

Whelan



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.ige-ku.com

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

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FEB 18 2011

PUBLIC SERVICE
COMMISSION

February 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 March 2011 billing cycle which begins February 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.

Please note that Trimble County Unit 2 began commercial operation on January 22, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. M. Conroy', written over a large, faint circular stamp.

Robert M. Conroy

Enclosure

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : January 2011

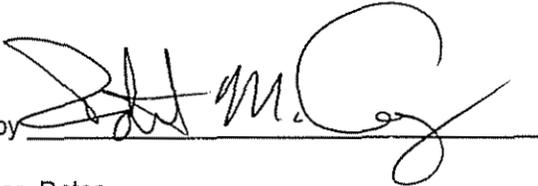
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$59,613,802}{\text{Sales "Sm" (Sales Schedule)} \quad 2,165,851,031 \quad \text{KWH}} = (+) \$ 0.02752 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00002) / \text{KWH}}}$$

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

Effective Date for Billing: February 28, 2011

Submitted by 
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2011

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$45,651,014	(1)
Oil Burned	(+)	402,789	(1)
Gas Burned	(+)	2,102,716	
Fuel (assigned cost during Forced Outage)	(+)	1,525,390	
Fuel (substitute cost for Forced Outage)	(-)	1,238,361	
SUB-TOTAL		\$ 48,443,549	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 2,019,943	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	489,871	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	11,227,405	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 12,757,477	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 11,162	
Internal Economy	(+)	-	
Internal Replacement	(+)	3,163,572	
Dollars Assigned to Inter-System Sales Losses	(+)	112	
SUB-TOTAL		\$ 3,174,846	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (1,587,622)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 59,613,802	

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 =	\$10,443
Oil burned =	\$126

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2011

(A) Generation (Net)	(+)	1,811,503,000
Purchases including interchange-in	(+)	77,059,065
Internal Economy	(+)	509,422,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,397,984,065</u>
(B) Inter-system Sales including interchange-out	(+)	326,000
Internal Economy	(+)	-
Internal Replacement	(+)	103,075,000
(*) System Losses	(+)	<u>128,732,034</u>
SUB-TOTAL		<u>232,133,034</u>
TOTAL SALES (A-B)		<u><u>2,165,851,031</u></u>

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

KENTUCKY UTILITIES COMPANY

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

Expense Month : January 2011

12 Months to Date KWH Sources: 23,855,424,315 KWH
 12 MTD Overall System Losses: 1,280,641,312 KWH
 January 2011 KWH Sources: 2,397,984,065 KWH

$$1,280,641,312 / 23,855,424,315 = 5.368344\%$$

$$5.368344\% \times 2,397,984,065 = 128,732,034 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

261,416,825 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 53,027,600 Wholesale sales at Primary Voltage (WS-P)
 103,401,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	261,416,825	2.153%	5,752,148	267,168,973
WS-P:	53,027,600	2.153% and 0.985%	1,705,931	54,733,531
IS-T:	103,401,000	1.0%	1,044,455	104,445,455

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

Expense Month : January 2011

1	Last FAC Rate Billed		<u>(\$0.00215)</u>
2	KWH Billed at Above Rate		<u>1,969,772,373</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (4,235,011)</u>
4	KWH Used to Determine Last FAC Rate		<u>1,564,718,307</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>225,103,957</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,339,614,350</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>\$ (2,880,171)</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (1,354,840)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,165,851,031</u>
11	Kentucky Jurisdictional Sales		<u>1,848,287,754</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.17181485</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,587,622)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : January 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 10,622,537.51	509,422,000	Fuel for LGE Sale to KU for Native Load
	604,867.69		Half of Split Savings to LGE from KU
	<u>\$ 11,227,405.20</u>	<u>509,422,000</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>\$ 11,227,405.20</u>	<u>509,422,000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement	\$ 3,163,571.59	103,075,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,163,571.59</u>	<u>103,075,000</u>	
Total Sales	<u>\$ 3,163,571.59</u>	<u>103,075,000</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	\$ 3,163,571.59	103,075,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,163,571.59</u>	<u>103,075,000</u>	
Total Purchases	<u>\$ 3,163,571.59</u>	<u>103,075,000</u>	
Sales			
Internal Economy	\$ 10,622,537.51	509,422,000	Fuel for LGE Sale to KU for Native Load
	604,867.69		Half of Split Savings to LGE from KU
	<u>\$ 11,227,405.20</u>	<u>509,422,000</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>\$ 11,227,405.20</u>	<u>509,422,000</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

March 18, 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 April 2011 billing cycle which begins March 30, 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,

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

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2011

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \quad \quad \$47,214,954 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad \quad \quad 1,724,874,871 \quad \text{KWH} \end{array} = (+) \$ 0.02737 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00017) / \text{KWH}}}$$

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

Effective Date for Billing: March 30, 2011

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : February 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$39,367,684	(1)
Oil Burned	(+)	724,139	(1)
Gas Burned	(+)	1,871,839	
Fuel (assigned cost during Forced Outage)	(+)	831,224	
Fuel (substitute cost for Forced Outage)	(-)	845,562	
SUB-TOTAL		\$ 41,949,325	
 (B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 910,884	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	63,238	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	7,646,906	
Internal Replacement	(+)	732	
SUB-TOTAL		\$ 8,495,284	
 (C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 282,953	
Internal Economy	(+)	16,355	
Internal Replacement	(+)	3,315,258	
Dollars Assigned to Inter-System Sales Losses	(+)	2,830	
SUB-TOTAL		\$ 3,617,396	
 (D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (387,741)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 47,214,954	

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 =	\$11,764
Oil burned =	\$847

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2011

(A) Generation (Net)	(+)	1,598,199,000
Purchases including interchange-in	(+)	37,892,981
Internal Economy	(+)	335,000,000
Internal Replacement	(+)	29,000
SUB-TOTAL		<u>1,971,120,981</u>
(B) Inter-system Sales including interchange-out	(+)	10,003,000
Internal Economy	(+)	586,000
Internal Replacement	(+)	116,977,000
(*) System Losses	(+)	118,680,110
SUB-TOTAL		<u>246,246,110</u>
TOTAL SALES (A-B)		<u>1,724,874,871</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 2011

12 Months to Date KWH Sources: 23,605,393,296 KWH
 12 MTD Overall System Losses: 1,421,267,832 KWH
 February 2011 KWH Sources: 1,971,120,981 KWH

$$1,421,267,832 / 23,605,393,296 = 6.020945\%$$

$$6.020945\% \times 1,971,120,981 = 118,680,110 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

201,108,389 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,020,400 Wholesale sales at Primary Voltage (WS-P)
 127,566,000 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:	201,108,389	2.153%	4,425,137	205,533,526
WS-P:	45,020,400	2.153% and 0.985%	1,448,334	46,468,734
IS-T:	127,566,000	1.0%	1,288,545	128,854,545

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

Expense Month : February 2011

1.	Last FAC Rate Billed		<u>\$0.00160</u>
2.	KWH Billed at Above Rate		<u>1,641,581,988</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,626,531</u>
4.	KWH Used to Determine Last FAC Rate		<u>2,171,295,898</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>322,313,820</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,848,982,078</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>\$ 2,958,371</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (331,840)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,724,874,871</u>
11.	Kentucky Jurisdictional Sales		<u>1,476,196,814</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16845861</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (387,741)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : February 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,160,500.75	335,000,000	Fuel for LGE Sale to KU for Native Load
	486,405.57		Half of Split Savings to LGE from KU
	<u>\$ 7,646,906.32</u>	<u>335,000,000</u>	
Internal Replacement			
	\$ 732.08	29,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 732.08</u>	<u>29,000</u>	
Total Purchases	<u>\$ 7,647,638.40</u>	<u>335,029,000</u>	
Sales			
Internal Economy			
	\$ 16,340.07	586,000	KU Fuel Cost - Sales to LGE Native Load
	15.09		Half of Split Savings
	<u>\$ 16,355.16</u>	<u>586,000</u>	
Internal Replacement			
	\$ 3,315,257.90	116,977,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,315,257.90</u>	<u>116,977,000</u>	
Total Sales	<u>\$ 3,331,613.06</u>	<u>117,563,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 16,340.07	586,000	KU Fuel Cost - Sales to LGE Native Load
	15.09		Half of Split Savings
	<u>\$ 16,355.16</u>	<u>586,000</u>	
Internal Replacement			
	\$ 3,315,257.90	116,977,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,315,257.90</u>	<u>116,977,000</u>	
Total Purchases	<u>\$ 3,331,613.06</u>	<u>117,563,000</u>	
Sales			
Internal Economy			
	\$ 7,160,500.75	335,000,000	Fuel for LGE Sale to KU for Native Load
	486,405.57		Half of Split Savings to LGE from KU
	<u>\$ 7,646,906.32</u>	<u>335,000,000</u>	
Internal Replacement			
	\$ 732.08	29,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 732.08</u>	<u>29,000</u>	
Total Sales	<u>\$ 7,647,638.40</u>	<u>335,029,000</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

April 19, 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 May 2011 billing cycle which begins April 29, 2011.

Specifically, line loss calculation revisions were made for the months of May, June, September, October, November, and December 2010 and January 2011. During those months, line losses were over-stated because the line loss calculation did not include the partners' share (IMEA and IMPA) of the monthly test energy produced by Trimble County Unit 2 and the effect of the Trimble County Unit 2 test energy sold Off System during that period. The effect of the line loss revisions on the fuel clause over/(under) recovery position is shown in the attached Exhibit 1. The total kWh sources were reported correctly during the period.

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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COMMISSION

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State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
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Director - Rates
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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2011

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \quad \quad \$46,009,512 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad \quad \quad 1,707,207,991 \quad \text{KWH} \end{array} = (+) \$ 0.02695 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00059) / \text{KWH}}}$$

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

Effective Date for Billing: April 29, 2011

Submitted by  _____

Title: Director, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

Expense Month : March 2011

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$36,515,568	(1)
Oil Burned	(+)	2,268,195	(1)
Gas Burned	(+)	674,985	
Fuel (assigned cost during Forced Outage)	(+)	1,747,401	
Fuel (substitute cost for Forced Outage)	(-)	1,417,485	
SUB-TOTAL		\$ 39,788,664	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 1,801,981	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	646,412	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	8,347,130	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 9,502,699	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 57,782	
Internal Economy	(+)	-	
Internal Replacement	(+)	2,802,312	
Dollars Assigned to Inter-System Sales Losses	(+)	578	
SUB-TOTAL		\$ 2,860,672	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 15		\$ 421,179	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 46,009,512	

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 =	\$7,933
Oil burned =	\$1,892

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : March 2011

(A) Generation (Net)	(+)	1,477,418,000
Purchases including interchange-in	(+)	56,394,286
Internal Economy	(+)	375,647,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,909,459,286</u>

(B) Inter-system Sales including interchange-out	(+)	1,971,000
Internal Economy	(+)	-
Internal Replacement	(+)	100,968,000
(*) System Losses	(+)	<u>99,312,295</u>
SUB-TOTAL		<u>202,251,295</u>

TOTAL SALES (A-B) 1,707,207,991

(*) 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 2011

12 Months to Date KWH Sources: 23,651,682,582 KWH
 12 MTD Overall System Losses: 1,230,140,265 KWH
 March 2011 KWH Sources: 1,909,459,286 KWH

$$1,230,140,265 / 23,651,682,582 = 5.201069\%$$

$$5.201069\% \times 1,909,459,286 = 99,312,295 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

198,268,944 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 46,387,200 Wholesale sales at Primary Voltage (WS-P)
 102,939,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	198,268,944	2.153%	4,362,658	202,631,602
WS-P:	46,387,200	2.153% and 0.985%	1,492,305	47,879,505
IS-T:	102,939,000	1.0%	1,039,788	103,978,788

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

Expense Month : March 2011

1	Last FAC Rate Billed		<u>(\$0.00002)</u>
2	KWH Billed at Above Rate		<u>1,521,658,104</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (30,433)</u>
4	KWH Used to Determine Last FAC Rate		<u>2,165,851,031</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>317,563,277</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,848,287,754</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>\$ (36,966)</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 6,533</u>
10	Over Recovery Correction*		<u>353,918</u>
11	Total Adjusted Over or (Under) Recovery	(Line 9 + Line 10)	<u>\$ 360,451</u>
12	Total Sales "Sm" (From Page 3 of 6)		<u>1,707,207,991</u>
13	Kentucky Jurisdictional Sales		<u>1,461,054,148</u>
14	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 12 / Line 13)	<u>1.16847688</u>
15	Total Company Over or (Under) Recovery	(Line 11 x Line 14)	<u>\$ 421,179</u>

* - Over Recovery due to the over-statement of line losses for May, Jun, Sep, Oct, Nov, and Dec 2010 and Jan 2011
Losses were over-stated because the line loss calculation did not include the partners' share (IMEA and IMPA) of the monthly test energy produced by Trimble County 2 and the effect of the Trimble County 2 test energy sold Off System during that time period See Exhibit 1

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : March 2011

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 7,963,526.91	375,647.000	Fuel for LGE Sale to KU for Native Load
	<u>383,603.29</u>		Half of Split Savings to LGE from KU
	\$ 8,347,130.20	<u>375,647.000</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>\$ 8,347,130.20</u>	<u>375,647.000</u>	
Sales			
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>	<u>0</u>	Half of Split Savings
	\$ -	0	
Internal Replacement	\$ 2,802,312.19	100,968.000	Freed-up KU Generation sold back to LGE
	<u>-</u>	<u>0</u>	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ 2,802,312.19	<u>100,968.000</u>	
Total Sales	<u>\$ 2,802,312.19</u>	<u>100,968.000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	<u>-</u>	<u>0</u>	Half of Split Savings
	\$ -	0	
Internal Replacement	\$ 2,802,312.19	100,968.000	Freed-up KU Generation sold back to LGE
	<u>-</u>	<u>0</u>	KU Generation for LGE Pre-Merger
	<u>-</u>	<u>0</u>	KU Generation for LGE IB
	\$ 2,802,312.19	<u>100,968.000</u>	
Total Purchases	<u>\$ 2,802,312.19</u>	<u>100,968.000</u>	
Sales			
Internal Economy	\$ 7,963,526.91	375,647.000	Fuel for LGE Sale to KU for Native Load
	<u>383,603.29</u>	<u>0</u>	Half of Split Savings to LGE from KU
	\$ 8,347,130.20	<u>375,647.000</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>\$ 8,347,130.20</u>	<u>375,647.000</u>	

Exhibit 1

**Kentucky Utilities Company
Calculation of Form A
Reflecting Changes Filed on September 24, 2010**

	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11
Page 1:										
F(m)	\$ 48,507,544	\$ 62,873,108	\$ 62,149,518	\$ 61,134,296	\$ 30,329,771	\$ 37,017,954	\$ 39,726,886	\$ 63,272,986	\$ 59,613,802	\$ 47,214,954
S(m)	\$ 1,664,145,130	\$ 1,919,670,228	\$ 2,010,200,574	\$ 2,177,699,529	\$ 1,738,137,628	\$ 1,476,879,043	\$ 1,564,718,307	\$ 2,171,295,898	\$ 2,165,851,031	\$ 1,724,874,871
Base Factor	\$ 0.02915	\$ 0.03275	\$ 0.03092	\$ 0.02899	\$ 0.02896	\$ 0.02506	\$ 0.02539	\$ 0.02914	\$ 0.02752	\$ 0.02737
FAC Factor	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754	\$ 0.02754
FAC Factor	\$ 0.00161	\$ 0.00521	\$ 0.00338	\$ 0.00145	\$ 0.00142	\$ (0.00248)	\$ (0.00215)	\$ 0.00160	\$ (0.00003)	\$ (0.00017)
	\$ 0.00161	\$ 0.00521	\$ 0.00338	\$ 0.00145	\$ 0.00157	\$ -0.00252	\$ -0.00213	\$ 0.00161	\$ -0.00002	\$ -0.00017
Page 2:										
Company Generation										
Coal Burned	32,941,954	45,266,232	46,065,781	45,755,834	35,140,408	24,504,587	28,620,738	42,415,105	45,651,014	39,367,684
Oil Burned	990,336	1,594,455	255,883	262,728	480,173	502,564	355,065	590,617	402,789	724,139
Gas Burned	3,314,626	5,887,812	6,868,049	6,919,473	3,159,147	565,733	382,768	5,298,978	2,102,716	1,871,839
Attributed Fuel	1,285,692	1,119,085	168,549	1,183,126	1,589,298	1,602,034	1,516,434	1,516,434	1,525,390	831,224
Substituted Fuel	(949,952)	(864,875)	(80,853)	(481,351)	(658,733)	(1,555,911)	(1,350,448)	(1,350,448)	(1,238,361)	(845,562)
Subtotal Fuel	37,582,656	53,002,709	53,277,409	53,639,810	39,710,294	25,619,008	29,358,572	48,470,686	48,443,549	41,949,325
Purchases										
Economy	5,112,255	5,439,741	3,496,697	7,655,153	3,985,162	1,416,331	1,464,417	4,062,927	2,019,943	910,884
Substitute Purchases	(962,102)	(650,243)	(262,601)	(1,313,349)	(1,146,147)	(286,187)	(585,386)	(585,386)	(489,871)	(65,238)
Non-Economic										
Internal Purchases	7,718,406	5,172,730	6,759,673	6,439,384	8,296,677	10,347,613	9,627,132	11,120,084	11,227,405	7,647,638
Subtotal	11,868,558	9,962,228	9,979,449	12,739,894	11,135,692	11,377,757	11,091,548	14,597,625	12,757,477	8,495,284
Interest/System Sales										
Off-system sales	83,779	6,657	(4,196)	53	3,753	35	1,096,667	958,112	11,162	282,953
Internal Sales	1,073,291	362,139	614,323	514,038	501,426	926,587			3,163,572	3,331,613
Cost of OSS losses	838	67			38				112	2,830
Subtotal	1,157,908	368,863	610,085	514,092	505,216	926,622	1,096,667	958,112	3,174,846	3,617,396
Over/(Under) Recovery - Pg 5	\$ (194,238)	\$ (277,034)	\$ 497,254	\$ 510,913	\$ 10,998	\$ (947,812)	\$ (373,432)	\$ (1,162,787)	\$ (1,587,622)	\$ (387,741)
Fuel Cost Adjustment	\$ 48,507,544	\$ 62,873,108	\$ 62,149,518	\$ 63,134,296	\$ 50,329,771	\$ 37,017,954	\$ 39,726,886	\$ 63,272,986	\$ 59,613,802	\$ 47,214,954
Page 3:										
Net Generation	1,291,253,000	1,723,593,000	1,777,121,000	1,777,392,000	1,332,608,000	1,055,573,000	1,174,410,000	1,739,292,000	1,811,503,000	1,598,199,000
Adjustment for TC2 OSS										
Purchases+Interchange	153,861,000	86,770,000	72,059,000	253,125,000	121,788,000	42,016,000	35,746,000	116,356,250	77,059,065	37,892,981
Internal Purchases	358,855,000	217,116,000	284,020,000	278,518,000	398,552,000	521,498,000	499,028,000	489,542,000	509,422,000	335,029,000
Subtotal	1,803,969,000	2,027,479,000	2,133,200,000	2,309,035,000	1,852,948,000	1,619,087,000	1,709,184,000	2,345,190,250	2,397,984,065	1,971,120,981
Internal System Sales	1,856,060	90,000	(115,000)	109,000	109,000	1,000	36,980,000	30,373,000	326,000	10,003,000
Internal Sales	39,981,000	8,809,000	16,577,000	14,803,000	17,468,000	35,236,000	107,485,693	143,521,352	103,075,000	117,563,000
System Losses (pg 4)	97,986,870	98,909,772	106,537,426	116,532,471	97,233,372	106,970,957	144,465,693	173,894,352	228,732,034	118,680,110
Subtotal	139,823,870	107,808,772	122,999,426	131,335,471	114,810,372	142,207,957	144,465,693	173,894,352	232,133,034	246,246,110
Page 4:										
Total Sales	1,664,145,130	1,919,670,228	2,010,200,574	2,177,699,529	1,738,137,628	1,476,879,043	1,564,718,307	2,171,295,898	2,165,851,031	1,724,874,871
12 Month Sources	22,748,351,000	22,884,562,000	23,180,966,000	23,506,596,000	23,644,668,000	23,585,262,000	23,620,893,000	23,849,073,250	23,855,424,315	23,603,393,296
12 Month Losses	1,235,630,805	1,116,414,454	1,157,716,275	1,186,311,758	1,240,753,041	1,558,247,444	1,485,450,361	1,459,519,557	1,280,641,312	1,421,267,832
CM Sources	1,803,969,000	2,027,479,000	2,133,200,000	2,309,035,000	1,852,948,000	1,619,087,000	1,709,184,000	2,345,190,250	2,397,984,065	1,971,120,981
Average Loss Factor	5.431738%	4.878461%	4.994254%	5.046804%	5.247496%	6.608869%	6.288714%	6.119817%	5.368344%	6.020943%
CM Losses	97,986,870	98,909,772	106,537,426	116,532,471	97,233,372	106,970,957	107,485,693	143,521,352	128,732,034	118,680,110
Page 5:										
Last FAC Rate Billed	\$ (0.00886)	\$ (0.00886)	\$ 0.00161	\$ 0.00521	\$ 0.00338	\$ 0.00145	\$ 0.00142	\$ 0.00142	\$ (0.00215)	\$ 0.00160
KWH Billed	1,297,459,070	1,538,213,081	1,710,117,050	1,744,276,992	1,669,223,615	1,374,815,688	1,284,320,615	1,667,742,464	1,969,772,373	1,641,581,988
FAC Revenue (Refund)	\$ (1,340,063)	\$ (1,340,063)	\$ 2,752,388	\$ 9,087,683	\$ 5,875,667	\$ 1,938,490	\$ 1,821,735	\$ 4,136,001	\$ (4,235,911)	\$ 2,626,531
St(m), last FAC Rate	1,724,398,249	1,473,693,945	1,664,145,130	1,919,670,228	2,010,200,574	2,177,699,529	2,178,137,628	1,476,879,043	1,564,718,307	1,295,898
Non-items included	192,765,831	193,836,795	220,681,669	260,876,261	274,663,290	279,385,161	238,669,897	208,402,340	225,103,957	322,313,820
Kentucky Jurisdiction	1,531,632,418	1,279,857,150	1,443,463,261	1,658,793,967	1,735,537,284	1,898,314,368	1,509,467,731	1,268,476,703	1,339,614,350	1,848,982,078
Recoverable FAC cost	\$ 0.00011	\$ (1,100,677)	\$ 2,323,976	\$ 8,642,317	\$ 5,866,116	\$ 2,752,556	\$ 2,143,444	\$ (3,145,822)	\$ (2,880,171)	\$ 2,958,371
Over/(Under) Recovery	\$ (168,480)	\$ (239,386)	\$ 426,312	\$ 445,366	\$ 9,551	\$ (814,066)	\$ (319,709)	\$ (990,179)	\$ (1,354,840)	\$ (331,840)
St(m), current month	1,664,145,130	1,919,670,228	2,010,200,574	2,177,699,529	1,738,137,628	1,476,879,043	1,564,718,307	2,171,295,898	2,165,851,031	1,724,874,871
Kentucky Jurisdiction	1,443,463,261	1,658,793,967	1,735,537,284	1,898,314,368	1,509,467,731	1,268,476,703	1,339,614,350	1,848,982,078	1,848,287,754	1,476,196,814
Gross-up Factor	1.1528361	1.1527683	1.1528583	1.14717539	1.15149042	1.16429339	1.16805639	1.1743196	1.1718485	1.16845661
OfU, total company	\$ (194,238)	\$ (277,034)	\$ 497,254	\$ 510,913	\$ 10,998	\$ (947,812)	\$ (373,432)	\$ (1,162,787)	\$ (1,587,622)	\$ (387,741)

**Kentucky Utilities Company
Recalculation of Form A
Reflecting Changes in System Loss Calculations**

	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11
Page 1:										
F(m)	\$ 48,507,544	\$ 62,873,108	\$ 62,149,518	\$ 63,134,296	\$ 50,329,771	\$ 37,017,954	\$ 39,726,886	\$ 63,272,986	\$ 59,613,802	\$ 47,214,954
S(m)	1,664,140,531	1,917,048,217	2,012,038,560	2,179,661,216	1,739,327,257	1,478,187,373	1,567,276,405	2,180,922,811	2,176,092,868	1,733,410,336
Base Factor	\$ 0.02915	\$ 0.03280	\$ 0.03089	\$ 0.02897	\$ 0.02894	\$ 0.02504	\$ 0.02535	\$ 0.02901	\$ 0.02739	\$ 0.02724
FAC Factor	\$ 0.00161	\$ 0.00254	\$ 0.00355	\$ 0.00443	\$ 0.00140	\$ (0.00250)	\$ (0.00219)	\$ 0.00147	\$ (0.00015)	\$ (0.00030)
	\$ (0.00161)	\$ 0.00525	\$ 0.00335	\$ 0.00143	\$ 0.00155	\$ (0.00254)	\$ (0.00217)	\$ 0.00148	\$ (0.00015)	\$ (0.00030)
Page 2:										
Company Generation	32,941,954	45,266,212	46,065,781	45,755,834	35,140,408	24,504,587	28,620,738	42,415,105	45,651,014	39,367,684
Coal Burned	990,376	1,594,455	255,883	262,728	480,173	502,564	355,065	590,617	402,789	724,139
Oil Burned	3,314,626	5,887,812	6,868,049	6,919,473	3,159,147	565,733	382,768	5,298,978	2,102,716	1,871,939
Gas Burned	1,285,692	1,119,085	1,685,549	1,183,126	1,589,298	1,605,094	1,525,390	1,516,434	1,525,390	831,224
Assigned Fuel	(949,952)	(864,875)	(80,853)	(481,351)	(658,733)	(1,555,911)		(1,350,448)	(1,238,361)	(845,562)
Substitute Fuel	37,582,656	53,002,709	53,277,409	53,639,810	39,710,294	25,619,008	29,358,572	48,470,686	48,443,549	41,949,325
Subtotal	5,112,255	5,439,741	3,496,697	7,635,153	3,985,162	1,416,331	1,464,417	4,062,927	2,019,943	910,884
Economy	(962,102)	(650,243)	(262,601)	(1,313,349)	(1,146,147)	(286,187)		(585,386)	(489,871)	(63,218)
Substitute Purchases	7,738,406	5,172,730	6,259,673	6,439,384	8,296,677	10,247,613	9,627,132	11,120,084	11,227,405	7,647,638
Non-Economic	11,888,558	9,962,228	9,979,449	12,739,894	11,135,692	11,377,757	11,091,548	14,597,625	12,757,477	8,495,284
Internal Purchases	83,779	6,657	(4,196)	53	3,253	35			11,162	282,953
Off-system sales	1,073,291	362,139	614,323	514,038	501,426	926,587	1,096,667	958,112	3,163,572	3,331,613
Internal Sales	838	67	(42)	1	38					2,830
Cost of OSS losses	1,157,908	368,863	610,085	514,092	505,216	926,622	1,096,667	958,112	3,174,846	3,617,396
Subtotal	(194,238)	(277,034)	497,254	510,913	10,998	(947,812)	(373,432)	(1,162,787)	(1,587,622)	(387,741)
Over/(Under) Recovery - Pg 5	\$ 48,507,544	\$ 62,873,108	\$ 62,149,518	\$ 63,134,296	\$ 50,329,771	\$ 37,017,954	\$ 39,726,886	\$ 63,272,986	\$ 59,613,802	\$ 47,214,954
Fuel Cost Adjustment										
Total Fuel Cost	1,291,253,000	1,723,593,000	1,777,121,000	1,777,392,000	1,333,608,000	1,055,573,000	1,174,410,000	1,739,292,000	1,811,503,000	1,598,199,000
Adjustment for TC2 OSS	(113,000)	(4,392,000)		(907,000)		(2,431,000)		(420,000)	(40,000)	
Purchases-Interchange	153,861,000	86,770,000	72,059,000	253,125,000	121,788,000	42,016,000	35,746,000	116,356,000	77,059,065	37,892,981
Internal Purchases	358,855,000	217,116,000	284,020,000	278,518,000	398,552,000	521,498,000	499,028,000	489,542,000	509,422,000	335,029,000
Subtotal	1,803,856,000	2,623,087,000	2,133,308,000	2,309,035,000	1,852,041,000	1,616,656,000	1,707,284,000	2,344,770,250	2,397,844,065	1,971,120,981
Inter-system Sales	1,856,000	90,000	(115,000)		109,000	1,000		326,000	326,000	10,000,000
Internal Sales	39,981,000	8,809,000	16,577,000	14,803,000	17,468,000	35,236,000	36,980,000	30,373,000	103,075,000	117,563,000
System Losses (Pg 4)	97,878,469	97,139,783	104,699,440	114,570,784	95,136,743	103,331,627	103,027,595	133,474,439	118,450,197	110,144,545
Subtotal	139,715,469	106,038,783	121,161,440	129,373,784	112,713,743	138,468,627	140,007,595	163,847,439	221,851,197	237,710,545
Total Sales	1,664,140,531	1,917,048,217	2,012,038,560	2,179,661,216	1,739,327,257	1,478,187,373	1,567,276,405	2,180,922,811	2,176,092,868	1,733,410,436
12 Month Sources	22,748,238,000	22,880,057,000	23,176,461,000	23,502,091,000	23,639,256,000	23,577,419,000	23,818,910,250	23,845,221,315	23,595,190,296	23,595,190,296
12 Month Losses	1,234,257,805	1,096,220,454	1,137,522,275	1,166,137,758	1,213,721,041	1,503,276,444	1,433,252,361	1,356,770,557	1,177,852,312	1,318,478,832
CM Sources	1,802,969,000	2,027,479,000	2,133,300,000	2,309,035,000	1,852,948,000	1,619,087,000	1,709,184,000	2,345,190,250	2,397,984,065	1,971,120,981
Average Loss Factor	5.425729%	4.791161%	4.908093%	4.961847%	5.134345%	6.375916%	6.027882%	5.691412%	4.939574%	5.587914%
CM Losses	97,878,469	97,139,783	104,699,440	114,570,784	95,136,743	103,331,627	103,027,595	133,474,439	118,450,197	110,144,545
Last FAC Rate Billed	\$ (0.00086)	\$ (0.00161)	\$ 0.00161	\$ 0.00526	\$ 0.00335	\$ 0.00143	\$ 0.00140	\$ (0.00250)	\$ (0.00219)	\$ 0.00147
KWH Billed	1,297,459,070	1,558,213,081	1,710,117,050	1,744,276,992	1,669,223,615	1,374,815,688	1,284,320,615	1,667,742,464	1,969,772,373	1,641,581,988
FAC Revenue (Refund)	(1,340,063)	(1,340,063)	2,753,288	9,174,897	5,591,899	1,965,986	1,798,049	(4,169,356)	(4,313,801)	2,413,126
(S/m), last FAC Rate	1,724,398,249	1,473,693,045	1,664,146,662	2,012,038,560	1,739,373,826	1,478,342,371	1,567,390,935	2,180,946,715	2,180,946,715	1,733,410,336
Non-units included	192,765,831	193,836,795	220,681,869	260,876,761	274,663,290	279,385,161	238,669,897	208,402,340	225,103,957	322,313,820
Kentucky Jurisdiction	1,531,632,418	1,279,857,150	1,443,464,793	1,656,382,384	1,737,375,270	1,900,276,055	1,510,703,929	1,269,940,031	1,342,286,978	1,858,632,895
Revised FAC Factor	\$ 0.00011	\$ (0.00011)	\$ 0.00011	\$ 0.00011	\$ 0.00011	\$ 0.00011	\$ 0.00011	\$ 0.00011	\$ 0.00011	\$ 0.00011
Recoverable FAC cost	\$ 168,480	\$ (1,100,677)	\$ 2,321,978	\$ 8,712,571	\$ 5,820,207	\$ 2,717,395	\$ 2,114,986	\$ (3,174,850)	\$ (2,939,608)	\$ 2,732,190

Kentucky Utilities Company
Calculation of Form A
Reflecting Change Due to Revised System Loss Calculations

	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11
Page 1:										
F(m)	\$ (4,599)	\$ (2,622,011)	\$ 1,837,986	\$ 1,961,687	\$ 1,189,629	\$ 1,308,330	\$ 2,558,098	\$ 9,626,913	\$ 10,241,837	\$ 8,535,565
S(m)		\$ 0.00005	\$ (0.00003)	\$ (0.00002)	\$ (0.00002)	\$ (0.00002)	\$ (0.00004)	\$ (0.00013)	\$ (0.00013)	\$ (0.00013)
Base Factor	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
FAC Factor	\$	\$ 0.00005	\$ (0.00003)	\$ (0.00002)	\$ (0.00002)	\$ (0.00002)	\$ (0.00004)	\$ (0.00013)	\$ (0.00013)	\$ (0.00013)
Page 2:										
Company Generation										
Coal Burned										
Oil Burned										
Gas Burned										
Assigned Fuel										
Substitute Fuel										
Subtotal										
Purchases										
Economy										
Substitute Purchases										
Non-Economic										
Internal Purchases										
Subtotal										
Intersystem Sales										
Off-system sales										
Internal Sales										
Cost of OSS losses										
Subtotal										
Over/(Under) Recovery - Pg 5	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fuel Cost Adjustment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total Fuel Cost	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Page 3:										
Net Generation	(113,000)	(4,392,000)			(907,000)	(2,431,000)	(1,900,000)	(420,000)	(40,000)	
Adjustment for TC2 OSS										
Purchases + Interchange										
Internal Purchases	(113,000)	(4,392,000)			(907,000)	(2,431,000)	(1,900,000)	(420,000)	(40,000)	
Subtotal										
Intersystem Sales										
Internal Sales	(108,401)	(1,769,989)	(1,837,986)	(1,961,687)	(2,096,629)	(3,739,330)	(4,458,098)	(10,046,913)	(10,281,837)	(8,535,565)
System Losses (pg 4)	(108,401)	(1,769,989)	(1,837,986)	(1,961,687)	(2,096,629)	(3,739,330)	(4,458,098)	(10,046,913)	(10,281,837)	(8,535,565)
Subtotal										
Total Sales	(4,599)	(2,622,011)	1,837,986	1,961,687	1,189,629	1,308,330	2,558,098	9,626,913	10,241,837	8,535,565
12 Month Sources	(113,000)	(4,505,000)	(4,505,000)	(4,505,000)	(5,412,000)	(7,843,000)	(9,743,000)	(10,163,000)	(10,203,000)	(10,203,000)
12 Month Losses	(1,373,000)	(20,194,000)	(20,194,000)	(20,194,000)	(27,032,000)	(54,971,000)	(62,198,000)	(102,749,000)	(102,789,000)	(102,789,000)
CN Sources										
Average Loss Factor	-0.006009%	-0.087306%	-0.086161%	-0.084957%	-0.113151%	-0.230953%	-0.260832%	-0.428405%	-0.328770%	-0.433031%
CN Losses	(108,401)	(1,769,989)	(1,837,986)	(1,961,687)	(2,096,629)	(3,739,330)	(4,458,098)	(10,046,913)	(10,281,837)	(8,535,565)
Page 4:										
Last FAC Rate Billed	\$	\$	\$	\$ 0.00005	\$ (0.00017)	\$ 0.00002	\$ (0.00002)	\$ (0.00002)	\$ (0.00004)	\$ (0.00013)
KWH Billed										
FAC Revenue (Refund)	\$	\$	\$	\$ 87,214	\$ (283,768)	\$ 27,496	\$ (25,686)	\$ (33,355)	\$ (78,790)	\$ (213,405)
S(m), Last FAC Rate			1,532	(2,411,583)	1,837,986	1,961,687	1,236,198	1,463,328	2,672,628	9,650,817
Non-rate Included										
Kentucky Jurisdiction			1,532	(2,411,583)	1,837,986	1,961,687	1,236,198	1,463,328	2,672,628	9,650,817
Revised FAC Factor	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Recoverable FAC cost	\$	\$	\$ 2	\$ 70,254	\$ (45,909)	\$ (35,161)	\$ (28,458)	\$ (29,028)	\$ (59,437)	\$ (226,181)
Cumulative Change in Recoverable FAC cost										\$ (353,918)



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

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MAY 20 2011
PUBLIC SERVICE
COMMISSION

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

May 19, 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 June 2011 billing cycle which begins May 31, 2011. In addition, a revised February 2011 expense month adjustment factor was calculated in Exhibit 1, page 2 of 3, of the March 2011 Form A filing, dated April 19, 2011. This revision is included on Page 5, in order to correctly calculate the over/under adjustment.

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

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MAY 23 2011
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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : April 2011

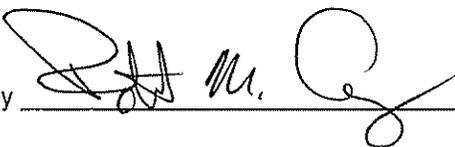
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$41,469,087}{\text{Sales "Sm" (Sales Schedule)} \quad 1,490,352,072 \text{ KWH}} = (+) \$ 0.02783 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00029 / \text{KWH}}}$$

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

Effective Date for Billing: May 31, 2011

Submitted by  _____

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : April 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$28,250,751	(1)
Oil Burned	(+)	349,994	(1)
Gas Burned	(+)	2,920,783	
Fuel (assigned cost during Forced Outage)	(+)	519,851	
Fuel (substitute cost for Forced Outage)	(-)	368,867	
SUB-TOTAL		<u>\$ 31,672,511</u>	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 2,822,352	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	196,422	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	8,118,393	
Internal Replacement	(+)	41	
SUB-TOTAL		<u>\$ 10,744,364</u>	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 525	
Internal Economy	(+)	324	
Internal Replacement	(+)	910,535	
Dollars Assigned to Inter-System Sales Losses	(+)	5	
SUB-TOTAL		<u>\$ 911,389</u>	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ 36,399</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u>\$ 41,469,087</u>	

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 =	\$574
Oil burned =	\$52

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2011

(A) Generation (Net)	(+)	1,145,800,000
Purchases including interchange-in	(+)	93,222,451
Internal Economy	(+)	367,550,000
Internal Replacement	(+)	1,000
SUB-TOTAL		<u>1,606,573,451</u>
(B) Inter-system Sales including interchange-out	(+)	14,000
Internal Economy	(+)	8,000
Internal Replacement	(+)	32,734,000
(*) System Losses	(+)	83,465,379
SUB-TOTAL		<u>116,221,379</u>
TOTAL SALES (A-B)		<u><u>1,490,352,072</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 . April 2011

12 Months to Date KWH Sources: 23,675,027,033 KWH
 12 MTD Overall System Losses: 1,229,975,029 KWH
 April 2011 KWH Sources: 1,606,573,451 KWH

$$1,229,975,029 / 23,675,027,033 = 5.195242\%$$

$$5.195242\% \times 1,606,573,451 = 83,465,379 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

159,732,230 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 41,748,800 Wholesale sales at Primary Voltage (WS-P)
 32,756,000 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:	159,732,230	2.153%	3,514,707	163,246,937
WS-P:	41,748,800	2.153% and 0.985%	1,343,085	43,091,885
IS-T:	32,756,000	1.0%	330,869	33,086,869

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

Expense Month : April 2011

		As Billed	As Corrected (Note 1)
1	Last FAC Rate Billed	(\$0.00017)	(\$0.00030)
2	KWH Billed at Above Rate	1,379,963,352	1,379,963,352
3	FAC Revenue/(Refund) (Line 1 x Line 2)	\$ (234,594)	\$ (413,989)
4	KWH Used to Determine Last FAC Rate	1,724,874,871	1,733,410,436
5	Non-Jurisdictional KWH (Included in Line 4)	248,678,057	248,678,057
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	1,476,196,814	1,484,732,379
7	Revised FAC Rate Billed, if prior period adjustment is needed	\$0.00000	\$0.00000
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	\$ (250,953)	\$ (445,420)
9	Over or (Under) Recovery (Line 3 - Line 8)	\$ 16,359	\$ 31,431
10	Total Sales "Sm" (From Page 3 of 6)	1,490,352,072	1,490,352,072
11	Kentucky Jurisdictional Sales	1,286,945,210	1,286,945,210
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	1.15805402	1.15805402
13	Total Company Over or (Under) Recovery (Line 9 x Line 12)	\$ 18,945	\$ 36,399

Note 1 - Corrected February 2011 Last FAC Rate Billed (Line 1) and KWH Used to Determine Last FAC Rate (Line 4) can be found on Exhibit 1, page 2 of 3, as attached to the March 2011 Form A filed on April 19, 2011

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : April 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 7,986,928.55	367,550.000	Fuel for LGE Sale to KU for Native Load
	131,464.45		Half of Split Savings to LGE from KU
	<u>\$ 8,118,393.00</u>	<u>367,550.000</u>	
Internal Replacement			
	\$ 40.86	1.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 40.86</u>	<u>1.000</u>	
Total Purchases	<u>\$ 8,118,433.86</u>	<u>367,551.000</u>	
Sales			
Internal Economy			
	\$ 323.13	8.000	KU Fuel Cost - Sales to LGE Native Load
	0.43		Half of Split Savings
	<u>\$ 323.56</u>	<u>8.000</u>	
Internal Replacement			
	\$ 910,534.89	32,734.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>\$ 910,534.89</u>	<u>32,734.000</u>	KU Generation for LGE IB
Total Sales	<u>\$ 910,858.45</u>	<u>32,742.000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 323.13	8.000	KU Fuel Cost - Sales to LGE Native Load
	0.43		Half of Split Savings
	<u>\$ 323.56</u>	<u>8.000</u>	
Internal Replacement			
	\$ 910,534.89	32,734.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>\$ 910,534.89</u>	<u>32,734.000</u>	KU Generation for LGE IB
Total Purchases	<u>\$ 910,858.45</u>	<u>32,742.000</u>	
Sales			
Internal Economy			
	\$ 7,986,928.55	367,550.000	Fuel for LGE Sale to KU for Native Load
	131,464.45		Half of Split Savings to LGE from KU
	<u>\$ 8,118,393.00</u>	<u>367,550.000</u>	
Internal Replacement			
	\$ 40.86	1.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 40.86</u>	<u>1.000</u>	
Total Sales	<u>\$ 8,118,433.86</u>	<u>367,551.000</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

June 17, 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 July 2011 billing cycle which begins June 29, 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,

Robert M. Conroy

Enclosure

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
P.O. 32010
Louisville, Kentucky 40232
www.ige-ku.com

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

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JUN 17 2011

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2011

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$45,512,020}{\text{Sales "Sm" (Sales Schedule)} \quad 1,573,514,629 \quad \text{KWH}} = (+) \$ 0.02892 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00138 / \text{KWH}}}$$

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

Effective Date for Billing: June 29, 2011

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$38,317,949	(1)
Oil Burned	(+)	1,110,930	(1)
Gas Burned	(+)	3,021,112	
Fuel (assigned cost during Forced Outage)	(+)	1,682,233	
Fuel (substitute cost for Forced Outage)	(-)	1,620,023	
SUB-TOTAL		\$ 42,512,201	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 1,690,050	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	448,257	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	4,953,044	
Internal Replacement	(+)	27,814	
SUB-TOTAL		\$ 6,222,651	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 426,533	
Internal Economy	(+)	230,565	
Internal Replacement	(+)	2,448,554	
Dollars Assigned to Inter-System Sales Losses	(+)	4,265	
SUB-TOTAL		\$ 3,109,917	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 112,915	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 45,512,020	

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 =	\$12,555
Oil burned =	\$1,007

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2011

(A) Generation (Net)	(+)	1,502,522,000
Purchases including interchange-in	(+)	54,861,924
Internal Economy	(+)	211,197,000
Internal Replacement	(+)	<u>882,000</u>
SUB-TOTAL		<u>1,769,462,924</u>

(B) Inter-system Sales including interchange-out	(+)	13,001,000
Internal Economy	(+)	8,230,000
Internal Replacement	(+)	86,379,000
(*) System Losses	(+)	<u>88,338,295</u>
SUB-TOTAL		<u>195,948,295</u>

TOTAL SALES (A-B) 1,573,514,629

(*) 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 2011

12 Months to Date KWH Sources: 23,640,633,957 KWH
 12 MTD Overall System Losses: 1,180,230,082 KWH
 May 2011 KWH Sources: 1,769,462,924 KWH

$$1,180,230,082 / 23,640,633,957 = 4.992379\%$$

$$4.992379\% \times 1,769,462,924 = 88,338,295 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

170,888,160 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 46,859,600 Wholesale sales at Primary Voltage (WS-P)
 107,610,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	170,888,160	2.153%	3,760,179	174,648,339
WS-P:	46,859,600	2.153% and 0.985%	1,507,502	48,367,102
IS-T:	107,610,000	1.0%	1,086,970	108,696,970

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

Expense Month : May 2011

1	Last FAC Rate Billed	<u>(\$0.00059)</u>
2	KWH Billed at Above Rate	<u>1,296,344,179</u>
3	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ (764,843)</u>
4	KWH Used to Determine Last FAC Rate	<u>1,707,207,991</u>
5	Non-Jurisdictional KWH (Included in Line 4)	<u>246,153,843</u>
6	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,461,054,148</u>
7	Revised FAC Rate Billed, if prior period adjustment is needed	<u>\$0.00000</u>
8	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ (862,022)</u>
9	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ 97,179</u>
10	Total Sales "Sm" (From Page 3 of 6)	<u>1,573,514,629</u>
11	Kentucky Jurisdictional Sales	<u>1,354,233,291</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales(Line 10 / Line 11)	<u>1.16192287</u>
13.	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ 112,915</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : May 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 4,612,960.67	211,197.000	Fuel for LGE Sale to KU for Native Load
	340,082.85		Half of Split Savings to LGE from KU
	<u>\$ 4,953,043.52</u>	<u>211,197.000</u>	
Internal Replacement	\$ 27,813.82	882,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 27,813.82</u>	<u>882,000</u>	
Total Purchases	<u><u>\$ 4,980,857.34</u></u>	<u><u>212,079,000</u></u>	
Sales			
Internal Economy	\$ 230,066.81	8,230.000	KU Fuel Cost - Sales to LGE Native Load
	498.66		Half of Split Savings
	<u>\$ 230,565.47</u>	<u>8,230.000</u>	
Internal Replacement	\$ 2,448,554.40	86,379.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,448,554.40</u>	<u>86,379.000</u>	
Total Sales	<u><u>\$ 2,679,119.87</u></u>	<u><u>94,609,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 230,066.81	8,230.000	KU Fuel Cost - Sales to LGE Native Load
	498.66		Half of Split Savings
	<u>\$ 230,565.47</u>	<u>8,230.000</u>	
Internal Replacement	\$ 2,448,554.40	86,379.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,448,554.40</u>	<u>86,379.000</u>	
Total Purchases	<u><u>\$ 2,679,119.87</u></u>	<u><u>94,609,000</u></u>	
Sales			
Internal Economy	\$ 4,612,960.67	211,197.000	Fuel for LGE Sale to KU for Native Load
	340,082.85		Half of Split Savings to LGE from KU
	<u>\$ 4,953,043.52</u>	<u>211,197.000</u>	
Internal Replacement	\$ 27,813.82	882,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 27,813.82</u>	<u>882,000</u>	
Total Sales	<u><u>\$ 4,980,857.34</u></u>	<u><u>212,079,000</u></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

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JUL 19 2011

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
P.O. 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

July 19, 2011

Dear Mr. DeRouen:

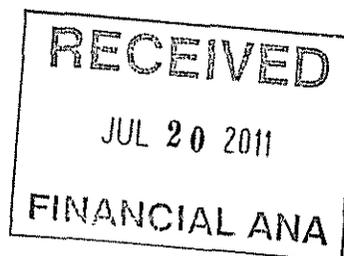
In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the August 2011 billing cycle which begins July 29, 2011.

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,

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2011

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$50,921,241}{\text{Sales "Sm" (Sales Schedule)} \quad 1,779,169,014 \quad \text{KWH}} = (+) \$ 0.02862 / \text{KWH}$$

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

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00108 / \text{KWH}}}$$

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

Effective Date for Billing: July 29, 2011

Submitted by 
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$46,044,320	(1)
Oil Burned	(+)	470,216	(1)
Gas Burned	(+)	4,009,164	
Fuel (assigned cost during Forced Outage)	(+)	670,349	
Fuel (substitute cost for Forced Outage)	(-)	556,017	
SUB-TOTAL		\$ 50,638,033	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 1,337,603	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	352,704	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	3,009,742	
Internal Replacement	(+)	45,630	
SUB-TOTAL		\$ 4,040,271	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 790,251	
Internal Economy	(+)	850,816	
Internal Replacement	(+)	2,027,919	
Dollars Assigned to Inter-System Sales Losses	(+)	7,903	
SUB-TOTAL		\$ 3,676,889	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 80,174	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 50,921,241	

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 =	\$14,411
Oil burned =	\$259

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2011

(A) Generation (Net)	(+)	1,819,593,000
Purchases including interchange-in	(+)	53,248,800
Internal Economy	(+)	128,241,000
Internal Replacement	(+)	1,000,000
SUB-TOTAL		<u>2,002,082,800</u>

(B) Inter-system Sales including interchange-out	(+)	23,568,000
Internal Economy	(+)	21,663,000
Internal Replacement	(+)	75,035,000
(*) System Losses	(+)	102,647,786
SUB-TOTAL		<u>222,913,786</u>

TOTAL SALES (A-B) 1,779,169,014

(*) 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 2011

12 Months to Date KWH Sources: 23,625,327,757 KWH
 12 MTD Overall System Losses: 1,211,282,345 KWH
 June 2011 KWH Sources: 2,002,082,800 KWH

$$1,211,282,345 / 23,625,327,757 = 5.127050\%$$

$$5.127050\% \times 2,002,082,800 = 102,647,786 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

185,915,614 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 55,590,400 Wholesale sales at Primary Voltage (WS-P)
 120,266,000 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.	185,915,614	2.153%	4,090,839	190,006,453
WS-P:	55,590,400	2.153% and 0.985%	1,788,378	57,378,778
IS-T:	120,266,000	1.0%	1,214,808	121,480,808

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

Expense Month : June 2011

1	Last FAC Rate Billed		<u>\$0.00029</u>
2	KWH Billed at Above Rate		<u>1,525,640,447</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 442,436</u>
4	KWH Used to Determine Last FAC Rate		<u>1,490,352,072</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>203,406,862</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,286,945,210</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>\$ 373,214</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 69,222</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,779,169,014</u>
11	Kentucky Jurisdictional Sales		<u>1,536,130,589</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15821469</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 80,174</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : June 2011

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 2,783,475.54	128,241.000	Fuel for LGE Sale to KU for Native Load
	226,266.66		Half of Split Savings to LGE from KU
	<u>\$ 3,009,742.20</u>	<u>128,241.000</u>	
Internal Replacement	\$ 45,629.96	1,000.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 45,629.96</u>	<u>1,000.000</u>	
Total Purchases	<u><u>\$ 3,055,372.16</u></u>	<u><u>129,241,000</u></u>	
Sales			
Internal Economy	\$ 846,613.47	21,663.000	KU Fuel Cost - Sales to LGE Native Load
	4,202.57		Half of Split Savings
	<u>\$ 850,816.04</u>	<u>21,663,000</u>	
Internal Replacement	\$ 2,027,919.25	75,035.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>\$ 2,027,919.25</u>	<u>75,035,000</u>	KU Generation for LGE IB
Total Sales	<u><u>\$ 2,878,735.29</u></u>	<u><u>96,698,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 846,613.47	21,663.000	KU Fuel Cost - Sales to LGE Native Load
	4,202.57		Half of Split Savings
	<u>\$ 850,816.04</u>	<u>21,663,000</u>	
Internal Replacement	\$ 2,027,919.25	75,035.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	<u>\$ 2,027,919.25</u>	<u>75,035,000</u>	KU Generation for LGE IB
Total Purchases	<u><u>\$ 2,878,735.29</u></u>	<u><u>96,698,000</u></u>	
Sales			
Internal Economy	\$ 2,783,475.54	128,241.000	Fuel for LGE Sale to KU for Native Load
	226,266.66		Half of Split Savings to LGE from KU
	<u>\$ 3,009,742.20</u>	<u>128,241,000</u>	
Internal Replacement	\$ 45,629.96	1,000.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 45,629.96</u>	<u>1,000,000</u>	
Total Sales	<u><u>\$ 3,055,372.16</u></u>	<u><u>129,241,000</u></u>	

FA



a PPL company

AUG 22 2011

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
P.O. 32010
Louisville, Kentucky 40232
www.lge-ku.com

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AUG 19 2011

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

PUBLIC SERVICE
COMMISSION

August 19, 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 September 2011 billing cycle which begins August 30, 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,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2011

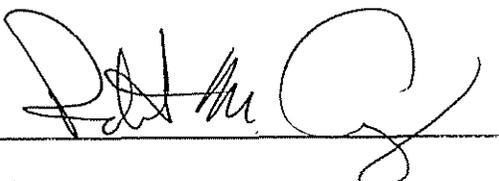
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$60,387,247}{\text{Sales "Sm" (Sales Schedule)} \quad 2,026,370,618 \quad \text{KWH}} = (+) \$ 0.02980 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2011 = (-) \$ 0.02668 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00312 / \text{KWH}}}$$

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

Effective Date for Billing: August 30, 2011

Submitted by 
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$50,370,042	(1)
Oil Burned	(+)	483,845	(1)
Gas Burned	(+)	6,544,355	
Fuel (assigned cost during Forced Outage)	(+)	932,682	
Fuel (substitute cost for Forced Outage)	(-)	648,159	
SUB-TOTAL		\$ 57,682,765	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 2,444,033	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	471,521	
Less Purchases above Highest Cost Units	(-)	13,399	
Internal Economy	(+)	4,056,643	
Internal Replacement	(+)	33,493	
SUB-TOTAL		\$ 6,049,249	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 441,991	
Internal Economy	(+)	326,077	
Internal Replacement	(+)	2,183,842	
Dollars Assigned to Inter-System Sales Losses	(+)	4,420	
SUB-TOTAL		\$ 2,956,330	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 388,437	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 60,387,247	

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 = \$14,665
Oil burned = \$399

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2011

(A) Generation (Net)	(+)	2,000,480,000
Purchases including interchange-in	(+)	71,334,212
Internal Economy	(+)	165,231,000
Internal Replacement	(+)	714,000
SUB-TOTAL		<u>2,237,759,212</u>

(B) Inter-system Sales including interchange-out	(+)	12,175,000
Internal Economy	(+)	8,108,000
Internal Replacement	(+)	76,982,000
(*) System Losses	(+)	114,123,594
SUB-TOTAL		<u>211,388,594</u>

TOTAL SALES (A-B) 2,026,370,618

(*) 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 2011

12 Months to Date KWH Sources: 23,729,886,969 KWH
 12 MTD Overall System Losses: 1,210,201,637 KWH
 July 2011 KWH Sources: 2,237,759,212 KWH

$$1,210,201,637 / 23,729,886,969 = 5.099905\%$$

$$5.099905\% \times 2,237,759,212 = 114,123,594 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

211,990,794 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 65,086,000 Wholesale sales at Primary Voltage (WS-P)
 97,265,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	211,990,794	2.153%	4,664,590	216,655,384
WS-P:	65,086,000	2.153% and 0.985%	2,093,857	67,179,857
IS-T:	97,265,000	1.0%	982,475	98,247,475

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

Expense Month : July 2011

1	Last FAC Rate Billed		<u>\$0.00138</u>
2	KWH Billed at Above Rate		<u>1,597,015,695</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,203,882</u>
4	KWH Used to Determine Last FAC Rate		<u>1,573,514,629</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>219,281,338</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,354,233,291</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>\$ 1,868,842</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 335,040</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>2,026,370,618</u>
11	Kentucky Jurisdictional Sales		<u>1,747,812,474</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.1593753</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 388,437</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : July 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 3,775,334.39	165,231,000	Fuel for LGE Sale to KU for Native Load
	281,308.20		Half of Split Savings to LGE from KU
	<u>\$ 4,056,642.59</u>	<u>165,231,000</u>	
Internal Replacement			
	\$ 33,493.45	714,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 33,493.45</u>	<u>714,000</u>	
Total Purchases	<u>\$ 4,090,136.04</u>	<u>165,945,000</u>	
Sales			
Internal Economy			
	\$ 323,957.52	8,108,000	KU Fuel Cost - Sales to LGE Native Load
	2,119.00		Half of Split Savings
	<u>\$ 326,076.52</u>	<u>8,108,000</u>	
Internal Replacement			
	\$ 2,183,841.70	76,982,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,183,841.70</u>	<u>76,982,000</u>	
Total Sales	<u>\$ 2,509,918.22</u>	<u>85,090,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 323,957.52	8,108,000	KU Fuel Cost - Sales to LGE Native Load
	2,119.00		Half of Split Savings
	<u>\$ 326,076.52</u>	<u>8,108,000</u>	
Internal Replacement			
	\$ 2,183,841.70	76,982,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,183,841.70</u>	<u>76,982,000</u>	
Total Purchases	<u>\$ 2,509,918.22</u>	<u>85,090,000</u>	
Sales			
Internal Economy			
	\$ 3,775,334.39	165,231,000	Fuel for LGE Sale to KU for Native Load
	281,308.20		Half of Split Savings to LGE from KU
	<u>\$ 4,056,642.59</u>	<u>165,231,000</u>	
Internal Replacement			
	\$ 33,493.45	714,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 33,493.45</u>	<u>714,000</u>	
Total Sales	<u>\$ 4,090,136.04</u>	<u>165,945,000</u>	



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SEP 22 2011

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
P.O. 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

September 22, 2011

Dear Mr. DeRouen:

On September 20, 2011, Kentucky Utilities Company incorrectly submitted a filing letter which mentioned Louisville Gas and Electric Company in reference to its monthly fuel adjustment factor. 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 2011 billing cycle which begins September 30, 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

RECEIVED
SEP 23 2011
FINANCIAL ANA

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2011

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$57,612,743}{\text{Sales "Sm" (Sales Schedule)} \quad 1,983,922,032 \quad \text{KWH}} = (+) \$ 0.02904 / \text{KWH}$$

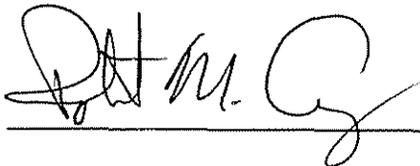
Per PSC approved Tariff Sheet No 85.1 effective June 29, 2011. = (-) \$ 0.02668 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00236 / \text{KWH}}}$$

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

Effective Date for Billing: September 30, 2011

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$47,183,859	(1)
Oil Burned	(+)	666,487	(1)
Gas Burned	(+)	4,840,688	
Fuel (assigned cost during Forced Outage)	(+)	1,997,774	
Fuel (substitute cost for Forced Outage)	(-)	2,157,168	
SUB-TOTAL		\$ 52,531,640	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 2,016,587	(2)
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	74,581	
Less Purchases above Highest Cost Units	(-)	2,039	
Internal Economy	(+)	5,039,518	
Internal Replacement	(+)	7,255	
SUB-TOTAL		\$ 6,986,740	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 164,279	
Internal Economy	(+)	166,228	
Internal Replacement	(+)	1,298,071	
Dollars Assigned to Inter-System Sales Losses	(+)	1,643	
SUB-TOTAL		\$ 1,630,221	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 275,416	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 57,612,743	

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 =	\$11,243
Oil burned =	\$918

Note: (2) Reflects exclusion of automatic buy-through charges of \$70,069

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2011

(A) Generation (Net)	(+)	1,842,203,000
Purchases including interchange-in	(+)	70,304,313
Internal Economy	(+)	214,643,000
Internal Replacement	(+)	<u>177,000</u>
SUB-TOTAL		<u>2,127,327,313</u>

(B) Inter-system Sales including interchange-out	(+)	4,828,000
Internal Economy	(+)	3,723,000
Internal Replacement	(+)	43,067,000
(*) System Losses	(+)	<u>91,787,281</u>
SUB-TOTAL		<u>143,405,281</u>

TOTAL SALES (A-B) 1,983,922,032

(*) 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 2011

12 Months to Date KWH Sources: 23,548,179,282 KWH
 12 MTD Overall System Losses: 1,016,027,714 KWH
 August 2011 KWH Sources: 2,127,327,313 KWH

$$1,016,027,714 / 23,548,179,282 = 4.314676\%$$

$$4.314676\% \times 2,127,327,313 = 91,787,281 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

203,461,607 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 61,537,200 Wholesale sales at Primary Voltage (WS-P)
 51,618,000 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:	203,461,607	2.153%	4,476,916	207,938,523
WS-P:	61,537,200	2.153% and 0.985%	1,979,690	63,516,890
IS-T:	51,618,000	1.0%	521,394	52,139,394

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

Expense Month : August 2011

1	Last FAC Rate Billed		<u>\$0.00108</u>
2	KWH Billed at Above Rate		<u>1,756,874,684</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 1,897,425</u>
4	KWH Used to Determine Last FAC Rate		<u>1,779,169,014</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>243,038,425</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,536,130,589</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>\$ 1,659,021</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 238,404</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,983,922,032</u>
11	Kentucky Jurisdictional Sales		<u>1,717,312,867</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15524787</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 275,416</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : August 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 4,858,128.97	214,643.000	Fuel for LGE Sale to KU for Native Load
	181,388.87		Half of Split Savings to LGE from KU
	<u>\$ 5,039,517.84</u>	<u>214,643.000</u>	
Internal Replacement	\$ 7,254.90	177.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 7,254.90</u>	<u>177,000</u>	
Total Purchases	<u>\$ 5,046,772.74</u>	<u>214,820,000</u>	
Sales			
Internal Economy	\$ 165,932.42	3,723.000	KU Fuel Cost - Sales to LGE Native Load
	295.86		Half of Split Savings
	<u>\$ 166,228.28</u>	<u>3,723.000</u>	
Internal Replacement	\$ 1,298,071.33	43,067.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,298,071.33</u>	<u>43,067.000</u>	
Total Sales	<u>\$ 1,464,299.61</u>	<u>46,790,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 165,932.42	3,723.000	KU Fuel Cost - Sales to LGE Native Load
	295.86		Half of Split Savings
	<u>\$ 166,228.28</u>	<u>3,723.000</u>	
Internal Replacement	\$ 1,298,071.33	43,067.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,298,071.33</u>	<u>43,067.000</u>	
Total Purchases	<u>\$ 1,464,299.61</u>	<u>46,790,000</u>	
Sales			
Internal Economy	\$ 4,858,128.97	214,643.000	Fuel for LGE Sale to KU for Native Load
	181,388.87		Half of Split Savings to LGE from KU
	<u>\$ 5,039,517.84</u>	<u>214,643,000</u>	
Internal Replacement	\$ 7,254.90	177.000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 7,254.90</u>	<u>177,000</u>	
Total Sales	<u>\$ 5,046,772.74</u>	<u>214,820,000</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
P.O. 32010
Louisville, Kentucky 40232
www.ige-ku.com

Robert M. Conroy
Director - Rates
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robert.conroy@ige-ku.com

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OCT 19 2011

PUBLIC SERVICE
COMMISSION

October 19, 2011

Dear Mr. DeRouen:

On October 18, 2011, in compliance with 807 KAR 5:056, Kentucky Utilities Company ("KU") filed its monthly fuel adjustment factor applicable to billings under retail rates during the November 2011 billing cycle which begins October 28, 2011.

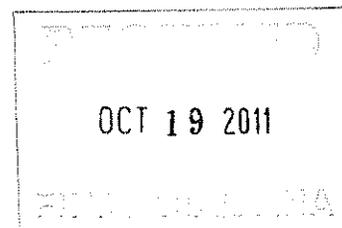
Since the filing of October 18, an error has been discovered in the wholesale sales data which impacts the calculation of the monthly retail factor. Therefore, KU files herewith its revised monthly fuel adjustment factor applicable to billings under retail rates during the November 2011 billing cycle which begins October 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,

Robert M. Conroy

Enclosure



KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2011

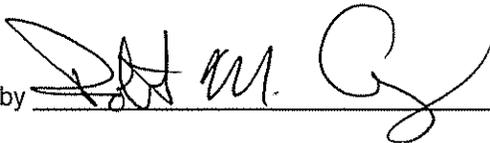
$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \quad \quad \$44,392,926 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad \quad \quad 1,567,929,086 \quad \text{KWH} \end{array} = (+) \$ 0.02831 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2011 = (-) \$ 0.02668 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00163 / \text{KWH}}}$$

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

Effective Date for Billing: October 28, 2011

Submitted by  _____

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : September 2011

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$33,361,757	(1)
Oil Burned	(+)	907,441	(1)
Gas Burned	(+)	2,367,224	
Fuel (assigned cost during Forced Outage)	(+)	933,198	*
Fuel (substitute cost for Forced Outage)	(-)	797,234	*
SUB-TOTAL		\$ 36,636,423	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 1,344,989	(2)
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	6,304	*
Less Purchases above Highest Cost Units	(-)	12	
Internal Economy	(+)	8,278,923	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 9,623,900	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 11,432	
Internal Economy	(+)	-	
Internal Replacement	(+)	2,323,327	
Dollars Assigned to Inter-System Sales Losses	(+)	114	
SUB-TOTAL		\$ 2,334,873	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (467,476)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 44,392,926	

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 =	\$7,261
Oil burned =	\$1,120

Note: (2) Reflects exclusion of automatic buy-through charges of \$38,700

* 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 : September 2011

(A) Generation (Net)	(+)	1,316,353,000
Purchases including interchange-in	(+)	45,527,812
Internal Economy	(+)	367,228,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,729,108,812</u>

(B) Inter-system Sales including interchange-out	(+)	384,000
Internal Economy	(+)	-
Internal Replacement	(+)	90,092,000
(*) System Losses	(+)	70,703,726
SUB-TOTAL		<u>161,179,726</u>

TOTAL SALES (A-B) 1,567,929,086

(*) 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 2011

12 Months to Date KWH Sources: 23,424,340,094 KWH
 12 MTD Overall System Losses: 957,827,701 KWH
 September 2011 KWH Sources: 1,729,108,812 KWH

$$957,827,701 / 23,424,340,094 = 4.089027\%$$

$$4.089027\% \times 1,729,108,812 = 70,703,726 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

163,891,279 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,978,400 Wholesale sales at Primary Voltage (WS-P)
 90,476,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	163,891,279	2.153%	3,606,221	167,497,500
WS-P:	45,978,400	2.153% and 0.985%	1,479,154	47,457,554
IS-T:	90,476,000	1.0%	913,899	91,389,899

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

Expense Month : September 2011

1	Last FAC Rate Billed		<u>\$0.00312</u>
2	KWH Billed at Above Rate		<u>1,618,189,554</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 5,048,751</u>
4	KWH Used to Determine Last FAC Rate		<u>2,026,370,618</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>278,558,144</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,747,812,474</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>\$ 5,453,175</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (404,424)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,567,929,086</u>
11	Kentucky Jurisdictional Sales		<u>1,356,451,443</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15590506</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (467,476)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : September 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 8,069,822.60	367,228,000	Fuel for LGE Sale to KU for Native Load
	209,100.36		Half of Split Savings to LGE from KU
	<u>\$ 8,278,922.96</u>	<u>367,228,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u>\$ 8,278,922.96</u>	<u>367,228,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 2,323,327.25	90,092,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,323,327.25</u>	<u>90,092,000</u>	
Total Sales	<u>\$ 2,323,327.25</u>	<u>90,092,000</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			
	\$ 2,323,327.25	90,092,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,323,327.25</u>	<u>90,092,000</u>	
Total Purchases	<u>\$ 2,323,327.25</u>	<u>90,092,000</u>	
Sales			
Internal Economy			
	\$ 8,069,822.60	367,228,000	Fuel for LGE Sale to KU for Native Load
	209,100.36		Half of Split Savings to LGE from KU
	<u>\$ 8,278,922.96</u>	<u>367,228,000</u>	
Internal Replacement			
	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u>\$ 8,278,922.96</u>	<u>367,228,000</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

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NOV 18 2011

PUBLIC SERVICE
COMMISSION

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

November 18, 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 November 2011 billing cycle which begins November 29, 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 that reads "Robert M. Conroy".

Robert M. Conroy

Enclosure

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2011

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \quad \quad \quad \$38,886,441 \\ \hline \text{Sales "Sm" (Sales Schedule)} \quad \quad \quad 1,581,918,011 \quad \text{KWH} \end{array} = (+) \$ 0.02458 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85 1 effective June 29, 2011. = (-) \$ 0.02668 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00210) / \text{KWH}}}$$

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

Effective Date for Billing: November 29, 2011

Submitted by  _____

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2011

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$34,500,884	(1)
Oil Burned	(+)	423,687	(1)
Gas Burned	(+)	822,535	
Fuel (assigned cost during Forced Outage)	(+)	3,500,261	*
Fuel (substitute cost for Forced Outage)	(-)	2,520,520	*
SUB-TOTAL		\$ 35,747,106	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 638,195	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	4,729	*
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	6,625,524	
Internal Replacement	(+)	769	
SUB-TOTAL		\$ 7,264,488	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 801,531	
Internal Economy	(+)	55,056	
Internal Replacement	(+)	3,963,563	
Dollars Assigned to Inter-System Sales Losses	(+)	8,015	
SUB-TOTAL		\$ 4,828,165	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (703,012)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 38,886,441	

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 =	\$14,458
Oil burned =	\$27

* 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 2011

(A) Generation (Net)	(+)	1,482,794,000
Purchases including interchange-in	(+)	59,582,000
Internal Economy	(+)	298,394,000
Internal Replacement	(+)	34,000
SUB-TOTAL		<u>1,840,804,000</u>

(B) Inter-system Sales including interchange-out	(+)	29,307,000
Internal Economy	(+)	2,102,000
Internal Replacement	(+)	158,275,000
(*) System Losses	(+)	69,201,989
SUB-TOTAL		<u>258,885,989</u>

TOTAL SALES (A-B) 1,581,918,011

(*) 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 2011

12 Months to Date KWH Sources: 23,646,057,094 KWH
 12 MTD Overall System Losses: 888,934,419 KWH
 October 2011 KWH Sources: 1,840,804,000 KWH

$$888,934,419 / 23,646,057,094 = 3.759335\%$$

$$3.759335\% \times 1,840,804,000 = 69,201,989 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

168,403,430 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 43,858,000 Wholesale sales at Primary Voltage (WS-P)
 189,684,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	168,403,430	2.153%	3,705,505	172,108,935
WS-P:	43,858,000	2.153% and 0.985%	1,410,939	45,268,939
IS-T:	189,684,000	1.0%	1,916,000	191,600,000

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

Expense Month : October 2011

1	Last FAC Rate Billed		<u>\$0.00236</u>
2	KWH Billed at Above Rate		<u>1,459,659,884</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 3,444,797</u>
4	KWH Used to Determine Last FAC Rate		<u>1,983,922,032</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>266,609,165</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,717,312,867</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>\$ 4,052,858</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (608,061)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,581,918,011</u>
11	Kentucky Jurisdictional Sales		<u>1,368,259,593</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15615342</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (703,012)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**

Expense Month : October 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 6,301,153.31	298,394.000	Fuel for LGE Sale to KU for Native Load
	324,370.85		Half of Split Savings to LGE from KU
	<u>\$ 6,625,524.16</u>	<u>298,394,000</u>	
Internal Replacement	\$ 768.59	34,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 768.59</u>	<u>34,000</u>	
Total Purchases	<u>\$ 6,626,292.75</u>	<u>298,428,000</u>	
Sales			
Internal Economy	\$ 55,056.31	2,102.000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 55,056.31</u>	<u>2,102,000</u>	
Internal Replacement	\$ 3,963,562.69	158,275.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,963,562.69</u>	<u>158,275,000</u>	
Total Sales	<u>\$ 4,018,619.00</u>	<u>160,377,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 55,056.31	2,102.000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 55,056.31</u>	<u>2,102,000</u>	
Internal Replacement	\$ 3,963,562.69	158,275.000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,963,562.69</u>	<u>158,275,000</u>	
Total Purchases	<u>\$ 4,018,619.00</u>	<u>160,377,000</u>	
Sales			
Internal Economy	\$ 6,301,153.31	298,394.000	Fuel for LGE Sale to KU for Native Load
	324,370.85		Half of Split Savings to LGE from KU
	<u>\$ 6,625,524.16</u>	<u>298,394,000</u>	
Internal Replacement	\$ 768.59	34,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 768.59</u>	<u>34,000</u>	
Total Sales	<u>\$ 6,626,292.75</u>	<u>298,428,000</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
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DEC 20 2011

**PUBLIC SERVICE
COMMISSION**

December 20, 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 January 2012 billing cycle which begins December 30, 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,

Robert M. Conroy

Enclosure

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KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month . November 2011

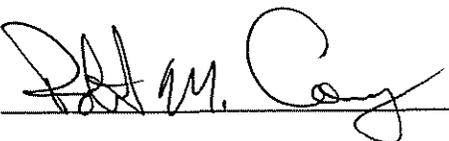
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$42,558,265}{\text{Sales "Sm" (Sales Schedule)} \quad 1,629,615,195 \text{ KWH}} = (+) \$ 0.02612 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 29, 2011 = (-) \$ 0.02668 / 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: December 30, 2011

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : November 2011

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$35,798,119	(1)
Oil Burned	(+)	1,036,708	(1)
Gas Burned	(+)	1,444,103	
Fuel (assigned cost during Forced Outage)	(+)	1,181,520	*
Fuel (substitute cost for Forced Outage)	(-)	723,967	*
SUB-TOTAL		\$ 38,278,931	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 628,174	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	35,547	*
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	5,409,753	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 6,037,927	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 82,555	
Internal Economy	(+)	-	
Internal Replacement	(+)	1,863,831	
Dollars Assigned to Inter-System Sales Losses	(+)	826	
SUB-TOTAL		\$ 1,947,212	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (188,619)	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 42,558,265	

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 =	\$12,342
Oil burned =	\$609

* 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 2011

(A) Generation (Net)	(+)	1,460,319,000
Purchases including interchange-in	(+)	62,801,000
Internal Economy	(+)	240,256,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,763,376,000</u>

(B) Inter-system Sales including interchange-out	(+)	2,890,000
Internal Economy	(+)	-
Internal Replacement	(+)	71,349,000
(*) System Losses	(+)	<u>59,521,805</u>
SUB-TOTAL		<u>133,760,805</u>

TOTAL SALES (A-B) 1,629,615,195

(*) 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 2011

12 Months to Date KWH Sources: 23,700,249,094 KWH
 12 MTD Overall System Losses: 799,989,203 KWH
 November 2011 KWH Sources: 1,763,376,000 KWH

$$799,989,203 / 23,700,249,094 = 3.375446\%$$

$$3.375446\% \times 1,763,376,000 = 59,521,805 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

180,347,702 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 43,301,600 Wholesale sales at Primary Voltage (WS-P)
 74,239,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	180,347,702	2.153%	3,968,324	184,316,026
WS-P:	43,301,600	2.153% and 0.985%	1,393,039	44,694,639
IS-T:	74,239,000	1.0%	749,889	74,988,889

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

Expense Month : November 2011

1	Last FAC Rate Billed		<u>\$0.00163</u>
2	KWH Billed at Above Rate		<u>1,256,720,738</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,048,455</u>
4	KWH Used to Determine Last FAC Rate		<u>1,567,929,086</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>211,477,643</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,356,451,443</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>\$ 2,211,016</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (162,561)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,629,615,195</u>
11	Kentucky Jurisdictional Sales		<u>1,404,484,137</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16029448</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (188,619)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : November 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 5,211,601.87	240,256,000	Fuel for LGE Sale to KU for Native Load
	198,150.71		Half of Split Savings to LGE from KU
	<u>\$ 5,409,752.58</u>	<u>240,256,000</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>\$ 5,409,752.58</u>	<u>240,256,000</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	\$ 1,863,831.27	71,349,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,863,831.27</u>	<u>71,349,000</u>	
Total Sales	<u>\$ 1,863,831.27</u>	<u>71,349,000</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	\$ 1,863,831.27	71,349,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,863,831.27</u>	<u>71,349,000</u>	
Total Purchases	<u>\$ 1,863,831.27</u>	<u>71,349,000</u>	
Sales			
Internal Economy	\$ 5,211,601.87	240,256,000	Fuel for LGE Sale to KU for Native Load
	198,150.71	0	Half of Split Savings to LGE from KU
	<u>\$ 5,409,752.58</u>	<u>240,256,000</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>\$ 5,409,752.58</u>	<u>240,256,000</u>	



RECEIVED

JAN 20 2012

PUBLIC SERVICE
COMMISSION

Kentucky Utilities Company
State Regulation and Rates
220 West Main Street
P.O. 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

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

January 20, 2012

Dear Mr. DeRouen:

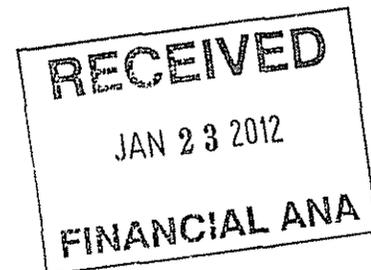
In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly fuel adjustment factor applicable to billings under retail rates during the February 2012 billing cycle which begins January 31, 2012.

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 : December 2011

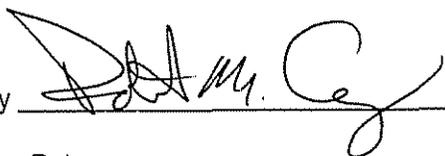
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$48,443,092}{\text{Sales "Sm" (Sales Schedule)} \quad 1,840,157,989 \quad \text{KWH}} = (+) \$ 0.02633 / \text{KWH}$$

Per PSC approved Tariff Sheet No 85.1 effective June 29, 2011 = (-) \$ 0.02668 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00035) / \text{KWH}}}$$

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

Effective Date for Billing: January 31, 2012

Submitted by  _____
Title: Director, Rates

REVISED

KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE

Expense Month : December 2011

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$39,652,132	(1)
Oil Burned	(+)	609,734	(1)
Gas Burned	(+)	820,650	
Fuel (assigned cost during Forced Outage)	(+)	185,719	*
Fuel (substitute cost for Forced Outage)	(-)	<u>127,403</u>	*
SUB-TOTAL		\$ 41,082,516	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+) \$	743,539	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,910	*
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	9,545,513	
Internal Replacement	(+)	<u>-</u>	
SUB-TOTAL		\$ 10,289,052	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+) \$	17,849	
Internal Economy	(+)	-	
Internal Replacement	(+)	3,179,160	
Dollars Assigned to Inter-System Sales Losses	(+)	<u>178</u>	
SUB-TOTAL		\$ 3,197,187	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ (268,711)</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 48,443,092	

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 = \$12,299
Oil burned = \$445

* 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 : December 2011

(A) Generation (Net)	(+)	1,552,744,000
Purchases including interchange-in	(+)	64,205,000
Internal Economy	(+)	425,541,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,042,490,000</u>

(B) Inter-system Sales including interchange-out	(+)	542,000
Internal Economy	(+)	-
Internal Replacement	(+)	120,983,000
(*) System Losses	(+)	80,807,011
SUB-TOTAL		<u>202,332,011</u>

TOTAL SALES (A-B) 1,840,157,989

(*) 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 2011

12 Months to Date KWH Sources: 23,397,548,844 KWH
 12 MTD Overall System Losses: 925,676,935 KWH
 December 2011 KWH Sources: 2,042,490,000 KWH

$$925,676,935 / 23,397,548,844 = 3.956299\%$$

$$3.956299\% \times 2,042,490,000 = 80,807,011 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

210,357,336 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 46,488,800 Wholesale sales at Primary Voltage (WS-P)
 121,525,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	210,357,336	2.153%	4,628,648	214,985,984
WS-P:	46,488,800	2.153% and 0.985%	1,495,574	47,984,374
IS-T:	121,525,000	1.0%	1,227,525	122,752,525

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

Expense Month : December 2011

1	Last FAC Rate Billed		<u>(\$0.00210)</u>
2	KWH Billed at Above Rate		<u>1,478,224,470</u>
3	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,104,271)</u>
4	KWH Used to Determine Last FAC Rate		<u>1,581,918,011</u>
5	Non-Jurisdictional KWH (Included in Line 4)		<u>213,658,418</u>
6	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,368,259,593</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>\$ (2,873,345)</u>
9	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (230,926)</u>
10	Total Sales "Sm" (From Page 3 of 6)		<u>1,840,157,989</u>
11	Kentucky Jurisdictional Sales		<u>1,581,401,921</u>
12	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.16362448</u>
13	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (268,711)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : December 2011

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 9,222,194.87	425,541,000	Fuel for LGE Sale to KU for Native Load
	323,317.86		Half of Split Savings to LGE from KU
	<u>\$ 9,545,512.73</u>	<u>425,541,000</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>\$ 9,545,512.73</u>	<u>425,541,000</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	\$ 3,179,160.19	120,983,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,179,160.19</u>	<u>120,983,000</u>	
Total Sales	<u>\$ 3,179,160.19</u>	<u>120,983,000</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	\$ 3,179,160.19	120,983,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 3,179,160.19</u>	<u>120,983,000</u>	
Total Purchases	<u>\$ 3,179,160.19</u>	<u>120,983,000</u>	
Sales			
Internal Economy	\$ 9,222,194.87	425,541,000	Fuel for LGE Sale to KU for Native Load
	323,317.86		Half of Split Savings to LGE from KU
	<u>\$ 9,545,512.73</u>	<u>425,541,000</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>\$ 9,545,512.73</u>	<u>425,541,000</u>	