

New Rates for PPL Electric Utilities Customers

On July 25, 2007, the Pennsylvania Public Utility Commission approved a settlement agreement that changes PPL Electric Utilities' rates effective Aug. 1, 2007. The settlement agreement implements a Commonwealth Court order and decreases rates for commercial and industrial customers while increasing rates for residential customers. It does not increase revenue for PPL Electric Utilities.

The settlement ends an appeal of rates approved by the PUC to be effective Jan. 1, 2005, for PPL Electric Utilities' customers. Groups representing commercial and industrial customers had challenged the commission's action, contending that the rates they paid subsidized rates paid by residential customers. In August 2006, the Commonwealth Court ordered that the rates be revised.

The Aug. 1 changes include:

- Adjustments to reallocate distribution revenue recovery among different customer classes in a way that more closely tracks the actual costs to serve those classes.
- A \$3.7 million refund, including interest, to all customers for revenue that had been collected with PUC approval to recover PPL Electric Utilities' costs to restore service following Hurricane Isabel. The Com-

monwealth Court disallowed recovery of these costs. The refund will be applied to customer bills from Aug. 1, 2007, through Dec. 31, 2009.

- A change in the way transmission rates are set. Transmission charges will reflect the way PPL Electric Utilities is charged for transmission-related services.

Effect on customer bills

The chart below shows the effects of these changes for various rate schedules. The effect on individual customers will vary, depending on usage levels.

Rate schedule	Usage	Old bill	New bill	% change
Residential RS	500 kwh	\$53.92	\$55.91	3.69%
Residential RS	1,000 kwh	\$96.52	\$100.21	3.82%
Residential RS	2,000 kwh	\$177.95	\$185.00	3.96%
Commercial GS1	1,000 kwh	\$135.20	\$131.86	-2.47%
Commercial GS3	10,000 kwh	\$1,016.28	\$995.34	-2.06%
Industrial LP4	150,000 kwh	\$12,892.09	\$11,983.90	-7.04%

More information

If you have questions about the new rates, call PPL Electric Utilities toll-free at 1-800-342-5775 from 8 a.m. to 5 p.m. weekdays. To view the company's tariff online, visit www.pplelectric.com.

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