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E-File

August 29, 2025

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

**Re: PPL Electric Utilities Corporation
Financial Report for the 12 Months
Ended June 30, 2025
Docket No. M-2025-3052807**

Dear Secretary Homsher:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is PPL Electric's Financial Report for the 12 Months Ended June 30, 2025. This report is being filed pursuant to the Commission's regulations at 52 Pa. Code § 57.47 and 52 Pa. Code § 71.1, et seq.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on August 29, 2025, which is the date it was submitted via the Commission's E-Filing System.

If you have any questions regarding the enclosed report, please call me or Katelyn Arnold, PPL Electric's Manager – Regulatory Strategy and Rates, at (610) 774-5401.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kimberly A. Klock". The signature is written in a cursive, flowing style.

Kimberly A. Klock

Enclosures

cc via email: Darryl Lawrence, Esquire
Allison Kaster, Esquire
NazAarah Sabree

Lori Burger
Vanessa Johns

SCHEDULE A

Company Name: PPL Electric Utilities Corporation

Financial Report for

12 Months Ended June 30, 2025

(Thousands of Dollars)

	Actual per <u>Books</u> (1)	Intrastate <u>Percent</u> (2)	Intrastate per books (3)	Pro Forma Intrastate <u>Adjustments (a)</u> (4)	Intrastate Pro Forma <u>Results</u> (5)
(1) Original Cost of Plant In Service	\$8,533,911	0.99957	8,530,273	1,657,611	\$10,187,884
(2) Less: Depreciation Reserve	<u>2,822,694</u>	0.99919	<u>2,820,407</u>	<u>559,793</u>	<u>3,380,200</u>
(3) Net Plant in Service	5,711,217		5,709,866	1,097,818	6,807,684
<u>Additions:</u>					
(4) Land/Plant Held for Future Use	2,435	0.99951	2,434	0	2,434
(5) Materials & Supplies & Fuel Stocks	69,772	0.99951	69,738	0	69,738
(6) Cash Working Capital (b)	22,852	0.99951	22,841	(10,336)	12,505
(7) Other - Pollution Control CWIP (Net)	0		0	0	0
<u>Deductions:</u>					
(8) Accumulated Deferred Income Taxes	1,153,045	0.99951	1,152,485	85,796	1,238,281
(9) Liberalized Depreciation	0		0		0
(10) Investment Tax Credit	0		0	0	0
(11) Other	0		0	0	0
(12) Customer Advances	0	0.00000	0	0	0
(13) Customer Deposits	6,554	1.00000	6,554	0	6,554
(14) Contributions in Aid of Construction	0	0.00000	0	0	0
(15) Other	0		0	0	0
(16) RATE BASE	<u>\$4,646,677</u>		<u>\$4,645,840</u>	<u>\$1,001,686</u>	<u>\$5,647,526</u>
(17) Operating Revenues	\$1,172,156	0.99501	\$ 1,166,307	\$1,189	\$1,167,496
<u>Operating Expenses</u>					
(18) Operation & Maintenance	469,305	0.99974	469,184	1,036	470,220
(19) Annual Depreciation	231,142	0.99969	231,069	65,670	296,739
(20) Taxes - Other than Income	68,623	0.99971	68,603	119	68,722
(21) State Income Tax - Current	2,974	0.99872	2,970	(5,407)	(2,437)
(22) Federal Income Tax - Current	12,161	0.99872	12,145	(12,648)	(503)
(23) Deferred Income Taxes	15,905	0.99975	15,901	0	15,901
(24) Investment Tax Credit (Net)	76	1.00000	76	0	76
(25) Total Operating Expenses	<u>800,186</u>		<u>799,948</u>	<u>48,771</u>	<u>848,719</u>
(26) INCOME AVAILABLE FOR RETURN	<u>\$371,970</u>		<u>\$366,359</u>	<u>(\$47,582)</u>	<u>\$318,777</u>
RATE OF RETURN - OVERALL	<u>8.01%</u>		<u>7.89%</u>		<u>5.64%</u>

(a) Schedule B and Schedule C

(b) As adjudicated in last rate case
or as currently calculated

SCHEDULE B

COMPANY NAME: PPL Electric Utilities Corporation

Summary of Pro Forma Intrastate Adjustments
(Thousands of Dollars)

<u>Rate Base Adjustments</u>	<u>Rate Base</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Taxes*</u>
(1) Interest and preferred & preference Dividend working Capital Offset	\$ (10,336)	\$ -	\$ -	\$ -
(2) FFTY Rate Base	1,012,022			
<u>Income Statement Adjustments</u>				
(3) Sales Growth Annualization	-	304	-	97
(4) Unbilled Base Rate Revenue Adjustment	-	885	-	281
(5) Wage and Benefit Expense	-	-	706	(145)
(6) Customer Deposits Interest Expense	-	-	379	(104)
(7) FFTY Depreciation Expense	-	-	65,670	\$ (18,065)
Totals	<u>\$1,001,686</u>	<u>\$1,189</u>	<u>\$66,756</u>	<u>(\$17,936)</u>

*Includes gross receipts tax (GRT), where applicable.

SCHEDULE C

COMPANY NAME: PPL Electric Utilities Corporation

Explanation of Adjustments

Rate Base Adjustments

- (1) Adjustment to intrastate cash working capital for interest payments and preferred & preference dividend payments pursuant to the Commission's Final Order at Docket No. R-80003114. See Attachment 1 for computational details.
- (2) Future test year adjustment to project rate base. See Attachment 6 for computational details.

Income Statement Adjustments

- (3) Adjustment to PUC operating revenues to annualize sales for changes in customer usage and growth. See Attachment 2 for computational details.
- (4) Adjustment to PUC operating revenues to eliminate unbilled base rate revenue. See Attachment 3 for computational details.
- (5) Adjustment to wage and benefit expense to reflect the average number of employees and level of wages and benefits in effect at the end of the reporting period. See Attachment 4 for computational details.
- (6) Adjustment to include interest expense on customer deposits pursuant to the Commission's Final Order at Docket No. R-2015-2469275. See Attachment 5 for computational details.
- (7) Future Test year adjustment for depreciation and amortization expense. See Attachment 6.

Explanation of Changes to Intrastate Allocation Factors (if applicable)

The composite allocation factors used in this filing primarily reflect the results of the distribution service cost allocation study accepted by the Commission at Docket No. R-2015-2469275. Because the allocation factors used to assign intrastate rate base, operating revenues and operating expenses are an aggregation of many individual allocation factors, the composite allocation factors are likely to change from filing to filing based on the reporting period's mix of rate base, operating revenue and operating expense components.

SCHEDULE D-1

COMPANY NAME: PPL Electric Utilities Corporation
 Intrastate Per Books
 Calculation of Return on Common Equity for
 12 Months Ended June 30, 2025
 (Thousands of Dollars)

	Capital Ratios (a) (1)	x	Rate Base (b) (2)	=	Totals (3)	x	Embedded Cost Rates(c) (4)	=	Total Rate Base Related Cost of Debt and Preferred & Preference (5)
	Sch. E Col. 2		Sch. A. Col. 3 Line 16				Sch. F Col. 7		
1) Debt	43.76%		\$4,645,840		\$2,033,020		4.79%		\$97,382
2) Preferred	0.00%		\$4,645,840		0		0.00%		0
3) Common Equity	<u>56.24%</u>		\$4,645,840		<u>2,612,820</u>				
4) Total	<u>100.00%</u>				<u>\$4,645,840</u>				<u>\$97,382</u>

12 Months Ended June 30, 2025

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	\$366,359
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$97,382</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$268,977</u>
8) Debt Cost (Col 5., Line 1)	\$97,382
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>97,382</u>
10) Difference (Line 8 Less Line 9)	0
11) Times: Composite State and Federal Income Tax Rate	<u>27.51%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$0</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$268,977</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>10.29%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>10.29%</u>

COMPANY NAME: PPL Electric Utilities Corporation
 Intrastate Pro Forma Results
 Calculation of Return on Common Equity
 12 Months Ended June 30, 2025
 (Thousands of Dollars)

	Capital Ratios(a)		Rate Base(b)		Totals		Embedded Cost Rates(c)		Total Rate Base Related Cost of Debt and Preferred & Preference
	(1)		(2)		(3)		(4)		(5)
	Sch. E Col. 2	x	Sch. A. Col. 5 Line 16	=		x	Sch. F Col. 7	=	
1) Debt	43.76%		\$5,647,526		\$2,471,357		4.79%		\$118,378
2) Preferred	0.00%		\$5,647,526		0		0.00%		0
3) Common Equity	<u>56.24%</u>		\$5,647,526		<u>3,176,169</u>				
4) Total	<u>100.00%</u>				<u>\$5,647,526</u>				<u>\$118,378</u>

12 Months Ended June 30, 2025

	Intrastate Pro Forma Results
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	\$318,777
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$118,378</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$200,399</u>
8) Debt Cost (Col 5., Line 1)	\$118,378
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>97,382</u>
10) Difference (Line 8 Less Line 9)	20,996
11) Times: Composite State and Federal Income Tax Rate	<u>27.51%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$5,776</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$206,175</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>6.31%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>6.49%</u>

SCHEDULE E

COMPANY NAME: PPL Electric Utilities Corporation
 Calculation of Capital Structure and Related Ratios
 12 Months Ended June 30, 2025

(Thousands of Dollars)

	Total Company Actual Amount Outstanding <u>(1)</u>	<u>Ratios</u> (2)
Total Debt (Sch. F., Col. 4)	\$5,296,002	43.76%
Total Preferred & Preference Stock Stock (Sch. F., Co.. 4)	0	0.00%
<u>Common Equity</u>		
Common Stock	363,833	
Treasury Stock	0	
Premium on Common Stock	0	
Capital Surplus	0	
Capital Stock Expense	0	
Retained Earnings	6,442,092	
Other	<u>0</u>	
Total Common Equity	<u>6,805,925</u>	<u>56.24%</u>
Total Capital	<u>\$12,101,927</u>	<u>100.00%</u>

COMPANY NAME: PPL Electric Utilities Corporation
Cost of Debt and Preferred Stock as Adjusted
12 Months Ended June 30, 2025
(Thousands of Dollars)

<u>Item/Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding Balance</u>	<u>Effective Cost Rate</u>	<u>Percent to Total</u>	<u>Weighted Cost Rate</u>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Long Term Debt			(See Appendix A)				
Short Term Debt (If Applicable)							
Total							
Preferred Stock							
Total							

PPL ELECTRIC UTILITIES CORPORATION

Calculation of Composite Cost Rate of Long-Term Debt
As of June 30, 2025

(Thousands of Dollars)

Line No.	(1) First Mortgage Bonds	(2) Amount Outstanding	(3) Percent to Total	(4) Effective Interest Rate	(5) Average Weighted Cost Rate	
1	5.20% Series due 2041	250,000	4.93 %	5.31 %	0.26 %	
2	4.75% Series due 2043	350,000	6.90	4.86	0.34	
3	6.45% Series due 2037	250,000	4.93	6.53	0.32	
4	6.25% Series due 2039	300,000	5.91	6.37	0.38	
5	4.125% Series due 2044	300,000	5.91	4.26	0.25	
6	4.15% Series due 2045	350,000	6.90	4.25	0.29	
7	3.95% Series due 2047	475,000	9.36	4.07	0.38	
8	4.15% Series due 2048	400,000	7.88	4.25	0.33	
9	3.00% Series due 2049	400,000	7.88	3.14	0.25	
10	5.00% Series Due 2033	600,000	11.82	5.24	0.62	
11	5.25% Series Due 2053	750,000	14.78	5.46	0.81	
12	4.85% Series Due 2034	650,000	12.81	4.98	0.64	
14	Total	\$ 5,075,000	100.01 %		4.87 %	
	<u>Term Loans</u>					
15	Term Loan due 2024	\$ -	100.00 %	0.00	0.00 %	
	<u>Pollution Control Bonds</u>					
16	LCIDA Series 2016B due 2027	\$ 108,250	48.38 %	2.68 %	1.30 %	
17	LCIDA Series 2016A due 2029	115,500	51.62	3.07	1.58	
16	Series 2008 due 2023	0	0.00	0.00	0.00	
17	Total	\$ 223,750	100.00 %		2.88 %	
18	Total First Mortgage Bonds	\$ 5,075,000	95.78 %	4.87 %	4.66 %	
	Total Term Loans	\$ -	0.00	0.00	0.00	
19	Total Pollution Control Bonds	223,750	4.22	2.88	0.12	
20		\$ 5,298,750	100.00 %		4.78 %	
21	Long-Term Debt	\$ 5,298,750			4.78 %	\$ 253,280 (b)
22	Loss on Recquired Debt	(2,748)				532 (c)
23	Gain on Recquired Debt	0				0 (d)
24	Adjusted Long-Term Debt	\$ 5,296,002			4.79 % (e)	\$ 253,812

(a) Effective interest rate from Schedule B-6, page 2.

* (b) 4.78% * \$5,298,750

** (c) Annualized amortization of loss on reacquired debt

(d) Annualized amortization of gain on reacquired debt

(e) \$253,812 / \$5,296,002

* Unamortized loss on reacquired debt is a debit, therefore, should be subtracted from Long-Term Debt.

** Unamortized gain on reacquired debt is a credit, therefore, should be added from Long-Term Debt.

PPL ELECTRIC UTILITIES CORPORATION

Interest Payments

As of June 30, 2025

<u>Description</u>	<u>Amount</u>
Intrastate pro forma rate base results	\$5,647,526
Long-term debt ratio	43.76%
Embedded cost of long-term debt	4.79%
Pro forma interest (line 1 x line 2 x line 3)	<u>\$ 118,378</u>
Daily amount (line 4 ÷ 365)	<u>\$ 324</u>
Days to mid-point of interest payments	90.0
Less: Revenue lag days	58.1
Interest payments lag days (line 6 - line 7)	<u>31.9</u>
Total interest payments (line 5 x line 8)	<u>\$ 10,336</u>

PPL Electric Utilities Corporation
As of June 30, 2025

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
				(25) on "KWH"	(4) * (5)	(2) / (3)	(26) on "KWH"	(7) * (8)	(5) + (8)	(6) + (9)
Rate	Revenue \$	Sales kWh	Incremental Price \$/kWh	Sales Adjustment - Customer Usage kWh	Customer Usage Revenue \$	Average Price \$/kWh	Sales Adjustment - Customer Growth kWh	Customer Growth Revenue \$	Total Sales Adjustment kWh	Total Revenue Adjustment \$
RS	\$ 666,896,766	14,380,026,832	\$ 0.03248	(67,360,501)	\$ (2,188,168)	\$ 0.0464	48,368,989	\$ 2,243,189	(18,991,513)	\$ 55,021
RTS	\$ 7,371,575	231,759,714	\$ 0.02173	(1,728,033)	\$ (37,551)	\$ 0.0318	(437,636)	\$ (13,920)	(2,165,669)	\$ (51,471)
RTD	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
GS-1	\$ 73,162,604	1,900,730,309	\$ 0.00445	(5,136,574)	\$ (22,848)	\$ 0.0385	3,834,532	\$ 147,598	(1,302,041)	\$ 124,750
GS-3	\$ 117,901,253	8,236,078,739	\$ 0.00551	(61,004,525)	\$ (336,394)	\$ 0.0143	71,540,846	\$ 1,024,123	10,536,321	\$ 687,729
LP-4	\$ 35,418,992	6,082,854,450	\$ 0.00454	(11,967,081)	\$ (54,324)	\$ 0.0058	(77,382,595)	\$ (450,580)	(89,349,677)	\$ (504,904)
ISP	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
LP-5	\$ 1,769,022	6,068,124,552	\$ 0.00002	(27,764,229)	\$ (573)	\$ 0.0003	(93,499,608)	\$ (27,258)	(121,263,837)	\$ (27,831)
LP-6	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
LPEP	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
IS-1	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
BL	\$ 342,115	7,302,079	\$ 0.04449	(11,802)	\$ (525)	\$ 0.0469	(1,723,472)	\$ (80,748)	(1,735,274)	\$ (81,273)
SA	\$ 3,410,074	5,512,029	\$ (0.00339)	-	\$ -	\$ 0.6187	-	\$ -	-	\$ -
SM	\$ 286,932	1,301,257	\$ 0.00013	(49,191)	\$ (7)	\$ 0.2205	(11,516)	\$ (2,539)	(60,706)	\$ (2,546)
SHS	\$ 9,896,524	27,345,959	\$ 0.00449	(318,844)	\$ (1,433)	\$ 0.3619	(60,648)	\$ (21,948)	(379,491)	\$ (23,381)
SE	\$ 1,853,096	25,726,427	\$ 0.07738	413,141	\$ 31,969	\$ 0.0720	(113,166)	\$ (8,151)	299,975	\$ 23,818
TS	\$ 28,378	298,128	\$ 0.09518	(585)	\$ (56)	\$ 0.0952	-	\$ -	(585)	\$ (56)
SI-1	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
GH-1	\$ -	-	\$ -	-	\$ -	\$ -	-	\$ -	-	\$ -
GH-2	\$ 1,203,126	35,182,588	\$ 0.01027	(268,986)	\$ (2,762)	\$ 0.0342	(174,028)	\$ (5,951)	(443,014)	\$ (8,713)
SLE	\$ 8,014,460	14,224,363	\$ (0.00635)	33,222	\$ (211)	\$ 0.5634	201,179	\$ 113,350	234,400	\$ 113,140
Total	\$ 927,554,916	37,016,467,426		(175,163,988)	\$ (2,612,882)	\$ 2.1499	(49,457,122)	\$ 2,917,165	(224,621,110)	\$ 304,283

divided by 1,000 \$ 304

** Excludes Company Use

Revenue is distribution revenue excluding STAS and riders

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Operating Revenues for Unbilled Revenue
As of June 30, 2025
(Thousands of Dollars)

This adjustment was made to normalize distribution operating revenue by eliminating unbilled revenue.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Unbilled revenue- distribution	\$ 885
2	Net decrease in distribution operating revenue	<u>\$ 885</u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Wages and Benefits

As of June 30, 2025

(Thousands of Dollars, except wages per employee)

This adjustment was made to reflect the average number of transmission and distribution-related employees and the level of wages and benefits in effect at the end of the year.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Average monthly T & D-related wages to expense per employee	\$ 9,145
2	T & D-related personnel employed at the end of the year	720
3	Annualized T & D-related total wages to expense(line 1 x line 2 x 12 months)	79,013
4	Less: Actual T & D-related wages to expense for 12 months ended As of June 30, 2025	<u>78,337</u>
5	Increase in wages to expense (line 3 - line 4)	676
6	Increase in benefits expense (line 5 x 3.84%)	26
7	Increase in payroll taxes (line 5 x 7.64%)	<u>52</u>
8	Total increase in T&D-related wages, taxes and benefits expenses (line 5 + line 6 + line 7)	<u>\$ 754</u>
9	PUC Jurisdictional Portion (line 8 x 0.93643)	<u>\$ 706</u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Interest Expense on Customer Security Deposits
As of June 30, 2025
(Thousands of Dollars)

The Commission, in its Final Order at Docket No. R-80031114, determined that it was appropriate to include the interest expense on customer deposits in PPL Electric's operation and maintenance expense when the deposits are used as a reduction to rate base. The interest on customer security deposits is computed at an interest rate calculated in accordance with 66 Pa. C.S. § 1404 (c) (6) and the Company's Tariff - Electric Pa. P.U.C. No. 201.

<u>Line No.</u>	<u>Description</u>	<u>Residential Amount</u>	<u>Non-Residential Amount</u>
		\$ 6,554	
1	Customer security deposits	\$ 1,979	\$ 4,575
2	Interest rate	<u>3.000%</u>	<u>7.000%</u>
3	Total increase in transmission and distribution expense (line 1 x line 2)	<u>\$ 59</u>	<u>\$ 320</u>

PPL Electric Utilities Corporation

FFTY Adjustment
As of June 30, 2025
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Rate Base:	
1	Plant in Service	\$1,657,611
	Less:	
2	Depreciation Reserve	\$559,793
3	Accumulated Deferred Income Taxes	<u>85,796</u>
4	Total Rate Base	1,012,022
	Depreciation Expense:	
5	Depreciation Expense	65,670