

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re:

SECURITIES CERTIFICATE OF	:	
PPL ELECTRIC UTILITIES	:	
CORPORATION IN RESPECT OF	:	SECURITIES CERTIFICATE
NOT IN EXCESS OF \$2 BILLION	:	
AGGREGATE PRINCIPAL AMOUNT OF	:	
DEBT SECURITIES	:	NO. S – 2020 –
	:	
	:	

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

1. The name of the public utility filing this Securities Certificate is PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

2. The name and address of PPL Electric’s attorneys are W. Eric Marr and Jennifer Lynn McDonough, Two North Ninth Street, Allentown, Pennsylvania 18101-1179.

3. PPL Electric is a corporation organized on June 4, 1920 under the laws of the Commonwealth of Pennsylvania to exist perpetually. The Company is subject to the Pennsylvania Associations Code (15 Pa. C.S. §101 et seq.), including the Pennsylvania Business Corporation Law of 1988 (15 Pa. C.S. §1101 et seq.) for the government and regulation of its affairs. PPL Electric is engaged, *inter alia*, in the distribution of electricity and its intrastate rates and services are regulated by the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) pursuant to the Public Utility Code, 66 Pa.C.S. §§ 101 *et seq.* PPL Electric presently serves approximately 1.4 million customers in its

service territory, which encompasses approximately 10,000 square miles in eastern and central Pennsylvania. PPL Electric's service territory encompasses all or portions of 29 counties. The largest cities served by PPL Electric include Allentown, Bethlehem, Harrisburg, Hazleton, Lancaster, Scranton, Wilkes-Barre and Williamsport.

4. The Company is a direct subsidiary of PPL Corporation. PPL Corporation owns all of the Common Stock of the Company, and 100% of the outstanding voting stock of the Company.

5. This Securities Certificate requests Commission authorization for the Company to issue up to \$2 billion aggregate principal amount of its indebtedness in the form of (a) one or more privately placed or publicly issued, secured or unsecured, intermediate term financings (“Intermediate Term Financings”), having maturities of up to five years, and (b) the Company’s secured or unsecured debt securities, which may include first mortgage bonds (the “New Bonds”) or unsecured debt securities (the “New Debentures”), in one or more series from time to time (either the New Bonds or the New Debentures, or both, the “New Debt Securities”), with the ability to extend or replace any such Intermediate Term Financings so long as the aggregate principal amount of the Company’s outstanding indebtedness under all such Intermediate Term Financings and any New Debt Securities authorized hereby as described below does not at any time exceed \$2 billion. The proceeds of such issuances will be added to the Company's treasury and primarily used for capital expenditures, the refinancing or retirement of debt and for general corporate purposes.

6. The Company’s five-year business plan calls for approximately \$4 billion of capital expenditures related to transmission and distribution properties. In addition, there are \$740 million of debt retirements through 2023. The Company intends to use long-term debt such as the New Debt Securities to finance its capital expenditures and debt retirements. The Company also believes that, depending on market conditions, it

could be prudent and cost-effective to use Intermediate Term Financings to provide flexibility and a source of bridge financing to the New Debt Securities. PPL Electric proposes to arrange the Intermediate Term Financings with one or more commercial banks or other third-party investors (“Lenders”). The Lenders could require PPL Electric to issue promissory notes to evidence the indebtedness under the Intermediate Term Financing agreements.

7. PPL Electric proposes to issue the New Debt Securities under either (i) its Indenture dated as of August 1, 2001 (the “2001 Indenture”) for the New Bonds, or (ii) a new indenture (the “New Indenture”) to be entered into in connection with the issuance of any New Debentures. The Company previously has issued approximately \$6.1 billion of bonds under the 2001 Indenture (the “Existing Bonds,” and collectively with the New Bonds, the “Bonds”), all of which Existing Bonds were authorized by the Commission under prior Securities Certificates filed by the Company. Like the Existing Bonds, the New Bonds will be secured by a lien in favor of the Trustee on the Company’s distribution and certain of its transmission properties, subject to customary exceptions and exclusions.

8. Set forth below is a description of the general terms or range of terms the Company expects will be applicable to the obligations under the Intermediate Term Financings:

EXACT TITLE OF SECURITY:

The Company may issue promissory notes to evidence some or all of its obligations under the Intermediate Term Financings (such notes and obligations, the “Notes”).

AGGREGATE PRINCIPAL AMOUNT TO BE ISSUED:

Not in excess of \$2 billion aggregate principal amount at any one time outstanding.

NOMINAL DATE OF ISSUE:

The Notes will be issuable by the Company at any time up to a specified time prior to the maturity date, as set forth in the Intermediate Term Financing agreements.

DATE OF MATURITY:

Not to exceed five years.

INTEREST RATE AND PAYMENT DATES:

Interest Rate:

To be determined in negotiations with the Lenders depending on market conditions.

Payment Dates:

To be determined in negotiations with the Lenders.

EXTENT TO WHICH TAXES ON SECURITIES ARE ASSUMED:

Taxes on Securities

None expected, except for any stamp or documentation taxes that may be imposed in connection with loans.

Additional Costs:

To be determined in negotiations with Lenders depending on market conditions.

The Intermediate Term Financing agreements may provide that if any change in applicable law or regulation or in the interpretation or administration thereof shall increase the cost to a participating Lender of making a loan or reduce the amount of principal or interest receivable by a Lender, the Company will be obligated to pay such Lender such additional amount as may be necessary to compensate the Lender for such additional costs or reductions.

CALLABILITY PROVISIONS:

To be determined in negotiations with Lenders depending on market conditions.

CONVERSION PROVISIONS:

None.

**MAINTENANCE, DEPRECIATION AND SINKING
FUND OR OTHER PROVISIONS:**

None.

**NAME AND ADDRESS OF TRUSTEE AND
WHETHER AFFILIATED:**

Not applicable.

9. Subject to the approval of the Commission, as evidenced by the registration of this Securities Certificate, the Company proposes to potentially enter into agreements to evidence the Intermediate Term Financings, which it expects to negotiate with one or more Lenders.

10. None of the Lenders that will participate in the Intermediate Term Financings or any administrative or placement agents will be an affiliated interest of the Company within the meaning of Section 2101 of the Pennsylvania Public Utility Code.

11. It is expected that the Company may be required to pay each participating Lender customary fees, such as commitment fees based on each Lender's unborrowed commitment, administrative and other agency or placement fees and utilization fees, based on prevailing market conditions and the amount of outstanding borrowings.

12. For the reasons set forth above, the Company deems the incurrence of indebtedness pursuant to the Intermediate Term Financings necessary to satisfy a portion of the Company's capital requirements and, therefore, is necessary for the present and future capital needs of the Company.

13. The Company does not propose to file a Registration Statement with respect to the Intermediate Term Financings or any Notes evidencing its obligations thereunder with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended ("Securities Act"). If the Company decides to issue debt in connection with any Intermediate Term Financings pursuant to one or more public

offerings, it will issue such debt under a Prospectus Supplement either to (a) Registration Statement 333-223142-04, which expires on February 22, 2021 or (b) a new Registration Statement to be filed with the Securities and Exchange Commission to replace the Registration Statement referred to in clause (a) above, in either case, which Prospectus Supplement will be filed with the Securities and Exchange Commission (the “SEC”) with respect to the Intermediate Term Financings.

14. Set forth below is a description of the general terms or range of terms the Company expects will be applicable to each series of the New Debt Securities.

EXACT TITLE OF SECURITY:

New Bonds: First Mortgage Bonds, % Series due ____.

New Debentures: Senior Notes, % Series due ____, or to be determined at the time of sale

AGGREGATE PRINCIPAL AMOUNT TO BE ISSUED:

Not in excess of \$2 billion. The principal amount of the New Debt Securities will be determined by the Company at or about the time of sale of New Debt Securities based on the Company's capital requirements.

The aggregate principal amount of New Debt Securities to be issued hereunder will not, together with the outstanding amounts under any Intermediate Term Financings authorized hereunder at the time of such issuance, exceed \$2 billion in the aggregate.

NOMINAL DATE OF ISSUE:

To be determined at the time of sale.

DATE OF MATURITY:

To be determined at the time of sale. It currently is expected that each series of the New Debt Securities will mature not later than 30 years from its original issue date.

INTEREST RATE AND PAYMENT DATES:

Interest Rate:

To be determined at the time of sale, depending on market conditions.

Payment Dates:

To be determined at the time of sale depending on market conditions. It currently is expected that interest will be payable semiannually.

EXTENT TO WHICH TAXES ON SECURITIES ARE ASSUMED:

Based on tax laws currently in effect, the Company will not assume any taxes associated with the New Debt Securities.

CALLABILITY PROVISIONS:

To be determined at the time of sale, depending on market conditions.

CONVERSION PROVISIONS:

None.

**MAINTENANCE, DEPRECIATION AND SINKING
FUND OR OTHER PROVISIONS:**

Sinking or Improvement Fund:

To be determined at the time of sale, depending on market conditions. None currently expected.

Maintenance and Replacement Fund:

To be determined at the time of sale, depending on market conditions. None currently expected.

**NAME AND ADDRESS OF TRUSTEE AND
WHETHER AFFILIATED:**

Name and Address of Trustee for New Bonds:

The Bank of New York Mellon, as Trustee
500 Ross Street – 12th Floor
Pittsburgh, PA 15262

Affiliation:

The Bank of New York Mellon is not an affiliated interest of the Company within the meaning of Section 2101 of the Pennsylvania Public Utility Code.

New Debentures:

A trustee under the New Indenture would be identified at the time of sale of any New Debentures, but it is not expected that any such trustee would be an affiliated interest of the Company within the meaning of Section 2101 of the Pennsylvania Public Utility Code.

In addition, in order to limit the Company's exposure to interest rate fluctuations in conjunction with the New Debt Securities, the Company may enter into arrangements with PPL Corporation or directly with one or more financial institutions (the "Counterparty") that will provide interest rate protection in the form of interest rate liability management instruments with respect to a nominal amount of up to \$2 billion of New Debt Securities. Such instruments may include interest-rate swaps and/or interest-rate caps. If PPL Corporation is involved, PPL Corporation would serve only as a "conduit" between the Company and the Counterparty to procure such protection on behalf of the Company or by entering into a transaction with a Counterparty on terms substantially similar to the terms of its arrangements with the Company. PPL Corporation would pass through direct costs of procuring such instruments but would not charge the Company any fee or additional administrative costs associated with negotiating the terms of the interest rate liability management instrument.

15. Subject to the approval of the Commission, as evidenced by the registration of this Securities Certificate, the Company proposes to issue and sell the New Debt Securities in one or more series from time to time directly to investors, through agents or to one or more underwriters for public offering, or in private placements, directly to one or more institutional investors or through agents, in each case on terms to be determined

by market conditions at the time of sale. The Company will enter into one or more underwriting agreements, agency agreements or purchase agreements with underwriters, agents or other purchasers. The price to be paid to the Company by the underwriters, agents or other purchasers of the New Debt Securities and the compensation received by such parties will be determined at the time of sale.

* * *

None of the underwriters, agents or other purchasers described above will be an affiliated interest of the Company within the meaning of Section 2101 of the Pennsylvania Public Utility Code.

* * *

The estimate of expenses set forth below is based on a public offering of a series of New Debt Securities in the principal amount of \$2 billion and would be expected to be the same whether that series of New Debt Securities is sold through competitive bidding or negotiated offering. These expenses would be paid from the general funds of the Company.

Filing Fee - Pennsylvania Public Utility Commission.....	\$ 350
Filing Fee – Securities and Exchange Commission.....	218,200
Printing and Postage	25,000
Fees of Trustee, including counsel and authentication fees.....	50,000
Legal Fees, Expenses and Disbursements	150,000
Accounting Fees.....	150,000
Rating Agency Fees	850,000
Recording Fees.....	10,000
Blue Sky Fees and Expenses.....	10,000
Miscellaneous	<u>25,000</u>
Total	<u>\$1,488,550</u>

Any discounts relating to the sale of a series of the New Debt Securities will be charged to Unamortized Discount on Long-Term Debt. Any premiums relating to the sale of a series of the New Debt Securities will be credited to Unamortized Premium on

Long-Term Debt. The issuance expenses related thereto will be charged to Unamortized Debt Expense. These amounts will be amortized over the life of the series being issued.

16. The net proceeds from the sale of the New Debt Securities will be added to the Company's treasury and used for capital expenditures, refinancing or retirement of debt and for general corporate purposes.

* * *

The issuance and sale of the New Debt Securities (as described in this Securities Certificate) will provide a portion of the Company's currently estimated capital requirements and, therefore, is necessary for the capital needs of the Company. In addition, the registration of this Securities Certificate will place the Company in a position to take advantage of favorable capital market conditions.

17. If the Company decides to issue the New Debt Securities pursuant to one or more public offerings, it will issue such New Debt Securities under a Prospectus Supplement either to (a) Registration Statement 333-223142-04, which expires on February 22, 2021 or (b) a new Registration Statement to be filed with the Securities and Exchange Commission to replace the Registration Statement referred to in clause (a) above, in either case, which Prospectus Supplement will be filed with the SEC with respect to the New Debt Securities.

18. There are appended hereto and made a part hereof the following. For exhibits in the list below dated as of June 30, 2020, the Company intends to supplement the information provided with information as of September 30, 2020, as soon as such information becomes available.

- (A) A balance sheet of the Company as of June 30, 2020.
- (B) A statement of income and statement of retained earnings of the Company for the twelve months ended June 30, 2020.

- (C) Statement of utility plant of the Company at original cost as of June 30, 2020. The Company makes a part hereof by reference the revised Reclassification and Original Cost Studies heretofore filed with the Commission.
- (D) Statement of securities of other corporations owned by the Company as of June 30, 2020.
- (E) Statement showing the status of the funded debt of the Company as of June 30, 2020.
- (F) Statement showing the status of outstanding capital stock of the Company as of June 30, 2020.
- (G) Registration Statement filed with the Securities and Exchange Commission under the Securities Act of 1933 with respect to the New Debt Securities. Any New Registration Statement with respect to the New Debt Securities will be supplied following an issuance of New Debt Securities.
- (H) The Public Utility Holding Company Act has been repealed.
- (I) Copy of resolutions of the Board of Directors of the Company authorizing either or both an Intermediate Term Financing and the issuance and sale of the New Debt Securities. (To be supplied following arrangement of an Intermediate Term Financing or an issuance of New Debt Securities)
- (J) Proposed form of Supplemental Indenture to 2001 Indenture pursuant to which the New Bonds will be issued, or the New Indenture, in the case of the New Debentures, or a form of Supplemental Indenture to the New Indenture for any subsequent issuance of the New Debentures. (To be supplied following an issuance of New Debt Securities)

A copy of the 2001 Indenture is attached as Exhibit (J) to Securities Certificate No. S-00010853.

Copies of supplements to the 2001 Indenture pursuant to which Existing Bonds are currently outstanding have been filed as exhibits to Securities Certificates of the Company as follows:

	<u>Securities Certificate Number</u>	<u>Exhibit</u>
Supplemental Indenture No. 1 dated as of August 1, 2001	S-00010853	(J)
Supplemental Indenture No. 2 dated as of February 1, 2003	S-00020932	(J)
Supplemental Indenture No. 3 dated as of May 1, 2003	S-00020933	(J)

Supplemental Indenture No. 4 dated as of February 1, 2005	S-00041035	(J)
Supplemental Indenture No. 5 dated as of May 1, 2005	S-00041035	(J)
Supplemental Indenture No. 6 dated as of December 1, 2005	S-00051056	(J)
Supplemental Indenture No. 7 dated as of August 1, 2007	S-2008-2035720	(J)
Supplemental Indenture No. 8 dated as of October 1, 2008	S-2008-2065794	(J)
Supplemental Indenture No. 9 dated as of October 1, 2008	S-2008-2060876	(J)
Supplemental Indenture No. 10 dated as of May 1, 2009	S-2009-2094547	(J)
Supplemental Indenture No. 12 dated as of July 1, 2011	S-2011-2219042	(J)
Supplemental Indenture No. 13 dated as of August 1, 2011	S-2011-2246812	(J)
Supplemental Indenture No. 14 dated as of August 1, 2012	S-2012-2301050	(J)
Supplemental Indenture No. 15 dated as of July 1, 2013	S-2012-2334938	(J)
Supplemental Indenture No. 16 dated as of June 1, 2014	S-2013-2378884	(J)
Supplemental Indenture No. 17 dated as of October 1, 2015	S-2014-2425659	(J)
Supplemental Indenture No. 18 dated as of	S-2015-2516208	(J)

March 1, 2016

Supplemental Indenture No. 19 dated as of May 1, 2017 S-2015-2516295 (J)

Supplemental Indenture No. 20 dated as of June 1, 2018. S-2017-2626901 (J)

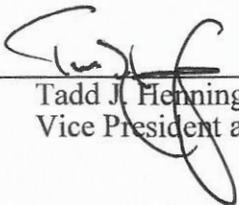
Supplemental Indenture No. 21 dated as of September 1, 2019. S-2019-3008083 (J)

Supplemental Indenture No. 22 dated as of September 15, 2020. S-2020-3008083 (J)

- (K) Statement showing, in journal entry form, all charges to be made on the books of account of the Company as a result of the proposed Intermediate Term Financings and/or sale, issuance and delivery of the New Debt Securities.
- (L)
 1. Proposed form of underwriting, agency or other purchase agreement. (To be supplied following an issuance of New Debt Securities)
 2. Proposed form of Intermediate Term Financing agreement to be supplied when negotiated.
- (M) No Net Earnings Certificate is required for the Intermediate Term Financings and/or issuance of the New Debt Securities.
- (N) Not applicable.
- (O) Capital Structure of the Company at June 30, 2020 and as adjusted to give effect, among other things, to the Intermediate Term Financings and/or issuance and sale of the New Debt Securities.
- (P) Calculation of the book value per share of the Company's Common Stock as of June 30, 2020.

WHEREFORE, PPL Electric Utilities Corporation requests the Commission to register this Securities Certificate pursuant to Chapter 19 of the Public Utility Code and evidence such registration by an Order.

PPL Electric Utilities Corporation

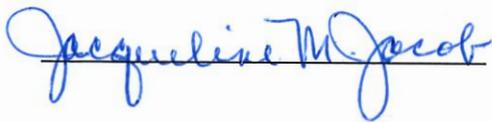
By:  _____
Tadd J. Henninger
Vice President and Treasurer

Dated: October 15, 2020

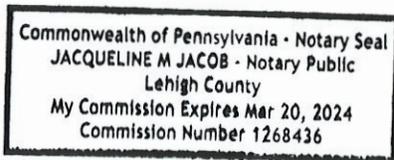
COMMONWEALTH OF PENNSYLVANIA)
 : SS
COUNTY OF LEHIGH)

Tadd J. Henninger, being duly sworn according to law, deposes and says that he is Vice President and Treasurer of PPL Electric Utilities Corporation; that he is authorized to and does make this affidavit for it; and that the facts set forth above are true and correct to the best of his knowledge, information and belief and he expects the said PPL Electric Utilities Corporation to be able to prove the same at any hearing hereof.

Sworn to and subscribed before me
This 15th day of October, 2020.



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**PPL ELECTRIC UTILITIES CORPORATION
BALANCE SHEET ACCOUNTS**

ACCT. NO.	TITLE OF ACCOUNT	JUNE 30, 2020
ASSETS AND OTHER DEBITS		
UTILITY PLANT		
101	UTILITY PLANT IN SERVICE	\$ 11,499,905,469
102	PLANT PURCHASED OR SOLD	\$ 119,239
103	EXPERIMENTAL ELECTRIC PLANT UNCLASSIFIED	\$ 6,302
105	UTILITY PLANT HELD FOR FUTURE USE	\$ 23,463,904
106	CC NOT CLASSIFIED	\$ 1,869,343,359
107	CONSTRUCTION WORK IN PROGRESS	\$ 623,331,824
	GROSS UTILITY PLANT	<u>14,016,170,097</u>
108/111	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT IN SERVICE	<u>(3,102,487,859)</u>
	NET UTILITY PLANT	<u>10,913,682,238</u>
OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	16,524,472
122	ACCUMULATED PROVISION FOR DEPRECIATION OF NONUTILITY PROPERTY	(773,526)
	NET NONUTILITY PROPERTY	<u>15,750,946</u>
123	INVESTMENT IN ASSOCIATED COMPANIES	17,710,010
123.1	INVESTMENT IN SUBSIDIARY COMPANIES	957,764
124	OTHER INVESTMENTS	0
128	OTHER SPECIAL FUNDS	0
	TOTAL OTHER PROPERTY AND INVESTMENTS	<u>34,418,720</u>
CURRENT AND ACCRUED ASSETS		
131	CASH	11,277,297
132	INTEREST SPECIAL DEPOSITS	0
134	OTHER SPECIAL DEPOSITS	0
135	WORKING FUNDS	0
136	TEMPORARY CASH INVESTMENTS	14,233
NOTES AND ACCOUNTS RECEIVABLE		
141	NOTES RECEIVABLE	0
142	CUSTOMER ACCOUNTS RECEIVABLE	275,528,356
143	OTHER ACCOUNTS RECEIVABLE	36,674,560
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CREDIT	(37,230,631)
	TOTAL NOTES AND ACCOUNTS RECEIVABLE	<u>274,972,285</u>
RECEIVABLES FROM ASSOCIATED COMPANIES		
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	0
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	869,968
	TOTAL RECEIVABLES FROM ASSOCIATED COMPANIES	<u>869,968</u>
MATERIALS AND SUPPLIES		
154	PLANT MATERIALS AND OPERATING SUPPLIES	48,639,277
163	STORES EXPENSE UNDISTRIBUTED	7,614,909
	TOTAL MATERIALS AND SUPPLIES	<u>56,254,186</u>
165	PREPAYMENTS	<u>70,368,569</u>
OTHER CURRENT AND ACCRUED ASSETS		
171	INTEREST AND DIVIDENDS RECEIVABLE	2,652
172	RENTS RECEIVABLE	13,990,500
173	ACCRUED UTILITY REVENUES	91,209,541
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	11,429,134
	TOTAL OTHER CURRENT AND ACCRUED ASSETS	<u>116,631,827</u>
	TOTAL CURRENT AND ACCRUED ASSETS	<u>530,388,365</u>
DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	29,316,658
182.3	OTHER REGULATORY ASSETS	493,600,162
183	PRELIMINARY SURVEY AND INVESTIGATION CHARGES	0
184	CLEARING ACCOUNTS	133,010
185	TEMPORARY FACILITIES	405,585
186	MISCELLANEOUS DEFERRED DEBITS	2,715,024
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	13,025,721
190	ACCUMULATED DEFERRED INCOME TAXES	516,188,733
	TOTAL DEFERRED DEBITS	<u>1,055,384,893</u>
	TOTAL ASSETS AND OTHER DEBITS	<u>\$ 12,533,874,216</u>

**PPL ELECTRIC UTILITIES CORPORATION
BALANCE SHEET ACCOUNTS**

<u>ACCT. NO.</u>	<u>TITLE OF ACCOUNT</u>	<u>JUNE 30, 2020</u>
LIABILITIES AND OTHER CREDITS		
PROPRIETARY CAPITAL		
201	COMMON STOCK ISSUED	\$ 363,833,249
204	PREFERRED STOCK ISSUED	0
207	PREMIUM ON CAPITAL STOCK	0
211	ADDITIONAL PAID IN CAPITAL	3,559,897,311
214	CAPITAL STOCK EXPENSE	(6,283,429)
216	EARNINGS REINVESTED	899,142,658
216.1	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS	227,186
217	REACQUIRED CAPITAL STOCK	0
219	OTHER COMPREHENSIVE INCOME	0
	TOTAL PROPRIETARY CAPITAL	4,816,816,975
LONG-TERM DEBT		
221	BONDS	4,038,750,000
222	REACQUIRED BONDS	0
224	OTHER LONG-TERM DEBT	0
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	0
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT-DEBIT	(23,073,479)
		4,015,676,521
	LESS AMOUNTS DUE WITHIN ONE YEAR	
221	BONDS	0
	TOTAL LONG-TERM DEBT	4,015,676,521
OTHER NONCURRENT LIABILITIES		
227	OBLIGATIONS UNDER CAPITAL LEASES-NONCURRENT	0
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	275,285,389
229	ACCUMULATED PROVISION FOR RATE REFUNDS	0
	TOTAL OTHER NONCURRENT LIABILITIES	275,285,389
CURRENT AND ACCRUED LIABILITIES		
LONG-TERM DEBT DUE WITHIN ONE YEAR		
221	BONDS	0
231	NOTES PAYABLE	200,000,000
232	ACCOUNTS PAYABLE	378,081,619
233	NOTES PAYABLE - AFFILIATED COMPANIES	0
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	29,083,745
235	CUSTOMER DEPOSITS	11,781,533
236	TAXES ACCRUED	2,474,582
237	INTEREST ACCRUED	39,838,491
238	DIVIDENDS DECLARED	0
240	MATURED INTEREST	0
241	TAX COLLECTIONS PAYABLE	1,532,901
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	42,118,083
243	OBLIGATIONS UNDER CAPITAL LEASES-CURRENT	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	704,910,954
DEFERRED CREDITS		
252	CUSTOMER ADVANCES FOR CONSTRUCTION	240,092
253	OTHER DEFERRED CREDITS	35,948,610
254	OTHER REGULATORY LIABILITIES	644,470,878
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	220,479
257	UNAMORTIZED GAIN ON REAQUIRED DEBT	0
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY	0
282	ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY	1,805,357,409
283	ACCUMULATED DEFERRED INCOME TAXES-OTHER	234,946,909
	TOTAL DEFERRED CREDITS	2,721,184,377
	TOTAL LIABILITIES AND OTHER CREDITS	\$ 12,533,874,216

**PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF CONTINGENT LIABILITIES
JUNE 30, 2020**

Commitments and Contingencies

Legal Matters

PPL Electric Utilities Corporation (PPL Electric) is involved in legal proceedings, claims and litigation in the ordinary course of business. PPL Electric cannot predict the outcome of such matters, or whether such matters may result in material liabilities, unless otherwise noted.

Superfund and Other Remediation

PPL Electric is potentially responsible for investigating and remediating contamination under the federal Superfund program and similar state programs. Actions are under way at certain sites including former coal gas manufacturing plants in Pennsylvania previously owned or operated by, or currently owned by predecessors or affiliates of, PPL Electric. PPL Electric is potentially responsible for a share of clean-up costs at certain sites including the Columbia Gas Plant site and the Brodhead site. Clean-up actions have been or are being undertaken at all of these sites, the costs of which have not been and are not expected to be significant to PPL Electric.

As of June 30, 2020 and December 31, 2019, PPL Electric had a recorded liability of \$10 million representing its best estimate of the probable loss incurred to remediate the sites identified above. Depending on the outcome of investigations at identified sites where investigations have not begun or been completed, or developments at sites for which information is incomplete, additional costs of remediation could be incurred. PPL Electric lacks sufficient information about such additional sites to estimate any potential liability or range of reasonably possible losses, if any, related to these sites. Such costs, however, are not currently expected to be significant.

The EPA is evaluating the risks associated with polycyclic aromatic hydrocarbons and naphthalene, chemical by-products of coal gas manufacturing. As a result, individual states may establish stricter standards for water quality and soil cleanup, that could require several PPL subsidiaries to take more extensive assessment and remedial actions at former coal gas manufacturing plants. PPL Electric cannot estimate a range of possible losses, if any, related to these matters.

Regulatory Issues

Electricity - Reliability Standards

The North American Electric Reliability Corporation (NERC) is responsible for establishing and enforcing mandatory reliability standards (Reliability Standards) regarding the bulk electric system in North America. The Federal Energy Regulatory Commission (FERC) oversees this process and independently enforces the Reliability Standards.

The Reliability Standards have the force and effect of law and apply to certain users of the bulk electric system, including electric utility companies, generators and marketers. Under the Federal Power Act, the FERC may assess civil penalties for certain violations.

PPL Electric monitors its compliance with the Reliability Standards and self-reports or self-logs potential violations of applicable reliability requirements whenever identified, and submits accompanying mitigation plans, as required. The resolution of a small number of potential violations is pending. Penalties incurred to date have not been significant. Any Regional Reliability Entity determination concerning the resolution of violations of the Reliability Standards remains subject to the approval of the NERC and the FERC.

In the course of implementing its programs to ensure compliance with the Reliability Standards, certain other instances of potential non-compliance may be identified from time to time. PPL Electric cannot predict the outcome of these matters, and an estimate or range of possible losses cannot be determined.

Other

Guarantees and Other Assurances

In the normal course of business, PPL Electric enters into agreements that provide financial performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit issued by financial institutions and surety bonds issued by insurance companies. These agreements are entered into primarily to support or enhance the creditworthiness attributed to a subsidiary on a stand-alone basis or to facilitate the commercial activities in which these subsidiaries engage.

PPL Electric provides other miscellaneous guarantees through contracts entered into in the normal course of business. These guarantees are primarily in the form of indemnification or warranties related to services or equipment and vary in duration. The amounts of these guarantees often are not explicitly stated, and the overall maximum amount of the obligation under such guarantees cannot be reasonably estimated. Historically, no significant payments have been made with respect to these types of guarantees and the probability of payment/performance under these guarantees is remote.

PPL, on behalf of itself and certain of its subsidiaries, including PPL Electric, maintains insurance that covers liability assumed under contract for bodily injury and property damage. The coverage provides maximum aggregate coverage of \$225 million. This insurance may be applicable to obligations under certain of these contractual arrangements.

Risks and Uncertainties

The COVID-19 pandemic has disrupted the U.S. and global economies and continues to present extraordinary challenges to businesses, communities, workforces and markets. In the U.S. and throughout the world, governmental authorities have taken urgent and extensive actions to contain the spread of the virus and mitigate known or foreseeable impacts. In PPL Electric's service territory, mitigation measures have included quarantines, stay-at-home orders, travel restrictions, reduced operations or closures of businesses, schools and governmental agencies, and legislative or regulatory actions to address health or other pandemic-related concerns, all of which have the potential to adversely

impact PPL Electric's business and operations, especially if these measures remain in effect for a prolonged period of time.

To date, PPL Electric has not experienced a significant impact on its business, results of operations, financial condition, liquidity, operations or on their supply chain as a result of COVID-19; however, the duration and severity of the outbreak and its ultimate effects on the global economy, the financial markets, or PPL Electric's workforce, customers and suppliers are uncertain. A protracted slowdown of broad sectors of the economy, prolonged or pervasive restrictions on businesses and their workforces, or significant changes in legislation or regulatory policy to address the COVID-19 pandemic all present significant risks to PPL Electric. These or other unpredictable events resulting from the pandemic could further reduce customer demand for electricity, impact PPL Electric's employees and supply chains, result in an increase in certain costs, delay payments or increase bad debts, or result in changes in the fair value of its assets and liabilities, which could materially and adversely affect PPL Electric's business, results of operations, financial condition or liquidity.

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF INCOME
TWELVE MONTHS ENDED JUNE 30, 2020

ACCT.			
<u>NO.</u>			
	UTILITY OPERATING INCOME		
400	OPERATING REVENUES	\$	2,530,213,767
	OPERATING EXPENSES		
401	OPERATION EXPENSES		1,131,357,331
402	MAINTENANCE EXPENSES		123,180,310
403/406	DEPRECIATION EXPENSES AND AMORTIZATION OF ELECTRIC PLANT ACQUISITION ADJUSTMENTS		392,984,861
407.3	REGULATORY DEBITS		7,470,466
407.4	REGULATORY CREDITS		(19,952,208)
408.1	TAXES OTHER THAN INCOME TAXES		110,351,511
409.1	INCOME TAXES		
	FEDERAL		27,660,605
	STATE		15,844,227
410.1	PROVISION FOR DEFERRED INCOME TAXES		513,148,737
411.1	PROVISION FOR DEFERRED INCOME TAXES-CREDIT		(399,031,512)
411.4	INVESTMENT TAX CREDIT ADJUSTMENT		(13,576)
411.6	GAINS FROM DISPOSITION OF UTILITY PLANT		0
411.7	LOSSES FROM DISPOSITION OF UTILITY PLANT		0
411.8	GAINS FROM DISPOSITION OF EMISSION ALLOWANCES		0
	TOTAL UTILITY OPERATING EXPENSES		1,903,000,752
	NET UTILITY OPERATING INCOME		627,213,015
	OTHER INCOME AND DEDUCTIONS		
	OTHER INCOME		
415/416	MERCHANDISING, JOBBING AND CONTRACT WORK		0
417.1	EXPENSES OF NONUTILITY OPERATIONS		0
418	NONOPERATING RENTAL INCOME		(31,281)
418.1	EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES		4,906,605
419	INTEREST AND DIVIDEND INCOME		2,012,582
419.1	ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION		19,593,089
421	MISCELLANEOUS NONOPERATING INCOME		125,334
421.1	GAIN ON DISPOSITION OF PROPERTY		1,163,052
	TOTAL OTHER INCOME		27,769,381
	OTHER INCOME DEDUCTIONS		
421.2	LOSS ON DISPOSITION OF PROPERTY		113,469
426.1-426.5	MISCELLANEOUS INCOME DEDUCTIONS		4,334,071
	TOTAL OTHER INCOME DEDUCTIONS	\$	4,447,540

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF INCOME
TWELVE MONTHS ENDED JUNE 30, 2020

ACCT.			
<u>NO.</u>			
	OTHER INCOME AND DEDUCTIONS (CONTINUED)		
	TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS		
408.2	TAXES OTHER THAN INCOME TAXES	\$	68,402
409.2	INCOME TAXES		
	FEDERAL		(2,431,191)
	STATE		(1,178,473)
410.2/411.2	PROVISION FOR DEFERRED INCOME TAXES-NET		1,768,419
411.5	INVESTMENT TAX CREDIT		0
	TOTAL TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS		<u>(1,772,843)</u>
	NET OTHER INCOME AND DEDUCTIONS		<u>25,094,684</u>
	INCOME BEFORE INTEREST CHARGES		<u>652,307,699</u>
	INTEREST CHARGES		
427	INTEREST ON LONG-TERM DEBT		164,662,083
428	AMORTIZATION OF DEBT DISCOUNT AND EXPENSE		2,510,751
428.1	AMORTIZATION OF LOSS ON REACQUIRED DEBT		8,461,300
429	AMORTIZATION OF PREMIUM ON DEBT-CREDIT		0
429.1	AMORTIZATION OF GAIN ON REACQUIRED DEBT-CREDIT		0
430	INTEREST ON DEBT TO ASSOCIATED COMPANIES		420,332
431	OTHER INTEREST CHARGES		4,242,835
432	ALLOW. FOR BORROWED FUNDS USED DURING CONSTRUCTION-CREDIT		(7,824,001)
	NET INTEREST CHARGES		<u>172,473,300</u>
	NET INCOME	\$	<u>479,834,399</u>

**PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF RETAINED EARNINGS
TWELVE MONTHS ENDED JUNE 30, 2020**

Retained earnings, June 30, 2019	\$	937,718,316
Activity during the twelve months ended June 30, 2020		
Net income		479,834,399
Total Credits to Retained Earnings (Account 439)		480,616
Total Debits to Retained Earnings (Account 439)		(1,663,487)
Dividends declared - common		(517,000,000)
Retained earnings, June 30, 2020	<u>\$</u>	<u>899,369,844</u>

PPL ELECTRIC UTILITIES CORPORATION
UTILITY PLANT ACCOUNTS

Acct. No.		<u>JUNE 30, 2020</u>
	Utility plant in service	
101	Electric plant in service	
	Intangible plant	\$ 221,907,238
	Transmission plant	4,877,054,239
	Distribution plant	5,637,384,729
	General plant	763,559,263
	Electric plant in service	<u>11,499,905,469</u>
101.1	Property under capital leases	<u>0</u>
	Total utility plant in service	<u>11,499,905,469</u>
102	Plant purchased or sold	119,239
103	Experimental electric plant unclassified	6,302
105	Electric plant held for future use	23,463,904
106	CC not classified	1,869,343,359
107	Construction work in progress	623,331,824
	Total utility plant	<u>14,016,170,097</u>
108	Accumulated provision for depreciation of utility plant	(2,952,706,968)
111	Accumulated provision for amortization of utility plant	(149,780,891)
	Net utility plant	<u><u>\$ 10,913,682,238</u></u>

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT OF SECURITIES OF OTHER ENTITIES OWNED
AS OF JUNE 30, 2020

Name of Issuer	Title of Security	Number of Shares or Principal Amount	Date Acquired	Price Paid	Book Value	Approximate Value Indicated by Market Quotations June 30, 2020
Securities of Subsidiaries						
CEP Commerce, LLC	Member's Interests	\$ 10,072	7/1/2000	\$ 10,072	\$ 957,764	Not Available
				10,072	957,764	
Total Securities of Other Entities Owned					\$ 957,764	

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT SHOWING THE STATUS OF THE FUNDED DEBT
AS OF JUNE 30, 2020

Name and Description of Obligation (a)	Interest		Term at Date Of Issue (Years) (d)	Date of Maturity (e)	Total Principal Amount Authorized (f)	Total Principal Amount Outstanding (Not Held by the Public Utility) (g)	Total Principal Amount Held by the Public Utility		
	Rate (b)	Dates Payable (c)					Reacquired and Held in Treasury (h)	Pledged (i)	In Sinking or Other Funds (j)
First Mortgage Bonds:									
3.00% Series Due 2021	3.00%	Mar. 15 & Sept. 15	10	Sept. 15, 2021	\$ 400,000,000	\$ 400,000,000	None	None	None
5.20% Series Due 2041	5.20%	Jan. 15 & July 15	30	July 15, 2041	250,000,000	250,000,000	None	None	None
2.50% Series Due 2022	2.50%	Mar. 1 & Sept. 1	10	Sept. 1, 2022	250,000,000	250,000,000	None	None	None
4.75% Series Due 2043	4.75%	Jan. 15 & July 15	30	July 15, 2043	350,000,000	350,000,000	None	None	None
6.45% Series Due 2037	6.45%	Feb. 15 & Aug. 15	30	Aug. 15, 2037	250,000,000	250,000,000	None	None	None
6.25% Series Due 2039	6.25%	May 15 & Nov. 15	30	May 15, 2039	300,000,000	300,000,000	None	None	None
4.125% Series Due 2044	4.125%	June 15 & Dec. 15	30	June 15, 2044	300,000,000	300,000,000	None	None	None
4.15% Series Due 2045	4.15%	Apr. 1 & Oct. 1	30	Oct. 1, 2045	350,000,000	350,000,000	None	None	None
3.95% Series Due 2047	3.95%	June 1 & Dec. 1	30	June 1, 2047	475,000,000	475,000,000	None	None	None
4.15% Series Due 2048	4.15%	June 15 & Dec. 15	30	June 15, 2048	400,000,000	400,000,000	None	None	None
3.00% Series Due 2049	3.00%	Apr. 1 & Oct. 1	30	Oct. 1, 2049	400,000,000	400,000,000	None	None	None
						3,725,000,000			
Senior Secured Bonds (Pollution Control Series)									
Series 2008 due 2023	4.00%	Apr. 1 & Oct. 1	15	Oct. 1, 2023	90,000,000	90,000,000	None	None	None
1.80% Series due 2027	1.80%	Feb. 15 & Aug. 15	11	Feb. 15, 2027	108,250,000	108,250,000	None	None	None
1.80% Series due 2029	1.80%	Mar. 1 & Sept. 1	13	Sept. 1, 2029	115,500,000	115,500,000	None	None	None
						313,750,000			
Unamortized Premium on Long-Term Debt						0			
Unamortized Discount on Long-Term Debt						(23,073,479)			
Total Funded Debt						\$ 4,015,676,521			

PPL ELECTRIC UTILITIES CORPORATION
STATEMENT SHOWING THE STATUS OF OUTSTANDING CAPITAL STOCK
AS OF JUNE 30, 2020

Designation of Kind and Class (a)	Number of Shares Authorized (b)	Par Value Per Share (c)	Amount Authorized (d)	Amount Outstanding (Not Held by the Public Utility) (1) (e)	Held by the Public Utility			Stated Book Value of Outstanding Stock Having No Par Value As of Date of Balance Sheet (i)
					Reacquired and Held in Treasury (f)	Pledged (g)	In Sinking or Other Funds (h)	
Preference Stock				<u>0 shares</u>	None	None	None	\$ 0.00
Common Stock , no par	170,000,000		170,000,000 shares	<u>66,368,056 shares</u>	None	None	None	\$ 4,816,816,975 (2)
Treasury Stock				<u>0 shares</u>	None	None	None	\$ 0.00

(1) All common shares of PPL Electric stock are owned by PPL.

(2) Book value of common stock held by PPL Corporation.

**PPL ELECTRIC UTILITIES CORPORATION
HOLDERS OF EACH CLASS OF CAPITAL STOCK AS OF JUNE 30, 2020**

COMMON

Shares

PPL Corporation Two North Ninth Street Allentown, PA 18101	66,368,056
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PPL ELECTRIC UTILITIES CORPORATION

STATEMENT SHOWING, IN JOURNAL ENTRY FORM, ALL CHARGES AND CREDITS
TO BE MADE ON THE BOOKS OF ACCOUNT TO GIVE EFFECT TO
THE PROPOSED ISSUANCE NOT IN EXCESS OF
\$2,000,000,000 AGGREGATE PRINCIPAL AMOUNT OF DEBT SECURITIES

Journal Entry 1

143	Other Accounts Receivable	\$	
221	Long-Term Debt - Bonds		\$

To give effect to the sale of a particular series of
Debt Securities

Journal Entry 2

131	Cash	\$	
143	Other Accounts Receivable		\$

To record receipt of proceeds from the sale of a
particular series of Debt Securities.

Journal Entry 3

181	Unamortized Debt Expense	\$	
131	Cash		\$

To record the payment of expenses in connection
with the issuance and sale of a particular series
of Debt Securities. Expenses will be
amortized over the life of the debt.

PPL ELECTRIC UTILITIES CORPORATION
CAPITAL STRUCTURE

The capital structure of the Company at June 30, 2020, and on a pro forma basis to give effect to the transactions footnoted below, is as follows:

	Actual Amount	Adjustments (a)	Pro Forma Amount	% of Capitalization
Common Equity				
Common Stock Issued.....	\$ 363,833,249		\$ 363,833,249	
Miscellaneous Paid-In Capital.....	3,559,897,311		3,559,897,311	
Capital Stock Expense.....	(6,283,429)		(6,283,429)	
Treasury Stock.....	-		-	
Other Comprehensive Income.....	-		-	
Earnings Reinvested.....	899,369,844		899,369,844	
Expected Capital Contributions.....		1,500,000,000 (c)	1,500,000,000	
Total Common Equity.....	4,816,816,975	1,500,000,000	6,316,816,975	54.5%
Preferred Securities				
Preferred Stock without Mandatory Redemption.....	-		-	0.0%
Long-Term Debt (b)				
First Mortgage Bonds.....	3,725,000,000	\$ 2,000,000,000 (a)	5,725,000,000	
Debt Retirements.....		(740,000,000) (d)	(740,000,000)	
Senior Secured Bonds (Pollution Control Series).....	313,750,000		313,750,000	
Unamortized Premium/Discount- Net.....	(23,073,479)		(23,073,479)	
Total Long-Term Debt.....	4,015,676,521	1,260,000,000	5,275,676,521	45.5%
Total Capitalization.....	\$ 8,832,493,496	\$ 2,760,000,000	\$ 11,592,493,496	100.0%

(a) The planned issuance of \$2 billion of Debt Securities. The net proceeds from the issuance will be used for general corporate purposes, such as the retirement of short-term and long-term debt and for capital expenditures.

(b) Long-term debt includes amounts due within one year. At June 30, 2020, there were no amounts due within one year.

(c) To the extent PPL Electric issues debt, PPL Corporation would expect to contribute capital to PPL Electric to maintain a balanced capital structure.

(d) Upcoming maturities 2021 - 2023

PPL ELECTRIC UTILITIES CORPORATION
BOOK VALUE OF COMMON STOCK
JUNE 30, 2020

<u>Acct. No.</u>			
	Common Equity		
201	Common stock issued	\$	363,833,249
207	Premium on capital stock		-
211	Additional paid in capital		3,559,897,311
214	Capital stock expense		(6,283,429)
216	Unappropriated retained earnings		899,142,658
216.1	Unappropriated undistributed subsidiary earnings		227,186
217	Reacquired capital stock		-
219	Other comprehensive income		-
	Total Common Equity	\$	<u><u>4,816,816,975</u></u>
	Shares of common stock issued at June 30, 2020		66,368,056
	Shares repurchased and held in treasury		<u>0</u>
	Shares of common stock outstanding at June 30, 2020		<u><u>66,368,056</u></u>
	Book Value of Common Stock		
	Total common equity ÷ shares of common stock outstanding at June 30, 2020	\$	<u><u>72.58</u></u>

Chapter 19 Securities Certificate Registrations - Data Request

To the extent the following information has not been filed with Applicant's registration:

1) Previous registration balances. Provide docket numbers, initial registration amount, issuances by type, amount and date and current remaining balance. Plans for these balances vis-à-vis the current registration.

Answer:

On September 6, 2019, PPL Electric issued \$400 million of the \$650 million of its secured debt securities authorized by Securities Certificate S-2019-3008083. On October 1, 2020, PPL Electric issued the remaining \$250 million authorized.

2) What effect will this issuance have upon the capital structure of the utility? Show calculations.

Answer:

\$ (000's)	<u>6/30/2020</u>	<u>As Adjusted</u>
Total Long-term Debt	3,986,360	3,986,360
Requested Issuance		2,000,000
Debt Retirements		(740,000)
Total Debt	<u>3,986,360</u>	<u>5,246,360</u>
Common Equity	4,816,428	4,816,428
Expected Capital Contributions ⁽¹⁾		1,500,000
Total Equity	<u>4,816,428</u>	<u>6,316,428</u>
Total Capital	<u><u>8,802,788</u></u>	<u><u>11,562,788</u></u>
Debt/Total Capitalization	45.3%	45.4%

(1) To the extent PPL Electric issues debt, PPL Corporation would expect to contribute capital to PPL Electric to maintain a balanced capital structure.

3) Current and three-year projections for; (Provide details of calculation)

Sources and Uses of Funds:

\$ (000's)	2020	2021	2022	2023
Requirements				
Capital Expenditures	1,154,526	844,274	808,567	595,262
Pension Funding	21,000	21,000	21,000	21,000
Maturities, Redemptions & Sinking Funds		400,000	250,000	90,000
Total Requirements	1,175,526	1,265,274	1,079,567	706,262
Sources				
Internal Financing	626,769	823,614	654,432	671,814
Long-term debt		600,000	500,000	350,000
Short-term debt change	548,757	(158,340)	(74,865)	(315,552)
External Financing	548,757	441,660	425,135	34,448
Total Sources	1,175,526	1,265,274	1,079,567	706,262

Capital Expenditures & Ratio of Capital Expenditures to Depreciation and Amortization:

\$ (000's)	2020	2021	2022	2023
Capital Expenditures	1,154,526	844,274	808,567	595,262
Depreciation	403,775	411,410	393,456	399,306
Amortization	19,414	7,932	3,363	3,024
Total Depreciation & Amortization	423,189	419,342	396,819	402,330
Capital / Depreciation & Amortization Ratio	2.73x	2.01x	2.04x	1.48x

Capitalization Ratios:

\$ (000's)	2020	2021	2022	2023
Total Long-term Debt	3,987,893	4,184,166	4,431,151	4,689,591
Total Short-term Debt	548,757	390,417	315,552	
Total Debt	4,536,650	4,574,583	4,746,703	4,689,591
Common Equity	4,749,051	5,087,741	5,257,834	5,588,929
Total Capitalization	9,285,701	9,662,324	10,004,537	10,278,520
Debt / Total Capitalization	48.9%	47.3%	47.4%	45.6%

Dividend payout ratio:

PPL Electric targets a dividend payout ratio of approximately 65% of the prior quarter earnings. Below are the forecasted dividends:

\$ (000's)	2020	2021	2022	2023
Earnings Available for Common	471,914	483,017	502,500	503,853
Total Dividend Paid to Parent Excess Capital Contributions	312,500 -	298,600 -	336,800 -	327,300 -
Net Dividend Paid to Parent	312,500	298,600	336,800	327,300
Dividend Payout Ratio	66.2%	61.8%	67.0%	65.0%

Interest coverage ratios – both SEC and Indenture basis:

\$ (000's)	2020	2021	2022	2023
Income Before Taxes	630,160	651,076	684,696	693,127
Total Interest (as shown below)	182,047	189,902	192,546	195,307
Less Interest Component of AFUDC (est)	(6,569)	(7,017)	(5,554)	(3,292)
Total Earnings	805,638	833,961	871,688	885,142
Fixed Charges, as defined:				
Interest on Long-term Debt	166,589	178,640	185,951	188,847
Interest on Short-term Debt	2,927	3,803	3,705	3,909
Amortization of Debt Discount, Expense and Premium - net	12,531	7,459	2,890	2,551
Total Interest	182,047	189,902	192,546	195,307
Earnings/Interest	4.43x	4.39x	4.53x	4.53x

4) Three-year history of credit ratings – By credit rating agency and class

	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2019
Moody's			
Issuer Rating	A3	A3	A3
Senior Secured/First Mortgage Bonds	A1	A1	A1
Tax Exempt Bonds	A1/A3	A1/A3	A1/A3
Short-term/Commercial Paper	P-2	P-2	P-2
Outlook	Stable	Stable	Stable
Standard & Poor's			
Issuer Rating	A-	A-	A-
Senior Secured/First Mortgage Bonds	A	A	A
Tax Exempt Bonds	A	A	A
Short-term/Commercial Paper	A-2	A-2	A-2
Outlook	Stable	Stable	Stable

5) Projected refinancing savings or costs, if applicable

Answer:

Not applicable

6) Affiliated interest agreement applicable to instant registration, if financing involves an affiliate

Answer:

Not applicable

7) List all unregulated affiliates of the applicant

Answer:

Below is a list of all subsidiaries and affiliates of PPL Corporation, the parent of the applicant. The names of the subsidiaries and affiliates appearing in bold typeface are either distribution companies, regulated by state regulatory authorities, or power marketers or generation companies regulated by Federal regulatory authorities; provided, however, that we have not bolded the names of regulated non-U.S. subsidiaries (namely; Western Power Distribution (East Midlands) plc, Western Power Distribution (West Midlands) plc, Western Power Distribution (South Wales) plc and Western Distribution (South West) plc), which are licensed electric distribution companies regulated by the Office of Gas and Electricity Markets in England and Wales.

PPL CORPORATION SUBSIDIARIES AND AFFILIATES

Aztec Insurance Limited
Bulloch County GA S1, LLC
Central Networks Trustees Limited
CEP Commerce, LLC
CEP Lending, Inc.
CEP Reserves, Inc.
East Brunswick Solar LLC
Envista Energy LP
FCD LLC
Franklin County GA S1, LLC
Greene County GA S1, LLC
Hyder Limited
Hyder Profit Sharing Trustee Limited
Infralec 1992 Pension Trustee Limited
Kelston Properties 2 Limited
Kentucky Utilities Company
Lexington Utilities Company
LG&E and KU Capital LLC
LG&E and KU Energy LLC
LG&E and KU Foundation Inc.
LG&E and KU Hydro I LLC
LG&E and KU Services Company
LG&E Energy Inc.
Louisville Gas and Electric Company
Lowndes County GA S1, LLC
Lowndes County GA S2, LLC
Meriwether County GA S1, LLC
Meter Operator Services Limited
Meter Reading Services Limited
Murray County GA S1, LLC
PMDC International Holdings, Inc.
PP&L Residual Corporation
PPL (Barbados) SRL
PPL Atlantic Holdings, LLC
PPL Canada GP ULC
PPL Canada Holdings Inc.
PPL Capital Funding, Inc.
PPL Distributed Energy Resources, LLC
PPL Electric Utilities Corporation
PPL Energy Holdings, LLC
PPL Energy Funding Corporation
PPL Energy Resources, LLC
PPL EU Services Corporation
PPL Foundation
PPL Global, LLC
PPL Island Limited
PPL Power Insurance Ltd.
PPL Renewables, LLC
PPL Safari Holdings, LLC
PPL Services Corporation
PPL Strategic Development, LLC
PPL Subsidiary Holdings, LLC
PPL Technology Ventures, LLC
PPL TransLink, Inc.
PPL UK Holdings, LLC
PPL UK Investments Limited
PPL UK Resources Limited
PPL UK Distribution Holdings Limited
PPL WEM Limited
PPL WPD Investments Limited

PPL WPD Limited
Putnam County GA S1, LLC
Safari Baboon, LLC
Safari Chimpanzee, LLC
Safari Donkey, LLC
Safari Elephant, LLC
Safari Energy, LLC
Safari Energy Construction, LLC
Safari Energy Georgia 1-2019, LLC
Safari Energy Georgia 2-2019, LLC
Safari Energy Georgia 3-2019, LLC
Safari Energy Georgia 4-2019, LLC
Safari Energy Georgia 5-2020, LLC
Safari Energy Georgia 6-2020, LLC
Safari Energy Georgia 7-2020, LLC
Safari Energy Georgia 8-2020, LLC
Safari Energy Illinois 1-2019, LLC
Safari Energy Illinois 2-2020, LLC
Safari Energy Investments 1, LLC
Safari Energy Massachusetts 1-2019, LLC
Safari Energy Massachusetts 2-2019, LLC
Safari Energy Massachusetts 3-2019, LLC
Safari Energy Massachusetts 4-2020, LLC
Safari Energy New York 1-2020, LLC
Safari Energy Ohio 1-2019, LLC
Safari Energy Rhode Island 1-2020, LLC
Safari Kangaroo, LLC
Safari Loris, LLC
Safari Orangutan, LLC
Safari Viper, LLC
Safari Zebra, LLC
Solar Star Meridian Park West, LLC
South Wales Electricity Share Scheme Trustees Limited
South Western Helicopters Limited
Terrell County GA S1, LLC
Troup County GA S1, LLC
Ware County GA S1, LLC
Ware County GA S2, LLC
Wesleyan Solar Array, LLC
Western Kentucky Energy Corp.
Western Power Distribution (East Midlands) plc
Western Power Distribution (West Midlands) plc
Western Power Distribution (South Wales) plc
Western Power Distribution (South West) plc
Western Power Distribution Investments Limited
Western Power Distribution plc
Western Power Generation Limited
Western Power Pension Trustee Limited
Wilkinson County GA S1, LLC
WPD Distribution Network Holdings Limited
WPD Foundation
WPD Investment Holdings Limited
WPD Investments Limited
WPD Limited
WPD Limited (Guernsey)
WPD Midlands Networks Contracting Limited
WPD Midlands Properties Limited
WPD Property Investments Limited
WPD Share Scheme Trustees Limited

8.) List all debt for which the applicant is a guarantor of affiliated company debt instruments.

Answer:

None

9) For any corporate money pool from which applicant may potentially borrow, lend or deposit excess cash to, provide;

- Commission ordered reporting requirements
- Current balances of borrowed and lent funds
- Eligible borrowing and lending entities
- Accounting for money pool transactions
- 3-year history of borrowing and lending to the pool

Answer:

Not applicable

10) Describe historical reliance by type of both corporate internal and external sources of financing

Answer:

PPL Electric historically has used a combination of equity and debt to fund its ongoing operations and expand/maintain its capital infrastructure in a manner that supports its investment-grade credit ratings. PPL Electric typically relies on issuing either external first mortgage bonds or temporarily utilizing short term debt as a bridge to the external debt capital markets. Equity sources have been preferred/preference stock, retained earnings or capital contributions from its parent, PPL Corporation.

11) Where current dividend payout ratio exceeds 75 %, provide three-year history and plan for future dividend payouts.

Answer:

PPL Electric's dividend payout ratio is not expected to exceed 75%. See Question 3 with respect to the dividend payout ratio.

12) Where the debt to total capital ratio exceeds 55%, provide plan for managing future debt to total capital levels.

Answer:

Debt to total capital ratio does not exceed 55%.

13) With respect to the purpose for which you propose to issue or assume securities;

A. If the purpose is the purchase or construction of new facilities, or the betterment of existing facilities, provide;

1. Estimated final cost
2. A brief description of the new facilities or betterments
3. The date when it is expected that the purchase or construction or betterment will be completed.
4. Estimated amount of AFUDC included in the project costs

Answer:

PPL Electric Utilities expects to spend approximately \$750 million per year in capital expenditures over the next three years for both new and existing assets, which includes \$38 million of AFUDC.

B. If the purpose is to obtain working capital, explain any unusual condition which exists, or will exist, in the public utility's current assets or current liabilities, stating;

1. The approximate cost of average materials and supplies inventory which the public utility expects to carry
2. The average time elapsing between the date when the public utility furnishes or begins a period of furnishing services to customers and the date when collection is made from customers for the service.
3. The minimum bank balance requirements.

Answer:

Not applicable.

C. If the purpose is to refund obligations, describe obligations in detail.

1. Explain the purpose for which obligations were issued or refer to the number of securities certificates in which the purpose appears.
2. State whether refunding is to meet maturity, or to effect saving in interest or other annual charges; if to effect savings, state date when, and at price which obligations are to be called, and submit statement showing savings to be affected as a result of refunding.

Answer:

A portion of the issuance amount is expected to refund debt maturities of \$740 million. PPL Electric's debt maturity obligations are as follows:

- \$400 million due 6/15/2021: Security Certificate S-2011-2246812
 - \$250 million due 6/01/2022: Security Certificate S-2012-2301050
 - \$90 million due 10/01/2023: Security Certificate S-2008-2060876
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D. If the purpose is for the payment of dividends, please justify the use of funds from the registration to pay dividends.

Answer:

Not applicable

E. If the purpose is to fund pension obligations:

1. Provide the current Accumulated Benefit Obligation (except where no longer used consistent with FASB Statement No. 158), the projected benefit obligation, the current fair value of plan assets, and the percent that the current benefit obligation is funded.
2. Provide the annual contributions to the plan from 2006 to the present, and the projected contributions for the next five years.
3. Provide an explanation as to how compliance with the Pension Protection Act of 2006 will be accomplished.

Answer:

Not applicable

14) Reconcile total capitalization with total rate base for ratemaking purposes. Are any of the funds to be issued for a non-utility purpose? If so, please describe that purpose.

12/31/2019 \$ (000's)	Working Capital & Other			Total
	Utility Plant	Additions	Other Long Term	
Distribution Rate Base	4,706,828	35,447	(1,113,785)	3,628,490
Transmission Rate Base	4,873,738	16,962	(906,884)	3,983,815
Rate Base	9,580,566	52,409	(2,020,669)	7,612,305
Other (1)	1,007,792			1,007,792
Working Capital Other (2)		10,729		10,729
Regulatory Assets Net Liabilities			(169,796)	(169,796)
Other Long Term (3)			386,982	386,982
Total Capitalization	10,588,358	63,137	(1,803,483)	8,848,012

(1) Primarily due to asset additions, retirements, and accumulated depreciation.

(2) Mostly timing differences.

(3) Primarily timing of deferred and current income taxes.

15) Three-year history and three-year projections for ratio of capital expenditures to depreciation expense. Show calculations.

\$ (000's)	2017	2018	2019	2020	2021	2022	2023
Capital Expenditures	1,244,000	1,192,000	1,114,000	1,154,526	844,274	808,567	595,262
Depreciation	309,000	352,000	386,000	403,775	411,410	393,456	399,306
Capital/Depreciation	4.03x	3.39x	2.89x	2.86x	2.05x	2.06x	1.49x