BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Docket No. R-00072155

PPL Electric Utilities Corporation

Statement No. 6A

Supplemental Direct Testimony of Joseph M. Kleha

Supplemental Direct Testimony of Joseph M. Kleha

Q. Please state your name and business address.

A. Joseph M. Kleha, Two North Ninth Street, Allentown, Pennsylvania 18101.

Q. Have you previously submitted direct testimony in this proceeding?

A. Yes. I submitted my direct testimony, Statement No. 6, on March 29, 2007.

Q. What is the purpose of this supplemental direct testimony?

A. I am submitting this supplemental direct testimony to provide the results of an alternative cost allocation (cost-of-service) study, designated as Exhibit JMK 2A, which adjusts present rates to reflect a recently filed Settlement Agreement at Docket No. R-00049255. PPL Electric is providing this alternative cost allocation study so that other parties may consider it when preparing their proposals related to the allocation of the rate increase in this proceeding.

Q. Please describe Exhibit JMK 2A.

A. Exhibit JMK 2A, like Exhibit JMK 2, presents fully distributed Pennsylvania jurisdictional costs of providing distribution service to the various rate classes at both present and proposed rates for the 12 months ending December 31, 2007. However, Exhibit JMK 2A is adjusted to provide pro forma revenues by customer rate class, at revised present rates, which assume Commission approval of the Settlement Agreement at Docket No. R-00049255.

Q. Please provide the background of the proceeding that resulted in these revised present rates.

A. On March 29, 2004, PPL Electric filed with the Commission a proposed general rate increase of $164.4 million associated with its provision of distribution service to customers. After full litigation, the Commission entered a final order on December 22, 2004, which, among other things, approved an increase in rates design to produce $137.1 million in additional operating revenues for distribution service. Included in the approved increase was an allowance to recover certain storm damage expenses associated with Hurricane Isabel.

Several parties filed appeals from the Commission's order. The Commonwealth Court, in an order entered on August 4, 2006, reversed the Commission's storm damage expense allowance for Hurricane Isabel, and vacated and remanded the Commission's order regarding the allocation of increased revenues associated with the provision of distribution service to customers.

Subsequently, the parties to the remand proceeding entered into a Settlement Agreement, which was submitted to presiding Administrative Law Judge Colwell on June 15, 2007. The parties to the Settlement Agreement have requested that prospective Settlement rates become effective on August 1, 2007. The proposed Settlement rates eliminate recovery of storm damage costs for Hurricane Isabel, and reallocate the allowed increase in distribution rates from the Company's 2004 base rate case.

Q. Are the Settlement rates based upon any particular cost-of-service study?

A. No, they are not. The Settlement Agreement specifically provides that the Settlement "does not reflect the adoption of any particular cost of service study."

Q. Please describe Exhibit JMK 2B.

A. Exhibit JMK 2B is a copy of Appendix F from the Settlement Agreement, which sets forth Settlement distribution rates by customer rate class.

Q. Is PPL Electric proposing a revision to its proposed rates by customer rate class in this proceeding?

A. Not at this time. First, the Settlement Agreement, although agreed to by the parties, is still pending review by the presiding ALJ and the Commission. Second, the Company is still reviewing the results of this alternative cost allocation study to determine whether any changes to its proposed revenue allocation in this proceeding are required. However, the Company wanted to provide this additional information to the parties as soon as possible so that they can consider it in developing their positions in this proceeding. To the extent that the Company may choose to revise its proposed revenue allocations in this case, it will do so in its rebuttal testimony.

Q. Did the Commonwealth Court's decision also address the allocation and recovery of transmission service costs?

A. Yes, it did. However, the recovery of transmission service costs is provided for through the Transmission Service Charge ("TSC"), which is not at issue in this proceeding.

1 Q. Does this conclude your supplemental direct testimony?

2 A. Yes, it does.

PPL ELECTRIC UTILITIES CORPORATION

Exhibit JMK 2A
Cost Allocation Study
Test Year Ending December 31, 2007

Witness: Joseph M. Kleha
Docket No. R-00072155

REVISED TO INCLUDE EFFECT ON 2007 PRESENT REVENUES OF REMAND PROCEEDING SETTLEMENT

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

COST ALLOCATION STUDY

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FUTURE TEST YEAR ENDING DECEMBER 31, 2007

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

COST ALLOCATION STUDY

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

PREFACE

Cost allocation studies are submitted in support of the direct testimony of J. M. Kleha and in response to Question IV-E-1 of Exhibit Regs. § 53.53, *Part IV-Rate Structure and Cost Allocation, regarding a fully distributed Cost-of-*Service study. Exhibit JMK 2 presents results for the future test year ending December 31, 2007. A companion study, Exhibit JMK 1, presents results for the historic test year ended December 31, 2006. The Commission's Order at Docket No. R-80031114 provided that PPL Electric's future retail rate filings should be on a Pennsylvania jurisdictional basis only. The study contained herein provides the allocation of system costs between the Federal and Pennsylvania jurisdictions, and the allocation of the Pennsylvania jurisdictional costs to retail customer rate schedule classes.

This preface explains the general methodology utilized in the preparation of PPL Electric's study.

Total cost of providing service, broadly stated, is made up of the following generally recognized and accepted components:

1. Operation and maintenance expenses
2. Depreciation and amortization expenses associated with the investment in utility facilities
3. Taxes, including income taxes
4. Return on net investment in utility facilities, materials and supplies, and other working capital requirements, collectively called measures of value or rate base.

Through a cost allocation study, total Company costs are assigned to residential, commercial, industrial, and other identifiable customer groups. Comparing the costs to serve any customer group with that group's rate revenues provides a measure of the return realized from that group. Relating that realized return to the allocated rate base for the group results in the rate of return (expressed as a percentage), which can be compared with the system average rate of return and the rates of return realized from other classes of customers.

Overall costs of providing service are assigned to groups of customers on the basis of their distinctive service characteristics. One principal service characteristic is the voltage level at which the electric supply is rendered. PPL Electric's investment in utility property and the applicable operating costs must be broken down and reassembled into the following functional voltage level component categories:

1. High voltage transmission facilities which are necessary to serve all customer classes;

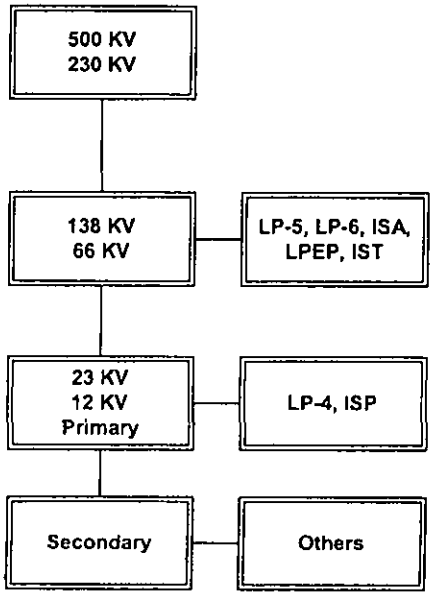
2. Transmission system (500 kV, 230 kV, 138 kV and 69 kV) facilities from which large power customers (Rate Schedules LP-5, LP-6, IST, LPEP, ISA and L5-S) and certain resale customers are directly served, and which also are necessary to serve all other classes at lower voltages;

3. Primary system (23 kV and 12 kV) facilities from which large general service customers (Rate Schedules LP-4 and ISP) and certain other resale customers are directly served, and which are necessary to serve other classes at lower voltages, but are not required to serve customers at transmission voltage levels; and

4. Secondary distribution system, encompassing the remainder of the system, from which street lighting, general service, commercial space heating, and residential customers are served, but is not required to serve customers served at higher voltage levels.

The following block diagram illustrates this functional breakdown:

SYSTEM SUPPLY



PPL Electric's records are kept in accordance with the Federal Energy Regulatory Commission's Uniform System of Accounts (US of A), which has been adopted by this Commission. The US of A does not identify the costs in precisely the functional category groupings required for allocation purposes. Thus, a substantial rearrangement of book data is required. Major examples of the steps in this process, which are fully detailed in Section A, are:

1. Separation of distribution facilities between the primary and secondary voltages, and the classification of the customer-related and demand-related components of secondary facilities' investment; and

2. Assignment of operation and maintenance expenses to categories comparable to plant investment assignments.

After reassembling the costs into the appropriate functional components, each customer group is allocated its share of the investment and operating costs of the applicable functional categories. For example, residential customers will be assigned some part of the costs of all categories, because all components of PPL Electric's transmission and distribution system are used to provide service to that group of customers.

The four basic classification criteria for determining the share of component costs chargeable to particular customer groups are:

(1) Relative demand responsibility. A major factor governing the assignment of plant investment is the necessity to provide distribution capacity sufficient to be able to reliably meet the combined demands of all PPL Electric's customers. Investment and other costs considered demand-related are allocated on the basis of the pro rata demand responsibilities of the classes

(2) Customer costs. A substantial portion of system costs is not related to the amount of service provided. Meter investment and meter reading costs are customer-related, as are customer account costs. In addition, a utility's investment in poles, line transformers, conductors, service drops, etc., must be made irrespective of the customer's demand, or simply because the customer is there to be served. Costs considered customer-related are allocated on the basis of the number of customers in each class.

(3) Direct assignment. In a few cases, the US of A makes a specific identification of costs which permits assignment directly to the rate class or customer group responsible for those costs. An

example is the direct assignment of street lighting-related costs to the street lighting customer group.

PPL Electric's primary (12 kV) and secondary voltage level demand-related costs are allocated by the relationship of a class's maximum annual non-coincident peak to the sum of the maximum annual non-coincident peaks of all classes sharing in such costs. This approach recognizes the diversity of demand at these levels.

The Company's cost allocation study contained herein begins with the functional categories of rate base, operating revenues, and operating expenses, as shown in Exhibit Future 1 or as developed in Section A of this exhibit. Two steps are required in the allocation process. The total electric system costs are allocated or directly assigned between FERC jurisdictional wholesale services and customers, and Pennsylvania retail service customers. The Pennsylvania jurisdictional values are allocated among the retail customer classes, and related to the present and proposed revenues from those classes to determine the class rates of return on rate base. Section III of this exhibit presents the process in detail for present rate levels.

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

SUMMARY OF COST ALLOCATION STUDY

PRESENT AND PROPOSED RATES

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

The summaries contained in this section present the results of the detailed allocations of Pennsylvania jurisdictional costs at present and proposed rates for the historic test period contained in Sections III and IV. The summaries consist of an array of customer class income statements and the relationships of class operating incomes (or returns) to the respective allocated measures of value or rate base. The relationship of each class rate of return to the total Pennsylvania jurisdictional rate of return also is shown.

PPL Electric views these relationships to be useful because one of the objectives of ratemaking is to have each class producing a rate of return as close to the overall system average rate of return as appropriate. The summaries show that the proposed rate increases generally improve the relative positions of class rates of return.

Additional details are shown in Section III (Present Rates) and Section IV (Proposed Rates).

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PRESENT OPERATING REVENUES AND EXPENSES, RETURN, RATE OF RETURN, AND CLASS RATE % OF TOTAL
PRESENT REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES AT PRESENT RATE LEVELS									
	SALES OF ELECTRICITY									
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0	0
2	REVISED DISTRIBUTION REVENUES		631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	LATE PAY CHARGES PRESENT RATES	R11	8,923	5,825	46	1,182	1,137	417	21	165
4	SALE OF ELECTRICITY	RRT	640,580	392,305	4,037	75,048	110,921	29,521	1,802	1,333
5	ANNUALIZATION PRESENT REVENUES	ANN	1,724	2,355	(18)	(92)	386	(298)	74	(51)
6	ADJUSTED ELECTRIC SALES	0	642,304	394,660	4,019	74,956	111,307	29,223	1,876	1,282
7	OTHER OPERATING REVENUES	ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
8	TOTAL OPERATING REVENUES	ROT	674,683	415,509	4,633	77,853	116,148	30,410	1,936	1,328
	OPERATING EXPENSES									
	OPERATION AND MAINTENENCE EXPENSES									
9	TRANSMISSION	EE20	0	0	0	0	0	0	0	0
10	DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
11	OTHER OPER & MAINT EXPENSES	EEOT	204,612	159,097	2,784	15,591	17,144	3,889	194	198
12	TOTAL OPER & MAINT EXPENSES	EE00	339,555	243,401	5,345	27,195	37,341	9,622	484	436
	DEPRECIATION EXPENSE									
13	TRANSMISSION	ED20	0	0	0	0	0	0	0	0
14	DISTRIBUTION	ED30	88,481	57,271	1,706	7,966	12,764	2,995	148	300
15	OTHER DEPREC EXP	EDOT	23,343	16,256	396	2,178	2,760	656	34	29
16	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00A	111,824	73,527	2,102	10,144	15,524	3,651	182	329
	TAXES									
17	CAPITAL STOCK PRESENT LEVEL	ET1	2,295	1,495	43	206	340	86	4	4
18	OTHER OTHER TAXES	ET001	9,654	6,586	170	891	1,237	301	15	11
19	DEFERRED INCOME TAXES	TXTA	8,378	5,563	150	715	1,179	284	15	13
20	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
21	GROSS RECEIPTS TAX	TXG	37,897	23,285	237	4,422	6,567	1,724	111	76
22	TOTAL PA INCOME TAX	TSIT1	9,706	1,703	(471)	2,825	4,413	1,231	100	30
23	TOTAL FED INC TAX	TFTX	32,788	7,165	(1,404)	8,999	13,970	3,893	315	97
24	TOTAL TAXES	TFIT1	99,045	44,714	(1,306)	17,908	27,462	7,459	557	229
25	TOTAL OPERATING EXPENSES	TEXP1	550,424	361,642	6,141	55,247	80,327	20,732	1,223	994
26	RETURN (LN 8 - 25)	PRERTN	124,259	53,867	(1,508)	22,606	35,821	9,678	713	334
27	TOTAL RATE BASE	RBX	2,022,963	1,321,698	38,737	179,448	298,479	75,648	3,836	3,072
28	RATE OF RETURN (LN 26 / LN 27)	PRRTR	6.14%	4.08%	-3.89%	12.60%	12.00%	12.79%	18.59%	10.87%
29	CLASS RATE IN % OF TOTAL	PRCLRT	100.00%	66.45%	-63.36%	205.21%	195.44%	208.31%	302.77%	177.04%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PRESENT OPERATING REVENUES AND EXPENSES, RETURN, RATE OF RETURN, AND CLASS RATE % OF TOTAL
PRESENT REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES AT PRESENT RATE LEVELS								
	SALES OF ELECTRICITY								
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0
2	REVISED DISTRIBUTION REVENUES		564	36	333	538	6,459	17,518	35
3	LATE PAY CHARGES PRESENT RATES	R11	26	0	0	0	54	49	1
4	SALE OF ELECTRICITY	RRT	590	36	333	538	6,513	17,567	36
5	ANNUALIZATION PRESENT REVENUES	ANN	12	16	3	36	(61)	(625)	(13)
6	ADJUSTED ELECTRIC SALES	0	602	52	336	574	6,452	16,942	23
7	OTHER OPERATING REVENUES	ROOT	12	4	24	3	347	1,494	1
8	TOTAL OPERATING REVENUES	ROT	614	56	360	577	6,799	18,436	24
	OPERATING EXPENSES								
	OPERATION AND MAINTENENCE EXPENSES								
9	TRANSMISSION	EE20	0	0	0	0	0	0	0
10	DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
11	OTHER OPER & MAINT EXPENSES	EEOT	34	13	74	8	1,265	4,314	4
12	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,731	12,741	12
	DEPRECIATION EXPENSE								
13	TRANSMISSION	ED20	0	0	0	0	0	0	0
14	DISTRIBUTION	ED30	80	29	46	19	1,010	4,137	9
15	OTHER DEPREC EXP	EDOT	7	3	12	1	207	804	1
16	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00A	87	32	58	20	1,217	4,941	10
	TAXES								
17	CAPITAL STOCK PRESENT LEVEL	ET1	1	0	1	0	24	90	0
18	OTHER OTHER TAXES	ET001	4	2	5	0	92	343	0
19	DEFERRED INCOME TAXES	TXTA	4	1	7	0	82	364	1
20	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
21	GROSS RECEIPTS TAX	TXG	36	3	20	34	381	1,000	1
22	TOTAL PA INCOME TAX	TSIT1	34	(3)	16	49	153	(370)	0
23	TOTAL FED INC TAX	TFTX	107	(10)	51	152	497	(1,034)	(1)
24	TOTAL TAXES	TFIT1	185	(7)	99	235	1,212	314	1
25	TOTAL OPERATING EXPENSES	TEXP1	370	61	245	277	5,160	17,996	23
26	RETURN (LN 8 - 25)	PRERTN	244	(5)	115	300	1,639	440	1
27	TOTAL RATE BASE	RBX	820	294	821	190	21,654	78,174	94
28	RATE OF RETURN (LN 26 / LN 27)	PRRTR	29.76%	-1.70%	14.01%	157.89%	7.57%	0.56%	1.06%
29	CLASS RATE IN % OF TOTAL	PRCLRT	484.69%	-27.69%	228.18%	2571.50%	123.29%	9.12%	17.26%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROPOSED REVENUES AND EXPENSES, RETURN, RATE OF RETURN AND CLASS RATE % OF TOTAL
REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT

$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES AT PROPOSED RATE LEVELS									
	SALES OF ELECTRICITY									
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	PROPOSED REVENUE INCREASE		83,521	77,329	944	845	612	(391)	(107)	(135)
	ADJUSTED RATE REVENUES		*715,178*	*463,809*	*4,935*	*74,711*	*110,396*	*28,713*	*1,674*	*1,033*
4	LATE PAYMENT CHARGES	R11P	8,923	5,825	46	1,182	1,137	417	21	165
5	ANNUALIZATION ADJUSTMENT	ANNP	1,726	2,357	(18)	(92)	386	(298)	74	(51)
6	TOTAL SALE OF ELECTRICITY	RRTP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
7	PROPOSED SALES & LATE PAYMENTS	ARTTP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
8	OTHER OPERATING REVENUES	ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
9	TOTAL OPERATING REVENUES	ROTP	758,206	492,840	5,577	78,698	116,760	30,019	1,829	1,193
	OPERATING EXPENSES									
	OPERATION AND MAINTENANCE EXPENSES									
10	TRANSMISSION	EE20	0	0	0	0	0	0	0	0
11	DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
12	OTHER OPER & MAINT EXPENSES	EEOT	205,281	159,716	2,786	15,619	17,160	3,890	194	199
13	TOTAL OPER & MAINT EXPENSES	EE00	340,224	244,020	5,347	27,223	37,357	9,623	484	437
	DEPRECIATION EXPENSE									
14	TRANSMISSION	ED20	0	0	0	0	0	0	0	0
15	DISTRIBUTION	ED30	88,481	57,271	1,706	7,966	12,764	2,995	148	300
16	OTHER DEPRECIATION EXPENSE	EDOT	23,343	16,256	396	2,178	2,760	656	34	29
17	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00	111,824	73,527	2,102	10,144	15,524	3,651	182	329
	TAXES									
18	CAPITAL STOCK PROP LEVEL	ET1P	2,517	1,640	47	226	373	95	4	4
19	OTHER-W/O CAP STOCK	ET001	9,654	6,583	170	891	1,237	301	15	11
20	DEFERRED INCOME TAXES	TXTA	8,378	5,563	150	715	1,179	284	15	13
21	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
22	GROSS RECEIPTS TAX	TXG	42,824	27,847	293	4,472	6,603	1,701	104	68
23	TOTAL PA INCOME TAX	TSIT1	17,468	8,893	(383)	2,899	4,466	1,193	91	18
24	TOTAL FED INC TAX	TFTX	57,272	29,849	(1,126)	9,235	14,135	3,774	283	56
25	TOTAL TAXES	TFIT1	136,440	79,288	(880)	18,288	27,749	7,288	509	168
26	TOTAL OPERATING EXPENSES	TEXP1	588,488	396,835	6,569	55,655	80,630	20,562	1,175	934
27	**RETURN (LN 9 - 26)**	PRERTN	169,718	96,005	(992)	23,043	36,130	9,457	654	259
28	**TOTAL RATE BASE**	RBX	2,022,963	1,321,694	38,737	179,448	298,479	75,648	3,836	3,072
29	**RATE OF RETURN (LN 27 / LN 28)**	PRRTR	8.39%	7.26%	-2.56%	12.84%	12.10%	12.50%	17.05%	8.43%
30	**CLASS RATE IN % OF TOTAL**	PRCLRT	100.00%	86.53%	-30.51%	153.04%	144.22%	148.99%	203.22%	100.48%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROPOSED REVENUES AND EXPENSES, RETURN, RATE OF RETURN AND CLASS RATE % OF TOTAL
REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	LS-S
	OPERATING REVENUES AT PROPOSED RATE LEVELS								
	SALES OF ELECTRICITY								
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		564	36	333	538	6,459	17,518	35
3	PROPOSED REVENUE INCREASE		(127)	(5)	(1)	6	542	4,007	2
	ADJUSTED RATE REVENUES		437	31	332	544	7,001	21,525	37
4	LATE PAYMENT CHARGES	R11P	26	0	0	0	54	49	1
5	ANNUALIZATION ADJUSTMENT	ANNP	12	16	3	36	(61)	(625)	(13)
6	TOTAL SALE OF ELECTRICITY	RRTP	475	47	335	580	6,994	20,949	25
7	PROPOSED SALES & LATE PAYMENTS	ARTTP	475	47	335	580	6,994	20,949	25
8	OTHER OPERATING REVENUES	ROOT	12	4	24	3	347	1,494	1
9	TOTAL OPERATING REVENUES	ROTP	487	51	359	583	7,341	22,443	26
	OPERATING EXPENSES								
	OPERATION AND MAINTENANCE EXPENSES								
10	TRANSMISSION	EE20	0	0	0	0	0	0	0
11	DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
12	OTHER OPER & MAINT EXPENSES	EEOT	34	13	74	8	1,266	4,314	4
13	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,732	12,741	12
	DEPRECIATION EXPENSE								
14	TRANSMISSION	ED20	0	0	0	0	0	0	0
15	DISTRIBUTION	ED30	80	29	46	19	1,010	4,137	9
16	OTHER DEPRECIATION EXPENSE	EDOT	7	3	12	1	207	804	1
17	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00	87	32	58	20	1,217	4,941	10
	TAXES								
18	CAPITAL STOCK PROP LEVEL	ET1P	1	0	1	0	27	98	0
19	OTHER-W/O CAP STOCK	ET001	4	2	5	0	92	343	0
20	DEFERRED INCOME TAXES	TXTA	4	1	7	0	82	364	1
21	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
22	GROSS RECEIPTS TAX	TXG	28	3	20	34	413	1,236	1
23	TOTAL PA INCOME TAX	TSIT1	22	(4)	16	50	203	6	0
24	TOTAL FED INC TAX	TFTX	69	(12)	51	154	657	151	0
25	TOTAL TAXES	TFIT1	127	(10)	99	238	1,457	2,119	2
26	TOTAL OPERATING EXPENSES	TEXP1	312	58	245	280	5,406	19,801	24
27	**RETURN (LN 9 - 26)**	PRERTN	175	(7)	114	303	1,935	2,642	2
28	**TOTAL RATE BASE**	RBX	820	294	821	190	21,654	78,174	94
29	**RATE OF RETURN (LN 27 / LN 28)**	PRRTR	21.34%	-2.38%	13.89%	159.47%	8.94%	3.38%	2.13%
30	**CLASS RATE IN % OF TOTAL**	PRCLRT	254.35%	-28.37%	165.55%	1900.72%	106.56%	40.29%	25.39%

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

COST ALLOCATION STUDY – PRESENT RATES

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

This section consists of two parts. Part I shows the assignment of the costs to Federal jurisdictional wholesale services and customers supplied on a system cost basis. Part II shows the allocations to retail rate classes of the Pennsylvania jurisdictional costs, comparisons with associated revenues, and a calculation of the resulting returns and rates of return on the allocated rate base. The outputs of Part 1 forms the inputs to Part 2. Allocators are summarized at the end of each part, as developed in Section B. Basic input cost data are provided from Exhibit Historic 1. Functionalized input data are developed in Section A.

SECTION III

PART I

ASSIGNMENT TO WHOLESALE SERVICE CUSTOMERS

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	ELECTRIC PLANT IN SERVICE							
1	**TRANSMISSION FUNCTION**	Q20	SK401T	P20	1,078,578	1,078,578	0	0
	DISTRIBUTION PLANT							
	SUBSTATIONS							
2	PRIMARY	Q28	SD20	P28	276,783	0	1,694	275,089
3	SECONDARY	Q29	SD30	P29	4,099	0	0	4,099
4	DIRECTLY ASSIGNED SUBS	DAS	SK401	DAS	2,467	0	0	2,467
5	TOTAL SUBSTATIONS			PSS	283,349	0	1,694	281,655
	OVERHEAD LINES							
6	PRIMARY	Q32	SD20	P32	431,659	0	501	431,158
	SECONDARY							
7	DEMAND COMPONENT	Q33D	SD30	P33D	403,576	0	0	403,576
8	CUSTOMER COMPONENT	Q33C	SC30	P33C	524,906	0	0	524,906
9	STREET LIGHTING	Q34	SK401	P34	57,261	0	0	57,261
10	TOTAL OVERHEAD LINES			POL	1,417,402	0	501	1,416,901
	UNDERGROUND LINES							
11	PRIMARY	Q36	SD20	P36	86,315	0	162	86,153
	SECONDARY							
12	DEMAND COMPONENT	Q37D	SD30	P37D	135,350	0	0	135,350
13	CUSTOMER COMPONENT	Q37C	SC30	P37C	283,689	0	0	283,689
14	TOTAL UNDERGROUND LINES			PUG	505,354	0	162	505,192
	LINE TRANSFORMERS							
15	DEMAND COMPONENT	Q38D	SD30	P38D	170,586	0	0	170,586
16	CUSTOMER COMPONENT	Q38C	SK401	P38C	190,968	0	0	190,968
17	TOTAL LINE TRANSFORMERS			PLT	361,554	0	0	361,554
	SERVICES							
18	DEMAND COMPONENT	Q39D	SD30	P39D	122,079	0	0	122,079
19	CUSTOMER COMPONENT	Q39C	SK401	P39C	403,749	0	0	403,749
20	TOTAL SERVICES			PSV	525,828	0	0	525,828
21	**METERS**	Q43	SCW1	P43	257,749	114	60	257,575
22	**AREA LIGHTING FIXTURES**	Q46	SK401	P46	6,292	0	0	6,292
23	**STREET LIGHTING**	Q47	SK401	P47	87,979	0	0	87,979
24	**TOTAL DISTRIBUTION PLANT**			P30	3,445,507	114	2,418	3,442,976
25	**GENERAL PLANT**	Q88	SK939	P88	419,820	43,741	188	375,891
26	**INTANGIBLE PLANT**	Q95	SK939	P95	33,580	3,499	15	30,066
27	**TOTAL ELECTRIC PLANT IN SERVICE**			P00	4,977,485	1,125,932	2,621	3,848,933

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	DEPRECIATION RESERVE							
1	**TRANSMISSION FUNCTION**	H20	SK401T	A20	469,510	469,510	0	0
	DISTRIBUTION PLANT							
	SUBSTATIONS							
2	PRIMARY	H28	SD20	A28	104,158	0	759	103,399
3	SECONDARY	H29	SD30	A29	1,579	0	0	1,579
4	DIRECTLY ASSIGNED SUBS	DAS	SK401	DAS	1,585	0	0	1,585
5	TOTAL SUBSTATIONS			AST	107,322	0	759	106,563
	OVERHEAD LINES							
6	PRIMARY	H32	SD20	A32	151,281	0	235	151,046
	SECONDARY							
7	DEMAND COMPONENT	H33D	SD30	A33D	144,956	0	0	144,956
8	CUSTOMER COMPONENT	H33C	SC30	A33C	184,167	0	0	184,167
9	STREET LIGHTING	H34	SK401	A34	18,132	0	0	18,132
10	TOTAL OVERHEAD LINES			AOL	498,536	0	235	498,301
	UNDERGROUND LINES							
11	PRIMARY	H36	SD20	A36	26,488	0	45	26,443
	SECONDARY							
12	DEMAND COMPONENT	H37D	SD30	A37D	41,537	0	0	41,537
13	CUSTOMER COMPONENT	H37C	SC30	A37C	87,059	0	0	87,059
14	TOTAL UNDERGROUND LINES			AUG	155,084	0	45	155,039
	LINE TRANSFORMERS							
15	DEMAND COMPONENT	H38D	SD30	A38D	71,089	0	0	71,089
16	CUSTOMER COMPONENT	H38C	SK401	A38C	79,584	0	0	79,584
17	TOTAL LINE TRANSFORMERS			ALT	150,673	0	0	150,673
	SERVICES							
18	DEMAND COMPONENT	H39D	SD30	A39D	62,009	0	0	62,009
19	CUSTOMER COMPONENT	H39C	SK401	A39C	205,082	0	0	205,082
20	TOTAL SERVICES			ASV	267,091	0	0	267,091
21	**METERS**	H43	SCW1	A43	84,716	37	14	84,664
22	**AREA LIGHTING FIXTURES**	H46	SK401	A46	3,571	0	0	3,571
23	**STREET LIGHTING**	H47	SK401	A47	49,334	0	0	49,334
24	**TOTAL DISTRIBUTION PLANT**			A30	1,316,327	37	1,054	1,315,236
25	**GENERAL PLANT**	H88	SK939	A88	144,989	15,106	65	129,818
26	**INTANGIBLE PLANT**	H95	SK939	A95	21,433	2,233	10	19,190
27	**TOTAL DEPRECIATION AND AMORTIZATION RESERVE**			A00	1,952,259	486,887	1,128	1,464,244

* DIRECT ASSIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	SUBTRACTIVE ADJUSTMENTS							
	ACCUM DEFERRED INCOME TAXES							
	REPAIR ALLOWANCE ELECTION							
	CONTRIBUTIONS IN AID OF CONSTRUCTION							
1	TRANSMISSION	TC45E	SK401T	DF45E	(23,403)	(23,403)	0	0
2	DISTRIBUTION	TC45F	SK401	DF45F	(65,361)	0	0	(65,361)
3	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION			DF45T	(88,764)	(23,403)	0	(65,361)
	ACRS AND MACRS							
4	TRANSMISSION PROPERTY	TC46E	SK401T	DF46E	50,867	50,867	0	0
5	DISTRIBUTION PROPERTY	TC46F	SP30	DF46F	377,542	12	265	377,265
6	GENERAL PROPERTY	TC46G	SK939	DF46G	35,338	3,682	16	31,640
7	TOTAL ACRS AND MACRS			DF46T	463,747	54,561	281	408,905
	OTHER 263A & REPAIR ALLOWANCE							
8	TRANSMISSION PROPERTY		SK401T		(807)	(807)	0	0
9	DISTRIBUTION PROPERTY		SP30		40,688	1	29	40,658
10	GENERAL PROPERTY		SK939		6,984	728	3	6,253
11	TOTAL 263A & REPAIR ALLOWANCE				46,865	(78)	32	46,911
12	**TOTAL ACCUM DEFERRED INCOME TAXES**			DFT	421,848	31,080	312	390,455
13	CUSTOMER ADVANCES	AC	SK401	CA00	269	0	0	269
14	CUSTOMER DEPOSITS	AD	SCW6	DA00	16,267	317	0	15,950
15	**TOTAL SUBTRACTIVE ADJUSTMENTS**			PLDED	438,384	31,397	312	406,675
	ADJUSTED SUBTRACTIVE ADJUSTMENTS(4)				438,384	31,397	312	406,675

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS- 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	ADDITIVE ADJUSTMENTS							
	PLANT HELD FOR FUTURE USE							
1	TRANSMISSION PLANT	QF20	SK401T	PF20	18,243	18,243	0	0
2	DISTRIBUTION PLANT	QF30	SD20	PF30	2,012	0	10	2,002
3	GENERAL PLANT	QF88	SK939	PF88	0	0	0	0
4	TOTAL PLANT FUTURE USE			PF00	20,255	18,243	10	2,002
5	**TOTAL ADDITIVE ADJUSTMENTS**			PLADD	20,255	18,243	10	2,002
6	**NET ORIG COST RATE BASE**			NOP	2,607,097	625,891	1,190	1,980,016
	WORKING CAPITAL							
	PLANT MATERIALS & SUPPLIES							
7	TRANSMISSION/DISTRIBUTION	M14	SAT2	W14	31,864	7,597	17	24,250
8	TOTAL MATERIALS & SUPPLIES			WCD	31,864	7,597	17	24,250
	WORKING CASH							
9	WORKING CASH - O & M	CASH	SWCAP	WCA	16,211	6,987	6	9,219

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	WORKING CAPITAL CONTINUED							
	WORKING CASH CONTINUED							
	PREPAYMENTS							
1	PROPERTY INSURANCE	MCPD	SAT2	WCPID	20	5	0	15
2	POSTAGE	MCPO	SK939	WCPO	35	4	0	31
3	PPUC ANNUAL ASSESS	MCPRE	SK401	WCPRE	2,415	0	0	2,415
4	TOTAL PREPAYMENTS			WCPT	2,470	8	0	2,462
5	ACCRUED TAXES	MCT	SP01	WCT	17,245	3,643	9	13,594
6	SUBTOTAL WORKING CAPITAL			SUBWC	67,790	18,236	31	49,523
	SEMI ANNUAL INTEREST & PREFERRED DIVIDEND PAYMENTS							
7	SEMI ANNUAL INTEREST		SWCAP	EAS	(9,005)	(2,422)	(4)	(6,579)
8	PREFERRED DIVIDEND PAYMENT		SP01	FAS	10	2	0	8
9	TOT INTEREST & PREF DIV PAYM'S			EAFAT	(8,995)	(2,420)	(4)	(6,571)
10	**TOTAL WORKING CASH**			CWC	26,931	8,218	10	18,702
11	***TOTAL WORKING CAPITAL***			W00	58,795	15,815	27	42,953
12	**TOTAL RATE BASE**				2,665,892	641,706	1,217	2,022,968

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE SUMMARY
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	RATE BASE							
	PLANT IN SERVICE							
1	TRANSMISSION				0	0	0	0
2	DISTRIBUTION			P20	1,078,578	1,078,578	0	0
3	GENERAL & INTANGIBLE			P30	3,445,507	114	2,418	3,442,976
4	TOTAL-PLANT IN SERVICE			P0T1	453,400	47,240	203	405,957
				P00	4,977,485	1,125,932	2,621	3,848,933
	DEPRECIATION RESERVE							
5	TRANSMISSION			A20	469,510	469,510	0	0
6	DISTRIBUTION			A30	1,316,327	37	1,054	1,315,236
7	GENERAL PLANT			A88	144,989	15,106	65	129,818
8	INTANGIBLE PLANT			A95	21,433	2,233	10	19,190
9	TOTAL DEPRECIATION AND AMORTIZATION RESERVE			A00	1,952,259	486,887	1,128	1,464,244
10	**TOTAL NET PLANT IN SERVICE**			P01	3,025,226	639,045	1,493	2,384,689
11	SUBTRACTIVE ADJUSTMENTS			PLDED	438,384	31,397	312	406,675
12	ADDITIVE ADJUSTMENTS			PLADD	20,255	18,243	10	2,002
13	**TOTAL NET ORIG COST RATE BASE**			NOP	2,607,097	625,891	1,190	1,980,016
14	WORKING CAPITAL			W00	58,795	15,815	27	42,953
15	**TOTAL RATE BASE**			RBX	2,665,892	641,706	1,217	2,022,969

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	OPERATION & MAINTENANCE EXPENSES							
1	TRANSMISSION	G20	SK401T	EE20	225,307	225,307	0	0
	DISTRIBUTION							
	SUBSTATIONS							
2	PRIMARY	G28	SP28	EE28	9,863	0	60	9,803
3	SECONDARY	G29	SP29	EE29	144	0	0	144
4	TOTAL SUBSTATIONS			EESS	10,007	0	60	9,947
	OVERHEAD LINES							
5	PRIMARY	G32	SP32	EE32	20,351	0	24	20,327
	SECONDARY							
6	DEMAND COMPONENT	G33D	SP33D	EE33D	18,995	0	0	18,995
7	CUSTOMER COMPONENT	G33C	SP33C	EE33C	24,746	0	0	24,746
8	STREET LIGHTING	G34	SP34	EE34	2,718	0	0	2,718
9	TOTAL OVERHEAD LINES			EEOL	66,810	0	24	66,786
	UNDERGROUND LINES							
10	PRIMARY	G36	SP36	EE36	2,377	0	4	2,373
	SECONDARY							
11	DEMAND COMPONENT	G37D	SP37D	EE37D	3,727	0	0	3,727
12	CUSTOMER COMPONENT	G37C	SP37C	EE37C	7,813	0	0	7,813
13	TOTAL UNDERGROUND LINES			EEUG	13,917	0	4	13,913
	LINE TRANSFORMERS							
14	DEMAND COMPONENT	G38D	SP38D	EE38D	1,045	0	0	1,045
15	CUSTOMER COMPONENT	G38C	SP38C	EE38C	1,170	0	0	1,170
16	TOTAL LINE TRANSFORMERS			EELT	2,215	0	0	2,215
	SERVICES							
17	DEMAND COMPONENT	G39D	SP39D	EE39D	1,063	0	0	1,063
18	CUSTOMER COMPONENT	G39C	SP39C	EE39C	3,518	0	0	3,518
19	TOTAL SERVICES			EESV	4,581	0	0	4,581
20	MISC DISTRIBUTION EXPENSE & RENTS	G42	SP30	EE42	14,591	0	10	14,580
21	METERS	G43	SP43	EE43	11,410	5	3	11,402
22	STREET LIGHTING	G46	SP47	EE46	4,766	0	0	4,766
23	CUSTOMER INSTALLATIONS	G47	SP47	EE47	6,753	0	0	6,753
24	TOTAL DISTRIBUTION			EE30	135,050	6	101	134,943
	CUSTOMER ACCOUNTS							
25	METER READING	G50	SCW2	EE50	3,156	0	0	3,156
26	COLLECTION EXPENSES	G51	SK401	EE51	8,915	0	0	8,915
27	PROPERTY DAMAGE DISTRIBUTION	G53	SP30	EE53	1,155	0	1	1,154
28	UNCOLLECTIBLE ACCOUNTS	G54	SK401	EE54	19,000	0	0	19,000
29	OTHER CUSTOMER ACCTS EXPENSE	G55	SC10	EE55	18,399	0	0	18,398
30	TOTAL CUSTOMER ACCTS			EE56	50,625	0	1	50,624
	CUSTOMER SERVICE & INFORMATIONAL							
31	908 - ON TRACK UNCOLLECTIBLE ACCTS	G61	SK401	EE61	4,500	0	0	4,500
32	OTHER 908 - 910	G63	SK401	EE63	12,747	0	0	12,747
33	TOTAL CUSTOMER SVC & INFORMATIONAL			EE64	17,247	0	0	17,247
34	SALES	G65	SK401	EE65	2,843	0	0	2,843

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	OPERATION & MAINTENANCE EXPENSES CONTINUED							
	ADMINISTRATIVE & GENERAL EXPENSES							
1	PPUC REGULATORY	G70	SK401	EE70	4,494	0	0	4,494
2	FERC REGULATORY	G71	SC11	EE71	61	34	27	0
3	EMPLOYEE BENEFITS	G73	SK929	EE73	30,687	3,197	14	27,476
4	OTHER A & G	G75	SK929	EE75	108,654	11,321	49	97,285
5	TOT ADMIN & GENERAL EXPENSES			EE79	143,895	14,552	90	129,254
6	**TOTAL O & M BEFORE ADJUST**			EE80	574,968	239,865	192	334,911
	PROFORMA ADJUSTMENTS TO O & M EXPENSES							
7	EMPLOYEE WAGES AND BENEFITS	G81	SK929	EE81	(3,223)	(336)	(1)	(2,886)
8	RATE CASE EXPENSES	G82	SK401	EE82	700	0	0	700
9	ADJUSTMENT-INT EXP-CUST DEPOSITS		SCW6		796	15	0	781
10	SOCIAL PROGRAMS	G84	SK401	EE84	4,438	0	0	4,438
11	ADJUSTMENT-ICE STORM DEFERRAL		SK401		1,611	0	0	1,611
12	TOTAL PROFORMA ADJUSTMENTS			EE99	4,322	(320)	(1)	4,644
13	**TOTAL OPER & MAINT EXPENSES**			EE00	579,290	239,545	190	339,555

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	DEPRECIATION EXPENSE							
1	**TRANSMISSION**	GD20	SK401T	ED20	20,529	20,529	0	0
	DISTRIBUTION							
	SUBSTATIONS							
2	PRIMARY	GD28	SP28	ED28	5,358	0	33	5,325
3	SECONDARY	GD29	SP29	ED29	75	0	0	75
4	TOTAL SUBSTATIONS			EDSS	5,433	0	33	5,400
	OVERHEAD LINES							
5	PRIMARY	GD32	SP32	ED32	9,907	0	12	9,895
	SECONDARY							
6	DEMAND COMPONENT	GD33D	SP33D	ED33D	9,002	0	0	9,002
7	CUSTOMER COMPONENT	GD33C	SP33C	ED33C	12,033	0	0	12,033
8	STREET LIGHTING	GD34	SP34	ED34	1,457	0	0	1,457
9	TOTAL OVERHEAD LINES			EDOL	32,399	0	12	32,387
	UNDERGROUND LINES							
10	PRIMARY	GD36	SP36	ED36	1,824	0	3	1,821
	SECONDARY							
11	DEMAND COMPONENT	GD37D	SP37D	ED37D	2,861	0	0	2,861
12	CUSTOMER COMPONENT	GD37C	SP37C	ED37C	5,997	0	0	5,997
13	TOTAL UNDERGROUND LINES			EDUG	10,682	0	3	10,679
	LINE TRANSFORMERS							
14	DEMAND COMPONENT	GD38D	SP38D	ED38D	4,594	0	0	4,594
15	CUSTOMER COMPONENT	GD38C	SP38C	ED38C	5,142	0	0	5,142
16	TOTAL LINE TRANSFORMERS			EDLT	9,736	0	0	9,736
	SERVICES							
17	DEMAND COMPONENT	GD39D	SP39D	ED39D	2,777	0	0	2,777
18	CUSTOMER COMPONENT	GD39C	SP39C	ED39C	9,186	0	0	9,186
19	TOTAL SERVICES			EDSV	11,963	0	0	11,963
20	**METERS**	GD43	SP43	ED43	15,813	7	4	15,802
21	**AREA LIGHTING FIXTURES**	GD46	SP46	ED46	238	0	0	238
22	**STREET LIGHTING**	GD47	SP47	ED47	2,276	0	0	2,276
23	TOTAL DISTRIBUTION			ED30	88,540	7	51	88,482
24	GENERAL	GD88	SK939	ED88	18,120	1,888	8	16,224
25	INTANGIBLE	GD95	SK939	ED95	4,871	508	2	4,361
26	**TOTAL DEPRECIATION AND AMORTIZATION EXPENSE**			**ED00**	**132,060**	**22,931**	**62**	**109,067**
	PROFORMA ADJUSTMENT TO DEPRECIATION EXPENSE							
27	TRANSMISSION & DISTRIBUTION		DAS		-503	(2,160)	1	1,656
28	GENERAL & INTANGIBLE		SK939		1,231	128	1	1,102
29	*ANNUAL DEPRECIATION EXP*	*GD99A*	*SED00*	*GD99A*	728	(2,032)	1	2,758
30	TOTAL PROFORMA ADJUSTMENTS			GD99	728	(2,032)	1	2,758
31	**TOTAL DEPRECIATION AND AMORTIZATION EXPENSE**			ED00A	132,788	20,900	63	111,825

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	TAXES							
	TAXES OTHER THAN INCOME, EXCLUDING GROSS RECEIPTS							
1	CAPITAL STOCK	GT1	SP01	ET1	3,021	638	1	2,381
2	CAPITAL STOCK ADJUSTMENT	GT1A	SP01	ET1A	(109)	(23)	(0)	(86)
3	PUBLIC UTILITY REALTY	GT3	SP01	ET3	5,226	1,104	3	4,119
4	PUBLIC UTILITY REALTY ADJUSTMENT	GT3A	SP01	ET3A	(510)	(108)	(0)	(402)
5	PAYROLL TAXES	GP01	SK939	EP01	6,822	711	3	6,108
6	PAYROLL TAXES ADJUSTMENT	GP01A	SK939	EP01A	(191)	(20)	(0)	(171)
7	**TOTAL TAXES OTHER THAN INCOME EXCLUDING GROSS RECEIPTS**			**ET01**	**14,259**	**2,302**	**7**	**11,950**
8	TOTAL AT PROPOSED LEVEL			ET01P	14,259	2,302	7	11,950
	INVESTMENT TAX CREDIT AMORTIZATION							
9	TRANSMISSIION	ITDA91	SK401T	TXA91	(718)	(718)	0	0
10	DISTRIBUTION	ITDA92	SP30	TXA92	(1,674)	(0)	(1)	(1,673)
11	TOTAL INVESTMENT TAX CREDIT			TX93	(2,392)	(718)	(1)	(1,673)

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	DEFERRED INCOME TAXES							
1	ADJUST GROSS RECEIPTS TAX	ITD02	SRRBG	TX02	(101)	(25)	0	(76)
	CONTRIBUTIONS IN AID OF CONSTRUCTION							
2	TRANSMISSION	ITD04	SK401T	TX04	(2,907)	(2,907)	0	0
3	DISTRIBUTION	ITD06	SK401	TX06	(5,902)	0	0	(5,902)
4	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION			TX11	(8,809)	(2,907)	0	(5,902)
5	VACATION PAY	ITD08	SK939	TX08	(141)	(15)	(0)	(126)
6	PENSION/POST EMPL/SEVERENCE	ITD24	SK939	TX24	(3,259)	(340)	(1)	(2,918)
7	ENVIRONMENTAL CLEANUP	ITD30	SP00	TX30	177	40	0	137
	BALANCE CARRIED FORWARD							
8	**DEFERRED INCOME TAXES**			TXST	(12,133)	(3,246)	(1)	(8,886)

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	BALANCE BROUGHT FORWARD							
1	**DEFERRED INCOME TAXES CONTINUED**			TXST	(12,133)	(3,246)	(1)	(8,886)
	ACRS AND MACRS							
2	TRANSMISSION PROPERTY	ITD46E	SK401T	TX46E	4,209	4,209	0	0
3	DISTRIBUTION PROPERTY	ITD46F	SP30	TX46F	14,984	0	11	14,973
4	GENERAL PROPERTY	ITD46G	SK939	TX46G	513	53	0	459
5	TOTAL ACRS AND MACRS			TX46T	19,706	4,263	11	15,432
	OTHER 263A & REPAIR ALLOWANCE							
6	TRANSMISSION PROPERTY		SK401T		(136)	(136)	0	0
7	DISTRIBUTION PROPERTY		SP30		(1,044)	(0)	(1)	(1,043)
8	GENERAL PROPERTY		SK939		(871)	(91)	(0)	(780)
9	TOTAL OTHER 263A & REPAIR ALLOWANCE				(2,051)	(227)	(1)	(1,823)
10	CONSUMER EDUCATION	ITD49	SK401	TX49	1,123	0	0	1,123
11	LOSS ON REACQUIRED DEBT	ITD54	SP00	TX54	(1,376)	(311)	(1)	(1,064)
12	BAD DEBTS	ITD62	SK401	TX62	680	0	0	680
13	PA NOL DEF TAX ASSET	ITD47	SP01		130	27	0	102
14	RATE REFUND	ITD48	SK401		(933)	0	0	(933)
15	**TOTAL DEFERRED INCOME TAXES**			TXT	5,146	506	8	4,632
	PROFORMA ADJUSTMENTS DEFERRED TAXES							
16	DEFERRED INCOME TAX ADJUSTMENT	ITD71	DAS	TX71	4,582	830	6	3,746
17	TOTAL PROFORMA ADJUSTMENTS DEFERRED TAXES				4,582	830	6	3,746
18	**TOTAL ADJUST DEFERRED INC TAXES**			TXTA	9,728	1,336	14	8,378

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES SUMMARY
$1,000

OPERATING EXPENSES

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	OPERATING EXPENSES							
1	O & M TRANSMISSION			EE20	225,307	225,307	0	0
2	O & M DISTRIBUTION			EE30	135,050	6	101	134,943
3	O & M CUSTOMER ACCOUNTS			EE56	50,625	0	1	50,624
4	O & M CUST SVC & INFO			EE64	17,247	0	0	17,247
5	O & M SALES			EE65	2,843	0	0	2,843
6	O & M ADMIN & GENERAL			EE79	143,895	14,552	90	129,254
7	ADJUSTS TO O & M EXPENSES			EE99	4,322	(320)	(1)	4,644
8	TOTAL OPER & MAINT EXPENSES			EE00	579,290	239,545	190	339,555
9	DEPRECIATION & AMORTIZATION			ED00A	132,788	20,900	63	111,825
10	TAXES OTHER THAN INCOME EXCLUDING GROSS RECEIPTS			ET01	14,259	2,302	7	11,950
11	GROSS RECEIPTS TAX			TXG	50,174	12,278	0	37,896
12	TOTAL ADJUST DEFERRED INC TAXES			TXTA	9,728	1,336	14	8,378
13	NET INVESTMENT TAX CREDIT			TX93	(2,392)	(718)	(1)	(1,673)
14	**OP EXPENSES PRIOR INCOME TAX**			OEBT	783,847	275,643	273	507,931
	PA AND FEDERAL INCOME TAXES BASED ON PRESENT REVENUES							
15	**TOTAL PA INCOME TAX**			TSTX	15,966	6,292	(32)	9,705
16	**TOTAL FED INC TAX**			TFTX	52,675	19,983	(96)	32,788
17	**TOTAL TAXES**			TX99	140,410	41,474	(109)	99,045
18	**TOTAL OPERATING EXPENSES**			TOE	852,488	301,918	145	550,425

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURSIDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING REVENUES
DISTRIBUTION REVENUES INCLUDE EFFECT OF 2007 REMAND PROCEEDING SETTLEMENT
$1,000

OPERATING REVENUES

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	OPERATING REVENUES							
	SALE OF ELECTRICITY							
1	TRANSMISSION REVENUES	TREV			211,231	211,231	0	0
2	DISTRIBUTION REVENUES				631,715			631,715
3	REMAND SETTLEMENT				(58)	0		(58)
4	REVISED DISTRIBUTION REVENUES	DREV			631,657	0	0	631,657
5	LATE PAYMENT CHARGES	S11		R11	8,923	0	0	8,923
6	ANNUALIZATION	ANN			(1,399)	(3,123)	0	1,724
7	ADJ'D ELECT REVENUES				850,412	208,108	0	642,304
	OTHER OPERATING REVENUES							
8	MISCELLANEOUS SERVICE REVS	S20	SK401	R20	0	0	0	0
	RENT-ELECTRIC PROPERTY							
9	TRANSMISSION RELATED	S23	SK401T	R23	903	903	0	0
10	DISTRIBUTION RELATED	S24	SK401	R24	29,693	0	0	29,693
	OTHER ELECTRIC REVENUE							
11	TRANSMISSION RELATED	S26	SK401T	R26	149,006	149,006	0	0
12	DISTRIBUTION RELATED	S27	SK401	R27	2,686	0	0	2,686
13	OTHER	S37	SK939	R37	0	0	0	0
14	*TOTAL OTHER OPERATING REVS*			ROOT	182,289	149,909	0	32,380
15	TOTAL OPERATING REVENUES			ROT	1,032,701	358,017	0	674,684
16	**BASE FOR GROSS RECEIPTS TAX**			RRBG	850,412	208,108	0	642,304
17	GROSS RECEIPTS TAX @ 5.9%			TXGR	50,174	12,278	0	37,896

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

INCOME TAX

		Input Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	DERIVATION-						
	TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIONS						
1	OPERATING REVENUES		ROT	1,032,701	358,017	0	674,684
	MINUS:OPERATING EXPENSES						
2	OP EXPENSES PRIOR INCOME TAX		OEBT	783,847	275,643	273	507,931
3	EQUALS: TAXABLE INCOME		TAXI	248,853	82,374	(273)	166,752
	PLUS: ADJUSTMENTS TO						
4	TAXABLE INCOME		TAT	(79,079)	(17,760)	(39)	(61,281)
5	EQUALS: TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIONS		TNI	169,774	64,614	(312)	105,471
	PA INCOME TAX CALCULATION						
6	TAXABLE NET INCOME		TNI	169,774	64,614	(312)	105,471
7	**TOTAL SPECIAL DEDUCTIONS**		TASI	(9,959)	(1,634)	(5)	(8,320)
8	PA TAXABLE INCOME		TSTI	159,815	62,980	(317)	97,151
9	PA APPORTIONMENT PERCENTAGE			100%	100%	100%	100%
10	PA TAXABLE INCOME		TSTIF	159,815	62,980	(317)	97,151
11	PA INCOME TAX @ 9.99%		GSIT	15,966	6,292	(32)	9,705
12	PA TAX CREDITS		TS20	0	0	0	0
13	PA INCOME TAX ADJUSTMENTS		TSTA	0	0	0	0
14	**TOTAL PA INCOME TAX**		TSIT1	15,966	6,292	(32)	9,705
	FEDERAL INC TAX CALCULATION						
15	TAXABLE NET INCOME		TNI	169,774	64,614	(312)	105,471
	DEDUCTIONS						
16	PA INCOME TAX		TSIT1	15,966	6,292	(32)	9,705
17	TOTAL DEDUCTIONS		TSFS	15,966	6,292	(32)	9,705
18	FEDERAL TAXABLE INCOME		TFTI	153,808	58,323	(280)	95,766
19	FEDERAL INCOME TAX @ 35.0%		GFIT	53,833	20,413	(98)	33,518
20	FEDERAL INCOME TAX CREDITS & ADJUSTMENTS		TAFI	(1,158)	(430)	2	(730)
21	**TOTAL FEDERAL INCOME TAX**		TFIT1	52,675	19,983	(96)	32,788

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	ADJUSTMENTS TO TAXABLE INCOME							
1	INTEREST EXPENSE	ITA1	SRBX	TA1	(73,368)	(17,667)	(33)	(55,667)
2	DEFERRED INCOME TAXES			TXTA	9,728	1,336	14	8,378
3	NET INVESTMENT TAX CREDIT			TX93	(2,392)	(718)	(1)	(1,673)
	BOOK DEPRECIATION & AMORTIZATION							
4	TRANSMISSION	ITAD13	SK401T	TAD13	20,529	20,529	0	0
5	DISTRIBUTION	ITAE13	SED30	TAE13	88,540	7	51	88,482
6	GENERAL & INTANGIBLE	ITAF13	SED88	TAF13	22,991	2,395	10	20,585
7	ANNUAL DEPRECIATION EXP	GD99A	DAS	GD99A	728	(2,032)	1	2,758
8	TOTAL BOOK DEPRECIATION & AMORTIZATION			TA13	132,788	20,900	63	111,825
	TAX DEPRECIATION & AMORTIZATION							
9	TRANSMISSION	ITAD15	SK401T	TAD15	(26,447)	(26,447)	0	0
10	DISTRIBUTION	ITAE15	SED30	TAE15	(114,848)	(9)	(67)	(114,772)
11	GENERAL & INTANGIBLE	ITAF15	SED88	TAF15	(22,525)	(2,347)	(10)	(20,168)
12	TOTAL TAX DEPRECIATION & AMORTIZATION			TA15	(163,820)	(28,803)	(77)	(134,940)
13	POST RETIREMENT BENEFITS	ITA20	SK939	TA20	560	58	0	501
	BALANCE CARRIED FORWARD							
14	**ADJUSTMENTS TO TAXABLE INCOME**			TAST1	(96,504)	(24,894)	(34)	(71,576)

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
1	**BALANCE BROUGHT FORWARD ADJUSTMENTS TO TAXABLE INCOME CONTINUED**			TAST1	(96,504)	(24,894)	(34)	(71,576)
2	BUSINESS MEALS NOT DEDUCTIBLE	ITA27	SK939	TA27	440	46	0	394
3	VACATION PAY	ITA28	SK939	TA28	340	35	0	304
4	PENSION EXPENSE	ITA30	SK939	TA30	5,614	585	3	5,027
5	POST-EMPL BENE/VERP	ITA37	SK939	TA37	42	4	0	38
6	ENVIRONMENTAL CLEANUP	ITA45	SP00	TA45	(426)	(96)	(0)	(329)
7	**BALANCE CARRIED FORWARD ADJUSTMENTS TO TAXABLE INCOME**			TAST2	(90,494)	(24,320)	(32)	(66,143)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS
CALCULATION OF INCOME TAXES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
1	**BALANCE BROUGHT FORWARD ADJUSTMENTS TO TAXABLE INCOME CONTINUED**			TAST2	(90,494)	(24,320)	(32)	(66,143)
2	REACQUIRED DEBT COSTS	ITA48	SP00	TA48	3,316	750	2	2,564
3	BAD DEBTS & PROPERTY DAMAGE	ITA54	SK401	TA54	(1,639)	0	0	(1,639)
	ADJUST SALES OF PROPERTY							
4	TRANSMISSION PROPERTY	ITA84E	SK401T	TA84E	(731)	(731)	0	0
5	DISTRIBUTION PROPERTY	ITA84F	SP30	TA84F	(9)	(0)	(0)	(9)
6	GENERAL PROPERTY	ITA84G	SK939	TA84G	0	0	0	0
7	TOTAL ADJUST OF SALES PROPERTY			TA84	(740)	(731)	(0)	(9)
	REMOVAL COSTS							
8	TRANSMISSION PROPERTY	ITA60	SK401T	TA60	(1,288)	(1,288)	0	0
9	DISTRIBUTION PROPERTY	ITA62	SP30	TA62	(10,111)	(0)	(7)	(10,104)
10	TOTAL REMOVAL COSTS			TA64	(11,399)	(1,288)	(7)	(10,104)
	OTHER 263A & REPAIR ALLOWANCE							
11	TRANSMISSION PROPERTY	ITA101	SK401T		342	342	0	0
12	DISTRIBUTION PROPERTY	ITA103	SP30		528	0	0	528
13	GENERAL PROPERTY	ITA102	SK939		129	13	0	116
14	TOTAL OTHER 263A & REPAIR ALLOW				999	355	0	643
15	RATE REFUND	ITA105	SK401		2,249	0	0	2,249
16	**BALANCE CARRIED FORWARD ADJUSTMENTS TO TAXABLE INCOME**			TAST3	(97,708)	(25,234)	(37)	(72,438)

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS
CALCULATION OF INCOME TAXES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
1	**BALANCE BROUGHT FORWARD ADJUSTMENTS TO TAXABLE INCOME CONTINUED**			TAST3	(97,708)	(25,234)	(37)	(72,438)
2	SERP	ITA70	SK939	TA70	338	35	0	303
3	ESOP DIVIDEND	ITA72	SK939	TA72	(4,862)	(507)	(2)	(4,353)
	CONTRIBUTIONS IN AID OF CONSTRUCTION							
4	TRANSMISSION	ITA78	SK401T	TA78	7,964	7,964	0	0
5	DISTRIBUTION	ITA80	SK401	TA80	18,023	0	0	18,023
6	TOTAL CIAC			TA81	25,987	7,964	0	18,023
7	ADJ G R TAX - CASH BASIS	ITA87	SRRBG	TA87	243	60	0	183
8	CONSUMER EDUCATION	ITA90	SK401	TA90	(2,707)	0	0	(2,707)
9	PREFERRED DIV PD CREDIT	ITA95	SP01	TA95	(370)	(78)	(0)	(292)
10	**TOTAL ADJ'S TO TAXABLE INCOME**			TAT	(79,079)	(17,759)	(39)	(61,281)

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	INCOME TAX ADJUSTMENTS							
	PA SPECIAL DEDUCTIONS							
1	BONUS DEPRECIATION TRANSMISSIION	ITAS1	SK401T	TAS1	(893)	(893)	0	0
2	BONUS DEPRECIATION DISTRIBUTION	ITAS2	SED30	TAS2	(5,156)	(0)	(3)	(5,153)
3	BONUS DEPRECIATION GENERAL PLANT	ITAS3	SED88	TAS3	(798)	(83)	(0)	(714)
4	TAX PREFERENCE INCOME	ITAS4	SP01	TAS4	(112)	(24)	(0)	(88)
5	PA NET OPERATING LOSS DEDUCTION	ITAS5	SP01		(3,000)	(634)	(1)	(2,365)
6	TOTAL PA SPECIAL DEDUCTIONS			TASI	(9,959)	(1,634)	(5)	(8,320)
7	PA TAX CREDITS	ITS1	SP01	TS1	0	0	0	0
8	FEDERAL TAX CREDITS	ITF1	SP01	TS20	(145)	(31)	(0)	(114)
9	CONSOLIDATED INCOME TAX ADJUSTMENT				(1,013)	(399)	2	(616)
10	TOTAL FEDERAL TAX CREDITS & ADJUSTMENTS				(1,158)	(430)	2	(730)

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
WAGES AND SALARIES ALLOCATORS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	WAGES AND SALARIES ALLOCATOR							
	CALCULATE WAGES AND SALARIES ALLOCATOR EXCLUDING ADMIN & GENERAL							
1	TRANSMISSION	K904	SK401T	K905	8,501	8,501	0	0
2	DISTRIBUTION	K906	SP30	K907	51,928	2	36	51,889
3	CUSTOMER ACCTS	K920	SC10	K921	18,576	0	0	18,576
4	CUSTOMER SERV & INFO	K922	SC10	K923	1,327	0	0	1,327
5	SALES	K924	SK401	K925	1,275	0	0	1,275
6	**TOTAL WAGES AND SALARIES ALLOCATOR EXCLUDING ADMIN & GENERAL**			K929	81,606	8,503	37	73,067
7	ALLOCATOR			SK929	100.000%	10.419%	0.045%	89.536%
8	ADMIN & GENERAL	K930	SK929	K931	4,512	470	2	4,040
9	**TOTAL WAGES AND SALARIES ALLOCATOR INCLUDING ADMIN & GENERAL**			K939	86,118	8,973	39	77,107
10	ALLOCATOR			SK939	100.000%	10.419%	0.045%	89.536%

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF ALLOCATORS

		Input Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	CUSTOMERS, WEIGHTED						
	A - EXPRESSED IN $1,000						
1	METER INVESTMENT	CW1		257,749	114	67	257,568
2	ALLOCATOR		SCW1	100.000%	0.044%	0.026%	99.930%
3	METER READING EXPENSE	CW2		3,156	0	0.02	3,156
4	ALLOCATOR		SCW2	100.000%	0.000%	0.001%	99.999%
5	LATE PAYMENTS	CW4		8,923	0	0	8,923
6	ALLOCATOR		SCW4	100.000%	0.000%	0.000%	100.000%
7	CUSTOMER DEPOSITS	CW6		16,267	317	0	15,950
8	ALLOCATOR		SCW6	100.000%	1.947%	0.000%	98.053%
	B - EXPRESSED IN UNITS						
	C-CUSTOMERS, UNITS						
9	END OF YEAR CUSTOMERS	C10		1,382,814	10	8	1,382,796
10	ALLOCATOR		SC10	100.000%	0.001%	0.001%	99.999%
11	FERC SYSTEM CUSTOMERS	C11		18	10	8	0
12	ALLOCATOR		SC11	100.000%	55.556%	44.444%	0.000%
13	SECONDARY CUSTOMERS	C30		1,381,615	0	0	1,381,615
14	ALLOCATOR		SC30	100.000%	0.000%	0.000%	100.000%
	D-DEMANDS (KW)						
15	TRANSMISSION LEVEL DEMANDS	D10		6,309,554	136,618	26,363	6,144,573
16	ALLOCATOR		SD10	100.000%	2.197%	0.418%	97.385%
17	PRIMARY LEVEL DEMANDS	D20		7,375,540	0	36,358	7,339,182
18	ALLOCATOR		SD20	100.000%	0.000%	0.493%	99.507%
19	SECONDARY LEVEL DEMANDS	D30		6,180,499	0	0	6,180,499
20	ALLOCATOR		SD30	100.000%	0.000%	0.000%	100.000%
	E-DIRECT ASSIGNMENT						
21	100% TO PENNA JURISDICTION	K401		1	0	0	1
22	ALLOCATOR		SK401	100.000%	0.000%	0.000%	100.000%
23	100% TO TRANSMISSION	K401T		1	1	0	0
24	ALLOCATOR		SK401T	100.000%	100.000%	0.000%	0.000%
	OTHER						
25	TAXABLE INCOME - FEDERAL			146,491	57,741	(262)	89,012
26	ALLOCATOR		FIT	100.000%	39.416%	-0.179%	60.762%
27	TAXES		TTX	140,025	40,483	(107)	99,649
28	ALLOCATOR			100.000%	28.911%	-0.076%	71.165%

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROGRAM GENERATED ALLOCATORS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	PROGRAM GENERATED ALLOCATORS							
1	TOTAL NET ELECTRIC PLANT			P01	3,025,226	639,045	1,493	2,384,689
2	ALLOCATOR			SP01	100.000%	21.124%	0.049%	78.827%
3	TOTAL ELECTRIC PLANT IN SVC			P00	4,977,485	1,125,932	2,621	3,848,933
4	ALLOCATOR			SP00	100.000%	22.620%	0.053%	77.327%
5	TOTAL TRANS/DIST PLANT			AT2	4,524,085	1,078,692	2,418	3,442,976
6	ALLOCATOR			SAT2	100.000%	23.843%	0.053%	76.103%
	WORKING CAPITAL ALLOCATOR							
	O&M LESS UNCOLLECTIBLE ACCOUNTS							
7	TOTAL APPLICABLE EXPENSE			WCAP	555,790	239,545	190	316,055
8	ALLOCATOR			SWCAP	100.000%	43.100%	0.034%	56.866%
9	WORKING CAPITAL REQUIRED		SWCAP	REQD	16,293	7,022	6	9,265
10	ALLOCATOR			SREQD	100.000%	43.100%	0.034%	56.866%
11	TOTAL RATE BASE EXCL INT & DIV			RBX	2,674,887	644,127	1,221	2,029,539
12	ALLOCATOR			SRBX	100.000%	24.081%	0.046%	75.874%
13	NET ORIGINAL COST RATE BASE			NOP	2,607,097	625,891	1,190	1,980,016
14	ALLOCATOR			SNOP	100.000%	24.007%	0.046%	75.947%
15	BASE FOR GROSS RECEIPTS TAX			RRBG	849,559	208,945	0	640,614
16	ALLOCATOR			SRRBG	100.000%	24.595%	0.000%	75.405%

* DIRECT ASIGNMENT

PPL ELECTRIC UTILITIES CORPORATION
JURISDICTIONAL COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROGRAM GENERATED ALLOCATORS
$1,000

		Input	Alloc	Output	Total Electric Department	FERC Jurisdiction Transmission	FERC Jurisdiction Resale Primary*	PUC Jurisdiction Distribution - Primary/Secondary
	PROGRAM GENERATED ALLOCATORS							
	DEPRECIATION AND AMORTIZATION EXPENSE							
1	TOTAL DEPRECIATION EXPENSE			ED00	132,060	22,931	62	109,067
2	ALLOCATOR			SED00	100.000%	17.364%	0.047%	82.589%
3	DISTRIBUTION DEPRECIATION EXPENSE			ED30	88,540	7	51	88,482
4	ALLOCATOR			SED30	100.000%	0.008%	0.058%	99.934%
5	GENERAL & INTANGIBLE DEPREC EXPENSE			ED88	22,991	2,395	10	20,585
6	ALLOCATOR			SED88	100.000%	10.419%	0.045%	89.536%
7	TOTAL DISTRIBUTION PLANT			P30	3,445,507	114	2,418	3,442,976
8	ALLOCATOR			SP30	100.000%	0.003%	0.070%	99.927%
9	PRIMARY SUBSTATIONS PLANT			P28	276,783	0	1,694	275,089
10	ALLOCATOR			SP28	100.000%	0.000%	0.612%	99.388%
11	SECONDARY SUBSTATIONS PLANT			P29	4,099	0	0	4,099
12	ALLOCATOR			SP29	100.000%	0.000%	0.000%	100.000%
13	PRIMARY OHL PLANT			P32	431,659	0	501	431,158
14	ALLOCATOR			SP32	100.000%	0.000%	0.116%	99.884%
15	SECONDARY OHL DEMAND COMP			P33D	403,576	0	0	403,576
16	ALLOCATOR			SP33D	100.000%	0.000%	0.000%	100.000%
17	SECONDARY OHL CUSTOMER COMP			P33C	524,906	0	0	524,906
18	ALLOCATOR			SP33C	100.000%	0.000%	0.000%	100.000%
19	STREET LIGHTING OHL PLANT			P34	57,261	0	0	57,261
20	ALLOCATOR			SP34	100.000%	0.000%	0.000%	100.000%
21	PRIMARY UGL PLANT			P36	86,315	0	162	86,153
22	ALLOCATOR			SP36	100.000%	0.000%	0.188%	99.812%
23	SECONDARY UGL DEMAND COMP			P37D	135,350	0	0	135,350
24	ALLOCATOR			SP37D	100.000%	0.000%	0.000%	100.000%
25	SECONDARY UGL CUSTOMER COMP			P37C	283,689	0	0	283,689
26	ALLOCATOR			SP37C	100.000%	0.000%	0.000%	100.000%
27	LINE TRANSFORMERS DEMAND COMP			P38D	170,586	0	0	170,586
28	ALLOCATOR			SP38D	100.000%	0.000%	0.000%	100.000%
29	LINE TRANSFORMERS CUSTOMER COMP			P38C	190,968	0	0	190,968
30	ALLOCATOR			SP38C	100.000%	0.000%	0.000%	100.000%
31	SERVICES DEMAND COMPONENT			P39D	122,079	0	0	122,079
32	ALLOCATOR			SP39D	100.000%	0.000%	0.000%	100.000%
33	SERVICES CUSTOMER COMPONENT			P39C	403,749	0	0	403,749
34	ALLOCATOR			SP39C	100.000%	0.000%	0.000%	100.000%
35	METER PLANT			P43	257,749	114	60	257,575
36	ALLOCATOR			SP43	100.000%	0.044%	0.023%	99.932%
37	AREA LIGHTING FIXTURES			P46	6,292	0	0	6,292
38	ALLOCATOR			SP46	100.000%	0.000%	0.000%	100.000%
39	STREET LIGHTING PLANT			P47	87,979	0	0	87,979
40	ALLOCATOR			SP47	100.000%	0.000%	0.000%	100.000%
	DIRECT ASSIGNMENT							

SECTION III

PART II

ALLOCATION TO PENNSYLVANIA RETAIL SERVICE CUSTOMERS

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	ELECTRIC PLANT IN SERVICE											
1	TRANSMISSION FUNCTION	Q20	RD10	P20	0	0	0	0	0	0	0	0
	DISTRIBUTION PLANT											
	SUBSTATIONS											
2	PRIMARY	Q28	RD20	P28	275,089	129,748	6,946	19,573	69,952	41,291	2,137	0
3	SECONDARY	Q29	RD30	P29	4,099	2,296	123	346	1,238	0	0	0
4	DIRECTLY ASSIGNED SUBS	DAS	RK407	DAS	2,467	0	0	0	0	0	0	0
5	TOTAL SUBSTATIONS			PSS	281,655	132,045	7,069	19,919	71,190	41,291	2,137	0
	OVERHEAD LINES											
6	PRIMARY	Q32	RD20	P32	431,158	203,360	10,887	30,677	109,639	64,717	3,350	0
	SECONDARY											
7	DEMAND COMPONENT	Q33D	RD30	P33D	403,576	226,035	12,099	34,098	121,868	0	0	0
8	CUSTOMER COMPONENT	Q33C	RC30	P33C	524,906	453,598	5,380	55,546	8,556	0	0	0
9	STREET LIGHTING	Q34	RK405	P34	57,261	0	0	0	0	0	0	0
10	TOTAL OVERHEAD LINES			POL	1,416,901	882,991	28,366	120,321	240,063	64,717	3,350	0
	UNDERGROUND LINES											
11	PRIMARY	Q36	RD20	P36	86,153	40,635	2,175	6,130	21,908	12,932	669	0
	SECONDARY											
12	DEMAND COMPONENT	Q37D	RD30	P37D	135,350	75,807	4,058	11,436	40,872	0	0	0
13	CUSTOMER COMPONENT	Q37C	RC30	P37C	283,689	245,150	2,908	30,020	4,624	0	0	0
14	TOTAL UNDERGROUND LINES			PUG	505,192	361,592	9,141	47,586	67,404	12,932	669	0
	LINE TRANSFORMERS											
15	DEMAND COMPONENT	Q38D	RD30	P38D	170,586	95,542	5,114	14,413	51,512	0	0	0
16	CUSTOMER COMPONENT	Q38C	RCW8	P38C	190,968	158,616	1,829	23,623	6,063	0	0	0
17	TOTAL LINE TRANSFORMERS			PLT	361,554	254,158	6,943	38,036	57,575	0	0	0
	SERVICES											
18	DEMAND COMPONENT	Q39D	RD30K	P39D	122,079	68,691	3,677	10,363	37,035	0	0	0
19	CUSTOMER COMPONENT	Q39C	RCW9	P39C	403,749	341,039	3,928	47,311	10,243	0	0	0
20	TOTAL SERVICES			PSV	525,828	409,730	7,605	57,674	47,278	0	0	0
21	METERS	Q43	RCW1	P43	257,575	176,390	6,115	24,495	31,244	7,230	255	4,894
22	AREA LIGHTING FIXTURES	Q44	RK403	P44	6,292	0	0	0	0	0	0	0
23	STREET LIGHTING	Q46	RK405	P46	87,979	0	0	0	0	0	0	0
24	TOTAL DISTRIBUTION PLANT			P30	3,442,969	2,216,900	65,239	308,031	514,754	126,170	6,411	4,894
25	DEMAND COMPONENT			P30D	1,630,559	842,115	45,079	127,036	454,024	118,940	6,156	0
26	CUSTOMER COMPONENT			P30C	1,812,410	1,374,785	20,160	180,995	60,730	7,230	255	4,894
27	GENERAL PLANT	Q88	K939	P88	375,891	263,679	6,290	35,221	43,407	10,334	528	384
28	DEMAND COMPONENT		DK939	P88D	126,421	65,295	3,496	9,852	35,202	9,219	478	0
29	CUSTOMER COMPONENT		CK939	P88C	249,470	198,384	2,794	25,369	8,205	1,115	50	384
30	INTANGIBLE PLANT	Q95	K939	P95	30,066	21,091	503	2,817	3,472	826	42	31
31	DEMAND COMPONENT		DK939	P95D	10,112	5,223	280	788	2,816	737	38	0
32	CUSTOMER COMPONENT		CK939	P95C	19,954	15,868	223	2,029	656	89	4	31
33	TOTAL ELECTRIC PLANT IN SERVICE			P00	3,848,928	2,501,674	72,032	346,069	561,633	137,330	6,981	5,309
34	DEMAND COMPONENT			P00D	1,767,097	912,637	48,855	137,676	492,042	128,896	6,672	0
35	CUSTOMER COMPONENT			P00C	2,081,831	1,589,037	23,177	208,393	69,591	8,434	309	5,309

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	ELECTRIC PLANT IN SERVICE										
1	TRANSMISSION FUNCTION	Q20	RD10	P20	0	0	0	0	0	0	0
	DISTRIBUTION PLANT										
	SUBSTATIONS										
2	PRIMARY	Q28	RD20	P28	0	0	0	0	4,368	1,073	0
3	SECONDARY	Q29	RD30	P29	0	0	0	0	77	19	0
4	DIRECTLY ASSIGNED SUBS	DAS	RK407	DAS	0	0	2,467	0	0	0	0
5	TOTAL SUBSTATIONS			PSS	0	0	2,467	0	4,445	1,092	0
	OVERHEAD LINES										
6	PRIMARY	Q32	RD20	P32	0	0	0	0	6,847	1,682	0
	SECONDARY										
7	DEMAND COMPONENT	Q33D	RD30	P33D	0	0	0	0	7,607	1,869	0
8	CUSTOMER COMPONENT	Q33C	RC30	P33C	0	0	0	0	1,307	520	0
9	STREET LIGHTING	Q34	RK405	P34	0	0	0	0	0	57,261	0
10	TOTAL OVERHEAD LINES			POL	0	0	0	0	15,761	61,332	0
	UNDERGROUND LINES										
11	PRIMARY	Q36	RD20	P36	0	0	0	0	1,368	336	0
	SECONDARY										
12	DEMAND COMPONENT	Q37D	RD30	P37D	0	0	0	0	2,551	627	0
13	CUSTOMER COMPONENT	Q37C	RC30	P37C	0	0	0	0	706	281	0
14	TOTAL UNDERGROUND LINES			PUG	0	0	0	0	4,625	1,244	0
	LINE TRANSFORMERS										
15	DEMAND COMPONENT	Q38D	RD30	P38D	0	0	0	0	3,216	790	0
16	CUSTOMER COMPONENT	Q38C	RCW8	P38C	0	0	0	0	657	180	0
17	TOTAL LINE TRANSFORMERS			PLT	0	0	0	0	3,873	970	0
	SERVICES										
18	DEMAND COMPONENT	Q39D	RD30K	P39D	0	0	0	0	2,312	0	0
19	CUSTOMER COMPONENT	Q39C	RCW9	P39C	0	0	0	0	1,227	0	0
20	TOTAL SERVICES			PSV	0	0	0	0	3,539	0	0
21	METERS	Q43	RCW1	P43	1,308	474	80	304	4,636	0	149
22	AREA LIGHTING FIXTURES	Q44	RK403	P44	0	0	0	0	0	6,292	0
23	STREET LIGHTING	Q46	RK405	P46	0	0	0	0	0	87,979	0
24	TOTAL DISTRIBUTION PLANT			P30	1,308	474	2,547	304	36,879	158,909	149
25	DEMAND COMPONENT			P30D	0	0	2,467	0	28,346	6,396	0
26	CUSTOMER COMPONENT			P30C	1,308	474	80	304	8,533	152,513	149
27	GENERAL PLANT	Q88	K939	P88	102	35	205	25	3,226	12,442	12
28	DEMAND COMPONENT		DK939	P88D	0	0	190	0	2,198	492	0
29	CUSTOMER COMPONENT		CK939	P88C	102	35	15	25	1,028	11,950	12
30	INTANGIBLE PLANT	Q95	K939	P95	8	3	16	2	258	995	1
31	DEMAND COMPONENT		DK939	P95D	0	0	15	0	176	39	0
32	CUSTOMER COMPONENT		CK939	P95C	8	3	1	2	82	956	1
33	TOTAL ELECTRIC PLANT IN SERVICE			P00	1,418	512	2,768	331	40,363	172,346	162
34	DEMAND COMPONENT			P00D	0	0	2,672	0	30,720	6,927	0
35	CUSTOMER COMPONENT			P00C	1,418	512	96	331	9,643	165,419	162

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DEPRECIATION RESERVE											
1	TRANSMISSION FUNCTION	H20	RD10	A20	0	0	0	0	0	0	0	0
	DISTRIBUTION PLANT											
	SUBSTATIONS											
2	PRIMARY	H28	RD20	A28	103,399	48,769	2,611	7,357	26,293	15,520	803	0
3	SECONDARY	H29	RD30	A29	1,579	884	47	133	477	0	0	0
4	DIRECTLY ASSIGNED SUBS	DAS	RK407	DAS	1,585	0	0	0	0	0	0	0
5	TOTAL SUBSTATIONS			AST	106,563	49,655	2,658	7,490	26,770	15,520	803	0
	OVERHEAD LINES											
6	PRIMARY	H32	RD20	A32	151,046	71,242	3,814	10,747	38,409	22,672	1,174	0
	SECONDARY											
7	DEMAND COMPONENT	H33D	RD30	A33D	144,956	81,187	4,346	12,247	43,772	0	0	0
8	CUSTOMER COMPONENT	H33C	RC30	A33C	184,167	159,148	1,888	19,489	3,002	0	0	0
9	STREET LIGHTING	H34	RK405	A34	18,132	0	0	0	0	0	0	0
10	TOTAL OVERHEAD LINES			AOL	498,301	311,577	10,048	42,483	85,183	22,672	1,174	0
	UNDERGROUND LINES											
11	PRIMARY	H36	RD20	A36	26,443	12,472	668	1,881	6,724	3,969	205	0
	SECONDARY											
12	DEMAND COMPONENT	H37D	RD30	A37D	41,537	23,264	1,245	3,509	12,543	0	0	0
13	CUSTOMER COMPONENT	H37C	RC30	A37C	87,059	75,232	892	9,213	1,419	0	0	0
14	TOTAL UNDERGROUND LINES			AUG	155,039	110,970	2,805	14,603	20,686	3,969	205	0
	LINE TRANSFORMERS											
15	DEMAND COMPONENT	H38D	RD30	A38D	71,089	39,816	2,131	6,006	21,467	0	0	0
16	CUSTOMER COMPONENT	H38C	RCW8	A38C	79,584	66,102	762	9,845	2,527	0	0	0
17	TOTAL LINE TRANSFORMERS			ALT	150,673	105,918	2,893	15,851	23,994	0	0	0
	SERVICES											
18	DEMAND COMPONENT	H39D	RD30K	A39D	62,009	34,891	1,868	5,264	18,812	0	0	0
19	CUSTOMER COMPONENT	H39C	RCW9	A39C	205,082	173,229	1,995	24,032	5,203	0	0	0
20	TOTAL SERVICES			ASV	267,091	208,120	3,863	29,296	24,015	0	0	0
21	METERS	H43	RCW1	A43	84,664	57,979	2,010	8,052	10,270	2,377	84	1,609
22	AREA LIGHTING FIXTURES	H44	RK403	A44	3,571	0	0	0	0	0	0	0
23	STREET LIGHTING	H46	RK405	A46	49,334	0	0	0	0	0	0	0
24	TOTAL DISTRIBUTION PLANT			A30	1,315,236	844,218	24,277	117,775	190,918	44,538	2,266	1,609
25	DEMAND COMPONENT			A30D	603,643	312,530	16,730	47,144	168,497	42,161	2,182	0
26	CUSTOMER COMPONENT			A30C	711,593	531,688	7,547	70,631	22,421	2,377	84	1,609
27	GENERAL PLANT	H88	K939	A88	129,818	91,064	2,172	12,164	14,991	3,569	182	133
28	DEMAND COMPONENT		DK939	A88D	43,661	22,550	1,207	3,403	12,157	3,184	165	0
29	CUSTOMER COMPONENT		CK939	A88C	86,157	68,514	965	8,761	2,834	385	17	133
30	INTANGIBLE PLANT	H95	K939	A95	19,190	13,461	321	1,798	2,216	528	27	20
31	DEMAND COMPONENT		DK939	P95D	6,454	3,333	178	503	1,797	471	24	0
32	CUSTOMER COMPONENT		CK939	P95C	12,736	10,128	143	1,295	419	57	3	20
	TOTAL DEPRECIATION AND											
33	AMORTIZATION RESERVE			A00	1,464,244	948,744	26,770	131,737	208,125	48,635	2,475	1,762
34	DEMAND COMPONENT			A00D	653,758	338,415	18,115	51,050	182,451	45,816	2,371	0
35	CUSTOMER COMPONENT			A00C	810,486	610,329	8,655	80,687	25,674	2,819	104	1,762

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DEPRECIATION RESERVE										
1	TRANSMISSION FUNCTION	H20	RD10	A20	0	0	0	0	0	0	0
	DISTRIBUTION PLANT										
	SUBSTATIONS										
2	PRIMARY	H28	RD20	A28	0	0	0	0	1,642	403	0
3	SECONDARY	H29	RD30	A29	0	0	0	0	30	7	0
4	DIRECTLY ASSIGNED SUBS	DAS	RK407	DAS	0	0	1,585	0	0	0	0
5	TOTAL SUBSTATIONS			AST	0	0	1,585	0	1,672	410	0
	OVERHEAD LINES										
6	PRIMARY	H32	RD20	A32	0	0	0	0	2,399	589	0
	SECONDARY										
7	DEMAND COMPONENT	H33D	RD30	A33D	0	0	0	0	2,732	671	0
8	CUSTOMER COMPONENT	H33C	RC30	A33C	0	0	0	0	459	182	0
9	STREET LIGHTING	H34	RK405	A34	0	0	0	0	0	18,132	0
10	TOTAL OVERHEAD LINES			AOL	0	0	0	0	5,590	19,574	0
	UNDERGROUND LINES										
11	PRIMARY	H36	RD20	A36	0	0	0	0	420	103	0
	SECONDARY										
12	DEMAND COMPONENT	H37D	RD30	A37D	0	0	0	0	783	192	0
13	CUSTOMER COMPONENT	H37C	RC30	A37C	0	0	0	0	217	86	0
14	TOTAL UNDERGROUND LINES			AUG	0	0	0	0	1,420	381	0
	LINE TRANSFORMERS										
15	DEMAND COMPONENT	H38D	RD30	A38D	0	0	0	0	1,340	329	0
16	CUSTOMER COMPONENT	H38C	RCW8	A38C	0	0	0	0	274	75	0
17	TOTAL LINE TRANSFORMERS			ALT	0	0	0	0	1,614	404	0
	SERVICES										
18	DEMAND COMPONENT	H39D	RD30K	A39D	0	0	0	0	1,174	0	0
19	CUSTOMER COMPONENT	H39C	RCW9	A39C	0	0	0	0	623	0	0
20	TOTAL SERVICES			ASV	0	0	0	0	1,797	0	0
21	METERS	H43	RCW1	A43	430	156	26	100	1,524	0	49
22	AREA LIGHTING FIXTURES	H44	RK403	A44	0	0	0	0	0	3,571	0
23	STREET LIGHTING	H46	RK405	A46	0	0	0	0	0	49,334	0
24	TOTAL DISTRIBUTION PLANT			A30	430	156	1,611	100	13,617	73,674	49
25	DEMAND COMPONENT			A30D	0	0	1,585	0	10,520	2,294	0
26	CUSTOMER COMPONENT			A30C	430	156	26	100	3,097	71,380	49
27	GENERAL PLANT	H88	K939	A88	35	12	70	9	1,114	4,297	4
28	DEMAND COMPONENT		DK939	A88D	0	0	65	0	759	170	0
29	CUSTOMER COMPONENT		CK939	A88C	35	12	5	9	355	4,127	4
30	INTANGIBLE PLANT	H95	K939	A95	5	2	11	1	164	635	1
31	DEMAND COMPONENT		DK939	P95D	0	0	10	0	112	25	0
32	CUSTOMER COMPONENT		CK939	P95C	5	2	1	1	52	610	1
	TOTAL DEPRECIATION AND										
33	AMORTIZATION RESERVE			A00	470	170	1,692	110	14,895	78,606	54
34	DEMAND COMPONENT			A00D	0	0	1,660	0	11,391	2,489	0
35	CUSTOMER COMPONENT			A00C	470	170	32	110	3,504	76,117	54

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	SUBTRACTIVE ADJUSTMENTS											
	ACCUM DEFERRED INCOME TAXES (CONT'D)											
	CONTRIBUTIONS IN AID OF CONSTRUCTION											
1	TRANSMISSION	TC45E	RD10	DF45E	0	0	0	0	0	0	0	0
2	DISTRIBUTION	TC45F	P30	DF45F	(65,361)	(42,086)	(1,239)	(5,848)	(9,772)	(2,395)	(122)	(93)
3	DEMAND COMPONENT		DP30	DF45FD	(30,954)	(15,987)	(856)	(2,412)	(8,619)	(2,258)	(117)	0
4	CUSTOMER COMPONENT		CP30	DF45FC	(34,407)	(26,099)	(383)	(3,436)	(1,153)	(137)	(5)	(93)
	ACRS AND MACRS											
5	TRANSMISSION PROPERTY	TC46E	RD10	DF46E	0	0	0	0	0	0	0	0
6	DISTRIBUTION PROPERTY	TC46F	P30	DF46F	377,265	242,920	7,148	33,752	56,405	13,824	703	536
7	DEMAND COMPONENT		DP30	DF46FD	178,669	92,275	4,940	13,920	49,750	13,032	675	0
8	CUSTOMER COMPONENT		CP30	DF46FC	198,596	150,645	2,208	19,832	6,655	792	28	536
9	GENERAL PROPERTY	TC46G	K939	DF46G	31,640	22,195	529	2,964	3,654	870	44	32
10	DEMAND COMPONENT		DK939	DF46GD	10,641	5,496	294	829	2,963	776	40	0
11	CUSTOMER COMPONENT		CK939	DF46GC	20,999	16,699	235	2,135	691	94	4	32
12	TOTAL ACRS AND MACRS			DF46T	408,906	265,116	7,677	36,716	60,059	14,694	747	568
13	DEMAND COMPONENT			DF46TD	189,310	97,771	5,234	14,749	52,713	13,808	715	0
14	CUSTOMER COMPONENT			DF46TC	219,596	167,345	2,443	21,967	7,346	886	32	568
	SECTION 263A & REPAIR ALLOWANCE											
15	TRANSMISSION PROPERTY				0	0	0	0	0	0	0	0
16	DISTRIBUTION PROPERTY		P30		40,658	26,179	770	3,637	6,079	1,489	76	58
17	DEMAND COMPONENT		DP30		19,255	9,944	532	1,500	5,362	1,404	73	0
18	CUSTOMER COMPONENT		CP30		21,403	16,235	238	2,137	717	85	3	58
19	GENERAL PROPERTY		K939		6,253	4,386	104	586	722	172	9	6
20	DEMAND COMPONENT		DK939		2,103	1,086	58	164	586	153	8	0
21	CUSTOMER COMPONENT		CK939		4,150	3,300	46	422	136	19	1	6
22	TOTAL SECT 263A & REPAIR ALLOW				46,911	30,565	874	4,223	6,801	1,661	85	64
23	DEMAND COMPONENT				21,358	11,030	590	1,664	5,948	1,557	81	0
24	CUSTOMER COMPONENT				25,553	19,535	284	2,559	853	104	4	64
25	**TOTAL ACCUM DEFERRED INC TAX**			DFT	390,456	253,600	7,312	35,091	57,088	13,960	710	539
26	DEMAND COMPONENT			DFTD	179,714	92,819	4,968	14,001	50,042	13,107	679	0
27	CUSTOMER COMPONENT			DFTC	210,742	160,781	2,344	21,090	7,046	853	31	539
28	CUSTOMER ADVANCES	AC	RCW7	CA00	269	0	0	233	36	0	0	0
29	CUSTOMER DEPOSITS	AD	RCW6	DA00	15,950	7,253	39	3,524	4,240	667	40	0
30	**TOTAL SUBTRACTIVE ADJUSTMENTS**			PLDED	406,676	260,854	7,351	38,848	61,364	14,627	750	539
31	DEMAND COMPONENT			PLDEDD	179,714	92,819	4,968	14,001	50,042	13,107	679	0
32	CUSTOMER COMPONENT			PLDEDC	226,962	168,035	2,383	24,847	11,322	1,520	71	539

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	SUBTRACTIVE ADJUSTMENTS										
	ACCUM DEFERRED INCOME TAXES (CONT'D)										
	CONTRIBUTIONS IN AID OF CONSTRUCTION										
1	TRANSMISSION	TC45E	RD10	DF45E	0	0	0	0	0	0	0
2	DISTRIBUTION	TC45F	P30	DF45F	(25)	(9)	(48)	(6)	(700)	(3,016)	(3)
3	DEMAND COMPONENT		DP30	DF45FD	0	0	(47)	0	(538)	(121)	0
4	CUSTOMER COMPONENT		CP30	DF45FC	(25)	(9)	(1)	(6)	(162)	(2,895)	(3)
	ACRS AND MACRS										
5	TRANSMISSION PROPERTY	TC46E	RD10	DF46E	0	0	0	0	0	0	0
6	DISTRIBUTION PROPERTY	TC46F	P30	DF46F	143	52	278	34	4,040	17,412	16
7	DEMAND COMPONENT		DP30	DF46FD	0	0	270	0	3,105	700	0
8	CUSTOMER COMPONENT		CP30	DF46FC	143	52	8	34	935	16,712	16
9	GENERAL PROPERTY	TC46G	K939	DF46G	9	3	17	2	272	1,047	1
10	DEMAND COMPONENT		DK939	DF46GD	0	0	16	0	185	41	0
11	CUSTOMER COMPONENT		CK939	DF46GC	9	3	1	2	87	1,006	1
12	TOTAL ACRS AND MACRS			DF46T	152	55	295	36	4,312	18,459	17
13	DEMAND COMPONENT			DF46TD	0	0	286	0	3,290	741	0
14	CUSTOMER COMPONENT			DF46TC	152	55	9	36	1,022	17,718	17
	SECTION 263A & REPAIR ALLOWANCE										
15	TRANSMISSION PROPERTY				0	0	0	0	0	0	0
16	DISTRIBUTION PROPERTY		P30		15	6	30	4	436	1,876	2
17	DEMAND COMPONENT		DP30		0	0	29	0	335	75	0
18	CUSTOMER COMPONENT		CP30		15	6	1	4	101	1,801	2
19	GENERAL PROPERTY		K939		2	1	3	0	54	207	0
20	DEMAND COMPONENT		DK939		0	0	3	0	37	8	0
21	CUSTOMER COMPONENT		CK939		2	1	0	0	17	199	0
22	TOTAL SECT 263A & REPAIR ALLOW				17	7	33	4	490	2,083	2
23	DEMAND COMPONENT				0	0	32	0	372	83	0
24	CUSTOMER COMPONENT				17	7	1	4	118	2,000	2
25	**TOTAL ACCUM DEFERRED INC TAX**			DFT	144	53	280	34	4,102	17,526	16
26	DEMAND COMPONENT			DFTD	0	0	271	0	3,124	703	0
27	CUSTOMER COMPONENT			DFTC	144	53	9	34	978	16,823	16
28	CUSTOMER ADVANCES	AC	RCW7	CA00	0	0	0	0	0	0	0
29	CUSTOMER DEPOSITS	AD	RCW6	DA00	0	0	0	0	168	19	0
30	**TOTAL SUBTRACTIVE ADJUSTMENTS**			PLDED	144	53	280	34	4,270	17,545	16
31	DEMAND COMPONENT			PLDEDD	0	0	271	0	3,124	703	0
32	CUSTOMER COMPONENT			PLDEDC	144	53	9	34	1,146	16,842	16

PPL ELECTRIC UTILITES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	ADDITIVE ADJUSTMENTS											
	PLANT HELD FOR FUTURE USE											
1	TRANSMISSION PLANT	QF20	RD10	PF20	0	0	0	0	0	0	0	0
2	DISTRIBUTION PLANT	QF30	P30	PF30	2,002	1,290	38	179	299	73	4	3
3	DEMAND COMPONENT		DP30	PF30D	948	490	26	74	264	69	4	0
4	CUSTOMER COMPONENT		CP30	PF30C	1,054	800	12	105	35	4	0	3
5	**TOTAL ADDITIVE ADJUSTMENTS**			PLADD	2,002	1,290	38	179	299	73	4	3
6	DEMAND COMPONENT			PLADDD	948	490	26	74	264	69	4	0
7	CUSTOMER COMPONENT			PLADDC	1,054	800	12	105	35	4	0	3
8	**NET ORIG COST RATE BASE**			NOP	1,980,010	1,293,366	37,949	175,663	292,443	74,141	3,760	3,011
9	DEMAND COMPONENT			NOPD	934,573	481,893	25,798	72,699	259,813	70,042	3,626	0
10	CUSTOMER COMPONENT			NOPC	1,045,437	811,473	12,151	102,964	32,630	4,099	134	3,011
	WORKING CAPITAL											
	PLANT MATERIALS & SUPPLIES											
11	TRANSMISSION/DISTRIBUTION	M14	AT2	W14	24,250	15,615	460	2,170	3,626	889	45	34
12	DEMAND COMPONENT		DAT2	W14D	11,485	5,932	318	895	3,198	838	43	0
13	CUSTOMER COMPONENT		CAT2	W14C	12,765	9,683	142	1,275	428	51	2	34
14	TOTAL PLANT MAT & SUPPLIES			W20T	24,250	15,615	460	2,170	3,626	889	45	34
15	DEMAND COMPONENT			WCDD	11,485	5,932	318	895	3,198	838	43	0
16	CUSTOMER COMPONENT			WCDC	12,765	9,683	142	1,275	428	51	2	34
	WORKING CASH											
17	WORKING CASH O & M	CASH	WCAP	WCA	9,219	6,439	154	763	1,085	285	14	12
18	DEMAND COMPONENT		DWCAP	WCAD	3,210	1,647	88	248	888	255	13	0
19	CUSTOMER COMPONENT		CWCAP	WCAC	6,009	4,792	66	515	197	30	1	12

PPL ELECTRIC UTILITES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	ADDITIVE ADJUSTMENTS										
	PLANT HELD FOR FUTURE USE										
1	TRANSMISSION PLANT	QF20	RD10	PF20	0	0	0	0	0	0	0
2	DISTRIBUTION PLANT	QF30	P30	PF30	1	0	1	0	21	93	0
3	DEMAND COMPONENT		DP30	PF30D	0	0	1	0	16	4	0
4	CUSTOMER COMPONENT		CP30	PF30C	1	0	0	0	5	89	0
5	**TOTAL ADDITIVE ADJUSTMENTS**			PLADD	1	0	1	0	21	93	0
6	DEMAND COMPONENT			PLADDD	0	0	1	0	16	4	0
7	CUSTOMER COMPONENT			PLADDC	1	0	0	0	5	89	0
8	**NET ORIG COST RATE BASE**			NOP	805	289	797	187	21,219	76,288	92
9	DEMAND COMPONENT			NOPD	0	0	742	0	16,221	3,739	0
10	CUSTOMER COMPONENT			NOPC	805	289	55	187	4,998	72,549	92
	WORKING CAPITAL										
	PLANT MATERIALS & SUPPLIES										
11	TRANSMISSION/DISTRIBUTION	M14	AT2	W14	9	3	18	2	260	1,119	1
12	DEMAND COMPONENT		DAT2	W14D	0	0	17	0	200	45	0
13	CUSTOMER COMPONENT		CAT2	W14C	9	3	1	2	60	1,074	1
14	TOTAL PLANT MAT & SUPPLIES			W20T	9	3	18	2	260	1,119	1
15	DEMAND COMPONENT			WCDD	0	0	17	0	200	45	0
16	CUSTOMER COMPONENT			WCDC	9	3	1	2	60	1,074	1
	WORKING CASH										
17	WORKING CASH O & M	CASH	WCAP	WCA	3	1	2	1	79	379	0
18	DEMAND COMPONENT		DWCAP	WCAD	0	0	2	0	55	13	0
19	CUSTOMER COMPONENT		CWCAP	WCAC	3	1	0	1	24	366	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	WORKING CAPITAL CONTINUED											
	WORKING CASH CONTINUED											
	PREPAYMENTS											
1	PROPERTY INSURANCE	MCPD	AT2	WCPID	15	10	0	2	2	1	0	0
2	DEMAND COMPONENT		DAT2	WCPIDD	7	4	0	1	2	1	0	0
3	CUSTOMER COMPONENT		CAT2	WCPIDC	8	6	0	1	0	0	0	0
4	POSTAGE	MCPO	K939	WCPO	31	22	0	3	4	1	0	0
5	DEMAND COMPONENT		DK939	WCPOD	10	5	0	1	3	1	0	0
6	CUSTOMER COMPONENT		CK939	WCPOC	21	17	0	2	1	0	0	0
7	PPUC ANNUAL ASSESS	MCPRE	P01	WCPRE	2,415	1,653	40	224	281	68	3	4
8	DEMAND COMPONENT		DP01	WCPRED	812	419	22	63	226	61	3	0
9	CUSTOMER COMPONENT		CP01	WCPREC	1,603	1,234	18	161	55	7	0	4
10	TOTAL PREPAYMENTS			WCPT	2,461	1,685	40	228	287	70	3	4
11	DEMAND COMPONENT			WCPTD	829	428	22	65	231	63	3	0
12	CUSTOMER COMPONENT			WCPTC	1,632	1,257	18	164	56	7	0	4
13	ACCRUED TAXES	MCT	NOP	WCT	13,594	8,880	260	1,206	2,008	509	26	21
14	DEMAND COMPONENT		TNOPD	WCTD	6,416	3,308	177	499	1,784	481	25	0
15	CUSTOMER COMPONENT		TNOPC	WCTC	7,178	5,572	83	707	224	28	1	21
16	SUBTOTAL WORKING CAPITAL			SUBWC	49,524	32,623	914	4,368	7,006	1,753	88	71
17	DEMAND COMPONENT			SUBWCD	21,940	11,315	605	1,707	6,101	1,637	84	0
18	CUSTOMER COMPONENT			SUBWCC	27,584	21,308	309	2,661	905	116	4	71
	SEMI ANNUAL INTEREST & PREFERRED DIVIDEND PAYMENTS											
19	SEMI ANNUAL INTEREST	AES	TRBX	EAS	(6,579)	(4,298)	(126)	(583)	(971)	(246)	(12)	(10)
20	DEMAND COMPONENT		DRBX	EASD	(3,101)	(1,599)	(86)	(241)	(862)	(232)	(12)	0
21	CUSTOMER COMPONENT		CRBX	EASC	(3,478)	(2,699)	(40)	(342)	(109)	(14)	0	(10)
22	PREFERRED DIVIDEND PAYMENT	AFS	TRBX	FAS	8	5	0	0	1	0	0	0
23	DEMAND COMPONENT		DRBX	FASD	4	2	0	0	1	0	0	0
24	CUSTOMER COMPONENT		CRBX	FASC	4	3	0	0	0	0	0	0
25	TOT INTEREST & PREF DIV PAYM'S			EAFAT	(6,571)	(4,293)	(126)	(583)	(970)	(246)	(12)	(10)
26	**TOTAL WORKING CASH**			CWC	18,703	12,717	328	1,615	2,410	618	31	27
27	DEMAND COMPONENT			CWCD	7,358	3,786	201	571	2,042	567	29	0
28	CUSTOMER COMPONENT			CWCC	11,345	8,931	127	1,044	368	51	2	27
29	**TOTAL WORKING CASH**				18,703	12,717	328	1,615	2,410	618	31	27
30	DEMAND COMPONENT				7,358	3,786	201	571	2,042	567	29	0
31	CUSTOMER COMPONENT				11,345	8,931	127	1,044	368	51	2	27
32	**TOTAL WORKING CAPITAL**			W00	42,953	28,332	788	3,785	6,036	1,507	76	61
33	DEMAND COMPONENT			W00D	18,843	9,718	519	1,466	5,240	1,405	72	0
34	CUSTOMER COMPONENT			W00C	24,110	18,614	269	2,319	796	102	4	61
35	**TOTAL RATE BASE**			RBX	2,022,963	1,321,698	38,737	179,448	298,479	75,648	3,836	3,072
36	DEMAND COMPONENT			RBXD	953,416	491,611	26,317	74,165	265,053	71,447	3,698	0
37	CUSTOMER COMPONENT			RBXC	1,069,547	830,087	12,420	105,283	33,426	4,201	138	3,072

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE ITEMS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	WORKING CAPITAL CONTINUED										
	WORKING CASH CONTINUED										
	PREPAYMENTS										
1	PROPERTY INSURANCE	MCPD	AT2	WCPID	0	0	0	0	0	1	0
2	DEMAND COMPONENT		DAT2	WCPIDD	0	0	0	0	0	0	0
3	CUSTOMER COMPONENT		CAT2	WCPIDC	0	0	0	0	0	1	0
4	POSTAGE	MCPO	K939	WCPO	0	0	0	0	0	1	0
5	DEMAND COMPONENT		DK939	WCPOD	0	0	0	0	0	0	0
6	CUSTOMER COMPONENT		CK939	WCPOC	0	0	0	0	0	1	0
7	PPUC ANNUAL ASSESS	MCPRE	P01	WCPRE	1	0	1	0	22	116	0
8	DEMAND COMPONENT		DP01	WCPRED	0	0	1	0	14	3	0
9	CUSTOMER COMPONENT		CP01	WCPREC	1	0	0	0	8	113	0
10	TOTAL PREPAYMENTS			WCPT	1	0	1	0	22	118	0
11	DEMAND COMPONENT			WCPTD	0	0	1	0	14	3	0
12	CUSTOMER COMPONENT			WCPTC	1	0	0	0	8	115	0
13	ACCRUED TAXES	MCT	NOP	WCT	5	2	5	1	145	524	1
14	DEMAND COMPONENT		TNOPD	WCTD	0	0	5	0	111	26	0
15	CUSTOMER COMPONENT		TNOPC	WCTC	5	2	0	1	34	498	1
16	SUBTOTAL WORKING CAPITAL			SUBWC	18	6	26	4	506	2,140	2
17	DEMAND COMPONENT			SUBWCD	0	0	25	0	380	87	0
18	CUSTOMER COMPONENT			SUBWCC	18	6	1	4	126	2,053	2
	SEMI ANNUAL INTEREST & PREFERRED DIVIDEND PAYMENTS										
19	SEMI ANNUAL INTEREST	AES	TRBX	EAS	(3)	(1)	(2)	(1)	(71)	(254)	0
20	DEMAND COMPONENT		DRBX	EASD	0	0	(2)	0	(54)	(12)	0
21	CUSTOMER COMPONENT		CRBX	EASC	(3)	(1)	0	(1)	(17)	(242)	0
22	PREFERRED DIVIDEND PAYMENT	AFS	TRBX	FAS	0	0	0	0	0	0	0
23	DEMAND COMPONENT		DRBX	FASD	0	0	0	0	0	0	0
24	CUSTOMER COMPONENT		CRBX	FASC	0	0	0	0	0	0	0
25	TOT INTEREST & PREF DIV PAYM'S			EAFAT	(3)	(1)	(2)	(1)	(71)	(254)	0
26	**TOTAL WORKING CASH**			CWC	6	2	6	1	175	767	1
27	DEMAND COMPONENT			CWCD	0	0	6	0	126	30	0
28	CUSTOMER COMPONENT			CWCC	6	2	0	1	49	737	1
29	**TOTAL WORKING CASH**				6	2	6	1	175	767	1
30	DEMAND COMPONENT				0	0	6	0	126	30	0
31	CUSTOMER COMPONENT				6	2	0	1	49	737	1
32	**TOTAL WORKING CAPITAL**			W00	15	5	24	3	435	1,886	2
33	DEMAND COMPONENT			W00D	0	0	23	0	326	75	0
34	CUSTOMER COMPONENT			W00C	15	5	1	3	109	1,811	2
35	**TOTAL RATE BASE**			RBX	820	294	821	190	21,654	78,174	94
36	DEMAND COMPONENT			RBXD	0	0	765	0	16,547	3,814	0
37	CUSTOMER COMPONENT			RBXC	820	294	56	190	5,107	74,360	94

PPL ELECTIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE SUMMARY
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	RATE BASE									
	PLANT IN SERVICE									
1	TRANSMISSION	P20	0	0	0	0	0	0	0	0
2	DISTRIBUTION	P30	3,442,969	2,216,900	65,239	308,031	514,754	126,170	6,411	4,894
3	GENERAL & INTANGIBLE	P0T1	405,959	284,774	6,793	38,038	46,879	11,160	570	415
4	TOTAL-PLANT IN SERVICE	P00	3,848,928	2,501,674	72,032	346,069	561,633	137,330	6,981	5,309
	DEPRECIATION RESERVE									
5	TRANSMISSION	A20	0	0	0	0	0	0	0	0
6	DISTRIBUTION	A30	1,315,236	844,214	24,277	117,775	190,918	44,538	2,266	1,609
7	GENERAL PLANT	A88	129,818	91,066	2,172	12,164	14,991	3,569	182	133
8	INTANGIBLE PLANT	A95	19,190	13,461	321	1,798	2,216	528	27	20
9	TOTAL DEPRECIATION AND AMORTIZATION RESERVE	A00	1,464,244	948,744	26,770	131,737	208,125	48,635	2,475	1,762
10	**TOTAL NET PLANT IN SERVICE**	P01	2,384,684	1,552,930	45,262	214,332	353,508	88,695	4,506	3,547
11	SUBTRACTIVE ADJUSTMENTS	PLDED	406,676	260,854	7,351	38,848	61,364	14,627	750	539
12	ADDITIVE ADJUSTMENTS	PLADD	2,002	1,290	38	179	299	73	4	3
13	**TOTAL NET ORIG COST RATE BASE**	NOP	1,980,010	1,293,366	37,949	175,663	292,443	74,141	3,760	3,011
14	WORKING CAPITAL	W00	42,953	28,332	788	3,785	6,036	1,507	76	61
15	**TOTAL RATE BASE**	RBX	2,022,963	1,321,698	38,737	179,448	298,479	75,648	3,836	3,072

PPL ELECTIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE SUMMARY
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	RATE BASE								
	PLANT IN SERVICE								
1	TRANSMISSION	P20	0	0	0	0	0	0	0
2	DISTRIBUTION	P30	1,308	474	2,547	304	36,879	158,909	149
3	GENERAL & INTANGIBLE	P0T1	110	38	221	27	3,484	13,437	13
4	TOTAL-PLANT IN SERVICE	P00	1,418	512	2,768	331	40,363	172,346	162
	DEPRECIATION RESERVE								
5	TRANSMISSION	A20	0	0	0	0	0	0	0
6	DISTRIBUTION	A30	430	156	1,611	100	13,617	73,674	49
7	GENERAL PLANT	A88	35	12	70	9	1,114	4,297	4
8	INTANGIBLE PLANT	A95	5	2	11	1	164	635	1
9	TOTAL DEPRECIATION AND AMORTIZATION RESERVE	A00	470	170	1,692	110	14,895	78,606	54
10	**TOTAL NET PLANT IN SERVICE**	P01	948	342	1,076	221	25,468	93,740	108
11	SUBTRACTIVE ADJUSTMENTS	PLDED	144	53	280	34	4,270	17,545	16
12	ADDITIVE ADJUSTMENTS	PLADD	1	0	1	0	21	93	0
13	**TOTAL NET ORIG COST RATE BASE**	NOP	805	289	797	187	21,219	76,288	92
14	WORKING CAPITAL	W00	15	5	24	3	435	1,886	2
15	**TOTAL RATE BASE.**	RBX	820	294	821	190	21,654	78,174	94

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATION & MAINTENANCE EXPENSES											
1	**TRANSMISSION**	G20	RD10	EE20	0	0	0	0	0	0	0	0
	DISTRIBUTION											
	SUBSTATIONS											
2	PRIMARY	G28	RD20	EE28	9,803	4,624	248	697	2,493	1,471	76	0
3	SECONDARY	G29	RD30	EE29	144	81	4	12	43	0	0	0
4	TOTAL SUBSTATIONS			EESS	9,947	4,705	252	709	2,536	1,471	76	0
	OVERHEAD LINES											
5	PRIMARY	G32	RD20	EE32	20,327	9,587	513	1,446	5,169	3,051	158	0
	SECONDARY											
6	DEMAND COMPONENT	G33D	RD30	EE33D	18,995	10,639	569	1,605	5,736	0	0	0
7	CUSTOMER COMPONENT	G33C	RC30	EE33C	24,746	21,384	254	2,619	403	0	0	0
8	STREET LIGHTING	G34	RK405	EE34	2,718	0	0	0	0	0	0	0
9	TOTAL OVERHEAD LINES			EEOL	66,786	41,610	1,336	5,670	11,308	3,051	158	0
	UNDERGROUND LINES											
10	PRIMARY	G36	RD20	EE36	2,373	1,119	60	169	603	356	18	0
	SECONDARY											
11	DEMAND COMPONENT	G37D	RD30	EE37D	3,727	2,087	112	315	1,125	0	0	0
12	CUSTOMER COMPONENT	G37C	RC30	EE37C	7,813	6,752	80	827	127	0	0	0
13	TOTAL UNDERGROUND LINES			EEUG	13,913	9,958	252	1,311	1,855	356	18	0
	LINE TRANSFORMERS											
14	DEMAND COMPONENT	G38D	RD30	EE38D	1,045	585	31	88	316	0	0	0
15	CUSTOMER COMPONENT	G38C	RCW8	EE38C	1,170	972	11	145	37	0	0	0
16	TOTAL LINE TRANSFORMERS			EELT	2,215	1,557	42	233	353	0	0	0
	SERVICES											
17	DEMAND COMPONENT	G39D	RD30K	EE39D	1,063	598	32	90	322	0	0	0
18	CUSTOMER COMPONENT	G39C	RCW9	EE39C	3,518	2,972	34	412	89	0	0	0
19	TOTAL SERVICES			EESV	4,581	3,570	66	502	411	0	0	0
20	**MISC DISTRIBUTION EXPENSE & RENTS**	G42	P30	EE42	14,580	9,388	276	1,304	2,180	535	27	21
21	DEMAND COMPONENT		DP30	EE42D	6,905	3,566	191	538	1,923	504	26	0
22	CUSTOMER COMPONENT		CP30	EE42C	7,675	5,822	85	766	257	31	1	21
23	**METERS**	G43	RCW1	EE43	11,402	7,808	271	1,084	1,383	320	11	217
24	**STREET LIGHTING**	G46	RK405	EE46	4,766	0	0	0	0	0	0	0
25	***CUSTOMER INSTALLATIONS***	*G47*	*RCW9*	*EE47*	*6,753*	*5,704*	*66*	*791*	*171*	*0*	*0*	*0*
26	TOTAL DISTRIBUTION			EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
27	DEMAND COMPONENT			EE30D	64,382	32,890	1,760	4,960	17,730	5,382	278	0
28	CUSTOMER COMPONENT			EE30C	70,561	51,414	801	6,644	2,467	351	12	238

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATION & MAINTENANCE EXPENSES										
1	**TRANSMISSION**	G20	RD10	EE20	0	0	0	0	0	0	0
	DISTRIBUTION										
	SUBSTATIONS										
2	PRIMARY	G28	RD20	EE28	0	0	0	0	156	38	0
3	SECONDARY	G29	RD30	EE29	0	0	0	0	3	1	0
4	TOTAL SUBSTATIONS			EESS	0	0	0	0	159	39	0
	OVERHEAD LINES										
5	PRIMARY	G32	RD20	EE32	0	0	0	0	323	79	0
	SECONDARY										
6	DEMAND COMPONENT	G33D	RD30	EE33D	0	0	0	0	358	88	0
7	CUSTOMER COMPONENT	G33C	RC30	EE33C	0	0	0	0	62	24	0
8	STREET LIGHTING	G34	RK405	EE34	0	0	0	0	0	2,718	0
9	TOTAL OVERHEAD LINES			EEOL	0	0	0	0	743	2,909	0
	UNDERGROUND LINES										
10	PRIMARY	G36	RD20	EE36	0	0	0	0	38	9	0
	SECONDARY										
11	DEMAND COMPONENT	G37D	RD30	EE37D	0	0	0	0	70	17	0
12	CUSTOMER COMPONENT	G37C	RC30	EE37C	0	0	0	0	19	8	0
13	TOTAL UNDERGROUND LINES			EEUG	0	0	0	0	127	34	0
	LINE TRANSFORMERS										
14	DEMAND COMPONENT	G38D	RD30	EE38D	0	0	0	0	20	5	0
15	CUSTOMER COMPONENT	G38C	RCW8	EE38C	0	0	0	0	4	1	0
16	TOTAL LINE TRANSFORMERS			EELT	0	0	0	0	24	6	0
	SERVICES										
17	DEMAND COMPONENT	G39D	RD30K	EE39D	0	0	0	0	20	0	0
18	CUSTOMER COMPONENT	G39C	RCW9	EE39C	0	0	0	0	11	0	0
19	TOTAL SERVICES			EESV	0	0	0	0	31	0	0
20	**MISC DISTRIBUTION EXPENSE & RENTS**	G42	P30	EE42	6	2	10	1	156	673	1
21	DEMAND COMPONENT		DP30	EE42D	0	0	10	0	120	27	0
22	CUSTOMER COMPONENT		CP30	EE42C	6	2	0	1	36	646	1
23	**METERS**	G43	RCW1	EE43	58	21	4	13	205	0	7
24	***STREET LIGHTING***	G46	RK405	EE46	0	0	0	0	0	4,766	0
25	**CUSTOMER INSTALLATIONS**	G47	RCW9	EE47	0	0	0	0	21	0	0
26	TOTAL DISTRIBUTION			EE30	64	23	14	14	1,466	8,427	8
27	DEMAND COMPONENT			EE30D	0	0	10	0	1,108	264	0
28	CUSTOMER COMPONENT			EE30C	64	23	4	14	358	8,163	8

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATION & MAINTENANCE EXPENSES CONTINUED											
	CUSTOMER ACCOUNTS											
1	METER READING	G50	RCW2	EE50	3,156	2,728	32	334	51	2	0	0
2	COLLECTION EXPENSES	G51	RCW5	EE51	8,915	8,250	23	374	215	19	0	20
3	PROPERTY DAMAGE DISTRIBUTION	G53	RP30	EE53	1,154	743	22	103	173	42	2	2
4	UNCOLLECTIBLE ACCOUNTS	G54	RCW5	EE54	19,000	17,582	49	798	459	40	0	42
5	OTHER CUSTOMER ACCTS EXPENSE	G55	RC10	EE55	9,895	8,543	101	1,046	161	7	0	1
6	TOTAL CUSTOMER ACCTS			EE56	42,120	37,850	227	2,655	1,059	110	2	65
7	PROPOSED UNCOLLECTIBLE ACCTS EXP		RCW5		669	619	2	28	16	1	0	1
	CUSTOMER SERVICE & INFORMATIONAL											
8	908 - ON TRACK UNCOLLECTIBLE ACCTS	G61	R0TRK	EE61	4,500	4,453	47	0	0	0	0	0
9	OTHER ON TRACK / WRAP	G63	R0TRK	EE63	21,250	21,028	221	0	0	0	0	0
10	TOTAL ON TRACK / WRAP			EE64	25,750	25,481	268	0	0	0	0	0
11	**SALES**	G65	DAT2	EE65	2,843	1,468	79	221	792	207	11	0
	ADMINISTRATIVE & GENERAL EXPENSES											
12	PPUC REGULATORY	G70	P01	EE70	4,494	2,927	85	404	666	168	8	7
13	DEMAND COMPONENT		DP01	EE70D	2,098	1,082	58	163	583	157	8	0
14	CUSTOMER COMPONENT		CP01	EE70C	2,396	1,845	27	241	83	11	0	7
15	EMPLOYEE BENEFITS	G73	K929	EE73	27,476	19,273	459	2,574	3,173	756	38	28
16	DEMAND COMPONENT		DK929	EE73D	9,241	4,772	255	720	2,573	674	35	0
17	CUSTOMER COMPONENT		CK929	EE73C	18,235	14,501	204	1,854	600	82	3	28
18	OTHER A & G	G75	K929	EE75	97,285	68,245	1,627	9,115	11,235	2,675	136	100
19	DEMAND COMPONENT		DK929	EE75D	32,719	16,897	904	2,550	9,111	2,386	124	0
20	CUSTOMER COMPONENT		CK929	EE75C	64,566	51,345	723	6,565	2,124	289	12	100
21	TOT ADMIN & GENERAL EXPENSES			EE79	129,255	90,446	2,171	12,093	15,074	3,599	182	135
22	DEMAND COMPONENT			EE79D	44,058	22,754	1,217	3,433	12,267	3,217	167	0
23	CUSTOMER COMPONENT			EE79C	85,197	67,692	954	8,660	2,807	382	15	135
24	**TOTAL OPER & MAINT EXPENSES**			EE80	334,911	239,549	5,306	26,573	37,122	9,649	485	438
25	DEMAND COMPONENT			EE80D	108,440	55,644	2,977	8,393	29,997	8,599	445	0
26	CUSTOMER COMPONENT			EE80C	226,471	183,905	2,329	18,180	7,125	1,050	40	438

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST.	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATION & MAINTENANCE EXPENSES CONTINUED										
	CUSTOMER ACCOUNTS										
1	METER READING	G50	RCW2	EE50	0	0	0	0	8	0	0
2	COLLECTION EXPENSES	G51	RCW5	EE51	0	0	0	0	14	0	0
3	PROPERTY DAMAGE DISTRIBUTION	G53	RP30	EE53	0	0	1	0	12	53	0
4	UNCOLLECTIBLE ACCOUNTS	G54	RCW5	EE54	0	0	0	0	30	0	0
5	OTHER CUSTOMER ACCTS EXPENSE	G55	RC10	EE55	0	0	0	0	25	10	0
6	TOTAL CUSTOMER ACCTS			EE56	0	0	1	0	89	63	0
7	PROPOSED UNCOLLECTIBLE ACCTS EXP		RCW5		0	0	0	0	1	0	0
	CUSTOMER SERVICE & INFORMATIONAL										
8	908 - ON TRACK UNCOLLECTIBLE ACCTS	G61	R0TRK	EE61	0	0	0	0	0	0	0
9	OTHER ON TRACK / WRAP	G63	R0TRK	EE63	0	0	0	0	0	0	0
10	TOTAL ON TRACK / WRAP			EE64	0	0	0	0	0	0	0
11	**SALES**	G65	DAT2	EE65	0	0	4	0	49	11	0
	ADMINISTRATIVE & GENERAL EXPENSES										
12	PPUC REGULATORY	G70	P01	EE70	2	1	2	0	48	176	0
13	DEMAND COMPONENT		DP01	EE70D	0	0	2	0	36	8	0
14	CUSTOMER COMPONENT		CP01	EE70C	2	1	0	0	12	168	0
15	EMPLOYEE BENEFITS	G73	K929	EE73	7	3	15	2	236	909	1
16	DEMAND COMPONENT		DK929	EE73D	0	0	14	0	161	36	0
17	CUSTOMER COMPONENT		CK929	EE73C	7	3	1	2	75	873	1
18	OTHER A & G	G75	K929	EE75	26	9	53	6	835	3,221	3
19	DEMAND COMPONENT		DK929	EE75D	0	0	49	0	569	128	0
20	CUSTOMER COMPONENT		CK929	EE75C	26	9	4	6	266	3,093	3
21	TOT ADMIN & GENERAL EXPENSES			EE79	35	13	70	8	1,119	4,306	4
22	DEMAND COMPONENT			EE79D	0	0	65	0	766	172	0
23	CUSTOMER COMPONENT			EE79C	35	13	5	8	353	4,134	4
24	**TOTAL OPER & MAINT EXPENSES**			EE80	99	36	89	22	2,723	12,807	12
25	DEMAND COMPONENT			EE80D	0	0	75	0	1,874	436	0
26	CUSTOMER COMPONENT			EE80C	99	36	14	22	849	12,371	12

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATION & MAINTENANCE EXPENSES CONTINUED											
	PROFORMA ADJUSTMENTS TO O & M EXPENSES											
1	EMPLOYEE WAGES AND BENEFITS	G81	K929	EE81	(2,886)	(2,024)	(48)	(271)	(333)	(80)	(4)	(3)
2	DEMAND COMPONENT		DK929	EE81D	(971)	(501)	(27)	(76)	(270)	(71)	(4)	0
3	CUSTOMER COMPONENT		CK929	EE81C	(1,915)	(1,523)	(21)	(195)	(63)	(9)	0	(3)
4	RATE CASE EXPENSES	G82	K929	EE82	700	491	11	65	80	19	1	1
5	DEMAND COMPONENT		DK929	EE82D	235	121	6	18	65	17	1	0
6	CUSTOMER COMPONENT		CK929	EE82C	465	370	5	47	15	2	0	1
7	INTEREST EXPENSE ON CUST DEPOSITS	G83	RCW6	EE83	781	355	2	173	208	33	2	0
8	ICE STORM DEFERRAL				1,611	1,160	32	154	244	0	0	0
9	DEMAND COMPONENT		RD30		763	427	23	64	230	0	0	0
10	CUSTOMER COMPONENT		RC30		848	733	9	90	14	0	0	0
	SOCIAL PROGRAMS											
11	ENERGY EFFICIENCY PROGRAMS		REER		2,688	2,298	24	366				
12	COMMUNITY & ECONOMIC DEVELOPMENT PROGRAMS		RC10		1,250	1,080	13	132	20	1	0	0
13	ON TRACK/WRAP		R0TRK		500	495	5					
14	TOTAL SOCIAL PROGRAMS				4,438	3,873	42	498	20	1	0	0
15	TOTAL PROFORMA ADJUSTMENTS			EE99	4,644	3,855	39	619	219	(27)	(1)	(2)
16	DEMAND COMPONENT			EE99D	27	47	2	6	25	(54)	(3)	0
17	CUSTOMER COMPONENT			EE99C	4,617	3,808	37	613	194	27	2	(2)
18	**ADJUSTED OPER & MAINT EXPENSES**			EE00	339,555	243,404	5,345	27,192	37,341	9,622	484	436
19	DEMAND COMPONENT			EE00D	108,467	55,691	2,979	8,399	30,022	8,545	442	0
20	CUSTOMER COMPONENT			EE00C	231,088	187,713	2,366	18,793	7,319	1,077	42	436

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATION & MAINTENANCE EXPENSES CONTINUED										
	PROFORMA ADJUSTMENTS TO O & M EXPENSES										
1	EMPLOYEE WAGES AND BENEFITS	G81	K929	EE81	(1)	0	(1)	0	(25)	(96)	0
2	DEMAND COMPONENT		DK929	EE81D	0	0	(1)	0	(17)	(4)	0
3	CUSTOMER COMPONENT		CK929	EE81C	(1)	0	0	0	(8)	(92)	0
4	RATE CASE EXPENSES	G82	K929	EE82	0	0	0	0	6	23	0
5	DEMAND COMPONENT		DK929	EE82D	0	0	0	0	4	1	0
6	CUSTOMER COMPONENT		CK929	EE82C	0	0	0	0	2	22	0
7	INTEREST EXPENSE ON CUST DEPOSITS	G83	RCW6	EE83	0	0	0	0	8	1	0
8	ICE STORM DEFERRAL				0	0	0	0	16	5	0
9	DEMAND COMPONENT		RD30		0	0	0	0	14	4	0
10	CUSTOMER COMPONENT		RC30		0	0	0	0	2	1	0
	SOCIAL PROGRAMS										
11	ENERGY EFFICIENCY PROGRAMS		REER								
12	COMMUNITY & ECONOMIC DEVELOPMENT PROGRAMS		RC10		0	0	0	0	3	1	0
13	ON TRACK/WRAP		R0TRK								
14	TOTAL SOCIAL PROGRAMS				0	0	0	0	3	1	0
15	TOTAL PROFORMA ADJUSTMENTS			EE99	(1)	0	(1)	0	8	(66)	0
16	DEMAND COMPONENT			EE99D	0	0	(1)	0	1	1	0
17	CUSTOMER COMPONENT			EE99C	(1)	0	0	0	7	(67)	0
18	**ADJUSTED OPER & MAINT EXPENSES**			EE00	98	36	88	22	2,731	12,741	12
19	DEMAND COMPONENT			EE00D	0	0	74	0	1,875	437	0
20	CUSTOMER COMPONENT			EE00C	98	36	14	22	856	12,304	12

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DEPRECIATION EXPENSE											
1	TRANSMISSION	GD20	RD10	ED20	0	0	0	0	0	0	0	0
	DISTRIBUTION											
	SUBSTATIONS											
2	DIRECTLY ASSIGNED SUBS		RK407		41	0	0	0	0	0	0	0
3	PRIMARY	GD28	RD20	ED28	5,284	2,492	133	376	1,344	793	41	0
4	SECONDARY	GD29	RD30	ED29	75	42	2	6	23	0	0	0
5	TOTAL SUBSTATIONS			EDSS	5,400	2,534	135	382	1,367	793	41	0
	OVERHEAD LINES											
6	PRIMARY	GD32	RD20	ED32	9,895	4,667	250	704	2,516	1,485	77	0
	SECONDARY											
7	DEMAND COMPONENT	GD33D	RD30	ED33D	9,002	5,042	270	761	2,718	0	0	0
8	CUSTOMER COMPONENT	GD33C	RC30	ED33C	12,033	10,398	123	1,273	196	0	0	0
9	STREET LIGHTING	GD34	RK405	ED34	1,457	0	0	0	0	0	0	0
10	TOTAL OVERHEAD LINES			EDOL	32,387	20,107	643	2,738	5,430	1,485	77	0
	UNDERGROUND LINES											
11	PRIMARY	GD36	RD20	ED36	1,821	859	46	130	463	273	14	0
	SECONDARY											
12	DEMAND COMPONENT	GD37D	RD30	ED37D	2,861	1,602	86	242	864	0	0	0
13	CUSTOMER COMPONENT	GD37C	RC30	ED37C	5,997	5,182	61	635	98	0	0	0
14	TOTAL UNDERGROUND LINES			EDUG	10,679	7,643	193	1,007	1,425	273	14	0
	LINE TRANSFORMERS											
15	DEMAND COMPONENT	GD38D	RD30	ED38D	4,594	2,573	138	388	1,387	0	0	0
16	CUSTOMER COMPONENT	GD38C	RCW8	ED38C	5,142	4,271	49	636	163	0	0	0
17	TOTAL LINE TRANSFORMERS			EDLT	9,736	6,844	187	1,024	1,550	0	0	0
	SERVICES											
18	DEMAND COMPONENT	GD39D	RD30K	ED39D	2,777	1,563	84	236	842	0	0	0
19	CUSTOMER COMPONENT	GD39C	RCW9	ED39C	9,186	7,759	89	1,076	233	0	0	0
20	TOTAL SERVICES			EDSV	11,963	9,322	173	1,312	1,075	0	0	0
21	METERS	GD43	RCW1	ED43	15,802	10,821	375	1,503	1,917	444	16	300
22	AREA LIGHTING FIXTURES	GD44	RK403	ED44	238	0	0	0	0	0	0	0
23	STREET LIGHTING	GD46	RK405	ED46	2,276	0	0	0	0	0	0	0
24	TOTAL DISTRIBUTION			ED30	88,481	57,271	1,706	7,966	12,764	2,995	148	300
25	DEMAND COMPONENT			ED30D	36,350	18,840	1,009	2,843	10,157	2,551	132	0
26	CUSTOMER COMPONENT			ED30C	52,131	38,431	697	5,123	2,607	444	16	300
27	GENERAL	GD88	K939	ED88	16,224	11,380	272	1,520	1,874	446	23	17
28	DEMAND COMPONENT		DK939	ED88D	5,457	2,818	151	425	1,520	398	21	0
29	CUSTOMER COMPONENT		CK939	ED88C	10,767	8,562	121	1,095	354	48	2	17
30	INTANGIBLE	GD95	K939	ED95	4,361	3,059	73	408	503	120	7	4
31	DEMAND COMPONENT		DK939	ED95D	1,467	758	41	114	408	107	6	0
32	CUSTOMER COMPONENT		CK939	ED95C	2,894	2,301	32	294	95	13	1	4
33	TOTAL DEPR & AMORT EXPENSE			ED00	109,066	71,710	2,051	9,894	15,141	3,561	178	321
34	DEMAND COMPONENT			ED00D	43,274	22,416	1,201	3,382	12,085	3,056	159	0
35	CUSTOMER COMPONENT			ED00C	65,792	49,294	850	6,512	3,056	505	19	321
	ADJUSTMENT TO DEPRECIATION EXPENSE											
36	ANNUAL DEPRECIATION EXP	GD99A	ED00	ED99A	2,758	1,817	51	250	383	90	4	8
37	DEMAND COMPONENT		RED00D	ED99AD	1,094	567	30	85	306	77	4	0
38	CUSTOMER COMPONENT		RED00C	ED99AC	1,664	1,247	21	165	77	13	0	8
39	ADJUSTED DEPR & AMORT EXPENSE			ED00A	111,824	73,527	2,102	10,144	15,524	3,651	182	329
40	DEMAND COMPONENT			ED00AD	44,368	22,984	1,231	3,467	12,391	3,133	163	0
41	CUSTOMER COMPONENT			ED00AC	67,456	50,543	871	6,677	3,133	518	19	329

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DEPRECIATION EXPENSE										
1	TRANSMISSION	GD20	RD10	ED20	0	0	0	0	0	0	0
	DISTRIBUTION										
	SUBSTATIONS										
2	DIRECTLY ASSIGNED SUBS		RK407		0	0	41	0	0	0	0
3	PRIMARY	GD28	RD20	ED28	0	0	0	0	84	21	0
4	SECONDARY	GD29	RD30	ED29	0	0	0	0	1	0	0
5	TOTAL SUBSTATIONS			EDSS	0	0	41	0	85	21	0
	OVERHEAD LINES										
6	PRIMARY	GD32	RD20	ED32	0	0	0	0	157	39	0
	SECONDARY										
7	DEMAND COMPONENT	GD33D	RD30	ED33D	0	0	0	0	170	42	0
8	CUSTOMER COMPONENT	GD33C	RC30	ED33C	0	0	0	0	30	12	0
9	STREET LIGHTING	GD34	RK405	ED34	0	0	0	0	0	1,457	0
10	TOTAL OVERHEAD LINES			EDOL	0	0	0	0	357	1,550	0
	UNDERGROUND LINES										
11	PRIMARY	GD36	RD20	ED36	0	0	0	0	29	7	0
	SECONDARY										
12	DEMAND COMPONENT	GD37D	RD30	ED37D	0	0	0	0	54	13	0
13	CUSTOMER COMPONENT	GD37C	RC30	ED37C	0	0	0	0	15	6	0
14	TOTAL UNDERGROUND LINES			EDUG	0	0	0	0	98	26	0
	LINE TRANSFORMERS										
15	DEMAND COMPONENT	GD38D	RD30	ED38D	0	0	0	0	87	21	0
16	CUSTOMER COMPONENT	GD38C	RCW8	ED38C	0	0	0	0	18	5	0
17	TOTAL LINE TRANSFORMERS			EDLT	0	0	0	0	105	26	0
	SERVICES										
18	DEMAND COMPONENT	GD39D	RD30K	ED39D	0	0	0	0	53	0	0
19	CUSTOMER COMPONENT	GD39C	RCW9	ED39C	0	0	0	0	28	0	0
20	TOTAL SERVICES			EDSV	0	0	0	0	81	0	0
21	METERS	GD43	RCW1	ED43	80	29	5	19	284	0	9
22	AREA LIGHTING FIXTURES	GD44	RK403	ED44	0	0	0	0	0	238	0
23	STREET LIGHTING	GD46	RK405	ED46	0	0	0	0	0	2,276	0
24	TOTAL DISTRIBUTION			ED30	80	29	46	19	1,010	4,137	9
25	DEMAND COMPONENT			ED30D	0	0	41	0	635	143	0
26	CUSTOMER COMPONENT			ED30C	80	29	5	19	375	3,994	9
27	GENERAL	GD88	K939	ED88	4	2	9	1	139	537	1
28	DEMAND COMPONENT		DK939	ED88D	0	0	8	0	95	21	0
29	CUSTOMER COMPONENT		CK939	ED88C	4	2	1	1	44	516	1
30	INTANGIBLE	GD95	K939	ED95	1	0	2	0	38	145	0
31	DEMAND COMPONENT		DK939	ED95D	0	0	2	0	26	6	0
32	CUSTOMER COMPONENT		CK939	ED95C	1	0	0	0	12	139	0
33	TOTAL DEPR & AMORT EXPENSE			ED00	85	31	57	20	1,187	4,819	10
34	DEMAND COMPONENT			ED00D	0	0	51	0	756	170	0
35	CUSTOMER COMPONENT			ED00C	85	31	6	20	431	4,649	10
	ADJUSTMENT TO DEPRECIATION EXPENSE										
36	ANNUAL DEPRECIATION EXP	GD99A	ED00	ED99A	2	1	1	0	30	122	0
37	DEMAND COMPONENT		RED00D	ED99AD	0	0	1	0	19	4	0
38	CUSTOMER COMPONENT		RED00C	ED99AC	2	1	0	0	11	118	0
39	ADJUSTED DEPR & AMORT EXPENSE			ED00A	87	32	58	20	1,217	4,941	10
40	DEMAND COMPONENT			ED00AD	0	0	52	0	775	174	0
41	CUSTOMER COMPONENT			ED00AC	87	32	6	20	442	4,767	10

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	TAXES											
	TAXES OTHER THAN INCOME, EXCLUDING GROSS RECEIPTS											
1	CAPITAL STOCK	GT1	P01	ET1	2,381	1,551	45	214	353	89	4	4
2	DEMAND COMPONENT		DP01	ET1D	1,112	574	31	87	309	83	4	0
3	CUSTOMER COMPONENT		CP01	ET1C	1,269	977	14	127	44	6	0	4
4	CAPITAL STOCK ADJUSTMENT	GT1A	P01	ET1A	(86)	(56)	(2)	(8)	(13)	(3)	0	0
5	DEMAND COMPONENT		DP01	ET1AD	(40)	(21)	(1)	(3)	(11)	(3)	0	0
6	CUSTOMER COMPONENT		CP01	ET1AC	(46)	(35)	(1)	(5)	(2)	0	0	0
7	PUBLIC UTILITY REALTY	GT3	P01	ET3	4,119	2,683	78	371	611	153	7	6
8	DEMAND COMPONENT		DP01	ET3D	1,923	992	53	150	535	143	7	0
9	CUSTOMER COMPONENT		CP01	ET3C	2,196	1,691	25	221	76	10	0	6
10	PUBLIC UTILITY REALTY ADJUSTMENT	GT3A	P01	ET3A	(402)	(262)	(7)	(36)	(59)	(15)	(1)	(1)
11	DEMAND COMPONENT		DP01	ET3AD	(188)	(97)	(5)	(15)	(52)	(14)	(1)	0
12	CUSTOMER COMPONENT		CP01	ET3AC	(214)	(165)	(2)	(21)	(7)	(1)	0	(1)
13	PAYROLL TAXES	GP01	K939	EP01	6,108	4,285	102	572	705	168	9	6
14	DEMAND COMPONENT		DK939	EP01D	2,054	1,061	57	160	572	150	8	0
15	CUSTOMER COMPONENT		CK939	EP01C	4,054	3,224	45	412	133	18	1	6
16	PAYROLL TAXES ADJUSTMENT	GP01A	K939	EP01A	(171)	(120)	(3)	(16)	(20)	(5)	0	0
17	DEMAND COMPONENT		DK939	EP01AD	(58)	(30)	(2)	(5)	(16)	(4)	0	0
18	CUSTOMER COMPONENT		CK939	EP01AC	(113)	(90)	(1)	(11)	(4)	(1)	0	0
19	TOTAL TAXES OTHER THAN INCOME EXCLUDING GROSS RECEIPTS			ET01	11,949	8,081	213	1,097	1,577	387	19	15
20	DEMAND COMPONENT			ET01D	4,803	2,479	133	374	1,337	355	18	0
21	CUSTOMER COMPONENT			ET01C	7,146	5,602	80	723	240	32	1	15
22	CAPITAL STOCK PROPOSED ONLY	GT1P	P01	ET1P	222	145	4	20	33	9	0	0
23	DEMAND COMPONENT		DP01	ET1PD	104	54	3	8	29	8	0	0
24	CUSTOMER COMPONENT		CP01	ET1PC	118	91	1	12	4	1	0	0
25	TOTAL AT PROPOSED RATES			ET01P	12,171	8,226	217	1,117	1,610	396	19	15
26	DEMAND COMPONENT			ET01PD	4,907	2,533	136	382	1,366	363	18	0
27	CUSTOMER COMPONENT			ET01PC	7,264	5,693	81	735	244	33	1	15
28	**INVESTMENT TAX CREDIT AMORT**	ITDA92	P30	TXA92	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
29	DEMAND COMPONENT		DP30	TXA92D	(768)	(397)	(21)	(60)	(214)	(56)	(3)	0
30	CUSTOMER COMPONENT		CP30	TXA92C	(905)	(686)	(10)	(90)	(30)	(4)	0	(2)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	TAXES										
	TAXES OTHER THAN INCOME, EXCLUDING GROSS RECEIPTS										
1	CAPITAL STOCK	GT1	P01	ET1	1	0	1	0	25	93	0
2	DEMAND COMPONENT		DP01	ET1D	0	0	1	0	19	4	0
3	CUSTOMER COMPONENT		CP01	ET1C	1	0	0	0	6	89	0
4	CAPITAL STOCK ADJUSTMENT	GT1A	P01	ET1A	0	0	0	0	(1)	(3)	0
5	DEMAND COMPONENT		DP01	ET1AD	0	0	0	0	(1)	0	0
6	CUSTOMER COMPONENT		CP01	ET1AC	0	0	0	0	0	(3)	0
7	PUBLIC UTILITY REALTY	GT3	P01	ET3	2	1	2	0	44	162	0
8	DEMAND COMPONENT		DP01	ET3D	0	0	2	0	33	8	0
9	CUSTOMER COMPONENT		CP01	ET3C	2	1	0	0	11	154	0
10	PUBLIC UTILITY REALTY ADJUSTMENT	GT3A	P01	ET3A	0	0	0	0	(4)	(16)	0
11	DEMAND COMPONENT		DP01	ET3AD	0	0	0	0	(3)	(1)	0
12	CUSTOMER COMPONENT		CP01	ET3AC	0	0	0	0	(1)	(15)	0
13	PAYROLL TAXES	GP01	K939	EP01	2	1	3	0	53	202	0
14	DEMAND COMPONENT		DK939	EP01D	0	0	3	0	36	8	0
15	CUSTOMER COMPONENT		CK939	EP01C	2	1	0	0	17	194	0
16	PAYROLL TAXES ADJUSTMENT	GP01A	K939	EP01A	0	0	0	0	(1)	(5)	0
17	DEMAND COMPONENT		DK939	EP01AD	0	0	0	0	(1)	0	0
18	CUSTOMER COMPONENT		CK939	EP01AC	0	0	0	0	0	(5)	0
19	TOTAL TAXES OTHER THAN INCOME EXCLUDING GROSS RECEIPTS			ET01	5	2	6	0	116	433	0
20	DEMAND COMPONENT			ET01D	0	0	6	0	83	19	0
21	CUSTOMER COMPONENT			ET01C	5	2	0	0	33	414	0
22	CAPITAL STOCK PROPOSED ONLY	GT1P	P01	ET1P	0	0	0	0	3	8	0
23	DEMAND COMPONENT		DP01	ET1PD	0	0	0	0	2	0	0
24	CUSTOMER COMPONENT		CP01	ET1PC	0	0	0	0	1	8	0
25	TOTAL AT PROPOSED RATES			ET01P	5	2	6	0	119	441	0
26	DEMAND COMPONENT			ET01PD	0	0	6	0	85	19	0
27	CUSTOMER COMPONENT			ET01PC	5	2	0	0	34	422	0
28	**INVESTMENT TAX CREDIT AMORT**	ITDA92	P30	TXA92	(1)	0	(1)	0	(17)	(79)	0
29	DEMAND COMPONENT		DP30	TXA92D	0	0	(1)	0	(13)	(3)	0
30	CUSTOMER COMPONENT		CP30	TXA92C	(1)	0	0	0	(4)	(76)	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DEFERRED INCOME TAXES											
1	ADJUST GROSS RECEIPTS TAX	ITD02	RRBG	TX02	(76)	(47)	0	(9)	(14)	(3)	0	0
2	DEMAND COMPONENT		TRRBG	TX02D	(26)	(16)	0	(3)	(5)	(1)	0	0
3	CUSTOMER COMPONENT		TRRBG	TX02C	(50)	(31)	0	(6)	(9)	(2)	0	0
4	CONTRIB IN AID OF CONSTRUCTION	ITD06	P30	TX06	(5,902)	(3,801)	(112)	(528)	(882)	(216)	(11)	(8)
5	DEMAND COMPONENT		DP30	TX06D	(2,795)	(1,444)	(77)	(218)	(778)	(204)	(11)	0
6	CUSTOMER COMPONENT		CP30	TX06C	(3,107)	(2,357)	(35)	(310)	(104)	(12)	0	(8)
7	VACATION PAY	ITD08	K939	TX08	(126)	(89)	(2)	(12)	(15)	(3)	0	0
8	DEMAND COMPONENT		DK939	TX08D	(42)	(22)	(1)	(3)	(12)	(3)	0	0
9	CUSTOMER COMPONENT		CK939	TX08C	(84)	(67)	(1)	(9)	(3)	0	0	0
	BALANCE CARRIED FORWARD											
10	**DEFERRED INCOME TAXES**			TXST	(6,104)	(3,937)	(114)	(549)	(911)	(222)	(11)	(8)
11	DEMAND COMPONENT			TXSTD	(2,863)	(1,482)	(78)	(224)	(795)	(208)	(11)	0
12	CUSTOMER COMPONENT			TXSTC	(3,241)	(2,455)	(36)	(325)	(116)	(14)	0	(8)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DEFERRED INCOME TAXES										
1	ADJUST GROSS RECEIPTS TAX	ITD02	RRBG	TX02	0	0	0	0	(1)	(2)	0
2	DEMAND COMPONENT		TRRBG	TX02D	0	0	0	0	0	(1)	0
3	CUSTOMER COMPONENT		TRRBG	TX02C	0	0	0	0	(1)	(1)	0
4	CONTRIB IN AID OF CONSTRUCTION	ITD06	P30	TX06	(2)	(1)	(4)	(1)	(64)	(272)	0
5	DEMAND COMPONENT		DP30	TX06D	0	0	(4)	0	(49)	(11)	0
6	CUSTOMER COMPONENT		CP30	TX06C	(2)	(1)	0	(1)	(15)	(261)	0
7	VACATION PAY	ITD08	K939	TX08	0	0	0	0	(1)	(4)	0
8	DEMAND COMPONENT		DK939	TX08D	0	0	0	0	(1)	0	0
9	CUSTOMER COMPONENT		CK939	TX08C	0	0	0	0	0	(4)	0
	BALANCE CARRIED FORWARD										
10	**DEFERRED INCOME TAXES**			TXST	(2)	(1)	(4)	(1)	(66)	(278)	0
11	DEMAND COMPONENT			TXSTD	0	0	(4)	0	(50)	(12)	0
12	CUSTOMER COMPONENT			TXSTC	(2)	(1)	0	(1)	(16)	(266)	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DEFERRED INCOME TAXES CONTINUED											
1	BALANCE BROUGHT FORWARD				(6,104)	(3,937)	(114)	(549)	(911)	(222)	(11)	(8)
2	DEMAND COMPONENT				(2,863)	(1,482)	(78)	(224)	(795)	(208)	(11)	-
3	CUSTOMER COMPONENT				(3,241)	(2,455)	(36)	(325)	(116)	(14)	-	(8)
4	PENSION/POST EMPL/SEVERENCE	ITD24	K939	TX24	(2,918)	(2,047)	(49)	(273)	(337)	(81)	(4)	(3)
5	DEMAND COMPONENT		DK939	TX24D	(981)	(507)	(27)	(76)	(273)	(72)	(4)	0
6	CUSTOMER COMPONENT		CK939	TX24C	(1,937)	(1,540)	(22)	(197)	(64)	(9)	0	(3)
7	ENVIRONMENTAL CLEANUP	ITD30	P00	TX30	137	93	2	13	16	3	0	0
8	DEMAND COMPONENT		DP00	TX30D	46	24	1	4	13	3	0	0
9	CUSTOMER COMPONENT		CP00	TX30C	91	69	1	9	3	0	0	0
	BALANCE CARRIED FORWARD											
10	**DEFERRED INCOME TAXES**			TXST	(8,885)	(5,891)	(161)	(809)	(1,232)	(300)	(15)	(11)
11	DEMAND COMPONENT			TXSTD	(3,798)	(1,965)	(104)	(296)	(1,055)	(277)	(15)	0
12	CUSTOMER COMPONENT			TXSTC	(5,087)	(3,926)	(57)	(513)	(177)	(23)	0	(11)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DEFERRED INCOME TAXES CONTINUED										
1	BALANCE BROUGHT FORWARD				(2)	(1)	(4)	(1)	(66)	(278)	-
2	DEMAND COMPONENT				-	-	(4)	-	(50)	(12)	-
3	CUSTOMER COMPONENT				(2)	(1)	-	(1)	(16)	(266)	-
4	PENSION/POST EMPL/SEVERENCE	ITD24	K939	TX24	(1)	0	(1)	0	(25)	(97)	0
5	DEMAND COMPONENT		DK939	TX24D	0	0	(1)	0	(17)	(4)	0
6	CUSTOMER COMPONENT		CK939	TX24C	(1)	0	0	0	(8)	(93)	0
7	ENVIRONMENTAL CLEANUP	ITD30	P00	TX30	0	0	0	0	1	7	0
8	DEMAND COMPONENT		DP00	TX30D	0	0	0	0	1	0	0
9	CUSTOMER COMPONENT		CP00	TX30C	0	0	0	0	0	7	0
	BALANCE CARRIED FORWARD										
10	**DEFERRED INCOME TAXES**			TXST	(3)	(1)	(5)	(1)	(90)	(368)	0
11	DEMAND COMPONENT			TXSTD	0	0	(5)	0	(66)	(16)	0
12	CUSTOMER COMPONENT			TXSTC	(3)	(1)	0	(1)	(24)	(352)	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DEFERRED INCOME TAXES CONTINUED											
1	BALANCE BROUGHT FORWARD			TXST	(8,885)	(5,891)	(161)	(809)	(1,232)	(300)	(15)	(11)
2	DEMAND COMPONENT				(3,798)	(1,965)	(104)	(296)	(1,055)	(277)	(15)	-
3	CUSTOMER COMPONENT				(5,087)	(3,926)	(57)	(513)	(177)	(23)	-	(11)
	ACRS AND MACRS											
4	DISTRIBUTION PROPERTY	ITD46F	P30	TX46F	14,973	9,641	284	1,339	2,238	548	28	21
5	DEMAND COMPONENT		DP30	TX46FD	7,091	3,662	196	552	1,974	517	27	0
6	CUSTOMER COMPONENT		CP30	TX46FC	7,882	5,979	88	787	264	31	1	21
7	GENERAL PROPERTY	ITD46G	K939	TX46G	459	323	7	43	53	12	1	0
8	DEMAND COMPONENT		DK939	TX46GD	154	80	4	12	43	11	1	0
9	CUSTOMER COMPONENT		CK939	TX46GC	305	243	3	31	10	1	0	0
10	TOTAL ACRS AND MACRS			TX46T	15,432	9,964	291	1,382	2,291	560	29	21
11	DEMAND COMPONENT			TX46TD	7,245	3,742	200	564	2,017	528	28	0
12	CUSTOMER COMPONENT			TX46TC	8,187	6,222	91	818	274	32	1	21
	BALANCE CARRIED FORWARD											
13	**DEFERRED INCOME TAXES**			TXTA	6,547	4,076	130	573	1,059	260	14	10
14	DEMAND COMPONENT			TXTAD	3,447	1,778	96	268	962	251	13	0
15	CUSTOMER COMPONENT			TXTAC	3,100	2,298	34	305	97	9	1	10

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DEFERRED INCOME TAXES CONTINUED										
1	BALANCE BROUGHT FORWARD			TXST	(3)	(1)	(5)	(1)	(90)	(368)	-
2	DEMAND COMPONENT				-	-	(5)	-	(66)	(16)	-
3	CUSTOMER COMPONENT				(3)	(1)	-	(1)	(24)	(352)	-
	ACRS AND MACRS										
4	DISTRIBUTION PROPERTY	ITD46F	P30	TX46F	6	2	11	1	160	691	1
5	DEMAND COMPONENT		DP30	TX46FD	0	0	11	0	123	28	0
6	CUSTOMER COMPONENT		CP30	TX46FC	6	2	0	1	37	663	1
7	GENERAL PROPERTY	ITD46G	K939	TX46G	0	0	0	0	4	16	0
8	DEMAND COMPONENT		DK939	TX46GD	0	0	0	0	3	1	0
9	CUSTOMER COMPONENT		CK939	TX46GC	0	0	0	0	1	15	0
10	TOTAL ACRS AND MACRS			TX46T	6	2	11	1	164	707	1
11	DEMAND COMPONENT			TX46TD	0	0	11	0	126	29	0
12	CUSTOMER COMPONENT			TX46TC	6	2	0	1	38	678	1
	BALANCE CARRIED FORWARD										
13	**DEFERRED INCOME TAXES**			TXTA	3	1	6	0	74	339	1
14	DEMAND COMPONENT			TXTAD	0	0	6	0	60	13	0
15	CUSTOMER COMPONENT			TXTAC	3	1	0	0	14	326	1

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DEFERRED INCOME TAXES CONTINUED											
1	BALANCE BROUGHT FORWARD			TXST	6,547	4,076	130	573	1,059	260	14	10
2	DEMAND COMPONENT				3,447	1,778	96	268	962	251	13	-
3	CUSTOMER COMPONENT				3,100	2,298	34	305	97	9	1	10
	OTHER 263A & REPAIR ALLOWANCE											
4	DISTRIBUTION PROPERTY		P01		(1,043)	(678)	(20)	(93)	(156)	(39)	(2)	(2)
5	DEMAND COMPONENT		DP01		(494)	(255)	(14)	(38)	(137)	(37)	(2)	0
6	CUSTOMER COMPONENT		CP01		(549)	(423)	(6)	(55)	(19)	(2)	0	(2)
7	GENERAL PROPERTY		K939		(780)	(547)	(13)	(73)	(90)	(21)	(1)	(1)
8	DEMAND COMPONENT		DK939		(262)	(135)	(7)	(20)	(73)	(19)	(1)	0
9	CUSTOMER COMPONENT		CK939		(518)	(412)	(6)	(53)	(17)	(2)	0	(1)
10	**CONSUMER EDUCATION**	ITD49	P01	TX49	1,123	731	21	101	167	42	2	2
11	DEMAND COMPONENT		DP01	TX49D	524	270	14	41	146	39	2	0
12	CUSTOMER COMPONENT		CP01	TX49C	599	461	7	60	21	3	0	2
13	**LOSS ON REACQUIRED DEBT**	ITD54	P00	TX54	(1,064)	(692)	(19)	(96)	(155)	(38)	(2)	(1)
14	DEMAND COMPONENT		DP00	TX54D	(488)	(252)	(13)	(38)	(136)	(36)	(2)	0
15	CUSTOMER COMPONENT		CP00	TX54C	(576)	(440)	(6)	(58)	(19)	(2)	0	(1)
16	**BAD DEBTS**	ITD62	CW5	TX62	680	629	2	29	17	1	0	2
17	DEMAND COMPONENT		RCW5	TX62D	229	212	1	10	6	0	0	1
18	CUSTOMER COMPONENT		RCW5	TX62C	451	417	1	19	11	1	0	1
19	**PA NOL DEF TAX ASSET**		K939		102	72	2	10	11	2	0	0
20	DEMAND COMPONENT		DK939		34	18	1	3	9	2	-	-
21	CUSTOMER COMPONENT		CK939		68	54	1	7	2	-	-	-
22	**RATE REFUND**		K939		(933)	(656)	(16)	(87)	(107)	(26)	(1)	(1)
23	DEMAND COMPONENT		DK939		(314)	(164)	(9)	(24)	(87)	(23)	(1)	-
24	CUSTOMER COMPONENT		CK939		(619)	(492)	(7)	(63)	(20)	(3)	-	(1)
25	**TOTAL DEFERRED INCOME TAXES**			TXT	4,632	2,935	87	364	746	181	10	9
26	DEMAND COMPONENT			TXTD	2,676	1,472	69	202	690	177	9	1
27	CUSTOMER COMPONENT			TXTC	1,956	1,463	18	162	56	4	1	8
28	**DEFERRED INCOME TAX ADJUSTMENT**	ITD71	K939	TX71	3,746	2,628	63	351	433	103	5	4
29	DEMAND COMPONENT		DK939	TX71D	1,260	651	35	98	351	92	5	0
30	CUSTOMER COMPONENT		CK939	TX71C	2,486	1,977	28	253	82	11	0	4
31	**ADJUSTED DEFERRED INC TAXES**			TXTA	8,378	5,563	150	715	1,179	284	15	13
32	DEMAND COMPONENT			TXTAD	3,936	2,123	104	300	1,041	269	14	1
33	CUSTOMER COMPONENT			TXTAC	4,442	3,440	46	415	138	15	1	12

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DEFERRED INCOME TAXES CONTINUED										
1	BALANCE BROUGHT FORWARD			TXST	3	1	6	-	74	339	1
2	DEMAND COMPONENT				-	-	6	-	60	13	-
3	CUSTOMER COMPONENT				3	1	-	-	14	326	1
	OTHER 263A & REPAIR ALLOWANCE										
4	DISTRIBUTION PROPERTY		P01		0	0	0	0	(12)	(41)	0
5	DEMAND COMPONENT		DP01		0	0	0	0	(9)	(2)	0
6	CUSTOMER COMPONENT		CP01		0	0	0	0	(3)	(39)	0
7	*GENERAL PROPERTY*		K939		0	0	0	0	(7)	(26)	0
8	DEMAND COMPONENT		DK939		0	0	0	0	(5)	(1)	0
9	CUSTOMER COMPONENT		CK939		0	0	0	0	(2)	(25)	0
10	**CONSUMER EDUCATION**	ITD49	P01	TX49	0	0	0	0	12	44	0
11	DEMAND COMPONENT		DP01	TX49D	0	0	0	0	9	2	0
12	CUSTOMER COMPONENT		CP01	TX49C	0	0	0	0	3	42	0
13	**LOSS ON REACQUIRED DEBT**	ITD54	P00	TX54	0	0	(1)	0	(11)	(48)	0
14	DEMAND COMPONENT		DP00	TX54D	0	0	(1)	0	(8)	(2)	0
15	CUSTOMER COMPONENT		CP00	TX54C	0	0	0	0	(3)	(46)	0
16	**BAD DEBTS**	ITD62	CW5	TX62	0	0	0	0	1	0	0
17	DEMAND COMPONENT		RCW5	TX62D	0	0	0	0	0	0	0
18	CUSTOMER COMPONENT		RCW5	TX62C	0	0	0	0	1	0	0
19	**PA NOL DEF TAX ASSET**		K939		0	0	0	0	1	3	0
20	DEMAND COMPONENT		DK939		-	-	-	-	1	-	-
21	CUSTOMER COMPONENT		CK939		-	-	-	-	-	3	-
22	**RATE REFUND**		K939		0	0	0	0	(8)	(31)	0
23	DEMAND COMPONENT		DK939		-	-	-	-	(5)	(1)	-
24	CUSTOMER COMPONENT		CK939		-	-	-	-	(3)	(30)	-
25	**TOTAL DEFERRED INCOME TAXES**			TXT	3	1	5	0	50	240	1
26	DEMAND COMPONENT			TXTD	0	0	5	0	43	9	0
27	CUSTOMER COMPONENT			TXTC	3	1	0	0	7	231	1
28	**DEFERRED INCOME TAX ADJUSTMENT**	ITD71	K939	TX71	1	0	2	0	32	124	0
29	DEMAND COMPONENT		DK939	TX71D	0	0	2	0	22	5	0
30	CUSTOMER COMPONENT		CK939	TX71C	1	0	0	0	10	119	0
31	**ADJUSTED DEFERRED INC TAXES**			TXTA	4	1	7	0	82	364	1
32	DEMAND COMPONENT			TXTAD	0	0	7	0	65	14	0
33	CUSTOMER COMPONENT			TXTAC	4	1	0	0	17	350	1

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES SUMMARY
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING EXPENSES									
1	O & M TRANSMISSION	EE20	0	0	0	0	0	0	0	0
2	O & M DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
3	O & M CUSTOMER ACCOUNTS	EE56	42,120	37,850	227	2,655	1,059	110	2	65
4	O & M CUST SVC & INFO	EE64	25,750	25,481	268	0	0	0	0	0
5	O & M SALES	EE65	2,843	1,468	79	221	792	207	11	0
6	O & M ADMIN & GENERAL	EE79	129,255	90,446	2,171	12,093	15,074	3,599	182	135
7	ADJUSTS TO O & M EXPENSES	EE99	4,644	3,852	39	622	219	(27)	(1)	(2)
8	TOTAL OPER & MAINT EXPENSES	EE00	339,555	243,401	5,345	27,195	37,341	9,622	484	436
9	DEMAND COMPONENT	EE00D	108,467	55,691	2,979	8,399	30,022	8,545	442	0
10	CUSTOMER COMPONENT	EE00C	231,088	187,710	2,366	18,796	7,319	1,077	42	436
11	DEPRECIATION & AMORTIZATION	ED00A	111,824	73,527	2,102	10,144	15,524	3,651	182	329
12	DEMAND COMPONENT	ED00AD	44,368	22,984	1,231	3,467	12,391	3,133	163	0
13	CUSTOMER COMPONENT	ED00AC	67,456	50,543	871	6,677	3,133	518	19	329
	TAXES OTHER THAN INCOME									
14	EXCLUDING GROSS RECEIPTS	ET01	11,949	8,081	213	1,097	1,577	387	19	15
15	DEMAND COMPONENT	ET01D	4,803	2,479	133	374	1,337	355	18	0
16	CUSTOMER COMPONENT	ET01C	7,146	5,602	80	723	240	32	1	15
17	GROSS RECEIPTS TAX	TXG	37,897	23,285	237	4,422	6,567	1,724	111	76
18	DEMAND COMPONENT	TXGD	15,478	6,184	108	1,603	5,574	1,581	105	0
19	CUSTOMER COMPONENT	TXGC	22,419	17,101	129	2,819	993	143	6	76
20	ADJUSTED DEFERRED INC TAXES	TXTA	8,378	5,563	150	715	1,179	284	15	13
21	DEMAND COMPONENT	TXTAD	3,936	2,123	104	300	1,041	269	14	1
22	CUSTOMER COMPONENT	TXTAC	4,442	3,440	46	415	138	15	1	12
23	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
24	DEMAND COMPONENT	TX93D	(768)	(397)	(21)	(60)	(214)	(56)	(3)	0
25	CUSTOMER COMPONENT	TX93C	(905)	(686)	(10)	(90)	(30)	(4)	0	(2)
26	OP EXPENSES PRIOR INCOME TAX	OEBT	507,930	352,774	8,016	43,423	61,944	15,608	808	867
27	DEMAND COMPONENT	OEBTD	176,284	89,059	4,534	14,083	50,151	13,827	739	1
28	CUSTOMER COMPONENT	OEBTC	331,646	263,710	3,482	29,340	11,793	1,781	69	866
	PA AND FEDERAL INCOME TAXES BASED ON PRESENT LEVEL REVENUE REQUIREMENTS AT ACTUAL CLASS RATES OF RETURN									
29	TOTAL PA INCOME TAX	TSTX	9,706	1,703	(471)	2,825	4,413	1,231	100	30
30	DEMAND COMPONENT	TSTXD	7,039	739	(312)	1,187	4,002	1,182	98	(1)
31	CUSTOMER COMPONENT	TSTXC	2,666	964	(159)	1,638	412	49	3	30
32	TOTAL FED INC TAX	TFTX	32,788	7,165	(1,404)	8,999	13,970	3,893	315	97
33	DEMAND COMPONENT	TFTXD	22,966	2,892	(939)	3,755	12,777	3,773	310	(4)
34	CUSTOMER COMPONENT	TFTXC	9,822	4,274	(465)	5,244	1,193	120	6	100
35	TOTAL TAXES	TX99	99,045	44,714	(1,306)	17,908	27,462	7,459	557	229
36	DEMAND COMPONENT	TX99D	53,454	14,020	(927)	7,159	24,517	7,104	542	(4)
37	CUSTOMER COMPONENT	TX99C	45,590	30,695	(379)	10,749	2,946	355	17	231
38	TOTAL OPERATING EXPENSES	TOE	550,424	361,642	6,141	55,247	80,327	20,732	1,223	994
39	DEMAND COMPONENT	TOED	206,289	92,690	3,283	19,025	66,930	18,782	1,147	(4)
40	CUSTOMER COMPONENT	TOEC	344,134	268,948	2,858	36,222	13,398	1,950	78	996

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING EXPENSES SUMMARY
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING EXPENSES								
1	O & M TRANSMISSION	EE20	0	0	0	0	0	0	0
2	O & M DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
3	O & M CUSTOMER ACCOUNTS	EE56	0	0	1	0	89	63	0
4	O & M CUST SVC & INFO	EE64	0	0	0	0	0	0	0
5	O & M SALES	EE65	0	0	4	0	49	11	0
6	O & M ADMIN & GENERAL	EE79	35	13	70	8	1,119	4,306	4
7	ADJUSTS TO O & M EXPENSES	EE99	(1)	0	(1)	0	8	(66)	0
8	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,731	12,741	12
9	DEMAND COMPONENT	EE00D	0	0	74	0	1,875	437	0
10	CUSTOMER COMPONENT	EE00C	98	36	14	22	856	12,304	12
11	DEPRECIATION & AMORTIZATION	ED00A	87	32	58	20	1,217	4,941	10
12	DEMAND COMPONENT	ED00AD	0	0	52	0	775	174	0
13	CUSTOMER COMPONENT	ED00AC	87	32	6	20	442	4,767	10
	TAXES OTHER THAN INCOME								
14	EXCLUDING GROSS RECEIPTS	ET01	5	2	6	0	116	433	0
15	DEMAND COMPONENT	ET01D	0	0	6	0	83	19	0
16	CUSTOMER COMPONENT	ET01C	5	2	0	0	33	414	0
17	GROSS RECEIPTS TAX	TXG	36	3	20	34	381	1,000	1
18	DEMAND COMPONENT	TXGD	0	0	18	0	270	35	0
19	CUSTOMER COMPONENT	TXGC	36	3	2	34	111	965	1
20	ADJUSTED DEFERRED INC TAXES	TXTA	4	1	7	0	82	364	1
21	DEMAND COMPONENT	TXTAD	0	0	7	0	65	14	0
22	CUSTOMER COMPONENT	TXTAC	4	1	0	0	17	350	1
23	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
24	DEMAND COMPONENT	TX93D	0	0	(1)	0	(13)	(3)	0
25	CUSTOMER COMPONENT	TX93C	(1)	0	0	0	(4)	(76)	0
26	OP EXPENSES PRIOR INCOME TAX	OEBT	229	74	178	76	4,510	19,400	24
27	DEMAND COMPONENT	OEBTD	0	0	156	0	3,055	676	0
28	CUSTOMER COMPONENT	OEBTC	229	74	22	76	1,455	18,724	24
	PA AND FEDERAL INCOME TAXES BASED ON PRESENT LEVEL REVENUE REQUIREMENTS AT ACTUAL								
29	TOTAL PA INCOME TAX	TSTX	34	(3)	16	49	153	(370)	0
30	DEMAND COMPONENT	TSTXD	0	0	15	0	124	(14)	#DIV/0!
31	CUSTOMER COMPONENT	TSTXC	35	(3)	1	49	29	(356)	#DIV/0!
32	TOTAL FED INC TAX	TFTX	107	(10)	51	152	497	(1,034)	(1)
33	DEMAND COMPONENT	TFTXD	(2)	0	48	(2)	406	(31)	0
34	CUSTOMER COMPONENT	TFTXC	108	(10)	3	154	91	(1,002)	0
35	TOTAL TAXES	TX99	185	(7)	99	235	1,212	314	1
36	DEMAND COMPONENT	TX99D	(2)	0	93	(2)	935	20	#DIV/0!
37	CUSTOMER COMPONENT	TX99C	187	(7)	6	237	277	295	#DIV/0!
38	TOTAL OPERATING EXPENSES	TOE	370	61	245	277	5,160	17,996	23
39	DEMAND COMPONENT	TOED	(2)	0	219	(2)	3,585	631	#DIV/0!
40	CUSTOMER COMPONENT	TOEC	372	61	26	279	1,575	17,366	#DIV/0!

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING REVENUES
PRESENT REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES											
	SALE OF ELECTRICITY											
1	TRANSMISSION REVENUES	TREV			0	0	0	0	0	0	0	0
	DISTRIBUTION RATE REVENUES				631,715	376,667	3,705	75,559	116,079	30,559	1,818	1,719
	REMAND SETTLEMENT				(58)	9,813	286	(1,693)	(6,295)	(1,455)	(37)	(551)
2	REVISED DISTRIBUTION REVENUES	DREV			631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
	ADJUSTED RATE REVENUES				631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	LATE PAYMENT CHARGES		RCW4	R11	8,923	5,825	46	1,182	1,137	417	21	165
4	SALE OF ELECTRICITY & LATE PAYMENTS			RRT	640,580	392,305	4,037	75,048	110,921	29,521	1,802	1,333
5	ANNUALIZATION	ANN			1,724	2,355	(18)	(92)	386	(298)	74	(51)
8	ADJUSTED ELECTRIC SALES & LATE PAYMENTS				642,304	394,660	4,019	74,956	111,307	29,223	1,876	1,282
	OTHER OPERATING REVENUES											
9	MISCELLANEOUS SERVICE REVS	S20	P30	R20	0	0	0	0	0	0	0	0
10	DEMAND COMPONENT		DP30	R20D	0	0	0	0	0	0	0	0
11	CUSTOMER COMPONENT		CP30	R20C	0	0	0	0	0	0	0	0
	RENT-ELECTRIC PROPERTY											
12	TRANSMISSION RELATED	S23	RD10	R23	0	0	0	0	0	0	0	0
13	DISTRIBUTION RELATED	S24	P30	R24	29,693	19,119	563	2,657	4,440	1,088	55	42
14	DEMAND COMPONENT		DP30	R23D	14,062	7,262	389	1,096	3,916	1,026	53	0
15	CUSTOMER COMPONENT		CP30	R23C	15,631	11,857	174	1,561	524	62	2	42
	OTHER ELECTRIC REVENUE											
16	TRANSMISSION RELATED	S26	RD10	R26	0	0	0	0	0	0	0	0
17	DISTRIBUTION RELATED	S27	P30	R27	2,686	1,730	51	240	401	99	5	4
18	DEMAND COMPONENT		DP30	R27D	1,272	657	35	99	354	93	5	0
19	CUSTOMER COMPONENT		CP30	R27C	1,414	1,073	16	141	47	6	0	4
20	TOTAL OTHER OPERATING REVS			ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
21	DEMAND COMPONENT			ROOTD	15,334	7,919	424	1,195	4,270	1,119	58	0
22	CUSTOMER COMPONENT			ROOTC	17,045	12,930	190	1,702	571	68	2	46
23	TOTAL OPERATING REVENUES			ROT	674,683	415,509	4,633	77,853	116,148	30,410	1,936	1,328
24	**BASE FOR GROSS RECEIPTS TAX**			RRBG	642,304	394,660	4,019	74,956	111,307	29,223	1,876	1,282
25	GROSS RECEIPTS TAX @ 5.9%			TXGR	37,897	23,285	237	4,422	6,567	1,724	111	76

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING REVENUES
PRESENT REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES										
	SALE OF ELECTRICITY										
1	TRANSMISSION REVENUES	TREV			0	0	0	0	0	0	0
	DISTRIBUTION RATE REVENUES				739	139	332	538	7,109	16,707	45
	REMAND SETTLEMENT				(175)	(103)	1	0	(650)	811	(10)
2	REVISED DISTRIBUTION REVENUES	DREV			564	36	333	538	6,459	17,518	35
	ADJUSTED RATE REVENUES				564	36	333	538	6,459	17,518	35
3	LATE PAYMENT CHARGES		RCW4	R11	26	0	0	0	54	49	1
4	SALE OF ELECTRICITY & LATE PAYMENTS			RRT	590	36	333	538	6,513	17,567	36
5	ANNUALIZATION	ANN			12	16	3	36	(61)	(625)	(13)
8	ADJUSTED ELECTRIC SALES & LATE PAYMENTS				602	52	336	574	6,452	16,942	23
	OTHER OPERATING REVENUES										
9	MISCELLANEOUS SERVICE REVS	S20	P30	R20	0	0	0	0	0	0	0
10	DEMAND COMPONENT		DP30	R20D	0	0	0	0	0	0	0
11	CUSTOMER COMPONENT		CP30	R20C	0	0	0	0	0	0	0
	RENT-ELECTRIC PROPERTY										
12	TRANSMISSION RELATED	S23	RD10	R23	0	0	0	0	0	0	0
13	DISTRIBUTION RELATED	S24	P30	R24	11	4	22	3	318	1,370	1
14	DEMAND COMPONENT		DP30	R23D	0	0	21	0	244	55	0
15	CUSTOMER COMPONENT		CP30	R23C	11	4	1	3	74	1,315	1
	OTHER ELECTRIC REVENUE										
16	TRANSMISSION RELATED	S26	RD10	R26	0	0	0	0	0	0	0
17	DISTRIBUTION RELATED	S27	P30	R27	1	0	2	0	29	124	0
18	DEMAND COMPONENT		DP30	R27D	0	0	2	0	22	5	0
19	CUSTOMER COMPONENT		CP30	R27C	1	0	0	0	7	119	0
20	TOTAL OTHER OPERATING REVS			ROOT	12	4	24	3	347	1,494	1
21	DEMAND COMPONENT			ROOTD	0	0	23	0	266	60	0
22	CUSTOMER COMPONENT			ROOTC	12	4	1	3	81	1,434	1
23	TOTAL OPERATING REVENUES			ROT	614	56	360	577	6,799	18,436	24
24	**BASE FOR GROSS RECEIPTS TAX**			RRBG	602	52	336	574	6,452	16,942	23
25	GROSS RECEIPTS TAX @ 5.9%			TXGR	36	3	20	34	381	1,000	1

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DERIVATION-									
	TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIONS									
1	OPERATING REVENUES	ROT	674,683	415,509	4,633	77,853	116,148	30,410	1,936	1,328
	MINUS OPERATING EXPENSES									
2	OP EXPENSES PRIOR INCOME TAX	OEBT	507,930	352,774	8,016	43,423	61,944	15,608	808	867
3	EQUALS: TAXABLE INCOME	TAXI	166,753	62,735	(3,383)	34,430	54,204	14,802	1,128	461
	PLUS: ADJUSTMENTS TO									
4	TAXABLE INCOME	TAT	(61,280)	(40,224)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
5	EQUALS: TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIOI	TNI	105,473	22,511	(4,549)	29,034	45,346	12,596	1,016	321
	PA INCOME TAX CALCULATION									
6	TAXABLE NET INCOME	TNI	105,473	22,511	(4,549)	29,034	45,346	12,596	1,016	321
7	**TOTAL SPECIAL DEDUCTIONS**	TASI	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
8	PA TAXABLE INCOME	TSTI	97,153	17,046	(4,715)	28,277	44,175	12,321	1,006	305
9	PA APPORTIONMENT PERCENTAGE		100%	100%	100%	100%	100%	100%	100%	100%
10	PA TAXABLE INCOME	TSTIF	97,153	17,046	(4,715)	28,277	44,175	12,321	1,006	305
11	PA INCOME TAX @ 9.99%	GSIT	9,706	1,703	(471)	2,825	4,413	1,231	100	30
12	PA TAX CREDITS	TS20	0	0	0	0	0	0	0	0
	PA INCOME TAX									
13	ADJUSTMENTS	TSTA	0	0	0	0	0	0	0	0
14	**TOTAL PA INCOME TAX**	TSIT1	9,706	1,703	(471)	2,825	4,413	1,231	100	30
	FEDERAL INC TAX CALCULATION									
15	TAXABLE NET INCOME	TNI	105,473	22,511	(4,549)	29,034	45,346	12,596	1,016	321
	DEDUCTIONS									
16	PA INCOME TAX	GSIT	9,706	1,703	(471)	2,825	4,413	1,231	100	30
17	TOTAL DEDUCTIONS	TSFS	9,706	1,703	(471)	2,825	4,413	1,231	100	30
18	FEDERAL TAXABLE INCOME	TFTI	95,767	20,808	(4,078)	26,209	40,933	11,365	916	291
19	FEDERAL INCOME TAX @ 35.0%	GFIT	33,518	7,283	(1,427)	9,173	14,327	3,978	321	102
	FEDERAL INCOME TAX									
20	CREDITS & ADJUSTMENTS		(730)	(118)	23	(174)	(357)	(85)	(6)	(5)
21	**TOTAL FEDERAL INCOME TAX**	TFIT1	32,788	7,165	(1,404)	8,999	13,970	3,893	315	97

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DERIVATION-								
	TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIONS								
1	OPERATING REVENUES	ROT	614	56	360	577	6,799	18,436	24
	MINUS OPERATING EXPENSES								
2	OP EXPENSES PRIOR INCOME TAX	OEBT	229	74	178	76	4,510	19,400	24
3	EQUALS: TAXABLE INCOME	TAXI	385	(18)	182	501	2,289	(964)	0
	PLUS: ADJUSTMENTS TO								
4	TAXABLE INCOME	TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
5	EQUALS: TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIOI	TNI	348	(32)	162	492	1,619	(3,373)	(3)
	PA INCOME TAX CALCULATION								
6	TAXABLE NET INCOME	TNI	348	(32)	162	492	1,619	(3,373)	(3)
7	**TOTAL SPECIAL DEDUCTIONS**	TASI	(4)	(1)	(2)	(1)	(91)	(333)	0
8	PA TAXABLE INCOME	TSTI	344	(33)	160	491	1,528	(3,706)	(3)
9	PA APPORTIONMENT PERCENTAGE		100%	100%	100%	100%	100%	100%	100%
10	PA TAXABLE INCOME	TSTIF	344	(33)	160	491	1,528	(3,706)	(3)
11	PA INCOME TAX @ 9.99%	GSIT	34	(3)	16	49	153	(370)	0
12	PA TAX CREDITS	TS20	0	0	0	0	0	0	0
	PA INCOME TAX								
13	ADJUSTMENTS	TSTA	0	0	0	0	0	0	0
14	**TOTAL PA INCOME TAX**	TSIT1	34	(3)	16	49	153	(370)	0
	FEDERAL INC TAX CALCULATION								
15	TAXABLE NET INCOME	TNI	348	(32)	162	492	1,619	(3,373)	(3)
	DEDUCTIONS								
16	PA INCOME TAX	GSIT	34	(3)	16	49	153	(370)	0
17	TOTAL DEDUCTIONS	TSFS	34	(3)	16	49	153	(370)	0
18	FEDERAL TAXABLE INCOME	TFTI	314	(29)	146	443	1,466	(3,003)	(3)
19	FEDERAL INCOME TAX @ 35.0%	GFIT	110	(10)	51	155	513	(1,051)	(1)
	FEDERAL INCOME TAX								
20	CREDITS & ADJUSTMENTS		(3)	0	0	(3)	(16)	17	0
21	**TOTAL FEDERAL INCOME TAX**	TFIT1	107	(10)	51	152	497	(1,034)	(1)

PPL ELECTRIC UTLITIES CORPORATION
COST ALLOCATION - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	ADJUSTMENTS TO TAXABLE INCOME											
1	INTEREST EXPENSE	ITA1	RBX	TA1	(55,667)	(36,370)	(1,066)	(4,938)	(8,213)	(2,082)	(106)	(84)
2	DEMAND COMPONENT		DRBX	TA1D	(26,236)	(13,528)	(724)	(2,041)	(7,294)	(1,966)	(102)	0
3	CUSTOMER COMPONENT		CRBX	TA1C	(29,431)	(22,842)	(342)	(2,897)	(919)	(116)	(4)	(84)
4	DEFERRED INCOME TAXES			TXT	8,378	5,563	150	715	1,179	284	15	13
5	DEMAND COMPONENT			TXTD	3,936	2,123	104	300	1,041	269	14	1
6	CUSTOMER COMPONENT			TXTC	4,442	3,440	46	415	138	15	1	12
7	NET INVESTMENT TAX CREDIT			TX93	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
8	DEMAND COMPONENT			TX93D	(768)	(397)	(21)	(60)	(214)	(56)	(3)	0
9	CUSTOMER COMPONENT			TX93C	(905)	(686)	(10)	(90)	(30)	(4)	0	(2)
	BOOK DEPRECIATION & AMORTIZATION											
10	TRANSMISSION	ITAD13	RD10	TAD13	0	0	0	0	0	0	0	0
11	DISTRIBUTION	ITAE13	ED30	TAE13	91,239	59,058	1,760	8,215	13,161	3,089	153	309
12	DEMAND COMPONENT		RED30D	TAE13D	37,483	19,426	1,041	2,932	10,473	2,631	136	0
13	CUSTOMER COMPONENT		RED30C	TAE13C	53,756	39,632	719	5,283	2,688	458	17	309
14	GENERAL & INTANGIBLE	ITAF13	ED88	TAF13	20,585	14,438	345	1,929	2,377	566	30	21
15	DEMAND COMPONENT		RED88D	TAF13D	6,924	3,575	192	539	1,928	505	27	0
16	CUSTOMER COMPONENT		RED88C	TAF13C	13,661	10,863	153	1,390	449	61	3	21
17	TOTAL BOOK DEPRECIATION & AMORTIZATION			TA13	111,824	73,496	2,105	10,144	15,538	3,655	183	330
18	DEMAND COMPONENT			TA13D	44,407	23,001	1,233	3,471	12,401	3,136	163	0
19	CUSTOMER COMPONENT			TA13C	67,417	50,495	872	6,673	3,137	519	20	330
	TAX DEPRECIATION & AMORTIZATION											
20	TRANSMISSION	ITAD15	RD10	TAD15	0	0	0	0	0	0	0	0
21	DISTRIBUTION	ITAE15	ED30	TAE15	(114,772)	(74,291)	(2,213)	(10,333)	(16,557)	(3,885)	(192)	(389)
22	DEMAND COMPONENT		RED30D	TAE15D	(47,151)	(24,437)	(1,309)	(3,688)	(13,175)	(3,309)	(171)	0
23	CUSTOMER COMPONENT		RED30C	TAE15C	(67,621)	(49,854)	(904)	(6,645)	(3,382)	(576)	(21)	(389)
24	GENERAL & INTANGIBLE	ITAF15	ED88	TAF15	(20,168)	(14,145)	(338)	(1,890)	(2,329)	(555)	(29)	(21)
25	DEMAND COMPONENT		RED88D	TAF15D	(6,783)	(3,502)	(188)	(528)	(1,889)	(495)	(26)	0
26	CUSTOMER COMPONENT		RED88C	TAF15C	(13,385)	(10,643)	(150)	(1,362)	(440)	(60)	(3)	(21)
27	TOTAL TAX DEPRECIATION & AMORTIZATION			TA15	(134,940)	(88,436)	(2,551)	(12,223)	(18,886)	(4,440)	(221)	(410)
28	DEMAND COMPONENT			TA15D	(53,934)	(27,939)	(1,497)	(4,216)	(15,064)	(3,804)	(197)	0
29	CUSTOMER COMPONENT			TA15C	(81,006)	(60,497)	(1,054)	(8,007)	(3,822)	(636)	(24)	(410)
30	POST RETIREMENT BENEFITS	ITA20	K939	TA20	501	352	9	47	58	13	1	1
31	DEMAND COMPONENT		DK939	TA20D	168	87	5	13	47	12	1	0
32	CUSTOMER COMPONENT		CK939	TA20C	333	265	4	34	11	1	0	1
	BALANCE CARRIED FORWARD											
33	**ADJUSTMENTS TO TAXABLE INCOME**			TAST1	(71,577)	(46,473)	(1,384)	(6,405)	(10,568)	(2,630)	(131)	(152)
34	DEMAND COMPONENT			TAST1D	(32,427)	(16,653)	(900)	(2,533)	(9,083)	(2,409)	(124)	1
35	CUSTOMER COMPONENT			TAST1C	(39,150)	(29,820)	(484)	(3,872)	(1,485)	(221)	(7)	(153)

PPL ELECTRIC UTLITIES CORPORATION
COST ALLOCATION - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	ADJUSTMENTS TO TAXABLE INCOME										
1	INTEREST EXPENSE	ITA1	RBX	TA1	(23)	(8)	(22)	(5)	(596)	(2,151)	(3)
2	DEMAND COMPONENT		DRBX	TA1D	0	0	(21)	0	(455)	(105)	0
3	CUSTOMER COMPONENT		CRBX	TA1C	(23)	(8)	(1)	(5)	(141)	(2,046)	(3)
4	DEFERRED INCOME TAXES			TXT	4	1	7	0	82	364	1
5	DEMAND COMPONENT			TXTD	0	0	7	0	65	14	0
6	CUSTOMER COMPONENT			TXTC	4	1	0	0	17	350	1
7	NET INVESTMENT TAX CREDIT			TX93	(1)	0	(1)	0	(17)	(79)	0
8	DEMAND COMPONENT			TX93D	0	0	(1)	0	(13)	(3)	0
9	CUSTOMER COMPONENT			TX93C	(1)	0	0	0	(4)	(76)	0
	BOOK DEPRECIATION & AMORTIZATION										
10	TRANSMISSION	ITAD13	RD10	TAD13	0	0	0	0	0	0	0
11	DISTRIBUTION	ITAE13	ED30	TAE13	82	30	47	19	1,042	4,265	9
12	DEMAND COMPONENT		RED30D	TAE13D	0	0	42	0	655	147	0
13	CUSTOMER COMPONENT		RED30C	TAE13C	82	30	5	19	387	4,118	9
14	GENERAL & INTANGIBLE	ITAF13	ED88	TAF13	5	2	11	1	177	682	1
15	DEMAND COMPONENT		RED88D	TAF13D	0	0	10	0	121	27	0
16	CUSTOMER COMPONENT		RED88C	TAF13C	5	2	1	1	56	655	1
17	TOTAL BOOK DEPRECIATION & AMORTIZATION			TA13	87	32	58	20	1,219	4,947	10
18	DEMAND COMPONENT			TA13D	0	0	52	0	776	174	0
19	CUSTOMER COMPONENT			TA13C	87	32	6	20	443	4,773	10
	TAX DEPRECIATION & AMORTIZATION										
20	TRANSMISSION	ITAD15	RD10	TAD15	0	0	0	0	0	0	0
21	DISTRIBUTION	ITAE15	ED30	TAE15	(103)	(38)	(60)	(24)	(1,310)	(5,365)	(11)
22	DEMAND COMPONENT		RED30D	TAE15D	0	0	(53)	0	(824)	(185)	0
23	CUSTOMER COMPONENT		RED30C	TAE15C	(103)	(38)	(7)	(24)	(486)	(5,180)	(11)
24	GENERAL & INTANGIBLE	ITAF15	ED88	TAF15	(5)	(2)	(11)	(1)	(174)	(668)	(1)
25	DEMAND COMPONENT		RED88D	TAF15D	0	0	(10)	0	(119)	(26)	0
26	CUSTOMER COMPONENT		RED88C	TAF15C	(5)	(2)	(1)	(1)	(55)	(642)	(1)
27	TOTAL TAX DEPRECIATION & AMORTIZATION			TA15	(108)	(40)	(71)	(25)	(1,484)	(6,033)	(12)
28	DEMAND COMPONENT			TA15D	0	0	(63)	0	(943)	(211)	0
29	CUSTOMER COMPONENT			TA15C	(108)	(40)	(8)	(25)	(541)	(5,822)	(12)
30	POST RETIREMENT BENEFITS	ITA20	K939	TA20	0	0	0	0	4	17	0
31	DEMAND COMPONENT		DK939	TA20D	0	0	0	0	3	1	0
32	CUSTOMER COMPONENT		CK939	TA20C	0	0	0	0	1	16	0
	BALANCE CARRIED FORWARD										
33	**ADJUSTMENTS TO TAXABLE INCOME**			TAST1	(41)	(15)	(29)	(10)	(792)	(2,935)	(4)
34	DEMAND COMPONENT			TAST1D	0	0	(26)	0	(567)	(130)	0
35	CUSTOMER COMPONENT			TAST1C	(41)	(15)	(3)	(10)	(225)	(2,805)	(4)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	BALANCE BROUGHT FORWARD											
1	**ADJUSTMENTS TO TAXABLE INCOME CONTINUED**			TAST1	(71,577)	(46,473)	(1,384)	(6,405)	(10,568)	(2,630)	(131)	(152)
2	BUSINESS MEALS NOT DEDUCTIBLE	ITA27	K939	TA27	394	277	7	37	46	11	1	0
3	DEMAND COMPONENT		DK939	TA27D	133	69	4	10	37	10	1	0
4	CUSTOMER COMPONENT		CK939	TA27C	261	208	3	27	9	1	0	0
5	VACATION PAY	ITA28	K939	TA28	304	214	5	29	35	8	0	0
6	DEMAND COMPONENT		DK939	TA28D	102	53	3	8	28	7	0	0
7	CUSTOMER COMPONENT		CK939	TA28C	202	161	2	21	7	1	0	0
8	PENSION EXPENSE	ITA30	K939	TA30	5,027	3,526	84	471	581	138	7	5
9	DEMAND COMPONENT		DK939	TA30D	1,691	873	47	132	471	123	6	0
10	CUSTOMER COMPONENT		CK939	TA30C	3,336	2,653	37	339	110	15	1	5
11	POST EMPL BENE/VERP	ITA37	K939	TA37	38	27	0	4	5	1	0	0
12	DEMAND COMPONENT		DK939	TA37D	13	7	0	1	4	1	0	0
13	CUSTOMER COMPONENT		CK939	TA37C	25	20	0	3	1	0	0	0
14	ENVIRONMENTAL CLEANUP	ITA45	P00	TA45	(329)	(223)	(5)	(31)	(38)	(9)	0	(1)
15	DEMAND COMPONENT		DP00	TA45D	(111)	(57)	(3)	(9)	(31)	(8)	0	0
16	CUSTOMER COMPONENT		CP00	TA45C	(218)	(166)	(2)	(22)	(7)	(1)	0	(1)
	BALANCE CARRIED FORWARD											
17	**ADJUSTMENTS TO TAXABLE INCOME**			TAST2	(66,143)	(42,649)	(1,293)	(5,895)	(9,939)	(2,481)	(123)	(148)
18	DEMAND COMPONENT			TAST2D	(30,599)	(15,708)	(849)	(2,391)	(8,574)	(2,276)	(117)	1
19	CUSTOMER COMPONENT			TAST2C	(35,544)	(26,941)	(444)	(3,504)	(1,365)	(205)	(6)	(149)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	BALANCE BROUGHT FORWARD										
1	**ADJUSTMENTS TO TAXABLE INCOME CONTINUED**			TAST1	(41)	(15)	(29)	(10)	(792)	(2,935)	(4)
2	BUSINESS MEALS NOT DEDUCTIBLE	ITA27	K939	TA27	0	0	0	0	3	14	0
3	DEMAND COMPONENT		DK939	TA27D	0	0	0	0	2	1	0
4	CUSTOMER COMPONENT		CK939	TA27C	0	0	0	0	1	13	0
5	VACATION PAY	ITA28	K939	TA28	0	0	0	0	3	10	0
6	DEMAND COMPONENT		DK939	TA28D	0	0	0	0	2	0	0
7	CUSTOMER COMPONENT		CK939	TA28C	0	0	0	0	1	10	0
8	PENSION EXPENSE	ITA30	K939	TA30	1	0	3	0	43	167	0
9	DEMAND COMPONENT		DK939	TA30D	0	0	3	0	29	7	0
10	CUSTOMER COMPONENT		CK939	TA30C	1	0	0	0	14	160	0
11	POST EMPL BENE/VERP	ITA37	K939	TA37	0	0	0	0	0	1	0
12	DEMAND COMPONENT		DK939	TA37D	0	0	0	0	0	0	0
13	CUSTOMER COMPONENT		CK939	TA37C	0	0	0	0	0	1	0
14	ENVIRONMENTAL CLEANUP	ITA45	P00	TA45	0	0	0	0	(3)	(17)	0
15	DEMAND COMPONENT		DP00	TA45D	0	0	0	0	(2)	0	0
16	CUSTOMER COMPONENT		CP00	TA45C	0	0	0	0	(1)	(17)	0
	BALANCE CARRIED FORWARD										
17	**ADJUSTMENTS TO TAXABLE INCOME**			TAST2	(40)	(15)	(26)	(10)	(746)	(2,760)	(4)
18	DEMAND COMPONENT			TAST2D	0	0	(23)	0	(536)	(122)	0
19	CUSTOMER COMPONENT			TAST2C	(40)	(15)	(3)	(10)	(210)	(2,638)	(4)

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Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	BALANCE BROUGHT FORWARD											
1	**ADJUSTMENTS TO TAXABLE INCOME**			TAST2	(66,143)	(42,649)	(1,293)	(5,895)	(9,939)	(2,481)	(123)	(148)
	CONTINUED											
2	REACQUIRED DEBT COSTS	ITA48	P00	TA48	2,564	1,667	48	231	374	92	4	4
3	DEMAND COMPONENT		DP00	TA48D	1,177	608	33	92	328	86	4	0
4	CUSTOMER COMPONENT		CP00	TA48C	1,387	1,059	15	139	46	6	0	4
5	BAD DEBTS & PROPERTY DAMAGE	ITA54	RCW5	TA54	(1,639)	(1,517)	(4)	(118)	(40)	(3)	0	(4)
6	DEMAND COMPONENT		RCW5		(752)	(696)	(2)	(32)	(18)	(2)	0	(2)
7	CUSTOMER COMPONENT		RCW5		(887)	(821)	(2)	(37)	(21)	(2)	0	(2)
	ADJUST SALES OF PROPERTY											
8	TRANSMISSION PROPERTY	ITA84E	RD10	TA84E	0	0	0	0	0	0	0	0
9	DISTRIBUTION PROPERTY	ITA84F	P30	TA84F	(9)	(6)	0	0	(1)	0	0	0
10	DEMAND COMPONENT		DP30	TA84FD	(4)	(2)	0	0	(1)	0	0	0
11	CUSTOMER COMPONENT		CP30	TA84FC	(5)	(4)	0	0	0	0	0	0
12	GENERAL PROPERTY	ITA84G	K939	TA84	0	0	0	0	0	0	0	0
13	DEMAND COMPONENT		DK939	TA84GD	0	0	0	0	0	0	0	0
14	CUSTOMER COMPONENT		CK939	TA84GC	0	0	0	0	0	0	0	0
	REMOVAL COSTS											
15	TRANSMISSION	ITA60	RD10	TA60	0	0	0	0	0	0	0	0
16	DISTRIBUTION	ITA62	P30	TA62	(10,104)	(6,506)	(191)	(904)	(1,510)	(370)	(19)	(14)
17	DEMAND COMPONENT		DP30	TA62D	(4,785)	(2,471)	(132)	(373)	(1,332)	(349)	(18)	0
18	CUSTOMER COMPONENT		CP30	TA62C	(5,319)	(4,035)	(59)	(531)	(178)	(21)	(1)	(14)
	OTHER 263A & REPAIR ALLOW											
19	DISTRIBUTION		P30		528	340	10	47	79	19	1	1
20	DEMAND COMPONENT		DP30		250	129	7	19	70	18	1	0
21	CUSTOMER COMPONENT		CP30		278	211	3	28	9	1	0	1
22	GENERAL PROPERTY		K939		116	81	2	11	14	3	0	0
23	DEMAND COMPONENT		DK939		39	20	1	3	11	3	0	0
24	CUSTOMER COMPONENT		CK939		77	61	1	8	3	0	0	0
25	RATE REFUND		K939		2,249	1,577	38	211	260	62	3	2
26	DEMAND COMPONENT		DK939		756	390	21	59	211	55	3	0
27	CUSTOMER COMPONENT		CK939		1,493	1,187	17	152	49	7	0	2
	BALANCE CARRIED FORWARD											
28	**ADJUSTMENTS TO TAXABLE INCOME**			TAST3	(72,438)	(47,013)	(1,390)	(6,368)	(10,762)	(2,679)	(134)	(159)
29	DEMAND COMPONENT			TAST3D	(33,918)	(17,730)	(921)	(2,623)	(9,305)	(2,465)	(127)	(1)
30	CUSTOMER COMPONENT			TAST3C	(38,520)	(29,283)	(469)	(3,745)	(1,457)	(214)	(7)	(158)

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CALCULATION OF INCOME TAXES
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Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	BALANCE BROUGHT FORWARD										
1	**ADJUSTMENTS TO TAXABLE INCOME**			TAST2	(40)	(15)	(26)	(10)	(746)	(2,760)	(4)
	CONTINUED										
2	REACQUIRED DEBT COSTS	ITA48	P00	TA48	1	0	2	0	26	115	0
3	DEMAND COMPONENT		DP00	TA48D	0	0	2	0	20	5	0
4	CUSTOMER COMPONENT		CP00	TA48C	1	0	0	0	6	110	0
5	BAD DEBTS & PROPERTY DAMAGE	ITA54	RCW5	TA54	0	0	0	0	(3)	0	0
6	DEMAND COMPONENT		RCW5		0	0	0	0	(1)	0	0
7	CUSTOMER COMPONENT		RCW5		0	0	0	0	(1)	0	0
	ADJUST SALES OF PROPERTY										
8	TRANSMISSION PROPERTY	ITA84E	RD10	TA84E	0	0	0	0	0	0	0
9	DISTRIBUTION PROPERTY	ITA84F	P30	TA84F	0	0	0	0	0	0	0
10	DEMAND COMPONENT		DP30	TA84FD	0	0	0	0	0	0	0
11	CUSTOMER COMPONENT		CP30	TA84FC	0	0	0	0	0	0	0
12	GENERAL PROPERTY	ITA84G	K939	TA84	0	0	0	0	0	0	0
13	DEMAND COMPONENT		DK939	TA84GD	0	0	0	0	0	0	0
14	CUSTOMER COMPONENT		CK939	TA84GC	0	0	0	0	0	0	0
	REMOVAL COSTS										
15	TRANSMISSION	ITA60	RD10	TA60	0	0	0	0	0	0	0
16	DISTRIBUTION	ITA62	P30	TA62	(4)	(1)	(7)	(1)	(108)	(467)	0
17	DEMAND COMPONENT		DP30	TA62D	0	0	(7)	0	(83)	(19)	0
18	CUSTOMER COMPONENT		CP30	TA62C	(4)	(1)	0	(1)	(25)	(448)	0
	OTHER 263A & REPAIR ALLOW										
19	DISTRIBUTION		P30		0	0	0	0	5	24	0
20	DEMAND COMPONENT		DP30		0	0	0	0	4	1	0
21	CUSTOMER COMPONENT		CP30		0	0	0	0	1	23	0
22	GENERAL PROPERTY		K939		0	0	0	0	1	4	0
23	DEMAND COMPONENT		DK939		0	0	0	0	1	0	0
24	CUSTOMER COMPONENT		CK939		0	0	0	0	0	4	0
25	RATE REFUND		K939		1	0	1	0	19	75	0
26	DEMAND COMPONENT		DK939		0	0	1	0	13	3	0
27	CUSTOMER COMPONENT		CK939		1	0	0	0	6	72	0
	BALANCE CARRIED FORWARD										
28	**ADJUSTMENTS TO TAXABLE INCOME**			TAST3	(42)	(16)	(30)	(11)	(805)	(3,009)	(4)
29	DEMAND COMPONENT			TAST3D	0	0	(27)	0	(582)	(132)	0
30	CUSTOMER COMPONENT			TAST3C	(42)	(16)	(3)	(11)	(223)	(2,877)	(4)

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COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES
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Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	BALANCE BROUGHT FORWARD											
1	**ADJUSTMENTS TO TAXABLE INCOME**			TAST3	(72,438)	(47,013)	(1,390)	(6,368)	(10,762)	(2,679)	(134)	(159)
	CONTINUED											
2	SERP	ITA70	K939	TA70	303	213	5	28	35	8	0	0
3	DEMAND COMPONENT		DK939	TA70D	102	53	3	8	28	7	0	0
4	CUSTOMER COMPONENT		CK939	TA70C	201	160	2	20	7	1	0	0
5	ESOP DIVIDEND	ITA72	K939	TA72	(4,353)	(3,053)	(72)	(408)	(503)	(120)	(7)	(4)
6	DEMAND COMPONENT		DK939	TA72D	(1,464)	(756)	(40)	(114)	(408)	(107)	(6)	0
7	CUSTOMER COMPONENT		CK939	TA72C	(2,889)	(2,297)	(32)	(294)	(95)	(13)	(1)	(4)
	CONTRIBUTIONS IN AID OF CONSTRUCTION											
8	TRANSMISSION	ITA78	RD10	TA78	0	0	0	0	0	0	0	0
9	DISTRIBUTION	ITA80	P30	TA80	18,023	11,605	341	1,612	2,695	661	33	26
10	DEMAND COMPONENT		DP30	TA80D	8,536	4,409	236	665	2,377	623	32	0
11	CUSTOMER COMPONENT		CP30	TA80C	9,487	7,196	105	947	318	38	1	26
12	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION			TA81	18,023	11,605	341	1,612	2,695	661	33	26
13	DEMAND COMPONENT			TA81D	8,536	4,409	236	665	2,377	623	32	0
14	CUSTOMER COMPONENT			TA81C	9,487	7,196	105	947	318	38	1	26
15	ADJ G R TAX - CASH BASIS	ITA87	RRBG	TA87	183	112	1	21	32	9	0	0
16	DEMAND COMPONENT		TRRBG	TA87D	62	38	0	7	11	3	0	0
17	CUSTOMER COMPONENT		TRRBG	TA87C	121	74	1	14	21	6	0	0
18	CONSUMER EDUCATION	ITA90	K939	TA90	(2,707)	(1,899)	(45)	(254)	(312)	(74)	(3)	(3)
19	DEMAND COMPONENT		DK939	TA90D	(910)	(470)	(25)	(71)	(253)	(66)	(3)	0
20	CUSTOMER COMPONENT		CK939	TA90C	(1,797)	(1,429)	(20)	(183)	(59)	(8)	0	(3)
21	PREFERRED DIV PD CREDIT	ITA95	P01	TA95	(292)	(190)	(6)	(27)	(43)	(11)	(1)	0
22	DEMAND COMPONENT		DP01	TA95D	(136)	(70)	(4)	(11)	(38)	(10)	(1)	0
23	CUSTOMER COMPONENT		CP01	TA95C	(156)	(120)	(2)	(16)	(5)	(1)	0	0
24	**TOTAL ADJ'S TO TAXABLE INCOME**			TAT	(61,281)	(40,225)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
25	*DEMAND COMPONENT*			TATD	(27,728)	(14,526)	(751)	(2,139)	(7,588)	(2,015)	(105)	(1)
26	CUSTOMER COMPONENT			TATC	(33,553)	(25,699)	(415)	(3,257)	(1,270)	(191)	(7)	(139)

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COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
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Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	BALANCE BROUGHT FORWARD										
1	**ADJUSTMENTS TO TAXABLE INCOME CONTINUED**			TAST3	(42)	(16)	(30)	(11)	(805)	(3,009)	(4)
2	SERP	ITA70	K939	TA70	0	0	0	0	3	10	0
3	DEMAND COMPONENT		DK939	TA70D	0	0	0	0	2	0	0
4	CUSTOMER COMPONENT		CK939	TA70C	0	0	0	0	1	10	0
5	ESOP DIVIDEND	ITA72	K939	TA72	(1)	0	(2)	0	(37)	(144)	0
6	DEMAND COMPONENT		DK939	TA72D	0	0	(2)	0	(25)	(6)	0
7	CUSTOMER COMPONENT		CK939	TA72C	(1)	0	0	0	(12)	(138)	0
	CONTRIBUTIONS IN AID OF CONSTRUCTION										
8	TRANSMISSION	ITA78	RD10	TA78	0	0	0	0	0	0	0
9	DISTRIBUTION	ITA80	P30	TA80	7	2	13	2	193	831	1
10	DEMAND COMPONENT		DP30	TA80D	0	0	13	0	148	33	0
11	CUSTOMER COMPONENT		CP30	TA80C	7	2	0	2	45	798	1
12	TOTAL CONTRIBUTIONS IN AID OF CONSTRUCTION			TA81	7	2	13	2	193	831	1
13	DEMAND COMPONENT			TA81D	0	0	13	0	148	33	0
14	CUSTOMER COMPONENT			TA81C	7	2	0	2	45	798	1
15	ADJ G R TAX - CASH BASIS	ITA87	RRBG	TA87	0	0	0	0	2	5	0
16	DEMAND COMPONENT		TRRBG	TA87D	0	0	0	0	1	2	0
17	CUSTOMER COMPONENT		TRRBG	TA87C	0	0	0	0	1	3	0
18	CONSUMER EDUCATION	ITA90	K939	TA90	(1)	0	(1)	0	(23)	(90)	0
19	DEMAND COMPONENT		DK939	TA90D	0	0	(1)	0	(16)	(4)	0
20	CUSTOMER COMPONENT		CK939	TA90C	(1)	0	0	0	(7)	(86)	0
21	PREFERRED DIV PD CREDIT	ITA95	P01	TA95	0	0	0	0	(3)	(12)	0
22	DEMAND COMPONENT		DP01	TA95D	0	0	0	0	(2)	(1)	0
23	CUSTOMER COMPONENT		CP01	TA95C	0	0	0	0	(1)	(11)	0
24	**TOTAL ADJ'S TO TAXABLE INCOME**			TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
25	DEMAND COMPONENT			TATD	0	0	(17)	0	(474)	(108)	0
26	CUSTOMER COMPONENT			TATC	(37)	(14)	(3)	(9)	(196)	(2,301)	(3)

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CALCULATION OF INCOME TAXES
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Line No.	INCOME TAX ADJUSTMENTS	Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	PA SPECIAL ADJUSTMENTS											
1	BONUS DEPRECIATION TRANSMISSION	ITAS1	D10	TAS1	0	0	0	0	0	0	0	0
2	DEMAND COMPONENT		RD10	TAS1D	0	0	0	0	0	0	0	0
3	CUSTOMER COMPONENT		RD10	TAS1C	0	0	0	0	0	0	0	0
4	BONUS DEPRECIATION DISTRIBUTION	ITAS2	ED00	TAS2	(5,153)	(3,388)	(97)	(468)	(715)	(168)	(9)	(15)
5	DEMAND COMPONENT		RED00D	TAS2D	(2,045)	(1,059)	(57)	(160)	(571)	(144)	(8)	0
6	CUSTOMER COMPONENT		RED00C	TAS2C	(3,108)	(2,329)	(40)	(308)	(144)	(24)	(1)	(15)
7	BONUS DEPRECIATION GENERAL PLANT	ITAS3	ED88	TAS3	(714)	(489)	(13)	(66)	(93)	(23)	(1)	(1)
8	DEMAND COMPONENT		RED88D	TAS3D	(283)	(146)	(8)	(22)	(79)	(21)	(1)	0
9	CUSTOMER COMPONENT		RED88C	TAS3C	(431)	(343)	(5)	(44)	(14)	(2)	0	(1)
10	TAX PREFERENCE INCOME	ITAS4	P01	TAS4	(88)	(57)	(2)	(8)	(13)	(3)	0	0
11	DEMAND COMPONENT		DP01	TAS4D	(41)	(21)	(1)	(3)	(11)	(3)	0	0
12	CUSTOMER COMPONENT		CP01	TAS4C	(47)	(36)	(1)	(5)	(2)	0	0	0
13	PA NET OPERATING LOSS DEDUCTION		P01		(2,365)	(1,531)	(54)	(215)	(350)	(81)	0	0
14	DEMAND COMPONENT		DP01		(1,104)	(565)	(27)	(81)	(296)	(81)	0	0
15	CUSTOMER COMPONENT		CP01		(1,261)	(966)	(27)	(134)	(54)	0	0	0
16	TOTAL SPECIAL DEDUCTIONS			TASI	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
17	DEMAND COMPONENT			TASID	(3,473)	(1,791)	(93)	(266)	(957)	(249)	(9)	0
18	CUSTOMER COMPONENT			TASIC	(4,847)	(3,674)	(73)	(491)	(214)	(26)	(1)	(16)
19	PA TAX CREDITS	ITS1	P01	TS1	0	0	0	0	0	0	0	0
20	DEMAND COMPONENT		DP01	TS1D	0	0	0	0	0	0	0	0
21	CUSTOMER COMPONENT		CP01	TS1C	0	0	0	0	0	0	0	0
22	FEDERAL TAX CREDITS		P01	TS20	(114)	(74)	(2)	(10)	(17)	(4)	0	0
23	DEMAND COMPONENT		DP01	TS20D	(53)	(27)	(1)	(4)	(14)	(4)	0	0
24	CUSTOMER COMPONENT		CP01	TS20C	(61)	(47)	(1)	(6)	(3)	0	0	0
25	CONSOLIDATED INCOME TAX ADJUSTMENTS				(616)	(44)	25	(164)	(340)	(81)	(6)	(5)
26	DEMAND COMPONENT		FTX		(288)	(21)	12	(77)	(159)	(38)	(3)	(2)
27	CUSTOMER COMPONENT		FTX		(328)	(23)	13	(87)	(181)	(43)	(3)	(3)
28	TOTAL FEDERAL TAX CREDITS & ADJUSTMENTS				(730)	(118)	23	(174)	(357)	(85)	(6)	(5)
29	DEMAND COMPONENT				(341)	(48)	11	(81)	(173)	(42)	(3)	(2)
30	CUSTOMER COMPONENT				(389)	(70)	12	(93)	(184)	(43)	(3)	(3)

PPL ELECTRIC UTILITIES CORPORATION
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Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	INCOME TAX ADJUSTMENTS										
	PA SPECIAL ADJUSTMENTS										
1	BONUS DEPRECIATION TRANSMISSION	ITAS1	D10	TAS1	0	0	0	0	0	0	0
2	DEMAND COMPONENT		RD10	TAS1D	0	0	0	0	0	0	0
3	CUSTOMER COMPONENT		RD10	TAS1C	0	0	0	0	0	0	0
4	BONUS DEPRECIATION DISTRIBUTION	ITAS2	ED00	TAS2	(4)	(1)	(2)	(1)	(56)	(228)	0
5	DEMAND COMPONENT		RED00D	TAS2D	0	0	(2)	0	(36)	(8)	0
6	CUSTOMER COMPONENT		RED00C	TAS2C	(4)	(1)	0	(1)	(20)	(220)	0
7	BONUS DEPRECIATION GENERAL PLANT	ITAS3	ED88	TAS3	0	0	0	0	(7)	(22)	0
8	DEMAND COMPONENT		RED88D	TAS3D	0	0	0	0	(5)	(1)	0
9	CUSTOMER COMPONENT		RED88C	TAS3C	0	0	0	0	(2)	(21)	0
10	TAX PREFERENCE INCOME	ITAS4	P01	TAS4	0	0	0	0	(1)	(3)	0
11	DEMAND COMPONENT		DP01	TAS4D	0	0	0	0	(1)	0	0
12	CUSTOMER COMPONENT		CP01	TAS4C	0	0	0	0	0	(3)	0
13	PA NET OPERATING LOSS DEDUCTION		P01		0	0	0	0	(27)	(80)	0
14	DEMAND COMPONENT		DP01		0	0	0	0	(27)	0	0
15	CUSTOMER COMPONENT		CP01		0	0	0	0	0	(80)	0
16	TOTAL SPECIAL DEDUCTIONS			TASI	(4)	(1)	(2)	(1)	(91)	(333)	0
17	DEMAND COMPONENT			TASID	0	0	(2)	0	(69)	(9)	0
18	CUSTOMER COMPONENT			TASIC	(4)	(1)	0	(1)	(22)	(324)	0
19	PA TAX CREDITS	ITS1	P01	TS1	0	0	0	0	0	0	0
20	DEMAND COMPONENT		DP01	TS1D	0	0	0	0	0	0	0
21	CUSTOMER COMPONENT		CP01	TS1C	0	0	0	0	0	0	0
22	FEDERAL TAX CREDITS		P01	TS20	0	0	0	0	(1)	(4)	0
23	DEMAND COMPONENT		DP01	TS20D	0	0	0	0	(1)	0	0
24	CUSTOMER COMPONENT		CP01	TS20C	0	0	0	0	.0	(4)	0
25	CONSOLIDATED INCOME TAX ADJUSTMENTS				(3)	0	0	(3)	(15)	21	0
26	DEMAND COMPONENT		FTX		(1)	0	0	(1)	(7)	10	0
27	CUSTOMER COMPONENT		FTX		(2)	0	0	(2)	(8)	11	0
28	TOTAL FEDERAL TAX CREDITS & ADJUSTMENTS				(3)	0	0	(3)	(16)	17	0
29	DEMAND COMPONENT				(1)	0	0	(1)	(8)	10	0
30	CUSTOMER COMPONENT				(2)	0	0	(2)	(8)	7	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PRESENT OPERATING REVENUES AND EXPENSES, RETURN, RATE OF RETURN, AND CLASS RATE % OF TOTAL
PRESENT REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES AT PRESENT RATE LEVELS									
	SALES OF ELECTRICITY									
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0	0
2	REVISED DISTRIBUTION REVENUES		631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	LATE PAY CHARGES PRESENT RATES	R11	8,923	5,825	46	1,182	1,137	417	21	165
4	SALE OF ELECTRICITY	RRT	640,580	392,305	4,037	75,048	110,921	29,521	1,802	1,333
5	ANNUALIZATION PRESENT REVENUES	ANN	1,724	2,355	(18)	(92)	386	(298)	74	(51)
6	ADJUSTED ELECTRIC SALES	0	642,304	394,660	4,019	74,956	111,307	29,223	1,876	1,282
7	OTHER OPERATING REVENUES	ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
8	TOTAL OPERATING REVENUES	ROT	674,683	415,509	4,633	77,853	116,148	30,410	1,936	1,328
	OPERATING EXPENSES									
	OPERATION AND MAINTENENCE EXPENSES									
9	TRANSMISSION	EE20	0	0	0	0	0	0	0	0
10	DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
11	OTHER OPER & MAINT EXPENSES	EEOT	204,612	159,097	2,784	15,591	17,144	3,889	194	198
12	TOTAL OPER & MAINT EXPENSES	EE00	339,555	243,401	5,345	27,195	37,341	9,622	484	436
	DEPRECIATION EXPENSE									
13	TRANSMISSION	ED20	0	0	0	0	0	0	0	0
14	DISTRIBUTION	ED30	88,481	57,271	1,706	7,966	12,764	2,995	148	300
15	OTHER DEPREC EXP	EDOT	23,343	16,256	396	2,178	2,760	656	34	29
16	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00A	111,824	73,527	2,102	10,144	15,524	3,651	182	329
	TAXES									
17	CAPITAL STOCK PRESENT LEVEL	ET1	2,295	1,495	43	206	340	86	4	4
18	OTHER OTHER TAXES	ET001	9,654	6,586	170	891	1,237	301	15	11
19	DEFERRED INCOME TAXES	TXTA	8,378	5,563	150	715	1,179	284	15	13
20	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
21	GROSS RECEIPTS TAX	TXG	37,897	23,285	237	4,422	6,567	1,724	111	76
22	TOTAL PA INCOME TAX	TSIT1	9,706	1,703	(471)	2,825	4,413	1,231	100	30
23	TOTAL FED INC TAX	TFTX	32,788	7,165	(1,404)	8,999	13,970	3,893	315	97
24	TOTAL TAXES	TFIT1	99,045	44,714	(1,308)	17,908	27,462	7,459	557	229
25	TOTAL OPERATING EXPENSES	TEXP1	550,424	361,642	6,141	55,247	80,327	20,732	1,223	994
26	RETURN (LN 8 - 25)	PRERTN	124,259	53,867	(1,508)	22,606	35,821	9,678	713	334
27	TOTAL RATE BASE	RBX	2,022,963	1,321,698	38,737	179,448	298,479	75,648	3,836	3,072
28	RATE OF RETURN (LN 26 / LN 27)	PRRTR	6.14%	4.08%	-3.89%	12.60%	12.00%	12.79%	18.59%	10.87%
29	CLASS RATE IN % OF TOTAL	PRCLRT	100.00%	66.45%	-63.36%	205.21%	195.44%	208.31%	302.77%	177.04%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PRESENT OPERATING REVENUES AND EXPENSES, RETURN, RATE OF RETURN, AND CLASS RATE % OF TOTAL
PRESENT REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES AT PRESENT RATE LEVELS								
	SALES OF ELECTRICITY								
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0
2	REVISED DISTRIBUTION REVENUES		564	36	333	538	6,459	17,518	35
3	LATE PAY CHARGES PRESENT RATES	R11	26	0	0	0	54	49	1
4	SALE OF ELECTRICITY	RRT	590	36	333	538	6,513	17,567	36
5	ANNUALIZATION PRESENT REVENUES	ANN	12	16	3	36	(61)	(625)	(13)
6	ADJUSTED ELECTRIC SALES	0	602	52	336	574	6,452	16,942	23
7	OTHER OPERATING REVENUES	ROOT	12	4	24	3	347	1,494	1
8	TOTAL OPERATING REVENUES	ROT	614	56	360	577	6,799	18,436	24
	OPERATING EXPENSES								
	OPERATION AND MAINTENENCE EXPENSES								
9	TRANSMISSION	EE20	0	0	0	0	0	0	0
10	DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
11	OTHER OPER & MAINT EXPENSES	EEOT	34	13	74	8	1,265	4,314	4
12	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,731	12,741	12
	DEPRECIATION EXPENSE								
13	TRANSMISSION	ED20	0	0	0	0	0	0	0
14	DISTRIBUTION	ED30	80	29	46	19	1,010	4,137	9
15	OTHER DEPREC EXP	EDOT	7	3	12	1	207	804	1
16	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00A	87	32	58	20	1,217	4,941	10
	TAXES								
17	CAPITAL STOCK PRESENT LEVEL	ET1	1	0	1	0	24	90	0
18	OTHER OTHER TAXES	ET001	4	2	5	0	92	343	0
19	DEFERRED INCOME TAXES	TXTA	4	1	7	0	82	364	1
20	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
21	GROSS RECEIPTS TAX	TXG	36	3	20	34	381	1,000	1
22	TOTAL PA INCOME TAX	TSIT1	34	(3)	16	49	153	(370)	0
23	TOTAL FED INC TAX	TFTX	107	(10)	51	152	497	(1,034)	(1)
24	TOTAL TAXES	TFIT1	185	(7)	99	235	1,212	314	1
25	TOTAL OPERATING EXPENSES	TEXP1	370	61	245	277	5,160	17,996	23
26	RETURN (LN 8 - 25)	PRERTN	244	(5)	115	300	1,639	440	1
27	TOTAL RATE BASE	RBX	820	294	821	190	21,654	78,174	94
28	RATE OF RETURN (LN 26 / LN 27)	PRRTR	29.76%	-1.70%	14.01%	157.89%	7.57%	0.56%	1.06%
29	CLASS RATE IN % OF TOTAL	PRCLRT	484.69%	-27.69%	228.18%	2571.50%	123.29%	9.12%	17.26%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
DEVELOPMENT OF WAGES AND SALARIES ALLOCATOR
$1,000

Line No.	adjusted to 100% for allocations WAGES AND SALARIES ALLOCATOR	Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	CALCULATE WAGES AND SALARIES ALLOCATOR EXCLUDING ADMIN & GENERAL											
1	TRANSMISSION	K904	RD10	K905	0	0	0	0	0	0	0	0
2	DISTRIBUTION	K906	P30	K907	51,889	33,411	983	4,643	7,758	1,901	97	74
3	DEMAND COMPONENT		DP30	K907D	24,574	12,691	679	1,915	6,843	1,792	93	0
4	CUSTOMER COMPONENT		CP30	K907C	27,315	20,720	304	2,728	915	109	4	74
5	CUSTOMER ACCTS	K920	RC10	K921	18,576	16,039	190	1,964	303	14	0	1
6	CUSTOMER SERV & INFO	K922	RC10	K923	1,327	1,146	14	140	22	1	0	0
7	SALES	K924	DAT2	K925	1,275	658	35	99	355	93	5	0
	TOTAL WAGES AND SALARIES ALLOCATOR											
8	**EXCLUDING ADMIN & GENERAL**			K929	73,087	51,254	1,222	6,846	8,438	2,009	102	75
9	ALLOCATOR			RK929	100.00%	70.146%	1.672%	9.369%	11.547%	2.750%	0.140%	0.103%
10	DEMAND COMPONENT			K929D	24,574	12,691	679	1,915	6,843	1,792	93	0
11	ALLOCATOR			DK929	100.00%	51.643%	2.763%	7.793%	27.847%	7.292%	0.378%	0.000%
12	CUSTOMER COMPONENT			K929C	48,493	38,563	543	4,931	1,595	217	9	75
13	ALLOCATOR			CK929	100.00%	79.524%	1.120%	10.168%	3.289%	0.447%	0.019%	0.155%
14	ADMIN & GENERAL	K930	K929	K931	4,040	2,834	68	379	466	111	6	4
15	DEMAND COMPONENT		DK929	K931D	1,359	702	38	106	378	99	5	0
16	CUSTOMER COMPONENT		CK929	K931C	2,681	2,132	30	273	88	12	1	4
	TOTAL WAGES AND SALARIES ALLOCATOR											
17	**INCLUDING ADMIN & GENERAL**			K939	77,107	54,087	1,290	7,225	8,904	2,120	108	79
18	ALLOCATOR			RK939	100.00%	70.148%	1.673%	9.370%	11.548%	2.749%	0.140%	0.102%
19	DEMAND COMPONENT			K939D	25,933	13,393	717	2,021	7,221	1,891	98	0
20	ALLOCATOR			DK939	100.00%	51.649%	2.765%	7.793%	27.845%	7.292%	0.378%	0.000%
21	CUSTOMER COMPONENT			K939C	51,174	40,694	573	5,204	1,683	229	10	79
22	ALLOCATOR			CK939	100.00%	79.522%	1.120%	10.169%	3.289%	0.447%	0.020%	0.154%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
DEVELOPMENT OF WAGES AND SALARIES ALLOCATOR
$1,000

Line No.	adjusted to 100% for allocations WAGES AND SALARIES ALLOCATOR	Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	CALCULATE WAGES AND SALARIES ALLOCATOR EXCLUDING ADMIN & GENEI										
1	TRANSMISSION	K904	RD10	K905	0	0	0	0	0	0	0
2	DISTRIBUTION	K906	P30	K907	20	7	38	5	556	2,395	2
3	DEMAND COMPONENT		DP30	K907D	0	0	37	0	427	96	0
4	CUSTOMER COMPONENT		CP30	K907C	20	7	1	5	129	2,299	2
5	CUSTOMER ACCTS	K920	RC10	K921	0	0	0	0	46	18	0
6	CUSTOMER SERV & INFO	K922	RC10	K923	0	0	0	0	3	1	0
7	SALES	K924	DAT2	K925	0	0	2	0	22	5	0
	TOTAL WAGES AND SALARIES ALLOCATOR										
8	**EXCLUDING ADMIN & GENERAL**			K929	20	7	40	5	627	2,419	2
9	ALLOCATOR			RK929	0.027%	0.010%	0.055%	0.007%	0.858%	3.311%	0.004%
10	DEMAND COMPONENT			K929D	0	0	37	0	427	96	0
11	ALLOCATOR			DK929	0.000%	0.000%	0.151%	0.000%	1.738%	0.391%	0.000%
12	CUSTOMER COMPONENT			K929C	20	7	3	5	200	2,323	2
13	ALLOCATOR			CK929	0.041%	0.014%	0.006%	0.010%	0.412%	4.790%	0.005%
14	ADMIN & GENERAL	K930	K929	K931	1	0	2	0	35	133	0
15	DEMAND COMPONENT		DK929	K931D	0	0	2	0	24	5	0
16	CUSTOMER COMPONENT		CK929	K931C	1	0	0	0	11	128	0
	TOTAL WAGES AND SALARIES ALLOCATOR										
17	**INCLUDING ADMIN & GENERAL**			K939	21	7	42	5	662	2,552	2
18	ALLOCATOR			RK939	0.027%	0.009%	0.054%	0.006%	0.859%	3.310%	0.004%
19	DEMAND COMPONENT			K939D	0	0	39	0	451	101	0
20	ALLOCATOR			DK939	0.000%	0.000%	0.150%	0.000%	1.739%	0.389%	0.000%
21	CUSTOMER COMPONENT			K939C	21	7	3	5	211	2,451	2
22	ALLOCATOR			CK939	0.041%	0.014%	0.006%	0.010%	0.412%	4.790%	0.005%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF ALLOCATORS

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	I CUSTOMERS, WEIGHTED											
	A-EXPRESSED IN $1,000											
1	METER INVESTMENT	CW1			257,568	176,387	6,115	24,494	31,241	7,231	254	4,894
2	ALLOCATOR			RCW1	100.00%	68.481%	2.374%	9.510%	12.130%	2.807%	0.099%	1.900%
3	METER READING EXPENSE	CW2			3,155,990	2,727,619	32,340	334,021	51,460	2,310	60	240
4	ALLOCATOR			RCW2	100.00%	86.424%	1.027%	10.584%	1.631%	0.073%	0.002%	0.008%
5	LATE PAYMENTS	CW4			8,922	5,824	46	1,182	1,137	417	21	165
6	ALLOCATOR			RCW4	100.00%	65.278%	0.516%	13.248%	12.744%	4.674%	0.235%	1.849%
7	UNCOLLECTIBLE ACCOUNTS	CW5			19,000	17,582	49	798	459	40	0	42
8	ALLOCATOR			RCW5	100.00%	92.536%	0.258%	4.200%	2.416%	0.211%	0.000%	0.221%
9	CUSTOMER DEPOSITS	CW6			15,950	7,253	39	3,524	4,240	667	40	0
10	ALLOCATOR			RCW6	100.00%	45.473%	0.245%	22.094%	26.583%	4.182%	0.251%	0.000%
11	CUSTOMER ADVANCES	CW7			168,731	0	0	146,207	22,524	0	0	0
12	ALLOCATOR			RCW7	100.00%	0.000%	0.000%	86.651%	13.349%	0.000%	0.000%	0.000%
	B-EXPRESSED IN UNITS											
13	LINE TRANSFORMERS, CUST COMP	CW8			1,457,310	1,210,440	13,955	180,268	46,267	0	0	0
14	ALLOCATOR			RCW8	100.00%	83.059%	0.958%	12.370%	3.175%	0.000%	0.000%	0.000%
15	SERVICES CUSTOMER COMPONENT	CW9			1,436,734	1,213,575	13,978	168,360	36,449	0	0	0
16	ALLOCATOR			RCW9	100.00%	84.468%	0.973%	11.718%	2.537%	0.000%	0.000%	0.000%
	II CUSTOMERS, UNITS											
17	END OF YEAR CUSTOMERS	C10			1,382,794	1,193,921	14,157	146,207	22,524	1,011	28	104
18	ALLOCATOR			RC10	100.00%	86.340%	1.024%	10.573%	1.630%	0.073%	0.002%	0.008%
19	SECONDARY CUSTOMERS	C30			1,381,615	1,193,921	14,157	146,207	22,524	0	0	0
20	ALLOCATOR			RC30	100.00%	86.415%	1.025%	10.582%	1.630%	0.000%	0.000%	0.000%
	III DEMANDS (KW)											
21	TRANSMISSION LEVEL DEMANDS	D10			6,144,574	2,594,685	93,404	324,310	1,349,996	871,408	46,716	418,988
22	ALLOCATOR			RD10	100.00%	**42.226%**	**1.520%**	**5.278%**	**21.971%**	**14.182%**	**0.760%**	**6.819%**
23	PRIMARY LEVEL DEMANDS	D20			7,339,182	3,461,534	185,282	522,209	1,866,312	1,101,623	57,060	0
24	ALLOCATOR			RD20	100.00%	**47.166%**	**2.525%**	**7.115%**	**25.429%**	**15.010%**	**0.777%**	**0.000%**
25	SECONDARY LEVEL DEMANDS	D30			6,180,499	3,461,534	185,282	522,209	1,866,312	0	0	0
26	ALLOCATOR			RD30	100.00%	56.008%	2.998%	8.449%	30.197%	0.000%	0.000%	0.000%
27	SERVICES DEMAND ALLOCATOR	D30K			6,151,859	3,461,534	185,282	522,209	1,866,312	0	0	0
28	ALLOCATOR			RD30K	100.00%	56.268%	3.012%	8.489%	30.337%	0.000%	0.000%	0.000%
	IV DIRECT ASSIGNMENT											
29	AREA LIGHTING ONLY	K403			1	0	0	0	0	0	0	0
30	ALLOCATOR			RK403	100.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
31	STREET LIGHTING ONLY	K405			1	0	0	0	0	0	0	0
32	ALLOCATOR			RK405	100.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
33	LPEP ONLY	K407			1	0	0	0	0	0	0	0
34	ALLOCATOR			RK407	100.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
35	TO RS ONLY	K409			1	1	0	0	0	0	0	0
36	ALLOCATOR			RK409	100.00%	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
37	MWH SALES UNANNUALIZED	ES15			36,688,327	13,344,145	363,492	1,924,499	8,566,841	5,849,945	320,341	3,053,220
38	ALLOCATOR			RES15	100.00%	36.371%	0.991%	5.246%	23.351%	15.945%	0.873%	8.322%
	VI OTHER											
39	TAXABLE INCOME - FEDERAL				94,669	6,772	(3,781)	25,198	52,176	12,440	938	753
40	ALLOCATOR			FTX	100.00%	7.15%	-4.00%	26.62%	55.11%	13.14%	0.99%	0.80%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF ALLOCATORS

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	LS-S
	I CUSTOMERS, WEIGHTED										
	A-EXPRESSED IN $1,000										
1	METER INVESTMENT	CW1			1,309	475	80	304	4,635	0	149
2	ALLOCATOR			RCW1	0.508%	0.184%	0.031%	0.118%	1.800%	0.000%	0.058%
3	METER READING EXPENSE	CW2			60	10	0	0	7,860	0	10
4	ALLOCATOR			RCW2	0.002%	0.000%	0.000%	0.000%	0.249%	0.000%	0.000%
5	LATE PAYMENTS	CW4			26	0	0	0	54	49	1
6	ALLOCATOR			RCW4	0.291%	0.000%	0.000%	0.000%	0.605%	0.549%	0.011%
7	UNCOLLECTIBLE ACCOUNTS	CW5			0	0	0	0	30	0	0
8	ALLOCATOR			RCW5	0.000%	0.000%	0.000%	0.000%	0.158%	0.000%	0.000%
9	CUSTOMER DEPOSITS	CW6			0	0	0	0	168	19	0
10	ALLOCATOR			RCW6	0.000%	0.000%	0.000%	0.000%	1.053%	0.119%	0.000%
11	CUSTOMER ADVANCES	CW7			0	0	0	0	0	0	0
12	ALLOCATOR			RCW7	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	B-EXPRESSED IN UNITS										
13	LINE TRANSFORMERS, CUST COMP	CW8			0	0	0	0	5,016	1,364	0
14	ALLOCATOR			RCW8	0.000%	0.000%	0.000%	0.000%	0.344%	0.094%	0.000%
15	SERVICES CUSTOMER COMPONENT	CW9			0	0	0	0	4,372	0	0
16	ALLOCATOR			RCW9	0.000%	0.000%	0.000%	0.000%	0.304%	0.000%	0.000%
	II CUSTOMERS, UNITS										
17	END OF YEAR CUSTOMERS	C10			25	3	1	1	3,439	1,367	6
18	ALLOCATOR			RC10	0.002%	0.000%	0.000%	0.000%	0.249%	0.099%	0.000%
19	SECONDARY CUSTOMERS	C30			0	0	0	0	3,439	1,367	0
20	ALLOCATOR			RC30	0.000%	0.000%	0.000%	0.000%	0.249%	0.099%	0.000%
	III DEMANDS (KW)										
21	TRANSMISSION LEVEL DEMANDS	D10			232,544	55,946	23,338	59,884	59,278	13,254	823
22	ALLOCATOR			RD10	3.785%	0.910%	0.380%	0.975%	0.965%	0.216%	0.013%
23	PRIMARY LEVEL DEMANDS	D20			0	0	0	0	116,522	28,640	0
24	ALLOCATOR			RD20	0.000%	0.000%	0.000%	0.000%	1.588%	0.390%	0.000%
25	SECONDARY LEVEL DEMANDS	D30			0	0	0	0	116,522	28,640	0
26	ALLOCATOR			RD30	0.000%	0.000%	0.000%	0.000%	1.885%	0.463%	0.000%
27	SERVICES DEMAND ALLOCATOR	D30K			0	0	0	0	116,522	0	0
28	ALLOCATOR			RD30K	0.000%	0.000%	0.000%	0.000%	1.894%	0.000%	0.000%
	IV DIRECT ASSIGNMENT										
29	AREA LIGHTING ONLY	K403			0	0	0	0	0	1	0
30	ALLOCATOR			RK403	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%	0.000%
31	STREET LIGHTING ONLY	K405			0	0	0	0	0	1	0
32	ALLOCATOR			RK405	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%	0.000%
33	LPEP ONLY	K407			0	0	1	0	0	0	0
34	ALLOCATOR			RK407	0.000%	0.000%	100.000%	0.000%	0.000%	0.000%	0.000%
35	TO RS ONLY	K409			0	0	0	0	0	0	0
36	ALLOCATOR			RK409	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
37	MWH SALES UNANNUALIZED	ES15			1,885,144	427,174	62,010	438,228	336,399	112,250	4,639
38	ALLOCATOR			RES15	5.138%	1.164%	0.169%	1.194%	0.917%	0.306%	0.013%
	VI OTHER										
39	TAXABLE INCOME - FEDERAL				459	60	145	442	2,321	(3,249)	5
40	ALLOCATOR			FTX	0.48%	0.06%	0.15%	0.47%	2.45%	-3.43%	0.01%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROGRAM GENERATED ALLOCATORS
$1,000

Line No.	adjusted to 100% for allocations	Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	PROGRAM GENERATED ALLOCATORS											
1	**TOTAL NET ELECTRIC PLANT**			P01	2,384,692	1,552,938	45,262	214,332	353,508	88,695	4,506	3,547
2	DEMAND COMPONENT			P01D	1,113,344	574,227	30,740	86,626	309,591	83,080	4,301	0
3	CUSTOMER COMPONENT			P01C	1,271,348	978,711	14,522	127,706	43,917	5,615	205	3,547
4	ALLOCATOR			RP01	100.00%	65.121%	1.898%	8.988%	14.824%	3.719%	0.189%	0.149%
5	ALLOCATOR			DP01	100.00%	51.578%	2.761%	7.781%	27.807%	7.462%	0.386%	0.000%
6	ALLOCATOR			CP01	100.00%	76.983%	1.142%	10.045%	3.454%	0.442%	0.016%	0.279%
7	**TOTAL ELECTRIC PLANT IN SVC**			P00	3,848,936	2,501,682	72,032	346,069	561,633	137,330	6,981	5,309
8	DEMAND COMPONENT			P00D	1,767,102	912,642	48,855	137,676	492,042	128,896	6,672	0
9	CUSTOMER COMPONENT			P00C	2,081,834	1,589,040	23,177	208,393	69,591	8,434	309	5,309
10	ALLOCATOR			DP00	100.00%	51.646%	2.765%	7.791%	27.845%	7.294%	0.378%	0.000%
11	ALLOCATOR			CP00	100.00%	76.328%	1.113%	10.010%	3.343%	0.405%	0.015%	0.255%
12	**TOTAL TRANS/DIST PLANT**			AT2	3,442,969	2,216,900	65,239	308,031	514,754	126,170	6,411	4,894
13	DEMAND COMPONENT			AT2D	1,630,559	842,115	45,079	127,036	454,024	118,940	6,156	0
14	CUSTOMER COMPONENT			AT2C	1,812,410	1,374,785	20,160	180,995	60,730	7,230	255	4,894
15	ALLOCATOR			DAT2	100.00%	51.646%	2.765%	7.791%	27.845%	7.294%	0.378%	0.000%
16	ALLOCATOR			CAT2	100.00%	75.855%	1.112%	9.986%	3.351%	0.399%	0.014%	0.270%
	WORKING CAPITAL ALLOCATOR											
	O&M LESS UNCOLLECTIBLE ACCOUNTS											
17	TOTAL APPLICABLE EXPENSE			WCAP	311,411	217,514	5,210	25,775	36,663	9,609	485	396
18	DEMAND COMPONENT			WCAPD	108,440	55,644	2,977	8,393	29,997	8,599	445	0
19	CUSTOMER COMPONENT			WCAPC	202,971	161,870	2,233	17,382	6,666	1,010	40	396
20	ALLOCATOR			DWCAP	100.00%	51.321%	2.745%	7.740%	27.661%	7.930%	0.410%	0.000%
21	ALLOCATOR			CWCAP	100.00%	79.751%	1.100%	8.563%	3.283%	0.498%	0.020%	0.195%
22	**TOTAL RATE BASE**			RBX	2,029,534	1,325,989	38,863	180,030	299,448	75,894	3,848	3,082
23	DEMAND COMPONENT			RBXD	956,513	493,210	26,403	74,407	265,914	71,679	3,710	0
24	CUSTOMER COMPONENT			RBXC	1,073,021	832,779	12,460	105,623	33,534	4,215	138	3,082
25	ALLOCATOR			TRBX	100.00%	65.335%	1.915%	8.869%	14.753%	3.739%	0.190%	0.152%
26	ALLOCATOR			DRBX	100.00%	51.562%	2.760%	7.779%	27.800%	7.494%	0.388%	0.000%
27	ALLOCATOR			CRBX	100.00%	77.611%	1.161%	9.843%	3.124%	0.393%	0.013%	0.287%
28	**NET ORIG COST RATE BASE**			NOP	1,980,010	1,293,365	37,949	175,663	292,443	74,141	3,760	3,011
29	DEMAND COMPONENT			*NOPD*	*934,573*	*481,893*	*25,798*	72,699	259,813	70,042	3,626	0
30	CUSTOMER COMPONENT			NOPC	1,045,437	811,472	12,151	102,964	32,630	4,099	134	3,011
31	ALLOCATOR			TNOP	100.00%	65.322%	1.917%	8.871%	14.769%	3.744%	0.190%	0.151%
32	ALLOCATOR			TNOPD	100.00%	51.562%	2.760%	7.779%	27.800%	7.495%	0.388%	0.000%
33	ALLOCATOR			TNOPC	100.00%	77.621%	1.162%	9.848%	3.120%	0.392%	0.013%	0.288%
34	**BASE FOR GROSS RECEIPTS TAX**			RRBG	640,299	393,667	3,993	74,250	111,139	29,182	1,873	1,280
35	ALLOCATOR			TRRBG	100.00%	61.482%	0.623%	11.595%	17.356%	4.558%	0.293%	0.200%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROGRAM GENERATED ALLOCATORS
$1,000

Line No.	adjusted to 100% for allocations	Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	PROGRAM GENERATED ALLOCATORS										
1	**TOTAL NET ELECTRIC PLANT**			P01	948	342	1,076	221	25,468	93,740	108
2	DEMAND COMPONENT			P01D	0	0	1,012	0	19,329	4,438	0
3	CUSTOMER COMPONENT			P01C	948	342	64	221	6,139	89,302	108
4	ALLOCATOR			RP01	0.040%	0.014%	0.045%	0.009%	1.068%	3.931%	0.005%
5	ALLOCATOR			DP01	0.000%	0.000%	0.091%	0.000%	1.736%	0.399%	0.000%
6	ALLOCATOR			CP01	0.075%	0.027%	0.005%	0.017%	0.483%	7.024%	0.008%
7	**TOTAL ELECTRIC PLANT IN SVC**			P00	1,418	512	2,768	331	40,363	172,346	162
8	DEMAND COMPONENT			P00D	0	0	2,672	0	30,720	6,927	0
9	CUSTOMER COMPONENT			P00C	1,418	512	96	331	9,643	165,419	162
10	ALLOCATOR			DP00	0.000%	0.000%	0.151%	0.000%	1.738%	0.392%	0.000%
11	ALLOCATOR			CP00	0.068%	0.025%	0.005%	0.016%	0.463%	7.946%	0.008%
12	**TOTAL TRANS/DIST PLANT**			AT2	1,308	474	2,547	304	36,879	158,909	149
13	DEMAND COMPONENT			AT2D	0	0	2,467	0	28,346	6,396	0
14	CUSTOMER COMPONENT			AT2C	1,308	474	80	304	8,533	152,513	149
15	ALLOCATOR			DAT2	0.000%	0.000%	0.151%	0.000%	1.738%	0.392%	0.000%
16	ALLOCATOR			CAT2	0.072%	0.026%	0.004%	0.017%	0.471%	8.415%	0.008%
	WORKING CAPITAL ALLOCATOR										
	O&M LESS UNCOLLECTIBLE ACCOUNTS										
17	TOTAL APPLICABLE EXPENSE			WCAP	99	36	89	22	2,693	12,807	12
18	DEMAND COMPONENT			WCAPD	0	0	75	0	1,874	436	0
19	CUSTOMER COMPONENT			WCAPC	99	36	14	22	819	12,371	12
20	ALLOCATOR			DWCAP	0.000%	0.000%	0.069%	0.000%	1.728%	0.402%	0.000%
21	ALLOCATOR			CWCAP	0.049%	0.018%	0.007%	0.011%	0.404%	6.095%	0.007%
22	**TOTAL RATE BASE**			RBX	823	295	823	191	21,725	78,428	94
23	DEMAND COMPONENT			RBXD	0	0	767	0	16,601	3,826	0
24	CUSTOMER COMPONENT			RBXC	823	295	56	191	5,124	74,602	94
25	ALLOCATOR			TRBX	0.041%	0.015%	0.041%	0.009%	1.070%	3.864%	0.007%
26	ALLOCATOR			DRBX	0.000%	0.000%	0.080%	0.000%	1.736%	0.400%	0.000%
27	ALLOCATOR			CRBX	0.077%	0.027%	0.005%	0.018%	0.478%	6.953%	0.011%
28	**NET ORIG COST RATE BASE**			NOP	805	289	797	187	21,219	76,288	92
29	DEMAND COMPONENT			NOPD	0	0	742	0	16,221	3,739	0
30	CUSTOMER COMPONENT			NOPC	805	289	55	187	4,998	72,549	92
31	ALLOCATOR			TNOP	0.040%	0.015%	0.040%	0.009%	1.072%	3.853%	0.007%
32	ALLOCATOR			TNOPD	0.000%	0.000%	0.079%	0.000%	1.736%	0.400%	0.000%
33	ALLOCATOR			TNOPC	0.076%	0.028%	0.005%	0.018%	0.478%	6.940%	0.011%
34	**BASE FOR GROSS RECEIPTS TAX**			RRBG	602	52	334	574	6,429	16,900	23
35	ALLOCATOR			TRRBG	0.094%	0.008%	0.052%	0.090%	1.004%	2.639%	0.006%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROGRAM GENERATED ALLOCATORS

Line No.	adjusted to 100% for allocations	Input	Alloc	Output	$1,000 Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	PROGRAM GENERATED ALLOCATORS											
	DEPRECIATION AND AMORTIZATION EXPENSE											
1	**TOTAL DEPRECIATION EXPENSE**			ED00	109,066	71,708	2,051	9,894	15,141	3,561	178	321
2	DEMAND COMPONENT			ED00D	43,274	22,416	1,201	3,382	12,085	3,056	159	0
3	CUSTOMER COMPONENT			ED00C	65,792	49,294	850	6,512	3,056	505	19	321
4	ALLOCATOR			RED00D	100.00%	51.791%	2.775%	7.815%	27.927%	7.062%	0.367%	0.000%
5	ALLOCATOR			RED00C	100.00%	74.929%	1.292%	9.898%	4.645%	0.768%	0.029%	0.488%
6	**DISTRIBUTION DEPRECIATION EXPENSE**			ED30	88,481	57,271	1,706	7,966	12,764	2,995	148	300
7	DEMAND COMPONENT			ED30D	36,350	18,840	1,009	2,843	10,157	2,551	132	0
8	CUSTOMER COMPONENT			ED30C	52,131	38,431	697	5,123	2,607	444	16	300
9	ALLOCATOR			RED30D	100.00%	51.827%	2.776%	7.821%	27.942%	7.018%	0.363%	0.000%
10	ALLOCATOR			RED30C	100.00%	73.725%	1.337%	9.827%	5.001%	0.852%	0.031%	0.575%
11	**GENERAL & INTANGIBLE DEPREC EXPENSE**			ED88	20,585	14,440	345	1,928	2,377	566	30	21
12	DEMAND COMPONENT			ED88D	6,924	3,576	192	539	1,928	505	27	0
13	CUSTOMER COMPONENT			ED88C	13,661	10,863	153	1,390	449	61	3	21
14	ALLOCATOR			RED88D	100.00%	51.632%	2.773%	7.785%	27.845%	7.293%	0.390%	0.000%
15	ALLOCATOR			RED88C	100.00%	79.517%	1.120%	10.175%	3.287%	0.447%	0.022%	0.154%
16	**TOTAL DISTRIBUTION PLANT**			P30	3,442,969	2,216,900	65,239	308,031	514,754	126,170	6,411	4,894
17	DEMAND COMPONENT			P30D	1,630,559	842,115	45,079	127,036	454,024	118,940	6,156	0
18	CUSTOMER COMPONENT			P30C	1,812,410	1,374,785	20,160	180,995	60,730	7,230	255	4,894
19	ALLOCATOR			RP30	100.00%	64.389%	1.895%	8.947%	14.951%	3.665%	0.186%	0.142%
20	ALLOCATOR			DP30	100.00%	51.646%	2.765%	7.791%	27.845%	7.294%	0.378%	0.000%
21	ALLOCATOR			CP30	100.00%	75.855%	1.112%	9.986%	3.351%	0.399%	0.014%	0.270%
22	**TOT ADJ'D SALE OF ELECTRICITY**			RRTT	629,967	385,683	3,967	73,196	109,670	29,077	1,779	1,167
23	ALLOCATOR			RRRTT	100.00%	61.224%	0.630%	11.619%	17.409%	4.616%	0.282%	0.185%
	REVENUES											
24	RS; RTS; GS-1				551,031	470,999	4,937	75,095				
25	ALLOCATOR			REER	100.01%	85.48%	0.90%	13.63%				
26	RS; RTS				475,936	470,999	4,937					
27	ALLOCATOR			ROTRK	100.00%	98.96%	1.04%					

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROGRAM GENERATED ALLOCATORS
$1,000

Line No.	adjusted to 100% for allocations	Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	PROGRAM GENERATED ALLOCATORS										
	DEPRECIATION AND AMORTIZATION EXPENSE										
1	**TOTAL DEPRECIATION EXPENSE**			ED00	85	31	57	20	1,187	4,819	10
2	DEMAND COMPONENT			ED00D	0	0	51	0	756	170	0
3	CUSTOMER COMPONENT			ED00C	85	31	6	20	431	4,649	10
4	ALLOCATOR			RED00D	0.000%	0.000%	0.118%	0.000%	1.747%	0.393%	0.000%
5	ALLOCATOR			RED00C	0.129%	0.047%	0.009%	0.030%	0.655%	7.066%	0.015%
6	**DISTRIBUTION DEPRECIATION EXPENSE**			ED30	80	29	46	19	1,010	4,137	9
7	DEMAND COMPONENT			ED30D	0	0	41	0	635	143	0
8	CUSTOMER COMPONENT			ED30C	80	29	5	19	375	3,994	9
9	ALLOCATOR			RED30D	0.000%	0.000%	0.113%	0.000%	1.747%	0.393%	0.000%
10	ALLOCATOR			RED30C	0.153%	0.056%	0.010%	0.036%	0.719%	7.661%	0.017%
11	**GENERAL & INTANGIBLE DEPREC EXPENSE**			ED88	5	2	11	1	177	682	1
12	DEMAND COMPONENT			ED88D	0	0	10	0	121	27	0
13	CUSTOMER COMPONENT			ED88C	5	2	1	1	56	655	1
14	ALLOCATOR			RED88D	0.000%	0.000%	0.144%	0.000%	1.748%	0.390%	0.000%
15	ALLOCATOR			RED88C	0.037%	0.015%	0.007%	0.007%	0.410%	4.795%	0.007%
16	**TOTAL DISTRIBUTION PLANT**			P30	1,308	474	2,547	304	36,879	158,909	149
17	DEMAND COMPONENT			P30D	0	0	2,467	0	28,346	6,396	0
18	CUSTOMER COMPONENT			P30C	1,308	474	80	304	8,533	152,513	149
19	ALLOCATOR			RP30	0.038%	0.014%	0.074%	0.009%	1.071%	4.615%	0.004%
20	ALLOCATOR			DP30	0.000%	0.000%	0.151%	0.000%	1.738%	0.392%	0.000%
21	ALLOCATOR			CP30	0.072%	0.026%	0.004%	0.017%	0.471%	8.415%	0.008%
22	**TOT ADJ'D SALE OF ELECTRICITY**			RRTT	564	36	331	538	6,439	17,485	35
23	ALLOCATOR			RRRTT	0.090%	0.006%	0.053%	0.085%	1.022%	2.776%	0.006%
	REVENUES										
24	RS; RTS; GS-1										
25	ALLOCATOR			REER							
26	RS; RTS										
27	ALLOCATOR			ROTRK							

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

COST ALLOCATION STUDY – PROPOSED RATES

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

Data changes from those used in Section III show the effects on operating revenues of the proposed rate changes and the related changes in income and other taxes. Accordingly, only the statements showing the calculation of the income taxes, allocated returns, and rates of return at the proposed rate levels are reproduced here.

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROPOSED REVENUES AND EXPENSES, RETURN, RATE OF RETURN AND CLASS RATE % OF TOTAL
REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT

$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES AT PROPOSED RATE LEVELS									
	SALES OF ELECTRICITY									
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	PROPOSED REVENUE INCREASE		83,521	77,329	944	845	612	(391)	(107)	(135)
	ADJUSTED RATE REVENUES		715,178	463,809	4,935	74,711	110,396	28,713	1,674	1,033
4	LATE PAYMENT CHARGES	R11P	8,923	5,825	46	1,182	1,137	417	21	165
5	ANNUALIZATION ADJUSTMENT	ANNP	1,726	2,357	(18)	(92)	386	(298)	74	(51)
6	TOTAL SALE OF ELECTRICITY	RRTP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
7	PROPOSED SALES & LATE PAYMENTS	ARTTP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
8	*OTHER OPERATING REVENUES*	ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
9	TOTAL OPERATING REVENUES	ROTP	758,206	492,840	5,577	78,698	116,760	30,019	1,829	1,193
	OPERATING EXPENSES									
	OPERATION AND MAINTENANCE EXPENSES									
10	TRANSMISSION	EE20	0	0	0	0	0	0	0	0
11	DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
12	OTHER OPER & MAINT EXPENSES	EEOT	205,281	159,716	2,786	15,619	17,160	3,890	194	199
13	TOTAL OPER & MAINT EXPENSES	EE00	340,224	244,020	5,347	27,223	37,357	9,623	484	437
	DEPRECIATION EXPENSE									
14	TRANSMISSION	ED20	0	0	0	0	0	0	0	0
15	DISTRIBUTION	ED30	88,481	57,271	1,706	7,966	12,764	2,995	148	300
16	OTHER DEPRECIATION EXPENSE	EDOT	23,343	16,256	396	2,178	2,760	656	34	29
17	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00	111,824	73,527	2,102	10,144	15,524	3,651	182	329
	TAXES									
18	CAPITAL STOCK PROP LEVEL	ET1P	2,517	1,640	47	226	373	95	4	4
19	OTHER-W/O CAP STOCK	ET001	9,654	6,583	170	891	1,237	301	15	11
20	DEFERRED INCOME TAXES	TXTA	8,378	5,563	150	715	1,179	284	15	13
21	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
22	GROSS RECEIPTS TAX	TXG	42,824	27,847	293	4,472	6,603	1,701	104	68
23	TOTAL PA INCOME TAX	TSIT1	17,468	8,893	(383)	2,899	4,466	1,193	91	18
24	TOTAL FED INC TAX	TFTX	57,272	29,849	(1,126)	9,235	14,135	3,774	283	56
25	TOTAL TAXES	TFIT1	136,440	79,288	(880)	18,288	27,749	7,288	509	168
26	TOTAL OPERATING EXPENSES	TEXP1	588,488	396,835	6,569	55,655	80,630	20,562	1,175	934
27	**RETURN (LN 9 - 26)**	PRERTN	169,718	96,005	(992)	23,043	36,130	9,457	654	259
28	**TOTAL RATE BASE**	RBX	2,022,963	1,321,694	38,737	179,448	298,479	75,648	3,836	3,072
29	**RATE OF RETURN (LN 27 / LN 28)**	PRRTR	8.39%	7.26%	-2.56%	12.84%	12.10%	12.50%	17.05%	8.43%
30	**CLASS RATE IN % OF TOTAL**	PRCLRT	100.00%	86.53%	-30.51%	153.04%	144.22%	148.99%	203.22%	100.48%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROPOSED REVENUES AND EXPENSES, RETURN, RATE OF RETURN AND CLASS RATE % OF TOTAL
REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES AT PROPOSED RATE LEVELS								
	SALES OF ELECTRICITY								
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		564	36	333	538	6,459	17,518	35
3	PROPOSED REVENUE INCREASE		(127)	(5)	(1)	6	542	4,007	2
	ADJUSTED RATE REVENUES		437	31	332	544	7,001	21,525	37
4	LATE PAYMENT CHARGES	R11P	26	0	0	0	54	49	1
5	ANNUALIZATION ADJUSTMENT	ANNP	12	16	3	36	(61)	(625)	(13)
6	TOTAL SALE OF ELECTRICITY	RRTP	475	47	335	580	6,994	20,949	25
7	*PROPOSED SALES & LATE PAYMENTS*	ARTTP	475	47	335	580	6,994	20,949	25
8	OTHER OPERATING REVENUES	ROOT	12	4	24	3	347	1,494	1
9	TOTAL OPERATING REVENUES	ROTP	487	51	359	583	7,341	22,443	26
	OPERATING EXPENSES								
	OPERATION AND MAINTENANCE EXPENSES								
10	TRANSMISSION	EE20	0	0	0	0	0	0	0
11	DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
12	OTHER OPER & MAINT EXPENSES	EEOT	34	13	74	8	1,266	4,314	4
13	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,732	12,741	12
	DEPRECIATION EXPENSE								
14	TRANSMISSION	ED20	0	0	0	0	0	0	0
15	DISTRIBUTION	ED30	80	29	46	19	1,010	4,137	9
16	OTHER DEPRECIATION EXPENSE	EDOT	7	3	12	1	207	804	1
17	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00	87	32	58	20	1,217	4,941	10
	TAXES								
18	CAPITAL STOCK PROP LEVEL	ET1P	1	0	1	0	27	98	0
19	OTHER-W/O CAP STOCK	ET001	4	2	5	0	92	343	0
20	DEFERRED INCOME TAXES	TXTA	4	1	7	0	82	364	1
21	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
22	GROSS RECEIPTS TAX	TXG	28	3	20	34	413	1,236	1
23	TOTAL PA INCOME TAX	TSIT1	22	(4)	16	50	203	6	0
24	TOTAL FED INC TAX	TFTX	69	(12)	51	154	657	151	0
25	TOTAL TAXES	TFIT1	127	(10)	99	238	1,457	2,119	2
26	TOTAL OPERATING EXPENSES	TEXP1	312	58	245	280	5,406	19,801	24
27	**RETURN (LN 9 - 26)**	PRERTN	175	(7)	114	303	1,935	2,642	2
28	**TOTAL RATE BASE**	RBX	820	294	821	190	21,654	78,174	94
29	**RATE OF RETURN (LN 27 / LN 28)**	PRRTR	21.34%	-2.38%	13.89%	159.47%	8.94%	3.38%	2.13%
30	**CLASS RATE IN % OF TOTAL**	PRCLRT	254.35%	-28.37%	165.55%	1900.72%	106.56%	40.29%	25.39%

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCTION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING REVENUES PROPOSED
REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES											
	SALE OF ELECTRICITY											
1	TRANSMISSION REVENUES	TREVP			0	0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES	DREVP			631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	REVENUE INCREASE				83,521	77,329	944	845	612	(391)	(107)	(135)
4	ADJUSTED RATE REVENUES				715,178	463,809	4,935	74,711	110,396	28,713	1,674	1,033
5	LATE PAYMENT CHARGES		RCW4	R11P	8,923	5,825	46	1,182	1,137	417	21	165
6	ANNUALIZATION	ANNP			1,726	2,357	(18)	(92)	386	(298)	74	(51)
7	TOTAL SALE OF ELECTRICITY			RRTP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
	OTHER OPERATING REVENUES											
8	MISC SERVICE REVS (451)	S20	CW9	R20	0	0	0	0	0	0	0	0
9	DEMAND COMPONENT		DP30	R20D	0	0	0	0	0	0	0	0
10	CUSTOMER COMPONENT		CP30	R20C	0	0	0	0	0	0	0	0
	RENT-ELECTRIC PROPERTY											
11	TRANSMISSION RELATED	S23	RD10	R23	0	0	0	0	0	0	0	0
12	DISTRIBUTION RELATED	S24	P30	R24	29,693	19,119	563	2,657	4,440	1,088	55	42
13	DEMAND COMPONENT		DP30	R23D	14,062	7,262	389	1,096	3,916	1,026	53	0
14	CUSTOMER COMPONENT		CP30	R23C	15,631	11,857	174	1,561	524	62	2	42
	OTHER ELECTRIC REVENUE											
15	TRANSMISSION RELATED	S26	RD10	R26	0	0	0	0	0	0	0	0
16	DISTRIBUTION RELATED	S27	P30	R27	2,686	1,730	51	240	401	99	5	4
17	DEMAND COMPONENT		DP30	R27D	1,272	657	35	99	354	93	5	0
18	CUSTOMER COMPONENT		CP30	R27C	1,414	1,073	16	141	47	6	0	4
19	OTHER	S37	K929	R37	0	0	0	0	0	0	0	0
20	DEMAND COMPONENT		DK929	R37D	0	0	0	0	0	0	0	0
21	CUSTOMER COMPONENT		CK929	R37C	0	0	0	0	0	0	0	0
22	TOTAL OTHER OPERATING REVS			ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
23	DEMAND COMPONENT			ROOTD	15,334	7,919	424	1,195	4,270	1,119	58	0
24	CUSTOMER COMPONENT			ROOTC	17,045	12,930	190	1,702	571	68	2	46
25	TOTAL OPERATING REVENUES			ROTP	758,206	492,840	5,577	78,698	116,760	30,019	1,829	1,193
26	BASE FOR GROSS RECEIPTS TAX			RRBGP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
27	GROSS RECEIPTS TAX @ 5.9%			TXGRP	42,824	27,847	293	4,472	6,603	1,701	104	68

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCTION DETAILS - 12 MONTHS ENDED 12/31/2007
OPERATING REVENUES PROPOSED
REVENUES INCLUDE EFFECT OF REMAND PROCEEDING SETTLEMENT
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES										
	SALE OF ELECTRICITY										
1	TRANSMISSION REVENUES	TREVP			0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES	DREVP			564	36	333	538	6,459	17,518	35
3	REVENUE INCREASE				(127)	(5)	(1)	6	542	4,007	2
4	ADJUSTED RATE REVENUES				437	31	332	544	7,001	21,525	37
5	LATE PAYMENT CHARGES		RCW4	R11P	26	0	0	0	54	49	1
6	ANNUALIZATION	ANNP			12	16	3	36	(61)	(625)	(13)
7	TOTAL SALE OF ELECTRICITY			RRTP	475	47	335	580	6,994	20,949	25
	OTHER OPERATING REVENUES										
8	MISC SERVICE REVS (451)	S20	CW9	R20	0	0	0	0	0	0	0
9	DEMAND COMPONENT		DP30	R20D	0	0	0	0	0	0	0
10	CUSTOMER COMPONENT		CP30	R20C	0	0	0	0	0	0	0
	RENT-ELECTRIC PROPERTY										
11	TRANSMISSION RELATED	S23	RD10	R23	0	0	0	0	0	0	0
12	DISTRIBUTION RELATED	S24	P30	R24	11	4	22	3	318	1,370	1
13	DEMAND COMPONENT		DP30	R23D	0	0	21	0	244	55	0
14	CUSTOMER COMPONENT		CP30	R23C	11	4	1	3	74	1,315	1
	OTHER ELECTRIC REVENUE										
15	TRANSMISSION RELATED	S26	RD10	R26	0	0	0	0	0	0	0
16	DISTRIBUTION RELATED	S27	P30	R27	1	0	2	0	29	124	0
17	DEMAND COMPONENT		DP30	R27D	0	0	2	0	22	5	0
18	CUSTOMER COMPONENT		CP30	R27C	1	0	0	0	7	119	0
19	OTHER	S37	K929	R37	0	0	0	0	0	0	0
20	DEMAND COMPONENT		DK929	R37D	0	0	0	0	0	0	0
21	CUSTOMER COMPONENT		CK929	R37C	0	0	0	0	0	0	0
22	TOTAL OTHER OPERATING REVS			ROOT	12	4	24	3	347	1,494	1
23	DEMAND COMPONENT			ROOTD	0	0	23	0	266	60	0
24	CUSTOMER COMPONENT			ROOTC	12	4	1	3	81	1,434	1
25	TOTAL OPERATING REVENUES			ROTP	487	51	359	583	7,341	22,443	26
26	BASE FOR GROSS RECEIPTS TAX			RRBGP	475	47	335	580	6,994	20,949	25
27	GROSS RECEIPTS TAX @ 5.9%			TXGRP	28	3	20	34	413	1,236	1

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF OPERATING EXPENSES AT PROPOSED RATE LEVELS
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING EXPENSES									
1	O & M TRANSMISSION	EE20	0	0	0	0	0	0	0	0
2	O & M DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
3	O & M CUSTOMER ACCOUNTS	EE56	42,789	38,469	229	2,683	1,075	111	2	66
4	O & M CUST SVC & INFO	EE60	25,750	25,481	268	0	0	0	0	0
5	O & M SALES	EE65	2,843	1,468	79	221	792	207	11	0
6	O & M ADMIN & GENERAL	EE79	129,255	90,446	2,171	12,093	15,074	3,599	182	135
7	ADJUSTS TO O & M EXPENSES	EE99	4,644	3,852	39	622	219	(27)	(1)	(2)
8	*TOTAL OPER & MAINT EXPENSES*	EE00	340,224	244,020	5,347	27,223	37,357	9,623	484	437
9	DEMAND COMPONENT	EE00D	108,467	55,691	2,979	8,399	30,022	8,545	442	0
10	CUSTOMER COMPONENT	EE00C	231,757	188,329	2,368	18,824	7,335	1,078	42	437
11	*DEPRECIATION & AMORTIZATION*	*ED00*	*111,824*	*73,527*	*2,102*	*10,144*	*15,524*	3,651	182	329
12	DEMAND COMPONENT	ED00D	44,368	22,984	1,231	3,467	12,391	3,133	163	0
13	CUSTOMER COMPONENT	ED00C	67,456	50,543	871	6,677	3,133	518	19	329
	TAXES OTHER THAN INCOME									
14	EXCLUDING GROSS RECEIPTS	ET01	12,171	8,226	217	1,117	1,610	396	19	15
15	DEMAND COMPONENT	ET01D	4,907	2,533	136	382	1,366	363	18	0
16	CUSTOMER COMPONENT	ET01C	7,264	5,693	81	735	244	33	1	15
17	MISC ALLOWABLE EXPENSES	TX89	0	0	0	0	0	0	0	0
18	GROSS RECEIPTS TAX	TXG	42,824	27,847	293	4,472	6,603	1,701	104	68
19	DEMAND COMPONENT	TXGD	18,441	11,220	83	2,228	2,396	1,444	95	64
20	CUSTOMER COMPONENT	TXGC	24,382	16,627	210	2,244	4,207	257	9	4
21	TOT DEFERRED INC TAXES	TXTA	8,378	5,563	150	715	1,179	284	15	13
22	DEMAND COMPONENT	TXTAD	3,936	2,123	104	300	1,041	269	14	1
23	CUSTOMER COMPONENT	TXTAC	4,442	3,440	46	415	138	15	1	12
24	NET INVESTMENT TAX CREDIT	TX91	(1,673)	(1,083)	(31)	(150)	(244)	(60)	(3)	(2)
25	DEMAND COMPONENT	TX91D	(768)	(397)	(21)	(60)	(214)	(56)	(3)	0
26	CUSTOMER COMPONENT	TX91C	(905)	(686)	(10)	(90)	(30)	(4)	0	(2)
27	OP EXPENSES PRIOR INCOME TAX	OEBT	513,748	358,100	8,078	43,521	62,029	15,595	801	860
28	DEMAND COMPONENT	OEBTD	179,351	94,154	4,512	14,716	47,002	13,698	729	65
29	CUSTOMER COMPONENT	OEBTC	334,396	263,946	3,566	28,805	15,027	1,897	72	795
	PA AND FEDERAL INCOME TAXES ARE BASED ON PRESENT LEVEL REVENUE REQUIREMENTS AT ACTUAL CLASS RATES OF RETURN									
30	TOTAL PA INCOME TAX	TSTX	17,468	8,896	(383)	2,899	4,466	1,193	91	18
31	DEMAND COMPONENT	TSTXD	9,860	3,410	(252)	1,218	4,049	1,147	88	(1)
32	CUSTOMER COMPONENT	TSTXC	7,612	5,486	(131)	1,681	417	47	2	18
33	TOTAL FED INC TAX	TFTX	57,272	29,849	(1,126)	9,235	14,135	3,774	283	56
34	DEMAND COMPONENT	TFTXD	31,889	11,328	(749)	3,852	12,923	3,660	279	(4)
35	CUSTOMER COMPONENT	TFTXC	25,387	18,521	(376)	5,383	1,212	114	5	60
36	TOTAL TAXES	TX99	136,440	79,298	(880)	18,288	27,749	7,288	509	168
37	*DEMAND COMPONENT*	*TX99D*	*68,265*	*30,217*	(699)	7,920	*21,561*	6,827	491	60
38	CUSTOMER COMPONENT	TX99C	68,182	49,081	(180)	10,368	6,188	462	18	107
39	TOTAL OPERATING EXPENSES	TOE	588,488	396,845	6,569	55,655	80,630	20,562	1,175	934
40	*DEMAND COMPONENT*	*TOED*	*221,100*	*108,892*	3,511	19,786	63,974	18,505	1,096	60
41	CUSTOMER COMPONENT	TOEC	367,395	287,953	3,059	35,869	16,656	2,058	79	873

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF OPERATING EXPENSES AT PROPOSED RATE LEVELS
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING EXPENSES								
1	O & M TRANSMISSION	EE20	0	0	0	0	0	0	0
2	O & M DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
3	O & M CUSTOMER ACCOUNTS	EE56	0	0	1	0	90	63	0
4	O & M CUST SVC & INFO	EE60	0	0	0	0	0	0	0
5	O & M SALES	EE65	0	0	4	0	49	11	0
6	O & M ADMIN & GENERAL	EE79	35	13	70	8	1,119	4,306	4
7	ADJUSTS TO O & M EXPENSES	EE99	(1)	0	(1)	0	8	(66)	0
8	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,732	12,741	12
9	DEMAND COMPONENT	EE00D	0	0	74	0	1,875	437	0
10	CUSTOMER COMPONENT	EE00C	98	36	14	22	857	12,304	12
11	DEPRECIATION & AMORTIZATION	ED00	87	32	58	20	1,217	4,941	10
12	DEMAND COMPONENT	ED00D	0	0	52	0	775	174	0
13	CUSTOMER COMPONENT	ED00C	87	32	6	20	442	4,767	10
	TAXES OTHER THAN INCOME								
14	EXCLUDING GROSS RECEIPTS	ET01	5	2	6	0	119	441	0
15	DEMAND COMPONENT	ET01D	0	0	6	0	85	19	0
16	CUSTOMER COMPONENT	ET01C	5	2	0	0	34	422	0
17	MISC ALLOWABLE EXPENSES	TX89	0	0	0	0	0	0	0
18	GROSS RECEIPTS TAX	TXG	28	3	20	34	413	1,236	1
19	DEMAND COMPONENT	TXGD	0	0	0	31	0	880	0
20	CUSTOMER COMPONENT	TXGC	28	3	20	3	413	356	1
21	TOT DEFERRED INC TAXES	TXTA	4	1	7	0	82	364	1
22	DEMAND COMPONENT	TXTAD	0	0	7	0	65	14	0
23	CUSTOMER COMPONENT	TXTAC	4	1	0	0	17	350	1
24	NET INVESTMENT TAX CREDIT	TX91	(1)	0	(1)	0	(17)	(79)	0
25	DEMAND COMPONENT	TX91D	0	0	(1)	0	(13)	(3)	0
26	CUSTOMER COMPONENT	TX91C	(1)	0	0	0	(4)	(76)	0
27	OP EXPENSES PRIOR INCOME TAX	OEBT	221	74	178	76	4,546	19,644	24
28	DEMAND COMPONENT	OEBTD	0	0	138	31	2,787	1,521	0
29	CUSTOMER COMPONENT	OEBTC	221	74	40	45	1,759	18,123	24
	PA AND FEDERAL INCOME TAXES ARE BASED ON PRESENT LI								
30	TOTAL PA INCOME TAX	TSTX	22	(4)	16	50	203	6	0
31	DEMAND COMPONENT	TSTXD	0	0	15	0	162	24	0
32	CUSTOMER COMPONENT	TSTXC	22	(4)	1	50	41	(18)	0
33	TOTAL FED INC TAX	TFTX	69	(12)	51	154	657	151	0
34	DEMAND COMPONENT	TFTXD	(2)	0	48	(2)	529	27	0
35	CUSTOMER COMPONENT	TFTXC	70	(12)	3	155	128	124	0
36	TOTAL TAXES	TX99	127	(10)	99	238	1,457	2,119	2
37	DEMAND COMPONENT	TX99D	(2)	0	75	29	828	961	0
38	CUSTOMER COMPONENT	TX99C	128	(10)	24	208	629	1,158	2
39	TOTAL OPERATING EXPENSES	TOE	312	58	245	280	5,406	19,801	24
40	DEMAND COMPONENT	TOED	(2)	0	201	29	3,478	1,572	0
41	CUSTOMER COMPONENT	TOEC	313	58	44	250	1,928	18,229	24

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES AT PROPOSED RATE LEVELS

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	DERIVATION-									
	TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIONS									
1	OPERATING REVENUES	ROTP	758,206	492,840	5,577	78,698	116,760	30,019	1,829	1,193
	MINUS: OTHER OPERATING EXPENSES									
2	OP EXPENSES PRIOR INCOME TAX	OEBT	513,748	358,100	8,078	43,521	62,029	15,595	801	860
3	EQUALS: TAXABLE INCOME	TAXI	244,458	134,740	(2,501)	35,177	54,731	14,424	1,028	333
	PLUS: ADJUSTMENTS TO									
4	TAXABLE INCOME	TAT	(61,280)	(40,224)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
5	EQUALS: TAXABLE NET INCOME BEFORE SPECIAL DEDU	TNI	183,178	94,516	(3,667)	29,781	45,873	12,218	916	193
	PA INCOME TAX CALCULATION									
6	TAXABLE NET INCOME	TNI	183,178	94,516	(3,667)	29,781	45,873	12,218	916	193
7	TOTAL SPECIAL DEDUCTIONS	TASI	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
8	PA TAXABLE INCOME	TSTI	174,858	89,051	(3,833)	29,024	44,702	11,943	906	177
9	PA APPORTIONMENT PERCENTAGE		100%	100%	100%	100%	100%	100%	100%	100%
10	PA TAXABLE INCOME	TSTIF	174,858	89,051	(3,833)	29,024	44,702	11,943	906	177
11	PA INCOME TAX @ 9.99%	GSIT	17,468	8,896	(383)	2,899	4,466	1,193	91	18
12	PA TAX CREDITS	TS20	0	0	0	0	0	0	0	0
	PA INCOME TAX									
13	ADJUSTMENTS	TSTA	0	0	0	0	0	0	0	0
14	*TOTAL PA INCOME TAX*	TSIT1	17,468	8,896	(383)	2,899	4,466	1,193	91	18
	FEDERAL INC TAX CALCULATION									
15	TAXABLE NET INCOME	TNI	183,178	94,516	(3,667)	29,781	45,873	12,218	916	193
	DEDUCTIONS									
16	PA INCOME TAX	GSIT	17,468	8,896	(383)	2,899	4,466	1,193	91	18
17	TOTAL DEDUCTIONS	TSFS	17,468	8,896	(383)	2,899	4,466	1,193	91	18
18	FEDERAL TAXABLE INCOME	TFTI	165,710	85,620	(3,284)	26,882	41,407	11,025	825	175
19	FEDERAL INCOME TAX @ 35.0%	GFIT	57,999	29,967	(1,149)	9,409	14,492	3,859	289	61
	FEDERAL INCOME TAX									
20	ADJUSTMENTS		(727)	(118)	23	(174)	(357)	(85)	(6)	(5)
21	TOTAL FEDERAL INCOME TAX	TFIT1	57,272	29,849	(1,126)	9,235	14,135	3,774	283	56

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
CALCULATION OF INCOME TAXES AT PROPOSED RATE LEVELS

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	DERIVATION-								
	TAXABLE NET INCOME BEFORE SPECIAL DEDUCTIONS								
1	OPERATING REVENUES	ROTP	487	51	359	583	7,341	22,443	26
	MINUS: OTHER OPERATING EXPENSES								
2	OP EXPENSES PRIOR INCOME TAX	OEBT	221	74	178	76	4,546	19,644	24
3	EQUALS: TAXABLE INCOME	TAXI	266	(23)	181	507	2,795	2,799	2
	PLUS: ADJUSTMENTS TO								
4	TAXABLE INCOME	TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
5	EQUALS: TAXABLE NET INCOME BEFORE SPECIAL DEDU	TNI	229	(37)	161	498	2,125	390	(1)
	PA INCOME TAX CALCULATION								
6	TAXABLE NET INCOME	TNI	229	(37)	161	498	2,125	390	(1)
7	TOTAL SPECIAL DEDUCTIONS	TASI	(4)	(1)	(2)	(1)	(91)	(333)	0
8	PA TAXABLE INCOME	TSTI	225	(38)	159	497	2,034	57	(1)
9	PA APPORTIONMENT PERCENTAGE		100%	100%	100%	100%	100%	100%	100%
10	PA TAXABLE INCOME	TSTIF	225	(38)	159	497	2,034	57	(1)
11	PA INCOME TAX @ 9.99%	GSIT	22	(4)	16	50	203	6	0
12	PA TAX CREDITS	TS20	0	0	0	0	0	0	0
	PA INCOME TAX								
13	ADJUSTMENTS	TSTA	0	0	0	0	0	0	0
14	TOTAL PA INCOME TAX	TSIT1	22	(4)	16	50	203	6	0
	FEDERAL INC TAX CALCULATION								
15	TAXABLE NET INCOME	TNI	229	(37)	161	498	2,125	390	(1)
	DEDUCTIONS								
16	PA INCOME TAX	GSIT	22	(4)	16	50	203	6	0
17	TOTAL DEDUCTIONS	TSFS	22	(4)	16	50	203	6	0
18	FEDERAL TAXABLE INCOME	TFTI	207	(33)	145	448	1,922	384	(1)
19	FEDERAL INCOME TAX @ 35.0%	GFIT	72	(12)	51	157	673	134	0
	FEDERAL INCOME TAX								
20	ADJUSTMENTS		(3)	0	0	(3)	(16)	17	0
21	TOTAL FEDERAL INCOME TAX	TFIT1	69	(12)	51	154	657	151	0

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

**DEMAND AND CUSTOMER COMPONENTS
OF REVENUE REQUIREMENTS
PRESENT AND PROPOSED RATES**

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

Demand and customer components of the class revenue requirements are provided for informational and reference purposes. The components for present and proposed rates at class rates of return, and at class rates of return equal to the jurisdictional system average rate of return also are provided. The summary shows the results of these four scenarios, which were obtained as extensions of the studies presented in Sections III and IV.

The process for the "Present Rates" scenario, which uses class rate base data, class percentage rates of return, and other elements of the revenue requirements calculated in Section III as a starting point, is illustrated herein. Income taxes are calculated independently for each class revenue component and compiled with the other elements to produce the final revenue requirements by component. Class totals represent the Section III totals.

Calculations for the remaining three scenarios are made by changing class rates of return to obtain corresponding returns and taxes, and the components of the revenue requirements.

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
PRESENT AND PROPOSED RATES - SUMMARY OF DEMAND AND CUSTOMER COMPONENTS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	PRESENT RATES											
1	AT CLASS % RATEOF RETURN	RTRA			6.14%	4.08%	-3.89%	12.60%	12.00%	12.79%	18.59%	10.87%
2	TOTAL REVENUE REQUIREMENTS			RRA1	631,627	386,500	3,990	73,864	109,756	29,094	1,782	1,167
3	DEMAND COMPONENT			RRA1D	258,244	102,644	1,821	26,777	93,150	26,685	1,685	(3)
4	CUSTOMER COMPONENT			RRA1C	373,383	283,856	2,169	47,087	16,606	2,409	97	1,170
5	AT SYSTEM % RATE OF RETURN	RTRB			6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%
6	TOTAL REVENUE REQUIREMENTS			RRA2	631,456	435,952	11,048	52,808	77,986	19,958	912	903
7	DEMAND COMPONENT			RRA2D	234,854	120,941	6,613	18,097	64,983	18,058	849	(3)
8	CUSTOMER COMPONENT			RRA2C	396,602	315,011	4,435	34,711	13,023	1,900	63	906
	PROPOSED RATES											
9	AT CLASS % RATEOF RETURN	RTRC			8.39%	7.26%	-2.56%	12.84%	12.10%	12.50%	17.05%	8.43%
10	TOTAL REVENUE REQUIREMENTS			RRA3	714,975	463,679	4,933	74,696	110,350	28,707	1,676	1,032
11	DEMAND COMPONENT			RRA3D	288,176	130,958	2,460	27,107	93,662	26,317	1,583	(3)
12	CUSTOMER COMPONENT			RRA3C	426,799	332,721	2,473	47,589	16,688	2,390	93	1,035
13	AT SYSTEM % RATE OF RETURN	RTRD			8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%
14	TOTAL REVENUE REQUIREMENTS			RRA4	715,049	490,755	12,636	60,190	90,236	23,057	1,070	1,030
15	DEMAND COMPONENT			RRA4D	273,820	141,007	7,691	21,124	75,816	20,983	1,001	(3)
16	CUSTOMER COMPONENT			RRA4C	441,229	349,748	4,945	39,066	14,420	2,074	69	1,033
	Revenue Requirements				74	27,076	7,703	(14,506)	(20,114)	(5,650)	(606)	(2)

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
PRESENT AND PROPOSED RATES - SUMMARY OF DEMAND AND CUSTOMER COMPONENTS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	PRESENT RATES										
1	**AT CLASS % RATEOF RETURN**	RTRA			29.76%	-1.70%	14.01%	157.89%	7.57%	0.56%	1.06%
2	TOTAL REVENUE REQUIREMENTS			RRA1	564	36	333	538	6,460	17,508	35
3	DEMAND COMPONENT			RRA1D	(2)	0	300	(2)	4,577	612	0
4	CUSTOMER COMPONENT			RRA1C	566	36	33	540	1,883	16,896	35
5	**AT SYSTEM % RATE OF RETURN**	RTRB			6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%
6	TOTAL REVENUE REQUIREMENTS			RRA2	211	78	214	15	5,895	25,431	45
7	DEMAND COMPONENT			RRA2D	(2)	0	191	0	4,146	1,001	0
8	CUSTOMER COMPONENT			RRA2C	213	78	23	15	1,749	24,430	45
	PROPOSED RATES										
9	**AT CLASS % RATEOF RETURN**	RTRC			21.34%	-2.38%	13.89%	159.47%	8.94%	3.38%	2.13%
10	TOTAL REVENUE REQUIREMENTS			RRA3	438	32	332	543	7,001	21,520	36
11	DEMAND COMPONENT			RRA3D	(2)	0	299	(2)	4,989	808	0
12	CUSTOMER COMPONENT			RRA3C	440	32	33	545	2,012	20,712	36
13	**AT SYSTEM % RATE OF RETURN**	RTRD			8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%
14	TOTAL REVENUE REQUIREMENTS			RRA4	246	90	249	23	6,783	28,636	48
15	DEMAND COMPONENT			RRA4D	(2)	0	222	(1)	4,824	1,158	0
16	CUSTOMER COMPONENT			RRA4C	248	90	27	24	1,959	27,478	48
	Revenue Requirements				(192)	58	(83)	(520)	(218)	7,116	12

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS COMMON TO ALL RATE LEVELS
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	REVENUE REQUIREMENTS EXCLUDING RETURN INCOME & GR REC TAX									
1	O & M TRANSMISSION	EE20	0	0	0	0	0	0	0	0
2	O & M DISTRIBUTION	EE30	134,943	84,304	2,561	11,604	20,197	5,733	290	238
3	DEMAND COMPONENT	EE30D	64,382	32,890	1,760	4,960	17,730	5,382	278	0
4	CUSTOMER COMPONENT	EE30C	70,561	51,414	801	6,644	2,467	351	12	238
5	O & M CUSTOMER ACCTS	EE56	42,120	37,850	227	2,655	1,059	110	2	65
6	O & M CUST SERV & INFO	EE60	25,750	25,481	268	0	0	0	0	0
7	O & M SALES	EE65	2,843	1,468	79	221	792	207	11	0
8	O & M ADMIN & GENERAL	EE79	129,255	90,446	2,171	12,093	15,074	3,599	182	135
9	DEMAND COMPONENT	EE79D	44,058	22,754	1,217	3,433	12,267	3,217	167	0
10	CUSTOMER COMPONENT	EE79C	85,197	67,692	954	8,660	2,807	382	15	135
11	O & M ADJUSTMENTS	EE99	4,644	3,852	39	622	219	(27)	(1)	(2)
12	DEMAND COMPONENT	EE99D	27	47	2	6	25	(54)	(3)	0
13	CUSTOMER COMPONENT	EE99C	4,617	3,805	37	616	194	27	2	(2)
14	TOTAL OPER & MAINT EXPENSES	EE00	339,555	243,401	5,345	27,195	37,341	9,622	484	436
15	DEMAND COMPONENT	EE00D	108,467	55,691	2,979	8,399	30,022	8,545	442	0
16	CUSTOMER COMPONENT	EE00C	231,088	187,710	2,366	18,796	7,319	1,077	42	436
17	DEPRECIATION & AMORTIZATION	ED00A	111,824	73,527	2,102	10,144	15,524	3,651	182	329
18	DEMAND COMPONENT	ED00AD	44,368	22,984	1,231	3,467	12,391	3,133	163	0
19	CUSTOMER COMPONENT	ED00AC	67,456	50,543	871	6,677	3,133	518	19	329
20	TAXES OTHER THAN INCOME & GR	TOTI	18,654	12,561	332	1,662	2,512	611	31	26
21	DEMAND COMPONENT	TOTID	7,971	4,205	216	614	2,164	568	29	1
22	CUSTOMER COMPONENT	TOTIC	10,683	8,356	116	1,048	348	43	2	25
23	OTHER OPERATING REVS - CR	ROOT	32,379	20,849	614	2,897	4,841	1,187	60	46
24	DEMAND COMPONENT	ROOTD	15,334	7,919	424	1,195	4,270	1,119	58	0
25	CUSTOMER COMPONENT	ROOTC	17,045	12,930	190	1,702	571	68	2	46
26	TOTAL REVENUE REQMTS EXCLUDING RETURN INCOME & GR REC TAX	TXDT	437,654	308,640	7,165	36,104	50,536	12,697	637	745
27	DEMAND COMPONENT	TXDTD	145,472	74,961	4,002	11,285	40,307	11,127	576	1
28	CUSTOMER COMPONENT	TXDTC	292,182	233,679	3,163	24,819	10,229	1,570	61	744
29	TOTAL RATE BASE	RBX	2,022,963	1,321,698	38,737	179,448	298,479	75,648	3,836	3,072
30	DEMAND COMPONENT	RBXD	953,416	491,611	26,317	74,165	265,053	71,447	3,698	0
31	CUSTOMER COMPONENT	RBXC	1,069,547	830,087	12,420	105,283	33,426	4,201	138	3,072

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS COMMON TO ALL RATE LEVELS
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	REVENUE REQUIREMENTS EXCLUDING RETURN INCOME & GR REC TAX								
1	O & M TRANSMISSION	EE20	0	0	0	0	0	0	0
2	O & M DISTRIBUTION	EE30	64	23	14	14	1,466	8,427	8
3	DEMAND COMPONENT	EE30D	0	0	10	0	1,108	264	0
4	CUSTOMER COMPONENT	EE30C	64	23	4	14	358	8,163	8
5	O & M CUSTOMER ACCTS	EE56	0	0	1	0	89	63	0
6	O & M CUST SERV & INFO	EE60	0	0	0	0	0	0	0
7	O & M SALES	EE65	0	0	4	0	49	11	0
8	O & M ADMIN & GENERAL	EE79	35	13	70	8	1,119	4,306	4
9	DEMAND COMPONENT	EE79D	0	0	65	0	766	172	0
10	CUSTOMER COMPONENT	EE79C	35	13	5	8	353	4,134	4
11	O & M ADJUSTMENTS	EE99	(1)	0	(1)	0	8	(66)	0
12	DEMAND COMPONENT	EE99D	0	0	(1)	0	1	1	0
13	CUSTOMER COMPONENT	EE99C	(1)	0	0	0	7	(67)	0
14	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,731	12,741	12
15	DEMAND COMPONENT	EE00D	0	0	74	0	1,875	437	0
16	CUSTOMER COMPONENT	EE00C	98	36	14	22	856	12,304	12
17	DEPRECIATION & AMORTIZATION	ED00A	87	32	58	20	1,217	4,941	10
18	DEMAND COMPONENT	ED00AD	0	0	52	0	775	174	0
19	CUSTOMER COMPONENT	ED00AC	87	32	6	20	442	4,767	10
20	TAXES OTHER THAN INCOME & GR	TOTI	8	3	12	0	181	718	1
21	DEMAND COMPONENT	TOTID	0	0	12	0	135	30	0
22	CUSTOMER COMPONENT	TOTIC	8	3	0	0	46	688	1
23	OTHER OPERATING REVS - CR	ROOT	12	4	24	3	347	1,494	1
24	DEMAND COMPONENT	ROOTD	0	0	23	0	266	60	0
25	CUSTOMER COMPONENT	ROOTC	12	4	1	3	81	1,434	1
	TOTAL REVENUE REQMTS EXCLUDING								
26	RETURN INCOME & GR REC TAX	TXDT	181	67	134	39	3,782	16,906	22
27	DEMAND COMPONENT	TXDTD	0	0	115	0	2,519	581	0
28	CUSTOMER COMPONENT	TXDTC	181	67	19	39	1,263	16,325	22
29	TOTAL RATE BASE	RBX	820	294	821	190	21,654	78,174	94
30	DEMAND COMPONENT	RBXD	0	0	765	0	16,547	3,814	0
31	CUSTOMER COMPONENT	RBXC	820	294	56	190	5,107	74,360	94

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PRESENT RATE LEVELS
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	REVENUE REQUIREMENTS EXCLUDING RETURN INCOME & GR REC TAX	TXDT	437,654	308,640	7,165	36,104	50,536	12,697	637	745
2	DEMAND COMPONENT	TXDTD	145,472	74,961	4,002	11,285	40,307	11,127	576	1
3	CUSTOMER COMPONENT	TXDTC	292,182	233,679	3,163	24,819	10,229	1,570	61	744
4	RATE OF RETURN-PERCENT	RTRA	6.14%	4.08%	-3.89%	12.50%	12.00%	12.79%	18.59%	10.67%
5	RETURN ON RATE BASE	RTNA1	124,210	53,926	(1,507)	22,611	35,817	9,675	713	334
6	DEMAND COMPONENT	RTNAD	58,540	20,058	(1,024)	9,345	31,806	9,138	687	0
7	CUSTOMER COMPONENT	RTNAC	65,670	33,868	(483)	13,266	4,011	537	26	334
8	INCOME TAXES	TSF1	42,414	6,828	(1,877)	11,817	18,361	5,117	416	126
9	DEMAND COMPONENT	TSF1D	29,947	3,613	(1,252)	4,939	16,758	4,948	407	(5)
10	CUSTOMER COMPONENT	TSF1C	12,467	5,215	(625)	6,878	1,603	169	9	131
11	SUBTOTAL OF ABOVE	SUB31	604,278	371,394	3,781	70,532	104,714	27,489	1,766	1,205
12	DEMAND COMPONENT	SUB31D	233,959	98,632	1,726	25,569	88,871	25,213	1,670	(4)
13	CUSTOMER COMPONENT	SUB31C	370,319	272,762	2,055	44,963	15,843	2,276	96	1,209
14	ANNUALIZATION REVENUES	ANN	1,724	2,355	(18)	(92)	386	(298)	74	(51)
15	DEMAND COMPONENT	ANN1D	647	625	(8)	(33)	328	(273)	70	0
16	CUSTOMER COMPONENT	ANN1C	1,077	1,730	(10)	(59)	58	(25)	4	(51)
17	LATE PAY CHARGES	R11	8,923	5,825	46	1,182	1,137	417	21	165
18	DEMAND COMPONENT	R111D	3,402	1,547	21	428	965	382	20	(1)
19	CUSTOMER COMPONENT	R111C	5,521	4,278	25	754	172	35	1	166
20	REVENUE REQTS BEFORE GRT	RRBA	593,732	363,214	3,753	69,442	103,191	27,370	1,671	1,091
21	DEMAND COMPONENT	RRBAD	242,768	96,460	1,713	25,174	87,578	25,104	1,580	(3)
22	CUSTOMER COMPONENT	RRBAC	350,964	266,754	2,040	44,268	15,613	2,266	91	1,094
23	GROSS RECEIPTS TAX	GRTA1	37,895	23,286	237	4,422	6,565	1,724	111	76
24	DEMAND COMPONENT	GRTA1D	15,476	6,184	108	1,603	5,572	1,581	105	0
25	CUSTOMER COMPONENT	GRTA1C	22,419	17,102	129	2,819	993	143	6	76
26	TOTAL REVENUE REQUIREMENTS	RRA1	631,627	386,500	3,990	73,864	109,756	29,094	1,782	1,167
27	DEMAND COMPONENT	RRA1D	258,244	102,644	1,821	26,777	93,150	26,685	1,685	(3)
28	CUSTOMER COMPONENT	RRA1C	373,383	283,856	2,169	47,087	16,606	2,409	97	1,170

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PRESENT RATE LEVELS
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	REVENUE REQUIREMENTS EXCLUDING								
1	RETURN INCOME & GR REC TAX	TXDT	181	67	134	39	3,782	16,906	22
2	DEMAND COMPONENT	TXDTD	0	0	115	0	2,519	581	0
3	CUSTOMER COMPONENT	TXDTC	181	67	19	39	1,263	16,325	22
4	RATE OF RETURN-PERCENT	RTRA	29.76%	-1.70%	14.01%	157.89%	7.57%	0.56%	1.06%
5	RETURN ON RATE BASE	RTNA1	244	(5)	115	300	1,640	437	1
6	DEMAND COMPONENT	RTNAD	0	0	107	0	1,253	21	0
7	CUSTOMER COMPONENT	RTNAC	244	(5)	8	300	387	416	1
8	INCOME TAXES	TSF1	141	(13)	67	201	650	(1,410)	(1)
9	DEMAND COMPONENT	TSF1D	(2)	0	63	(2)	530	(45)	0
10	CUSTOMER COMPONENT	TSF1C	143	(13)	4	203	120	(1,365)	(1)
11	SUBTOTAL OF ABOVE	SUB31	566	49	316	540	6,072	15,933	22
12	DEMAND COMPONENT	SUB31D	(2)	0	285	(2)	4,302	557	0
13	CUSTOMER COMPONENT	SUB31C	568	49	31	542	1,770	15,376	22
14	ANNUALIZATION REVENUES	ANN	12	16	3	36	(61)	(625)	(13)
15	DEMAND COMPONENT	ANN1D	0	0	3	0	(43)	(22)	0
16	CUSTOMER COMPONENT	ANN1C	12	16	0	36	(18)	(603)	(13)
17	LATE PAY CHARGES	R11	26	0	0	0	54	49	1
18	DEMAND COMPONENT	R111D	0	0	0	0	38	2	0
19	CUSTOMER COMPONENT	R111C	26	0	0	0	16	47	1
20	REVENUE REQTS BEFORE GRT	RRBA	528	33	313	504	6,079	16,509	34
21	DEMAND COMPONENT	RRBAD	(2)	0	282	(2)	4,307	577	0
22	CUSTOMER COMPONENT	RRBAC	530	33	31	506	1,772	15,932	34
23	GROSS RECEIPTS TAX	GRTA1	36	3	20	34	381	999	1
24	DEMAND COMPONENT	GRTA1D	0	0	18	0	270	35	0
25	CUSTOMER COMPONENT	GRTA1C	36	3	2	34	111	964	1
26	TOTAL REVENUE REQUIREMENTS	RRA1	564	36	333	538	6,460	17,508	35
27	DEMAND COMPONENT	RRA1D	(2)	0	300	(2)	4,577	612	0
28	CUSTOMER COMPONENT	RRA1C	566	36	33	540	1,883	16,896	35

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PRESENT RATE LEVELS
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	**AT ACTUAL % RATE OF RETURN**	RTRA	6.14%	4.08%	-3.89%	12.60%	12.00%	12.79%	18.59%	10.87%
2	RETURN ON RATE BASE	RTNA1	124,210	53,926	(1,507)	22,611	35,817	9,675	713	334
3	DEMAND COMPONENT	RTNAD	58,540	20,058	(1,024)	9,345	31,806	9,138	687	0
4	CUSTOMER COMPONENT	RTNAC	65,670	33,868	(483)	13,266	4,011	537	26	334
5	ADJUSTMENT TO TAXABLE INCOME	TAT	(61,280)	(40,224)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
6	DEMAND COMPONENT	TATD	(27,728)	(14,526)	(751)	(2,139)	(7,588)	(2,015)	(105)	(1)
7	CUSTOMER COMPONENT	TATC	(33,552)	(25,698)	(415)	(3,257)	(1,270)	(191)	(7)	(139)
8	FEDERAL INCOME TAX ADJUSTMEN	TAFI	(730)	(118)	23	(174)	(357)	(85)	(6)	(5)
9	DEMAND COMPONENT	TAFID	(341)	(48)	11	(81)	(173)	(42)	(3)	(2)
10	CUSTOMER COMPONENT	TAFIC	(389)	(70)	12	(93)	(184)	(43)	(3)	(3)
	SUMMARY FOR FEDERAL INCOME TAX CALCULATION									
11	(2)+(5)+(8)	TFTI1	62,310	13,584	(2,650)	17,041	26,602	7,384	595	189
12	DEMAND COMPONENT	TFTI1D	43,329	5,484	(1,764)	7,125	24,045	7,081	579	(3)
13	CUSTOMER COMPONENT	TFTI1C	18,981	8,100	(886)	9,916	2,557	303	16	192
	FEDERAL INCOME TAX									
14	.35 /.65 X (11)+(8)	TFIT1	32,822	7,196	(1,404)	9,002	13,967	3,891	314	97
15	DEMAND COMPONENT	TFIT1D	22,990	2,905	(939)	3,756	12,774	3,771	309	(4)
16	CUSTOMER COMPONENT	TFIT1C	9,832	4,292	(465)	5,246	1,193	120	6	100
17	ADJ TO PA TAXABLE INCOME	TASI	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
18	DEMAND COMPONENT	TASID	(3,473)	(1,791)	(93)	(266)	(957)	(249)	(9)	0
19	CUSTOMER COMPONENT	TASIC	(4,847)	(3,674)	(73)	(491)	(214)	(26)	(1)	(16)
20	PA INCOME TAX ADJUSTMENT	TSTA	(114)	(74)	(2)	(10)	(17)	(4)	0	0
21	DEMAND COMPONENT	TSTAD	(53)	(27)	(1)	(4)	(14)	(4)	0	0
22	CUSTOMER COMPONENT	TSTAC	(61)	(47)	(1)	(6)	(3)	0	0	0
	SUMMARY FOR PA INCOME TAX CALCULATION									
23	(2)+(5)+(14)+(17)+(20)	TSTI1	87,458	15,359	(4,245)	25,450	39,738	11,081	905	275
24	DEMAND COMPONENT	TSTI1D	63,163	6,619	(2,808)	10,692	36,021	10,641	882	(5)
25	CUSTOMER COMPONENT	TSTI1C	24,295	8,741	(1,437)	14,758	3,717	440	24	279
	PA INCOME TAX									
26	.0999 / .9001 X (23)+(20)	TSIT1	9,593	1,631	(473)	2,815	4,393	1,226	100	31
27	DEMAND COMPONENT	TSIT1D	6,957	708	(313)	1,183	3,984	1,177	98	(1)
28	CUSTOMER COMPONENT	TSIT1C	2,635	923	(160)	1,632	410	49	3	31

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PRESENT RATE LEVELS
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
1	**AT ACTUAL % RATE OF RETURN**	RTRA	29.76%	-1.70%	14.01%	157.89%	7.57%	0.56%	1.06%
2	RETURN ON RATE BASE	RTNA1	244	(5)	115	300	1,640	437	1
3	DEMAND COMPONENT	RTNAD	0	0	107	0	1,253	21	0
4	CUSTOMER COMPONENT	RTNAC	244	(5)	8	300	387	416	1
5	ADJUSTMENT TO TAXABLE INCOME	TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
6	DEMAND COMPONENT	TATD	0	0	(17)	0	(474)	(108)	0
7	CUSTOMER COMPONENT	TATC	(37)	(14)	(3)	(9)	(196)	(2,301)	(3)
8	FEDERAL INCOME TAX ADJUSTMEN	TAFI	(3)	0	0	(3)	(16)	17	0
9	DEMAND COMPONENT	TAFID	(1)	0	0	(1)	(8)	10	0
10	CUSTOMER COMPONENT	TAFIC	(2)	0	0	(2)	(8)	7	0
	SUMMARY FOR FEDERAL INCOME TAX CALCULATION								
11	(2)+(5)+(8)	TFTI1	204	(19)	95	288	954	(1,955)	(2)
12	DEMAND COMPONENT	TFTI1D	(1)	0	90	(1)	771	(77)	0
13	CUSTOMER COMPONENT	TFTI1C	205	(19)	5	289	183	(1,878)	(2)
	FEDERAL INCOME TAX								
14	.35 /.65 X (11)+(8)	TFIT1	107	(10)	51	152	498	(1,036)	(1)
15	DEMAND COMPONENT	TFIT1D	(2)	0	48	(2)	407	(31)	0
16	CUSTOMER COMPONENT	TFIT1C	108	(10)	3	154	91	(1,004)	(1)
17	ADJ TO PA TAXABLE INCOME	TASI	(4)	(1)	(2)	(1)	(91)	(333)	0
18	DEMAND COMPONENT	TASID	0	0	(2)	0	(69)	(9)	0
19	CUSTOMER COMPONENT	TASIC	(4)	(1)	0	(1)	(22)	(324)	0
20	PA INCOME TAX ADJUSTMENT	TSTA	0	0	0	0	(1)	(4)	0
21	DEMAND COMPONENT	TSTAD	0	0	0	0	(1)	0	0
22	CUSTOMER COMPONENT	TSTAC	0	0	0	0	0	(4)	0
	SUMMARY FOR PA INCOME TAX CALCULATION								
23	(2)+(5)+(14)+(17)+(20)	TSTI1	310	(30)	144	442	1,376	(3,345)	(3)
24	DEMAND COMPONENT	TSTI1D	(2)	0	136	(2)	1,116	(127)	0
25	CUSTOMER COMPONENT	TSTI1C	311	(30)	8	444	260	(3,217)	(3)
	PA INCOME TAX								
26	.0999 / .9001 X (23)+(20)	TSIT1	34	(3)	16	49	152	(375)	0
27	DEMAND COMPONENT	TSIT1D	0	0	15	0	123	(14)	0
28	CUSTOMER COMPONENT	TSIT1C	35	(3)	1	49	29	(361)	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PRESENT LEVELS
$1,000

Line No.	Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	**REVENUE REQUIREMENTS EXCLUDING RETURN INCOME & GR REC TAX**		TXDT	437,654	308,640	7,165	36,104	50,536	12,697	637	745
2	DEMAND COMPONENT		TXDTD	145,472	74,961	4,002	11,285	40,307	11,127	576	1
3	CUSTOMER COMPONENT		TXDTC	292,182	233,679	3,163	24,819	10,229	1,570	61	744
4	**RATE OF RETURN-PERCENT**		RTRB	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%
5	RETURN ON RATE BASE		RTNB2	124,210	81,152	2,379	11,018	18,326	4,645	235	189
6	DEMAND COMPONENT		RTNBD	58,540	30,185	1,616	4,554	16,274	4,387	227	0
7	CUSTOMER COMPONENT		RTNBC	65,670	50,967	763	6,464	2,052	258	8	189
8	INCOME TAXES		TSF2	42,355	28,137	879	3,596	5,956	1,550	76	23
9	DEMAND COMPONENT		TSF2D	20,838	10,795	621	1,541	5,743	1,579	80	(5)
10	CUSTOMER COMPONENT		TSF2C	21,517	17,342	258	2,055	213	(29)	(4)	28
11	SUBTOTAL OF ABOVE		SUB32	604,219	417,929	10,423	50,718	74,818	18,892	948	957
12	DEMAND COMPONENT		SUB32D	224,850	115,941	6,239	17,380	62,324	17,093	883	(4)
13	CUSTOMER COMPONENT		SUB32C	379,369	301,988	4,184	33,338	12,494	1,799	65	961
14	ANNUALIZATION REVENUES		ANN	1,724	2,355	(18)	(92)	366	(298)	74	(51)
15	DEMAND COMPONENT		ANN1D	664	653	(11)	(32)	322	(270)	69	0
16	CUSTOMER COMPONENT		ANN1C	1,060	1,702	(7)	(60)	64	(28)	5	(51)
17	LATE PAY CHARGES		R11	8,923	5,825	46	1,182	1,137	417	21	165
18	DEMAND COMPONENT		R111D	3,432	1,616	28	405	947	377	20	(1)
19	CUSTOMER COMPONENT		R111C	5,491	4,209	18	777	190	40	1	166
20	REVENUE REQTS BEFORE GRT		RRBB	593,573	409,749	10,395	49,628	73,295	18,773	853	843
21	DEMAND COMPONENT		RRBBD	220,756	113,672	6,222	17,007	61,055	16,986	794	(3)
22	CUSTOMER COMPONENT		RRBBC	372,817	296,077	4,173	32,621	12,240	1,787	59	846
23	GROSS RECEIPTS TAX		GRTA2	37,883	26,203	653	3,180	4,691	1,185	59	60
24	DEMAND COMPONENT		GRTA2D	14,098	7,269	391	1,090	3,908	1,072	55	0
25	CUSTOMER COMPONENT		GRTA2C	23,785	18,934	262	2,090	783	113	4	60
26	TOTAL REVENUE REQUIREMENTS		RRA2	631,456	435,952	11,048	52,808	77,986	19,958	912	903
27	DEMAND COMPONENT		RRA2D	234,854	120,941	6,613	18,097	64,963	18,058	849	(3)
28	CUSTOMER COMPONENT		RRA2C	396,602	315,011	4,435	34,711	13,023	1,900	63	906

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTH ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PRESENT LEVELS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	REVENUE REQUIREMENTS EXCLUDING										
1	**RETURN INCOME & GR REC TAX**			TXDT	181	67	134	39	3,782	16,906	22
2	DEMAND COMPONENT			TXDTD	0	0	115	0	2,519	581	0
3	CUSTOMER COMPONENT			TXDTC	181	67	19	39	1,263	16,325	22
4	***RATE OF RETURN-PERCENT***			RTRB	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%
5	RETURN ON RATE BASE			RTNB2	50	18	50	12	1,330	4,800	6
6	DEMAND COMPONENT			RTNBD	0	0	47	0	1,016	234	0
7	CUSTOMER COMPONENT			RTNBC	50	18	3	12	314	4,566	6
8	INCOME TAXES			TSF2	3	3	21	(3)	429	1,682	3
9	DEMAND COMPONENT			TSF2D	(2)	0	21	(2)	362	105	0
10	CUSTOMER COMPONENT			TSF2C	5	3	0	(1)	67	1,577	3
11	SUBTOTAL OF ABOVE			SUB32	234	88	205	48	5,541	23,388	31
12	DEMAND COMPONENT			SUB32D	(2)	0	183	(2)	3,897	920	0
13	CUSTOMER COMPONENT			SUB32C	236	88	22	50	1,644	22,468	31
14	ANNUALIZATION REVENUES			ANN	12	16	3	36	(61)	(625)	(13)
15	DEMAND COMPONENT			ANN1D	0	0	3	(2)	(43)	(25)	0
16	CUSTOMER COMPONENT			ANN1C	12	16	0	38	(18)	(600)	(13)
17	LATE PAY CHARGES			R11	26	0	0	0	54	49	1
18	DEMAND COMPONENT			R111D	0	0	0	0	38	2	0
19	CUSTOMER COMPONENT			R111C	26	0	0	0	16	47	1
20	REVENUE REQTS BEFORE GRT			RRBB	196	72	202	12	5,548	23,964	43
21	DEMAND COMPONENT			RRBBD	(2)	0	180	0	3,902	943	0
22	CUSTOMER COMPONENT			RRBBC	198	72	22	12	1,646	23,021	43
23	GROSS RECEIPTS TAX			GRTA2	15	6	12	3	347	1,467	2
24	DEMAND COMPONENT			GRTA2D	0	0	11	0	244	58	0
25	CUSTOMER COMPONENT			GRTA2C	15	6	1	3	103	1,409	2
26	TOTAL REVENUE REQUIREMENTS			RRA2	211	78	214	15	5,895	25,431	45
27	DEMAND COMPONENT			RRA2D	(2)	0	191	0	4,146	1,001	0
28	CUSTOMER COMPONENT			RRA2C	213	78	23	15	1,749	24,430	45

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PRESENT RATE LEVELS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	AT SYSTEM % RATE OF RETURN			RTRB	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%
2	RETURN ON RATE BASE			RTNB2	124,210	81,152	2,379	11,018	18,326	4,645	235	189
3	DEMAND COMPONENT			RTNBD	58,540	30,185	1,616	4,554	16,274	4,387	227	0
4	CUSTOMER COMPONENT			RTNBC	65,670	50,967	763	6,464	2,052	258	8	189
5	ADJUSTMENT TO TAXABLE INCOME			TAT	(61,280)	(40,224)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
6	DEMAND COMPONENT			TATD	(27,728)	(14,526)	(751)	(2,139)	(7,588)	(2,015)	(105)	(1)
7	CUSTOMER COMPONENT			TATC	(33,552)	(25,698)	(415)	(3,257)	(1,270)	(191)	(7)	(139)
8	FEDERAL INCOME TAX ADJUSTMEN			TAFI	(730)	(118)	23	(174)	(357)	(85)	(6)	(5)
9	DEMAND COMPONENT			TAFID	(341)	(48)	11	(81)	(173)	(42)	(3)	(2)
10	CUSTOMER COMPONENT			TAFIC	(389)	(70)	12	(93)	(184)	(43)	(3)	(3)
	SUMMARY FOR FEDERAL INCOME TAX CALCULATION											
11	(2)+(5)+(8)			TFTI2	62,219	40,810	1,236	5,448	9,111	2,354	117	44
12	DEMAND COMPONENT			TFTI2D	30,478	15,611	876	2,334	8,513	2,330	119	(3)
13	CUSTOMER COMPONENT			TFTI2C	31,741	25,199	360	3,114	598	24	(2)	47
	FEDERAL INCOME TAX											
14	.35 /.65 X (11)+(8)			TFIT2	32,773	21,857	689	2,760	4,549	1,183	57	19
15	DEMAND COMPONENT			TFIT2D	16,070	8,358	483	1,176	4,411	1,213	61	(4)
16	CUSTOMER COMPONENT			TFIT2C	16,702	13,499	206	1,584	138	(30)	(4)	22
17	ADJ TO PA TAXABLE INCOME			TASI	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
18	DEMAND COMPONENT			TASID	(3,473)	(1,791)	(93)	(266)	(957)	(249)	(9)	0
19	CUSTOMER COMPONENT			TASIC	(4,847)	(3,674)	(73)	(491)	(214)	(26)	(1)	(16)
20	PA INCOME TAX ADJUSTMENT			TSTA	(114)	(74)	(2)	(10)	(17)	(4)	0	0
21	DEMAND COMPONENT			TSTAD	(53)	(27)	(1)	(4)	(14)	(4)	0	0
22	CUSTOMER COMPONENT			TSTAC	(61)	(47)	(1)	(6)	(3)	0	0	0
	SUMMARY FOR PA INCOME TAX CALCULATION											
23	(2)+(5)+(14)+(17)+(20)			TSTI2	87,318	57,246	1,734	7,615	12,829	3,343	170	52
24	DEMAND COMPONENT			TSTI2D	43,393	22,199	1,254	3,321	12,126	3,332	174	(5)
25	CUSTOMER COMPONENT			TSTI2C	43,925	35,047	480	4,294	703	11	(4)	56
	PA INCOME TAX											
26	.0999 / .9001 X (23)+(20)			TSIT2	9,577	6,280	190	835	1,407	367	19	6
27	DEMAND COMPONENT			TSIT2D	4,763	2,437	138	365	1,332	366	19	(1)
28	CUSTOMER COMPONENT			TSIT2C	4,814	3,843	52	471	75	1	0	6

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PRESENT RATE LEVELS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
1	**AT SYSTEM % RATE OF RETURN**			RTRB	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%	6.14%
2	RETURN ON RATE BASE			RTNB2	50	18	50	12	1,330	4,800	6
3	DEMAND COMPONENT			RTNBD	0	0	47	0	1,016	234	0
4	CUSTOMER COMPONENT			RTNBC	50	18	3	12	314	4,566	6
5	ADJUSTMENT TO TAXABLE INCOME			TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
6	DEMAND COMPONENT			TATD	0	0	(17)	0	(474)	(108)	0
7	CUSTOMER COMPONENT			TATC	(37)	(14)	(3)	(9)	(196)	(2,301)	(3)
8	FEDERAL INCOME TAX ADJUSTMEN			TAFI	(3)	0	0	(3)	(16)	17	0
9	DEMAND COMPONENT			TAFID	(1)	0	0	(1)	(8)	10	0
10	CUSTOMER COMPONENT			TAFIC	(2)	0	0	(2)	(8)	7	0
	SUMMARY FOR FEDERAL INCOME TAX CALCULATION										
11	(2)+(5)+(8)			TFTI2	10	4	30	0	644	2,408	3
12	DEMAND COMPONENT			TFTI2D	(1)	0	30	(1)	534	136	0
13	CUSTOMER COMPONENT			TFTI2C	11	4	0	1	110	2,272	3
	FEDERAL INCOME TAX										
14	.35 /.65 X (11)+(8)			TFIT2	2	2	16	(3)	331	1,314	2
15	DEMAND COMPONENT			TFIT2D	(2)	0	16	(2)	280	83	0
16	CUSTOMER COMPONENT			TFIT2C	4	2	0	(1)	51	1,230	2
17	ADJ TO PA TAXABLE INCOME			TASI	(4)	(1)	(2)	(1)	(91)	(333)	0
18	DEMAND COMPONENT			TASID	0	0	(2)	0	(69)	(9)	0
19	CUSTOMER COMPONENT			TASIC	(4)	(1)	0	(1)	(22)	(324)	0
20	PA INCOME TAX ADJUSTMENT			TSTA	0	0	0	0	(1)	(4)	0
21	DEMAND COMPONENT			TSTAD	0	0	0	0	(1)	0	0
22	CUSTOMER COMPONENT			TSTAC	0	0	0	0	0	(4)	0
	SUMMARY FOR PA INCOME TAX CALCULATION										
23	(2)+(5)+(14)+(17)+(20)			TSTI2	11	5	44	(1)	899	3,368	5
24	DEMAND COMPONENT			TSTI2D	(2)	0	44	(2)	752	200	0
25	CUSTOMER COMPONENT			TSTI2C	13	5	0	1	147	3,167	5
	PA INCOME TAX										
26	.0999 / .9001 X (23)+(20)			TSIT2	1	1	5	0	99	370	1
27	DEMAND COMPONENT			TSIT2D	0	0	5	0	82	22	0
28	CUSTOMER COMPONENT			TSIT2C	1	1	0	0	16	347	1

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.	Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	REVENUE REQUIREMENTS EXCLUDING										
1	**RETURN INCOME & GR REC TAX**		TXDT	438,545	309,404	7,171	36,152	50,585	12,707	637	746
2	DEMAND COMPONENT		TXDTD	145,576	75,015	4,005	11,293	40,336	11,135	576	1
3	CUSTOMER COMPONENT		TXDTC	292,969	234,389	3,166	24,859	10,249	1,572	61	745
4	**RATE OF RETURN-PERCENT**		RTRC	8.39%	7.26%	-2.56%	12.84%	12.10%	12.50%	17.05%	8.43%
5	RETURN ON RATE BASE		RTNC1	169,671	95,971	(992)	23,041	36,116	9,456	655	259
6	DEMAND COMPONENT		RTNCD	87,887	35,691	(674)	9,523	32,071	8,931	631	0
7	CUSTOMER COMPONENT		RTNCC	81,784	60,280	(318)	13,518	4,045	525	24	259
8	INCOME TAXES		TSF1	74,595	38,646	(1,511)	12,121	18,572	4,962	374	73
9	DEMAND COMPONENT		TSF1D	41,650	14,700	(1,003)	5,064	16,946	4,801	367	(5)
10	CUSTOMER COMPONENT		TSF1C	32,945	23,946	(508)	7,057	1,626	161	7	78
11	SUBTOTAL OF ABOVE		SUB33	682,811	444,021	4,668	71,314	105,273	27,125	1,666	1,078
12	DEMAND COMPONENT		SUB33D	275,113	125,406	2,328	25,880	89,353	24,867	1,574	(4)
13	CUSTOMER COMPONENT		SUB33C	407,698	318,615	2,340	45,434	15,920	2,258	92	1,082
14	ANNUALIZATION REVENUES		ANNP	1,726	2,357	(18)	(92)	386	(298)	74	(51)
15	DEMAND COMPONENT		ANNPD	686	666	(9)	(33)	328	(273)	70	0
16	CUSTOMER COMPONENT		ANNPC	1,040	1,691	(9)	(59)	58	(25)	4	(51)
17	LATE PAY CHARGES		R11P	8,923	5,825	46	1,182	1,137	417	21	165
18	DEMAND COMPONENT		R111D	3,503	1,645	23	429	965	382	20	(1)
19	CUSTOMER COMPONENT		R111C	5,420	4,180	23	753	172	35	1	166
20	REVENUE REQTS BEFORE GRT		RRBC	672,162	435,839	4,640	70,224	103,750	27,006	1,571	964
21	DEMAND COMPONENT		RRBCD	270,926	123,095	2,314	25,484	88,060	24,758	1,484	(3)
22	CUSTOMER COMPONENT		RRBCC	401,236	312,744	2,326	44,740	15,690	2,248	87	967
23	GROSS RECEIPTS TAX		GRTA3	42,813	27,840	293	4,472	6,600	1,701	105	68
24	DEMAND COMPONENT		GRTA3D	17,250	7,863	146	1,623	5,602	1,559	99	0
25	CUSTOMER COMPONENT		GRTA3C	25,563	19,977	147	2,849	998	142	6	68
26	TOTAL REVENUE REQUIREMENTS		RRA3	714,975	463,679	4,933	74,696	110,350	28,707	1,676	1,032
27	DEMAND COMPONENT		RRA3D	288,176	130,958	2,460	27,107	93,662	26,317	1,583	(3)
28	CUSTOMER COMPONENT		RRA3C	426,799	332,721	2,473	47,589	16,688	2,390	93	1,035

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	REVENUE REQUIREMENTS EXCLUDING										
1	**RETURN INCOME & GR REC TAX**			TXDT	181	67	134	39	3,786	16,914	22
2	DEMAND COMPONENT			TXDTD	0	0	115	0	2,521	581	0
3	CUSTOMER COMPONENT			TXDTC	181	67	19	39	1,265	16,333	22
4	**RATE OF RETURN-PERCENT**			RTRC	21.34%	-2.38%	13.89%	159.47%	8.94%	3.38%	2.13%
5	RETURN ON RATE BASE			RTNC1	175	(7)	114	303	1,936	2,642	2
6	DEMAND COMPONENT			RTNCD	0	0	106	0	1,479	129	0
7	CUSTOMER COMPONENT			RTNCC	175	(7)	8	303	457	2,513	2
8	INCOME TAXES			TSF1	92	(15)	67	203	859	153	(1)
9	DEMAND COMPONENT			TSF1D	(2)	0	63	(2)	690	31	0
10	CUSTOMER COMPONENT			TSF1C	94	(15)	4	205	169	122	(1)
11	SUBTOTAL OF ABOVE			SUB33	448	45	315	545	6,581	19,709	23
12	DEMAND COMPONENT			SUB33D	(2)	0	284	(2)	4,690	741	0
13	CUSTOMER COMPONENT			SUB33C	450	45	31	547	1,891	18,968	23
14	ANNUALIZATION REVENUES			ANNP	12	16	3	36	(61)	(625)	(13)
15	DEMAND COMPONENT			ANNPD	0	0	3	0	(43)	(23)	0
16	CUSTOMER COMPONENT			ANNPC	12	16	0	36	(18)	(602)	(13)
17	LATE PAY CHARGES			R11P	26	0	0	0	54	49	1
18	DEMAND COMPONENT			R111D	0	0	0	0	38	2	0
19	CUSTOMER COMPONENT			R111C	26	0	0	0	16	47	1
20	REVENUE REQTS BEFORE GRT			RRBC	410	29	312	509	6,588	20,285	35
21	DEMAND COMPONENT			RRBCD	(2)	0	281	(2)	4,695	762	0
22	CUSTOMER COMPONENT			RRBCC	412	29	31	511	1,893	19,523	35
23	GROSS RECEIPTS TAX			GRTA3	28	3	20	34	413	1,235	1
24	DEMAND COMPONENT			GRTA3D	0	0	18	0	294	46	0
25	CUSTOMER COMPONENT			GRTA3C	28	3	2	34	119	1,189	1
26	TOTAL REVENUE REQUIREMENTS			RRA3	438	32	332	543	7,001	21,520	36
27	DEMAND COMPONENT			RRA3D	(2)	0	299	(2)	4,989	808	0
28	CUSTOMER COMPONENT			RRA3C	440	32	33	545	2,012	20,712	36

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Input	Alloc	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	AT ACTUAL % RATE OF RETURN			RTRC	8.39%	7.26%	-2.56%	12.84%	12.10%	12.50%	17.05%	8.43%
2	RETURN ON RATE BASE			RTNC1	169,671	95,971	(992)	23,041	36,116	9,456	655	259
3	*DEMAND COMPONENT*			*RTNCD*	*87,887*	*35,691*	*(674)*	*9,523*	*32,071*	*8,931*	*631*	*0*
4	CUSTOMER COMPONENT			RTNCC	81,784	60,280	(318)	13,518	4,045	525	24	259
5	ADJUSTMENT TO TAXABLE INCOME			TAT	(61,280)	(40,224)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
6	DEMAND COMPONENT			TATD	(27,728)	(14,526)	(751)	(2,139)	(7,588)	(2,015)	(105)	(1)
7	CUSTOMER COMPONENT			TATC	(33,552)	(25,698)	(415)	(3,257)	(1,270)	(191)	(7)	(139)
8	FEDERAL INCOME TAX ADJUSTMEN			TAFI	(730)	(118)	23	(174)	(357)	(85)	(6)	(5)
9	DEMAND COMPONENT			TAFID	(341)	(48)	11	(81)	(173)	(42)	(3)	(2)
10	CUSTOMER COMPONENT			TAFIC	(389)	(70)	12	(93)	(184)	(43)	(3)	(3)
11	SUMMARY FOR FEDERAL INCOME											
12	TAX CALCULATION											
13	(2)+(5)+(8)			TFTI3	107,680	55,629	(2,135)	17,471	26,901	7,165	537	114
14	DEMAND COMPONENT			TFTI3D	59,825	21,117	(1,414)	7,303	24,310	6,874	523	(3)
15	CUSTOMER COMPONENT			TFTI3C	47,855	34,512	(721)	10,168	2,591	291	14	117
16	FEDERAL INCOME TAX:											
17	.35 /.65 X (11)+(8)			TFIT3	57,252	29,836	(1,127)	9,233	14,128	3,773	283	56
18	DEMAND COMPONENT			TFIT3D	31,872	11,323	(750)	3,851	12,917	3,659	279	(4)
19	CUSTOMER COMPONENT			TFIT3C	25,379	18,513	(376)	5,382	1,211	114	5	60
20	ADJ TO PA TAXABLE INCOME			TASI	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
21	DEMAND COMPONENT			TASID	(3,473)	(1,791)	(93)	(266)	(957)	(249)	(9)	0
22	CUSTOMER COMPONENT			TASIC	(4,847)	(3,674)	(73)	(491)	(214)	(26)	(1)	(16)
23	PA INCOME TAX ADJUSTMENT			TSTA	(114)	(74)	(2)	(10)	(17)	(4)	0	0
24	DEMAND COMPONENT			TSTAD	(53)	(27)	(1)	(4)	(14)	(4)	0	0
25	CUSTOMER COMPONENT			TSTAC	(61)	(47)	(1)	(6)	(3)	0	0	0
26	SUMMARY FOR PA INCOME											
27	TAX CALCULATION											
28	(2)+(5)+(14)+(17)+(20)			TSTI3	157,257	80,044	(3,453)	26,111	40,198	10,744	816	159
29	DEMAND COMPONENT			TSTI3D	88,542	30,670	(2,269)	10,965	36,429	10,322	796	(5)
30	CUSTOMER COMPONENT			TSTI3C	68,715	49,374	(1,183)	15,146	3,769	422	21	164
31	PA INCOME TAX											
32	.0999 / .9001 X (23)+(20)			TSIT3	17,340	8,810	(385)	2,888	4,444	1,188	91	18
33	DEMAND COMPONENT			TSIT3D	9,774	3,377	(253)	1,213	4,029	1,142	88	(1)
34	CUSTOMER COMPONENT			TSIT3C	7,566	5,433	(132)	1,675	415	47	2	18

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ ACTUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Input	Alloc	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
1	AT ACTUAL % RATE OF RETURN			RTRC	21.34%	-2.38%	13.89%	159.47%	8.94%	3.38%	2.13%
2	RETURN ON RATE BASE			RTNC1	175	(7)	114	303	1,936	2,642	2
3	DEMAND COMPONENT			RTNCD	0	0	106	0	1,479	129	0
4	CUSTOMER COMPONENT			RTNCC	175	(7)	8	303	457	2,513	2
5	ADJUSTMENT TO TAXABLE INCOME			TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
6	DEMAND COMPONENT			TATD	0	0	(17)	0	(474)	(108)	0
7	CUSTOMER COMPONENT			TATC	(37)	(14)	(3)	(9)	(196)	(2,301)	(3)
8	FEDERAL INCOME TAX ADJUSTMEN			TAFI	(3)	0	0	(3)	(16)	17	0
9	DEMAND COMPONENT			TAFID	(1)	0	0	(1)	(8)	10	0
10	CUSTOMER COMPONENT			TAFIC	(2)	0	0	(2)	(8)	7	0
11	SUMMARY FOR FEDERAL INCOME										
12	TAX CALCULATION										
13	(2)+(5)+(8)			TFTI3	135	(21)	94	291	1,250	250	(1)
14	DEMAND COMPONENT			TFTI3D	(1)	0	89	(1)	997	31	0
15	CUSTOMER COMPONENT			TFTI3C	136	(21)	5	292	253	219	(1)
16	FEDERAL INCOME TAX										
17	.35 /.65 X (11)+(8)			TFIT3	70	(11)	51	154	657	152	(1)
18	DEMAND COMPONENT			TFIT3D	(2)	0	48	(2)	529	27	0
19	CUSTOMER COMPONENT			TFIT3C	71	(11)	3	155	128	125	(1)
20	ADJ TO PA TAXABLE INCOME			TASI	(4)	(1)	(2)	(1)	(91)	(333)	0
21	DEMAND COMPONENT			TASID	0	0	(2)	0	(69)	(9)	0
22	CUSTOMER COMPONENT			TASIC	(4)	(1)	0	(1)	(22)	(324)	0
23	PA INCOME TAX ADJUSTMENT			TSTA	0	0	0	0	(1)	(4)	0
24	DEMAND COMPONENT			TSTAD	0	0	0	0	(1)	0	0
25	CUSTOMER COMPONENT			TSTAC	0	0	0	0	0	(4)	0
26	SUMMARY FOR PA INCOME										
27	TAX CALCULATION										
28	(2)+(5)+(14)+(17)+(20)			TSTI3	204	(33)	143	447	1,831	48	(2)
29	DEMAND COMPONENT			TSTI3D	(2)	0	135	(2)	1,464	39	0
30	CUSTOMER COMPONENT			TSTI3C	205	(33)	8	448	367	9	(2)
31	PA INCOME TAX										
32	.0999 / .9001 X (23)+(20)			TSIT3	23	(4)	16	50	202	1	0
33	DEMAND COMPONENT			TSIT3D	0	0	15	0	161	4	0
34	CUSTOMER COMPONENT			TSIT3C	23	(4)	1	50	41	(3)	0

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	**REVENUE REQUIREMENTS EXCLUDING RETURN INCOME & GR REC TAX**	TXDT	438,545	309,404	7,171	36,152	50,585	12,707	637	746
2	DEMAND COMPONENT	TXDTD	145,576	75,015	4,005	11,293	40,336	11,135	576	1
3	CUSTOMER COMPONENT	TXDTC	292,969	234,389	3,166	24,859	10,249	1,572	61	745
4	**RATE OF RETURN-PERCENT**	RTRD	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%
5	RETURN ON RATE BASE	RTND2	169,713	110,878	3,250	15,055	25,042	6,346	322	258
6	DEMAND COMPONENT	RTNDD	79,990	41,246	2,208	6,222	22,238	5,994	310	0
7	CUSTOMER COMPONENT	RTNDC	89,723	69,632	1,042	8,833	2,804	352	12	258
8	INCOME TAXES	TSF2	74,624	49,218	1,496	6,457	10,718	2,756	138	72
9	DEMAND COMPONENT	TSF2D	36,049	18,639	1,040	2,723	9,972	2,718	140	(5)
10	CUSTOMER COMPONENT	TSF2C	38,575	30,579	456	3,734	746	38	(2)	77
11	SUBTOTAL OF ABOVE	SUB34	682,882	469,500	11,917	57,664	86,345	21,809	1,097	1,076
12	DEMAND COMPONENT	SUB34D	261,615	134,900	7,253	20,238	72,546	19,847	1,026	(4)
13	CUSTOMER COMPONENT	SUB34C	421,267	334,600	4,664	37,426	13,799	1,962	71	1,080
14	ANNUALIZATION REVENUES	ANNP	1,726	2,357	(18)	(92)	386	(298)	74	(51)
15	DEMAND COMPONENT	ANNPD	690	677	(11)	(32)	324	(271)	69	0
16	CUSTOMER COMPONENT	ANNPC	1,036	1,680	(7)	(60)	62	(27)	5	(51)
17	LATE PAY CHARGES	R11P	8,923	5,825	46	1,182	1,137	417	21	165
18	DEMAND COMPONENT	R111D	3,510	1,674	28	415	955	379	20	(1)
19	CUSTOMER COMPONENT	R111C	5,413	4,151	18	767	182	38	1	166
20	REVENUE REQTS BEFORE GRT	RRBD	672,233	461,318	11,889	56,574	84,822	21,690	1,002	962
21	DEMAND COMPONENT	RRBDD	257,417	132,549	7,236	19,855	71,267	19,739	937	(3)
22	CUSTOMER COMPONENT	RRBDC	414,816	328,769	4,653	36,719	13,555	1,951	65	965
23	GROSS RECEIPTS TAX	GRTA4	42,816	29,437	747	3,816	5,414	1,367	68	68
24	DEMAND COMPONENT	GRTA4D	16,403	8,458	455	1,269	4,549	1,244	64	0
25	CUSTOMER COMPONENT	GRTA4C	26,413	20,979	292	2,347	865	123	4	68
26	TOTAL REVENUE REQUIREMENTS	RRA4	715,049	490,755	12,636	60,190	90,236	23,057	1,070	1,030
27	DEMAND COMPONENT	RRA4D	273,820	141,007	7,691	21,124	75,816	20,983	1,001	(3)
28	CUSTOMER COMPONENT	RRA4C	441,229	349,748	4,945	39,066	14,420	2,074	69	1,033

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
1	**REVENUE REQUIREMENTS EXCLUDING RETURN INCOME & GR REC TAX**	TXDT	181	67	134	39	3,786	16,914	22
2	DEMAND COMPONENT	TXDTD	0	0	115	0	2,521	581	0
3	CUSTOMER COMPONENT	TXDTC	181	67	19	39	1,265	16,333	22
4	**RATE OF RETURN-PERCENT**	RTRD	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%
5	RETURN ON RATE BASE	RTND2	69	25	69	16	1,816	6,559	8
6	DEMAND COMPONENT	RTNDD	0	0	64	0	1,388	320	0
7	CUSTOMER COMPONENT	RTNDC	69	25	5	16	428	6,239	8
8	INCOME TAXES	TSF2	17	8	34	0	775	2,931	4
9	DEMAND COMPONENT	TSF2D	(2)	0	33	(2)	626	167	0
10	CUSTOMER COMPONENT	TSF2C	19	8	1	2	149	2,764	4
11	SUBTOTAL OF ABOVE	SUB34	267	100	237	55	6,377	26,404	34
12	DEMAND COMPONENT	SUB34D	(2)	0	212	(2)	4,535	1,068	0
13	CUSTOMER COMPONENT	SUB34C	269	100	25	57	1,842	25,336	34
14	ANNUALIZATION REVENUES	ANNP	12	16	3	36	(61)	(625)	(13)
15	DEMAND COMPONENT	ANNPD	0	0	3	(1)	(43)	(25)	0
16	CUSTOMER COMPONENT	ANNPC	12	16	0	37	(18)	(600)	(13)
17	LATE PAY CHARGES	R11P	26	0	0	0	54	49	1
18	DEMAND COMPONENT	R111D	0	0	0	0	38	2	0
19	CUSTOMER COMPONENT	R111C	26	0	0	0	16	47	1
20	REVENUE REQTS BEFORE GRT	RRBD	229	84	234	19	6,384	26,980	46
21	DEMAND COMPONENT	RRBDD	(2)	0	209	(1)	4,540	1,091	0
22	CUSTOMER COMPONENT	RRBDC	231	84	25	20	1,844	25,889	46
23	GROSS RECEIPTS TAX	GRTA4	17	6	15	4	399	1,656	2
24	DEMAND COMPONENT	GRTA4D	0	0	13	0	284	67	0
25	CUSTOMER COMPONENT	GRTA4C	17	6	2	4	115	1,589	2
26	TOTAL REVENUE REQUIREMENTS	RRA4	246	90	249	23	6,783	28,636	48
27	DEMAND COMPONENT	RRA4D	(2)	0	222	(1)	4,824	1,158	0
28	CUSTOMER COMPONENT	RRA4C	248	90	27	24	1,959	27,478	48

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
1	AT SYSTEM % RATE OF RETURN	RTRD	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%
2	RETURN ON RATE BASE	RTND2	169,713	110,878	3,250	15,055	25,042	6,346	322	258
3	DEMAND COMPONENT	RTNDD	79,990	41,246	2,208	6,222	22,238	5,994	310	0
4	CUSTOMER COMPONENT	RTNDC	89,723	69,632	1,042	8,833	2,804	352	12	258
5	ADJUSTMENT TO TAXABLE INCOME	TAT	(61,280)	(40,224)	(1,166)	(5,396)	(8,858)	(2,206)	(112)	(140)
6	DEMAND COMPONENT	TATD	(27,728)	(14,526)	(751)	(2,139)	(7,588)	(2,015)	(105)	(1)
7	CUSTOMER COMPONENT	TATC	(33,552)	(25,698)	(415)	(3,257)	(1,270)	(191)	(7)	(139)
8	FEDERAL INCOME TAX ADJUSTMEN	TAFI	(730)	(118)	23	(174)	(357)	(85)	(6)	(5)
9	DEMAND COMPONENT	TAFID	(341)	(48)	11	(81)	(173)	(42)	(3)	(2)
10	CUSTOMER COMPONENT	TAFIC	(389)	(70)	12	(93)	(184)	(43)	(3)	(3)
	SUMMARY FOR FEDERAL INCOME TAX CALCULATION									
11	(2)+(5)+(8)	TFTI4	107,722	70,536	2,107	9,485	15,827	4,055	204	113
12	DEMAND COMPONENT	TFTI4D	51,928	26,672	1,468	4,002	14,477	3,937	202	(3)
13	CUSTOMER COMPONENT	TFTI4C	55,794	43,864	639	5,483	1,350	118	2	116
	FEDERAL INCOME TAX									
14	.35 / .65 X (11)+(8)	TFIT4	57,274	37,863	1,158	4,933	8,165	2,098	104	56
15	DEMAND COMPONENT	TFIT4D	27,620	14,314	801	2,074	7,622	2,078	106	(4)
16	CUSTOMER COMPONENT	TFIT4C	29,654	23,549	356	2,859	543	21	(2)	59
17	PA INCOME TAX ADJUSTMENT	TSTA	(8,320)	(5,465)	(166)	(757)	(1,171)	(275)	(10)	(16)
18	DEMAND COMPONENT	TSTAD	(3,473)	(1,791)	(93)	(266)	(957)	(249)	(9)	0
19	CUSTOMER COMPONENT	TSTAC	(4,847)	(3,674)	(73)	(491)	(214)	(26)	(1)	(16)
20	ADJ TO PA TAXABLE INCOME	TASI	(114)	(74)	(2)	(10)	(17)	(4)	0	0
21	DEMAND COMPONENT	TASID	(53)	(27)	(1)	(4)	(14)	(4)	0	0
22	CUSTOMER COMPONENT	TASIC	(61)	(47)	(1)	(6)	(3)	0	0	0
	SUMMARY FOR PA INCOME TAX CALCULATION									
23	(2)+(5)+(14)+(17)+(20)	TSTI4	157,321	102,978	3,074	13,825	23,161	5,959	304	158
24	DEMAND COMPONENT	TSTI4D	76,392	39,216	2,164	5,887	21,301	5,804	302	(5)
25	CUSTOMER COMPONENT	TSTI4C	80,929	63,762	909	7,938	1,860	156	2	162
	PA INCOME TAX									
26	.0999 / .9001 X (23)+(20)	TSIT4	17,347	11,355	339	1,524	2,554	657	34	18
27	DEMAND COMPONENT	TSIT4D	8,426	4,325	239	649	2,350	640	34	(1)
28	CUSTOMER COMPONENT	TSIT4C	8,921	7,030	100	875	203	17	0	18

PPL ELECTRIC UTILITIES CORPORATION
COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
REVENUE REQUIREMENTS @ EQUAL CLASS RATES OF RETURN AT PROPOSED RATE LEVELS
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
1	AT SYSTEM % RATE OF RETURN	RTRD	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%	8.39%
2	RETURN ON RATE BASE	RTND2	69	25	69	16	1,816	6,559	8
3	DEMAND COMPONENT	RTNDD	0	0	64	0	1,388	320	0
4	CUSTOMER COMPONENT	RTNDC	69	25	5	16	428	6,239	8
5	ADJUSTMENT TO TAXABLE INCOME	TAT	(37)	(14)	(20)	(9)	(670)	(2,409)	(3)
6	DEMAND COMPONENT	TATD	0	0	(17)	0	(474)	(108)	0
7	CUSTOMER COMPONENT	TATC	(37)	(14)	(3)	(9)	(196)	(2,301)	(3)
8	FEDERAL INCOME TAX ADJUSTMEN	TAFI	(3)	0	0	(3)	(16)	17	0
9	DEMAND COMPONENT	TAFID	(1)	0	0	(1)	(8)	10	0
10	CUSTOMER COMPONENT	TAFIC	(2)	0	0	(2)	(8)	7	0
	SUMMARY FOR FEDERAL INCOME TAX CALCULATION								
11	(2)+(5)+(8)	TFTI4	29	11	49	4	1,130	4,167	5
12	DEMAND COMPONENT	TFTI4D	(1)	0	47	(1)	906	222	0
13	CUSTOMER COMPONENT	TFTI4C	30	11	2	5	224	3,945	5
	FEDERAL INCOME TAX								
14	.35 / .65 X (11)+(8)	TFIT4	13	6	26	(1)	592	2,261	3
15	DEMAND COMPONENT	TFIT4D	(2)	0	25	(2)	480	130	0
16	CUSTOMER COMPONENT	TFIT4C	14	6	1	1	113	2,131	3
17	PA INCOME TAX ADJUSTMENT	TSTA	(4)	(1)	(2)	(1)	(91)	(333)	0
18	DEMAND COMPONENT	TSTAD	0	0	(2)	0	(69)	(9)	0
19	CUSTOMER COMPONENT	TSTAC	(4)	(1)	0	(1)	(22)	(324)	0
20	ADJ TO PA TAXABLE INCOME	TASI	0	0	0	0	(1)	(4)	0
21	DEMAND COMPONENT	TASID	0	0	0	0	(1)	0	0
22	CUSTOMER COMPONENT	TASIC	0	0	0	0	0	(4)	0
	SUMMARY FOR PA INCOME TAX CALCULATION								
23	(2)+(5)+(14)+(17)+(20)	TSTI4	41	16	73	5	1,646	6,074	8
24	DEMAND COMPONENT	TSTI4D	(2)	0	70	(2)	1,324	333	0
25	CUSTOMER COMPONENT	TSTI4C	42	16	3	7	323	5,741	8
	PA INCOME TAX								
26	.0999 / .9001 X (23)+(20)	TSIT4	5	2	8	1	182	670	1
27	DEMAND COMPONENT	TSIT4D	0	0	8	0	146	37	0
28	CUSTOMER COMPONENT	TSIT4C	5	2	0	1	36	633	1

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

SUMMARY OF COST ALLOCATION STUDIES AND CALCULATED CUSTOMER CLASS RATES OF RETURN USING DEMAND ALLOCATION FACTORS OTHER THAN THE CLASS MAXIMUM METHOD PRESENT AND PROPOSED RATES

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

As indicated in the preface, PPL Electric submits that, for its system, demand-related primary and secondary distribution costs should be allocated on the basis of the class maximum non-coincident peak demand method. All of the results and studies which make up this exhibit, except those presented in this section, are based upon the use of that method.

In response to Question IV-E-1 of Exhibit Regs. § 53.53, Part IV-Rate Structure and Cost Allocation, PPL Electric has prepared a cost allocation study at present and proposed rate levels, in addition to the Section III and IV studies. The results of these studies using the average and excess demand allocation method are shown in this section. The respective demand allocation factors are developed in Section B of this exhibit on page 166.

PPL ELECTRIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROPOSED REVENUES AND EXPENSES, RETURN, RATE OF RETURN AND CLASS RATE % OF TOTAL
REVENUES INCLUDE EFFECT OF REMAND SETTLEMENT
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES AT PROPOSED RATE LEVELS									
	SALES OF ELECTRICITY									
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	LATE PAYMENT CHARGES	R11P	8,923	5,825	46	1,182	1,137	417	21	165
4	ANNUALIZATION ADJUSTMENT	ANNP	1,726	2,357	(18)	(92)	386	(298)	74	(51)
5	TOTAL SALE OF ELECTRICITY	RRTP	642,306	394,662	4,019	74,956	111,307	29,223	1,876	1,282
6	PROPOSED REVENUE INCREASE		83,521	77,329	944	845	612	(391)	(107)	(135)
7	ANNUAL ADJ'D SALE OF ELECT		725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
8	ADJUSTMENT - RATE REFUND		0	0	0	0	0	0	0	0
9	ADJUSTED ELECTRIC SALES & LATE PAYMEN	ARTTP	725,827	471,991	4,963	75,801	111,919	28,832	1,769	1,147
10	OTHER OPERATING REVENUES	ROOT	32,379	20,812	585	2,880	4,909	1,218	63	46
11	TOTAL OPERATING REVENUES	ROTP	758,206	492,803	5,548	78,681	116,828	30,050	1,832	1,193
	OPERATING EXPENSES									
	OPERATION AND MAINTENANCE EXPENSES									
12	TRANSMISSION	EE20	0	0	0	0	0	0	0	0
13	DISTRIBUTION	EE30	134,943	84,136	2,440	11,531	20,473	5,886	303	238
14	OTHER OPER & MAINT EXPENSES	EEOT	205,281	157,535	2,603	17,312	17,708	4,007	201	200
15	TOTAL OPER & MAINT EXPENSES	EE00	340,224	241,671	5,043	28,843	38,181	9,893	504	438
	DEPRECIATION EXPENSE									
16	TRANSMISSION	ED20	0	0	0	0	0	0	0	0
17	DISTRIBUTION	ED30	88,481	57,183	1,637	7,923	12,929	3,068	154	300
18	OTHER DEPRECIATION EXPENSE	EDOT	23,343	16,235	380	2,170	2,798	673	34	29
19	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00	111,824	73,418	2,017	10,093	15,727	3,741	188	329
	TAXES									
20	CAPITAL STOCK PROP LEVEL	ET1P	2,517	1,636	45	224	378	97	4	4
21	OTHER-W/O CAP STOCK	ET001	9,654	6,574	163	888	1,254	310	16	11
22	DEFERRED INCOME TAXES	TXTA	8,378	5,554	142	709	1,194	293	16	13
23	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,081)	(30)	(149)	(247)	(62)	(3)	(2)
24	GROSS RECEIPTS TAX	TXG	42,824	27,847	293	4,472	6,603	1,701	104	68
25	TOTAL PA INCOME TAX	TSIT1	17,468	9,144	(340)	2,745	4,351	1,153	88	18
26	TOTAL FED INC TAX	TFTX	57,270	30,639	(993)	8,748	13,784	3,648	274	56
27	TOTAL TAXES	TFIT1	136,438	80,309	(720)	17,637	27,317	7,140	499	168
28	TOTAL OPERATING EXPENSES	TEXP1	588,486	395,398	6,340	56,573	81,225	20,774	1,191	935
29	**RETURN (LN 11 - 28)**	PRERTN	169,720	97,405	(792)	22,108	35,603	9,276	641	258
30	**TOTAL RATE BASE**	RBX	2,022,983	1,319,223	36,919	178,421	302,735	77,689	4,004	3,072
31	**RATE OF RETURN (LN 29 / LN 30)**	PRRTR	8.39%	7.38%	-2.15%	12.39%	11.76%	11.94%	16.01%	8.40%
32	**CLASS RATE IN % OF TOTAL**	PRCLRT	100.00%	87.96%	-25.63%	147.68%	140.17%	142.31%	190.82%	100.12%

PPL ELECTRIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PROPOSED REVENUES AND EXPENSES, RETURN, RATE OF RETURN AND CLASS RATE % OF TOTAL
REVENUES INCLUDE EFFECT OF REMAND SETTLEMENT
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES AT PROPOSED RATE LEVELS								
	SALES OF ELECTRICITY								
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		564	36	333	538	6,459	17,518	35
3	LATE PAYMENT CHARGES	R11P	26	0	0	0	54	49	1
4	ANNUALIZATION ADJUSTMENT	ANNP	12	16	3	36	(61)	(625)	(13)
5	TOTAL SALE OF ELECTRICITY	RRTP	602	52	336	574	6,452	16,942	23
6	PROPOSED REVENUE INCREASE		(127)	(5)	(1)	6	542	4,007	2
7	ANNUAL ADJ'D SALE OF ELECT		475	47	335	580	6,994	20,949	25
8	ADJUSTMENT - RATE REFUND		0	0	0	0	0	0	0
9	ADJUSTED ELECTRIC SALES & LATE PAYMEN	ARTTP	475	47	335	580	6,994	20,949	25
10	OTHER OPERATING REVENUES	ROOT	12	4	24	3	336	1,487	1
11	TOTAL OPERATING REVENUES	ROTP	487	51	359	583	7,330	22,436	26
	OPERATING EXPENSES								
	OPERATION AND MAINTENANCE EXPENSES								
12	TRANSMISSION	EE20	0	0	0	0	0	0	0
13	DISTRIBUTION	EE30	64	23	14	14	1,418	8,397	8
14	OTHER OPER & MAINT EXPENSES	EEOT	34	13	74	8	1,281	4,311	4
15	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,699	12,708	12
	DEPRECIATION EXPENSE								
16	TRANSMISSION	ED20	0	0	0	0	0	0	0
17	DISTRIBUTION	ED30	80	29	46	19	983	4,120	9
18	OTHER DEPRECIATION EXPENSE	EDOT	7	3	12	1	200	801	1
19	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00	87	32	58	20	1,183	4,921	10
	TAXES								
20	CAPITAL STOCK PROP LEVEL	ET1P	1	0	1	0	27	98	0
21	OTHER-W/O CAP STOCK	ET001	4	2	5	0	89	341	0
22	DEFERRED INCOME TAXES	TXTA	4	1	7	0	81	362	1
23	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
24	GROSS RECEIPTS TAX	TXG	28	3	20	34	413	1,236	1
25	TOTAL PA INCOME TAX	TSIT1	22	(4)	16	50	212	12	0
26	TOTAL FED INC TAX	TFTX	69	(12)	51	154	683	170	0
27	TOTAL TAXES	TFIT1	127	(10)	99	238	1,488	2,140	2
28	TOTAL OPERATING EXPENSES	TEXP1	312	58	245	280	5,370	19,769	24
29	**RETURN (LN 11 - 28)**	PRERTN	175	(7)	114	303	1,960	2,667	2
30	**TOTAL RATE BASE**	RBX	820	294	821	190	20,964	77,720	94
31	**RATE OF RETURN (LN 29 / LN 30)**	PRRTR	21.34%	-2.38%	13.89%	159.47%	9.35%	3.43%	2.13%
32	**CLASS RATE IN % OF TOTAL**	PRCLRT	254.35%	-28.37%	165.55%	1900.72%	111.44%	40.88%	25.39%

PPL ELECTRIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PRESENT OPERATING REVENUES AND EXPENSES, RETURN, RATE OF RETURN, AND CLASS RATE % OF TOTAL
REVENUES REFLECT REMAND SETTLEMENT

Line No.		Output	Pa Jurisdict Distribution	$1,000 RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	OPERATING REVENUES AT PRESENT RATE LEVELS									
	SALES OF ELECTRICITY									
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		631,657	386,480	3,991	73,866	109,784	29,104	1,781	1,168
3	LATE PAY CHARGES PRESENT RATES	R11	8,923	5,825	46	1,182	1,137	417	21	165
4	SALE OF ELECTRICITY	RRT	640,580	392,305	4,037	75,048	110,921	29,521	1,802	1,333
5	ANNUALIZATION PRESENT REVENUES	ANN	1,724	2,357	(18)	(92)	386	(298)	74	(51)
6	**ANNUAL ADJ'D SALE OF ELECT**		642,304	394,662	4,019	74,956	111,307	29,223	1,876	1,282
7	ADJUSTMENT - RATE REFUND		0	0	0	0	0	0	0	0
8	ADJUSTED ELECTRIC SALES	0	642,304	394,662	4,019	74,956	111,307	29,223	1,876	1,282
9	OTHER OPERATING REVENUES	ROOT	32,379	20,812	585	2,880	4,909	1,218	63	46
10	TOTAL OPERATING REVENUES	ROT	674,683	415,474	4,604	77,836	116,216	30,441	1,939	1,328
	OPERATING EXPENSES									
	OPERATION AND MAINTENENCE EXPENSES									
11	TRANSMISSION	EE20	0	0	0	0	0	0	0	0
12	DISTRIBUTION	EE30	134,943	84,136	2,440	11,531	20,473	5,886	303	238
13	OTHER OPER & MAINT EXPENSES	EEOT	204,612	156,916	2,601	17,284	17,692	4,006	201	199
14	TOTAL OPER & MAINT EXPENSES	EE00	339,555	241,052	5,041	28,815	38,165	9,892	504	437
	DEPRECIATION EXPENSE									
15	TRANSMISSION	ED20	0	0	0	0	0	0	0	0
16	DISTRIBUTION	ED30	88,481	57,183	1,637	7,923	12,929	3,068	154	300
17	OTHER DEPREC EXP	EDOT	23,343	16,235	380	2,170	2,798	673	34	29
18	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00A	111,824	73,418	2,017	10,093	15,727	3,741	188	329
	TAXES									
19	CAPITAL STOCK PRESENT LEVEL	ET1	2,295	1,492	41	204	345	88	4	4
20	OTHER OTHER TAXES	ET001	9,654	6,577	163	888	1,254	310	16	11
21	DEFERRED INCOME TAXES	TXTA	8,378	5,554	142	709	1,194	293	16	13
22	NET INVESTMENT TAX CREDIT	TX93	(1,673)	(1,081)	(30)	(149)	(247)	(62)	(3)	(2)
23	GROSS RECEIPTS TAX	TXG	37,897	23,285	237	4,422	6,567	1,724	111	76
24	TOTAL PA INCOME TAX	TSIT1	9,706	1,954	(428)	2,671	4,298	1,190	98	30
25	TOTAL FED INC TAX	TFTX	32,788	7,955	(1,271)	8,512	13,618	3,767	305	97
26	TOTAL TAXES	TFIT1	99,045	45,736	(1,146)	17,257	27,029	7,310	547	229
27	TOTAL OPERATING EXPENSES	TEXP1	550,424	360,206	5,912	56,165	80,921	20,943	1,239	995
28	RETURN (LN 10 - 27)	PRERTN	124,259	55,268	(1,308)	21,671	35,295	9,498	700	333
29	TOTAL RATE BASE	RBX	2,022,983	1,319,227	36,919	178,421	302,735	77,689	4,004	3,072
30	RATE OF RETURN (LN 28 / LN 29)	PRRTR	6.14%	4.19%	-3.54%	12.15%	11.66%	12.23%	17.48%	10.84%
31	CLASS RATE IN % OF TOTAL	PRCLRT	100.00%	68.24%	-57.65%	197.88%	189.90%	199.19%	284.69%	176.55%

PPL ELECTRIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
PRESENT OPERATING REVENUES AND EXPENSES, RETURN, RATE OF RETURN, AND CLASS RATE % OF TOTAL
REVENUES REFLECT REMAND SETTLEMENT

$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	OPERATING REVENUES AT PRESENT RATE LEVELS								
	SALES OF ELECTRICITY								
1	TRANSMISSION REVENUES		0	0	0	0	0	0	0
2	DISTRIBUTION REVENUES		564	36	333	538	6,459	17,518	35
3	LATE PAY CHARGES PRESENT RATES	R11	26	0	0	0	54	49	1
4	SALE OF ELECTRICITY	RRT	590	36	333	538	6,513	17,567	36
5	ANNUALIZATION PRESENT REVENUES	ANN	12	16	3	36	(61)	(625)	(13)
6	**ANNUAL ADJ'D SALE OF ELECT**		602	52	336	574	6,452	16,942	23
7	ADJUSTMENT - RATE REFUND		0	0	0	0	0	0	0
8	ADJUSTED ELECTRIC SALES	0	602	52	336	574	6,452	16,942	23
9	OTHER OPERATING REVENUES	ROOT	12	4	24	3	336	1,487	1
10	TOTAL OPERATING REVENUES	ROT	614	56	360	577	6,788	18,429	24
	OPERATING EXPENSES								
	OPERATION AND MAINTENENCE EXPENSES								
11	TRANSMISSION	EE20	0	0	0	0	0	0	0
12	DISTRIBUTION	EE30	64	23	14	14	1,418	8,397	8
13	OTHER OPER & MAINT EXPENSES	EEOT	34	13	74	8	1,280	4,311	4
14	TOTAL OPER & MAINT EXPENSES	EE00	98	36	88	22	2,698	12,708	12
	DEPRECIATION EXPENSE								
15	TRANSMISSION	ED20	0	0	0	0	0	0	0
16	DISTRIBUTION	ED30	80	29	46	19	983	4,120	9
17	OTHER DEPREC EXP	EDOT	7	3	12	1	200	801	1
18	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE	ED00A	87	32	58	20	1,183	4,921	10
	TAXES:								
19	CAPITAL STOCK PRESENT LEVEL	ET1	1	0	1	0	24	90	0
20	OTHER OTHER TAXES	ET001	4	2	5	0	89	341	0
21	DEFERRED INCOME TAXES	TXTA	4	1	7	0	81	362	1
22	NET INVESTMENT TAX CREDIT	TX93	(1)	0	(1)	0	(17)	(79)	0
23	GROSS RECEIPTS TAX	TXG	36	3	20	34	381	1,000	1
24	TOTAL PA INCOME TAX	TSIT1	34	(3)	16	49	161	(364)	0
25	TOTAL FED INC TAX	TFTX	107	(10)	51	152	523	(1,015)	(1)
26	TOTAL TAXES	TFIT1	185	(7)	99	235	1,242	335	1
27	TOTAL OPERATING EXPENSES	TEXP1	370	61	245	277	5,123	17,964	23
28	RETURN (LN 10 - 27)	PRERTN	244	(5)	115	300	1,665	465	1
29	TOTAL RATE BASE	RBX	820	294	821	190	20,964	77,720	94
30	RATE OF RETURN (LN 28 / LN 29)	PRRTR	29.76%	-1.70%	14.01%	157.89%	7.94%	0.60%	1.06%
31	CLASS RATE IN % OF TOTAL	PRCLRT	484.69%	-27.69%	228.18%	2571.50%	129.32%	9.77%	17.26%

PPL ELECTIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE SUMMARY
$1,000

Line No.		Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	RATE BASE									
	PLANT IN SERVICE									
1	TRANSMISSION	P20	0	0	0	0	0	0	0	0
2	DISTRIBUTION	P30	3,442,990	2,212,866	62,137	306,180	522,033	129,552	6,696	4,894
3	GENERAL & INTANGIBLE	P0T1	405,959	284,426	6,524	37,874	47,518	11,466	591	415
4	TOTAL PLANT IN SERVICE	P00	3,848,949	2,497,292	68,661	344,054	569,551	141,018	7,287	5,309
	DEPRECIATION RESERVE									
5	TRANSMISSION	A20	0	0	0	0	0	0	0	0
6	DISTRIBUTION	A30	1,315,236	842,747	23,128	117,094	193,637	45,738	2,368	1,609
7	GENERAL PLANT	A88	129,818	90,955	2,087	12,112	15,196	3,666	189	133
8	INTANGIBLE PLANT	A95	19,190	13,445	308	1,790	2,247	542	28	20
9	TOTAL DEPRECIATION AND AMORTIZATION RESERVE	A00	1,464,244	947,150	25,523	130,996	211,080	49,946	2,585	1,762
10	**TOTAL NET PLANT IN SERVICE**	P01	2,384,705	1,550,142	43,138	213,058	358,471	91,072	4,702	3,547
11	SUBTRACTIVE ADJUSTMENTS	PLDED	406,676	260,408	7,008	38,644	62,168	15,005	781	539
12	ADDITIVE ADJUSTMENTS	PLADD	2,001	1,287	36	178	303	75	4	3
13	**TOTAL NET ORIG COST RATE BASE**	NOP	1,980,030	1,291,021	36,166	174,592	296,606	76,142	3,925	3,011
14	WORKING CAPITAL	W00	42,953	28,206	753	3,829	6,129	1,547	79	61
15	**TOTAL RATE BASE**	RBX	2,022,983	1,319,227	36,919	178,421	302,735	77,689	4,004	3,072

PPL ELECTIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
RATE BASE SUMMARY
$1,000

Line No.		Output	IST	LP-6	LPEP	ISA	GH	SL/AL	L5-S
	RATE BASE								
	PLANT IN SERVICE								
1	TRANSMISSION	P20	0	0	0	0	0	0	0
2	DISTRIBUTION	P30	1,308	474	2,547	304	35,698	158,152	149
3	GENERAL & INTANGIBLE	P0T1	110	38	221	27	3,379	13,374	13
4	TOTAL-PLANT IN SERVICE	P00	1,418	512	2,768	331	39,077	171,526	162
	DEPRECIATION RESERVE								
5	TRANSMISSION	A20	0	0	0	0	0	0	0
6	DISTRIBUTION	A30	430	156	1,611	100	13,179	73,404	49
7	GENERAL PLANT	A88	35	12	70	9	1,080	4,277	4
8	INTANGIBLE PLANT	A95	5	2	11	1	160	632	1
9	TOTAL DEPRECIATION AND AMORTIZATION RESERVE	A00	470	170	1,692	110	14,419	78,313	54
10	**TOTAL NET PLANT IN SERVICE**	P01	948	342	1,076	221	24,658	93,213	108
11	SUBTRACTIVE ADJUSTMENTS	PLDED	144	53	280	34	4,139	17,463	16
12	ADDITIVE ADJUSTMENTS	PLADD	1	0	1	0	21	92	0
13	**TOTAL NET ORIG COST RATE BASE**	NOP	805	289	797	187	20,540	75,842	92
14	WORKING CAPITAL	W00	15	5	24	3	424	1,878	2
15	**TOTAL RATE BASE**	RBX	820	294	821	190	20,964	77,720	94

PPL ELECTRIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF ALLOCATORS

Line No.		Input	Output	Pa Jurisdict Distribution	RS	RTS	GS-1	GS-3	LP-4	ISP	LP-5
	I CUSTOMERS, WEIGHTED										
	A-EXPRESSED IN $1,000										
1	METER INVESTMENT	CW1		257,568	176,387	6,115	24,494	31,241	7,231	254	4,894
2	ALLOCATOR		RCW1	100.00%	68.461%	2.374%	9.510%	12.130%	2.807%	0.099%	1.900%
3	METER READING EXPENSE	CW2		3,155,990	2,727,619	32,340	334,021	51,460	2,310	60	240
4	ALLOCATOR		RCW2	100.00%	86.424%	1.027%	10.584%	1.631%	0.073%	0.002%	0.008%
5	LATE PAYMENTS	CW4		8,922	5,824	46	1,182	1,137	417	21	165
6	ALLOCATOR		RCW4	100.00%	65.278%	0.516%	13.248%	12.744%	4.674%	0.235%	1.849%
7	UNCOLLECTIBLE ACCOUNTS	CW5		19,000	17,582	49	798	459	40	0	42
8	ALLOCATOR		RCW5	100.00%	92.536%	0.258%	4.200%	2.416%	0.211%	0.000%	0.221%
9	CUSTOMER DEPOSITS	CW6		15,950	7,253	39	3,524	4,240	667	40	0
10	ALLOCATOR		RCW6	100.00%	45.473%	0.245%	22.094%	26.583%	4.182%	0.251%	0.000%
11	CUSTOMER ADVANCES	CW7		168,731	0	0	146,207	22,524	0	0	0
12	ALLOCATOR		RCW7	100.00%	0.000%	0.000%	86.651%	13.349%	0.000%	0.000%	0.000%
	B-EXPRESSED IN UNITS										
13	LINE TRANSFORMERS, CUST COMP	CW8		1,457,310	1,210,440	13,955	180,268	46,267	0	0	0
14	ALLOCATOR		RCW8	100.00%	83.059%	0.958%	12.370%	3.175%	0.000%	0.000%	0.000%
15	SERVICES CUSTOMER COMPONENT	CW9		1,436,734	1,213,575	13,978	168,360	36,449	0	0	0
16	ALLOCATOR		RCW9	100.00%	84.468%	0.973%	11.718%	2.537%	0.000%	0.000%	0.000%
	II CUSTOMERS, UNITS										
17	END OF YEAR CUSTOMERS	C10		1,382,794	1,193,921	14,157	146,207	22,524	1,011	28	104
18	ALLOCATOR		RC10	100.00%	86.340%	1.024%	10.573%	1.630%	0.073%	0.002%	0.008%
19	SECONDARY CUSTOMERS	C30		1,381,615	1,193,921	14,157	146,207	22,524	0	0	0
20	ALLOCATOR		RC30	100.00%	86.415%	1.025%	10.582%	1.630%	0.000%	0.000%	0.000%
	III DEMANDS (KW)										
21	TRANSMISSION LEVEL DEMANDS	D10		7,463,432	3,067,183	153,623	458,166	1,688,328	1,011,826	53,282	452,984
22	ALLOCATOR		RD10	100.00%	41.095%	2.058%	6.139%	22.621%	13.557%	0.714%	6.069%
23	PRIMARY LEVEL DEMANDS	D20		6,554,304	3,067,183	153,623	458,166	1,688,328	1,011,826	53,282	0
24	ALLOCATOR		RD20	100.00%	46.797%	2.344%	6.990%	25.759%	15.438%	0.813%	0.000%
25	SECONDARY LEVEL DEMANDS	D30		5,489,196	3,067,183	153,623	458,166	1,688,328	0	0	0
26	ALLOCATOR		RD30	100.00%	55.878%	2.799%	8.347%	30.757%	0.000%	0.000%	0.000%
27	SERVICES DEMAND ALLOCATOR	D30K		5,466,723	3,067,183	153,623	458,166	1,688,328	0	0	0
28	ALLOCATOR		RD30K	100.00%	56.106%	2.810%	8.381%	30.884%	0.000%	0.000%	0.000%
	IV DIRECT ASSIGNMENT										
29	AREA LIGHTING ONLY	K403		1	0	0	0	0	0	0	0
30	ALLOCATOR		RK403	100.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
31	STREET LIGHTING ONLY	K405		1	0	0	0	0	0	0	0
32	ALLOCATOR		RK405	100.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
33	LPEP ONLY	K407		1	0	0	0	0	0	0	0
34	ALLOCATOR		RK407	100.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
35	TO RS ONLY	K409		1	1	0	0	0	0	0	0
36	ALLOCATOR		RK409	100.00%	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	V ENERGY										
37	MWH SALES UNANNUALIZED	ES15		36,688,327	13,344,145	363,492	1,924,499	8,566,841	5,849,945	320,341	3,053,220
38	ALLOCATOR		RES15	100.00%	36.371%	0.991%	5.246%	23.351%	15.945%	0.873%	8.322%
	VI OTHER										
39	TAXABLE INCOME - FEDERAL			94,669	6,772	(3,791)	25,198	52,176	12,440	938	753
40	ALLOCATOR		FTX	100.00%	7.15%	-4.00%	26.62%	55.11%	13.14%	0.99%	0.80%

PPL ELECTRIC UTILITIES CORPORATION
AVERAGE AND EXCESS DEMAND COST ALLOCATION DETAILS - 12 MONTHS ENDED 12/31/2007
SUMMARY OF ALLOCATORS

Line No.		Input	Output	IST	LP-6	LPEP	ISA	GH	SL/AL	LS-S
	I CUSTOMERS, WEIGHTED									
	A-EXPRESSED IN $1,000									
1	METER INVESTMENT	CW1		1,309	475	80	304	4,635	0	149
2	ALLOCATOR		RCW1	0.508%	0.184%	0.031%	0.118%	1.800%	0.000%	0.058%
3	METER READING EXPENSE	CW2		60	10	0	0	7,860	0	10
4	ALLOCATOR		RCW2	0.002%	0.000%	0.000%	0.000%	0.249%	0.000%	0.000%
5	LATE PAYMENTS	CW4		26	0	0	0	54	49	1
6	ALLOCATOR		RCW4	0.291%	0.000%	0.000%	0.000%	0.605%	0.549%	0.011%
7	UNCOLLECTIBLE ACCOUNTS	CW5		0	0	0	0	30	0	0
8	ALLOCATOR		RCW5	0.000%	0.000%	0.000%	0.000%	0.158%	0.000%	0.000%
9	CUSTOMER DEPOSITS	CW6		0	0	0	0	168	19	0
10	ALLOCATOR		RCW6	0.000%	0.000%	0.000%	0.000%	1.053%	0.119%	0.000%
11	CUSTOMER ADVANCES	CW7		0	0	0	0	0	0	0
12	ALLOCATOR		RCW7	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	B-EXPRESSED IN UNITS									
13	LINE TRANSFORMERS, CUST COMP	CW8		0	0	0	0	5,016	1,364	0
14	ALLOCATOR		RCW8	0.000%	0.000%	0.000%	0.000%	0.344%	0.094%	0.000%
15	SERVICES CUSTOMER COMPONENT	CW9		0	0	0	0	4,372	0	0
16	ALLOCATOR		RCW9	0.000%	0.000%	0.000%	0.000%	0.304%	0.000%	0.000%
	II CUSTOMERS, UNITS									
17	END OF YEAR CUSTOMERS	C10		25	3	1	1	3,439	1,367	6
18	ALLOCATOR		RC10	0.002%	0.000%	0.000%	0.000%	0.249%	0.099%	0.000%
19	SECONDARY CUSTOMERS	C30		0	0	0	0	3,439	1,367	0
20	ALLOCATOR		RC30	0.000%	0.000%	0.000%	0.000%	0.249%	0.099%	0.000%
	III DEMANDS (KW)									
21	TRANSMISSION LEVEL DEMANDS	D10		248,859	67,587	34,429	90,466	99,423	22,473	14,803
22	ALLOCATOR		RD10	**3.334%**	**0.906%**	**0.461%**	**1.212%**	**1.332%**	**0.301%**	**0.198%**
23	PRIMARY LEVEL DEMANDS	D20		0	0	0	0	99,423	22,473	0
24	ALLOCATOR		RD20	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**1.517%**	**0.343%**	**0.000%**
25	SECONDARY LEVEL DEMANDS	D30		0	0	0	0	99,423	22,473	0
26	ALLOCATOR		RD30	0.000%	0.000%	0.000%	0.000%	1.811%	0.409%	0.000%
27	SERVICES DEMAND ALLOCATOR	D30K		0	0	0	0	99,423	0	0
28	ALLOCATOR		RD30K	0.000%	0.000%	0.000%	0.000%	1.819%	0.000%	0.000%
	IV DIRECT ASSIGNMENT									
29	AREA LIGHTING ONLY	K403		0	0	0	0	0	1	0
30	ALLOCATOR		RK403	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%	0.000%
31	STREET LIGHTING ONLY	K405		0	0	0	0	0	1	0
32	ALLOCATOR		RK405	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%	0.000%
33	LPEP ONLY	K407		0	0	1	0	0	0	0
34	ALLOCATOR		RK407	0.000%	0.000%	100.000%	0.000%	0.000%	0.000%	0.000%
35	TO RS ONLY	K409		0	0	0	0	0	0	0
36	ALLOCATOR		RK409	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	V ENERGY									
37	MWH SALES UNANNUALIZED	ES15		1,885,144	427,174	62,010	438,228	336,399	112,250	4,639
38	ALLOCATOR		RES15	5.138%	1.164%	0.169%	1.194%	0.917%	0.306%	0.013%
	VI OTHER									
39	TAXABLE INCOME - FEDERAL			459	60	145	442	2,321	(3,249)	5
40	ALLOCATOR		FTX	0.48%	0.06%	0.15%	0.47%	2.45%	-3.43%	0.01%

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

FUNCTIONALIZATION & ASSIGNMENT OF CERTAIN RATE BASE, OPERATING REVENUE AND OPERATING EXPENSE ITEMS

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

This section groups and assigns to functional categories those items of rate base, operating revenue and operating expense which cannot be entered directly into the cost allocation studies from Exhibit Future 1. Wherever appropriate, the classification of accounts is shown.

Because it is not feasible to analyze directly all distribution plant accounts as of December 31, 2007, the results of an analysis of the accounts as of December 31, 2006 were applied to the December 31, 2007 account balances. Distribution expense assignments were developed in a similar manner.

The tables in this section are organized and referenced, wherever possible, to show the development of computer program inputs from Exhibit Future 1.

PPL ELECTRIC UTILITIES CORPORATION

SUMMARY
FUNCTIONALIZATION OF PLANT IN SERVICE

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

	FUNCTION/ACCOUNT	INPUT	PLANT ACCOUNTS	PLANT IN SERVICE
1	INTANGIBLE PLANT	Q95	301-303	33,580
	TRANSMISSION PLANT			
2	TRANSMISSION FUNCTION	Q20	350-359	1,078,578
	DISTRIBUTION PLANT			
3	LAND		360.2	11,140
4	LAND RIGHTS		360.4	61,386
5	STRUCTURES & IMPROVEMENTS		361	26,017
6	STATION EQUIPMENT		362	248,495
7	POLES,TOWERS AND FIXTURES		364.0	765,429
8	OVERHEAD CONDUCTORS & DEVICES		365	588,284
9	UNDERGROUND CONDUIT		366	141,047
10	UNDERGROUND CONDUCTORS & DEVICES		367	364,307
11	LINE TRANSFORMERS		368	361,554
12	SERVICES		369	525,828
13	METERS		370	257,749
14	AREA LIGHTING FIXTURES		371	6,292
15	STREET LIGHTING		373	87,979
16	TOTAL DISTRIBUTION PLANT			3,445,507
17	GENERAL PLANT	Q88	389-399	419,820
18	TOTAL ELECTRIC PLANT IN SERVICE			4,977,485

PPL ELECTRIC UTILITIES CORPORATION

% OF ACCOUNT TOTAL

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2006

Line No.	SUBFUNCTION	LAND Acct 360.2	LAND RIGHTS Acct 360.4	STRUCTURES AND IMPROVEMENTS Acct 361	STATION EQUIPMENT Acct 362
	DISTRIBUTION PLANT				
	SUBSTATIONS				
1	PRIMARY	77.35	0.28	98.62	98.52
2	SECONDARY	0.46	0.00	1.38	1.48
3	TOTAL SUBSTATIONS	77.81	0.28	100.00	100.00
	OVERHEAD LINES				
4	PRIMARY	6.76	30.38		
5	SECONDARY DEMAND COMPONENT	6.31	28.35		
6	SECONDARY CUSTOMER COMPONENT	8.22	36.94		
7	STREET & AREA LIGHTING	0.90	4.06		
8	TOTAL OVERHEAD LINES	22.19	99.72		
	UNDERGROUND LINES				
9	PRIMARY				
10	SECONDARY DEMAND COMPONENT				
11	SECONDARY CUSTOMER COMPONENT				
12	TOTAL UNDERGROUND LINES				
	LINE TRANSFORMERS				
13	DEMAND COMPONENT				
14	CUSTOMER COMPONENT				
15	TOTAL LINE TRANSFORMERS				
	SERVICES				
16	DEMAND COMPONENT				
17	CUSTOMER COMPONENT				
18	TOTAL SERVICES				
19	METERS				
20	AREA LIGHTING FIXTURES				
21	STREET LIGHTING				
22	TOTAL	100.00	100.00	100.00	100.00

PPL ELECTRIC UTILITIES CORPORATION

% OF ACCOUNT TOTAL

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2006

	SUBFUNCTION	POLES,TOWERS & FIXTURES Acct 364	OVERHEAD CONDUCTORS & DEVICES Acct 365	UNDERGROUND CONDUIT Acct 366	UNDERGROUND CONDUCTORS & DEVICES Acct 367
	DISTRIBUTION PLANT				
	SUBSTATIONS				
23	PRIMARY				
24	SECONDARY				
25	TOTAL SUBSTATIONS				
	OVERHEAD LINES				
26	PRIMARY				
27	SECONDARY DEMAND COMPONENT	31.29	29.36		
28	SECONDARY CUSTOMER COMPONENT	23.82	34.53		
29	STREET & AREA LIGHTING	37.74	36.11		
30	TOTAL OVERHEAD LINES	7.14	0.00		
	UNDERGROUND LINES	100.00	100.00		
31	PRIMARY				
32	SECONDARY DEMAND COMPONENT			17.08	17.08
33	SECONDARY CUSTOMER COMPONENT			26.78	26.78
34	TOTAL UNDERGROUND LINES			56.14	56.14
	LINE TRANSFORMERS			100.00	100.00
35	DEMAND COMPONENT				
36	CUSTOMER COMPONENT				
37	TOTAL LINE TRANSFORMERS				
	SERVICES				
38	DEMAND COMPONENT				
39	CUSTOMER COMPONENT				
40	TOTAL SERVICES				
41	METERS				
42	AREA LIGHTING FIXTURES				
43	STREET LIGHTING				
44	TOTAL	100.00	100.00	100.00	100.00

PPL ELECTRIC UTILITIES CORPORATION

% OF ACCOUNT TOTAL

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2006

	SUBFUNCTION	LINE TRANSFORMER Acct 368	SERVICES Acct 369	METERS Acct 370	AREA LIGHTING FIXTURES Acct 371	STREET LIGHTING Acct 373
	DISTRIBUTION PLANT					
	SUBSTATIONS					
46	PRIMARY					
47	SECONDARY					
48	TOTAL SUBSTATIONS					
	OVERHEAD LINES					
49	PRIMARY					
50	SECONDARY DEMAND COMPONENT					
51	SECONDARY CUSTOMER COMPONENT					
52	STREET & AREA LIGHTING					
53	TOTAL OVERHEAD LINES					
	UNDERGROUND LINES					
54	PRIMARY					
55	SECONDARY DEMAND COMPONENT					
56	SECONDARY CUSTOMER COMPONENT					
57	TOTAL UNDERGROUND LINES					
	LINE TRANSFORMERS					
58	DEMAND COMPONENT	47.18				
59	CUSTOMER COMPONENT	52.82				
60	TOTAL LINE TRANSFORMERS	100.00				
	SERVICES					
61	DEMAND COMPONENT		23.22			
62	CUSTOMER COMPONENT		76.78			
63	TOTAL SERVICES		100.00			
64	METERS			100.00		
65	AREA LIGHTING FIXTURES				100.00	
66	STREET LIGHTING					100.00
67	TOTAL	100.00	100.00	100.00	100.00	100.00

Line No.

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION & CLASSIFICATION OF DISTRIBUTION PLANT

FOR COST ALLOCATION PURPOSES

FTY 2007 December 31, 2007
($000)

Line No.	SUBFUNCTION	TOTAL	LAND Acct 360.2	LAND RIGHTS Acct 360.4	STRUCTURES AND IMPROVEMENTS Acct 361	STATION EQUIPMENT Acct 362
	DISTRIBUTION PLANT					
	SUBSTATIONS					
1	PRIMARY	264,335	8,731	158	24,919	230,526
2	SECONDARY	3,874	52	-	349	3,473
3	TOTAL SUBSTATIONS	268,209	8,783	158	25,268	234,001
	OVERHEAD LINES					
4	PRIMARY	427,529	758	17,315		
5	SECONDARY DEMAND COMPONENT	405,056	718	16,405		
6	SECONDARY CUSTOMER COMPONENT	527,522	935	21,365		
7	STREET & AREA LIGHTING	53,358	95	2,161		
8	TOTAL OVERHEAD LINES	1,413,464	2,505	57,247		
	UNDERGROUND LINES					
9	PRIMARY	86,314				
10	SECONDARY DEMAND COMPONENT	135,350				
11	SECONDARY CUSTOMER COMPONENT	283,690				
12	TOTAL UNDERGROUND LINES	505,354				
	LINE TRANSFORMERS					
13	DEMAND COMPONENT	170,586				
14	CUSTOMER COMPONENT	190,968				
15	TOTAL LINE TRANSFORMERS	361,554				
	SERVICES					
16	DEMAND COMPONENT	122,079				
17	CUSTOMER COMPONENT	403,749				
18	TOTAL SERVICES	525,828				
19	METERS	257,749				
20	AREA LIGHTING FIXTURES	6,292				
21	STREET LIGHTING	67,979				
22	TOTAL	3,426,430	11,287	57,405	25,268	234,001

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION & CLASSIFICATION OF DISTRIBUTION PLANT

FOR COST ALLOCATION PURPOSES

FTY 2007 December 31, 2007
($000)

	SUBFUNCTION	POLES,TOWERS & FIXTURES Acct 364	OVERHEAD CONDUCTORS & DEVICES Acct 365	UNDERGROUND CONDUIT Acct 366	UNDERGROUND CONDUCTORS & DEVICES Acct 367
	DISTRIBUTION PLANT				
	SUBSTATIONS				
23	PRIMARY				
24	SECONDARY				
25	TOTAL SUBSTATIONS				
	OVERHEAD LINES				
26	PRIMARY	236,736	172,720		
27	SECONDARY DEMAND COMPONENT	184,807	203,127		
28	SECONDARY CUSTOMER COMPONENT	292,785	212,437		
29	STREET & AREA LIGHTING	51,102	-		
30	TOTAL OVERHEAD LINES	765,429	588,284		
	UNDERGROUND LINES				
31	PRIMARY			24,091	62,224
32	SECONDARY DEMAND COMPONENT			37,777	97,573
33	SECONDARY CUSTOMER COMPONENT			79,179	204,510
34	TOTAL UNDERGROUND LINES			141,047	364,307
	LINE TRANSFORMERS				
35	DEMAND COMPONENT				
36	CUSTOMER COMPONENT				
37	TOTAL LINE TRANSFORMERS				
	SERVICES				
38	DEMAND COMPONENT				
39	CUSTOMER COMPONENT				
40	TOTAL SERVICES				
41	METERS				
42	AREA LIGHTING FIXTURES				
43	STREET LIGHTING				
44	TOTAL	765,429	588,284	141,047	364,307

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION & CLASSIFICATION OF DISTRIBUTION PLANT

FOR COST ALLOCATION PURPOSES

FTY 2007 December 31, 2007
($000)

	SUBFUNCTION	LINE TRANSFORMERS Acct 368	SERVICES Acct 369	METERS Acct 370	AREA LIGHTING FIXTURES Acct 371	STREET LIGHTING Acct 373
	DISTRIBUTION PLANT					
	SUBSTATIONS					
45	PRIMARY					
46	SECONDARY					
47	TOTAL SUBSTATIONS					
	OVERHEAD LINES					
48	PRIMARY					
49	SECONDARY DEMAND COMPONENT					
50	SECONDARY CUSTOMER COMPONENT					
51	STREET & AREA LIGHTING					
52	TOTAL OVERHEAD LINES					
	UNDERGROUND LINES					
53	PRIMARY					
54	SECONDARY DEMAND COMPONENT					
55	SECONDARY CUSTOMER COMPONENT					
56	TOTAL UNDERGROUND LINES					
	LINE TRANSFORMERS					
57	DEMAND COMPONENT	170,586				
58	CUSTOMER COMPONENT	190,968				
59	TOTAL LINE TRANSFORMERS	361,554				
	SERVICES					
60	DEMAND COMPONENT		122,079			
61	CUSTOMER COMPONENT		403,749			
62	TOTAL SERVICES		525,828			
63	METERS			257,749		
64	AREA LIGHTING FIXTURES				6,292	
65	STREET LIGHTING					87,979
66	TOTAL	361,554	525,828	257,749	6,292	87,979

PPL ELECTRIC UTILITIES CORPORATION

SUMMARY
FUNCTIONALIZATION OF RESERVE FOR DEPRECIATION

FOR COST ALLOCATION PURPOSES
12 MONTHS ENDED 12/31/2007
($000)

Line No.	FUNCTION/ACCOUNT	INPUT	PLANT ACCOUNTS	TOTAL	PLANT	
1	INTANGIBLE PLANT	H95	301-303	21,433	21,433	
	TRANSMISSION PLANT					
2	TRANSMISSION FUNCTION	H20	350-359	469,510	469,510	-
	DISTRIBUTION PLANT					
3	LAND		360.2	-	-	-
4	LAND RIGHTS		360.4	25,659	25,659	
5	STRUCTURES & IMPROVEMENTS		361	12,152	12,152	
6	STATION EQUIPMENT		362	95,100	95,100	
7	POLES, TOWERS & FIXTURES		364	239,292	239,292	
8	OVERHEAD CONDUCTORS & DEVICES		365	233,655	233,655	
9	UNDERGROUND CONDUIT		366	33,990	33,990	
10	UNDERGROUND CONDUCTORS & DEVICES		367	121,094	121,094	
11	LINE TRANSFORMERS		368	150,673	150,673	
12	SERVICES		369	267,091	267,091	
13	METERS		370	84,716	84,716	-
14	AREA LIGHTING FIXTURES		371	3,571	3,571	
15	STREET LIGHTING		373	49,334	49,334	
16	TOTAL DISTRIBUTION PLANT			1,316,327	1,316,327	0
17	GENERAL PLANT	H88	389-399	144,989	144,989	-
18	TOTAL DEPRECIATION & AMORTIZATION RESERVE			1,952,259	1,952,259	-

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION & CLASSIFICATION OF DISTRIBUTION RESERVE FOR DEPRECIATION

BY ACCOUNT BASED ON PLANT % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

Line No	SUBFUNCTION	INPUT	TOTAL	LAND 360.2	LAND RIGHTS 360.4	STRUCTURES & IMPROVEMENTS 361	STATION EQUIPMENT 362
	DISTRIBUTION PLANT						
	SUBSTATIONS						
1	PRIMARY	H28	105,743	0	71	11,984	93,689
2	SECONDARY	H29	1,579	0	0	168	1,411
3	TOTAL SUBSTATIONS		107,322	0	71	12,152	95,100
	OVERHEAD						
4	PRIMARY	H32	151,281	0	7,795		
5	SECONDARY DEMAND COMPONENT	H33D	144,956	0	7,275		
6	SECONDARY CUSTOMER COMPONENT	H33C	184,164	0	9,478		
7	STREET LIGHTING	H34	18,132	0	1,041		
8	TOTAL OVERHEAD LINES		498,533	0	25,589		
	UNDERGROUND LINES						
9	PRIMARY	H36	26,468				
10	SECONDARY DEMAND COMPONENT	H37D	41,537				
11	SECONDARY COMPANY COMPONENT	H37C	87,059				
12	TOTAL UNDERGROUND LINES		155,064				
	LINE TRANSFORMERS						
13	DEMAND COMPONENT	H38D	71,089				
14	CUSTOMER COMPONENT	H38C	79,584				
15	TOTAL LINE TRANSFORMERS		150,673				
	SERVICES						
16	DEMAND COMPONENT	H39D	62,009				
17	CUSTOMER COMPONENT	H39C	205,082				
18	TOTAL SERVICES		267,091				
19	METERS	H43	84,716				
20	AREA LIGHTING FIXTURES	H46	3,571				
21	STREET LIGHTING	H47	49,334				
22	TOTAL		1,316,324	0	25,659	12,152	95,100

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION & CLASSIFICATION OF DISTRIBUTION RESERVE FOR DEPRECIATION

BY ACCOUNT BASED ON PLANT % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES
12 MONTHS ENDED 12/31/2007
($000)

	SUBFUNCTION	POLES, TOWERS & FIXTURES 364	OVERHEAD CONDUCTORS & DEVICES 365	UNDERGROUND U. G. CONDUIT 366	U. G. CONDUCTORS & DEVICES 367
	DISTRIBUTION PLANT				
	SUBSTATIONS				
23	PRIMARY				
24	SECONDARY				
25	TOTAL SUBSTATIONS				
	OVERHEAD				
26	PRIMARY	74,886	68,601		
27	SECONDARY DEMAND COMPONENT	57,004	80,678		
28	SECONDARY CUSTOMER COMPONENT	90,311	84,376		
29	STREET LIGHTING	17,091	0		
30	TOTAL OVERHEAD LINES	239,292	233,655		
	UNDERGROUND LINES				
31	PRIMARY			5,805	20,683
32	SECONDARY DEMAND COMPONENT			9,104	32,433
33	SECONDARY COMPANY COMPONENT			19,081	67,978
34	TOTAL UNDERGROUND LINES			33,990	121,094
	LINE TRANSFORMERS				
35	DEMAND COMPONENT				
36	CUSTOMER COMPONENT				
37	TOTAL LINE TRANSFORMERS				
	SERVICES				
38	DEMAND COMPONENT				
39	CUSTOMER COMPONENT				
40	TOTAL SERVICES				
41	METERS				
42	AREA LIGHTING FIXTURES				
43	STREET LIGHTING				
44	TOTAL DISTRIBUTION	239,292	233,655	33,990	121,094

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION & CLASSIFICATION OF DISTRIBUTION RESERVE FOR DEPRECIATION

BY ACCOUNT BASED ON PLANT % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	SUBFUNCTION	LINE TRANSFORMERS 368	SERVICES 369	METERS 370	AREA LIGHTING FIXTURES 371	STREET LIGHTING 373
	DISTRIBUTION PLANT					
	SUBSTATIONS					
45	PRIMARY					
46	SECONDARY					
47	TOTAL SUBSTATIONS					
	OVERHEAD					
48	PRIMARY					
49	SECONDARY DEMAND COMPONENT					
50	SECONDARY CUSTOMER COMPONENT					
51	STREET LIGHTING					
52	TOTAL OVERHEAD LINES					
	UNDERGROUND LINES					
53	PRIMARY					
54	SECONDARY DEMAND COMPONENT					
55	SECONDARY COMPANY COMPONENT					
56	TOTAL UNDERGROUND LINES					
	LINE TRANSFORMERS					
57	DEMAND COMPONENT	71,089				
58	CUSTOMER COMPONENT	79,584				
59	TOTAL LINE TRANSFORMERS	150,673				
	SERVICES					
60	DEMAND COMPONENT		62,009			
61	CUSTOMER COMPONENT		205,082			
62	TOTAL SERVICES		267,091			
63	METERS			84,718		
64	AREA LIGHTING FIXTURES				3,571	
65	STREET LIGHTING					49,334
66	TOTAL DISTRIBUTION	150,673	267,091	84,718	3,571	49,334

PPL ELECTRIC UTILITIES CORPORATION

SUMMARY

OPERATION AND MAINTENANCE EXPENSES

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No.	EXPENSES	INPUT	ACCOUNTS	EXPENSE	
1	TRANSMISSION		560-573		172,855
2	ANCILLARIES				52,452
3	TOTAL	G20			225,307
	DISTRIBUTION				
4	SUPERVISION & ENGINEERING		580,590	16,942	
5	LOAD DISPATCHING		581	4,927	
6	SUBSTATIONS		582,591,592	8,804	
7	OVERHEAD LINES		583,593	58,116	
8	UNDERGROUND LINES		584,594	9,994	
9	SERVICES		593,594	4,498	
10	LINE TRANSFORMERS		595	2,119	
11	MISCELLANEOUS & RENTS		588,589	12,322	
12	METERS		586,597	7,734	
13	STREET LIGHTING		585,596,598	4,650	
14	CUSTOMER INSTALLATIONS		587	4,946	
15	TOTAL DISTRIBUTION				135,053
16	CUSTOMER ACCOUNTS		901-905		50,625
17	CUSTOMER SERVICE AND INFORMATIONAL	G64	908-910		17,247
18	SALES	G65	911-916		2,843
19	ADMINISTRATIVE AND GENERAL		920-935		143,895
20	TOTAL OPERATION AND MAINTENANCE EXPENSES				574,971

Line No

PPL ELECTRIC UTILITIES CORPORATION

ASSIGNMENT OF WAGES AND SALARIES

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No	Account	DESCRIPTION	TOTAL AMOUNT	INPUT
		TRANSMISSION EXPENSE		
1	560-567	TRANSMISSION OPERATION	4,263	
2	568-573	TRANSMISSION MAINTENENCE	4,237	
3		TOTAL TRANSMISSION EXPENSE	8,501	K904
		DISTRIBUTION EXPENSE		
4	580-589	DISTRIBUTION OPERATION	34,053	
5	590-598	DISTRIBUTION MAINTENANCE	17,874	
6		TOTAL DISTRIBUTION EXPENSE	51,928	K906
7	901-905	CUSTOMER ACCOUNTS EXPENSE	18,576	K920
8	907-910	CUSTOMER SERVICE & INFORMATIONAL EXP	1,327	K922
9	911-916	SALES EXPENSE	1,275	K924
10		TOTAL EXCLUDING A & G	81,606	K929
		ADMINISTRATIVE AND GENERAL EXPENSE		
11	920-930	ADMIN AND GENERAL - OPERATION	4,466	
12	935	ADMIN AND GENERAL - MAINTENANCE	46	
13		TOTAL ADMIN AND GENERAL EXPENSE	4,512	K930
14		TOTAL WAGES AND SALARIES	86,118	K939,K433

Line No.

PPL ELECTRIC UTILITIES CORPORATION

DISTRIBUTION EXPENSE ACCOUNTS AMOUNTS

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	ACCOUNT	DESCRIPTION OF ACCOUNT	AMOUNT
		DISTRIBUTION OPERATON	
1	580	SUPERVISION & ENGINEERING	15,601
2	581	LOAD DISPATCHING	4,927
3	582	STATION EXPENSE	614
4	583	OVERHEAD LINES EXPENSE	14,590
5	584	UNDERGROUND LINES EXPENSE	5,356
6	585	STREET LIGHTING & SIGNAL SYSTEMS	533
7	586	METER EXPENSE	7,667
8	587	CUSTOMER INSTALLATION EXPENSE	4,946
9	588	MISCELLANEOUS DISTRIBUTION EXPENSE	4,728
10	589	RENTS	7,594
11		TOTAL OPERATION	66,557
		DISTRIBUTION MAINTENANCE	
12	590	SUPERVISION & ENGINEERING	1,341
13	591	MAINTENANCE OF STRUCTURES	85
14	592	MAINTENANCE OF STATION EQUIPMENT	8,104
15	593	MAINTENANCE OF SERVICES	43,518
16	593.5	MAINTENANCE OF OVERHEAD SERVICES	1,609
17	594	MAINTENANCE OF UNDERGROUND LINES	4,651
18	594.3	MAINTENANCE OF UNDERGROUND SERVICES	39
19	594.6	MAINTENANCE OF UNDERGROUND OTHER SERVICES	2,845
20	595	MAINTENANCE OF LINE TRANSFORMERS	2,119
21	596	MAINTENANCE OF STREET LIGHTING	2,513
22	597	MAINTENANCE OF METERS	67
23	598	MAINTENANCE OF MISCELLANEOUS DISTRIBUTION PLANT	1,604
24		TOTAL MAINTENANCE	68,495
25		TOTAL DISTRIBUTION EXPENSE	135,052

Line No.

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION EXPENSES ACCOUNTS

PRORATION OF SUPERVISION AND ENGINEEERING ACCOUNTS

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

Line No.	ACCOUNT	DISTRIBUTION OPERATION ACCOUNT TOTAL	LABOR	MATERIAL	ACCOUNT 580 PRORATION TOTAL	FUNCTIONAL ASSIGNMENT
	580	15,601				
1	582	614	391	223	287	SUBSTATIONS
2	583	14,590	6,635	7,955	4,870	OVERHEAD LINES
3	584	5,356	3,644	1,712	2,675	UNDERGROUND LINES
4	585	533	25	508	18	STREET LIGHTING
5	586	7,667	5,006	2,661	3,675	METERS
6	587	4,946	2,463	2,484	1,807	CUST INSTALLATIONS
7	588,589	12,322	3,092	9,230	2,269	MISCELLANEOUS
8	TOTAL(EXCL. 580,581)	46,028	21,256	24,772	15,601	

Line No.	ACCOUNT	DISTRIBUTION MAINTENANCE ACCOUNT TOTAL	LABOR	MATERIAL	ACCOUNT 590 PRORATION TOTAL	FUNCTIONAL ASSIGNMENT
	590	1,341				
9	591	85	46	39	4	SUBSTATIONS
10	592	8,104	3,577	4,528	282	SUBSTATIONS
11	593	43,518	7,942	35,576	626	OVERHEAD LINES
12	593.5	1,609	540	1,068	43	OVERHEAD SERVICES
13	594	4,651	1,931	2,720	152	UNDERGROUND LINES
14	594.3	39	3	35	-	UNDERGROUND SERVICES
15	594.6	2,845	524	2,321	41	UG. OTHER SERVICES
16	595	2,119	1,215	904	96	LINE TRANSFORMERS
17	596	2,513	771	1,742	61	STREET LIGHTING
18	597	67	26	41	2	METERS
19	598	1,604	450	1,154	35	STREET LIGHTING
20	TOTAL(EXCL. 590)	67,154	17,025	50,129	1,341	

	DISTRIBUTION MAINTENANCE SUBSTATION TOTAL	---	---	---	286	SUBSTATIONS
	STREET LIGHTING TOTAL	---	---	---	96	STREET LIGHTING
	SERVICES TOTAL	---	---	---	84	SERVICES

ACCOUNT 580 PRORATED OVER LABOR COMPONENT OF ACCOUNTS 582-588.
ACCOUNT 590 PRORATED OVER LABOR COMPONENT OF ACCOUNTS 591-598.

Line No

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION OPERATION EXPENSE

BY ACCOUNT BASED ON TOTAL PLANT $ BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

Line No	SUBFUNCTION	TOTAL	ACCOUNT 580	581	582	583	584
	SUBSTATIONS						
1	PRIMARY	9,837	283	596	605		
2	SECONDARY	144	4	9	9		
3	TOTAL SUBSTATIONS	9,981	287	604	614		
	OVERHEAD LINES						
4	PRIMARY	20,202	1,473	963		4,413	
5	SECONDARY-DEMAND COMP.	19,140	1,396	913		4,181	
6	SECONDARY-CUSTOMER COMP	24,926	1,818	1,189		5,445	
7	STREET LIGHTING	2,521	184	120		551	
8	TOTAL OVERHEAD LINES	66,789	4,870	3,185		14,590	
	UNDERGROUND LINES						
9	PRIMARY	2,387	457	194			815
10	SECONDARY-DEMAND COMP.	3,742	716	305			1,435
11	SECONDARY-CUSTOMER COMP	7,844	1,502	639			3,007
12	TOTAL UNDERGROUND LINES	13,973	2,675	1,138			5,356
	SERVICES						
13	DEMAND COMPONENT	1,063					
14	CUSTOMER COMPONENT	3,514					
15	TOTAL SERVICES	4,577					
16	TOTAL			4,927	614	14,590	5,356

Line No	SUBFUNCTION	TOTAL	ACCOUNT 585	586	587	588,589
	LINE TRANSFORMERS					
17	DEMAND COMPONENT	1,045				
18	CUSTOMER COMPONENT	1,170				
19	TOTAL LINE TRANSFORMERS	2,215				
20	MISC. DIST. EXPENSE & RENTS	14,591	2,269			12,322
21	METERS	11,411	3,675	7,667		
22	STREET LIGHTING	4,763	18	533		
23	CUSTOMER INSTALLATIONS	6,753	1,807		4,946	
24	TOTAL	135,052	15,601	533	7,667	4,946	12,322

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION MAINTENANCE EXPENSE

BY ACCOUNT BASED ON TOTAL PLANT $ BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	SUBFUNCTION	ACCOUNT				
		590	591	592	593	594
	SUBSTATIONS					
25	PRIMARY	282	84	7,987		
26	SECONDARY	4	1	117		
27	TOTAL SUBSTATIONS	286	85	8,104		
	OVERHEAD LINES					
28	PRIMARY	189			13,183	
29	SECONDARY-DEMAND COMP.	179			12,471	
30	SECONDARY-CUSTOMER COMP	234			16,241	
31	STREET LIGHTING	24			1,643	
32	TOTAL OVERHEAD LINES	626			43,518	
	UNDERGROUND LINES					
33	PRIMARY	26				794
34	SECONDARY-DEMAND COMP.	41				1,246
35	SECONDARY-CUSTOMER COMP	85				2,611
36	TOTAL UNDERGROUND LINES	152				4,651
	SERVICES					
37	DEMAND COMPONENT	20			374	669
38	CUSTOMER COMPONENT	64			1,235	2,214
39	TOTAL SERVICES	84			1,609	2,884
40	TOTAL		85	8,104	45,127	7,534

	SUBFUNCTION	ACCOUNT				
			595	596	597	598
	LINE TRANSFORMERS					
41	DEMAND COMPONENT	45	1,000			
42	CUSTOMER COMPONENT	51	1,119			
43	TOTAL LINE TRANSFORMERS	96	2,119			
44	MISC. DIST. EXPENSE & RENTS					
45	METERS	2			67	
46	STREET LIGHTING	95		2,513		1,604
47	CUSTOMER INSTALLATIONS					
48	TOTAL	1,341	2,119	2,513	67	1,604

49	SUM DIST PLANT SUBS, OVERHEAD	2,187,028
50	AND UNDERGROUND LINES (auto)	23C22+23C30+23C37

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION OPERATION EXPENSE

% OF ACCOUNT TOTAL

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2006

	SUBFUNCTION	ACCOUNT 580	581	582	583	584
	SUBSTATIONS					
1	PRIMARY	1.81	12.66	98.56		
2	SECONDARY	0.03	0.19	1.44		
3	TOTAL SUBSTATIONS	1.84	12.85	100.00		
	OVERHEAD LINES					
4	PRIMARY	9.51	19.78		30.46	
5	SECONDARY-DEMAND COMP.	8.87	18.46		28.43	
6	*SECONDARY-CUSTOMER COMP*	*11.56*	*24.05*		*37.04*	
7	STREET LIGHTING	1.27	2.64		4.07	
8	TOTAL OVERHEAD LINES	31.21	64.93		100.00	
	UNDERGROUND LINES					
9	PRIMARY	2.93	3.80			17.08
10	SECONDARY-DEMAND COMP.	4.59	5.85			26.78
11	SECONDARY-CUSTOMER COMP	9.62	12.47			56.14
12	TOTAL UNDERGROUND LINES	17.14	22.22			100.00
	SERVICES					
13	DEMAND COMPONENT					
14	CUSTOMER COMPONENT					
15	*TOTAL SERVICES*					
16	TOTAL		100.00	100.00	100.00	100.00

	SUBFUNCTION	ACCOUNT 585	586	587	588,589
	LINE TRANSFORMERS				
17	DEMAND COMPONENT				
18	CUSTOMER COMPONENT				
19	TOTAL LINE TRANSFORMERS				
20	*MISC. DIST. EXPENSE & RENTS*	14.54			100.00
21	*METERS*	23.55	100.00		
22	STREET LIGHTING	0.13	100.00		
23	CUSTOMER INSTALLATIONS	11.58		100.00	
24	TOTAL	100.00	100.00	100.00	100.00

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION MAINTENANCE EXPENSE

% OF ACCOUNT TOTAL

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2006

	SUBFUNCTION	ACCOUNT				
		590	591	592	593	594
	SUBSTATIONS					
25	PRIMARY	20.99	98.56	98.56		
26	SECONDARY	0.31	1.44	1.44		
27	TOTAL SUBSTATIONS	21.30	100.00	100.00		
	OVERHEAD LINES					
28	PRIMARY	14.22			29.38	
29	SECONDARY-DEMAND COMP.	13.27			27.42	
30	SECONDARY-CUSTOMER COMP	17.29			35.72	
31	STREET LIGHTING	1.90			3.92	
32	TOTAL OVERHEAD LINES	46.68			96.45	
	UNDERGROUND LINES					
33	PRIMARY	1.94				10.51
34	SECONDARY-DEMAND COMP.	3.04				16.49
35	SECONDARY-CUSTOMER COMP	6.38				34.56
36	TOTAL UNDERGROUND LINES	11.37				61.56
	SERVICES					
37	DEMAND COMPONENT	1.44			0.82	8.92
38	CUSTOMER COMPONENT	4.78			2.73	29.51
39	TOTAL SERVICES	6.22			3.55	38.44
40	TOTAL		100.00	100.00	100.00	100.00

	SUBFUNCTION	ACCOUNT				
			595	596	597	598
	LINE TRANSFORMERS					
41	DEMAND COMPONENT	3.37	47.18			
42	CUSTOMER COMPONENT	3.78	52.82			
43	TOTAL LINE TRANSFORMERS	7.15	100.00			
44	MISC. DIST. EXPENSE & RENTS					
45	METERS	0.14			100.00	
46	STREET LIGHTING	7.15		100.00		100.00
47	CUSTOMER INSTALLATIONS					
48	TOTAL	100.00	100.00	100.00	100.00	100.00

Line No

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION OPERATION EXPENSE

BASED ON O & M % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	SUBFUNCTION	INPUT	TOTAL	ACCOUNT 580	581	582	583	584
	SUBSTATIONS							
1	PRIMARY	G28	9,883	282	624	605		
2	SECONDARY	G29	144	4	9	9		
3	TOTAL SUBSTATIONS		10,007	286	633	614		
	OVERHEAD LINES							
4	PRIMARY	G32	20,351	1,483	975		4,444	
5	SECONDARY-DEMAND COMP.	G33D	18,995	1,385	910		4,148	
6	SECONDARY-CUSTOMER COMP	G33C	24,745	1,804	1,185		5,404	
7	STREET LIGHTING	G34	2,718	198	130		594	
8	TOTAL OVERHEAD LINES		66,809	4,870	3,200		14,590	
	UNDERGROUND LINES							
9	PRIMARY	G36	2,377	457	187			915
10	SECONDARY-DEMAND COMP.	G37D	3,727	716	293			1,435
11	SECONDARY-CUSTOMER COMP	G37C	7,813	1,501	615			3,007
12	TOTAL UNDERGROUND LINES		13,917	2,674	1,095			5,357
	SERVICES							
13	DEMAND COMPONENT	G39D	1,063					
14	CUSTOMER COMPONENT	G39C	3,518					
15	TOTAL SERVICES		4,581					
16	TOTAL				4,927	614	14,590	5,356

	SUBFUNCTION	INPUT		ACCOUNT 585	586	587	588,589
	LINE TRANSFORMERS						
17	DEMAND COMPONENT	G38D	1,045				
18	CUSTOMER COMPONENT	G38C	1,170				
19	TOTAL LINE TRANSFORMERS		2,215				
20	MISC. DIST. EXPENSE & RENTS	G42	14,591	2,269			12,322
21	METERS	G43	11,410	3,674		7,667	
22	STREET LIGHTING	G46	4,766	20	533		
23	CUSTOMER INSTALLATIONS	G47	6,753	1,807			4,946
24	TOTAL		135,049	15,601	533	7,667	4,946	12,322

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION MAINTENANCE EXPENSE

BASED ON O & M % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	SUBFUNCTION	ACCOUNT 590	591	592	593	594
	SUBSTATIONS					
25	PRIMARY	282	84	7,987		
26	SECONDARY	4	1	117		
27	TOTAL SUBSTATIONS	286	85	8,104		
	OVERHEAD LINES					
28	PRIMARY	191			13,259	
29	SECONDARY-DEMAND COMP.	178			12,375	
30	SECONDARY-CUSTOMER COMP	232			16,121	
31	STREET LIGHTING	25			1,771	
32	TOTAL OVERHEAD LINES	626			43,526	
	UNDERGROUND LINES					
33	PRIMARY	26				782
34	SECONDARY-DEMAND COMP.	41				1,242
35	SECONDARY-CUSTOMER COMP	86				2,604
36	TOTAL UNDERGROUND LINES	153				4,638
	SERVICES					
37	DEMAND COMPONENT	19			372	672
38	CUSTOMER COMPONENT	64			1,230	2,224
39	TOTAL SERVICES	83			1,602	2,896
40	TOTAL		85	8,104	45,127	7,534

	SUBFUNCTION	ACCOUNT 595	596	597	598
	LINE TRANSFORMERS				
41	DEMAND COMPONENT	45	1,000		
42	CUSTOMER COMPONENT	51	1,119		
43	TOTAL LINE TRANSFORMERS	96	2,119		
44	MISC. DIST. EXPENSE & RENTS				
45	METERS	2		67	
46	STREET LIGHTING	98	2,513		1,604
47	CUSTOMER INSTALLATIONS				
48	TOTAL	1,341	2,119	2,513	67	1,604

Line No

PPL ELECTRIC UTILITIES CORPORATION

ASSIGNMENT OF ADMINISTRATIVE AND GENERAL EXPENSES

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	ACCOUNT	DESCRIPTION	TOTAL	METER READING	COLLECTION	UNCOLLECTIBLE ACCTS - TRANS	PROPERTY DAMAGE DISTRIBUTION	UNCOLLECTIBLE ACCTS - OTHER	BALANCE
1	901	SUPERVISION	486	-	-	-	-	-	486
2	902.4	METER READING EXPENSES - LARGE POWER	108	108	-	-	-	-	-
3	902.5	METER READING EXPENSES - OTHER	3,048	3,048					
4	903CR	CUSTOMER RECORDS	17,094	-	-	-	-	-	17,094
5	903CE	COLLECTION EXPENSES	8,915		8,915	-		-	
6	904T	UNCOLLECTIBLE ACCOUNTS TRANSMISSION	0			-	-		
7	904D	PROPERTY DAMAGE DISTRIBUTION	1,155				1,155		
8	904 by RATE	UNCOLLECTIBLE ACCOUNTS	19,000	-		-	-	19,000	-
9	905	MISC. CUSTOMER ACCOUNTS EXPENSES	819	-	-	-		-	819
10	901-905	TOTAL	50,625	3,156	8,915	-	1,155	19,000	18,399
		INPUT LABELS		G50	G51	G52	G53	G54	G55

Line No.

PPL ELECTRIC UTILITIES CORPORATION

ASSIGNMENT OF ADMINISTRATIVE AND GENERAL EXPENSES

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

	ACCOUNT	DESCRIPTION	AMOUNT	INPUT
1	928	REGULATORY COMMISSION EXPENSE - PPUC	4,494	G70
2		REGULATORY COMMISSION EXPENSE - FERC	61	G71
3		TOTAL REGULATORY COMMISSION EXPENSE	4,555	
4	926	EMPLOYEE BENEFITS	30,687	G73
5	920-935	OTHER ADMINISTRATIVE AND GENERAL	108,654	G75
6		SUBTOTAL	139,341	
7		TOTAL ADMINISTRATIVE AND GENERAL	143,895	

PPL ELECTRIC UTILITIES CORPORATION

SUMMARY

FUNCTIONALIZATION OF DEPRECIATION EXPENSE

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

Line No.	FUNCTION/ACCOUNT	INPUT	PLANT ACCOUNTS	TOTAL	PER BOOKS	MISC ADJ.
1	INTANGIBLE PLANT	GD95		4,871	4,871	-
2	TRANSMISSION PLANT	GD20	350-359	20,529	20,529	-
	DISTRIBUTION PLANT					
3	LAND		360.2	0	0	-
4	LAND RIGHTS		360.4	766	766	-
5	STRUCTURES & IMPROVEMENTS		361	394	394	-
6	STATION EQUIPMENT		362	5,037	5,037	-
7	POLES, TOWERS & FIXTURES		364	19,965	19,965	-
8	OVERHEAD CONDUCTORS & DEVICES		365	11,670	11,670	-
9	UNDERGROUND CONDUIT		366	2,485	2,485	-
10	UNDERGROUND CONDUCTORS & DEVICES		367	8,197	8,197	-
11	LINE TRANSFORMERS		368	9,736	9,736	-
12	SERVICES		369	11,963	11,963	-
13	METERS		370	15,813	15,813	-
14	AREA LIGHTING FIXTURES		371	238	238	-
15	STREET LIGHTING		373	2,276	2,276	-
16	TOTAL DISTRIBUTION PLANT			88,540	88,540	-
17	GENERAL PLANT	GD88	389-399	18,120	18,120	-
18	TOTAL DEPRECIATION EXPENSE			132,060	132,060	-

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION DEPRECIATION EXPENSE

BY ACCOUNT BASED ON PLANT % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

Line No.	SUBFUNCTION	INPUT	TOTAL	LAND 360.2	LAND RIGHTS 360.4	STRUCTURES AND IMPROVEMENTS 361	STATION EQUIPMENT 362
	SUBSTATIONS						
1	PRIMARY	GD28	5,358	-	2	389	4,967
2	SECONDARY	GD29	75	-	-	5	70
3	TOTAL SUBSTATIONS		5,433	-	2	394	5,037
	OVERHEAD LINES						
4	PRIMARY	GD32	9,907	-	233		
5	SECONDARY DEMAND COMPONENT	GD33D	9,002	-	217		
6	SECONDARY CUSTOMER COMPONEI	GD33C	12,032	-	283		
7	STREET LIGHTING	GD34	1,457	-	31		
8	TOTAL OVERHEAD LINES		32,398	-	764		
	UNDERGROUND LINES						
9	PRIMARY	GD36	1,824		-		
10	SECONDARY DEMAND COMPONENT	GD37D	2,861		-		
11	SECONDARY CUSTOMER COMPONEI	GD37C	5,997		-		
12	TOTAL UNDERGROUND LINES		10,682		-		
	LINE TRANSFORMERS						
13	DEMAND COMPONENT	GD38D	4,594				
14	CUSTOMER COMPONENT	GD38C	5,142				
15	TOTAL LINE TRANSFORMERS		9,736				
	SERVICES						
16	DEMAND COMPONENT	GD39D	2,777				
17	CUSTOMER COMPONENT	GD39C	9,186				
18	TOTAL SERVICES		11,963				
19	METERS	GD43	15,613				
20	AREA LIGHTING FIXTURES	GD46	238				
21	STREET LIGHTING	GD47	2,276				
22	TOTAL		88,539	-	766	394	5,037

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION DEPRECIATION EXPENSE

BY ACCOUNT BASED ON PLANT % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	SUBFUNCTION	POLES,TOWERS & FIXTURES 364	OVERHEAD CONDUCTORS AND DEVICES 365	UNDERGROUND CONDUIT 366	UNDERGROUND CONDUCTORS & DEVICES 367
	SUBSTATIONS				
23	PRIMARY				
24	SECONDARY				
25	TOTAL SUBSTATIONS				
	OVERHEAD LINES				
26	PRIMARY	8,248	3,426		
27	SECONDARY DEMAND COMPONENT	4,756	4,029		
28	SECONDARY CUSTOMER COMPONENT	7,535	4,214		
29	STREET LIGHTING	1,426	-		
30	TOTAL OVERHEAD LINES	19,965	11,669		
	UNDERGROUND LINES				
31	PRIMARY			424	1,400
32	SECONDARY DEMAND COMPONENT			666	2,195
33	SECONDARY CUSTOMER COMPONENT			1,395	4,602
34	TOTAL UNDERGROUND LINES			2,485	8,197
	LINE TRANSFORMERS				
35	DEMAND COMPONENT				
36	CUSTOMER COMPONENT				
37	TOTAL LINE TRANSFORMERS				
	SERVICES				
38	DEMAND COMPONENT				
39	CUSTOMER COMPONENT				
40	TOTAL SERVICES				
41	METERS				
42	AREA LIGHTING FIXTURES				
43	STREET LIGHTING				
44	TOTAL	19,965	11,670	2,485	8,197

PPL ELECTRIC UTILITIES CORPORATION

SUBFUNCTIONALIZATION OF DISTRIBUTION DEPRECIATION EXPENSE

BY ACCOUNT BASED ON PLANT % BREAKDOWN TO SUBFUNCTION

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

($000)

	SUBFUNCTION	LINE TRANSFORMERS 368	SERVICES 369	METERS 370	AREA LIGHTING FIXTURES 371	STREET LIGHTING 373
	SUBSTATIONS					
45	PRIMARY					
46	SECONDARY					
47	TOTAL SUBSTATIONS					
	OVERHEAD LINES					
48	PRIMARY					
49	SECONDARY DEMAND COMPONENT					
50	SECONDARY CUSTOMER COMPONENT					
51	STREET LIGHTING					
52	TOTAL OVERHEAD LINES					
	UNDERGROUND LINES					
53	PRIMARY					
54	SECONDARY DEMAND COMPONENT					
55	SECONDARY CUSTOMER COMPONENT					
56	TOTAL UNDERGROUND LINES					
	LINE TRANSFORMERS					
57	DEMAND COMPONENT	4,594				
58	CUSTOMER COMPONENT	5,142				
59	TOTAL LINE TRANSFORMERS	9,736				
	SERVICES					
60	DEMAND COMPONENT		2,777			
61	CUSTOMER COMPONENT		9,186			
62	TOTAL SERVICES		11,963			
63	METERS			15,813		
64	AREA LIGHTING FIXTURES				238	
65	STREET LIGHTING					2,276
66	TOTAL	9,736	11,963	15,813	238	2,276

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

ALLOCATION FACTORS

FUTURE TEST YEAR ENDING DECEMBER 31, 2007

This section identifies the rate schedules that make up the rate classes used in the jurisdictional allocation studies and all the allocation factors used in those studies. Generally, allocators are derived from three classes – direct assignments, *program generated, and calculated (demand, and customer-related).* The development of specific calculated allocators is shown in this section.

PPL ELECTRIC UTILITIES CORPORATION

EXHIBIT JMK 2A

CUSTOMER CLASS DESIGNATIONS & ABBREVIATIONS

FUTURE PERIOD – YEAR ENDING DECEMBER 31, 2007

Rate Classes	Abbreviations	PUC Jurisdictional Rate Schedules
Residential Service	RS	RS, RTD
Residential Service - Thermal Storage	RTS	RTS
Small General Service	GS-1	GS-1, BL
Large General Service - Secondary	GS-3	GS-3, IS-1
Large General Service - 12 kV	LP-4	LP-4
Large General Service - 66 kV	LP-5	LP-5
Large General Service - 66 kV Standby	Standby	Standby
Large General Service – Electric Propulsion	LPEP	LPEP
Interruptible Service by Agreement	ISA	ISA
Commercial and Industrial Heating	GH	GH-1, GH-2
Street and Area Lighting	SL/AL	SA, SM, SHS, SE TS, SI1

PPL ELECTRIC UTILITIES CORPORATION

DETERMINATION OF CUSTOMER ALLOCATORS

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

Line No.	RATE CLASS	ALLOCATOR LABEL	END OF YEAR CUSTOMERS C10	SECONDARY CUSTOMERS C30
1	RS		1,193,921	1,193,921
2	RTS		14,157	14,157
3	GS-1,BL		146,207	146,207
4	GS-3,IS-1		22,524	22,524
5	LP-4		1,011	0
6	IS-P		28	0
7	LP-5		104	0
8	IS-T		25	0
9	LP-6		3	0
10	LPEP		1	0
11	ISA		1	0
12	GH		3,439	3,439
13	SL/AL		1,367	1,367
14	L5-S		6	0
15	TOTAL PPUC		1,382,796	1,381,615
16	66 KV RESALE		10	0
17	12 KV RESALE		8	0
18	TOTAL SYSTEM		1,382,814	1,381,615

PPL ELECTRIC UTILITIES CORPORATION

DETERMINATION OF METER ALLOCATION FACTOR CW1

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No.	RATE CLASS	RATE DESIGNATION	METERING TYPE	ESTIMATED METER COST	CUSTOMERS	ESTIMATED METER INVESTMENT	SUMMARY ($000)
1	RS,RTD	RSO	A	113	1,201,190	135,630,806	
2		RWO(R)	B	452	472	213,428	
3		RW1	C	339	101	34,266	
4		RTD	C	339	264	89,566	
5		RTS	C	339	13,895	4,714,075	
6	TOTAL				1,215,922	140,682,140	140,682
7	GS-1,BL	GS-1	A	113	2,710	305,996	
8		G1-D	D	126	143,527	18,036,190	
9		G1-T	C	339	898	304,659	
10		G1-F	E	4,933	22	108,531	
11		G1-V	A	113	780	88,073	
12		G1-C	B	452	83	37,531	
13		BL	-	-	12	-	
14	TOTAL				148,032	18,880,980	18,881
15	GS-3,IS-1	GS-3	F	1,031	19,997	20,626,865	
16		G3-T	G	1,349	2,403	3,241,126	
17		G3-V	A	113	65	7,339	
18		G3-C	H	2,348	87	204,242	
19		IS-1	F	1,031	3	3,094	
20	TOTAL				22,555	24,082,667	24,083
21	LP-4	LP-4	J	4,933	633	3,122,737	
22		L4-T	I	4,933	490	2,417,285	
23		IS-P	J	6,749	29	195,709	
24		L4-C	K	3,770	9	33,931	
25	TOTAL				1,161	5,769,661	5,770
26	LP-5,6	LP-5	J	19,152	72	1,378,944	
27		L5-T	J	19,152	125	2,393,999	
28		L5-S	J	19,152	6	114,912	
29		LP-6	J	36,636	2	73,271	
30		L6-T	J	36,636	8	293,085	
31		IS-T	J	21,466	47	1,008,887	
32		LPEP	J	61,321	1	61,321	
33		ISA	J	234,465	1	234,465	
34	TOTAL				262	5,558,904	5,559
35	GH	GH-1	F	1,031	889	917,002	
36		H1-T	G	1,349	78	105,205	
37		H1-P	E	4,933	-		
38		H1-Q	I	4,933	-		
39		GH-2	F	1,031	1,610	1,660,712	
40		H2-R	F	1,031	863	890,183	
41	TOTAL				3,440	3,573,101	3,573
42	SL/AL	SL/AL	NONE		1,367	-	-
43	TOTAL				1,392,739	158,547,453	198,548

PPL ELECTRIC UTILITIES CORPORATION

DETERMINATION OF METER ALLOCATION FACTOR CW1

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No.	RATE CLASS	INVESTMENT PP&L STUDY	INVESTMENT PRORATED	INDICATED METER COST	CUSTOMERS	AVERAGE METER COST $ /CUSTOMER
1	RS	135,968	176,385	176,385	1,193,821	147.74
2	RTS	4,714	6,115	6,115	14,157	431.93
3	GS-1	18,881	24,494	24,494	146,207	167.53
4	GS-3	24,083	31,242	31,242	22,524	1,387.07
5	LP-4	5,574	7,231	7,231	1,011	7,149.28
6	IS-P	196	254	254	28	8,950.35
7	LP-5	3,773	4,894	4,894	104	46,898.29
8	IS-T	1,009	1,309	1,309	25	53,064.26
9	LP-6	366	475	475	3	140,764.34
10	LPEP	61	80	80	1	78,950.49
11	ISA	234	304	304	1	224,448.86
12	GH	3,573	4,635	4,635	3,439	1,347.87
13	SL/AL	0	0	0	1,367	0
14	LS-S	115	149	149	6	23,205.49
15	TOTAL PPUC	198,548	257,568	257,568	1,382,796	
16	RES 69	114		114	10	
17	RES 12	67		67	9	
18	TOTAL RESALE	181		181	19	
19	TOTAL INCLUDING RESALE	198,729		257,749	1,382,815	

PPL ELECTRIC UTILITIES CORPORATION

DETERMINATION OF METER ALLOCATION FACTOR CW1

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No.	RATE CLASS	AVERAGE METER COST $ /CUSTOMER	CUSTOMERS	INDICATED METER INVESTMENT	ALLOCATOR CW1
1	RS	147.74	1,193,921	176,390	176,387
2	RTS	431.93	14,157	6,115	6,115
3	GS-1,BL	167.53	146,207	24,494	24,494
4	GS-3,IS-1	1,387.07	22,524	31,242	31,241
5	LP-4	7,149.28	1,011	7,231	7,231
6	IS-P	8,950.35	28	254	254
7	LP-5	46,898.29	104	4,894	4,894
8	IS-T	53,064.26	25	1,309	1,309
9	LP-6	140,764.34	3	475	475
10	LPEP	78,950.49	1	80	80
11	ISA	224,448.86	1	304	304
12	GH	1,347.87	3,439	4,635	4,635
13	SL/AL	0	1,367	0	0
14	LS-S	23,205.49	6	149	149
15	TOTAL PPUC		1,382,796	257,572	257,568
16	RES 69		10	114	114
17	RES 12		8	67	67
18	TOTAL RESALE		18	181	181
19	TOTAL SYSTEM		1,382,814	257,753	257,749

PPL ELECTRIC UTILITIES CORPORATION

ALLOCATION OF METERING COSTS

METER READING EXPENSE (CW2)

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

METER READING EXPENSE 3,156,030

Line No.	RATE CLASS	PRORATION OF EXPENSE CUSTOMERS	PRORATED EXPENSE	INDICATED COSTS	CUSTOMERS	AVERAGE METER READING EXPENSE $/CUSTOMER/YEAR
1	RS	1,193,921	2,727,612	2,727,612	1,193,921	2.28
2	RTS	14,157	32,343	32,343	14,157	2.28
3	GS-1,BL	146,207	334,022	334,022	146,207	2.28
4	GS-3,IS-1	22,524	51,457	51,457	22,524	2.28
5	LP-4	1,011	2,311	2,311	1,011	2.28
6	ISP	28	65	65	28	2.28
7	LP-5	104	238	238	104	2.28
8	IST	25	56	56	25	2.28
9	LP-6	3	8	8	3	2.28
10	LPEP	1	2	2	1	2.28
11	ISA	1	3	3	1	2.28
12	GH	3,439	7,856	7,856	3,439	2.28
13	SL/AL	0	0	0	0	0.00
14	LS-S	6	15	15	6	2.28
15	TOTAL PPUC	1,381,429	3,155,989	3,155,989	1,381,429	
16	RES 69	10	23	23	10	2.28
17	RES 12	8	18	18	8	2.28
18	TOTAL RESALE	18	41	41	18	
19	TOTAL SYSTEM	1,381,447	3,156,030	3,156,030	1,381,447	

PPL ELECTRIC UTILITIES CORPORATION

DETERMINATION OF METER READING ALLOCATOR (CW2)

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

Line No.	RATE CLASS	AVERAGE METER READING EXPENSE $/CUST/YEAR	CUSTOMERS	INDICATED METER READING EXPENSE	ALLOCATOR CW2
1	RS	2.28	1,193,921	2,727.61	2,727,619
2	RTS	2.28	14,157	32.34	32,340
3	GS-1,BL	2.28	146,207	334.02	334,021
4	GS-3,IS-1	2.28	22,524	51.46	51,460
5	LP-4	2.28	1,011	2.31	2,310
6	IS-P	2.28	28	0.06	60
7	LP-5	2.28	104	0.24	240
8	IS-T	2.28	25	0.06	60
9	LP-6	2.28	3	0.01	10
10	LPEP	2.28	1	-	0
11	ISA	2.28	1	-	0
12	GH	2.28	3,439	7.86	7,860
13	SL/AL	0.00	0	0	0
14	L5-S	2.28	6	0.01	10
15	TOTAL PPUC		1,381,429	3,156	3,155,990
16	RES 66	2.28	10	0.02	20
17	RES 12	2.28	8	0.02	20
18	TOTAL RESALE		18	0.04	40
19	TOTAL SYSTEM		1,381,447	3,156	3,156,030

PPL ELECTRIC UTILITIES CORPORATION

ALLOCATOR CW4 FOR USE WITH LATE PAYMENTS (ACCOUNT 450)

ALLOCATOR CW5 FOR USE WITH UNCOLLECTIBLE ACCOUNTS (ACCOUNT 904)

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No.	RATE CLASS	LATE PAYMENTS CW4	LATE PAYMENTS PROPOSED LEVEL	ALLOCATOR CW5
1	RS/RTD	5,824	5,979	17,582
2	RTS	46	47	49
3	GS-1,BL	1,182	1,213	798
4	GS-3,IS-1	1,137	1,167	459
5	LP-4	417	428	40
6	ISP	21	22	-
7	LP-5	165	169	42
8	IST	26	27	0
9	LP-6	0	-	0
10	LPEP	0	-	0
11	ISA	0	-	0
12	GH	54	55	30
13	SL/AL	49	50	0
14	L5-S	1	1	0
15	TOTAL PPUC	8,923	9,159	19,000
16	RES66	0	0	
17	RES12	0	0	
18	TOTAL RESALE	0	0	
19	TOTAL	8,923	9,159	

PPL ELECTRIC UTILITIES CORPORATION

CUSTOMER DEPOSITS ALLOCATORS CW6 AND CW6A

CUSTOMER ADVANCES FOR CONSTRUCTION ALLOCATOR CW7

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007
($000)

Line No.	RATE CLASS	TRANSMISSION RELATED CUSTOMER DEPOSITS CW6A (1)	DISTRIBUTION RELATED CUSTOMER DEPOSITS CW6 (1)		CUSTOMER ADVANCES CW7 (2)
1	RS,RTD	0	7,253		0
2	RTS	0	39		0
3	GS-1,BL	0	3,524		146,207
4	GS-3,IS-1	0	4,240		22,524
5	LP-4	0	667		0
6	IS-P	0	40		0
7	LP-5	0	0		0
8	IS-T	0	0		0
9	LP-6	0	0		0
10	LPEP	0	0		0
11	ISA	317	0		0
12	GH	0	168		0
13	SL/AL	0	19		0
14	L5-S	0	0		0
15	TOTAL PPUC	317	15,950		168,731
16	RES 66	0	0		0
17	RES 12	0	0		0
18	TOTAL RESALE	0	0		0
19	TOTAL SYSTEM	317	15,950	16,267	168,731

SOURCE: (1) PER STUDY OF ACCOUNT 235 (CUSTOMER DEPOSITS)
(2) BASED ON NUMBER OF CUSTOMERS ON GS-1 AND GS-3

PPL ELECTRIC UTILITIES CORPORATION

SECONDARY CUSTOMER COMPONENT STUDY

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

Line No.		BASIC DATA	TOTAL SYSTEM	RS	RTS	GS-1,BL	GS-3,IS-1	GH	SL/AL
1	SINGLE PHASE EQUIVALENT CUSTOMERS		1,326,782	1,186,099	13,780	119,994	3,391	2,154	1,364
2	NETWORK EQUIVALENT CUSTOMERS		19,475	15,747	115	3,516	71	26	-
3	THREE PHASE EQUIVALENT CUSTOMERS		45,056	181	-	24,522	19,093	1,260	-
4	TOTAL EQUIVALENT CUSTOMERS		1,391,313	1,202,027	13,895	148,032	22,555	3,440	1,364
		CW8 - CUSTOMER COMPONENT ALLOCATOR FOR ACCOUNT 368 (LINE TRANSFORMERS CUSTOMER COMPONENT)							
		WEIGHTING FACTOR							
5	SINGLE PHASE CUSTOMERS	1.00	1,326,782	1,186,099	13,780	119,994	3,391	2,154	1,364
6	NETWORK EQUIVALENT CUSTOMERS	1.52	29,602	23,935	175	5,344	108	40	---
7	THREE PHASE CUSTOMERS	2.24	100,925	405	-	54,929	42,768	2,822	---
8	WEIGHTED ALLOCATOR		1,457,309	1,210,440	13,955	180,268	46,267	5,016	1,364
		CW9 - CUSTOMER COMPONENT ALLOCATOR FOR ACCOUNT 369 (SERVICES CUSTOMER COMPONENT)							
		WEIGHTING FACTOR							
9	SINGLE PHASE (3 WIRES)	1.000	1,325,418	1,186,099	13,780	119,994	3,391	2,154	---
10	NETWORK EQUIVALENT CUSTOMERS	1.725	33,594	27,164	198	6,065	122	45	---
11	THREE PHASE (4 WIRES)	1.725	77,722	312	-	42,300	32,935	2,174	---
12	WEIGHTED ALLOCATOR		1,436,734	1,213,575	13,978	168,360	36,449	4,372	-

PPL ELECTRIC UTILITIES CORPORATION

DETERMINATION OF ENERGY ALLOCATORS

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

Line No.	RATE CLASS	ANNUAL SALES MWH ES15	ANNUALIZATION ADJUSTMENT MWH	ANNUALIZED SALES CUSTOMER LEVEL MWH ES15A	GENERATION LEVEL MWH EG10
1	RS	13,344,145	383,432	13,727,577	15,020,018
2	RTS	363,492	(2,928)	360,563	394,510
3	GS-1,BL	1,924,499	(14,966)	1,909,533	2,089,314
4	GS-3,IS-1	8,566,841	62,794	8,629,635	9,442,108
5	LP-4	5,849,945	(48,478)	5,801,467	6,165,602
6	ISP	320,341	12,038	332,380	353,242
7	LP-5	3,053,220	(8,297)	3,044,923	3,140,483
8	IST	1,885,144	1,952	1,887,096	1,946,319
9	LP-6	427,174	2,603	429,777	443,265
10	LPEP	62,010	488	62,498	64,459
11	ISA	438,228	5,856	444,084	458,021
12	GH	336,399	(9,923)	326,476	357,213
13	SL/AL	112,250	(101,674)	10,576	11,572
14	L5-S	4,639	(2,115)	2,524	2,603
15	TOTAL PPUC	36,688,327	280,782	36,969,109	39,888,730

PPL ELECTRIC UTILITIES CORPORATION

DEMAND ALLOCATORS - MW
GENERATION LEVEL

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

Line No.	RATE CLASS	12-CP DEMANDS TRANSMISSION LEVEL	DEMAND ALLOCATOR AT THE PRIMARY LEVEL	RATE CLASS MAXIMUM DEMANDS	DEMAND ALLOCATOR AT THE SECONDARY LEVEL
		D10	D20		D30
1	RS	2,594,665	3,461,534	3,461,534	3,461,534
2	RTS	93,404	185,282	185,282	185,282
3	GS-1,BL	324,310	522,209	522,209	522,209
4	GS-3,IS-1	1,349,996	1,866,312	1,866,312	1,866,312
5	LP-4	871,408	1,101,623	1,101,623	0
6	ISP	46,716	57,060	57,060	0
7	LP-5	418,988	0	480,531	0
8	IST	232,544	0	256,637	0
9	LP-6	55,946	0	72,539	0
10	LPEP	23,338	0	42,322	0
11	ISA	59,884	0	101,598	0
12	GH	59,278	116,522	116,522	116,522
13	SL/AL	13,254	28,640	28,640	28,640
14	L5-S	823	0	19,032	0
15	TOTAL PPUC	6,144,573	7,339,182	8,311,841	6,180,499
16	RES 66	138,618	0	176,722	
17	RES 12	26,363	36,358	36,358	
18	TOTAL RESALE	164,981	36,358	213,080	
19	TOTAL SYSTEM	6,309,554	7,375,540	8,524,921	

PPL ELECTRIC UTILITIES CORPORATION

DEMAND ALLOCATORS - MW

AVERAGE & EXCESS RESPONSIBILITY METHOD

FOR COST ALLOCATION PURPOSES

12 MONTHS ENDED 12/31/2007

Line No.	RATE CLASS / ALLOCATOR	(1) GENERATION LEVEL ANNUAL ENERGY MWH	(2) AVERAGE ANNUAL DEMAND	(3) CLASS MAXIMUM DEMANDS(NCD)	(4) CLASS EXCESS (3) - (2)	(5) ADJUSTED CLASS EXCESS 1/	(6) AVERAGE & EXCESS (2) + (5) D10	(7) PRIMARY LEVEL D20
1	RS,RTD	15,020,018	1,714,614	3,461,534	1,746,920	1,352,569	3,067,183	3,067,183
2	RTS	394,510	45,035	185,282	140,247	108,588	153,623	153,623
3	GS-1,BL	2,089,314	238,506	522,209	283,703	219,660	458,166	458,166
4	GS-3,IS-1	9,442,108	1,077,866	1,866,312	788,446	610,462	1,688,328	1,688,328
5	LP-4	6,165,602	703,836	1,101,623	397,787	307,990	1,011,826	1,011,826
6	IS-P	353,242	40,324	57,060	16,736	12,958	53,282	53,282
7	LP-5	3,140,483	358,503	480,531	122,028	94,481	452,984	0
8	IS-T	1,946,319	222,183	256,637	34,454	26,676	248,859	0
9	LP-6	443,265	50,601	72,539	21,938	16,986	67,587	0
10	LPEP	64,459	7,358	42,322	34,964	27,071	34,429	0
11	ISA	458,021	52,285	101,598	49,313	38,181	90,466	0
12	GH	357,213	40,778	116,522	75,744	58,645	99,423	99,423
13	SL/AL	11,572	1,321	28,640	27,319	21,152	22,473	22,473
14	L5-S	2,603	297	19,032	18,735	14,506	14,803	0
15	TOTAL PPUC	39,888,730	4,553,507	8,311,841	3,758,334	2,909,925	7,463,432	6,554,304

1/ COLUMN 5 = COLUMN 4 RATIOED TO TOTAL THE DIFFERENCE
OF THE ANNUAL PEAK LESS TOTAL AVERAGE ANUUAL DEMAND

2007 VALUES

7,463,432	PEAK MONTH
4,553,507	AVERAGE DEMAND
2,909,925	EXCESS

PPLICA Statement No. 1

AUG 16 2007

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

DIRECT TESTIMONY
AND EXHIBITS
OF
STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

July 2007

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

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BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

DIRECT TESTIMONY OF STEPHEN J. BARON

I. QUALIFICATIONS AND SUMMARY

Q. Please state your name and business address.

A. My name is Stephen J. Baron. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. What is your occupation and by who are you employed?

A. I am the President and a Principal of Kennedy and Associates, a firm of utility rate, planning, and economic consultants in Atlanta, Georgia.

Q. Please describe briefly the nature of the consulting services provided by Kennedy and Associates.

A. Kennedy and Associates provides consulting services in the electric and gas utility industries. Our clients include state agencies and industrial electricity consumers. The firm provides expertise in system planning, load forecasting, financial analysis, cost-of-service, and rate design. Current clients include the Georgia and Louisiana Public Service Commissions, and industrial consumer groups throughout the United States.

Q. Please state your educational background.

A. I graduated from the University of Florida in 1972 with a B.A. degree with high honors in Political Science and significant coursework in Mathematics and Computer Science. In 1974, I received a Master of Arts Degree in Economics, also from the University of Florida. My areas of specialization were econometrics, statistics, and public utility economics. My thesis concerned the development of an econometric model to forecast electricity sales in the State of Florida, for which I received a grant from the Public Utility Research Center of the University of

Florida. In addition, I have advanced study and coursework in time series analysis and dynamic model building.

Q. Please describe your professional experience.

A. I have more than thirty years of experience in the electric utility industry in the areas of cost and rate analysis, forecasting, planning, and economic analysis.

Following the completion of my graduate work in economics, I joined the staff of the Florida Public Service Commission in August of 1974 as a Rate Economist. My responsibilities included the analysis of rate cases for electric, telephone, and gas utilities, as well as the preparation of cross-examination material and the preparation of staff recommendations.

In December 1975, I joined the Utility Rate Consulting Division of Ebasco Services, Inc. as an Associate Consultant. In the seven years I worked for Ebasco, I received successive promotions, ultimately to the position of Vice President of Energy Management Services of Ebasco Business Consulting Company. My responsibilities included the management of a staff of consultants engaged in providing services in the areas of econometric modeling, load and energy

forecasting, production cost modeling, planning, cost-of-service analysis, cogeneration, and load management.

I joined the public accounting firm of Coopers & Lybrand in 1982 as a Manager of the Atlanta Office of the Utility Regulatory and Advisory Services Group. In this capacity I was responsible for the operation and management of the Atlanta office. My duties included the technical and administrative supervision of the staff, budgeting, recruiting, and marketing as well as project management on client engagements. At Coopers & Lybrand, I specialized in utility cost analysis, forecasting, load analysis, economic analysis, and planning.

In January 1984, I joined the consulting firm of Kennedy and Associates as a Vice President and Principal. I became President of the firm in January 1991.

During the course of my career, I have provided consulting services to more than thirty utility, industrial, and Public Service Commission clients, including three international utility clients.

I have presented numerous papers and published an article entitled "How to Rate Load Management Programs" in the March 1979 edition of "Electrical World." My

article on "Standby Electric Rates" was published in the November 8, 1984 issue of "Public Utilities Fortnightly." In February of 1984, I completed a detailed analysis entitled "Load Data Transfer Techniques" on behalf of the Electric Power Research Institute, which published the study.

I have presented testimony as an expert witness in Arizona, Arkansas, Colorado, Connecticut, Florida, Georgia, Indiana, Kentucky, Louisiana, Maine, Michigan, Minnesota, Maryland, Missouri, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Texas, Virginia, West Virginia, Federal Energy Regulatory Commission and in United States Bankruptcy Court. A list of my specific regulatory appearances can be found in Baron Exhibit ____ (SJB-1).

Q. Have your previously presented testimony in PPL rate proceedings?

A. Yes. I have participated in six PPL rate proceedings before the Pennsylvania PUC since 1984, including PPL's restructuring proceeding in Docket No. R-973954 and PPL's 2004 distribution base rate proceeding at Docket No. R-00049255, together with the Remand proceeding at the same docket.

Q. On whose behalf are you testifying in this proceeding?

A. I am testifying on behalf of the PP&L Industrial Customer Alliance ("PPLICA"), a group of large industrial customers of PPL Electric Utilities Corporation ("PPL") who take service primarily on PPL Rate Schedules LP-4, LP-5, LP-6, IS-P and IS-T. I will refer to customers on these rate schedules generally as Large Commercial and Industrial or "Large C&I" customers.

Q. Would you please briefly describe the members of PPLICA who are participating in this rate proceeding?

A. There are nineteen PPLICA members who are participating in this rate proceeding and on whose behalf I am presenting testimony. These companies consume in excess of 2.2 billion kWhs annually on the PPL system. PPLICA member companies are major employers in the Commonwealth of Pennsylvania and contribute in a substantial manner to the overall economy of the state. This contribution includes not only direct benefits in the form of jobs to Pennsylvanians, but also includes the payment of corporate state income taxes, charitable and community development contributions and other activities which contribute to the overall well being of the citizens of the Commonwealth.

Q. What is the purpose of your testimony?

A. I am responding to the Company's proposals on the appropriate class cost of service methodology, the allocation of the requested revenue increase to rate schedules (revenue apportionment) and some proposed changes to tariff rules that will impact PPLICA members.

Specifically, I will respond to the testimony of PPL witness Joseph Kleha on class cost of service methodology. Mr. Kleha presents the results of the Company's class cost of service study using a minimum system approach to classify a portion of distribution costs as customer related. As in the 2004 PPL distribution rate case, I support the Company's methodology. I will also respond to the testimony of PPL witness Douglas Krall on the issue of the allocation of the approved revenue increase to rate schedule. Though PPL has proposed an approach to move class rates of return toward equality over two rate cases (this case and a subsequent case), the results of the Company's revenue apportionment proposed in its direct testimony continue to leave substantial dollar subsidies embedded in PPL's distribution rates. As I will discuss, PPLICA continues to support a 50% dollar subsidy reduction methodology, which will fully eliminate subsidies over two rate cases, but do so in a manner that reduces the dollar amount of the subsidy paid by PPL's commercial and industrial customers.

Finally, I will respond to PPL witness Oliver Kasper regarding proposed changes to tariff Rule 4A, which defines the character of service provided by PPL. The Company is proposing to dramatically eliminate its obligations to provide interconnections (service lines) to customers taking service at voltages of 69 kV or greater on Rate Schedules LP-5, IS-T, LP-6, ISA and LPEP.

Q. Would you summarize your recommendations in this proceeding?

A. Yes.

- **PPL is proposing to apportion the revenue increase approved in this case so that rate schedule rates of return move "half-way" towards full cost of service. PPLICA strongly agrees that moving PPL's distribution rates to full cost of service in this case and the next rate case is appropriate and is also consistent with the Commonwealth Court's decision in Lloyd.**

  However, a more appropriate methodology to achieve cost of service based rates in this case is to apportion the revenue increase in such a manner that "dollar subsidies" paid and received by each rate schedule are reduced by 50% from the levels in present distribution rates. In the next rate case, all subsidies would be eliminated, as rates are set at cost of service (equal rate of return). The Commission authorized revenue increase should be allocated based on PPLICA's proposed "50% dollar subsidy" methodology. By reducing dollar subsidies paid or received by each rate schedule by 50%, the PPLICA methodology specifically reflects gradualism.

- **PPL is proposing to change tariff Rule 4A by limiting its applicability to distribution customers taking service at voltages below 69 kV, which effectively excludes all customers on Rate Schedules LP-5, IS-T, LP-6, ISA and LPEP, or new or existing customers that require**

transmission voltage service, from this tariff rule. This change has potentially significant economic and service consequences to some customers and, contrary to statements by PPL, is not a clarification to the tariff. Rather it is a major reduction in the obligation of PPL to provide standard service to these customers by removing the Company's obligation to install service lines interconnecting the customer to the Company's transmission system. The proposal is not justified and should be rejected by the Commission.

II. CLASS COST OF SERVICE STUDY AND THE APPORTIONMENT OF THE REVENUE INCREASE TO RATE SCHEDULES

Q. Have you reviewed the Company's cost of service study in this case?

A. Yes. In general, I do not have objections to the Company's original filed cost of service study (Kleha Exhibit JMK-2) and believe that it is a reasonable basis upon which to make a determination of the appropriate allocation of any Commission authorized increase in distribution revenue requirements. The Company's study follows generally accepted methodologies to classify and allocate distribution costs to rate schedules and is consistent with methods discussed in the NARUC Electric Utility Cost Allocation manual. However, I do not necessarily agree with the supplemental cost of service study presented by Mr. Kleha (Exhibit JKK-2A) that reflects the results of the settlement of the remand of Docket No. R-00049255. My preliminary review of this cost of service study indicates that the estimated remand settlement revenue changes are not consistent with my understanding of the rate changes. I anticipate that these issues will be clarified upon further discovery, which has not yet been completed due to the abbreviated time between the Company's supplemental testimony and the submission of my testimony. As I will discuss below, I have developed an independent analysis of the impact of the remand settlement on the class cost of service study in this case and rely on this

analysis to develop my recommendations. In addition, the revised, (JMK-2A) Company's cost of service study at proposed revenues assumes the same "dollar" revenue increases that were proposed by PPL in its original filing. This implies a different set of proposed rates for each rate schedule then originally filed in this case (though the Company does not present these rates or any analysis supporting such revised proposed rates). PPL witness Kleha states in his supplemental testimony (Statement 6A) that the Company is not proposing a revision to proposed rates "at this time." As a result, the results of Exhibit JMK-2A under proposed rates are inconsistent with the proposed tariff rates submitted on March 29, 2007, in this case. In the analyses that I prepared and discuss subsequently, I have assumed that the original proposed PPL distribution rates remain applicable. If the Company subsequently revises these rates, I reserve the opportunity to respond to the revised proposal.

Q. Do you agree with the Company's use of a minimum size system methodology to classify distribution costs between customer and demand related costs?

A. Yes. As discussed by PPL witness Kleha, the Company has conducted an analysis of the transformers, lines and other equipment that is installed on the system to interconnect a customer to the Company's system. To the extent that PPL installs

certain minimum size components (for example, overhead or underground transformers) regardless of the size of the customer, these costs are reasonably classified as customer related and should be allocated to rate schedules based on the relative number of customers on each schedule. This approach reasonably recognizes the "cost causation" underlying distribution plant investment and should be used to allocate costs.

Q. What are the results of the Company's test year cost of service study (Exhibit JMK-2), with regard to class rates of return on distribution investment and the subsidies existing between rate classes?

A. Baron Exhibit ____(SJB-2) shows a summary of the Company's cost of service results for the test year under present rates and at the proposed rates recommended by PPL for distribution cost recovery in this case. It should be noted that I adjusted the cost of service results under "present" rates to reflect the impact of the agreed upon rate schedule revenue adjustments in the settlement of Docket No. R-00049255, "Remand." The proposed revenues for each rate schedule reflect the Company's original filing in this case and have not been adjusted since the settlement. Although the Company provided supplemental testimony reflecting its proposed implementation of the remand settlement on the cost of service results

(which, as I stated previously, I do not agree with), PPL did not modify its allocation of the distribution rate increase reflected in this case in that supplemental testimony.

The exhibit shows both the rate of return on distribution investment at present and proposed rates for each rate schedule as well as the dollar subsidy incorporated into present and proposed rates.

A negative value for the "present subsidy" means that this rate schedule is receiving a subsidy. A positive value indicates that the rate schedule is paying a subsidy. Table 1 summarizes the rates of return and the dollar subsidies for each rate schedule at present rates. Even with the original Commission approved revenue increases in Docket No. R-00049255 and the additional increases allocated to the residential class in the settlement of the remand proceeding, residential RS customers continue to receive an annual subsidy of $50 million from other rate schedules. The 4.07% rate of return paid by residential RS customers is substantially less than the average system rate of return paid by PPL's distribution customers.

Table 1
Rates of Return and Dollar Subsidies
at Present Rates*

Rate Class	Rate of Return	Present Subsidies
RS, RTD	4.07%	(49,972)
RTS	-3.90%	(7,140)
GS-1, BL	12.35%	20,525
GS-3, IS-1	12.06%	32,542
LP-4 *	12.83%	9,320
ISP *	18.61%	880
LP-5 *	10.61%	253
IST *	31.68%	385
LP-6	3.44%	(15)
LPEP	13.95%	118
ISA *	157.89%	530
GH	7.58%	576
SL/AL	0.56%	(7,993)
L5-S	1.11%	(9)
Total	6.13%	0

* Adjusted to reflect settlement in Doc. No. R-00049255

Q. Based on the information depicted on Table 1, do any rate schedules warrant special consideration to correct disparately high or low rates of return at present rates?

A. Yes. Rate Schedules IS-T and ISA obviously show much higher returns and should be provided with special consideration to address this unduly discriminatory situation. Rate Schedule RTS shows a negative return, which could be addressed through individualized analysis.

Q. How is the Company proposing to address this problem of continuing large subsidies in the majority of its distribution rates?

A. As discussed in the testimony of PPL witness Krall and Kasper, PPL has recognized that the Commonwealth Court Lloyd decision requires that the PPL's distribution rates reasonably reflect cost of service. The Court specifically found that cost of service is the "Polestar" for electric utility rate design and the apportionment of the approved revenue increase to rate schedules. The Company also recognizes that "gradualism" can be considered in this process.

Q. How does the Company propose to move distribution rates to cost of service?

A. PPL is proposing that the revenue increase approved in this case be apportioned to rate schedules so that each rate schedule's rate of return moves half-way (50%) towards the system average rate of return (at proposed rates). PPL then states that in its next distribution rate case, it would propose to move each rate schedule's rate of return fully to the system average rate of return. As previously discussed, the Company has not applied this methodology to calculate proposed rates based on the revised "present" rates that result from the remand settlement. As a result, it is not

clear what result the application of the Company's methodology will have in this case.

Q. Do you support the Company's proposal on this issue?

A. I agree with the Company's objectives of moving each rate schedule to full cost of service, while recognizing the principle of gradualism; however, I believe that a more appropriate method is to apportion the revenue increase among rate schedules in such a manner that 50% of the dollar subsidies are reduced in this case, with the remaining subsidies eliminated in the next distribution rate case.

As I discussed in previous PPL rate proceedings, the reduction in dollar subsidies paid or received by each rate schedule accomplishes the same ultimate objective as supported by the Company, but has the important advantage that the impact of the "adjustment" is directly reflected in the rates paid by customers. In many cases, apportioning a revenue increase to move rate schedule relative rates of return toward "1.0", which is the Company's recommended approach, can actually lead to increases in the dollar subsidies paid and received. In the original Commission approved distribution rates in Docket No. R-00049255, the subsidies received by the residential class actually increased by about $20 million, even though the rate

of return for the residential class moved closer to the system average rate of return. Apportioning the distribution revenue increase in a manner to specifically reduce dollar subsidies provides a direct impact on the "dollars" of rates paid by each rate schedule.[1]

Q. Does the PPLICA recommended "50% subsidy reduction" method to apportion the approved revenue increase reflect a consideration of the principle of "gradualism?"

A. Yes. By reducing dollar subsidies paid or received by each rate schedule by 50%, the PPLICA methodology specifically reflects gradualism. Under the PPLICA method, there continue to be dollar subsidies remaining in the Company's distribution rates. However, these subsidies should be fully eliminated in the next PPL distribution rate case.

Q. Does the Company's proposed revenue apportionment in this case adequately reduce the dollar subsidies paid and received by each rate schedule, at proposed rates?

[1] When rates are set at full cost of service, there are no dollar subsidies and the relative rates of return for each rate schedule are all equal to 1.0. Thus, following the next distribution rate case, rates should be the same under both PPL's method and the "50% subsidy reduction" method that I am recommending.

A. No. Table 2 shows the dollar subsidies at proposed rates that reflect the Company's recommendation in this case.[2] Table 2 also shows the percentage rate increases proposed for each rate schedule by the Company. Baron Exhibit__(SJB-3) shows the development of these rate schedule increases. Though PPL's proposal reduces dollar subsidies received by the residential class by 25% (in contrast to its recommendation in Docket No. R-00049255, in which the Company proposed an increase in the residential class subsidy), I continue to believe that a full 50% subsidy reduction in this case, with the remaining 50% reduction in the next case, is a more reasoned approach to the design of distribution rates.

[2] As noted previously, the present rates reflect the revenue impacts in the Remand case settlement in Docket No. R-00049255.

Table 2
PPL Proposed Revenue Increases and Subsidies*
($000)

Rate Class	PPL Proposed Subsidies	Revenue Increase*	Percent Increase
RS, RTD	(37,369)	67,038	17.4%
RTS	(8,071)	678	17.2%
GS-1, BL	16,355	3,301	4.5%
GS-3, IS-1	26,779	6,498	5.9%
LP-4 *	7,198	1,050	3.6%
ISP *	647	(85)	-4.8%
LP-5 *	561	437	41.7%
IST *	372	16	2.9%
LP-6	45	69	110.0%
LPEP	82	(1)	-0.2%
ISA *	528	(0)	0.0%
GH	878	1,200	18.6%
SL/AL	(8,004)	3,295	18.8%
L5-S	0	13	35.5%
Total w/o PRS	(0)	83,510	13.3%

* Adjusted to reflect settlement in Docket No. R-00049255 Remand

Q. Have you developed an analysis that apportions the revenue increase using a 50% subsidy reduction method?

A. Yes. Baron Exhibit__(SJB-4), schedules 1 and 2 develop the analysis. Schedule 1 of the exhibit shows the revenue apportionment of the Company's requested $83.5 million rate schedule increase that reduces the current subsidies paid and

received by 50%. The last column of the exhibit shows the rate of return for each rate schedule, following the increase.

As can be seen from this schedule, even after the reduction of 50% of the dollar subsidies, the rates of return for Rate Schedules IS-T and ISA are substantial. In addition, the revenue increase necessary to reduce the subsidies received by Rate Schedule RTS by 50% would result in a 131% rate increase, which is obviously not consistent with gradualism. As a result, I have made two adjustments to the increases shown in schedule 1. First, I have combined the increases for rate schedules RS, RTD and RTS to produce an equal percentage increase for these rates. Since rate RTS is very small, this has a minimal impact on the residential class results. The second adjustment that I made is to further reduce the distribution rates for Rate Schedules IS-T and ISA such that the final rate of return for these two schedules is equal to the LP-5 rate of return. Again, because of the small amount of distribution revenues paid by these two schedules, the impact of this adjustment on other rate schedules is minimal. Table 3 below shows the PPLICA recommended increases in this case, under the assumption that PPL receives its entire increase request.

Table 3
PPLICA Recommended Revenue Increases
"50% Subsidy Reduction Methodology"
($1000)

Rate Class	PPLICA Proposed Subsidies	Revenue Increase*	Percent Increase
RS, RTD	(20,521)	84,012	21.8%
RTS	(7,878)	861	21.8%
GS-1, BL	10,362	(2,755)	-3.8%
GS-3, IS-1	16,270	(3,950)	-3.6%
LP-4 *	4,724	(1,473)	-5.1%
ISP *	430	(292)	-16.5%
LP-5 *	129	3	0.3%
IST *	34	(317)	-55.8%
LP-6	(10)	17	26.8%
LPEP	61	(23)	-6.9%
ISA *	8	(514)	-97.6%
GH	297	615	9.5%
SL/AL	(3,903)	7,317	41.8%
L5-S	(4)	8	22.8%
Total	0	83,510	13.3%

* Adjusted to reflect settlement in Docket No. R-00049255 Remand

Q. If, as is likely from past cases, PPL receives less than its requested increase, how should the increases and decreases in Table 3 be adjusted?

A. First, the reduction should be used to provide targeted relief to those rate schedules that continue to show a disproportionately high return even with the 50% subsidy reduction. Specifically, Rate Schedules IS-T and ISA should be brought to a rate of return commensurate with Rate Schedules LP-5; this targeted

relief is included in my proposal and should be included in any alternate allocation adopted by the Commission in this matter.

Second, after the rate schedules with disproportionately high returns are addressed, the most appropriate method to scale back the PPLICA adjusted recommended increases would be to allocate the reduction from the Company's requested $83.5 million increase on the basis of each rate schedule's distribution rate base. Thus for example, if the Commission authorizes a $73.5 million revenue increase, the $10 million "reduction" from the Company's requested increase should be allocated on the basis of each rate schedule's distribution rate base. In this case, the residential class (rates RS, RTD and RTS), which has a distribution rate base of $1,321.699 million (out of a total retail distribution rate base of $2,022.966 million) would receive about 65% of the reduction, or a $6.5 million reduction from the PPLICA revenue increases shown in Table 3. Allocating the "reduction from the PPL requested revenue increase" on rate base preserves the rate of return relationships produced by the "50% subsidy reduction" apportionment methodology.

Q. Do you have any further comments on the allocation of the distribution rate increase?

A. Yes. As previously discussed, the Company has not yet applied its preferred methodology to reduce interclass subsidization to the new rates established in the remand settlement. If the Company continues to advocate for this approach in its rebuttal testimony, I reserve the opportunity to comment further on this topic.

III. TARIFF RULE CHANGES

Q. PPL witness Kasper discusses the Company's proposal to limit the applicability of tariff Rule 4A to distribution customers taking service below 69 kV. Do you have any comments on this proposal?

A. Yes. Tariff Rule 4 of PPL's tariff governs the "Supply of Service" and sets forth the basic obligations of PPL and each customer with regard to the interconnection of the customer to the Company's system. Rule 4A, which PPL proposes to change, addresses the "Characteristics of Service" and obligates the Company to supply service to the customer from the nearest available line at a voltage "not less than" the voltage specified in the rate schedule. Currently, the rule obligates PPL to provide service facilities up to 500 feet to all customers taking service on any of its rate schedules.

Q. What changes is the Company proposing to make to Rule 4A?

A. PPL is proposing to limit the applicability of this rule, which is the basic statement of the Company's interconnection obligation to its retail distribution customers, to only those customers taking service 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." This change explicitly excludes all of PPL's distribution customers on Rate Schedules LP-5, IST, LP-6, ISA and LPEP. There is no basis for this proposed change in the tariff.

Distribution customers on these high voltage rates have historically always been considered distribution customers of the Company. A substantial portion of the PPLICA members take service on these rates, and they pay distribution charges. Customers on Rate Schedule LP-5 are currently paying $0.261 per kW for a "Distribution Charge." The Company's proposed rule change is discriminatory on its surface and should be rejected.

Q. Does PPL have an obligation to provide reliable electric service to its customers on Rate Schedules LP-5, IST, LP-6, ISA and LPEP?

A. Yes. The fact that these customers take service at high voltage and do not use secondary and primary distribution facilities does not change the obligation of PPL to provide service to these customers under the regulations of the Commission. PPL still has an obligation to "connect and deliver" electricity for these customers, even after the generation rate cap expires, under Section

2807(e)(2) of the Public Utility Code. Pursuant to Section 2804(10), the Commission continues "to regulate distribution services for new and existing customers in accordance with [Chapter 28] and Chapter 13 (relating to rates and ratemaking)." With the proposed rule change eliminating the obligation of the Company to provide service to these customers, the protection afforded by the tariff and the concomitant regulatory oversight (with regard to the provision of service, as opposed to rates and charges for electricity) would effectively be denied to large customers on these rates. PPL would be given the opportunity to set the service extension charges and conditions, unilaterally, for the provision of service to new customers or expanding existing customers taking service on these rates. Alternatively, PPL's customers purchasing PUC-jurisdictional "distribution" service may be required to resort to the Federal Energy Regulatory Commission ("FERC") to address disputes regarding service extensions, and, perhaps even service reliability complaints.

Q. Based on your experience, why would a new or existing customer request service at 69 kV?

A. Large industrial customers typically conduct analyses to determine if it is economically and/or technically beneficial for the customer to own or lease its

own transformer facilities to step-down transmission voltages to the service voltage for their particular manufacturing process. A manufacturing facility may consist of a variety of machinery and equipment that use different service voltages. In these situations, the customer may actively manage its voltage through various transformers, breakers, switches, capacitors and other equipment. Taking service at 69 kV may result in better service reliability in some situations, such as when the customer's equipment is very sensitive to voltage fluctuations.

There also may be cost advantages. Customers that take service at transmission voltages are metered on the "high" side of the distribution transformer. In this case, the customer is billed for the transformation voltage losses (since this occurs on the customer's side of the meter). In exchange for the customer absorbing the transformation losses and the ownership costs of the distribution transformers, the customer is charged a lower cost for distribution service and a lower cost for energy and demand (due to the customer absorbing the losses, not the electric distribution company). Customers taking service at transmission voltage do not impose any distribution costs on the electric distribution company (except for metering). These "avoided" distribution costs include the cost for primary and secondary lines, primary and secondary poles, distribution substations (including transformers and structures) and secondary transformers.

New or existing large customers conduct the economic and, in some cases, technical, evaluation that considers the tradeoff between the ownership costs of distribution facilities (plus the customer absorbed losses due to "high" side metering), any technical advantages and the lower cost of service and corresponding distribution rate that is offered to transmission customers. For large, high load factor customers, there typically is a benefit to taking service at transmission voltage. Almost every utility in the U.S. offers customers the option of taking service at transmission voltage. PPL's Rule 4 modifications may effectively eliminate this option and deprive PPL's customers of these choices that are available to similarly situated customers in Pennsylvania and elsewhere.

Q. Has the Company provided any evidence that their proposed change to Rule 4A is justified?

A. No. PPL has simply requested Commission approval to make the change without any legitimate justification.

Q. On page 17, at line 20 of his testimony, Mr. Kasper states that the proposed rule change to eliminate its applicability to customers on Rate Schedules LP-

5, IST, LP-6, ISA and LPEP is a "clarification." Do you agree that this change represents a "clarification?"

A. No. The existing Rule 4A clearly applies to customers taking service on any of the Company's rate schedules. In fact, the current language of Rule 4A specifically includes the language "Where the rate schedule specifies service at 12,000 volts or higher..." This clearly includes customers on primary voltage rates at 12,470 and customers on Rate Schedules LP-5, IST, LP-6, ISA and LPEP taking service at 69,000 volts or higher. This change has potentially significant economic and service consequences to some customers; it is not a clarification to the tariff.

Q. Does the fact that PPL's current 69 kV facilities are included in its FERC rate base conclusively establish that the PUC does not have jurisdiction over service extensions requested by current or future distribution customers involving 69 kV facilities?

A. No. The Electricity Generation Customer Choice and Competition Act ("Competition Act") requires the Commission to continue to regulate distribution services for new and existing customers in accordance with Chapter 13 of the

Public Utility Code. Prior to enactment of the Competition Act, this obviously included the installation of 69 kV services for distribution customers when appropriate, as evidenced by the Company's long history of doing so and the existence of 144 current customers taking service on 69 kV service extensions. Nothing in the Competition Act appears to diminish the electric distribution companies' obligation to continue providing distribution service at comparable levels in the restructured regulatory environment. Moreover, if the current 69 kV services are not jurisdictional distribution service, then presumably any current customer served at 69 kV is converted to wholesale customer status and would not pay any more distribution charges, and possibly other charges such as the Competitive Transition Charge and Intangible Transition Charge.

Q. Does PPL propose any other changes to Rule 4?

A. Yes. The Company proposes to remove certain language from Rule 4C to "clarify" how PPL treats service extensions to customer facilities.

Q. Describe these "clarifying" changes to Rule 4C.

A. Currently, Rule 4C provides, in relevant part: "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 the Company's standards" subject to certain exceptions. One of these exceptions currently states, in part, that 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 facility." PPL seeks to eliminate the phrases "at or near the customer's property line" and "on his property."

Q. Do PPL's proposed changes raise any concerns for customers seeking service extensions?

A. Yes. The proposed changes appear to eliminate the Company's current obligation to use the distribution supply lines closest to a customer's property line when installing a service extension. The absence of such an obligation may increase the cost of installing a service line extension. Moreover, as modified, Rule 4C shifts to the customer the cost of all mechanical facilities necessary to accommodate the installation of the service extension, regardless of whether the mechanical facilities are on the customer's property.

Q. What are the implications of the Company's proposed changes to Tariff Rule 4C?

A. The Company's proposed changes will increase the costs of installing a service extension for customers and will provide the Company with guaranteed recovery of upgrade costs on an expedited basis, thus avoiding the need to include such costs in rate base. These proposals are not reasonable and should be rejected.

Q. Do you have any additional comments regarding the Company's proposed changes to Tariff Rule 4A?

A. Yes. In paragraph (7) the Company has added language that refers to an "Institutional Complex," but does not offer any definition of such a customer. In response to PPLICA Set II, Question No. 4, the Company provides the following definition: "A premise with more than two electric services to separate buildings under the control of a single customer, and with limited access, is considered to be an institutional complex." Situations can exist where a large customer with a single building desires two points of delivery. It is unclear whether this change would eliminate this option, or whether alternate service can continue to be requested by non-institutional complexes under Rule 4D. At a minimum, the

proposed change to Rule 4 should incorporate a definition of the term "institutional complex" so that there is no confusion as to the applicability of Rule 4A(7). In addition, to the extent that this change in any way reduces PPL's obligation to provide distribution service (and thus results in a shifting of costs from the Company to an individual customer), this change may be inconsistent with the provisions of the Competition Act.

Q. Does that complete your Direct Testimony?

A. Yes.

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

EXHIBITS

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

EXHIBIT__(SJB-1)

OF

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ON BEHALF OF

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J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
4/81	203(B)	KY	Louisville Gas & Electric Co.	Louisville Gas & Electric Co.	Cost-of-service.
4/81	ER-81-42	MO	Kansas City Power & Light Co.	Kansas City Power & Light Co.	Forecasting.
6/81	U-1933	AZ	Arizona Corporation Commission	Tucson Electric Co.	Forecasting planning.
2/84	8924	KY	Airco Carbide	Louisville Gas & Electric Co.	Revenue requirements, cost-of-service, forecasting, weather normalization.
3/84	84-038-U	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Excess capacity, cost-of-service, rate design.
5/84	830470-EI	FL	Florida Industrial Power Users' Group	Florida Power Corp.	Allocation of fixed costs, load and capacity balance, and reserve margin. Diversification of utility.
10/84	84-199-U	AR	Arkansas Electric Energy Consumers	Arkansas Power and Light Co.	Cost allocation and rate design.
11/84	R-842651	PA	Lehigh Valley Power Committee	Pennsylvania Power & Light Co.	Interruptible rates, excess capacity, and phase-in.
1/85	85-65	ME	Airco Industrial Gases	Central Maine Power Co.	Interruptible rate design.
2/85	I-840381	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	Load and energy forecast.
3/85	9243	KY	Alcan Aluminum Corp., et al.	Louisville Gas & Electric Co.	Economics of completing fossil generating unit.
3/85	3498-U	GA	Attorney General	Georgia Power Co.	Load and energy forecasting, generation planning economics.
3/85	R-842632	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Generation planning economics, prudence of a pumped storage hydro unit.
5/85	84-249	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Cost-of-service, rate design return multipliers.
5/85		City of Santa	Chamber of Commerce	Santa Clara Municipal	Cost-of-service, rate design.

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Date	Case	Jurisdict.	Party	Utility	Subject
6/85	84-768-E-42T	Clara WV	West Virginia Industrial Intervenors	Monongahela Power Co.	Generation planning economics, prudence of a pumped storage hydro unit.
6/85	E-7 Sub 391	NC	Carolina Industrials (CIGFUR III)	Duke Power Co.	Cost-of-service, rate design, interruptible rate design.
7/85	29046	NY	Industrial Energy Users Association	Orange and Rockland Utilities	Cost-of-service, rate design.
10/85	85-043-U	AR	Arkansas Gas Consumers	Arkla, Inc.	Regulatory policy, gas cost-of-service, rate design.
10/85	85-63	ME	Airco Industrial Gases	Central Maine Power Co.	Feasibility of interruptible rates, avoided cost.
2/85	ER-8507698	NJ	Air Products and Chemicals	Jersey Central Power & Light Co.	Rate design.
3/85	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Optimal reserve, prudence, off-system sales guarantee plan.
2/86	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Optimal reserve margins, prudence, off-system sales guarantee plan.
3/86	85-299U	AR	Arkansas Electric Energy Consumers	Arkansas Power & Light Co.	Cost-of-service, rate design, revenue distribution.
3/86	85-726-EL-AIR	OH	Industrial Electric Consumers Group	Ohio Power Co.	Cost-of-service, rate design, interruptible rates.
5/86	86-081-E-GI	WV	West Virginia Energy Users Group	Monongahela Power Co.	Generation planning economics, prudence of a pumped storage hydro unit.
8/86	E-7 Sub 408	NC	Carolina Industrial Energy Consumers	Duke Power Co.	Cost-of-service, rate design, interruptible rates.
10/86	U-17378	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Excess capacity, economic analysis of purchased power.
12/86	38063	IN	Industrial Energy Consumers	Indiana & Michigan Power Co.	Interruptible rates.

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Date	Case	Jurisdict.	Party	Utility	Subject
3/87	EL-86-53-001 EL-86-57-001	Federal Energy Regulatory Commission (FERC)	Louisiana Public Service Commission Staff	Gulf States Utilities, Southern Co.	Cost/benefit analysis of unit power sales contract.
4/87	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Load forecasting and imprudence damages, River Bend Nuclear unit.
5/87	87-023-E-C	WV	Airco Industrial Gases	Monongahela Power Co.	Interruptible rates.
5/87	87-072-E-G1	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Analyze Mon Power's fuel filing and examine the reasonableness of MP's claims.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Economic dispatching of pumped storage hydro unit.
5/87	9781	KY	Kentucky Industrial Energy Consumers	Louisville Gas & Electric Co.	Analysis of impact of 1986 Tax Reform Act.
6/87	3673-U	GA	Georgia Public Service Commission	Georgia Power Co.	Economic prudence, evaluation of Vogtle nuclear unit - load forecasting, planning.
6/87	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in plan for River Bend Nuclear unit.
7/87	85-10-22	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Methodology for refunding rate moderation fund.
8/87	3673-U	GA	Georgia Public Service Commission	Georgia Power Co.	Test year sales and revenue forecast.
9/87	R-850220	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Excess capacity, reliability of generating system.
10/87	R-870651	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Interruptible rate, cost-of-service, revenue allocation, rate design.
10/87	I-860025	PA	Pennsylvania Industrial Intervenors		Proposed rules for cogeneration, avoided cost, rate recovery.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/87	E-015/ GR-87-223	MN	Taconite Intervenors	Minnesota Power & Light Co.	Excess capacity, power and cost-of-service, rate design.
10/87	8702-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue forecasting, weather normalization.
12/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light Power Co.	Excess capacity, nuclear plant phase-in.
3/88	10064	KY	Kentucky Industrial Energy Consumers	Louisville Gas & Electric Co.	Revenue forecast, weather normalization rate treatment of cancelled plant.
3/88	87-183-TF	AR	Arkansas Electric Consumers	Arkansas Power & Light Co.	Standby/backup electric rates.
5/88	870171C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Cogeneration deferral mechanism, modification of energy cost recovery (ECR).
6/88	870172C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Cogeneration deferral mechanism, modification of energy cost recovery (ECR).
7/88	88-171-EL-AIR 88-170-EL-AIR Interim Rate Case	OH	Industrial Energy Consumers	Cleveland Electric/ Toledo Edison	Financial analysis/need for interim rate relief.
7/88	Appeal of PSC	19th Judicial Docket U-17282	Louisiana Public Service Commission Circuit Court of Louisiana	Gulf States Utilities	Load forecasting, imprudence damages.
11/88	R-880989	PA	United States Steel	Carnegie Gas	Gas cost-of-service, rate design.
11/88	88-171-EL-AIR 88-170-EL-AIR	OH	Industrial Energy Consumers	Cleveland Electric/ Toledo Edison. General Rate Case.	Weather normalization of peak loads, excess capacity, regulatory policy.
3/89	870216/283 284/286	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power Co.	Calculated avoided capacity, recovery of capacity payments.

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Date	Case	Jurisdict.	Party	Utility	Subject
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cost-of-service, rate design.
8/89	3840-U	GA	Georgia Public Service Commission	Georgia Power Co.	Revenue forecasting, weather normalization.
9/89	2087	NM	Attorney General of New Mexico	Public Service Co. of New Mexico	Prudence - Palo Verde Nuclear Units 1, 2 and 3, load forecasting.
10/89	2262	NM	New Mexico Industrial Energy Consumers	Public Service Co. of New Mexico	Fuel adjustment clause, off-system sales, cost-of-service, rate design, marginal cost.
11/89	38728	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	Excess capacity, capacity equalization, jurisdictional cost allocation, rate design, interruptible rates.
1/90	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Jurisdictional cost allocation, O&M expense analysis.
5/90	890366	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Non-utility generator cost recovery.
6/90	R-901609	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power Co.	Allocation of QF demand charges in the fuel cost, cost-of-service, rate design.
9/90	8278	MD	Maryland Industrial Group	Baltimore Gas & Electric Co.	Cost-of-service, rate design, revenue allocation.
12/90	U-9346 Rebuttal	MI	Association of Businesses Advocating Tariff Equity	Consumers Power Co.	Demand-side management, environmental externalities.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, jurisdictional allocation.
12/90	90-205	ME	Airco Industrial Gases	Central Maine Power Co.	Investigation into interruptible service and rates.
1/91	90-12-03 Interim	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Interim rate relief, financial analysis, class revenue allocation.

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Date	Case	Jurisdict.	Party	Utility	Subject
5/91	90-12-03 Phase II	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Revenue requirements, cost-of-service, rate design, demand-side management.
8/91	E-7, SUB SUB 487	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Revenue requirements, cost allocation, rate design, demand-side management.
8/91	8341 Phase I	MD	Westvaco Corp.	Potomac Edison Co.	Cost allocation, rate design, 1990 Clean Air Act Amendments.
8/91	91-372 EL-UNC	OH	Armco Steel Co., L.P.	Cincinnati Gas & Electric Co.	Economic analysis of cogeneration, avoid cost rate.
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Economic analysis of proposed CWIP Rider for 1990 Clean Air Act Amendments expenditures.
9/91	91-231 -E-NC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Economic analysis of proposed CWIP Rider for 1990 Clean Air Act Amendments expenditures.
10/91	8341 - Phase II	MD	Westvaco Corp.	Potomac Edison Co.	Economic analysis of proposed CWIP Rider for 1990 Clean Air Act Amendments expenditures.
10/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Results of comprehensive management audit.
Note: No testimony was prefiled on this.					
11/91	U-17949 Subdocket A	LA	Louisiana Public Service Commission Staff	South Central Bell Telephone Co. and proposed merger with Southern Bell Telephone Co.	Analysis of South Central Bell's restructuring and
12/91	91-410-EL-AIR	OH	Armco Steel Co., Air Products & Chemicals, Inc.	Cincinnati Gas & Electric Co.	Rate design, interruptible rates.
12/91	P-880286	PA	Armco Advanced Materials Corp., Allegheny Ludlum Corp.	West Penn Power Co.	Evaluation of appropriate avoided capacity costs - QF projects.

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Date	Case	Jurisdict.	Party	Utility	Subject
1/92	C-913424	PA	Duquesne Interruptible Complainants	Duquesne Light Co.	Industrial interruptible rate.
6/92	92-02-19	CT	Connecticut Industrial Energy Consumers	Yankee Gas Co.	Rate design.
8/92	2437	NM	New Mexico Industrial Intervenors	Public Service Co. of New Mexico	Cost-of-service.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Cost-of-service, rate design, energy cost rate.
9/92	39314	ID	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	Cost-of-service, rate design, energy cost rate, rate treatment.
10/92	M-00920312 C-007	PA	The GPU Industrial Intervenors	Pennsylvania Electric Co.	Cost-of-service, rate design, energy cost rate, rate treatment.
12/92	U-17949	LA	Louisiana Public Service Commission Staff	South Central Bell Co.	Management audit.
12/92	R-00922378	PA	Armco Advanced Materials Co. The WPP Industrial Intervenors	West Penn Power Co.	Cost-of-service, rate design, energy cost rate, SO_2 allowance rate treatment.
1/93	8487	MD	The Maryland Industrial Group	Baltimore Gas & Electric Co.	Electric cost-of-service and rate design, gas rate design (flexible rates).
2/93	E002/GR-92-1185	MN	North Star Steel Co. Praxair, Inc.	Northern States Power Co.	Interruptible rates.
4/93	EC92 21000 ER92-806-000 (Rebuttal)	Federal Energy Regulatory Commission	Louisiana Public Service Commission Staff	Gulf States Utilities/Entergy agreement.	Merger of GSU into Entergy System; impact on system
7/93	93-0114-E-C	WV	Airco Gases	Monongahela Power Co.	Interruptible rates.
8/93	930759-EG	FL	Florida Industrial Power Users' Group	Generic - Electric Utilities	Cost recovery and allocation of DSM costs.
9/93	M-009 30406	PA	Lehigh Valley Power Committee	Pennsylvania Power & Light Co.	Ratemaking treatment of off-system sales revenues.

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As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
11/93	346	KY	Kentucky Industrial Utility Customers	Generic - Gas Utilities	Allocation of gas pipeline transition costs - FERC Order 636.
12/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Nuclear plant prudence, forecasting, excess capacity.
4/94	E-015/ GR-94-001	MN	Large Power Intervenors	Minnesota Power Co.	Cost allocation, rate design, rate phase-in plan.
5/94	U-20178	LA	Louisiana Public Service Commission	Louisiana Power & Light Co.	Analysis of least cost integrated resource plan and demand-side management program.
7/94	R-00942986	PA	Armco, Inc.; West Penn Power Industrial Intervenors	West Penn Power Co.	Cost-of-service, allocation of rate increase, rate design, emission allowance sales, and operations and maintenance expense.
7/94	94-0035-E-42T	WV	West Virginia Energy Users Group	Monongahela Power Co.	Cost-of-service, allocation of rate increase, and rate design.
8/94	EC94 13-000	Federal Energy Regulatory Commission	Louisiana Public Service Commission	Gulf States Utilities/Entergy	Analysis of extended reserve shutdown units and violation of system agreement by Entergy.
9/94	R-00943 081 R-00943 081C0001	PA	Lehigh Valley Power Committee	Pennsylvania Public Utility Commission	Analysis of interruptible rate terms and conditions, availability.
9/94	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Evaluation of appropriate avoided cost rate.
9/94	U-19904	LA	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements.
10/94	5258-U	GA	Georgia Public Service Commission	Southern Bell Telephone & Telegraph Co.	Proposals to address competition in telecommunication markets.
11/94	EC94-7-000 ER94-898-000	FERC	Louisiana Public Service Commission	El Paso Electric and Central and Southwest	Merger economics, transmission equalization hold harmless proposals.
2/95	941-430EG	CO	CF&I Steel, L.P.	Public Service Company of Colorado	Interruptible rates, cost-of-service.

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Cost-of-service, allocation of rate increase, rate design, interruptible rates.
6/95	C-00913424 C-00946104	PA	Duquesne Interruptible Complainants	Duquesne Light Co.	Interruptible rates.
8/95	ER95-112 -000	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Open Access Transmission Tariffs - Wholesale.
10/95	U-21485	LA	Louisiana Public Service Commission	Gulf States Utilities Company	Nuclear decommissioning, revenue requirements, capital structure.
10/95	ER95-1042 -000	FERC	Louisiana Public Service Commission	System Energy Resources, Inc.	Nuclear decommissioning, revenue requirements.
10/95	U-21485	LA	Louisiana Public Service Commission	Gulf States Utilities Co.	Nuclear decommissioning and cost of debt capital, capital structure.
11/95	I-940032	PA	Industrial Energy Consumers of Pennsylvania	State-wide - all utilities	Retail competition issues.
7/96	U-21496	LA	Louisiana Public Service Commission	Central Louisiana Electric Co.	Revenue requirement analysis.
7/96	8725	MD	Maryland Industrial Group	Baltimore Gas & Elec. Co., Potomac Elec. Power Co., Constellation Energy Co.	Ratemaking issues associated with a Merger.
8/96	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Revenue requirements.
9/96	U-22092	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Decommissioning, weather normalization, capital structure.
2/97	R-973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Competitive restructuring policy issues, stranded cost, transition charges.
6/97	Civil Action No. 94-11474	US Bank-ruptcy Court Middle District of Louisiana	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Confirmation of reorganization plan; analysis of rate paths produced by competing plans.

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
6/97	R-973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Retail competition issues, rate unbundling, stranded cost analysis.
6/97	8738	MD	Maryland Industrial Group	Generic	Retail competition issues
7/97	R-973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Retail competition issues, rate unbundling, stranded cost analysis.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big River Electric Corp.	Analysis of cost of service issues - Big Rivers Restructuring Plan
10/97	R-974008	PA	Metropolitan Edison Industrial Users	Metropolitan Edison Co.	Retail competition issues, rate unbundling, stranded cost analysis.
10/97	R-974009	PA	Pennsylvania Electric Industrial Customer	Pennsylvania Electric Co.	Retail competition issues, rate unbundling, stranded cost analysis.
11/97	U-22491	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Decommissioning, weather normalization, capital structure.
11/97	P-971265	PA	Philadelphia Area Industrial Energy Users Group	Enron Energy Services Power, Inc./ PECO Energy	Analysis of Retail Restructuring Proposal.
12/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Retail competition issues, rate unbundling, stranded cost analysis.
12/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Retail competition issues, rate unbundling, stranded cost analysis.
3/98 (Allocated Stranded Cost Issues)	U-22092	LA	Louisiana Public Service Commission	Gulf States Utilities Co.	Retail competition, stranded cost quantification.
3/98	U-22092		Louisiana Public Service Commission	Gulf States Utilities, Inc.	Stranded cost quantification, restructuring issues.
9/98	U-17735		Louisiana Public Service Commission	Cajun Electric Power Cooperative, Inc.	Revenue requirements analysis, weather normalization.
12/98	8794	MD	Maryland Industrial Group and	Baltimore Gas and Electric Co.	Electric utility restructuring, stranded cost recovery, rate

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
			Millennium Inorganic Chemicals Inc.		unbundling.
12/98	U-23358	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning, weather normalization, Entergy System Agreement.
5/99 (Cross-Answering Testimony)	EC-98-40-000	FERC	Louisiana Public Service Commission	American Electric Power Co. & Central South West Corp.	Merger issues related to market power mitigation proposals.
5/99 (Response Testimony)	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Performance based regulation, settlement proposal issues, cross-subsidies between electric. gas services.
6/99	98-0452	WV	West Virginia Energy Users Group	Appalachian Power, Monongahela Power, & Potomac Edison Companies	Electric utility restructuring, stranded cost recovery, rate unbundling.
7/99	99-03-35	CT	Connecticut Industrial \Energy Consumers	United Illuminating Company	Electric utility restructuring, stranded cost recovery, rate unbundling.
7/99	Adversary Proceeding No. 98-1065	U.S. Bankruptcy Court	Louisiana Public Service Commission	Cajun Electric Power Cooperative	Motion to dissolve preliminary injunction.
7/99	99-03-06	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Electric utility restructuring, stranded cost recovery, rate unbundling.
10/99	U-24182	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning, weather normalization, Entergy System Agreement.
12/99	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative, Inc.	Ananlysi of Proposed Contract Rates, Market Rates.
03/00	U-17735	LA	Louisiana Public Service Commission	Cajun Electric Power Cooperative, Inc.	Evaluation of Cooperative Power Contract Elections
03/00	99-1658-EL-ETP	OH	AK Steel Corporation	Cincinnati Gas & Electric Co.	Electric utility restructuring, stranded cost recovery, rate Unbundling.

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
08/00	98-0452 E-GI	WVA	West Virginia Energy Users Group	Appalachian Power Co. American Electric Co.	Electric utility restructuring rate unbundling.
08/00	00-1050 E-T 00-1051-E-T	WVA	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Electric utility restructuring rate unbundling.
10/00	SOAH 473- 00-1020 PUC 2234	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges And Universities	TXU, Inc.	Electric utility restructuring rate unbundling.
12/00	U-24993	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning, revenue requirements.
12/00	EL00-66- 000 & ER-2854-000 EL95-33-002	LA	Louisiana Public Service Commission	Entergy Services Inc.	Inter-Company System Agreement: Modifications for retail competition, interruptible load.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Addressing Contested Issues	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Jurisdictional Business Separation - Texas Restructuring Plan
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Test year revenue forecast.
11/01	U-25687	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Nuclear decommissioning requirements transmission revenues.
11/01	U-25965	LA	Louisiana Public Service Commission	Generic .	Independent Transmission Company ("Transco"). RTO rate design.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Company	Retail cost of service, rate design, resource planning and demand side management.
06/02	U-25965	LA	Louisiana Public Service Commission	Entergy Gulf States Entergy Louisiana	RTO Issues
07/02	U-21453	LA	Louisiana Public Service Commission	SWEPCO, AEP	Jurisdictional Business Sep. - Texas Restructuring Plan.

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
08/02	U-25888	LA	Louisiana Public Service Commission	Entergy Louisiana, Inc. Entergy Gulf States, Inc.	Modifications to the Inter-Company System Agreement, Production Cost Equalization.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services Inc. and the Entergy Operating Companies	Modifications to the Inter-Company System Agreement, Production Cost Equalization.
11/02	02S-315EG	CO	CF&I Steel & Climax Molybdenum Co.	Public Service Co. of Colorado	Fuel Adjustment Clause
01/03	U-17735	LA	Louisiana Public Service Commission	Louisiana Coops	Contract Issues
02/03	02S-594E	CO	Cripple Creek and Victor Gold Mining Co.	Aquila, Inc.	Revenue requirements, purchased power.
04/03	U-26527	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Weather normalization, power purchase expenses, System Agreement expenses.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission Staff	Entergy Services, Inc. and the Entergy Operating Companies	Proposed modifications to System Agreement Tariff MSS-4.
11/03	ER03-583-000 ER03-583-001 ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001 ER03-682-002	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Market-ing, L.P, and Entergy Power, Inc.	Evaluation of Wholesale Purchased Power Contracts.
12/03	U-27136	LA	Louisiana Public Service Commission	Entergy Louisiana, Inc.	Evaluation of Wholesale Purchased Power Contracts.
01/04	E-01345-03-0437	AZKroger Company	Arizona Public Service Co.	Revenue allocation rate design.	
02/04	00032071	PA	Duquesne Industrial Intervenors	Duquesne Light Company	Provider of last resort issues.
03/04	03A-436E	CO	CF&I Steel, LP and Climax Molybedenum	Public Service Company of Colorado	Purchased Power Adjustment Clause.

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
04/04	2003-00433 2003-00434	PA	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. Kentucky Utilities Co.	Cost of Service Rate Design
0-6/04	03S-539E	CO	Cripple Creek, Victor Gold Mining Co., Goodrich Corp., Holcim (U.S.,), Inc., and The Trane Co.	Aquila, Inc.	Cost of Service, Rate Design Interruptible Rates
06/04	R-00049255	PA	PP&L Industrial Customer Alliance PPLICA	PPL Electric Utilities Corp.	Cost of service, rate design, tariff issues and transmission service charge.
10/04	04S-164E	CO	CF&I Steel Company, Climax Mines	Public Service Company of Colorado	Cost of service, rate design, Interruptible Rates.
03/05	Case No. 2004-00426 Case No. 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Louisville Gas & Electric Co.	Environmental cost recovery.
06/05	050045-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Company	Retail cost of service, rate design
07/05	U-28155	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc. Entergy Gulf States, Inc.	Independent Coordinator of Transmission – Cost/Benefit
09/05	Case Nos. 05-0402-E-CN 05-0750-E-PC	WVA	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Environmental cost recovery, Securitization, Financing Order
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Cost of service, rate design, transmission expenses. Congestion Cost Recovery Mechanism
03/06	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Separation of EGSI into Texas and Louisiana Companies.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Transmission Prudence Investigation
06/06	R-00061346 C0001-0005	PA	Duquesne Industrial Intervenors & IECPA	Duquesne Light Co.	Cost of Service, Rate Design, Transmission Service Charge, Tariff Issues
06/06	R-00061366 R-00061367 P-00062213 P-00062214		Met-Ed Industrial Energy Users Group and Penelec Industrial Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Generation Rate Cap, Transmission Service Charge, Cost of Service, Rate Design, Tariff Issues
07/06	U-22092 Sub-J	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Separation of EGSI into Texas and Louisiana Companies.

Expert Testimony Appearances
of
Stephen J. Baron
As of June 2007

Date	Case	Jurisdict.	Party	Utility	Subject
07/06	Case No. 2006-00130 Case No. 2006-00129	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Louisville Gas & Electric Co.	Environmental cost recovery.
08/06	Case No. PUE-2006-00065	VA	Old Dominion Committee For Fair Utility Rates	Appalachian Power Co.	Cost Allocation, Allocation of Revenue Incr, Off-System Sales margin rate treatment
11/06	Doc. No. 97-01-15RE02	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power United Illuminating	Rate unbundling issues.
01/07	Case No. 06-0960-E-42T	WV	West Virginia Energy Users Group	Mon Power Co. Potomac Edison Co.	Retail Cost of Service Revenue apportionment
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. Entergy Louisiana, LLC	Implementation of FERC Decision Jurisdictional & Rate Class Allocation
05/07	Case No. 07-63-EL-UNC	OH	Ohio Energy Group	Ohio Power, Columbus Southern Power	Environmental Surcharge Rate Design
05/07	R-00049255 Remand	PA	PP&L Industrial Customer Alliance PPLICA	PPL Electric Utilities Corp.	Cost of service, rate design, tariff issues and transmission service charge.

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

EXHIBIT__(SJB-2)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

PPL Electric Utilities Corporation
Summary of Subsidies - Present and PPL Proposed Rates
(Adjusted for Remand Case Settlement in Docket No. R-00049255)

	Rate Class	(1) Rate Base	(2) Present Return	(3) Present Rate of Return	(4) Present Subsidy	(5) PPL Proposed Return	(6) Proposed Rate of Return	(7) PPL Proposed Subsidy	(8) % Change in Subsidy
1	RS	1,321,699	53,801	4.07%	(49,972)	90,137	6.82%	(37,369)	-25.2%
2	RTS	38,737	(1,512)	-3.90%	(7,140)	(1,155)	-2.98%	(8,071)	13.0%
3	GS-1	179,448	22,169	12.35%	20,525	23,901	13.32%	16,355	-20.3%
4	GS-3	298,479	36,004	12.06%	32,542	39,524	13.24%	26,779	-17.7%
5	LP-4	75,648	9,709	12.83%	9,320	10,241	13.54%	7,198	-22.8%
6	ISP	3,836	714	18.61%	880	673	17.54%	647	-26.4%
7	LP-5	3,072	326	10.61%	253	562	18.29%	561	121.8%
8	IST	820	260	31.68%	385	271	33.05%	372	-3.4%
9	LP-6	294	10	3.44%	(15)	49	16.67%	45	-409.0%
10	LPEP	821	115	13.95%	118	113	13.76%	82	-30.9%
11	ISA	190	300	157.89%	530	303	159.47%	528	-0.4%
12	GH	21,654	1,641	7.58%	576	2,288	10.57%	878	52.3%
13	SL/AL	78,174	440	0.56%	(7,993)	2,178	2.79%	(8,004)	0.1%
14	L5-S	94	1	1.11%	(9)	8	8.51%	0	-103.0%
15	Total	2,022,966	123,977	6.13%	0	169,093	8.36%	(0)	

Gross Revenue Conversion Factor (calculated from Exh Future 1, Sch D-13, p.5 of 6 - 83573/45487) 1.83729

Baron Exhibit__(SJB-2)

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

EXHIBIT__(SJB-3)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

PPL Electric Utilities Corporation
Summary of Distribution Rate Increases under PPL Proposed Rates*
Excludes Revenue Annualization, Other Revenue Increases, STAS

Rate Class	Distribution Revenues	USR Revenues	EER Revenues	(1) Present Distribution Revenues	Distribution Revenues	USR Revenues	EER Revenues	(2) Proposed Distribution Revenue	(3) Increase	(4) Percent Increase
RS, RTD	365,177	20,475	-	385,651	422,697	27,629	2,363	452,689	67,038	17.4%
RTS	3,756	195	-	3,951	4,339	267	23	4,629	678	17.2%
GS-1	72,974	-	-	72,974	75,804	-	471	76,275	3,301	4.5%
GS-3	109,981	-	-	109,981	116,479	-	-	116,479	6,498	5.9%
LP-4 **	28,861	-	-	28,861	29,911	-	-	29,911	1,050	3.6%
ISP **	1,765	-	-	1,765	1,681	-	-	1,681	(85)	-4.8%
LP-5 **	1,047	-	-	1,047	1,484	-	-	1,484	437	41.7%
IST **	567	-	-	567	583	-	-	583	16	2.9%
LP-6	63	-	-	63	131	-	-	131	69	110.0%
LPEP	331	-	-	331	330	-	-	330	(1)	-0.2%
ISA **	527	-	-	527	527	-	-	527	(0)	0.0%
GH	6,451	-	-	6,451	7,651	-	-	7,651	1,200	18.6%
SL/AL	17,492	-	-	17,492	20,786	-	-	20,786	3,295	18.8%
L5-S	36	-	-	36	49			49	13	35.5%
Total w/o PRS	609,027	20,670	-	629,696	682,453	27,896	2,857	713,206	83,510	13.3%
PRS	421	-	-	421	421			421	-	0.0%
Total w/o PRS	609,448	20,670	-	630,118	682,874	27,896	2,857	713,627	83,510	13.3%

* Adjusted for Settlement in Docket No. R-00049255 Remand.
** Excludes revenues from PRS which are included in COSS revenues

Baron Exhibit__(SJB-3)

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

EXHIBIT__(SJB-4)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

PPL Electric Utilities Corporation
Summary of Increases required to reduce Present Rate subsidies by 50% at Proposed Rates

Rate Class	Present Distribution Revenues	Present Subsidy	50% of Present Subsidy	Increase @ Equal ROR	Increase with 50% Subsidy	Proposed Distribution Revenue	Percent Increase	Rate of Return
RS, RTD	385,651	(49,972)	(24,986)	104,407	79,421	465,073	20.6%	7.34%
RTS	3,951	(7,140)	(3,570)	8,749	5,179	9,130	131.1%	3.37%
GS-1	72,974	20,525	10,262	(13,054)	(2,791)	70,183	-3.8%	11.51%
GS-3	109,981	32,542	16,271	(20,281)	(4,010)	105,971	-3.6%	11.33%
LP-4 *	28,861	9,320	4,660	(6,148)	(1,488)	27,373	-5.2%	11.76%
ISP *	1,765	880	440	(732)	(292)	1,473	-16.6%	14.46%
LP-5 *	1,047	253	126	(124)	3	1,050	0.2%	10.65%
IST *	567	385	193	(356)	(163)	404	-28.8%	20.85%
LP-6	63	(15)	(7)	24	17	79	26.7%	6.53%
LPEP	331	118	59	(82)	(23)	308	-7.0%	12.42%
ISA *	527	530	265	(528)	(263)	264	-49.9%	82.66%
GH	6,451	576	288	322	610	7,061	9.5%	9.11%
SL/AL	17,492	(7,993)	(3,997)	11,298	7,302	24,793	41.7%	5.65%
L5-S	36	(9)	(4)	13	8	44	22.7%	5.84%
Total w/o PRS	629,696	0	0	83,510	83,510	713,206	13.3%	8.38%
PRS	421	-	-	-	-	421	0.0%	
Total w/o PRS	630,118	-	-	83,510	83,510	713,627	13.3%	

Gross Revenue Conversion Factor (calculated from Exh Future 1, Sch D-13, p.5 of 6 - 83573/45487)
* Excludes revenues from PRS which are included in COSS revenues

Baron Exhibit__(SJB-4)
Schedule 1

PPL Electric Utilities Corporation
Summary of Increases required to reduce Present Rate subsidies by 50% at Proposed Rates
(with IST and ISA Adjustments)

Rate Class	Increase	Return Increase	Present Return	Return after Increase	Rate Base	Rate of Return	Rev Adj to Cap ROR	Adjusted Increase	Adjusted Percent Increase	Adjusted Rate of Return
RS, RTD	79,421	43,227	53,801	97,028	1,321,699	7.34%	265	79,686	20.7%	7.35%
RTS	5,179	2,819	(1,512)	1,307	38,737	3.37%	8	5,187	131.3%	3.39%
RES Total								84,873	21.8%	
Adjusted RESIDENTIAL:										
RS, RTD								84,012	21.8%	7.53%
RTS								861	21.8%	-2.69%
GS-1	(2,791)	(1,519)	22,169	20,649	179,448	11.51%	36	(2,755)	-3.8%	11.52%
GS-3	(4,010)	(2,182)	36,004	33,822	298,479	11.33%	60	(3,950)	-3.6%	11.34%
LP-4 *	(1,488)	(810)	9,709	8,899	75,648	11.76%	15	(1,473)	-5.1%	11.77%
ISP *	(292)	(159)	714	555	3,836	14.46%	1	(292)	-16.5%	14.47%
LP-5 *	3	1	326	327	3,072	10.65%	1	3	0.3%	10.66%
IST *	(163)	(89)	260	171	820	20.85%	(153)	(317)	-55.8%	10.66%
LP-6	17	9	10	19	294	6.53%	0	17	26.8%	6.54%
LPEP	(23)	(13)	115	102	821	12.42%	0	(23)	-6.9%	12.43%
ISA *	(263)	(143)	300	157	190	82.66%	(251)	(514)	-97.6%	10.66%
GH	610	332	1,641	1,973	21,654	9.11%	4	615	9.5%	9.12%
SL/AL	7,302	3,974	440	4,414	78,174	5.65%	16	7,317	41.8%	5.66%
L5-S	8	4	1	5	94	5.84%	0	8	22.8%	5.86%
Total w/o PRS	83,510	45,453	123,977	169,429	2,022,966	8.38%	0	83,510	13.3%	8.38%
PRS	-	-								
Total w/o PRS	83,510	45,453								

Gross Revenue Conversion Factor (calculated from Exh Future 1, Sch D-13, p.5 of 6 - 83573/45487)
* Excludes revenues from PRS which are included in COSS revenues

Baron Exhibit__(SJB-4)
Schedule 2

PPLICA Statement No. 2

AUG 16 2007

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

SUPPLEMENTAL DIRECT TESTIMONY

AND EXHIBITS

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

July 2007

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

SUPPLEMENTAL DIRECT TESTIMONY OF STEPHEN J. BARON

Q. Please state your name and business address.

A. My name is Stephen J. Baron. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. Have you previously submitted testimony in this proceeding?

A. Yes. I previously submitted Direct Testimony.

Q. What is the purpose of your Supplemental Direct Testimony?

A. I am responding to the supplemental testimony and exhibits of PPL witness Joseph Kleha that updated PPL's class cost of service study to reflect the settlement in the remand of Docket No. R-00049255. As I noted in my Direct Testimony in this case, due to the timing of PPL's update filing, I did not have sufficient time to fully evaluate the revised cost of service results presented in PPL Exhibit JMK-2A. I have now had the opportunity to review PPL workpapers supporting the calculation of 2007 test year "present rate schedule revenues" reflecting the remand settlement that are the basis for the changes in JMK-2A.

Q. In your Direct Testimony, you stated that you did not necessarily agree with the results of the updated class cost of service study presented in Exhibit JMK-2A. Based on your review of PPL discovery responses, have you formed an opinion as to the reasonableness of Exhibit JMK-2A?

A. Yes. I now believe that the results of the Company's revised class cost of service study are reasonable and have updated my applicable tables and exhibits to reflect the results shown in Exhibit JMK-2A. Baron Exhibits (SJB-2A), (SJB-3A) and (SJB-4A) are updates to my exhibits that reflect the Company's calculation of 2007 present rate schedule revenues (including the effects of the remand settlement).

Tables 1A, 2A and 3A below update my tables. In particular, I am recommending the rate schedule revenue increase shown in Table 3A. Except for the change in present rate schedule revenues, All of the assumptions and methodologies used to calculate these updated tables and exhibits are the same as I discussed in my Direct Testimony, except that they are based on PPL Exhibit JMK-2A and reflect the Company's calculation of 2007 test year present revenues (based on the remand settlement).

Table 1A
Rates of Return and Dollar Subsidies at Present Rates*

Rate Class	Rate of Return	Present Subsidies
RS, RTD	4.08%	(50,173)
RTS	-3.89%	(7,142)
GS-1, BL	12.60%	21,285
GS-3, IS-1	12.00%	32,133
LP-4 *	12.79%	9,245
ISP *	18.59%	877
LP-5 *	10.87%	267
IST *	29.76%	356
LP-6	-1.70%	(42)
LPEP	13.95%	118
ISA *	157.89%	530
GH	7.57%	568
SL/AL	0.56%	(8,012)
L5-S	1.11%	(9)
Total	6.14%	0

* Adjusted to reflect settlement in Doc. No. R-00049255

Table 2A
PPL Proposed Revenue Increases and Subsidies*
($000)

Rate Class	PPL Proposed Subsidies	Revenue Increase*	Percent Increase
RS, RTD	(37,369)	66,209	17.1%
RTS	(8,071)	638	16.0%
GS-1, BL	16,355	2,409	3.3%
GS-3, IS-1	26,779	6,695	6.1%
LP-4 *	7,198	1,073	3.7%
ISP *	647	(85)	-4.8%
LP-5 *	561	419	39.3%
IST *	372	45	8.4%
LP-6	45	95	265.1%
LPEP	82	(3)	-0.8%
ISA *	528	-	0.0%
GH	878	1,192	18.5%
SL/AL	(8,004)	3,268	18.7%
L5-S	0	14	39.2%
Total w/o PRS	(0)	81,970	13.0%

* Adjusted to reflect Remand Settlement

1

Table 3A
PPLICA Recommended Revenue Increases
"50% Subsidy Reduction Methodology"

Rate Class	PPLICA Proposed Subsidies	Revenue Increase*	Percent Increase
RS, RTD	(20,693)	83,035	21.5%
RTS	(7,854)	857	21.5%
GS-1, BL	10,745	(3,268)	-4.4%
GS-3, IS-1	16,078	(3,960)	-3.6%
LP-4 *	4,692	(1,488)	-5.2%
ISP *	429	(293)	-16.6%
LP-5 *	134	(8)	-0.8%
IST *	36	(287)	-53.2%
LP-6	(25)	29	81.8%
LPEP	60	(25)	-7.5%
ISA *	8	(514)	-97.6%
GH	292	602	9.3%
SL/AL	(3,899)	7,281	41.6%
L5-S	(3)	9	26.1%
Total	0	81,970	13.0%

* Adjusted to reflect settlement in Docket No. R-00049255 Remand

Q. Do you have any additional comments on the results of PPL's revised class cost of service study (JMK-2A)?

A. Yes. Though the Company's class cost of service study is reasonable for use in setting rates in this case, the present rate schedule revenues include the effect of the expiring DOE/SEF rate credits. Since these credits are assumed to expire coincident with the effective date of the new rates in this case, the "proposed rates" will properly reflect the Commission authorized revenue requirements. However, because the test year present revenues include the expiring credits, the

percentage revenue increases in the Company's analysis (and all of the parties in this case, including the PPLICA analysis) reflect both the impact of the PPL revenue requirement deficiency and the expiring DOE/SEF credits. For most rate schedules, the amount of the DOE/SEF credit, compared to the distribution revenue requirement is insignificant. For Rate Schedule LP-6, however, when the impact of the remand settlement is factored into the "present rate" revisions, the amount of the DOE/SEF credit is actually greater than the distribution revenue requirement. The impact of this on the LP-6 rate of return at present (remand settlement rates) is such that LP-6 is shown to have a negative rate of return at present rates. This occurs solely because of the inclusion of the non-recurring DOE/SEF rate credit, which also could have been normalized in the test year as a non-recurring credit to correct the misperception that this rate schedule is providing a below system average return at present (remand settlement) rates.

Q. Does that complete your Supplemental Direct Testimony?

A. Yes.

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

SUPPLEMENTAL DIRECT TESTIMONY EXHIBITS

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

SUPPLEMENTAL DIRECT TESTIMONY

EXHIBIT__(SJB-2A)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

PPL Electric Utilities Corporation
Summary of Subsidies - Present and PPL Proposed Rates
(Adjusted for Remand Case Settlement in Docket No. R-00049255)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Rate Class	Rate Base	Present Return	Present Rate of Return	Present Subsidy	PPL Proposed Return	Proposed Rate of Return	PPL Proposed Subsidy	% Change in Subsidy
1	RS	1,321,698	53,867	4.08%	(50,173)	90,137	6.82%	(37,369)	-25.5%
2	RTS	38,737	(1,508)	-3.89%	(7,142)	(1,155)	-2.98%	(8,071)	13.0%
3	GS-1	179,448	22,606	12.60%	21,285	23,901	13.32%	16,355	-23.2%
4	GS-3	298,479	35,821	12.00%	32,133	39,524	13.24%	26,779	-16.7%
5	LP-4	75,648	9,678	12.79%	9,245	10,241	13.54%	7,198	-22.1%
6	ISP	3,836	713	18.59%	877	673	17.54%	647	-26.2%
7	LP-5	3,072	334	10.87%	267	562	18.29%	561	110.0%
8	IST	820	244	29.76%	356	271	33.05%	372	4.6%
9	LP-6	294	(5)	-1.70%	(42)	49	16.67%	45	-205.9%
10	LPEP	821	115	13.95%	118	113	13.76%	82	-30.8%
11	ISA	190	300	157.89%	530	303	159.47%	528	-0.4%
12	GH	21,654	1,639	7.57%	568	2,288	10.57%	878	54.7%
13	SL/AL	78,174	440	0.56%	(8,012)	2,178	2.79%	(8,004)	-0.1%
14	L5-S	94	1	1.11%	(9)	8	8.51%	0	-103.0%
15	Total	2,022,965	124,245	6.14%	0	169,093	8.36%	(0)	

Gross Revenue Conversion Factor (calculated from Exh Future 1, Sch D-13, p.5 of 6 - 83573/45487) 1.83729

Baron Exhibit__(SJB-2A)

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

SUPPLEMENTAL DIRECT TESTIMONY

EXHIBIT__(SJB-3A)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

PPL Electric Utilities Corporation
Summary of Distribution Rate Increases under PPL Proposed Rates*
Excludes Revenue Annualization, Other Revenue Increases, STAS

Rate Class	Distribution Revenues	USR Revenues	EER Revenues	(1) Present Distribution Revenues	Distribution Revenues	USR Revenues	EER Revenues	(2) Proposed Distribution Revenue	(3) Increase	(4) Percent Increase
RS, RTD	366,005	20,475	-	386,480	422,697	27,629	2,363	452,689	66,209	17.1%
RTS	3,796	195	-	3,991	4,339	267	23	4,629	638	16.0%
GS-1	73,866	-	-	73,866	75,804	-	471	76,275	2,409	3.3%
GS-3	109,784	-	-	109,784	116,479	-	-	116,479	6,695	6.1%
LP-4 **	28,838	-	-	28,838	29,911	-	-	29,911	1,073	3.7%
ISP **	1,765	-	-	1,765	1,681	-	-	1,681	(85)	-4.8%
LP-5 **	1,065	-	-	1,065	1,484	-	-	1,484	419	39.3%
IST **	538	-	-	538	583	-	-	583	45	8.4%
LP-6	36	-	-	36	131	-	-	131	95	265.1%
LPEP	333	-	-	333	330	-	-	330	(3)	-0.8%
ISA **	527	-	-	527	527	-	-	527	-	0.0%
GH	6,459	-	-	6,459	7,651	-	-	7,651	1,192	18.5%
SL/AL	17,518	-	-	17,518	20,786	-	-	20,786	3,268	18.7%
L5-S	35	-	-	35	49	-	-	49	14	39.2%
Total w/o PRS	610,566	20,670	-	631,236	682,453	27,896	2,857	713,206	81,970	13.0%
PRS	421	-	-	421	421	-	-	421	-	0.0%
Total w/o PRS	610,987	20,670	-	631,657	682,874	27,896	2,857	713,627	81,970	13.0%

* Adjusted for Settlement in Docket No. R-00049255 Remand.
** Excludes revenues from PRS which are included in COSS revenues

Baron Exhibit__(SJB-3A

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

SUPPLEMENTAL DIRECT TESTIMONY

EXHIBIT__(SJB-4A)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

PPL Electric Utilities Corporation
Summary of Increases required to reduce Present Rate subsidies by 50% at Proposed Rates

Rate Class	Present Distribution Revenues	Present Subsidy	50% of Present Subsidy	Increase @ Equal ROR	Increase with 50% Subsidy	Proposed Distribution Revenue	Percent Increase	Rate of Return
RS, RTD	386,480	(50,173)	(25,086)	103,579	78,492	464,972	20.3%	7.31%
RTS	3,991	(7,142)	(3,571)	8,709	5,138	9,129	128.7%	3.33%
GS-1	73,866	21,285	10,642	(13,945)	(3,303)	70,563	-4.5%	11.60%
GS-3	109,784	32,133	16,066	(20,084)	(4,018)	105,766	-3.7%	11.27%
LP-4 *	28,838	9,245	4,623	(6,125)	(1,503)	27,335	-5.2%	11.71%
ISP *	1,765	877	439	(732)	(294)	1,472	-16.6%	14.42%
LP-5 *	1,065	267	134	(142)	(9)	1,057	-0.8%	10.72%
IST *	538	356	178	(327)	(149)	389	-27.7%	19.86%
LP-6	36	(42)	(21)	51	29	65	81.6%	3.74%
LPEP	333	118	59	(84)	(25)	308	-7.6%	12.28%
ISA *	527	530	265	(528)	(263)	264	-49.9%	82.66%
GH	6,459	568	284	314	598	7,057	9.3%	9.07%
SL/AL	17,518	(8,012)	(4,006)	11,272	7,266	24,784	41.5%	5.62%
L5-S	35	(9)	(4)	13	9	44	26.1%	6.39%
Total w/o PRS	631,236	0	0	81,970	81,970	713,206	13.0%	8.35%
PRS	421	-	-	-	-	421	0.0%	
Total w/o PRS	631,657	-	-	81,970	81,970	713,627	13.0%	

Gross Revenue Conversion Factor (calculated from Exh Future 1, Sch D-13, p.5 of 6 - 83573/45487)
* Excludes revenues from PRS which are included in COSS revenues

Baron Exhibit__(SJB-4A)
Schedule 1

PPL Electric Utilities Corporation
Summary of Increases required to reduce Present Rate subsidies by 50% at Proposed Rates
(with IST and ISA Adjustments)

Rate Class	Increase	Return Increase	Present Return	Return after Increase	Rate Base	Rate of Return	Rev Adj to Cap ROR	Adjusted Increase	Adjusted Percent Increase	Adjusted Rate of Return
RS, RTD	78,492	42,722	53,867	96,589	1,321,698	7.31%	254	78,746	20.4%	7.32%
RTS	5,138	2,797	(1,508)	1,289	38,737	3.33%	7	5,146	128.9%	3.34%
RES Total								83,892	21.5%	
Adjusted RESIDENTIAL:										
RS, RTD								83,035	21.5%	7.49%
RTS								857	21.5%	-2.69%
GS-1	(3,303)	(1,798)	22,606	20,808	179,448	11.60%	34	(3,268)	-4.4%	11.61%
GS-3	(4,018)	(2,187)	35,821	33,634	298,479	11.27%	57	(3,960)	-3.6%	11.28%
LP-4 *	(1,503)	(818)	9,678	8,860	75,648	11.71%	15	(1,488)	-5.2%	11.72%
ISP *	(294)	(160)	713	553	3,836	14.42%	1	(293)	-16.6%	14.43%
LP-5 *	(9)	(5)	334	329	3,072	10.72%	1	(8)	-0.8%	10.73%
IST *	(149)	(81)	244	163	820	19.86%	(138)	(287)	-53.2%	10.73%
LP-6	29	16	(5)	11	294	3.74%	0	29	81.8%	3.75%
LPEP	(25)	(14)	115	101	821	12.28%	0	(25)	-7.5%	12.29%
ISA *	(263)	(143)	300	157	190	82.66%	(251)	(514)	-97.6%	10.73%
GH	598	325	1,639	1,964	21,654	9.07%	4	602	9.3%	9.08%
SL/AL	7,266	3,955	440	4,395	78,174	5.62%	15	7,281	41.6%	5.63%
L5-S	9	5	1	6	94	6.39%	0	9	26.1%	6.41%
Total w/o PRS	81,970	44,615	124,245	168,860	2,022,965	8.35%	(0)	81,970	13.0%	8.35%
PRS	-	-								
Total w/o PRS	81,970	44,615								

Gross Revenue Conversion Factor (calculated from Exh Future 1, Sch D-13, p.5 of 6 - 83573/45487)
* Excludes revenues from PRS which are included in COSS revenues

Baron Exhibit__(SJB-4A)
Schedule 2

PPLICA Statement No. 3
AUG 16 2007

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

REBUTTAL TESTIMONY
AND EXHIBITS
OF
STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

July 2007

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

REBUTTAL TESTIMONY OF STEPHEN J. BARON

Q. Please state your name and business address.

A. My name is Stephen J. Baron. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. Have you previously submitted testimony in this proceeding?

A. Yes. I previously submitted Direct Testimony and Supplemental Direct Testimony.

Q. What is the purpose of your Rebuttal Testimony?

A. I am responding to the Direct Testimony of witnesses for the Office of Consumer Advocate ("OCA") and the Office of Small Business Advocate ("OSBA"). With regard to the OCA witness, I will respond to Mr. Richard Galligan on class cost of service and the apportionment of the approved revenue increase to rate schedules. Mr. Galligan recommends that the Commission adopt a class cost of service study ("Peak and Average" study) that inappropriately allocates a large portion of fixed distribution plant on the basis of rate schedule kWh energy, including off-peak energy. I will explain why such an approach is unreasonable, unsupported by cost causation and is economically irrational. I will also briefly respond to OCA witness Roger Colton regarding his recommendation (which I oppose) to collect Universal Service Costs ("USC") from all rate schedules, rather than assigning these costs to the residential class, as PPL has properly done.

With regard to OSBA witness Robert Knecht, I will respond to his recommendations with regard to the apportionment of the approved revenue increase in this case to rate schedules.

Response to the Office of Consumer Advocate

Q. Have you reviewed the Direct and Supplemental Testimony of OCA witness Richard Galligan in this case?

A. Yes. Mr. Galligan addresses the PPL class cost of service study and opposes the Company's classification of poles, secondary lines and transformers into customer and demand components using a "minimum size" methodology. In addition, Mr. Galligan rejects PPL's use of rate class demands to allocate primary distribution facilities. Rather, he argues that all primary and secondary distribution plant and expenses, except meters and services be allocated using a Peak and Average ("P&A") methodology in which 50% of all primary and common distribution plant and expenses are allocated to rate schedules on the basis of kWh energy and 50% on kW demand. As I will discuss, I strongly disagree with Mr. Galligan's proposed "P&A" class cost of service methodology for distribution facilities. There is no basis to allocate fixed distribution plant on the basis of kWh energy.

Q. Do you believe that Mr. Galligan's criticism of the Company's cost of service study is reasonable?

A. No. Mr. Galligan objects to the Company's minimum size framework that PPL used to classify distribution plant and expenses. I have reviewed the Company's analysis and, contrary to Mr. Galligan's position, believe that a minimum size approach is reasonable and therefore I believe that the Company's study should be accepted by the Commission in this case.

Q. Would you explain the concept underlying the minimum size approach that the Company used to classify distribution plant and expenses between customer and demand components?

A. Yes. As described in the NARUC Electric Utility Cost Allocation Manual, the underlying argument in support of the minimum system approach, which includes a customer component, is that there is a minimal level of distribution investment necessary to connect a customer to the distribution system (lines, poles, transformers) that is independent of the level of demand of the customer. To the extent that this component of distribution cost is a function of the requirement to interconnect the customer, regardless of the customer's size, it is appropriate to assign the cost of these facilities to rate schedules on the basis of the number of customers, rather than on the kW demand of the class. As stated on page 90 of the NARUC cost allocation manual:

> **When the utility installs distribution plant to provide service to a customer and to meet the individual customer's peak demand**

requirements, the utility must classify distribution plant data separately into demand- and customer-related costs.

I have attached a copy of the distribution cost allocation chapter from the NARUC manual as Baron Exhibit__(SJB-1R).

Q. Is the Company's use of a minimum size methodology consistent with the accepted methods discussed in the NARUC manual?

A. Yes. There are two recognize methodologies to estimate the customer component of distribution costs. These methods, which are described in the attached excerpt from the NARUC manual, are the "zero-intercept" method and the "minimum size" method, which is the approach used by PPL. Each of the two methods is designed to estimate the component of distribution plant cost that is incurred by a utility to effectively interconnect a customer to the system, as opposed to providing a specific level of power (kW demand) to the customer.

A minimum size distribution cost of service analysis is designed to reflect the costs associated with changes in both the number of distribution customers and the loads of these customers. This is in contrast to Mr. Galligan's recommended method, which gives recognition to demand and kWh energy usage (both on-peak and off-peak), *in explaining the need for distribution facilities.* Mr. Galligan's

method assumes that all distribution costs (except services and meters) vary directly with kW demand and energy use ("average demand"), without any fixed component that would be allocated on the basis of the number of customers in each class.

The conceptual basis for the minimum size method is that it reflects a classification of the distribution facilities that would be required to simply interconnect a customer to the system, irrespective of the kW load of the customer. From a cost causation standpoint, the argument supporting this approach is that all of these minimal facilities would be required simply due to the requirement to interconnect the customer, including meeting minimum safety standards set forth in the National Electric Safety Code ("NESC").

Q. Did PPL recognize the load carrying capability of the "minimum size" facilities allocated on the basis of the number of customers in each rate class?

A. Yes. As discussed by PPL witness Joseph Kleha in his Direct Testimony (PPL Statement No. 6) at page 21, line 17, only the "minimum or no load" portion of the transformers, lines and services on the basis of number of customers.

Q. Mr. Galligan quotes from the NARUC Electric Utility Cost Allocation manual to support his contention that cost of service allocation is "controversial" (Galligan Direct at page 23). Does the NARUC manual also discuss accepted methodologies to allocate distribution costs?

A. Yes. The NARUC manual does have an entire chapter (Chapter 6) devoted to the classification and allocation of distribution costs. The issue of classification concerns the determination of whether a distribution cost is demand-related or customer-related.

The manual discusses two alternative distribution cost classification methods, the "minimum size" methodology or the "minimum intercept" method. Costs that are classified as demand-related are allocated to customer classes on the basis of a demand allocation factor, while customer classified distribution costs are allocated on the basis of the number of customers in each class. The NARUC manual does not even mention Mr. Galligan's preferred method, "Peak and Average", for allocating distribution costs.[1] The "Peak and Average" methodology, which allocates a substantial portion of distribution plant and expenses on the basis of a rate schedule's annual kWh energy use (including off-peak usage), is not a recognized methodology for allocating electric distribution facilities in a cost of service study.

[1] The peak and average method is used in some jurisdictions to allocate production demand costs associated with generation. PPL's cost of service study addresses distribution, not generation.

As I discuss next, the Peak and Average method is not premised on cost causation and is therefore inappropriate to use in setting distribution rates. Baron Remand Exhibit__(SJB-1R) contains a complete copy of Chapter 6 of the NARUC Electric Utility Cost Allocation Manual.

Q. Does the quote from Dr. Bonbright, referenced in the NARUC manual and reported by Mr. Galligan on page 23 of his testimony provide any support for the use of an energy weighted allocation factor (such as the Peak and Average method) to assign distribution costs to rate schedules?

A. No. The quote referenced in the NARUC manual and reproduced in Mr. Galligan's testimony simply states that cost of service studies can be controversial.

Though I don't disagree, this certainly does not provide support for the use of the Peak and Average method or the rejection of cost of service as a basis for setting rates. In my experience over the past thirty years in evaluating electric utility cost of service issues, the primary "controversy" among analysts in allocating distribution costs concerns the classification of plant and expenses between "demand-related costs" and "customer-related costs". Most analysts agree that "local level facilities", such as a service drop that connects an individual customer to the secondary

distribution system, are customer-related costs, since each additional customer requires such an interconnection. The controversy usually surrounds the portion, if any, of the secondary and primary system (lines, transformers, structures) that must be constructed to serve each additional customer, regardless of the customer's load. This issue, which is driven in large part by the nature of the equipment itself and the protocols used by an electric utility to meet customer additions (i.e., the installation of secondary line transformers of a minimum size, regardless of customer demands), only concerns the proportion of the cost of these facilities that will be allocated on the basis of kW demands, versus those costs that will be allocated based on the number of customers in the rate class. In no event is there a legitimate "controversy" as to the portion of such costs that are related to a customer's kWh energy use because a customer's kWh usage does not influence the utility's decisions to incur distribution costs. In this case, of course, Mr. Galligan advocates the use of such an energy cost classification/allocation through the use of his Peak and Average method. This is wholly inappropriate and should not be recognized as a legitimate "controversy" related to distribution cost of service studies.

Q. Do you believe that the Peak and Average method is a legitimate methodology to allocate distribution costs to PPL's rate schedules?

A. No. Mr. Galligan's Peak and Average method, which arbitrarily classifies a fixed 50% of all distribution facilities (except meters and services) as energy related, is not a legitimate distribution cost of service methodology. There is no "cost causation" support for allocating fixed distribution lines, transformers and structures on the basis of rate class energy usage, including off-peak energy usage.[2]

Q. Is Mr. Galligan's proposed methodology recognized as a legitimate methodology in the NARUC Electric Utility Cost Allocation Manual?

A. No. As can be seen in reviewing the chapter on the classification and allocation of distribution facilities (SJB-1R), there is no recognition given or even a reference to such a methodology. In fact, there is no recognition given to any use of kWh energy (average demand) to allocate distribution facilities. Even if one were to reject a minimum system concept, the alternative is to classify all distribution plant as demand related and allocate based on each class's contribution to various measures of diversified kW demand. There is no basis to allocate any distribution plant and expenses on the basis of energy.

[2] Interestingly, in the most recent Duquesne Light Company distribution rate case (Docket No. R-00061346C0001-0005), Mr. Galligan also proposed the use of a Peak and Average methodology to allocate distribution costs. In that case, he recommended that the percentage of distribution plant that should be classified (and allocated) as energy related be equal to the system load factor of the Company. Now, Mr. Galligan simply recommends an arbitrary 50/50 weighting between demand and energy.

This methodology cannot be supported on the basis of cost causation. Consider high load factor customers, such as some members of PPLICA who use significant kWh energy during off-peak and weekend hours. The peak and average allocation method supported by Mr. Galligan would assign additional cost responsibility for overhead and underground lines, line transformers, poles and other structures for each additional off-peak kWh used. This is simply not plausible from a cost causation standpoint. These facilities are required to be built to serve maximum loading expected on them. Additional energy use during off-peak hours, as long as it does not create new, localized peak demands, does not contribute to the need for these facilities. Yet, the Peak and Average cost of service study method keeps assigning additional cost for distribution facilities every time a member of PPLICA or a grocery store on Rate Schedule GS-3 uses more off-peak energy.

Q. Please explain how distribution costs are incurred?

A. Distribution costs are incurred to meet customer demands on the distribution system, as well as the minimum requirements to simply provide an interconnection to a customer (minimum system costs). As I discussed previously, the NARUC Electric Utility Cost Allocation Manual [Baron Exhibit__(SJB-1R)] discusses methodologies adopted by the industry and regulators to allocate and recover the cost of distribution facilities. All of the methodologies recognize that the cost incurred to provide

distribution service is a fixed cost and should be allocated on the basis of one or more demands (for example, customer maximum demands, class diversified demand) and on the basis of the number of customers taking distribution service on the rate schedule.

Q. Based on your experience, do electric utilities add additional distribution facilities because customers increase their energy usage, particularly in off-peak periods?

A. No. These distribution facilities (e.g., secondary and primary lines, transformers) are sized to meet the maximum load that is imposed on them or to interconnect an additional customer. Additional kWh usage by a customer or group of customers during the off-peak period or any period that is not coincident with the relevant peak demand (coincident, class diversified or sum of customer maximum demands), does not cause additional distribution investment or expense. The only exception to this would be a case where a customer or group of customers achieves a demand during the off-peak period that exceeds the customer's (or group's) demand during the on-peak period. In this case, depending on the facility and the diversity of loads on the facility, the off-peak demand (not energy use) could drive the investment decision. However, in this event, the level of customer or class diversified demands (not kWh) would be the factor affecting the decision.

Q. On page 25 of his testimony, at line 10, Mr. Galligan refers to the "existence of numerous cost study variants" to support his position that cost of service studies should only be used as a guide to setting rates. Would you respond to his testimony on this issue?

A. The widely varying cost of service study results shown on Mr. Galligan's Schedule RAG-2 (Supplemental testimony) is widely varying because Mr. Galligan is comparing the results to a traditional, generally accepted, class cost of service study to the results of his recommended Peak and Average study that allocates 50% of distribution facilities on the basis of kWh energy.

This type of exercise proves nothing. If the cost allocation study is based on an invalid premise, such as the use of class kWh energy usage to allocate fixed distribution lines, towers, poles and transformers, then the results will vary from those produced by a reasonable study. As I discussed above, class kWh usage is not a reasonable basis to allocate distribution costs because no utility, including PPL, incurs these distribution costs to meet annual rate class energy usage.

Q. Do you believe that Mr. Galligan's position on the relevance of cost of service studies is consistent with the Commonwealth Court's Lloyd decision?

A. No. Mr. Galligan is essentially recommending that the Commission reduce the weight given to the cost of service results in this case or, at best, use them as a "guide" to setting rates. The problem with his recommendation to use the cost study results as a guide is that doing so will likely result in substantial, continuing subsidization of some rate schedules by most of the other customers on PPL's system. The Commonwealth Court decision makes a strong statement that the "polestar" in establishing rates is cost of service. One of the Commission's functions is to decide issues related to the assumptions for the cost of service study.

Though there may be legitimate differences among analysts as to certain specifics in a distribution cost of service study; Mr. Galligan's Peak and Average proposal does not represent a legitimate difference regarding PPL's cost of service study because it is wholly at odds with generally accepted principles of cost allocation for distribution service, as evidenced by the NARUC manual.

Q. Schedule RAG-3 of Mr. Galligan's Supplemental Testimony presents his recommended apportionment of the revenue increase in this case. Do you agree with his proposal?

A. No. Mr. Galligan basis his recommended revenue apportionment on the results of his Peak and Average cost of service study, which inappropriately classifies 50% of

distribution plant and expenses (except meters and services) as energy related. Since the basis for his revenue apportionment to rate schedules is based on a faulty cost of service study, the revenue apportionment is also inappropriate.

Q. Have you reviewed the Direct Testimony of OCA witness Roger Colton regarding the allocation of Universal Service Costs ("USC") to rate schedules?

A. Yes. As in the 2004 PPL rate case (Docket No. R-00049255), the 2006 Duquesne Light Company rate case (Docket No. R-00061346C0001-0005) and the 2006 Met-Ed/Penelec rate cases (Docket Nos. R-00061366, R-00061367), Mr. Colton recommends the allocation of PPL's USC costs to all rate schedules, in contrast to PPL's recommendation in this case to follow Commission precedent and allocate USC costs only to the residential class.

Q. Why should universal service costs be allocated only to residential customers, as the Company proposes?

A. Customer assistance costs are associated with providing benefits to residential customers. Allocating these costs to all customer classes, on say a kWh basis, is essentially a form of energy tax that is applied to each kWh of usage, regardless of whether it is on-peak or off-peak. Clearly, usage by C&I customers does not "cause"

the incurrence of these universal service costs because C&I customers cannot obtain payments from the programs. Though these costs are not caused by all residential customers, the benefits of these programs are provided only to residential customers and are available to all residential customers. Allocating these costs to the residential class is the most reasonable and equitable approach to the recovery of universal service costs. Doing otherwise (for example, allocating to all customers on the basis of kWh usage) is effectively a tax and should not be imposed by the Commission. The Pennsylvania legislature would be the appropriate body to make such a determination.

Q. Did the Commission accept Mr. Colton's recommendation in those prior cases and allocate any USC costs to any other rate class besides the residential class?

A. No. In its orders in each of those cases, the Commission adopted an allocation of USC costs solely to the residential class. In the 2004 PPL rate case (Docket No. R-00049255) the Commission allocated universal service costs only to residential customers. The Commission Order in that PPL case stated as follows on pages 97 and 98:

> **Universal service programs, by their nature, are narrowly tailored to the residential customers and therefore, should be funded only by the residential class. We note that neither the OCA nor Mr. Epstein have presented any concrete evidence in the form of costs studies to support their respective proposals that the universal service program cost should be more broadly allocated.**

In its decision in the 2006 Met-Ed/Penlec rate case, the Commission similarly rejected an allocation of USC costs to other rate classes (besides the residential class). On pages 144 and 145 of its Order, the Commission stated as follows:

> **The OSBA submits that the ALJs properly denied the OCA's and the Companies' request that universal service costs be recovered from all customer classes. (OSBA R.Exc. at 13)**
>
> . . .
>
> **We will reject the OCA's proposed modification to the Companies' distribution COSS as it is inconsistent with the Commercial Group's revenue allocation and would be a backdoor way to make the GS and GST classes share in the cost of universal service. We note that the ALJs' decision to more closely follow COSS results is consistent with the *Lloyd* decision. The OCA's Exceptions on this issue are, therefore, denied.**

The same rationale and conclusions apply here – PPL's universal service programs are, by their nature, narrowly tailored to the residential customers and, therefore, should be funded only by the residential class.

Q. Has the Commission recently confirmed its position on the allocation of USC costs in a Commission Policy Statement?

A. Yes. In its Final Investigatory Order in Docket No. M-00051923, the Commission issued a definitive statement of its position regarding the allocation of the cost of

universal service programs (including customer assistance programs) among customer classes. In the Order, the Commission confirmed its decisions to allocate USC costs to only the residential class. At page 31 of the Order, the Commission stated as follows:

> **After careful consideration of the comments and the arguments presented, the Commission will continue its current policy of allocating CAP costs to the only customer class whose members are eligible for the program – residential customers. The Commission believes that we should not initiate a policy change that could have a detrimental impact on economic development and the climate for business and jobs within the Commonwealth.**

There should be no doubt that the Commission's policy is to allocate USC costs only to the residential class, contrary to the position advocated by Mr. Colton.

Response to Office of Small Business Advocate

Q. Have you reviewed the Direct Testimony of OSBA witness Robert Knecht on the apportionment of the approved revenue increase to rate schedules?

A. Yes. On pages 13 and 14 of his testimony, Mr. Knecht discusses the allocation of the approved revenue increase in this case to rate schedules. He appears to be accepting the "proposed rates" that PPL shows in revised Exhibit JMK-2A (reflecting the remand settlement rates), despite the fact that, at this time, PPL has not made any changes to its proposed tariffs that it originally filed in this case. In particular, Mr.

Knecht's Exhibit IEc-2, Schedule A shows that Rate Schedule LP-5 is receiving an 11.3% rate decrease, Rate Schedule LP-6 is receiving a 21.0% rate decrease and Rate Schedule L5-S is receiving a 10.7% increase. Based on these results, he recommends that Rate Schedule LP-5 receive no rate decrease and that Rate Schedules LP-6 and L5-S receive $12,000 increases.

Q. Do you agree with Mr. Knecht's analysis and conclusions?

A. No. PPL has not made any changes to its proposed tariffs for any rate schedule, including LP-5 and LP-6 as a result of the remand settlement. As I showed in my Supplemental Direct Testimony, the rate changes actually proposed by PPL in this case, after factoring in the remand settlement rates are as follows:

Table 1
PPL Proposed Rate Increases*

Rate Class	Revenue Increase*	Percent Increase
RS, RTD	66,209	17.1%
RTS	638	16.0%
GS-1, BL	2,409	3.3%
GS-3, IS-1	6,695	6.1%
LP-4	1,073	3.7%
ISP	(85)	-4.8%
LP-5	419	39.3%
IST	45	8.4%
LP-6	95	265.1%
LPEP	(3)	-0.8%
ISA	-	0.0%
GH	1,192	18.5%
SL/AL	3,268	18.7%
L5-S	14	39.2%
Total w/o PRS	81,970	13.0%

* Adjusted to reflect Remand Settlement

As can be clearly seen in Table 1, PPL is actually proposing a 39.3% rate increase for Rate Schedule LP-5 and a 265% rate increase for Rate Schedule LP-6. Mr. Knecht's proposal to effectively increase rates for Rate Schedules LP-5, LP-6 and L5-S and apply the proceeds to rate schedule GS-1 is not appropriate and should be rejected, since it is based on an incorrect interpretation of the increases being proposed by PPL.

Q. Have you reviewed Mr. Knecht's proposed "scaleback" methodology, in the event that the Company does not receive its full requested revenue increase in this case?

A. Yes. He proposes to first apply any dollar reductions to the Company's requested increase to rate schedule GS-1 to fully eliminate any GS-1 increase. He then recommends that remaining amounts be applied on a fixed percentage basis to all other rate schedules. This is not a reasonable "scaleback" approach and should be rejected.

Targeted relief should first be directed to rate schedules with disproportionately high returns. After that is accomplished the appropriate scaleback method is to reduce the "proposed revenues," calculated at the full requested PPL revenue increase level, on an equal percentage basis. This method, which I discuss in my Direct Testimony, properly incorporates the subsidy reduction objectives into the allocation of the final approved revenue increase.

Q. Why is it appropriate to provide targeted relief to Rate Schedules IS-T and ISA (as proposed in your Direct and Supplemental Testimony) but not to Rate Schedule GS-1 (as proposed in Mr. Knecht's Direct Testimony)?

A. As I discussed in my Direct Testimony, Rate Schedules IS-T and ISA are paying rates of return at present rates substantially above the PPL system average rate of return and substantially above the rate of return for Rate Schedule GS-1. This

continues to be true, even after the remand settlement rate changes, as I showed in Table 1A of my Supplemental Testimony. At remand settlement present rates, Rate Schedule GS-1 is paying a rate of return of 12.6%, compared to the rates of return paid by Rate Schedule IS-T of 29.8% and Rate Schedule ISA of 157.9% (see Table 2 below, which is based on Table 1A from my Supplemental Testimony).

Table 2
Rates of Return
at Present Rates*

Rate Class	Rate of Return
RS, RTD	4.08%
RTS	-3.89%
GS-1, BL	12.60%
GS-3, IS-1	12.00%
LP-4	12.79%
ISP	18.59%
LP-5	10.87%
IST	29.76%
LP-6	-1.70%
LPEP	13.95%
ISA	157.89%
GH	7.57%
SL/AL	0.56%
L5-S	1.11%
Total	6.14%

* Adjusted to reflect settlement

It would be entirely unreasonable and inappropriate to implement Mr. Knecht's proposal to assign Rate Schedule GS-1 with a "targeted rate reduction," in light of the significantly higher rates of return being paid by Rate Schedules IS-T and ISA. The appropriate policy is to "target" Rate Schedules IS-T and ISA with rate reductions, as I recommended in my Direct Testimony.

Q. Does that complete your Rebuttal Testimony?

A. Yes.

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

REBUTTAL EXHIBIT

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

REBUTTAL EXHIBIT__(SJB-1R)

OF

STEPHEN J. BARON

ON BEHALF OF

PP&L INDUSTRIAL CUSTOMER ALLIANCE ("PPLICA")

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

ELECTRIC UTILITY COST ALLOCATION MANUAL

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

January, 1992

PREFACE

This project was jointly assigned to the NARUC Staff Subcommittees on Electricity and Economics in February, 1985. Jack Doran, at the California PUC had led a task force in 1969 that wrote the original Cost Allocation Manual; the famous "Green Book". I was asked to put together a task force to revise it and include a Marginal Cost section.

I knew little about the subject and was not sure what I was getting into so I asked Jack how he had gone about drafting the first book. "Oh" he said, "There wasn't much to it. We each wrote a chapter and then exchanged them and rewrote them." What Jack did not tell me was that like most NARUC projects, the work was done after five o'clock and on weekends because the regular work always takes precedence. It is a good thing we did not realize how big a task we were tackling or we might never have started.

There was great interest in the project so when I asked for volunteers, I got plenty. We split into two working groups; embedded cost and marginal cost. Joe Jenkins from the Florida PSC headed up the Embedded Cost Working Group and Sarah Voll from the New Hampshire PUC took the Marginal Cost Working Group. We followed Jack's suggestions but, right from the beginning, we realized that once the chapters were technically correct, we would need a single editor to cast them all "into one hand" as Joe Jenkins put it. Steven Mintz from the Department of Energy volunteered for this task and has devoted tremendous effort to polishing the book into the final product you hold in your hands. Victoria Jow at the California PUC took Steven's final draft and desktop published the entire document using Ventura Publisher.

We set the following objectives for the manual:

- It should be simple enough to be used as a primer on the subject for new employees yet offer enough substance for experienced witnesses.
- It must be comprehensive yet fit in one volume.
- The writing style should be non-judgmental; not advocating any one particular method but trying to include all currently used methods with pros and cons.

It is with extreme gratitude that I acknowledge the energy and dedication contributed by the following task force members over the last five years.

Steven Mintz, Department of Energy, Editor; Joe Jenkins, Florida PSC, Leader, Embedded Cost Working Group; Sarah Voll, New Hampshire PUC, Leader, Marginal Cost Working Group; Victoria Jow, California PUC; John A. Anderson, ELCON; Jess Galura, Sacramento MUD; Chris Danforth, California PUC; Alfred Escamilla, Southern California Edison; Byron Harris, West Virginia CAD; Steve Houle, Texas Utility Electric Co.; Kevin Kelly, formally NRRI; Larry Klapow California PUC; Jim Ketter P.E., Missouri PSC; Ed Lucero, Price Waterhouse; J. Robert Malko, Utah State University; George McCluskey, New Hampshire PUC; Marge Meeter, Florida PSC; Gordon Murdock, The FERC; Dennis Nightingale, North Carolina UC; John Orecchio, The FERC; Carl Silsbee, Southern California Edison; Ben Turner, North Carolina UC; Dr. George Parkins, Colorado PUC; Warren Wendling, Colorado PUC; Schef Wright, formally Florida PSC; **IN MEMORIAL** Bob Kennedy Jr., Arkansas PSC.

Julian Ajello
California PUC

CHAPTER 6

CLASSIFICATION AND ALLOCATION OF DISTRIBUTION PLANT

Distribution plant equipment reduces high-voltage energy from the transmission system to lower voltages, delivers it to the customer and monitors the amounts of energy used by the customer.

Distribution facilities provide service at two voltage levels: primary and secondary. Primary voltages exist between the substation power transformer and smaller line transformers at the customer's points of service. These voltages vary from system to system and usually range between 480 volts to 35 KV. In the last few years, advances in equipment and cable technology have permitted the use of higher primary distribution voltages. Primary voltages are reduced to more usable secondary voltages by smaller line transformers installed at customer locations along the primary distribution circuit. However, some large industrial customers may choose to install their own line transformers and take service at primary voltages because of their large electrical requirements.

In some cases, the utility may choose to install a transformer for the exclusive use of a single commercial or industrial customer. On the other hand, in service areas with high customer density, such as housing tracts, a line transformer will be installed to serve many customers. In this case, secondary voltage lines run from pole-to-pole or from handhole-to-handhole, and each customer is served by a drop tapped off the secondary line leading directly to the customer's premise.

I. COST ACCOUNTING FOR DISTRIBUTION PLANT AND EXPENSES

The Federal Energy Regulatory Commission (FERC) Uniform System of Accounts requires separate accounts for distribution investment and expenses. Distribution plant accounts are summarized and classified in Table 6-1. Distribution expense accounts are summarized and classified in Table 6-2. Some utilities may choose to establish subaccounts for more detailed cost reporting.

TABLE 6-1

CLASSIFICATION OF DISTRIBUTION PLANT[1]

FERC Uniform System of Accounts No.	Description	Demand Related	Customer Related
	Distribution Plant [2]		
360	Land & Land Rights	X	X
361	Structures & Improvements	X	X
362	Station Equipment	X	-
363	Storage Battery Equipment	X	-
364	Poles, Towers, & Fixtures	X	X
365	Overhead Conductors & Devices	X	X
366	Underground Conduit	X	X
367	Underground Conductors & Devices	X	X
368	Line Transformers	X	X
369	Services	-	X
370	Meters	-	X
371	Installations on Customer Premises	-	X
372	Leased Property on Customer Premises	-	X
373	Street Lighting & Signal Systems [1]	-	-

[1]Assignment or "exclusive use" costs are assigned directly to the customer class or group which exclusively uses such facilities. The remaining costs are then classified to the respective cost components.

[2]The amounts between classification may vary considerably. A study of the minimum intercept method or other appropriate methods should be made to determine the relationships between the demand and customer components.

TABLE 6-2

CLASSIFICATION OF DISTRIBUTION EXPENSES[1]

FERC Uniform System of Accounts No.	Description	Demand Related	Customer Related
	Operation [2]		
580	Operation Supervision & Engineering	X	X
581	Load Dispatching	X	-
582	Station Expenses	X	-
583	Overhead Line Expenses	X	X
584	Underground Line Expenses	X	X
585	Street Lighting & Signal System Expenses [1]	-	-
586	Meter Expenses	-	X
587	Customer Installation Expenses	-	X
588	Miscellaneous Distribution Expenses	X	X
589	Rents	X	X
	Maintenance [2]		
590	Maintenance Supervision & Engineering	X	X
591	Maintenance of Structures	X	X
592	Maintenance of Station Equipment	X	-
593	Maintenance of Overhead Lines	X	X
594	Maintenance of Underground Lines	X	X
595	Maintenance of Line Transformers	X	X
596	Maint. of Street Lighting & Signal Systems [1]	-	-
597	Maintenance of Meters	-	X
598	Maint. of Miscellaneous Distribution Plants	X	X

[1]Direct assignment or "exclusive use" costs are assigned directly to the customer class or group which exclusively uses such facilities. The remaining costs are then classified to the respective cost components.

[2]The amounts between classifications may vary considerably. A study of the minimum intercept method or other appropriate methods should be made to determine the relationships between the demand and customer components.

To ensure that costs are properly allocated, the analyst must first classify each account as demand-related, customer-related, or a combination of both. The classification depends upon the analyst's evaluation of how the costs in these accounts were incurred. In making this determination, supporting data may be more important than theoretical considerations.

Allocating costs to the appropriate groups in a cost study requires a special analysis of the nature of distribution plant and expenses. This will ensure that costs are assigned to the correct functional groups for classification and allocation. As indicated in Chapter 4, all costs of service can be identified as energy-related, demand-related, or customer-related. Because there is no energy component of distribution-related costs, we need consider only the demand and customer components.

To recognize voltage level and use of facilities in the functionalization of distribution costs, distribution line costs must be separated into overhead and underground, and primary and secondary voltage classifications. A typical functionalization and classification of distribution plant would appear as follows:

Substations:	Demand
Distribution:	Overhead Primary
	Demand
	Customer
	Overhead Secondary
	Demand
	Customer
	Underground Primary
	Demand
	Customer
	Underground Secondary
	Demand
	Customer
	Line Transformers
	Demand
	Customer
Services:	Overhead
	Demand
	Customer
	Underground
	Demand
	Customer
Meters:	Customer
Street Lighting:	Customer
Customer Accounting:	Customer
Sales:	Customer

From this breakdown it can be seen that each distribution account must be analyzed before it can be assigned to the appropriate functional category. Also, these accounts must be classified as demand-related, customer-related, or both. Some utilities assign distribution to customer-related expenses. Variations in the demands of various customer groups are used to develop the weighting factors for allocating costs to the appropriate group.

II. DEMAND AND CUSTOMER CLASSIFICATIONS 0F DISTRIBUTION PLANT ACCOUNTS

When the utility installs distribution plant to provide service to a customer and to meet the individual customer's peak demand requirements, the utility must classify distribution plant data separately into demand- and customer-related costs.

Classifying distribution plant as a demand cost assigns investment of that plant to a customer or group of customers based upon its contribution to some total peak load. The reason is that costs are incurred to serve area load, rather than a specific number of customers.

Distribution substations costs (which include Accounts 360 -Land and Land Rights, 361 - Structures and Improvements, and 362 -Station Equipment), are normally classified as demand-related. This classification is adopted because substations are normally built to serve a particular load and their size is not affected by the number of customers to be served.

Distribution plant Accounts 364 through 370 involve demand and customer costs. The customer component of distribution facilities is that portion of costs which varies with the number of customers. Thus, the number of poles, conductors, transformers, services, and meters are directly related to the number of customers on the utility's system. As shown in Table 6-1, each primary plant account can be separately classified into a demand and customer component. Two methods are used to determine the demand and customer components of distribution facilities. They are, the minimum-size-of-facilities method, and the minimum-intercept cost (zero-intercept or positive-intercept cost, as applicable) of facilities.

A. The Minimum-Size Method

Classifying distribution plant with the minimum-size method assumes that a minimum size distribution system can be built to serve the minimum loading requirements of the customer. The minimum-size method involves determining the minimum size pole, conductor, cable, transformer, and service that is currently installed by the utility. Normally, the average book cost for each piece of equipment determines

the price of all installed units. Once determined for each primary plant account, the minimum size distribution system is classified as customer-related costs. The demand-related costs for each account are the difference between the total investment in the account and customer-related costs. Comparative studies between the minimum-size and other methods show that it generally produces a larger customer component than the zero-intercept method (to be discussed). The following describes the methodologies for determining the minimum size for distribution plant Accounts 364, 365, 366, 367, 368, and 369.

1. **Account 364 - Poles, Towers, and Fixtures**

   - Determine the average installed book cost of the minimum height pole currently being installed.
   - Multiply the average book cost by the number of poles to find the customer component. Balance of plant account is the demand component.

2. **Account 365 - Overhead Conductors and Devices**

   - Determine minimum size conductor currently being installed.
   - Multiply average installed book cost per mile of minimum size conductor by the number of circuit miles to determine the customer component. Balance of plant account is demand component. (Note: two conductors in minimum system.)

3. **Accounts 366 and 367 - Underground Conduits, Conductors, and Devices**

   - Determine minimum size cable currently being installed.
   - Multiply average installed book cost per mile of minimum size cable by the circuit miles to determine the customer component. Balance of plant Account 367 is demand component. (Note: one cable with ground sheath is minimum system.). Account 366 conduit is assigned, basedon ratio of cable account.
   - Multiply average installed book cost of minimum size transformer by number of transformers in plant account to determine the customer component. Balance of plant account is demand component.

4. **Account 368 - Line Transformers**

   - Determine minimum size transformer currently being installed.

- Multiply average installed book cost of minimum size transformer by number of transformers in plant account to determine the customer component.

5. **Account 369 - Services**

   - Determine minimum size and average length of services currently being installed.
   - Estimate cost of minimum size service and multiply by number of services to get customer component.
   - If overhead and underground services are booked separately, they should be handled separately. Most companies do not book service by size. This requires an engineering estimate of the cost of the minimum size, average length service. The resultant estimate is usually higher than the average book cost. In addition, the estimate should be adjusted for the average age of service, using a trend factor.

B. The Minimum-Intercept Method

The minimum-intercept method seeks to identify that portion of plant related to a hypothetical no-load or zero-intercept situation. This requires considerably more data and calculation than the minimum-size method. In most instances, it is more accurate, although the differences may be relatively small. The technique is to relate installed cost to current carrying capacity or demand rating, create a curve for various sizes of the equipment involved, using regression techniques, and extend the curve to a no-load intercept. The cost related to the zero-intercept is the customer component. The following describes the methodologies for determining the minimum intercept for distribution-plant Accounts 364, 365, 366, 367, and 368.

1. **Account 364 - Poles, Towers, and Fixtures**

   - Determine the number, investment, and average installed book cost of distribution poles by height and class of pole. (Exclude stubs for guying.)
   - Determine minimum intercept of pole cost by creating a regression equation, relating classes and heights of poles, and using the Class 7 cost intercept for each pole of equal height weighted by the number of poles in each height category.
   - Multiply minimum intercept cost by total number of distribution poles to get customer component.

- Balance of pole investment is assigned to demand component.

- Total account dollars are assigned based on ratio of pole investment. (Transformer platforms in Account 364 are all demand-related. They should be removed before determining the account ratio of customer- and demand-related costs, and then they should be added to the demand portion of Account 364.)

2. Account 365 - Overhead Conductors and Devices

- If accounts are divided between primary and secondary voltages, develop a customer component separately for each. The total investment is assigned to primary and secondary; then the customer component is developed for each. Since conductors generally are of many types and sizes, select those sizes and types which represent the bulk of the investment in this account, if appropriate.

- When developing the customer component, consider only the investment in conductors, and not such devices as circuit breakers, insulators, switches, etc. The investment in these devices will be assigned later between the customer and demand component, based on the conductor assignment.

  - Determine the feet, investment, and average installed book cost per foot for distribution conductors by size and type.

  - Determine minimum intercept of conductor cost per foot using cost per foot by size and type of conductor weighted by feet or investment in each category, and developing a cost for the utility's minimum size conductor.

  - Multiply minimum intercept cost by the total number of circuit feet times 2. (Note that circuit feet, not conductor feet, are used to get customer component.)

  - Balance of conductor investment is assigned to demand.

  - Total primary or secondary dollars in the account, including devices, are assigned to customer and demand components based on conductor investment ratio.

3. Accounts 366 and 367 - Underground Conduits, Conductors, and Devices

- The customer demand component ratio is developed for conductors and applied to conduits. Underground conductors are generally booked by type and size of conductor for both one-conductor (1/c) cable and three-conductor (3/c) cables. If conductors are booked by voltage, as between primary and secondary, a customer component is

developed for each. If network and URD investments are segregated, a customer component must be developed for each.

- The conductor sizes and types for the customer component derivation are restricted to I/c cable. Since there are generally many types and sizes of I/c cable, select those sizes and types which represent the bulk of the investment, when appropriate.
  - Determine the feet, investment, and average installed book cost per foot for I/c cables by size and type of cable.
  - Determine minimum intercept of cable cost per foot using cost per foot by size and type of cable weighted by feet of investment in each category.
  - Multiply minimum intercept cost by the total number of circuit feet (I/c cable with sheath is considered a circuit) to get customer component.
  - Balance of cable investment is assigned to demand.
  - Total dollars in Accounts 366 and 367 are assigned to customer and demand components based on conductor investment ratio.

4. Account 368 - Line Transformers

- The line transformer account covers all sizes and voltages for single- and three-phase transformers. Only single-phase sizes up to and including 50 KVA should be used in developing the customer components. Where more than one primary distribution voltage is used, it may be appropriate to use the transformer price from one or two predominant, selected voltages.
  - Determine the number, investment, and average installed book cost per transformer by size and type (voltage).
  - Determine zero intercept of transformer cost using cost per transformer by type, weighted by number for each category.
  - Multiply zero intercept cost by total number of line transformers to get customer component.
  - Balance of transformer investment is assigned to demand component.
  - Total dollars in the account are assigned to customer and demand components based on transformer investment ratio from customer and demand components.

C. The Minimum-System vs. Minimum-Intercept Approach

When selecting a method to classify distribution costs into demand and customer costs, the analyst must consider several factors. The minimum-intercept method can sometimes produce statistically unreliable results. The extension of the regression equation beyond the boundaries of the data normally will intercept the Y axis at a positive value. In some cases, because of incorrect accounting data or some other abnormality in the data, the regression equation will intercept the Y axis at a negative value. When this happens, a review of the accounting data must be made, and suspect data deleted.

The results of the minimum-size method can be influenced by several factors. The analyst must determine the minimum size for each piece of equipment: "Should the minimum size be based upon the minimum size equipment currently installed, historically installed, or the minimum size necessary to meet safety requirements?" The manner in which the minimum size equipment is selected will directly affect the percentage of costs that are classified as demand and customer costs.

Cost analysts disagree on how much of the demand costs should be allocated to customers when the minimum-size distribution method is used to classify distribution plant. When using this distribution method, the analyst must be aware that the minimum-size distribution equipment has a certain load-carrying capability, which can be viewed as a demand-related cost.

When allocating distribution costs determined by the minimum-size method, some cost analysts will argue that some customer classes can receive a disproportionate share of demand costs. Their rationale is that customers are allocated a share of distribution costs classified as demand-related. Then those customers receive a second layer of demand costs that have been mislabeled customer costs because the minimum-size method was used to classify those costs.

Advocates of the minimum-intercept method contend that this problem does not exist when using their method. The reason is that the customer cost derived from the minimum-intercept method is based upon the zero-load intercept of the cost curve. Thus, the customer cost of a particular piece of equipment has no demand cost in it whatsoever.

D. Other Accounts

The preceding discussion of the merits of minimum-system versus the zero-intercept classification schemes will affect the major distribution-plant accounts for FERC Accounts 364 through 368. Several other plant accounts remain to be classified. While the classification of the following distribution-plant accounts is an important step,

it is not as controversial as the classification of substations, poles, transformers, and conductors.

1. Account 369 - Services

This account is generally classified as customer-related. Classification of services may also include a demand component to reflect the fact that larger customers will require more costly service drops.

2. Account 370 - Meters

Meters are generally classified on a customer basis. However, they may also be classified using a demand component to show that larger-usage customers require more expensive metering equipment.

3. Account 371 - Installations on Customer Premises

This account is generally classified as customer-related and is often directly assigned. The kind of equipment in this account often influences how this account is treated. The equipment in this account is owned by the utility, but is located on the customer's side of the meter. A utility will often include area lighting equipment in this account and assign the investment directly to the lighting customer class.

4. Account 373 - Street Lighting and Signal Systems

This account is generally customer-related and is directly assigned to the street customer class.

III. ALLOCATION OF THE DEMAND AND CUSTOMER COMPONENTS OF DISTRIBUTION PLANT

After completing the classification of distribution plant accounts, the next major step in the cost of service process is to allocate the classified costs. Generally, determining the distribution-demand allocator will require more data and analysis than determining the customer allocators. Following are procedures used to calculate the demand and customer allocation factors.

A. Development of the Distribution Demand Allocators

There are several factors to consider when allocating the demand components of distribution plant. Distribution facilities, from a design and operational perspective, are installed primarily to meet localized area loads. Distribution substations are designed to meet the maximum load from the distribution feeders emanating from the substation.

Similarly, when designing primary and secondary distribution feeders, the distribution engineer ensures that sufficient conductor and transformer capacity is available to meet the customer's loads at the primary- and secondary-distribution service levels. Local area loads are the major factors in sizing distribution equipment. Consequently, customer-class noncoincident demands (NCPs) and individual customer maximum demands are the load characteristics that are normally used to allocate the demand component of distribution facilities. The customer-class load characteristic used to allocate the demand component of distribution plant (whether customer class NCPs or the summation of individual customer maximum demands) depends on the load diversity that is present at the equipment to be allocated. The load diversity at distribution substations and primary feeders is usually high. For this reason, customer-class peaks are normally used for the allocation of these facilities. The facilities nearer the customer, such as secondary feeders and line transformers, have much lower load diversity. They are normally allocated according to the individual customer's maximum demands. Although these are the methods normally used for the allocation of distribution demand costs, some exceptions exist.

The load diversity differences for some utilities at the transmission and distribution substation levels may not be large. Consequently, some large distribution substations may be allocated using the same method as the transmission system. Before the cost analyst selects a method to allocate the different levels of distribution facilities, he must know the design and operational characteristics of the distribution system, as well as the demand losses at each level of the distribution system.

As previously indicated, the distribution system consists of several levels. The first level starts at the distribution substation, and the last level ends at the customer's meters. Power losses occur at each level and should be included in the demand allocators. Power losses are incorporated into the demand allocators by showing different demand loss factors at each predominant voltage level. The demand loss factor used to develop the primary-distribution demand allocator will be slightly larger than the demand loss factor used to develop the secondary demand allocator. When developing the distribution demand allocator, be aware that some customers take service at different voltage levels.

Cost analysts developing the allocator for distribution of substations or primary demand facilities must ensure that only the loads of those customers who benefit from these facilities are included in the allocator. For example, the loads of customers who take service at transmission level should not be reflected in the distribution substation or primary demand allocator. Similarly, when analysts develop the allocator for secondary demand facilities, the loads for customers served by the primary distribution system should not be included.

Utilities can gather load data to develop demand allocators, either through their load research program or their transformer load management program. In most cases, the load research program gathers data from meters on the customers' premises. A more complex procedure is to use the transformer load management program.

This procedure involves simulating load profiles for the various classes of equipment on the distribution system. This provides information on the nature of the load diversity between the customer and the substation, and its effect on equipment cost. Determining demand allocators through simulation provides a first-order load approximation, which represents the peak load for each type of distribution equipment.

The concept of peak load or "equipment peak" for each piece of distribution equipment can be understood by considering line transformers. If a given transformer's loading for each hour of a month can be calculated, a transformer load curve can be developed. By knowing the types of customers connected to each load management transformer, a simulated transformer load profile curve can be developed for the system. This can provide each customer's class demand at the time of the transformer's peak load. Similarly, an equipment peak can be defined for equipment at each level of the distribution system. Although the equipment peak obtained by this method may not be ideal, it will closely approximate the actual peak. Thus, this method should reflect the different load diversities among customers at each level of the distribution system. An illustration of the simulation procedure is provided in Appendix 6-A.

B. Allocation of Customer-Related Costs

When the demand-customer classification has been completed, most of the assumptions will have been made that affect the results of the completed cost of service study.

The allocation of the customer-related portion of the various plant accounts is based on the number of customers by classes of service, with appropriate weightings and adjustments. Weighting factors reflect differences in characteristics of customers within a given class, or between classes. Within a class, for instance, we may want to give more weighting of a certain plant account to rural customers, as compared to urban customers. The metering account is a clear example of an account requiring weighting for differences between classes. A metering arrangement for a single industrial customer may be 20 to 80 times as costly as the metering for one residential customer.

While customer allocation factors should be weighted to offset differences among various types of customers, highly refined weighting factors or detailed and time consuming studies may not seem worthwhile. Such factors applied in this final step of the cost study may affect the final results much less than such basic assumptions as the demand-allocation method or the technique for determining demand-customer classifications.

Expense allocations generally are based on the comparable plant allocator of the various classes. For instance, maintenance of overhead lines is generally assumed to be directly related to plant in overhead conductors and devices. Exceptions to this rule will occur in some accounts. Meter expenses, for example, are often a function of

maintenance and testing schedules related more to revenue per customer than to the cost of the meters themselves.