

ATTACHMENT H-8G

PPL Electric Utilities Corporation

Formula Rate -- Appendix A

Notes

FERC Form 1 Page # or Instruction

2016 Data

Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b	7,239,824
2	Total Wages Expense	p354.28.b	75,948,162
3	Less A&G Wages Expense	p354.27.b	3,349,237
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	72,598,925
5	Wages & Salary Allocator	(Line 1 / Line 4)	9.9724%
Plant Allocation Factors			
6	Electric Plant in Service	p207.104.g	9,976,005,248
7	Accumulated Depreciation (Total Electric Plant)	(Note J) p219.29.c	2,589,958,677
8	Accumulated Amortization	(Note A) p200.21.c	77,718,419
9	Total Accumulated Depreciation	(Line 7 + 8)	2,667,677,096
10	Net Plant	(Line 6 - Line 9)	7,308,328,152
11	Transmission Gross Plant (excluding Land Held for Future Use)	(Line 25 - Line 24)	4,212,488,417
12	Gross Plant Allocator	(Line 11 / Line 6)	42.2262%
13	Transmission Net Plant (excluding Land Held for Future Use)	(Line 33 - Line 24)	3,637,624,179
14	Net Plant Allocator	(Line 13 / Line 10)	49.7737%

Plant Calculations

Plant In Service			
15	Transmission Plant In Service	(Note B) p207.58.g	3,813,019,209
16	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only Attachment 6	
17	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	(Note B) Attachment 6	306,201,694
18	Total Transmission Plant	(Line 15 - Line 16 + Line 17)	4,119,220,903
19	General	p207.99.g	746,235,209
20	Intangible	p205.5.g	189,025,270
21	Total General and Intangible Plant	(Line 19 + Line 20)	935,260,479
22	Wage & Salary Allocator	(Line 5)	9.9724%
23	Total General and Intangible Functionalized to Transmission	(Line 21 * Line 22)	93,267,514
24	Land Held for Future Use	(Note C) (Note P) Attachment 5	27,205,869
25	Total Plant In Rate Base	(Line 18 + Line 23 + Line 24)	4,239,694,286
Accumulated Depreciation			
26	Transmission Accumulated Depreciation	(Note J) p219.25.c	543,776,633
27	Accumulated General Depreciation	(Note J) p219.28.c	234,019,362
28	Accumulated Amortization	(Line 8)	77,718,419
29	Total Accumulated Depreciation	(Line 27 + 28)	311,737,781
30	Wage & Salary Allocator	(Line 5)	9.9724%
31	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission	(Line 29 * Line 30)	31,087,605
32	Total Accumulated Depreciation	(Sum Lines 26 + 31)	574,864,238
33	Total Net Property, Plant & Equipment	(Line 25 - Line 32)	3,664,830,048

Adjustment To Rate Base

Accumulated Deferred Income Taxes			
34	ADIT net of FASB 106 and 109	Attachment 1	-585,180,019
CWIP for Incentive Transmission Projects			
35	CWIP Balances for Current Rate Year	(Note H) Attachment 6	0
Prepayments			
36	Prepayments	(Note A) (Note O) Attachment 5	679,776
Materials and Supplies			
37	Undistributed Stores Expense	(Note A) p227.16.c	2,465,448
38	Wage & Salary Allocator	(Line 5)	9.9724%
39	Total Undistributed Stores Expense Allocated to Transmission	(Line 37 * Line 38)	245,863
40	Transmission Materials & Supplies	p227.8.c	7,420,173
41	Total Materials & Supplies Allocated to Transmission	(Line 39 + Line 40)	7,666,036
Cash Working Capital			
42	Operation & Maintenance Expense	(Line 70)	62,509,195
43	1/8th Rule	1/8	12.5%
44	Total Cash Working Capital Allocated to Transmission	(Line 42 * Line 43)	7,813,649
45	Total Adjustment to Rate Base	(Lines 34 + 35 + 36 + 41 + 44)	-569,020,557
46	Rate Base	(Line 33 + Line 45)	3,095,809,492

Operations & Maintenance Expense

Transmission O&M			
47	Transmission O&M	Attachment 5	146,816,181
48	Less Account 565	Attachment 5	104,254,618
49	Plus Charges billed to Transmission Owner and booked to Account 565	(Note N) Attachment 5	0
50	Transmission O&M	(Lines 47 - 48 + 49)	42,561,563
Allocated Administrative & General Expenses			
51	Total A&G	323.197b	201,743,799
52	Less: Administrative & General Expenses on Securitization Bonds	(Note O) Attachment 8	0
53	Plus: Fixed PBOP expense	(Note J) Attachment 5	1,518,585
54	Less: Actual PBOP expense	Attachment 5	924,092
55	Less Property Insurance Account 924	p323.185.b	1,082,581
56	Less Regulatory Commission Exp Account 928	(Note E) p323.189.b	6,629,787
57	Less General Advertising Exp Account 930.1	p323.191.b	0
58	Less EPRI Dues	(Note D) p352 & 353	0
59	Administrative & General Expenses	Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58)	194,625,924
60	Wage & Salary Allocator	(Line 5)	9.9724%
61	Administrative & General Expenses Allocated to Transmission	(Line 59 * Line 60)	19,408,792
Directly Assigned A&G			
62	Regulatory Commission Exp Account 928	(Note G) Attachment 5	0
63	General Advertising Exp Account 930.1	(Note K) Attachment 5	0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related	(Line 62 + Line 63)	0
65	Property Insurance Account 924	(Note G) Attachment 5	1,082,581
66	General Advertising Exp Account 930.1	(Note F) Attachment 5	0
67	Total Accounts 924 and 930.1 - General	(Line 65 + Line 66)	1,082,581
68	Net Plant Allocator	(Line 14)	49.7737%
69	A&G Directly Assigned to Transmission	(Line 67 * Line 68)	538,840
70	Total Transmission O&M	(Lines 50 + 61 + 64 + 69)	62,509,195

Depreciation & Amortization Expense

Depreciation Expense				
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	65,005,169
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	29,955,461
73	Intangible Amortization	(Note A)	p336.1.d&e	30,764,421
74	Total		(Line 72 + Line 73)	60,719,882
75	Wage & Salary Allocator		(Line 5)	9.9724%
76	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 74 * Line 75)	6,055,203
77	Total Transmission Depreciation & Amortization		(Lines 71 + 76)	71,060,372

Taxes Other than Income Taxes

78	Taxes Other than Income Taxes		Attachment 2	3,178,093
79	Total Taxes Other than Income Taxes		(Line 78)	3,178,093

Return \ Capitalization Calculations

Long Term Interest				
80	Long Term Interest		p117.62.c through 66.c	133,447,875
81	Less LTD Interest on Securitization Bonds	(Note O)	Attachment 8	0
82	Long Term Interest		(Line 80 - Line 81)	133,447,875
83	Preferred Dividends	enter positive	p118.29.c	-
Common Stock				
84	Proprietary Capital		p112.16.c	3,390,338,911
85	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	0
86	Less Preferred Stock		(Line 94)	0
87	Less Account 216.1		p112.12.c	34,102
88	Common Stock		(Line 84 - 85 - 86 - 87)	3,390,304,809
Capitalization				
89	Long Term Debt		p112.18.c, 19.c & 21.c	2,863,750,000
90	Less Loss on Reacquired Debt		p111.81.c	36,497,344
91	Plus Gain on Reacquired Debt		p113.61.c	0
92	Less LTD on Securitization Bonds	(Note O)	Attachment 8	0
93	Total Long Term Debt		(Line 89 - 90 + 91 - 92)	2,827,252,656
94	Preferred Stock		p112.3.c	0
95	Common Stock		(Line 88)	3,390,304,809
96	Total Capitalization		(Sum Lines 93 to 95)	6,217,557,465
97	Debt %	Total Long Term Debt	(Line 93 / Line 96)	45.5%
98	Preferred %	Preferred Stock	(Line 94 / Line 96)	0.0%
99	Common %	Common Stock	(Line 95 / Line 96)	54.5%
100	Debt Cost	Total Long Term Debt	(Line 82 / Line 93)	0.0472
101	Preferred Cost	Preferred Stock	(Line 83 / Line 94)	0.0000
102	Common Cost	Common Stock	(Note J) Fixed	0.1168
103	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 97 * Line 100)	0.0215
104	Weighted Cost of Preferred	Preferred Stock	(Line 98 * Line 101)	0.0000
105	Weighted Cost of Common	Common Stock	(Line 99 * Line 102)	0.0637
106	Rate of Return on Rate Base (ROR)		(Sum Lines 103 to 105)	0.0852
107	Investment Return = Rate Base * Rate of Return		(Line 46 * Line 106)	263,613,386

Composite Income Taxes

Income Tax Rates			
108	FIT=Federal Income Tax Rate	(Note I)	35.00%
109	SIT=State Income Tax Rate or Composite		9.99%
110	p	(percent of federal income tax deductible for state purposes)	0.00%
111	T	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p) =$	41.49%
112	T / (1-T)		70.92%
ITC Adjustment			
113	Amortized Investment Tax Credit - Transmission Related	Attachment 5	-20,101
114	ITC Adjust. Allocated to Trans. - Grossed Up	ITC Adjustment x 1 / (1-T) Line 113 * (1 / (1 - Line 111))	-34,357
115	Income Tax Component =	(T/1-T) * Investment Return * (1-(WCLTD/ROR)) = [Line 112 * Line 107 * (1- (Line 103 / Line 106))]	139,833,735
116	Total Income Taxes	(Line 114 + Line 115)	139,799,378

Revenue Requirement

Summary			
117	Net Property, Plant & Equipment	(Line 33)	3,664,830,048
118	Total Adjustment to Rate Base	(Line 45)	-569,020,557
119	Rate Base	(Line 46)	3,095,809,492
120	Total Transmission O&M	(Line 70)	62,509,195
121	Total Transmission Depreciation & Amortization	(Line 77)	71,060,372
122	Taxes Other than Income	(Line 79)	3,178,093
123	Investment Return	(Line 107)	263,613,386
124	Income Taxes	(Line 116)	139,799,378
125	Gross Revenue Requirement	(Sum Lines 120 to 124)	540,160,424
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
126	Transmission Plant In Service	(Line 15)	3,813,019,209
127	Excluded Transmission Facilities	(Note M) Attachment 5	0
128	Included Transmission Facilities	(Line 126 - Line 127)	3,813,019,209
129	Inclusion Ratio	(Line 128 / Line 126)	100.00%
130	Gross Revenue Requirement	(Line 125)	540,160,424
131	Adjusted Gross Revenue Requirement	(Line 129 * Line 130)	540,160,424
Revenue Credits			
132	Revenue Credits	Attachment 3	111,356,807
133	Net Revenue Requirement	(Line 131 - Line 132)	428,803,617
Net Plant Carrying Charge			
134	Gross Revenue Requirement	(Line 130)	540,160,424
135	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	3,575,444,270
136	Net Plant Carrying Charge	(Line 134 / Line 135)	15.1075%
137	Net Plant Carrying Charge without Depreciation	(Line 134 - Line 71) / Line 135	13.2894%
138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 134 - Line 71 - Line 107 - Line 116) / Line 135	2.0065%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE			
139	Gross Revenue Requirement Less Return and Taxes	(Line 130 - Line 123 - Line 124)	136,747,660
140	Increased Return and Taxes	Attachment 4	432,265,636
141	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 139 + Line 140)	569,013,296
142	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	3,575,444,270
143	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 141 / Line 142)	15.9145%
144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	(Line 141 - Line 71) / Line 142	14.0964%
145	Net Revenue Requirement	(Line 133)	428,803,617
146	True-up amount	Attachment 6	(2,582,842)
147	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	-
148	Net Zonal Revenue Requirement	(Line 145 + 146 + 147)	426,220,776
Network Zonal Service Rate			
149	1 CP Peak	(Note L) PJM Data	7,024.7
150	Rate (\$/MW-Year)	(Line 148 / 149)	\$ 60,675
151	Network Service Rate (\$/MW/Year)	(Line 150)	\$ 60,675

Notes

- A Electric portion only.
- B Line 16, for the Reconciliation, includes New Transmission Plant that actually was placed in service weighted by the number of months it actually was in service.
Line 17 includes New Transmission Plant to be placed in service in the current calendar year.
- C Includes Transmission portion only.
- D Includes all EPRI Annual Membership Dues.
- E Includes all Regulatory Commission Expenses.
- F Includes Safety-related advertising included in Account 930.1.
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at page 351.h.
Property Insurance excludes prior period adjustment in the first year of the formula's operation and reconciliation for the first year.
- H CWIP can be included only if authorized by the Commission.
- I The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ the percentage of federal income tax deductible for state income taxes.
The calculation of the Reconciliation revenue requirement according to Step 7 of Attachment 6 ("Estimate and Reconciliation Worksheet") shall reflect the actual tax rates in effect for the Rate Year being reconciled ("Test Year"). When statutory marginal tax rates change during such Test Year, the effective tax rate used in the formula shall be weighted by the number of days each such rate was in effect. For example, a 35% rate in effect for 120 days superseded by a 40% rate in effect for the remainder of the year will be calculated as: $((.3500 \times 120) + (.4000 \times 245))/365 = .3836$.
- J ROE will be as follows: (i.) 11.60% for the period November 1, 2008 through May 31, 2009; (ii.) 11.64% for the period June 1, 2009 through May 31, 2010; (iii.) 11.68% on June 1, 2010 through May 31, 2011 and thereafter. No change in ROE will be made absent a filing at FERC.
PBOP expense is fixed until changed as the result of a filing at FERC.
Depreciation rates shown in Attachment 9 are fixed until changed as the result of a filing at FERC.
Upon request, PPL Electric Utilities Corporation will provide workpapers at the annual update to reconcile formula depreciation expense and depreciation accruals to Form No. 1 amounts.
As set forth in Attachment 5, added to the depreciation expense will be actual removal costs (net of salvage) amortized over five years.
- K Education and outreach expenses related to transmission (e.g., siting or billing).
- L As provided for in Section 34.1 of the PJM OATT, the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Includes only charges incurred for system integration, such as those under the EHV Agreement, and transmission costs paid to others that benefit transmission customers.
- O Amounts associated with transition bonds issued to securitize the recovery of retail stranded costs are removed from account balances, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.
- P Any gain from the sale of land included in Land Held for Future Use in the Formula Rate received during the Rate Year shall be used to reduce the ATRR in the Rate Year. The Formula Rate shall not include any losses on sales of such land.

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

	Transmission Related	Plant Related	Labor Related	Total Transmission ADIT	
ADIT- 282	(681,333,647)	0	(68,090,283)		From Acct. 282 total, below
ADIT-283	0	(15,144,026)	(377,014)		From Acct. 283 total, below
ADIT-190	105,314,627	0	52,189,712		From Acct. 190 total, below
Subtotal	(576,019,020)	(15,144,026)	(16,277,585)		Sum lines 1 through 3
Wages & Salary Allocator			9.9724%		
Net Plant Allocator		49.7737%			
ADIT	(576,019,020)	(7,537,740)	(1,623,259)	(585,180,019)	Sum Cols. D, E, F; Enter as negative Appendix A, line 42.
	row 4	row 5 * row 4	row 5 * row 4		

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B	C	D	E	F	G
ADIT-190	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 190						
Accumulated Deferred Investment Tax Credits (Non-Transmission)	22,183	22,183				Basis difference between book plant and tax plant basis related to investment tax credits on distribution property
Accumulated Deferred Investment Tax Credits (Transmission)	113,909		113,909			Basis difference between book plant and tax plant basis related to investment tax credits on transmission property
Regulatory Liability - Income Taxes Related to ITC (Non-Tx)	15,736	15,736				Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on distribution property
Regulatory Liability - Income Taxes Related to ITC (Tx)	80,782		80,782			Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on transmission property
Contributions in Aid of Construction (Non-Tx)	90,802,798	90,802,798				Distribution related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.
Contributions in Aid of Construction (Tx-related)	21,589,131		21,589,131			Transmission related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.
Pensions and Post-Retirement	14,600,026	14,600,026				Expense and equity(FAS158) adjustments for book purposes not deductible for tax purposes
FAS158 Regulatory Liability	227,780,920	227,780,920				Liability recorded for regulatory purposes for FAS 158 pension and post-retirement costs
Bad Debts	12,429,729	12,429,729				Retail related book expense not deductible for tax return purposes
Service Company Labor Related Costs	48,704,279				48,704,279	Book expense not deductible for tax return purposes - labor related to all functions
Service Company Other Related Costs	(27,810,875)	(27,810,875)				Book expense not deductible for tax return purposes
Vacation Pay	3,078,489				3,078,489	Book expense not deductible for tax return purposes - labor related to all functions
Severance Pay	17,863				17,863	Book expense not deductible for tax return purposes - labor related to all functions
Deferred Compensation	389,081				389,081	Book expense not deductible for tax return purposes - labor related to all functions
Taxes Other Than Income Taxes	3,479,191	3,479,191				Book expense not deductible for tax return purposes - retail related gross receipts and sales & use taxes
State Income Tax Adjustment	(40)	(40)				Distribution related state income tax expense/(benefit) deferred for book purposes and not deductible/(taxable) for tax return purposes.
AMT Tax Carryforward	869,387	869,387				Tax credits carryforward to a future period.
RAR Adjustments	0	0				Distribution related IRS audit adjustments
Obsolete Inventory	187,098	187,098				Distribution related book expense not deductible for tax return purposes
Environmental Liability	4,149,681	4,149,681				Distribution related book expense for manufactured gas plants not deductible for tax return purposes
Post Employment Liabilities	2,787,960	2,787,960				Book expense not deductible for tax return purposes
State NOL Carryforwards	21,245,141	21,245,141				State net operating loss carryforward
Tax Credit Carryforward	143,044	143,044				Tax credits carryforward to a future period.
Conservation Program Regulatory Asset	7,300,198	7,300,198				Distribution related expense deferred for book purposes and deducted for tax purposes.
Universal Service Rider over/undercollection	5,653,958	5,653,958				Distribution related expense deferred for book purposes and deducted for tax purposes.
Generation Service Charge over/undercollection	9,433,188	9,433,188				Distribution related expense deferred for book purposes and deducted for tax purposes.
Transmission Formula Rate over/undercollection	6,203,169		6,203,169			Transmission related expense deferred for book purposes and deducted for tax purposes.
Distribution System Improvement Charge over/undercollection	491,627	491,627				Distribution related expense deferred for book purposes and deducted for tax purposes.
Competitive Enhancement Rider over/undercollections	58,169	58,169				Distribution related expense deferred for book purposes and deducted for tax purposes.
Storm Damage over/undercollection	5,216,120	5,216,120				Distribution related expense deferred for book purposes and deducted for tax purposes.
Book Contingencies	734,849	734,849				Distribution related book expense not deductible for tax return purposes.
Charitable Contributions	2,586,397	2,586,397				Distribution related tax deduction carryforward to a future period.
Federal NOL Carryforward	143,675,119	66,152,792	77,522,327			Federal net operating loss carryforward
Subtotal - p234	606,028,307	448,329,277	105,509,318	0	52,189,712	
Less FASB 109 Above if not separately removed	232,610		37,919			
Less FASB 106 Above if not separately removed	13,321,017	13,321,017				
Total	592,474,680	434,970,341	105,514,627	0	52,189,712	

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PPL Electric Utilities Corporation

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
Plant Related			
Net Plant Allocator			
1 Real Property (State, Municipal or Local)	3,008,305		
2 PURTA	1,996,190		
3			
4			
5			
6			
7			
8 Total Plant Related	<u>5,004,495</u>	49.7737%	<u>2,490,922</u>
Labor Related			
Wages & Salary Allocator			
9 Federal FICA	5,210,615		
10 Federal Unemployment	31,631		
11 State Unemployment	265,416		
12			
13			
14 Total Labor Related	<u>5,507,662</u>	9.9724%	<u>549,244</u>
Other Included			
Net Plant Allocator			
15 PA Capital Stock Tax	276,754		
16 Tax on Insurance Premiums	0		
17 Local Business License Tax	355		
18			
19 Total Other Included	<u>277,109</u>	49.7737%	<u>137,927</u>
20 Total Included (Lines 8 + 14 + 19)	10,789,266		3,178,093
Currently Excluded			
21 Gross Receipts	99,261,744		
22 Sales and Use	387,692		
23			
24			
25			
26			
27			
28 Subtotal, Excluded	<u>99,649,436</u>		
29 Total, Included and Excluded (Line 20 + Line 28)	110,438,702		
30 Total Other Taxes from p114.14.c less Tax on Securitization Bonds	<u>110,438,702</u>		
31 Difference (Line 29 - Line 30)	-		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant, including transmission plant, will be allocated based on the Net Plant Allocator. If the taxes are 100% recovered at retail, they shall not be included.
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail, they shall not be included.
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- D Other taxes, except as provided for in A, B and C above, which are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service, will be allocated based on the Net Plant Allocator; provided, however, that overheads shall be treated, as described in footnote B above.
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year.

PPL Electric Utilities Corporation

Attachment 3 - Revenue Credit Worksheet

Account 454 - Rent from Electric Property		
1	Rent from Electric Property - Transmission Related	2,101,978
Account 456 - Other Electric Revenues (Note 1)		
2	Transmission for Others (Note 3)	-
3	Schedule 12 Revenues (Note 3)	100,602,869
4	Schedule 1A	2,668,815
5	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (Note 3)	-
6	Point-to-Point Service revenues for which the load is not included in the divisor received by Transmission Owner (e.g. Schedule 8)	2,380,547
7	Professional Services provided to others	3,132,655
8	Facilities Charges including Interconnection Agreements (Note 2)	469,943
9	Gross Revenue Credits	(Sum Lines 1-10) <u>111,356,807</u>
10	Amount offset from Note 3 below	-
11	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula, will be included as a revenue credit or included in the peak on line 150 of Appendix A.	
12	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
13	Note 3: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support, e.g., revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited directly by PJM to zonal customers.	

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	Line 29 + Line 39 from below	432,265,636
B	100 Basis Point increase in ROE		1.00%

Return Calculation

		Appendix A Line or Source Reference	
1	Rate Base	(Attachment A Line 46)	3,095,809,492
Long Term Interest			
2	Long Term Interest	(Attachment A Line 80)	133,447,875
3	Less LTD Interest on Securitization Bonds	Attachment 8	-
4	Long Term Interest	(Line 2 - Line 3)	133,447,875
5	Preferred Dividends	enter positive	0
Common Stock			
6	Proprietary Capital	p112.16.c	3,390,338,911
7	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	0
8	Less Preferred Stock	(Attachment A Line 86)	0
9	Less Account 216.1	p112.12.c	34,102
10	Common Stock	(Line 6 - 7 - 8 - 9)	3,390,304,809
Capitalization			
11	Long Term Debt	p112.18.c, 19.c & 21.c	2,863,750,000
12	Less Loss on Reacquired Debt	p111.81.c	36,497,344
13	Plus Gain on Reacquired Debt	p113.61.c	0
14	Less LTD on Securitization Bonds	Attachment 8	0
15	Total Long Term Debt	(Line 11 - 12 + 13 - 14)	2,827,252,656
16	Preferred Stock	p112.3.c	0
17	Common Stock	(Line 10)	3,390,304,809
18	Total Capitalization	(Sum Lines 15 to 17)	6,217,557,465
19	Debt %	Total Long Term Debt	(Line 15 / Line 18) 45.5%
20	Preferred %	Preferred Stock	(Line 16 / Line 18) 0.0%
21	Common %	Common Stock	(Line 17 / Line 18) 54.5%
22	Debt Cost	Total Long Term Debt	(Line 4 / Line 15) 0.0472
23	Preferred Cost	Preferred Stock	(Line 5 / Line 16) 0.0000
24	Common Cost	Common Stock	Fixed 0.1268
25	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 19 * Line 22) 0.0215
26	Weighted Cost of Preferred	Preferred Stock	(Line 20 * Line 23) 0.0000
27	Weighted Cost of Common	Common Stock	(Line 21 * Line 24) 0.0691
28	Rate of Return on Rate Base (ROR)	(Sum Lines 25 to 27)	0.0906
29	Investment Return = Rate Base * Rate of Return	(Line 1 * Line 28)	280,494,191

Composite Income Taxes

Income Tax Rates			
30	FIT=Federal Income Tax Rate		35.00%
31	SIT=State Income Tax Rate or Composite		9.99%
32	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%
33	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	41.49%
34	CIT = T / (1-T)		70.92%
35	1 / (1-T)		170.92%
ITC Adjustment			
36	Amortized Investment Tax Credit	Attachment 5	(20,101)
37	ITC Adjust. Allocated to Trans. - Grossed Up	(Line 36 * (1 / (1 - Line 33))	-34,357
38	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	151,805,802
39	Total Income Taxes		151,771,445

Attachment 5 - Cost Support

ITC Adjustment

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
113	Amortized Investment Tax Credit	Company Records	-109,739	-20,101	-89,638	Enter Negative

Transmission / Non-transmission Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related Major Items	Transmission Related Minor Items	Non-transmission Related	Details
24	Land Held for Future Use	(Note C) p.214.d - p214.6.d & Company Records (Note P) Company Records	30,108,705	23,621,128 0 0 23,621,128	3,584,741 0 0 3,584,741	2,902,836	Removal of land held for future use (if any) that is included in CWIP balance Gains from the sale of Land Held for Future Use Balance for Appendix A

Adjustments to A & G Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Prior Period Adjustment	Adjusted Total	Details
Allocated Administrative & General Expenses						
53	Fixed PBOP expense	FERC Authorized	1,518,585			
54	Actual PBOP expense	Company Records	924,092			Current year actual PBOP expense
65	Property Insurance Account 924	p323.185.b	1,082,581	0	1,082,581	Annual Premium associated with storm insurance excluding recoveries related to prior periods. (See FM 1 note to page 320 line 185)

Regulatory Expense Related to Transmission Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
Directly Assigned A&G						
62	Regulatory Commission Exp Account 928	(Note G) p350-151h	6,629,787	0	6,629,787	

Safety Related Advertising Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Safety Related	Non-safety Related	Details
Directly Assigned A&G						
66	General Advertising Exp Account 930.1	(Note F) p323.191.b	-	-	-	

MultiState Workpaper

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			State 1	State 2	State 3	State 4	State 5	Details
Income Tax Rates								
109	SIT=State Income Tax Rate or Composite	(Note I)	PA 9.99%					

Education and Out Reach Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Education & Outreach	Other	Details
Directly Assigned A&G						
63	General Advertising Exp Account 930.1	(Note K) p323.191.b	-	-	-	

Attachment 5 - Cost Support

Excluded Plant Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions		Excluded Transmission Facilities	Description of the Facilities
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
127	Excluded Transmission Facilities (Note M)		General Description of the Facilities
Instructions:		Enter \$	
1 Remove all investment below 69 kV or generator step-up transformers included in transmission plant in service that are not a result of the RTEP process		0	None
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher, as well as below 69 kV, the following formula will be used:		Or	
Example		Enter \$	
A Total investment in substation	1,000,000		
B Identifiable investment in Transmission (provide workpaper)	500,000		
C Identifiable investment in Distribution (provide workpapers)	400,000		
D Amount to be excluded (A x C / (B + C))	444,444		
Add more lines if necessary			

Prepayments and Prepaid Pension Asset

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions		Form No. 1 Amount	Prepayments on Securitization Bonds Adjustment	POLR and Retail Related Adjustment	Prepayments	W&S Allocator	Functionalized to TX	Description of the Prepayments
36	Prepayments (Note A) (Note O) Form 1 -- p111.57.c	10,021,508	0	3,204,904	6,816,604	9.9724%	679,776	Less amounts related to POLR, Retail Issues and Bond Securitization.

Adjustments to Transmission O&M

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions		Total	Adjustments	Transmission Related	Details
47	Transmission O&M p.321.112.b	146,934,874	118,693	146,816,181	Adjustment for Ancillary Services p321.88b and p321.92b.
48	Less Account 565 p.321.96.b	104,254,618	0	104,254,618	None

Facility Credits under Section 30.9 of the PJM OATT

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Description & PJM Documentation
Net Revenue Requirement			
147	Facility Credits under Section 30.9 of the PJM OATT	-	None

PJM Load Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions		1 CP Peak	Description & PJM Documentation
Network Zonal Service Rate			
149	1 CP Peak (Note L) PJM Data	7,024.7	

Depreciation Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions		Total	Actual Cost of Removal, Net of Salvage Costs					Total	5 - Year Amortization
			Year 1 2011	Year 2 2012	Year 3 2013	Year 4 2014	Year 5 2015		
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records	57,601,464							
	Transmission Plant Cost of Removal, Net of Salvage (Note J) Company Records	7,403,705	3,323,131	7,726,933	1,560,069	16,131,452	8,276,939	37,018,524	7,403,705
	Total Transmission Depreciation Expense Including Amortization of Limited Term (Note J) Company Records	65,005,169							
72	General Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records	30,472,647							
	General Plant Cost of Removal, Net of Salvage (Note J) Company Records	-517,186	-563,798	-952,715	-384,081	-686,454	1,119	-2,585,929	-517,186
	Total General Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records	29,955,461							

PPL Electric Utilities Corporation
Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2009)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)

1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
\$ 327,418,848 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 16, 17 or 35 of Appendix A)

2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	Total	
	Monthly Additions Other Plant In Service	Monthly Additions Northeast Pocono Reliability Project CWIP	Monthly Additions Susq-Rose CWIP < 500kV (b0487.1)	Monthly Additions Susq-Rose PIS < 500kV (b0487.1)	Monthly Additions Susq-Rose CWIP >= 500kV (b0487)	Monthly Additions Susq-Rose PIS >= 500kV (b0487)	Weighting	Other Plant In Service Amount (A x G)	NPR CWIP Amount (B x G)	Susq-Rose CWIP Amount (C x G) < 500kV (b0487.1)	Susq-Rose PIS Amount (D x G) < 500kV (b0487.1)	Susq-Rose CWIP Amount (E x G) >= 500kV (b0487)	Susq-Rose PIS Amount (F x G) >= 500kV (b0487)	Other Plant In Service (H/ I2)	NPR CWIP (I / I2)	Susq-Rose CWIP (J / I2) < 500kV (b0487.1)	Susq-Rose PIS (K / I2) < 500kV (b0487.1)	Susq-Rose CWIP (L / I2) >= 500kV (b0487)	Susq-Rose PIS (M / I2) >= 500kV (b0487)		
CWIP Balance Dec (prior yr.)		44,971,138	(274,179)		1,417,772		12		539,653,656	(3,290,148)		17,013,264			44,971,138	(274,179)		1,417,772			
Jan	3,973,996	5,141,475	-	-	-	26,359	11.5	45,700,954	59,126,963	-	-	-	303,128.50	3,808,413	4,927,247	-	-	-	-	25,261	
Feb	13,439,157	2,387,945	-	-	-	28,553	10.5	141,111,149	25,073,423	-	-	-	299,807	11,759,262	2,089,452	-	-	-	-	24,984	
Mar	25,788,566	163,800	-	-	-	26,585	9.5	244,991,380	1,556,100	-	-	-	252,558	20,415,948	129,675	-	-	-	-	21,046	
Apr	42,423,410	1,721,100	-	-	-	25,882	8.5	360,598,985	14,629,350	-	-	-	219,997	30,049,915	1,219,113	-	-	-	-	18,333	
May	56,172,583	-54,385,458	-	-	-	26,259	7.5	421,294,373	(407,890,935)	-	-	-	196,943	35,107,864	(33,990,911)	-	-	-	-	16,412	
Jun	41,692,637	0	-	-	-	54,165	6.5	271,002,141	-	-	-	-	352,073	22,583,512	-	-	-	-	-	29,339	
Jul	19,774,919	0	-	-	-	48,948	5.5	108,762,055	-	-	-	-	269,214	9,063,505	-	-	-	-	-	22,435	
Aug	57,920,013	0	-	-	-	26,688	4.5	260,640,059	-	-	-	-	120,096	21,720,005	-	-	-	-	-	10,008	
Sep	26,146,008	0	-	-	-	27,478	3.5	91,511,028	-	-	-	-	96,173	7,625,919	-	-	-	-	-	8,014	
Oct	51,244,448	0	-	-	-	25,235	2.5	128,111,120	-	-	-	-	63,088	10,675,927	-	-	-	-	-	5,257	
Nov	55,302,227	0	-	-	-	28,071	1.5	82,953,341	-	-	-	-	42,107	6,912,778	-	-	-	-	-	3,509	
Dec	101,004,573	0	-	-	-	729,305	0.5	50,502,287	-	-	-	-	364,653	4,208,524	-	-	-	-	-	30,388	
Total	494,882,537	-	(274,179)	-	1,417,772	1,073,528		2,207,178,869	232,148,556	(3,290,148)	-	17,013,264	2,579,834	183,931,572	19,345,713	(274,179)	-	1,417,772	214,986	-	
New Transmission Plant Additions and CWIP (weighted by months in service)														183,931,572					214,986	184,146,559	
														Input to Line 17 of Appendix A						214,986	184,146,559
														Input to Line 35 of Appendix A	19,345,713	(274,179)		1,417,772		20,489,306	
														Month In Service or Month for CWIP	7.54	-	-	-	9.60		

3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
\$ 353,534,209 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

4 May Year 2 Post results of Step 3 on PJM web site
\$ 353,534,209 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)
\$ 353,534,209

6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
 \$ 388,714,596 Rev Req based on Prior Year data Must run Appendix A to get this number (without inputs in lines 16, 17 or 35 of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2
 For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ 518,077,041 Input to Formula Line 16

Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Northeast Pocono Reliability Project CWIP	(C) Monthly Additions Susq-Rose CWIP < 500kV (b0487.1)	(D) Monthly Additions Susq-Rose PIS < 500kV (b0487.1)	(E) Monthly Additions Susq-Rose CWIP ≥ 500kV (b0487)	(F) Monthly Additions Susq-Rose PIS ≥ 500kV (b0487)	(G) Weighting	(H) Other Plant In Service Amount (A x G)	(I) NPR CWIP Amount (B x G)	(J) Susq-Rose CWIP Amount (C x G) < 500kV (b0487.1)	(K) Susq-Rose PIS Amount (D x G) < 500kV (b0487.1)	(L) Susq-Rose CWIP Amount (E x G) ≥ 500kV (b0487)	(M) Susq-Rose PIS Amount (F x G) ≥ 500kV (b0487)	(N) Other Plant In Service (H/ 12)	(O) NPR CWIP (I / 12)	(P) Susq-Rose CWIP (J / 12) < 500kV (b0487.1)	(Q) Susq-Rose PIS (K / 12) < 500kV (b0487.1)	(R) Susq-Rose CWIP (L / 12) ≥ 500kV (b0487)	(S) Susq-Rose PIS (M / 12) ≥ 500kV (b0487)	Total	
CWIP Balance Dec (prior yr.)		44,971,138	(274,179)		1,417,772		12		539,653,656	(3,290,148.00)		17,013,264			44,971,138	(274,179)		1,417,772			
Jan	4,930,503	16,899,479	274,179	(13,831)	(1,417,772)	(2,660,148)	11.5	56,700,785	194,344,009	3,153,059	(159,057)	(16,304,378)	(30,591,702)	4,725,065	16,195,334	262,755	(13,255)	(1,358,698)	(2,549,309)	16,195,334	
Feb	13,406,525	2,476,073	0	-	-	297,769	10.5	140,768,513	25,998,767	-	-	-	3,126,575	11,730,709	2,166,564	-	-	-	-	260,548	
Mar	25,653,245	152,873	0	-	-	16,111	9.5	243,705,828	1,452,294	-	-	-	153,054.50	20,308,819	121,024	-	-	-	-	12,755	
Apr	84,522,403	-52,937,544	0	-	-	3,004,950	8.5	718,440,426	(449,969,124)	-	-	-	25,542,075	59,870,035	(37,497,427)	-	-	-	-	2,128,506	
May	35,798,372	1,958,308	0	-	-	51,986	7.5	268,487,790	14,687,310	-	-	-	389,895	22,373,983	1,223,943	-	-	-	-	32,491	
Jun	23,327,216	-1,373,347	0	-	-	111,458	6.5	151,626,904	(8,926,756)	-	-	-	724,477	12,635,575	(743,896)	-	-	-	-	60,373	
Jul	68,083,098	-5,354,987	0	-	-	58,904	5.5	374,457,039	(29,452,429)	-	-	-	323,972	31,204,753	(2,454,369)	-	-	-	-	26,998	
Aug	53,301,438	-402,505	0	-	-	(30,331)	4.5	239,856,471	(1,811,273)	-	-	-	(136,490)	19,988,039	(150,939)	-	-	-	-	(11,374)	
Sep	28,436,606	-90,782	0	-	-	32,436	3.5	99,528,121	(317,737)	-	-	-	113,526	8,294,010	(26,478)	-	-	-	-	9,461	
Oct	64,500,298	-3,642,389	0	-	-	(15,588)	2.5	161,250,745	(9,105,973)	-	-	-	(38,970)	13,437,562	(758,831)	-	-	-	-	(3,248)	
Nov	52,261,566	-84,844	0	-	-	24,317	1.5	78,392,349	(127,266)	-	-	-	36,476	6,532,696	(10,606)	-	-	-	-	3,040	
Dec	62,957,996	-2,571,473	0	-	-	19,742	0.5	31,478,998	(1,285,737)	-	-	-	9,871	2,623,250	(107,145)	-	-	-	-	823	
Total	517,179,266	-	-	(13,831)	-	911,606		2,564,693,967	275,139,742	(137,090)	(159,057)	708,886	(347,241)	213,724,497	22,928,312	(11,424)	(13,255)	59,074	(28,937)		
New Transmission Plant Additions and CWIP (weighted by months in service)														213,724,497	22,928,312	(11,424)	(13,255)	59,074	(28,937)	213,682,306	
														Input to Line 17 of Appendix A						(28,937)	213,682,306
														Input to Line 35 of Appendix A							22,975,962
														Month In Service or Month for CWIP	7.04	-	0.50	-	-	12.38	

\$ 351,856,385 Result of Formula for Reconciliation Must run Appendix A to get this number (with inputs in lines 16, 17 and 35 of Appendix A)
 (Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)

8 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 8		The forecast in Prior Year		=		(2,488,383) added interest from Allegheny of \$810,559	
351,856,385	-	353,534,209					
Interest on Amount of Refunds or Surcharges							
Interest rate pursuant to 35.19a for March of the Current Yr		0.3000%					
Month	Yr	1/12 of Step 8 (See Note #1)	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed	
Jun	Year 1	(207,365)	0.3000%	11.5	(7,154)	(214,519)	
Jul	Year 1	(207,365)	0.3000%	10.5	(6,532)	(213,897)	
Aug	Year 1	(207,365)	0.3000%	9.5	(5,910)	(213,275)	
Sep	Year 1	(207,365)	0.3000%	8.5	(5,288)	(212,653)	
Oct	Year 1	(207,365)	0.3000%	7.5	(4,666)	(212,031)	
Nov	Year 1	(207,365)	0.3000%	6.5	(4,044)	(211,409)	
Dec	Year 1	(207,365)	0.3000%	5.5	(3,422)	(210,787)	
Jan	Year 2	(207,365)	0.3000%	4.5	(2,799)	(210,165)	
Feb	Year 2	(207,365)	0.3000%	3.5	(2,177)	(209,543)	
Mar	Year 2	(207,365)	0.3000%	2.5	(1,555)	(208,920)	
Apr	Year 2	(207,365)	0.3000%	1.5	(933)	(208,298)	
May	Year 2	(207,365)	0.3000%	0.5	(311)	(207,676)	
Total		(2,488,383)				(2,533,174)	
		Balance	Interest rate from above	Amortization over Rate Year	Balance		
Jun	Year 2	(2,533,174)	0.3000%	(215,237)	(2,325,536)		
Jul	Year 2	(2,325,536)	0.3000%	(215,237)	(2,117,276)		
Aug	Year 2	(2,117,276)	0.3000%	(215,237)	(1,908,391)		
Sep	Year 2	(1,908,391)	0.3000%	(215,237)	(1,698,880)		
Oct	Year 2	(1,698,880)	0.3000%	(215,237)	(1,488,739)		
Nov	Year 2	(1,488,739)	0.3000%	(215,237)	(1,277,969)		
Dec	Year 2	(1,277,969)	0.3000%	(215,237)	(1,066,566)		
Jan	Year 3	(1,066,566)	0.3000%	(215,237)	(854,529)		
Feb	Year 3	(854,529)	0.3000%	(215,237)	(641,856)		
Mar	Year 3	(641,856)	0.3000%	(215,237)	(428,544)		
Apr	Year 3	(428,544)	0.3000%	(215,237)	(214,593)		
May	Year 3	(214,593)	0.3000%	(215,237)	0		
Total with interest					(2,582,842)		
The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest					(2,582,842)		
Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 9)				\$	-		
Revenue Requirement for Year 3					(2,582,842)		

Note #1: For the initial rate year, enter zero for the first five months, June Year 1 through October Year 1. Enter 1/12 of Step 8 for the months Nov Year 1 through May Year 2.

9 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2009)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	Total
	Monthly Additions Other Plant In Service	Monthly Additions Northeast Pocono Reliability Project CWIP	Monthly Additions Susq-Rose CWIP < 500kV (b0487.1)	Monthly Additions Susq-Rose PIS < 500kV (b0487.1)	Monthly Additions Susq-Rose CWIP >= 500kV (b0487)	Monthly Additions Susq-Rose PIS >= 500kV (b0487)	Weighting	Other Plant In Service Amount (A x G)	NPR CWIP Amount (B x G)	Susq-Rose CWIP Amount (C x G)	Susq-Rose PIS Amount (D x G)	Susq-Rose CWIP Amount (E x G)	Susq-Rose PIS Amount (F x G)	Other Plant In Service (H/ 12)	NPR CWIP (I / 12)	Susq-Rose CWIP (J / 12)	Susq-Rose PIS (K / 12)	Susq-Rose CWIP (L / 12)	Susq-Rose PIS (M / 12)	Total
CWIP Balance Dec (prior yr.)							12													
Jan	45,551,675	-	-	-	-	-	11.5	523,844,268	-	-	-	-	-	-	-	-	-	-	-	43,653,689
Feb	37,252,554	-	-	-	-	-	10.5	391,151,822	-	-	-	-	-	-	-	-	-	-	-	32,595,985
Mar	83,378,369	-	-	-	-	-	9.5	792,094,506	-	-	-	-	-	-	-	-	-	-	-	66,007,875
Apr	53,095,625	-	-	-	-	-	8.5	451,312,810	-	-	-	-	-	-	-	-	-	-	-	37,609,401
May	54,938,942	-	-	-	-	-	7.5	412,042,063	-	-	-	-	-	-	-	-	-	-	-	34,336,839
Jun	32,780,739	-	-	-	-	-	6.5	213,074,800	-	-	-	-	-	-	-	-	-	-	-	17,756,233
Jul	42,608,308	-	-	-	-	-	5.5	234,345,692	-	-	-	-	-	-	-	-	-	-	-	19,528,808
Aug	6,474,808	-	-	-	-	-	4.5	29,136,635	-	-	-	-	-	-	-	-	-	-	-	2,428,053
Sep	74,112,868	-	-	-	-	-	3.5	259,395,039	-	-	-	-	-	-	-	-	-	-	-	21,616,253
Oct	33,848,472	-	-	-	-	-	2.5	84,621,179	-	-	-	-	-	-	-	-	-	-	-	7,051,765
Nov	152,031,132	-	-	-	-	-	1.5	228,046,699	-	-	-	-	-	-	-	-	-	-	-	19,003,892
Dec	110,709,627	-	-	-	-	-	0.5	55,354,814	-	-	-	-	-	-	-	-	-	-	-	4,612,901
Total	726,783,119	-	-	-	-	-		3,674,420,327	-	-	-	-	-	-	-	-	-	-	-	306,201,694
New Transmission Plant Additions and CWIP (weighted by months in service)																				

														306,201,694						306,201,694	

10 May Year 3 Post results of Step 9 on PJM web site
\$ 426,220,776 Post results of Step 3 on PJM web site

11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)
\$ 426,220,776

Attachment 7 - Transmission Enhancement Charge

1	New Plant Carrying Charge				
2	Fixed Charge Rate (FCR) if not a CIAC				
3	A	Formula Line	Net Plant Carrying Charge without Depreciation		13.2894%
4	B	137	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		14.0864%
5	C	144	Line B less Line A		0.8070%
6	FCR if a CIAC				
7	D	138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		2.0065%

The FCR resulting from Formula in a given year is used for that year only.
Therefore actual revenues collected in a year do not change based on cost data for subsequent years

Details		Susquehanna - Roseland CWIP (b0487) >= 500kV				Actual Susquehanna - Roseland PIS (b0487) >= 500kV				Projected Susquehanna - Roseland PIS (b0487) >= 500kV				Hosensack Wavetrup (b0171.2)				Alburts Wavetrup (b0172.1)				Juniatia Wavetrup (b0284.2)			
Schedule 12 (Yes or No)		Yes				Yes				Yes				Yes				Yes				Yes			
11	Useful life of the project	42.00				42.00				42.00				42.00				42.00				42.00			
CIAC (Yes or No)		No				No				No				No				No				No			
13	Input the allowed increase in ROE	No				No				No				No				No				No			
14	From line 3 above if "No" on line 13 and from line 7 above if "Yes" on line 13	125				125				125				0				0				0			
15	11.68% ROE	13.2894%				13.2894%				13.2894%				13.2894%				13.2894%				13.2894%			
16	FCR for This Project	14.2981%				14.2981%				14.2981%				13.2894%				13.2894%				13.2894%			
17	Project subaccount of Plant in Service Account 101 or 106 if not yet classified	0				618,969,594				-				86,626				62,067				123,504			
18	Line 17 divided by line 12	-				14,737,371				-				2,063				1,478				2,941			
19	Month in which project is placed in service (e.g. Jan=1)	-				-				-				-				-				-			
Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	
20	W 11.68 % ROE	2008	5,534,456	-	5,534,456	433,646	-	-	-	-	-	-	-	86,626	1,454	85,172	12,921	62,067	991	61,076	8,811	-	-	-	-
21	W Increased ROE	2008	5,534,456	-	5,534,456	453,742	-	-	-	-	-	-	-	86,626	1,454	85,172	12,921	62,067	991	61,076	8,811	-	-	-	-
22	W 11.68 % ROE	2009	25,703,638	-	25,703,638	3,744,759	-	-	-	-	-	-	-	85,172	2,063	83,109	19,836	61,076	1,478	59,598	14,223	123,504	2,941	120,563	28,723
23	W Increased ROE	2009	25,703,638	-	25,703,638	3,928,397	-	-	-	-	-	-	-	85,172	2,063	83,109	19,836	61,076	1,478	59,598	14,223	123,504	2,941	120,563	28,723
24	W 11.68 % ROE	2010	32,334,326	-	32,334,326	7,002,386	1,707,870	17,350	1,690,519	173,557	-	-	-	83,109	2,063	81,047	19,614	59,598	1,478	58,121	14,064	120,563	2,941	117,623	28,413
25	W Increased ROE	2010	32,334,326	-	32,334,326	7,346,302	1,707,870	17,350	1,690,519	181,229	-	-	-	83,109	2,063	81,047	19,614	59,598	1,478	58,121	14,064	120,563	2,941	117,623	28,413
26	W 11.68 % ROE	2011	41,267,823	-	41,267,823	8,153,565	1,690,519	40,664	1,649,856	366,637	-	-	-	81,047	2,063	78,984	17,668	58,121	1,478	56,643	12,669	117,623	2,941	114,682	25,999
27	W Increased ROE	2011	41,267,823	-	41,267,823	8,573,934	1,690,519	40,664	1,649,856	383,443	-	-	-	81,047	2,063	78,984	17,668	58,121	1,478	56,643	12,669	117,623	2,941	114,682	25,999
28	W 11.68 % ROE	2012	49,100,120	-	49,100,120	10,122,908	6,771,105	164,250	6,606,855	1,526,377	-	-	-	78,984	2,063	76,922	17,921	56,643	1,478	55,165	12,851	114,682	2,941	111,742	25,978
29	W Increased ROE	2012	49,100,120	-	49,100,120	10,644,117	6,771,105	164,250	6,606,855	1,596,510	-	-	-	78,984	2,063	76,922	17,921	56,643	1,478	55,165	12,851	114,682	2,941	111,742	25,978
30	W 11.68 % ROE	2013	188,668,692	-	188,668,692	32,050,437	24,904,453	602,825	24,301,628	4,731,108	-	-	-	76,922	2,063	74,859	14,779	55,165	1,478	53,687	10,598	111,742	2,941	108,801	21,423
31	W Increased ROE	2013	188,668,692	-	188,668,692	33,942,591	24,904,453	602,825	24,301,628	4,974,829	-	-	-	76,922	2,063	74,859	14,779	55,165	1,478	53,687	10,598	111,742	2,941	108,801	21,423
32	W 11.68 % ROE	2014	387,890,524	-	387,890,524	57,604,085	49,338,189	1,205,851	48,132,338	8,353,794	-	-	-	74,859	2,063	72,797	12,873	53,687	1,478	52,209	9,231	108,801	2,941	105,861	18,662
33	W Increased ROE	2014	387,890,524	-	387,890,524	61,557,021	49,338,189	1,205,851	48,132,338	8,844,304	-	-	-	74,859	2,063	72,797	12,873	53,687	1,478	52,209	9,231	108,801	2,941	105,861	18,662
34	W 11.68 % ROE	2015	148,924,599	-	148,924,599	20,708,388	225,656,515	5,474,192	220,182,322	36,091,169	-	-	-	72,797	2,063	70,734	11,898	52,209	1,478	50,732	8,532	105,861	2,941	102,920	17,252
35	W Increased ROE	2015	148,924,599	-	148,924,599	22,160,463	225,656,515	5,474,192	220,182,322	38,238,035	-	-	-	72,797	2,063	70,734	11,898	52,209	1,478	50,732	8,532	105,861	2,941	102,920	17,252
36	W 11.68 % ROE	2016	59,074	-	59,074	7,880	602,372,114	14,715,666	587,656,448	93,103,589	-	-	-	70,734	2,063	68,672	11,223	49,254	1,478	47,776	7,827	99,979	2,941	97,039	15,836
37	W Increased ROE	2016	59,074	-	59,074	7,880	602,372,114	14,715,666	587,656,448	98,853,722	-	-	-	70,734	2,063	68,672	11,223	49,254	1,478	47,776	7,827	99,979	2,941	97,039	15,836
38	W 11.68 % ROE	2017	-	-	-	-	588,566,934	14,737,371	573,829,562	90,995,904	-	-	-	68,672	2,063	66,609	10,914	49,254	1,478	47,776	7,827	99,979	2,941	97,039	15,836
39	W Increased ROE	2017	-	-	-	-	588,566,934	14,737,371	573,829,562	96,784,216	-	-	-	68,672	2,063	66,609	10,914	49,254	1,478	47,776	7,827	99,979	2,941	97,039	15,836
40	W 11.68 % ROE	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	W Increased ROE	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	W 11.68 % ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	W Increased ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	W 11.68 % ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	W Increased ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	W 11.68 % ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	W Increased ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	W 11.68 % ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	W Increased ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	W 11.68 % ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	W Increased ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	W 11.68 % ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	W Increased ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54	W 11.68 % ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	W Increased ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	W 11.68 % ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	W Increased ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	W 11.68 % ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	W Increased ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60	W 11.68 % ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	W Increased ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
62																									

On the formulas used in the Columns for lines

Worksheet

New Plant Carrying Charge

Fixed Charge Rate (FCR) if not a CIAC

A	137
B	144
C	

FCR if a CIAC

D	138
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The FCR resulting from Formula in a :
Therefore actual revenues collected in

Details		Susquehanna - Roseland CWP (00487.1) - 500kV				Actual Susquehanna - Roseland PIS (00487.1) - 500kV				Projected Susquehanna - Roseland PIS (00487.1) - 500kV				Slanton 4th Transformer (00791)				Actual Copperstone Substation (00468)							
Schedule 12	(Yes or No)	Yes				Yes				Yes				Yes											
Life		42.00				42.00				42.00				42.00											
CIAC	(Yes or No)	No				No				No				No											
Increased ROE (Basis Points)		125				125				125				0											
11.68% ROE		13.2894%				13.2894%				13.2894%				13.2894%											
FCR for This Project		14.2981%				14.2981%				14.2981%				13.2894%											
Investment						14,971,615								3,733,895				22,735,783							
Annual Depreciation Exp						356,467								88,902				541,328							
Month in Service or Month for CWP																									
Invest Yr		Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit	
W 11.68 % ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 455,377	\$	\$ 455,377	
W Increased ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 475,473	\$	\$ 475,473	
W 11.68 % ROE	2009	395,068	-	395,068	43,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 3,851,361	\$	\$ 3,851,361	
W Increased ROE	2009	395,068	-	395,068	45,969	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 4,037,148	\$	\$ 4,037,148	
W 11.68 % ROE	2010	983,014	-	983,014	212,883	2,138,193	15,476	2,122,717	155,221	-	-	-	-	-	-	-	-	-	-	-	-	\$ 7,606,140	\$	\$ 7,606,140	
W Increased ROE	2010	983,014	-	983,014	223,339	2,138,193	15,476	2,122,717	162,084	-	-	-	-	-	-	-	-	-	-	-	-	\$ 7,975,046	\$	\$ 7,975,046	
W 11.68 % ROE	2011	338,809	-	338,809	66,941	2,122,717	50,909	2,071,807	460,250	-	-	-	-	3,733,895	25,673	3,708,222	237,250	918,555	11,846	906,709	108,883	\$ 9,449,462	\$	\$ 9,449,462	
W Increased ROE	2011	338,809	-	338,809	70,392	2,122,717	50,909	2,071,807	481,355	-	-	-	-	3,733,895	25,673	3,708,222	237,250	918,555	11,846	906,709	108,883	\$ 9,911,193	\$	\$ 9,911,193	
W 11.68 % ROE	2012	362,626	-	362,626	74,762	2,547,287	62,474	2,484,814	574,764	-	-	-	-	3,708,222	88,902	3,619,320	835,093	906,709	21,870	884,838	204,296	\$ 13,394,951	\$	\$ 13,394,951	
W Increased ROE	2012	362,626	-	362,626	78,611	2,547,287	62,474	2,484,814	601,141	-	-	-	-	3,708,222	88,902	3,619,320	835,093	906,709	21,870	884,838	204,296	\$ 14,016,520	\$	\$ 14,016,520	
W 11.68 % ROE	2013	1,447,083	-	1,447,083	245,826	2,703,748	67,702	2,636,046	515,505	-	-	-	-	3,619,320	88,902	3,530,418	688,638	22,244,731	539,606	21,705,126	4,226,803	\$ 42,505,119	\$	\$ 42,505,119	
W Increased ROE	2013	1,447,083	-	1,447,083	260,339	2,703,748	67,702	2,636,046	541,942	-	-	-	-	3,619,320	88,902	3,530,418	688,638	22,244,731	539,606	21,705,126	4,226,803	\$ 44,681,943	\$	\$ 44,681,943	
W 11.68 % ROE	2014	4,346,118	-	4,346,118	645,425	3,018,143	77,022	2,941,121	513,796	-	-	-	-	3,530,418	88,902	3,441,515	599,988	21,776,090	541,328	21,234,762	3,694,818	\$ 71,452,672	\$	\$ 71,452,672	
W Increased ROE	2014	4,346,118	-	4,346,118	689,715	3,018,143	77,022	2,941,121	543,769	-	-	-	-	3,530,418	88,902	3,441,515	599,988	21,776,090	541,328	21,234,762	3,694,818	\$ 75,970,381	\$	\$ 75,970,381	
W 11.68 % ROE	2015	1,232,451	-	1,232,451	171,376	8,694,885	214,806	8,480,079	1,393,985	-	-	-	-	3,441,515	88,902	3,352,613	555,093	21,234,762	541,328	20,693,433	3,418,809	\$ 62,376,501	\$	\$ 62,376,501	
W Increased ROE	2015	1,232,451	-	1,232,451	183,393	8,694,885	214,806	8,480,079	1,476,670	-	-	-	-	3,441,515	88,902	3,352,613	555,093	21,234,762	541,328	20,693,433	3,418,809	\$ 66,070,144	\$	\$ 66,070,144	
W 11.68 % ROE	2016	(11,424)	-	(11,424)	(1,524)	14,328,346	356,796	13,971,549	2,220,471	-	-	-	-	3,352,613	88,902	3,263,711	524,251	20,693,433	541,328	20,152,105	3,229,432	\$ 99,119,647	\$	\$ 99,119,647	
W Increased ROE	2016	(11,424)	-	(11,424)	(1,524)	14,328,346	356,796	13,971,549	2,220,471	-	-	-	-	3,352,613	88,902	3,263,711	524,251	20,693,433	541,328	20,152,105	3,229,432	\$ 104,869,781	\$	\$ 104,869,781	
W 11.68 % ROE	2017	-	-	-	-	13,958,061	356,467	13,601,594	2,164,038	-	-	-	-	3,263,711	88,902	3,174,809	510,815	20,152,105	541,328	19,610,777	3,147,484	\$ 96,852,819	\$	\$ 96,852,819	
W Increased ROE	2017	-	-	-	-	13,958,061	356,467	13,601,594	2,301,239	-	-	-	-	3,263,711	88,902	3,174,809	510,815	20,152,105	541,328	19,610,777	3,147,484	\$ 102,778,332	\$	\$ 102,778,332	
W 11.68 % ROE	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W 11.68 % ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
W Increased ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$	
	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	\$	\$	\$

allows
is placed in service)
id is the "Ending" for the prior year after it
by twelve times the difference of thirteen
s the quotient line 19 divided by 13 plus 1

PPL Electric Utilities Corporation

Attachment 8 - Company Exhibit - Securitization Worksheet

Line #			
	Prepayments		
36	Less Prepayments on Securitization Bonds	0	(See FM 1, note to page 110, line 57)
	Administrative and General Expenses		
52	Less Administrative and General Expenses on Securitization Bonds	0	(See FM 1, note to page 114, line 4)
	Taxes Other Than Income		
78	Less Taxes Other Than Income on Securitization Bonds	0	(See FM 1, note to page 114, line 14)
	Long Term Interest		
81	Less LTD Interest on Securitization Bonds	0	(See FM 1, note to page 114, lines 62 + 63)
	Capitalization		
92	Less LTD on Securitization Bonds	0	(See FM 1, note to page 112, line 18)

Calculation of the above Securitization Adjustments

The amounts above are associated with transition bonds issued to securitize the recovery of retail stranded costs, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.

PPL Electric Utilities Corporation

Attachment 9 - Depreciation Rates

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Number	Plant Type	Estimated Life	Mortality Curve	Current Age	Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Depreciable Balance \$	Depreciation Expense \$
Transmission										
350.4	Land Rights	75	S4	14.6	60.40	1.6000	194,437,168	46,326,341	148,110,827	2,369,784
352	Structures and Improvements	60	R4	9.1	50.90	1.9023	87,340,756	19,308,225	68,032,531	1,294,182
353	Station Equipment	48	R1	6.3	41.70	2.2001	1,150,635,469	189,394,066	961,241,403	21,148,033
354	Towers and Fixtures	70	R3	7.2	62.80	1.4804	1,307,744,046	152,213,081	1,155,530,965	17,106,379
354.2	Towers and Fixtures - Clearing Land and Rights of Way	75	R4	21.7	53.30	2.2264	15,055,762	7,419,824	7,635,938	170,006
355	Poles and Fixtures	55	R0.5	12.2	42.80	2.2695	115,664,291	33,084,384	82,579,907	1,874,182
355.2	Poles and Fixtures - Clearing Land and Rights of Way	75	R4	16.2	58.80	1.7367	12,465,699	4,349,113	8,116,586	140,964
356	Overhead Conductors and Devices	60	R3	9.9	50.10	1.6177	818,226,789	87,064,618	731,162,171	11,828,273
357	Underground Conduit	55	S4	5.9	49.10	2.3225	32,345,036	4,124,914	28,220,122	655,412
358	Underground Conductors and Devices	35	S4	11.6	23.40	3.4784	36,993,344	10,840,904	26,152,440	909,675
359	Roads and Trails	75	R4	29.0	46.00	2.7858	7,059,177	3,305,333	3,753,844	104,575
General										
389.4	Land Rights	70	R4	43.5	26.50	3.3399	4,399	1,854	2,545	85
390.2	Structures and Improvements - Buildings	55	S0	41.0	14.00	2.8904	393,941,930	93,987,794	299,954,136	8,670,021
390.21	Structures and Improvements - Leaseholds	10	NA		4.20	32.0847	909,524	663,619	245,905	78,898
390.4	Structures and Improvements - Air Conditioning	30	S1	8.2	21.80	4.3671	49,762,484	14,235,098	35,527,386	1,551,508
391.1	Office Furniture and Equipment - RF Mesh Computer Equip.	5	NA		4.50	7.5482	10,058,038	706,065	9,351,973	705,909
391.2	Office Furniture and Equipment - Furniture	20	NA		10.10	4.9946	22,033,477	10,250,302	11,783,175	1,100,481
391.4	Office Furniture and Equipment - Equipment	15	NA		7.10	6.5279	3,039,174	1,472,146	1,567,028	198,395
391.6	Office Furniture and Equipment - Computers	5	NA		3.70	13.9101	65,793,432	11,466,066	54,327,366	9,151,949
392.1	Transportation Equipment - Automobiles	5	L4	0.5	4.50	46.6145	8,202,621	6,857,043	1,345,578	627,234
392.2	Transportation Equipment - Light Duty Trucks	8	R1	2.8	5.20	20.6520	22,290,257	14,675,271	7,614,986	1,572,647
392.3	Transportation Equipment - Heavy Duty Trucks	11	R4	4.5	6.50	8.4779	84,443,083	52,573,421	31,869,662	2,701,877
392.4	Transportation Equipment - Trailers	24	L1.5	6.5	17.50	5.8137	7,526,313	2,939,391	4,586,922	266,668
392.5	Transportation Equipment - Large Tankers/Tractors	16	L4	7.6	8.40	12.9623	3,021,716	1,400,683	1,621,033	210,123
392.6	Transportation Equipment - Large Crane Trucks	13	L3	9.0	4.00	26.8708	653,798	391,130	262,668	70,581
393	Stores Equipment	25	NA		8.70	4.5141	2,362,461	1,206,966	1,155,495	106,644
394	Tools and Work Equipment - L&S Line Crews	20	NA		7.30	5.5425	4,747,209	2,653,990	2,093,219	263,114
394.2	Tools and Work Equipment - Tools	20	NA		5.50	7.6522	253,914	158,165	95,749	19,430
394.4	Tools and Work Equipment - Construction Dept.	20	NA		7.60	5.0149	1,353,414	709,883	643,531	67,872
394.6	Tools and Work Equipment - Other	20	NA		13.80	4.8319	26,944,947	8,117,638	18,827,309	1,301,950
394.8	Tools and Work Equipment - Garage Equipment	20	NA		13.20	5.0817	1,953,612	603,565	1,350,047	99,277
395	Laboratory Equipment	20	NA		11.50	5.1667	4,527,623	1,928,273	2,599,350	233,930
396	Power Operated Equipment	13	S0	5.1	7.90	2.3968	2,238,834	1,462,704	776,130	53,660
397	Communication Equipment	15	NA		12.50	7.8777	16,698,202	5,254,728	11,443,474	1,315,428
398	Miscellaneous Equipment	20	NA		14.30	5.2995	3,457,703	808,785	2,648,918	183,242
Intangible										
303.2	Miscellaneous Intangible Plant - Software	5	NA		2.90	20.00	138,921,804	71,517,810	67,403,994	26,627,699
303.4	Miscellaneous Intangible Plant - Fiber Optic	5	NA		1.90	20.00	3,693,411	2,390,180	1,303,231	776,104
303.5	Smart Meter Software	5	NA		4.50	20.00	45,786,720	3,433,974	42,352,746	3,360,618

Notes:

- Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance.
- Column (E) is based on the Estimated Life in Column (C) less the Remaining Life in Column (F) for those accounts for which using a Mortality Curve is identified.
- Column (F) is the average remaining life of the assets in the account based on their vintage.
- Column (G) is the depreciation rate from the Mortality Curve specified based on data in Columns (C) and (D).
- Columns (H) and (I) are the depreciable gross plant investment and accumulated depreciation in the account or subaccount.
- Column (J) is the depreciable net plant in the account or subaccount.
- Column (K) is Column (G) multiplied by Column (J) for those accounts that have an identified Mortality Curve.
- Each year, PPL Electric will provide a copy of the annual report submitted to the PA PUC that shows the calculation of the depreciation rates and expenses derived from Columns (C) and (D).
- Every 5 years, PPL Electric will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.
- Column (K) for Accounts Nos. 303.2, 303.5, and 303.6 are calculated using individual asset depreciation and, therefore, are not derived values.
- Column (K) for Account No. 392.3 is net of capitalized depreciation expense. See the applicable note in FERC Form No. 1.
- For those General Plant accounts that do not have Mortality Curves as indicated by "NA" in Column (D), additional detail is provided in Attachment 9 - Supplemental General Plant Depreciation Details.

PPL Electric Utilities Corporation

Attachment 9 - Supplemental
General Plant Depreciation Details

(A) Number	(B) Plant Type	(C) Estimated Life	(G) Applied Depreciation Rate	(H) Gross Depreciable Plant \$	(I) Accumulated Depreciation \$	(J) Depreciable Balance \$	(K) Depreciation Expense \$
General							
390.21	Structures and Improvements - Leaseholds - Net Method	10	32.0847	909,524	663,619	245,905	78,898
391.2	Office Furniture and Equipment - Furniture - Gross Method	20	4.9695	19,859,111	8,359,606	11,499,505	986,892
391.2	Office Furniture and Equipment - Furniture - Net Method	20	40.0427	2,174,366	1,890,696	283,670	113,589
				22,033,477	10,250,302	11,783,175	1,100,481
391.4	Office Furniture and Equipment - Equipment - Gross Method	15	6.5266	3,034,258	1,468,447	1,565,811	198,035
391.4	Office Furniture and Equipment - Equipment - Net Method	15	29.5809	4,916	3,699	1,217	360
				3,039,174	1,472,146	1,567,028	198,395
391.6	Office Furniture and Equipment - Computers - Gross Method	5	13.9101	65,793,432	11,466,066	54,327,366	9,151,949
393	Store Equipment - Gross Method	25	4.1355	1,464,824	637,845	826,979	60,578
393	Store Equipment - Net Method	25	14.0225	897,637	569,121	328,516	46,066
				2,362,461	1,206,966	1,155,495	106,644
394	Tools and Work Equipment - L&S Line Crews - Gross Method	20	5.0000	2,371,041	1,183,024	1,188,017	118,553
394	Tools and Work Equipment - L&S Line Crews - Net Method	20	15.9700	2,376,168	1,470,966	905,202	144,561
				4,747,209	2,653,990	2,093,219	263,114
394.2	Tools and Work Equipment - Tools - Gross Method	20	5.0003	133,692	55,312	78,380	6,685
394.2	Tools and Work Equipment - Tools - Net Method	20	73.3779	120,222	102,853	17,369	12,745
				253,914	158,165	95,749	19,430
394.4	Tools and Work Equipment - Construction Dept. - Gross Method	20	5.0000	1,345,463	703,728	641,735	67,273
394.4	Tools and Work Equipment - Construction Dept. - Net Method	20	33.3519	7,951	6,155	1,796	599
				1,353,414	709,883	643,531	67,872
394.6	Tools and Work Equipment - Other - Gross Method	20	4.7837	26,859,348	8,027,559	18,831,789	1,284,868
394.6	Tools and Work Equipment - Other - Net Method	20	(381.2946)	85,599	90,079	(4,480)	17,082
				26,944,947	8,117,638	18,827,309	1,301,950
394.8	Tools and Work Equipment - Garage Equipment - Gross Method	20	4.9478	1,778,535	478,620	1,299,915	87,998
394.8	Tools and Work Equipment - Garage Equipment - Net Method	20	22.4986	175,077	124,945	50,132	11,279
				1,953,612	603,565	1,350,047	99,277
395	Laboratory Equipment - Gross Method	20	4.9923	3,172,894	1,168,902	2,003,992	158,400
395	Laboratory Equipment - Net Method	20	12.6865	1,354,729	759,371	595,358	75,530
				4,527,623	1,928,273	2,599,350	233,930
397	Communication Equipment - Gross Method	15	7.7989	16,076,123	4,650,665	11,425,458	1,253,753
397	Communication Equipment - Net Method	15	342.3346	622,079	604,063	18,016	61,675
				16,698,202	5,254,728	11,443,474	1,315,428
398	Miscellaneous Equipment - Gross Method	20	4.8387	2,888,891	546,100	2,342,791	139,785
398	Miscellaneous Equipment - Net Method	20	13.8667	580,568	262,685	317,883	44,080
				3,469,459	808,785	2,660,674	183,865

Notes:

1 This schedule shows additional detail for those General Plant accounts that do not have a Mortality Curve. The calculation of Depreciation Expense by the Gross Plant Method (i.e., Column (G) multiplied by Column (H)) and the Net Plant Method (i.e., Column (G) multiplied by Column (J)) is shown separately for the assets in each account subject to each such method. Assets purchased new are depreciated using the Gross Plant Method. Assets purchased used are depreciated using the Net Plant Method (i.e., over their remaining economic life).