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**E-File**

September 20, 2018

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: PPL Electric Utilities Corporation  
Calculation and Supplement No. 256 to Tariff  
Electric PA. P.U.C. No. 201 for the  
Distribution System Improvement Charge  
Docket No.**

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Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is the Calculation and Supplement No. 256 to PPL Electric's Tariff – Electric Pa. P.U.C. No. 201 for the Distribution System Improvement Charge ("DSIC"). This calculation of the DSIC for the period October 1, 2018 through December 31, 2018 is being filed pursuant to the procedures set forth in PPL Electric's Tariff – Electric Pa. P.U.C. No. 201.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on September 20, 2018, which is the date it was submitted electronically via the Commission's E-Filing system.

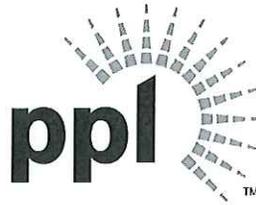
If you have any questions regarding the enclosed filing, please call me or Scott R. Koch, PPL Electric's Regulatory Operations Supervisor at (610) 774-2070.

Very truly yours,

Kimberly A. Klock

Enclosures

cc: Tanya J. McCloskey, Esquire - Email  
R. Kanaskie, Esquire - Email  
Ms. Lori Burger - Email  
Mr. John R. Evans - Email



## **PPL Electric Utilities Corporation**

# **GENERAL TARIFF**

## **RULES AND RATE SCHEDULES FOR ELECTRIC SERVICE**

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

ISSUED: September 20, 2018

EFFECTIVE: October 1, 2018

Filed in compliance with the order of Pennsylvania Public Utility Commission of May 17, 2018, at Docket No. R-2018-3000775 and as further clarified by the order of the Commission of June 14, 2018 at Docket No. R-2018-3000775. These orders cancel and supercede the temporary rates filed in response to the Commission's Temporary Rates Order of March 15, 2018.

**GREGORY N. DUDKIN, PRESIDENT**

Two North Ninth Street  
Allentown, PA 18101-1179

# **NOTICE**

**THIS TARIFF MAKES DECREASES (D) IN EXISTING RATES. SEE PAGE TWO.**

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Distribution System Improvement Charge  
(DSIC)

Page No. 19Z.16

The DSIC charge of 0.00% was revised to 1.95%  
for the period October 1, 2018 through December  
31, 2018.

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|   | 3B          | One-Hundred-Twenty-Fifth  |
|   | 3C          | Thirty-Ninth              |
| Territory Covered by This Tariff -----                    | 4           | Fourth                    |
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|   | 4B          | Fourth                    |
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| 5 - Use of Service -----                                  | 9           | Fourth                    |
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| Storm Damage Expense Rider -----   | 19Z.20<br>19Z.21<br>19Z.22<br>19Z.23<br>19Z.24<br>19Z.25 | Fourth<br>Fifth<br>Sixth<br>Sixth<br>Fifth<br>Eighth   |
| Tax Cuts and Jobs Act Temporary Surcharge -----  | 19Z.26   | Original   |
| RATE SCHEDULES - GENERAL   |  |  |
| RS - Residential Service -----   | 20<br>20A<br>20B   | Seventy-Second<br>Twenty-Second<br>Twenty-First        |
| RTS(R) - Residential Service - Thermal Storage -----   | 21<br>21A  | Seventy-Third<br>Twenty-First                          |
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| LPEP - Power Service to Electric Propulsion -----  | 29<br>29A  | Twenty-Sixth<br>Eighteenth                             |
| IS-1(R) - Interruptible Service - Greenhouses- Page Intentionally Left Blank -----<br>Page Intentionally Left Blank----- | 30<br>30.1   | Twenty-Second<br>Nineteenth                            |

(Continued)

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)**

In addition to the net charges provided for in this Tariff, a charge of 1.95% will apply consistent with the Commission Order dated May 23, 2013, at Docket No. P-2012-2325034, approving the DSIC. This charge will be effective during the period October 1, 2018 through December 31, 2018. (C)

**GENERAL DESCRIPTION**

A. Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide PPL Electric with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

B. Eligible Property: The DSIC-eligible property will consist of the following:

- Poles and towers (Account 364);
- Overhead conductors (Account 365) and underground conduit and conductors (Accounts 366 and 367);
- Line transformers (account 368) and substation equipment (Account 362);
- Any fixture or device related to eligible property listed above, including insulators, circuit breakers, fuses, reclosers, grounding wires, crossarms and brackets, relays, capacitors, converters and condensers;
- Unreimbursed costs related to highway relocation projects where an electric distribution company must relocate its facilities; and
- Other related capitalized costs.

C. Effective Date: The DSIC will become effective for bills rendered on and after July 1, 2013.

(Continued)

**PPL ELECTRIC UTILITIES CORPORATION**

**CALCULATION OF  
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**

**For the Application Period  
October 1, 2018 through December 31, 2018**

**Docket No.**

September 20, 2018

PPL ELECTRIC UTILITIES CORPORATION  
**SCHEDULE A - COMPUTATION OF CUMULATIVE PROPOSED DSIC**  
**APPLICATION PERIOD: October 1, 2018 THROUGH December 31, 2018**

| Line No. |   | Total           |
|----------|---|-----------------|
|          | Distribution System Improvement Charge  |                 |
| 1        | Applicable Plant (Schedule B, Line 2, Column J)   | \$ 186,098,498  |
|          | Less:   |                 |
| 2        | Accumulated Depreciation (Schedule B, Line 3, Column J)   | 3,003,829       |
| 3        | Retirements (Schedule B, Line 4, Column J)  | (98,568)        |
|          | DSI = Distribution System Improvement Projects net of<br>accumulated depreciation and retirements<br>(Line 1 - Line 2 + Line 3) | 182,996,101     |
| 5        | Pre-tax return rate applicable to DSIC-eligible property<br>(Schedule C, Line 4)  | 2.37% 4,337,008 |
| 6        | Dep = Depreciation Expense<br>(Schedule B, Line 6, Column G through I)  | 757,205         |
| 7        | E=Experienced Net Over/(Under)<br>Collections (A)   | -               |
| 8        | Net Amount to be Recovered/(Refunded) (includes<br>Over/(Under) Collection) (w/o GRT)<br>(Line 5 + Line 6 - Line 7)             | 5,094,213       |
| 9        | Net Amount to be Recovered/(Refunded) (includes<br>Over/(Under) Collection) (w/ GRT)<br>(Line 8 x Note 1)                       | 5,413,615       |
| 10       | PQR = Projected Quarterly Distribution Revenue  | 277,645,370     |
| 11       | DSIC = Distribution System Improvement Rider  |                 |
|          | Rate % of Billed Revenues (w/ GRT)<br>(Line 9 / Line 10)  | 1.95%           |
|          | <b>Note 1:</b>  |                 |
|          | $\frac{1}{(1 - T)}$ = (T = 5.9% Gross Receipts Tax)   | 1.062699        |

(A) 100% of the Over/(Under) Collection shown on Schedule 1, Line 9 of the Distribution System Improvement Charge ("DSIC") Reconciliation Report, dated January 30, 2018 at Docket No. M-2018-2645163 was returned to customers in the DSIC rate beginning on April 1, 2018 and ending on June 30, 2018.

**PPL ELECTRIC UTILITIES CORPORATION**  
**SCHEDULE B - COMPUTATION OF CUMULATIVE PROPOSED DSIC by MONTH**  
**APPLICATION PERIOD: October 1, 2018 THROUGH December 31, 2018**

| Line No.  | (A)          | (B)         | (C)         | (D)         | (E)         | (F)         |
|---|--------------|-------------|-------------|-------------|-------------|-------------|
|   | 2017 Balance | Jan-18      | Feb-18      | Mar-18      | Apr-18      | May-18      |
| 1 Incremental Plant Additions   | 106,752,920  | 13,852,925  | 13,105,916  | 10,745,364  | 10,465,260  | 16,016,434  |
| 2 Cumulative Plant (Sum of Line 1)<br>Less:   | 106,752,920  | 120,605,845 | 133,711,761 | 144,457,125 | 154,922,385 | 170,938,819 |
| 3 Accumulated Depreciation (Sum of Line 6)  | 939,479      | 1,136,643   | 1,383,378   | 1,718,801   | 1,951,049   | 2,246,624   |
| 4 Retirements   | (41)         | (44,849)    | (10,426)    | 54,146      | (70,325)    | (33,508)    |
| 5 DSI = Distribution System Improvement<br>Projects net of accumulated depreciation and<br>retirements<br>(Line 2 - Line 3 + sum(Line 4)) | 105,813,400  | 119,424,353 | 132,317,957 | 142,792,470 | 152,901,011 | 168,658,687 |
| 6 Dep = Depreciation Expense  | 939,479      | 197,164     | 246,735     | 335,423     | 232,248     | 295,575     |
| 7 Projected Distribution Revenues   | \$           | 114,834,443 | \$          | 108,102,261 | \$          | 118,456,509 |
|   |              |             |             |             | \$          | 92,299,936  |
|   |              |             |             |             |             | \$          |
|   |              |             |             |             |             | 82,371,232  |

PPL ELECTRIC UTILITIES CORPORATION  
**SCHEDULE B - COMPUTATION OF CUMULATIVE PROPOSED DSIC by MONTH**  
**APPLICATION PERIOD: October 1, 2018 THROUGH December 31, 2018**

| Line No. |  | (G)           | (H)           | (I)           | (J)            |
|----------|--|---------------|---------------|---------------|----------------|
|          |  | Jun-18        | Jul-18        | Aug-18        | Total          |
| 1        | Incremental Plant Additions  | 11,576,278    | 13,379,670    | (9,796,269)   | \$ 186,098,498 |
| 2        | Cumulative Plant (Sum of Line 1)   | 182,515,097   | 195,894,767   | 186,098,498   | 186,098,498    |
|          | Less:  |               |               |               |                |
| 3        | Accumulated Depreciation (Sum of Line 6)   | 2,513,582     | 3,014,254     | 3,003,829     | 3,003,829      |
| 4        | Retirements  | (89,552)      | 119,434       | (23,447)      | (98,568)       |
| 5        | DSI = Distribution System Improvement Projects net of accumulated depreciation and retirements (Line 2 - Line 3 + sum(Line 4)) | 179,911,963   | 192,999,947   | 183,071,222   | 182,996,101    |
| 6        | Dep = Depreciation Expense   | 266,958       | 500,672       | (10,425)      | 3,003,829      |
| 7        | Projected Distribution Revenues  | \$ 86,771,918 | \$ 97,773,243 | \$ 98,876,347 |                |

**PPL ELECTRIC UTILITIES CORPORATION**  
**SCHEDULE C - COMPUTATION OF CUMULATIVE PROPOSED DSIC PRE-TAX RATE OF RETURN**  
**APPLICATION PERIOD: October 1, 2018 THROUGH December 31, 2018**

| Line No. | (A)<br>Description                                    | (B)<br>Capitalization Ratio | (C)<br>Embedded Cost | (D)<br>Rate of Return | (E)<br>Tax Multiplier<br>(1) | (F)<br>Pre-Tax Rate of<br>Return (PTRR) |
|----------|---|-----------------------------|----------------------|-----------------------|------------------------------|---|
| 1        | Long-Term Debt  | 45.21%                      | 4.53%                | 2.05%                 | -                            | 2.05%                                   |
| 2        | Common Equity   | 54.79%                      | 9.65%                | 5.29%                 | 1.406313504                  | 7.44%                                   |
| 3        | Total   | <u>100.00%</u>              |                      | <u>7.34%</u>          |                              | <u>9.49%</u>                            |
| 4        | 9.49% Annual PTRR / 4 quarters = 2.37% Quarterly PTRR |                             |                      |                       |                              |   |

(1) The tax multiplier is calculated as follows:  $1/[(1 - \text{Pa. Tax Rate}) \times (1 - \text{Fed. Tax Rate})]$  where the Pa. tax rate is 9.99% and Fed. tax rate is 21%.

$$1/[(1-9.99%)*(1-21\%)] = 1.406313504$$

Line 2, Column C, from the PUC's Quarterly Financial Report page 18, line 7, dated July 17, 2018 at Docket No. M-2018-3003513

**PPL Electric Utilities**  
**Distribution System Improvement Charge**  
Rate Base and Depreciation Expense

From Date: 8/1/2018  
To Date: 8/31/2018

|                     |                       |
|---------------------|-----------------------|
| Gross Plant Total   | 185,999,931.63        |
| Gross Reserve Total | 3,003,827.03          |
| Rate Base           | <u>182,996,104.60</u> |

|                                |            |
|--------------------------------|------------|
| Total Depreciation Expense MTD | 359,063.05 |
| Total Depreciation Expense YTD | N/A        |

**Plant Activity**

| Depreciation Group                   | Beginning Plant         |                        |                      |               |                         |                          | End Plant Balance       |
|--------------------------------------|-------------------------|------------------------|----------------------|---------------|-------------------------|--------------------------|-------------------------|
|                                      | Balance                 | Additions              | Retirements          | Transfers To  | Transfers From          | Adjustments              |                         |
| 360.2 - Land                         | \$447,678.43            | (\$303.50)             | \$0.00               | \$0.00        | \$0.00                  | \$0.00                   | \$447,374.93            |
| 360.4 - Land Rights                  | \$566,293.40            | \$10.80                | \$0.00               | \$0.00        | \$0.00                  | \$0.00                   | \$566,304.20            |
| 361.0 - Structures and Improvements  | \$11,135.85             | \$617,843.29           | \$0.00               | \$0.00        | \$0.00                  | \$0.00                   | \$628,979.14            |
| 362.0 - Station Equipment            | \$27,554,247.75         | \$4,638,211.96         | \$0.00               | \$0.00        | \$0.00                  | (\$1,204,160.40)         | \$30,988,299.31         |
| 364.2 - Towers and Fixtures          | \$235,687.29            | \$7,113.77             | \$0.00               | \$0.00        | \$0.00                  | (\$66,920.56)            | \$175,880.50            |
| 364.4 - Poles and Fixtures           | \$40,781,046.21         | \$3,432,841.57         | \$0.00               | \$0.00        | (\$270,533.61)          | (\$4,995,902.52)         | \$38,947,451.65         |
| 364.8 - Clearing Land and Rights     | \$252,856.45            | \$0.00                 | \$0.00               | \$0.00        | \$0.00                  | \$0.06                   | \$252,856.51            |
| 365.0 - Overhead Conductors, Device  | \$74,969,342.64         | \$6,832,721.85         | (\$23,446.58)        | \$0.00        | (\$894,257.17)          | (\$16,667,125.68)        | \$64,217,235.06         |
| 366.0 - Underground Conduit          | \$5,949,944.79          | \$345,314.67           | \$0.00               | \$0.00        | (\$12,156.51)           | (\$277,049.90)           | \$6,006,053.05          |
| 367.0 - Undergrnd Conductors, Device | \$21,272,749.43         | \$908,631.42           | \$0.00               | \$0.00        | (\$187,269.95)          | (\$1,360,113.10)         | \$20,633,997.80         |
| 368.2 - Overhead Type Transformers   | \$10,436,168.12         | \$736,461.04           | \$0.00               | \$0.00        | (\$1,781.70)            | (\$923,989.88)           | \$10,246,857.58         |
| 368.4 - Submersible or Padmt Type    | \$2,189,322.49          | \$34.20                | \$0.00               | \$0.00        | \$0.00                  | (\$343,472.63)           | \$1,845,884.06          |
| 368.6 - Non-Network Housing          | \$0.00                  | \$0.00                 | \$0.00               | \$0.00        | \$0.00                  | \$0.00                   | \$0.00                  |
| 369.0 - Services                     | \$8,838,993.63          | \$533,641.81           | \$0.00               | \$0.00        | \$0.00                  | (\$414,315.41)           | \$8,958,320.03          |
| 371.4 - Area Lighting Fixtures       | \$332,867.22            | \$5,258.28             | \$0.00               | \$0.00        | \$0.00                  | (\$3,672.06)             | \$334,453.44            |
| 373.2 - Street Lighting & Sig Sys    | \$1,981,313.48          | \$42,092.09            | \$0.00               | \$0.00        | (\$7,618.78)            | (\$265,802.42)           | \$1,749,984.37          |
| 391.6 - Comp Equip                   | \$0.00                  | \$0.00                 | \$0.00               | \$0.00        | \$0.00                  | \$0.00                   | \$0.00                  |
| <b>Total Assets</b>                  | <b>\$195,819,647.18</b> | <b>\$18,099,873.25</b> | <b>(\$23,446.58)</b> | <b>\$0.00</b> | <b>(\$1,373,617.72)</b> | <b>(\$26,522,524.50)</b> | <b>\$185,999,931.63</b> |

**Reserve Activity**

| Depreciation Group                   | Beginning Reserve     |                     | Depreciation         |                       | End Reserve           |  |
|--------------------------------------|-----------------------|---------------------|----------------------|-----------------------|-----------------------|--|
|                                      | Balance               | Expense             | Retirements          | Adjustments           | Balance               |  |
| 360.2 - Land                         | \$0.00                | \$0.00              | \$0.00               | \$0.00                | \$0.00                |  |
| 360.4 - Land Rights                  | \$9,841.84            | \$844.56            | \$0.00               | \$10.64               | \$10,697.04           |  |
| 361.0 - Structures and Improvements  | \$40.86               | \$502.10            | \$0.00               | \$0.00                | \$542.96              |  |
| 362.0 - Station Equipment            | \$453,611.18          | \$56,682.74         | \$0.00               | (\$25,616.70)         | \$484,677.22          |  |
| 364.2 - Towers and Fixtures          | \$4,543.94            | \$255.09            | \$0.00               | (\$1,625.29)          | \$3,173.74            |  |
| 364.4 - Poles and Fixtures           | \$589,715.76          | \$75,845.29         | \$0.00               | (\$64,108.80)         | \$601,452.25          |  |
| 364.8 - Clearing Land and Rights     | \$5,558.39            | \$427.28            | \$0.00               | \$0.03                | \$5,985.70            |  |
| 365.0 - Overhead Conductors, Device  | \$1,071,916.53        | \$120,571.70        | (\$23,446.58)        | (\$185,942.09)        | \$983,099.56          |  |
| 366.0 - Underground Conduit          | \$82,616.67           | \$9,846.46          | \$0.00               | (\$5,242.20)          | \$87,220.93           |  |
| 367.0 - Undergrnd Conductors, Device | \$330,391.64          | \$41,257.53         | \$0.00               | (\$17,167.33)         | \$354,481.84          |  |
| 368.2 - Overhead Type Transformers   | \$189,184.10          | \$24,271.42         | \$0.00               | (\$20,388.43)         | \$193,067.09          |  |
| 368.4 - Submersible or Padmt Type    | \$26,105.87           | \$3,204.63          | \$0.00               | (\$298.15)            | \$29,012.35           |  |
| 368.6 - Non-Network Housing          | \$0.00                | \$0.00              | \$0.00               | \$0.00                | \$0.00                |  |
| 369.0 - Services                     | \$169,076.54          | \$18,157.00         | \$0.00               | (\$13,302.39)         | \$173,931.15          |  |
| 371.4 - Area Lighting Fixtures       | \$17,626.37           | \$1,432.36          | \$0.00               | (\$255.03)            | \$18,803.70           |  |
| 373.2 - Street Lighting & Sig Sys    | \$64,022.53           | \$5,764.89          | \$0.00               | (\$12,105.92)         | \$57,681.50           |  |
| 391.6 - Comp Equip                   | \$0.00                | \$0.00              | \$0.00               | \$0.00                | \$0.00                |  |
| <b>Total Reserve</b>                 | <b>\$3,014,252.22</b> | <b>\$359,063.05</b> | <b>(\$23,446.58)</b> | <b>(\$346,041.66)</b> | <b>\$3,003,827.03</b> |  |

**PPL Electric Utilities**  
**Distribution System Improvement Charge**  
**Rate Base and Depreciation Expense**

From Date: 7/1/2018  
 To Date: 7/31/2018

|                     |                       |
|---------------------|-----------------------|
| Gross Plant Total   | 195,819,647.18        |
| Gross Reserve Total | 3,014,252.22          |
| Rate Base           | <b>192,805,394.96</b> |

|                                |                   |
|--------------------------------|-------------------|
| Total Depreciation Expense MTD | <b>381,237.82</b> |
| Total Depreciation Expense YTD | <b>N/A</b>        |

**Plant Activity**

| Depreciation Group                  | Beginning Plant         |                        |                     |               |                |               | Adjustments   | End Plant Balance       |
|-------------------------------------|-------------------------|------------------------|---------------------|---------------|----------------|---------------|---------------|-------------------------|
|                                     | Balance                 | Additions              | Retirements         | Transfers To  | Transfers From |               |               |                         |
| 360.2 - Land                        | \$447,649.99            | \$28.44                | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$447,678.43            |
| 360.4 - Land Rights                 | \$563,290.87            | \$3,002.53             | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$566,293.40            |
| 361.0 - Structures and Improvements | \$11,055.80             | \$80.05                | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$11,135.85             |
| 362.0 - Station Equipment           | \$26,297,206.73         | \$1,257,041.02         | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$27,554,247.75         |
| 364.2 - Towers and Fixtures         | \$230,816.00            | \$4,871.29             | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$235,687.29            |
| 364.4 - Poles and Fixtures          | \$36,492,226.22         | \$4,288,819.99         | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$40,781,046.21         |
| 364.8 - Clearing Land and Rights    | \$250,540.04            | \$2,316.41             | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$252,856.45            |
| 365.0 - Overhead Conductors, Device | \$71,147,993.67         | \$3,701,915.19         | \$119,433.78        | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$74,969,342.64         |
| 366.0 - Underground Conduit         | \$5,622,623.26          | \$327,321.53           | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$5,949,944.79          |
| 367.0 - Undergrnd Conductors,Device | \$19,516,857.93         | \$1,755,891.50         | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$21,272,749.43         |
| 368.2 - Overhead Type Transformers  | \$9,607,877.53          | \$828,290.59           | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$10,436,168.12         |
| 368.4 - Submersible or Padmt Type   | \$1,723,089.83          | \$466,232.66           | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$2,189,322.49          |
| 368.6 - Non-Network Housing         | \$0.00                  | \$0.00                 | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$0.00                  |
| 369.0 - Services                    | \$8,192,256.62          | \$646,737.01           | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$8,838,993.63          |
| 371.4 - Area Lighting Fixtures      | \$327,038.42            | \$5,828.80             | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$332,867.22            |
| 373.2 - Street Lighting & Sig Sys   | \$1,890,020.55          | \$91,292.93            | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$1,981,313.48          |
| 391.6 - Comp Equip                  | \$0.00                  | \$0.00                 | \$0.00              | \$0.00        | \$0.00         | \$0.00        | \$0.00        | \$0.00                  |
| <b>Total Assets</b>                 | <b>\$182,320,543.46</b> | <b>\$13,379,669.94</b> | <b>\$119,433.78</b> | <b>\$0.00</b> | <b>\$0.00</b>  | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$195,819,647.18</b> |

**Reserve Activity**

| Depreciation Group                  | Beginning Reserve     |                      |                     |               | End Reserve Balance   |
|-------------------------------------|-----------------------|----------------------|---------------------|---------------|-----------------------|
|                                     | Balance               | Depreciation Expense | Retirements         | Adjustments   |                       |
| 360.2 - Land                        | \$0.00                | \$0.00               | \$0.00              | \$0.00        | \$0.00                |
| 360.4 - Land Rights                 | \$8,998.29            | \$843.55             | \$0.00              | \$0.00        | \$9,841.84            |
| 361.0 - Structures and Improvements | \$23.49               | \$17.37              | \$0.00              | \$0.00        | \$40.86               |
| 362.0 - Station Equipment           | \$400,372.52          | \$53,238.66          | \$0.00              | \$0.00        | \$453,611.18          |
| 364.2 - Towers and Fixtures         | \$4,128.05            | \$415.89             | \$0.00              | \$0.00        | \$4,543.94            |
| 364.4 - Poles and Fixtures          | \$511,540.73          | \$78,175.03          | \$0.00              | \$0.00        | \$589,715.76          |
| 364.8 - Clearing Land and Rights    | \$5,130.37            | \$428.02             | \$0.00              | \$0.00        | \$5,558.39            |
| 365.0 - Overhead Conductors, Device | \$809,308.31          | \$143,174.44         | \$119,433.78        | \$0.00        | \$1,071,916.53        |
| 366.0 - Underground Conduit         | \$72,853.85           | \$9,762.82           | \$0.00              | \$0.00        | \$82,616.67           |
| 367.0 - Undergrnd Conductors,Device | \$288,832.58          | \$41,559.06          | \$0.00              | \$0.00        | \$330,391.64          |
| 368.2 - Overhead Type Transformers  | \$164,620.32          | \$24,563.78          | \$0.00              | \$0.00        | \$189,184.10          |
| 368.4 - Submersible or Padmt Type   | \$22,709.68           | \$3,396.19           | \$0.00              | \$0.00        | \$26,105.87           |
| 368.6 - Non-Network Housing         | \$0.00                | \$0.00               | \$0.00              | \$0.00        | \$0.00                |
| 369.0 - Services                    | \$151,284.14          | \$17,792.40          | \$0.00              | \$0.00        | \$169,076.54          |
| 371.4 - Area Lighting Fixtures      | \$16,197.19           | \$1,429.18           | \$0.00              | \$0.00        | \$17,626.37           |
| 373.2 - Street Lighting & Sig Sys   | \$57,581.10           | \$6,441.43           | \$0.00              | \$0.00        | \$64,022.53           |
| 391.6 - Comp Equip                  | \$0.00                | \$0.00               | \$0.00              | \$0.00        | \$0.00                |
| <b>Total Reserve</b>                | <b>\$2,513,580.62</b> | <b>\$381,237.82</b>  | <b>\$119,433.78</b> | <b>\$0.00</b> | <b>\$3,014,252.22</b> |

**PPL Electric Utilities**  
**Distribution System Improvement Charge**  
Rate Base and Depreciation Expense

From Date: 6/1/2018  
To Date: 6/30/2018

Gross Plant Total 182,320,543.46  
Gross Reserve Total 2,513,580.62  
Rate Base **179,806,962.84**

Total Depreciation  
Expense MTD **356,510.06**  
Total Depreciation  
Expense YTD **N/A**

**Plant Activity**

| Depreciation Group                   | Beginning Plant         |                        |                      |                    |                      |               | Adjustments   | End Plant Balance       |
|--------------------------------------|-------------------------|------------------------|----------------------|--------------------|----------------------|---------------|---------------|-------------------------|
|                                      | Balance                 | Additions              | Retirements          | Transfers To       | Transfers From       |               |               |                         |
| 360.2 - Land                         | \$447,649.99            | \$0.00                 | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$447,649.99            |
| 360.4 - Land Rights                  | \$547,609.89            | (\$2,339.91)           | \$0.00               | \$18,020.89        | \$0.00               | \$0.00        | \$0.00        | \$563,290.87            |
| 361.0 - Structures and Improvements  | \$1,192.75              | \$9,863.05             | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$11,055.80             |
| 362.0 - Station Equipment            | \$23,835,090.09         | \$2,462,116.64         | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$26,297,206.73         |
| 364.2 - Towers and Fixtures          | \$215,241.95            | \$15,574.05            | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$230,816.00            |
| 364.4 - Poles and Fixtures           | \$34,131,126.31         | \$2,361,099.91         | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$36,492,226.22         |
| 364.8 - Clearing Land and Rights     | \$252,856.45            | (\$2,316.41)           | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$250,540.04            |
| 365.0 - Overhead Conductors, Device  | \$67,345,608.94         | \$3,909,958.01         | (\$89,552.39)        | \$0.00             | (\$18,020.89)        | \$0.00        | \$0.00        | \$71,147,993.67         |
| 366.0 - Underground Conduit          | \$5,138,881.33          | \$483,741.93           | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$5,622,623.26          |
| 367.0 - Undergrnd Conductors, Device | \$18,493,171.95         | \$1,023,685.98         | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$19,516,857.93         |
| 368.2 - Overhead Type Transformers   | \$9,112,627.20          | \$495,250.33           | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$9,607,877.53          |
| 368.4 - Submersible or Padmt Type    | \$1,382,822.06          | \$340,267.77           | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$1,723,089.83          |
| 368.6 - Non-Network Housing          | \$0.00                  | \$0.00                 | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$0.00                  |
| 369.0 - Services                     | \$7,746,094.97          | \$446,161.65           | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$8,192,256.62          |
| 371.4 - Area Lighting Fixtures       | \$321,500.69            | \$5,537.73             | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$327,038.42            |
| 373.2 - Street Lighting & Sig Sys    | \$1,862,342.94          | \$27,677.61            | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$1,890,020.55          |
| 391.6 - Comp Equip                   | \$0.00                  | \$0.00                 | \$0.00               | \$0.00             | \$0.00               | \$0.00        | \$0.00        | \$0.00                  |
| <b>Total Assets</b>                  | <b>\$170,833,817.51</b> | <b>\$11,576,278.34</b> | <b>(\$89,552.39)</b> | <b>\$18,020.89</b> | <b>(\$18,020.89)</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$182,320,543.46</b> |

**Reserve Activity**

| Depreciation Group                   | Beginning Reserve     |  | Depreciation        |                      |               | End Reserve Balance   |
|--------------------------------------|-----------------------|--|---------------------|----------------------|---------------|-----------------------|
|                                      | Balance               |  | Expense             | Retirements          | Adjustments   |                       |
| 360.2 - Land                         | \$0.00                |  | \$0.00              | \$0.00               | \$0.00        | \$0.00                |
| 360.4 - Land Rights                  | \$7,957.55            |  | \$830.79            | \$0.00               | \$209.95      | \$8,998.29            |
| 361.0 - Structures and Improvements  | \$13.90               |  | \$9.59              | \$0.00               | \$0.00        | \$23.49               |
| 362.0 - Station Equipment            | \$350,766.63          |  | \$49,605.89         | \$0.00               | \$0.00        | \$400,372.52          |
| 364.2 - Towers and Fixtures          | \$3,730.00            |  | \$398.05            | \$0.00               | \$0.00        | \$4,128.05            |
| 364.4 - Poles and Fixtures           | \$440,036.87          |  | \$71,503.86         | \$0.00               | \$0.00        | \$511,540.73          |
| 364.8 - Clearing Land and Rights     | \$4,705.62            |  | \$424.75            | \$0.00               | \$0.00        | \$5,130.37            |
| 365.0 - Overhead Conductors, Device  | \$763,157.34          |  | \$135,913.31        | (\$89,552.39)        | (\$209.95)    | \$809,308.31          |
| 366.0 - Underground Conduit          | \$63,768.46           |  | \$9,085.39          | \$0.00               | \$0.00        | \$72,853.85           |
| 367.0 - Undergrnd Conductors, Device | \$250,066.09          |  | \$38,766.49         | \$0.00               | \$0.00        | \$288,832.58          |
| 368.2 - Overhead Type Transformers   | \$141,678.53          |  | \$22,941.79         | \$0.00               | \$0.00        | \$164,620.32          |
| 368.4 - Submersible or Padmt Type    | \$20,013.58           |  | \$2,696.10          | \$0.00               | \$0.00        | \$22,709.68           |
| 368.6 - Non-Network Housing          | \$0.00                |  | \$0.00              | \$0.00               | \$0.00        | \$0.00                |
| 369.0 - Services                     | \$134,618.68          |  | \$16,665.46         | \$0.00               | \$0.00        | \$151,284.14          |
| 371.4 - Area Lighting Fixtures       | \$14,787.47           |  | \$1,409.72          | \$0.00               | \$0.00        | \$16,197.19           |
| 373.2 - Street Lighting & Sig Sys    | \$51,322.23           |  | \$6,258.87          | \$0.00               | \$0.00        | \$57,581.10           |
| 391.6 - Comp Equip                   | \$0.00                |  | \$0.00              | \$0.00               | \$0.00        | \$0.00                |
| <b>Total Reserve</b>                 | <b>\$2,246,622.95</b> |  | <b>\$356,510.06</b> | <b>(\$89,552.39)</b> | <b>\$0.00</b> | <b>\$2,513,580.62</b> |

