



Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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FEB 16 2010
PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
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robert.conroy@eon-us.com

February 16, 2010

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the March 2010 billing cycle which begins February 26, 2010.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

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FEB 17 2010

FINANCIAL ANA

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$66,008,454}{\text{Sales "Sm" (Sales Schedule)} \quad 2,200,177,680 \quad \text{KWH}} = (+) \$ 0.03000 / \text{KWH}$$

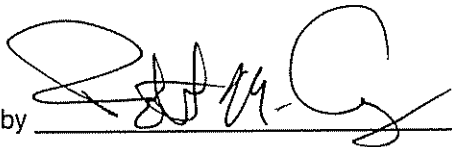
Per PSC approved Tariff Sheet No. 85 1 effective June 29, 2009. = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00246}} / \text{KWH}$$

Note: (1) Five decimal places in dollars for normal rounding

Effective Date for Billing: February 26, 2010

Submitted by _____



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2010

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	45,275,010
Oil Burned	(+)	193,292
Gas Burned	(+)	4,649,817
Fuel (assigned cost during Forced Outage)	(+)	150,979
Fuel (substitute cost for Forced Outage)	(-)	108,644
SUB-TOTAL	\$	<u>50,160,454</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	8,383,852
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	77,120
Less Purchases above Highest Cost Units	(-)	10,326
Internal Economy	(+)	8,327,897
Internal Replacement	(+)	-
SUB-TOTAL	\$	<u>16,624,303</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	31,229
Internal Economy	(+)	1,315
Internal Replacement	(+)	1,560,938
Dollars Assigned to Inter-System Sales Losses	(+)	312
SUB-TOTAL	\$	<u>1,593,794</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>(817,491)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	66,008,454

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2010

(A) Generation (Net)	(+)	1,760,727,000
Purchases including interchange-in	(+)	257,452,000
Internal Economy	(+)	378,732,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,396,911,000</u>
(B) Inter-system Sales including interchange-out	(+)	916,000
Internal Economy	(+)	41,000
Internal Replacement	(+)	49,202,000
(*) System Losses	(+)	<u>146,574,320</u>
SUB-TOTAL		<u>196,733,320</u>
TOTAL SALES (A-B)		<u><u>2,200,177,680</u></u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : January 2010

12 Months to Date KWH Sources: 22,231,665,000 KWH
 12 MTD Overall System Losses: 1,359,496,173 KWH
 January 2010 KWH Sources: 2,396,911,000 KWH

$$1,359,496,173 / 22,231,665,000 = 6.115134\%$$

$$6.115134\% \times 2,396,911,000 = 146,574,320 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

237,472,463 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 50,740,800 Wholesale sales at Primary Voltage (WS-P)
 50,159,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	237,472,463	3.1%	7,597,158	245,069,621
WS-P:	50,740,800	3.1% & 0.7%	1,992,419	52,733,219
IS-T:	50,159,000	1.0%	506,657	50,665,657

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : January 2010

1	Last FAC Rate Billed	<u>(\$0.00138)</u>
2	KWH Billed at Above Rate	<u>1,850,228,208</u>
3	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ (2,553,315)</u>
4	KWH Used to Determine Last FAC Rate	<u>1,532,706,715</u>
5	Non-Jurisdictional KWH (Included in Line 4)	<u>196,543,730</u>
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,336,162,985</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ (1,843,905)</u>
9	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ (709,410)</u>
10	Total Sales "Sm" (From Page 3 of 6)	<u>2,200,177,680</u>
11	Kentucky Jurisdictional Sales	<u>1,909,291,762</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)	<u>1.15235279</u>
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ (817,491)</u>
		To Page 2, Line D

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : January 2010

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,993,476.18	378,732.000	Fuel for LGE Sale to KU for Native Load
	334,420.43		Half of Split Savings to LGE from KU
	<u>\$ 8,327,896.61</u>	<u>378,732.000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 8,327,896.61</u>	<u>378,732,000</u>	
Sales			
Internal Economy			
	\$ 1,314.53	41,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 1,314.53</u>	<u>41,000</u>	
Internal Replacement			
	\$ 1,560,937.63	49,202.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,560,937.63</u>	<u>49,202.000</u>	
Total Sales	<u>\$ 1,562,252.16</u>	<u>49,243,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 1,314.53	41,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 1,314.53</u>	<u>41,000</u>	
Internal Replacement			
	\$ 1,560,937.63	49,202.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,560,937.63</u>	<u>49,202.000</u>	
Total Purchases	<u>\$ 1,562,252.16</u>	<u>49,243,000</u>	
Sales			
Internal Economy			
	\$ 7,993,476.18	378,732.000	Fuel for LGE Sale to KU for Native Load
	334,420.43		Half of Split Savings to LGE from KU
	<u>\$ 8,327,896.61</u>	<u>378,732.000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 8,327,896.61</u>	<u>378,732,000</u>	



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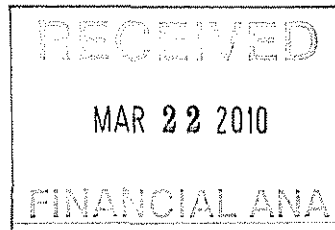
MAR 19 2010

PUBLIC SERVICE
COMMISSION

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
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Louisville, Kentucky 40232
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Robert M. Conroy
Director - Rates
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robert.conroy@eon-us.com



March 19, 2010

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the April 2010 billing cycle which begins March 30, 2010.

It has come to my attention that an error occurred in the reporting of energy on page 5 of 6 of the August 2009 expense month filing. The reporting error affected the August, October, and December expense months and is being corrected in the February expense month applicable to billing under retail rates during the April 2010 billing cycle. Supporting data and schedules are provided as Exhibits 1-4.

The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2010


$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$53,871,399}{1,969,462,518 \text{ KWH}} = (+) \$ 0.02735 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2009. = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00019) / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: March 30, 2010

Submitted by  _____

Title: Director, Rates

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : February 2010

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	40,939,138
Oil Burned	(+)	100,004
Gas Burned	(+)	868,838
Fuel (assigned cost during Forced Outage)	(+)	152,959
Fuel (substitute cost for Forced Outage)	(-)	108,708
SUB-TOTAL	\$	<u>41,952,230</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	5,708,374
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	82,614
Less Purchases above Highest Cost Units	(-)	4,706
Internal Economy	(+)	9,500,253
Internal Replacement	(+)	-
SUB-TOTAL	\$	<u>15,121,307</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	25,499
Internal Economy	(+)	-
Internal Replacement	(+)	3,895,478
Dollars Assigned to Inter-System Sales Losses	(+)	255
SUB-TOTAL	\$	<u>3,921,232</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 16	\$	<u>(719,094)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	53,871,399

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2010

(A) Generation (Net)	(+)	1,576,700,000
Purchases including interchange-in	(+)	188,194,000
Internal Economy	(+)	461,264,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,226,158,000</u>
(B) Inter-system Sales including interchange-out	(+)	816,000
Internal Economy	(+)	-
Internal Replacement	(+)	134,715,000
(*) System Losses	(+)	121,164,482
SUB-TOTAL		<u>256,695,482</u>
TOTAL SALES (A-B)		<u>1,969,462,518</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : February 2010

12 Months to Date KWH Sources:	22,598,463,000	KWH
12 MTD Overall System Losses:	1,229,980,578	KWH
February 2010 KWH Sources:	2,226,158,000	KWH
	1,229,980,578 /	22,598,463,000 = 5.442762%
	5.442762% X	2,226,158,000 = 121,164,482 KWH

WHOLESALE KWH SALES AND LOSSES

280,552,220	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
46,704,000	Wholesale sales at Primary Voltage	(WS-P)
135,531,000	Intersystem Sales at Transmission Voltage	(IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	280,552,220	3.1%	8,975,355	289,527,575
WS-P:	46,704,000	3.1% & 0.7%	1,833,908	48,537,908
IS-T:	135,531,000	1.0%	1,369,000	136,900,000

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : February 2010

1.	Last FAC Rate Billed		<u>\$0.00057</u>
2.	KWH Billed at Above Rate		<u>1,680,572,594</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 957,926</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,932,241,692</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>263,265,283</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,668,976,409</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00056</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 934,627</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 23,299</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,969,462,518</u>
11.	Kentucky Jurisdictional Sales		<u>1,639,408,348</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.20132517</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 27,990</u>
14.	Additional (Under) Recovery – August 2009	Note 2	\$ (666,393)
15.	Additional (Under) Recovery – October 2009	Note 3	\$ (80,691)
16.	Total Company Adjusted Over or (Under) Recovery	Line 13 + Line 14 + Line 15	\$ (719,094)

To Page 2, Line D

Note 1: See Exhibit 1, page 3 of 3 and Exhibit 4

Note 2: See Exhibit 1, page 1 of 3 and Exhibit 2

Note 3: See Exhibit 1, page 2 of 3 and Exhibit 3

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : February 2010

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 8,763,876.44	461,264,000	Fuel for LGE Sale to KU for Native Load
	736,376.57		Half of Split Savings to LGE from KU
	<u>\$ 9,500,253.01</u>	<u>461,264,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 9,500,253.01</u></u>	<u><u>461,264,000</u></u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	0	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 3,895,477.74	134,715,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,895,477.74</u>	<u>134,715,000</u>	
Total Sales	<u><u>\$ 3,895,477.74</u></u>	<u><u>134,715,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	0	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 3,895,477.74	134,715,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,895,477.74</u>	<u>134,715,000</u>	
Total Purchases	<u><u>\$ 3,895,477.74</u></u>	<u><u>134,715,000</u></u>	
Sales			
Internal Economy	\$ 8,763,876.44	461,264,000	Fuel for LGE Sale to KU for Native Load
	736,376.57	0	Half of Split Savings to LGE from KU
	<u>\$ 9,500,253.01</u>	<u>461,264,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 9,500,253.01</u></u>	<u><u>461,264,000</u></u>	

Exhibit 1

Summary

FAC Adjustment due kWh Reporting Error -- August 2009

Calculate retail under-collection for August:

Kentucky Utilities Company

	As Filed	Revised	Difference
(1) Fuel Expense, F(m) (June 2009)	\$ 52,164,268	\$ 52,164,268	\$ -
(2) Sales, S(m) (June 2009)	1,766,112,383	1,766,112,383	-
(3) Fuel expense per kWh	0.02954	0.02954	0.00000
(4) Fuel factor billed in August 2009	0.00363	0.00363	0.00000
(5) August sales, kWh	1,634,959,396	1,473,540,989	(161,418,407)
(6) FAC Revenue	5,934,903	5,348,954	(585,949)
(7) KWH Used to Determine Last FAC Rate	1,766,112,383	1,766,112,383	-
(8) Non-Jurisdictional KWH (Included in Line 7)	318,408,658	318,408,658	-
(9) Kentucky Jurisdictional KWH	1,447,703,725	1,447,703,725	-
(10) Recoverable FAC Revenue/(Refund)	5,255,165	5,255,165	-
(11) Over or (Under) Recovery	679,738	93,789	(585,949)
(12) Total Sales "Sm" (From Page 3 of 6 of filing)	1,861,398,375	1,861,398,375	-
(13) Kentucky Jurisdictional Sales	1,636,699,312	1,636,699,312	-
(14) Total Sales Divided by Kentucky Jurisdictional Sales	1.13728793	1.13728793	-
(15) Total Company Over or (Under) Recovery	773,058	106,665	(666,393) *

* Include as addition to February 2010 expense month over/under recovery

See Exhibit 2 for a corrected August 2009 expense month Form A. As indicated, the August sales amount shown on Line 5 above was reported in error in the filing for the August 2009 expense month. This error resulted in a mis-statement of the recovery position shown in Line 15 above. The underrecovery of 666,393 is being included in the February 2010 expense month filing on page 5 of 6.

FAC Adjustment due kWh Reporting Error -- August 2009

Calculate retail under-collection for October:

Kentucky Utilities Company

	As Filed	Revised	Difference
(1) Fuel Expense, F(m), (August 2009)	\$ 54,606,807	\$ 55,273,200	\$ 666,393
(2) Sales, S(m) (August 2009)	1,861,398,375	1,861,398,375	-
(3) Fuel expense per kWh	0.02934	0.02969	0.00035
(4) Fuel factor billed in October 2009	0.00180	0.00215	0.00035
(5) October sales, kWh	1,439,505,287	1,439,505,287	-
(6) FAC Revenue	2,591,110	3,094,936	503,826
(7) KWH Used to Determine Last FAC Rate	1,861,398,375	1,861,398,375	-
(8) Non-Jurisdictional KWH (Included in Line 7)	224,699,063	224,699,063	-
(9) Kentucky Jurisdictional KWH	1,636,699,312	1,636,699,312	-
(10) Recoverable FAC Revenue/(Refund)	2,946,059	3,518,904	572,845
(11) Over or (Under) Recovery	(354,949)	(423,968)	(69,019)
(12) Total Sales "Sm" (From Page 3 of 6 of filing)	1,518,360,048	1,518,360,048	-
(13) Kentucky Jurisdictional Sales	1,298,727,896	1,298,727,896	-
(14) Total Sales Divided by Kentucky Jurisdictional Sales	1.16911329	1.16911329	-
(15) Total Company Over or (Under) Recovery	(414,976)	(495,667)	(80,691) *

* Include as addition to February expense month over/under recovery

See Exhibit 3 for a corrected October 2009 expense month Form A. The error in the August 2009 expense month filing shown on Exhibit 2 and summarized on Exhibit 1, page 1 of 3, impacted the October 2009 FAC billing factor shown on Line 4 above. This error resulted in a mis-statement of the recovery position shown in Line 15. The under-recovery of 80,691 is being included in the February 2010 expense month filing on page 5 of 6.

FAC Adjustment due kWh Reporting Error -- August 2009

Calculate retail under-collection for December:

Kentucky Utilities Company

	As Filed	Revised	Difference
(1) Fuel Expense, F(m), (October 2009)	\$ 42,064,615	\$ 42,145,306	\$ 80,691
(2) Sales, S(m) (October 2009)	1,518,360,048	1,518,360,048	-
(3) Fuel expense per kWh	0 02770	0 02776	0 00006
(4) Fuel factor billed in December 2009	0 00016	0 00022	0 00006
(5) December sales, kWh	1,568,188,821	1,568,188,821	-
(6) FAC Revenue	250,910	345,002	94,092
(7) KWH Used to Determine Last FAC Rate	1,518,360,048	1,518,360,048	-
(8) Non-Jurisdictional KWH (Included in Line 7)	219,632,152	219,632,152	-
(9) Kentucky Jurisdictional KWH	1,298,727,896	1,298,727,896	-
(10) Recoverable FAC Revenue/(Refund)	207,796	285,720	77,924
(11) Over or (Under) Recovery	43,114	59,282	16,168
(12) Total Sales "Sm" (From Page 3 of 6 of filing)	1,932,241,692	1,932,241,692	-
(13) Kentucky Jurisdictional Sales	1,668,976,409	1,668,976,409	-
(14) Total Sales Divided by Kentucky Jurisdictional Sales	1 15774057	1 15774057	-
(15) Total Company Over or (Under) Recovery	49,915	68,633	18,718

See Exhibit 4 for a corrected December 2009 expense month Form A. The error in the August 2009 expense month filing shown on Exhibit 2 and summarized on Exhibit 1, page 1 of 3, impacted the December 2009 FAC billing factor shown on Line 4 above. This error resulted in a mis-statement of the recovery position shown in Line 15. The impact of this correction is reflected in the "Over or (Under) Recovery" calculation contained on Line 13, page 5 of 6 for the February 2010 expense month filing.

Exhibit 2
Corrected
August 2009

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : August 2009

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$55,273,200}{\text{Sales "Sm" (Sales Schedule)} \quad 1,861,398,375 \text{ KWH}} = (+) \$ 0.02969 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2009. = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00215 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding

Effective Date for Billing: September 28, 2009

Submitted by _____

Title: Director, Rates

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : August 2009

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	39,926,069
Oil Burned	(+)	306,794
Gas Burned	(+)	2,535,480
Fuel (assigned cost during Forced Outage)	(+)	1,365,897 *
Fuel (substitute cost for Forced Outage)	(-)	1,140,590 *
SUB-TOTAL	\$	<u>42,768,343</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	6,682,372
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	174,882 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,233,552
Internal Replacement	(+)	-
SUB-TOTAL	\$	<u>12,915,924</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	69,504
Internal Economy	(+)	17,386
Internal Replacement	(+)	216,817
Dollars Assigned to Inter-System Sales Losses	(+)	695
SUB-TOTAL	\$	<u>304,402</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>106,665</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	55,273,200

• Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage.

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2009

(A) Generation (Net)	(+)	1,445,423,000
Purchases including interchange-in	(+)	203,798,000
Internal Economy	(+)	334,184,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,983,405,000</u>

(B) Inter-system Sales including interchange-out	(+)	1,794,000
Internal Economy	(+)	412,000
Internal Replacement	(+)	7,043,000
(*) System Losses	(+)	112,757,625
SUB-TOTAL		<u>122,006,625</u>

TOTAL SALES (A-B) 1,861,398,375

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : August 2009

12 Months to Date KWH Sources:	23,704,134,000	KWH
12 MTD Overall System Losses:	1,347,592,615	KWH
August 2009 KWH Sources:	1,983,405,000	KWH

$$1,347,592,615 / 23,704,134,000 = 5.685053\%$$

$$5.685053\% \times 1,983,405,000 = 112,757,625 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

170,124,694	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
52,866,800	Wholesale sales at Primary Voltage	(WS-P)
9,249,000	Intersystem Sales at Transmission Voltage	(IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	170,124,694	3.1%	5,442,586	175,567,280
WS-P:	52,866,800	3.1% & 0.7%	2,075,900	54,942,700
IS-T:	9,249,000	1.0%	93,424	9,342,424

KENTUCKY UTILITIES COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : August 2009**

1.	Last FAC Rate Billed		<u>\$0.00363</u>
2.	KWH Billed at Above Rate		<u>1,473,540,989</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 5,348,954</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,766,112,383</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>318,408,658</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,447,703,725</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 5,255,165</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 93,789</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,861,398,375</u>
11.	Kentucky Jurisdictional Sales		<u>1,636,699,312</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.13728793</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 106,665</u>
			To Page 2, Line D

Correction - The August 2009 expense month filing incorrectly reported 1,634,959,396 kWh on Line 2 above. The correct amount is 1,473,540,989 kWh. This incorrect August Sales amount affected the determination of the Over or (Under) Recovery on Line 13 above. which in turn affected the October FAC Billing factor reported on Form A, page 1 of 6. This error has an impact on the October 2009 and December 2009 expense month filings.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : August 2009

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 6,153,726.23	334,184.000	Fuel for LGE Sale to KU for Native Load
	79,826.02		Half of Split Savings to LGE from KU
	<u>\$ 6,233,552.25</u>	<u>334,184.000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 6,233,552.25</u></u>	<u><u>334,184.000</u></u>	
Sales			
Internal Economy	\$ 14,825.23	412,000	KU Fuel Cost - Sales to LGE Native Load
	2,561.15		Half of Split Savings
	<u>\$ 17,386.38</u>	<u>412,000</u>	
Internal Replacement	\$ 216,816.61	7,043,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 216,816.61</u>	<u>7,043,000</u>	
Total Sales	<u><u>\$ 234,202.99</u></u>	<u><u>7,455,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 14,825.23	412,000	KU Fuel Cost - Sales to LGE Native Load
	2,561.15		Half of Split Savings
	<u>\$ 17,386.38</u>	<u>412,000</u>	
Internal Replacement	\$ 216,816.61	7,043,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 216,816.61</u>	<u>7,043,000</u>	
Total Purchases	<u><u>\$ 234,202.99</u></u>	<u><u>7,455,000</u></u>	
Sales			
Internal Economy	\$ 6,153,726.23	334,184.000	Fuel for LGE Sale to KU for Native Load
	79,826.02		Half of Split Savings to LGE from KU
	<u>\$ 6,233,552.25</u>	<u>334,184.000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 6,233,552.25</u></u>	<u><u>334,184.000</u></u>	

Exhibit 3
Corrected
October 2009

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

RECALCULATED FOR AUGUST 2009 CORRECTION

Expense Month : October 2009

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \end{array} = \frac{\$42,145,306}{1,518,360,048 \text{ KWH}} = (+) \$ 0.02776 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85 1 effective June 29, 2009. = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00022 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: November 25, 2009

Submitted by _____

Title: Director, Rates

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : October 2009

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	30,777,703
Oil Burned	(+)	380,776
Gas Burned	(+)	579,756
Fuel (assigned cost during Forced Outage)	(+)	2,163,414 *
Fuel (substitute cost for Forced Outage)	(-)	<u>1,121,273 *</u>
SUB-TOTAL	\$	31,738,235
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	5,454,051
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	37,604 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,607,715
Internal Replacement	(+)	<u>-</u>
SUB-TOTAL	\$	12,061,766
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	128,368
Internal Economy	(+)	523
Internal Replacement	(+)	2,020,187
Dollars Assigned to Inter-System Sales Losses	(+)	<u>1,284</u>
SUB-TOTAL	\$	2,150,362
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>(495,667)</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	42,145,306

* Excluded from calculations per 807 KAR 5:056 due to fuel cost for substitute generation and purchases being less than assigned cost during Forced Outage.

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2009

(A) Generation (Net)	(+)	1,138,722,000
Purchases including interchange-in	(+)	198,434,000
Internal Economy	(+)	342,215,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,679,371,000</u>
(B) Inter-system Sales including interchange-out	(+)	4,037,000
Internal Economy	(+)	19,000
Internal Replacement	(+)	72,215,000
(*) System Losses	(+)	84,739,952
SUB-TOTAL		<u>161,010,952</u>
TOTAL SALES (A-B)		<u>1,518,360,048</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : October 2009

12 Months to Date KWH Sources:	22,940,980,000	KWH
12 MTD Overall System Losses:	1,157,586,735	KWH
October 2009 KWH Sources:	1,679,371,000	KWH
	$1,157,586,735 / 22,940,980,000 =$	5.045934%
	$5.045934\% \times 1,679,371,000 =$	84,739,952 KWH

WHOLESALE KWH SALES AND LOSSES

173,670,829	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
44,463,600	Wholesale sales at Primary Voltage	(WS-P)
76,271,000	Intersystem Sales at Transmission Voltage	(IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	173,670,829	3.1%	5,556,033	179,226,862
WS-P:	44,463,600	3.1% & 0.7%	1,745,935	46,209,535
IS-T:	76,271,000	1.0%	770,414	77,041,414

KENTUCKY UTILITIES COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : October 2009**

1.	Last FAC Rate Billed		<u>\$0.00215</u>
2.	KWH Billed at Above Rate		<u>1,439,505,287</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 3,094,936</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,861,398,375</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>224,699,063</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,636,699,312</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 3,518,904</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (423,968)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,518,360,048</u>
11.	Kentucky Jurisdictional Sales		<u>1,298,727,896</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16911329</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (495,667)</u>
			<u>To Page 2, Line D</u>

Correction - The August 2009 expense month filing error impacts the FAC rate shown on Line 1 above. This August error affected the determination of the Over or (Under) Recovery on Line 13 above. which in turn affected the December FAC Billing factor reported on Form A, page 1 of 6.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : October 2009

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 6,249,706.64	342,215,000	Fuel for LGE Sale to KU for Native Load
	358,008.65		Half of Split Savings to LGE from KU
	<u>\$ 6,607,715.29</u>	<u>342,215,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 6,607,715.29</u></u>	<u><u>342,215,000</u></u>	
Sales			
Internal Economy	\$ 522.94	19,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 522.94</u>	<u>19,000</u>	
Internal Replacement	\$ 2,020,187.05	72,215,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,020,187.05</u>	<u>72,215,000</u>	
Total Sales	<u><u>\$ 2,020,709.99</u></u>	<u><u>72,234,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 522.94	19,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 522.94</u>	<u>19,000</u>	
Internal Replacement	\$ 2,020,187.05	72,215,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,020,187.05</u>	<u>72,215,000</u>	
Total Purchases	<u><u>\$ 2,020,709.99</u></u>	<u><u>72,234,000</u></u>	
Sales			
Internal Economy	\$ 6,249,706.64	342,215,000	Fuel for LGE Sale to KU for Native Load
	358,008.65		Half of Split Savings to LGE from KU
	<u>\$ 6,607,715.29</u>	<u>342,215,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 6,607,715.29</u></u>	<u><u>342,215,000</u></u>	

Exhibit 4
Corrected
December 2009

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : December 2009

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$54,297,305}{\text{Sales "Sm" (Sales Schedule)} \quad 1,932,241,692 \quad \text{KWH}} = (+) \$ 0.02810 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2009 = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00056}} / \text{KWH}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: January 28, 2010

Submitted by _____

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

RECALCULATED FOR AUGUST 2009 CORRECTION

Expense Month : December 2009

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	41,567,139
Oil Burned	(+)	211,411
Gas Burned	(+)	1,327,214
Fuel (assigned cost during Forced Outage)	(+)	1,901,932
Fuel (substitute cost for Forced Outage)	(-)	<u>1,689,882</u>
SUB-TOTAL	\$	43,317,814
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	6,620,705
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	505,127
Less Purchases above Highest Cost Units	(-)	3,079
Internal Economy	(+)	7,271,354
Internal Replacement	(+)	<u>-</u>
SUB-TOTAL	\$	13,383,853
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	15,054
Internal Economy	(+)	62,782
Internal Replacement	(+)	2,257,742
Dollars Assigned to Inter-System Sales Losses	(+)	<u>151</u>
SUB-TOTAL	\$	2,335,729
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>68,633</u>
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	54,297,305

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : December 2009

(A) Generation (Net)	(+)	1,577,454,000
Purchases including interchange-in	(+)	190,351,000
Internal Economy	(+)	354,592,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,122,397,000</u>
(B) Inter-system Sales including interchange-out	(+)	447,000
Internal Economy	(+)	1,519,000
Internal Replacement	(+)	73,948,000
(*) System Losses	(+)	<u>114,241,308</u>
SUB-TOTAL		<u>190,155,308</u>
TOTAL SALES (A-B)		<u>1,932,241,692</u>

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : December 2009

12 Months to Date KWH Sources: 22,099,906,000 KWH
 12 MTD Overall System Losses: 1,189,561,604 KWH
 December 2009 KWH Sources: 2,122,397,000 KWH

$$1,189,561,604 / 22,099,906,000 = 5.382655\%$$

$$5.382655\% \times 2,122,397,000 = 114,241,308 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

212,554,883 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 48,680,400 Wholesale sales at Primary Voltage (WS-P)
 75,914,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	212,554,883	3.1%	6,800,001	219,354,884
WS-P:	48,680,400	3.1% & 0.7%	1,911,514	50,591,914
IS-T:	75,914,000	1.0%	766,808	76,680,808

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE
RECALCULATED FOR AUGUST 2009 CORRECTION
Expense Month : December 2009

1.	Last FAC Rate Billed	<u>\$0.00022</u>
2.	KWH Billed at Above Rate	<u>1,568,188,821</u>
3.	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ 345,002</u>
4.	KWH Used to Determine Last FAC Rate	<u>1,518,360,048</u>
5.	Non-Jurisdictional KWH (Included in Line 4)	<u>219,632,152</u>
6.	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,298,727,896</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ 285,720</u>
9.	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ 59,282</u>
10.	Total Sales "Sm" (From Page 3 of 6)	<u>1,932,241,692</u>
11.	Kentucky Jurisdictional Sales	<u>1,668,976,409</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	<u>1.15774057</u>
13.	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ 68,633</u>
		To Page 2, Line D

Correction - The August 2009 expense month filing error impacted the October 2009 billing factor which in turn affected the FAC rate shown on Line 1 above. This August error affected the determination of the Over or (Under) Recovery on Line 13 above, which in turn affected the February FAC Billing factor reported on Form A, page 1 of 6.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : December 2009

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 6,822,392.08	354,592,000	Fuel for LGE Sale to KU for Native Load
	448,962.18		Half of Split Savings to LGE from KU
	<u>\$ 7,271,354.26</u>	<u>354,592,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 7,271,354.26</u></u>	<u><u>354,592,000</u></u>	
Sales			
Internal Economy			
	\$ 62,781.57	1,519,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 62,781.57</u>	<u>1,519,000</u>	
Internal Replacement			
	\$ 2,257,742.26	73,948,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,257,742.26</u>	<u>73,948,000</u>	
Total Sales	<u><u>\$ 2,320,523.83</u></u>	<u><u>75,467,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 62,781.57	1,519,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 62,781.57</u>	<u>1,519,000</u>	
Internal Replacement			
	\$ 2,257,742.26	73,948,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,257,742.26</u>	<u>73,948,000</u>	
Total Purchases	<u><u>\$ 2,320,523.83</u></u>	<u><u>75,467,000</u></u>	
Sales			
Internal Economy			
	\$ 6,822,392.08	354,592,000	Fuel for LGE Sale to KU for Native Load
	448,962.18		Half of Split Savings to LGE from KU
	<u>\$ 7,271,354.26</u>	<u>354,592,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 7,271,354.26</u></u>	<u><u>354,592,000</u></u>	

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$47,553,054}{1,719,014,522 \text{ KWH}} = (+) \$ 0.02766 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2009. = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00012 / \text{KWH}}}$$

Note: (1) Five decimal places in dollars for normal rounding.

Effective Date for Billing: April 29, 2010

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : March 2010

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	31,949,051
Oil Burned	(+)	225,135
Gas Burned	(+)	723,785
Fuel (assigned cost during Forced Outage)	(+)	1,267,388
Fuel (substitute cost for Forced Outage)	(-)	442,278
SUB-TOTAL	\$	33,723,081
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	8,918,838
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,188,751
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	6,295,701
Internal Replacement	(+)	-
SUB-TOTAL	\$	14,025,788
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	4,508
Internal Economy	(+)	-
Internal Replacement	(+)	996,316
Dollars Assigned to Inter-System Sales Losses	(+)	45
SUB-TOTAL	\$	1,000,869
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	(805,054)
TOTAL FUEL RECOVERY (A+B-C-D) =	\$	47,553,054

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2010

(A) Generation (Net)	(+)	1,262,023,000
Purchases including interchange-in	(+)	279,132,000
Internal Economy	(+)	317,594,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,858,749,000</u>

(B) Inter-system Sales including interchange-out	(+)	146,000
Internal Economy	(+)	-
Internal Replacement	(+)	34,646,000
(*) System Losses	(+)	104,942,478
SUB-TOTAL		<u>139,734,478</u>

TOTAL SALES (A-B) 1,719,014,522

(*) Note: See Page 4 of 6, "Adjustment of rolling 12-MTD average overall system losses to reflect losses

KENTUCKY UTILITIES COMPANY

**ADJUSTMENT OF ROLLING 12-MTD AVERAGE OVERALL SYSTEM
LOSSES TO REFLECT LOSSES AT RETAIL LEVEL**

Expense Month : March 2010

12 Months to Date KWH Sources: 22,665,760,000 KWH
 12 MTD Overall System Losses: 1,279,678,443 KWH
 March 2010 KWH Sources: 1,858,749,000 KWH

$$1,279,678,443 / 22,665,760,000 = 5.645866\%$$

$$5.645866\% \times 1,858,749,000 = 104,942,478 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

144,780,676 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,284,400 Wholesale sales at Primary Voltage (WS-P)
 34,792,000 Intersystem Sales at Transmission Voltage (IS-T)

	<u>Wholesale Sales\Deliveries</u>	<u>Loss Percentage</u>	<u>Losses</u>	<u>Wholesale Sources</u>
WS-T:	144,780,676	3.1%	4,631,786	149,412,462
WS-P:	45,284,400	3.1% & 0.7%	1,778,165	47,062,565
IS-T:	34,792,000	1.0%	351,434	35,143,434

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE

Expense Month : March 2010

1.	Last FAC Rate Billed		<u>\$0.00246</u>
2.	KWH Billed at Above Rate		<u>1,618,732,269</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 3,982,081</u>
4.	KWH Used to Determine Last FAC Rate		<u>2,200,177,680</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>290,885,918</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,909,291,762</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ 4,696,858</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (714,777)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,719,014,522</u>
11.	Kentucky Jurisdictional Sales		<u>1,526,248,691</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.12630041</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (805,054)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : March 2010

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 6,123,135.91	317,594,000	Fuel for LGE Sale to KU for Native Load
	172,564.82		Half of Split Savings to LGE from KU
	<u>\$ 6,295,700.73</u>	<u>317,594,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 6,295,700.73</u>	<u>317,594,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 996,315.52	34,646,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 996,315.52</u>	<u>34,646,000</u>	
Total Sales	<u>\$ 996,315.52</u>	<u>34,646,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 996,315.52	34,646,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 996,315.52</u>	<u>34,646,000</u>	
Total Purchases	<u>\$ 996,315.52</u>	<u>34,646,000</u>	
Sales			
Internal Economy	\$ 6,123,135.91	317,594,000	Fuel for LGE Sale to KU for Native Load
	172,564.82		Half of Split Savings to LGE from KU
	<u>\$ 6,295,700.73</u>	<u>317,594,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 6,295,700.73</u>	<u>317,594,000</u>	