

PPL ELECTRIC UTILITIES CORPORATION

Exhibit Fully Projected Future 1

Summary of Rate Base & Rate of Return

Witness: Various

Docket No. R-2025-3057164

PPL ELECTRIC UTILITIES CORPORATION

Exhibit Fully Projected Future 1

Docket No. R-2025-3057164

Summary of Rate Base & Rate of Return

Year Ended June 30, 2027

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

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A - Reasons for Proposed Increase

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A-1 Statement of Reasons

PPL ELECTRIC UTILITIES CORPORATION

**Statement of Reasons
for the Proposed Increase
Docket No. R-2025-3057164**

September 30, 2025

**PPL Electric Utilities Corporation
Statement of Reasons
For the Proposed Rate Increase
Docket No. R-2025-3057164**

I. INTRODUCTION

In this filing, PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) requests that the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) approve an overall annual increase in base distribution revenues of approximately \$356.3 million, based on a fully projected future test year ending June 30, 2027. If granted by the Commission as filed, this request would produce a system average increase in distribution revenues of approximately 33.42%.

The principal reasons for the filing are: (1) accelerated capital investment to maintain and improve system reliability and to reduce service outages, especially during major storms; (2) investments in our customer service offerings to meet or exceed customer expectations including improved payment options, easier customer service interactions, and increased service levels; (3) upgrading the Company’s aging IT infrastructure to improve cybersecurity, customer interactions, and employee facing systems; (4) flat residential and commercial sales as a result of a slow economic growth and increased levels of distributed generation from alternative energy systems/net metering; and (5) setting rates based on cost of service.

PPL Electric has not filed for a distribution base rate case in a decade. Over that period, the Company has been able to absorb the impacts of supply chain concerns, weather, inflation, changes in legislative direction across different administrations, and a

global pandemic by focusing on operation and maintenance (“O&M”) efficiencies in a targeted way across the enterprise. This decade-long focus on making smart investments and using technology and innovation to drive operational efficiencies, has been formalized through the Company’s Transformation Management Office (“TMO”). The TMO takes a bottoms-up approach where employees identify areas for improvement that are evaluated against the Company’s goals and objectives, then considered across the enterprise. This model means that we are (1) identifying and incorporating best practices across all PPL companies, (2) evaluating the application and adoption of these best practices across PPL companies, (3) transitioning to common systems and platforms as described more fully in the discussion of information technology (“IT”) upgrades, (4) maximizing the benefits of centralized shared services, and (5) adopting a common electric transmission and distribution operating model. The benefit to PPL Electric customers has been, and is expected to be, enhanced reliability and resiliency through strategic investments in infrastructure and IT, while preserving affordability for our customers. PPL Electric is proud to have extracted significant value for customers from this effort and is currently at an inflection point where it must do more to meet customer and Commission expectations regarding reliability and customer experience.

Further, the Company has been, and continues to be, a valuable community partner for more than a century, giving back to its communities and neighbors in powerful ways. PPL Electric and its parent company, PPL Corporation, are both headquartered in Allentown, and make substantial financial contributions to our 29 counties throughout central and eastern Pennsylvania. A breakdown of these efforts is provided below:

- **Volunteerism and board service:** PPL employees continually show up in the community spending more than 15,000 hours volunteering in the communities where they live and work in 2024. Our Pennsylvania employees support non-profit organizations by contributing their skills and expertise through service on local and statewide boards.
- **PPL Foundation Grants:** The PPL Foundation is an independent nonprofit funded by PPL Corporation. In 2025, the Foundation expects to award over \$1 million in grants and scholarships in Pennsylvania. Since 2015, the Foundation has contributed more than \$32 million to communities served by PPL Electric.
- **Employee-led Charitable Giving Campaign:** Pennsylvania employees and retirees of PPL, along with matching contributions from the PPL Foundation, contributed nearly \$6.5 million in 2025 through an annual giving campaign which supports nonprofits throughout our Company's service territory.
- **Good Neighbor Energy Fund and Operation HELP:** The PPL Foundation increased its annual donation to the Good Neighbor Energy Fund to \$400,000 in 2025, which assists low-income families in central and eastern Pennsylvania with their energy bills. In addition, PPL Electric also annually contributes approximately \$600,000 a year for Operation HELP, which provides assistance to eligible customers struggling with their electric bills. This million-dollar annual financial commitment is just one of the ways that we are making a difference for our customers in need.
- **Education Improvement Tax Credit Funding:** In addition to grants funded by the PPL Foundation, PPL Electric also supports additional funding opportunities for

eligible organizations. Education Improvement Tax Credit (“EITC”) grants allow the Company to invest in projects that improve and enhance educational opportunities for Education Improvement and Pre-K organizations. In 2024, \$750,000 in grants were awarded to over 200 organizations across 19 of our 29 counties.

- **NPP Contributions:** PPL Electric also supports its communities through the Pennsylvania Department of Economic Development’s Neighborhood Partnership Program (“NPP”). Since 2015, PPL Electric has contributed over \$4 million to community development programs in Allentown, Bethlehem, Lancaster, Scranton, and Wilkes-Barre. These contributions support nonprofit agencies’ affordable housing, crime prevention, job training, and other neighborhood assistance programs. PPL Electric contributes \$400,000 annually to NPP partners.
- **Brighter Future Scholarships:** PPL Foundation partners with a network of schools in Pennsylvania to provide scholarships to students who are passionate about clean energy, sustainability, decarbonization, and grid reliability. Starting in 2024, PPL Foundation provides a total of \$60,000 annually to four local institutions (Northampton Community College, Thaddeus Stevens College of Technology, Cedar Crest College, and Penn State Harrisburg). Scholarship winners are selected by a network of partner schools.

Lastly, PPL Electric continues to look for ways to support our communities even more. As part of this rate case request, the Company has proposed the Opportunity Pennsylvania Program, which will provide direct reimbursement funding to local governments and non-profit economic development organizations to support site studies,

due diligence, and infrastructure improvements. These grants would serve as private sector match funding, which is an important criterion for PA SITES competitiveness.

Each of the principal reasons is discussed in more detail in Section II. As explained therein, the requested increase is essential to the Company's continued ability to attract capital on reasonable terms and provide safe and reliable service to customers. Section III addresses the Company's rate design and cost allocation among customer classes.

II. REASONS FOR THE REQUESTED RATE INCREASE

A. Increased Capital Investment to Improve Reliability and Storm Performance

Over the past ten years, PPL Electric has invested \$5 billion of capital to provide a reliable distribution system and meet the needs of customers. The Company intends to invest an additional \$4 billion in capital in the distribution system from 2025-2029. The additional investment will continue to include advanced technologies that will provide new monitoring and control capabilities. Such investment will also include additional storm hardening measures to strengthen the distribution system, protect against increasing weather-related outages, and improve the customer experience.

While the Company has demonstrated strong performance against IEEE benchmarks, there remain challenges to maintaining and improving reliability. The Commission's 2024 Pennsylvania Electric Reliability Report, dated August 2025, notes PPL Electric's success in achieving the 3-year average PUC benchmarks for System Average Interruption Duration Index ("SAIDI") and System Average Interruption

Frequency Index (“SAIFI”) and its recent failure to meet the rolling 12-month benchmarks on Customer Average Interruption Duration Index (“CAIDI”), SAIDI, and SAIFI.

The Company has recently experienced its worst storm restoration and SAIFI performance in history with a record number of storms in 2024. While the Commission’s 2024 Pennsylvania Electric Reliability Report recognizes this fact and hopes 2024 was an anomalous year, 2025 is trending towards a record highest storm count in any single year. Through September 14, 2025, the Company has experienced 39 total storms (30 non-reportable); the most ever by this time of year.

Although the Company invests in resiliency projects to improve its storm performance, there have been a considerable number of both reportable and non-reportable storm events. The Company also is experiencing not only an increase in the number of storm events but also an increase in the frequency and intensity of storm events. In 2024, PPL Electric had 11 storms of 600 cases or higher, including 6 storms over 1,000 cases. Two events were extraordinary as defined in its Storm Damage Expense Rider (“SDER”) (February 2024 and November 2024). The Company’s SDER mechanism reached its cap for the 2025 rate period and is expected to reach its cap for the 2026 rate period. PPL Electric has over \$11 million of SDER-eligible costs in excess of the cap recorded in a regulatory asset. The Company has also experienced a significant number of non-reportable storm events. Further, the Company experienced 20 non-reportable storm events compared to its historic prior 10-year average of 17. The Commission noted in its 2024 Pennsylvania Electric Reliability Report that “if the level of storm activity does not lessen, PPL will need to undertake measures to storm harden and increase resiliency to match any ‘new normal’ level of weather.” Based on its data, PPL

Electric anticipates these weather trends to continue and, as such, intends to invest significantly in storm hardening its distribution system.

This level of investment will require the Company to raise substantial capital in the marketplace. Access to capital at reasonable borrowing rates is extremely important to the Company and, ultimately, to its customers. For these reasons, it is critical that the financial community view PPL Electric as an attractive investment.

PPL Electric's current credit rating is A from Standard & Poor's Corporation and A3 from Moody's. The Company forecasts that its return on common equity for the distribution business will fall to approximately 3.92% by June 30, 2027, based on current rates. This return is inadequate by any standard. In this filing, the Company is requesting an allowed return on equity of 11.30%, along with a capital structure of approximately 56% common equity and 44% long-term debt, which PPL Electric believes is necessary to successfully raise capital on reasonable terms under today's financial market conditions.

Finally, and relatedly, the authorization of the DSIC by the Pennsylvania Legislature and implementation by the Commission has provided substantial assistance to the Company in obtaining timely recovery of costs associated with critical investment to replace aging infrastructure to maintain and improve service/reliability and has allowed the Company to delay the need for base rate relief. PPL Electric recently sought and received approval for a DSIC Cap Waiver to increase the cap on DSIC to 7.5%. In the Company's April 1, 2025 DSIC filing, PPL Electric adjusted its DSIC rate to the 7.5% cap, and the rate has remained there. In this rate case, the Company proposes to roll the

DSIC revenue and investment into base rates and re-establish a new DSIC surcharge rate once plant investment levels exceed those reflected in this case.

B. Customer Experience

PPL Electric is committed to providing the highest quality, safe, and affordable service to its customers. As part of the Company's vision to be the best utility in the United States, it seeks to achieve 1st quartile customer satisfaction. While it has won numerous awards over the last several years, the Company cannot do this without consideration of continually improving the customer experience. This philosophy of seeking continuous improvement is deeply engrained in the Company's culture. In early 2025, the Company formally rolled out its Go Beyond program. The Go Beyond program encourages every employee to Go Beyond the obvious when interacting with customers. Specifically, Go Beyond reminds employees to consider (1) Who is the customer that will be impacted? (2) How will this impact the customer? (3) How do I want our customer to feel when the work is done? (4) What can I do to make this a positive experience for the customer? and (5) How does my decision fit into the rest of the customer service process? At PPL Electric, the customer experience is the combination of customer satisfaction (measurements), customer service (actions), and any interaction a customer has with the Company providing service. PPL Electric strives to provide a positive customer experience whether that be when they are calling our contact center, seeing our crews doing storm restoration work, or seeing us volunteering in the community.

The Company also wants to help customers manage their bills. Through proactive outreach to customers and community partners, it has provided \$7.8 million in the most

recent LIHEAP season and is on pace to meet its 2025 OnTrack participation goal of 77,500 customers. PPL Electric also hosts an annual golf tournament which raised nearly \$300 thousand for the Company's Operation Help assistance program. The Company has been able to support more than 117,000 customers with over \$38 million in grants since Operation HELP was established in 1983. Helping customers manage and pay their bills results in reduced accounts receivable and overdue due dollars.

With this customer focus in mind, we are also partnering with customers to enable their growth by supporting economic development and expanding and improving self-service and payment options. Specifically, PPL Electric proposes to include the cost of payment transaction fees in base rates. This proposal is intended to make it easier for customers to use the payment option of their choice, whether it be using a debit or credit card, or other digital options such as PayPal and Venmo. Additionally, the Company is seeking to implement an Artificial Intelligence ("AI") Digital Assistant that will allow customers to seamlessly switch between phone, web, or the Company's new mobile app when interacting with the Company. This work will also include updates to the Company's current interactive voice response ("IVR") system. These are all examples of the Company's efforts to Go Beyond in providing customers the best experience possible when interacting with PPL Electric.

C. IT Upgrades

The Company is embarking on significant investments to upgrade its IT infrastructure. Since its last rate case in 2015, the utility and technology industries have seen significant change. PPL Electric has adapted to many of these new realities and

found opportunities to implement operating efficiencies, such as the use of file sharing systems and other mainstream workflow software. However, to face the complexities that result from the rapid growth of new technologies associated with demand side management (“DSM”) programs and increasingly complex behind-the-meter generation operations, the Company must upgrade its current systems and invest in its IT infrastructure to enable real-time access to information, to respond to evolving customer needs, and to keep its operations secure.

As a result, PPL Electric has developed a five-year plan to overhaul its IT infrastructure as part of an overall PPL Corporation effort to consolidate platforms across its jurisdictional utilities. PPL Electric’s plan includes investing in IT infrastructure that will impact all parts of its business. These planned upgrades will touch the areas of field operations, grid management, cybersecurity, enterprise resource planning (“ERP”), customer information systems (“CIS”), customer experience, and content management. Specifically, these investments, including upgrades to its Meter Data Management System (“MDMS”) anticipated to be completed in 2026, will allow the Company to implement cloud-based CIS and ERP platforms that will enhance billing, customer self-service, advanced metering infrastructure (“AMI”) and smart grid integration, and regulatory reporting functions. These investments are expected to not only provide long-term security and stability to the Company’s IT infrastructure, but also to enhance the customer experience through the offering of improved self-service options. These updated systems will also enable PPL Electric to modernize field operations and examine opportunities to use new and emerging technologies to enhance its vegetation management, weather modeling, and asset inspections. Additionally, the Company will

evaluate opportunities to utilize AI to more efficiently use existing resources. Finally, the Company's plan prioritizes cybersecurity through the implementation of consolidated systems which mitigates the risk of managing disparate cybersecurity platforms. Through these efforts PPL Electric will be able to identify opportunities to strengthen its cybersecurity infrastructure.

D. Flat Sales

PPL Electric has experienced and is expected to continue experiencing little or no growth in customers or sales due to slow economic growth and increased distributed generation. In 2024, Pennsylvania's GDP grew by 2.415% as compared to 2.796% nationally. Sales and revenues have been further eroded by increased interconnections of distributed generation and customer-generator net metering. This new distributed generation totals an additional 477 MW of capacity on PPL Electric's system since the Company's last base distribution rate case took effect in early 2016.

PPL Electric anticipates only marginal customer growth for customers taking distribution service below 69 kV (0.44% per year from 2025-2027 for residential customers). This is a slight decline from the 0.51% annual growth that the Company has seen from 2016 to 2024. In terms of total sales, the Company has seen only a 0.24% Total Compound Annual Growth Rate ("CAGR") across residential, small, and larger commercial and industrial customers, excluding new large load interconnections. With respect to the residential customer group, sales growth has been offset by distributed generation and energy efficiency, with the net effect being essentially flat growth over the next 5 years with a CAGR of only 0.45%.

While PPL Electric is anticipating more than doubling its system peak load over the next several years due to data center growth, not all load growth is created equally. In fact, data centers are not a significant contributor to distribution sales (demand or energy usage). A data center would take service from PPL Electric as a Large Commercial and Industrial customer under Rate Schedule LP-5. PPL Electric defines its distribution system as facilities operating below 69 kV. Because of this, LP-5 customers are primarily served by the Company's transmission system. This is why LP-5 customers only pay a monthly customer charge covering certain fixed costs to provide retail electric service under Cost of Service principles. Therefore, while the Company is projecting significant systemwide load growth from large load customers, these new large load customers do not contribute to higher demand or energy usage on the distribution system and, therefore, do not contribute to the Company's distribution revenue beyond the monthly customer charge.

This consumption growth data has serious implications for PPL Electric's annual revenue and is a factor in the Company's request for rate relief in this proceeding.

III. RATE DESIGN AND COST ALLOCATION

The Company has designed its proposed rate adjustments by first and foremost analyzing the cost of service to serve specific customer classes. In 2004, the Commonwealth Court issued its decision in *Lloyd v. Pa. PUC*, 904 A.2d 1010 (Pa. Cmwlth. 2006), establishing cost of service as the "polestar" of revenue allocation and rate design in rate proceedings. On remand, the Company and the parties entered into

a settlement agreement, which, *inter alia*, established a goal of moving class rates of return to at or near full cost of service over the course of three rate proceedings, while avoiding “rate shock” by phasing in rates or closing rate differentials over a longer period of time. In this case, as a result of adjustments to its cost of service study and eliminating or resetting certain rider mechanisms, the Company is proposing rates that readjust all major rate classes to or very near to the cost of service consistent with the goals set forth in its 2004 base rate case and in the *Lloyd* decision.

The Company is proposing to allocate the proposed revenue requirement to all customer classes based on the results of a class cost of service study and is proposing to move the rate of return for each customer class to at or very near the system average return. This will continue to adhere to the intent of the *Lloyd* decision and will result in rates updated to be based more fully on cost of service.

In order to achieve this goal, the Company has proposed rate increases to Rate Schedules RS (residential service), Rate GS-1 (SC&I), Rate Schedules GS-3 (SC&I), and Rate Schedule LP-4 (LC&I). Rate decreases are proposed for Rate Schedules LP-5 (LC&I) and the street lighting rate schedule.

With respect to rate design, PPL Electric is proposing to continue movement toward distribution rates that are more demand- and customer-based, and less usage-based. This change results in rates that are more reflective of how costs are incurred by an electric distribution company. Additional details regarding the specific rate design for each of the customer classes is provided in the Direct Testimony of Steve Wishart, PPL Electric Statement No. 8.

In accordance with prior Commission orders and utility practice and precedent, the Company is proposing to roll-in revenues collected under its Tax Cuts and Jobs Act Rider (“TCJA”), Smart Meter Rider 2 (“SMR-2”), and Distribution System Improvement Charge (“DSIC”) mechanisms. It is also proposing to eliminate its Competitive Enhancement Rider (“CER”) mechanism and is requesting recovery of eligible SDER costs in excess of the cap.

Finally, as part of this filing, the Company is proposing a new Original Tariff to provide further clarity and consistency to its tariff rules, riders, and rate schedules. Included in the filing as Exhibit GEO-1 are black line and clean versions of the tariff reflecting these changes.

IV. CONCLUSION

PPL Electric is proposing a distribution rate increase that is appropriate for the business environment the Company currently faces. Particularly to address its need to make significant capital investments to help ensure that its reliability performance remains strong for customers today and in the future. The increase will move PPL Electric’s inadequate return on equity from an estimated 3.92% for the period of July 1, 2026, through June 30, 2027, to an allowed 11.30%. This return is the minimum required for the Company to attract capital on reasonable terms, provide safe and reliable service to its customers and fully fund the various innovative programs described above. The return on equity proposed in this filing is particularly appropriate in light of PPL Electric’s management effectiveness and the wide variety of efforts and initiatives undertaken to improve service to customers while at the same time maintaining distribution rates which

are below the average of comparable companies. For all of these reasons, PPL Electric's proposed distribution rate increase is just and reasonable and should be approved by the Commission.

PPL ELECTRIC UTILITIES CORPORATION

B - Book Statements

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Section B - Book Statements

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PPL ELECTRIC UTILITIES CORPORATION

**Balance Sheet at
June 30, 2027
Assets and Other Debits
(Thousands of Dollars)**

Acct. No.	<u>Title of Account</u>	<u>Amount</u>
	Utility Plant	
101	Plant in service	\$ 16,240,465
105	Plant held for future use	19,928
106	Completed construction not classified	4,207,989
107	Construction work in progress	1,705,443
	Gross utility plant	22,173,825
108	Accumulated provision for depreciation	(5,071,802)
111	Accumulated provision for amortization	(69,173)
	Net utility plant	17,032,850
	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	33,922
	Notes and accounts receivable	
141	Notes receivable	0
142	Customer accounts receivable	457,442
143	Other accounts receivable	36,739
144	Accumulated provision for uncollectible accounts-credit	(39,303)
	Total notes and accounts receivable	454,878
145	Notes receivable from associated companies	56,068
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

Balance Sheet at
June 30, 2027
Assets and Other Debits
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	Current and Accrued Assets (continued)	
165	Prepayments	\$ 103,510
	Other current and accrued assets	
171	Interest and dividends receivable	157
172	Rents receivable	11,479
173	Accrued utility revenues	127,474
174	Miscellaneous current and accrued assets	33,592
	Total other current and accrued assets	172,702
	Total Current and Accrued Assets	930,372
	Deferred Debits	
181	Unamortized debt expense	54,551
182.3	Other regulatory assets	862,825
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	1,745
190	Accumulated deferred income taxes (noncurrent)	372,338
	Total Deferred Debits	1,395,030
	Total Assets and Other Debits	\$ 19,376,788

PPL ELECTRIC UTILITIES CORPORATION

**Balance Sheet at
June 30, 2027**

Liabilities and Other Credits
(Thousands of Dollars)

Acct. No.	<u>Title of Account</u>	<u>Amount</u>
	Proprietary Capital	
201	Common stock issued	\$ 367,509
204	Preferred stock issued	0
207	Premium on capital stock	0
211	Miscellaneous paid-in capital	5,817,960
214	Capital stock expense	0
215.1	Appropriated retained earnings - amortization reserve - Federal	0
216	Unappropriated retained earnings	2,346,500
216.1	Unappropriated undistributed subsidiary earnings	0
217	Reacquired capital stock	0
219	Other comprehensive income	0
	Total Proprietary Capital	<u>8,531,969</u>
	Long-Term Debt	
221	Bonds	6,690,500
224	Other long-term debt	0
225	Unamortized premium	0
226	Unamortized discount on long-term debt-debit	(37,781)
		<u>6,652,719</u>
	Less amount due within one year	
221	Bonds	0
	Total Long-Term Debt	<u>6,652,719</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	498,400
234	Accounts payable to associated companies	58,414
235	Customer deposits	6,554
236	Taxes accrued	(3,656)
237	Interest accrued	80,260
238	Dividends declared	0
240	Matured interest	0
241	Tax collections payable	1,332
242	Miscellaneous current and accrued liabilities	102,621
243	Obligations under capital-leases - current	0
	Total Current and Accrued Liabilities	<u>743,925</u>

PPL ELECTRIC UTILITIES CORPORATION

Balance Sheet at
June 30, 2027

Liabilities and Other Credits
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	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	74,701
254	Other regulatory liabilities	872,615
255	Accumulated deferred investment tax credits	265
281	Accumulated deferred income taxes - accelerated amortization property	0
282	Accumulated deferred income taxes - other property	2,298,553
283	Accumulated deferred income taxes - other (noncurrent)	156,241
	Total Deferred Credits	<u>3,448,175</u>
	Total Liabilities and Other Credits	<u>\$ 19,376,788</u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service
Statement of Net Utility Operating Income
Year Ended June 30, 2027
(Thousands of Dollars)

Acct. No.	<u>Title of Account</u>	<u>Amount</u>
400	Operating Revenue (B-3)	<u>\$ 3,463,885</u>
	Operating Expenses:	
401,402	Operation and Maintenance expenses (B-4)	
	Power production	846,332
	Transmission	335,381
	Regional market	-
	Distribution	207,592
	Customer accounts	86,338
	Customer service and informational expenses	132,910
	Sales	-
	Administrative and general	169,750
	Total Operation and Maintenance Expenses	<u>1,778,304</u>
403	Depreciation expense	441,245
404,405	Amortization of electric plant	27,030
407.3	Regulatory debits	11,007
407.4	Regulatory credits	0
	Taxes (B-5)	
408.1	Taxes other than income taxes	162,324
409.1	Income taxes	23,921
	Deferred income taxes	
410.1	Provision	163,315
411.1	Provision - Credit	(17,150)
411.4	Investment tax credit adjustments	(31)
	Total Taxes	<u>332,379</u>
411.6	Gains from disposition of utility plant	-
411.7	Losses from disposition of utility plant	-
	Total Operating Expenses	<u>2,589,965</u>
	Net Utility Operating Income	<u><u>\$ 873,920</u></u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service
Statement of Operating Revenue
Year Ended June 30, 2027
(Thousands of Dollars)

<u>Description</u>	<u>Amount</u>
<u>Sales of Electricity</u>	
Residential	\$ 1,875,996
Commercial	436,445
Industrial	83,718
Public authorities	27,020
Railroads	0
Sales for resale	<u>1,543</u>
Sales Revenue	<u>2,424,723</u>
 <u>Other Operating Revenue</u>	
Forfeited discounts	15,306
Miscellaneous service revenue	970
Rent from electric property	43,745
Unbilled revenue	631
Other electric revenue	<u>978,511</u>
Total Other Operating Revenue	<u>1,039,163</u>
Total Electric Operating Revenue	<u>\$ 3,463,885</u>

Note: Totals may not tie exactly due to rounding.

PPL ELECTRIC UTILITIES CORPORATION

Electric Service
Statement of Operation and Maintenance Expenses
Year Ended June 30, 2027
(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	\$ 844,328
	Non-utility generation	
	PJM ancillary services	1,676
	Other	
556	System control and load dispatching	
	PJM ancillary services	6
	Other	0
557	Other expenses	323
	Total Other Power Supply Expenses	<u>846,332</u>
	Total Power Production Expenses	<u>846,332</u>
	<u>Transmission Expenses</u>	
	Operation	
560	Operation supervision and engineering	5,631
561	Load dispatching	2,641
562	Station expenses	644
563	Overhead line expenses	1,192
564	Underground line expenses	-
565	Transmission of electricity by others	300,212
566	Miscellaneous transmission expenses	5,822
567	Rents	1,324
	Total Transmission Operation Expenses	<u>317,467</u>
	Maintenance	
568	Maintenance supervision and engineering	11
569	Maintenance of structures	16
569.1	Maintenance of Computer Hardware	23
569.2	Maintenance of Computer Software	2,133
569.3	Maintenance of Communication Equipment	77
570	Maintenance of station equipment	4,455
571	Maintenance of overhead lines	10,321
572	Maintenance of underground lines	151
573	Maintenance of miscellaneous transmission plant	726
574	Maintenance of Transmission Plant	-
	Total Transmission Maintenance Expenses	<u>17,914</u>
	Total Transmission Expenses	<u>335,381</u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service
Statement of Operation and Maintenance Expenses
Year Ended June 30, 2027
(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	10,367
581	Load dispatching	2,295
582	Station expenses	86
583	Overhead line expenses	29,067
584	Underground line expenses	6,594
585	Street lighting and signal system expenses	-
586	Meter expenses	2,391
587	Customer installations expenses	3,026
588	Miscellaneous distribution expenses	18,181
589	Rents	7,534
	Total Distribution Operation Expenses	79,542
	Maintenance	
590	Maintenance supervision and engineering	-
591	Maintenance of structures	137
592	Maintenance of station equipment	12,185
593	Maintenance of overhead lines	110,715
594	Maintenance of underground lines	340
595	Maintenance of line transformers	182
596	Maintenance of street lighting and signal systems	2,424
597	Maintenance of meters	-
598	Maintenance of miscellaneous distribution plant	2,067
	Total Distribution Maintenance Expenses	128,050
	Total Distribution Expenses	207,592

PPL ELECTRIC UTILITIES CORPORATION

Electric Service
Statement of Operation and Maintenance Expenses
Year Ended June 30, 2027
(Thousands of Dollars)

Acct. No.	Title of Account	Amount
	<u>Customer Accounts Expenses</u>	
	Operation	
901	Supervision	4,218
902	Meter reading expenses	1,206
903	Customer records and collection expenses	39,367
904	Uncollectible accounts	37,959
905	Miscellaneous customer accounts expenses	3,589
	Total Customer Accounts Expenses	<u>86,338</u>
	<u>Customer Service and Informational Expenses</u>	
	Operation	
908	Customer assistance expenses	
	On-track uncollectible accounts	\$ 40,718
	Other	92,192
909	Informational and instructional expense	-
910	Miscellaneous customer service and informational expenses	-
	Total Customer Service and Informational Expenses	<u>132,910</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	55,208
921	Office supplies and expenses	22,312
922	Administrative Expenses Transferred-Credit	(6,624)
923	Outside services employed	41,326
924	Property insurance	3,955
925	Injuries and damages	8,548
926	Employee pensions and benefits	3,005
928	Regulatory commission expenses	6,818
930	Miscellaneous general expenses	(10,897)
931	Service Company Rents	1,165
		<u>124,816</u>
	Maintenance	
935	Maintenance of general plant	<u>44,934</u>
	Total Administrative and General Expenses	<u>169,750</u>
	Total Operation and Maintenance Expenses	<u>\$ 1,778,304</u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Service
Statement of Detail Taxes
Twelve Months Ended June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	Taxes Other Than Income	
	State and Local	
1	Gross Receipts	\$ 146,950
2	Local property and Other	4,278
3	Public Utility Realty	3,175
4	State Unemployment Compensation	149
5	Sales and Use	0
6	Total State and Local	<u>154,552</u>
	Federal	
7	Unemployment Tax Act	34
8	Social Security and Hospital Insurance	<u>7,738</u>
9	Total Federal	<u>7,772</u>
10	Total Taxes Other Than Income	<u>162,324</u>
	Income Taxes	
11	State	223
12	Federal	<u>23,698</u>
13	Total Income Taxes	<u>23,921</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, 2027
(Thousands of Dollars)

Line No.	Description	Federal	State	Amount
	Deferred Income Taxes			
	Provision for Deferred Taxes			
	Net Book/Net Tax Plant Timing Differences:			
17	ACRS & MACRS - Distribution Property	34,502	0	34,502
18	Contributions in Aid of Construction (CIAC) - Transmission Property	418	135	553
19	Contributions in Aid of Construction (CIAC) - General Property	37	19	56
20	Net Book/Net Tax Plant - Transmission Property	64,357	30,687	95,044
21	Basis Adjustment - Distribution Property	19,245	6,975	26,220
22	Basis Adjustment - General Property	1,140	574	1,714
23	Federal NOL Carryforward - Distribution Property	0	0	0
24	State NOL Carryforward - Distribution Property	0	0	0
25	Deficient Federal NOL Deferred Taxes - Distribution Property	476	0	476
26	Deficient Federal NOL Deferred Taxes - Transmission Property	214	0	214
27	Bad Debts	61	23	84
28	Pension Benefits	2,736	1,022	3,758
29	Post-Employment Benefits	63	25	88
30	Post-Retirement VEBA	270	100	370
31	Prepays	172	64	236
32	Total Provision	123,691	39,624	163,315
	Provision for Deferred Taxes - Credit			
	Net Book/Net Tax Plant Timing Differences:			
33	ACRS & MACRS - General Property	(5,078)	(237)	(5,315)
34	Contributions in Aid of Construction (CIAC) - Distribution Property	(5,469)	(1,966)	(7,435)
35	Deferred Compensation - Officers	(76)	(29)	(105)
36	Environmental Cleanup	(32)	(12)	(44)
37	Loss - Reacquired Debt	(87)	(33)	(120)
38	Post-Retirement Benefits	(465)	(173)	(638)
39	Rate Case Expenses	(9)	(3)	(12)
40	Supplemental Executive Retirement Pension (SERP)	(56)	(21)	(77)
41	Service Company Temporary Costs	(278)	(104)	(382)
42	Vacation Pay	(56)	(21)	(77)
43	Storm Deferral	(2,147)	(798)	(2,945)
44	Total Credits	\$ (13,753)	\$ (3,397)	(17,150)
45	Total Deferred Income Taxes			146,165
46	Total All Taxes			\$ 332,379

PPL ELECTRIC UTILITIES CORPORATION

Calculation of Composite Cost Rate of Long-Term Debt
at June 30, 2027
(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>	
	Pollution Control Bonds					
15	2.625% Series B due 2027	0	0.00	0.00 %	0.00 %	
16	3.00% Series A due 2029	115,500	100.00	3.07	3.07	
17	Total	<u>\$ 115,500</u>	<u>100.00 %</u>		<u>3.07 %</u>	
	Forecasted Issuances					
18	5.90% Series Due 2056	500,000	50.00 %	5.98 %	2.99 %	
19	6.00% Series Due 2057	500,000	50.00	6.08	3.04	
20	Total	<u>\$ 1,000,000</u>	<u>50.00 %</u>		<u>6.03 %</u>	
21	Total First Mortgage Bonds	5,575,000	83.32 %	4.94 %	4.12 %	
22	Total Pollution Control Bonds	115,500	1.730	3.07	0.05	
23	Total Forecasted Issuances	<u>1,000,000</u>	<u>14.95</u>	6.03	<u>0.90</u>	
24		<u>\$ 6,690,500</u>	<u>100.00 %</u>		<u>5.07 %</u>	
25	Long-Term Debt	\$ 6,690,500			5.07 %	\$ 339,208 (b)
26	Loss on Reacquired Debt	(1,745)				464 (c)
27	Gain on Reacquired Debt	0				0 (d)
28	Adjusted Long-Term Debt	<u>\$ 6,688,755</u>			5.08 %(e)	<u>\$ 339,672</u>

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

(b) 5.07% * \$6,690,500

* (c) Annualized amortization of loss on reacquired debt

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

(e) \$339,672 / \$6,688,755

*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, 2027**

	(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 (Discount)	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
15	6.00% Series Due 2057	3/1/2027	3/1/2057	500,000,000	500,000,000	-	6.00	-	5,625,000	494,375,000		30	98.88	6.08
<u>Pollution Control Bonds</u>														
16	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
17	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
18	TOTAL				<u>\$ 6,690,500,000</u>									

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

PPL ELECTRIC UTILITIES CORPORATION

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

Line No.		<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</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	\$ 6,688,755
2	Common Equity	5,889,213	5,784,561	6,031,865	6,737,589	6,805,925	8,029,570	8,531,969
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>	<u>\$ 15,220,724</u>
	Capitalization Ratios							
4	Long-Term Debt (a)	45.59%	43.95%	43.98%	44.01%	43.76%	43.95%	43.95%
5	Common Equity	54.41%	56.05%	56.02%	55.99%	56.24%	56.05%	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>	<u>100.00%</u>

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

PPL ELECTRIC UTILITIES CORPORATION

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

Line No.		<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</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	\$ 6,690,500
2	Unamortized Loss on Reacquired Debt	(5,113)	(3,074)	(3,968)	(3,287)	(2,748)	(2,209)	(1,745)
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>\$ 6,688,755</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	\$ 367,509
5	Treasury Stock	0	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	5,817,960
7	Earnings Reinvested	1,015,483	1,225,831	1,403,135	1,647,097	1,867,841	2,045,931	2,346,500
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>	<u>\$ 8,531,969</u>

PPL ELECTRIC UTILITIES CORPORATION

Rate of Return at
June 30, 2027

	(1)	(2)	(3)	(4)
<u>Line No.</u>		<u>Capitalization Ratio</u>	<u>Embedded Cost</u>	<u>Return</u>
1	Long-Term Debt	43.95 %	5.08 % (B-6)	2.23 %
2	Common Equity	56.05	11.30	6.33
3		<u>100.00 %</u>		<u>8.5600 %</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, 2027
(Thousands of Dollars)

Line No.	Title of Account	Total T&D Operations	PPUC Jurisdictional (Exhibit BR-1)
	Electric Plant		
1	Electric plant in service (C-2)	\$ 20,346,907	\$ 10,176,227
1a	Electric plant in service (C-2) (IT Pro-forma)	25,880	25,880
2	Reserve for depreciation (C-2)	4,741,901	3,254,277
2a	Reserve for depreciation (C-2) (IT Pro-forma)	1,826	1,826
3	Net electric plant in service	<u>15,629,060</u>	<u>6,946,004</u>
	Additions		
4	Plant held for future use (C-3)	0	0
5	Total electric plant	<u>15,629,060</u>	<u>6,946,004</u>
	Working Capital		
6	Cash working capital (C-4)	1,014	16,775
7	Materials and operating supplies (C-5)	109,289	72,146
8	Total working capital	<u>110,303</u>	<u>88,920</u>
	Deductions		
9	Accumulated deferred taxes on income (C-6)	2,622,001	1,204,395
9a	Accumulated deferred taxes on income (C-6) (IT Pro-forma)	6,088	6,088
10	Customer advances for construction (B-1)	-	0
11	Customer deposits (B-1)	6,554	6,554
12	Total deductions	<u>2,634,643</u>	<u>1,217,037</u>
13	Rate Base (net)	<u>\$ 13,104,720</u>	<u>\$ 5,817,887</u>
	Pro forma return at present rates		
14	Amount (D-1, col. 6)		257,449
15	Percent		4.43%
	Pro forma return at proposed rates		
16	Amount (D-1, col. 8)		498,011
17	Percent		8.56%

NOTE: Totals may not tie due to rounding

PPL ELECTRIC UTILITIES CORPORATION

Electric Plant in Service - Original Cost
As of June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Transmission	10,162,925
2	Distribution	9,139,263
3	General	1,069,930
4	Intangible	<u>670.29</u>
5	Total electric plant In service	\$20,372,788

PPL ELECTRIC UTILITIES CORPORATION

Reserve for Depreciation - Original Cost
As of June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Transmission	\$1,484,404
2	Distribution	2,746,167
3	General	513,157
4	Intangible	-
5	Total reserve for depreciation	<u>\$4,743,727</u>

PPL ELECTRIC UTILITIES CORPORATION

Electric Plant Held For Future Use

As of June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	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 ¹⁾	19,928
9	Less: Eliminate plant held for future use ²⁾	(19,928)
10	Adjusted plant held for future use	<u><u>\$ 0</u></u>

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

²⁾ No claim is being made for future use property in this proceeding.

PPL ELECTRIC UTILITIES CORPORATION

Cash Working Capital
As of June 30, 2027
(Thousands of Dollars)

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Operation and maintenance expense (C-4, page 2)	\$ 6,930
2	Average prepayments (C-4, page 3)	13,421
3	Accrued taxes (C-4, page 4)	14,450
4	Interest payments (C-4, page 5)	<u>(33,787)</u>
5	Total cash working capital requirement	<u>\$ 1,014</u>

PPL Electric Utilities Corporation

Working Capital Required for Operation and Maintenance Expenses

As of June 30, 2027

(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.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Net pro forma O&M expense (a)	486,455
2	O&M expense per day (line 1 divided by 365 days)	1,333
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>\$ 6,930</u>
(a)	Total pro forma operation and maintenance expense (D-1 col. 5 lines 2-4)	\$ 995,182
	Less: Non-cash items	
	Uncollectible accounts expense	14,735
	Deferred Storm Outage Costs (D-9)	3,779
	Deferred IIJA Costs (D-10)	211
	Depreciation (D-1 col. 5 line 3)	<u>490,002</u>
	Net pro forma O&M expense	<u>\$ 486,455</u>

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

PPL ELECTRIC UTILITIES CORPORATION

Average Prepayments
As of June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Month</u>	<u>Insurance</u>	<u>PUC Annual Assessment</u>	<u>Other</u>	<u>Total</u>
1	July 2026	\$3,648	\$3,850	\$6,680	\$14,178
2	August 2026	3,014	3,500	6,527	\$13,041
3	September 2026	2,815	5,726	6,373	\$14,914
4	October 2026	2,188	5,089	6,345	\$13,623
5	November 2026	1,561	4,453	6,265	\$12,279
6	December 2026	960	3,817	6,007	\$10,784
7	January 2027	5,283	3,181	6,252	\$14,717
8	February 2027	4,614	2,354	6,546	\$13,514
9	March 2027	3,944	1,765	7,956	\$13,665
10	April 2027	3,489	1,177	9,065	\$13,731
11	May 2027	4,988	588	8,807	\$14,384
12	June 2027	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, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>	<u>12-Month Accrued Factor (a)</u>	<u>Accrued Taxes</u>
1	Federal income tax (D-1, line 6, col. 5)	14,884	-11.62%	(\$1,730)
2	PA income tax (D-1, line 7, col. 5)	(3,527)	-9.54%	336
3	PA gross receipts tax (D-16, page 3)	55,873	27.96%	15,622
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%	222
6	Total accrued taxes			<u>\$14,450</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 6 through 11 reflect the computation of such factors.

PPL ELECTRIC UTILITIES CORPORATION

Interest Payments
As of June 30, 2027
(Thousands of Dollars)

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Rate Base at June 30, 2027 (C-1)	\$ 13,104,720
2	Long-term debt ratio (B-8)	43.95%
3	Embedded cost of long-term debt (B-8)	5.08%
4	Pro forma interest (line 1 x line 2 x line 3)	<u>292,235</u>
5	Daily amount (line 4 ÷ 365)	<u>\$ 801</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>\$ 33,787</u>

PPL ELECTRIC UTILITIES CORPORATION

Plant Materials and Operating Supplies

As of June 30, 2027

(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
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, 2027

(Thousands of Dollars)

Line No.	Month	Amount
1	June 2026	\$ 99,145
2	July 2026	100,837
3	August 2026	103,922
4	September 2026	104,183
5	October 2026	100,291
6	November 2026	90,682
7	December 2026	96,182
8	January 2027	100,387
9	February 2027	98,898
10	March 2027	102,536
11	April 2027	100,516
12	May 2027	104,742
13	June 2027	<u>108,384</u>
14	Total Plant Materials and Operating Supplies	<u>\$ 1,310,705</u>
15	13-Month Average	<u>\$ 100,823</u>

PPL ELECTRIC UTILITIES CORPORATION

Stores Expense Undistributed
As of June 30, 2027
(Thousands of Dollars)

Line No.	Month	Amount
1	June 2026	\$ 11,204
2	July 2026	10,386
3	August 2026	9,666
4	September 2026	10,377
5	October 2026	3,431
6	November 2026	4,716
7	December 2026	7,797
8	January 2027	7,956
9	February 2027	6,807
10	March 2027	7,723
11	April 2027	10,706
12	May 2027	11,854
13	June 2027	<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
Year Ended June 30, 2027
(Thousands of Dollars)

Line

<u>No.</u>	<u>Description</u>	<u>Amount Including</u> <u>IT Proforma</u>	<u>IT Proforma</u>	<u>Amount Excluding</u> <u>IT Proforma</u>
	Distribution			
1	Accelerated Cost Recovery System (ACRS/MACRS) (a)	\$ 783,269	\$ -	\$ 783,269
2	Contributions In Aid Of Construction (CIAC)	(154,604)	0	(154,604)
3	Other Plant Basis Adjustments (a)	498,579	6,088	492,491
4	Balance at June 30, 2027	<u>\$ 1,127,244</u>	<u>\$ 6,088</u>	<u>\$ 1,121,156</u>
	General			
5	Accelerated Cost Recovery System (ACRS/MACRS)	98,684	0	98,684
6	Contributions In Aid Of Construction (CIAC)	(213)	0	(213)
7	Other Plant Basis Adjustments	(12,792)	0	(12,792)
8	Balance at June 30, 2027	<u>85,679</u>	<u>0</u>	<u>85,679</u>
	Transmission			
9	Contributions In Aid Of Construction (CIAC)	(18,988)	0	(18,988)
10	Net Book/Net Tax Plant (Excluding CIAC) (a)	1,434,154	0	1,434,154
11	Balance at June 30, 2027	<u>1,415,166</u>	<u>0</u>	<u>1,415,166</u>
	Total (B-1)			
12	Accelerated Cost Recovery System (ACRS/MACRS)	881,953	0	881,953
13	Contributions In Aid Of Construction (CIAC)	(173,805)	0	(173,805)
14	Net Book/Net Tax Plant (Excluding CIAC) - Transmission	1,434,154	0	1,434,154
15	Other Plant Basis Adjustments	485,787	6,088	479,699
16	Total accumulated deferred taxes on income	<u>\$ 2,628,089</u>	<u>\$ 6,088</u>	<u>\$ 2,622,001</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

**Accumulated Deferred Taxes on Income
Year Ended June 30, 2027**

**Reg 1.167(l)-(h)(6)ii
(Thousands of Dollars)**

<u>Line No.</u>				<u>Total Amount Including IT Proforma</u>		<u>IT Proforma</u>		<u>Total Amount Excluding IT Proforma</u>
1	Accumulated Deferred Taxes at June 30, 2026			\$ 2,559,432		\$ -		\$ 2,559,432
2	Projected Accumulated Deferred Taxes at June 30, 2027			<u>2,709,866</u>		<u>13,338</u>		<u>2,696,528</u>
3	Increase in Accumulated Deferred Taxes for July 1, 2026 - June 30, 2027			<u>\$ 150,434</u>		<u>\$ 13,338</u>		<u>\$ 137,096</u>
		<u>Proration</u>	<u>Monthly Increase</u>		<u>Monthly Increase</u>		<u>Monthly Increase</u>	
4	Balance June 30, 2026			\$ 2,559,432		\$ -		\$ 2,559,432
5	July 1-31, 2026	334 / 365	\$ 12,536	11,471	\$ 1,112	1,018	\$ 11,424	10,453
6	August 1-31, 2026	303 / 365	12,536	10,407	1,111	922	11,425	9,485
7	September 1-30, 2026	273 / 365	12,537	9,377	1,112	832	11,425	8,545
8	October 1-31, 2026	242 / 365	12,536	8,312	1,111	737	11,425	7,575
9	November 1-30, 2026	212 / 365	12,536	7,281	1,112	646	11,424	6,635
10	December 1-31, 2026	181 / 365	12,536	6,216	1,111	551	11,425	5,665
11	January 1-31, 2027	150 / 365	12,536	5,152	1,112	457	11,424	4,695
12	February 1-28, 2027	122 / 365	12,536	4,190	1,111	371	11,425	3,819
13	March 1-31, 2027	91 / 365	12,537	3,126	1,112	277	11,425	2,849
14	April 1-30, 2027	61 / 365	12,536	2,095	1,111	186	11,425	1,909
15	May 1-31, 2027	30 / 365	12,536	1,030	1,112	91	11,424	939
16	June 1-30, 2027	0 / 365	12,536	<u>0</u>	1,111	<u>0</u>	11,425	<u>0</u>
17	Balance June 30, 2026 plus pro rata portion of monthly increases			<u>\$ 2,628,089</u>		<u>\$ 6,088</u>		<u>\$ 2,622,001</u>
18	Projected Accumulated Deferred Taxes at June 30, 2027 (Line 2)			2,709,866		13,338		2,696,528
19	Proration Adjustment (Line 17 - Line 18)			<u>\$ (81,777)</u>		<u>\$ (7,250)</u>		<u>\$ (74,527)</u>

PPL ELECTRIC UTILITIES CORPORATION

D- Operating Income

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Section D - Operating Income

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- D-5 Adjustment to Wages and Benefits
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PPL ELECTRIC UTILITIES CORPORATION

**Operating Income
Pro Forma at Present and Proposed Rates
Year Ended June 30, 2027
(Thousands of Dollars)**

Line No.		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Total Amount Per Books	Less: Automatic Cost Recovery Clauses/Riders ¹⁾	T & D Operations Per Books	Pro Forma Adjustments (D-2)	T & D Pro Forma at Present Rates	Pro Forma at Present Rates (Exhibit BR-1)	PPUC Jurisdictional Rate Increase (D-17, Pg. 4)	Pro Forma at Proposed Rates
1	Operating Revenues	\$ 3,463,885	\$ (1,425,271)	\$ 2,038,615	\$ 4,723	\$ 2,043,338	\$ 1,065,901	\$ 356,271	\$ 1,422,173
	Operating Expenses								
2	Operation and Maintenance	1,778,304	(1,276,262)	502,042	(852)	501,190	427,949	6,974	434,923
3	Depreciation	468,275	0	468,275	21,727	490,002	289,596	0	289,596
4	Regulatory Debits/Credits	11,007	(11,007)	0	3,990	3,990	3,990	0	3,990
	Provision for Taxes								
5	Taxes Other Than Income	162,324	(90,524)	71,800	(654)	71,147	68,847	21,020	89,867
	Income Taxes								
6	Federal	23,698	(9,249)	14,449	435	14,884	(24,372)	63,947	39,575
7	State	223	(3,437)	(3,214)	(313)	(3,527)	(11,274)	23,767	12,493
8	Deferred Income Taxes	146,165	0	146,165	4,269	150,434	53,732	0	53,732
9	Investment Tax Credit	(31)	0	(31)	0	(31)	(15)	0	(15)
10	Total Taxes	332,379	(103,210)	229,169	3,737	232,906	86,918	108,734	195,653
11	(Gain)/Loss from Disposition of Utility Plant	0	0	0	0	0	0	0	0
12	Total Operating Expenses	2,589,965	(1,390,478)	1,199,487	28,602	1,228,089	808,453	115,709	924,162
13	Operating Income	<u>\$ 873,920</u>	<u>\$ (34,792)</u>	<u>\$ 839,128</u>	<u>\$ (23,879)</u>	<u>\$ 815,249</u>	<u>\$ 257,448</u>	<u>\$ 240,563</u>	<u>\$ 498,011</u>

¹⁾ Automatic Recovery Clauses/Riders include CER, TCJA, SMR-2, DSIC, GSC-1, GSC-2, MFC, TSC, USR, ACR, and SDER for line 1, and GSC-1, GSC-2, MFC, TSC, USR, ACR, and SDER for all other lines.

NOTE: Totals may not tie due to rounding

PPL ELECTRIC UTILITIES CORPORATION

Adjustments to Income
12 Months Ended June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	<u>Reference</u>	<u>Description</u>	<u>Amount</u>
		<u>Operating Revenues</u>	
1	D-3 and D-4	Operating Revenue	<u>\$ 4,723</u>
		<u>Operation and Maintenance Expenses</u>	
2	D-5	Employee wages and benefits (D-5 Line 5 + Line 6)	(518)
3	D-6	Rate case expense	733
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	300
10	D-13	Company Use Generation Supply Purchase	1,359
11	D-14	Capital Treatment of Certain IT Expenditures	<u>(1,826)</u>
12		Total operation and maintenance expense	<u>3,138</u>
		<u>Depreciation</u>	
13	D-14	Capital Treatment of Certain IT Expenditures	1,826
14	D-15	Annual depreciation expense	<u>19,901</u>
15		Total depreciation expense	<u>21,727</u>
		<u>Provision for Taxes</u>	
		Taxes other than income	
16		Capital stock	0
17	D-16	Gross receipts	(553)
18	D-16	Public utility realty	(65)
19	D-5	Payroll taxes	(36)
		Income taxes	
20	D-17	Federal	435
21	D-17	State	(313)
22	D-18	Deferred income taxes	4,269
23			
23	D-19	Investment tax credit - amortization	<u>0</u>
24		Total Taxes	<u>3,737</u>
25		Gain and losses on property dispositions	<u>0</u>
26		Total Operating Expenses	<u>28,602</u>
27		Total Adjustments to Income	<u><u>\$ (23,879)</u></u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustments to Operating Revenue
Period Ended June 30, 2027
(Thousands of Dollars)

Line No.	Description	(1) Total Per Books	(2) Less: Automatic Cost Recovery Clauses/Riders ^{a)}	(3) T&D Operations Per Books	(4) Pro Forma Adjustments	(5) T&D Pro forma at Present Rates
1	Distribution revenue	\$ 1,188,312	\$ (183,073)	\$ 1,005,239	\$ 4,933 ^{b)}	\$ 1,010,172
2	Transmission Service Charge (TSC) revenue	325,313	(325,313)	0	0	0
3	Generation Service Charge (GSC) Revenue	915,486	(915,486)	0	0	0
4	State Tax Surcharge (STAS) revenue	(4,707)	(12)	(4,719)	0	(4,719)
5	Sales for Resale	319	0	319	0	319
6	Total Rate Revenue	<u>\$ 2,424,723</u>	<u>\$ (1,423,884)</u>	<u>\$ 1,000,839</u>	<u>\$ 4,933</u>	<u>\$ 1,005,772</u>
<u>Other Electric Revenue</u>						
7	Late Payment	15,306	0	15,306	0	15,306
8	Misc. Revenue	970	0	970	0	970
9	Rent	43,746	0	43,746	0	43,746
10	Other	978,510	(965)	977,545	0	977,545
11	Total Other	<u>\$ 1,038,531</u>	<u>\$ (965)</u>	<u>\$ 1,037,566</u>	<u>\$ -</u>	<u>\$ 1,037,566</u>
12	Operating Revenue (excl. unbilled)	3,463,254	(1,424,849)	2,038,405	4,933	2,043,338
13	Unbilled Revenue (D-4)	631	(422)	210	(210)	0
14	Total Operating Revenue	<u>\$ 3,463,885</u>	<u>\$ (1,425,271)</u>	<u>\$ 2,038,615</u>	<u>\$ 4,723</u>	<u>\$ 2,043,338</u>

^{a)} Automatic Recovery Clauses/Riders include GSC-1, GSC-2, MFC, TSC, TCJA, STAS E&T, USR, ACR, CER, SDER, SMR and DSIC \$ 1,065,793

^{b)} This adjustments is for annualization.

PPL Electric Utilities Corporation
12 month Period Ended June 30, 2027 Budget with Annualization

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Line Number	Rate Schedule	Number of Bills (monthly)	Sales (KWH)	Budgeted Base Distribution Rate Revenue	Smart Meter Rider (SMR)	Universal Service Rider (USR)	Act 129 Compliance Rider (ACR)	Competitive Enhancement Rider (CER)	Distribution System Improvement Charge (DSIC)	Storm Damage Expense Rider (SDER)	Tax Reform (TCJA)	Transmission Service Charge (TSC)	Generation Service Charge (GSC)	Present Rate Revenue	State Tax Adjustment Surcharge (STAS)	State Tax Adjustment Surcharge (STAS)	State Tax Adjustment Surcharge (STAS)	Total Revenue
				Note 1	Note 1		Note 1	Note 1	Note 1	Note 1	Note 1				Total	Distribution	Other	
1	RS	1,300,277	14,215,929,792	\$ 624,533,916	\$ 19,385,376	\$ 140,870,796	\$ 27,348,122	\$ -	\$ 65,570,906	\$ 8,634,419	\$ (44,201,747)	\$ 267,602,749	\$ 745,093,201	\$ 1,854,837,738	\$ (3,443,541)	\$ (3,453,606)	\$ 10,065	\$ 1,851,394,197
2	RTS	11,564	230,398,029	7,972,442	172,408	2,298,209	444,434		789,875	140,221	(496,046)	3,520,431	9,802,025	24,643,997	(41,827)	(41,958)	131	24,602,170
3	GS-1	147,382	1,842,773,827	78,763,076	4,416,931		4,406,905		6,248,127	553,607	(4,832,370)	18,295,829	59,606,199	167,458,504	(326,623)	(327,401)	778	167,131,881
4	GS-3	39,839	8,237,505,853	129,185,677	1,193,921		19,696,425		10,846,455	2,475,907	(7,932,518)	30,318,865	81,553,309	267,338,041	(566,243)	(567,361)	1,118	266,771,798
5	LP-4	1,237	6,032,075,324	39,301,857	747,722		10,747,730		3,651,579	603,252	(2,393,977)	4,327,879	12,941,043	69,927,085	(190,809)	(190,981)	172	69,736,276
6	LP-5	166	12,100,437,660	1,980,048	100,308		8,726,276		62,352	121,278		273,821	3,318,584	14,340,111	(39,651)	(39,687)	36	14,300,460
7	BL	42	7,274,464	348,811	1,257		17,400		26,126	2,185	(21,321)	199,974	651,501	1,225,933	(1,366)	(1,378)	12	1,224,567
8	SA		5,349,372	3,354,653			12,792		241,656	1,608	(205,665)	142,790	460,506	4,008,340	(12,916)	(12,916)		3,995,424
9	SM	57	1,262,858	282,195			3,007		20,058	385	(17,244)	8,130	26,619	323,150	(1,053)	(1,053)		322,097
10	SHS	1,130	26,538,996	9,733,287			63,277		688,763	8,094	(594,875)	179,422	580,407	10,658,376	(36,131)	(36,135)	4	10,622,245
11	SE	110	24,967,255	1,822,447			59,966		131,028	7,373	(111,324)	82,304	276,845	2,268,639	(6,918)	(6,931)	13	2,261,720
12	TS	7	289,330	27,909			697		2,019	89	(1,705)	1,190	3,872	34,071	(107)	(107)		33,965
13	SLE	477	15,017,109	9,237,324			35,918		653,451	4,513	(565,078)	106,401	346,647	9,819,176	(34,443)	(34,443)		9,784,733
14	GH-2	1,477	35,291,556	1,306,592	44,272		84,456		102,455	10,599	(79,833)	253,154	624,759	2,546,454	(5,404)	(5,416)	12	2,541,050
15	Rate Revenue	1,503,765	42,775,651,425	\$ 907,850,234	\$ 26,062,195	\$ 143,159,005	\$ 71,647,405	\$ -	\$ 88,972,498	\$ 12,504,805	\$ (61,564,983)	\$ 325,312,939	\$ 915,485,516	\$ 2,429,429,614	\$ (4,707,032)	\$ (4,719,373)	\$ 12,341	\$ 2,424,722,582
16	Annualization Adjustment		569,772,231	\$ 4,932,874										\$ 4,932,874				\$ 4,932,874
17	Total PUC Tariff Revenue		43,345,423,656	\$ 912,783,108	\$ 26,062,195	\$ 143,159,005	\$ 71,647,405	\$ -	\$ 88,972,498	\$ 12,504,805	\$ (61,564,983)	\$ 325,312,939	\$ 915,485,516	\$ 2,434,362,488	\$ (4,707,032)	\$ (4,719,373)	\$ 12,341	\$ 2,429,655,456
	Other Electric Revenues																	
18	Late Payment			\$ 15,305,520									\$ 15,305,520					\$ 15,305,520
19	Misc. Revenue			\$ 969,910									\$ 969,910					\$ 969,910
20	Rent			\$ 40,830,000								\$ 2,916,000	\$ 43,746,000					\$ 43,746,000
21	Other			\$ 3,990,000								\$ 974,520,000	\$ 978,510,000					\$ 978,510,000
22	Total Other			\$ 61,095,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 977,436,000	\$ -	\$ 1,038,531,430	\$ -	\$ -	\$ -	\$ 1,038,531,430
23																		
24	Total Operating Revenue			\$ 973,878,538	\$ 26,062,195	\$ 143,159,005	\$ 71,647,405	\$ -	\$ 88,972,498	\$ 12,504,805	\$ -	\$ 1,302,748,939	\$ 915,485,516	\$ 3,472,893,918	\$ (4,707,032)	\$ (4,719,373)	\$ 12,341	\$ 3,468,186,886

Note 1: PPL Electric proposes to roll revenues related to SMR-2, CER, DSIC, and TCJA into base distribution rates.

PPL Electric Utilities Corporation
12 month Period Ended June 30, 2027 Proforma Budget at Proposed Rates

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Line Number	Rate Schedule	Budgeted Base Distribution Rate Revenue	Base Distribution Revenue Increase	Smart Meter Rider (SMR)	Universal Service Rider (USR)	Act 129 Compliance Rider (ACR)	Competitive Enhancement Rider (CER)	Distribution System Improvement Charge (DSIC)	Storm Damage Expense Rider (SDER)	Tax Reform (TCJA)	Transmission Service Charge (TSC)	Generation Service Charge (GSC)	Total Proposed Rate Revenue with Increase	State Tax Adjustment Surcharge (STAS)	State Tax Adjustment Surcharge (STAS)	Total Revenue with Proposed Revenue Increase	Total Revenue \$ Change	Total Revenue % Change
	Note 2		Note 1	Note 1			Note 1	Note 1		Note 1				Distribution	Other			
1	RS	\$ 632,506,358	\$ 258,113,550		\$ 143,159,005	\$ 27,792,556					\$ 271,123,180	\$ 754,895,226	\$ 2,087,589,875	\$ -	\$ 10,196	\$ 2,087,600,071	\$ 211,603,704	11.43%
2	RTS																	
3	GS-1	80,069,668	29,829,758			4,491,361					18,548,983	60,430,958	193,370,728	-	790	193,371,518	23,698,587	14.18%
4	GS-3	129,185,677	41,763,670			19,696,425					30,318,865	81,553,309	302,517,946	-	1,118	302,519,064	35,747,266	13.40%
5	LP-4	39,301,857	20,253,595			10,747,730					4,327,879	12,941,043	87,572,104	-	172	87,572,276	17,836,000	25.58%
6	LP-5	1,980,048				8,728,276					273,821	3,318,584	14,298,729	-	36	14,298,765	(1,695)	-0.01%
7	BL	348,811				17,400					199,974	651,501	1,217,686	-	12	1,217,698	(6,869)	-0.56%
8	SA	3,354,653	936,045			12,792					142,790	460,506	4,906,785	-		4,906,785	911,361	22.81%
9	SM	282,195	62,427			3,007					8,130	26,619	382,378	-		382,378	60,281	18.72%
10	SHS	9,733,287	2,409,574			63,277					179,422	580,407	12,965,967	-	4	12,965,972	2,343,727	22.06%
11	SE	1,822,447	2,390,735			59,966					82,304	276,845	4,632,296	-	13	4,632,309	2,370,589	104.81%
12	TS	27,909	504,381			697					1,190	3,872	538,049	-		538,049	504,084	1484.14%
13	SLE	9,237,324	7,709			35,918					106,401	346,647	9,733,999	-		9,733,999	(50,734)	-0.52%
14	GH-2																	
15	Rate Revenue	\$ 907,850,234	\$ 356,271,443	\$ -	\$ 143,159,005	\$ 71,647,405	\$ -	\$ -	\$ -	\$ -	\$ 325,312,939	\$ 915,485,516	\$ 2,719,726,542	\$ -	\$ 12,341	\$ 2,719,738,883	\$ 295,016,301	
16	Annualization Adjustment	\$ 4,932,874														\$ 4,932,874		
17	Total PUC Tariff Revenue	\$ 912,783,108	\$ 356,271,443	\$ -	\$ 143,159,005	\$ 71,647,405	\$ -	\$ -	\$ -	\$ -	\$ 325,312,939	\$ 915,485,516	\$ 2,719,726,542	\$ -	\$ 12,341	\$ 2,724,671,757		
Other Electric Revenues																		
18	Late Payment	\$ 15,305,520											\$ 15,305,520			\$ 15,305,520		
19	Misc. Revenue	\$ 969,910											969,910			\$ 969,910		
20	Rent	\$ 40,830,000									\$ 2,916,000		43,746,000			\$ 43,746,000		
21	Other	\$ 3,990,000									974,520,000		978,510,000			\$ 978,510,000		
22	Total Other	\$ 61,095,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 977,436,000	\$ -	\$ 1,038,531,430			\$ 1,038,531,430		
23	Total Operating Revenue	\$ 973,878,538	\$ 356,271,443	\$ -	\$ 143,159,005	\$ 71,647,405	\$ -	\$ -	\$ -	\$ -	\$ 1,302,748,939	\$ 915,485,516	\$ 3,758,257,972	\$ -	\$ 12,341	\$ 3,763,203,187		

Note 1: Base distribution revenue increase includes roll-in of SMR, CER, DSIC, and TCJA as shown on D-3 Page 2.
Note 2: This reflects the elimination of the RTS and GH-2 rate schedules.

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Operating Revenues for Unbilled Revenue
Year Ended June 30, 2027
(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.

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Unbilled revenue- distribution	\$ (210)
2	Net decrease in distribution operating revenue	<u><u>\$ (210)</u></u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Wages and Benefits
Year Ended June 30, 2027
(Thousands of Dollars, except wages per employee)

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

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Average monthly T & D-related wages to expense per employee	\$ 5,019
2	T & D-related personnel employed at the end of the year	1,477
3	Annualized T & D-related total wages to expense(line 1 x line 2 x 12 months)	88,964
4	Less: Actual T & D-related wages to expense for the year ended June 30, 2027	<u>89,386</u>
5	Decrease in wages to expense (line 3 - line 4)	(422)
6	Decrease in benefits expense (line 5 x 22.8%)	(96)
7	Decrease in payroll taxes (line 5 x 8.5%)	<u>(36)</u>
8	Total decrease in T&D-related wages, taxes and benefits expenses (line 5 + line 6 + line 7)	<u><u>\$ (554)</u></u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Rate Case Expense
12 Months Ended June 30, 2027
(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.

Line		
<u>No.</u>	<u>Description</u>	<u>Amount</u>
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>\$ 8</u>
4	Net increase/(decrease) in distribution operating expense	<u><u>\$ 733</u></u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Economic Development Proposal
12 Months Ended June 30, 2027
(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.

Line		
<u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Economic development proposal expense	<u>\$ 400</u>
2	Economic development 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, 2027

(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.

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

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Deferred Storm Outage Costs

12 Months Ended June 30, 2027

(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.

Line No.	Description	Amount
1	Total net deferral amount for storm outage costs	\$ 11,336
2	Normalized amount (line 1 / 3 years)	\$ 3,779
3	Less: Amount per books	\$ -
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, 2027
(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.

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

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Universal Service Rider (USR) Salaries
12 Months Ended June 30, 2027
(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

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

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Interest Expense on Customer Security Deposits
Year Ended June 30, 2027
(Thousands of Dollars)

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

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Residential customer security deposits	\$ 1,803
2	Residential interest rate	<u>7.000%</u>
3	Residential interest	\$ 126
4	Non-residential customer security deposits	\$ 4,158
5	Non-residential interest rate	<u>4.19%</u>
6	Non-residential interest	\$ 174
7	Total increase in transmission and distribution expense (line 3 + line 6)	<u><u>\$ 300</u></u>

PPL ELECTRIC UTILITIES CORPORATION

**Adjustment for Company Use Generation Supply Purchases
For the Period Ending June 30, 2027
(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.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	Kilowatt-hour usage for the period July 1, 2026 - June 30, 2027	68,525,582
2	Generation supply purchase price per kilowatt-hour	\$ 0.09114
3	Total estimated generation supply expense July 1, 2026 - June 30, 2027 (line 1 x line 2)	\$ 6,245
4	Less: Actual amount per books	\$ 4,752
5	Net generation supply expense (line 3 - line 4)	<u>\$ 1,493</u>
6	Portion assigned to PPL Electric	91.1%
7	Net increase in distribution operating expense (line 5 x line 6)	<u>\$ 1,359</u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment for Certain IT Expenditures Requested to be treated as Capital
12 Months Ended June 30, 2027
(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.

Line No.	Description	Amount
1	Proforma to Adjust for IT Capital Request: Reclassification of Regulatory Asset Amortization in O&M Expense Budget to Depreciation Expense - Reduction of O&M Expense	0
2	Less: Amount per budget	\$ 1,826
3	Net decrease in distribution operating expense	\$ (1,826)
4	Proforma to Adjust for IT Capital Request: Reclassification of Regulatory Asset Amortization in O&M Budget to Depreciation Expense - Increase to Depreciation Expense	\$ 1,826
5	Less: Amount per budget	\$ -
6	Net increase in depreciation expense	\$ 1,826

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Annual Depreciation Expense
Year Ended June 30, 2027
(Thousands of Dollars)

<u>Line No.</u>	Depreciation - Electric Plant In Service	<u>Amount</u>
1	Intangible Plant	\$ -
2	Transmission Plant	199,912
3	Distribution Plant	228,441
4	General Plant	59,822
6	Total	<u>488,176</u>
7	Less: Depreciation expense per books	468,275
8	Net increase in depreciation expense	<u><u>\$ 19,901</u></u>

PPL ELECTRIC UTILITIES CORPORATION

**Adjustment to Taxes Other Than Income
Twelve Months Ended June 30, 2027
(Thousands of Dollars)**

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
	<u>PA Gross Receipts Tax</u>	
	Adjustment to provide for gross receipts tax on pro forma revenue at present rates	
1	Gross receipts tax recoverable through base rates (D-16, page 2)	\$ 55,873
2	Less: Gross receipts tax on T&D operations per budget (Sch B-5, page 1, line 1 plus Sch D-17, page 1, column 2, line 5)	<u>56,426</u>
3	Net decrease in expense	<u>\$ (553)</u>
	<u>PA Public Utility Realty</u>	
	Adjustment to reflect current taxable value	
4	Public utility realty tax recoverable through base rates (D-16, page 2)	\$ 3,110
5	Less: Public utility realty tax on T&D operations per budget (B-5, page 1, line 3)	<u>3,175</u>
6	Net decrease in expense	<u>\$ (65)</u>

PPL ELECTRIC UTILITIES CORPORATION

Twelve Months Ended June 30, 2027
(Thousands of Dollars)

Gross Receipts Tax (GRT) at Present Rates

<u>Line No.</u>	<u>Description</u>	<u>Pro Forma Revenue</u>	<u>GRT Rate (Mills)</u>	<u>Amount</u>
1	Tariff Revenue Total Tariff Revenue (D-3, page 1, line 6)	\$ 1,005,772	59	\$ 59,341
2	Other Electric Revenue Late payment (D-3, page 1, line 7)	15,306	59	903
3	Other electric revenue (D-3, page 1, lines 8-10)	<u>1,022,260</u>	-	0
4	Total Other	<u>1,037,566</u>		
5	Total (D-3, page 1, line 14)	<u><u>2,043,338</u></u>		<u>60,244</u>
6	Plus: Bad debt adjustment	(74,088)	59	(4,371)
7	Total gross receipts tax on pro forma revenue at present rates			<u><u>\$ 55,873</u></u>

Public Utility Realty Tax (PURTA) at Present Rates

	<u>Description</u>	<u>Amount</u>
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)	<u>0.0233189</u>
10	Tax Amount	<u><u>\$ 3,110</u></u>

PPL ELECTRIC UTILITIES CORPORATION
Computation of Income Taxes - Electric
Twelve Months Ended June 30, 2027
(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
1	Operating Revenues	\$ 3,463,885	\$ (1,425,271)	\$ 2,038,615	\$ 4,723	\$ 2,043,338
	Operating Expenses					
2	Operation and maintenance	1,778,304	(1,276,262)	502,042	(852)	501,190
3	Depreciation and amortization	468,275	0	468,275	21,727	490,002
4	Regulatory Debits and Credits	11,007	(11,007)	0	3,990	3,990
5	Taxes Other than Income	162,324	(90,524)	71,800	(654)	71,147
6	Income Taxes	23,698	(9,249)	14,449	435	14,884
7	Income Taxes - State	223	(3,437)	(3,214)	(313)	(3,527)
8	Deferred Income Taxes	146,165	0	146,165	4,269	150,434
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>2,589,965</u>	<u>(1,390,478)</u>	<u>1,199,487</u>	<u>28,602</u>	<u>1,228,089</u>
		0				
12	Operating Income	873,920	(34,792)	839,128	(23,879)	815,249
13	Less: Interest Expense	306,018	0	306,018	(13,783)	292,235
14	Net Operating Income	<u>567,902</u>	<u>(34,792)</u>	<u>533,110</u>	<u>(10,097)</u>	<u>523,014</u>
15	Income Tax Adjustments					
16	Federal Income Tax	23,698	(9,249)	14,449	435	14,884
17	State Income Tax	223	(3,437)	(3,214)	(313)	(3,527)
18	Deferred Income Taxes	146,165	0	146,165	4,269	150,434
19	Investment tax credit amortization	(31)	0	(31)	0	(31)
	Permanent Items:					
20	Bad Debt Expense Net of Write-offs	500	0	500	0	500
21	ESOP dividend paid in cash	(2,100)	0	(2,100)	0	(2,100)
22	Nondeductible Officers Compensation	5,550	0	5,550	0	5,550
23	Nondeductible Subsidized Expenses	1,500	0	1,500	0	1,500
	Plant Temporary Items:					
24	Book Depreciation	468,275	0	468,275	19,901	488,176
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	(196,193)	0	(196,193)	(49,920)	(246,113)
28	Plant Basis Adjustments - Capitalized R&D	38,106	0	38,106	0	38,106
29	Removal costs	(105,534)	0	(105,534)	24,722	(80,812)
30	Tax Depreciation	(878,210)	0	(878,210)	24,161	(854,049)
31	Tax Gains/(Losses) on Plant Dispositions	5,026	0	5,026	0	5,026
	Non-Plant Temporary Items:					
32	Bad Debt Expense Net of Write-offs	(314)	0	(314)	0	(314)
33	Deferred Compensation - Officers	390	0	390	0	390
34	Environmental Clean-up	160	0	160	0	160
35	Pension and supplemental retirements	(13,763)	0	(13,763)	0	(13,763)
36	Post-employment benefits	(330)	0	(330)	0	(330)
37	Post-retirement benefits	2,388	0	2,388	0	2,388
38	Post-retirement - VEBA	(1,384)	0	(1,384)	0	(1,384)
39	Prepays	(882)	0	(882)	0	(882)
40	Reacquired debt costs	450	0	450	0	450
41	Regulatory Asset - Competitive Enhancement Rider (CER)	0	0	0	100	100
42	Regulatory Asset - IJIA Expense Deferral Adjustment	0	0	0	211	211
43	Regulatory Asset - Rate Cases Expenses	48	0	48	693	741
44	Regulatory Asset - Storm Deferral	11,022	0	11,022	(7,243)	3,779
45	Service Company Costs	1,426	0	1,426	0	1,426
46	Vacation Pay	290	0	290	0	290
47	Income Tax Adjustments	<u>(448,166)</u>	<u>(12,686)</u>	<u>(460,852)</u>	<u>11,856</u>	<u>(448,996)</u>
48	Taxable Net Income Before Special Deductions	<u>\$ 119,736</u>	<u>\$ (47,478)</u>	<u>\$ 72,258</u>	<u>\$ 1,759</u>	<u>\$ 74,018</u>

PPL ELECTRIC UTILITIES CORPORATION
Computation of Income Taxes - Electric
Twelve Months Ended June 30, 2027
(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	\$ 119,736	\$ (47,478)	\$ 72,258	\$ 1,759	\$ 74,018
	PA Special Deductions					
2	Dividends Paid Credit		0	0	0	0
3	Bonus Depreciation Adjustment	(118,599)	0	(118,599)	(6,076)	(124,675)
4	State Adjustment	0	0	0	0	0
5	PA Taxable Income / (Loss) before NOL CF/(Utilization)	1,137	(47,478)	(46,341)	(4,317)	(50,657)
6	PA NOL Carryforward/(Utilization)	0	0	0	0	0
7	PA Taxable Income / (Loss) after NOL CF/(Utilization)	1,137	(47,478)	(46,341)	(4,317)	(50,657)
8	PA Tax @ 7.49% for Jul-Dec 2026 and 6.99% for Jan-Jun 2027	223	(3,437)	(3,214)	(313)	(3,527)
9	PA Tax Credits	0	0	0	0	0
10	Accrual for Potential Deficiency	0	0	0	0	0
11	State Income Tax Settlements	0	0	0	0	0
12	Prior Period Tax Return Adjustments	0	0	0	0	0
13	Total PA Income Tax	<u>\$ 223</u>	<u>\$ (3,437)</u>	<u>\$ (3,214)</u>	<u>\$ (313)</u>	<u>\$ (3,527)</u>
<u>Federal Income Tax Calculation</u>						
14	Taxable Net Income Before Special Deductions	\$ 119,736	\$ (47,478)	\$ 72,258	\$ 1,759	\$ 74,018
	Federal Special Deductions					
15	PA Income Tax Less Tax Credits	(223)	3,437	3,214	313	3,527
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	0
19	Federal Taxable Income	119,513	(44,041)	75,472	2,072	77,545
20	Federal NOL Carryforward/(Utilization)	0	0	0	0	0
21	Federal Taxable Income after NOL CF/(Utilization)	119,513	(44,041)	75,472	2,072	77,544
22	Federal Tax @ 21%	25,098	(9,250)	15,849	435	16,284
23	Federal Tax Credits	(1,400)	0	(1,400)	0	(1,400)
24	Accrual for Potential Deficiency	0	0	0	0	0
25	Prior Period Tax Return Adjustments	0	0	0	0	0
26	Total Federal Income Tax	<u>\$ 23,698</u>	<u>\$ (9,250)</u>	<u>\$ 14,449</u>	<u>\$ 435</u>	<u>\$ 14,884</u>

PPL ELECTRIC UTILITIES CORPORATION
Adjustment to Interest Deduction for Income Tax Purposes
Twelve Months Ended June 30, 2027
(Thousands of Dollars)

This adjustment provides for the annualized interest on claimed measures of value at June 30, 2027.

Line No.	Description	Amount
1	Measures of value at June 30, 2027 (C-1)	\$ 13,104,720
2	Long-term debt ratio (B-8)	43.95%
3	Embedded cost of long-term debt (B-8)	5.08%
4	Annualized interest (line 1 x line 2 x line 3)	<u>292,235</u>
5	Less: Interest expense on T&D operations (D-17, page 1, line 13, column 3)	<u>306,018</u>
6	Net decrease in interest deduction (line 4 - line 5)	<u><u>\$ (13,783)</u></u>

PPL ELECTRIC UTILITIES CORPORATION
Operating Revenue and Applicable Tax
Related to Proposed Rate Increase
Twelve Months Ended June 30, 2027
(Thousands of Dollars)

Line No.	Description	Amount
1	Additional operating revenue from proposed rate increase	\$ 356,271
	Less:	
2	Provision for uncollectible accounts expense (line 1 x 1.67%)	5,950
3	Provision for PUC Assessment expense (line 1 x .28757%)	1,024
4	PA gross receipts tax (line 1 x 59 mills)	21,020
5	Taxable income for PA Corporate net income tax (line 1 less lines 2, 3 and 4)	<u>328,277</u>
6	PA corporate net income tax (line 5 x 7.24%) = (7.49% x 50% + 6.99% x 50%)	<u>23,767</u>
7	Taxable income for Federal income tax	304,510
8	Federal income tax (line 7 x 21%)	<u>63,947</u>
9	Operating income	<u><u>\$ 240,563</u></u>

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Deferred Income Taxes
Twelve Months Ended June 30, 2027
(Thousands of Dollars)

Line No.	Provision	Debit	Credit	Net Deferred Tax Amount per Budget	Adjustments	T&D Operations per Budget	T&D Pro forma at Present Rates	Net increase / (decrease) in deferred income taxes
Distribution Property:								
1	Method and Life Book/Tax Plant Differences	\$ 34,502	\$ -	\$ 34,502	\$ 0	\$ 34,502	\$ 2,338	\$ (32,164)
2	Contributions In Aid of Construction (CIAC)	0	(7,435)	(7,435)	0	(7,435)	(6,949)	486
3	Other Plant Basis Adjustments	26,220	0	26,220	0	26,220	37,579	11,359
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	476	0	476	0	476	476	0
7	Non-Plant Deferred Taxes	4,489	(4,184)	305	0	305	0	(305)
8	Total Distribution Property	65,687	(11,619)	54,068	0	54,068	33,444	(20,624)
General Property:								
9	Method and Life Book/Tax Plant Differences	0	(5,315)	(5,315)	0	(5,315)	17,991	23,306
10	Contributions In Aid of Construction (CIAC)	56	0	56	0	56	61	5
11	Other Plant Basis Adjustments	1,714	0	1,714	0	1,714	2,317	603
12	Non-Plant Deferred Taxes	0	0	0	0	0	0	0
13	Total General Property	1,770	(5,315)	(3,545)	0	(3,545)	20,369	23,914
Transmission Property:								
14	Contributions In Aid of Construction (CIAC)	553	0	553	0	553	842	289
15	Net Book/Net Tax Plant (Excluding CIAC)	95,044	0	95,044	0	95,044	95,565	521
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	214	0	214	0	214	214	0
19	Non-Plant Deferred Taxes	47	(216)	(169)	0	(169)	0	169
20	Total Transmission Property	95,858	(216)	95,642	0	95,642	96,621	979
Total								
21	Method and Life Book/Tax Plant Differences	34,502	(5,315)	29,187	0	29,187	20,329	(8,858)
22	Contributions In Aid of Construction (CIAC)	609	(7,435)	(6,826)	0	(6,826)	(6,046)	780
23	Other Plant Basis Adjustments	27,934	0	27,934	0	27,934	39,896	11,962
24	Net Book/Net Tax Plant (Excluding CIAC)-Transmission	95,044	0	95,044	0	95,044	95,565	521
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	690	0	690	0	690	690	0
28	Non-Plant Deferred Taxes	4,536	(4,400)	136	0	136	0	(136)
29	Total	\$ 163,315	\$ (17,150)	\$ 146,165	\$ -	\$ 146,165	\$ 150,434	\$ 4,269
30	Deferred Taxes per Schedule D-17			D-17, Col 1 146,165	D-17, Col 2 0	D-17, Col 3 146,165	D-17, Col 5 150,434	D-17, Col 4 4,269

PPL ELECTRIC UTILITIES CORPORATION

Adjustment to Provision For Deferred Income Taxes
Twelve Months Ended June 30, 2027
(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

Line		<u>Per T&D Proforma Sch D-17 Col 5</u>
<u>No.</u>	<u>Description</u>	
Distribution Property		
1	(Excess)/Deficient Tax over Book depreciation on ACRS and MACRS property	\$ (43,297)
2	Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	(187,658)
3	Reversal of Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	<u>60,312</u>
4	Plant activity for the calculation of deferred income taxes	<u>(170,643)</u>
General Property		
5	Excess Tax over Book depreciation on ACRS and MACRS property	(88,357)
6	Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	0
7	Reversal of Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	<u>(6,579)</u>
8	Plant activity for the calculation of deferred income taxes	<u>(94,936)</u>
Transmission Property		
9	Excess Tax over Book depreciation on ACRS and MACRS property	(314,159)
10	Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	(60,963)
11	Reversal of Plant Basis Adjustments - (Reduction)/Addition to Taxable Income	<u>31,233</u>
12	Plant activity for the calculation of deferred income taxes	<u>(343,889)</u>
13	Total plant activity for the calculation of deferred income taxes	<u>\$ (609,468)</u>
14	Tax Rate	
	Provisions for Distribution and General Property - 21%	
	Reversals for Distribution and General Property - Average	
	Rate Assumption Method (ARAM)	
	Provisions for Transmission Property - 26.9171% (2026) & 26.5221% (2027)	
	Reversals for Transmission Property - ARAM	
	Provisions for Plant Basis Adjustments - 26.9171% (2026) & 26.5221% (2027)	
	Reversals for Plant Basis Adjustments - ARAM	
15	Net annual deferred tax debit / (credit) (Sch D-18, Page 1, line 29, column f)	\$ 150,434
	Less: Net provision on T&D operations per budget	
16	Provision for deferred taxes - debit	
17	Provision for deferred taxes - credit	
18	Sub-Total (Sch D-18, Page 1, line 29, column c)	146,165
	Less: Net deferred tax debit / (credit) on Automatic Recovery Riders	
19	Sch D-18, Page 1, line 29, column d	0
20	Net increase in deferred income tax provision (line 15 less lines 18 and 19)	<u>\$ 4,269</u>

PPL ELECTRIC UTILITIES CORPORATION

**Adjustment to Amortization of
Deferred Investment Tax Credit
Twelve Months Ended June 30, 2027
*(Thousands of Dollars)***

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