

PPL Electric Utilities Corporation

GENERATION SUPPLY CHARGE-1

Beginning on June 1, 2013, the Generation Supply Charge-1 (GSC-1) shall be applied to each kilowatt-hour supplied to residential customers who take Basic Utility Supply Service ("BUSS") from the Company under Rate Schedules RS, RTS (R), RTD (R), and small commercial & industrial customers who take BUSS service under Rate Schedules GS-1, GS-3, GH-1 (R), GH-2 (R), IS-1 (R), BL, SA, SM (R), SHS, SE, TS (R) and SI-1 (R), and standby service for the foregoing rate schedules. The GSC-1 will not apply to those Rate Schedule GS-3 customers who have a peak demand of 500 kW or greater, but the GSC-1 will apply to those Rate Schedule LP-4 customers who have a peak demand of less than 500 kW. This peak demand will be based on the customer's ICAP peak load contribution assigned for the 2013-2014 PJM Planning Year. The GSC-1 shall have two rate option provisions: the Fixed Price Option and the Time-of-Use (TOU) Price Option.

PURPOSE

FIXED PRICE OPTION – RESIDENTIAL & SMALL COMMERCIAL/INDUSTRIAL

The Fixed Price Option provides eligible customers in the residential and small commercial & industrial customer classes with default service generation supply for those customers who have not selected an alternative generation supplier, or the TOU Price Option.

TOU PRICE OPTION – RESIDENTIAL & SMALL COMMERCIAL/INDUSTRIAL

The TOU Price Option provides for the voluntary participation of eligible residential customers under Rate Schedules RS and RTS (R) and small commercial & industrial customers under Rate Schedules GS-1, GS-3 (<500kW), GH-1(R), GH-2(R), and IS-1(R) in a year-round TOU Program. Eligible customers must meet the TOU APPLICATION PROVISIONS in this Tariff. The objective of this TOU Program is to provide eligible residential and small commercial & industrial customers with an opportunity to shift energy usage away from the on-peak periods, when wholesale electricity demand and prices are high, to off-peak periods, when demands and prices are lower.

TOU APPLICATION PROVISIONS

Beginning June 1, 2013, this TOU Price Option is available to existing and new residential customers under Rate Schedules RS and RTS (R) and small commercial and industrial customers under Rate Schedules GS-1, GS-3 (customers with peak demands less than 500 KW), GH-1 (R), GH-2 (R), and IS-1 (R). Customers taking service under the above-referenced rate schedules, who also participate in the Company's OnTrack, Net-Metering or Renewable Energy Development Rider programs, are eligible for the TOU Program. For the TOU Price Option, the adder to the on-peak rates, and the discount for the off-peak rates, will be determined using the ratio of the historic (3 years) load-weighted average hourly on- or off-peak PPL Zonal energy prices to the historic (3 years) load-weighted average hourly PPL Zonal energy prices.

Residential customers served under Rate Schedule RTD (R) may participate in this TOU Program by accepting service under Rate Schedule RS. However, if these residential customers terminate participation under this TOU Program at any time, they would remain on Rate Schedule RS and would not be returned to service provided under Rate Schedule RTD (R). Volunteer/Non-Profit organizations (Volunteer Fire Companies, Non-Profit Senior Citizen Centers, Non-Profit Rescue Squads, and Non-Profit Ambulance Services) served under Rate Schedules GS-1 and GS-3 may participate in this TOU Price Option.

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PPL Electric Utilities Corporation

GENERATION SUPPLY CHARGE – 1 (Continued)

Customers in the Company's OnTrack program who participate in the TOU Program will continue to receive a billing credit that reflects their payment arrangement under that program. The effect of their participation in the TOU Program will be reflected on their bill after the OnTrack credit has been applied. Customers served under the Company's rider for Net Metering for Renewable Customer- Generators who participate in the TOU Program, and who carry excess generation from one billing month to the next billing month, will have that excess applied to on-peak and off-peak periods on a pro rata basis consistent with metering that has been installed and the information obtained from that metering. In the event that a Net Metering customer has excess generation for the annual reporting period ending May 31, the customer will receive a credit calculated at the Company's Price to Compare for the applicable rate schedule.

ON-PEAK HOURS

The on-peak hours for billing purposes are shown on the TOU Generation Supply Charges table and reflect eastern prevailing time, Mondays to Fridays. Off-peak hours are all other weekday hours, weekends, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day..

CUSTOMER PARTICIPATION

Customer participation will commence at the beginning of the customer's first billing cycle on or after June 1, 2013. If the customer leaves the TOU Program, and is still receiving BUSS, the customer will return to the standard GSC-1 Fixed Price rate option. This change will commence at the beginning of the customer's next billing cycle. The TOU Program rate option set forth herein will expire on May 31, 2015.

PRICING PROVISIONS

The GSC-1, determined in accordance with the formula set forth below, shall be applied to all kilowatt-hours billed for BUSS service provided during the billing month:

$$\text{GSC-1} = \left[\frac{\text{GS} - \text{E}}{\text{S}} \right] \times \frac{1}{(1-\text{T})}$$

Where:

GSC-1 = The Generation Supply Charge-1, stated in cents per kilowatt hour, shall be calculated separately for each of the following two Customer Classes: (1) residential, and (2) small commercial & industrial (taking service at secondary voltage levels) as designated above.

(Continued)

GENERATION SUPPLY CHARGE -1 (Continued)

PRICING PROVISIONS (Continued)

GS = The total estimated direct and indirect costs incurred by the Company to acquire generation supply from any source on behalf of participating BUSS customers under the Fixed Price and TOU Price Options in the applicable Customer Class. These costs shall be reduced by any revenue received by the Company from the sale of Alternative Energy Credits that otherwise would have expired.

The computation period (c) shall be each 6-month period of the PJM Planning Year over which the GSC-1, as computed, will apply. Projections of the Company's costs to acquire generation supply, adjusted for losses and including Alternative Energy Credits, for the computation period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated generation supply-related procurement and administration costs. Any costs incurred prior to June 1, 2013, shall be amortized ratably over the 24-month period June 1, 2013, through May 31, 2015, and the 6-month amortization amount shall be included in the computation of the GSC-1. In addition, the initial computation period will include any remaining over or undercollection balances as of May 31, 2013 related to the application of the GSC-1 for the residential and small commercial & industrial Customer Classes under the Fixed Price and TOU Price Options.

E = The combined experienced net over or undercollection of costs associated with the acquisition of generation supply for BUSS customers participating in the Fixed Price and TOU Price Options as of the end of the calendar month ended one month prior to the beginning of the computation period, including applicable interest. Interest shall be computed monthly from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. Interest on recoveries of undercollections shall be calculated at the legal rate of interest. Interest on refunds of overcollections shall be calculated at the legal rate of interest plus 2 percent annual interest.

S = The Company's total combined retail KWH sales to BUSS customers participating in the Fixed Price and TOU Price Options in the applicable Customer Class, projected for the computation period.

T = The Pennsylvania gross receipts tax rate (exclusive of Part 2 of the State Tax Adjustment Surcharge (STAS) within this tariff) in effect during the billing month, expressed in decimal form.

Minimum bills shall not be reduced by reason of the GSC-1, nor shall GSC-1 charges be a part of the monthly rate schedule minimum. The GSC-1 shall not be subject to any credits or discounts, but Part 2 of the STAS shall apply.

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GENERATION SUPPLY CHARGE – 1 (Continued)

GENERATION SUPPLY CHARGE – 1

FIXED PRICE GENERATION SUPPLY CHARGE

The following GSC-1 charges apply for the Fixed Price Option during the period June 1, 2013 through November 30, 2013.

Customer Class	Small I&C	Residential
Rate Schedule / Charge	GS-1, GS-3 (< 500 kW), LP-4 (< 500 kW), IS-1 (R), BL, GH-1 (R), and GH-2 (R) \$X.XXXXX/KWH (X)	RS, RTS (R) and RTD (R) \$X.XXXXX/KWH (X)

Small I&C – Street Lights									
Rate Schedule/ Charge	SA	SM (R)		SHS		SE	TS (R)	SI-1 (R)	
	\$/Lamp (X)	Nominal Lumens	\$/Lamp (X)	Nominal Lumens	\$/Lamp (X)	\$/KWH (X)	\$/Watt (X)	Lumens	\$/Lamp (X)
X.XXX		3,350	X.XXX	5,800	X.XXX	X.XXXXX	X.XXXXX	600	X.XXX
		6,650	X.XXX	9,500	X.XXX			1,000	X.XXX
		10,500	X.XXX	16,000	X.XXX			4,000	X.XXX
		20,000	X.XXX	25,000	X.XXX				
		34,000	X.XXX	50,000	X.XXX				
		51,000	X.XXX						

TIME-OF-USE GENERATION SUPPLY CHARGES

The following Generation Supply Charges apply for service under the TOU Price Option during the June 1, 2013 through November 30, 2013.

Rate Schedules RS and RTS (R)	Peak Hours (12:00 PM to 7:00 PM)
On-Peak Hours	X.XXX cts per kWh
Off-Peak Hours	X.XXX cts per kWh

Rate Schedules GS-1, GS-3 (< 500 kW), GH-1 (R), GH-2 (R), and IS-1 (R)	Peak Hours (7:00 AM to 7:00 PM)
On-Peak Hours	X.XXX cts per kWh
Off-peak Hours	X.XXX cts per kWh

(Continued)

PPL Electric Utilities Corporation

GENERATION SUPPLY CHARGE – 1 (Continued)

GSC – 1 RECONCILIATION PROVISIONS -

The GSC-1 for the Fixed Price and the TOU Price Options shall be filed with the Pennsylvania Public Utility Commission (Commission) ten (10) days prior to the effective date of the rates for each computation period. The rates shall become effective for BUSS rendered during the computation period, unless otherwise ordered by the Commission, and shall remain in effect for one computation period.

For the Fixed Price Option and the TOU Price Option, the Company will file with the Commission ten (10) days prior to each computation period, a combined reconciliation of GSC-1 actual billed revenues and actual incurred costs under the Fixed Price and TOU Price Options for the most recently available actual computation period, pursuant to 66 Ps. C.S. §1307. The reconciliation shall become effective for service rendered during the computation period and shall remain in effect for a period of one application period, or until new GSC-1 rates are approved by the Commission.

The combined reconciliation of the GSC-1 for the Fixed Price and TOU Price Options will be conducted separately for each of the two Customer Classes. The combined reconciliation will include a calculation of the adjustment to the GSC-1, in cents per kWh, required to refund or recoup previous application period over or undercollections of the applicable 6-month generation supply acquisition costs. The reconciliation will be the difference between actual generation supply acquisition costs incurred and actual revenue billed for the computation period. Any over or undercollection will be reflected in the GSC-1 charges for the subsequent computation period on a rolling 12-month basis.

The Company shall file a report regarding GSC-1 over or undercollections within thirty (30) days following the conclusion of each computation period. These reports shall be in a form prescribed by the Commission. The report shall be accompanied by a tentative estimate of the GSC-1 for the next computation period.

Application of the GSC-1 shall be subject to continuous review and audit by the Commission at intervals it shall determine. The Commission shall review the reasonableness and lawfulness of the level of charges produced by the GSC-1 and the costs included therein.

PPL Electric Utilities Corporation

GENERATION SUPPLY CHARGE-2

(C)

Beginning on June 1, 2013, the Generation Supply Charge-2 (GSC-2) shall be charged to each customer in the Large Commercial & Industrial Customer Class who takes Basic Utility Supply Service ("BUSS") from the Company under Rate Schedules LP-4, IS-P (R), LP-5, LP-6, LPEP, IS-T (R), and standby service for the foregoing rate schedules. The GSC-2 will not apply to those Rate Schedule LP-4 customers who have a peak demand of less than 500 kW, but the GSC-2 will apply to those Rate Schedule GS-3 customers who have a peak demand of 500 kW or greater. This peak demand will be based on the customer's ICAP peak load contribution assigned for the 2013-2014 PJM Planning Year. The GSC-2 shall have one rate option provision: Hourly Default Service Option.

PURPOSE

(C)

The Hourly Default Service Rate Option provides default electric generation service to eligible customers in the Large Commercial & Industrial Customer Class who have not selected an alternative generation supplier.

PRICING PROVISIONS

(C)

All of the following charges apply to this rate option.

- **GSC-2 Energy Charge per KWH:** The product of actual real-time PL Zone Locational Marginal Prices for each hour of the billing month expressed in cents per KWH times the customer's actual energy use, adjusted for losses, during each hour of the billing month.
- **GSC-2 Capacity Charge:** The product of the PJM Reliability Pricing Model ("RPM") price of capacity expressed in dollars per KW-Day, as reported by PJM for the PL Zone, for the applicable billing month times the customer's fixed peak load capacity obligation, as determined by the Company in accordance with the applicable PJM Agreements, times the number of days in the billing month.
- **GSC-2 Administrative Charge per KWH:** The product of all administrative charges (both the supplier's charges and PPL Electric's charges) expressed in cents per KWH times the customer's actual energy use, adjusted for losses, during each hour of the billing month. The supplier's charges shall be the supplier's winning bid in PPL Electric's most recent solicitation for supply of default service to customers in the Large C&I Customer Class. The supplier's charges may include, but are not limited to, the costs of transmission service (other than non-market-based transmission service charges), ancillary services, congestion management costs, and such other services or products that are required to supply hourly default service to customers in the Large C&I Customer Class, including Alternative Energy Credits. PPL Electric's charges shall be a monthly pro rata amortization of the actual costs incurred by the Company to acquire generation supply from any source for the Large C&I Customer Class during the most recent 12-month period ended May 31 (as determined by amortizing such costs ratably over a 12-month period) plus the monthly amortization of the cost of administering that program prior to June 1, 2013 (as determined by amortizing such costs

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PPL Electric Utilities Corporation

GENERATION SUPPLY CHARGE-2 (CONTINUED)

(C)

ratably over the 24-month period June 1, 2013 through May 31, 2015). In addition, the initial computation period will include any remaining over or undercollection balance as of May 31, 2013 related to application of the GSC-2 for the Large Commercial and Industrial Customer Class.

The following rate components of the GSC-2 shall be filed with the Pennsylvania Public Utility Commission (Commission) thirty (30) days prior to each computation period. The rate components subject to this filing requirement and to annual reconciliation are: (1) the price for capacity resulting from PJM's applicable RPM auction, (2) the supplier's charges to be included in the GSC-2 Administrative Charge and (3) PPL Electric's charges to be included in the GSC-2 Administrative Charge. These rate components, as well as any net over or undercollection of these rate components as of the end of the 12-month period ending April 30 immediately preceding the computation period and set forth as a separate E-factor reconciliation component, shall become effective for BUSS rendered on and after the following June 1, and shall remain in effect for a period of one year.

(C)

By May 1 of each year, the Company will file with the Commission the experienced net over or undercollection of the GSC-2 associated with the above-identified costs that are incurred to provide generation supply for participating BUSS customers as of the end of the calendar month ending one month prior to the computation period, including applicable interest. Interest shall be computed monthly from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. Interest on recoveries of undercollections shall be calculated at the legal rate of interest. Interest on refunds of overcollections shall be calculated at the legal rate of interest plus 2 percent annual interest.

(C)

The Pennsylvania gross receipts tax rate (exclusive of Part 2 of the State Tax Adjustment Surcharge (STAS) within the tariff) in effect during the billing month shall apply to charges under the GSC-2.

Minimum bills shall not be reduced by reason of the GSC-2, nor shall GSC-2 charges be a part of the monthly rate schedule minimum. The GSC-2 shall not be subject to any credits or discounts, but Part 2 of the STAS shall apply.

The Company shall file a report regarding GSC-2 collections within thirty (30) days following the conclusion of each computation period. These reports shall be in a form prescribed by the Commission. The report shall be accompanied by a tentative estimate of the GSC-2 for the next computation period.

(C)

Application of the GSC-2 shall be subject to continuous review and audit by the Commission at intervals it shall determine. The Commission shall review the reasonableness and lawfulness of the level of charges produced by the GSC-2 and the costs included therein.

PPL Electric Utilities Corporation

TRANSMISSION SERVICE CHARGE

(C)

A Transmission Service Charge (TSC) shall be applied to charges for electricity supplied to customers who receive Basic Utility Supply Service ("BUSS"), as defined in Rule 1B(1), from the Company under this Tariff.

The TSC shall be computed separately for each of the following four customer classes:

- (1) Residential: Consisting of Rate Schedules RS, RTS (R), and RTD (R),
- (2) Small Commercial and Industrial: Consisting of Rate Schedules GS-1, GS-3, IS-1 (R), BL, SA, SM, SHS, SE, TS (R), SI-1 (R), GH-1 (R), and GH-2 (R) (Small C&I),
- (3) Large Commercial and Industrial – Primary: Consisting of Rate Schedules LP-4 and IS-P (R) (Large C&I – Primary), and
- (4) Large Commercial and Industrial – Transmission: Consisting of Rate Schedules LP-5, LP-6, LPEP IS-T (R), and L5S (Large C&I – Transmission).

The TSC, computed using the formulae described below, shall be applied to the monthly bill of each customer receiving BUSS service from the Company and shall be reconciled on an annual basis for undercollections and overcollections experienced during the previous year.

The TSC for the Residential class and the Small C&I class shall be computed using the following formula:

$$TSC = [TCe/S + TCd/S - E/S] \times 1/(1-T)$$

The TSC for the Large C&I – Primary class and the Large C&I – Transmission class shall be computed using the following formulae:

$$TSC = TSCd + TSCe$$

The demand – related portion of the TSC (TSCd) for the Large C&I – Primary class and the Large C&I – Transmission class shall be computed using the following formula:

$$TSCd = [TCd/D] \times 1/(1-T)$$

The other portion of the TSC (TSCe) for the Large C&I – Primary class and the Large C&I – Transmission class shall be computed using the following formula:

$$TSCe = [TCe/S - E/S] \times 1/(1-T)$$

Where:

- TCd = The demand-related (kW) portion of the charges that the Company incurs to provide transmission service (including ancillary service charges and all non-market-based transmission service charges) to customers who receive BUSS service from the Company. These charges are all Federal Energy Regulatory Commission (FERC)-approved charges imposed by PJM Interconnection, LLC (PJM) on a kW basis. These charges are allocated to each customer class based upon the contribution of that class to the 5 coincident peaks used by PJM to establish such demand – related charges. (C)
- TCe = All other charges not recovered through TCd that the Company incurs to provide transmission service (including ancillary service charges and all non-market-based transmission service charges) to customers who receive BUSS service from the Company. These charges are all FERC-approved charges imposed by PJM on any basis other than a kW basis. These charges are allocated to each customer class based upon the projected kWh usage of that class, including estimated distribution system losses during the computation year. (C)

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PPL Electric Utilities Corporation

TRANSMISSION SERVICE CHARGE (CONTINUED)

(C)

- D = For the Large C&I – Primary customer class, the total of the monthly billing demands for all customers in the class, projected for the computation year. For the Large C&I – Transmission customer class, the total of the monthly contributions of all customers in the class to the Company's 5 coincident peaks used by PJM to establish such demand – related charges.
- E = Net over or undercollection of the TCe and TCd charges associated with the acquisition of transmission service as of the end of the 12-month period ending April 30 immediately preceding the computation year, including applicable interest. Reconciliation of the TSC will be conducted separately for each of the four customer classes. Interest shall be computed monthly at the appropriate rate, as provided for in Section 1308(d) of the Public Utility Code, from the month the over or undercollection occurs to the effective month that the overcollection is refunded or the undercollection is recouped.
- S = The Company's total retail KWH sales to customers in each customer class who receive BUSS under this tariff (including distribution losses), projected for the computation year.
- T= The total Pennsylvania gross receipts tax rate (exclusive of Part 2 of the State Tax Adjustment Surcharge (STAS) within this tariff) in effect during the billing period, expressed in decimal form.

The TSC shall be filed with the Commission by May 1 of each year. The TSC rate shall become effective for transmission service acquired on behalf of BUSS customers and rendered to those customers on or after the following June 1, unless otherwise ordered by the Commission, and shall remain in effect for a period of one year, unless revised on an interim basis subject to the approval of the Commission. Upon determination that a customer class's TSC, if left unchanged, would result in a material over or undercollection of all transmission service charges incurred or expected to be incurred during the current 12-month period ending April 30, the Company may file with the Commission for an interim revision of the TSC to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission. (C)

Minimum bills shall not be reduced by reason of the TSC, nor shall charges hereunder be a part of the monthly rate schedule minimum. The TSC shall not be subject to any credits or discounts, but Part 2 of the STAS shall apply.

The Company shall file a report of collections under the TSC within thirty (30) days following the conclusion of each computation-year quarter. These reports will be in a form prescribed by the Commission. The third-quarter report shall be accompanied by a preliminary forecast of the TSC for the next computation year.

Application of the TSC shall be subject to review and audit by the Commission at intervals it shall determine. The Commission shall review the reasonableness and lawfulness of the level of charges produced by the TSC and the costs included therein.

PPL Electric Utilities Corporation

TRANSMISSION SERVICE CHARGE (CONTINUED)

(C)

TRANSMISSION SERVICE CHARGE

(C)

Changes under the TSC for the period June 1, 2013 through May 31, 2014, as set forth in the applicable Rate Schedules.

Customer Class	Large I&C - Transmission	Large I&C - Primary	Small I&C	Residential
Rate Schedule / Charge	L5S, LP-5, LP-6, LPEP, and IS-T (R)	LP-4 and IS-P (R)	GS-1, GS-3, IS-1 (R), BL, GH-1 (R), and GH-2 (R)	RS, RTS (R), and RTD (R)
Energy Rate (\$/kWh)	X.XXXXX (X)	X.XXXXX (X)	X.XXXXX (X)	X.XXXXX (X)
Demand Rate (\$/kW)	X.XXX (X)	X.XXX (D)		

Small I&C - Street Lights									
Rate Schedule/ Charge	SA	SM (R)		SHS		SE	TS (R)	SI-1 (R)	
	\$/Lamp (X)	Nominal Lumens	\$/Lamp (X)	Nominal Lumens	\$/Lamp (X)	\$/KWH (X)	\$/Watt (X)	Lumens	\$/Lamp (X)
X.XXX		3,350	X.XXX	5,800	X.XXX	X.XXXXX	X.XXXXX	600	X.XXX
		6,650	X.XXX	9,500	X.XXX			1,000	X.XXX
		10,500	X.XXX	16,000	X.XXX			4,000	X.XXX
		20,000	X.XXX	25,000	X.XXX				
		34,000	X.XXX	50,000	X.XXX				
		51,000	X.XXX						

(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

Issued:

Effective: June 1, 2013