

UNIVERSAL SERVICE RIDER

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The Universal Service Rider (USR) charge, shall be applied to each kilowatt-hour supplied to customers, who take distribution service under Rate Schedules RS and RTS(R) of this tariff. The USR charge provides for recovery of the costs, excluding internal administrative costs (i.e., employee salaries, wages, and benefits), associated with universal service programs provided by the Company to residential customers. The State Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rider.

Beginning January 1, 2026, and continuing through December 31, 2026, the USR charge will be \$0.01024/kwh. For subsequent years, the USR charge shall be filed with the Commission by December 21, April 20, and August 21 of each year in conjunction with the reconciliation filings described herein. The USR charge shall become effective for service rendered on or after January 1, May 1, or September 1, respectively, unless otherwise ordered by the Commission, and shall remain in effect for a period of four months, unless revised on an interim basis subject to the approval of the Commission. Upon determination that a USR charge, if left unchanged, would result in a material over or under-collection of all USR costs incurred or expected to be incurred during the current four-month period, the Company may file with the Commission for an interim revision of the USR charge to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

The Company will file with the Pennsylvania Public Utility Commission by December 21, April 20, and August 21 of each year a reconciliation of the USR revenue recovery during the immediately preceding four-month application period pursuant to 66 Pa. C.S. §1307. The reconciliation shall become effective for service rendered on and after January 1, May 1, and September 1, respectively, and shall remain in effect for a period of four months, or until new USR rates are approved by the Commission. Interest on overcollections and undercollections 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.

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

Beginning January 1, 2027, PPL Electric will allocate \$11 million of USR costs annually to Rate Schedule LP-6. Such costs will be allocated amongst the LP-6 rate class and recovered from the LP-6 customers through a non-bypassable customer charge assessed to those customers under Rate Schedule LP-6. PPL Electric will propose an increased allocation of costs to the LP-6 class in its next filed rate case or will explain why it has not proposed to increase this allocation.