



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
F 502-627-3213
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

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

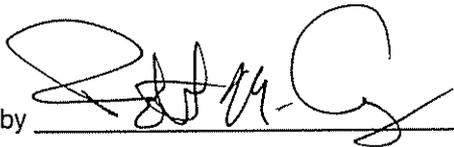
Per PSC approved Tariff Sheet No. 85 1 effective June 29, 2009. = (-) \$ 0.02754 / KWH

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

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	(+)	146,574,320
SUB-TOTAL		<u>196,733,320</u>
TOTAL SALES (A-B)		<u>2,200,177,680</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
	<u>334,420.43</u>		Half of Split Savings to LGE from KU
	\$ 8,327,896.61	<u>378,732.000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	<u>-</u>	<u>0</u>	LGE Generation for KU Pre-Merger Sales
	\$ -	0	
Total Purchases	<u><u>\$ 8,327,896.61</u></u>	<u><u>378,732,000</u></u>	
Sales			
Internal Economy			
	\$ 1,314.53	41,000	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>		Half of Split Savings
	\$ 1,314.53	<u>41,000</u>	
Internal Replacement			
	\$ 1,560,937.63	49,202.000	Freed-up KU Generation sold back to LGE
	<u>-</u>	0	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ 1,560,937.63	<u>49,202.000</u>	
Total Sales	<u><u>\$ 1,562,252.16</u></u>	<u><u>49,243,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

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



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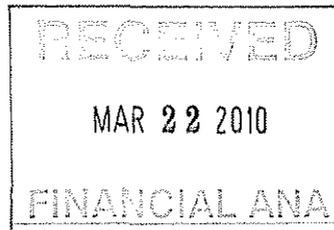
MAR 19 2010

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
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Louisville, Kentucky 40232
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Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
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

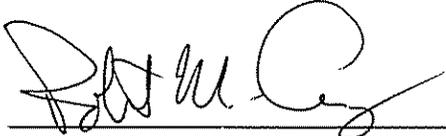
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$53,871,399}{\text{Sales "Sm" (Sales Schedule)} \quad 1,969,462,518 \quad \text{KWH}} = (+) \$ 0.02735 / \text{KWH}$$

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

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

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) 1,518,360,048

(*) 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% X	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)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
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

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

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>	



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
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
E 502-627-3213

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COMMISSION**

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APR 20 2010
FINANCIAL ANA
Robert.Conroy@eon-us.com

April 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 May 2010 billing cycle which begins April 29, 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

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)		<u>1,719,014,522</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 : 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		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 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		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 Sales	<u>\$ 6,295,700.73</u>	<u>317,594,000</u>	



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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MAY 24 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
F 502-627-3213
robert.conroy@eon-us.com

May 21, 2010

Dear Mr. DeRouen:

On May 17, 2010, in compliance with 807 KAR 5:056, Kentucky Utilities Company filed its monthly fuel adjustment factor applicable to billings under retail rates during the June 2010 billing cycle which begins May 27, 2010.

It has come to our attention that the line loss amount reported for April 2010 was incorrect. The adjustment factor calculation has been revised to correct the line loss amount reported, but the FAC Factor did not change. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

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MAY 24 2010
FRANKFORT, KY

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2010

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \text{Sales "Sm" (Sales Schedule)} \end{array} = \frac{\$39,326,411}{1,469,230,903 \text{ KWH}} = (+) \$ 0.02677 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00077) / \text{KWH}}}$$

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

Effective Date for Billing: May 27, 2010

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : April 2010

(A) <u>Company Generation</u>		
Coal Burned	(+) \$	25,738,368
Oil Burned	(+)	325,607
Gas Burned	(+)	1,173,106
Fuel (assigned cost during Forced Outage)	(+)	423,869 *
Fuel (substitute cost for Forced Outage)	(-)	385,458 *
SUB-TOTAL	\$	<u>27,237,081</u>
(B) <u>Purchases</u>		
Net energy cost - economy purchases	(+) \$	2,967,811
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	15,322 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	9,749,930
Internal Replacement	(+)	242
SUB-TOTAL	\$	<u>12,717,983</u>
(C) <u>Inter-System Sales</u>		
Including Interchange-out	(+) \$	18,417
Internal Economy	(+)	-
Internal Replacement	(+)	556,113
Dollars Assigned to Inter-System Sales Losses	(+)	184
SUB-TOTAL	\$	<u>574,714</u>
(D) <u>Over or (Under) Recovery</u>		
From Page 5, Line 13	\$	<u>53,939</u>
 TOTAL FUEL RECOVERY (A+B-C-D) =	\$	 39,326,411

* 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 : April 2010

(A) Generation (Net)	(+)	1,009,027,000
Purchases including interchange-in	(+)	74,395,000
Internal Economy	(+)	505,251,000
Internal Replacement	(+)	11,000
SUB-TOTAL		<u>1,588,684,000</u>

(B) Inter-system Sales including interchange-out	(+)	696,000
Internal Economy	(+)	-
Internal Replacement	(+)	20,379,000
(*) System Losses	(+)	98,378,097
SUB-TOTAL		<u>119,453,097</u>

TOTAL SALES (A-B) 1,469,230,903

(*) 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 : April 2010

12 Months to Date KWH Sources: 22,674,148,000 KWH
 12 MTD Overall System Losses: 1,404,080,041 KWH
 April 2010 KWH Sources: 1,588,684,000 KWH

$$1,404,080,041 / 22,674,148,000 = 6.192427\% \quad (\text{Note 1})$$

$$6.192427\% \times 1,588,684,000 = 98,378,097 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

138,153,823 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 42,398,800 Wholesale sales at Primary Voltage (WS-P)
 21,075,000 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:	138,153,823	3.1%	4,419,782	142,573,605
WS-P:	42,398,800	3.1% & 0.7%	1,664,857	44,063,657
IS-T:	21,075,000	1.0%	212,879	21,287,879

Note (1) - The 12 Months to Date kWh retail loss percentage was revised due to a change in the calculation of the losses for April 2010. Total losses changed by 165,214 kWh. The revision does not change the monthly fuel factor.

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

Expense Month : April 2010

1.	Last FAC Rate Billed		<u>(\$0.00019)</u>
2.	KWH Billed at Above Rate		<u>1,390,766,758</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (264,246)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,969,462,518</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>330,054,170</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,639,408,348</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>\$ (311,488)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 47,242</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,469,230,903</u>
11.	Kentucky Jurisdictional Sales		<u>1,286,813,108</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14175935</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 53,939</u>

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

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 9,650,455.38	505,251,000	Fuel for LGE Sale to KU for Native Load
	99,474.83		Half of Split Savings to LGE from KU
	<u>\$ 9,749,930.21</u>	<u>505,251,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	241.85	11,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 241.85</u>	<u>11,000</u>	
Total Purchases	<u>\$ 9,750,172.06</u>	<u>505,262,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 556,113.43	20,379,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 556,113.43</u>	<u>20,379,000</u>	
Total Sales	<u>\$ 556,113.43</u>	<u>20,379,000</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			
	\$ 556,113.43	20,379,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 556,113.43</u>	<u>20,379,000</u>	
Total Purchases	<u>\$ 556,113.43</u>	<u>20,379,000</u>	
Sales			
Internal Economy			
	\$ 9,650,455.38	505,251,000	Fuel for LGE Sale to KU for Native Load
	99,474.83		Half of Split Savings to LGE from KU
	<u>\$ 9,749,930.21</u>	<u>505,251,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	241.85	11,000	LGE Generation for KU Pre-Merger Sales
	<u>\$ 241.85</u>	<u>11,000</u>	
Total Sales	<u>\$ 9,750,172.06</u>	<u>505,262,000</u>	



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JUN 18 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
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

June 18, 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 July 2010 billing cycle which begins June 29, 2010.

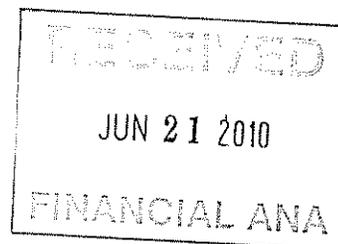
Trimble County Unit 2 was synchronized on May 18, 2010. All test energy produced was included in the After-the-Fact Billing process and allocated to Off-System Sales or Native Load, as appropriate.

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 : May 2010

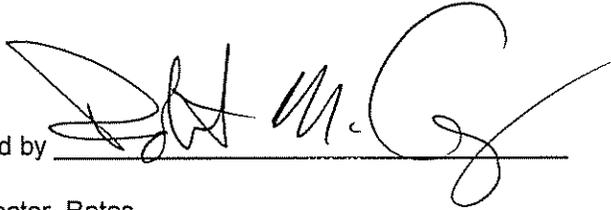
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$48,327,478}{1,653,480,571 \text{ KWH}} = (+) \$ 0.02923 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00169 / \text{KWH}}}$$

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

Effective Date for Billing: June 29, 2010

Submitted by 
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$32,941,954	(1)
Oil Burned	(+)	990,336	(1)
Gas Burned	(+)	3,314,626	
Fuel (assigned cost during Forced Outage)	(+)	1,285,692	
Fuel (substitute cost for Forced Outage)	(-)	949,952	
SUB-TOTAL		\$ 37,582,656	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 5,112,255	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	962,102	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	7,738,075	
Internal Replacement	(+)	331	
SUB-TOTAL		\$ 11,888,559	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 83,779	
Internal Economy	(+)	28,155	
Internal Replacement	(+)	1,045,136	
Dollars Assigned to Inter-System Sales Losses	(+)	838	
SUB-TOTAL		\$ 1,157,908	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (14,171)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 48,327,478	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned =	\$214
Oil burned =	\$1,271

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2010

(A) Generation (Net)	(+)	1,291,253,000
Purchases including interchange-in	(+)	153,861,000
Internal Economy	(+)	358,849,000
Internal Replacement	(+)	<u>6,000</u>
SUB-TOTAL		<u>1,803,969,000</u>

(B) Inter-system Sales including interchange-out	(+)	1,856,000
Internal Economy	(+)	650,000
Internal Replacement	(+)	39,331,000
(*) System Losses	(+)	<u>108,651,429</u>
SUB-TOTAL		<u>150,488,429</u>

TOTAL SALES (A-B) 1,653,480,571

(*) 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 : May 2010

12 Months to Date KWH Sources: 22,779,798,000 KWH
 12 MTD Overall System Losses: 1,372,006,805 KWH
 May 2010 KWH Sources: 1,803,969,000 KWH

$$1,372,006,805 / 22,779,798,000 = 6.022910\%$$

$$6.022910\% \times 1,803,969,000 = 108,651,429 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

170,677,859 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 48,824,800 Wholesale sales at Primary Voltage (WS-P)
 41,837,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales/Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	170,677,859	3.1%	5,460,282	176,138,141
WS-P:	48,824,800	3.1% & 0.7%	1,917,184	50,741,984
IS-T:	41,837,000	1.0%	422,596	42,259,596

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

Expense Month : May 2010

1	Last FAC Rate Billed		<u>\$0.00012</u>	
2	KWH Billed at Above Rate		<u>1,297,459,070</u>	
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 155,695</u>	
4	KWH Used to Determine Last FAC Rate		<u>1,719,808,598</u>	Note (1)
5	Non-Jurisdictional KWH (Included in Line 4)		<u>192,765,831</u>	
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,527,042,767</u>	
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00011</u>	
8	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 167,975</u>	
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (12,280)</u>	
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,653,480,571</u>	
11	Kentucky Jurisdictional Sales		<u>1,432,798,702</u>	
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15402154</u>	
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (14,171)</u>	

Note (1) Correction to Sm filed May 17, 2010 for distribution loss revisions

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

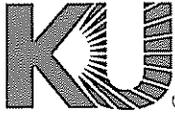
Expense Month : May 2010

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,533,053.61	358,849,000	Fuel for LGE Sale to KU for Native Load
	205,021.56		Half of Split Savings to LGE from KU
	<u>\$ 7,738,075.17</u>	<u>358,849,000</u>	
Internal Replacement			
	\$ 330.68	6,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 330.68</u>	<u>6,000</u>	
Total Purchases	<u>\$ 7,738,405.85</u>	<u>358,855,000</u>	
Sales			
Internal Economy			
	\$ 28,122.38	650,000	KU Fuel Cost - Sales to LGE Native Load
	32.26		Half of Split Savings
	<u>\$ 28,154.64</u>	<u>650,000</u>	
Internal Replacement			
	\$ 1,045,136.48	39,331,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,045,136.48</u>	<u>39,331,000</u>	
Total Sales	<u>\$ 1,073,291.12</u>	<u>39,981,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 28,122.38	650,000	KU Fuel Cost - Sales to LGE Native Load
	32.26		Half of Split Savings
	<u>\$ 28,154.64</u>	<u>650,000</u>	
Internal Replacement			
	\$ 1,045,136.48	39,331,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,045,136.48</u>	<u>39,331,000</u>	
Total Purchases	<u>\$ 1,073,291.12</u>	<u>39,981,000</u>	
Sales			
Internal Economy			
	\$ 7,533,053.61	358,849,000	Fuel for LGE Sale to KU for Native Load
	205,021.56		Half of Split Savings to LGE from KU
	<u>\$ 7,738,075.17</u>	<u>358,849,000</u>	
Internal Replacement			
	\$ 330.68	6,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 330.68</u>	<u>6,000</u>	
Total Sales	<u>\$ 7,738,405.85</u>	<u>358,855,000</u>	



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

July 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 August 2010 billing cycle which begins July 29, 2010.

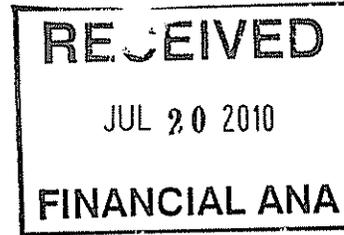
The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

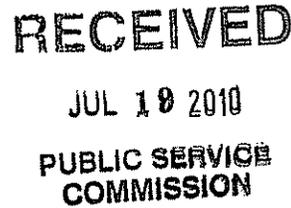
A handwritten signature in black ink, appearing to read 'Robert M. Conroy', written over a white background.

Robert M. Conroy

Enclosure



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
F 502-627-3213
robert.conroy@eon-us.com

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$62,838,136}{\text{Sales "Sm" (Sales Schedule)} \quad 1,908,672,695 \text{ KWH}} = (+) \$ 0.03292 / \text{KWH}$$

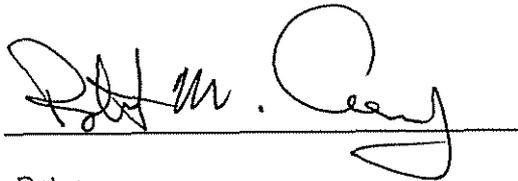
Per PSC approved Tariff Sheet No 85.1 effective June 29, 2009 = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00538 / \text{KWH}}}$$

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

Effective Date for Billing: July 29, 2010

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$45,266,232	(1)
Oil Burned	(+)	1,594,455	(1)
Gas Burned	(+)	5,887,812	
Fuel (assigned cost during Forced Outage)	(+)	1,119,085	
Fuel (substitute cost for Forced Outage)	(-)	864,875	
SUB-TOTAL		\$ 53,002,709	
 (B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 5,439,741	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	650,243	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	5,172,322	
Internal Replacement	(+)	407	
SUB-TOTAL		\$ 9,962,227	
 (C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 6,657	
Internal Economy	(+)	196,257	
Internal Replacement	(+)	165,882	
Dollars Assigned to Inter-System Sales Losses	(+)	67	
SUB-TOTAL		\$ 368,863	
 (D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (242,063)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 62,838,136	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C

Coal burned =	\$1,788
Oil burned =	\$2,348

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2010

(A) Generation (Net)	(+)	1,723,593,000
Purchases including interchange-in	(+)	86,770,000
Internal Economy	(+)	217,108,000
Internal Replacement	(+)	8,000
SUB-TOTAL		<u>2,027,479,000</u>

(B) Inter-system Sales including interchange-out	(+)	90,000
Internal Economy	(+)	4,252,000
Internal Replacement	(+)	4,557,000
(*) System Losses	(+)	109,907,305
SUB-TOTAL		<u>118,806,305</u>

TOTAL SALES (A-B) 1,908,672,695

(*) 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 : June 2010

12 Months to Date KWH Sources: 22,916,009,000 KWH
 12 MTD Overall System Losses: 1,242,250,454 KWH
 June 2010 KWH Sources: 2,027,479,000 KWH

$$1,242,250,454 / 22,916,009,000 = 5.420885\%$$

$$5.420885\% \times 2,027,479,000 = 109,907,305 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

198,300,245 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 61,078,400 Wholesale sales at Primary Voltage (WS-P)
 8,899,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	198,300,245	3.1%	6,343,971	204,644,216
WS-P:	61,078,400	3.1% & 0.7%	2,398,342	63,476,742
IS-T:	8,899,000	1.0%	89,889	8,988,889

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

Expense Month : June 2010

1	Last FAC Rate Billed		<u>(\$0.00077)</u>	
2	KWH Billed at Above Rate		<u>1,558,213,081</u>	
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (1,199,824)</u>	
4	KWH Used to Determine Last FAC Rate		<u>1,469,230,903</u>	Note (1)
5	Non-Jurisdictional KWH (Included in Line 4)		<u>182,417,795</u>	
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,286,813,108</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>\$ (990,846)</u>	
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (208,978)</u>	
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,908,672,695</u>	
11	Kentucky Jurisdictional Sales		<u>1,647,796,434</u>	
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15831826</u>	
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (242,063)</u>	

Note (1) Correction to Sm filed May 17, 2010 for distribution loss revisions.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : June 2010

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 5,052,133.49	217,108.000	Fuel for LGE Sale to KU for Native Load
	120,188.95		Half of Split Savings to LGE from KU
	<u>\$ 5,172,322.44</u>	<u>217,108.000</u>	
Internal Replacement	\$ 407.49	8.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 407.49</u>	<u>8.000</u>	
Total Purchases	<u>\$ 5,172,729.93</u>	<u>217,116.000</u>	
Sales			
Internal Economy	\$ 196,225.75	4,252.000	KU Fuel Cost - Sales to LGE Native Load
	31.14		Half of Split Savings
	<u>\$ 196,256.89</u>	<u>4,252.000</u>	
Internal Replacement	\$ 165,881.89	4,557.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 165,881.89</u>	<u>4,557.000</u>	
Total Sales	<u>\$ 362,138.78</u>	<u>8,809.000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 196,225.75	4,252.000	KU Fuel Cost - Sales to LGE Native Load
	31.14		Half of Split Savings
	<u>\$ 196,256.89</u>	<u>4,252.000</u>	
Internal Replacement	\$ 165,881.89	4,557.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 165,881.89</u>	<u>4,557.000</u>	
Total Purchases	<u>\$ 362,138.78</u>	<u>8,809.000</u>	
Sales			
Internal Economy	\$ 5,052,133.49	217,108.000	Fuel for LGE Sale to KU for Native Load
	120,188.95		Half of Split Savings to LGE from KU
	<u>\$ 5,172,322.44</u>	<u>217,108.000</u>	
Internal Replacement	\$ 407.49	8.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 407.49</u>	<u>8.000</u>	
Total Sales	<u>\$ 5,172,729.93</u>	<u>217,116.000</u>	



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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
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

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AUG 20 2010

PUBLIC SERVICE
COMMISSION

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

August 20, 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 September 2010 billing cycle which begins August 30, 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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AUG 23 2010
FINANCIAL AFF.

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2010

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \end{array} = \begin{array}{r} \$62,103,484 \\ \hline \end{array} = (+) \$ 0.03106 / \text{KWH}$$
$$\begin{array}{r} \text{Sales "Sm" (Sales Schedule)} \\ \hline \end{array} = \begin{array}{r} 1,999,710,072 \text{ KWH} \\ \hline \end{array}$$

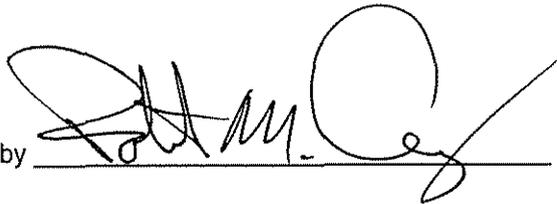
Per PSC approved Tariff Sheet No 85 1 effective June 29, 2009 = (-) \$ 0.02754 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00352 / \text{KWH}}}$$

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

Effective Date for Billing: August 30, 2010

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$46,065,781	(1)
Oil Burned	(+)	255,883	(1)
Gas Burned	(+)	6,868,049	
Fuel (assigned cost during Forced Outage)	(+)	168,549	
Fuel (substitute cost for Forced Outage)	(-)	80,853	
SUB-TOTAL		\$ 53,277,409	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 3,496,697	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	262,601	
Less Purchases above Highest Cost Units	(-)	14,320	
Internal Economy	(+)	6,759,673	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 9,979,449	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ (4,196)	
Internal Economy	(+)	12,822	
Internal Replacement	(+)	601,500	
Dollars Assigned to Inter-System Sales Losses	(+)	(42)	
SUB-TOTAL		\$ 610,084	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 543,290	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 62,103,484	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No 96-524A, B, and C.

Coal burned = \$0
Oil burned = \$0

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2010

(A) Generation (Net)	(+)	1,777,121,000
Purchases including interchange-in	(+)	72,059,000
Internal Economy	(+)	284,020,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,133,200,000</u>
(B) Inter-system Sales including interchange-out	(+)	(115,000)
Internal Economy	(+)	245,000
Internal Replacement	(+)	16,332,000
(*) System Losses	(+)	<u>117,027,928</u>
SUB-TOTAL		<u>133,489,928</u>
TOTAL SALES (A-B)		<u><u>1,999,710,072</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 : July 2010

12 Months to Date KWH Sources: 23,212,413,000 KWH
 12 MTD Overall System Losses: 1,273,439,275 KWH
 July 2010 KWH Sources: 2,133,200,000 KWH

$$1,273,439,275 / 23,212,413,000 = 5.486027\%$$

$$5.486027\% \times 2,133,200,000 = 117,027,928 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

209,241,053 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 63,821,200 Wholesale sales at Primary Voltage (WS-P)
 16,462,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales/Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	209,241,053	3.1%	6,693,986	215,935,039
WS-P:	63,821,200	3.1% & 0.7%	2,506,042	66,327,242
IS-T:	16,462,000	1.0%	166,283	16,628,283

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

Expense Month : July 2010

1	Last FAC Rate Billed		<u>\$0.00169</u>
2	KWH Billed at Above Rate		<u>1,710,117,050</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,890,098</u>
4	KWH Used to Determine Last FAC Rate		<u>1,653,480,571</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>220,681,869</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,432,798,702</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>\$ 2,421,430</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 468,668</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,999,710,072</u>
11	Kentucky Jurisdictional Sales		<u>1,725,046,782</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15922078</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 543,290</u>

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

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 6,616,720.91	284,020,000	Fuel for LGE Sale to KU for Native Load
	142,952.18		Half of Split Savings to LGE from KU
	<u>\$ 6,759,673.09</u>	<u>284,020,000</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>\$ 6,759,673.09</u>	<u>284,020,000</u>	
Sales			
Internal Economy	\$ 12,822.17	245,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 12,822.17</u>	<u>245,000</u>	
Internal Replacement	\$ 601,500.40	16,332,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 601,500.40</u>	<u>16,332,000</u>	
Total Sales	<u>\$ 614,322.57</u>	<u>16,577,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 12,822.17	245,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 12,822.17</u>	<u>245,000</u>	
Internal Replacement	\$ 601,500.40	16,332,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 601,500.40</u>	<u>16,332,000</u>	
Total Purchases	<u>\$ 614,322.57</u>	<u>16,577,000</u>	
Sales			
Internal Economy	\$ 6,616,720.91	284,020,000	Fuel for LGE Sale to KU for Native Load
	142,952.18		Half of Split Savings to LGE from KU
	<u>\$ 6,759,673.09</u>	<u>284,020,000</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>\$ 6,759,673.09</u>	<u>284,020,000</u>	



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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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SEP 27 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
F 502-627-3213
robert.conroy@eon-us.com

September 24, 2010

Dear Mr. DeRouen:

On September 17, 2010, in compliance with 807 KAR 5:056, Kentucky Utilities Company filed its monthly fuel adjustment factor applicable to billings under retail rates during the October 2010 billing cycle which begins September 29, 2010. It has come to my attention that a revision needs to be made to that filing.

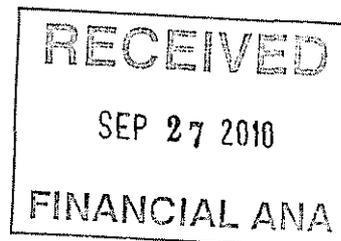
Specifically, on Form A Page 4 of 6, the "12MTD Overall System Losses" were not updated to reflect the revised calculations KU had included in the Attachment 1 and 2 adjustments. The prior period adjustment that KU included was due to revised energy flows, as described in my letter of September 17, 2010. The revised calculations resulted in restated transmission and distribution losses; however, these restated losses were inadvertently not included in the calculation of the "12MTD Overall System Losses" amount on Form A, Page 4 of 6. As a result of this change, KU's FAC billing factor decreased from \$0.00151 to \$0.00141.

The necessary supporting data showing the revision is attached. Please contact me if you have any questions about this revision.

Sincerely,

Robert M. Conroy

Enclosure





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SEP 17 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
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

September 17, 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 October 2010 billing cycle which begins September 29, 2010.

In the August 2010 expense month filing, KU is proposing an adjustment to its monthly retail FAC billing factor to refund amounts over-collected from customers due to two separate energy recording issues.

First, KU, in cooperation with American Electric Power, completed and energized a transmission line interconnection at Clinch River, Virginia in December 2008. However, the energy flow through the Clinch River interconnection was not included in the reported energy supplied to ODP. The reported energy flow only included the existing meter readings at the Wise substation. By inadvertently excluding the energy flow through the Clinch River interconnection from the determination of KU's Kentucky retail FAC, KU losses were overstated which overstated the calculation of the FAC billing factor. The overstated losses resulted from the effective understatement of energy delivered from the total sources KU had available. The understatement of energy delivered to ODP did not impact energy delivered to KU load in Kentucky and did not impact KU energy sources. Instead, the understated energy flow to ODP was treated as additional losses on the entire KU system. Since May, the energy supplied to ODP has been reported correctly on the monthly Form A filings. For the period from December 2008 through April 2010, the amount by which KU overbilled Kentucky retail customers through the FAC was \$2,492,147, which KU is including as a credit against fuel

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SEP 17 2010

FINANCIAL ANA

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Mr. Daryl Newby
September 17, 2010

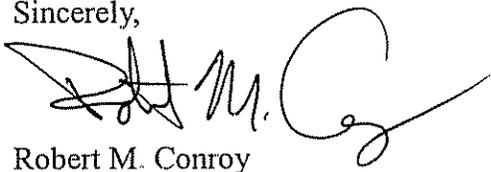
expense in the August expense month filing of the FAC. The supporting calculations are shown in Attachment 1 to the Form A.

Second, in October 2009, KU replaced a meter at the EKPC interconnection. This meter records the energy flow that KU supplies to EKPC for use by EKPC to serve its wholesale load. Energy flow as measured through this meter is recorded as a reduction to KU sources on Page 3 of the monthly FAC Form A. The replacement meter was not calibrated appropriately and was not correctly recording energy flow to EKPC. As a result of the incorrect energy flow recording, energy flow to EKPC was understated, thereby overstating KU total sources. The calibration error was discovered and corrected in April 2010. Since May 2010, the energy flow has been correct and the calculation of KU's FAC billing factor has been correct. For the period from October 2009 through April 2010, the amount by which KU underbilled Kentucky retail customers because of the overstated sources was \$263,491, which KU is including as a charge to fuel expense in the August Form A. The supporting calculations are shown on Attachment 2 to the Form A.

The total adjustment to the August fuel expense is \$2,228,656, and is shown as an additional line item on Page 2 of the Form A.

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 : August 2010 Revised September 24, 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$63,049,751}{2,177,699,529 \text{ KWH}} = (+) \$ 0.02895 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00141 / \text{KWH}}}$$

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

Effective Date for Billing: September 29, 2010

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2010 Revised September 24, 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$45,755,834	(1)
Oil Burned	(+)	262,728	(1)
Gas Burned	(+)	6,919,473	
Fuel (assigned cost during Forced Outage)	(+)	1,183,126	
Fuel (substitute cost for Forced Outage)	(-)	481,351	
SUB-TOTAL		\$ 53,639,810	
 (B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 7,635,153	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,313,349	
Less Purchases above Highest Cost Units	(-)	21,294	
Internal Economy	(+)	6,439,384	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 12,739,894	
 (C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 53	
Internal Economy	(+)	-	
Internal Replacement	(+)	514,038	
Dollars Assigned to Inter-System Sales Losses	(+)	1	
SUB-TOTAL		\$ 514,092	
 (D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 595,459	
 (E) Adjustment to Fuel Expense for Prior Period			
See Attachment 1		\$ (2,470,919)	
See Attachment 2		\$ 250,517	
		\$ (2,220,402)	
TOTAL FUEL RECOVERY (A+B-C-D+E) =		\$ 63,049,751	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$0
Oil burned = \$0

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2010 Revised September 24, 2010

(A) Generation (Net)	(+)	1,777,392,000
Purchases including interchange-in	(+)	253,125,000
Internal Economy	(+)	278,518,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,309,035,000</u>
(B) Inter-system Sales including interchange-out	(+)	-
Internal Economy	(+)	-
Internal Replacement	(+)	14,803,000
(*) System Losses	(+)	<u>116,532,471</u>
SUB-TOTAL		<u>131,335,471</u>
TOTAL SALES (A-B)		<u>2,177,699,529</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 : August 2010 Revised September 24, 2010

12 Months to Date KWH Sources:	23,506,596,000	KWH
12 MTD Overall System Losses:	1,186,331,761	KWH
August 2010 KWH Sources:	2,309,035,000	KWH

$$1,186,331,761 / 23,506,596,000 = 5.046804\%$$

$$5.046804\% \times 2,309,035,000 = 116,532,471 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

212,512,872	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
65,168,800	Wholesale sales at Primary Voltage	(WS-P)
14,803,000	Intersystem Sales at Transmission Voltage	(IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T.	212,512,872	3.1%	6,798,657	219,311,529
WS-P:	65,168,800	3.1% & 0.7%	2,558,958	67,727,758
IS-T:	14,803,000	1.0%	149,525	14,952,525

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

Expense Month : August 2010 Revised September 24, 2010

1	Last FAC Rate Billed		<u>\$0.00538</u>
2	KWH Billed at Above Rate		<u>1,744,276,992</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 9,384,210</u>
4	KWH Used to Determine Last FAC Rate		<u>1,908,672,695</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>260,876,261</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,647,796,434</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 7 x Line 6)	<u>\$ 8,865,145</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 519,065</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,177,699,529</u>
11	Kentucky Jurisdictional Sales		<u>1,898,314,368</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14717539</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 595,459</u>

Description	Aug-2009 KWh	Jul-2009 KWh	Jun-2009 KWh	May-2009 KWh	Apr-2009 KWh	Mar-2009 KWh	Feb-2009 KWh	Jan-2009 KWh	Dec-2008 KWh
Kentucky Utilities Company (KU Only):									
Sources (KID):									
Total Net Generation (KWh)	1,445,132,000	1,218,635,000	1,330,643,000	1,062,710,000	973,342,000	1,142,854,000	1,181,242,000	1,484,372,000	1,643,540,000
Purchaser (KID):									
KWh Purchases (excl. Brokered)	541,095,000	616,809,000	551,734,000	638,695,000	681,466,000	659,053,000	676,348,000	788,844,000	689,525,000
Brokered KWh Purchases	(3,113,000)	1,332,000	8,891,000	(3,056,000)	5,488,000	(1,155,000)	(2,330,000)	(8,064,000)	(1,999,000)
KWh Interchanged	537,982,000	618,141,000	569,625,000	635,609,000	686,675,000	648,598,000	676,118,000	780,780,000	687,526,000
Total KWh Purchases	1,085,964,000	1,236,282,000	1,129,250,000	1,270,248,000	1,373,629,000	1,296,496,000	1,349,136,000	1,560,559,000	1,376,052,000
Total KWh - Transmission (KID):									
Transmission Received (KID):									
KWh Received for Distribution (KU Local Data)	1,990,058,000	1,840,002,000	1,885,692,000	1,692,929,000	1,831,172,000	1,659,929,857	1,898,270,586	2,184,075,520	2,330,772,419
Total KWh - Distribution (KID):									
Sales & Company Use (KID):									
Billed Retail Sales:	1,471,553,226	1,297,743,264	1,673,215,210	1,197,837,334	1,401,873,360	1,336,783,825	1,612,347,932	1,672,319,292	1,666,039,974
Unbilled Retail KWh Account	886,151,000	852,897,000	579,459,340	840,615,000	787,190,000	821,132,000	810,655,000	930,406,000	890,468,000
Unbilled Retail KWh Reversal	(852,897,000)	(579,459,340)	(840,615,000)	(787,190,000)	(821,132,000)	(810,655,000)	(810,655,000)	(930,406,000)	(890,468,000)
Net Unbilled Retail KWh	33,254,000	273,437,660	(261,155,660)	53,425,000	(33,942,000)	10,477,000	(119,731,000)	59,938,000	4,215,000
Total Retail Sales (KID)	1,504,807,226	1,569,180,924	1,412,059,550	1,251,262,334	1,367,931,360	1,347,260,825	1,472,586,932	1,732,257,292	1,610,254,974
Total Municipal Sales	176,636,091	163,587,732	177,693,900	134,339,368	132,472,512	145,344,308	148,519,067	171,798,221	167,195,903
Total Sales for Resale	1,794,000	2,753,000	357,000	4,896,000	3,135,000	365,000	251,000	13,831,000	13,831,000
Total UC Sales for Resale	7,455,000	5,194,000	20,249,000	102,507,000	34,938,000	67,918,000	62,402,000	132,382,000	308,520,000
Total Brokered KWh Sales									
Total UC Brokered KWh Sales									
Total Non-Retail Sales (KID)	184,091,091	178,781,732	198,942,900	237,883,368	172,406,512	216,262,308	211,286,067	306,331,221	489,544,903
Deliveries to ODP (ODP MVU Lead Data)	61,571,087	54,385,909	58,907,937	69,225,426	70,886,662	89,757,144	87,337,950	94,366,698	106,440,656
Deliveries to ODP (Clinch River)	7,837,000	10,113,000	10,340,000	2,584,000	2,134,000	2,423,000	13,702,000	25,072,000	12,088,000
Company Use (CA3014A)	1,695,332	2,163,576	1,574,604	1,456,755	2,138,197	2,547,787	2,685,227	2,861,484	2,250,226
Free Lighting (CA3025)									
Total Company Use (KID)	71,165,419	66,662,485	71,022,541	73,266,181	75,159,959	94,727,931	101,725,177	112,900,182	110,778,882
Total KWh Sales & Company Use (KID)	1,703,798,626	1,696,558,161	1,681,381,991	1,562,411,803	1,615,396,951	1,658,385,064	1,787,598,176	2,161,488,615	2,220,578,159
Losses (KU Only):									
Transmission Losses KWh	(6,653,000)	(3,206,000)	5,576,000	5,390,000	(250,877,000)	131,531,143	(38,910,586)	81,076,480	100,293,581
Transmission Losses (%)	-0.385%	-0.175%	0.295%	0.317%	-15.875%	7.342%	-2.093%	3.579%	4.302%
Distribution Losses KWh	226,259,364	33,643,839	204,310,009	130,417,097	215,776,049	1,535,793	110,672,410	22,586,825	10,193,640
Distribution Losses (%)	11.389%	1.829%	10.835%	7.710%	11.783%	0.093%	5.840%	1.054%	0.457%
Total Losses KWh	219,606,364	30,437,839	209,836,009	135,807,097	(51,100,951)	133,066,936	71,761,824	103,663,305	110,487,221
Total Losses (%)	11.072%	1.657%	11.895%	8.002%	-2.121%	7.428%	3.859%	4.576%	4.709%
As Billed Retail FAC Factor:	0.00180	0.00111	0.00103	(0.00067)	0.00225	0.00385	0.00584	0.00317	0.00609
As Revised for AEP-Clinch River connection/Retail FAC Factor:	0.00168	0.00103	0.00155	-0.00094	0.00213	0.00378	0.00574	0.00311	0.00607
Difference in FAC:	(0.00012)	(0.00010)	(0.00008)	(0.00007)	(0.00012)	(0.00007)	(0.00010)	(0.00006)	(0.00003)
Kentucky Retail Sales	1,634,959,396	1,292,737,161	1,491,764,118	1,197,831,492	1,401,862,336	1,336,773,825	1,612,320,992	1,672,319,292	1,666,039,974
Actual FAC revenues	5,994,903	(1,124,691)	3,231,469	4,611,651	8,186,876	4,237,573	6,594,389	8,646,690	6,562,143
Reallocated FAC revenues	5,804,106	(1,215,193)	3,049,658	4,527,803	8,046,690	4,137,367	6,562,143	8,646,690	6,562,143
Over/(Under) billing of FAC revenues (Total and Monthly)	\$ 130,797	\$ 90,492	\$ 171,812	\$ 83,848	\$ 140,186	\$ 80,206	\$ 33,246	\$ 4,709	\$ 4,709

Description	June-10	July-10	Aug-10	Sept-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	June-11	July-11	Aug-11	Sept-11	Oct-11	Nov-11	Dec-11	Total	
	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh							
Kentucky Utilities Company (KU Only):																					
Sources (KU):																					
Total Net Generation (kWh)	1,738,022,000	1,292,513,000	1,009,027,000	1,362,023,000	1,576,700,000	1,760,727,000	1,577,454,000	1,074,332,000													1,138,722,000
Purchases (KU):																					
kWh Purchases (excl. Brokered)	328,077,000	483,838,000	580,335,000	595,482,000	646,370,000	651,400,000	549,041,000	690,110,000													539,552,000
Brokered kWh Purchases																					
kWh Interchange	(24,105,000)	28,878,000	(6,133,000)	(4,538,000)	(1,918,000)	(894,000)	(9,485,000)	(789,000)													319,000
Total kWh Purchases	303,972,000	512,716,000	574,202,000	590,944,000	644,452,000	650,506,000	539,556,000	689,311,000													539,771,000
Total kWh - Transmission (KU):	2,041,994,000	1,805,229,000	1,583,229,000	1,852,967,000	2,221,152,000	2,391,633,000	2,117,010,000	1,673,553,000													1,678,493,000
Transmission Received (KU):																					
kWh Received for Distribution (KU Load Data)	2,055,358,000	1,747,238,000	1,575,084,000	1,827,938,000	2,101,851,000	2,348,298,000	2,054,492,000	1,630,883,000													1,679,854,000
Total kWh - Distribution (KU):	2,055,358,000	1,747,238,000	1,575,084,000	1,827,938,000	2,101,851,000	2,348,298,000	2,054,492,000	1,630,883,000													1,679,854,000
Sales & Company Use (KU):																					
Billed Retail Sales:																					
Unbilled Retail kWh Actual	1,011,280,000	887,957,000	749,124,000	902,787,000	1,012,607,000	895,433,000	980,065,000	824,306,000													813,186,000
Unbilled Retail kWh Reversal	(887,957,000)	(749,124,000)	(902,787,000)	(1,012,607,000)	(895,433,000)	(989,065,000)	(824,306,000)	(813,186,000)													(745,088,000)
Net Unbilled Retail kWh:	123,323,000	138,833,000	(153,663,000)	(109,820,000)	117,174,000	(93,632,000)	164,759,000	11,200,000													68,098,000
Total Retail Sales (KU)	1,681,552,680	1,416,397,429	1,279,230,880	1,466,804,939	1,797,762,917	1,756,614,792	1,732,963,981	1,210,140,802													1,507,603,287
Total Municipal Sales:																					
Total Sales for Resale	186,928,198	151,193,547	133,099,853	86,316,522	237,661,704	179,512,447	169,278,199	120,376,065													151,258,368
Total I/C Sales for Resale	94,000	1,850,000	696,000	146,000	816,000	916,000	447,000	10,000													4,037,000
Total Brokered kWh Sales	8,809,000	39,081,000	30,379,000	34,646,000	134,715,000	49,243,000	75,467,000	49,627,000													72,234,000
Total I/C Brokered kWh Sales	197,831,198	195,038,547	154,174,853	121,106,522	371,192,704	239,671,447	245,192,199	170,013,065													229,509,268
Total Non-Retail Sales (KU)																					
Deliveries to ODP (ODP MW90 Load Data)	70,450,447	66,309,312	52,302,570	92,642,653	96,472,523	108,700,816	91,957,084	74,730,847													64,876,061
Company Use (CA301HA)	1,490,017	1,173,851	1,858,050	2,688,085	2,781,627	2,654,081	2,013,840	1,327,783													1,488,707
Free Lighting (CA3055)																					
Total Company Use (KU)	71,940,464	67,483,163	54,160,620	95,330,738	99,254,150	111,354,897	93,970,924	76,158,630													66,364,768
Total kWh Sales & Company Use (KU)	1,951,234,542	1,698,811,139	1,497,566,253	1,683,244,199	2,270,209,771	2,097,641,136	2,072,127,104	1,456,312,497													1,803,497,423
Losses (KU Only):																					
Transmission Losses-kWh	(13,364,000)	57,991,980	8,145,000	25,029,000	119,301,000	43,335,000	62,518,000	42,970,000													(1,361,000)
Transmission Losses (%)	-0.654%	3.212%	0.514%	1.351%	5.371%	1.812%	2.953%	2.568%													-0.081%
Distribution Losses-kWh	104,033,638	48,476,861	87,317,647	144,693,801	(168,398,771)	250,656,874	(17,635,104)	174,270,503													(33,643,423)
Distribution Losses (%)	5.062%	2.772%	5.556%	7.916%	-8.019%	10.674%	-0.858%	10.688%													-2.360%
Total Losses-kWh	90,669,638	106,417,861	95,662,647	169,712,801	(49,057,771)	293,991,874	44,882,896	217,240,503													(125,004,423)
Total Losses (%)	4.405%	5.995%	6.042%	9.160%	-2.209%	12.293%	2.139%	12.981%													-7.447%
As Billed Retail FAC Factors:																					
As Revised for Gallatin Interchange Retail FAC Factor Difference in FAC:	0.00538	0.00169	(0.00077)	0.00012	(0.00019)	0.00246	0.00057	(0.00138)													0.00018
	0.00533	0.00160	(0.00072)	0.00017	(0.00021)	0.00250	0.00063	(0.00153)													0.00018
	(0.00005)	(0.00009)	0.00005	(0.00005)	(0.00002)	0.00004	0.00006	0.00005													0.00002
Kentucky Retail Sales																					
Actual FAC revenues	1,710,117,050	1,297,459,070	1,009,766,758	1,618,732,269	1,680,572,594	1,830,238,208	1,568,188,821	1,199,011,767													1,439,505,287
Recalculated FAC revenues	2,890,098	155,695	(264,246)	3,982,081	957,926	(2,533,315)	250,910	851,298													2,591,110
Over/(Under) billing of FAC revenues (Total and Monthly)	2,736,187	(1,121,913)	(292,061)	4,046,831	1,058,761	(2,466,804)	282,274	851,298													2,591,110
	153,911 \$	(77,911) \$	(64,873) \$	27,815 \$	(64,749) \$	(100,834) \$	(31,364) \$														



an e-on company

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

RECEIVED

OCT 22 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
F 502-627-3213
robert.conroy@eon-us.com

October 22, 2010

Dear Mr. DeRouen:

On October 18, 2010, in compliance with 807 KAR 5:056, Kentucky Utilities Company filed its monthly fuel adjustment factor applicable to billings under retail rates during the November 2010 billing cycle which begins October 28, 2010. It has come to my attention that revisions need to be made to that filing. KU's FAC billing factor did not change as a result of the revisions.

Specifically, revisions were made to the September 2010 expense month filing and the Revised July 2010 expense month filing to reflect the revised calculated amounts presented in the September 24, 2010, August expense month filing. The August expense month filing reflected revised transmission and distribution line losses. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

RECEIVED
OCT 25 2010
FINANCIAL ANA

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2010 Revised October 22, 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$50,329,771}{1,738,137,628 \text{ KWH}} = (+) \$ 0.02896 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00142 / \text{KWH}}}$$

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

Effective Date for Billing: October 28, 2010

Submitted by 

Title: Director, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : September 2010 Revised October 22, 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$35,140,408	(1)
Oil Burned	(+)	480,173	(1)
Gas Burned	(+)	3,159,147	
Fuel (assigned cost during Forced Outage)	(+)	1,589,298	
Fuel (substitute cost for Forced Outage)	(-)	658,733	
SUB-TOTAL		\$ 39,710,294	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+) \$	3,985,162	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,146,147	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	8,296,677	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 11,135,692	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+) \$	3,753	
Internal Economy	(+)	-	
Internal Replacement	(+)	501,426	
Dollars Assigned to Inter-System Sales Losses	(+)	38	
SUB-TOTAL		\$ 505,217	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 10,998	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 50,329,771	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned =	\$726
Oil burned =	\$393

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : September 2010 Revised October 22, 2010

(A) Generation (Net)	(+)	1,332,608,000
Purchases including interchange-in	(+)	121,788,000
Internal Economy	(+)	398,552,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,852,948,000</u>
(B) Inter-system Sales including interchange-out	(+)	109,000
Internal Economy	(+)	-
Internal Replacement	(+)	17,468,000
(*) System Losses	(+)	<u>97,233,372</u>
SUB-TOTAL		<u>114,810,372</u>
TOTAL SALES (A-B)		<u><u>1,738,137,628</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 : September 2010 Revised October 22, 2010

12 Months to Date KWH Sources: 23,644,668,000 KWH
 12 MTD Overall System Losses: 1,240,753,041 KWH
 September 2010 KWH Sources: 1,852,948,000 KWH

$$1,240,753,041 / 23,644,668,000 = 5.247496\%$$

$$5.247496\% \times 1,852,948,000 = 97,233,372 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

175,248,523 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 51,643,200 Wholesale sales at Primary Voltage (WS-P)
 17,577,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	175,248,523	3.1%	5,606,506	180,855,029
WS-P:	51,643,200	3.1% & 0.7%	2,027,853	53,671,053
IS-T:	17,577,000	1.0%	177,545	17,754,545

Note (1) - The 12 Months to Date kWh retail loss percentage was revised due to a change in the calculation of the losses for April 2010. Total losses changed by 165,214 kWh. The revision does not change the monthly fuel factor

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

Expense Month : September 2010 Revised October 22, 2010

		As Billed	As Corrected
1	Last FAC Rate Billed	\$0.00352	\$0.00338
2	KWH Billed at Above Rate	1,669,223,615	
3	FAC Revenue/(Refund) (Line 1 x Line 2)	\$ 5,875,667	
4	KWH Used to Determine Last FAC Rate	1,999,710,072	2,010,200,574
5	Non-Jurisdictional KWH (Included in Line 4)	274,663,290	274,663,290
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	1,725,046,782	1,735,537,284
7	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	\$0.00000	\$0.00000
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	\$ 6,072,165	\$ 5,866,116
9	Over or (Under) Recovery (Line 3 - Line 8)	\$ (196,498)	\$ 9,551
10	Total Sales "Sm" (From Page 3 of 6)	1,738,137,628	1,738,137,628
11	Kentucky Jurisdictional Sales	1,509,467,731	1,509,467,731
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	1.15149042	1.15149042
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	\$ (226,266)	\$ 10,998

Note: See Exhibit 1 for corrected calculations

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : September 2010 Revised October 22, 2010

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 8,184,559 37	398,552,000	Fuel for LGE Sale to KU for Native Load
	112,117.40		Half of Split Savings to LGE from KU
	<u>\$ 8,296,676 77</u>	<u>398,552,000</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>\$ 8,296,676.77</u></u>	<u><u>398,552,000</u></u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 501,425 53	17,468,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 501,425 53</u>	<u>17,468,000</u>	
Total Sales	<u><u>\$ 501,425.53</u></u>	<u><u>17,468,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 501,425 53	17,468,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 501,425 53</u>	<u>17,468,000</u>	
Total Purchases	<u><u>\$ 501,425.53</u></u>	<u><u>17,468,000</u></u>	
Sales			
Internal Economy	\$ 8,184,559 37	398,552,000	Fuel for LGE Sale to KU for Native Load
	112,117.40		Half of Split Savings to LGE from KU
	<u>\$ 8,296,676 77</u>	<u>398,552,000</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>\$ 8,296,676.77</u></u>	<u><u>398,552,000</u></u>	

Attachment 1

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2010 Revised October 22, 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$62,149,520}{2,010,200,574 \text{ KWH}} = (+) \$ 0.03092 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00338 / \text{KWH}}}$$

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

Effective Date for Billing: July 29, 2010

Submitted by _____

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2010 Revised October 22, 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$46,065,781	(1)
Oil Burned	(+)	255,883	(1)
Gas Burned	(+)	6,868,049	
Fuel (assigned cost during Forced Outage)	(+)	168,549	
Fuel (substitute cost for Forced Outage)	(-)	80,853	
SUB-TOTAL		\$ 53,277,409	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+) \$	3,496,697	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	262,601	
Less Purchases above Highest Cost Units	(-)	14,320	
Internal Economy	(+)	6,759,673	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 9,979,449	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+) \$	(4,196)	
Internal Economy	(+)	12,822	
Internal Replacement	(+)	601,500	
Dollars Assigned to Inter-System Sales Losses	(+)	(42)	
SUB-TOTAL		\$ 610,084	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 497,254	
TOTAL FUEL RECOVERY (A+B-C-D+E) =		\$ 62,149,520	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$0
Oil burned = \$0

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2010 Revised October 22, 2010

(A) Generation (Net)	(+)	1,777,121,000
Purchases including interchange-in	(+)	72,059,000
Internal Economy	(+)	284,020,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,133,200,000</u>

(B) Inter-system Sales including interchange-out	(+)	(115,000)
Internal Economy	(+)	245,000
Internal Replacement	(+)	16,332,000
(*) System Losses	(+)	<u>106,537,426</u>
SUB-TOTAL		<u>122,999,426</u>

TOTAL SALES (A-B) 2,010,200,574

(*) 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 : July 2010 Revised October 22, 2010

12 Months to Date KWH Sources: 23,180,966,000 KWH
 12 MTD Overall System Losses: 1,157,716,275 KWH
 July 2010 KWH Sources: 2,133,200,000 KWH

$$1,157,716,275 / 23,180,966,000 = 4.994254\%$$

$$4.994254\% \times 2,133,200,000 = 106,537,426 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

209,241,053 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 63,821,200 Wholesale sales at Primary Voltage (WS-P)
 16,462,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	209,241,053	3.1%	6,693,986	215,935,039
WS-P:	63,821,200	3.1% & 0.7%	2,506,042	66,327,242
IS-T:	16,462,000	1.0%	166,283	16,628,283

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

Expense Month : July 2010 Revised October 22, 2010

1	Last FAC Rate Billed		<u>\$0.00161</u>
2	KWH Billed at Above Rate		<u>1,710,117,050</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,753,288</u>
4	KWH Used to Determine Last FAC Rate		<u>1,664,145,130</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>220,681,869</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,443,463,261</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>\$ 2,323,976</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 429,312</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,010,200,574</u>
11	Kentucky Jurisdictional Sales		<u>1,735,537,284</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.15825836</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 497,254</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : July 2010 Revised October 22, 2010

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 6,616,720.91	284,020,000	Fuel for LGE Sale to KU for Native Load
	142,952.18		Half of Split Savings to LGE from KU
	<u>\$ 6,759,673.09</u>	<u>284,020,000</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>\$ 6,759,673.09</u></u>	<u><u>284,020,000</u></u>	
Sales			
Internal Economy	\$ 12,822.17	245,000	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ 12,822.17</u>	<u>245,000</u>	
Internal Replacement	\$ 601,500.40	16,332,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 601,500.40</u>	<u>16,332,000</u>	
Total Sales	<u><u>\$ 614,322.57</u></u>	<u><u>16,577,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 12,822.17	245,000	KU Fuel Cost - Sales to LGE Native Load
	-	-	Half of Split Savings
	<u>\$ 12,822.17</u>	<u>245,000</u>	
Internal Replacement	\$ 601,500.40	16,332,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 601,500.40</u>	<u>16,332,000</u>	
Total Purchases	<u><u>\$ 614,322.57</u></u>	<u><u>16,577,000</u></u>	
Sales			
Internal Economy	\$ 6,616,720.91	284,020,000	Fuel for LGE Sale to KU for Native Load
	142,952.18	-	Half of Split Savings to LGE from KU
	<u>\$ 6,759,673.09</u>	<u>284,020,000</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>\$ 6,759,673.09</u></u>	<u><u>284,020,000</u></u>	



an **e-on** company

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
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

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NOV 19 2010

PUBLIC SERVICE
COMMISSION

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@lge-ku.com

November 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 December 2010 billing cycle which begins November 29, 2010.

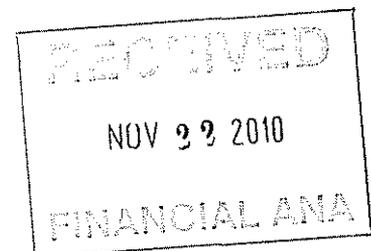
In addition to the attached data supporting the amount of the adjustment, a revised August 2010 adjustment factor calculation is included as Exhibit 1, in order to correctly calculate the over/under adjustment on Page 5. The revised August 2010 calculation reflects the line loss revisions that were made in the revised August expense month adjustment filing, dated September 24, 2010. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', written over a horizontal line.

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2010

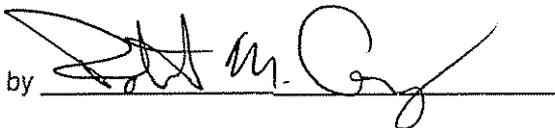
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$37,017,955}{\text{Sales "Sm" (Sales Schedule)} \quad 1,476,879,043 \quad \text{KWH}} = (+) \$ 0.02506 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00248) / \text{KWH}}}$$

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

Effective Date for Billing: November 29, 2010

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$24,504,587	(1)
Oil Burned	(+)	502,564	(1)
Gas Burned	(+)	565,733	
Fuel (assigned cost during Forced Outage)	(+)	1,602,034	
Fuel (substitute cost for Forced Outage)	(-)	1,555,911	
SUB-TOTAL		\$ 25,619,008	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 1,416,331	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	286,187	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	10,247,613	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 11,377,757	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 35	
Internal Economy	(+)	-	
Internal Replacement	(+)	926,587	
Dollars Assigned to Inter-System Sales Losses	(+)	-	
SUB-TOTAL		\$ 926,622	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (947,812)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 37,017,955	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No 96-524A, B, and C

Coal burned = \$3,227
Oil burned = \$581

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2010

(A) Generation (Net)	(+)	1,055,573,000
Purchases including interchange-in	(+)	42,016,000
Internal Economy	(+)	521,498,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,619,087,000</u>

(B) Inter-system Sales including interchange-out	(+)	1,000
Internal Economy	(+)	-
Internal Replacement	(+)	35,236,000
(*) System Losses	(+)	<u>106,970,957</u>
SUB-TOTAL		<u>142,207,957</u>

TOTAL SALES (A-B) 1,476,879,043

(*) 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 2010

12 Months to Date KWH Sources: 23,585,262,000 KWH
 12 MTD Overall System Losses: 1,558,247,444 KWH
 October 2010 KWH Sources: 1,619,087,000 KWH

$$1,558,247,444 / 23,585,262,000 = 6.606869\%$$

$$6.606869\% \times 1,619,087,000 = 106,970,957 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

163,647,170 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 43,270,000 Wholesale sales at Primary Voltage (WS-P)
 35,237,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	163,647,170	3.1%	5,235,358	168,882,528
WS-P:	43,270,000	3.1% & 0.7%	1,699,066	44,969,066
IS-T:	35,237,000	1.0%	355,929	35,592,929

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

Expense Month : October 2010

	As Billed	As Corrected
1 Last FAC Rate Billed	<u>\$0.00141</u>	<u>\$0.00145</u>
2 KWH Billed at Above Rate	<u>1,374,815,688</u>	
3 FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ 1,938,490</u>	
4 KWH Used to Determine Last FAC Rate	<u>2,177,699,529</u>	<u>2,177,699,529</u>
5 Non-Jurisdictional KWH (Included in Line 4)	<u>279,385,161</u>	<u>279,385,161</u>
6 Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,898,314,368</u>	<u>1,898,314,368</u>
7 Revised FAC Rate Billed. if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>	<u>\$0.00000</u>
8 Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ 2,676,623</u>	<u>\$ 2,752,556</u>
9 Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ (738,133)</u>	<u>\$ (814,066)</u>
10 Total Sales "Sm" (From Page 3 of 6)	<u>1,476,879,043</u>	<u>1,476,879,043</u>
11 Kentucky Jurisdictional Sales	<u>1,268,476,703</u>	<u>1,268,476,703</u>
12 Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	<u>1.16429339</u>	<u>1.16429339</u>
13 Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ (859,403)</u>	<u>\$ (947,812)</u>

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

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 10,078,472.33	521,498,000	Fuel for LGE Sale to KU for Native Load
	169,140.52		Half of Split Savings to LGE from KU
	<u>\$ 10,247,612.85</u>	<u>521,498,000</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>\$ 10,247,612.85</u>	<u>521,498,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 926,587.44	35,236,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 926,587.44</u>	<u>35,236,000</u>	
Total Sales	<u>\$ 926,587.44</u>	<u>35,236,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 926,587.44	35,236,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 926,587.44</u>	<u>35,236,000</u>	
Total Purchases	<u>\$ 926,587.44</u>	<u>35,236,000</u>	
Sales			
Internal Economy			
	\$ 10,078,472.33	521,498,000	Fuel for LGE Sale to KU for Native Load
	169,140.52		Half of Split Savings to LGE from KU
	<u>\$ 10,247,612.85</u>	<u>521,498,000</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>\$ 10,247,612.85</u>	<u>521,498,000</u>	

Exhibit 1

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2010 Revised November 19, 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$63,134,297}{2,177,699,529 \text{ KWH}} = (+) \$ 0.02899 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00145 / \text{KWH}}}$$

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

Effective Date for Billing: September 29, 2010

Submitted by _____

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2010 Revised November 19, 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$45,755,834	(1)
Oil Burned	(+)	262,728	(1)
Gas Burned	(+)	6,919,473	
Fuel (assigned cost during Forced Outage)	(+)	1,183,126	
Fuel (substitute cost for Forced Outage)	(-)	481,351	
SUB-TOTAL		\$ 53,639,810	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 7,635,153	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,313,349	
Less Purchases above Highest Cost Units	(-)	21,294	
Internal Economy	(+)	6,439,384	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 12,739,894	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 53	
Internal Economy	(+)	-	
Internal Replacement	(+)	514,038	
Dollars Assigned to Inter-System Sales Losses	(+)	1	
SUB-TOTAL		\$ 514,092	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 510,913	
(E) <u>Adjustment to Fuel Expense for Prior Period</u>			
See Attachment 1		\$ (2,470,919)	
See Attachment 2		\$ 250,517	
		\$ (2,220,402)	
TOTAL FUEL RECOVERY (A+B-C-D+E) =		\$ 63,134,297	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No. 96-524A, B, and C.

Coal burned = \$0
Oil burned = \$0

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2010 Revised November 19, 2010

(A) Generation (Net)	(+)	1,777,392,000
Purchases including interchange-in	(+)	253,125,000
Internal Economy	(+)	278,518,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,309,035,000</u>
(B) Inter-system Sales including interchange-out	(+)	-
Internal Economy	(+)	-
Internal Replacement	(+)	14,803,000
(*) System Losses	(+)	<u>116,532,471</u>
SUB-TOTAL		<u>131,335,471</u>
TOTAL SALES (A-B)		<u><u>2,177,699,529</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 : August 2010 Revised November 19, 2010

12 Months to Date KWH Sources:	23,506,596,000	KWH
12 MTD Overall System Losses:	1,186,331,758	KWH
August 2010 KWH Sources:	2,309,035,000	KWH
	1,186,331,758 /	23,506,596,000 = 5.046804%
	5.046804% X	2,309,035,000 = 116,532,471 KWH

WHOLESALE KWH SALES AND LOSSES

212,512,872	Wholesale Sales & Deliveries to ODP at Transmission Voltage	(WS-T)
65,168,800	Wholesale sales at Primary Voltage	(WS-P)
14,803,000	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:	212,512,872	3.1%	6,798,657	219,311,529
WS-P:	65,168,800	3.1% & 0.7%	2,558,958	67,727,758
IS-T:	14,803,000	1.0%	149,525	14,952,525

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

Expense Month : August 2010 Revised November 19, 2010

1	Last FAC Rate Billed		<u>\$0.00521</u>
2	KWH Billed at Above Rate		<u>1,744,276,992</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 9,087,683</u>
4	KWH Used to Determine Last FAC Rate		<u>1,919,670,228</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>260,876,261</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,658,793,967</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>\$ 8,642,317</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 445,366</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,177,699,529</u>
11	Kentucky Jurisdictional Sales		<u>1,898,314,368</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)		<u>1.14717539</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 510,913</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : August 2010 Revised November 19, 2010

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 6,317,868.77	278,518.000	Fuel for LGE Sale to KU for Native Load
	121,515.27		Half of Split Savings to LGE from KU
	<u>\$ 6,439,384.04</u>	<u>278,518.000</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>\$ 6,439,384.04</u>	<u>278,518.000</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			
	\$ 514,037.96	14,803.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 514,037.96</u>	<u>14,803.000</u>	
Total Sales	<u>\$ 514,037.96</u>	<u>14,803.000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	0	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 514,037.96	14,803.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 514,037.96</u>	<u>14,803.000</u>	
Total Purchases	<u>\$ 514,037.96</u>	<u>14,803.000</u>	
Sales			
Internal Economy			
	\$ 6,317,868.77	278,518.000	Fuel for LGE Sale to KU for Native Load
	121,515.27		Half of Split Savings to LGE from KU
	<u>\$ 6,439,384.04</u>	<u>278,518.000</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>\$ 6,439,384.04</u>	<u>278,518.000</u>	



an *e-on* company

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

December 20, 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 January 2011 billing cycle which begins December 30, 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,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', written over a horizontal line.

Robert M. Conroy

Enclosure

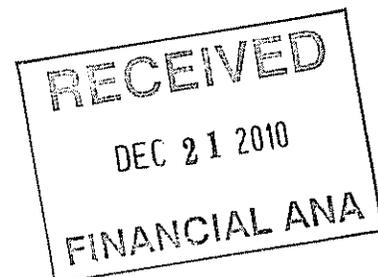
Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.lge-ku.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@lge-ku.com

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DEC 20 2010

**PUBLIC SERVICE
COMMISSION**



"In November 2010, E.ON U.S. LLC was renamed LG&E and KU Energy LLC."

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2010

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$39,726,886}{\text{Sales "Sm" (Sales Schedule)} \quad 1,564,718,307 \quad \text{KWH}} = (+) \$ 0.02539 / \text{KWH}$$

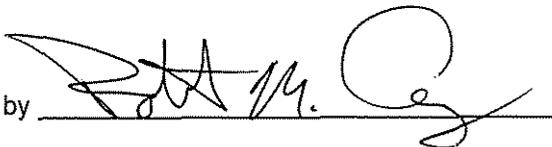
Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2009 = (-) \$ 0.02754 / KWH

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

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

Effective Date for Billing: December 30, 2010

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : November 2010

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$28,620,738	(1)
Oil Burned	(+)	355,065	(1)
Gas Burned	(+)	382,768	
Fuel (assigned cost during Forced Outage)	(+)	2,061,835	*
Fuel (substitute cost for Forced Outage)	(-)	712,010	*
SUB-TOTAL		\$ 29,358,572	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+) \$	1,464,417	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	378,213	*
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	9,627,132	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 11,091,549	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+) \$	-	
Internal Economy	(+)	-	
Internal Replacement	(+)	1,096,667	
Dollars Assigned to Inter-System Sales Losses	(+)	-	
SUB-TOTAL		\$ 1,096,667	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (373,432)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 39,726,886	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No 96-524A, B, and C.

Coal burned = \$4,175
Oil burned = \$18

* 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 : November 2010

(A) Generation (Net)	(+)	1,174,410,000
Purchases including interchange-in	(+)	35,746,000
Internal Economy	(+)	499,028,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,709,184,000</u>
(B) Inter-system Sales including interchange-out	(+)	-
Internal Economy	(+)	-
Internal Replacement	(+)	36,980,000
(*) System Losses	(+)	107,485,693
SUB-TOTAL		<u>144,465,693</u>
TOTAL SALES (A-B)		<u>1,564,718,307</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 : November 2010

12 Months to Date KWH Sources: 23,620,893,000 KWH
 12 MTD Overall System Losses: 1,485,450,361 KWH
 November 2010 KWH Sources: 1,709,184,000 KWH

$$1,485,450,361 / 23,620,893,000 = 6.288714\%$$

$$6.288714\% \times 1,709,184,000 = 107,485,693 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

180,447,544 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 43,304,400 Wholesale sales at Primary Voltage (WS-P)
 36,980,000 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:	180,447,544	2.153%	3,970,521	184,418,065
WS-P:	43,304,400	2.153% and 0.985%	1,393,129	44,697,529
IS-T:	36,980,000	1.0%	373,535	37,353,535

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

Expense Month : November 2010

1	Last FAC Rate Billed		<u>\$0.00142</u>
2	KWH Billed at Above Rate		<u>1,284,320,615</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 1,823,735</u>
4	KWH Used to Determine Last FAC Rate		<u>1,738,137,628</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>228,669,897</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,509,467,731</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>\$ 2,143,444</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (319,709)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,564,718,307</u>
11	Kentucky Jurisdictional Sales		<u>1,339,614,350</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.16803639</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (373,432)</u>

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

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 9,372,879.38	499,028,000	Fuel for LGE Sale to KU for Native Load
	254,252.27		Half of Split Savings to LGE from KU
	<u>\$ 9,627,131.65</u>	<u>499,028,000</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>\$ 9,627,131.65</u>	<u>499,028,000</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	\$ 1,096,666.60	36,980,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,096,666.60</u>	<u>36,980,000</u>	
Total Sales	<u>\$ 1,096,666.60</u>	<u>36,980,000</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	\$ 1,096,666.60	36,980,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,096,666.60</u>	<u>36,980,000</u>	
Total Purchases	<u>\$ 1,096,666.60</u>	<u>36,980,000</u>	
Sales			
Internal Economy	\$ 9,372,879.38	499,028,000	Fuel for LGE Sale to KU for Native Load
	254,252.27		Half of Split Savings to LGE from KU
	<u>\$ 9,627,131.65</u>	<u>499,028,000</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>\$ 9,627,131.65</u>	<u>499,028,000</u>	



a PPL company

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
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Robert M. Conroy
Director - Rates
T 502-627-3324
F 502-627-3213
robert.conroy@eon-us.com

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JAN 18 2011

**PUBLIC SERVICE
COMMISSION**

January 28, 2011

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 February 2011 billing cycle which begins January 28, 2011.

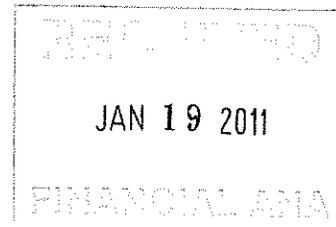
The necessary supporting data to justify the amount of the adjustment is included. Please contact me if you have any questions about this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', written over a horizontal line.

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : December 2010

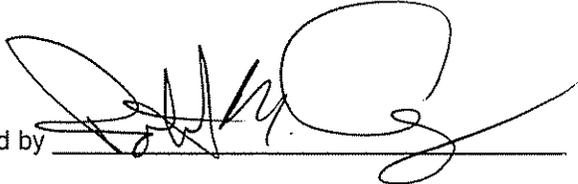
Fuel "Fm" (Fuel Cost Schedule)	\$63,272,986		
-----		=	-----
Sales "Sm" (Sales Schedule)	2,171,295,898 KWH	= (+)	\$ 0 02914 / KWH

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2009. = (-) \$ 0 02754 / KWH

FAC Factor (1) = \$ 0 00160 / KWH

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

Effective Date for Billing: January 28, 2011

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : December 2010

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$42,415,105	(1)
Oil Burned	(+)	590,617	(1)
Gas Burned	(+)	5,298,978	
Fuel (assigned cost during Forced Outage)	(+)	1,516,434	
Fuel (substitute cost for Forced Outage)	(-)	1,350,448	
SUB-TOTAL		\$ 48,470,686	
 (B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 4,062,927	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	585,386	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	11,120,084	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 14,597,625	
 (C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ -	
Internal Economy	(+)	-	
Internal Replacement	(+)	958,112	
Dollars Assigned to Inter-System Sales Losses	(+)	-	
SUB-TOTAL		\$ 958,112	
 (D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (1,162,787)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 63,272,986	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 1% transmission losses per Commission's Order in Case No 96-524A, B, and C

Coal burned =	\$5,643
Oil burned =	\$437

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : December 2010

(A) Generation (Net)	(+)	1,739,292,000
Purchases including interchange-in	(+)	116,356,250
Internal Economy	(+)	489,542,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,345,190,250</u>
(B) Inter-system Sales including interchange-out	(+)	-
Internal Economy	(+)	-
Internal Replacement	(+)	30,373,000
(*) System Losses	(+)	<u>143,521,352</u>
SUB-TOTAL		<u>173,894,352</u>
TOTAL SALES (A-B)		<u><u>2,171,295,898</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 : December 2010

12 Months to Date KWH Sources: 23,849,073,250 KWH
 12 MTD Overall System Losses: 1,459,519,557 KWH
 December 2010 KWH Sources: 2,345,190,250 KWH

$$1,459,519,557 / 23,849,073,250 = 6.119817\%$$

$$6.119817\% \times 2,345,190,250 = 143,521,352 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

267,665,722 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 52,352,800 Wholesale sales at Primary Voltage (WS-P)
 30,373,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	267,665,722	2.153%	5,889,647	273,555,369
WS-P:	52,352,800	2.153% and 0.985%	1,684,222	54,037,022
IS-T:	30,373,000	1.0%	306,798	30,679,798

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

Expense Month : December 2010

1	Last FAC Rate Billed		<u>(\$0.00248)</u>
2	KWH Billed at Above Rate		<u>1,667,742,464</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (4,136,001)</u>
4	KWH Used to Determine Last FAC Rate		<u>1,476,879,043</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>208,402,340</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,268,476,703</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>\$ (3,145,822)</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (990,179)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,171,295,898</u>
11	Kentucky Jurisdictional Sales		<u>1,848,982,078</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.1743196</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,162,787)</u>

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

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 10,908,776.86	489,542,000	Fuel for LGE Sale to KU for Native Load
	211,307.29		Half of Split Savings to LGE from KU
	<u>\$ 11,120,084.15</u>	<u>489,542,000</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>\$ 11,120,084.15</u>	<u>489,542,000</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	\$ 958,111.64	30,373,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 958,111.64</u>	<u>30,373,000</u>	
Total Sales	<u>\$ 958,111.64</u>	<u>30,373,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-	0	Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 958,111.64	30,373,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 958,111.64</u>	<u>30,373,000</u>	
Total Purchases	<u>\$ 958,111.64</u>	<u>30,373,000</u>	
Sales			
Internal Economy	\$ 10,908,776.86	489,542,000	Fuel for LGE Sale to KU for Native Load
	211,307.29	0	Half of Split Savings to LGE from KU
	<u>\$ 11,120,084.15</u>	<u>489,542,000</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>\$ 11,120,084.15</u>	<u>489,542,000</u>	