

**PPL ELECTRIC UTILITIES CORPORATION**

**Exhibit Future 1**

**Summary of Rate Base & Rate of Return**

**Witness: Various**

**Docket No. R-2025-3057164**

**PPL ELECTRIC UTILITIES CORPORATION**

**Exhibit Future 1**

**Docket No. R-2025-3057164**

**Summary of Rate Base & Rate of Return**

**Year Ended June 30, 2026**

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This book contains a series of schedules (see Table of Contents) which are grouped as follows:

A - Statement of Reasons

B - Financial Statements, Cost of Capital and Capital Structure

C - Rate Base

D - Operating Income and Adjustments

# **PPL ELECTRIC UTILITIES CORPORATION**

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**PPL ELECTRIC UTILITIES CORPORATION**

**A - Reasons for Proposed Increase**

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A-1 Statement of Reasons

The Statement of Reason appears in Section A-1 of Exhibit Fully  
Projected Future 1.

# **PPL ELECTRIC UTILITIES CORPORATION**

## **B - Book Statements**

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#### **Section B - Book Statements**

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**Balance Sheet at  
June 30, 2026  
Assets and Other Debits  
(Thousands of Dollars)**

<b>Acct.</b>	<b><u>No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
		Utility Plant	
101		Plant in service	\$ 14,481,259
105		Plant held for future use	19,928
106		Completed construction not classified	4,207,989
107		Construction work in progress	1,432,102
		Gross utility plant	20,141,278
108		Accumulated provision for depreciation	(4,603,527)
111		Accumulated provision for amortization	(37,671)
		Net utility plant	15,500,080
		Other Property and Investments	
121		Nonutility property	18,556
122		Accumulated provision for depreciation of nonutility property	(20)
		Net nonutility property	18,536
123		Investment in subsidiary companies	0
124		Other investments	0
128		Other special funds	0
		Total Other Property and Investments	18,536
		Current and Accrued Assets	
131		Cash	0
132		Interest special deposits	0
134		Other special deposits	0
135		Working funds	0
136		Temporary cash investments	28,624
		Notes and accounts receivable	
141		Notes receivable	0
142		Customer accounts receivable	415,616
143		Other accounts receivable	21,269
144		Accumulated provision for uncollectible accounts-credit	(39,303)
		Total notes and accounts receivable	397,582
145		Notes receivable from associated companies	629,448
146		Accounts receivable from associated companies	0
		Materials and supplies	
154		Plant materials and operating supplies	100,823
158		Allowances and environmental credits	3
163		Stores expense undistributed	8,466
		Total materials and supplies	109,292

PPL ELECTRIC UTILITIES CORPORATION

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Balance Sheet at  
June 30, 2026  
Assets and Other Debits  
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	Current and Accrued Assets (continued)	
165	Prepayments	\$ 108,369
	Other current and accrued assets	
171	Interest and dividends receivable	157
172	Rents receivable	11,479
173	Accrued utility revenues	126,846
174	Miscellaneous current and accrued assets	33,592
	Total other current and accrued assets	172,074
	Total Current and Accrued Assets	1,445,389
	Deferred Debits	
181	Unamortized debt expense	51,530
182.3	Other regulatory assets	817,426
183	Preliminary survey and investigation charges	153
184	Clearing accounts	359
185	Temporary facilities	0
186	Miscellaneous deferred debits	103,059
189	Unamortized loss on reacquired debt	2,209
190	Accumulated deferred income taxes (noncurrent)	370,618
	Total Deferred Debits	1,345,354
	Total Assets and Other Debits	\$ 18,309,359



## PPL ELECTRIC UTILITIES CORPORATION

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D. UrbanBalance Sheet at  
June 30, 2026Liabilities and Other Credits  
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	Proprietary Capital	
201	Common stock issued	\$ 365,678
204	Preferred stock issued	0
207	Premium on capital stock	0
211	Miscellaneous paid-in capital	5,617,960
214	Capital stock expense	0
215.1	Appropriated retained earnings - amortization reserve - Federal	0
216	Unappropriated retained earnings	2,045,931
216.1	Unappropriated undistributed subsidiary earnings	0
217	Reacquired capital stock	0
219	Other comprehensive income	0
	Total Proprietary Capital	<u>8,029,569</u>
	Long-Term Debt	
221	Bonds	6,298,750
224	Other long-term debt	0
225	Unamortized premium	0
226	Unamortized discount on long-term debt-debit	<u>(39,362)</u>
		6,259,388
	Less amount due within one year	
221	Bonds	<u>0</u>
	Total Long-Term Debt	<u>6,259,388</u>
	Other Noncurrent Liabilities	
227	Obligations under capital leases (noncurrent)	<u>0</u>
	Current and Accrued Liabilities	
224	Long-term debt due within one year-other	0
231	Notes payable	0
232	Accounts payable	487,285
234	Accounts payable to associated companies	58,490
235	Customer deposits	6,554
236	Taxes accrued	(7,520)
237	Interest accrued	71,318
238	Dividends declared	0
240	Matured interest	0
241	Tax collections payable	1,330
242	Miscellaneous current and accrued liabilities	102,611
243	Obligations under capital-leases - current	<u>0</u>
	Total Current and Accrued Liabilities	<u>720,068</u>

## PPL ELECTRIC UTILITIES CORPORATION

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Balance Sheet at  
June 30, 2026

Liabilities and Other Credits  
(Thousands of Dollars)

Acct. <u>No.</u>	<u>Title of Account</u>	<u>Amount</u>
	Deferred Credits	
228.3	Accumulated provision for pensions and benefits	\$ 45,800
229	Accumulated provision for rate refunds	0
252	Customer advances for construction	0
253	Other deferred credits	72,582
254	Other regulatory liabilities	876,443
255	Accumulated deferred investment tax credits	295
281	Accumulated deferred income taxes - accelerated amortization property	0
282	Accumulated deferred income taxes - other property	2,146,502
283	Accumulated deferred income taxes - other (noncurrent)	158,712
	Total Deferred Credits	<u>3,300,334</u>
	Total Liabilities and Other Credits	<u>\$ 18,309,359</u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Electric Service**  
**Statement of Net Utility Operating Income**  
**Year Ended June 30, 2026**  
***(Thousands of Dollars)***

<b><u>Acct. No.</u></b>	<b><u>Title of Account</u></b>	<b><u>Amount</u></b>
400	Operating Revenue (B-3)	<u>\$ 3,402,590</u>
	Operating Expenses:	
401,402	Operation and Maintenance expenses (B-4)	
	Power production	842,301
	Transmission	335,699
	Regional market	-
	Distribution	151,393
	Customer accounts	79,926
	Customer service and informational expenses	144,668
	Sales	-
	Administrative and general	139,713
	Total Operation and Maintenance Expenses	<u>1,693,699</u>
403	Depreciation expense	401,426
404,405	Amortization of electric plant	24,591
407.3	Regulatory debits	7,565
407.4	Regulatory credits	0
	Taxes (B-5)	
408.1	Taxes other than income taxes	161,814
409.1	Income taxes	78,121
	Deferred income taxes	
410.1	Provision	135,499
411.1	Provision - Credit	(10,988)
411.4	Investment tax credit adjustments	(31)
	Total Taxes	<u>364,415</u>
411.6	Gains from disposition of utility plant	-
411.7	Losses from disposition of utility plant	-
	Total Operating Expenses	<u>2,491,696</u>
	Net Utility Operating Income	<u><u>\$ 910,894</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Electric Service  
Statement of Operating Revenue  
Year Ended June 30, 2026  
(Thousands of Dollars)**

<b><u>Description</u></b>	<b><u>Amount</u></b>
<u>Sales of Electricity</u>	
Residential	\$ 1,871,862
Commercial	439,052
Industrial	88,720
Public authorities	26,786
Railroads	0
Sales for resale	1,547
	<hr/>
Sales Revenue	2,427,967
	<hr/>
<u>Other Operating Revenue</u>	
Forfeited discounts	14,860
Miscellaneous service revenue	970
Rent from electric property	46,738
Unbilled revenue	509
Other electric revenue	911,546
	<hr/>
Total Other Operating Revenue	974,623
	<hr/>
Total Electric Operating Revenue	\$ 3,402,590
	<hr/>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended June 30, 2026  
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	<u>Power Production Expenses</u>	
	Other Power Supply Expenses	
555	Purchased power	
	Market-based from EWGs	\$ 840,322
	Non-utility generation	
	PJM ancillary services	1,668
	Other	
556	System control and load dispatching	
	PJM ancillary services	6
	Other	-
557	Other expenses	306
	Total Other Power Supply Expenses	<u>842,301</u>
	Total Power Production Expenses	<u>842,301</u>
	<u>Transmission Expenses</u>	
	Operation	
560	Operation supervision and engineering	5,748
561	Load dispatching	2,696
562	Station expenses	658
563	Overhead line expenses	1,217
564	Underground line expenses	-
565	Transmission of electricity by others	298,762
566	Miscellaneous transmission expenses	5,943
567	Rents	1,352
	Total Transmission Operation Expenses	<u>316,376</u>
	Maintenance	
568	Maintenance supervision and engineering	12
569	Maintenance of structures	17
569.1	Maintenance of Computer Hardware	24
569.2	Maintenance of Computer Software	2,301
569.3	Maintenance of Communication Equipment	83
570	Maintenance of station equipment	4,806
571	Maintenance of overhead lines	11,133
572	Maintenance of underground lines	163
573	Maintenance of miscellaneous transmission plant	783
574	Maintenance of Transmission Plant	-
	Total Transmission Maintenance Expenses	<u>19,323</u>
	Total Transmission Expenses	<u>335,699</u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended June 30, 2026  
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	<u>Regional Market Expenses</u>	
	Operation	
575.7	Market Facilitation, Monitoring and Compliance Services	\$ -
	Total Regional Market Expenses	-
	<u>Energy Storage Expenses</u>	
	Operation	
577.1	Operation Supervision and Engineering	\$ -
	Total Energy Storage Operation Expenses	-
	Maintenance	
578.2	Maintenance of Energy Storage Equipment and Structures	\$ -
	Total Energy Storage Maintenance Expenses	-
	Total Energy Storage Expenses	-
	<u>Distribution Expenses</u>	
	Operation	
580	Operation supervision and engineering	9,885
581	Load dispatching	2,531
582	Station expenses	92
583	Overhead line expenses	27,042
584	Underground line expenses	6,341
585	Street lighting and signal system expenses	-
586	Meter expenses	2,552
587	Customer installations expenses	2,420
588	Miscellaneous distribution expenses	(3,690)
589	Rents	7,412
	Total Distribution Operation Expenses	54,584
	Maintenance	
590	Maintenance supervision and engineering	-
591	Maintenance of structures	170
592	Maintenance of station equipment	10,271
593	Maintenance of overhead lines	81,628
594	Maintenance of underground lines	214
595	Maintenance of line transformers	143
596	Maintenance of street lighting and signal systems	2,266
597	Maintenance of meters	-
598	Maintenance of miscellaneous distribution plant	2,118
	Total Distribution Maintenance Expenses	96,809
	Total Distribution Expenses	151,393

PPL ELECTRIC UTILITIES CORPORATION

Electric Service  
Statement of Operation and Maintenance Expenses  
Year Ended June 30, 2026  
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	<u>Customer Accounts Expenses</u>	
	Operation	
901	Supervision	3,718
902	Meter reading expenses	1,142
903	Customer records and collection expenses	35,747
904	Uncollectible accounts	35,289
905	Miscellaneous customer accounts expenses	4,030
	Total Customer Accounts Expenses	<u>79,926</u>
	<u>Customer Service and Informational Expenses</u>	
	Operation	
908	Customer assistance expenses	
	On-track uncollectible accounts	\$ 40,454
	Other	104,214
909	Informational and instructional expense	-
910	Miscellaneous customer service and informational expenses	-
	Total Customer Service and Informational Expenses	<u>144,668</u>
	<u>Sales Expenses</u>	
	Operation	
911	Supervision	-
912	Demonstrating and selling expenses	-
913	Advertising expenses	-
916	Miscellaneous sales expenses	-
	Total Sales Expenses	<u>-</u>
	<u>Administrative and General Expenses</u>	
	Operation	
920	Administrative and general salaries	43,010
921	Office supplies and expenses	17,383
922	Administrative Expenses Transferred-Credit	(5,161)
923	Outside services employed	32,195
924	Property insurance	3,439
925	Injuries and damages	7,540
926	Employee pensions and benefits	2,762
928	Regulatory commission expenses	8,014
930	Miscellaneous general expenses	(11,711)
931	Service Company Rents	2,072
		<u>99,543</u>
	Maintenance	
935	Maintenance of general plant	<u>40,170</u>
	Total Administrative and General Expenses	<u>139,713</u>
	Total Operation and Maintenance Expenses	<u>\$ 1,693,699</u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service  
Statement of Detail - Taxes  
Twelve Months Ended June 30, 2026  
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Taxes Other Than Income	
	State and Local	
1	Gross Receipts	\$ 146,700
2	Local property and Other	4,153
3	Public Utility Realty	3,082
4	State Unemployment Compensation	149
5	Sales and Use	
6	Total State and Local	<u>154,084</u>
	Federal	
7	Unemployment Tax Act	34
8	Social Security and Hospital Insurance	<u>7,696</u>
9	Total Federal	<u>7,730</u>
10	Total Taxes Other Than Income	<u>161,814</u>
	Income Taxes	
11	State	16,727
12	Federal	<u>61,394</u>
13	Total Income Taxes	<u>78,121</u>
	Investment Tax Credit	
14	Deferred	0
15	Amortization of Deferral	<u>(31)</u>
16	Net Investment Tax Credit	<u>(31)</u>



PPL ELECTRIC UTILITIES CORPORATION

Electric Service  
Statement of Detail - Taxes  
Twelve Months Ended June 30, 2026  
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Federal</u>	<u>State</u>	<u>Amount</u>
	Deferred Income Taxes			
	Provision for Deferred Taxes			
	Net Book/Net Tax Plant Timing Differences:			
17	ACRS & MACRS - Distribution Property	18,440	0	18,440
18	ACRS & MACRS - General Property	6,145	226	6,371
19	Contributions in Aid of Construction (CIAC) - Transmission Property	425	136	561
20	Contributions in Aid of Construction (CIAC) - General Property	60	31	91
21	Net Book/Net Tax Pant - Transmission Property	53,638	28,098	81,736
22	Basis Adjustment - Distribution Property	12,570	5,011	17,581
23	Basis Adjustment - General Property	1,310	642	1,952
24	Federal NOL Carryforward - Distribution Property	0	0	0
25	State NOL Carryforward - Distribution Property	0	0	0
26	Deficient Federal NOL Deferred Taxes - Distribution Property	486	0	486
27	Deficient Federal NOL Deferred Taxes - Transmission Property	210	0	210
28	Bad Debts	628	258	886
29	Clearing Accounts	23	9	32
30	Customer Advances	11	5	16
31	Obsolete Inventory	14	6	20
32	Pension Benefits	4,446	1,796	6,242
33	Post-Employment Benefits	62	27	89
34	Post-Retirement VEBA	269	107	376
35	Prepays	171	68	239
36	Rate Case Expenses	36	14	50
37	Variable Pay	86	35	121
38	Total Provision	99,030	36,469	135,499
	Provision for Deferred Taxes - Credit			
	Net Book/Net Tax Plant Timing Differences:			
39	Contributions in Aid of Construction (CIAC) - Distribution Property	(5,401)	(2,157)	(7,558)
40	Deferred Compensation - Officers	(76)	(30)	(106)
41	Environmental Cleanup	(32)	(12)	(44)
42	Loss - Reacquired Debt	(79)	(31)	(110)
43	Post-Retirement Benefits	(421)	(166)	(587)
44	Supplemental Executive Retirement Pension (SERP)	(50)	(20)	(70)
45	Service Company Temporary Costs	(276)	(111)	(387)
46	Vacation Pay	(56)	(23)	(79)
47	Storm Deferral	(1,469)	(578)	(2,047)
48	Total Credits	<u>\$ (7,860)</u>	<u>\$ (3,128)</u>	<u>(10,988)</u>
49	Total Deferred Income Taxes			124,511
50	Total All Taxes			<u>\$ 364,415</u>

PPL ELECTRIC UTILITIES CORPORATION

Calculation of Composite Cost Rate of Long-Term Debt  
at June 30, 2026  
(Thousands of Dollars)

Line No.	(1) First Mortgage Bonds (f)	(2) Amount Outstanding	(3) Percent to Total	(4) Effective Interest Rate (a)	(5) Average Weighted Cost Rate	
1	5.20% Series due 2041	\$ 250,000	4.48 %	5.31 %	0.24 %	
2	4.75% Series due 2043	350,000	6.28	4.86	0.31	
3	6.45% Series due 2037	250,000	4.48	6.53	0.29	
4	6.25% Series due 2039	300,000	5.38	6.37	0.34	
5	4.125% Series due 2044	300,000	5.38	4.26	0.23	
6	4.15% Series due 2045	350,000	6.28	4.25	0.27	
7	3.95% Series due 2047	475,000	8.52	4.07	0.35	
8	4.15% Series due 2048	400,000	7.17	4.25	0.30	
9	3.00% Series due 2049	400,000	7.17	3.14	0.23	
10	5.00% Series Due 2033	600,000	10.76	5.24	0.56	
11	5.25% Series Due 2053	750,000	13.46	5.46	0.73	
12	4.85% Series Due 2034	650,000	11.67	4.98	0.58	
13	5.55% Series Due 2055	500,000	8.97	5.69	0.51	
14	Total	<u>\$ 5,575,000</u>	<u>100.00 %</u>		<u>4.94 %</u>	
	<u>Pollution Control Bonds</u>					
15	2.625% Series B due 2027	108,250	48.38	2.68 %	1.30 %	
16	3.00% Series A due 2029	115,500	51.62	3.07	1.58	
17	Total	<u>\$ 223,750</u>	<u>100.00 %</u>		<u>2.88 %</u>	
	<u>Forecasted Issuances</u>					
18	5.90% Series Due 2056	500,000	100.00 %	5.98 %	5.98 %	
19	Total	<u>\$ 500,000</u>	<u>100.00 %</u>		<u>5.98 %</u>	
20	Total First Mortgage Bonds	5,575,000	88.51 %	4.94 %	4.37 %	
21	Total Pollution Control Bonds	223,750	3.55	2.88	0.10	
22	Total Forecasted Issuances	<u>500,000</u>	<u>7.94</u>	5.98	<u>0.47</u>	
23		<u>\$ 6,298,750</u>	<u>100.00 %</u>		<u>4.94 %</u>	
24	Long-Term Debt	\$ 6,298,750			4.94 %	\$ 311,158 (b)
25	Loss on Reacquired Debt	(2,209)				539 (c)
26	Gain on Reacquired Debt	0				0 (d)
27	Adjusted Long-Term Debt	<u>\$ 6,296,541</u>			4.95 %(e)	<u>\$ 311,697</u>

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

(b) 4.94% \* \$6,298,750

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

\*\* (d) Annualized amortization of gain on reacquired debt

(e) \$311,697 / \$6,296,541

\*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 to Long-Term Debt.

**PPL ELECTRIC UTILITIES CORPORATION**

**Schedule of Long-Term Debt and Calculation  
of Average Weighted Cost Rate at June 30, 2026**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line		Nominal	Date of	Amount	Amount	Amount	Coupon	Premium, Option or	Issuance	Net	Annual	Average	Net	Effective
No.	Description of Issue	Issue	Maturity	Issued	Outstanding	Retired	Rate - %	at Issuance	Expense	Proceeds	Sinking Fund Requirement	Term in Years	Proceeds Ratio (a)	Interest Rate - %
<u>First Mortgage Bonds</u>														
1	5.20% Series Due 2041	7/15/2011	7/15/2041	\$250,000,000	\$250,000,000	-	5.20	(\$1,430,000)	\$2,801,101	\$245,768,899		30	98.31	5.31
2	4.75% Series Due 2043	7/11/2013	7/15/2043	350,000,000	350,000,000	-	4.75	(2,219,000)	3,691,346	344,089,654		30	98.31	4.86
3	6.45% Senior Secured Bonds	8/13/2007	8/15/2037	250,000,000	250,000,000	-	6.45	(67,500)	2,522,764	247,409,736		30	98.96	6.53
4	6.25% Senior Secured Bonds	5/22/2009	5/15/2039	300,000,000	300,000,000	-	6.25	(1,806,000)	3,105,155	295,088,845		30	98.36	6.37
5	4.125% Series Due 2044	6/5/2014	6/15/2044	300,000,000	300,000,000	-	4.13	(3,519,000)	3,314,219	293,166,781		30	97.72	4.26
6	4.15% Series Due 2045	10/1/2015	10/1/2045	350,000,000	350,000,000	-	4.15	(2,142,000)	3,628,867	344,229,133		30	98.35	4.25
7	3.95% Series Due 2047	5/11/2017	6/1/2047	475,000,000	475,000,000	-	3.95	(4,797,500)	4,999,061	465,203,439		30	97.94	4.07
8	4.15% Series Due 2048	6/14/2018	6/15/2048	400,000,000	400,000,000	-	4.15	(2,244,000)	4,190,045	393,565,955		30	98.39	4.25
9	3.00% Series Due 2049	9/6/2019	10/1/2049	400,000,000	400,000,000	-	3.00	(6,716,000)	4,206,347	389,077,653		30	97.27	3.14
10	5.00% Series Due 2033	3/2/2023	5/15/2033	600,000,000	600,000,000	-	5.00	(6,150,000)	4,954,417	588,895,583		10	98.15	5.24
11	5.25% Series Due 2053	3/2/2023	5/15/2053	750,000,000	750,000,000	-	5.25	(15,172,500)	7,871,187	726,956,313		30	96.93	5.46
12	4.85% Series Due 2034	1/5/2024	2/15/2034	650,000,000	650,000,000	-	4.85	(1,287,000)	5,523,116	643,189,884		10	98.95	4.98
13	5.55% Series Due 2055	8/11/2025	8/15/2055	500,000,000	500,000,000	-	5.55	(4,335,000)	5,625,000	490,040,000		30	98.01	5.69
14	5.90% Series Due 2056	5/1/2026	5/1/2056	500,000,000	500,000,000	-	5.90	-	5,625,000	494,375,000		30	98.88	5.98
<u>Pollution Control Bonds</u>														
15	LCIDA Series 2016B due 2027	3/9/2016	2/15/2027	108,250,000	108,250,000	-	2.63	-	583,739	107,666,261		11	99.46	2.68
16	LCIDA Series 2016A due 2029	3/9/2016	9/1/2029	115,500,000	115,500,000	-	3.00	-	852,909	114,647,091		13	99.26	3.07
17	TOTAL				<u>\$ 6,298,750,000</u>									

(a) Approximates net proceeds ratio at time of issuance.

**PPL ELECTRIC UTILITIES CORPORATION**

**Capital Structure as of June 30, 2026**  
***(Thousands of Dollars)***

Line No.		<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
	Capitalization						
1	Long-Term Debt (a)	\$ 4,933,637	\$ 4,535,676	\$ 4,734,782	\$ 5,295,463	\$ 5,296,002	\$ 6,296,541
2	Common Equity	5,889,213	5,784,561	6,031,865	6,737,589	6,805,925	8,029,570
3	Total	<u>\$ 10,822,850</u>	<u>\$ 10,320,237</u>	<u>\$ 10,766,647</u>	<u>\$ 12,033,052</u>	<u>\$ 12,101,927</u>	<u>\$ 14,326,111</u>
	Capitalization Ratios						
4	Long-Term Debt (a)	45.59%	43.95%	43.98%	44.01%	43.76%	43.95%
5	Common Equity	54.41%	56.05%	56.02%	55.99%	56.24%	56.05%
6	Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

(a) Long-term debt includes amount due within one year and the unamortized loss on reaquired debt.

PPL ELECTRIC UTILITIES CORPORATION

**Capital Structure**  
***(Thousands of Dollars)***

Line No.		<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
	<u>Computation of Long-Term Debt</u>						
1	Long-term Debt	\$ 4,938,750	\$ 4,538,750	\$ 4,738,750	\$ 5,298,750	\$ 5,298,750	\$ 6,298,750
2	Unamortized Loss on Reacquired Debt	(5,113)	(3,074)	(3,968)	(3,287)	(2,748)	(2,209)
3	Adjusted Long-Term Debt	<u>\$ 4,933,637</u>	<u>\$ 4,535,676</u>	<u>\$ 4,734,782</u>	<u>\$ 5,295,463</u>	<u>\$ 5,296,002</u>	<u>\$ 6,296,541</u>
	<u>Computation of Common Equity</u>						
	Common Equity per Books						
4	Common Stock Issued	\$ 363,833	\$ 363,833	\$ 363,833	\$ 363,833	\$ 363,833	\$ 365,678
5	Treasury Stock	0	0	0	0	0	0
6	Misc Paid in Capital	4,509,897	4,194,897	4,264,897	4,726,659	4,574,251	5,617,960
7	Earnings Reinvested	1,015,483	1,225,831	1,403,135	1,647,097	1,867,841	2,045,931
8	Adjusted Common Equity	<u>\$ 5,889,213</u>	<u>\$ 5,784,561</u>	<u>\$ 6,031,865</u>	<u>\$ 6,737,589</u>	<u>\$ 6,805,925</u>	<u>\$ 8,029,570</u>

PPL ELECTRIC UTILITIES CORPORATION

Rate of Return at  
June 30, 2026

<u>Line No.</u>	(1)	<u>Capitalization Ratio</u>	(3)	<u>Embedded Cost</u>	(4)	<u>Return</u>
1	Long-Term Debt	43.95 %	4.95 %	(B-6)	2.18 %	
2	Common Equity	<u>56.05</u>	11.30		<u>6.33</u>	
3		<u><u>100.00</u> %</u>			<u><u>8.51</u> %</u>	

# **PPL ELECTRIC UTILITIES CORPORATION**

## **C-Rate Base**

### **Index**

#### **Section C - Rate Base**

- C-1 Rate Base and Rates of Return
- C-2 Electric Plant in Service
- C-3 Electric Plant Held for Future Use
- C-4 Working Capital
- C-5 Plant Materials and Operating Supplies
- C-6 Accumulated Deferred Taxes on Income

**PPL ELECTRIC UTILITIES CORPORATION**

**Rate Base and Rate of Return**  
**12 Months Ended June 30, 2026**  
***(Thousands of Dollars)***

<b>Line No.</b>	<b><u>Title of Account</u></b>	<b><u>Total T&amp;D Operations</u></b>	<b><u>PPUC Jurisdictional (Exhibit DSD-1)</u></b>
	Electric Plant		
1	Electric plant in service (C-2)	\$ 18,702,492	\$ 7,933,412
1a	Electric plant in service (C-2) (IT Pro-forma)	0	0
2	Reserve for depreciation (C-2)	4,393,823	2,742,990
2a	Reserve for depreciation (C-2) (IT Pro-forma)	0	0
3	Net electric plant in service	<u>14,308,669</u>	<u>5,190,422</u>
	Additions		
4	Plant held for future use (C-3)	0	0
5	Total electric plant	<u>14,308,669</u>	<u>5,190,422</u>
	Working Capital		
6	Cash working capital (C-4)	(4,929)	11,136
7	Materials and operating supplies (C-5)	<u>109,289</u>	<u>72,146</u>
8	Total working capital	<u>104,360</u>	<u>83,282</u>
	Deductions		
9	Accumulated deferred taxes on income (C-6)	2,559,432	1,185,751
9a	Accumulated deferred taxes on income (C-6) (IT Pro-forma)	0	0
10	Customer advances for construction (B-1)	0	0
11	Customer deposits (B-1)	<u>6,554</u>	<u>6,554</u>
12	Total deductions	<u>2,565,986</u>	<u>1,192,305</u>
13	Rate Base (net)	<u>\$ 11,847,043</u>	<u>\$ 4,081,398</u>
	Pro forma return at present rates		
14	Amount (D-1, col. 6)		357,015
15	Percent		8.75%
	Pro forma return at proposed rates		
16	Amount (D-1, col. 8)		347,327
17	Percent		8.51%



PPL ELECTRIC UTILITIES CORPORATION

Reserve for Depreciation - Original Cost  
As of June 30, 2026  
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Transmission	\$1,363,791
2	Distribution	2,570,516
3	General	459,516
4	Intangible	-
5	Total reserve for depreciation	<hr/> \$4,393,823

**PPL ELECTRIC UTILITIES CORPORATION**

**Electric Plant Held For Future Use**

**As of June 30, 2026**  
***(Thousands of Dollars)***

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
	Transmission	
1	Substations	\$ 243
2	Lines	17,250
3	Total	<u>17,493</u>
	Distribution	
4	Area - Substations	2,405
5	Lines	30
6	Other	<u>0</u>
7	Total	<u>2,435</u>
8	Total plant held for future use <sup>1)</sup>	19,928
9	Less: Eliminate plant held for future use <sup>2)</sup>	(19,928)
10	Adjusted plant held for future use	<u><u>\$ 0</u></u>

<sup>1)</sup> Reflects only the future use property expected to be placed into service within 10 years.

<sup>2)</sup> No claim is being made for future use property in this proceeding

**PPL ELECTRIC UTILITIES CORPORATION**

**Cash Working Capital**  
**As of June 30, 2026**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Operation and maintenance expense (C-4, page 2)	\$ 5,699
2	Average prepayments (C-4, page 3)	13,421
3	Accrued taxes (C-4, page 4)	5,749
4	Interest payments (C-4, page 5)	<u>(29,798)</u>
5	Total cash working capital requirement	<u><u>\$ (4,929)</u></u>

**PPL Electric Utilities Corporation**

**Working Capital Required for Operation and Maintenance Expenses**

**As of June 30, 2026**

*(Thousands of Dollars)*

The Company bills its customers every month. On this basis, there is a considerable span of days between the time electricity is furnished to a customer and the time the customer pays for such electricity.

In many instances, the Company must pay its bills for payroll and other O&M expenses prior to the time it is able to collect the amount due for the service which requires the incurrence of such expenses. Thus, the Company has examined its records to determine, as to the major categories of expense, the average span of days which exists between the time an expense is incurred and the time it must be paid. Schedule C-4, page 2, of Exhibit Historic 1 sets forth the individual components which result in the days lag between payment of expenses and receipt of the related revenues used in the determination of the working capital required for the pro forma O&M expense for the test year ending June 30, 2025.

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Net pro forma O&M expense (a)	400,055
2	O&M expense per day (line 1 divided by 365 days)	1,096
3	Average lag in days between payment of O&M expenses and receipt of revenue (b)	5.2
4	Working capital requirement (line 2 x line 3)	<u>\$ 5,699</u>
(a)	Total pro forma operation and maintenance expense (D-1 col. 5 lines 2-4)	\$ 826,132
Less: Non-cash items		
	Uncollectible accounts expense per books less property damage	8,234
	Deferred Storm Outage Costs	3,779
	Deferred IIJA Costs	211
	Depreciation (D-1 col. 5 line 3)	<u>413,853</u>
	Net pro forma O&M expense	<u>\$ 400,055</u>

(b) See Exhibit Historic 1, Schedule C-4, page 2.

PPL ELECTRIC UTILITIES CORPORATION

**Average Prepayments**  
**As of June 30, 2026**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Month</u></b>	<b><u>Insurance</u></b>	<b><u>PUC Annual Assessment</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
1	July 2025	\$3,648	\$3,850	\$6,680	\$14,178
2	August 2025	3,014	3,500	6,527	\$13,041
3	September 2025	2,815	5,726	6,373	\$14,914
4	October 2025	2,188	5,089	6,345	\$13,623
5	November 2025	1,561	4,453	6,265	\$12,279
6	December 2025	960	3,817	6,007	\$10,784
7	January 2026	5,283	3,181	6,252	\$14,717
8	February 2026	4,614	2,354	6,546	\$13,514
9	March 2026	3,944	1,765	7,956	\$13,665
10	April 2026	3,489	1,177	9,065	\$13,731
11	May 2026	4,988	588	8,807	\$14,384
12	June 2026	4,410	(0)	8,411	\$12,821
13	July 2027	4,410	(0)	8,411	\$12,821
14	Total Prepayments	<u>\$45,323</u>	<u>\$35,501</u>	<u>\$93,645</u>	<u>\$174,470</u>
15	Monthly Average	<u>\$3,486</u>	<u>\$2,731</u>	<u>\$7,203</u>	<u>\$13,421</u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Accrued Taxes**  
**Year Ended June 30, 2026**  
*(Thousands of Dollars)*

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>	<b><u>12-Month Accrued Factor (a)</u></b>	<b><u>Accrued Taxes</u></b>
1	Federal income tax (D-1, line 6, col. 5)	69,693	-11.62%	(\$8,101)
2	PA income tax (D-1, line 7, col. 5)	19,236	-9.54%	(1,835)
3	PA gross receipts tax (D-16, page 3)	55,304	27.96%	15,463
4	PA capital stock tax (D-16, page 2)	0	0.00%	0
5	PA public utility reality tax (D-16, page 4)	3,110	7.13%	<u>222</u>
6	Total accrued taxes			<u><u>\$5,749</u></u>

- (a) The 12-month average factor represents, in the case of Federal and State income tax and capital stock tax, the portion of the tax liability which is available to the Company for the payment of other costs. This situation exists because revenue is available from customers prior to payment dates of the tax. The factors for the other Pennsylvania taxes represent the portions of those tax liabilities which must be provided by the Company due to payment of the taxes before the revenue is available from customers. Exhibit Historic 1, Schedule C-4, pages 7 through 12 reflect the computation of such factors.

**PPL ELECTRIC UTILITIES CORPORATION**

**Interest Payments**  
**As of June 30, 2026**  
*(Thousands of Dollars)*

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Rate Base at June 30, 2026 (C-1)	\$ 11,847,043
2	Long-term debt ratio (B-8)	43.95%
3	Embedded cost of long-term debt (B-8)	4.95%
4	Pro forma interest (line 1 x line 2 x line 3)	<u>257,735</u>
5	Daily amount (line 4 ÷ 365)	<u>\$ 706</u>
6	Days to mid-point of interest payments	90.0
7	Less: Revenue lag days (Historic C-4, page 2)	<u>47.8</u>
8	Interest payments lag days (line 6 - line 7)	<u>42.2</u>
9	Total interest payments (line 5 x line 8)	<u>\$ 29,798</u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Plant Materials and Operating Supplies**

**As of June 30, 2026**

*(Thousands of Dollars)*

<b>Line No.</b>	<b>Description</b>	<b>Amount</b>
1	Plant materials and operating supplies	\$ 100,823
2	Stores expense undistributed	<u>8,466</u>
3	Total materials and operating supplies	<u><u>\$ 109,289</u></u>



**PPL ELECTRIC UTILITIES CORPORATION**

**Plant Materials and Operating Supplies**

**As of June 30, 2026**

*(Thousands of Dollars)*

<b>Line No.</b>	<b>Month</b>	<b>Amount</b>
1	June 2025	\$ 99,145
2	July 2025	100,837
3	August 2025	103,922
4	September 2025	104,183
5	October 2025	100,291
6	November 2025	90,682
7	December 2025	96,182
8	January 2026	100,387
9	February 2026	98,898
10	March 2026	102,536
11	April 2026	100,516
12	May 2026	104,742
13	June 2026	<u>108,384</u>
14	Total Plant Materials and Operating Supplies	<u><u>\$ 1,310,705</u></u>
15	13-Month Average	<u><u>\$ 100,823</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Stores Expense Undistributed**

**As of June 30, 2026**

*(Thousands of Dollars)*

<b>Line No.</b>	<b>Month</b>	<b>Amount</b>
1	June 2025	\$ 11,204
2	July 2025	10,386
3	August 2025	9,666
4	September 2025	10,377
5	October 2025	3,431
6	November 2025	4,716
7	December 2025	7,797
8	January 2026	7,956
9	February 2026	6,807
10	March 2026	7,723
11	April 2026	10,706
12	May 2026	11,854
13	June 2026	<u>7,437</u>
14	Total Plant Materials and Operating Supplies	<u>\$ 110,060</u>
15	13-Month Average	<u>\$ 8,466</u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Accumulated Deferred Taxes on Income**  
**Taxes Year Ended June 30, 2026**  
***(Thousands of Dollars)***

<b><u>Line No.</u></b>	<b><u>Description</u></b>		<b><u>Amount</u></b>
	Distribution		
1	Accelerated Cost Recovery System (ACRS/MACRS) (a)	\$ 793,051	
2	Contributions In Aid Of Construction (CIAC)	(150,149)	
3	Other Plant Basis Adjustments (a)	<u>469,078</u>	
4	Balance at June 30, 2026		<u>\$ 1,111,980</u>
	General		
5	Accelerated Cost Recovery System (ACRS/MACRS)	93,447	
6	Contributions In Aid Of Construction (CIAC)	(301)	
7	Other Plant Basis Adjustments	<u>(16,762)</u>	
8	Balance at June 30, 2026		<u>76,384</u>
	Transmission		
9	Contributions In Aid Of Construction (CIAC)	(20,535)	
10	Net Book/Net Tax Plant (Excluding CIAC) (a)	<u>1,391,603</u>	
11	Balance at June 30, 2026		<u>1,371,068</u>
	Total (B-1)		
12	Accelerated Cost Recovery System (ACRS/MACRS)	886,498	
13	Contributions In Aid Of Construction (CIAC)	(170,985)	
14	Net Book/Net Tax Plant (Excluding CIAC) - Transmission	1,391,603	
15	Other Plant Basis Adjustments	<u>452,316</u>	
16	Total accumulated deferred taxes on income		<u><u>\$ 2,559,432</u></u>

(a) Accelerated cost recovery system and Other Plant Basis Adjustments are netted with applicable deficient deferred taxes related to net operating losses on lines 1, 3 and 10.

# **PPL ELECTRIC UTILITIES CORPORATION**

## **D- Operating Income**

### **Index**

#### **Section D - Operating Income**

- D-1 Operating Income Pro Forma at Present Rates and Proposed Rates
- D-2 Adjustments to Income
- D-3 Adjustments to Operating Revenue
- D-4 Adjustment to Operating Revenues for Unbilled Revenue
- D-5 Adjustment to Wages and Benefits
- D-6 Adjustment for Rate Case Expense
- D-7 Adjustment for Economic Development Proposal
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- D-12 Adjustments to Interest Expense on Customer Deposits
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- D-17 Adjustment to Federal and State Income Taxes
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**PPL ELECTRIC UTILITIES CORPORATION**

**Operating Income**  
**Pro Forma at Present and Proposed Rates**  
**Year Ended June 30, 2026**  
**(Thousands of Dollars)**

Line No.		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Amount Per Books	Less: Automatic Cost Recovery Clauses/Riders <sup>1)</sup>	T & D Operations Per Books	Pro Forma Adjustments (D-2)	T & D Pro Forma at Present Rates	Pro Forma at Present Rates (Exhibit DSD-1)	PPUC Jurisdictional Rate Increase (D-17, Pg. 4)	Pro Forma at Proposed Rates
1	Operating Revenues	\$ 3,402,590	\$ (1,425,224)	\$ 1,977,366	\$ 1,613	\$ 1,978,979	\$ 1,061,421	\$ (14,425)	\$ 1,046,996
	Operating Expenses								
2	Operation and Maintenance	1,693,699	(1,284,594)	409,106	(817)	408,289	339,105	(282)	338,823
3	Depreciation	426,017	(44,261)	381,756	32,097	413,853	223,274	0	223,274
4	Regulatory Debits/Credits	7,565	(7,565)	0	3,990	3,990	3,990	0	3,990
	Provision for Taxes								
5	Taxes Other Than Income	161,814	(90,861)	70,953	(544)	70,409	68,076	(851)	67,225
	Income Taxes								
6	Federal	61,394	8,221	69,615	78	69,693	34,096	(2,575)	31,521
7	State	16,727	3,285	20,012	(776)	19,236	12,008	(1,029)	10,979
8	Deferred Income Taxes	124,511	(8,882)	115,629	(4,078)	111,551	23,872	0	23,872
9	Investment Tax Credit	(31)	0	(31)	0	(31)	(15)	0	(15)
10	Total Taxes	364,415	(88,237)	276,178	(5,320)	270,858	138,037	(4,455)	133,582
11	(Gain)/Loss from Disposition of Utility Plant	0	0	0	0	0	0	0	0
12	Total Operating Expenses	2,491,696	(1,424,657)	1,067,039	29,950	1,096,989	704,406	(4,737)	699,669
13	Operating Income	\$ 910,894	\$ (567)	\$ 910,326	\$ (28,337)	\$ 881,989	\$ 357,015	\$ (9,688)	\$ 347,327

<sup>1)</sup> Automatic Recovery Clauses/Riders include GSC-1, GSC-2, MFC, TSC, TCJA, STAS E&T, USR, ACR, CER, SDER, SMR and DSIC.  
NOTE: Totals may not tie due to rounding.

PPL ELECTRIC UTILITIES CORPORATION

**Adjustments to Income**  
**12 Months Ended June 30, 2026**  
***(Thousands of Dollars)***

<b><u>Line No.</u></b>	<b><u>Reference</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
		<u>Operating Revenues</u>	
1	D-3 and D-4	Operating Revenue	\$ 1,613
		<u>Operation and Maintenance Expenses</u>	
2	D-5	Employee wages and benefits (D-5 Line 5 + Line 6)	(483)
3	D-6	Rate case expense	(1,383)
4	D-7	Economic Development Proposal Adjustment	400
5	D-8	Competitive Enhancement Charge Adjustment	100
6	D-9	Deferred Storm Expenses Adjustment	3,779
7	D-10	IIJA Expense Deferral Adjustment	211
8	D-11	USR Salaries Adjustment	(1,400)
9	D-12	Interest Expense on Customer Deposits	274
10	D-13	Company Use Generation Supply Purchase	1,675
11	D-14	Capital Treatment of Certain IT Expenditures	0
12		Total operation and maintenance expense	3,173
		<u>Depreciation</u>	
13	D-14	Capital Treatment of Certain IT Expenditures	0
14	D-9	Annual depreciation expense	32,097
15		Total depreciation expense	32,097
		<u>Provision for Taxes</u>	
		Taxes ther than income	
16		Capital stock	0
17	D-16	Gross receipts	(535)
18	D-16	Public utility realty	28
19	D-5	Payroll taxes	(37)
		Income taxes	
20	D-17	Federal	78
21	D-17	State	(776)
22	D-18	Deferred income taxes	(4,078)
23	D-19	Investment tax credit - amortization	0
24		Total Taxes	(5,320)
25		Gain and losses on property dispositions	0
26		Total Operating Expenses	29,950
27		Total Adjustments to Income	\$ (28,337)

PPL ELECTRIC UTILITIES CORPORATION

Adjustments to Operating Revenue  
Period Ended June 30, 2026  
(Thousands of Dollars)

Line No.	Description	(1) Total Per Books	(2) Less: Automatic Cost Recovery Clauses/Riders <sup>a)</sup>	(3) T&D Operations Per Books	(4) Pro Forma Adjustments	(5) T&D Pro forma at Present Rates
1	Distribution revenue	\$ 1,196,477	\$ (195,896)	\$ 1,000,581	\$ 1,772 <sup>b)</sup>	\$ 1,002,353
2	TSC revenue	323,793	(323,793)	-	0	-
3	Capacity and energy	911,293	(911,293)	-	0	-
4	Tax surcharge revenue	(3,915)	(12)	(3,927)	0	(3,927)
5	Sales for Resale	319	0	319	0	319
6	Total Rate Revenue	<u>\$ 2,427,967</u>	<u>\$ (1,430,995)</u>	<u>\$ 996,973</u>	<u>\$ 1,772</u>	<u>\$ 998,745</u>
Other Electric Revenue						
7	Late Payment	14,860	0	14,860	0	14,860
8	Misc. Revenue	970	0	970	0	970
9	Rent	46,738	0	46,738	0	46,738
10	Other	911,546	6,120	917,666	0	917,666
11	Total Other	<u>\$ 974,113</u>	<u>\$ 6,120</u>	<u>\$ 980,234</u>	<u>\$ -</u>	<u>\$ 980,234</u>
12	Operating Revenue (excl. unbilled)	\$ 3,402,081	\$ (1,424,874)	\$ 1,977,206	\$ 1,772	\$ 1,978,979
13	Unbilled Revenue (D-4)	509	(350)	159	(159)	0
14	Total Operating Revenue	<u>\$ 3,402,590</u>	<u>\$ (1,425,224)</u>	<u>\$ 1,977,366</u>	<u>\$ 1,613</u>	<u>\$ 1,978,979</u>

<sup>a)</sup> Automatic Recovery Clauses/Riders include GSC-1, GSC-2, MFC, TSC, TCJA, STAS E&T, USR, ACR, CER, SDER, SMR and DSIC.

<sup>b)</sup> This adjustments is for annualization.

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment to Operating Revenues for Unbilled Revenue**  
**Year Ended June 30, 2026**  
***(Thousands of Dollars)***

This adjustment was made to normalize distribution operating revenue for the test period by eliminating unbilled revenue shown on Schedule D-3, page 1.

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Unbilled revenue- distribution	\$ (159)
2	Net decrease in distribution operating revenue	<u><u>\$ (159)</u></u>



**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment to Wages and Benefits**  
**Year Ended June 30, 2026**  
*(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.

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Average monthly T & D-related wages to expense per employee	\$ 5,143
2	T & D-related personnel employed at the end of the year	1,465
3	Annualized T & D-related total wages to expense(line 1 x line 2 x 12 months)	90,408
4	Less: Actual T & D-related wages to expense for the year ended June 30, 2026	<u>90,840</u>
5	Decrease in wages to expense (line 3 - line 4)	(432)
6	Decrease in benefits expense (line 5 x 11.8%)	(51)
7	Decrease in payroll taxes (line 5 x 8.5%)	<u>(37)</u>
8	Total decrease in T&D-related wages, taxes and benefits expenses (line 5 + line 6 + line 7)	<u><u>\$ (520)</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Rate Case Expense**  
**12 Months Ended June 30, 2026**  
***(Thousands of Dollars)***

Rate case expenditures are charged to expense when incurred. The Company's claim for 2025/2026 distribution rate case expense is based on a normalized amount as shown below.

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	2025 distribution rate case expense	<u>\$ 2,222</u>
2	Normalized amount (line 1 / 3 years)	<u>\$ 741</u>
3	2025 distribution rate case expense per budget	<u>\$ 2,124</u>
4	Net increase/(decrease) in distribution operating expense	<u><u>\$ (1,383)</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Economic Development Proposal**  
**12 Months Ended June 30, 2026**  
***(Thousands of Dollars)***

This adjustment was made to reflect the expenses associated with the Company's economic development proposal - Opportunity Pennsylvania Program. See PPL Electric Direct Testimony Statement No. 21.

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Economic Development Proposal Expense	<u>\$ 400</u>
2	FTY Economic Development Proposal expense per budget:	<u>\$ -</u>
3	Net increase in distribution operating expense	<u><u>\$ 400</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Competitive Enhancement Rider Roll-in to Base Rates**

**12 Months Ended June 30, 2026**

***(Thousands of Dollars)***

This adjustment is made to roll the Competitive Enhancement Rider (CER) costs into base rates. Costs eligible for the CER include the eligible customer list which is updated every 5 years in accordance with Commission Order dated March 13, 2025 at Docket No. M-2010-2183412.

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	FTY Competitive Enhancement Charge Expense	\$ 500
2	Normalized amount (line 1 / 5 years)	\$ 100
3	Less: Amount per budget	\$ -
4	Net increase in distribution operating expense	\$ 100

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Deferred Storm Outage Costs**

**12 Months Ended June 30, 2026**

***(Thousands of Dollars)***

On April 3, 2014, the PUC approved PPL Electric's Storm Damage Expense Rider (SDER) to be used for recovery of storm damage expenses exceeding the \$14.7 million in base rates, at Docket No. R-2012-2290597. The Order caps the amount to be recovered through SDER at 3% of the Company's total intrastate operating revenues billed to customers, permits the Company to establish a regulatory asset for eligible storm costs in excess of the 3% cap, allows the Company to request recovery of those excess expenses in its next base rate case. In accordance with Generally Accepted Accounting Principles (GAAP), the Company established a regulatory asset of \$11,336,169 for the portion of the costs that would be recoverable from customers in its next base rate case.

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Total net deferral amount for storm outage costs	\$ 11,336
2	Normalized amount (line 1 / 3 years)	\$ 3,779
3	Less: Amount per budget	\$ -
4	Net increase in distribution operating expense	\$ 3,779

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Deferred IIJA-Related Incremental Expenditures**  
**12 Months Ended June 30, 2026**  
***(Thousands of Dollars)***

Pursuant to the Pennsylvania Public Utility Commission's Order issued on July 13, 2023 at Docket No. P-2022-3032929, PPL Electric submitted notice that the Company established a regulatory asset for certain Infrastructure Investment and Jobs Act ("IIJA")-related incremental expenditures for costs incurred in order to prepare, apply, administer, and otherwise execute on IIJA funding opportunities.

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Total net deferral amount for IIJA-Related Incremental Expenditures	<u>\$ 633</u>
2	Normalized Amount (line 1 / 3 years)	211
3	Less: Amount per budget	<u>\$ -</u>
4	Net increase in distribution operating expense	<u><u>\$ 211</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Universal Service Rider (USR) Salaries**  
**12 Months Ended June 30, 2026**  
***(Thousands of Dollars)***

This adjustment was made to reflect the removal of USR salaries from distribution base rates. USR salaries are proposed to be recovered through the USR. See PPL Electric's Direct Testimony Statement No. 18 - Lisa Norden.

<b>Line</b>		
<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	FTY USR salaries per budget	<u>\$ 1,400</u>
4	Net decrease in distribution operating expense	<u><u>\$ (1,400)</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Interest Expense on Customer Security Deposits**  
**Year Ended June 30, 2026**  
***(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.

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Residential customer security deposits	\$ 1,643
2	Residential interest rate	<u>7.000%</u>
3	Residential interest	\$ 115
4	Non-residential customer security deposits	\$ 3,788
5	Non-residential interest rate	<u>4.19%</u>
6	Non-residential interest	\$ 159
7	Total increase in transmission and distribution expense (line 3 + line 6)	<u><u>\$ 274</u></u>



**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Company Use Generation Supply Purchases  
For the Period Ending June 30, 2026  
(Thousands of Dollars)**

This adjustment was made to reflect the distribution operating expense associated with PPL Electric's purchase of generation supply for the facilities that it owns, i.e., Company Use.

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Kilowatt-hour usage for the period July 1, 2025 - June 30, 2026	68,520,975
2	Generation supply purchase price per kilowatt-hour	\$ 0.09114
3	Total estimated generation supply expense July 1, 2025 - June 30, 2026 (line 1 x line 2)	\$ 6,245
4	Less: Actual amount per budget	\$ 4,406
5	Net generation supply expense (line 3 - line 4)	<u>\$ 1,839</u>
6	Portion assigned to PPL Electric	91.1%
7	Net increase in distribution operating expense (line 5 x line 6)	<u>\$ 1,675</u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment for Certain IT Expenditures Requested to be treated as Capital**

**12 Months Ended June 30, 2026**

***(Thousands of Dollars)***

Pursuant to the prior practice and precedent, PPL Electric is requesting capital treatment of certain IT costs. This reflects the adjustments to Operating Expenses and Depreciation Expense should capital treatment be approved and should the regulatory asset be reclassified to capital/plant-in-service in the fully projected future test year.

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Proforma to Adjust for IT Capital Request: Reclassification of Regulatory Asset Amortization in O&M Budget to Depreciation Expense - Reduction of O&M Expense	0
2	Less: Amount per budget	\$ -
3	Net decrease in distribution operating expense	\$ -
4	Proforma to Adjust for IT Capital Request: Reclassification of Regulatory Asset Amortization in O&M Budget to Depreciation Expense - Increase to Depreciation Expense	0
5	Less: Amount per budget	\$ -
6	Net increase in depreciation expense	\$ -

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment to Annual Depreciation Expense**

**Year Ended June 30, 2026**

***(Thousands of Dollars)***

<b><u>Line No.</u></b>	<b>Depreciation - Electric Plant In Service</b>	<b><u>Amount</u></b>
1	Intangible Plant	\$ -
2	Transmission Plant	190,148
3	Distribution Plant (a)	158,663
4	General Plant	65,042
6	Total	<u>413,853</u>
7	Less: Depreciation expense per books (a)	381,756
8	Net decrease in depreciation expense	<u><u>\$ 32,097</u></u>

(a) Depreciation expense related to DSIC and SMR2 are excluded from this total

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment to Taxes Other Than Income**  
**Taxes Year Ended June 30, 2026**  
***(Thousands of Dollars)***

<b><u>Line</u></b> <b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
	<u>PA Gross Receipts Tax</u>	
	Adjustment to provide for gross receipts tax on pro forma revenue at present rates	
4	Gross receipts tax recoverable through base rates (D-13, page 2)	\$ 55,304
5	Less: Gross receipts tax on T&D operations per budget (Sch B-5, page 1, line 1 plus Sch D-14, page 1, column 2, line 5)	<u>55,839</u>
6	Net decrease in expense	<u>\$ (535)</u>
	<u>PA Public Utility Realty</u>	
	Adjustment to reflect current taxable value	
7	Public utility realty tax recoverable through base rates (D-13, page 2)	\$ 3,110
8	Less: Public utility realty tax on T&D operations per budget (B-5, page 1, line 3)	<u>3,082</u>
9	Net increase in expense	<u>\$ 28</u>

PPL ELECTRIC UTILITIES CORPORATION

**Taxes Year Ended June 30, 2026**  
**(Thousands of Dollars)**

**Gross Receipts Tax (GRT) at Present Rates**

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>Pro Forma Revenue</u></b>	<b><u>GRT Rate (Mills)</u></b>	<b><u>Amount</u></b>
	Tariff Revenue			
1	Total Tariff Revenue (D-3, page 1, line 7)	\$ 998,745	59	\$ 58,926
	Other Electric Revenue			
2	Late payment (D-3, page 1, line 8)	14,860	59	877
3	Other electric revenue (D-3, page 1, lines 9-11)	965,374	-	0
4	Total Other	980,234		
5	Total (D-3, page 1, line 15)	1,978,979		59,803
6	Less: Bad debt adjustment	(76,258)	59	(4,499)
7	Total gross receipts tax on pro forma revenue at present rates			\$ 55,304

**Public Utility Realty Tax (PURTA) at Present Rates**

	<b><u>Description</u></b>	<b><u>Amount</u></b>
8	State Taxable Value (per Notice of Determination dated July 30, 2025)	\$ 133,376
9	Rate @ 23.3189 mills (per Notice of Determination dated July 30, 2025)	0.0233189
10	Tax Amount	\$ 3,110

**PPL ELECTRIC UTILITIES CORPORATION**  
**Computation of Income Taxes - Electric**  
**Taxes Year Ended June 30, 2026**  
**(Thousands of Dollars)**

<b>Line No.</b>	<b>Description</b>	<b>Total Amount Per Budget</b>	<b>Less: Automatic Recovery Clauses/Riders</b>	<b>T&amp;D Operations Per Budget</b>	<b>Pro forma Adjustments</b>	<b>T&amp;D Pro forma at Present Rates</b>
1	Operating Revenues	\$ 3,402,590	\$ (1,425,224)	\$ 1,977,366	\$ 1,613	\$ 1,978,979
	Operating Expenses					
2	Operation and maintenance	1,693,699	(1,284,594)	409,106	(817)	408,289
3	Depreciation and amortization	426,017	(44,261)	381,756	32,097	413,853
4	Regulatory Debits and Credits	7,565	(7,565)	0	3,990	3,990
5	Taxes Other than Income	161,814	(90,861)	70,953	(544)	70,409
6	Income Taxes	61,394	8,221	69,615	78	69,693
7	Income Taxes - State	16,727	3,285	20,012	(776)	19,236
8	Deferred Income Taxes	124,511	(8,882)	115,629	(4,078)	111,551
9	Investment Tax Credit - Amortization	(31)	0	(31)	0	(31)
10	Gains and Losses on Property Dispositions		0	0	0	0
11	Total Operating Expense	<u>2,491,696</u>	<u>(1,424,657)</u>	<u>1,067,039</u>	<u>29,950</u>	<u>1,096,989</u>
12	Operating Income	910,894	(567)	910,326	(28,337)	881,989
13	Less: Interest Expense	270,528	0	270,528	(12,262)	258,266
14	Net Operating Income	<u>640,366</u>	<u>(567)</u>	<u>639,798</u>	<u>(16,075)</u>	<u>623,723</u>
15	Income Tax Adjustments					
16	Federal Income Tax	61,394	8,221	69,615	78	69,693
17	State Income Tax	16,727	3,285	20,012	(776)	19,236
18	Deferred Income Taxes	124,511	(8,882)	115,629	(4,078)	111,551
19	Investment tax credit amortization	(31)	0	(31)	0	(31)
	Permanent Items:					
20	Business Meals Not Deductible	500		500	0	500
21	ESOP dividend paid in cash	(2,100)		(2,100)	0	(2,100)
22	Nondeductible Officers Compensation	5,050		5,050	0	5,050
23	Nondeductible Subsidized Expenses	1,500		1,500	0	1,500
	Plant Temporary Items:					
24	Book Depreciation	426,017	(44,261)	381,756	32,097	413,853
25	Book Depreciation Capitalized	5,160	0	5,160	(5,160)	0
26	Contributions in aid of construction	40,198	0	40,198	0	40,198
27	Plant Basis Adjustments - Tax Repairs and Other	(154,688)	0	(154,688)	0	(154,688)
28	Plant Basis Adjustments - Capitalized R&D	38,106	0	38,106	0	38,106
29	Removal costs	(89,517)	0	(89,517)	21,530	(67,987)
30	Tax Depreciation	(752,727)	84,641	(668,086)	(25,463)	(693,549)
31	Tax Gains/(Losses) on Plant Dispositions	(27,699)	0	(27,699)	0	(27,699)
	Non-Plant Temporary Items:					
32	Bad Debt Expense Net of Write-offs	(3,249)	0	(3,249)	0	(3,249)
33	Clearing Accounts	(117)	0	(117)	0	(117)
34	Customer Advances	(59)	0	(59)	0	(59)
35	Deferred Compensation - Officers	390	0	390	0	390
36	Environmental Clean-up	160	0	160	0	160
37	Obsolete Inventory	(73)	0	(73)	0	(73)
38	Pension and supplemental retirements	(22,712)	0	(22,712)	0	(22,712)
39	Post-employment benefits	(330)	0	(330)	0	(330)
40	Post-retirement benefits	2,168	0	2,168	0	2,168
41	Post-retirement - VEBA	(1,384)	0	(1,384)	0	(1,384)
42	Prepays	(882)	0	(882)	0	(882)
43	Reacquired debt costs	405	0	405	0	405
44	Regulatory Asset - Competitive Enhancement Rider (CER)	0	0	0	100	100
45	Regulatory Asset - IIJA Expense Deferral Adjustment	0	0	0	211	211
46	Regulatory Asset - Rate Cases Expenses	(184)	0	(184)	925	741
47	Regulatory Asset - Storm Deferrals	7,572	0	7,572	(3,793)	3,779
48	Service Company Costs	1,426	0	1,426	0	1,426
49	Vacation Pay	290	0	290	0	290
50	Variable Pay	(444)	0	(444)	0	(444)
51	Income Tax Adjustments	<u>(324,622)</u>	<u>43,004</u>	<u>(281,618)</u>	<u>15,671</u>	<u>(265,947)</u>
52	Taxable Net Income Before Special Deductions	<u>\$ 315,744</u>	<u>\$ 42,436</u>	<u>\$ 358,180</u>	<u>\$ (404)</u>	<u>\$ 357,776</u>

**PPL ELECTRIC UTILITIES CORPORATION**  
**Computation of Income Taxes - Electric**  
**Taxes Year Ended June 30, 2026**  
**(Thousands of Dollars)**

Line No.	Description	Total Amount Per Budget	Less: Automatic Recovery Clauses/Riders	T&D Operations Per Budget	Pro forma Adjustments	T&D Pro forma at Present Rates
<u>PA Corporate Net Income Tax Calculation</u>						
1	Taxable Net Income Before Special Deductions	\$ 315,744	\$ 42,436	\$ 358,180	\$ (404)	\$ 357,776
	PA Special Deductions					
2	Dividends Paid Credit	0	0	0	0	0
3	Bonus Depreciation Adjustment	(101,173)	0	(101,173)	(9,618)	(110,791)
4	State Adjustment	0	0	0	0	0
5	PA Taxable Income / (Loss) before NOL CF/(Utilization)	214,571	42,436	257,007	(10,022)	246,985
6	PA NOL Carryforward/(Utilization)	0	0	0	0	0
7	PA Taxable Income / (Loss) after NOL CF/(Utilization)	214,571	42,436	257,007	(10,022)	246,985
	PA Tax @ 7.99% for Jul-Dec 2025 and 7.49% for Jan-Jun 2026	16,727	3,285	20,012	(776)	19,236
9	PA Tax Credits		0	0	0	0
10	Accrual for Potential Deficiency		0	0	0	0
11	State Income Tax Settlements		0	0	0	0
12	Prior Period Tax Return Adjustments		0	0	0	0
13	Total PA Income Tax	\$ 16,727	\$ 3,285	\$ 20,012	\$ (776)	\$ 19,236
<u>Federal Income Tax Calculation</u>						
14	Taxable Net Income Before Special Deductions	\$ 315,744	\$ 42,436	\$ 358,180	\$ (404)	\$ 357,776
	Federal Special Deductions					
15	PA Income Tax Less Tax Credits	(16,727)	(3,285)	(20,012)	776	(19,236)
16	Dividends Paid Credit	0	0	0	0	0
17	State Income Tax Settlements	0	0	0	0	0
18	State Income Tax Adjustment for Prior Year		0	0	0	0
19	Federal Taxable Income	299,017	39,151	338,168	372	338,540
20	Federal NOL Carryforward/(Utilization)	0	0	0	0	0
21	Federal Taxable Income after NOL CF/(Utilization)	299,017	39,151	338,168	372	338,540
22	Federal Tax @ 21%	62,794	8,221	71,015	78	71,093
23	Federal Tax Credits	(1,400)	0	(1,400)	0	(1,400)
24	Accrual for Potential Deficiency		0	0	0	0
25	Prior Period Tax Return Adjustments		0	0	0	0
26	Total Federal Income Tax	\$ 61,394	\$ 8,221	\$ 69,615	\$ 78	\$ 69,693

**PPL ELECTRIC UTILITIES CORPORATION**  
**Adjustment to Interest Deduction for Income Tax Purposes**  
**Taxes Year Ended June 30, 2026**  
**(Thousands of Dollars)**

This adjustment provides for the annualized interest on claimed measures of value at June 30, 2026.

Line No.	Description	Amount
1	Measures of value at June 30, 2026 (C-1)	\$ 11,847,043
2	Long-term debt ratio (B-8)	43.95%
3	Embedded cost of long-term debt (B-8)	4.95%
4	Annualized interest (line 1 x line 2 x line 3)	<u>258,266</u>
5	Less: Interest expense on T&D operations (D-17, Page 1, line 13, col 3)	<u>270,528</u>
6	Net decrease in interest deduction (line 4 - line 5)	<u><u>\$ (12,262)</u></u>



**PPL ELECTRIC UTILITIES CORPORATION**  
**Operating Revenue and Applicable Tax**  
**Related to Proposed Rate Increase**  
**Taxes Year Ended June 30, 2026**  
**(Thousands of Dollars)**

Line No.	Description	Amount
1	Additional operating revenue from proposed rate increase (D-1)	\$ (14,425)
	Less:	
2	Provision for uncollectible accounts expense (line 1 x 1.67%)	(241)
3	Provision for PUC Assessment expense (line 1 x .28757%)	(41)
4	PA gross receipts tax (line 1 x 59 mills)	(851)
5	Taxable income for PA Corporate net income tax (line 1 less lines 2, 3 and 4)	<u>(13,292)</u>
6	PA corporate net income tax (line 5 x 7.74%) = (7.99% x 50% + 7.49% x 50%)	<u>(1,029)</u>
7	Taxable income for Federal income tax	(12,263)
8	Federal income tax (line 7 x 21%)	<u>(2,575)</u>
9	Operating income	<u><u>\$ (9,688)</u></u>

PPL ELECTRIC UTILITIES CORPORATION

**Adjustment to Deferred Income Taxes**  
**Twelve Months Ended June 30, 2026**  
**(Thousands of Dollars)**

Line No.	Provision	Debit (a)	Credit (b)	Net Deferred Tax Amount per Budget (c) = (a) + (b)	Adjustments (d)	T&D Operations per Budget (e) = (c) + (d)	T&D Pro forma at Present Rates (f)	Net increase / (decrease) in deferred income taxes (g) = (f) - (e)
<b>Distribution Property:</b>								
1	Method and Life Book/Tax Plant Differences	\$ 18,440	\$ -	\$ 18,440	\$ (8,882)	\$ 9,558	\$ (7,103)	\$ (16,661)
2	Contributions In Aid of Construction (CIAC)	0	(7,558)	(7,558)	0	(7,558)	(7,145)	413
3	Other Plant Basis Adjustments	17,581	0	17,581	0	17,581	15,543	(2,038)
4	Federal NOL Carryforward	0	0	0	0	0	0	0
5	State NOL Carryforward	0	0	0	0	0	0	0
6	Deficient Federal NOL Deferred Taxes	486	0	486	0	486	486	0
7	Non-Plant Deferred Taxes	7,917	(3,209)	4,708	0	4,708	0	(4,708)
8	Total Distribution Property	<u>44,424</u>	<u>(10,767)</u>	<u>33,657</u>	<u>(8,882)</u>	<u>24,775</u>	<u>1,781</u>	<u>(22,994)</u>
<b>General Property:</b>								
9	Method and Life Book/Tax Plant Differences	6,371	0	6,371	0	6,371	20,047	13,676
10	Contributions In Aid of Construction (CIAC)	91	0	91	0	91	95	4
11	Other Plant Basis Adjustments	1,952	0	1,952	0	1,952	2,056	104
12	Non-Plant Deferred Taxes	0	0	0	0	0	0	0
13	Total General Property	<u>8,414</u>	<u>0</u>	<u>8,414</u>	<u>0</u>	<u>8,414</u>	<u>22,198</u>	<u>13,784</u>
<b>Transmission Property:</b>								
14	Contributions In Aid of Construction (CIAC)	561	0	561	0	561	747	186
15	Net Book/Net Tax Plant (Excluding CIAC)	81,736	0	81,736	0	81,736	86,615	4,879
16	Federal NOL Carryforward	0	0	0	0	0	0	0
17	State NOL Carryforward	0	0	0	0	0	0	0
18	Federal Deficient NOL Deferred Taxes	210	0	210	0	210	210	0
19	Non-Plant Deferred Taxes	154	(221)	(67)	0	(67)	0	67
20	Total Transmission Property	<u>82,661</u>	<u>(221)</u>	<u>82,440</u>	<u>0</u>	<u>82,440</u>	<u>87,572</u>	<u>5,132</u>
<b>Total</b>								
21	Method and Life Book/Tax Plant Differences	24,811	0	24,811	(8,882)	15,929	12,944	(2,985)
22	Contributions In Aid of Construction (CIAC)	652	(7,558)	(6,906)	0	(6,906)	(6,303)	603
23	Other Plant Basis Adjustments	19,533	0	19,533	0	19,533	17,599	(1,934)
24	Net Book/Net Tax Plant (Excluding CIAC)-Transmission	81,736	0	81,736	0	81,736	86,615	4,879
25	Federal NOL Carryforward	0	0	0	0	0	0	0
26	State NOL Carryforward	0	0	0	0	0	0	0
27	Federal Deficient NOL Deferred Taxes	696	0	696	0	696	696	0
28	Non-Plant Deferred Taxes	8,071	(3,430)	4,641	0	4,641	0	(4,641)
29	Total	<u>\$ 135,499</u>	<u>\$ (10,988)</u>	<u>\$ 124,511</u>	<u>\$ (8,882)</u>	<u>\$ 115,629</u>	<u>\$ 111,551</u>	<u>\$ (4,078)</u>
30	Deferred Taxes per Schedule D-17			D-17, Col 1 124,511	D-17, Col 2 (8,882)	D-17, Col 3 115,629	D-17, Col 5 111,551	D-17, Col 4 (4,078)

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment to Provision For Deferred Income Taxes**  
**Twelve Months Ended June 30, 2026**  
**(Thousands of Dollars)**

This adjustment provides for the annual provision for deferred income taxes due to the (1) Accelerated Cost Recovery System (ACRS) of the Economic Recovery Act of 1981, (2) Modified Accelerated Cost Recovery System (MACRS) of the Tax Reform Act of 1986 and (3) Plant Basis Adjustments

<b>Line</b>		<b><u>Per T&amp;D</u></b> <b><u>Proforma</u></b> <b><u>Sch D-17 Col 5</u></b>
<b><u>No.</u></b>	<b><u>Description</u></b>	
	<b>Distribution Property</b>	
1	(Excess)/Deficient Tax over Book depreciation on ACRS and MACRS property	\$ (262)
2	Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	(99,552)
3	Reversal of Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	<u>58,740</u>
4	Plant activity for the calculation of deferred income taxes	<u>(41,074)</u>
	<b>General Property</b>	
5	Excess Tax over Book depreciation on ACRS and MACRS property	(96,982)
6	Plant Basis Adjustments	(41)
7	Reversal of Plant Basis Adjustments	<u>(5,279)</u>
8	Plant activity for the calculation of deferred income taxes	<u>(102,302)</u>
	<b>Transmission Property</b>	
9	Excess Tax over Book depreciation on ACRS and MACRS property	(297,862)
10	Plant Basis Adjustments	(44,778)
11	Reversal of Plant Basis Adjustments	<u>34,250</u>
12	Plant activity for the calculation of deferred income taxes	<u>(308,390)</u>
13	Total plant activity for the calculation of deferred income taxes	<u><u>\$ (451,766)</u></u>
14	Tax Rate Provisions for Distribution and General Property - 21% Reversals for Distribution and General Property - Average Rate Assumption Method Provisions for Transmission Property - 27.3121% (2025) & 26.9171% (2026) Reversals for Transmission Property - ARAM Provisions for Plant Basis Adjustments - 27.3121 (2025) & 26.9171% (2026) Reversals for Plant Basis Adjustments - ARAM	
15	Net annual deferred tax debit / (credit) (Sch D-18, Page 1, line 29, Column f)	\$ 111,551
	Less: Net provision on T&D operations per books	
16	Provision for deferred taxes - debit	
17	Provision for deferred taxes - credit	
18	Sub-Total (Sch D-18, Page 1, line 29, column c)	124,511
	Less: Net deferred tax debit / (credit) on Automatic Recovery Riders Sch D-18, Page 1, line 29, column d	(8,882)
20	Net decrease in deferred income tax provision (line 15 less lines 18 and 19)	<u><u>\$ (4,078)</u></u>

**PPL ELECTRIC UTILITIES CORPORATION**

**Adjustment to Amortization of  
Deferred Investment Tax Credit  
Twelve Months Ended June 2026  
*(Thousands of Dollars)***

<b><u>Line No.</u></b>	<b><u>Description</u></b>	<b><u>10% Investment Tax Credit</u></b>	<b><u>30% Investment Tax Credit</u></b>	<b><u>40% Investment Tax Credit</u></b>	<b><u>Total</u></b>
	Transmission Property:				
1	1982	(3)	0	0	(3)
2	1984	(4)	0	0	(4)
3	1985	(3)	0	0	(3)
4	1986	(3)	0	0	(3)
5	1987	(2)	0	0	(2)
6	1988	(1)	0	0	(1)
7	Total Transmission Property	<u>(16)</u>	<u>0</u>	<u>0</u>	<u>(16)</u>
	General Property:				
8	2019	0	(4)	0	(4)
9	2022	0	(5)	0	(5)
10	2023	0	(2)	(4)	(6)
11	Total General Property	<u>0</u>	<u>(11)</u>	<u>(4)</u>	<u>(15)</u>
12	Total Amount of Amortization				(31)
13	Less: Amortization on T&D operations per budget				(31)
14	Decrease in Amortization			<u>\$</u>	<u>-</u>