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E-File

October 5, 2016

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

**Re: PPL Electric Utilities Corporation
Supplement No. 213 to Tariff
Electric PA. P.U.C. No. 201 for
Rate Schedule LPEP
Docket No. R-2016-**

Dear Ms. Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is Supplement No. 213 to PPL Electric's Tariff – Electric Pa. P.U.C. No. 201 for Rate Schedule LPEP. Also enclosed is a Statement of Reasons along with supporting data, including data required by Section 53.52 of the Pennsylvania Public Utility Commission's regulations, 52 Pa. Code § 53.52.

Supplement No. 213 is being filed in accordance with the terms and conditions of the Commission-approved Joint Petition for Settlement in PPL Electric's 2015 base rate case at Docket No. R-2015-2469275. In this filing, PPL Electric proposes an annual increase of approximately \$2.320 million in the distribution revenues received from Rate Schedule LPEP. The proposed increase in distribution revenues received from Rate Schedule LPEP is necessary to recover the costs associated with substantial upgrades to the Conestoga Substation required to provide reasonably continuous, reliable, and safe service to the National Railroad Passenger Corporation, the sole customer taking service under Rate Schedule LPEP. PPL Electric proposes that Supplement No. 213 become effective on and after January 1, 2017.

PPL Electric will be represented in this proceeding by the following counsel and requests that they be included on the official service list:

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As indicated on the attached Certificate of Service, I have served copies of this filing and all supporting data on the National Railroad Passenger Corporation, the sole customer taking service under Rate Schedule LPEP, as well as the active parties in PPL Electric's 2015 base rate case at Docket No. R-2015-2469275.

If you have any questions regarding the enclosed filing, please call me or Bethany L. Johnson, PPL Electric's Manager- Regulatory Operations at (610) 774-7011.

Very truly yours,


Kimberly A. Klöck

Enclosures



PPL Electric Utilities Corporation

GENERAL TARIFF

**RULES AND RATE SCHEDULES
FOR ELECTRIC SERVICE**

In the territory listed on pages 4, 4A, and 4B
and in the adjacent territory served.

ISSUED: October 5, 2016

EFFECTIVE: January 1, 2017

GREGORY N. DUDKIN, PRESIDENT

Two North Ninth Street
Allentown, PA 18101-1179

NOTICE

THIS TARIFF MAKES CHANGES (C) IN EXISTING RATES. SEE PAGE TWO.

LIST OF CHANGES MADE BY THIS SUPPLEMENT

CHANGES:

Rate Schedule LPEP
Page No. 29

Under Net Monthly Rate, the Distribution
Customer Charge changed.

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**RATE SCHEDULE LPEP
POWER SERVICE TO ELECTRIC PROPULSION**

(C)

APPLICATION RATE SCHEDULE LPEP

This Rate Schedule is available for electric propulsion service from the Company's high voltage lines of 69,000 volts or higher, when the customer furnishes and maintains all equipment necessary to transform the energy from line voltage. No new applications will be accepted after January 1, 2000.

NET MONTHLY RATE

Distribution Charge

\$126,323.59 per month (Customer Charge)

(C)

Effective on the date that the Conestoga Substation upgrade is completed and placed in service, the distribution charge will be \$319,671.00 per month (Customer Charge). Customers under Rate Schedule LPEP will be given written notice 30 days before the effective date of the new distribution charge.

Transmission Service Charge

The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this Rate Schedule.

Generation Supply Charge -2

The Generation Supply Charge -2 included in this Tariff applies to all KWH billed under this Rate Schedule.

MINIMUM CHARGE

The Monthly Minimum Distribution Charge is the Customer Charge.

BILLING KW

The Billing KW for the Transmission component is based on the customer's peak load contribution to the PJM peak load.

RIDERS

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on Page 14D.

(Continued)

PPL ELECTRIC UTILITIES CORPORATION

**Statement of Reasons
For the Proposed Increase to
Rate Schedule LPEP**

**Supplement No. 213 to
Tariff – Electric Pa. P.U.C. No. 201**

October 5, 2016

**PPL Electric Utilities Corporation
Statement of Reasons
For the Proposed Rate Increase to
Rate Schedule LPEP**

I. INTRODUCTION

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) hereby submits Supplement No. 213 to PPL Electric’s Tariff – Electric Pa. P.U.C. No. 201 (“Supplement No. 213”) and requests that the Pennsylvania Public Utility Commission (“PUC” or the “Commission”) approve an increase to Rate Schedule LPEP. Supplement No. 213 is being filed in accordance with the terms and conditions of the Commission-approved Joint Petition for Settlement in PPL Electric’s 2015 base rate case (“2015 Settlement”). *See Pa. PUC v. PPL Electric Utilities Corporation*, Docket No. R-2015-2469275 (Order entered Nov. 19, 2015). As explained herein, PPL Electric proposes an annual increase of approximately \$2.320 million in the distribution revenues received from Rate Schedule LPEP. The proposed increase in distribution revenues received from Rate Schedule LPEP is necessary to recover the costs associated with substantial upgrades to the Conestoga Substation required to provide reasonably continuous, reliable, and safe service to the National Railroad Passenger Corporation (“Amtrak”), the sole customer taking service under Rate Schedule LPEP.

II. REASONS FOR THE REQUESTED RATE INCREASE

A. 2015 Settlement

In its 2015 base rate case, PPL Electric initially proposed to increase the monthly distribution charge for Rate Schedule LPEP from \$37,100.00 per month to \$252,647.17 per

month. This proposed increase was designed to recover the costs of substantial capital upgrades required to PPL Electric's facilities at the Conestoga Substation. Amtrak is the only customer served by the Conestoga Substation and the only customer on Rate Schedule LPEP. Amtrak intervened in the proceeding and opposed the proposed increase in Rate Schedule LPEP.¹

As part of the Commission-approved 2015 Settlement, PPL Electric and Amtrak agreed as follows:

29. PPL Electric and National Railroad Passenger Corporation ("Amtrak") agree that for purposes of settlement of this proceeding the customer charge for Rate Schedule LPEP will be reduced from the proposed \$252,647.17 per month to \$126,323.59 per month, effective January 1, 2016, subject to further resolution of the issues as described in Paragraphs 30 and 31 below.

30. PPL Electric and Amtrak agree to continue to work together to resolve all open issues regarding the upgrade of the Conestoga Substation, including possible alternative resolution regarding the final scope, timing, and costs of the upgrades needed for the Conestoga Substation. PPL Electric and Amtrak agree to make good faith efforts to conclude the negotiations and execute a final agreement by no later than September 1, 2016.

31. PPL Electric and Amtrak agree that PPL Electric will submit a further tariff filing for Rate Schedule LPEP to reflect (i) the negotiated agreement ultimately reached by PPL Electric and Amtrak or (ii) the fact PPL Electric and Amtrak were unable to reach an agreement by September 1, 2016.

See 2015 Settlement, ¶¶ 29-31.

As per the Commission-approved 2015 Settlement, PPL Electric discontinued work on the Conestoga Substation and entered negotiations with Amtrak in an effort to resolve the open issues regarding the upgrades to the Conestoga Substation. However, PPL Electric and Amtrak were unable to resolve their differences by the September 1, 2016 deadline. Therefore, pursuant

¹ The PP&L Industrial Customer Alliance ("PPLICA") intervened on behalf of Amtrak.

to the terms and conditions of the Commission-approved 2015 Settlement, PPL Electric is filing Supplement No. 213, which if approved in full would increase the Rate Schedule LPEP monthly distribution charge from the current \$126,323.59 per month to \$319,671.00 per month to fully recover the costs associated with the upgrades required at the Conestoga Substation.

B. Overview of Conestoga Substation

The Conestoga Substation is located in Manor Township, Lancaster County, Pennsylvania. The Conestoga Substation is a dedicated substation that serves only one customer, Amtrak.

The Conestoga Substation is a 13.2 kilovolt (“kV”) to 138 kV single phase, 25 Hertz (“Hz”) step up substation. This substation takes 13.2 kV power from Safe Harbor Water Power Company at 25 Hz, converts it to 138 kV and sends it to Amtrak over seven (7) transmission lines to Amtrak owned substations in Royalton, Pennsylvania, Parkesburg, Pennsylvania, and Perryville, Maryland.

There are seven transformers in the Conestoga Substation. PPL Electric owns four while Amtrak owns the remaining three. PPL Electric owns all of the circuit breakers in the Conestoga Substation. The PPL Electric owned transformers were manufactured in the early 1930s and the PPL Electric owned circuit breakers were manufactured in the early 1930s through 1940.

C. Need to Upgrade the Equipment at the Conestoga Substation

PPL Electric has a statutory obligation to provide safe and reliable service to its customers. *See* 66 Pa.C.S. § 1501. As explained below, the equipment in the Conestoga Substation has exceeded its useful life, and is beginning to fail due to age. These failures risk

both the reliability of service to Amtrak as well as the safety of PPL Electric and Amtrak personnel who work in the Conestoga Substation yard.

The PPL Electric transformers (P5, P6, P7 and P8) are actively leaking oil and nitrogen. The gaskets on transformers P7 and P8 were replaced in 2012, and new bushings installed on transformers P5, P7 and P8. However, nitrogen and oil continue to leak from these transformers.

Additionally, the insulators at the substation are beginning to crack, losing their insulating properties. An insulator flashover occurred in 2014, resulting in a unit trip at Safe Harbor Hydroelectric Power Plant. Also, in 2014, the Amtrak owned P4 transformer and neutral resistor were damaged as were the PPL Electric owned circuit breaker and high voltage disconnect grounding switch. At this time transformer bay P4 remains out of service.

The equipment in the Conestoga Substation must be replaced. The numerous equipment failures in the Conestoga Substation and their increasing frequency clearly indicate that a major overhaul of the yard is needed to provide safe and reliable power to Amtrak. Indeed, Amtrak agreed in the 2015 base rate case that the Conestoga Substation needs to be upgraded due to the age and general condition of equipment in the substation. *See PPL 2015 Rate Case: PPLICA Statement No. 1, pp. 5-6; PPLICA Statement No. 2, p. 5.*

Based on the foregoing, all PPL Electric owned electrical equipment at the Conestoga Substation will be replaced.² This includes, at a high level, all four (4) PPL Electric owned transformers and their neutral resistors, all fifteen (15) circuit breakers, all PPL Electric owned disconnect switches, all bus insulators, and the control building.³ The current Engineering Scope

² None of the Amtrak owned equipment will be replaced as part of the project.

³ The steel structures, copper bus, transformer foundations, and oil pits will remain and continue to be used to provide service to Amtrak.

of Work is provided as Exhibit 1. The total estimated cost of the Conestoga Substation project is \$23,999,431.⁴

D. Proposed Increase in Rate Schedule LPEP

As explained above, the Conestoga Substation is a dedicated substation serving only one customer, Amtrak. Because Amtrak is the only customer served by the Conestoga Substation, Amtrak is the sole beneficiary of the improvements. Consequently, Amtrak is solely responsible to pay the costs to upgrade the Conestoga Substation.⁵

The Conestoga Substation project is a capital improvement project and all costs will be capitalized. Any work properly classified as an operating expense will be accounted for in the appropriate operating expense accounts. Exhibit 2 contains an itemized list of project costs and includes actual project costs through April 1, 2016 and forecasted costs through project completion.

To fully recover the costs for the substantial capital upgrades required to PPL Electric's facilities at the Conestoga Substation, PPL Electric proposes to increase the Rate Schedule LPEP monthly distribution charge from the interim \$126,323.59 per month approved in the 2015 Settlement to \$319,671.00 per month. Included in the filing as Exhibit 3 is a black line version of the tariff reflecting these changes.

⁴ The total estimated cost of the Conestoga Substation project has been updated since the 2015 rate case filing. This increase is due to updated cost estimates based on the bill of materials, an increased material loader due to moving the project from 2015 to 2017 and higher overhead cost allocations based on an annual calculation.

⁵ Prior to 1994, Amtrak received service under Rate Schedule LP-5, a general rate schedule for large commercial and industrial customers supplied from available lines of 69,000 volts or higher. In consultation with Amtrak, PPL Electric created Rate Schedule LPEP as part of its 1994 base rate case. The creation of Rate Schedule LPEP in 1994 reduced Amtrak's annual charges by approximately \$607,000. Ignoring the time value of money, that amounts to savings of approximately \$13.4 million since 1994 (\$607,000 x 22 years).

The derivation of the proposed increase in the Rate Schedule LPEP monthly distribution charge is set forth in Exhibit 4. For purposes of this rate filing, PPL Electric relied on the capital structure from the 2015 base rate case, and the return on equity for purposes of the Distribution System Improvement Charge as set forth in the Commission's Report on the Quarterly Earnings of Jurisdictional Utilities.

III. CONCLUSION

In Supplement No. 213, PPL Electric is proposing an annual increase of approximately \$2.320 million in the distribution revenues received from Rate Schedule LPEP. The proposed increase in distribution revenues received from Rate Schedule LPEP is necessary to recover the costs associated with the substantial upgrades to the Conestoga Substation that are required to provide reasonably continuous, reliable, and safe service to customers. 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
Statement of Reasons**

Exhibit 1

Conestoga Substation Scope of Work

Major Equipment Per Bay

	Transformers	Breakers	13.2 kV Disconnect Switches	13.2 kV Ground Switches	Bus Ground Switches	132 Disconnect Switches	132 kV Line Disconnect Switches	125 VDC Motor Operators	Neutral Resistor	Neutral Resistor Switch	Station Service Transformer	Cable Trench	Control Building
Ctl Bldg	0	0	0	0	0	0	0	0	0	0	2	1	1
P4/P5	1	6	6	4	1	1	1	6	1	1	0	0	0
P6	1	4	4	3	1	1	1	3	1	1	0	0	0
P7	1	3	3	2	0	1	1	3	1	1	0	0	0
P8	1	2	2	1	1	1	1	3	1	1	0	0	0
Total	4	15	15	10	3	4	4	15	4	4	2	1	1

**PPL Electric Utilities Corporation
Statement of Reasons**

Exhibit 2

Conestoga Cost Estimate Summary

	Actual	Projected	Total
PM/Admin	225,344	331,225	556,569
Engineering	3,038,380	208,672	3,247,052
Major Materials	5,884,945	7,363,311	13,248,256
BOM Materials	0	550,000	550,000
Construction	88,680	6,065,423	6,154,103
Relay Test	0	243,451	243,451
Total Project	9,237,349	14,762,082	23,999,431

Conestoga Itemized List of Project Costs

Project	Description	Cost Estimate
44009514	Control House Replacement	6,576,200
44009511	Bay 5 Equipment Replacement	2,427,700
44017142	Bay 5 Transformer Purchase	932,500
44017144	Bay 5 Circuit Breaker Purchase	2,514,600
44009504	Bay 6 Equipment Replacement	2,118,400
44017148	Bay 6 Transformer Purchase	996,600
44017150	Bay 6 Circuit Breaker Purchase	1,206,500
44009507	Bay 7 Equipment Replacement	1,504,300
44017151	Bay 7 Transformer Purchase	996,600
44017152	Bay 7 Circuit Breaker Purchase	1,246,300
44009515	Bay 8 Equipment Replacement	1,637,700
44017153	Bay 8 Transformer Purchase	1,010,900
44017156	Bay 8 Circuit Breaker Purchase	831,100
Total		23,999,400

**PPL Electric Utilities Corporation
Statement of Reasons**

Exhibit 3.

**RATE SCHEDULE LPEP
POWER SERVICE TO ELECTRIC PROPULSION**

(C)

APPLICATION RATE SCHEDULE LPEP

This Rate Schedule is available for electric propulsion service from the Company's high voltage lines of 69,000 volts or higher, when the customer furnishes and maintains all equipment necessary to transform the energy from line voltage. No new applications will be accepted after January 1, 2000.

NET MONTHLY RATE

Distribution Charge

\$126,323.59 per month (Customer Charge)

(C)

Effective on the date that the Conestoga Substation upgrade is completed and placed in service, the distribution charge will be \$319,671.00 per month (Customer Charge). Customers under Rate Schedule LPEP will be given written notice 30 days before the effective date of the new distribution charge.

Transmission Service Charge

The Transmission Service Charge included in this Tariff applies to all KW and/or KWH billed under this Rate Schedule.

Generation Supply Charge -2

The Generation Supply Charge -2 included in this Tariff applies to all KWH billed under this Rate Schedule.

MINIMUM CHARGE

The Monthly Minimum Distribution Charge is the Customer Charge.

BILLING KW

The Billing KW for the Transmission component is based on the customer's peak load contribution to the PJM peak load.

RIDERS

The Riders included in this Tariff that apply to this Rate Schedule are listed in the Rider Matrix on Page 14D.

(Continued)

**PPL Electric Utilities Corporation
Statement of Reasons**

Exhibit 4

Class Cost of Service Study LPEP

Plant in Service	\$27,151,387
Accumulated Reserve	\$2,727,400
Other Rate Base Items	(\$2,947,050)
Total Rate Base	\$21,476,937

Required Return 7.48%

Required Operating Income	\$1,606,475
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Operations & Maintenance Expenses	
Distribution	\$683,066
Fuel and Purchased Power	\$0
Amortization Expense	\$19,128
Depreciation Expense	\$517,283
Total Operations & Maintenance Expenses	\$1,219,476

Taxes	
Income Taxes	\$763,791
Taxes Other Than Income Taxes	\$185,745
Gross Receipts Tax	\$226,327
Total Taxes	\$1,175,863

Proposed Operating Expenses	\$2,395,339
Proposed Operating Income	\$1,606,475
Total Proposed Revenue Requirement at Equal Return	\$4,001,814

Other Revenue	\$165,758
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Total Base Rate Revenues as Proposed	\$3,836,056
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Rate per month	\$319,671
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PPL ELECTRIC UTILITIES CORPORATION

**Section 53.52 Filing Requirements
For the Proposed Increase to
Rate Schedule LPEP**

**Supplement No. 213 to
Tariff – Electric Pa. P.U.C. No. 201**

October 5, 2016

Q.1. The specific reasons for each change.

A.1. See Statement of Reasons.

Q.1. The total number of customers served by the utility.

A.1. PPL Electric currently serves approximately 1.4 million customers.

- Q.1. A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.
- A.1. One (1) customer on Rate Schedule LPEP will be affected by the change. See Statement of Reasons.

Q.1. The effect of the change on the utility's customers.

A.1. See Statement of Reasons, Exhibit 4 Summary Cost of Service. The Rate Schedule LPEP rate is proposed to increase from \$126,323.59 per month to \$319,671.00 per month.

- Q.1. The direct or indirect effect of the proposed change on the utility's revenue and expenses.
- A.1. See Statement of Reasons, Exhibit 4 Summary Cost of Service. If approved, the proposed rate increase will result in an annual increase from approximately \$1.5 million to approximately \$3.8 million in annual distribution revenues received from Rate Schedule LPEP.

Q.1. The effect of the change on the service rendered by the utility.

A.1. See Statement of Reasons.

- Q.1. A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement about why these factors were chosen and the relative importance of each.
- A.1. See Statement of Reasons.

- Q.1. Studies undertaken by the utility in order to draft its proposed change.
- A.1. See Statement of Reasons, Exhibits 1 (Scope of Work), 2 (Itemized List of Project Costs), and 4 (Summary Cost of Service).

- Q.1. Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.
- A.1. See Statement of Reasons, Section II(C).

- Q.1. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- A.1. The Company will serve Supplement No. 213 to PPL Electric's Tariff – Electric Pa. P.U.C. No. 201 to customers on Rate Schedule LPEP and other parties to the Company's 2015 Rate Case at Docket No. R-2015-2469275 upon filing with the Pennsylvania Public Utility Commission.

- Q.1. FCC, FERC or Commission orders or rulings applicable to the filing.
- A.1. See *Pa. PUC v. PPL Electric Utilities Corporation*, Docket No. R-2015-2469275 (Order entered Nov. 19, 2015)

- Q.1. The specific reasons for each increase or decrease.
- A.1. See Statement of Reasons.

Q.1. The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing.

A.1. See Section 53.52(b)(2) - Attachment 1.

PPL Electric Utilites Corporation
Statement of Income

Line No.	Title of Account	2nd Quarter 2016 12 month Rolling
1	UTILITY OPERATING INCOME	
2	Operating Revenues (400)	2,190,751,057.00
3	Operating Expenses	0.00
4	Operation Expenses (401)	1,119,209,793.00
5	Maintenance Expenses (402)	144,268,961.00
6	Depreciation Expense (403)	206,039,433.00
7	Depreciation Expense for Asset Retirement Costs (403.1)	0.00
8	Amort. & Depl. of Utility Plant (404-405)	25,887,682.00
9	Amort. of Utility Plant Acq. Adj. (406)	0.00
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)	0.00
11	Amort. of Conversion Expenses (407.2)	0.00
12	Regulatory Debits (407.3)	15,498,636.00
13	(Less) Regulatory Credits (407.4)	0.00
14	Taxes Other Than Income Taxes (408.1)	92,367,815.00
15	Income Taxes - Federal (409.1)	(134,105,743.00)
16	- Other (409.1)	18,081,296.00
17	Provision for Deferred Income Taxes (410.1)	877,729,382.00
18	(Less) Provision for Deferred Income Taxes - Cr. (411.1)	587,048,133.00
19	Investment Tax Credit Adj. - Net (411.4)	(259,318.00)
20	(Less) Gains from Disp. of Utility Plant (411.6)	0.00
21	Losses from Disp. of Utility Plant (411.7)	0.00
22	(Less) Gains from Disposition of Allowances (411.8)	0.00
23	Losses from Disposition of Allowances (411.9)	0.00
24	Accretion Expense (411.10)	0.00
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)	1,777,669,804.00
26	Net Util Oper Inc (Enter Tot Line 2 less 25) Carry to Pg117,line27	413,081,253.00

27 Net Utility Operating Income (Carried forward from page 114	413,081,253.00
28 Other income and Deductions	0.00
28 Other income	0.00
30 Nonutility Operating Income	0.00
31 Revenues From Merchandising, Jobbing and Contract Work (415)	10,903.00
32 (Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	37,036.00
33 Revenues From Nonutility Operations (417)	0.00
34 (Less) Expenses of Nonutility Operations (417.1)	11,980.00
35 Nonoperating Rental Income (418)	(44,195.00)
36 Equity in Earnings of Subsidiary Companies (418.1)	110,347.00
37 Interest and Dividend Income (419)	1,056,260.00
38 Allowance for Other Funds Used During Construction (419.1)	16,289,380.00
39 Miscellaneous Nonoperating Income (421)	(138,929.00)
40 Gain on Disposition of Property (421.1)	383,641.00
41 TOTAL Other Income (Enter Total of lines 31 thru 40)	17,618,391.00
42 Other Income Deductions	0.00
43 Loss on Disposition of Property (421.2)	150,761.00
44 Miscellaneous Amortization (425)	0.00
45 Donations (426.1)	3,039,150.00
46 Life Insurance (426.2)	0.00
47 Penalties (426.3)	0.00
48 Exp. for Certain Civic, Political and Related Activities (426.4)	1,239,720.00
49 Other Deductions (426.5)	8,234,383.00
50 TOTAL Other Income Deductions (Total of lines 43 thru 49)	12,664,014.00
51 Taxes Applic. to Other Income and Deductions	0.00
52 Taxes Other Than Income Taxes (408.2)	200.00
53 Income Taxes - Federal (409.2)	1,725,490.00
54 Income Taxes - Other (409.2)	(1,268,079.00)
55 Provision for Deferred Inc. Taxes (410.2)	9,353,451.00
56 (Less) Provision for Deferred Income Taxes-Cr. (411.2)	11,310,959.00
57 Investment Tax Credit Adj.- Net (411.5)	0.00
58 (Less) Investment Tax Credits (420)	0.00

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59 TOTAL Taxes on Other Inc. and Ded. (Enter Total of 52 - 58)	(1,499,897.00)
60 Net Other Income and Deductions (Enter Total of lines 41,50,59)	6,454,274.00
61 Interest Charges	0.00
62 Interest on Long-Term Debt (427)	124,932,064.00
63 Amort. of Debt Disc. and Expense (428)	2,598,858.00
64 Amortization of Loss on Reacquired Debt (428.1)	7,542,086.00
65 (Less) Amort. of Premium on Debt - Credit (429)	0.00
66 (Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	0.00
67 Interest on Debt to Assoc. Companies (430)	33,293.00
68 Other Interest Expense (431)	2,454,531.00
69 (Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)	6,655,552.00
70 Net Interest Charges (Total of lines 62 thru 69)	130,905,280.00
71 Income Before Extraordinary Items (Enter Total of lines 27, 60 and 70)	288,630,247.00
72 Extraordinary Items	0.00
73 Extraordinary Income (434)	0.00
74 (Less) Extraordinary Deductions (435)	0.00
75 Net Extraordinary Items (Enter Total of line 73 less line 74)	0.00
76 Income Taxes - Federal and Other (409.3)	0.00
77 Extraordinary Items After Taxes (Enter Total of line 75 less line76)	0.00
78 Net Income (Enter Total of lines 71 and 77)	288,630,247.00

- Q.1. A calculation of the number of customers, by tariff subdivision, whose bills will be increased.
- A.1. One (1) customer on Rate Schedule LPEP will be affected by the proposed increase. See Statement of Reasons.

- Q.1. A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.
- A.1. See the response to §53.52(a)(4). PPL Electric proposes an annual increase of approximately \$2.320 million in the distribution revenues received from Rate Schedule LPEP.

Q.1. A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.

A.1. None.

Q.1. A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.

A.1. None.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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