 1,152	\$ 0.06662	\$ 12,789	\$ 0.00043	\$ 83	\$ 0.00325	623.9025	\$ 0.01261
	51000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	7900	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	21000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	22000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	14000	3	2,709	\$ 0.00600	\$ 16	\$ 0.06662	\$ 180	\$ 0.00043	\$ 1	\$ 0.00325	8,80425	\$ 0.01261
	19000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	36000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	37000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	3500	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	6500	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	8000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	12000	0	0	\$ 0.00600	\$ -	\$ 0.06662	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
CUSTOMER POLE	3350	28	16,492	\$ 0.00600	\$ 99	\$ 0.02969	\$ 490	\$ 0.00035	\$ 6	\$ 0.00270	44,5284	\$ -
	6650	758	697,360	\$ 0.00600	\$ 4,184	\$ 0.02969	\$ 20,705	\$ 0.00035	\$ 244	\$ 0.00270	1882.872	\$ -
	10500	703	904,058	\$ 0.00600	\$ 5,424	\$ 0.02969	\$ 26,841	\$ 0.00035	\$ 316	\$ 0.00270	2440.9566	\$ -
	20000	477	972,126	\$ 0.00600	\$ 5,833	\$ 0.02969	\$ 28,862	\$ 0.00035	\$ 340	\$ 0.00270	2624.7402	\$ -
	34000	1	3,474	\$ 0.00600	\$ 21	\$ 0.02969	\$ 103	\$ 0.00035	\$ 1	\$ 0.00270	9,3798	\$ -
	51000	137	657,737	\$ 0.00600	\$ 3,946	\$ 0.02969	\$ 19,528	\$ 0.00035	\$ 230	\$ 0.00270	1775.8899	\$ -
	5800	1,937	691,509	\$ 0.00600	\$ 4,149	\$ 0.02969	\$ 20,531	\$ 0.00035	\$ 242	\$ 0.00270	1867.0743	\$ -
	9500	4,160	2,129,920	\$ 0.00600	\$ 12,780	\$ 0.02969	\$ 63,237	\$ 0.00035	\$ 745	\$ 0.00270	5750.784	\$ -
	16000	3,474	2,615,922	\$ 0.00600	\$ 15,696	\$ 0.02969	\$ 77,667	\$ 0.00035	\$ 916	\$ 0.00270	7062.9894	\$ -
	25500	2,453	3,333,627	\$ 0.00600	\$ 20,002	\$ 0.02969	\$ 98,975	\$ 0.00035	\$ 1,167	\$ 0.00270	9000.7929	\$ -
	50000	2,411	5,142,663	\$ 0.00600	\$ 30,856	\$ 0.02969	\$ 152,686	\$ 0.00035	\$ 1,800	\$ 0.00270	13885.1901	\$ -
	21000	20	24,940	\$ 0.00600	\$ 150	\$ 0.02969	\$ 740	\$ 0.00035	\$ 9	\$ 0.00270	67,338	\$ -
	22000	1,767	1,747,563	\$ 0.00600	\$ 10,485	\$ 0.02969	\$ 51,885	\$ 0.00035	\$ 612	\$ 0.00270	4718.4201	\$ -
	7900	478	285,290	\$ 0.00600	\$ 1,592	\$ 0.02969	\$ 7,876	\$ 0.00035	\$ 93	\$ 0.00270	716,283	\$ -
	14000	306	276,318	\$ 0.00600	\$ 1,658	\$ 0.02969	\$ 8,204	\$ 0.00035	\$ 97	\$ 0.00270	746,0586	\$ -
	19000	54	53,784	\$ 0.00600	\$ 323	\$ 0.02969	\$ 1,597	\$ 0.00035	\$ 19	\$ 0.00270	145,2168	\$ -
	36000	42	82,362	\$ 0.00600	\$ 494	\$ 0.02969	\$ 2,445	\$ 0.00035	\$ 29	\$ 0.00270	222,3774	\$ -
	37000	28	43,960	\$ 0.00600	\$ 264	\$ 0.02969	\$ 1,305	\$ 0.00035	\$ 15	\$ 0.00270	118,692	\$ -
	3500	0	0	\$ 0.00600	\$ -	\$ 0.02969	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
	6500	0	0	\$ 0.00600	\$ -	\$ 0.02969	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
	8000	0	0	\$ 0.00600	\$ -	\$ 0.02969	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
	12000	0	0	\$ 0.00600	\$ -	\$ 0.02969	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
CALCULATED ANNUAL REVENUE				\$ 215,314	\$ 1,864,697	\$ 13,858	\$ 105,816	\$ 204,618				

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE SE
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2007

Attachment IV-C Settlement
 O. G. Kasper
 Page 28

PAGE 2 OF 2

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE							CAPACITY & ENERGY	
				TRANS CHARGE	DIST CHARGE	PROPOSED		CTC		ITC		
UTILITY POLE	3350	115	67,735	\$ 0.00600	\$ 406	\$ 0.07958	\$ 5,391	\$ 0.00043	\$ 29	\$ 0.00325	220,13875	\$ 0.01261
	6650	63	57,960	\$ 0.00600	\$ 348	\$ 0.07958	\$ 4,613	\$ 0.00043	\$ 25	\$ 0.00325	188.37	\$ 0.01261
	5800	6,691	2,388,687	\$ 0.00600	\$ 14,332	\$ 0.07958	\$ 190,102	\$ 0.00043	\$ 1,027	\$ 0.00325	7763.23275	\$ 0.01261
	9500	13,172	6,744,064	\$ 0.00600	\$ 40,464	\$ 0.07958	\$ 536,721	\$ 0.00043	\$ 2,900	\$ 0.00325	21918.208	\$ 0.01261
	10500	40	51,440	\$ 0.00600	\$ 309	\$ 0.07958	\$ 4,094	\$ 0.00043	\$ 22	\$ 0.00325	167.18	\$ 0.01261
	16000	5,296	3,987,888	\$ 0.00600	\$ 23,927	\$ 0.07958	\$ 317,373	\$ 0.00043	\$ 1,715	\$ 0.00325	12960.636	\$ 0.01261
	20000	256	521,728	\$ 0.00600	\$ 3,130	\$ 0.07958	\$ 41,521	\$ 0.00043	\$ 224	\$ 0.00325	1695.616	\$ 0.01261
	25500	1,628	2,212,452	\$ 0.00600	\$ 13,275	\$ 0.07958	\$ 176,076	\$ 0.00043	\$ 951	\$ 0.00325	7190.469	\$ 0.01261
	34000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	50000	90	191,970	\$ 0.00600	\$ 1,152	\$ 0.07958	\$ 15,278	\$ 0.00043	\$ 83	\$ 0.00325	623.9025	\$ 0.01261
	51000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	7900	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	21000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	22000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	14000	3	2,709	\$ 0.00600	\$ 16	\$ 0.07958	\$ 216	\$ 0.00043	\$ 1	\$ 0.00325	8.80425	\$ 0.01261
	19000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	36000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	37000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	3500	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	6500	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	8000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
	12000	0	0	\$ 0.00600	\$ -	\$ 0.07958	\$ -	\$ 0.00043	\$ -	\$ 0.00325	0	\$ 0.01261
CUSTOMER POLE	3350	28	16,492	\$ 0.00600	\$ 99	\$ 0.03547	\$ 585	\$ 0.00035	\$ 6	\$ 0.00270	44.5284	\$ -
	6650	758	697,360	\$ 0.00600	\$ 4,184	\$ 0.03547	\$ 24,734	\$ 0.00035	\$ 244	\$ 0.00270	1882.872	\$ -
	10500	703	904,058	\$ 0.00600	\$ 5,424	\$ 0.03547	\$ 32,065	\$ 0.00035	\$ 316	\$ 0.00270	2440.9566	\$ -
	20000	477	972,126	\$ 0.00600	\$ 5,833	\$ 0.03547	\$ 34,479	\$ 0.00035	\$ 340	\$ 0.00270	2624.7402	\$ -
	34000	1	3,474	\$ 0.00600	\$ 21	\$ 0.03547	\$ 123	\$ 0.00035	\$ 1	\$ 0.00270	9.3798	\$ -
	51000	137	657,737	\$ 0.00600	\$ 3,946	\$ 0.03547	\$ 23,328	\$ 0.00035	\$ 230	\$ 0.00270	1775.8899	\$ -
	5800	1,937	691,509	\$ 0.00600	\$ 4,149	\$ 0.03547	\$ 24,526	\$ 0.00035	\$ 242	\$ 0.00270	1867.0743	\$ -
	9500	4,160	2,129,920	\$ 0.00600	\$ 12,780	\$ 0.03547	\$ 75,543	\$ 0.00035	\$ 745	\$ 0.00270	5750.784	\$ -
	16000	3,474	2,615,922	\$ 0.00600	\$ 15,896	\$ 0.03547	\$ 92,781	\$ 0.00035	\$ 918	\$ 0.00270	7062.9894	\$ -
	25500	2,453	3,333,627	\$ 0.00600	\$ 20,002	\$ 0.03547	\$ 118,236	\$ 0.00035	\$ 1,167	\$ 0.00270	9000.7929	\$ -
	50000	2,411	5,142,663	\$ 0.00600	\$ 30,856	\$ 0.03547	\$ 182,398	\$ 0.00035	\$ 1,800	\$ 0.00270	13885.1901	\$ -
	21000	20	24,940	\$ 0.00600	\$ 150	\$ 0.03547	\$ 885	\$ 0.00035	\$ 9	\$ 0.00270	67.338	\$ -
	22000	1,767	1,747,563	\$ 0.00600	\$ 10,485	\$ 0.03547	\$ 61,982	\$ 0.00035	\$ 612	\$ 0.00270	4718.4201	\$ -
	7900	478	265,290	\$ 0.00600	\$ 1,592	\$ 0.03547	\$ 9,409	\$ 0.00035	\$ 93	\$ 0.00270	716.283	\$ -
	14000	306	276,318	\$ 0.00600	\$ 1,658	\$ 0.03547	\$ 9,800	\$ 0.00035	\$ 97	\$ 0.00270	746.0586	\$ -
	19000	54	53,784	\$ 0.00600	\$ 323	\$ 0.03547	\$ 1,908	\$ 0.00035	\$ 19	\$ 0.00270	145.2168	\$ -
	36000	42	82,362	\$ 0.00600	\$ 494	\$ 0.03547	\$ 2,921	\$ 0.00035	\$ 29	\$ 0.00270	222.3774	\$ -
	37000	28	43,960	\$ 0.00600	\$ 264	\$ 0.03547	\$ 1,559	\$ 0.00035	\$ 15	\$ 0.00270	118.692	\$ -
	3500	0	0	\$ 0.00600	\$ -	\$ 0.03547	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
	6500	0	0	\$ 0.00600	\$ -	\$ 0.03547	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
	8000	0	0	\$ 0.00600	\$ -	\$ 0.03547	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -
	12000	0	0	\$ 0.00600	\$ -	\$ 0.03547	\$ -	\$ 0.00035	\$ -	\$ 0.00270	0	\$ -

CALCULATED ANNUAL REVENUE	35,885,738	\$ 215,314	\$ 1,988,647	\$ 13,858	\$ 105,816	105816.1408	\$ 204,618
TOTAL PRESENT REVENUE							\$ 2,204,304
TOTAL PROPOSED REVENUE							\$ 2,528,254
RATE CHANGE: AMOUNT PERCENT							\$ 323,950 14.70%
2006 Rate revenue under Present Rates			\$ 2,128,027				
Rate Change Percent			14.70%				
2006 Projected Revenue under Proposed Rates			\$ 2,440,946				
2007 Rate revenue under Present Rates			\$ 1,944,965				
Rate Change Percent			14.70%				
2007 Projected Revenue under Proposed Rates			\$ 2,230,965				

PPL ELECTRIC UTILITIES CORPORATION
 RATE SCHEDULE TS(R)
 CALCULATION OF EFFECT OF PROPOSED RATE
 BASED ON BILL FREQUENCY DISTRIBUTION
 FOR 12 MONTHS ENDED DECEMBER, 2007

Attachment IV-C Settlement
 O. G. Kasper
 Page 29

TYPE OF SERVICE	WATTS	NUMBER	ANNUAL KWH	MONTHLY RATE					CAPACITY & ENERGY										
				PRESENT															
				TRANS CHARGE	DIST CHARGE	CTC	ITC												
TRAFFIC SIGNAL																			
	25	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	50	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	60	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	67	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	69	417	252,202	\$ 0.00438	\$ 1,513	\$ 0.05462	\$ 18,859	\$ (0.00398)	\$ (1,374)	\$ 0.01127	\$ 3,891	\$ 0.03392							
	100	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	104	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	107	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	116	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	125	0	0	\$ 0.00438	\$ -	\$ 0.05462	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	134	59	69,242	\$ 0.00438	\$ 416	\$ 0.05462	\$ 5,182	\$ (0.00398)	\$ (378)	\$ 0.01127	\$ 1,069	\$ 0.03392							
			321,444		\$ 1,929		\$ 24,041		\$ (1,752)		\$ 4,960								
CALCULATED ANNUAL REVENUE				\$	1,929	\$	24,041	\$	(1,752)	\$	4,960	\$	14,930						

TYPE OF SERVICE	WATTS	NUMBER	ANNUAL KWH	MONTHLY RATE					CAPACITY & ENERGY										
				PROPOSED															
				TRANS CHARGE	DIST CHARGE	CTC	ITC												
TRAFFIC SIGNAL																			
	25	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	50	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	60	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	67	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	69	417	252,202	\$ 0.00438	\$ 1,513	\$ 0.06414	\$ 22,144	\$ (0.00398)	\$ (1,374)	\$ 0.01127	\$ 3,891	\$ 0.03392							
	100	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	104	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	107	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	116	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	125	0	0	\$ 0.00438	\$ -	\$ 0.06414	\$ -	\$ (0.00398)	\$ -	\$ 0.01127	\$ -	\$ 0.03392							
	134	59	69,242	\$ 0.00438	\$ 416	\$ 0.06414	\$ 6,085	\$ (0.00398)	\$ (378)	\$ 0.01127	\$ 1,069	\$ 0.03392							
			321,444		\$ 1,929		\$ 28,229		\$ (1,752)		\$ 4,960								
CALCULATED ANNUAL REVENUE				\$	1,929	\$	28,229	\$	(1,752)	\$	4,960	\$	14,930						

TOTAL PRESENT REVENUE \$ 44,109

TOTAL PROPOSED REVENUE \$ 48,297

RATE CHANGE: AMOUNT \$ 4,188
 PERCENT 9.50%

2006 Rate revenue under Present Rates \$ 44,072
 Customer Charge
 Rate Change Percent 9.50%

2006 Projected Revenue under Proposed Rates \$ 48,257

2007 Rate revenue under Present Rates \$ 46,182

Rate Change Percent 9.50%

2007 Projected Revenue under Proposed Rates \$ 50,568

PPL ELECTRIC UTILITIES CORPORATION
RATE SCHEDULE SI-1(R)
CALCULATION OF EFFECT OF PROPOSED RATE
BASED ON BILL FREQUENCY DISTRIBUTION
FOR 12 MONTHS ENDED DECEMBER, 2007

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE								
				PRESENT								
				TRANS CHARGE	DIST CHARGE	CTC	ITC	CAPACITY & ENERGY				
OVERHEAD												
WOOD POLE	600	195	48,555	\$ 0.125	\$ 293	\$ 4.720	\$ 11,045	\$ (0.259)	\$ (606)	\$ 0.466	1,090.44	\$ 1.452
	1000	17	7,531	\$ 0.222	\$ 45	\$ 5.851	\$ 1,194	\$ (0.461)	\$ (94)	\$ 0.828	168.91	\$ 1.654
UNDERGROUND												
LOW MOUNT	4000	19	26,714	\$ 0.703	\$ 160	\$ 17.426	\$ 3,973	\$ (1.462)	\$ (333)	\$ 2.629	599.41	\$ 4.829
			82,800	\$ 498	\$ 16,212	\$ (1,033)	\$ 1,859			1858.764		
CALCULATED ANNUAL REVENUE				\$ 498	\$ 16,212	\$ (1,033)	\$ 1,859			\$ 4,836		

TYPE OF SERVICE	LUMEN	NUMBER	ANNUAL KWH	MONTHLY RATE								
				PROPOSED								
				TRANS CHARGE	DIST CHARGE	CTC	ITC	CAPACITY & ENERGY				
OVERHEAD												
WOOD POLE	600	195	48,555	\$ 0.125	\$ 293	\$ 5.568	\$ 13,030	\$ (0.259)	\$ (606)	\$ 0.466	1,090.44	\$ 1.452
	1000	17	7,531	\$ 0.222	\$ 45	\$ 6.903	\$ 1,408	\$ (0.461)	\$ (94)	\$ 0.828	168.91	\$ 1.654
UNDERGROUND												
LOW MOUNT	4000	19	26,714	\$ 0.703	\$ 160	\$ 20.558	\$ 4,687	\$ (1.462)	\$ (333)	\$ 2.629	599.41	\$ 4.829
			82,800	\$ 498	\$ 19,125	\$ (1,033)	\$ 1,859			1858.764		
CALCULATED ANNUAL REVENUE				\$ 498	\$ 19,125	\$ (1,033)	\$ 1,859			\$ 4,836		

TOTAL PRESENT REVENUE											\$	22,371
TOTAL PROPOSED REVENUE											\$	25,285
RATE CHANGE: AMOUNT											\$	2,914
PERCENT												13.03%
2006 Rate revenue under Present Rates						\$	23,010					
Rate Change Percent							13.03%					
2006 Projected Revenue under Proposed Rates						\$	26,009					
2007 Rate revenue under Present Rates						\$	23,427					
Rate Change Percent							13.03%					
2007 Projected Revenue under Proposed Rates						\$	26,480					

PPL Electric Utilities Corporation
Rate Schedule GH-1 (R)
Single Meter Commercial Space Heating Service
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 31

PRESENT RATE	Units	Rate	Rate Revenue
Transmission			
All KWII	272,855,742	\$0.00600	\$1,637,134
Subtotal			\$1,637,134
Distribution			
Monthly Charge	11,174	\$18.22	\$203,590
All KW	1,056,938	\$2.21	\$2,335,833
First 150 Hours (6000 KWII Max)	45,748,416	\$0.01529	\$699,493
Excess KWII	227,107,326	\$0.00830	\$1,884,991
Subtotal	272,855,742		\$5,123,907
Energy & Capacity			
All KW	1,056,938	\$0.00	\$0
First 150 Hours (6000 KWII Max)	45,748,416	\$0.05481	\$2,507,471
Excess KWII	227,107,326	\$0.04659	\$10,580,930
Subtotal	272,855,742		\$13,088,401
Competitive Transition Charge			
First 150 Hours (6000 KWII Max)	45,748,416	(\$0.00317)	(\$145,022)
Excess KWII	227,107,326	(\$0.00272)	(\$617,732)
Subtotal	272,855,742		(\$762,754)
Intangible Transition Charge			
First 150 Hours (6000 KWII Max)	45,748,416	\$0.02674	\$1,223,313
Excess KWII	227,107,326	\$0.02306	\$5,237,095
Subtotal	272,855,742		\$6,460,408
T.O.D. Metering	894	\$13.57	\$12,132
12 KV Credit	0	\$0.0000	\$0
Total Rate Revenue			\$25,559,228

PROPOSED RATE	Units	Rate	Rate Revenue
Transmission			
All KWII	272,855,742	\$0.00600	\$1,637,134
Subtotal			\$1,637,134
Distribution			
Monthly Charge	11,174	\$0.00	\$0
All KW	1,107,327	\$4.98	\$5,514,488
First 200 kWh	50,960,134	\$0.00000	\$0
Next 200 kWh	171,366,717	\$0.00000	\$0
Excess kWh	50,528,891	\$0.00000	\$0
Subtotal	272,855,742		\$5,514,488
Energy & Capacity			
All KW	1,056,938	\$0.00	\$0
First 150 Hours (6000 KWII Max)	45,748,416	\$0.05481	\$2,507,471
Excess KWII	227,107,326	\$0.04659	\$10,580,930
Subtotal	272,855,742		\$13,088,401
Competitive Transition Charge			
First 150 Hours (6000 KWII Max)	45,748,416	(\$0.003170)	(\$145,022)
Excess KWII	227,107,326	(\$0.002720)	(\$617,732)
Subtotal	272,855,742		(\$762,754)
Intangible Transition Charge			
First 150 Hours (6000 KWII Max)	45,748,416	\$0.02674	\$1,223,313
Excess KWII	227,107,326	\$0.02306	\$5,237,095
Subtotal	272,855,742		\$6,460,408
T.O.D. Metering	0	\$0.00	\$0
12 KV Credit	12,618,778	\$0.0000	\$0
Total Rate Revenue			\$25,937,677

Summary of Total Revenues		
Total from bill distributions Proposed Rates		\$25,937,677
Total from bill distributions Present Rates		\$25,559,228
Rate Change Amount		\$378,449
Percent		1.48%
2006 Rate revenue under Present Rates		\$25,743,698
Rate Change Percent		1.48%
Amount		\$381,007
2006 Projected Revenue under Proposed Rates		\$26,124,705
2007 Rate revenue under Present Rates		\$28,039,082
Rate Change Percent		1.48%
Amount		\$414,978
2007 Rate revenue under Proposed Rates		\$28,454,060

PPL Electric Utilities Corporation
Rate Schedule GH-2 (R)
Separate Meter General Space Heating Service
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
O. G. Kasper
Page 32

PRESENT RATE	Units	Rate	Rate Revenue
<u>Transmission</u>			
All KWH	61,827,433	\$0.00600	\$370,965
<u>Distribution</u>			
Total Bills	29,052	\$18.18	\$528,165
First 200 KWH	5,287,969	\$0.00000	\$0
Excess KWH	56,539,464	\$0.01195	\$675,647
Subtotal			<u>\$1,203,812</u>
<u>Energy & Capacity</u>			
First 200 KWH	5,287,969	(\$0.00513)	(\$27,127)
Excess KWH	56,539,464	\$0.05183	\$2,930,440
Subtotal	61,827,433		<u>\$2,903,313</u>
<u>Competitive Transition Charge</u>			
First 200 KWH	5,287,969	\$0.00000	\$0
Excess KWH	56,539,464	(\$0.00176)	-\$99,509
Subtotal	61,827,433		<u>(\$99,509)</u>
<u>Intangible Transition Charge</u>			
First 200 KWH	5,287,969	\$0.00000	\$0
Excess KWH	56,539,464	\$0.02422	\$1,369,386
Subtotal	61,827,433		<u>\$1,369,386</u>
Total Rate Revenue			<u>\$5,747,967</u>
<u>PROPOSED RATE</u>			
<u>Transmission</u>			
All KWH	61,827,433	\$0.00600	\$370,965
<u>Distribution</u>			
Total Bills	29,052	\$0.00	\$0
All KW	684,462	\$1.89000	\$1,293,633
First 200 kWh	54,544,349	\$0.00000	\$0
Next 200 kWh	6,846,162	\$0.00000	\$0
Excess KWH	436,922	\$0.00000	\$0
Subtotal			<u>\$1,293,633</u>
<u>Energy & Capacity</u>			
First 200 KWH	5,287,969	(\$0.00513)	(\$27,127)
Excess KWH	56,539,464	\$0.05183	\$2,930,440
Subtotal	61,827,433		<u>\$2,903,313</u>
<u>Competitive Transition Charge</u>			
First 200 KWH	5,287,969	\$0.00000	\$0
Excess KWH	56,539,464	(\$0.00176)	(\$99,509)
Subtotal	61,827,433		<u>(\$99,509)</u>
<u>Intangible Transition Charge</u>			
First 200 KWH	5,287,969	\$0.00000	\$0
Excess KWH	56,539,464	\$0.02422	\$1,369,386
Subtotal	61,827,433		<u>\$1,369,386</u>
Total Rate Revenue			<u>\$5,837,788</u>
<u>Summary of Total Revenues</u>			
Total from bill distributions Proposed Rates			\$5,837,788
Total from bill distributions Present Rates			\$5,747,967
Rate Change Amount			\$89,821
Percent			1.56%
2006 Rate revenue under Present Rates			\$5,754,660
Rate Change Percent			1.56%
Amount			\$89,773
2006 Projected Revenue under Proposed Rates			\$5,844,433
2007 Rate revenue under Present Rates			\$6,335,705
Rate Change Percent			1.56%
Amount			\$98,837
2007 Projected Revenue under Proposed Rates			\$6,434,542

PPL Electric Utilities Corporation
 Tariff Rule 6A
 Stand-By Service for Qualifying Facilities
 Calculation of Effect of Proposed Rate vs. Current Tariff
 Based on bill frequency distribution for 12 months ended December 2006

Page 1 of 2

PRESENT RATE	Units	Rate	Rate Revenue
Back-Up Power Transmission Charge:			
All KW	0	1.764	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00120	\$0
Service at 12 KV - All KWH	0	\$0.00120	\$0
Service at 69 KV or Higher - All KWH	4,987,987	\$0.00120	\$5,986
Subtotal	4,987,987		\$5,986
Back-Up Power Distribution Charge:			
Service at 480 Volts or Less - All KW	0	1.495	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00232	\$0
Service at 12 KV - All KW	0	0.968	\$0
Service at 12 KV - All KWH	0	\$0.00042	\$0
Service at 69 KV or Higher - All KW	420,235	0.087	\$36,560
Service at 69 KV or Higher - All KWH	4,987,987	\$0.00000	\$0
Subtotal	4,987,987		\$36,560
Back-Up Power Energy & Capacity Charge:			
Service at 480 Volts or Less - All KW	0	1.110	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00995	\$0
Service at 12 KV - All KW	0	1.330	\$0
Service at 12 KV - All KWH	0	\$0.00995	\$0
Service at 69 KV or Higher - All KW	420,235	1.250	\$525,294
Service at 69 KV or Higher - All KWH	4,987,987	\$0.01133	\$56,514
Subtotal	4,987,987		\$581,808
Back-Up Power CTC Charge:			
Service at 480 Volts or Less - All KWH	0	-\$0.01276	\$0
Service at 12 KV - All KWH	0	-\$0.01239	\$0
Service at 69 KV or Higher - All KWH	4,987,987	-\$0.01050	(\$52,374)
Subtotal	4,987,987		(\$52,374)
Back-Up Power ITC Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.04655	\$0
Service at 12 KV - All KWH	0	\$0.04517	\$0
Service at 69 KV or Higher - All KWH	4,987,987	\$0.03816	\$190,342
Subtotal	4,987,987		\$190,342
Maintenance Power Transmission Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.00120	\$0
Service at 12 KV - All KWH	0	\$0.00120	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.00120	\$1,912
Subtotal	1,593,013		\$1,912
Maintenance Power Distribution Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.00232	\$0
Service at 12 KV - All KWH	0	\$0.00042	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.00000	\$0
Subtotal	1,593,013		\$0
Maintenance Power Energy & Capacity Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.00995	\$0
Service at 12 KV - All KWH	0	\$0.00995	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.01133	\$18,049
Subtotal	1,593,013		\$18,049
Maintenance Power CTC Charge:			
Service at 480 Volts or Less - All KWH	0	(\$0.01276)	\$0
Service at 12 KV - All KWH	0	(\$0.01239)	\$0
Service at 69 KV or Higher - All KWH	1,593,013	(\$0.01050)	(\$16,727)
Subtotal	1,593,013		(\$16,727)
Maintenance Power ITC Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.04655	\$0
Service at 12 KV - All KWH	0	\$0.04517	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.03816	\$60,789
Subtotal	1,593,013		\$60,789
Total Rate Revenue			\$826,345

PPL Electric Utilities Corporation
 Tariff Rule 6A
 Stand-By Service for Qualifying Facilities
 Calculation of Effect of Proposed Rate vs. Current Tariff
 Based on bill frequency distribution for 12 months ended December 2006

Attachment IV-C Settlement
 O. G. Kasper
 Page 34

<u>PROPOSED RATE</u>	<u>Units</u>	<u>Rate</u>	<u>Rate Revenue</u>
Page 2 of 2			
Back-Up Power Transmission Charge:			
All KW	0	1.764	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00120	\$0
Service at 12 KV - All KWH	0	\$0.00120	\$0
Service at 69 KV or Higher - All KWH	4,987,987	\$0.00120	\$5,986
Subtotal	4,987,987		\$5,986
Back-Up Power Distribution Charge:			
Service at 480 Volts or Less - All KW	0	1.525	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00232	\$0
Service at 12 KV - All KW	0	0.987	\$0
Service at 12 KV - All KWH	0	\$0.00043	\$0
Service at 69 KV or Higher - All KW	420,235	0.089	\$37,401
Service at 69 KV or Higher - All KWH	4,987,987	\$0.00000	\$0
Subtotal	4,987,987		\$37,401
Back-Up Power Energy & Capacity Charge:			
Service at 480 Volts or Less - All KW	0	1.110	\$0
Service at 480 Volts or Less - All KWH	0	\$0.00995	\$0
Service at 12 KV - All KW	0	1.330	\$0
Service at 12 KV - All KWH	0	\$0.00995	\$0
Service at 69 KV or Higher - All KW	420,235	1.250	\$525,294
Service at 69 KV or Higher - All KWH	4,987,987	\$0.01133	\$56,514
Subtotal	4,987,987		\$581,808
Back-Up Power CTC Charge:			
Service at 480 Volts or Less - All KWH	0	(\$0.01276)	\$0
Service at 12 KV - All KWH	0	(\$0.01239)	\$0
Service at 69 KV or Higher - All KWH	4,987,987	(\$0.01050)	(\$52,374)
Subtotal	4,987,987		(\$52,374)
Back-Up Power ITC Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.04655	\$0
Service at 12 KV - All KWH	0	\$0.04517	\$0
Service at 69 KV or Higher - All KWH	4,987,987	\$0.03816	\$190,342
Subtotal	4,987,987		\$190,342
Maintenance Power Transmission Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.00120	\$0
Service at 12 KV - All KWH	0	\$0.00120	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.00120	\$1,912
Subtotal	1,593,013		\$1,912
Maintenance Power Distribution Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.00232	\$0
Service at 12 KV - All KWH	0	\$0.00043	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.00000	\$0
Subtotal	1,593,013		\$0
Maintenance Power Energy & Capacity Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.00995	\$0
Service at 12 KV - All KWH	0	\$0.00995	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.01133	\$18,049
Subtotal	1,593,013		\$18,049
Maintenance Power CTC Charge:			
Service at 480 Volts or Less - All KWH	0	(\$0.01276)	\$0
Service at 12 KV - All KWH	0	(\$0.01239)	\$0
Service at 69 KV or Higher - All KWH	1,593,013	(\$0.01050)	(\$16,727)
Subtotal	1,593,013		(\$16,727)
Maintenance Power ITC Charge:			
Service at 480 Volts or Less - All KWH	0	\$0.04655	\$0
Service at 12 KV - All KWH	0	\$0.04517	\$0
Service at 69 KV or Higher - All KWH	1,593,013	\$0.03816	\$60,789
Subtotal	1,593,013		\$60,789
Total Rate Revenue			\$827,186

Summary of Total Revenues

Total from bill distributions Proposed Rates	\$827,186
Total from bill distributions Present Rates	\$826,345
Rate Change Amount	\$841
Percent	0.10%
2006 Rate revenue under Present Rates	\$801,416
Rate Change Percent	0.10%
Amount	\$801
2006 Projected Revenue under Proposed Rates	\$802,217
2007 Rate revenue under Present Rates	\$1,057,716
Rate Change Percent	0.10%
Amount	\$1,058

PPL Electric Utilities Corporation
Tariff Rule 6A
Stand-By Service for Qualifying Facilities
Calculation of Effect of Proposed Rate vs. Current Tariff
Based on bill frequency distribution for 12 months ended December 2006
2007 Projected Revenue under Proposed Rates \$1,058,774

Supplement No. 59 Changes
Reference: Current Tariff

The 2007 Rate Case Filing (Electric Tariff No. 201 – Supplement No.54) was issued on March 29, 2007 with an Effective Date of June 1, 2007. Since then, there have been several filings, which include:

- Supplement No. 55 – Competitive Bridge Plan,
- Supplement No. 56 – Rate Case Effective Date suspended to January 1, 2008, and
- Supplement No. 58 – Remand Settlement.

To facilitate a simplified review of the text changes made in the proposed Supplement No. 59 since the March filing, a comparison was made to highlight the text changes made to the current tariff (See web link below) that are relevant to this Rate Case filing.

<http://www.pplelectric.com/Business+Partners/Tools+and+Reference+Center/Tariff+Rates+and+Rules/Electric+Tariff/General+Tariff.htm>

The result of this comparison is attached. Please note that it does not include:

- Changes due to the Competitive Bridge Plan or Remand Settlement,
- Values and structure of the rate design changes, which are shown in the proofs of revenues,
- CTC, ITC, and E&C rates deleted from the 2005 through 2007 timeframe,
- Applicable riders added as a reference in Rule 6A or the Rate Schedules, and
- Text changes on pages resulting from compression and/or expansion of text.

Finally, references in the List of Changes were expanded to elaborate on the changes made in the tariff. These changes will be made in the filing with the PaPUC.

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LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

- | | |
|---|---|
| Territory Covered by this
Tariff
Page No. 4 | The Borough of Morgantown was added to the territory covered list. |
| Rule 1
Page No. 5A | Transmission and Distribution Rate Cap language is outdated and was removed. The paragraph began as: "The cap on transmission and distribution charges shall extend from January 1, 1999 through December 31, 2004 and applies to all customers..." |
| Rule 2
Page No. 6B | Residential Building Energy Conservation section is outdated and was removed. The paragraph began as: "Prior to receiving any electric service to or for new or renovated residential buildings or additions thereto as defined by Pa. Building Energy Conservation Act as amended by Act 98 of 1985,..." |
| Rule 3
Page Nos. 7 and 7B | "Contribution-in-aid-of-construction" abbreviated to "CIAC". |
| Rule 4
Page No. 8

Page No. 8E | In Section A(2), the Supply of Service rules were changed to clarify that it applies only to distribution facilities and that the Company may provide a separate point of delivery at the customer's request.

In Section A(7), the Supply of Service Rules were changed to clarify it applies to more than one building.

In Section I, the Relocation of Facilities was changed to clarify that when a request for relocation is from a property owner and the facilities are on the customer's property, the charges for relocation of distribution facilities are limited to estimated contractor, labor, and material costs, less maintenance. |
| Rule 7
Page No. 11 | Tariff Rule 7A(5) is revised to clarify that the provisions for temporary service apply to annually recurring service. |
| Universal Service Rider
Page No. 18 | The new Universal Service Rider (USR) provides for recovery of the costs associated with the universal service programs to residential customers. |

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT (Continued)

CHANGES:

Remand Rider-1 (RR-2) Page No. 18B and 18C	The 2008 and 2009 rates are decreased.
Interruptible Service Agreement (R) Page No. 19B	The paragraph for the interruptible service constraint is removed as this rate is restricted. The paragraph reads as: "The Company will not enter into new contracts for interruptible service if the amount of the interruptible power from all customers served under Rate Schedules IS-1, IS-P, IS-T, PR-2(R), the Competitive Rate Rider, and Interruptible Service by Agreement exceeds a total of 500MW." Under the Application provision, the service and billing under this Rate Schedule will end on January 1, 2010.
Competitive Rate Rider (R) Page No. 19E	The paragraph for the interruptible service constraint is removed as this rate is restricted. The removed paragraph was noted in ISA (R). Under the Application provision, the service and billing under this Rate Schedule will end on January 1, 2010.
Sustainable Energy Fund Rider Page No 19K	The Sustainable Energy Fund Rider ended on December 31, 2007 and is eliminated from the tariff.
Metering and Billing Credit Rider Page No. 19M	The Metering, Meter Reading, and Billing and Collection charges were revised.
Interim Code of Conduct Page Nos. 19N and 19O	The Interim Code of Conduct has been superseded by the PUC Competitive Safeguards Code of Conduct (52 Pa. Code §54.122) and can now be removed from the tariff.
PP&L-GENCO Code of Conduct Page No. 19P	The PP&L-GENCO Code of Conduct has been superseded by PPL's FERC-approved Market based Rate Code of Conduct and can now be removed from the tariff.
Demand Side Response Rider-Residential Page No. 19X	Capacity and Energy charges are added for the 2008 through 2010 summer peak load periods.

(Continued)

LIST OF CHANGES MADE BY THIS SUPPLEMENT (Continued)

CHANGES:

- | | |
|--|---|
| Rate Schedule RS
Page No. 20D | Under the Application Provisions, a dwelling is defined. |
| Rate Schedule GS-1
Page No. 24 | New applications for two phase or above will not be accepted after January 1, 2008. |
| Rate Schedule GS-3
Page No. 25 | New applications for single phase service will not be accepted after January 1, 2008. |
| Rate Schedule IS-P(R)
Page Nos. 30A and 30B | The paragraph for the interruptible service constraint is removed as this rate is restricted. The removed paragraph was noted in ISA(R). Also, the Distribution Billing Demand will be based on the actual kW during the current billing period. |
| Rate Schedule IS-T(R)
Page No. 30C | The paragraph for the interruptible service constraint is removed as this rate is restricted. The removed paragraph was noted in ISA(R). |
| Rate Schedule PR-2 (R)
Page No. 32 | The paragraph for the interruptible service constraint is removed as this rate is restricted. The removed paragraph was noted in ISA(R). |
| Rate Schedules SA, SM(R),
and SE
Page Nos. 34A, 35, 37,
37A, 37B, and 37C | Under SA, lamp replacements will be made by the third day. The Company also reserves the right to make substitutes when identical materials are not available.

Under SM(R), there will be no new installations of mercury vapor lamps and fixtures after January 1, 2008 and it will be a restricted rate.

Under SE, the minimum system is reduced to 5 lamps, the lamp type is expanded to include induction systems, and non-municipal customers qualify for this rate schedule. On Page 37B, a paragraph was added to note that non-municipal customers shall adhere to codes and standards for installation, ownership, and maintenance of street lighting equipment. |

TERRITORY COVERED BY THIS TARIFF

BERKS COUNTY

(C)

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

BUCKS COUNTY

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

CARBON COUNTY

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

CHESTER COUNTY

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

CLINTON COUNTY

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

COLUMBIA COUNTY

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

CUMBERLAND COUNTY

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

DAUPHIN COUNTY

City of Harrisburg.
Boroughs of Berrysburg, Dauphin, Elizabethville, Gratz, Halifax, Highspire, Hummelstown, Lykens, Millersburg, Paxtang, Penbrook, Pillow, Steelton, and Williamstown.
Townships of Derry, East Hanover, Halifax, Jackson, Jefferson, Lower Paxton, Lower Swatara, Lykens, Middle Paxton, Mifflin, Reed, Rush, South Hanover, Susquehanna, Swatara, Upper Paxton, Washington, Wayne, West Hanover, Wiconisco, and Williams.

JUNIATA COUNTY

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

LACKAWANNA COUNTY

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

LANCASTER COUNTY

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

LEBANON COUNTY

Borough of Richland.
Townships of Heidelberg and Millcreek.

LEHIGH COUNTY

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

LUZERNE COUNTY

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

RULE 1 - ELECTRIC SERVICE TARIFF (Continued)

B. SUPPLY OF ELECTRIC SERVICE (Continued)

(3) **Rate Caps**

- (a) **Generation Rate Cap** - The cap on generation charges shall extend from January 1, 1999 through December 31, 2009, if the customer is purchasing Basic Utility Supply Service.

(C)

C. RESPONSIBILITY

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

RULE 2 - REQUIREMENTS FOR SERVICE (CONTINUED)

F. ACCESS

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

G. CUSTOMER'S INSTALLATION

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

(C)

(C) Indicates Change

Issued:

Effective: January 1, 2008

RULES FOR ELECTRIC SERVICE
RULE 3 - EXTENSION OF SERVICE

A. GENERAL PROVISIONS

(1) A line extension is any construction beyond the normal service facilities (which include the service extension to the customer, transformers, transformer devices, service drop and meter) to extend the distribution system along the normal route of development of the distribution system to the point where the extension departs from the normal route development and is being installed as a service extension solely for the customer. The distribution system is defined, for the purposes of this rule, as including all lines energized at voltages less than the nominal 69,000 volts and excluding service extensions and lines energized at voltages of nominal 69,000 volts or higher. The Company constructs line extensions from the nearest suitable and available distribution line to supply new customers, or to change the supply to existing customers, under Company's standard rate schedules subject to the provisions of this rule. However, the estimated cost of facilities subject to annual charges under Rule 4 or customer **contributions-in-aid-of-construction (CIAC)** are not subject to (C) the provisions of this rule.

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

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

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

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

B. LINE EXTENSIONS

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

(Continued)

(C) Indicates Change

Issued:

Effective: January 1, 2008

RULE 3 - EXTENSION OF SERVICE (CONTINUED)

F. ANNUAL GUARANTEE

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

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

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

The customer may elect to make a one-time payment to the Company in lieu of annual differential billings during the period of the guarantee. The payment, which will be equal to the total amount of the guarantee, will be subject to partial refunds each year based upon the actual amount of the customer's distribution service billings.

G. TEMPORARY SERVICE

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

H. REAPPORTIONMENT AND WAIVER OF LINE EXTENSION GUARANTEE

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

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

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

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

RULES FOR ELECTRIC SERVICE

(C)

RULE 4 - SUPPLY OF SERVICE

A. CHARACTERISTICS OF SERVICE

(C)

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

(2) The distribution system is defined, for the purposes of this rule, as including all lines energized at voltages less than the nominal 69,000 volts and excluding service extensions and lines energized at voltages of nominal 69,000 volts or higher. However, this definition does not affect the Company's obligations under the Federal Power Act and/or the Public Utility Code, as applicable: (1) to provide safe, reliable and adequate retail electric service to customers taking service at voltages of 69 kV and above, and (2) to provide just and reasonable and non-discriminatory distribution and transmission rates, terms and conditions of service to such customers.

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

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

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

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

(7) The Company normally supplies energy to only one point of delivery to a premise. The Company may provide a separate point of delivery at the customer's request as a speculative line and/or service extension. In the case of two or more services, the customer pays the fully allocated cost of any primary or secondary to serve the additional points of delivery. **For application of this rule, services to more than one building or facility located on the same property and owned by the same entity will be considered service to a single premise; each individual building or facility will not be considered a separate premise.**

(Continued)

(C) Indicates Change

Issued:

Effective: January 1, 2008

RULE 4 - SUPPLY OF SERVICE (CONTINUED)

I. RELOCATION OF FACILITIES (Continued)

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

J. EMERGENCY ASSISTANCE

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

K. CHANGE IN SERVICE CONDITIONS

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

(C) Indicates Change

RULES FOR ELECTRIC SERVICE
RULE 7 - TEMPORARY SERVICE

A. TEMPORARY SERVICE

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

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

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

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

(5) The provisions in this rule for temporary service **apply to annually recurring service;** (C)
however, they do not apply for service to permanent residences on a residential service rate schedule.

UNIVERSAL SERVICE RIDER

The Universal Service Rider (USR) charge, stated as a percentage, shall be added to all of the distribution charges of each customer who takes distribution service under Rate Schedules RS, RTS(R), and RTD(R) of this tariff. The USR charge provides for recovery of the costs, except internal administrative costs, associated with universal service programs provided by the Company to residential customers. The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rider.

Beginning January 1, 2008 and continuing through December 31, 2008, the USR charge will be 6.52%. For subsequent years, the USR charge shall be filed with the Pennsylvania Public Utility Commission (Commission) by December 1 of the previous year. The USR charge shall become effective for service rendered on or after the following January 1, unless otherwise ordered by the Commission, and shall remain in effect for a period of one year, unless revised on an interim basis subject to the approval of the Commission. Upon determination that a USR charge, if left unchanged, would result in a material over or under-collection of all USR costs incurred or expected to be incurred during the current 12-month period, the Company may file with the Commission for an interim revision of the USR charge to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

The Company will file with the Pennsylvania Public Utility Commission by December 1 of each year annual reconciliation of the USR revenue recovery during the immediately preceding application period pursuant to 66 Pa. C.S. §1307. The reconciliation shall become effective for service rendered on and after January 1 and shall remain in effect for a period of one year, or until new USR rates are approved by the Commission. Interest on overcollections and undercollections shall be computed monthly at the appropriate rate, as provided for in Section 1308(d) of the Public Utility Code, from the month the over or undercollection occurs to the effective month that the overcollection is refunded or the undercollection is recouped.

The Company shall file a report of collections under the USR within thirty (30) days following the conclusion of each computation-year quarter. These reports will be in a form prescribed by the Commission. The third-quarter report shall be accompanied by a preliminary forecast of the USR charge for the next computation year.

Application of the USR shall be subject to review and audit by the Commission at intervals that it shall determine. The Commission shall review the level of charges produced by the USR charge and the costs included therein.

PPL Electric Utilities Corporation

Supplement No. 59
 Electric Pa. P.U.C. No. 201
 First Revised Page No. 18B
 Canceling Original Page No. 18B

REMAND RIDER-2

The Remand Rider-2 (RR-2), stated on a percentage basis, shall be applied, on a non-bypassable basis, to all of the distribution charges of each customer who takes distribution service from the Company. Pursuant to the terms of the Commission order entered on July 25, 2007 at Docket No. R-00049255, the RR-2 provides for the refund of Hurricane Isabel costs and the reallocation among customer classes of charges for distribution service billed by the Company during the period January 1, 2005 through July 31, 2007. The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rider.

The RR-2, inclusion of calculated interest, initially shall be established at the following levels:

Customer Class	8/1/07 – 12/31/07	1/1/08 – 12/31/08	1/1/09 – 12/31/09
Large Commercial and Industrial – Transmission (Rate Schedule L5S)	-41.97	-52.38 (D)	-51.22 (D)
Large Commercial and Industrial – Transmission (Rate Schedule ISA (R))	0.00	0.00	0.00
Residential (Rate Schedule RS)	3.16	2.85 (D)	2.82 (D)
Residential (Rate Schedule RTS (R))	9.58	8.77 (D)	8.76 (D)
Residential (Rate Schedule RTD (R))	3.67	3.20 (D)	3.19 (D)
Small Commercial and Industrial (Rate Schedule GS-1)	-3.75	-3.84 (D)	-3.76 (D)
Small Commercial and Industrial (Rate Schedule GS-3)	-6.71	-6.91 (D)	-6.78 (D)
Large Commercial and Industrial – Primary (Rate Schedule LP-4)	-5.85	-6.09 (D)	-6.01 (D)
Large Commercial and Industrial – Transmission (Rate Schedule LP-5)	-40.80	-57.80 (D)	-57.10 (D)
Large Commercial and Industrial – Transmission (Rate Schedule LP-6)	-100.98	-355.11 (D)	-348.84 (D)
Large Commercial and Industrial – Transmission (Rate Schedule LPEP)	-0.38	-0.38	-0.38
Small Commercial and Industrial – Primary (Rate Schedule IS-1 (R))	-0.11	-0.11	-0.11
Large Commercial and Industrial – Primary (Rate Schedule IS-P (R))	-9.80	-10.04 (D)	-10.04 (D)
Large Commercial and Industrial – Transmission (Rate Schedule IS-T (R))	-18.08	-20.70 (D)	-20.60 (D)
Small Commercial and Industrial (Rate Schedule BL)	-0.14	-0.14	-0.14

(Continued)

(C) Indicates Change

Issued:

Effective: January 1, 2008

PPL Electric Utilities Corporation

Supplement No. 59
 Electric Pa. P.U.C. No. 201
 First Revised Page No. 18C
 Canceling Original Page No. 18C

REMAND RIDER-2

Customer Class	8/1/07 – 12/31/07	1/1/08 – 12/31/08	1/1/09 – 12/31/09
Small Commercial and Industrial (Rate Schedule SA)	6.42	5.36 (D)	5.36 (D)
Small Commercial and Industrial (Rate Schedule SM)	5.42	4.58 (D)	4.58 (D)
Small Commercial and Industrial (Rate Schedule SHS)	8.32	7.07 (D)	7.07 (D)
Small Commercial and Industrial (Rate Schedule SE)	1.73	1.51 (D)	1.51 (D)
Small Commercial and Industrial (Rate Schedule TS (R))	8.92	7.84 (D)	7.84 (D)
Small Commercial and Industrial (Rate Schedule SI-1 (R))	7.39	6.29 (D)	6.29 (D)
Small Commercial and Industrial (Rate Schedule GH-1 (R))	-20.40	-22.19 (D)	-21.75 (D)
Small Commercial and Industrial (Rate Schedule GH-2 (R))	-18.12	-20.68 (D)	-20.25 (D)

On December 1, 2007, December 1, 2008 and December 1, 2009, the Company shall file a recomputation of the RR-2 to reflect changes to estimated sales in the application period or changes to distribution rates in the application period. The recomputed RR-2 shall become effective for service rendered on or after the following January 1, unless otherwise ordered by the Commission, and shall remain in effect for a period of one year, unless revised on an interim basis subject to the approval of the Commission.

The RR-2 shall terminate on December 31, 2009.

(C) Indicates Change

Issued:

Effective: January 1, 2008

INTERRUPTIBLE SERVICE BY AGREEMENT (R)

No new applications for service under this Rate Schedule will be accepted after August 27, 1998.

APPLICATION

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

Service and billing under this Rate Schedule will end on January 1, 2010. At that time, (C) any customer receiving service under this Rate Schedule will be transferred to the appropriate rate schedule in this tariff.

NET MONTHLY SERVICES CHARGES

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

CONDITIONS OF SERVICE

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

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

(C) Indicates Change

COMPETITIVE RATE RIDER (R)

No new applications for service under this Rate Schedule will be accepted after August 27, 1998.

PURPOSE

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

APPLICATION PROVISIONS

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

Service and billing under this Rate Schedule will end on January 1, 2010. At that time, any customer receiving service under this Rider will be transferred to the appropriate rate schedule in this tariff. (C)

GENERAL CONDITIONS

1. The customer must demonstrate that it has a viable competitive alternative to service under Rate Schedule LP-5, LP-6, or IS-T to be eligible for this rider. The customer must provide written information, satisfactory to Company, documenting the customer's competitive alternative. Because of the proprietary nature of the customer's information, this information shall remain confidential.
2. The customer also must demonstrate, to the satisfaction of the Company, that the customer intends to implement the competitive alternative and is financially able to do so.
3. The Company will provide, upon request, a written description of the information that the customer must provide to the Company.
4. The Company shall be the sole judge of whether or not a competitive rate under this rider is appropriate based on the information provided by the customer.
5. The Company will develop competitive rates and terms, on a case-by-case basis, if the Company, in its sole judgement, determines that they are appropriate. The Company is not obligated to match the customer's costs for an alternative source of energy. The rate shall be sufficient to recover all of the Company's appropriate short-run marginal costs of the service and make a contribution to the Company's fixed costs, but shall not exceed the rate for comparable service under Rate Schedule LP-5, LP-6, or IS-T.

(Continued)

METERING AND BILLING CREDIT RIDER

PURPOSE

This rider provides for monthly Distribution Charge credits when an Electric Generation Supplier licensed by the Commission provides metering, meter reading, and/or billing and collection service to a customer in lieu of the Company.

APPLICATION

This rider applies to the Distribution Charges included in each Rate Schedule included in this Tariff.

NET MONTHLY DISTRIBUTION CHARGE CREDIT

<u>Rate Schedule</u>	<u>Metering</u>	<u>Meter Reading</u>	<u>Billing and Collection</u>
RS	\$ 2.22 (I)	\$ 0.21 (D)	\$ 1.84 (I)
Separate Water Heating Service	2.22 (I)	0.21 (D)	1.84 (I)
RTS	2.22 (I)	0.21 (D)	1.84 (I)
RTD(R)	2.22 (I)	0.21 (D)	1.84 (I)
GS-1	5.89 (I)	0.21 (D)	1.84 (I)
Off-Peak Space Conditioning and Water Heating	5.89 (I)	0.21 (D)	1.84 (I)
Volunteer Fire Co./Sr. Citizen Centers	2.22 (I)	0.21 (D)	1.84 (I)
GS-3	5.89 (I)	0.21 (D)	1.84 (I)
Off-Peak Space Conditioning and Water Heating	5.89 (I)	0.21 (D)	1.84 (I)
Volunteer Fire Co./Sr. Citizen Centers	2.22 (I)	0.21 (D)	1.84 (I)
LP-4	129.41 (I)	0.21 (D)	1.84 (I)
Off-Peak Space Conditioning and Water Heating	5.89 (I)	0.21 (D)	1.84 (I)
LP-5	1178.34 (D)	0.21 (D)	1.84 (I)
LP-6	1178.34 (D)	0.21 (D)	1.84 (I)
LPEP	1178.34 (D)	0.21 (D)	1.84 (I)
IS-1(R)	5.89 (I)	0.21 (D)	1.84 (I)
IS-P(R)	129.41 (I)	0.21 (D)	1.84 (I)
IS-T(R)	1178.34 (D)	0.21 (D)	1.84 (I)
BL	5.89 (I)	0.21 (D)	1.84 (I)
SA	—	—	1.84 (I)
SM	—	—	1.84 (I)
SHS	—	—	1.84 (I)
SE	—	—	1.84 (I)
TS(R)	—	—	1.84 (I)
SI-1(R)	—	—	1.84 (I)
GH-1(R)	5.89 (I)	0.21 (D)	1.84 (I)
GH-2(R)	5.89 (I)	0.21 (D)	1.84 (I)
Standby Service - 480 Volts or Less	5.89 (I)	0.21 (D)	1.84 (I)
Standby Service - 12,470 Volts	129.41 (I)	0.21 (D)	1.84 (I)
Standby Service - 69,000 Volts or Higher	1178.34 (D)	0.21 (D)	1.84 (I)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: January 1, 2008

DEMAND SIDE RESPONSE RIDER – RESIDENTIAL (CONTINUED) (C)
(EXPERIMENTAL)

NET MONTHLY CAPACITY AND ENERGY CHARGES

The following Capacity and Energy Charges apply for service under this Rider during the four-month PJM summer peak load period of June, July, August, and September. During all other months, the then effective Capacity and Energy Charges under Rate Schedule RS will apply.

Capacity and Energy Charge (Effective 6-1-08 through 9-30-08) (C)
9.300 cts. per KWH for all on-peak KWH.
3.700 cts. per KWH for all off-peak KWH.

Capacity and Energy Charge (Effective 6-1-09 through 9-30-09) (C)
9.700 cts. per KWH for all on-peak KWH.
3.700 cts. per KWH for all off-peak KWH.

Capacity and Energy Charge (Effective 6-1-10 through 9-30-10) (C)
Market price for all on-peak KWH.
Market price for all off-peak KWH.

ON-PEAK HOURS

On-peak hours for billing purposes are noon to 7 p.m. local time, Mondays to Fridays inclusively, except Independence Day and Labor Day.

ANNUAL REVIEW OF CHARGES AND ON-PEAK HOURS

The Company will review the above Capacity and Energy Charges and On-peak Hours annually. The Company will file any proposed changes in charges and on-peak hours with the Commission for approval.

OTHER TARIFF PROVISIONS

All other provisions of this Tariff, including all charges under Rate Schedule RS other than Capacity and Energy Charges, remain in effect for customers receiving service under this Rider. This Rider does not modify any provisions of this Tariff or Rate Schedule RS, other than as specifically set forth herein.

LOAD CONTROL

The Company will not directly control the load of Participating Customers. The Company, without incurring any liability, may provide advice to Participating Customers on how they can take advantage of this Rider, by using devices such as programmable thermostats, water heater timers, and timers on swimming pools, to reduce usage during summer peak load periods.

(Continued)

RATE SCHEDULE RS (CONTINUED)

(C)

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

REMAND RIDERS

The Remand Rider-1 and Remand Rider-2 Charges included in this Tariff apply to all KWH billed under this rate schedule.

STATE TAX ADJUSTMENT SURCHARGE

The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate Schedule.

PAYMENT

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

APPLICATION PROVISIONS

(C)

For the purposes of the application of this Rate Schedule, a dwelling is defined as a living space consisting of at least permanent provisions for shelter, dining, sleeping, and cooking, with provisions for permanent electric, water, and sanitation services.

(1) This Rate Schedule is for single phase electric service for:

- (a) **A single family dwelling and detached buildings when the detached buildings are served at the customer's expense through the same meter as the single family dwelling.**
- (b) A separate dwelling unit in an apartment house.
- (c) **A single farm dwelling and general farm uses when general farm uses are served at the customer's expense through the same meter as the single farm dwelling.**
- (d) A building previously wired for single meter service which is converted to not more than 8 separate dwelling units served through one meter.

(Continued)

**RATE SCHEDULE GS-1
 SMALL GENERAL SERVICE
 AT SECONDARY VOLTAGE**

(C)

APPLICATION RATE SCHEDULE GS-1

This Rate Schedule is for small general single phase service at secondary voltage. The billing demand is limited to 5 KW for accounts served under discontinued Rate Schedule FC as of June 28, 1980. New applications with voltage levels higher than the secondary voltage will not be accepted after January 1, 2005.

Effective January 1, 2008, new General Service customers receiving single-phase service will be served under Rate Schedule GS-1. Customers taking service under Rate Schedule GS-1 or Rate Schedule GS-3 as of December 31, 2007 will continue to be allowed to switch from one rate schedule to the other until January 1, 2010, subject to existing rules and restrictions. On and after January 1, 2010, these customers may no longer switch between Rate Schedule GS-1 and Rate Schedule GS-3 except that: (1) three-phase customers on Rate Schedule GS-1 may switch to Rate Schedule GS-3 but may not thereafter switch back to Rate Schedule GS-1; and (2) single phase customers on Rate Schedule GS-3 may switch to Rate Schedule GS-1, but may not thereafter switch back to Rate Schedule GS-3.

NET MONTHLY RATE

Distribution Charge

\$11.32 per month plus

\$2.26 per kilowatt for all Billing KW in excess of 5 KW.

2.404 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

1.339 cts. per KWH for all additional KWH.

(I)
(D)
(I)
(D)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.248 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

0.186 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

1.484 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

1.115 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

1.334 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

1.002 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

6.983 cts. per KWH for the first 150 KWH per kilowatt of the Billing KW.

5.087 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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

(C)

APPLICATION RATE SCHEDULE GS-3

(C)

This Rate Schedule is for large general two and greater service at secondary voltage. Where necessary, the Company furnishes and maintains one transformation from line voltage to a lower Company standard service voltage. New applications with voltage levels higher than the secondary voltage will not be accepted after January 1, 2005.

Effective January 1, 2008, new General Service customers receiving three-phase service will be served under Rate Schedule GS-3. Customers taking service under Rate Schedule GS-1 or Rate Schedule GS-3 as of December 31, 2007 will continue to be allowed to switch from one rate schedule to the other until January 1, 2010, subject to existing rules and restrictions. On and after January 1, 2010, these customers may no longer switch between Rate Schedule GS-1 and Rate Schedule GS-3 except that: (1) three-phase customers on Rate Schedule GS-1 may switch to Rate Schedule GS-3 but may not thereafter switch back to Rate Schedule GS-1; and (2) single phase customers on Rate Schedule GS-3 may switch to Rate Schedule GS-1, but may not thereafter switch back to Rate Schedule GS-3.

NET MONTHLY RATE

Distribution Charge

\$4.692 per kilowatt for all kilowatts of the Billing KW

(I)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

0.196 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.154 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.148 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

1.168 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.914 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.879 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

1.055 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.826 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.794 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

0.000 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
0.000 cts. per KWH for all additional KWH.

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$4.461 per kilowatt for all kilowatts of the Billing KW.
4.940 cts. per KWH for the first 200 KWH per kilowatt of the Billing KW.
3.760 cts. per KWH for the next 200 KWH per kilowatt of the Billing KW.
3.593 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-P(R)

(C)

INTERRUPTIBLE LARGE GENERAL SERVICE AT 12,470 VOLTS OR HIGHER

(C)

No new applications will be accepted after January 1, 2000.

APPLICATION RATE SCHEDULE IS-P(R)

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

INTERRUPTIBLE POWER

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

(C)

NET MONTHLY RATE

Distribution Charge

\$1.817 per kilowatt for all kilowatts of the Billing KW.

(D)

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.111 per kilowatts for all kilowatts of the Billing KW.

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

0.079 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.658 per kilowatts for all kilowatts of the Billing KW.

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

0.471 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

\$0.587 per kilowatts for all kilowatts of the Billing KW.

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

0.423 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

\$0.000 per kilowatts for all kilowatts of the Billing KW.

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

0.000 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

\$3.733 per kilowatt for all kilowatts of the Billing KW.

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

2.662 cts. per KWH for all additional KWH.

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

\$3.804 per kilowatt for all kilowatts of the Billing KW.

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

2.712 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE IS-P (R) (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

MONTHLY MINIMUMS

(C)

The Minimum Billing Demand is 25 KW.

The Monthly Minimum Distribution Charge is 25 KW times the demand step of the effective Distribution Charge. The Monthly Minimum Competitive Transition Charge is 25 KW times the demand step of the effective Competitive Transition Charge. The Monthly Minimum Intangible Transition Charge is 25 KW times the demand step of the effective Intangible Transition Charge. The Monthly Minimum Capacity and Energy Charge is 25 KW times the demand step of the effective Capacity and Energy Charge.

Monthly Minimums apply to services provided by the Company.

(C)

BILLING KW

(C)

The monthly Billing KW for the non-distribution components of the bill is calculated as:

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

The billing KW for the distribution component of the bill is the average number of kilowatts supplied during the 15-minute period of maximum use during the current billing period.

ON-PEAK HOURS

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

MAXIMUM ON-PEAK DEMAND

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

ON-PEAK LOAD FACTOR

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

(Continued)

RATE SCHEDULE IS-T(R) (C)
INTERRUPTIBLE LARGE GENERAL SERVICE AT 69,000 VOLTS OR HIGHER

No new applications will be accepted after January 1, 2000.

APPLICATION RATE SCHEDULE IS-T(R) (C)

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

INTERRUPTIBLE POWER

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

NET MONTHLY RATE

Distribution Charge (I)
\$1,270.20 per month

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.172 per kilowatt for all kilowatts of the Billing KW.
0.113 cts. per KWH for the first 400 hours use of Billing KW.
0.076 cts. per KWH for all additional KWH.

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)
\$1.012 per kilowatt for all kilowatts of the Billing KW.
0.684 cts. per KWH for the first 400 hours use of Billing KW.
0.457 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)
\$0.910 per kilowatt for all kilowatts of the Billing KW.
0.613 cts. per KWH for the first 400 hours use of Billing KW.
0.410 cts. per KWH for all additional KWH.

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)
\$0.000 per kilowatt for all kilowatts of the Billing KW.
0.000 cts. per KWH for the first 400 hours use of Billing KW.
0.000 cts. per KWH for all additional KWH.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

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

Service under Rate Schedule PR-2(R) is available only to existing customers taking service under this Rate Schedule as of August 1, 1998.

APPLICATION PROVISIONS

This Rate Schedule is applicable to industrial and commercial customers with interruptible power requirements with a monthly maximum demand of 2000 KW or greater year-round and currently are served under Rate Schedule IS-P or IS-T. An electric service contract is required for billing under this Rate Schedule.

The pilot program and billing under this Rate Schedule will end on January 1, 2010.

DEFINITIONS

(C)

1. Customer Baseline Load (CBL) -- is the customer's normal historic hourly KWH usage under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5, for one complete year. The CBL represents the customer's electricity consumption pattern and typical level of operation under Rate Schedule IS-P or IS-T, or under predecessor Rate Schedule LP-4 or LP-5.

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

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

2. Marginal Operating Cost -- is a forecasted hourly marginal cost based on the day-ahead PJM Locational Marginal Price.

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

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

If customers served under this Rate Schedule purchase capacity and energy from their choice of electric generation supplier, the applicable rate schedule Distribution Charge will not be applied to the customers' incremental usage above the CBL.

(Continued)

(C) Indicates Change

Issued:

Effective: January 1, 2008

RATE SCHEDULE SA (CONTINUED)

(C)

EQUIPMENT AND SERVICE

Company installs and maintains the bracket, luminaire, lamp and photoelectric control on a Company-owned wood pole. Lamp is lighted from dusk to dawn or for approximately 4,300 hours per annum.

A high pressure sodium lamp of a nominal 9,500 lumens is installed in a luminaire on a on a 30-inch bracket. Lamp replacements are normally made by the **third** working day after outage notification by the customer to a Company office. There is no credit for outages. **The Company reserves the right to make substitutes when identical materials are not available.**

(C)

Company installs up to one span of secondary not exceeding 150 feet from an existing secondary voltage supply and one pole for each lamp provided the location of the pole is accessible by a service truck for the installation and maintenance of the lamp and provided the Company is furnished a suitable right-of-way.

Upon request and at the Company's discretion, the Company may install an area light fixture on a suitable customer-owned support.

Where a secondary supply is not available at the desired lamp location and/or where the distance is more than one span, the Company may furnish the service providing the customer reimburses Company for the Company's estimated added investment required to supply the service in each case.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

(Continued)

**RATE SCHEDULE SM(R)
 MERCURY VAPOR STREET LIGHTING SERVICE**

(C)

The application of this Rate Schedule to all service is limited as indicated in the Application section of this Rate Schedule. **No new installations of mercury vapor lamps and fixtures shall be offered after January 1, 2008 in accordance with the Energy Policy Act of 2005.**

(C)

APPLICATION RATE SCHEDULE SM

This Rate Schedule is for lighting service from overhead or underground facilities on public areas such as streets, highways, bridges and parks, to municipalities, other governmental agencies, or private property customers, when all such service is supplied under Company's standard form of contract in accordance with the various laws applicable thereto.

The application of this Rate Schedule is limited as follows:

- (a) 10,500 lumen and 34,000 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after June 2, 1973, and also prospective fixtures where a definite rate commitment has been made as of that date as long as service is continuous thereafter, and fixtures previously supplied under Hershey Electric Company SMVO rate.
- (b) metal pole overhead -- poles installed on or before and in service continuously after June 2, 1973, and fixtures previously supplied under Hershey Electric Company SMVO and S rates.
- (c) customer-owned equipment -- customers served on or before and supplied continuously after August 26, 1976.
- (d) 20,000 lumen and 51,000 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after August 22, 1983, and additions at locations adjacent to such existing installations.
- (e) 3,350 lumen and 6,650 lumen mercury vapor lamps -- fixtures installed on or before and supplied continuously after April 28, 1987, and additions at locations adjacent to or interspersed with such existing installations.
- (f) **The mercury vapor lamps which fail will be transitioned to the High Pressure Sodium Rate (SHS) nominal lumens equivalent. A nominal lumen/wattage equivalent table is shown below. This is in accordance with the Energy Policy Act of 2005 -- Section 135 H.R. 6-39, which states that "Mercury Vapor Lamp ballasts shall not be manufactured or imported after January 1, 2008."**

(C)

<u>Lamp Description</u>	<u>Nominal Lumen</u>	<u>Wattage</u>	<u>Lamp Description</u>	<u>Nominal Lumen</u>	<u>Wattage</u>
Mercury Vapor	3,350	100	High Pressure Sodium	5,800	70
Mercury Vapor	6,650	175	High Pressure Sodium	9,500	100
Mercury Vapor	10,500	250	High Pressure Sodium	16,000	150
Mercury Vapor	20,000	400	High Pressure Sodium	25,500	250
Mercury Vapor	34,000	700	High Pressure Sodium	25,500	250
Mercury Vapor	51,000	1,100	High Pressure Sodium	50,000	400

(Continued)

(C) Indicates Change

Issued:

Effective: January 1, 2008

**RATE SCHEDULE SE
 ENERGY ONLY STREET LIGHTING SERVICE**

(C)

APPLICATION OF RATE SCHEDULE SE

(C)

This Rate Schedule is available to municipalities, other governmental agencies, and **non-municipal** customers for the operation of mercury vapor, high pressure sodium, metal halide, or **induction** street lighting systems on public areas such as streets, highways, bridges and parks where the municipality, other governmental agency and **non-municipal** customers provides for the installation, ownership, operation and maintenance of the street lighting equipment.

NET MONTHLY RATE

(1) Lamp Rates

Distribution Charge

(I)

Street Lighting Equipment on Company Pole.....	7.958 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	3.547 cts. per KWH

Competitive Transition Charge (Effective 1-1-08 through 12-31-08)

Street Lighting Equipment on Company Pole.....	0.099 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.089 cts. per KWH

Competitive Transition Charge (Effective 1-1-09 through 12-31-09)

Street Lighting Equipment on Company Pole.....	0.831 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.830 cts. per KWH

Intangible Transition Charge (Effective 1-1-08 through 12-31-08)

Street Lighting Equipment on Company Pole.....	0.827 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.740 cts. per KWH

Intangible Transition Charge (Effective 1-1-09 through 12-31-09)

Street Lighting Equipment on Company Pole.....	0.000 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.000 cts. per KWH

The Company will provide capacity (KW) and energy (KWH) under this Rate Schedule for customers who receive Basic Utility Supply Service from the Company.

Capacity and Energy Charge (Effective 1-1-08 through 12-31-08)

Street Lighting Equipment on Company Pole.....	1.333 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.000 cts. per KWH

Capacity and Energy Charge (Effective 1-1-09 through 12-31-09)

Street Lighting Equipment on Company Pole.....	1.429 cts. per KWH
Street Lighting Equipment on Customer Pole or Support.....	0.000 cts. per KWH

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

RATE SCHEDULE SE (CONTINUED)

(C)

Transmission Charge

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain transmission service from another provider. The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this rate schedule.

(2) Service hereunder is unmetered with the number of KWH billed for each size lamp calculated based upon the estimated input wattage of the luminaire and 4,300 burning hours per year.

MINIMUM SYSTEM

(C)

Application is limited to mercury vapor, high pressure sodium, metal halide, or induction street lights in systems of a minimum of 5 contiguous lamps of one customer. Customer-owned street lights served hereunder may not be intermixed with street lights served under the Company's other street lighting rate schedules.

The 5 lamp minimum may, at Company's option, be waived when a customer desires to take service for its entire street lighting requirements hereunder and said total requirement is less than the 5 lamp minimum.

INITIAL SYSTEM AND FUTURE ADDITIONS

The Customer provides advance written notice to Company (at least 90 days for initial systems or 30 days for additions to existing systems) of its intentions to install customer-owned street lighting hereunder. The notification includes the location, wattage, lumen size, type of equipment and proposed installation date. In addition, for customer-owned street lighting proposed for installation on Company's poles the customer provides the construction specifications for Company's approval.

STANDARD INSTALLATION AND SERVICE

Street Lighting Equipment on Company Wood Pole: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket and the wire from the luminaire to the point of connection with the Company's overhead general distribution system. The Company provides, installs, operates and maintains the wood pole and the overhead secondary wire from Company's general distribution system to the point of connection with customer's wire. Generally, the customer will attach its street lighting system to Company's existing poles; but the Company at its option provides, installs, operates and maintains a maximum of one wood pole and one span of secondary conductor to new locations requested by the customer. The installation by Company in excess of one wood pole and one span of secondary conductor to serve a customer-owned street light is at customer's expense.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

(C)

STANDARD INSTALLATION AND SERVICE (Continued)

Street Lighting Equipment on Customer Pole or Support: The customer provides, installs, operates and maintains the street lighting luminaire, lamp, control, bracket, pole or support, foundation and wire between poles or supports. The Company provides, installs, operates and maintains one span of overhead secondary conductor to a group of street lights, as defined by Company, on customer-owned poles or supports. The installation by Company in excess of one span of overhead secondary to a group of customer-owned street lights is at customer's expense.

Customer-owned street lighting equipment mounted on poles or supports of other utilities with whom Company has joint-use agreements are billed at the rate for Street Lighting Equipment on Company Poles.

Any non-municipal customer will be required to demonstrate that it has complied with all municipal requirements pertaining to lighting before being eligible for service under Rate SE. In addition, before street lighting facilities may be energized, the non-municipal customer shall provide the Company and the municipality with an inspector's certification that the street lighting facilities are constructed to applicable electrical code requirements and also provide the Company and the municipality with as-built drawings certified by engineering seal of the final placement, configuration, and cut sheets for street lighting facilities to be energized. The non-municipal customer shall provide certification to the municipality of continued compliance with the National Electrical Code requirements as required by the municipality.

Customer-owned street lighting installed as multiple units on a Company or other utility pole are billed at the rate for Street Lighting Equipment on customer Pole or Support. Multiple units are defined hereunder as additional lamps installed on a Company or other utility pole already supporting customer-owned street lighting equipment.

Customer-owned street lighting equipment is installed in accordance with Company and industry safety codes and, where installed on Company poles, in accordance with general Company specifications for similar equipment.

Any rearrangements, replacements or relocations of Company's electric distribution system required solely for the installation, operation or maintenance of customer's street lighting equipment are at the customer's expense.

The Company makes all connections of customer's street lighting system to the Company's available general distribution system. Generally customer-owned street lighting equipment will be served at 120 volts or 240 volts. However, at Company's option, customer-owned street lighting equipment mounted on customer pole or support may be served at other available secondary voltages.

All luminaires served hereunder are operated at alternating current, 60 hertz, single phase and are controlled by photo control for dusk to dawn operation every night, approximately 4,300 hours per year.

All relocations of customer-owned street lighting equipment are at customer's expense.

CONTINUOUS OPERATION

When the customer operates individual lamps continuously 24 hours per day, the KWH billed hereunder is doubled for those individual lamps operated continuously.

(Continued)

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

RATE SCHEDULE SE (CONTINUED)

(C)

IDENTIFICATION

Each customer-owned luminaire and support bracket served hereunder must be marked by customer with two adjacent wraps of 2 inch wide, yellow and black diagonal striped, pressure sensitive tape, clearly identifiable by a ground level observer, that indicates customer ownership of the equipment. Company will supply customer with sufficient tape to mark the equipment. In addition, customer **shall notify** the public **and the local municipality** of customer's ownership of and responsibility for the street lighting equipment in the areas served hereunder **shall publish and advertise** a customer telephone number for public **and municipal** use in reporting malfunctioning equipment.

CHANGE IN SIZE AND TYPE OF STREET LIGHTING UNIT

Written notice of any change in size or type of any components of customer's street lighting system by location is furnished by customer to Company not more than 14 days after the date of such change.

AUDITING

The Company has the right to periodically audit the number and size of lamps of customer's street lighting system. The customer agrees to cooperate with Company during such audits.

COMPETITIVE TRANSITION CHARGE RECONCILIATION RIDER

The Competitive Transition Charge Reconciliation Rider included in this Tariff applies to the Competitive Transition Charges under this Rate Schedule.

INTANGIBLE TRANSITION CHARGE RECONCILIATION RIDER

The Intangible Transition Charge Reconciliation Rider included in this Tariff applies to the Intangible Transition Charges under this Rate Schedule.

(C)

METERING AND BILLING CREDIT RIDER

The Metering and Billing Credit Rider included in this Tariff applies to the Distribution Charges under this Rate Schedule.

GENERATION RATE ADJUSTMENT RIDER

The Generation Rate Adjustment Rider included in this Tariff is available to eligible customers served under this Rate Schedule.

GENERATION CHARGE

The Company will provide and charge for Generation supply service for customers who receive Basic Utility Supply Service from the Company, unless such customers obtain generation supply from another source. The Generation Supply Charge included in this Tariff applies to all KWH billed under this rate schedule.

(Continued)

(I) Indicates Increase **(D)** Indicates Decrease **(C)** Indicates Change

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, :
et al. :
 :
 v. : Docket No. R-00072155
 :
 PPL Electric Utilities Corporation :

SECRET
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**PPL ELECTRIC UTILITIES CORPORATION'S
STATEMENT IN SUPPORT OF JOINT STIPULATION
FOR SETTLEMENT OF RATE INVESTIGATION**

TO ADMINISTRATIVE LAW JUDGE SUSAN D. COLWELL:

I. INTRODUCTION

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) hereby submits this Statement in Support of the Joint Stipulation for Settlement of Rate Investigation (“Settlement”) entered into by the Office of Trial Staff (“OTS”) of the Pennsylvania Public Utility Commission (“Commission”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), PP&L Industrial Customer Alliance (“PPLICA”), Richards Energy Group, Inc. (“REG”), Department of Defense and Federal Executive Agencies (“DOD”), Sustainable Energy Fund of Central Eastern Pennsylvania (“SEF”), City of Scranton (“Scranton”), Commission on Economic Opportunity (“CEO”), Eric Epstein and PPL Electric. PPL Electric believes that the Settlement achieved by all Parties of all issues in this proceeding is in the best interests of PPL Electric, its customers and the Parties, and therefore is in the public interest and should be approved.

It is rare to have all parties agree to, or not oppose, a settlement of all issues in a major electric rate proceeding. The fact that numerous parties with such diverse interests

were able to reach agreement, in and of itself, demonstrates, to a very substantial degree, the reasonableness of the proposed Settlement.

Settlement efforts were aided by the fact that both PPL Electric and PPL Gas Utilities Corporation (“PPL Gas”) have recently concluded fully litigated base rate proceedings. PPL Electric’s 2004 base rate proceeding was fully litigated before the Commission, and several significant issues in that case were appealed to the Commonwealth Court. In addition, PPL Gas filed a base rate case in 2006 that was fully litigated before the Commission. The Administrative Law Judges’ Recommended Decisions, Commission’s Final Orders and Commonwealth Court’s Order provided substantial guidance to the Parties on a number of major issues and helped to substantially narrow the range and scope of contested issues. For example, as discussed in more detail below, the Commonwealth Court’s decision in *Lloyd v. Pa. PUC*, 904 A.2d 1010 (Pa. Cmwlth. 2006) (“*Lloyd*”), provided substantial guidance with respect to revenue allocation issues. In addition, as also discussed below, the Commission’s decision in the PPL Electric 2004 base rate case and PPL Gas 2006 base rate case undoubtedly provided substantial guidance with respect to rate of return issues.

The Settlement in this proceeding was achieved only after a comprehensive investigation of PPL Electric’s operations. In addition to informal discovery sessions, PPL Electric responded to approximately 600 formal discovery requests, many of which had multiple subparts. Parties filed four rounds of testimony, including PPL Electric’s direct testimony, other parties’ direct testimony, rebuttal testimony and surrebuttal testimony. Moreover, the Parties participated in numerous settlement discussions and formal negotiations which ultimately led to the Settlement.

Finally, the Parties in this proceeding, and their counsel, have considerable experience in rate proceedings. Their knowledge, experience and ability to evaluate the strengths and weaknesses of their litigation positions provided a strong base upon which to build a consensus position in this proceeding.

The Settlement reflects a carefully balanced compromise of the interests of all Parties to this proceeding. For the reasons set forth below, the Settlement is just and reasonable and should be approved.

II. SPECIFIC SETTLEMENT TERMS

In filing this rate case, PPL Electric sought to accomplish several major goals. Specifically, this filing was designed to: (1) improve PPL Electric's financial condition so that it could attract capital on reasonable terms in order to continue to provide safe and reliable service to customers; (2) substantially increase funding for universal service programs and provide a reasonable and fair means of recovering the cost of such programs; (3) increase education efforts for energy efficiency and conservation programs in advance of the expiration of its generation rate cap in 2010; (4) continue movement to cost-of-service rates pursuant to the *Lloyd* decision; and (5) clarify certain tariff issues regarding the terms and conditions of electric service. As explained below, the Settlement achieves each of these goals in a fair and reasonable manner.

A. REVENUE REQUIREMENT

The Settlement provides for a rate increase of \$55 million, or approximately 66% of PPL Electric's original request of \$83.6 million. As explained by PPL Electric's President, David G. DeCampli, PPL Electric requires additional revenues to maintain its financial health in order to continue providing high quality service to customers. PPL Electric St. 1, p. 3. In the last several years, PPL Electric's costs have continued to increase, despite PPL

Electric's substantial efforts to control them. In 2006, PPL Electric actually earned a return on equity of approximately 7.32% despite being authorized to earn a return on equity of 10.70% in its 2004 rate proceeding at Docket No. R-00049255. PPL Electric St. 1, p. 3. The \$55 million increase, while less than that requested by the Company, will provide PPL Electric the opportunity to earn a reasonable return and thereby attract capital on reasonable terms and conditions to allow PPL Electric to continue providing safe and reliable service to its customers.

Overall, the increase of 1.75%, on a total bill basis, is reasonable in light of the significant cost increases incurred by PPL Electric since the last case. As explained by Mr. DeCampi, since 2004, the cost of transformers has increased by about 80% and the cost of wire used for power lines has increased by about 25%. PPL Electric St. 1, p. 8. In addition, the Company has invested more than \$450 million to maintain, improve or expand its distribution system over the past three years and intends to spend an additional \$1.1 billion over the next five years. PPL Electric St. 1, p. 8. The settlement rate increase will permit the Company to recover its cost of providing service and will improve its financial condition so that it can continue to provide reliable service. At the same time, the Company has undertaken aggressive efforts to control its costs, resulting in rates that, even with the settlement rate increase, will still be less than the average in both Pennsylvania and the Northeast. See PPL Electric St. 1, p. 10.

In this proceeding, PPL Electric, OTS and OCA presented testimony on revenue requirement issues. The Settlement reflects a compromise of these competing litigation positions. During the course of the proceeding, the difference among the litigation positions of the Parties narrowed substantially. PPL Electric filed for a revenue increase of \$83.6

million. See PPL Electric Exh. Future 1, D-13, p. 5. However, PPL Electric subsequently revised its request to \$77 million. PPL Electric Exh. Future 1 – Revised, D-13, p. 5. Likewise, in its Direct Testimony, OCA initially proposed that PPL Electric be granted a \$34.6 million increase in revenue. OCA St. 1, p. 4. However, in Surrebuttal, OCA increased its proposed allowance to \$38 million. OCA St. 1S, p. 1. Indeed, a review of the Company's Rebuttal and OCA's Surrebuttal Testimony reveals that the differences between PPL Electric's and OCA's positions, concerning net operating income at present rates and without considering return on equity, was reduced to approximately \$4.7 million. See OCA St. 1S, Schedule LKM-1S, p. 1.

The major remaining difference among the Parties was cost of equity. PPL Electric proposed that the Commission allow an 11.5% return on common equity, OTS proposed a 10.13% return on common equity and OCA proposed a 9.625% return on common equity. While each party vigorously supported its litigation position, each party also was aware of recent Commission decisions on cost of equity, including decisions for PPL Electric and PPL Gas. In PPL Electric's 2004 rate case, the Commission approved a return on common equity of 10.7%, and in PPL Gas' 2006 rate case, the Commission approved a return on common equity of 10.4%. See *Pa. PUC v. PPL Gas*, Docket No. R-00061398, Order entered February 8, 2007, p. 108.

Based on an evaluation of these decisions and the few remaining contested expense items, it was possible for the Parties to predict, within a fairly narrow range, the likely litigated outcome of this proceeding. The negotiations then focused on reaching a compromise position within that range that reflected an acceptable outcome to each of the Parties presenting revenue requirement testimony.

The Settlement, while generally a “black box,” does include several important specifications as to what is included and excluded. For example, it specifically includes the anticipated January 1, 2008 reduction in the Pennsylvania Capital Stock Tax rate, \$2.4 million for consumer education relating to PPL Electric’s Meter Data Management System, the insurance premium for storm damage insurance, PPL Electric’s revised claim for pension and other post retirement benefits expense, PPL Electric’s claimed normalized level of rate case expense and several other items. These specifications are important because they provide important guidance to PPL Electric and the Parties for the evaluation of future rate filings, will ensure that customers receive the benefits associated with certain programs, and will aid PPL Electric in obtaining necessary accounting approvals to reflect the results of this proceeding.

Finally, it is important to emphasize that the Settlement does not provide for an early effective date for new rates. New rates will take effect for service rendered on and after January 1, 2008. This is the same effective date that would have occurred if this case had been fully litigated.

B. UNIVERSAL SERVICE

As part of its initial filing, PPL Electric proposed to substantially expand its universal service programs. Over the past four years, PPL Electric has almost doubled the number of low-income customers that it is servicing under its Customer Assistance Program (“CAP” or “OnTrack”). In 2003, PPL Electric provided OnTrack assistance to 12,420 customers. PPL Electric projects enrollment of 22,000 customers by the end of 2007. PPL Electric St. 8, p. 12. As a result of the ever increasing demand for low-income assistance, PPL Electric proposed to increase its annual OnTrack spending from \$13.2 million to \$19 million or by approximately 44%. PPL Electric St. 8, p. 10. PPL Electric also has experienced

considerable demand for weatherization assistance under its WRAP program. As a result, in its original filing, PPL Electric proposed to increase its WRAP funding by an additional \$1 million funding per year or from \$6.25 million to \$7.25 million per year. PPL Electric also proposed to increase its corporate contributions to Operation HELP, which pays for any type of home heating bill, by 57%. In order to recover its universal service costs, PPL Electric proposed to establish a Universal Service Rider (“USR”) that would be reconciled annually. PPL Electric St. 8, p. 10.

The Settlement, in large measure and with some important modifications, approves PPL Electric’s universal service proposal. Under the Settlement, internal administrative costs will be recovered in base rates and not in the USR, PPL Electric will increase annual WRAP funding by an additional \$500,000 over and above the \$1 million increase originally proposed by PPL Electric, unspent WRAP dollars will be carried over and spent in subsequent years, the USR will include an annual credit of \$40.00 for each customer enrolled over 22,000, PPL Electric confirms its intent to continue to use Community-Based Organizations to coordinate and implement its universal service programs, and the reconciliation provisions of the USR are approved on a pilot basis for 2008 and 2009.

The universal service provisions of the Settlement provide substantial benefits for low income customers. As explained by PPL Electric’s witness, Mr. Dahl, PPL Electric provided OnTrack assistance to 12,240 customers in 2003, and projects enrollment of 22,000 OnTrack customers by the end of 2007. PPL Electric St. 8, p. 12. This is a substantial increase in the number of customers in the OnTrack program over the past four years. The Settlement provides for the full funding of the 44% increase proposed by PPL Electric in its original

filing and will allow PPL Electric to maintain enrollment between 22,000-24,000 customers. PPL Electric believes that this is an appropriate enrollment level for its service territory.

PPL Electric's proposed expansion of its WRAP program funding as modified by the Settlement will allow PPL Electric to provide weatherization and related services to approximately 750 additional low-income customers per year under its WRAP program. This will ensure that many low-income customers in PPL Electric's service territory receive weatherization measures, energy education, compact fluorescent lights, and/or appliance replacement. See PPL Electric St. 8, p. 15.

In addition, the Settlement provides that the USR will be reconciled on an annual basis. The reconciliation mechanism is based upon the model used for many years by the Commission for energy costs under the Energy Cost Rate. PPL Electric St. 8-R, p. 33. The USR mechanism is straightforward, efficient and will assure accurate recovery of universal service costs. The USR also will allow for offsets to reflect an agreed upon credit for expense savings. The USR is important because it will track universal service cost spending and allow PPL Electric to recover its costs on a dollar-for-dollar basis. In addition, it will ensure that funds dedicated to universal service programs are spent only on these programs.

In a novel and important provision, the Settlement provides for reconciliation on a pilot basis for 2008 and 2009. During this period, PPL Electric will calculate, for informational purposes only, a parallel rate that adjusts quarterly without reconciliation. This will provide important information to the Parties and the Commission to judge the need for reconciliation in the future. Also, PPL Electric has agreed to provide extensive information, as requested by the OCA, about the CAP program and how it is working. See ¶ 25(b) of the Settlement. In addition, PPL Electric has agreed to meet with the Parties no later than July 1,

2009, to discuss whether continued reconciliation of the USR is appropriate. This will provide the Parties and the Commission with valuable input for PPL Electric's 2010 USR filing.

C. ENERGY EFFICIENCY AND CUSTOMER EDUCATION

PPL Electric believes that energy efficiency and demand-side management programs are vitally important for customers as the industry approaches the end of caps on generation rates. After these caps expire, it is likely that customers will experience higher and more volatile energy prices. PPL Electric St. 5-R, p. 14. More efficient energy usage should result in lower prices and reduced volatility.

Recognizing the importance of energy efficiency programs, PPL Electric proposed several significant programs to enhance energy efficiency in its original rate filing. PPL Electric proposed installation of a Meter Data Management System to enhance the Company's Automated Meter Reading ("AMR") system with the functionality of an Advanced Metering Infrastructure ("AMI") system. The AMI system will significantly enhance opportunities for customers to analyze and subsequently reduce their electricity usage. PPL Electric also proposed to implement five new energy efficiency and energy conservation programs, including: (1) a Demand-Side Management Education Program; (2) an Energy Efficient Equipment Rebate Program; (3) an Energy Alerts Program; (4) a Time-of-Use Pricing Program; and (5) a Time-of-Use Pricing for Residential Thermal Storage Customers Program. PPL Electric St. 9, p. 4. Further, the Company proposed to educate consumers regarding the wise use of energy. PPL Electric St. 5, p. 11. In order to recover the costs of providing these programs, the Company proposed to implement an Energy Efficiency Rider ("EER") which is a reconcilable surcharge that is designed to recover energy efficiency costs. PPL Electric St. 9, p. 18.

With the exception of the EER, the Settlement, in large part, adopts PPL's energy efficiency initiatives. In addition, under the Settlement, PPL Electric has agreed to convene a *collaborative with interested parties to discuss the development of Time-of-Use ("TOU") rates*. PPL Electric also will provide funding of \$250,000 over two years for the Solar Scholars Program to implement solar projects at universities in PPL Electric's service territory and has agreed to contribute \$250,000 for the development of a small business loan guarantee pilot program tied to energy efficiency improvements. Settlement ¶ 26(c). Moreover, PPL Electric will allocate \$150,000 per year to the Leadership in Energy and Environmental Design ("LEED") certification program. The LEED program encourages *developers to construct energy efficient buildings*.

The energy efficiency programs and consumer education programs that will be implemented by PPL Electric upon approval of the Settlement will provide substantial benefits to customers. The Company expects to: (1) improve consumer awareness of the benefits of energy efficiency and conservation measures; (2) increase the demand for energy efficient products; and (3) increase the willingness of customers to engage in changed behaviors. PPL Electric St. 9, p. 14. In addition, customers will be able to exercise control *over their energy costs, understand how their usage and electric prices change, and manage their electric consumption*. The energy efficiency programs proposed by PPL Electric and agreed to by the Parties under the Settlement provide considerable benefits to customers and are clearly in the public interest.

D. CLASS REVENUE ALLOCATIONS

Under the Settlement, the Parties reached agreement on both the allocation of the rate increase and rate design issues. These issues often are among the most contentious in a base rate proceeding, and this proceeding was no exception. The ability of the Parties, with very

different interests, to achieve a full resolution of these issues demonstrates, in and of itself, the reasonableness and fairness of the result.

Revenue allocation issues were heavily influenced by the *Lloyd* decision. As noted above, *Lloyd* involved appeals of the Commission's decision in PPL Electric's 2004 rate case. One of the central issues in *Lloyd* involved revenue allocation. In its 2004 Order, the Commission adopted PPL Electric's proposed rate design which moved each rate schedule closer to the system average rate of return on a relative rate of return basis, while limiting the overall increase for each schedule to no more than 10% on a total bill basis, based on principles of gradualism and rate stability. In *Lloyd*, the Court held that limiting the rate increase to 10% for individual rate schedules, on a total bill basis, violated the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. § 2801 *et seq.* ("Competition Act"), because it effectively "rebundled" distribution, transmission and generation charges in determining the allocation of the transmission and distribution rate increases. The Court also held that, while gradualism can be considered and weighed by the Commission in designing rates, it cannot trump all other ratemaking considerations, and that cost of service study results must be given proper consideration. *Lloyd* at 1020.

As a result of the *Lloyd* decision, PPL Electric developed a plan to move all major rate classes to cost of service rates over a period of three rate cases, including the Remand Proceeding for the 2004 case, this case and the next distribution rate case after this case.¹ In the Remand Proceeding, the Parties agreed to a revenue allocation that took significant steps to move to full cost of service rates as compared to the rates that were approved by the Commission in its 2004 Order. For example, distribution rates for the RS class were moved

¹ This plan complies with the *Lloyd* decision because it establishes a definite plan to move to full cost of service rates. *Lloyd* at 1020.

from a 53% indexed rate of return at rates set under the Commission's 2004 Order to a 70% indexed rate of return at rates set under the Remand Settlement. See Exhibit JMK-2 (Remand Proceeding) and Appendix C to the Remand Settlement at Docket No. R-00049255. Rates under the Remand Settlement were not moved to full cost of service due to the rate impacts this would have on customers.

Continuing from the Remand Proceeding, in the instant case, PPL Electric proposed to allocate the increase in a way that was designed to move each rate schedule one-half of the way to full cost of service, with the constraint that no rate schedule would receive a distribution rate increase of more than twice the system average distribution increase, determined on a percentage basis. PPL Electric St. 5, p. 35. In its Rebuttal testimony, the Company recomputed the increases and decreases necessary to move each schedule one-half of the way to the system average rate of return based upon the settlement of the Remand Proceeding. PPL Electric St. 5-R, p. 25.

All Parties, with the exception of DOD, agreed with PPL Electric's basic approach.² The two disputed issues involved: (1) what cost of service study to use; and (2) how to scale back the increase to reflect the reduction in revenue requirement from \$83.6 million to \$55 million. With regard to the cost of service study, all Parties, with the exception of OCA, relied on PPL Electric's proposed cost of service study. Under PPL Electric's methodology, costs associated with distribution-related facilities are allocated as either demand-related, customer-related or a combination of both. PPL Electric St. 6-R, p. 7. Under OCA's methodology, costs associated with distribution-related facilities are allocated 50% on the basis of demand and 50% on the basis of energy. PPL Electric St. 6-R, p. 8.

² DOD was willing to move to full cost of service in three steps, but wanted to accelerate the movement to system average rate of return in this case.

With regard to scaleback issues, the Parties offered a variety of proposals. PPL Electric proposed a modified proportional scaleback methodology, where each class' rate increase at the full revenue requirement would be scaled back in proportion to the reduction in the overall rate increase with the exception of classes where a rate decrease was proposed. OTS St. 3S, pp. 6-7. These classes would receive the same dollar rate decrease at the reduced revenue requirement. OTS St. 3S, p. 7. The OCA generally supported a straight scaleback methodology or, in the alternative, a requirement that PPL Electric re-run OCA's cost of service study and apply the 50% rule. OCA St. 3, p. 22. OSBA proposed first dollar rate relief for the GS-1 class, followed by an equal percentage reduction for all other classes. OSBA St. 1, p. 3. DOD proposed to rerun the cost of service study at final rates, and then follow its basic rate design proposal to reduce all classes with an indexed return over 1.25 to 1.25. Rate classes with an index between 1.0 and 1.25 would be brought to an index of 1.0, provided that the resulting rate increase did not exceed the system average increase. Finally, the resulting revenue deficiency would be spread to the remaining rate classes, subject to a maximum class increase of 26%. DOD/FEA St. 1S, pp. 5-6. PPLICA proposed to provide first dollar rate relief to the IS-T and ISA classes, followed by allocating any remaining reduction among all rate classes on the basis of each class's percentage of total rate base. PPLICA St. 1, pp. 21-22.

As noted in Paragraph 27(b) of the Settlement, the revenue allocation does not reflect the adoption of any specific cost of service study or scaleback proposal, but generally reflects a compromise between the results of the OCA's scaleback proposal and the OSBA's *scaleback proposal that are described above. Additional adjustments were made to the large industrial rate schedules in response to the contentions of PPLICA and DOD.*

The resulting allocation and percentage increases in rates are shown in the following table:

Line Number	Rate Schedule	Revenue \$ Change	Distribution Revenue % Change	Total Bill % Change
1	RS	\$ 46,577,434	12.1%	3.52%
2	RTS	\$ 829,696	20.8%	3.06%
3	RTD	\$ 15,327	11.2%	3.27%
4	GS-1	\$ (941,129)	-1.3%	-0.40%
5	GS-3	\$ 4,885,925	4.5%	0.66%
6	LP-4	\$ (251,121)	-0.9%	-0.06%
7	IS-P	\$ (202,598)	-11.5%	-0.99%
8	LP-5	\$ (145,981)	-13.7%	-0.08%
9	IS-T	\$ (159,555)	-29.6%	-0.18%
10	LP-6	\$ 7,358	20.7%	0.03%
11	LPEP	\$ (6,835)	-2.1%	-0.12%
12	ISA	\$ -	0.0%	0.00%
13	IS-1	\$ (266)	-0.8%	-0.18%
14	BL	\$ 526	0.2%	0.08%
15	SA	\$ 708,978	19.9%	14.07%
16	SM	\$ 185,892	19.9%	13.93%
17	SHS	\$ 2,298,892	19.9%	14.11%
18	SE	\$ 286,000	19.9%	14.70%
19	TS	\$ 4,386	19.9%	9.50%
20	SI-1	\$ 3,053	19.9%	13.03%
21	GH-1	\$ 414,978	7.9%	1.48%
22	GH-2	\$ 98,837	8.0%	1.56%
23	Standby(LP5-S)	\$ 1,058	3.0%	0.10%
24	Rate Schedule Total	\$ 54,610,854	8.6%	1.75%
25	Annualization	\$ 220,174	9.1%	
26	Late Payments	\$ 162,243	1.8%	
27	Total Increase	\$ 54,993,271	8.6%	1.73%

All Parties agree that the rate allocation and percentage increases are reasonable for Settlement purposes. Further, the Settlement rates are fully consistent with the *Lloyd* decision and prior Court precedent regarding rate design. In compliance with *Lloyd*, the Settlement moves all rate classes closer to distribution cost of service, without considering

the total bill impacts.³ See *Lloyd* at 1020. In addition, these rates are the second step in PPL Electric's three-step plan to move rates to full cost-of-service. As such, PPL Electric has a clear plan to reduce indexed rate of return discrepancies among the rate classes.

In considering the *Lloyd* decision, it is important to recognize that *Lloyd* did not overturn prior judicial precedent with regard to rate design and the applicability of cost of service studies. When allocating revenues to the rate classes, the Commission is not required to adopt a single cost of service study and strictly allocate revenues according to the study's results. In *Executone of Philadelphia, Inc. v. Pa. P.U.C.*, 52 Pa. Cmwlth. 74, 79, 415 A.2d 445, 448 (1980), the Court stated as follows:

[T]here is no single correct cost study or methodology that can be used to answer all questions pertaining to costs; there are only appropriate and inappropriate cost analyses depending upon the type of service under study and the management and regulatory decision in question.

Likewise, in *Peoples Natural Gas Co. v. Pa. P.U.C.*, 47 Pa. Cmwlth. 512, 409 A.2d 446, 456 (1979), ("*Peoples*"), the Court stated as follows with respect to rate design:

. . . there is no set formula for determining proper ratios among the rates of different customer classes. *Natona Mills v. Pennsylvania Public Utility Commission*, 179 Pa. Super. 263, 116 A.2d 876 (1955). What is reasonable under the circumstances, the proper difference among rate classes, is an administrative question for the commission to decide. This court's scope of review is limited.

In addition, the Commission has broad discretion in establishing a rate structure. In *Peoples*, the Court also stated:

It is well settled that the establishment of a rate structure is an administrative function peculiarly within the expertise of the Commission. *Pittsburgh v. Pennsylvania Public Utility Commission*,

³ This is demonstrated by the fact that all rate classes below cost of service at present rates, i.e., RS, RTS, RTD, LP-6, SA, SM, SHS, SE, TS and SI-1, receive an above-average increase, and all classes above cost of service, i.e., GS-1, GS-3, LP-4, ISP, LP-5, IS-T, LPEP, ISA, IS-1, BL, GH-1, GH-2 and Standby (LP5-S), receive a below average increase. See the Table above and Exhibit JMK 2A-Revised.

168 Pa. Super. 95, 78 A.2d 35 (1951). Further, this court has continually recognized that the findings of the Commission, if supported by competent evidence, will not be disturbed. *United States Steel Corp. v. Pennsylvania Public Utility Commission*, 37 Pa. Cmwlth. 173, 390 A.2d 865 (1978); *Philadelphia Suburban Transportation Co. v. Pennsylvania Public Utility Commission*, 3 Pa. Cmwlth. 184, 192-94, 281 A.2d 179, 185 (1971).

Peoples, 47 Pa. Cmwlth., *supra* at 533, 409 A.2d at 456.

As *Lloyd* and the other cases cited above demonstrate, the Commission retains considerable discretion in designing rates, is not required to follow any particular cost of service study, and can consider other factors, including gradualism, in designing just and reasonable rates. The Settlement rates reflect a substantial movement towards full cost of service, and are the second step of PPL Electric's three-part plan to move rates to full cost of service. As such, the Settlement rates are fully consistent with the *Lloyd* decision and all other relevant precedent regarding revenue allocation.

E. RATE DESIGN

In its filing, PPL Electric proposed distribution rates that were more demand and customer based and less usage based. PPL Electric St. 7, p. 12. This is consistent with how PPL Electric incurs costs for providing distribution service. The Settlement generally adopts the rate design proposed by the Company, with the exception of Rate Schedule RS, where the customer charge is limited to \$8.00 (PPL Electric proposed \$10.00) and the revenue increase is largely collected through equal percentage increases in each of the rate blocks. This is a compromise between the Company's goal to collect more costs in the early blocks, and the OCA's proposal to collect more revenue in the tail block. See OCA St. 3, pp. 27-28. The Settlement for Rate Schedule RS essentially maintains the status quo by recovering the increase through equal percentage increases in the block rates.

PPL Electric believes that this compromise is in the public interest for settlement purposes. While this rate design does not allow PPL Electric to recover as much of its costs as it would like in the customer charge, it does allow residential customers to reduce their distribution costs by limiting their usage. Although PPL Electric does not necessarily agree with this approach, PPL Electric understands that this issue is important to OCA, especially for low-income customers. As such, PPL Electric believes it is a reasonable compromise in light of the global Settlement.

F. TARIFF REVISIONS AND OTHER ISSUES

As in most major rate proceedings, a number of issues were raised regarding PPL Electric's tariff and other service issues. These issues were resolved in a compromise manner and are explained in more detail below.

In this proceeding, the City of Scranton objected to PPL Electric's proposal to expand Rate Schedule SE to non-municipal customers. City St. 1, p. 2. As a compromise, PPL Electric agreed to modify the language under Rate Schedule SE to require that non-municipal customers demonstrate that they have complied with all municipal requirements pertaining to street lighting and that they certify that the facilities are constructed according to code. PPL Electric believes that this is a reasonable compromise and will ensure that municipalities have the opportunity to review street lighting plans of non-municipal customers. PPL Electric St. 7-R, p. 23.

The Settlement also provides for revisions to the language of Tariff Rule 4A(2) to clarify the difference between distribution and transmission facilities to accurately reflect the Company's current Commission-approved practice of classifying all lines at voltages of 69 kV and higher as transmission facilities and classifying all lines at voltages below 69 kV as distribution facilities. Settlement ¶ 29(c); PPL Electric St. 7-R, p. 9. Certain Parties objected

to this clarification on the basis that it appeared that PPL Electric was attempting to reduce its obligation to provide retail service to high voltage customers. See PPLICA St. 1, pp. 24-26. This was not PPL Electric's intent, and as a resolution, PPL Electric agreed to clarify its retail service obligations to high voltage customers.

In response to concerns from REG, PPL Electric also confirms its intent to allow existing Time-of-Day ("TOD") customers at specific sites to retain their TOD status even if the customer switches to another delivery service rate schedule. Settlement ¶ 29(d); REG St. 1, p.2.

Also in this proceeding, PPL Electric proposed to change Rate Schedule GS-1 to be single-phase service only and Rate Schedule GS-3 to be applicable only for multiple-phase service (commonly referred to as three-phase service). PPL Electric St. 7, p. 21. REG objected to this proposal. REG St. 1, pp. 6-8. As a compromise, the Settlement adopts PPL Electric's proposed changes for new customers. In addition, existing customers will be allowed to switch between Rate Schedule GS-1 and GS-3 until January 1, 2010. Thereafter, these customers may no longer switch between Rate Schedule GS-1 and Rate Schedule GS-3 except that: (1) three-phase customers on Rate Schedule GS-1 may switch to Rate Schedule GS-3 but may not thereafter switch back to Rate Schedule GS-1; and (2) single-phase customers on Rate Schedule GS-3 may switch to Rate Schedule GS-1, but may not thereafter switch back to Rate Schedule GS-3. PPL Electric believes that this is a reasonable compromise of the Parties' positions. It accomplishes PPL Electric's goal of separating Rate Schedules for single-phase and three-phase customers consistent with cost of service principles. In addition, it gives existing Rate Schedules GS-1 and GS-3 customers the ability to switch between these Rate Schedules for a limited time.

In testimony, OSBA requested that PPL Electric prepare a customer-by-customer rate comparison under the GH-1 and GS-3 Rate Schedules for each GH-1 customer. OSBA St. 1, p. 20. Under the Settlement, PPL Electric has agreed to provide rate comparisons for all customers taking service on Rate Schedule GH-1 who qualify to take service on Rate Schedule GS-3. Paragraph 29(f). PPL Electric believes that this is a reasonable compromise and will provide Rate Schedule GH-1 customers with information about whether Rate Schedule GS-3 may be more cost effective than Rate Schedule GH-1.

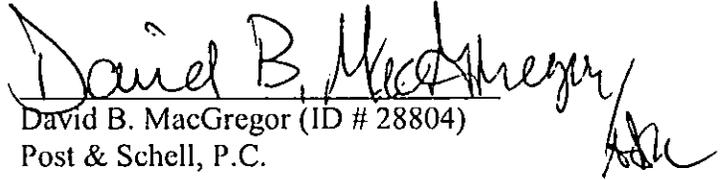
Paragraph 29(g) of the Settlement provides that if customers want to have PPL Electric install special equipment to enable them to receive data via KYZ impulses, the customer must pay for that equipment, but that PPL Electric will not make the customer pay for annual maintenance of such equipment. This settlement provision was included in response to REG's concerns regarding time of use data. See REG St. 1. This should help REG perform energy audits for its customers.

III. CONCLUSION

The Settlement is the result of detailed examination of PPL Electric's operations, multiple rounds of testimony and compromise by all Parties. PPL Electric believes that a fair and reasonable compromise has been achieved in this case, as is evident by the fact that all Parties, including PPL Electric, OTS, OCA and OSBA, the industrial customer groups and others have reached agreement on all issues in this proceeding. PPL Electric fully supports

this Settlement and respectfully requests that the ALJ and the Commission expeditiously review and approve the Settlement in its entirety.

Respectfully submitted,



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Of Counsel:

Post & Schell, P.C.

Date: August 29, 2007

Attorneys for PPL Electric Utilities Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :**

v. :

**PPL ELECTRIC UTILITIES :
CORPORATION :**

**DOCKET NO.
R-00072155**

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**OFFICE OF TRIAL STAFF
STATEMENT IN SUPPORT OF
JOINT PETITION FOR SETTLEMENT
OF RATE PROCEEDING**

**TO THE HONORABLE SUSAN D. COLWELL, ADMINISTRATIVE LAW
JUDGE:**

The Office of Trial Staff (“OTS”) of the Pennsylvania Public Utility Commission (“Commission”), by and through its Senior Prosecutors, submits that the terms of the foregoing Joint Petition for Settlement of Rate Proceeding (“Joint Petition”) are in the public interest and represent a fair, just, reasonable and equitable balance of the interests of PPL Electric Utilities Corporation (“PPL Electric” or “Company”) and its customers. After settlement discussions, OTS, PPL Electric, the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), PP&L Industrial Customer Alliance (“PPLICA”), Richards Energy Group (“REG”), the Department of Defense and Federal

Executive Agencies (“DOD”), Sustainable Energy Fund (“SEF”), City of Scranton (“Scranton”), Commission on Economic Opportunity (“CEO”) and Eric Epstein have agreed upon the terms embodied in the foregoing Joint Petition.

I. BACKGROUND

OTS submits that the foregoing Joint Petition is in the public interest for the following reasons:

1. On March 29, 2007, PPL Electric filed Supplement No. 54 to Tariff Electric-Pa. P.U.C. No. 201, to become effective June 1, 2007, containing proposed changes in rates, rules and regulations calculated to produce \$83,600,000 in additional distribution revenues, an increase of 12.4%, based upon the future test year level of operations for the twelve months ended December 31, 2007.

2. By Order entered May 30, 2007, the Commission instituted an investigation to determine the lawfulness, justness and reasonableness of the proposed rates, rules and regulations. Pursuant to 66 Pa. C.S. §1308(d) of the Public Utility Code, 66 Pa. C.S. § 1308(d), the filing was suspended by operation of law until January 1, 2008, unless permitted by Commission order to become effective at an earlier date. The Order also provided that the matter be assigned to the Commission’s Office of Administrative Law Judge. OTS filed a Notice of Appearance on April 19, 2007.

3. A Prehearing Conference was held on May 30, 2007 and an evidentiary hearing schedule was adopted. Public Input sessions were held in Allentown and Bethlehem on June 22, 2007, in Harrisburg on June 27, 2007 and in Scranton and Wilkes-Barre on June 28, 2007.

4. Settlement discussions resulted in the foregoing Joint Petition. Hearings were held on August 13 and 16, 2007. At these hearings, all testimony and exhibits submitted by the joint Petitioners were admitted into the evidentiary record to provide context and support for the Settlement.

II. SETTLEMENT TERMS

5. The specific details of the settlement terms are provided in Paragraphs 23 through 29 of the Joint Petition. However, OTS observes that the settlement increase in annual revenues of \$55 million is 34% less than the original request of \$83 million.

III. PUBLIC INTEREST

6. OTS submits that the foregoing Joint Petition is in the public interest for the following reasons:

(a). In addition to the smaller rate increase provided for under the Settlement, OTS believes that PPL Electric's agreement to incorporate the anticipated January 1, 2008 reduction in the Pennsylvania Capital Stock Tax rate eliminates the need for the Company to file a state tax adjustment surcharge ("STAS") on January 1, 2008 to reflect the lower 2008 Capital Stock Tax rate of 2.89 mills.

(b). PPL Electric has agreed not to iterate Capital Stock Tax. This result is appropriate because Capital Stock Tax does not increase in direct proportion with an increase in revenues.

(c) PPL Electric has agreed to reduce its consumer education expense relating to its Meter Data Management System by \$2 million as proposed by OTS. This will provide for lower rates and more accurately reflect Company operations.

(d) OTS believes that the Joint Petition provides adequate cash flow for PPL Electric, while ensuring that the customers are not confronted with a burdensome increase.

(e). The Joint Petition discontinues expensive and unnecessary rate litigation and administrative burden.

7. The foregoing Joint Petition addresses and adjusts all substantial issues that are the subject of dispute. It appears unlikely that full litigation of these matters would result in OTS obtaining a superior outcome.

8. OTS supports the foregoing Joint Petition because it is in the public interest. However, in the event this matter proceeds to full litigation, OTS is prepared to take litigation positions that may differ from the terms of the proposed Settlement.

Respectfully submitted,



Kenneth L. Mickens
Senior Prosecutor
PA Attorney ID #31255
Charles Daniel Shields
Senior Prosecutor
PA Attorney ID #29363

Office of Trial Staff
Pennsylvania Public
Utility Commission

Dated: August 29, 2007
P.O. Box 3265
Harrisburg, PA 17105-3265

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PPL Electric Utilities Corporation :
Notice of Anticipated Filing of a General : **Docket No. R-00072155**
Rate Increase :

**STATEMENT OF THE OFFICE OF SMALL BUSINESS ADVOCATE
IN SUPPORT OF THE JOINT STIPULATION FOR SETTLEMENT
OF RATE INVESTIGATION**

Introduction

The Small Business Advocate is authorized and directed to represent the interests of the small business consumers of utility services in the Commonwealth of Pennsylvania under the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50. Pursuant to that statutory authority, the Office of Small Business Advocate (“OSBA”) filed a complaint against the rates, terms, and other provisions of Supplement No. 54 to PPL Electric’s Tariff – Electric Pa. P.U.C. No. 201, which was filed on March 29, 2007, by PPL Electric Utilities Corporation (“PPL” or the “Company”). The originally filed Tariff proposed to increase the retail distribution rates of PPL by \$83.6 million per year.

The OSBA actively participated in the negotiations that led to the proposed settlement, and is a signatory to the Joint Stipulation for Settlement of Rate Investigation (“Joint Stipulation”). The OSBA submits this statement in support of the Joint Stipulation.

The Joint Stipulation

The Joint Stipulation sets forth a comprehensive list of issues that were resolved through the negotiation process. The following issues were of particular significance to the OSBA when it concluded that the Joint Stipulation was in the best interests of PPL's small business customers:

1) The Joint Stipulation proposes to allocate the \$55 million increase in distribution revenue in a manner that is essentially a compromise between the positions taken by the Office of Consumer Advocate ("OCA") and the OSBA in this proceeding. Generally speaking, the allocation of a distribution revenue increase occurs in three steps. First, a cost of service study ("COSS") is performed that allocates distribution costs at the Company's proposed full revenue requirement to the various customer classes. Second, the customer classes are each allocated a proportion of the overall distribution revenue increase such that each customer class moves closer to its distribution cost of service in a steady manner. Third, any reduction in the Company's full revenue requirement is used to "scale back" the revenues that were assigned to the various customer classes in the second step.

In this proceeding, the OSBA supported PPL's cost of service study that employed a "minimum system, non-coincident peak demand" methodology for classifying and allocating distribution costs. *See* OSBA Statement No. 1, at 4-7. In contrast, the OCA argued for the use of the "Peak and Average" COSS methodology. *See* OCA Statement No. 3, at 18-19. In comparison to the PPL methodology, the primary effect of using the OCA cost of service methodology would be to allocate less of the

distribution costs to the RS and GS-1 customer classes, and more of the distribution costs to the GS-3, LP-4, and GH customer classes. *See* OSBA Statement No. 2, at 3-4.

The OSBA and the OCA also differed on how to allocate the distribution revenue increase to the various customer classes. The OSBA generally supported PPL's revenue allocation proposal, once it was adjusted for the settlement of the Remand Proceeding. The OCA, by contrast, advocated a methodology that was conceptually similar to the Company's proposal: move "classes one-half way toward cost of service" while "limiting classes to no more than twice the average increase." However, the OCA proposed to implement its revenue allocation on the basis of the OCA COSS methodology. OCA Statement No. 3, at 22. Relative to PPL's proposal, and adjusted for the settlement of the Remand Proceeding, the OCA revenue allocation proposal would assign a much lower rate increase to the residential rate classes, a larger rate decrease to the GS-1 rate class, and substantially larger rate increases to the GS-3 and GH rate classes.

In addition, the parties differed regarding how the rate increases should be scaled back in the event that the Commission reduced PPL's overall revenue requirement. The OSBA argued for using the "differential scaleback mechanism" as a way to move the customer classes closer to their respective cost of service in a manner that would not induce "rate shock" but which would preserve the progress toward cost-based rates that was inherent in PPL's full revenue requirement allocation proposal. In the differential scaleback mechanism, reductions in the overall revenue requirement are shared among all rate classes in proportion to current class revenues. *See* OSBA Statement No. 1, at 16-17. PPL and the OCA, by contrast, advocated the use of a "modified proportional scaleback" approach, in which reductions in the revenue requirement are shared in proportion to

class rate increases, excepting those rate classes that were originally assigned rate decreases.

The Joint Stipulation finds a middle ground between the OSBA and OCA in the manner in which the distribution rate increase is allocated among the Company's customer classes. The OSBA supports the Joint Stipulation as a reasonable compromise on the issue of revenue allocation.

2) The Joint Stipulation's proposal to adopt a revenue allocation that is a compromise of the OSBA and OCA positions necessarily means that no specific cost of service methodology is being adopted by this settlement agreement. The OSBA continues to support PPL's methodology as the most accurate and reasonable approach, as well as the methodology that is consistent with Commission precedent. However, the OSBA supports the Joint Stipulation as a reasonable compromise, particularly because the Company's and OCA's cost of service study methodologies give such diametrically different results for the RS, GS-3, and GH customer classes.

Nevertheless, the OSBA observes that the Joint Stipulation's rate design philosophy for commercial customers (particularly for those customers in rate classes GS-3, GH-1, and GH-2) is consistent with the Company's COSS methodology but not the OCA's COSS methodology. Were the OCA's COSS methodology to be formally adopted by the Commission, in whole or in part, the rate design for commercial customers would need to be overhauled.

3) In addition, the OSBA supports the Joint Stipulation's revenue allocation proposal because it assigns a rate decrease to the GS-1 commercial and small industrial class and a less than a system average rate increase to the GS-3 and GH commercial and

small industrial customer classes. Because those classes, on a relative basis, are over-paying their allocated distribution costs using PPL's COSS methodology at present rates, the Settlement will move the revenues for those customer classes more into line with allocated costs.

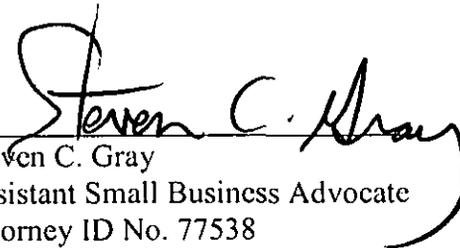
Specifically, at present revenues, the system average rate of return is 6.35% under PPL's cost of service study. The GS-1, GS-3, and GH customer classes are all over-paying their distribution cost of service at present revenues under PPL's cost of service study, with class rates of return of 12.60%, 13.24%, and 8.42%, respectively. The Joint Stipulation assigns a rate decrease to the GS-1 customer class, and less than system average rate increases to the GS-3 and GH classes.

Therefore, using the COSS methodology favored by PPL and the OSBA, the Joint Stipulation results in these three small commercial and industrial customer classes making progress towards their respective cost of service. Such a result is required by *Lloyd v. Pennsylvania Public Utility Commission*, 904 A.2d 1010, 1020 (Pa. Cmwlth. 2006), *appeals denied*, 916 A.2d 1104 (Pa. 2007).

Conclusion

For the reasons set forth in the Joint Stipulation, as well as the additional factors that are enumerated in this statement, the OSBA supports the proposed Joint Stipulation and respectfully requests that the ALJ and the Commission approve the Joint Stipulation in its entirety.

Respectfully submitted,



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Attorney ID No. 77538

For:

William R. Lloyd, Jr.
Small Business Advocate
Attorney ID No. 16452

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Dated: August 29, 2007

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility
Commission, *et al.*

v.

PPL Electric Utilities, Corp.

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Docket No. R-00072155 *et al.*

SEC.

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STATEMENT OF THE
OFFICE OF CONSUMER ADVOCATE
IN SUPPORT OF JOINT STIPULATION
FOR SETTLEMENT OF RATE INVESTIGATION

The Office of Consumer Advocate (OCA), a signatory party to the foregoing Joint Stipulation for Settlement of Rate Investigation (Settlement) in the above-captioned proceeding, respectfully requests that the terms and conditions of the Settlement be approved by the Administrative Law Judge (ALJ) and the Pennsylvania Public Utility Commission (Commission). The Settlement resolves all issues regarding the request for an increase in total distribution revenues by PPL Electric Utilities Corporation (PPL or Company). It is the position of the OCA that the proposed Settlement is in the public interest and in the interests of the customers of PPL.

I. INTRODUCTION

On March 29, 2007, PPL filed with the Commission its Supplement No. 54 to Tariff Electric-Pa. P.U.C. No. 201, to become effective June 1, 2007. In Supplement No. 54, the Company proposed to increase its annual electric distribution revenues by \$83.6 million, or by 2.7% over total present rates. Of the \$83.6 million increase requested, approximately \$78 million would have been

paid by residential customers. For the residential class Rate Schedule RS, the Company proposed an average overall increase of 5.9%, which was a 20% increase in residential distribution service rates. Under the rates proposed by the Company, a typical residential customer receiving service under Rate Schedule RS and using 1000 Kwh per month would have seen the average monthly total electric bill increase by \$6.62. Included in this increase was a proposed hike in the monthly Customer Charge for Residential Service (under Rate Schedule RS) from \$7.96 to \$10.00.

Complaints in opposition to the increase were filed by the OCA, the Office of Small Business Advocate (OSBA), PP&L Industrial Customer Alliance (PPLICA), the City of Scranton, the U.S. Department of Defense (DOD), Eric Epstein and twenty-one individual customers. The Commission's Office of Trial Staff filed a Notice of Appearance and Petitions to Intervene were filed by Richards Energy Group, the Sustainable Energy Fund of Central Eastern Pennsylvania, the Commission on Economic Opportunity, and PECO Energy Company. All Petitions to Intervene were granted.

On May 30, 2007, the Commission entered an Order initiating an investigation of PPL's proposed rate increase and assigned the matter to the Office of Administrative Law Judge. ALJ Susan D. Colwell was assigned to preside. As part of its Order, the Commission permitted the effective date of PPL's proposed tariff to be suspended by operation of law until January 1, 2008, unless permitted by Commission Order to become effective at an earlier date.

A prehearing conference was held before ALJ Colwell on May 31, 2007. At the prehearing conference a procedural schedule for the case was adopted, as were modified discovery rules providing for shorter response times to discovery requests than are prescribed by the Commission's regulations. In addition, the ALJ directed the Company to work with the OCA to set the dates and locations for public input hearings.

Pursuant to that directive, five public input hearings were held. On June 22, 2007, public input hearings were held in Bethlehem and Allentown; on June 27, 2007, a public input hearing was held in Harrisburg; and on June 28, 2007, public input hearings were held in Scranton and Wilkes-Barre. In addition, a telephonic evidentiary hearing was held on August 27, 2007, for the purpose of receiving the testimony of Formal Complainant Joseph E. McAndrew.

Throughout the course of the proceeding, the OCA engaged in extensive formal and informal discovery, propounding a total of thirteen sets of interrogatories and conducting two sessions of informal discovery designed to thoroughly investigate all aspects of the Company's proposed rate increase.

Pursuant to the procedural schedule adopted in the case, the OCA submitted the Direct Testimony of its expert witnesses on July 6, 2007, Supplemental Direct Testimony on July 10, 2007, Rebuttal Testimony on July 27, 2007, and Surrebuttal Testimony on August 8, 2007. Evidentiary hearings were scheduled for August 13-14, 2007 and August 16-17, 2007.

The parties initiated settlement discussions, and after lengthy negotiations, all active parties agreed to the terms and conditions reflected in the attached Settlement. Upon the parties reaching agreement to the terms of the Settlement, ALJ Colwell cancelled the evidentiary hearings scheduled for August 14 and August 17. ALJ Colwell admitted into evidence all of the filed testimonies at hearings held August 13 and August 16.

As noted above, and discussed further below, the OCA submits that the proposed Settlement is in the public interest and in consumers' interest. The OCA submits that the Settlement should be approved. The OCA will discuss several of the key provisions of the Settlement that are of particular importance to the OCA, and which are set forth below.

II. REVENUE REQUIREMENT

As noted above, the Company's original filing requested an increase in base rates designed to produce an additional \$83.6 million in distribution revenues. After reviewing the testimony of the parties, the Company revised its requested increase to \$77 million through the submission of its Rebuttal testimony.

Under this Settlement, the Company will be allowed to increase distribution rates to recover an additional \$55 million in annual distribution revenue. This rate increase reflects an increase in overall revenues of 1.75%, compared to the Company's original request of a 2.7% increase in overall revenues. On a distribution-only basis, the \$55 million increase reflects an approximate 9% increase in distribution revenue compared to the Company's originally proposed 13% increase to distribution revenue.

Based on the OCA's testimony and analysis of the Company's filing and discovery responses, the increase under the Settlement represents an amount which, in the OCA's view, would be within the range of the likely potential outcomes in the event of full litigation of the case.

III. REVENUE ALLOCATION

The allocation of rate increase among the customer classes was a major issue in this proceeding. The Company proposed to increase residential rates by \$78.3 million of the originally requested \$83.6 million, or approximately 94% of the total proposed increase. PPL St. 7, Appendix A. Of the revised \$77 million requested increase, the Company proposed to increase residential rates by \$73.5 million, or approximately 95% of the total increase. PPL St. 7-R, Appendix A. Under the Settlement, residential customers will pay \$47 million, or approximately 87% of the total increase.

In PPL's last base rate proceeding in 2004, the Company allocated the increase such that the increase to each class was limited to no more than 10% on a total bill basis. The Commission approved the Company's allocation. Several parties filed Petitions for Review, and OSBA and PPLICA appealed the Commission's determination regarding distribution rate allocation. On appeal, the Commonwealth Court remanded the issue of the Commission's allocation, finding that the total bill analysis approved by the Commission was inappropriate after rates were unbundled consistent with the Electricity Generation Customer Choice and Competition Act. The Commonwealth Court required the Commission to set reasonable rates on a distribution only basis that reflected cost of service principles, along with traditional ratemaking principles, such as gradualism and avoidance of rate shock. Lloyd v. Pa. PUC, 904 A.2d 1010 (Pa. Commw. Ct. 2006).

In this proceeding, the Company proposed a cost of service study that showed wide ranging disparities in the returns being provided by the various customer classes. The Company's study showed several of the classes with indexed rates of return above the system average and other classes providing revenues below the system average. In designing its allocation of the requested increase, the Company proposed to move each class halfway toward the cost of service, under its study, with no class receiving an increase of more than twice the system average increase.

The OCA disagreed with the underlying methodology contained in the Company's cost of service study. The OCA presented the testimony of Richard A. Galligan, who presented an alternative study that assigned the costs of the Company's distribution operations to the classes relative to both their peak usage and average annual usage. Under Mr. Galligan's cost of service study, residential customers were shown to be providing revenues that were much closer to the system average than under the Company's cost of service study. Under Mr. Galligan's study, at present rates, Rate RS provided an indexed rate of return of 96.5% of the system average return,

compared to the Company's study which showed Rate RS at 66.4% of the system average return. OCA St. 1-Supplemental, Sch. RAG-2.

No other party presented an independent cost of service study in this proceeding. The OSBA, PPLICA, and DOD each did, however, propose non-proportional scalebacks that would have resulted in residential customers receiving an even greater percentage of the requested increase than that proposed by PPL. The OCA proposed to allocate the proposed increase under essentially the same principles as those applied by the Company, however, based on Mr. Galligan's cost of service study. For example, under the OCA's proposed allocation of the requested increase in distribution rates, Rate RS would have received \$52 million of the \$83 million increase, as compared to the Company's allocation which placed \$77 million on Rate RS. OCA St. 1-Supplemental, Sch. RAG-3.

Under the Settlement, residential customers' rates will be increased to produce \$47 million in revenue to PPL Electric. This represents approximately 87% of the total \$55 million increase, compared to the 95% increase under the Company's proposal. It should be noted that the other parties that provided testimony on this issue each advocated for a non-proportional scaleback that would have allocated a substantially greater increase to residential customers.

Based on the OCA's review of the two cost of service studies presented in this proceeding and the varying revenue allocation proposals presented by the other parties and the OCA, the OCA views the Settlement to be within the range of reasonable outcomes from full litigation of this case. The OCA notes that the revenue allocation to residential customers under the Settlement is lower than would occur under the Company's allocation of the increase or under the other parties' proposals. Importantly, under the Settlement, residential Rate RS customers distribution rates will increase 12%, and their overall rates (including generation and transmission revenues) will increase 3.6%. For residential thermal storage heating customers taking service under Rate RTS, their

distribution rates will increase 20.8%, and their overall rates will increase by 3.1%. The allocation of revenues contained in the Settlement will move each class closer to the system average return in a measured manner, consistent with the principles set forth by the Commonwealth Court.

IV. RATE DESIGN

In this proceeding, PPL Electric proposed to increase the Residential Rate RS monthly Customer Charge from its current rate of \$7.96 to \$10.00, an increase of approximately 26%. In addition, for Residential RS customers, the Company proposed to recover a disproportionate amount of the increase from the initial rate blocks that apply to the lowest usage levels. The OCA objected to the Company's customer charge proposal because it included costs that the Commission has not traditionally allowed to be included in that charge. OCA St. 3 at 27. The OCA proposed to maintain the customer charge approximately at its current rate, or \$8.00 per month, finding that an \$8.00 charge fully compensated the Company for costs appropriately collected in the customer charge.

Under the Settlement, the Company will maintain its Customer Charge at \$8.00 for Rate RS customers. The Company will recover the allowed increase in Residential rates through the existing rate blocks. Each rate block will be increased to maintain the current relationships between usage at different levels. The OCA supports the Settlement, which holds the Customer Charge at its existing levels for residential customers. The OCA submits that the residential rate design established through the Settlement is reasonable.

V. UNIVERSAL SERVICE

The Settlement provides for the continued funding of PPL Electric's Universal

Service programs through a reconcilable Universal Service Rider (USR). Under the Settlement, the Company agrees to increase funding over the levels approved in its last base rate case for each of its universal service programs, including an additional \$500,000 above the levels proposed in its filing for WRAP (the Company's low-income usage reduction program). The Settlement further requires that the Company provide a \$40 credit to the USR for each additional customer enrolled in the CAP program above an enrollment of 22,000 customers. This credit will be applied to the USR in order to reflect savings and offsets in other costs that are attributable to customer participation in the CAP program. In addition, under the Settlement, internal administrative costs will not be recovered in the USR, but rather in base rates. Finally, the Settlement requires that the Company not remove from its Universal Service programs those customers who exceed their CAP credit limit for reasons that are beyond the customer's control.

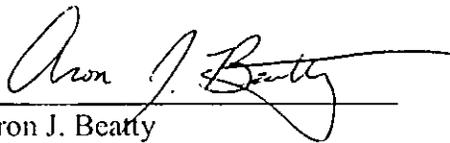
The OCA submits that the Company's Universal Service program is consistent with Commission policy, and that the Settlement reflects incremental improvements to the Company's universal service program and cost recovery mechanism that will benefit ratepayers.

VI. CONCLUSION

The terms and conditions of the Settlement provide for a \$55 million distribution rate increase, a reduction of more than \$28 million from the Company's original distribution rate increase request. In addition, this Settlement provides what the OCA submits is a more reasonable allocation of the requested increase to residential customers than the allocations proposed by the Company and the other parties. This reduction in revenue and revenue allocation, along with all of the other terms and conditions of the Settlement described above, is a fair and reasonable settlement of this proceeding.

WHEREFORE, for the foregoing reasons, the Office of Consumer Advocate submits that the proposed Settlement is in the public interest and in the best interest of PPL's ratepayers.

Respectfully Submitted,



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