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E-File

April 17, 2019

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

**Re: PPL Electric Utilities Corporation
Annual Depreciation Report for the
Year Ended December 31, 2018
Docket No. M-110500.F2019ADR**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is PPL Electric's Annual Depreciation Report ("ADR") for the year ended December 31, 2018. This report is being filed in compliance with the Commission's regulations at 52 Pa. Code § 73.1, et seq.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on April 17, 2019, which is the date it was filed electronically using the Commission's E-Filing System.

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

Very truly yours,

A handwritten signature in blue ink that reads "Kimberly A. Klock". The signature is fluid and cursive, with the first name being the most prominent.

Kimberly A. Klock

Enclosures

cc: Ms. Cheryl Walker Davis
Mr. Paul Diskin
Rick Kanaskie, Esquire
Tanya J. McCloskey, Esquire
John R. Evans, Esquire

PPL ELECTRIC UTILITIES CORPORATION
ANNUAL DEPRECIATION REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018
DOCKET NO. M-110500.F2019ADR

PPL ELECTRIC UTILITIES CORPORATION
ANNUAL DEPRECIATION REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018
DOCKET NO. M-110500.F2019ADR

EXECUTIVE SUMMARY

This report is prepared by PPL Electric Utilities Corporation (“PPL Electric”) in response to the requirements related to the monitoring of depreciation practices set forth in 52 Pa. Code Chapter 73.9(a). In accordance with these requirements, the report presents a comparison of annual and accrued depreciation by function at December 31, 2016, December 31, 2017 and December 31, 2018; a calculation of remaining life depreciation accrual rates as of December 31, 2018; the 2018 retirements expressed as a percent of the original cost; a summary of the depreciation reserve activity, including the reserve as a percent of original cost; an explanation of any unusual retirements; the net salvage amortization amount for 2019, based on experience for the period 2014 through 2018, and an explanation of exclusions from the experienced net salvage.

The survivor curves presented herein were based on an updated service life study incorporating statistical analyses of data through 2016. The prior service life study was based on data through December 31, 2012. The same methods of depreciation are used in this report as were used in previous Annual Depreciation Reports submitted by PPL Electric during the period 2003 through 2017.

Table 1 sets forth comparisons of the original cost, book reserve and calculated annual depreciation accruals by function at December 31, 2016, December 31, 2017

and December 31, 2018. The annual accrual amounts, as summarized, are presented as a percent of original cost for each function and for the total Company.

The composite annual depreciation accrual rate for Intangible Plant increased from December 31, 2016 to December 2017 due to high growth with software applications. The rate increased slightly from December 31, 2017 to December 31, 2018 due to continued growth of software applications. The composite rate for Transmission Plant increased from December 31, 2016 to December 31, 2017, due to high growth and a slightly shorter life for Account 353, Station Equipment. The composite rate continued to increase from December 31, 2017 to December 31, 2018 primarily due to high growth. The composite annual accrual rate for Distribution Plant from December 31, 2016 to December 31, 2017 increased slightly due to high growth in the shorter-lived asset classes. The rate is basically unchanged from December 31, 2017 to December 31, 2018. The composite rate for General Plant decreased slightly from December 31, 2016 to December 31, 2017 due to the higher reserve to plant ratio and the slightly longer lives for most transportation equipment. The composite rate increased from December 31, 2017 to December 31, 2018 due to high growth in the short-lived asset classes of Account 391 and Account 392.

Table 2 summarizes the calculated annual depreciation accrual rates and book depreciation reserve by account at December 31, 2018. Tables 3 and 4 present a summary of the plant and reserve activity, respectively, for 2018. A review of any unusual entries is set forth in the section "2018 Plant and Reserve Activity", beginning on page 7. Table 5 sets forth the net salvage accruals for 2019, as determined by the 5-year amortization of the experience during the prior 5-year period 2014 through 2018.

REMAINING LIFE DEPRECIATION ACCRUAL RATES

The annual depreciation accrual rates are calculated as of December 31, 2018 and are based on the straight-line method using the average service life procedure. The annual depreciation accrual rates as of December 31, 2018 are set forth in column 8 of Table 2. The annual accrual rate equals the annual accrual amount in column 6 divided by the original cost in column 3 of Table 2.

For the purpose of calculating the composite remaining life accrual rates as of December 31, 2018, the book reserve by plant account is allocated among vintages in proportion to the calculated accrued depreciation. Descriptions of the derivation of remaining life accruals at a given point in time for all vintages calculated by the average service life (ASL) procedure follow. An example of the calculation is set forth on pages 4 through 6.

For all vintages, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life (expectancy) of the vintage. The average remaining life is derived directly from the estimated future survivor curve in accordance with the average service life procedure.

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals divided by the total original cost. The composite remaining life is calculated by dividing the sum of the future book accruals by the sum of the remaining life annual accruals.

For certain General Plant accounts, the amortization amounts, annual and accrued, were based on the age of the vintage and the selected amortization period.

PPL ELECTRIC UTILITIES CORPORATION
ACCOUNT 101 AND 106 ELECTRIC PLANT IN SERVICE

ACCOUNT 364.4 POLES, TOWERS AND FIXTURES - POLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R0.5						
NET SALVAGE PERCENT.. 0						
1926	11,670.99	10,833	11,671			
1927	36,505.09	33,555	36,505			
1928	38,243.02	34,809	38,243			
1929	20,623.84	18,590	20,624			
1930	25,723.24	22,966	25,723			
1931	19,971.98	17,659	19,972			
1932	5,619.18	4,921	5,619			
1933	11,390.11	9,882	11,390			
1934	12,184.44	10,471	12,184			
1935	11,383.46	9,690	11,383			
1936	1,967,191.18	1,658,736	1,967,191			
1937	244,565.55	204,261	244,566			
1938	121,030.72	100,117	121,031			
1939	140,977.45	115,489	140,977			
1940	167,681.54	136,057	167,682			
1941	247,667.44	198,976	247,667			
1942	130,737.36	103,988	130,737			
1943	219,633.59	172,983	219,634			
1944	832,693.30	649,168	831,912	781	11.02	71
1945	467,563.98	360,772	462,331	5,233	11.42	458
1946	800,839.38	611,521	783,667	17,172	11.82	1,453
1947	972,217.07	734,607	941,402	30,815	12.22	2,522
1948	450,642.89	336,901	431,740	18,903	12.62	1,498
1949	332,753.04	246,104	315,383	17,370	13.02	1,334
1950	365,029.99	266,983	342,140	22,890	13.43	1,704
1951	564,397.83	408,173	523,076	41,322	13.84	2,986
1952	790,720.29	565,365	724,518	66,202	14.25	4,646
1953	667,281.39	471,501	604,231	63,050	14.67	4,298
1954	657,325.50	458,945	588,140	69,186	15.09	4,585
1955	1,232,196.73	849,969	1,089,239	142,958	15.51	9,217
1956	1,219,685.09	831,093	1,065,050	154,635	15.93	9,707
1957	1,132,216.21	761,755	976,193	156,023	16.36	9,537
1958	1,027,611.18	682,334	874,414	153,197	16.80	9,119
1959	1,543,873.02	1,011,854	1,296,696	247,177	17.23	14,346
1960	1,445,021.20	934,351	1,197,375	247,646	17.67	14,015
1961	1,641,513.37	1,046,629	1,341,260	300,253	18.12	16,570
1962	1,631,048.44	1,025,277	1,313,897	317,151	18.57	17,079
1963	2,388,277.40	1,479,777	1,896,341	491,936	19.02	25,864
1964	2,503,772.83	1,528,303	1,958,528	545,245	19.48	27,990
1965	2,976,599.88	1,789,532	2,293,294	683,306	19.94	34,268
1966	3,143,972.80	1,861,232	2,385,178	758,795	20.40	37,196

PPL ELECTRIC UTILITIES CORPORATION
ACCOUNT 101 AND 106 ELECTRIC PLANT IN SERVICE

ACCOUNT 364.4 POLES, TOWERS AND FIXTURES - POLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R0.5						
NET SALVAGE PERCENT.. 0						
1967	3,875,287.29	2,257,742	2,893,307	981,980	20.87	47,052
1968	3,968,252.39	2,273,809	2,913,897	1,054,355	21.35	49,384
1969	5,631,147.82	3,172,589	4,065,688	1,565,460	21.83	71,711
1970	5,101,090.34	2,824,984	3,620,231	1,480,859	22.31	66,376
1971	5,627,831.95	3,061,541	3,923,380	1,704,452	22.80	74,757
1972	7,674,053.51	4,099,479	5,253,502	2,420,552	23.29	103,931
1973	12,660,307.71	6,636,533	8,504,749	4,155,559	23.79	174,677
1974	9,932,987.90	5,105,556	6,542,795	3,390,193	24.30	139,514
1975	10,663,582.43	5,374,446	6,887,379	3,776,203	24.80	152,266
1976	11,889,152.22	5,868,486	7,520,493	4,368,659	25.32	172,538
1977	11,729,782.18	5,670,177	7,266,359	4,463,423	25.83	172,800
1978	12,679,536.46	5,997,421	7,685,724	4,993,812	26.35	189,518
1979	12,488,811.62	5,774,826	7,400,467	5,088,345	26.88	189,299
1980	12,184,475.63	5,504,946	7,054,615	5,129,861	27.41	187,153
1981	10,607,308.90	4,679,945	5,997,372	4,609,937	27.94	164,994
1982	10,495,871.22	4,517,423	5,789,099	4,706,772	28.48	165,266
1983	10,428,005.12	4,375,591	5,607,341	4,820,664	29.02	166,115
1984	13,542,268.23	5,533,371	7,091,042	6,451,226	29.57	218,168
1985	14,085,669.07	5,600,462	7,177,019	6,908,650	30.12	229,371
1986	16,306,769.65	6,300,936	8,074,680	8,232,090	30.68	268,321
1987	17,472,338.93	6,555,622	8,401,061	9,071,278	31.24	290,374
1988	16,266,028.46	5,920,834	7,587,577	8,678,451	31.80	272,907
1989	16,174,604.97	5,706,401	7,312,780	8,861,825	32.36	273,851
1990	17,630,926.41	6,019,198	7,713,631	9,917,295	32.93	301,163
1991	18,714,505.10	6,172,044	7,909,504	10,805,001	33.51	322,441
1992	17,935,895.40	5,710,789	7,318,404	10,617,491	34.08	311,546
1993	20,347,611.59	6,242,647	7,999,982	12,347,630	34.66	356,250
1994	19,727,311.01	5,823,502	7,462,846	12,264,465	35.24	348,027
1995	20,567,100.17	5,832,830	7,474,800	13,092,300	35.82	365,503
1996	16,065,691.95	4,366,655	5,595,890	10,469,802	36.41	287,553
1997	17,323,011.87	4,503,983	5,771,876	11,551,136	37.00	312,193
1998	15,863,109.96	3,937,224	5,045,572	10,817,538	37.59	287,777
1999	21,250,581.23	5,023,637	6,437,815	14,812,766	38.18	387,972
2000	23,252,020.51	5,222,404	6,692,536	16,559,485	38.77	427,121
2001	20,991,369.34	4,466,963	5,724,435	15,266,934	39.36	387,879
2002	29,359,668.59	5,895,421	7,555,011	21,804,658	39.96	545,662
2003	22,958,555.32	4,334,575	5,554,779	17,403,776	40.56	429,087
2004	22,376,498.25	3,956,165	5,069,845	17,306,653	41.16	420,473
2005	22,698,500.95	3,740,713	4,793,742	17,904,759	41.76	428,754
2006	31,776,162.20	4,855,398	6,222,216	25,553,946	42.36	603,257
2007	29,762,645.52	4,190,580	5,370,248	24,392,398	42.96	567,793

PPL ELECTRIC UTILITIES CORPORATION
ACCOUNT 101 AND 106 ELECTRIC PLANT IN SERVICE

ACCOUNT 364.4 POLES, TOWERS AND FIXTURES - POLES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2018

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R0.5						
NET SALVAGE PERCENT.. 0						
2008	29,479,154.50	3,796,915	4,865,765	24,613,390	43.56	565,046
2009	30,615,887.77	3,569,813	4,574,733	26,041,155	44.17	589,567
2010	37,709,012.07	3,936,821	5,045,055	32,663,957	44.78	729,432
2011	55,316,597.44	5,111,254	6,550,096	48,766,501	45.38	1,074,625
2012	63,447,139.71	5,088,461	6,520,887	56,926,253	45.99	1,237,796
2013	56,053,748.56	3,800,444	4,870,287	51,183,462	46.61	1,098,122
2014	49,629,300.62	2,759,389	3,536,170	46,093,131	47.22	976,136
2015	48,346,303.27	2,098,230	2,688,892	45,657,411	47.83	954,577
2016	49,539,969.84	1,535,739	1,968,057	47,571,913	48.45	981,876
2017	54,522,620.26	1,014,121	1,299,601	53,223,019	49.07	1,084,635
2018	67,467,722.99	418,300	536,054	66,931,669	49.69	1,346,985
	1,214,433,839.39	258,013,464	330,408,090	884,025,749		21,820,054
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						40.5 1.80

2018 PLANT AND RESERVE ACTIVITY

Table 3 and Table 4, shown on pages 12 through 15 present summaries by account of the plant and reserve accounting activity for 2018. Table 3 sets forth the original cost as of December 31, 2017, the beginning balance; additions; retirements; transfers or adjustments; the balance at the end of the year, December 31, 2018; and, the retirements expressed as a percent of the beginning plant balance.

The high retirements in Account 303.20, Miscellaneous Intangible Plant – Software was due to the upgraded applications needed for the system. The high percentage of retirements in Account 303.50, Miscellaneous Intangible Plant – Smart Meter Software, was due to software applications reaching the full amortization period. The high percentage of retirements in Account 368.6, Line Transformers – Non-Network Housing, was due to the scheduled elimination of these older assets. The high percentage of retirements in Account 370, Meters, was the continued conversion of standard meters to smart meters. The high retirements for Account 392.1, Transportation Equipment – Automobiles; Account 392.2, Transportation Equipment – Light Duty Trucks; Account 392.3, Transportation Equipment – Heavy Duty Trucks; Account 392.5, Transportation Equipment – Large Tankers/Tractors; and Account 392.6, Transportation Equipment – Large Crane Trucks were due to the need to upgrade older assets in the vehicle fleet. The retirements for Account 393, Stores Equipment were high due to amortization accounting for years with a higher number of installations. The high percentage of retirements in Account 396, Power Operated Equipment was due to assets reaching their useful life. The high additions for many accounts were due to the continued expansion throughout the system.

Table 4 sets forth the book depreciation reserve balance at the beginning of the year, January 1, 2018; annual accruals; retirements; gross salvage; cost of removal; transfers or adjustments; the balance at the end of the year, December 31, 2018; and, the book reserve as a percent of the plant balance as of December 31, 2018.

AMORTIZATION OF NET SALVAGE

The 2019 amortization amounts for net negative salvage of \$55,070,685 based on the experienced net salvage during the 5-year period 2014 through 2018. The calculation of the amortization amount by function is set forth in Table 5 shown on page 16. The tabulation sets forth the cost of removal, gross salvage, net salvage and the amortization amount, which is one-fifth of the total net salvage for the 5-year period.

In 2018, PPL Electric experienced no retirements that were incurred under unusual or extraordinary circumstances and, therefore, it submits no such retirements for Commission Staff review.

PPL ELECTRIC UTILITIES CORPORATION

TABLE 1. ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS BY FUNCTION RELATED TO UTILITY PLANT AT DECEMBER 31, 2016, DECEMBER 31, 2017 AND DECEMBER 31, 2018

	2016	2017	2018
INTANGIBLE AND NONDEPRECIABLE			
ORGANIZATION	476,251.80	476,251.80	476,251.80
FRANCHISES AND CONSENTS	147,083.87	147,083.87	147,083.87
INTANGIBLE PLANT - LICENSES	0.00	142,300.00	142,300.00
LAND	62,944,729.27	85,752,549.00	84,983,232.80
INTANGIBLE PLANT (AMORTIZABLE)			
ORIGINAL COST (DEPRECIABLE)	188,401,934.36	209,436,006.79	224,822,795.02
BOOK ACCRUED DEPRECIATION	77,341,964	83,688,354	109,127,895
BOOK RESERVE % OF O.C.	41.05%	39.96%	48.54%
ORIGINAL COST DEPRECIATED	111,059,971	125,747,653	115,694,900
ANNUAL DEPRECIATION EXPENSE	33,295,339	41,179,294	45,744,818
ANNUAL % OF O.C.	17.67%	19.66%	20.35%
TRANSMISSION PLANT			
ORIGINAL COST (DEPRECIABLE)	3,777,967,539.32	4,554,694,823.16	5,153,733,289.75
BOOK ACCRUED DEPRECIATION	557,431,006	592,257,213	628,569,136
BOOK RESERVE % OF O.C.	14.75%	13.00%	12.20%
ORIGINAL COST DEPRECIATED	3,220,536,533	3,962,437,610	4,525,164,154
ANNUAL DEPRECIATION EXPENSE	61,971,453	76,419,553	87,333,480
ANNUAL % OF O.C.	1.64%	1.68%	1.69%
DISTRIBUTION PLANT			
ORIGINAL COST (DEPRECIABLE)	5,209,849,547.29	5,493,811,636.83	5,733,477,918.39
BOOK ACCRUED DEPRECIATION	1,820,310,450	1,792,481,118	1,752,606,937
BOOK RESERVE % OF O.C.	34.94%	32.63%	30.57%
ORIGINAL COST DEPRECIATED	3,389,539,095	3,701,330,520	3,980,870,980
ANNUAL DEPRECIATION EXPENSE	123,404,933	132,044,900	137,651,081
ANNUAL % OF O.C.	2.37%	2.40%	2.40%
GENERAL PLANT			
ORIGINAL COST (DEPRECIABLE)	736,218,166.20	780,514,910.91	784,428,466.58
BOOK ACCRUED DEPRECIATION	234,524,583	268,952,705	297,293,089
BOOK RESERVE % OF O.C.	31.86%	34.46%	37.90%
ORIGINAL COST DEPRECIATED	501,693,587	511,562,204	487,135,379
ANNUAL DEPRECIATION EXPENSE	50,625,680	52,577,755	56,882,930
ANNUAL % OF O.C.	6.88%	6.74%	7.25%
TOTAL COMPANY			
ORIGINAL COST (DEPRECIABLE)	9,976,005,252.11	11,124,975,562.36	11,982,211,338.21
BOOK ACCRUED DEPRECIATION	2,689,608,003	2,737,379,390	2,787,597,057
BOOK RESERVE % OF O.C.	26.96%	24.61%	23.26%
ORIGINAL COST DEPRECIATED	7,222,829,186	8,301,077,987	9,108,865,413
ANNUAL DEPRECIATION EXPENSE	269,297,405	302,221,502	327,612,309
ANNUAL % OF O.C.	2.70%	2.72%	2.73%

PPL ELECTRIC UTILITIES CORPORATION

TABLE 2. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2018

DEPRECIABLE GROUP (1)	SURVIVOR CURVE (2)	ORIGINAL COST AS OF DECEMBER 31, 2018 (3)	BOOK RESERVE (4)	FUTURE ACCRUALS (5)	ANNUAL ACCRUAL AMOUNT (6)	COMPOSITE REMAINING LIFE (7)	ANNUAL ACCRUAL RATE, PERCENT (8)	
DEPRECIABLE PLANT								
INTANGIBLE PLANT								
303.2	MISCELLANEOUS INTANGIBLE PLANT - SOFTWARE	5-SQ	143,270,509.37	75,236,137	68,034,372	26,669,211	2.6	18.61
303.5	SMART METER SOFTWARE	5-SQ	1,290,324.73	1,230,360	59,965	59,965	1.0	4.65
303.6	RF MESH AMR SOFTWARE	5-SQ	80,261,960.92	32,661,398	47,600,563	19,015,642	2.5	23.69
TOTAL INTANGIBLE PLANT			224,822,795.02	109,127,895	115,694,900	45,744,818	2.5	20.35
TRANSMISSION PLANT								
350.4	LAND RIGHTS	80-S4	218,904,891.26	51,487,670	167,417,221	2,586,365	64.7	1.18
352	STRUCTURES AND IMPROVEMENTS	65-R3	134,629,038.92	20,148,743	114,480,296	2,017,519	56.7	1.50
353	STATION EQUIPMENT	46-R1.5	1,708,526,312.82	215,910,513	1,492,615,800	37,453,288	39.9	2.19
354	TOWERS AND FIXTURES	75-R3	1,852,507,369.61	193,800,318	1,658,707,052	24,498,821	67.7	1.32
354.2	TOWERS AND FIXTURES - CLEARING AND RIGHTS OF WAY	80-R4	11,335,283.97	7,678,472	3,656,812	78,948	46.3	0.70
355	POLES AND FIXTURES	53-R0.5	130,811,040.25	2,062,274	128,748,766	3,366,439	38.2	2.57
355.2	POLES AND FIXTURES - CLEARING AND RIGHTS OF WAY	80-R4	12,465,210.91	4,620,699	7,844,512	126,504	62.0	1.01
356	OVERHEAD CONDUCTORS AND DEVICES	65-R2.5	994,242,724.01	111,770,660	882,472,064	15,428,289	57.2	1.55
357	UNDERGROUND CONDUIT	55-S4	19,688,060.02	4,113,210	15,574,850	338,500	46.0	1.72
358	UNDERGROUND CONDUCTORS AND DEVICES	45-S3	64,051,010.76	13,520,996	50,530,015	1,372,556	36.8	2.14
359	ROADS AND TRAILS	80-R4	6,572,347.22	3,455,581	3,116,766	66,251	47.0	1.01
TOTAL TRANSMISSION PLANT			5,153,733,289.75	628,569,136	4,525,164,154	87,333,480	51.8	1.69
DISTRIBUTION PLANT								
360.4	LAND RIGHTS	75-R4	79,011,555.36	35,178,426	43,833,129	807,141	54.3	1.02
361	STRUCTURES AND IMPROVEMENTS	70-R2.5	39,292,833.59	16,130,221	23,162,613	444,410	52.1	1.13
362	STATION EQUIPMENT	52-R2	641,243,924.59	147,460,053	493,783,872	11,844,525	41.7	1.85
362.1	STATION EQUIPMENT - RF MESH	52-R2	9,225,066.10	193,964	9,031,102	178,271	50.7	1.93
364.2	POLES, TOWERS AND FIXTURES - TOWERS	65-R3	20,299,269.95	7,987,624	12,311,646	273,791	45.0	1.35
364.4	POLES, TOWERS AND FIXTURES - POLES	50-R0.5	1,214,433,839.39	330,408,090	884,025,749	21,820,054	40.5	1.80
364.6	POLES, TOWERS AND FIXTURES - CLEARING TOWERS	65-S3	153,514.04	70,061	83,453	1,987	42.0	1.29
364.8	POLES, TOWERS AND FIXTURES - CLEARING POLES	70-R3	38,757,685.48	21,772,222	16,985,463	361,981	46.9	0.93
365	OVERHEAD CONDUCTORS AND DEVICES	50-R0.5	1,146,816,882.10	267,087,619	879,729,263	20,807,917	42.3	1.81
365.1	OVERHEAD CONDUCTORS AND DEVICES - RF MESH	50-R0.5	1,027,614.55	30,594	997,021	20,425	48.8	1.99
366	UNDERGROUND CONDUIT	65-R3	212,488,502.51	63,316,020	149,172,483	3,030,445	49.2	1.43
367	UNDERGROUND CONDUCTORS AND DEVICES	51-R2.5	625,082,756.34	212,402,451	412,680,305	10,557,326	39.1	1.69
368.2	LINE TRANSFORMERS - OVERHEAD	34-SQ	298,237,728.12	118,849,679	179,388,049	9,884,774	18.1	3.31
368.4	LINE TRANSFORMERS - SUBMERSIBLE OR PAD MOUNT	48-SQ	223,034,742.39	89,878,500	133,156,242	4,483,378	29.7	2.01
368.6	LINE TRANSFORMERS - NON-NETWORK HOUSING	35-SQ	78,174.32	65,326	12,848	2,671	4.8	3.42
369	SERVICES	50-R1.5	732,940,286.43	354,432,690	378,507,596	9,776,726	38.7	1.33
370.2	METERS - AMR							
	TO BE RETIRED	15-SQ	26,627,705.73	5,697,246	20,930,460	20,930,459	1.0	78.60
	TO REMAIN	15-SQ	46,654,196.21	1,965,295	44,688,901	3,605,190	12.4	7.73
	TOTAL ACCOUNT 370.2		73,281,901.94	7,662,541	65,619,361	24,535,649	2.7	33.48
370.5	METERS - RF MESH AMR	15-SQ	233,435,939.70	18,705,736	214,730,204	15,400,496	13.9	6.60
371.2	INSTALLATIONS ON CUSTOMERS' PREMISES	35-S3	319,228.36	122,860	196,368	21,660	9.1	6.79
371.4	AREA LIGHTING FIXTURES	23-L0.5	10,097,079.84	5,938,634	4,158,446	226,704	18.3	2.25
373.2	STREET LIGHTING AND SIGNAL SYSTEMS	33-L1.5	134,219,393.29	54,913,626	79,305,767	3,170,750	25.0	2.36
TOTAL DISTRIBUTION PLANT			5,733,477,918.39	1,752,606,937	3,980,870,980	137,651,081	28.9	2.40

PPL ELECTRIC UTILITIES CORPORATION

TABLE 2. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2018

DEPRECIABLE GROUP	SURVIVOR CURVE	ORIGINAL COST AS OF DECEMBER 31, 2018	BOOK RESERVE	FUTURE ACCRUALS	ANNUAL ACCRUAL AMOUNT	COMPOSITE REMAINING LIFE	ANNUAL ACCRUAL RATE, PERCENT
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
GENERAL PLANT							
389.4 LAND RIGHTS	75-R4	4,398.53	2,016	2,383	78	30.6	1.77
390.2 STRUCTURES AND IMPROVEMENTS							
BUILDINGS - MAJOR	52-S0.5 *	392,786,925.41	113,646,850	279,140,076	15,385,330	18.1	3.92
BUILDINGS - MINOR	45-R3	4,026,479.07	1,351,722	2,674,757	123,002	21.7	3.05
TOTAL ACCOUNT 390.2		<u>396,813,404.48</u>	<u>114,998,572</u>	<u>281,814,833</u>	<u>15,508,332</u>	<u>18.2</u>	<u>3.91</u>
390.21 STRUCTURES AND IMPROVEMENTS - LEASEHOLDS	10-SQ	931,820.60	879,258	52,563	8,087	6.5	0.87
390.4 STRUCTURES AND IMPROVEMENTS - AIR CONDITIONING	30-S1	51,774,094.05	15,253,144	36,520,950	1,738,635	21.0	3.36
391.1 OFFICE FURNITURE AND EQUIPMENT - RF MESH AMR COMPUTER EQUIP.	5-SQ	23,122,338.29	7,877,001	15,245,337	5,948,373	2.6	25.73
391.2 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	20-SQ	23,371,274.32	11,907,817	11,463,457	1,237,850	9.3	5.30
391.4 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	15-SQ	4,115,098.02	1,849,473	2,265,625	337,807	6.7	8.21
391.6 OFFICE FURNITURE AND EQUIPMENT - COMPUTERS	5-SQ	93,320,990.84	44,529,015	48,791,976	22,339,658	2.2	23.94
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	9-S3	8,044,796.93	6,704,412	1,340,385	194,114	6.9	2.41
392.2 TRANSPORTATION EQUIPMENT - LIGHT DUTY TRUCKS	9-R1	17,842,894.67	8,764,661	9,078,234	1,488,275	6.1	8.34
392.3 TRANSPORTATION EQUIPMENT - HEAVY DUTY TRUCKS	13-S3	86,824,496.77	52,542,779	34,281,718	4,004,397	8.6	4.61
392.4 TRANSPORTATION EQUIPMENT - TRAILERS	23-L2	8,270,185.58	3,148,343	5,121,843	327,518	15.6	3.96
392.5 TRANSPORTATION EQUIPMENT - LARGE TANKERS/TRACTORS	15-L4	2,706,373.13	1,204,683	1,501,690	218,214	6.9	8.06
392.6 TRANSPORTATION EQUIPMENT - LARGE CRANE TRUCKS	13-S3	526,575.09	398,433	128,142	50,209	2.6	9.54
393.0 STORES EQUIPMENT	25-SQ	2,308,537.55	1,129,452	1,179,086	127,377	9.3	5.52
394.0 TOOLS AND WORK EQUIPMENT - L AND S LINE CREWS	20-SQ	4,542,464.24	2,971,165	1,571,299	272,718	5.8	6.00
394.2 TOOLS AND WORK EQUIPMENT - TOOLS	20-SQ	169,162.71	94,803	74,360	9,679	7.7	5.72
394.4 TOOLS AND WORK EQUIPMENT - CONSTRUCTION DEPARTMENT	20-SQ	1,253,451.20	740,459	512,992	61,094	8.4	4.87
394.6 TOOLS AND WORK EQUIPMENT - OTHER	20-SQ	30,003,804.26	10,725,611	19,278,193	1,516,919	12.7	5.06
394.8 TOOLS AND WORK EQUIPMENT - GARAGE EQUIPMENT	20-SQ	2,235,659.73	761,638	1,474,022	116,150	12.7	5.20
395.0 LABORATORY EQUIPMENT	20-SQ	4,513,449.28	2,382,448	2,131,001	224,114	9.5	4.97
396.0 POWER OPERATED EQUIPMENT	16-R1	1,734,020.46	642,773	1,091,247	93,834	11.6	5.41
397.0 COMMUNICATION EQUIPMENT	15-SQ	16,089,069.74	6,586,149	9,502,921	851,484	11.2	5.29
398.0 MISCELLANEOUS EQUIPMENT	20-SQ	3,910,106.11	1,198,984	2,711,122	208,014	13.0	5.32
TOTAL GENERAL PLANT		784,428,466.58	297,293,089	487,135,379	56,882,930	8.6	7.25
TOTAL DEPRECIABLE PLANT		<u>11,896,462,469.74</u>	<u>2,787,597,057</u>	<u>9,108,865,413</u>	<u>327,612,309</u>		
NONDEPRECIABLE PLANT							
301.0 ORGANIZATION		476,251.80					
302.0 FRANCHISES AND CONSENTS		147,083.87					
303.3 MISCELLANEOUS INTANGIBLE PLANT - RF LICENSES		142,300.00					
350.2 LAND		56,630,968.99					
360.2 LAND		18,749,954.94					
389.2 LAND		<u>9,602,308.87</u>					
TOTAL NONDEPRECIABLE PLANT		85,748,868.47					
TOTAL UTILITY PLANT		<u>11,982,211,338.21</u>					

* LIFE SPAN PROCEDURE USED. CURVES SHOWN ARE INTERIM SURVIVOR CURVES.

** REPRESENTS ACCELERATED RECOVERY OF ALL EXISTING METERS WITHIN THE NEXT FEW YEARS. TRUNCATION BASED ON PERCENTAGE OF RETIREMENTS IN FIRST YEAR.

NOTE: THE ACCRUAL RATE FOR NEW STORAGE BATTERY ASSETS IN ACCOUNT 363 WILL BE 6.67% BASED ON A 15-L3 SURVIVOR CURVE.

PPL ELECTRIC UTILITIES CORPORATION

TABLE 3. SUMMARY OF PLANT IN SERVICE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2018

DEPRECIABLE GROUP		BALANCE AT BEGINNING OF YEAR	ADDITIONS	RETIREMENTS	TRANSFERS AND ADJUSTMENTS	BALANCE AT END OF YEAR	PERCENT OF ORIGINAL COST RETIRED
(1)		(2)	(3)	(4)	(5)	(6)	(7)
INTANGIBLE PLANT							
303.2	MISCELLANEOUS INTANGIBLE PLANT - SOFTWARE	136,717,697.81	26,467,975.34	19,759,328.43	(155,835.35)	143,270,509.37	14.45
303.5	SMART METER SOFTWARE	3,367,854.85		2,077,530.12		1,290,324.73	61.69
303.6	RF MESH AMR SOFTWARE	69,350,454.13	10,755,671.44		155,835.35	80,261,960.92	0.00
TOTAL INTANGIBLE PLANT		209,436,006.79	37,223,646.78	21,836,858.55	0.00	224,822,795.02	
TRANSMISSION PLANT							
350.4	LAND RIGHTS	209,006,622.76	8,867,805.92		1,030,462.58	218,904,891.26	0.00
352	STRUCTURES AND IMPROVEMENTS	108,655,464.03	27,561,793.81	1,588,218.92		134,629,038.92	1.46
353	STATION EQUIPMENT	1,457,446,077.32	255,922,708.26	5,085,374.52	242,901.76	1,708,526,312.82	0.35
354	TOWERS AND FIXTURES	1,417,573,910.85	45,926,835.96	5,695,491.40	394,702,114.20	1,852,507,369.61	0.40
354.2	TOWERS AND FIXTURES - CLEARING AND RIGHTS OF WAY	15,058,758.27	(3,723,474.30)			11,335,283.97	0.00
355	POLES AND FIXTURES	134,713,356.55	396,026,586.23	5,106,035.03	(394,822,867.50)	130,811,040.25	3.79
355.2	POLES AND FIXTURES - CLEARING AND RIGHTS OF WAY	12,465,210.91				12,465,210.91	0.00
356	OVERHEAD CONDUCTORS AND DEVICES	1,112,541,906.97	(114,752,661.37)	3,667,274.89	120,753.30	994,242,724.01	0.33
357	UNDERGROUND CONDUIT	20,116,320.92	(428,260.90)			19,688,060.02	0.00
358	UNDERGROUND CONDUCTORS AND DEVICES	60,014,279.42	4,036,731.34			64,051,010.76	0.00
359	ROADS AND TRAILS	7,102,915.16	(528,159.79)	2,408.15		6,572,347.22	0.03
TOTAL TRANSMISSION PLANT		4,554,694,823.16	618,909,905.16	21,144,802.91	1,273,364.34	5,153,733,289.75	
DISTRIBUTION PLANT							
360.4	LAND RIGHTS	77,827,472.10	(92,428.83)	7,793.31	1,284,305.40	79,011,555.36	0.01
361	STRUCTURES AND IMPROVEMENTS	38,606,285.64	687,634.79	1,086.84		39,292,833.59	0.00
362	STATION EQUIPMENT	595,101,235.89	46,105,834.69	881,483.86	918,337.87	641,243,924.59	0.15
362.1	STATION EQUIPMENT - RF MESH	2,068,160.18	8,332,154.62		(1,175,248.70)	9,225,066.10	0.00
364.2	POLES, TOWERS AND FIXTURES - TOWERS	20,146,376.65	184,572.79	31,679.49		20,299,269.95	0.16
364.4	POLES, TOWERS AND FIXTURES - POLES	1,153,349,526.01	66,474,168.31	5,219,279.11	(170,575.82)	1,214,433,839.39	0.45
364.6	POLES, TOWERS AND FIXTURES - CLEARING TOWERS	153,514.04				153,514.04	0.00
364.8	POLES, TOWERS AND FIXTURES - CLEARING POLES	38,785,268.36	(89,883.25)	2,933.14	65,233.51	38,757,685.48	0.01
365	OVERHEAD CONDUCTORS AND DEVICES	1,074,737,002.80	75,633,562.37	3,436,742.88	(116,940.19)	1,146,816,882.10	0.32
365.1	OVERHEAD CONDUCTORS AND DEVICES - RF MESH	648,972.34	378,642.21			1,027,614.55	0.00
366	UNDERGROUND CONDUIT	203,857,154.61	8,705,451.77	74,103.87		212,488,502.51	0.04
367	UNDERGROUND CONDUCTORS AND DEVICES	602,686,405.08	22,279,490.09	511,745.59	628,606.76	625,082,756.34	0.08
368.2	LINE TRANSFORMERS - OVERHEAD	282,640,056.74	22,655,648.23	7,055,465.58	(2,511.27)	298,237,728.12	2.50
368.4	LINE TRANSFORMERS - SUBMERSIBLE OR PAD MOUNT	216,956,497.07	7,864,952.98	1,174,551.28	(612,156.38)	223,034,742.39	0.54
368.6	LINE TRANSFORMERS - NON-NETWORK HOUSING	85,368.66		7,194.34		78,174.32	8.43
369	SERVICES	712,211,046.61	22,597,206.17	814,044.20	(1,053,922.15)	732,940,286.43	0.11
370	METERS	334,461,614.41	105,177,493.67	132,903,240.16	(18,026.28)	306,717,841.64	39.74
371.2	INSTALLATIONS ON CUSTOMERS' PREMISES	319,228.36				319,228.36	0.00
371.4	AREA LIGHTING FIXTURES	9,511,574.73	625,293.30	39,788.19		10,097,079.84	0.42
373.2	STREET LIGHTING AND SIGNAL SYSTEMS	129,658,876.56	9,504,854.76	4,940,324.45	(4,013.58)	134,219,393.29	3.81
TOTAL DISTRIBUTION PLANT		5,493,811,636.84	397,024,648.67	157,101,456.29	(256,910.83)	5,733,477,918.39	

PPL ELECTRIC UTILITIES CORPORATION

TABLE 3. SUMMARY OF PLANT IN SERVICE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2018

DEPRECIABLE GROUP (1)	BALANCE AT BEGINNING OF YEAR (2)	ADDITIONS (3)	RETIREMENTS (4)	TRANSFERS AND ADJUSTMENTS (5)	BALANCE AT END OF YEAR (6)	PERCENT OF ORIGINAL COST RETIRED (7)
GENERAL PLANT						
389.4 LAND RIGHTS	4,398.53				4,398.53	0.00
390.2 STRUCTURES AND IMPROVEMENTS - BUILDINGS	398,840,782.81	3,343,344.64	4,167,016.92	(1,203,706.05)	396,813,404.48	1.04
390.21 STRUCTURES AND IMPROVEMENTS - LEASEHOLDS	931,827.82	(7.22)			931,820.60	0.00
390.4 STRUCTURES AND IMPROVEMENTS - AIR CONDITIONING	51,273,056.31	993,942.16	1,696,610.47	1,203,706.05	51,774,094.05	3.31
391.1 OFFICE FURNITURE AND EQUIPMENT - RF MESH AMR COMPUTER EQUIP.	17,649,097.48	5,473,240.81			23,122,338.29	0.00
391.2 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	22,359,834.01	1,376,627.10	365,186.79		23,371,274.32	1.63
391.4 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	3,120,340.00	1,002,567.79	7,809.77		4,115,098.02	0.25
391.6 OFFICE FURNITURE AND EQUIPMENT - COMPUTERS	90,013,213.48	5,766,277.90	2,472,509.61	14,009.07	93,320,990.84	2.75
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	8,537,760.68	104,265.50	597,229.25		8,044,796.93	7.00
392.2 TRANSPORTATION EQUIPMENT - LIGHT DUTY TRUCKS	23,031,991.44	1,882,544.14	7,071,640.91		17,842,894.67	30.70
392.3 TRANSPORTATION EQUIPMENT - HEAVY DUTY TRUCKS	89,120,941.29	6,952,141.97	9,248,586.49		86,824,496.77	10.38
392.4 TRANSPORTATION EQUIPMENT - TRAILERS	7,891,087.43	795,918.91	297,416.60	(119,404.16)	8,270,185.58	3.77
392.5 TRANSPORTATION EQUIPMENT - LARGE TANKERS/TRACTORS	2,696,811.40	317,709.83	308,148.10		2,706,373.13	11.43
392.6 TRANSPORTATION EQUIPMENT - LARGE CRANE TRUCKS	639,715.16		113,140.07		526,575.09	17.69
393 STORES EQUIPMENT	2,266,246.32	228,341.81	186,050.58		2,308,537.55	8.21
394 TOOLS AND WORK EQUIPMENT - L & S LINE CREWS	4,718,182.54		175,718.30		4,542,464.24	3.72
394.2 TOOLS AND WORK EQUIPMENT - TOOLS	165,319.03	5,125.76	1,282.08		169,162.71	0.78
394.4 TOOLS AND WORK EQUIPMENT - CONSTRUCTION DEPARTMENT	1,253,451.20				1,253,451.20	0.00
394.6 TOOLS AND WORK EQUIPMENT - OTHER	28,403,127.01	1,745,988.85	145,311.60		30,003,804.26	0.51
394.8 TOOLS AND WORK EQUIPMENT - GARAGE EQUIPMENT	1,966,100.83	273,558.26	3,999.36		2,235,659.73	0.20
395 LABORATORY EQUIPMENT	4,516,414.01		2,964.73		4,513,449.28	0.07
396 POWER OPERATED EQUIPMENT	2,438,544.17	150,704.87	974,632.74	119,404.16	1,734,020.46	39.97
397 COMMUNICATION EQUIPMENT	15,042,633.09	1,050,166.79	3,730.14		16,089,069.74	0.02
398 MISCELLANEOUS EQUIPMENT	3,634,034.87	276,071.24			3,910,106.11	0.00
TOTAL GENERAL PLANT	780,514,910.91	31,738,531.11	27,838,984.51	14,009.07	784,428,466.58	
TOTAL DEPRECIABLE PLANT	11,038,457,377.70	1,084,896,731.72	227,922,102.26	1,030,462.58	11,896,462,469.74	
INTANGIBLE AND NONPRECIABLE PLANT						
301 ORGANIZATION	476,251.80				476,251.80	0.00
302 FRANCHISES AND CONSENTS	147,083.87				147,083.87	0.00
303.3 MISCELLANEOUS INTANGIBLE PLANT - RF LICENSES	142,300.00				142,300.00	0.00
350.2 LAND	57,392,340.72	269,090.85		(1,030,462.58)	56,630,968.99	0.00
360.2 LAND	18,748,646.91	1,308.03			18,749,954.94	0.00
389.2 LAND	9,611,561.37		9,252.50		9,602,308.87	0.10
TOTAL INTANGIBLE PLANT	86,518,184.67	270,398.88	9,252.50	(1,030,462.58)	85,748,868.47	
TOTAL PLANT IN SERVICE	11,124,975,562.37	1,085,167,130.60	227,931,354.76	0.00	11,982,211,338.21	

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TABLE 4. SUMMARY OF BOOK RESERVE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2018

DEPRECIABLE GROUP (1)	BOOK RESERVE						MISCELLANEOUS DEBITS AND CREDITS (8)	BOOK RESERVE AT END OF YEAR (9)	BOOK RESERVE AS A PERCENT OF ORIGINAL COST (10)
	AT BEGINNING OF YEAR (2)	ANNUAL ACCRUALS (3)	RETIREMENTS (4)	AMORTIZATION OF NET SALVAGE (5)	GROSS SALVAGE (6)	COST OF REMOVAL (7)			
INTANGIBLE PLANT									
303.2 MISCELLANEOUS INTANGIBLE PLANT - SOFTWARE	65,069,881	29,938,571	19,759,328					75,236,137	52.51
303.5 SMART METER SOFTWARE	2,738,194	569,696	2,077,530				(12,986)	1,230,360	95.35
303.6 RF MESH AMR SOFTWARE	15,880,279	16,788,133						32,661,398	40.69
TOTAL INTANGIBLE PLANT	83,688,354	47,276,400	21,836,859	0	0	0	0	109,127,895	
TRANSMISSION PLANT									
350.4 LAND RIGHTS	48,956,952	2,530,718						51,487,670	23.52
352 STRUCTURES AND IMPROVEMENTS	20,038,978	1,809,521	1,588,219	(31,302)	(68,925)	11,310		20,148,743	14.97
353 STATION EQUIPMENT	182,024,596	34,345,550	5,085,375	3,602,301	(38,689)	8,988,261	50,392	215,910,513	12.64
354 TOWERS AND FIXTURES	170,136,419	19,578,594	5,695,491	3,850,482	163,998	9,444,984	15,211,290	193,800,318	10.46
354.2 TOWERS AND FIXTURES - CLEARING AND RIGHTS OF WAY	7,583,358	95,114						7,678,472	67.74
355 POLES AND FIXTURES	27,277,214	3,416,048	5,106,035	3,587,296	81,716	11,980,645	(15,213,320)	2,062,274	1.58
355.2 POLES AND FIXTURES - CLEARING AND RIGHTS OF WAY	4,495,455	125,244						4,620,699	37.07
356 OVERHEAD CONDUCTORS AND DEVICES	102,665,903	18,799,527	3,667,275	9,812,066	195,236	14,036,825	2,029	111,770,660	11.24
357 UNDERGROUND CONDUIT	3,649,232	312,253		151,235		(490)		4,113,210	20.89
358 UNDERGROUND CONDUCTORS AND DEVICES	12,039,173	1,381,789		97,890		(2,144)		13,520,996	21.11
359 ROADS AND TRAILS	3,389,933	67,344	2,408	712				3,455,581	52.58
TOTAL TRANSMISSION PLANT	592,257,213	80,461,702	21,144,803	21,070,690	333,335	44,459,393	50,392	628,569,136	
DISTRIBUTION PLANT									
360.4 LAND RIGHTS	34,370,928	805,779	7,793	(1,836)			11,349	35,178,426	44.52
361 STRUCTURES AND IMPROVEMENTS	15,638,789	434,742	1,087	57,777				16,130,221	41.05
362 STATION EQUIPMENT	136,402,716	11,139,281	881,484	1,899,228	(1,874)	1,053,155	(44,859)	147,460,053	23.00
362.1 STATION EQUIPMENT - RF MESH	49,580	150,541					(6,157)	193,964	2.10
364.2 POLES, TOWERS AND FIXTURES - TOWERS	7,768,004	270,671	31,679	7,822		27,193		7,987,624	39.35
364.4 POLES, TOWERS AND FIXTURES - POLES	321,565,216	19,806,932	5,219,279	15,788,545	150,565	21,679,557	(4,332)	330,409,090	27.21
364.6 POLES, TOWERS AND FIXTURES - CLEARING TOWERS	68,111	1,950						70,061	45.64
364.8 POLES, TOWERS AND FIXTURES - CLEARING POLES	21,412,160	364,345	2,933	(1,836)		496		21,772,222	56.18
365 OVERHEAD CONDUCTORS AND DEVICES	254,887,671	20,167,133	3,436,743	1,882,333	9,282	6,221,041	(1,016)	287,087,619	23.29
365.1 OVERHEAD CONDUCTORS AND DEVICES - RF MESH	13,768	16,826						30,594	2.98
366 UNDERGROUND CONDUIT	60,636,355	3,002,311	74,104	178,758	17,865	445,164	(1)	63,316,020	29.80
367 UNDERGROUND CONDUCTORS AND DEVICES	202,710,364	10,145,304	511,746	534,895	4,107	551,138	70,664	212,402,451	33.98
368.2 LINE TRANSFORMERS - OVERHEAD	116,580,915	8,710,032	7,055,466	1,938,548	(50,717)	1,188,666	(84,967)	118,849,679	39.85
368.4 LINE TRANSFORMERS - SUBMERSIBLE OR PAD MOUNT	86,926,481	4,286,433	1,174,551	156,308		218,456	(97,714)	89,678,500	40.30
368.6 LINE TRANSFORMERS - NON-NETWORK HOUSING SERVICES	70,003	2,517						65,326	83.56
369 SERVICES	345,876,929	9,696,196	814,044	464,067	(5,653)	775,233	(9,572)	354,432,690	48.36
370.1 METERS	(2,680,708)	10,697,617	11,725,193	152,033			3,556,251	0	0.00
370.2 METERS - AMR	119,906,977	10,559,326	117,501,219	630,572	309,003	577,616	(5,863,502)	7,662,541	18.18
370.4 METERS - SMART METERS	1,324,053	234,694	3,676,828				2,118,081	0	0.00
370.5 METERS - RF MESH AMR	6,372,090	12,502,873				169,227		18,705,738	8.01
371.2 INSTALLATIONS ON CUSTOMERS' PREMISES	102,260	20,600						122,860	38.49
371.4 AREA LIGHTING FIXTURES	5,756,277	228,968	39,788	3,860		10,683		5,938,634	56.82
373.2 STREET LIGHTING AND SIGNAL SYSTEMS	56,722,179	3,179,201	4,940,324	129,387	4,508	181,275	(50)	54,913,626	40.91
TOTAL DISTRIBUTION PLANT	1,792,481,118	126,423,270	157,101,456	23,620,461	437,086	33,098,405	(155,138)	1,752,606,937	

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TABLE 4. SUMMARY OF BOOK RESERVE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2018

DEPRECIABLE GROUP (1)	BOOK RESERVE AT BEGINNING OF YEAR (2)	ANNUAL ACCRUALS (3)	RETIREMENTS (4)	AMORTIZATION OF NET SALVAGE (5)	GROSS SALVAGE (6)	COST OF REMOVAL (7)	MISCELLANEOUS DEBITS AND CREDITS (8)	BOOK RESERVE AT END OF YEAR (9)	BOOK RESERVE AS A PERCENT OF ORIGINAL COST (10)
GENERAL PLANT									
389.4 LAND RIGHTS	1,939	77						2,016	45.83
390.2 STRUCTURES AND IMPROVEMENTS - BUILDINGS	99,092,514	19,881,742	4,167,017	485,088	382,825	451,753	(224,827)	114,998,572	28.98
390.21 STRUCTURES AND IMPROVEMENTS - LEASEHOLDS	809,172	70,086						879,258	94.36
390.4 STRUCTURES AND IMPROVEMENTS - AIR CONDITIONING	14,990,898	1,663,316	1,696,610	273,006			224,827	15,253,144	29.46
391.1 OFFICE FURNITURE AND EQUIPMENT - RF MESH AMR COMPUTER EQUIPMENT	3,624,573	4,252,428						7,877,001	34.07
391.2 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	11,132,728	1,139,463	365,187		813			11,907,817	50.95
391.4 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	1,598,797	280,672	7,810	10		2,196		1,849,473	44.94
391.6 OFFICE FURNITURE AND EQUIPMENT - COMPUTERS	28,257,914	18,743,615	2,472,510			428	424	44,529,015	47.72
392.1 TRANSPORTATION EQUIPMENT - AUTOMOBILES	7,077,605	224,053	597,229	(17)				6,704,412	83.34
392.2 TRANSPORTATION EQUIPMENT - LIGHT DUTY TRUCKS	14,440,223	1,470,907	7,071,641	(74,828)				8,764,661	49.12
392.3 TRANSPORTATION EQUIPMENT - HEAVY DUTY TRUCKS	57,804,959	4,240,955	9,248,586	(1,086,768)	832,220			52,542,779	60.52
392.4 TRANSPORTATION EQUIPMENT - TRAILERS	3,150,671	297,816	297,417	(273)			(2,455)	3,148,343	38.07
392.5 TRANSPORTATION EQUIPMENT - LARGE TANKERS/TRACTORS	1,283,344	229,487	308,148					1,204,683	44.51
392.6 TRANSPORTATION EQUIPMENT - LARGE CRANE TRUCKS	441,737	69,836	113,140					398,433	75.66
393 STORES EQUIPMENT	1,212,425	103,078	186,051					1,129,452	48.93
394 TOOLS AND WORK EQUIPMENT - L & S LINE CREWS	2,887,205	259,678	175,718					2,971,165	65.41
394.2 TOOLS AND WORK EQUIPMENT - TOOLS	86,982	9,103	1,282					94,803	56.04
394.4 TOOLS AND WORK EQUIPMENT - CONSTRUCTION DEPARTMENT	677,585	62,874						740,459	59.07
394.6 TOOLS AND WORK EQUIPMENT - OTHER	9,429,108	1,446,188	145,312	(4,373)				10,725,611	35.75
394.8 TOOLS AND WORK EQUIPMENT - GARAGE EQUIPMENT	663,164	102,473	3,969					761,638	34.07
395 LABORATORY EQUIPMENT	2,151,238	234,174	2,965					2,382,448	52.79
396 POWER OPERATED EQUIPMENT	1,524,216	90,734	974,633				2,455	642,773	37.07
397 COMMUNICATION EQUIPMENT	5,622,469	968,375	3,730			955		6,586,149	40.94
398 MISCELLANEOUS EQUIPMENT	991,239	202,543		5,202				1,198,984	30.66
TOTAL GENERAL PLANT	266,952,705	58,023,671	27,838,985	(402,953)	1,215,858	657,635	424	297,293,089	
TOTAL DEPRECIABLE PLANT	2,737,379,390	310,185,043	227,922,102	44,288,198	1,986,280	78,215,433	(104,322)	2,787,597,057	

PPL ELECTRIC UTILITIES CORPORATION

TABLE 5. CALCULATION OF NET SALVAGE ACCRUAL FOR THE YEAR 2019

ACCOUNT (1)	2014		2015		2016		2017		2018		NET SALVAGE (12)*	SALVAGE ACCRUAL (13)=(12)/5
	GROSS SALVAGE (2)	COST OF REMOVAL (3)	GROSS SALVAGE (4)	COST OF REMOVAL (5)	GROSS SALVAGE (6)	COST OF REMOVAL (7)	GROSS SALVAGE (8)	COST OF REMOVAL (9)	GROSS SALVAGE (10)	COST OF REMOVAL (11)		
352		10,846.59		4,289.28	939,758.37	521,235.04	337,547.56	570,126.12	(68,925.18)	11,310.17	90,573.55	18,115
353	282,874.83	989,261.24	(11,180.20)	615,114.63	2,719,158.60	9,593,579.12	985,647.64	9,455,306.48	(38,689.32)	8,988,261.47	(25,703,711.39)	(5,140,742)
354	116,857.84	2,733,356.93	23,280.60	1,352,063.35	346,068.68	12,881,587.84	54,297.41	3,756,150.75	163,998.02	9,444,984.21	(29,463,640.53)	(5,892,728)
355	20,538.34	3,435,735.63	2,475.48	1,888,255.08	53,058.24	2,545,188.30	59,382.11	8,891,569.11	81,715.97	11,980,645.23	(28,524,223.21)	(5,704,845)
356	395,507.17	9,759,868.67	20,373.56	4,439,419.02	1,042,961.01	28,842,364.48	229,442.19	7,676,930.03	195,235.59	14,038,825.40	(63,071,888.08)	(12,614,378)
357				12,746.68	27,988.90	20.25	86,554.16	857,949.16	(489.57)	(755,683.46)	(151,137)	
358		18,161.11			3,988.98		160,182.10	635,461.87		(2,143.61)	(487,308.29)	(97,462)
359					7.00	3,550.96		13.57			(3,557.53)	(712)
360.4	(0.10)	252.31		(9,938.61)							9,686.20	1,937
361		2,079.11		8,694.13	26.90	271,793.34	98.37	5,376.49		(0.38)	(287,817.42)	(57,563)
362	53,091.87	489,958.70	(2,879.35)	1,202,271.55	176,382.88	3,773,984.13	225,649.07	3,724,689.37	(1,874.13)	1,053,155.41	(9,793,888.82)	(1,958,738)
364.2				6,205.36		32,864.72		41.66	0.06	27,193.45	(86,305.13)	(13,261)
364.4	110,103.98	13,657,853.85	552,411.23	13,851,656.07	187,290.92	21,892,827.54	496,662.76	17,952,794.81	150,565.20	21,679,557.23	(87,537,655.41)	(17,507,531)
364.8		252.02		(9,938.61)							9,686.59	1,937
365	2,923,751.02	1,003,802.62	19,237.85	1,210,340.21	199,321.75	3,639,549.83	43,788.33	3,841,796.82	9,281.76	6,221,040.90	(12,721,149.67)	(2,544,230)
366	(33.93)	50,585.71	1,640.07	81,606.30	(236.39)	493,175.61	160.51	96,901.38	17,864.78	445,163.52	(1,148,037.48)	(229,607)
367	9,068.30	227,211.44	3,462.10	356,465.06	6,770.23	1,281,119.61	836.88	504,858.03	4,107.43	551,138.06	(2,896,547.26)	(579,309)
368.2	(69,560.60)	2,074,148.02	(81,234.24)	831,632.00	(48,962.11)	1,544,025.34	(82,995.25)	1,509,671.23	(50,717.28)	1,188,665.72	(7,481,611.79)	(1,496,322)
368.4		114,340.71	5,521.90	35,343.35		340,620.15		86,681.67		218,456.49	(789,920.47)	(157,984)
369	(17,022.41)	442,297.88	3,224.36	287,169.74	(557.39)	880,473.07	411.15	389,369.56	(5,652.65)	775,233.03	(2,774,160.22)	(554,832)
370.1		274,811.50		77,401.91							(352,213.41)	(70,443)
370.2		274,811.50		1,183,808.79		736,020.00	(634.10)	454,192.51	309,002.89	577,616.40	(2,918,080.41)	(583,616)
370.5										169,226.78	(169,226.78)	(33,845)
371.4		10,095.41		7,844.00		664.22		619.27		10,683.04	(29,905.94)	(5,981)
373.2	25,030.82	73,063.90	63,255.36	218,167.84	(4,206.16)	161,169.18	344.64	131,208.76	4,508.07	181,275.29	(675,952.24)	(135,190)
390.2	(23,877.89)	244,608.42		1,116.50		633,225.80		1,098,175.18	382,625.38	451,753.10	(2,069,933.51)	(413,987)
390.4		1,500.00				867,683.14		122,671.09		202,292.59	(1,194,346.82)	(238,869)
391.2									813.00		813.00	163
391.4								49.84		2,196.00	(2,245.84)	(449)
391.6										427.98	(427.98)	(86)
392.1					85.12						85.12	17
392.2					44,568.06						44,568.06	8,914
392.3	956,440.43				2,440,823.58		1,206,619.00		832,220.00		5,436,103.01	1,087,221
392.4					1,265.00						1,265.00	253
394.6											0.00	0
397										965.05	(965.05)	(193)
398					1,485.00	24,889.47		2,605.99			(26,010.46)	(5,202)
TOTAL	4,782,769.67	35,888,903.27	599,588.72	27,631,755.63	8,137,047.17	90,961,811.14	3,803,994.53	61,965,210.75	1,986,279.59	78,215,432.96	(275,353,434.07)	(55,070,685)

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).