

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17105-3265**

**PA Public Utility Commission  
v.  
PPL Electric Utilities Corporation**

**Public Meeting held December 6, 2007  
DEC-2007-OSA-0273**

**Docket No. R-00072155, et al.**

**STATEMENT OF CHAIRMAN WENDELL F. HOLLAND  
CONCURRING IN PART AND DISSENTING IN PART**

PPL Electric Utilities Corporation (PPL) requested a rate increase that, after revision, totaled \$76.996 million. The Joint Stipulation for Settlement of Rate Investigation (Settlement) provides for an increase of \$55 million in lieu of the revised request.

I support the \$55 million increase provided in the Settlement and recommended by Administrative Law Judge Susan D. Colwell. However, what is most troubling is the manner in which the increase is to be allocated. \$47.830 million, or 87% of the increase is placed on the residential class. The basis for skewing this increase to the detriment of the residential customer is predicated upon the recent Commonwealth Court decision in Lloyd v. PaPUC, 904 A2d 1010 (Pa. Cmwlth. 2006). The allocation of the rate increase in this proceeding shocks the fundamental principle of gradualism. This is an unacceptable additional burden to place on PPL's residential consumers and it is not one that I, unlike the court and others, feel they should have to bear.

For this reason I can not accept the allocation of the revenue increase provided for in the Settlement; consequently I respectfully dissent from this part of the majority decision.

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**DATE**

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**WENDELL F. HOLLAND, CHAIRMAN**