



Mr. Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

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May 13, 2011

**LG&E and KU Energy LLC**  
State Regulation and Rates  
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Rick E. Lovekamp  
Manager – Regulatory Affairs  
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**Re: *Joint Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company, and Kentucky Utilities Company for Approval of an Acquisition of Ownership and Control of Utilities***  
**Case No. 2010-00204**

Dear Mr. DeRouen:

Pursuant to the Commission’s Order dated September 30, 2010 in the aforementioned case, Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”), (collectively, the “Companies”) submit the following reports in compliance with the reporting requirements specified in Appendix C, Commitment No. 1:

**Attachment 1:** LG&E and KU Balance Sheets and Income Statements for Twelve Month Ended March 31, 2011

**Attachment 2:** LG&E and KU Proportionate Share of Total Operating Revenues, Operating and Maintenance Expenses, and Number of Employees

**Attachment 3:** Number of Employees by Payroll Assignment

In addition, Appendix C, Commitment No. 29 of the aforementioned Order, specifies that the Companies submit the periodic reporting of “various reliability and service quality measurements”. However, in Administrative Case No 2006-00494, *An Investigation of the Reliability Measures of Kentucky’s Jurisdictional Electric Distribution Utilities and Certain Reliability Maintenance Practices*, dated October 26, 2007, the Companies are required to file similar reports and therefore were relieved on this

Mr. Jeff DeRouen  
May 13, 2011

reporting requirement (also see Commission's Order dated July 16, 2008 for Case Nos. 2000-00095 and 2001-00104).

Additionally, the Companies file separately with the Commission's Annual Report Branch Manager on May 13, 2011, a Twelve Month Ended Balance Sheet and Income Statement on a jurisdictional basis for KU.

Please confirm your receipt of this filing by placing the File Stamp of your Office with date received on the extra copy and returning it to me in the enclosed envelope. Should you have any questions regarding the information filed herewith, please call me or Don Harris at (502)627-2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick E. Lovekamp". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Rick E. Lovekamp

Enclosures

cc: Ms. Helen Helton, Office of the General Counsel  
KPSC Division of Financial Analysis  
Mr. Jeff Cline, Annual Report Branch Manager

**CASE NO. 2010-00204**

**Response to Appendix C, No. 1**

**Twelve-month income statements and balance sheets for LG&E and KU. LG&E will separately report gas and electric operations, and KU will separately report Kentucky jurisdictional operations and other jurisdictional operations. The supplemental financial reports of LG&E and KU should be filed with the Commission within 45 days of the close of the reporting period.**

Copies of these statements for the period ending March 31, 2011 are attached. Additionally, the requisite jurisdictional statements for Kentucky Utilities Company, were separately filed with the Commission's Annual Report Branch Manager on May 13, 2011.

**Louisville Gas and Electric Company**  
**Balance Sheet on a Total Company and Jurisdictional Basis**  
**March 31, 2011**

**Attachment 1**  
**Page 1 of 3**

	<i>Electric</i>	<i>Gas</i>	<i>Total</i>
<b>UTILITY PLANT</b>			
Utility Plant	\$ 3,829,206,103	\$ 758,235,114	\$ 4,587,441,217
Construction Work in Progress	142,186,018	38,723,054	180,909,072
<b>TOTAL UTILITY PLANT</b>	<b>3,971,392,121</b>	<b>796,958,168</b>	<b>4,768,350,289</b>
Less: Accum. Prov. for Depr. Amort. Depl.	1,808,226,194	259,857,520	2,068,083,714
Net Utility Plant	2,163,165,927	537,100,648	2,700,266,575
Gas Stored Underground - Noncurrent	-	2,139,990	2,139,990
 <b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property-Less Reserve	8,434	3,445	11,879
Special Funds	15,910,231	4,270,173	20,180,404
Ohio Valley Electric Corporation	594,286	-	594,286
<b>TOTAL Other Property and Investments</b>	<b>16,512,951</b>	<b>4,273,618</b>	<b>20,786,569</b>
 <b>CURRENT AND ACCRUED ASSETS</b>			
Cash	22,355,765	6,000,101	28,355,866
Special Deposits	4,098,610	-	4,098,610
Working Fund	15,839	4,251	20,090
Temporary Cash Investments	1,917	515	2,432
Customer Accounts Receivable	50,497,682	24,229,867	74,727,549
Other Accounts Receivable	6,918,105	(109,904)	6,808,201
<b>Less:</b> Accum. Prov. for Uncollectible Acct.-Cr	3,198,879	772,696	3,971,575
Notes Receivable from Assoc. Companies	-	-	-
Accounts Receivable from Assoc. Companies	19,234,530	5,162,388	24,396,918
Fuel Stock	67,368,407	-	67,368,407
Plant Materials and Operating Supplies	30,048,736	1,902	30,050,638
Stores Expense Undistributed	5,104,963	3,141	5,108,104
Gas Stored Underground - Current	-	19,475,231	19,475,231
Prepayments	5,460,845	1,008,554	6,469,399
Misc. Current & Accrued Assets	944,323	-	944,323
Interest and Dividends Receivable	8,729	10,002	18,731
Rents Receivable	2,194	-	2,194
Accrued Utility Revenues	40,410,000	15,802,310	56,212,310
<b>TOTAL Current and Accrued Assets</b>	<b>249,271,766</b>	<b>70,815,662</b>	<b>320,087,428</b>
 <b>DEFERRED DEBITS</b>			
Unamortized Debt Expenses	10,612,220	2,848,231	13,460,451
Other Regulatory Assets	277,954,097	79,282,100	357,236,197
Miscellaneous Deferred Debits	(17,190,482)	18,518,825	1,328,343
Unamortized Loss on Reacquired Debt	17,054,385	4,577,255	21,631,640
Accumulated Deferred Income Taxes	42,321,830	11,104,781	53,426,611
<b>TOTAL Deferred Debits</b>	<b>330,752,050</b>	<b>116,331,192</b>	<b>447,083,242</b>
 <b>TOTAL Assets and Other Debits</b>	<b>\$ 2,759,702,694</b>	<b>\$ 730,661,110</b>	<b>\$ 3,490,363,804</b>
	79.07%	20.93%	

**Louisville Gas and Electric Company**  
**Balance Sheet on a Total Company and Jurisdictional Basis**  
**March 31, 2011**

**Attachment 1**  
**Page 2 of 3**

	<i>Electric</i>	<i>Gas</i>	<i>Total</i>
<b>PROPRIETARY CAPITAL</b>			
Common Stock Issued	\$ 335,204,362	\$ 89,966,062	\$ 425,170,424
Preferred Stock Issued	-	-	-
Other Paid - In Capital	65,895,654	17,685,845	83,581,499
Other Comprehensive Income	-	-	-
(Less) Capital Stock Expense	659,015	176,874	835,889
Retained Earnings	661,195,041	188,643,659	849,838,700
TOTAL Proprietary Capital	1,061,636,042	296,118,692	1,357,754,734
<b>LONG-TERM DEBT</b>			
Long-Term Notes Payable to Associated Companies	-	-	-
Bonds	871,517,580	233,908,067	1,105,425,647
TOTAL Long - Term Debt	871,517,580	233,908,067	1,105,425,647
<b>OTHER NONCURRENT LIABILITIES</b>			
Long Term Obligations Under Capital Leases	-	-	-
Accumulated Provision for Postretirement Benefits	116,795,655	31,416,599	148,212,254
TOTAL OTHER Noncurrent Liabilities	116,795,655	31,416,599	148,212,254
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable	-	-	-
Notes Payable to Associated Companies	-	-	-
Accounts Payable	63,221,017	12,452,647	75,673,664
Accounts Payable to Associated Companies	11,468,278	3,077,990	14,546,268
Customer Deposits	15,144,809	8,095,864	23,240,673
Taxes Accrued	14,394,415	3,914,756	18,309,171
Interest Accrued	9,231,122	2,477,556	11,708,678
Dividends Declared	-	-	-
Tax Collections Payable	-	-	-
Short Term Obligations Under Capital Leases	-	-	-
Miscellaneous Current and Accrued Liabilities	14,571,432	17,568,769	32,140,201
TOTAL Current and Accrued Liabilities	128,031,073	47,587,582	175,618,655
<b>DEFERRED CREDITS AND OTHER</b>			
Customer Advances for Construction	9,418,896	(1,255,318)	8,163,578
Asset Retirement Obligations	14,787,600	38,522,001	53,309,601
Accumulated Deferred Investment Tax Credits	45,271,970	(428,829)	44,843,141
Other Deferred Credits	11,630,381	1,030,544	12,660,925
Other Regulatory Liabilities	52,376,214	9,769,698	62,145,912
Miscellaneous Long-term Liabilities	27,168,525	7,279,944	34,448,469
Accumulated Deferred Income Taxes	422,986,382	64,794,506	487,780,888
TOTAL Deferred Credits	583,639,968	119,712,546	703,352,514
Electric/Gas adjustment to balance	(1,917,624)	1,917,624	
TOTAL Liabilities and Other Credits	\$ 2,759,702,694	\$ 730,661,110	\$ 3,490,363,804
	79.07%	20.93%	

**Louisville Gas and Electric Company**  
**Income Statement on a Total Company and Jurisdictional Basis**  
**Three Months Ending March 31, 2011**

**Attachment 1**  
**Page 3 of 3**

	<i>Electric</i>	<i>Gas</i>	<i>Total</i>
<b>OPERATING REVENUES</b>			
Residential Sales	83,132,861	89,441,757	172,574,618
Small (or Comm.)	67,696,804	32,368,166	100,064,970
Large (or Ind.)	35,048,709	2,733,071	37,781,780
Public Street and Highway Lighting	1,695,615	-	1,695,615
Other Sales to Public Authorities	19,398,595	5,867,142	25,265,737
Rate Refunds	-	-	-
Total Sales to Ultimate Consumers	206,972,584	130,410,136	337,382,720
Sales for Resale	45,563,021	1,910,240	47,473,261
Interdepartmental Sales	-	1,475,281	1,475,281
Late Payment Charges	1,456,395	1,404,878	2,861,273
Transportation Revenue	-	2,160,175	2,160,175
Miscellaneous Service Revenues	353,370	28,436	381,806
Rent from Electric/Gas Property	594,534	50,838	645,372
Interdepartmental Rents	-	-	-
Other Electric Revenue	1,326,600	-	1,326,600
Other Gas Revenue	-	2,370	2,370
Total Operating Revenues	256,266,504	137,442,354	393,708,858
<b>OPERATING EXPENSES</b>			
Operation Expense	154,452,405	95,787,338	250,239,743
Maintenance Expense	23,395,718	4,264,371	27,660,089
Depreciation Expense	29,521,337	5,008,704	34,530,041
Amort. & Depl. of Utility Plant	1,395,499	533,885	1,929,384
Amor. of Property Losses, Unrecovered Plant and Regulatory Study Costs	-	-	-
Regulatory Credits	(724,093)	(378,517)	(1,102,610)
Taxes Other Than Income Taxes	5,292,486	1,634,957	6,927,443
Income Taxes - Federal	(678,777)	6,690,914	6,012,137
- State	1,690,731	1,463,539	3,154,270
Provision for Deferred Income Taxes	27,652,087	6,460,928	34,113,015
(Less) Provision for Deferred Income Taxes - Credit	(16,345,886)	(3,766,716)	(20,112,602)
Investment Tax Credit Adj. - Net	(647,604)	(33,831)	(681,435)
(Gain) from Disposition of Allowances	(2,578)	-	(2,578)
Accretion Expense	414,383	244,428	658,811
Total Utility Operating Expenses	225,415,708	117,910,000	343,325,708
Net Utility Operating Income	30,850,796	19,532,354	50,383,150
Total Other Income			1,145,751
Total Other Income Deductions			1,655,680
Total Taxes on Other Income and Deductions			(323,115)
Net Other Income and Deductions			(186,814)
<b>INTEREST</b>			
Interest on Long-Term Debt			9,816,625
Amort. of Debt Discount and Expenses			520,320
Amortization of Loss on Reacquired Debt			303,009
Other Interest Charges			460,934
Total Interest Charges	8,758,612	2,342,277	11,100,888
Net Income Before Extraordinary Items			39,095,448
Extraordinary Items			-
Net Income			39,095,448

**KENTUCKY UTILITIES COMPANY**  
Balance Sheet on a Total Company and Jurisdictional Basis  
At March 31, 2011

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Plant</u>				
Utility Plant	101-106	\$ 6,260,173,245	\$ 5,469,210,594	\$ 790,962,651
Plus: Construction Work in Progress	107	<u>275,053,240</u>	<u>236,213,450</u>	<u>38,839,790</u>
Total Utility Plant		\$ 6,535,226,485	\$ 5,705,424,044	\$ 829,802,441
Less: Accumulated Provision for Depreciation	108,111	<u>2,294,097,036</u>	<u>1,994,726,789</u>	<u>299,370,247</u>
Net Utility Plant		<u>\$ 4,241,129,449</u>	<u>\$ 3,710,697,255</u>	<u>\$ 530,432,194</u>
<u>Other Property and Investments</u>				
Nonutility Property-Less reserve	121-122	\$ 179,121	\$ -	\$ 179,121
Investment in Subsidiary Companies	123 1	12,916,181	-	12,916,181
Non-Current Portion of Allowances	158.1	-	-	-
Other Investments	124	250,000	-	250,000
Special Funds	125-128	-	-	-
Total Other Property and Investments		<u>\$ 13,345,301</u>	<u>\$ -</u>	<u>\$ 13,345,301</u>
<u>Current and Accrued Assets</u>				
Cash	131	\$ 32,533,420	\$ 28,434,584	\$ 4,098,836
Special Deposits	132-134	511,450	447,013	64,437
Working Funds	135	39,030	34,113	4,917
Temporary Cash Investments	136	24,006,083	20,981,593	3,024,490
Customer Accounts Receivable	142	78,357,795	63,578,796	14,778,999
Other Accounts Receivable	143	15,645,118	13,674,013	1,971,105
Less: Accum Prov for Uncollectable Accts-Credit	144	8,464,288	7,397,885	1,066,403
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	2,400	2,142	258
Fuel	151	90,317,258	78,571,785	11,745,473
Plant Materials and Operating Supplies	154	33,292,754	29,035,910	4,256,844
Allowances	158.1	540,134	468,280	71,854
Less: Non-Current Portion of Allowances	158.1	-	-	-
Stores Expense Undistributed	163	9,353,558	8,157,602	1,195,956
Prepayments	165	7,705,071	6,781,882	923,189
Interest and Dividends Receivable	171	9,992	8,733	1,259
Accrued Utility Revenues	173	73,235,000	61,634,000	11,601,000
Miscellaneous Current Assets	174-175	144,469	126,268	18,201
Total Current and Accrued Assets		<u>\$ 357,229,244</u>	<u>\$ 304,538,829</u>	<u>\$ 52,690,416</u>
<u>Deferred Debits</u>				
Unamortized Debt Expense	181	\$ 20,951,061	\$ 18,311,469	\$ 2,639,592
Deferred Regulatory Assets	182	278,343,043	238,700,695	39,642,348
Preliminary Survey and Inventory	183	3,666,958	3,204,964	461,995
Clearing Accounts	184	-	-	-
Miscellaneous Deferred Debits	186	39,398,290	34,158,830	5,239,460
Unamortized Loss on Bonds	189	12,228,847	10,688,153	1,540,694
Accumulated Deferred Income Taxes	190	95,312,656	83,390,102	11,922,554
Total Deferred Debits		<u>\$ 449,900,855</u>	<u>\$ 388,454,213</u>	<u>\$ 61,446,643</u>
Total Assets		<u>\$ 5,061,604,850</u>	<u>\$ 4,403,690,296</u>	<u>\$ 657,914,554</u>

**KENTUCKY UTILITIES COMPANY**  
Balance Sheet on a Total Company and Jurisdictional Basis  
At March 31, 2011

Title of Account Column A	No. Col B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<b>Proprietary Capital</b>				
Common Stock Issued	201	\$ 308,139,978	\$ 269,317,889	\$ 38,822,089
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	315,858,083	276,063,602	39,794,481
Other Comprehensive Income		(2,499,969)	(2,185,002)	(314,967)
(Less) Common Stock Expense	214	321,289	280,810	40,479
Retained Earnings	215-216	1,463,485,376	1,279,103,071	184,382,305
Unappropriated Undistributed Subsidiary Earnings	216 1	15,711,983	-	15,711,983
<b>Total Proprietary Capital</b>		<b>\$ 2,100,374,162</b>	<b>\$ 1,822,018,750</b>	<b>\$ 278,355,412</b>
<b>Long-Term Debt</b>				
Bonds	221-222	\$ 1,850,779,405	\$ 1,617,602,512	\$ 233,176,893
Long-Term Debt Marked to Market	221 200	-	-	-
Long-Term Debt To Associated Companies	223	-	-	-
Other Long-Term Debt	224	-	-	-
Unamortized Discount on Long-Term Debt	226	(10,664,281)	(9,320,705)	(1,343,576)
<b>Total Long-Term</b>		<b>\$ 1,840,115,124</b>	<b>\$ 1,608,281,807</b>	<b>\$ 231,833,317</b>
<b>Other Non-Current Liabilities</b>				
Accumulated Provision for Property Insurance	228 1	\$ -	\$ -	\$ -
Accumulated Provision for Injuries and Damages	228 2	2,384,017	2,128,118	255,899
Accumulated Provision for Pensions and Benefits	228 3	136,005,405	121,406,684	14,598,721
Accumulated Miscellaneous Operating Provision	228 4	-	-	-
<b>Total Other Non-Current Liabilities</b>		<b>\$ 138,389,422</b>	<b>\$ 123,534,802</b>	<b>\$ 14,854,620</b>
<b>Current and Accrued Liabilities</b>				
Notes Payable	231	\$ -	\$ -	\$ -
Accounts Payable	232	76,815,641	68,570,307	8,245,334
Notes Payable to Associated Companies	233	-	-	-
Accounts Payable to Associated Companies	234	38,226,572	-	38,226,572
Customer Deposits	235	22,823,009	22,320,855	502,154
Taxes Accrued	236	23,861,888	20,855,565	3,006,323
Interest Accrued	234,237	23,475,407	20,517,776	2,957,631
Dividends Declared	238	-	-	-
Matured Long-Term Bonds/LTD Due in 1 Year	239	-	-	-
Tax Collections Payable	241	4,031,601	3,430,278	601,323
Miscellaneous Current and Accrued Liabilities	242-244	16,120,727	14,959,716	1,161,011
<b>Total Current and Accrued Liabilities</b>		<b>\$ 205,354,846</b>	<b>\$ 150,654,497</b>	<b>\$ 54,700,349</b>
<b>Deferred Credits</b>				
Customer Advances for Construction	252	\$ 2,874,868	\$ 2,867,680	\$ 7,189
Accumulated Deferred Investment Tax Credits	255	103,507,851	88,911,548	14,596,303
Other Deferred Credits	253	16,560,938	14,603,229	1,957,709
Regulatory Liabilities	254	117,393,178	103,443,181	13,949,997
Asset Retirement Obligation	230	54,658,038	47,386,917	7,271,121
Miscellaneous Long-Term Liabilities	244	6,643	5,806	837
Accumulated Deferred Income Taxes	281-283	482,369,780	422,030,679	60,339,101
<b>Total Deferred Credits</b>		<b>\$ 777,371,297</b>	<b>\$ 679,249,040</b>	<b>\$ 98,122,257</b>
<b>Total Liabilities and Stockholders Equity</b>		<b>\$ 5,061,604,850</b>	<b>\$ 4,383,738,896</b>	<b>\$ 677,865,955</b>
Adjustment to Balance		-	\$ (19,951,401)	\$ 19,951,401



**KENTUCKY UTILITIES COMPANY**  
Income Statement on a Total Company and Jurisdictional Basis  
Twelve Months Ended March 31, 2011

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Operating Income</u>				
Operating Revenues:				
Residential Sales	440	\$ 544,479,056	507,825,684	\$ 36,653,372
Commercial and Industrial Sales:	442			
Small (or Comm) - Rural Comm & Comm L&P		350,227,833	332,508,817	17,719,016
Large (or Ind) - Industrial & Mine Power		373,172,972	357,722,101	15,450,870
Public Street and Highway Lighting	444	11,393,626	11,006,268	387,358
Other Sales to Public Authorities	445	112,670,055	105,748,233	6,921,821
Total Sales to Ultimate Consumers		<u>\$ 1,391,943,542</u>	<u>\$ 1,314,811,104</u>	<u>\$ 77,132,438</u>
Sales for Resale	447	121,269,834	17,099,851	104,169,983
Total Sales of Electricity		<u>\$ 1,513,213,376</u>	<u>\$ 1,331,910,954</u>	<u>\$ 181,302,422</u>
Less: Provision for Refund	449.1	(355,385)	(6)	(355,379)
Total Revenues Net of Provision for Refund		<u>\$ 1,513,568,761</u>	<u>\$ 1,331,910,960</u>	<u>\$ 181,657,801</u>
Other Operating Revenues:				
Late Payment Charges	450	9,327,113	9,157,499	169,614
Miscellaneous Service Revenues	451	2,382,727	2,257,050	125,677
Rent from Electric Property	454	1,057,961	968,009	89,953
Other Electric Revenues	456	11,260,808	7,439,200	3,821,608
Total Other Operating Revenues		<u>\$ 24,028,610</u>	<u>\$ 19,821,758</u>	<u>\$ 4,206,852</u>
Total Operating Revenue		<u>\$ 1,537,597,371</u>	<u>\$ 1,351,732,718</u>	<u>\$ 185,864,653</u>
Operating Expenses:				
Operation Expenses	401	\$ 878,829,888	\$ 770,343,422	108,486,466
Maintenance Expenses	402	109,746,893	96,826,589	12,920,304
Depreciation Expense	403	151,138,301	132,717,223	18,421,078
Amortization of Limited-Term Electric Plant	404	6,594,409	5,761,204	833,206
Regulatory Credits	407	(5,940,201)	(5,151,771)	(788,431)
Taxes Other than Income Taxes	408.1	21,337,850	19,081,417	2,256,433
Income Taxes - Federal	409.1	53,938,279	Total Income Taxes 95,181,251      13,365,121	
Income Taxes - State	409.1	13,031,186		
Deferred Federal Income Taxes - Net	410-1.1	37,796,519		
Deferred State Income Taxes - Net	410-1.1	3,780,388		
Accretion Expense	411.1	3,631,504	3,149,800	481,704
Investment Tax Credit Adjustment - Net	411.4	-	-	-
Losses/(Gains) from Disposition of Allowances	411.8	(16,020)	(13,889)	(2,131)
Total Utility Operating Expenses		<u>\$ 1,273,868,996</u>	<u>\$ 1,117,895,246</u>	<u>\$ 155,973,750</u>
Net Utility Operating Income		<u>\$ 263,728,375</u>	<u>\$ 233,837,472</u>	<u>\$ 29,890,903</u>

**KENTUCKY UTILITIES COMPANY**  
Income Statement on a Total Company and Jurisdictional Basis  
Twelve Months Ended March 31, 2011

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	Other Jurisdictional Column E
<b>Other Income and Deductions are not separated on a jurisdictional basis.</b>			
<u>Other Income and Deductions</u>			
Total Other Income		\$ (62,310)	
Total Other Income Deductions		1,867,366	
Total Taxes on Other income and Deductions		(2,659,886)	
Net Other Income and Deductions		\$ 730,209	
<u>Interest Charges</u>			
Interest on Long Term Debt	427	\$ 70,677,066	
Amortization of Debt Discount and Expense	428	1,250,685	
Amortization of Loss on Re-Acquired Debt	428.1	604,911	
Amortization of Premium on Debt - Credit	429	-	
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-	
Interest on Debt to Associated Companies	430	107,136	
Other Interest Expense	431	4,389,156	
Allowance for Borrowed Funds Used During Construction	432	(731,782)	
Net Interest Charges		\$ 76,297,171	\$ 66,232,033
			\$ 10,065,138
Cumulative Effect of Accounting Change, Net of Tax		\$ -	
Net Income		\$ 188,161,413	

**CASE NO. 2010-00204**

**Response to Appendix C, No. 1**

**A report detailing the proportionate share of KU and LG&E in LG&E and KU Energy LLC's total operating revenues, operating and maintenance expenses and number of employees.**

The requested information, for the twelve-month period ending March 31, 2011, and as of March 31, 2011, is attached.

**LG&E and KU Share of Selected LG&E and KU Energy LLC Financial & Operating Numbers**  
**Income Statement Numbers are TME March 31, 2011**  
**Employee Number is as of March 31, 2011**

	<b>LG&amp;E</b>	<b>KU</b>
Total Operating Revenues	44.9%	55.1%
Total Operating and Maintenance Expenses	47.8%	46.1%
Number of Employees	32.4%	30.7%

**CASE NO. 2010-00204**

**Response to Appendix C, No. 1**

**The number of employees of LG&E and KU Energy LLC and each subsidiary on the basis of payroll assignment.**

The requested information, as of March 31, 2011, is attached.

**LG&E and KU Energy LLC and Subsidiaries**  
**Employees by Payroll Assignment**  
**As of March 31, 2011**

<b>LG&amp;E and KU Services Company</b>	<b>1,172</b>
<b>Kentucky Utilities Company</b>	<b>977</b>
<b>Louisville Gas and Electric Company</b>	<b>1,031</b>
<b>Total LG&amp;E and KU Energy LLC and Subsidiaries</b>	<b>3,180</b>