

Notice of Proposed Rate Change

PPL Electric Utilities is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase your electric distribution rates as of June 1, 2007. This notice describes the company's rate request, the PUC's role, and what actions you can take.

PPL Electric Utilities has requested an overall rate increase of \$83.6 million per year.

If the company's entire request is approved, the total bill for a residential customer using 1,000 kilowatt-hours of electricity would increase from \$96.52 to \$103.12 per month, or by 6.8 percent.

The total bill for a commercial customer using 1,000 kilowatt-hours with a maximum demand of 3 kilowatts would increase from \$127.47 to \$128.14 per month, or by 0.5 percent.

The total bill for an industrial customer using 150,000 kilowatt-hours with a maximum demand of 500 kilowatts would decrease \$13,665.61 to \$13,629.07, or 0.3 percent.

To find out your customer class or how the requested increase may affect your electric delivery service, contact PPL Electric Utilities at 1-800-342-5775 from 8 a.m. to 5 p.m., Monday to Friday.

The rates requested by PPL Electric

Utilities may be found in Tariff-Electric Pa. PUC No. 201. You may examine the material filed with the PUC, which explains the requested increase and the reasons for it. Copies of this material are available on PPL Electric Utilities' Web site at *www.pplrateinfo.com* and are kept at the following PPL Electric Utilities offices:

- Two North Ninth Street, Allentown
- 827 Hausman Road, Allentown
- 600 Larch Street, Scranton
- 344 South Poplar Street, Hazleton
- 1801 Brookwood Street, Harrisburg
- 651 Delp Road, Lancaster
- 4810 Lycoming Mall Drive, Montoursville

Upon request, PPL Electric Utilities will send you the Statement of Reasons for Tariff-Electric Pa. PUC No. 201, explaining why the rate increase has been requested.

The state agency that approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged

to you may be different than the rate requested by the company and shown above.

There are three ways to challenge a company's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before June 1, 2007. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.
2. You can send the PUC a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes the PUC aware of problems with the company's service or management. This information can be helpful when the PUC investigates the rate request.

Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the company's rate increase request, and

if there is a large number of customers interested in the case. At these hearings, you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given “under oath” becomes part of the official rate case record. These hearings are held in the service area of PPL Electric Utilities.



PPL Electric Utilities