

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00 :
 2. BUREAU: FUS :
 3. SECTION(S): :
 5. APPROVED BY: : 4. PUBLIC MEETING DATE:
 DIRECTOR: : 00/00/00
 SUPERVISOR: :
 6. PERSON IN CHARGE: : 7. DATE FILED: 12/21/06
 8. DOCKET NO: R-00062020 : 9. EFFECTIVE DATE: 01/01/07

PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: PPL ELECTRIC UTILITIES CORP

COMP/APP COUNTY:

UTILITY CODE: 110500

ALLEGATION OR SUBJECT

PPL ELETRIC UTILITIES CORPORATION HAS FILED SUPPLEMENT NO 51 TO TARIFF ELEC-
TRIC PA PUC NO 201, TO BECOME EFFECTIVE JANUARY 1, 2007, WHICH PROPOSES TO
REFLECT A RECOMPUTATION OF THE STATE TAX ADJUSTMENT SURCHARGE (STAS).

DOCUMENT
FOLDER

DOCKETED
DEC 28 2006

ORIGINAL

Paul E. Russell
Associate General Counsel

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



DOCUMENT FOLDER

FEDERAL EXPRESS

December 21, 2006

R-00062020

James J. McNulty, Esquire
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17105-3265

RECEIVED

DEC 21 2006

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: **PPL Electric Utilities Corporation**
2007 State Tax Adjustment Surcharge
Docket No.

Dear Mr. McNulty:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are an original and eight (8) copies of Supplement No. 51 to PPL Electric's Tariff-Electric Pa. P.U.C. No. 201. This supplement reflects a recomputation of PPL Electric's State Tax Adjustment Surcharge ("STAS") associated with changes in the Pennsylvania Capital Stock Tax rate, the Public Utility Realty Tax Act ("PURTA") rate, and the PURTA Surcharge Rate Adjustment established under 72 P.S. § 8111-A(d), as well as the reconciliation of the application of PPL Electric's 2006 STAS rates. This filing is being made pursuant to the Commission's regulations at 52 Pa. Code § 69.51, *et seq.*, and PPL Electric's tariff.

Recomputation of PPL Electric's STAS, as of December 21, 2006, to reflect these changes indicates an increase from the present rate of negative 0.097% to a proposed rate of negative 0.049% for the distribution rate component, and from the present rate of negative 0.069% to a proposed rate of 0.126% for all other rate components of customers' bills, for application during the period January 1, 2007 through December 31, 2007.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on December 21, 2006, which is the date it was deposited with an overnight express delivery service as shown on the delivery receipt attached to the mailing envelope.

75

In addition, please date and time-stamp the enclosed extra copy of this letter and return it to me in the envelope provided.

If you have any questions regarding the enclosed filing, please call me or Joseph M. Kleha, PPL Electric's Manager - Regulatory Projects at (610) 774-4486.

Very truly yours,

A handwritten signature in black ink, appearing to read "Paul E. Russell". The signature is written in a cursive, flowing style with some capitalization.

Paul E. Russell

Enclosures

cc: Irwin A. Popowsky, Esquire
William R. Lloyd, Esquire
J. Edward Simms, Esquire
Mr. Robert A. Rosenthal
Mr. Robert F. Wilson

R-00062020

Supplement No. 51
Electric Pa. P.U.C. No. 201

DOCUMENT
FOLDER



ORIGINAL

PPL Electric Utilities Corporation

GENERAL TARIFF

DOCKETED
DEC 28 2006

**RULES AND RATE SCHEDULES
FOR ELECTRIC SERVICE**

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

ISSUED: December 21, 2006

EFFECTIVE: January 1, 2007

Issued by
JOHN F. SIPICS, PRESIDENT
Two North Ninth Street
Allentown, PA 18101-1179

RECEIVED

DEC 21 2006

NOTICE

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

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

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

State Tax Adjustment Surcharge (STAS)
Page No. 16

The State Tax Adjustment Surcharge (STAS)
Part 1 will be negative 0.049%.

The State Tax Adjustment Surcharge (STAS)
Part 2 will be 0.126%.

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	3B	Twenty-Second
	3C	Nineteenth
	3D	Thirteenth
	3E	Fourth
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	4A	Second
	4B	Second
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2 - Requirements for Service -----	6	Second
	6A	Sixth
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5 - Use of Service -----	9	Fourth
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	19A.3	First
	19A.4	First

STATE TAX ADJUSTMENT SURCHARGE

STATE TAX ADJUSTMENT SURCHARGE

(C)

In addition to the charges and credits provided for in this tariff, except for charges or credits under Rate Schedules PR-1(R) and PR-2(R) for incremental or decremental kilowatt-hour usage and under the Generation Rate Adjustment Rider, a two-part surcharge will be charged for all service rendered on and after the effective date of this provision.

- Part 1 will include Capital Stock Tax, Corporate Income Tax, Public Utility Realty Tax, and Gross Receipts Tax, which will be applied to the Distribution component of the bill. Effective January 1, 2007, this part of the surcharge will be negative 0.049%.
- Part 2 will include the Gross Receipts Tax, which will be applied to all other components of the bill. Effective January 1, 2007, this part of the surcharge will be 0.126%.

Each part of the State Tax Adjustment Surcharge will be recomputed using the elements prescribed by the Commission in its regulations at 52 Pa. Code §69.51, et seq. and at 52 Pa. Code §54.91, et seq.:

- on December 21, 2006, and each year thereafter until the surcharge is rolled into base rates, and
- whenever the Company experiences a material change in any of the taxes used in calculation of the surcharge due to a change in the applicable tax rates, or in the basis of calculating such tax rates, or due to changes in its state tax liability arising under 66 Pa. C. S. §§2806 (g), 2809(c) or 2810 (c).

The recalculation will be submitted to the Commission within 10 days after the occurrence of the event which occasions such recomputation or as prescribed in the Commission's regulations at 52 Pa. Code §54.91, et seq. If the recomputed surcharge is less than the one in effect, the utility will, or if the recomputed surcharge is more than the one in effect the utility may, submit with such recomputation a tariff or supplement to reflect such recomputed surcharge. The effective date of such tariff or supplement shall be 10 days after filing or as prescribed in the Commission's regulations at 52 Pa. Code §54.91, et seq.

TAX INDEMNIFICATION

If the Company becomes liable, under Section 2806(g) or 2809(c) of the Public Utility Code, 66 Pa. C.S. §§ 2806(g) and 2809(c), for any Pennsylvania state taxes not paid by an electric generation supplier, the non-tax-compliant electric generation supplier shall indemnify the Company for the full amount of additional state tax liability imposed upon it by the Pennsylvania Department of Revenue due to the failure of the electric generation supplier to pay, or remit to the Commonwealth, the tax imposed on the electric generation supplier's gross receipts under Section 1101 of the Tax Report Code of 1971 or Chapter 28 of Title 66.

PPL ELECTRIC UTILITIES CORPORATION

Computation of State Tax Adjustment Surcharge
As of January 1, 2007, Based on Application Year 2007 Operations

	<u>Distribution</u> <u>Amount</u>	<u>Other</u> <u>Amount</u>	<u>Schedule</u>
1. Capital Stock Tax	\$ (1,690,299)	\$ -	A
2. Corporate Net Income Tax	-	-	B <u>1/</u>
3. Utility Realty Tax	618,566	-	C
4. Gross Receipts Tax	-	-	D <u>1/</u>
5. Total of Lines 1, 2, 3, and 4	<u>(1,071,733)</u>	-	
6. PURTA Surcharge Rate Adjustment	<u>784,620</u>	<u>2,977,998</u>	D
7. Total of Lines 5 and 6	<u>\$ (287,113)</u>	<u>\$ 2,977,998</u>	
8. Line 7 divided by complement of Gross Receipts Tax Rate (0.9398)	\$ (305,504)	\$ 3,168,757	
9. STAS reconciliation for period January 1, 2006 through December 31, 2006	<u>(17,335)</u>	<u>(32,036)</u>	
10. Total of Lines 8 and 9	<u>\$ (322,839)</u>	<u>\$ 3,136,721</u>	
11. Gross Intrastate Operating Revenues derived from service under rates subject to the jurisdiction of the Pennsylvania Public Utility Commission projected for the application period January 1, 2007 through December 31, 2007	<u>\$ 653,850,160</u>	<u>\$ 2,481,664,682</u>	E
12. Surcharge rate to be applied for the period January 1, 2007 through December 31, 2007 (Line 10 divided by Line 11)	<u>-0.049%</u>	<u>0.126%</u>	

1/ Not applicable to this filing.

PPL ELECTRIC UTILITIES CORPORATION

Capital Stock Tax Adjustment
(Electric Department)

1. Value of capital stock (Per official settlement dated October 17, 2006 attached, Schedule A, Page 3) (Value per settlement of \$1,064,654,316 plus 2004 statutory exemption of \$125,000)	\$ 1,064,779,316
2. Statutory exemption - 2007	<u>150,000</u>
3. Value of capital stock less statutory exemption	1,064,629,316
4. Apportionment percentage	<u>0.962927</u>
5. Taxable value of capital stock	1,025,160,313
6. Tax rate - 2007 (3.89 mills)	<u>0.00389</u>
7. Pa. capital stock tax based on new tax rate - 2007	3,987,874
8. Pa. capital stock tax (Based on 2004 settled value and 2005 tax rates)	<u>6,140,710</u>
9. Tax decrease - 2007	(2,152,836)
10. PUC jurisdictional allocation factor	<u>0.78515</u>
11. Allocated tax decrease - 2007	<u>\$ (1,690,299)</u>

REPORT RECEIVED 09/28/05

Commonwealth of Pennsylvania
DEPARTMENT OF REVENUE

BUREAU OF CORPORATION TAXES
PO BOX 280703
HARRISBURG PA 17128-0703



REV-57 CT AFP (3-05)

OFFICIAL NOTICE OF SETTLEMENT

PA ACCOUNT ID: 0280-166
TAXABLE YEAR: 01/01/04 TO 12/31/04
DLN: 55-2-79464

PPL ELECTRIC UTILITIES CO
TWO NORTH NINTH STREET
ALLENTOWN PA 18101

OFFICIAL SETTLEMENT HAS BEEN MADE BY THE PA DEPARTMENT OF REVENUE AND THE DEPARTMENT OF THE AUDITOR GENERAL FOR THE TAXES LISTED BELOW:

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----		
TAX	AS REPORTED	AS SETTLED
	6,943,052	7,166,039

----- SECTION B - LOANS TAX -----		
TAX	AS REPORTED	AS SETTLED
	30,321	30,321

----- SECTION C - CORPORATE NET INCOME TAX -----		
TAX	AS REPORTED	AS SETTLED
	0	0

DEPARTMENT OF REVENUE (717)783-6031 PATRICK KING	MAILING DATE	AUDITED AND APPROVED BY DEPARTMENT OF AUDITOR GENERAL HARRY E ADAMS
08/15/06	10/13/06	10/12/06

TO FORMALLY CONTEST THIS SETTLEMENT A PETITION FOR RESETTLEMENT, ALONG WITH A COPY OF THIS SETTLEMENT NOTICE, MUST BE FILED ON OR BEFORE JAN 11 2007. APPEALS, SIGNED BY A CORPORATE OFFICER, MAY BE FILED ONLINE AT WWW.BOARDOFAPPEALS.STATE.PA.US, OR MAILED TO: BOARD OF APPEALS, PO BOX 281021, HARRISBURG, PA. 17128-1021.

LOANS SETTLED AS REPORTED

ADJUSTMENTS NOTED ON THE NEXT PAGE ARE EXPLAINED BELOW:

- * DEPARTMENT OF REVENUE COMPUTATION DIFFERS FROM SUBMITTED FIGURE
- A8 ADJUSTMENT TO INCOME NOT SUPPORTED BY FEDERAL FORM AND SCHEDULES.
- F1 USE CONSOLIDATED NET WORTH.
- PY PRIOR YEAR SETTLEMENT FIGURES EMPLOYED.
- SA EXEMPTION FOR U.S./PA/MUNICIPAL SECURITIES ALLOWED.
- S8 USE AVERAGE TOTAL ASSETS PER BALANCE SHEET.
- U2 USE SEPARATE COMPANY TAXABLE INCOME, NOT CONSOLIDATED.
- W1 REVENUE ADJUSTMENT BASED ON FEDERAL FORM(S) AND/OR SCHEDULE(S).
- W2 MULTIPLE ADJUSTMENTS MADE. DETAILS AVAILABLE UPON REQUEST.

OFFICIAL NOTICE OF SETTLEMENT
 RE: 0280-166 PPL ELECTRIC UTILITIES CO 01/01/04 TO 12/31/04 DLN 55-2-79464
 PAGE 2

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----

HISTORY OF EARNINGS - BOOK INCOME	AS REPORTED	AS ADJUSTED	NOTES
01/01/00 TO 12/31/00		277,363,986	PY
01/01/01 TO 12/31/01		124,281,534	PY
01/01/02 TO 12/31/02		49,803,678	PY
01/01/03 TO 12/31/03		28,470,372	PY
01/01/04 TO 12/31/04	60,302,028		
TOTAL BOOK INCOME		540,221,598	
AVERAGE NET INCOME	108,044,320	108,044,320	
EQUITY YEAR ENDING	1,322,271,336	1,323,000,000	F1
EQUITY YEAR BEGINNING	1,272,042,041	1,273,007,000	PY
NET WORTH	1,322,271,336	1,323,000,000	*
CAPITAL STOCK VALUE	1,064,381,067	1,064,654,316	*
APPORTIONMENT PROPORTION	.933203	.962927	W2
CAPITAL STOCK/FRANCHISE TAX	6,943,052	7,166,039	*

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FRANCHISE TAX

PROPERTY FACTOR - PA			
PROPERTY FACTOR - TOTAL			
PAYROLL FACTOR - PA			
PAYROLL FACTOR - TOTAL			
SALES FACTOR - PA			
SALES FACTOR - TOTAL			
SINGLE FACTOR - NUMERATOR	3,793,913,903	3,914,753,904	SA
SINGLE FACTOR - DENOMINATOR	4,065,473,392	4,065,473,393	S8

----- SECTION B - LOANS TAX -----

INDEBTEDNESS	7,631,094	
LOANS TAX	30,321	30,321

----- SECTION C - CORPORATE NET INCOME TAX -----

DEPRECIATION CARRY IN AND OUT	103,404,128	164,097,107	PY
NET INCOME	85,695,118-	86,552,763-	U2
DIVIDENDS	1,809,774	1,109,774-	W1
US INTEREST			
DEPRECIATION DEDUCTION	8,275,866	8,275,866	
OTHER			
TOTAL DEDUCTIONS	10,085,640	7,166,092	*
INCOME TAXES	12,395,322	12,373,311	A8
TAX PREFERENCE ITEMS	176,597-		
EIP ADJUSTMENTS			
DEPRECIATION ADDITION	68,968,845		
OTHER			
TOTAL ADDITIONS	81,187,570	81,165,559	*
ADJUSTED INCOME	14,593,188-	12,553,296-	*
TOTAL NONBUSINESS INCOME		0	
INCOME TO BE APPORTIONED		12,553,296-	
APPORTIONMENT PROPORTION	1.000000	1.000000	
PA APPORTIONED INCOME		12,553,296-	
PA NONBUSINESS INCOME		0	
INCOME PRIOR TO NL DEDUCTION	14,593,188-	12,553,296-	*
NET LOSS DEDUCTION			
PA TAXABLE INCOME		12,553,296-	
CORPORATE NET INCOME TAX	0	0	

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

PROPERTY FACTOR - PA	4,697,647,740
PROPERTY FACTOR - TOTAL	4,697,647,740
PAYROLL FACTOR - PA	201,970,328
PAYROLL FACTOR - TOTAL	201,970,328
SALES FACTOR - PA	2,526,356,849
SALES FACTOR - TOTAL	2,526,356,849
SINGLE FACTOR - PA	
SINGLE FACTOR - TOTAL	

SCHEDULE C-2: NET LOSS DEDUCTION AND CARRYFORWARD

NL CARRYFWD TO CURRENT TAXABLE YEAR	NL CARRYFWD TO NEXT TAXABLE YEAR
12-31-94	0
12-31-95	0
12-31-96	0
12-31-97	0
12-31-98	0
12-31-99	0
12-31-00	0
12-31-01	0
12-31-02	0
12-31-03	0
	12-31-04
	12,553,296

PPL ELECTRIC UTILITIES CORPORATIONPennsylvania Public Utility Realty Tax Adjustment
(Electric Department)

1. Taxable value of T&D plant at December 31, 2005 (per Notice of Determination dated August 1, 2006 - attached, Schedule C, Page 3)	<u>\$ 145,049,010</u>
2. Pa. Public Utility Realty Tax (Based on applied rate of 27.8472 mills per Notice of Determination dated August 1, 2006- attached, Schedule C, Page 3)	<u>\$ 4,039,209</u>
3. Taxable value of T&D plant at December 31, 2002 (per Notice of Determination dated August 1, 2003 - attached, Schedule C, Page 5)	<u>105,089,890</u>
4. Pa. Public Utility Realty Tax (Based on applied rate of 30.9390 mills per Notice of Determination dated August 1, 2003- attached, Schedule C, Page 5)	<u>3,251,378</u>
5. Increase in Pa. Public Utility Realty Tax	787,831
6. PUC jurisdictional allocation factor	<u>0.78515</u>
7. Allocated tax increase - 2007	<u>\$ 618,566</u>

BUREAU OF CORPORATION TAXES
PURTA UNIT
P.O. BOX 280704
HARRISBURG, PA 17128-0704

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE



Mailing Date:
August 1, 2006

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION GENTW11
2 N 9TH STREET
ALLENTOWN, PA 18101

**Re: 2005 Pennsylvania Public Utility Realty Tax
Notice of Determination**

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2005. This notice is based on information provided by your County Tax Assessor's Office. Any errors must be addressed with that agency and not with the Pennsylvania Department of Revenue. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

Local taxing jurisdictions will soon be filing 2006 PURTA property information with the Department of Revenue. This information comes directly from your County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes or corrections to the County Tax Assessor's records must be addressed and/or appealed at the local level. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this Notice of Determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA Tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

1998 - 2005 NOTICES:

2005 Liability:	\$4,039,209.00
2004 Liability Adjustment:	(\$5,746.00)
2003 Liability Adjustment:	\$30,060.00
2002 Liability Adjustment:	(\$14,981.00)
2001 Liability Adjustment:	\$1,790.00
2001 Transition Credit Adjustment:	\$0.00
2000 Liability Adjustment:	(\$5,852.00)
2000 Transition Credit Adjustment:	\$0.00
1999 Liability Adjustment:	\$5,189.00
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$77,750.00
1998 Transition Credit Adjustment:	\$0.00

Sincerely,

Bureau of Corporation Taxes
Department of Revenue

PLEASE SEE PAGE 2
FOR DETAIL

Account ID: 3500090

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

Tax Year 2005 *

	<u>2005</u>
1) Realty Tax Equivalent (RTE):	\$ 31,316,167
2) Total State Taxable Value (STV) for all utilities:	\$ 1,546,689,572
3) PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):	27.8472 mills
4) STV for Utility:	\$145,049,010
5) Liability (Line 3 x Line 4):	\$4,039,209

Tax Year 1998 - 2004

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 39,079,683	\$ 28,278,893	\$ 29,249,226	\$ 29,226,699	\$ 29,938,195	\$ 29,942,762
2) Adjusted Total STV for all utilities:	\$ 2,090,381,492	\$ 2,058,686,870	\$ 1,359,876,955	\$ 1,334,032,493	\$ 1,361,641,755	\$ 1,384,456,111	\$ 1,447,184,767
3) Adjusted Millage Rate (includes 7.6 mills for PTA):	71.3204 mills	26.5828 mills	28.3952 mills	29.5254 mills	29.0643 mills	29.2245 mills	28.2904 mills
4) Adjusted STV for Utility:	\$221,622,821	\$236,429,985	\$116,950,720	\$113,192,637	\$119,440,843	\$129,997,650	\$145,137,841
5) Adjusted Liability (Line 3 x Line 4):	\$15,806,228	\$6,284,971	\$3,320,839	\$3,342,058	\$3,471,464	\$3,799,116	\$4,106,008
6) Adjusted Transition Credit:	\$0	\$0	\$0	\$0	N/A	N/A	N/A
7) Adjustment to Liability of 8/1/2005:	\$77,750	\$5,189	(\$5,852)	\$1,790	(\$14,981)	\$30,060	(\$5,746)
8) Adjustment to Transition Credit of 8/1/2005:	\$0	\$0	\$0	\$0	N/A	N/A	N/A

Under separate cover you will receive an Account Review. Please review it to confirm the current status of payments made, transition credits and adjustments to previous tax liabilities or balances still due. Any overpayment is available for transfer within the account, any net credit balance for the account is available for refund/assignment.

* If you do not agree with this Notice of Determination for 2005 PURTA, you may file a Petition for Recalculation pursuant to "Section 1109-A of the Act of March 4, 1971, as amended" with the Board of Finance and Revenue which must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within thirty (30) days of the mailing date of this notice.

BUREAU OF CORPORATION TAXES
PURTA UNIT
DEPT. 280704
HARRISBURG, PA 17128-0704

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE



Mailing Date:
August 1, 2003

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION GENTW11
2 N 9TH STREET
ALLENTOWN, PA 18101

**Re: 2002 Pennsylvania Public Utility Realty Tax
Notice of Determination**

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2002. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

2003 PURTA property information for next tax year's filings will soon be filed with the Department of Revenue by local taxing jurisdictions. This information comes directly from your local County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes you deem necessary to the local County Assessor's report must be addressed and/or appealed at the local level. You must make sure that each county properly reports to the Department of Revenue relevant and accurate information. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

Sincerely,

Bureau of Corporation Taxes
Department of Revenue

2002,2001,2000,1999 & 1998 NOTICES:

2002 Liability:	\$3,251,378.00
2001 Liability Adjustment:	(\$35,595.00)
2001 Transition Credit Adjustment:	\$0.00
2000 Liability Adjustment:	\$60,712.00
2000 Transition Credit Adjustment:	\$0.00
1999 Liability Adjustment:	(\$14,906.00)
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$300,288.00
1998 Transition Credit Adjustment:	\$0.00

**PLEASE SEE
REVERSE SIDE
FOR DETAIL**

Account Id: 3500090



Mailing Date:
 August 1, 2003

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

<u>Tax Year 2002 *</u>	<u>2002</u>
1) Realty Tax Equivalent (RTE):	\$ 32,527,609
2) Total State Taxable Value (STV) for all utilities:	\$ 1,393,700,844
3) PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):	30.9390 mills
4) STV for Utility:	\$105,089,890
5) Liability (Line 3 x Line 4):	\$3,251,378

<u>Tax Year 1998 - 2001</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 40,145,551	\$ 31,667,138	\$ 32,783,466
2) Adjusted Total STV for all utilities:	\$ 2,184,494,108	\$ 2,093,188,013	\$ 1,392,156,950	\$ 1,377,115,970
3) Adjusted Millage Rate (including 7.6 mills for PTA):	68.5752 mills	26.7791 mills	30.3468 mills	31.4059 mills
4) Adjusted STV for Utility:	\$212,468,408	\$227,294,425	\$102,965,537	\$97,824,002
5) Adjusted Liability (Line 3 x Line 4):	\$14,570,067	\$6,086,750	\$3,124,676	\$3,072,249
6) Adjusted Transition Credit:	\$0	\$0	\$0	\$0
7) Adjustment to Liability of 8/1/2002:	\$300,288	(\$14,906)	\$60,712	(\$35,595)
8) Adjustment to Transition Credit of 8/1/2002:	\$0	\$0	\$0	\$0

Under separate cover you will receive an Account Review. Please review it to confirm the current status of payments made, transition credits and adjustments to previous tax liabilities or balances still due. Any overpayment is available for transfer within the account, any net credit balance for the account is available for refund/assignment.

* If you do not agree with this Notice of Determination for 2002 PURTA, you may file a Petition for Recalculation pursuant to Section 1109-A with the Board of Finance and Revenue which must be postmarked by the U.S. Postal Service or received by the Board of Finance and Revenue within thirty (30) days of the mailing date of this notice.

Petitions should be addressed to:

Board of Finance and Revenue
 1101 South Front Street, Suite 400
 Harrisburg, Pa 17104-2539

PPL ELECTRIC UTILITIES CORPORATION

PURTA Surcharge Rate Adjustment
Applicable to Gross Receipts Tax

	<u>Distribution</u>	<u>Other</u>
1. Projected taxable revenues for Pa. gross receipts tax for period January 1, 2007 to December 31, 2007 (Schedule E, Page 3)	\$ 653,850,160	\$ 2,481,664,682
2. PURTA surcharge established under 72 P.S. § 8111-A(d)	0.0012	0.0012
3. Projected increase in applicable 2007 gross receipts tax liability based on PURTA surcharge rate	\$ 784,620	\$ 2,977,998

PPL ELECTRIC UTILITIES CORPORATION

Gross Receipts Tax Adjustment

Most recently completed calendar year is the year 2005:

1. Taxable revenues per amended return filed December 8, 2006 (Schedule D, Page 8)	\$ 2,886,597,872
2. Less change in accounts receivable	<u>(37,849,495)</u>
3. Remainder - Tax Base of PUC Base Rate Revenues	2,924,447,367
4. Less - Revenues included above from service under rates subject to jurisdiction of Federal Energy Regulatory Commission	<u>310,160</u>
5. Taxable revenue from service under rates subject to jurisdiction of Pennsylvania Public Utility Commission	<u>\$ 2,924,137,207</u>

RCT-112 (9-05)

11200051044



PA DEPARTMENT OF REVENUE
PO BOX 280407
HARRISBURG, PENNSYLVANIA 17128-0407

Commonwealth of Pennsylvania
GROSS RECEIPTS TAX
ELECTRIC, HYDRO-ELECTRIC
AND WATER POWER COMPANIES
2005 REPORT

(DEPARTMENT USE ONLY) DLN
ACCOUNT ID (CORPORATE BOX NUMBER) 0280-166
(DEPARTMENT USE ONLY) Date Received
FEDERAL ID (EIN) 23-0959590
MAKE ADDRESS CHANGES IN SPACE BELOW ADDRESS
CITY STATE ZIP CODE

PPL Electric Utilities Corp.
NAME
Two North Ninth Street
ADDRESS
Allentown PA 18101
CITY STATE ZIP CODE

First Report Amended Report Last Report (out-of existence as of _____)

ANNUAL PAYMENTS TAX PERIOD ENDING 12/31/05 DUE DATE 03/15/06

Fill in corresponding self-assessed tax, prepayments, remittance amount and Grand Totals.

T/C 01-15 TAX TYPE	REVENUE USE ONLY		A. Tax Liability from Tax Report	B. Estimated Payments & Credits on Deposit	C. Restricted Credit	Remittance A minus B minus C
	TYPE CODE	BUDGET CODE				
✓ GROSS RECEIPTS- Electric, Hydro-Electric Water Power	10	123102	172,091,333	172,423,332		(332,099)

*Note: Prepayments of tax for year ending 12/31/06 required. See Estimated Payment Coupon instructions.

GRAND TOTALS 172,091,333 172,423,332 (332,099)

PLEASE CHECK THIS BLOCK ONLY IF THE TOTAL PAYMENT SHOWN ABOVE HAS BEEN (OR WILL BE) PAID BY ELECTRONIC FUNDS TRANSFER (EFT).

OVERPAYMENT INSTRUCTIONS (CHECK ONLY ONE BOX)

- A. Automatically transfer overpayments to other current tax period underpaid taxes and the remaining portion of the overpayment(s) to the next tax period.
- B. Automatically transfer \$ _____ of the current tax period overpayment(s) to the next tax period after paying any other current tax period underpaid taxes and refund the remaining portion of the current tax period overpayment(s).
- C. Refund the overpayment(s) of the current tax period after paying any other current tax period underpaid taxes.

I hereby affirm under penalties prescribed by law that this report (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete report. If prepared by a person other than the taxpayer, his declaration is based on all information of which he has any knowledge.

Signature of Officer of Company <i>[Signature]</i>	Title Asst. Treas.	Date 12/8/06	Telephone Number (610) 774-3298
PRINT Individual Preparer or Firm's Name	Signature of Preparer		
PRINT Individual or Firm's Street Address	Title	Telephone Number	
City State Zip Code	E-mail Address		

11200051044

RESALE EXEMPTION SCHEDULE

Name of Reseller	Gross Receipts
First Energy Corporation	224,233
West Penn Power Co.	338,596
N. Y. State Electric & Gas Corp.	87,844
PECO Energy	5,752
Allegheny Elec. Coop-Chapman	30,128
Blakely Borough	44,983
Catawissa Borough	60,344
Duncannon Borough	13,986
Hatfield Borough	27,026
Olyphant Borough	60,695
St. Clair Borough	54,459
Watsonstown Borough	18,539
PPL EnergyPlus	<u>148,232,646</u>
Total Sales for Resale	149,199,231
Less Out of State Sales	<u>(87,844)</u>
Total Sales for Resale within PA	<u><u>149,111,387</u></u>

11200055048

RCT-112
PAGE 5

TAX COMPUTATION

Identify method of Accounting for Gross Receipts: Cash Accrual

(Answer all questions with appropriate figures, the use of the word "None" or such statement of facts as is responsive to the question.)

A. Gross Receipts from all sources \$ 3,218,456,383
 B. Gross Receipts within Pennsylvania from all sources (Taxable and Non-taxable) \$ 3,218,368,539

PROVIDE A COPY OF THE ANNUAL REPORT AS FILED WITH THE PUBLIC UTILITY COMMISSION

GROSS RECEIPTS FROM:	TAXABLE GROSS RECEIPTS	NON-TAXABLE GROSS RECEIPTS
1. Sales of electric energy (not including sales for resale)	\$ <u>2,877,522,589</u>	\$
2. Resales - Sale of Electric Energy (Also complete Schedule 3 on Page 4)		
a. To other Utilities	\$	\$ <u>148,801,227</u>
b. Municipalities/Government Entities	\$ <u>310,160</u>	\$
c. Wholesale (None of the above)	\$	\$
d. Independent Service Organizations (ISO) - grids	\$	\$
3. Charges for services rendered	\$	\$ <u>282,189</u>
4. Consumer's forfeited discounts and penalties	\$ <u>2,765,123</u>	\$
5. Sales to Federal Government	\$	\$
6. Capacity charges	\$	\$
7. Standby charges	\$	\$
8. Demand charges	\$	\$
9. All other sources. List separately. (attach separate sheet if additional space is needed)		
a. <u>(See Attached)</u>	\$	\$ <u>182,687,252</u>
b.	\$	\$
c.	\$	\$
d.	\$	\$
e.	\$	\$
f.	\$	\$
g.	\$	\$
Total Gross Receipts Within The State	\$ <u>2,886,597,870</u>	\$ <u>331,770,667</u>

* See Instructions

COMPUTATION BY TAXPAYER

1. GROSS RECEIPTS TAXABLE for the period covered by this report \$ 2,886,597,870
 2. Tax at the rate of 59.6 mills (.0596 - 44 mills tax and 15 mills RNR and .6 mills PURTA Surcharge)
 Line 1 x Line 2. Carry to Page 1, Column A (Whole Numbers Only) \$ 172,041,233

11200055048

PPL Electric Utilities Corporation
2005 Gross Receipts Tax Return

<u>Receipts from all other sources:</u>	<u>Account</u>		<u>Total</u>
Rent - General	45410	A	\$731,475
Other elec rev - rent - Fiber Aff	45411	A	187,677
Other Electric Revenue Rent-Supply Agreement	45412	A	121,308
Rent-Attachments and Joint Use	45420	A	18,891,490
Rent-Attachments and Joint Use	45421	A	71,076
Other Electric Revenue-Supply Agreement	45422	A	78,000
Other Electric Revenue - General	45610	A	2,400,264
Other Electric Revenue-Supply Agreement	45612	A	646,644
Other Electric Revenue -Trans Regul	45613	A	146,905,831
Revenue-Merchandising, Jobbing, Contract Work	41500	A	438,304
Revenue-Merchandising	41510	A	26,670
Non-Operating Rental Income	41801	A	(25)
Interest & Dividend Income Associated Companies	41901	A	0
Interest & Dividend Income-Marketable Securities	41902	A	0
Interest & Dividend Income-Temp Cash Investments	41905	A	2,072,163
Interest & Dividend Income-Tax Exempt Income	41906	A	1,545,179
Interest & Dividend Income-Miscellaneous	41908	A	2,943,972
Interest & Dividend Income	41909	A	0
Other Elec Revenue - PJM	45614	A	3,816,774
Miscellaneous Nonoperating Income	42100	A	1,809,407
Miscellaneous Nonoperating Income	42101	A	0
Miscellaneous Nonoperating Income - Trademark	42106	A	0
Miscellaneous Nonoperating Income	42101	A	1,043
Total			<u>\$182,687,252</u>

PPL ELECTRIC UTILITIES CORPORATIONComputation of Revenues from Service Under
Rates Subject to Jurisdiction of
Pennsylvania Public Utility CommissionCalendar Year 2005

1. Revenues from sales of electricity	\$ 3,085,847,445
2. Add - Delayed Payment Charges	<u>8,765,123</u>
3. Sub-total	3,094,612,568
4. Less - Revenues from service under rates subject to jurisdiction of Federal Energy Regulatory Commission	<u>148,684,337</u>
5. Revenues from service under rates subject to jurisdiction of Pennsylvania Public Utility Commission	<u>\$ 2,945,928,231</u>

PPL ELECTRIC UTILITIES CORPORATION

Computation of Revenues from Service Under
Rates Subject to Jurisdiction of
Pennsylvania Public Utility Commission
For Twelve Months Ended December 31, 2005

<u>Month</u>	(A) Base Rate Revenue	(B) Delayed Payment Charge	(C) (A)+(B) PUC Jurisdictional Sales
January 2005	\$ 259,901,621	\$ 635,588	\$ 260,537,209
February	270,102,051	522,063	270,624,114
March	262,508,812	842,725	263,351,537
April	234,800,990	672,296	235,473,286
May	209,692,932	625,658	210,318,590
June	222,245,435	702,269	222,947,704
July	258,963,108	620,453	259,583,561
August	261,715,037	779,412	262,494,449
September	248,719,613	895,723	249,615,336
October	231,559,323	734,736	232,294,059
November	221,359,365	690,359	222,049,724
December	255,594,821	1,043,841	256,638,662
Total	<u>\$ 2,937,163,108</u>	<u>\$ 8,765,123</u>	<u>\$ 2,945,928,231</u>

PPL ELECTRIC UTILITIES CORPORATION

Projected Revenues from Service Under
Rates Subject to Jurisdiction of
Pennsylvania Public Utility Commission
For the Application Period January 1, 2007 to December 31, 2007

<u>Month</u>	<u>Distribution Rate Revenues</u>	<u>All Other ^{1/} Rate Revenues</u>
January 2007	\$ 62,439,038	\$ 237,431,993
February	56,695,292	219,104,263
March	58,831,280	220,965,946
April	53,729,266	201,642,272
May	48,695,337	186,072,710
June	50,353,904	191,439,597
July	53,653,295	207,432,600
August	54,721,780	212,014,444
September	54,530,939	207,208,841
October	50,745,256	186,120,685
November	52,108,377	193,946,808
December	57,346,396	218,284,523
Total Projected Revenue	<u>\$ 653,850,160</u>	<u>\$ 2,481,664,682</u>

^{1/} Includes projected energy and capacity, CTC, ITC and transmission rate-related revenues.

PPL ELECTRIC UTILITIES CORPORATION
 Pennsylvania Tax Adjustment Surcharge
 Reconciliation - Revenue Per Schedule D (Gross Receipts Tax)
 and Schedule E (Revenue from Service Under Pa. P.U.C. Jurisdiction)
With Books and FERC Form 1 - 2005

Schedule F

<u>Line No.</u>	<u>Reference</u> <u>FERC Form 1</u>	<u>Revenue per</u> <u>Books-2005</u>
Schedule D		
1	Sale of Electricity Page 300: Line 14	\$ 3,100,200,143
2	Unbilled revenue included in above Company Records	14,352,698
3	Sale of Electricity (net of unbilled revenue)	<u>3,085,847,445</u>
Other Operating Revenue:		
4	Delayed Payment Charge Page 300: Line 16	8,765,123
5	Other Page 300: Lines 17-21	195,155,131
6	Unbilled Revenues As Above	14,352,698
7	Total Page 300: Line 2	<u>3,304,120,397</u>
Less:		
8	Interdepartmental Sales Page 300: Line 9	0
9	Bad Debts Company Records	21,134,599
10	Change in Accounts Receivable Company Records	37,849,495
11	Other Revenue As Above	195,155,131
Non-Taxable FERC Revenue		
12	Other Companies Page 310.1/311.1: Line 12	148,374,177
13	Non-Taxable PUC Revenue (Borderline-Total) Page 310/311: Lines 2-5	656,425
14	Unbilled Revenue As Above	<u>14,352,698</u>
15	Total (Lines 8 through 14)	<u>417,522,525</u>
16	Gross Receipts Tax Base (Line 7 - Line 15)	2,886,597,872
17	Less: "FERC Other" Taxable Revenue Page 310/311: Lines 7-14 plus Page 310.1/311.1: Lines 1-10	310,160
18	Tax Base - Revenue Subject to PUC Jurisdiction (Line 16 - Line 17)	<u>\$ 2,886,287,712</u>
Schedule E		
19	Sale Of Electricity (Line 3)	\$ 3,085,847,445
20	Delayed Payment Charge (line 4)	8,765,123
Less: FERC Revenue:		
21	Other Companies (Line 12)	(148,374,177)
22	FERC other (Line 17)	(310,160)
23	Revenue-PUC Jurisdictional Sales (Schedule E, Line 5)	<u>2,945,928,231</u>
Reconcile to Schedule D:		
Elimination of Non-taxable Items		
24	Bad Debts (Line 9)	(21,134,599)
25	PUC Revenue (Line 13)	(656,425)
26	Interdepartmental Sales (line 8)	0
27	Tax Base (Schedule D, Line 5)	<u>\$ 2,924,137,207</u>

PPL ELECTRIC UTILITIES CORPORATION

Reconciliation of State Tax Adjustment Surcharge
for the Period January 1, 2006 through December 31, 2006

	Distribution Amount	Other Amount	Schedule Number
1. Capital Stock Tax	\$ (716,203)	\$ -	A
2. Corporate Net Income Tax	-	-	B 1/
3. Utility Realty Tax	669,286	-	C
4. Gross Receipts Tax	-	-	D 1/
5. Total of Lines 1, 2, 3, and 4	(46,917)	-	
6. PURTA Surcharge Rate Adjustment	-	-	D 1/
7. Total of Lines 5 and 6	<u>\$ (46,917)</u>	<u>\$ -</u>	
8. Revised Tax Liability for the period January 1, 2006 through December 31, 2006 (Line 7 divided by complement of Gross Receipts Tax Rate (0.941))	\$ (49,859)	\$ -	
9. STAS overcollection for the period January 1, 2005 through December 31, 2005	<u>(359,782)</u>	<u>(1,259,855)</u>	2/
10. Total of Lines 8 and 9	(409,641)	(1,259,855)	
11. STAS Revenue Collections	<u>(392,306)</u>	<u>(1,227,819)</u>	E
12. (Over)/Under Collection (Line 8 minus Line 9)	<u>\$ (17,335)</u>	<u>\$ (32,036)</u>	

1/ Not applicable to this filing.

2/ Amount includes actual results through December 31, 2005.

PPL ELECTRIC UTILITIES CORPORATION

Capital Stock Tax Adjustment
(Electric Department)

1. Value of capital stock (Per official settlement dated August 4, 2004 attached, Schedule A, Page 3) (Value per settlement of \$848,508,079 plus 2002 statutory exemption of \$125,000)	\$ 848,633,079
2. Statutory exemption - 2006	<u>150,000</u>
3. Value of capital stock less statutory exemption	848,483,079
4. Apportionment percentage	<u>0.986454</u>
5. Taxable value of capital stock	836,989,527
6. Tax rate - 2006 (4.89 mills)	<u>0.00489</u>
7. Pa. capital stock tax based on new tax rate - 2006	4,092,879
8. Pa. capital stock tax (Based on 2002 settled value and 2005 tax rates)	<u>5,013,567</u>
9. Tax decrease - 2006	(920,688)
10. PUC jurisdictional allocation factor	<u>0.77790</u>
11. Allocated tax decrease - 2006	<u>\$ (716,203)</u>

Bureau of Corporation Taxes
DEPT. 280703
HARRISBURG, PA 17128-0703

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

REPORT RECEIVED 10/14/03



REV-57 CT APP (9-96)

OFFICIAL NOTICE OF SETTLEMENT
REPLACEMENT NOTICE DATE 11/01/04

PA ACCOUNT ID: 0280-166
TAXABLE YEAR: 01/01/02 TO 12/31/02
DLN: 46-3-02930

PPL ELECTRIC UTILITIES CO
2 N 9TH ST
ALLENTOWN PA 18101

OFFICIAL SETTLEMENT HAS BEEN MADE BY THE PA DEPARTMENT OF REVENUE AND THE DEPARTMENT OF THE AUDITOR GENERAL FOR THE TAXES LISTED BELOW:

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----		
TAX	AS REPORTED	AS SETTLED
	5,929,761	6,059,983

----- SECTION B - LOANS TAX -----		
TAX	AS REPORTED	AS SETTLED
	3,602	3,602

----- SECTION C - CORPORATE NET INCOME TAX -----		
TAX	AS REPORTED	AS SETTLED
	4,550,540	4,550,540

DEPARTMENT OF REVENUE
(717)783-6031
RANDALL SARVEY

MAILING DATE

AUDITED AND APPROVED BY
DEPARTMENT OF AUDITOR GENERAL
FRANKLIN C KRAMER

07/26/04

08/04/04

08/03/04

TO FORMALLY CONTEST THIS SETTLEMENT, A PETITION FOR RESETTLEMENT, ALONG WITH A COPY OF THIS SETTLEMENT NOTICE MUST BE FILED WITHIN 90 DAYS OF THIS NOTICE MAILING DATE. APPEALS, SIGNED BY A CORPORATE OFFICER, MAY BE FILED VIA THE INTERNET @ WWW.BOARDOFAPPEALS.STATE.PA.US, OR MAILED TO: BOARD OF APPEALS, DEPT 281021, HARRISBURG, PA. 17128-1021.

LOANS AND CNI SETTLED AS REPORTED

ADJUSTMENTS NOTED ON THE NEXT PAGE ARE EXPLAINED BELOW:

- * DEPARTMENT OF REVENUE COMPUTATION DIFFERS FROM SUBMITTED FIGURE
- D2 BOOK INCOME REVISED TO REFLECT M-2 ADJUSTMENTS.
- F1 USE CONSOLIDATED NET WORTH.
- PY PRIOR YEAR SETTLEMENT FIGURES EMPLOYED.

RE: 0280-166 PPL ELECTRIC UTILITIES CO 01/01/02 TO 12/31/02 DLN 46-3-02930

SECTION A - CAPITAL STOCK/FRANCHISE TAX

HISTORY OF EARNINGS - BOOK INCOME	AS REPORTED	AS ADJUSTED	NOTES
01/01/98 TO 12/31/98		560,378,205-	PY
01/01/99 TO 12/31/99		477,299,182	PY
01/01/00 TO 12/31/00		277,363,986	PY
01/01/01 TO 12/31/01		124,281,534	PY
01/01/02 TO 12/31/02	43,632,995	49,803,678	D2
TOTAL BOOK INCOME		368,370,175	
AVERAGE NET INCOME	72,439,898	73,674,035	*
EQUITY YEAR ENDING	1,197,698,737	1,229,000,000	F1
EQUITY YEAR BEGINNING	981,568,019	1,013,000,000	F1
NET WORTH	1,197,698,737	1,229,000,000	*
CAPITAL STOCK VALUE	830,274,648	848,508,079	*
APPORTIONMENT PROPORTION	.986454	.986454	
CAPITAL STOCK/FRANCHISE TAX	5,929,761	6,059,983	*

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FRANCHISE TAX

PROPERTY FACTOR - PA	
PROPERTY FACTOR - TOTAL	
PAYROLL FACTOR - PA	
PAYROLL FACTOR - TOTAL	
SALES FACTOR - PA	
SALES FACTOR - TOTAL	
SINGLE FACTOR - NUMERATOR	3,854,670,264
SINGLE FACTOR - DENOMINATOR	3,907,603,428

SECTION B - LOANS TAX

INDEBTEDNESS	917,438	
LOANS TAX	3,602	3,602

SECTION C - CORPORATE NET INCOME TAX

DEPRECIATION CARRY IN AND OUT	5,777,113	5,269,490	PY
NET INCOME	42,850,477		
DIVIDENDS	926,259		
US INTEREST	627		
DEPRECIATION DEDUCTION	507,623	507,623	
OTHER			
TOTAL DEDUCTIONS	1,434,509	1,434,509	
INCOME TAXES	4,505,651		
TAX PREFERENCE ITEMS	370,667-		
EIP ADJUSTMENTS			
DEPRECIATION ADDITION			
OTHER			
TOTAL ADDITIONS	4,134,984	4,134,984	
ADJUSTED INCOME	45,550,952	45,550,952	
TOTAL NONBUSINESS INCOME		0	
INCOME TO BE APPORTIONED		45,550,952	
APPORTIONMENT PROPORTION	1.000000	1.000000	
PA APPORTIONED INCOME		45,550,952	
PA NONBUSINESS INCOME		0	
INCOME PRIOR TO NL DEDUCTION	45,550,952	45,550,952	
NET LOSS DEDUCTION		0	
PA TAXABLE INCOME		45,550,952	
CORPORATE NET INCOME TAX	4,550,540	4,550,540	

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

PROPERTY FACTOR - PA	4,090,095,645
PROPERTY FACTOR - TOTAL	4,090,095,645
PAYROLL FACTOR - PA	213,094,549
PAYROLL FACTOR - TOTAL	213,094,549
SALES FACTOR - PA	2,727,860,392
SALES FACTOR - TOTAL	2,727,860,392
SINGLE FACTOR - PA	
SINGLE FACTOR - TOTAL	

SCHEDULE C-2: NET LOSS DEDUCTION AND CARRYFORWARD

NL CARRYFWD TO CURRENT TAXABLE YEAR	NL CARRYFWD TO NEXT TAXABLE YEAR	
12-31-94	0	0 PY
12-31-95	0	0 PY
12-31-96	0	0 PY
12-31-97	0	0 PY
12-31-98	0	0 PY
12-31-99	0	0 PY
12-31-00	0	0 PY
12-31-01	0	0 PY
		0

PPL ELECTRIC UTILITIES CORPORATION

Pennsylvania Public Utility Realty Tax Adjustment
(Electric Department)

1. Taxable value of T&D plant at December 31, 2004 (per Notice of Determination dated August 1, 2005 - attached, Schedule C, Page 3)	<u>\$ 145,675,654</u>
2. Pa. Public Utility Realty Tax (Based on applied rate of 28.2254 mills per Notice of Determination dated August 1, 2005- attached, Schedule C, Page 3)	<u>\$ 4,111,754</u>
3. Taxable value of T&D plant at December 31, 2002 (per Notice of Determination dated August 1, 2003 - attached, Schedule C, Page 5)	<u>105,089,890</u>
4. Pa. Public Utility Realty Tax (Based on applied rate of 30.9390 mills per Notice of Determination dated August 1, 2003- attached, Schedule C, Page 5)	<u>3,251,378</u>
5. Increase in Pa. Public Utility Realty Tax	860,376
6. PUC jurisdictional allocation factor	<u>0.77790</u>
7. Allocated tax increase - 2006	<u>\$ 669,286</u>



Mailing Date:
August 1, 2005

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION GENTW11
2 N 9TH STREET
ALLENTOWN, PA 18101

**Re: 2004 Pennsylvania Public Utility Realty Tax
Notice of Determination**

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2004. This notice is based on information provided by your County Tax Assessor's Office. Any errors must be addressed with that agency and not with the Pennsylvania Department of Revenue. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

2005 PURTA property information for next tax year's filings will soon be filed with the Department of Revenue by local taxing jurisdictions. This information comes directly from your County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes or corrections to the County Tax Assessor's records must be addressed and/or appealed at the local level. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

Sincerely,

1998 - 2004 NOTICES:

2004 Liability:	\$4,111,754.00
2003 Liability Adjustment:	\$230,453.00
2002 Liability Adjustment:	\$209,542.00
2001 Liability Adjustment:	\$220,163.00
2001 Transition Credit Adjustment:	\$0.00
2000 Liability Adjustment:	\$211,725.00
2000 Transition Credit Adjustment:	\$0.00
1999 Liability Adjustment:	\$195,546.00
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$598,904.00
1998 Transition Credit Adjustment:	\$0.00

Bureau of Corporation Taxes
Department of Revenue

PLEASE SEE PAGE 2
FOR DETAIL

Account Id: 3500090

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

Tax Year 2004 *

2004

1) Realty Tax Equivalent (RTE):	\$ 30,361,542
2) Total State Taxable Value (STV) for all utilities:	\$ 1,472,043,134
3) PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):	28.2254 mills
4) STV for Utility:	\$145,675,654
5) Liability (Line 3 x Line 4):	\$4,111,754

Tax Year 1998 - 2003

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 39,663,277	\$ 28,874,993	\$ 29,761,819	\$ 29,750,366	\$ 30,323,939
2) Adjusted Total STV for all utilities:	\$ 2,101,312,290	\$ 2,092,107,471	\$ 1,388,341,262	\$ 1,361,751,810	\$ 1,390,667,325	\$ 1,407,045,543
3) Adjusted Millage Rate (includes 7.6 mills for PTA):	70.9890 mills	26.5585 mills	28.3982 mills	29.4555 mills	28.9929 mills	29.1515 mills
4) Adjusted STV for Utility:	\$221,562,182	\$236,450,915	\$117,144,445	\$113,400,472	\$120,251,675	\$129,292,019
5) Adjusted Liability (Line 3 x Line 4):	\$15,728,478	\$6,279,782	\$3,326,691	\$3,340,268	\$3,486,445	\$3,769,056
6) Adjusted Transition Credit:	\$0	\$0	\$0	\$0	N/A	N/A
7) Adjustment to Liability of 8/1/2004:	\$598,904	\$195,546	\$211,725	\$220,163	\$209,542	\$230,453
8) Adjustment to Transition Credit of 8/1/2004:	\$0	\$0	\$0	\$0	N/A	N/A

Under separate cover you will receive an Account Review. Please review it to confirm the current status of payments made, transition credits and adjustments to previous tax liabilities or balances still due. Any overpayment is available for transfer within the account, any net credit balance for the account is available for refund/assignment.

* If you do not agree with this Notice of Determination for 2004 PURTA, you may have Petition privileges pursuant to Section 1109-A. Please refer to the enclosed copy of the PURTA statute.

BUREAU OF CORPORATION TAXES
PURTA UNIT
DEPT. 280704
HARRISBURG, PA 17128-0704

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE



Mailing Date:
August 1, 2003

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION GENTW11
2 N 9TH STREET
ALLENTOWN, PA 18101

**Re: 2002 Pennsylvania Public Utility Realty Tax
Notice of Determination**

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2002. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

2003 PURTA property information for next tax year's filings will soon be filed with the Department of Revenue by local taxing jurisdictions. This information comes directly from your local County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes you deem necessary to the local County Assessor's report must be addressed and/or appealed at the local level. You must make sure that each county properly reports to the Department of Revenue relevant and accurate information. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

Sincerely,

Bureau of Corporation Taxes
Department of Revenue

2002,2001,2000,1999 & 1998 NOTICES:

2002 Liability:	\$3,251,378.00
2001 Liability Adjustment:	(\$35,595.00)
2001 Transition Credit Adjustment:	\$0.00
2000 Liability Adjustment:	\$60,712.00
2000 Transition Credit Adjustment:	\$0.00
1999 Liability Adjustment:	(\$14,906.00)
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$300,288.00
1998 Transition Credit Adjustment:	\$0.00

PLEASE SEE
REVERSE SIDE
FOR DETAIL

Account Id: 3500090



Mailing Date:
 August 1, 2003

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

Tax Year 2002 *

	<u>2002</u>
1) Realty Tax Equivalent (RTE):	\$ 32,527,609
2) Total State Taxable Value (STV) for all utilities:	\$ 1,393,700,844
3) PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):	30.9390 mills
4) STV for Utility:	\$105,089,890
5) Liability (Line 3 x Line 4):	\$3,251,378

Tax Year 1998 - 2001

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 40,145,551	\$ 31,667,138	\$ 32,783,466
2) Adjusted Total STV for all utilities:	\$ 2,184,494,108	\$ 2,093,188,013	\$ 1,392,156,950	\$ 1,377,115,970
3) Adjusted Millage Rate (including 7.6 mills for PTA):	68.5752 mills	26.7791 mills	30.3468 mills	31.4059 mills
4) Adjusted STV for Utility:	\$212,468,408	\$227,294,425	\$102,965,537	\$97,824,002
5) Adjusted Liability (Line 3 x Line 4):	\$14,570,067	\$6,086,750	\$3,124,676	\$3,072,249
6) Adjusted Transition Credit:	\$0	\$0	\$0	\$0
7) Adjustment to Liability of 8/1/2002:	\$300,288	(\$14,906)	\$60,712	(\$35,595)
8) Adjustment to Transition Credit of 8/1/2002:	\$0	\$0	\$0	\$0

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Petitions should be addressed to:

Board of Finance and Revenue
 1101 South Front Street, Suite 400
 Harrisburg, Pa 17104-2539

PPL ELECTRIC UTILITIES CORPORATIONDetail of Tax Surcharge Revenue Collections

<u>Month</u>	<u>Distribution</u> <u>STAS Revenues</u>	<u>All Other</u> ^{1/} <u>STAS Revenues</u>
January 2006	\$ 19,100	\$ 30,616
February	(28,448)	(99,310)
March	(30,208)	(107,892)
April	(27,511)	(93,590)
May	(24,870)	(86,640)
June	(26,097)	(92,424)
July	(28,239)	(101,119)
August	(44,472)	(136,746)
September	(51,208)	(141,564)
October	(45,500)	(122,184)
November	(48,108)	(126,305)
December (estimated)	(56,745)	(150,661)
Total	<u>\$ (392,306)</u>	<u>\$ (1,227,819)</u>

^{1/} Includes energy and capacity, CTC, ITC and transmission STAS revenues.

PPL ELECTRIC UTILITIES CORPORATION

Reconciliation of State Tax Adjustment Surcharge
for the Period January 1, 2005 through December 31, 2005

	<u>Distribution Amount</u>	<u>Other Amount</u>	<u>Schedule Number</u>
1. Capital Stock Tax	\$ -	\$ -	A
2. Corporate Net Income Tax	-	-	B 1/
3. Utility Realty Tax	226,469	-	C
4. Gross Receipts Tax	-	-	D 1/
5. Total of Lines 1, 2, 3, and 4	226,469	0	
6. PURTA Surcharge Rate Adjustment	387,707	1,384,539	D
7. Total of Lines 5 and 6	<u>\$ 614,176</u>	<u>\$ 1,384,539</u>	
8. Revised Tax Liability for the period January 1, 2005 through December 31, 2005 (Line 7 divided by complement of Gross Receipts Tax Rate (0.9404))	\$ 653,101	\$ 1,472,287	
9. STAS undercollection for the period January 1, 2004 through December 31, 2004	<u>(124,348)</u>	<u>0</u>	2/
10. Total of Lines 8 and 9	528,753	1,472,287	
11. STAS Revenue Collections	<u>888,535</u>	<u>2,732,142</u>	E
12. (Over)/Under Collection (Line 8 minus Line 9)	<u>\$ (359,782)</u>	<u>\$ (1,259,855)</u>	

1/ Not applicable to this filing.

2/ Amount includes actual results through December 31, 2004.

PPL ELECTRIC UTILITIES CORPORATION

Capital Stock Tax Adjustment
(Electric Department)

1. Value of capital stock (Per official settlement dated August 4, 2004 attached, Schedule A, Page 3) (Value per settlement of \$848,508,079 plus statutory exemption of \$125,000)	\$ 848,633,079
2. Statutory exemption	<u>125,000</u>
3. Value of capital stock less statutory exemption	848,508,079
4. Apportionment percentage	<u>0.986454</u>
5. Taxable value of capital stock	837,014,189
6. Tax rate - 2005 (5.99 mills)	<u>0.00599</u>
7. Pa. capital stock tax based on new tax rate - 2005	5,013,715
8. Pa. capital stock tax (Based on 2002 settled value and 2005 tax rates)	<u>5,013,715</u>
9. Tax decrease - 2005	0
10. PUC jurisdictional allocation factor	<u>0.78847305389</u>
11. Allocated tax decrease - 2005	<u>\$ -</u>

Bureau of Corporation Taxes
DEPT. 280703
HARRISBURG, PA 17128-0703

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE

REPORT
RECEIVED 10/14/03



REV-57 CT AFP (9-98)

OFFICIAL NOTICE OF SETTLEMENT
REPLACEMENT NOTICE DATE 11/01/04

PA ACCOUNT ID: 0280-166
TAXABLE YEAR: 01/01/02 TO 12/31/02
DLN: 46-3-02930

PPL ELECTRIC UTILITIES CO
2 N 9TH ST
ALLENTOWN PA 18101

OFFICIAL SETTLEMENT HAS BEEN MADE BY THE PA DEPARTMENT OF REVENUE AND
THE DEPARTMENT OF THE AUDITOR GENERAL FOR THE TAXES LISTED BELOW:

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----		
TAX	AS REPORTED	AS SETTLED
	5,929,761	6,059,983

----- SECTION B - LOANS TAX -----		
TAX	AS REPORTED	AS SETTLED
	3,602	3,602

----- SECTION C - CORPORATE NET INCOME TAX -----		
TAX	AS REPORTED	AS SETTLED
	4,550,540	4,550,540

DEPARTMENT OF REVENUE
(717)783-6031
RANDALL SARVEY

MAILING DATE

AUDITED AND APPROVED BY
DEPARTMENT OF AUDITOR GENERAL
FRANKLIN C KRAMER

07/26/04

08/04/04

08/03/04

TO FORMALLY CONTEST THIS SETTLEMENT, A PETITION FOR RESETTLEMENT, ALONG WITH A
COPY OF THIS SETTLEMENT NOTICE MUST BE FILED WITHIN 90 DAYS OF THIS NOTICE
MAILING DATE. APPEALS, SIGNED BY A CORPORATE OFFICER, MAY BE FILED VIA THE
INTERNET @ WWW.BOARDOFAPPEALS.STATE.PA.US, OR MAILED TO: BOARD OF APPEALS,
DEPT 281021, HARRISBURG, PA. 17128-1021.

LOANS AND CNI SETTLED AS REPORTED

ADJUSTMENTS NOTED ON THE NEXT PAGE ARE EXPLAINED BELOW:

- * DEPARTMENT OF REVENUE COMPUTATION DIFFERS FROM SUBMITTED FIGURE
- D2 BOOK INCOME REVISED TO REFLECT M-2 ADJUSTMENTS.
- F1 USE CONSOLIDATED NET WORTH.
- PY PRIOR YEAR SETTLEMENT FIGURES EMPLOYED.

RE: 0280-166 PPL ELECTRIC UTILITIES CO OFFICIAL NOTICE OF SETTLEMENT 01/01/02 TO 12/31/02 DLN 46-3-02930

----- SECTION A - CAPITAL STOCK/FRANCHISE TAX -----

HISTORY OF EARNINGS - BOOK INCOME	AS REPORTED	AS ADJUSTED	NOTES
01/01/98 TO 12/31/98		560,378,205-	PY
01/01/99 TO 12/31/99		477,299,182	PY
01/01/00 TO 12/31/00		277,363,986	PY
01/01/01 TO 12/31/01		124,281,534	PY
01/01/02 TO 12/31/02	43,632,995	49,803,678	D2
TOTAL BOOK INCOME		368,370,175	
AVERAGE NET INCOME	72,439,898	73,674,035	*
EQUITY YEAR ENDING	1,197,698,737	1,229,000,000	F1
EQUITY YEAR BEGINNING	981,568,019	1,013,000,000	F1
NET WORTH	1,197,698,737	1,229,000,000	*
CAPITAL STOCK VALUE	830,274,648	848,508,079	*
APPORTIONMENT PROPORTION	.986454	.986454	*
CAPITAL STOCK/FRANCHISE TAX	5,929,761	6,059,983	*

SCHEDULE A-1: APPORTIONMENT SCHEDULE FOR CAPITAL STOCK/FRANCHISE TAX

PROPERTY FACTOR - PA	
PROPERTY FACTOR - TOTAL	
PAYROLL FACTOR - PA	
PAYROLL FACTOR - TOTAL	
SALES FACTOR - PA	
SALES FACTOR - TOTAL	
SINGLE FACTOR - NUMERATOR	3,854,670,264
SINGLE FACTOR - DENOMINATOR	3,907,603,428

----- SECTION B - LOANS TAX -----

INDEBTEDNESS	917,438	
LOANS TAX	3,602	3,602

----- SECTION C - CORPORATE NET INCOME TAX -----

DEPRECIATION CARRY IN AND OUT	5,777,113	5,269,490	PY
NET INCOME	42,850,477		
DIVIDENDS	926,259		
US INTEREST	627		
DEPRECIATION DEDUCTION	507,623	507,623	
OTHER			
TOTAL DEDUCTIONS	1,434,509	1,434,509	
INCOME TAXES	4,505,651		
TAX PREFERENCE ITEMS	370,667-		
EIP ADJUSTMENTS			
DEPRECIATION ADDITION			
OTHER			
TOTAL ADDITIONS	4,134,984	4,134,984	
ADJUSTED INCOME	45,550,952	45,550,952	
TOTAL NONBUSINESS INCOME		0	
INCOME TO BE APPORTIONED		45,550,952	
APPORTIONMENT PROPORTION	1.000000	1.000000	
PA APPORTIONED INCOME		45,550,952	
PA NONBUSINESS INCOME		0	
INCOME PRIOR TO NL DEDUCTION	45,550,952	45,550,952	
NET LOSS DEDUCTION		0	
PA TAXABLE INCOME		45,550,952	
CORPORATE NET INCOME TAX	4,550,540	4,550,540	

SCHEDULE C-1: APPORTIONMENT SCHEDULE FOR CORPORATE NET INCOME TAX

PROPERTY FACTOR - PA	4,090,095,645
PROPERTY FACTOR - TOTAL	4,090,095,645
PAYROLL FACTOR - PA	213,094,549
PAYROLL FACTOR - TOTAL	213,094,549
SALES FACTOR - PA	2,727,860,392
SALES FACTOR - TOTAL	2,727,860,392
SINGLE FACTOR - PA	
SINGLE FACTOR - TOTAL	

SCHEDULE C-2: NET LOSS DEDUCTION AND CARRYFORWARD

NL CARRYFWD TO CURRENT TAXABLE YEAR	NL CARRYFWD TO NEXT TAXABLE YEAR	
12-31-94	0	12-31-94 0 PY
12-31-95	0	12-31-95 0 PY
12-31-96	0	12-31-96 0 PY
12-31-97	0	12-31-97 0 PY
12-31-98	0	12-31-98 0 PY
12-31-99	0	12-31-99 0 PY
12-31-00	0	12-31-00 0 PY
12-31-01	0	12-31-01 0 PY
		12-31-02 0

PPL ELECTRIC UTILITIES CORPORATION

Pennsylvania Public Utility Realty Tax Adjustment
(Electric Department)

1. Taxable value of T&D plant at December 31, 2003 (per Notice of Determination dated August 1, 2004 - attached, Schedule C, Page 3)	<u>\$ 121,214,926</u>
2. Pa. Public Utility Realty Tax (Based on applied rate of 29.1928 mills per Notice of Determination dated August 1, 2004 - attached, Schedule C, Page 3)	<u>\$ 3,538,603</u>
3. Taxable value of T&D plant at December 31, 2002 (per Notice of Determination dated August 1, 2003 - attached, Schedule C, Page 5)	<u>105,089,890</u>
4. Pa. Public Utility Realty Tax (Based on applied rate of 30.9390 mills per Notice of Determination dated August 1, 2003 - attached, Schedule C, Page 5)	<u>3,251,378</u>
5. Increase in Pa. Public Utility Realty Tax	287,225
6. PUC jurisdictional allocation factor	<u>0.78847305389</u>
7. Allocated tax increase - 2005	<u>\$ 226,469</u>



Mailing Date:
August 1, 2004

PENNSYLVANIA POWER & LIGHT CO
TAX SECTION GENTW11
2 N 9TH STREET
ALLENTOWN, PA 18101

**Re: 2003 Pennsylvania Public Utility Realty Tax
Notice of Determination**

Dear Taxpayer:

Pursuant to the Public Utility Realty Tax Act, as amended by Act 4 of 1999 and Act 23 of 2000, the Department of Revenue herein gives notice of the state taxable values of PURTA realty and the millage rate applicable to tax year 2003. This notice is based on information provided by your County Tax Assessor's Office. Any errors must be addressed with that agency and not with the Pennsylvania Department of Revenue. Notice is also given for any PURTA/PTA Tax and transitional credit adjustments for prior tax years.

2004 PURTA property information for next tax year's filings will soon be filed with the Department of Revenue by local taxing jurisdictions. This information comes directly from your County Tax Assessor's Office. It is very important that you, the utility owner, verify the content and accuracy of this property information (especially if ownership has changed or classification, assessment, or appeal values have been finalized). Any changes or corrections to the County Tax Assessor's records must be addressed and/or appealed at the local level. The accuracy of your next PURTA bill will be dependent upon your verification of county data.

Please be advised that payment of tax is required within 45 days of the mailing of this notice of determination. Previous payments, adjustments, or credits should be taken into consideration. Payments and inquiry correspondence relevant to the PURTA tax - Notice of Determination should be mailed directly to the above address.

Thank you for your attention to this matter.

Sincerely,

2003,2002,2001,2000,1999 & 1998 NOTICES:

2003 Liability:	\$3,538,603.00
2002 Liability Adjustment:	\$25,525.00
2001 Liability Adjustment:	\$47,856.00
2001 Transition Credit Adjustment:	\$0.00
2000 Liability Adjustment:	(\$9,710.00)
2000 Transition Credit Adjustment:	\$0.00
1999 Liability Adjustment:	(\$2,514.00)
1999 Transition Credit Adjustment:	\$0.00
1998 Liability Adjustment:	\$559,507.00
1998 Transition Credit Adjustment:	\$0.00

Bureau of Corporation Taxes
Department of Revenue

PLEASE SEE
REVERSE SIDE
FOR DETAIL

Account Id: 3500090



Mailing Date:
 August 1, 2004

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

Tax Year 2003 *

2003

1) Realty Tax Equivalent (RTE):	\$ 30,099,169
2) Total State Taxable Value (STV) for all utilities:	\$ 1,393,941,876
3) PURTA Millage Rate (including 7.6 mills for Public Transportation Act (PTA)):	29.1928 mills
4) STV for Utility:	\$121,214,926
5) Liability (Line 3 x Line 4):	\$3,538,603

Tax Year 1998 - 2002

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 40,135,742	\$ 29,139,976	\$ 30,233,815	\$ 29,696,279
2) Adjusted Total STV for all utilities:	\$ 2,093,939,089	\$ 2,093,157,437	\$ 1,399,099,948	\$ 1,382,747,254	\$ 1,387,144,282
3) Adjusted Millage Rate (includes 7.6 mills for PTA):	71.2122 mills	26.7747 mills	28.4277 mills	29.4650 mills	29.0082 mills
4) Adjusted STV for Utility:	\$212,457,610	\$227,238,268	\$109,575,037	\$105,891,919	\$112,964,725
5) Adjusted Liability (Line 3 x Line 4):	\$15,129,574	\$6,084,236	\$3,114,966	\$3,120,105	\$3,276,903
6) Adjusted Transition Credit:	\$0	\$0	\$0	\$0	N/A
7) Adjustment to Liability of 8/1/2003:	\$559,507	(\$2,514)	(\$9,710)	\$47,856	\$25,525
8) Adjustment to Transition Credit of 8/1/2003:	\$0	\$0	\$0	\$0	N/A

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BUREAU OF CORPORATION TAXES
PURTA UNIT
DEPT. 280704
HARRISBURG, PA 17128-0704

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF REVENUE



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Bureau of Corporation Taxes
Department of Revenue

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2000 Liability Adjustment:	\$60,712.00
2000 Transition Credit Adjustment:	\$0.00
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**PLEASE SEE
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FOR DETAIL**

Account Id: 3500090



Mailing Date:
August 1, 2003

Name: PENNSYLVANIA POWER & LIGHT CO

Account Id: 3500090

Detail

Tax Year 2002 *

	<u>2002</u>
1) Realty Tax Equivalent (RTE):	\$ 32,527,609
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5) Liability (Line 3 x Line 4):	\$3,251,378

Tax Year 1998 - 2001

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
1) Adjusted RTE:	\$ 133,200,000	\$ 40,145,551	\$ 31,667,138	\$ 32,783,466
2) Adjusted Total STV for all utilities:	\$ 2,184,494,108	\$ 2,093,188,013	\$ 1,392,156,950	\$ 1,377,115,970
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5) Adjusted Liability (Line 3 x Line 4):	\$14,570,067	\$6,086,750	\$3,124,676	\$3,072,249
6) Adjusted Transition Credit:	\$0	\$0	\$0	\$0
7) Adjustment to Liability of 8/1/2002:	\$300,288	(\$14,906)	\$60,712	(\$35,595)
8) Adjustment to Transition Credit of 8/1/2002:	\$0	\$0	\$0	\$0

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Petitions should be addressed to:

Board of Finance and Revenue
1101 South Front Street, Suite 400
Harrisburg, Pa 17104-2539

PPL ELECTRIC UTILITIES CORPORATION

Revenue Neutral Reconciliation (RNR) Tax Adjustment
Applicable to Gross Receipts Tax

	<u>Distribution</u>	<u>Other</u>
1. Actual taxable revenues for Pa. gross receipts tax for period January 1, 2005 to December 31, 2005	\$ 646,178,938	\$ 2,307,565,216
2. PURTA surcharge established under 72 P.S. § 8111-A(d)	<u>0.0006</u>	<u>0.0006</u>
3. Actual increase in applicable 2005 gross receipts tax liability based on PURTA surcharge rate	<u>\$ 387,707</u>	<u>\$ 1,384,539</u>

PPL ELECTRIC UTILITIES CORPORATION

Computation of Revenues from Service Under
Rates Subject to Jurisdiction of
Pennsylvania Public Utility Commission
For Twelve Months Ended December 31, 2005

<u>Month</u>	<u>Distribution Rate Revenues</u>	<u>All Other ^{1/} Rate Revenues</u>
January 2005	\$ 53,026,241	\$ 206,969,776
February	60,411,486	211,810,615
March	58,836,646	206,364,115
April	52,618,979	183,734,948
May	47,483,166	163,280,099
June	49,760,024	173,695,332
July	55,477,483	204,619,902
August	57,215,509	205,738,024
September	54,214,270	195,981,002
October	50,235,792	182,326,040
November	49,244,485	173,067,808
December	57,654,857	199,977,555
Total	<u>\$ 646,178,938</u>	<u>\$ 2,307,565,216</u>

^{1/} Includes energy and capacity, CTC, ITC and transmission rate-related revenues.

PPL ELECTRIC UTILITIES CORPORATIONDetail of Tax Surcharge Revenue Collections

<u>Month</u>	<u>Distribution</u> <u>STAS Revenues</u>	<u>All Other</u> <u>/</u> <u>STAS Revenues</u>
January 2005	\$ 373,297	\$ 1,419,074
February	57,080	148,533
March	50,579	129,909
April	45,154	113,014
May	41,130	101,144
June	42,825	107,475
July	48,121	123,111
August	49,733	127,389
September	46,008	121,330
October	42,960	111,341
November	42,577	106,296
December	49,071	123,526
Total	<u>\$ 888,535</u>	<u>\$ 2,732,142</u>

Neil H. Touchet
525 Paul Ave.
Lewisberry, PA 17339-9400
(717) 938-6790

Pennsylvania PUC

DEC 29 2006

Consumer Services
CAC Division

December 28, 2006

Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

R-00063020

DOCUMENT
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Ref: Proposed PPL Rate Increase Request

Dear Sir or Madam:

The purpose of this letter is to object, in the strongest terms, to the proposed Rate Increase by PP&L.

The so-called de-regulation of electrical suppliers was supposed to not only give consumers choices, but to save them money. It has done neither.

Prior to my residency in the Commonwealth, I have lived in Florida, Ohio, New Jersey, North Carolina, and Virginia. I can say without reservation, that PP&L's cost of electricity is the highest, and their customer service is the worst, of any place I have ever lived.

As a person on a fixed income, their rate increase would have the effect of lowering my standard of living. If they are to be in business, they must operate like a business and cut costs. I don't believe it is fair to simply ask for more money so they can continue to operate in an inefficient manner.

Thank you for your attention to this matter.

Sincerely,


Neil H. Touchet

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