

**PPL Electric Utilities Corporation
Estimated Price-to-Compare Sample Calculation
For Illustrative Purposes Only
Large Commercial and Industrial Class**

Introduction:

The purpose of this document is to provide suppliers with an understanding of how the Price-to-Compare (“PTC”) is calculated for all customer classes, as directed by the Pennsylvania Public Utility Commission (“PA PUC”) on October 12, 2010.

The calculations for Large Commercial and Industrial Primary and Transmission rates are fixed for a one-year period starting June 1, 2012 and ending May 31, 2013.

The Transmission Service Charge (“TSC”) is the rate as filed on May 14, 2012. It should be noted that pursuant to the PA PUC’s Order, entered on May 25, 2011, at Docket No. M-2011-2239805, the TSC energy charge does not reflect prior period overcollections, which are pending further action by the PA PUC in that proceeding.

Disclaimer:

It should be noted that any and all data within this document are estimates, and actual charges will vary depending on customer demand, seasonal variations, or other factors. Forecast data is subject to change due to migration, customers leaving PPL Electric Utilities’ service territory, or other events. In addition, all possible combinations of rates and surcharges have not been included in this document. Prices used in the PTC calculation are best-known values and will be updated pursuant to PPL Electric Utilities’ tariff on file with the PA PUC. PPL Electric Utilities is not liable for any losses which may result from using the information contained in this document.

PPL Electric Utilities Corporation
Estimated Hourly Pricing Service Charge Calculation
For Illustrative Purposes Only
Large Commercial & Industrial ("LC&I") - Primary
June 1, 2012 - May 31, 2013

Industrial Class Hourly Price (HP) Energy Charge

1 kWh _t	kWh for each hour in the billing period	
2 LMP _t	LMP = Real-time PJM Load Weighted average LMP for the PPL Zone for each hour	
3 HP adder	HP adder = \$0.00509 / kWh	
<hr/>		
4 \sum HP Energy Charge [Line 1 x (Line 2 + Line 3)]	x.xxxx	
5 Loss Factor ⁽¹⁾	1.05365	
<hr/>		
6 HP Energy Charge (line 3 x line 4)	x.xxxx	(\$/kWh)
<hr/>		
Plus		
7 Capacity ⁽²⁾	<u>\$133.31/MW day * PLC * # of days in Month</u>	
	\sum (kWh _t)	
Plus		
8 Transmission Service Charge (TSC) - Energy ⁽³⁾⁽⁴⁾	0.00034	(\$/kWh)
Plus		
9 Transmission Service Charge (TSC) - Demand ⁽⁵⁾	1.60847	(\$/kW)
Plus		
10 E Factor	-0.00169	(\$/kWh)
<hr/>		
11 Administrative Charges	0.00026	(\$/kWh)
12 Hourly Pricing Service Charge (Line 6 + Line 7 + Line 8 + Line 9 + Line 10 + Line 11)	x.xxxx	(\$/kWh)
13 Multiplied by (1/(1-GRT)) <i>GRT = 5.9%</i>	1.0627	
<hr/>		
14 Hourly Pricing Service Charge (Line 12 x Line 13)	x.xxxx	(\$/kWh)
<hr/>		
15 State Tax Adjustment Surcharge -0.284% (line 14 x -0.00284) ⁽⁶⁾	x.xxxx	(\$/kWh)
<hr/>		
16 Hourly Pricing Service Charge (Line 14 + Line 15)	x.xxxx	(\$/kWh)
<hr/>		

t An hour in the Billing Period.

⁽¹⁾ The Loss Factor is adjusted for the PJM transmission deration factor.

⁽²⁾ The Capacity Charge is calculated by using PJM Capacity Clearing Price for the PL Zone x the Customer's Peak Load Contribution (PLC) x the # of days in the billing period divided by the sum of the kWh usage for the billing period. The final capacity price is determined by using the final zonal capacity price and daily scaling factors as determined by PJM.

⁽³⁾ The TSC energy charge is calculated by multiplying the customers kWh usage times the stated rate. The rate does not include the statutory PA Gross Receipts Tax (GRT). This rate is for LP4 > 500 kW and ISP customers. It should be noted that pursuant to the Commission's Order, entered on May 25, 2011, at Docket No. M-2011-2239805, the TSC energy charge does not reflect prior period overcollections, pending further action by the Commission in that proceeding.

⁽⁴⁾ The TSC energy charge for the GS3 > 500 kW rate class is \$0.01294/kWh, including GRT.

⁽⁵⁾ The TSC demand charge is calculated by multiplying the customers PLC times the stated rate. The rate does not include the statutory GRT. This rate is for LP4 > 500 kW and ISP customers.

⁽⁶⁾ The State Tax Adjustment Surcharge reflects the incremental GRT pursuant to 72 P.S. § 8111-A(d) less any applicable refunds.

PPL Electric Utilities Corporation
Estimated Hourly Pricing Service Charge Calculation
For Illustrative Purposes Only
Large Commercial & Industrial ("LC&I") - Transmission
June 1, 2012 - May 31, 2013

Industrial Class Hourly Price (HP) Energy Charge

1 kWh _t	kWh for each hour in the billing period	
2 LMP _t	LMP = Real-time PJM Load Weighted average LMP for the PPL Zone for each hour	
3 HP adder	HP adder = \$0.00509 / kWh	
<hr/>		
4 \sum HP Energy Charge [Line 1 x (Line 2 + Line 3)]	x.xxxx	
5 Loss Factor ⁽¹⁾	1.02682	
<hr/>		
6 HP Energy Charge (line 3 x line 4)	x.xxxx	(\$/kWh)
<hr/>		
Plus		
7 Capacity ⁽²⁾	$\$133.31/\text{MW day} * \text{PLC} * \# \text{ of days in Month}$	
	$\sum (\text{kWh}_t)$	
Plus		
8 Transmission Service Charge (TSC) - Energy ⁽³⁾	0.00034	(\$/kWh)
Plus		
9 Transmission Service Charge (TSC) - Demand ⁽⁴⁾	1.69916	(\$/kW)
Plus		
10 E Factor	-0.00169	(\$/kWh)
<hr/>		
11 Administrative Charges	0.00026	(\$/kWh)
<hr/>		
Hourly Pricing Service Charge		
12 (Line 6 + Line 7 + Line 8 + Line 9 + Line 10 + Line 11)	x.xxxx	(\$/kWh)
<hr/>		
13 Multiplied by (1/(1-GRT)) $GRT = 5.9\%$	1.0627	
<hr/>		
14 Hourly Pricing Service Charge (Line 12 x Line 13)	x.xxxx	(\$/kWh)
<hr/>		
15 State Tax Adjustment Surcharge -0.284% (line 14 x -0.00284) ⁽⁵⁾	x.xxxx	(\$/kWh)
<hr/>		
15 Hourly Pricing Service Charge (Line 14 + Line 15)	x.xxxx	(\$/kWh)
<hr/>		

t An hour in the Billing Period.

⁽¹⁾ The Loss Factor is adjusted for the PJM transmission deration factor.

⁽²⁾ The Capacity Charge is calculated by using PJM Capacity Clearing Price for the PL Zone x the Customer's Peak Load Contribution (PLC) x the # of days in the billing period divided by the sum of the kWh usage for the billing period. The final capacity price is determined by using the final zonal capacity price and daily scaling factors as determined by PJM.

⁽³⁾ The TSC energy charge is calculated by multiplying the customers kWh usage times the stated rate. The rate does not include the statutory PA Gross Receipts Tax (GRT). This rate is for LP5, LP6, IST and LPEP customers. It should be noted that pursuant to the Commission's Order, entered on May 25, 2011, at Docket No. M-2011-2239805, the TSC energy charge does not reflect prior period overcollections, pending further action by the Commission in that proceeding.

⁽⁴⁾ The TSC demand charge is calculated by multiplying the customers PLC times the stated rate. The rate does not include the statutory GRT. This rate is for LP5, LP6, IST and LPEP customers.

⁽⁵⁾ The State Tax Adjustment Surcharge reflects the incremental GRT pursuant to 72 P.S. § 8111-A(d) less any applicable refunds.