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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: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

February 20, 2015

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 2015 billing cycle which begins March 3, 2015.

Due to a scale calibration error at Green River Generating Station, coal burned at Green River Unit 4 was over-reported during the months of October, November and December 2014. Please see the attachments to this filing for supporting documentation and an explanation of the scale calibration error. 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 : January 2015

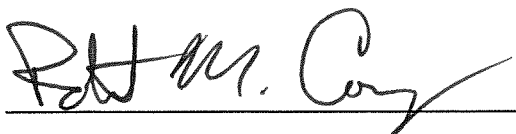
$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)} \quad \$60,818,404}{\text{Sales "Sm" (Sales Schedule)} \quad 2,117,924,215 \quad \text{KWH}} = (+) \$ 0.02872 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00020) / \text{KWH}}}$$

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

Effective Date for Billing: March 3, 2015

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : January 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$45,853,780	(1)
Oil Burned	(+)	402,889	(1)
Gas Burned	(+)	7,298,806	
Fuel (assigned cost during Forced Outage)	(+)	987,196	
Fuel (substitute cost for Forced Outage)	(-)	1,064,485	
SUB-TOTAL		\$ 53,478,186	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 716,749	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,291	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	7,522,472	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 8,237,930	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 3,028	
Internal Economy	(+)	31,251	
Internal Replacement	(+)	509,116	
Dollars Assigned to Inter-System Sales Losses	(+)	15	
SUB-TOTAL		\$ 543,410	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 354,302	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 60,818,404	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$4,009
Oil burned =	\$15

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : January 2015

(A) Generation (Net)	(+)	1,897,986,000
Purchases including interchange-in	(+)	66,738,000
Internal Economy	(+)	308,008,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,272,732,000</u>

(B) Inter-system Sales including interchange-out	(+)	136,000
Internal Economy	(+)	1,204,000
Internal Replacement	(+)	16,525,000
(*) System Losses	(+)	136,942,785
SUB-TOTAL		<u>154,807,785</u>

TOTAL SALES (A-B) 2,117,924,215

(*) 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 2015

12 Months to Date KWH Sources: 23,102,930,000 KWH
 12 MTD Overall System Losses: 1,392,060,208 KWH
 January 2015 KWH Sources: 2,272,732,000 KWH

$$1,392,060,208 / 23,102,930,000 = 6.025470\%$$

$$6.025470\% \times 2,272,732,000 = 136,942,785 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

230,952,960 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 49,716,400 Wholesale sales at Primary Voltage (WS-P)
 17,865,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	230,952,960	2.153%	5,081,829	236,034,789
WS-P:	49,716,400	2.153% and 0.985%	1,599,407	51,315,807
IS-T:	17,865,000	0.5%	89,774	17,954,774

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

Expense Month : January 2015

1.	Last FAC Rate Billed		<u>\$0.00024</u>
2.	KWH Billed at Above Rate		<u>1,796,265,028</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 431,104</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,788,430,327</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>236,198,721</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,552,231,606</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00008</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 124,179</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 306,925</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>2,117,924,215</u>
11.	Kentucky Jurisdictional Sales		<u>1,834,716,633</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15436039</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 354,302</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : January 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 7,459,954.24	308,008,000	Fuel for LGE Sale to KU for Native Load
	62,517.38		Half of Split Savings to LGE from KU
	<u>\$ 7,522,471.62</u>	<u>308,008,000</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>\$ 7,522,471.62</u>	<u>308,008,000</u>	
Sales			
Internal Economy			
	\$ 31,133.98	1,204,000	KU Fuel Cost - Sales to LGE Native Load
	117.32		Half of Split Savings
	<u>\$ 31,251.30</u>	<u>1,204,000</u>	
Internal Replacement			
	\$ 509,116.43	16,525,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 509,116.43</u>	<u>16,525,000</u>	
Total Sales	<u>\$ 540,367.73</u>	<u>17,729,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 31,133.98	1,204,000	KU Fuel Cost - Sales to LGE Native Load
	117.32		Half of Split Savings
	<u>\$ 31,251.30</u>	<u>1,204,000</u>	
Internal Replacement			
	\$ 509,116.43	16,525,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 509,116.43</u>	<u>16,525,000</u>	
Total Purchases	<u>\$ 540,367.73</u>	<u>17,729,000</u>	
Sales			
Internal Economy			
	\$ 7,459,954.24	308,008,000	Fuel for LGE Sale to KU for Native Load
	62,517.38		Half of Split Savings to LGE from KU
	<u>\$ 7,522,471.62</u>	<u>308,008,000</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>\$ 7,522,471.62</u>	<u>308,008,000</u>	

Kentucky Utilities Fuel Adjustment Clause Recalculation

Kentucky Utilities Company learned, in January 2015, of a scale calibration error at its Green River Generating Station that caused fuel expense for the months of October, November, and December 2014 to be overstated. The error was detected as a result of an investigation of abnormally high heat rate calculations. Because excess fuel was being recorded as used, the MMBTU input into the heat rate calculation was overstated, indicating excess MMBTU combustion for the energy output.

KU's investigation into the cause of the high heat rate results ultimately led to a comparison of the two scale readings at the plant, and the calibration error was discovered. When coal combustion figures were adjusted to reflect the correct scale readings, the heat rate results returned to within the normal range for the station. Therefore, KU is restating its coal consumption for the three months, and also restating coal expense for the three months.

Consistent with past practice, when a fuel expense correction for a prior period is made, KU reflects the FAC impact of the correction through the determination of the over- or under-recovery calculation on Page 5 of 6 of the monthly Form A. Attached are copies of the recalculated November fuel expense and FAC billing factor; the recalculated November FAC billing factor is included on the January 2015 Form A Page 5, Line 7.

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2014

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \end{array} = \begin{array}{r} \$51,856,064 \\ \hline \end{array} = (+) \$ 0.02900 / \text{KWH}$$
$$\begin{array}{r} \text{Sales "Sm" (Sales Schedule)} \\ \hline \end{array} = \begin{array}{r} 1,788,430,327 \quad \text{KWH} \\ \hline \end{array}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00008}} / \text{KWH}$$

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

Effective Date for Billing: March 3, 2015

Submitted by _____

Title: Director, Rates

KENTUCKY UTILITIES COMPANY FUEL COST SCHEDULE

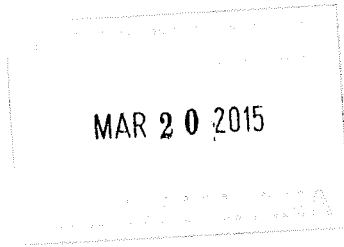
Expense Month : November 2014

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$37,482,033	(1)
Oil Burned	(+)	408,827	(1)
Gas Burned	(+)	7,296,231	
Fuel (assigned cost during Forced Outage)	(+)	1,054,074	*
Fuel (substitute cost for Forced Outage)	(-)	864,047	*
SUB-TOTAL		\$ 45,187,091	
 (B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 851,847	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	2,397	*
Less Purchases above Highest Cost Units	(-)	3	
Internal Economy	(+)	6,596,541	
Internal Replacement	(+)	9,542	
SUB-TOTAL		\$ 7,457,927	
 (C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 40,853	
Internal Economy	(+)	161,776	
Internal Replacement	(+)	423,048	
Dollars Assigned to Inter-System Sales Losses	(+)	204	
SUB-TOTAL		\$ 625,881	
 (D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 163,073	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 51,856,064	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$3,846
Oil burned =	\$32

* 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.



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Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
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

March 20, 2015

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 2015 billing cycle which begins April 1, 2015.

As reported last month, due to a scale calibration error at Green River Generating Station, coal burned at Green River Unit 4 was over-reported during the months of October, November and December 2014. Please see the attachments to this filing for supporting documentation and an explanation of the scale calibration error. The November 2014 correction was included in last month's filing. The October 2014 and December 2014 corrections are included in this month's filing. The necessary supporting data to justify the amount of the adjustments is included. Please contact me if you have any questions about this filing.

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : February 2015

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \end{array} = \begin{array}{r} \$60,477,026 \\ \hline \end{array} = (+) \$ 0.02899 / \text{KWH}$$
$$\begin{array}{r} \text{Sales "Sm" (Sales Schedule)} \\ \hline \end{array} = \begin{array}{r} 2,086,014,136 \text{ KWH} \\ \hline \end{array}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ 0.00007 / \text{KWH}}}$$

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

Effective Date for Billing: April 1, 2015

Submitted by Robert McConroy
by DAL
Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : February 2015

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$41,165,946	(1)
Oil Burned	(+)	301,787	(1)
Gas Burned	(+)	12,440,962	
Fuel (assigned cost during Forced Outage)	(+)	749,621	
Fuel (substitute cost for Forced Outage)	(-)	786,699	
SUB-TOTAL		<u>\$ 53,871,617</u>	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 481,502	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	345	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	8,454,270	
Internal Replacement	(+)	-	
SUB-TOTAL		<u>\$ 8,935,427</u>	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 70,204	
Internal Economy	(+)	-	
Internal Replacement	(+)	1,718,069	
Dollars Assigned to Inter-System Sales Losses	(+)	351	
SUB-TOTAL		<u>\$ 1,788,624</u>	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ 541,394</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u>\$ 60,477,026</u>	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$3,660
Oil burned =	\$18

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : February 2015

(A) Generation (Net)	(+)	1,878,129,000
Purchases including interchange-in	(+)	55,405,000
Internal Economy	(+)	349,327,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>2,282,861,000</u>
(B) Inter-system Sales including interchange-out	(+)	2,572,000
Internal Economy	(+)	-
Internal Replacement	(+)	59,638,000
(*) System Losses	(+)	134,636,864
SUB-TOTAL		<u>196,846,864</u>
TOTAL SALES (A-B)		<u>2,086,014,136</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 2015

12 Months to Date KWH Sources: 23,277,900,000 KWH
 12 MTD Overall System Losses: 1,372,866,416 KWH
 February 2015 KWH Sources: 2,282,861,000 KWH

$$1,372,866,416 / 23,277,900,000 = 5.897725\%$$

$$5.897725\% \times 2,282,861,000 = 134,636,864 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

231,987,565 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 47,646,400 Wholesale sales at Primary Voltage (WS-P)
 62,210,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	231,987,565	0.000%	-	231,987,565
WS-P:	47,646,400	0.000% and 0.000%	-	47,646,400
IS-T:	62,210,000	0.5%	312,613	62,522,613

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

Expense Month : February 2015

1.	Last FAC Rate Billed		<u>\$0.00119</u>
2.	KWH Billed at Above Rate		<u>1,746,436,500</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 2,078,259</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,873,849,132</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>247,539,387</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,626,309,745</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00099</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ 1,610,047</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 468,212</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>2,086,014,136</u>
11.	Kentucky Jurisdictional Sales		<u>1,804,041,888</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.15630028</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 541,394</u>

Note 1: Revised December 2014 FAC billing factor due to a scale calibration error that overstated fuel burned during the month. See Attachment 2, Page 1 of 3.

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : February 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 8,281,611.16	349,327,000	Fuel for LGE Sale to KU for Native Load
	172,658.67		Half of Split Savings to LGE from KU
	<u>\$ 8,454,269.83</u>	<u>349,327,000</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>\$ 8,454,269.83</u>	<u>349,327,000</u>	
Sales			
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 1,718,068.73	59,638,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,718,068.73</u>	<u>59,638,000</u>	
Total Sales	<u>\$ 1,718,068.73</u>	<u>59,638,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ -	0	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ -</u>	<u>0</u>	
Internal Replacement			
	\$ 1,718,068.73	59,638,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 1,718,068.73</u>	<u>59,638,000</u>	
Total Purchases	<u>\$ 1,718,068.73</u>	<u>59,638,000</u>	
Sales			
Internal Economy			
	\$ 8,281,611.16	349,327,000	Fuel for LGE Sale to KU for Native Load
	172,658.67		Half of Split Savings to LGE from KU
	<u>\$ 8,454,269.83</u>	<u>349,327,000</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>\$ 8,454,269.83</u>	<u>349,327,000</u>	

Kentucky Utilities Fuel Adjustment Clause Recalculation

Kentucky Utilities Company learned, in January 2015, of a scale calibration error at its Green River Generating Station that caused fuel expense for the months of October, November, and December 2014 to be overstated. The error was detected as a result of an investigation of abnormally high heat rate calculations. Because excess fuel was being recorded as used, the MMBTU input into the heat rate calculation was overstated, indicating excess MMBTU combustion for the energy output.

KU's investigation into the cause of the high heat rate results ultimately led to a comparison of the two scale readings at the plant, and the calibration error was discovered. When coal combustion figures were adjusted to reflect the correct scale readings, the heat rate results returned to within the normal range for the station. Therefore, KU restated its coal consumption for the three months, and also restated coal expense for the three months.

Consistent with past practice, when a fuel expense correction for a prior period is made, KU reflects the FAC impact of the correction through the determination of the over- or under-recovery calculation on Page 5 of 6 of the monthly Form A. KU made the correction for the November 2014 expense month FAC in the January 2015 Form A, reflecting the revised November billing factor on Form A, Page 5, Line 7.

To properly reflect the corrections for October and December 2014, KU's practice must be expanded. KU corrected the FAC calculations for both October 2014 (Attachment 1) and December 2014 (Attachment 2). The corrected October fuel expense is reflected in the revised October Form A, Page 2, Line 1 (see Attachment 1, Page 2 of 2). The revised FAC billing factor resulting from this correction (see Attachment 1, page 1 of 2) is reflected on the revised December 2014 Form A, Page 5, Line 7 (see Attachment 2, Page 3 of 3). This has the effect of calculating December's Over/Under collection of fuel expense using the corrected billing factor that should have been in effect for the October expense month. Additionally, the corrected December fuel expense is reflected in the revised December Form A, Page 2, Line 1 (see Attachment 2, page 2 of 3). With both the corrected December fuel expense and the corrected October billing factor included in the revised December billing factor, the December billing factor should have been \$0.00099/kWh (see Attachment 2, Page 1 of 3) instead of the \$0.00119/kWh actually billed.

KU is adjusting the February 2015 Form A, Page 5, Line 7 to reflect the revised, correct December 2014 FAC billing factor of \$0.00099/kWh.

KENTUCKY UTILITIES COMPANY

FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2014 -- Revised February 2015

Fuel "Fm" (Fuel Cost Schedule)	=	\$39,474,244	= (+)	\$ 0.02548 / KWH
-----		-----		
Sales "Sm" (Sales Schedule)		1,549,450,398 KWH		

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00344) / KWH

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

Effective Date for Billing: March 3, 2015

↓
To December 2014
Expense Month
Form A, Page 5,
Line 7

Submitted by _____

Title: Director, Rates

Form A

Page 2 of 6

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2014 -- Revised February 2015

<u>(A) Company Generation</u>		
Coal Burned	(+)	\$35,048,148 (1)
Oil Burned	(+)	407,473 (1)
Gas Burned	(+)	2,046,117
Fuel (assigned cost during Forced Outage)	(+)	139,352 *
Fuel (substitute cost for Forced Outage)	(-)	112,843 *
SUB-TOTAL		\$ 37,501,738
 <u>(B) Purchases</u>		
Net energy cost - economy purchases	(+)	\$ 514,039
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	375 *
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	3,050,364
Internal Replacement	(+)	70,840
SUB-TOTAL		\$ 3,635,243
 <u>(C) Inter-System Sales</u>		
Including Interchange-out	(+)	\$ 336,169
Internal Economy	(+)	862,153
Internal Replacement	(+)	440,585
Dollars Assigned to Inter-System Sales Losses	(+)	1,681
SUB-TOTAL		\$ 1,640,588
 <u>(D) Over or (Under) Recovery</u>		
From Page 5, Line 13		\$ 22,149
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 39,474,244

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$3,457
Oil burned =	\$122

* 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
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : December 2014 -- Revised February 2015

$$\begin{array}{r} \text{Fuel "Fm" (Fuel Cost Schedule)} \\ \hline \text{Sales "Sm" (Sales Schedule)} \end{array} = \frac{\$56,046,169}{1,873,849,132 \text{ KWH}} = (+) \$ 0.02991 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \$ 0.00099 / \text{KWH}$$

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

Effective Date for Billing: March 3, 2015

↓
To February 2015
Form A, Page 5,
Line 7

Submitted by _____

Title: Director, Rates

Form A

Page 2 of 6

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : December 2014 -- Revised February 2015

<u>(A) Company Generation</u>		
Coal Burned	(+)	\$41,846,604 (1)
Oil Burned	(+)	944,543 (1)
Gas Burned	(+)	6,250,461
Fuel (assigned cost during Forced Outage)	(+)	2,071,638
Fuel (substitute cost for Forced Outage)	(-)	2,195,072
SUB-TOTAL		\$ 48,918,174
 <u>(B) Purchases</u>		
Net energy cost - economy purchases	(+)	\$ 1,415,136
Identifiable fuel cost - other purchases	(+)	-
Identifiable fuel cost (substitute for Forced Outage)	(-)	397,167
Less Purchases above Highest Cost Units	(-)	-
Internal Economy	(+)	4,924,418
Internal Replacement	(+)	8,247
SUB-TOTAL		\$ 5,950,634
 <u>(C) Inter-System Sales</u>		
Including Interchange-out	(+)	\$ 45,909
Internal Economy	(+)	21,286
Internal Replacement	(+)	135,845
Dollars Assigned to Inter-System Sales Losses	(+)	230
SUB-TOTAL		\$ 203,270
 <u>(D) Over or (Under) Recovery</u>		
From Page 5, Line 13		\$ (1,380,631)
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 56,046,169

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$3,389
Oil burned =	\$140

KENTUCKY UTILITIES COMPANY

**FUEL ADJUSTMENT CLAUSE
OVER OR (UNDER) RECOVERY SCHEDULE**

Expense Month : December 2014 -- Revised February 2015

1.	Last FAC Rate Billed		<u>(\$0.00338)</u>
2.	KWH Billed at Above Rate		<u>1,733,152,161</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (5,858,054)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,549,450,398</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>194,855,405</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,354,594,993</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>(\$0.00344)</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 7 x Line 6)	<u>\$ (4,659,807)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (1,198,247)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,873,849,132</u>
11.	Kentucky Jurisdictional Sales		<u>1,626,309,745</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.15220925</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (1,380,631)</u>

Note 1: Revised October 2014 FAC billing factor due to a scale calibration error that overstated fuel burned during the month. See Attachment 1, Page 1 of 2.



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APR 20 2015

PUBLIC SERVICE
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Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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APR 20 2015
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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

April 20, 2015

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 2015 billing cycle which begins April 30, 2015.

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

Sincerely,

Robert M. Conroy 4 PM
Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : March 2015

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$49,984,809}{1,777,157,271 \text{ KWH}} = (+) \$ 0.02813 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \underline{\underline{\$ (0.00079) / \text{KWH}}}$$

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

Effective Date for Billing: April 30, 2015

Submitted by Robert McConroy

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : March 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$36,790,434	(1)
Oil Burned	(+)	334,780	(1)
Gas Burned	(+)	6,857,743	
Fuel (assigned cost during Forced Outage)	(+)	577,239	*
Fuel (substitute cost for Forced Outage)	(-)	556,184	*
SUB-TOTAL		\$ 43,982,957	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 790,849	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,573	*
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	5,835,857	
Internal Replacement	(+)	-	
SUB-TOTAL		\$ 6,626,706	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 13,158	
Internal Economy	(+)	111,292	
Internal Replacement	(+)	498,484	
Dollars Assigned to Inter-System Sales Losses	(+)	66	
SUB-TOTAL		\$ 623,000	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 1,854	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 49,984,809	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$10,396
Oil burned = \$79

* 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 : March 2015

(A) Generation (Net)	(+)	1,611,168,000
Purchases including interchange-in	(+)	67,856,000
Internal Economy	(+)	232,735,000
Internal Replacement	(+)	-
SUB-TOTAL		<u>1,911,759,000</u>
(B) Inter-system Sales including interchange-out	(+)	250,000
Internal Economy	(+)	4,219,000
Internal Replacement	(+)	15,758,000
(*) System Losses	(+)	114,374,729
SUB-TOTAL		<u>134,601,729</u>
TOTAL SALES (A-B)		<u>1,777,157,271</u>

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

KENTUCKY UTILITIES COMPANY

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

Expense Month : March 2015

12 Months to Date KWH Sources: 23,188,089,000 KWH
 12 MTD Overall System Losses: 1,387,272,829 KWH
 March 2015 KWH Sources: 1,911,759,000 KWH

$$1,387,272,829 / 23,188,089,000 = 5.982696\%$$

$$5.982696\% \times 1,911,759,000 = 114,374,729 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

187,405,015 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,113,200 Wholesale sales at Primary Voltage (WS-P)
 20,227,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	187,405,015	2.153%	4,123,611	191,528,626
WS-P:	45,113,200	2.153% and 0.985%	1,451,320	46,564,520
IS-T:	20,227,000	0.5%	101,643	20,328,643

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

Expense Month : March 2015

1.	Last FAC Rate Billed	<u>(\$0.00020)</u>
2.	KWH Billed at Above Rate	<u>1,826,674,113</u>
3.	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ (365,335)</u>
4.	KWH Used to Determine Last FAC Rate	<u>2,117,924,215</u>
5.	Non-Jurisdictional KWH (Included in Line 4)	<u>283,207,582</u>
6.	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,834,716,633</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>\$ (366,943)</u>
9.	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ 1,608</u>
10.	Total Sales "Sm" (From Page 3 of 6)	<u>1,777,157,271</u>
11.	Kentucky Jurisdictional Sales	<u>1,541,412,928</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	<u>1.15294042</u>
13.	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ 1,854</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : March 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy	\$ 5,769,963.30	232,735,000	Fuel for LGE Sale to KU for Native Load
	65,893.39		Half of Split Savings to LGE from KU
	<u>\$ 5,835,856.69</u>	<u>232,735,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Purchases	<u><u>\$ 5,835,856.69</u></u>	<u><u>232,735,000</u></u>	
Sales		KWH	
Internal Economy	\$ 111,291.91	4,219,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 111,291.91</u>	<u>4,219,000</u>	
Internal Replacement	\$ 498,484.39	15,758,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 498,484.39</u>	<u>15,758,000</u>	
Total Sales	<u><u>\$ 609,776.30</u></u>	<u><u>19,977,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy	\$ 111,291.91	4,219,000	KU Fuel Cost - Sales to LGE Native Load
	-		Half of Split Savings
	<u>\$ 111,291.91</u>	<u>4,219,000</u>	
Internal Replacement	\$ 498,484.39	15,758,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 498,484.39</u>	<u>15,758,000</u>	
Total Purchases	<u><u>\$ 609,776.30</u></u>	<u><u>19,977,000</u></u>	
Sales		KWH	
Internal Economy	\$ 5,769,963.30	232,735,000	Fuel for LGE Sale to KU for Native Load
	65,893.39		Half of Split Savings to LGE from KU
	<u>\$ 5,835,856.69</u>	<u>232,735,000</u>	
Internal Replacement	\$ -	0	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ -</u>	<u>0</u>	
Total Sales	<u><u>\$ 5,835,856.69</u></u>	<u><u>232,735,000</u></u>	



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PUBLIC SERVICE
COMMISSION

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

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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MAY 26 2015
FINANCIAL A&A

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

May 22, 2015

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 2015 billing cycle which begins June 1, 2015.

The necessary supporting data to justify the amount of the adjustments 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 : April 2015

$$\begin{array}{rcl} \text{Fuel "Fm" (Fuel Cost Schedule)} & \$42,212,307 & \\ \hline & = & \\ \text{Sales "Sm" (Sales Schedule)} & 1,466,001,492 \text{ KWH} & = (+) \$ 0.02879 / \text{KWH} \end{array}$$

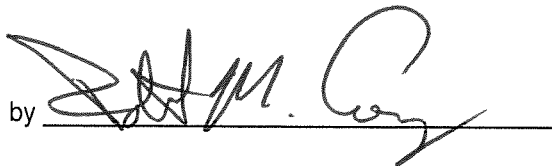
Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \frac{\$ (0.00013)}{\text{KWH}}$$

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

Effective Date for Billing: June 1, 2015

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : April 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$27,947,322	(1)
Oil Burned	(+)	334,321	(1)
Gas Burned	(+)	8,107,525	
Fuel (assigned cost during Forced Outage)	(+)	592,927	
Fuel (substitute cost for Forced Outage)	(-)	644,573	
SUB-TOTAL		<u>\$ 36,337,522</u>	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 691,544	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	18,896	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	5,247,181	
Internal Replacement	(+)	875	
SUB-TOTAL		<u>\$ 5,920,704</u>	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 996	
Internal Economy	(+)	9,521	
Internal Replacement	(+)	73,052	
Dollars Assigned to Inter-System Sales Losses	(+)	5	
SUB-TOTAL		<u>\$ 83,574</u>	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ (37,655)</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 42,212,307	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$2,134
Oil burned = \$256

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : April 2015

(A) Generation (Net)	(+)	1,310,610,000
Purchases including interchange-in	(+)	46,238,000
Internal Economy	(+)	205,228,000
Internal Replacement	(+)	<u>35,000</u>
SUB-TOTAL		1,562,111,000
(B) Inter-system Sales including interchange-out	(+)	75,000
Internal Economy	(+)	388,000
Internal Replacement	(+)	2,377,000
(*) System Losses	(+)	<u>93,269,508</u>
SUB-TOTAL		96,109,508
TOTAL SALES (A-B)		<u>1,466,001,492</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 2015

12 Months to Date KWH Sources: 23,155,766,000 KWH
 12 MTD Overall System Losses: 1,382,569,386 KWH
 April 2015 KWH Sources: 1,562,111,000 KWH

$$1,382,569,386 / 23,155,766,000 = 5.970735\%$$

$$5.970735\% \times 1,562,111,000 = 93,269,508 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

143,026,960 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 40,200,800 Wholesale sales at Primary Voltage (WS-P)
 2,840,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	143,026,960	2.153%	3,147,128	146,174,088
WS-P:	40,200,800	2.153% and 0.985%	1,293,285	41,494,085
IS-T:	2,840,000	0.5%	14,271	2,854,271

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

Expense Month : April 2015

1.	Last FAC Rate Billed		<u>\$0.00007</u>
2.	KWH Billed at Above Rate		<u>1,333,894,602</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ 93,373</u>
4.	KWH Used to Determine Last FAC Rate		<u>2,086,014,136</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>281,972,248</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,804,041,888</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>\$ 126,283</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (32,910)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,466,001,492</u>
11.	Kentucky Jurisdictional Sales		<u>1,281,265,572</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14418238</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (37,655)</u>

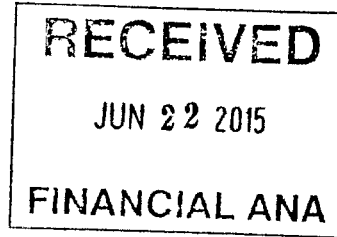
**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : April 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 5,240,443.53	205,228,000	Fuel for LGE Sale to KU for Native Load
	6,737.01		Half of Split Savings to LGE from KU
	<u>\$ 5,247,180.54</u>	<u>205,228,000</u>	
Internal Replacement			
	\$ 874.57	35,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 874.57</u>	<u>35,000</u>	
Total Purchases	<u><u>\$ 5,248,055.11</u></u>	<u><u>205,263,000</u></u>	
Sales			
Internal Economy			
	\$ 9,486.71	388,000	KU Fuel Cost - Sales to LGE Native Load
	34.35		Half of Split Savings
	<u>\$ 9,521.06</u>	<u>388,000</u>	
Internal Replacement			
	\$ 73,051.77	2,377,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 73,051.77</u>	<u>2,377,000</u>	
Total Sales	<u><u>\$ 82,572.83</u></u>	<u><u>2,765,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 9,486.71	388,000	KU Fuel Cost - Sales to LGE Native Load
	34.35		Half of Split Savings
	<u>\$ 9,521.06</u>	<u>388,000</u>	
Internal Replacement			
	\$ 73,051.77	2,377,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 73,051.77</u>	<u>2,377,000</u>	
Total Purchases	<u><u>\$ 82,572.83</u></u>	<u><u>2,765,000</u></u>	
Sales			
Internal Economy			
	\$ 5,240,443.53	205,228,000	Fuel for LGE Sale to KU for Native Load
	6,737.01		Half of Split Savings to LGE from KU
	<u>\$ 5,247,180.54</u>	<u>205,228,000</u>	
Internal Replacement			
	\$ 874.57	35,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 874.57</u>	<u>35,000</u>	
Total Sales	<u><u>\$ 5,248,055.11</u></u>	<u><u>205,263,000</u></u>	



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JUN 19 2015

PUBLIC SERVICE
COMMISSION

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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

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

June 19, 2015

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 2015 billing cycle which begins June 30, 2015.

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

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : May 2015

$$\begin{array}{rcl} \text{Fuel "Fm" (Fuel Cost Schedule)} & \$46,333,763 & \\ \hline \text{Sales "Sm" (Sales Schedule)} & 1,638,443,473 \text{ KWH} & \\ \hline & & = (+) \$ 0.02828 / \text{KWH} \end{array}$$

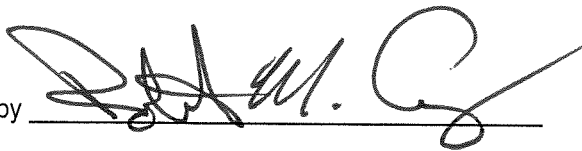
Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \frac{\$ (0.00064)}{\text{KWH}}$$

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

Effective Date for Billing: June 30, 2015

Submitted by



Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : May 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$37,570,810	(1)
Oil Burned	(+)	880,457	(1)
Gas Burned	(+)	7,280,750	
Fuel (assigned cost during Forced Outage)	(+)	833,758	
Fuel (substitute cost for Forced Outage)	(-)	941,592	
SUB-TOTAL		\$ 45,624,183	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 505,641	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	13,641	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	1,968,136	
Internal Replacement	(+)	98,559	
SUB-TOTAL		\$ 2,558,695	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 290,923	
Internal Economy	(+)	1,037,768	
Internal Replacement	(+)	333,291	
Dollars Assigned to Inter-System Sales Losses	(+)	1,455	
SUB-TOTAL		\$ 1,663,437	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 185,678	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 46,333,763	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$8,738
Oil burned = \$527

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : May 2015

(A) Generation (Net)	(+)	1,670,880,000
Purchases including interchange-in	(+)	56,967,000
Internal Economy	(+)	74,602,000
Internal Replacement	(+)	<u>3,663,000</u>
SUB-TOTAL		1,806,112,000
(B) Inter-system Sales including interchange-out	(+)	9,943,000
Internal Economy	(+)	40,651,000
Internal Replacement	(+)	11,103,000
(*) System Losses	(+)	<u>105,971,527</u>
SUB-TOTAL		167,668,527
TOTAL SALES (A-B)		<u>1,638,443,473</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 : May 2015

12 Months to Date KWH Sources: 23,189,828,000 KWH
 12 MTD Overall System Losses: 1,360,636,254 KWH
 May 2015 KWH Sources: 1,806,112,000 KWH

$$1,360,636,254 / 23,189,828,000 = 5.867384\%$$

$$5.867384\% \times 1,806,112,000 = 105,971,527 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

157,404,335 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 45,785,200 Wholesale sales at Primary Voltage (WS-P)
 61,697,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	157,404,335	2.153%	3,463,484	160,867,819
WS-P:	45,785,200	2.153% and 0.985%	1,472,938	47,258,138
IS-T:	61,697,000	0.5%	310,035	62,007,035

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

Expense Month : May 2015

1.	Last FAC Rate Billed		<u>(\$0.00079)</u>
2.	KWH Billed at Above Rate		<u>1,335,702,700</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (1,055,205)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,777,157,271</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>235,744,343</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,541,412,928</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>\$ (1,217,716)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 162,511</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,638,443,473</u>
11.	Kentucky Jurisdictional Sales		<u>1,434,017,284</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.1425549</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 185,678</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : May 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 1,931,764.55	74,602,000	Fuel for LGE Sale to KU for Native Load
	36,371.26		Half of Split Savings to LGE from KU
	<u>\$ 1,968,135.81</u>	<u>74,602,000</u>	
Internal Replacement			
	\$ 98,559.41	3,663,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 98,559.41</u>	<u>3,663,000</u>	
Total Purchases	<u><u>\$ 2,066,695.22</u></u>	<u><u>78,265,000</u></u>	
Sales			
Internal Economy			
	\$ 1,032,582.91	40,651,000	KU Fuel Cost - Sales to LGE Native Load
	5,185.34		Half of Split Savings
	<u>\$ 1,037,768.25</u>	<u>40,651,000</u>	
Internal Replacement			
	\$ 333,290.76	11,103,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 333,290.76</u>	<u>11,103,000</u>	
Total Sales	<u><u>\$ 1,371,059.01</u></u>	<u><u>51,754,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 1,032,582.91	40,651,000	KU Fuel Cost - Sales to LGE Native Load
	5,185.34		Half of Split Savings
	<u>\$ 1,037,768.25</u>	<u>40,651,000</u>	
Internal Replacement			
	\$ 333,290.76	11,103,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 333,290.76</u>	<u>11,103,000</u>	
Total Purchases	<u><u>\$ 1,371,059.01</u></u>	<u><u>51,754,000</u></u>	
Sales			
Internal Economy			
	\$ 1,931,764.55	74,602,000	Fuel for LGE Sale to KU for Native Load
	36,371.26		Half of Split Savings to LGE from KU
	<u>\$ 1,968,135.81</u>	<u>74,602,000</u>	
Internal Replacement			
	\$ 98,559.41	3,663,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 98,559.41</u>	<u>3,663,000</u>	
Total Sales	<u><u>\$ 2,066,695.22</u></u>	<u><u>78,265,000</u></u>	



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BAC

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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JUL 20 2015

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 20, 2015

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 2015 billing cycle which begins July 30, 2015.

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

Sincerely,

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

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : June 2015


$$\begin{array}{rcl} \text{Fuel "Fm" (Fuel Cost Schedule)} & \$47,640,917 & \\ \hline & = & \\ \text{Sales "Sm" (Sales Schedule)} & 1,791,857,166 \text{ KWH} & \end{array} = (+) \$ 0.02659 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

$$\text{FAC Factor (1)} = \underline{\$ (0.00233)} / \text{KWH}$$

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

Effective Date for Billing: July 30, 2015

Submitted by 

Title: Director, Rates

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : June 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$40,796,425	(1)
Oil Burned	(+)	369,090	(1)
Gas Burned	(+)	8,032,382	
Fuel (assigned cost during Forced Outage)	(+)	756,827	
Fuel (substitute cost for Forced Outage)	(-)	789,404	
SUB-TOTAL		<u>\$ 49,165,321</u>	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 535,477	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	259	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	925,031	
Internal Replacement	(+)	89,126	
SUB-TOTAL		<u>\$ 1,549,375</u>	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 321,571	
Internal Economy	(+)	2,689,638	
Internal Replacement	(+)	98,261	
Dollars Assigned to Inter-System Sales Losses	(+)	1,608	
SUB-TOTAL		<u>\$ 3,111,078</u>	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ (37,299)</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 47,640,917	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$10,704
Oil burned = \$64

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : June 2015

(A) Generation (Net)	(+)	1,931,215,000
Purchases including interchange-in	(+)	59,274,000
Internal Economy	(+)	34,490,000
Internal Replacement	(+)	<u>3,389,000</u>
SUB-TOTAL		2,028,368,000

(B) Inter-system Sales including interchange-out	(+)	11,523,000
Internal Economy	(+)	103,679,000
Internal Replacement	(+)	3,168,000
(*) System Losses	(+)	<u>118,140,834</u>
SUB-TOTAL		236,510,834

TOTAL SALES (A-B) 1,791,857,166

(*) 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 2015

12 Months to Date KWH Sources: 23,273,259,000 KWH
 12 MTD Overall System Losses: 1,355,534,110 KWH
 June 2015 KWH Sources: 2,028,368,000 KWH

$$1,355,534,110 / 23,273,259,000 = 5.824428\%$$

$$5.824428\% \times 2,028,368,000 = 118,140,834 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

172,468,141 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 53,174,800 Wholesale sales at Primary Voltage (WS-P)
 118,370,000 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:	172,468,141	2.153%	3,794,944	176,263,085
WS-P:	53,174,800	2.153% and 0.985%	1,710,666	54,885,466
IS-T:	118,370,000	0.5%	594,824	118,964,824

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

Expense Month : June 2015

1.	Last FAC Rate Billed		<u>(\$0.00013)</u>
2.	KWH Billed at Above Rate		<u>1,531,840,743</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (199,139)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,466,001,492</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>184,735,920</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,281,265,572</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>\$ (166,565)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (32,574)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,791,857,166</u>
11.	Kentucky Jurisdictional Sales		<u>1,564,867,324</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14505373</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (37,299)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : June 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 920,901.47	34,490,000	Fuel for LGE Sale to KU for Native Load
	4,129.45		Half of Split Savings to LGE from KU
	<u>\$ 925,030.92</u>	<u>34,490,000</u>	
Internal Replacement			
	\$ 89,126.40	3,389,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 89,126.40</u>	<u>3,389,000</u>	
Total Purchases	<u><u>\$ 1,014,157.32</u></u>	<u><u>37,879,000</u></u>	
Sales			
Internal Economy			
	\$ 2,685,585.82	103,679,000	KU Fuel Cost - Sales to LGE Native Load
	4,052.63		Half of Split Savings
	<u>\$ 2,689,638.45</u>	<u>103,679,000</u>	
Internal Replacement			
	\$ 98,260.97	3,168,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 98,260.97</u>	<u>3,168,000</u>	
Total Sales	<u><u>\$ 2,787,899.42</u></u>	<u><u>106,847,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 2,685,585.82	103,679,000	KU Fuel Cost - Sales to LGE Native Load
	4,052.63		Half of Split Savings
	<u>\$ 2,689,638.45</u>	<u>103,679,000</u>	
Internal Replacement			
	\$ 98,260.97	3,168,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 98,260.97</u>	<u>3,168,000</u>	
Total Purchases	<u><u>\$ 2,787,899.42</u></u>	<u><u>106,847,000</u></u>	
Sales			
Internal Economy			
	\$ 920,901.47	34,490,000	Fuel for LGE Sale to KU for Native Load
	4,129.45		Half of Split Savings to LGE from KU
	<u>\$ 925,030.92</u>	<u>34,490,000</u>	
Internal Replacement			
	\$ 89,126.40	3,389,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 89,126.40</u>	<u>3,389,000</u>	
Total Sales	<u><u>\$ 1,014,157.32</u></u>	<u><u>37,879,000</u></u>	



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AUG 21 2015

PUBLIC SERVICE
COMMISSION

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
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

August 21, 2015

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 2015 billing cycle which begins August 31, 2015.

Also, in compliance with Orders issued in Case No. 2014 – 00371, Kentucky Utilities Company herewith files its first monthly off system sales adjustment clause factor applicable to billings under retail rates during the September 2015 billing cycle which begins August 31, 2015.

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

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

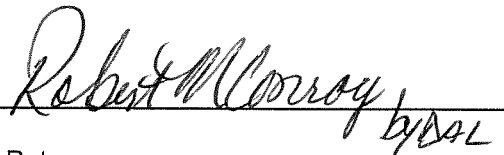
Expense Month : July 2015

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+) \$	(0.00274) / KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$	<u>0.00014</u> / KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$	<u><u>(0.00288)</u></u> / KWH

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

Effective Date for Billing: August 31, 2015

Submitted by

 Robert M. Corroy by DAL

Title: Director, Rates

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : July 2015

$$\begin{array}{rcl} \text{Fuel "Fm" (Fuel Cost Schedule)} & \$49,458,634 & \\ \hline \text{Sales "Sm" (Sales Schedule)} & 1,889,088,795 \text{ KWH} & \end{array} = (+) \$ 0.02618 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00274) / KWH

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

Effective Date for Billing: August 31, 2015

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : July 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$42,204,753	(1)
Oil Burned	(+)	737,248	(1)
Gas Burned	(+)	10,181,489	
Fuel (assigned cost during Forced Outage)	(+)	767,695	
Fuel (substitute cost for Forced Outage)	(-)	862,472	
SUB-TOTAL		<u>\$ 53,028,713</u>	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 550,507	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	1,158	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	113,816	
Internal Replacement	(+)	450,597	
SUB-TOTAL		<u>\$ 1,113,762</u>	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 1,219,524	
Internal Economy	(+)	3,541,678	
Internal Replacement	(+)	31,811	
Dollars Assigned to Inter-System Sales Losses	(+)	6,098	
SUB-TOTAL		<u>\$ 4,799,111</u>	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ (115,270)</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 49,458,634</u></u>	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$10,041
Oil burned = \$236

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : July 2015

(A) Generation (Net)	(+)	2,120,799,000
Purchases including interchange-in	(+)	61,369,000
Internal Economy	(+)	4,064,000
Internal Replacement	(+)	15,316,000
SUB-TOTAL		<u>2,201,548,000</u>
(B) Inter-system Sales including interchange-out	(+)	40,909,000
Internal Economy	(+)	143,403,000
Internal Replacement	(+)	1,056,000
(*) System Losses	(+)	127,091,205
SUB-TOTAL		<u>312,459,205</u>
TOTAL SALES (A-B)		<u><u>1,889,088,795</u></u>

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

KENTUCKY UTILITIES COMPANY

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

Expense Month : July 2015

12 Months to Date KWH Sources: 23,534,855,000 KWH
 12 MTD Overall System Losses: 1,358,622,697 KWH
 July 2015 KWH Sources: 2,201,548,000 KWH

$$1,358,622,697 / 23,534,855,000 = 5.772811\%$$

$$5.772811\% \times 2,201,548,000 = 127,091,205 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

181,955,237 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 56,850,400 Wholesale sales at Primary Voltage (WS-P)
 185,368,000 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:	181,955,237	2.153%	4,003,696	185,958,933
WS-P:	56,850,400	2.153% and 0.985%	1,828,913	58,679,313
IS-T:	185,368,000	0.5%	931,497	186,299,497

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

Expense Month : July 2015

1.	Last FAC Rate Billed		<u>(\$0.00064)</u>
2.	KWH Billed at Above Rate		<u>1,591,220,811</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (1,018,381)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,638,443,473</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>204,426,189</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,434,017,284</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>\$ (917,771)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (100,610)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,889,088,795</u>
11.	Kentucky Jurisdictional Sales		<u>1,648,839,466</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14570814</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (115,270)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : July 2015

KENTUCKY UTILITIES COMPANY

Purchases		KWH	
Internal Economy			
	\$ 112,454.03	4,064,000	Fuel for LGE Sale to KU for Native Load
	1,362.20		Half of Split Savings to LGE from KU
	<u>\$ 113,816.23</u>	<u>4,064,000</u>	
Internal Replacement			
	\$ 450,596.82	15,316,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 450,596.82</u>	<u>15,316,000</u>	
Total Purchases	<u><u>\$ 564,413.05</u></u>	<u><u>19,380,000</u></u>	
Sales			
Internal Economy			
	\$ 3,511,245.41	143,403,000	KU Fuel Cost - Sales to LGE Native Load
	30,432.78		Half of Split Savings
	<u>\$ 3,541,678.19</u>	<u>143,403,000</u>	
Internal Replacement			
	\$ 31,811.09	1,056,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 31,811.09</u>	<u>1,056,000</u>	
Total Sales	<u><u>\$ 3,573,489.28</u></u>	<u><u>144,459,000</u></u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

Purchases		KWH	
Internal Economy			
	\$ 3,511,245.41	143,403,000	KU Fuel Cost - Sales to LGE Native Load
	30,432.78		Half of Split Savings
	<u>\$ 3,541,678.19</u>	<u>143,403,000</u>	
Internal Replacement			
	\$ 31,811.09	1,056,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 31,811.09</u>	<u>1,056,000</u>	
Total Purchases	<u><u>\$ 3,573,489.28</u></u>	<u><u>144,459,000</u></u>	
Sales			
Internal Economy			
	\$ 112,454.03	4,064,000	Fuel for LGE Sale to KU for Native Load
	1,362.20		Half of Split Savings to LGE from KU
	<u>\$ 113,816.23</u>	<u>4,064,000</u>	
Internal Replacement			
	\$ 450,596.82	15,316,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 450,596.82</u>	<u>15,316,000</u>	
Total Sales	<u><u>\$ 564,413.05</u></u>	<u><u>19,380,000</u></u>	

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY**

Expense Month : July 2015

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$ 351,850
2.	Customer Sharing		<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$ 263,887
4.	Current Month True-up	OSS Page 3	<u>\$ 0</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	<u>\$ 263,887</u>
6.	Current Month S(m)	Form A Page 3	1,889,088,795
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	\$ 0.00014

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY**

Expense Month : July 2015

Line No.

1.	Total OSS Revenues		\$	1,823,405
2.	Total OSS Expenses		\$	<u>1,471,555</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u>351,850</u>

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP (1)
KENTUCKY UTILITIES COMPANY**

Expense Month : July 2015

Line No.			
1.	Last OSS Adjustment Factor Billed		-
2.	KWH Billed at Above Rate		-
3.	OSS Adjustment Credit	(Line 1 x Line 2)	-
4.	KWH Used to Determine Last OSS Adjustment Factor		-
5.	Non-Jurisdictional KWH (Included in Line 4)		-
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	-
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	\$ -
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	-
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		-
11.	Kentucky Jurisdictional Sales		-
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	-
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	-

(1) September 2015 is the first month of billing for the OSS Adjustment Clause. Therefore, the true-up will begin with November 2015 billing.



a PPL company

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SEP 18 2015

PUBLIC SERVICE
COMMISSION

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
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 18, 2015

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly adjustment clause factor including the fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the October 2015 billing cycle which begins September 30, 2015.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. M. Conroy', with a large, sweeping flourish extending to the right.

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : August 2015

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+) \$	(0.00283) / KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$	<u>0.00007</u> / KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$	<u><u>(0.00290)</u></u> / KWH

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

Effective Date for Billing: September 30, 2015

Submitted by



Title: Director, Rates

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : August 2015

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$47,239,270}{1,810,441,527 \text{ KWH}} = (+) \$ 0.02609 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00283) / KWH

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

Effective Date for Billing: September 30, 2015

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : August 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$39,710,614	(1)
Oil Burned	(+)	388,318	(1)
Gas Burned	(+)	9,400,953	
Fuel (assigned cost during Forced Outage)	(+)	3,595,550	
Fuel (substitute cost for Forced Outage)	(-)	3,697,563	
SUB-TOTAL		<u>\$ 49,397,872</u>	
<u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 698,225	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	3,534	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	564,655	
Internal Replacement	(+)	118,612	
SUB-TOTAL		<u>\$ 1,377,958</u>	
<u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 640,202	
Internal Economy	(+)	2,787,034	
Internal Replacement	(+)	67,434	
Dollars Assigned to Inter-System Sales Losses	(+)	3,201	
SUB-TOTAL		<u>\$ 3,497,871</u>	
<u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ 38,689</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 47,239,270</u></u>	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$11,201
Oil burned = \$61

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : August 2015

(A) Generation (Net)	(+)	1,975,077,000
Purchases including interchange-in	(+)	67,493,000
Internal Economy	(+)	20,879,000
Internal Replacement	(+)	4,663,000
SUB-TOTAL		<u>2,068,112,000</u>

(B) Inter-system Sales including interchange-out	(+)	21,930,000
Internal Economy	(+)	112,826,000
Internal Replacement	(+)	2,290,000
(*) System Losses	(+)	120,624,473
SUB-TOTAL		<u>257,670,473</u>

TOTAL SALES (A-B) 1,810,441,527

(*) 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 2015

12 Months to Date KWH Sources: 23,556,790,000 KWH
 12 MTD Overall System Losses: 1,373,970,702 KWH
 August 2015 KWH Sources: 2,068,112,000 KWH

$$1,373,970,702 / 23,556,790,000 = 5.832589\%$$

$$5.832589\% \times 2,068,112,000 = 120,624,473 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

174,674,635 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 52,200,800 Wholesale sales at Primary Voltage (WS-P)
 137,046,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	174,674,635	2.153%	3,843,495	178,518,130
WS-P:	52,200,800	2.153% and 0.985%	1,679,332	53,880,132
IS-T:	137,046,000	0.5%	688,673	137,734,673

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

Expense Month : August 2015

1.	Last FAC Rate Billed		<u>(\$0.00233)</u>
2.	KWH Billed at Above Rate		<u>1,550,356,040</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,612,330)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,791,857,166</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>226,989,842</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,564,867,324</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund)	(Line 1 x Line 6)	<u>\$ (3,646,141)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 33,811</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,810,441,527</u>
11.	Kentucky Jurisdictional Sales		<u>1,582,191,893</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14426166</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 38,689</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : August 2015

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 549,776.61	20,879,000	Fuel for LGE Sale to KU for Native Load
	14,878.52		Half of Split Savings to LGE from KU
	<u>\$ 564,655.13</u>	<u>20,879,000</u>	
Internal Replacement	\$ 118,611.66	4,663,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 118,611.66</u>	<u>4,663,000</u>	
Total Purchases	<u>\$ 683,266.79</u>	<u>25,542,000</u>	
Sales			
Internal Economy	\$ 2,782,396.10	112,826,000	KU Fuel Cost - Sales to LGE Native Load
	4,638.18		Half of Split Savings
	<u>\$ 2,787,034.28</u>	<u>112,826,000</u>	
Internal Replacement	\$ 67,433.87	2,290,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 67,433.87</u>	<u>2,290,000</u>	
Total Sales	<u>\$ 2,854,468.15</u>	<u>115,116,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 2,782,396.10	112,826,000	KU Fuel Cost - Sales to LGE Native Load
	4,638.18		Half of Split Savings
	<u>\$ 2,787,034.28</u>	<u>112,826,000</u>	
Internal Replacement	\$ 67,433.87	2,290,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 67,433.87</u>	<u>2,290,000</u>	
Total Purchases	<u>\$ 2,854,468.15</u>	<u>115,116,000</u>	
Sales			
Internal Economy	\$ 549,776.61	20,879,000	Fuel for LGE Sale to KU for Native Load
	14,878.52		Half of Split Savings to LGE from KU
	<u>\$ 564,655.13</u>	<u>20,879,000</u>	
Internal Replacement	\$ 118,611.66	4,663,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 118,611.66</u>	<u>4,663,000</u>	
Total Sales	<u>\$ 683,266.79</u>	<u>25,542,000</u>	

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY**

Expense Month : August 2015

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$ 180,354
2.	Customer Sharing		<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$ 135,265
4.	Current Month True-up	OSS Page 3	<u>\$ 0</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	<u><u>\$ 135,265</u></u>
6.	Current Month S(m)	Form A Page 3	1,810,441,527
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	\$ 0.00007

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY**

Expense Month : August 2015

Line No.

1.	Total OSS Revenues		\$ 1,009,522
2.	Total OSS Expenses		<u>\$ 829,169</u>
3.	Total OSS Margins	L. 1 - L. 2	<u><u>\$ 180,354</u></u>

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP (1)
KENTUCKY UTILITIES COMPANY

Expense Month : August 2015

Line No.			
1.	Last OSS Adjustment Factor Billed		-
2.	KWH Billed at Above Rate		-
3.	OSS Adjustment Credit	(Line 1 x Line 2)	-
4.	KWH Used to Determine Last OSS Adjustment Factor		-
5.	Non-Jurisdictional KWH (Included in Line 4)		-
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	-
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		-
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	\$ -
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	-
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		-
11.	Kentucky Jurisdictional Sales		-
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	-
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	-

(1) September 2015 is the first month of billing for the OSS Adjustment Clause. Therefore, the true-up will begin with November 2015 billing.

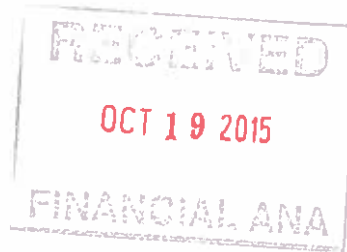
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PUBLIC SERVICE
COMMISSION



a PPL company



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: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

October 19, 2015

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its monthly adjustment clause factor including the fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the November 2015 billing cycle which begins October 29, 2015.

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

Sincerely,

Robert M. Conroy

Enclosure

KENTUCKY UTILITIES COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : September 2015

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+) \$	(0.00365) / KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$	<u>0.00010</u> / KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$	<u>(0.00375)</u> / KWH

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

Effective Date for Billing: October 29, 2015

Submitted by



Title: Director, Rates

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : September 2015

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$42,127,186}{1,667,263,484 \text{ KWH}} = (+) \$ 0.02527 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00365) / KWH

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

Effective Date for Billing: October 29, 2015

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : September 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$34,230,649	(1)
Oil Burned	(+)	562,324	(1)
Gas Burned	(+)	8,983,122	
Fuel (assigned cost during Forced Outage)	(+)	1,948,373	
Fuel (substitute cost for Forced Outage)	(-)	2,105,249	
SUB-TOTAL		<u>\$ 43,619,220</u>	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 677,618	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	3,265	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	643,538	
Internal Replacement	(+)	164,441	
SUB-TOTAL		<u>\$ 1,482,332</u>	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 634,239	
Internal Economy	(+)	2,343,662	
Internal Replacement	(+)	117,126	
Dollars Assigned to Inter-System Sales Losses	(+)	3,171	
SUB-TOTAL		<u>\$ 3,098,198</u>	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ (123,832)</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u><u>\$ 42,127,186</u></u>	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$9,693
Oil burned = \$311

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : September 2015

(A) Generation (Net)	(+)	1,803,803,000
Purchases including interchange-in	(+)	65,273,000
Internal Economy	(+)	24,921,000
Internal Replacement	(+)	6,505,000
SUB-TOTAL		<u>1,900,502,000</u>
(B) Inter-system Sales including interchange-out	(+)	22,933,000
Internal Economy	(+)	98,495,000
Internal Replacement	(+)	4,050,000
(*) System Losses	(+)	107,760,516
SUB-TOTAL		<u>233,238,516</u>
TOTAL SALES (A-B)		<u><u>1,667,263,484</u></u>

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

KENTUCKY UTILITIES COMPANY

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

Expense Month : September 2015

12 Months to Date KWH Sources: 23,668,983,000 KWH
 12 MTD Overall System Losses: 1,342,056,934 KWH
 September 2015 KWH Sources: 1,900,502,000 KWH

$$1,342,056,934 / 23,668,983,000 = 5.670108\%$$

$$5.670108\% \times 1,900,502,000 = 107,760,516 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

156,403,264 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 47,912,800 Wholesale sales at Primary Voltage (WS-P)
 125,478,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	156,403,264	2.153%	3,441,457	159,844,721
WS-P:	47,912,800	2.153% and 0.985%	1,541,385	49,454,185
IS-T:	125,478,000	0.5%	630,543	126,108,543

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

Expense Month : September 2015

1.	Last FAC Rate Billed		<u>(\$0 00274)</u>
2.	KWH Billed at Above Rate		<u>1,688,460,399</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (4,626,381)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,889,088,795</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>240,249,329</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,648,839,466</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>\$ (4,517,820)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ (108,561)</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,667,263,484</u>
11.	Kentucky Jurisdictional Sales		<u>1,461,651,472</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14067103</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ (123,832)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : September 2015

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 638,260.25	24,921,000	Fuel for LGE Sale to KU for Native Load
	5,277.25		Half of Split Savings to LGE from KU
	<u>\$ 643,537.50</u>	<u>24,921,000</u>	
Internal Replacement			
	\$ 164,440.95	6,505,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 164,440.95</u>	<u>6,505,000</u>	
Total Purchases	<u>\$ 807,978.45</u>	<u>31,426,000</u>	
Sales			
Internal Economy			
	\$ 2,335,254.57	98,495,000	KU Fuel Cost - Sales to LGE Native Load
	8,407.86		Half of Split Savings
	<u>\$ 2,343,662.43</u>	<u>98,495,000</u>	
Internal Replacement			
	\$ 117,125.74	4,050,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 117,125.74</u>	<u>4,050,000</u>	
Total Sales	<u>\$ 2,460,788.17</u>	<u>102,545,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 2,335,254.57	98,495,000	KU Fuel Cost - Sales to LGE Native Load
	8,407.86		Half of Split Savings
	<u>\$ 2,343,662.43</u>	<u>98,495,000</u>	
Internal Replacement			
	\$ 117,125.74	4,050,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 117,125.74</u>	<u>4,050,000</u>	
Total Purchases	<u>\$ 2,460,788.17</u>	<u>102,545,000</u>	
Sales			
Internal Economy			
	\$ 638,260.25	24,921,000	Fuel for LGE Sale to KU for Native Load
	5,277.25		Half of Split Savings to LGE from KU
	<u>\$ 643,537.50</u>	<u>24,921,000</u>	
Internal Replacement			
	\$ 164,440.95	6,505,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 164,440.95</u>	<u>6,505,000</u>	
Total Sales	<u>\$ 807,978.45</u>	<u>31,426,000</u>	

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY**

Expense Month : September 2015

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$ 239,546
2.	Customer Sharing		<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$ 179,659
4.	Current Month True-up	OSS Page 3	<u>\$ (6,326)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	<u>\$ 173,333</u>
6.	Current Month S(m)	Form A Page 3	1,667,263,484
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	\$ 0.00010

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY**

Expense Month : September 2015

Line No.

1.	Total OSS Revenues		\$	1,140,100
2.	Total OSS Expenses		\$	<u>900,555</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>239,546</u></u>

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY**

Expense Month : September 2015

Line No.			
1.	Last OSS Adjustment Factor Billed		<u>\$ (0.00014)</u>
2.	KWH Billed at Above Rate		<u>1,688,460,399</u>
3.	OSS Adjustment Credit	(Line 1 x Line 2)	<u>\$ (236,384)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor		<u>1,889,088,795</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>240,249,329</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,648,839,466</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	<u>\$ (230,838)</u>
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	<u>\$ (5,546)</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		<u>1,667,263,484</u>
11.	Kentucky Jurisdictional Sales		<u>1,461,651,472</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.14067103</u>
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	<u>\$ (6,326)</u>



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PUBLIC SERVICE
COMMISSION

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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

Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
F 502-627-3213
derek.rahn@lge-ku.com

November 20, 2015

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the December 2015 billing cycle which begins December 1, 2015.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Derek Rahn', written over a horizontal line.

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : October 2015

1. Fuel Adjustment Clause Factor (Page 1 of 6)	(+) \$ (0.00668) / KWH
2. Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$ <u>0.00003</u> / KWH
3. Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$ <u>(0.00671)</u> / KWH

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

Effective Date for Billing: December 1, 2015

Submitted by _____



Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : October 2015

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$34,154,422}{1,535,512,717 \text{ KWH}} = (+) \$ 0.02224 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00668) / KWH

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

Effective Date for Billing: December 1, 2015

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : October 2015

<u>(A) Company Generation</u>			
Coal Burned	(+)	\$22,467,548	(1)
Oil Burned	(+)	220,823	(1)
Gas Burned	(+)	10,777,456	
Fuel (assigned cost during Forced Outage)	(+)	-	
Fuel (substitute cost for Forced Outage)	(-)	-	
SUB-TOTAL		<u>\$ 33,465,827</u>	
 <u>(B) Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 592,847	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	-	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	1,608,211	
Internal Replacement	(+)	70,641	
SUB-TOTAL		<u>\$ 2,271,699</u>	
 <u>(C) Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 157,647	
Internal Economy	(+)	579,887	
Internal Replacement	(+)	82,492	
Dollars Assigned to Inter-System Sales Losses	(+)	788	
SUB-TOTAL		<u>\$ 820,814</u>	
 <u>(D) Over or (Under) Recovery</u>			
From Page 5, Line 13		<u>\$ 762,290</u>	
TOTAL FUEL RECOVERY (A+B-C-D) =		<u>\$ 34,154,422</u>	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned = \$11,256
Oil burned = \$69

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : October 2015

(A) Generation (Net)	(+)	1,533,361,000
Purchases including interchange-in	(+)	64,835,000
Internal Economy	(+)	64,166,000
Internal Replacement	(+)	2,824,000
SUB-TOTAL		<u>1,665,186,000</u>
(B) Inter-system Sales including interchange-out	(+)	6,046,000
Internal Economy	(+)	24,940,000
Internal Replacement	(+)	2,982,000
(*) System Losses	(+)	95,705,283
SUB-TOTAL		<u>129,673,283</u>
TOTAL SALES (A-B)		<u><u>1,535,512,717</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 : October 2015

12 Months to Date KWH Sources: 23,622,564,000 KWH
 12 MTD Overall System Losses: 1,357,688,768 KWH
 October 2015 KWH Sources: 1,665,186,000 KWH

$$1,357,688,768 / 23,622,564,000 = 5.747423\%$$

$$5.747423\% \times 1,665,186,000 = 95,705,283 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

146,135,034 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 41,646,000 Wholesale sales at Primary Voltage (WS-P)
 33,968,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	146,135,034	2.153%	3,215,517	149,350,551
WS-P:	41,646,000	2.153% and 0.985%	1,339,778	42,985,778
IS-T:	33,968,000	0.5%	170,693	34,138,693

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

Expense Month : October 2015

1.	Last FAC Rate Billed		<u>(\$0.00283)</u>
2.	KWH Billed at Above Rate		<u>1,345,965,915</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (3,809,084)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,810,441,527</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>228,249,634</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,582,191,893</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>\$ (4,477,603)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 668,519</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,535,512,717</u>
11.	Kentucky Jurisdictional Sales		<u>1,346,625,343</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14026721</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 762,290</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : October 2015

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 1,600,604.83	64,166,000	Fuel for LGE Sale to KU for Native Load
	7,606.38		Half of Split Savings to LGE from KU
	<u>\$ 1,608,211.21</u>	<u>64,166,000</u>	
Internal Replacement			
	\$ 70,640.69	2,824,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 70,640.69</u>	<u>2,824,000</u>	
Total Purchases	<u>\$ 1,678,851.90</u>	<u>66,990,000</u>	
Sales			
Internal Economy			
	\$ 575,891.96	24,940,000	KU Fuel Cost - Sales to LGE Native Load
	3,994.87		Half of Split Savings
	<u>\$ 579,886.83</u>	<u>24,940,000</u>	
Internal Replacement			
	\$ 82,491.70	2,982,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 82,491.70</u>	<u>2,982,000</u>	
Total Sales	<u>\$ 662,378.53</u>	<u>27,922,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 575,891.96	24,940,000	KU Fuel Cost - Sales to LGE Native Load
	3,994.87		Half of Split Savings
	<u>\$ 579,886.83</u>	<u>24,940,000</u>	
Internal Replacement			
	\$ 82,491.70	2,982,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 82,491.70</u>	<u>2,982,000</u>	
Total Purchases	<u>\$ 662,378.53</u>	<u>27,922,000</u>	
Sales			
Internal Economy			
	\$ 1,600,604.83	64,166,000	Fuel for LGE Sale to KU for Native Load
	7,606.38		Half of Split Savings to LGE from KU
	<u>\$ 1,608,211.21</u>	<u>64,166,000</u>	
Internal Replacement			
	\$ 70,640.69	2,824,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 70,640.69</u>	<u>2,824,000</u>	
Total Sales	<u>\$ 1,678,851.90</u>	<u>66,990,000</u>	

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY**

Expense Month : October 2015

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$	38,030
2.	Customer Sharing			<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$	28,522
4.	Current Month True-up	OSS Page 3	\$	<u>18,854</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	\$	<u><u>47,376</u></u>
6.	Current Month S(m)	Form A Page 3		1,535,512,717
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	\$	0.00003

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY**

Expense Month : October 2015

Line No.

1.	Total OSS Revenues		\$	315,483
2.	Total OSS Expenses		\$	<u>277,453</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u>38,030</u>

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY**

Expense Month : October 2015

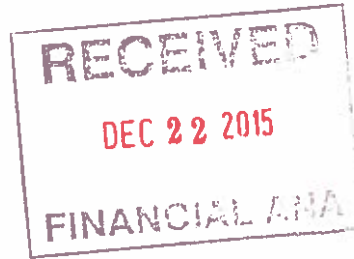
Line No.			
1.	Last OSS Adjustment Factor Billed		<u>\$ (0.00007)</u>
2.	KWH Billed at Above Rate		<u>1,345,965,915</u>
3.	OSS Adjustment Credit	(Line 1 x Line 2)	<u>\$ (94,218)</u>
4.	KWH Used to Determine Last OSS Adjustment Factor		<u>1,810,441,527</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>228,249,634</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,582,191,893</u>
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		<u>\$0.00000</u>
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	<u>\$ (110,753)</u>
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	<u>\$ 16,535</u>
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		<u>1,535,512,717</u>
11.	Kentucky Jurisdictional Sales		<u>1,346,625,343</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	<u>1.14026721</u>
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	<u>\$ 18,854</u>

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PUBLIC SERVICE
COMMISSION



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

Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
F 502-627-3213
derek.rahn@lge-ku.com

Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

December 21, 2015

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the January 2016 billing cycle which begins December 31, 2015.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Derek Rahn". The signature is fluid and cursive, with a large loop at the beginning.

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : November 2015

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+) \$	(0.00582) / KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$	<u>0.00004</u> / KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$	<u>(0.00586)</u> / KWH

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

Effective Date for Billing: December 31, 2015

Submitted by



Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : November 2015

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$35,023,204}{1,516,414,383 \text{ KWH}} = (+) \$ 0.02310 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00582) / KWH

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

Effective Date for Billing: December 31, 2015

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : November 2015

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$24,009,222	(1)
Oil Burned	(+)	490,075	(1)
Gas Burned	(+)	9,825,303	
Fuel (assigned cost during Forced Outage)	(+)	1,994,604	
Fuel (substitute cost for Forced Outage)	(-)	1,991,298	
SUB-TOTAL		\$ 34,327,905	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 501,488	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	40,676	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	2,118,329	
Internal Replacement	(+)	33,945	
SUB-TOTAL		\$ 2,613,086	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 71,136	
Internal Economy	(+)	752,707	
Internal Replacement	(+)	35,103	
Dollars Assigned to Inter-System Sales Losses	(+)	356	
SUB-TOTAL		\$ 859,302	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ 1,058,485	
TOTAL FUEL RECOVERY (A+B-C-D) =		\$ 35,023,204	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$9,215
Oil burned =	\$332

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : November 2015

(A) Generation (Net)	(+)	1,500,926,000
Purchases including interchange-in	(+)	57,948,000
Internal Economy	(+)	91,794,000
Internal Replacement	(+)	1,486,000
SUB-TOTAL		<u>1,652,154,000</u>

(B) Inter-system Sales including interchange-out	(+)	2,599,000
Internal Economy	(+)	35,664,000
Internal Replacement	(+)	1,354,000
(*) System Losses	(+)	96,122,617
SUB-TOTAL		<u>135,739,617</u>

TOTAL SALES (A-B) 1,516,414,383

(*) 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 2015

12 Months to Date KWH Sources: 23,350,828,000 KWH
 12 MTD Overall System Losses: 1,358,555,412 KWH
 November 2015 KWH Sources: 1,652,154,000 KWH

$$1,358,555,412 / 23,350,828,000 = 5.818018\%$$

$$5.818018\% \times 1,652,154,000 = 96,122,617 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

155,707,489 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 40,273,600 Wholesale sales at Primary Voltage (WS-P)
 39,617,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	155,707,489	2.153%	3,426,147	159,133,636
WS-P:	40,273,600	2.153% and 0.985%	1,295,627	41,569,227
IS-T:	39,617,000	0.5%	199,080	39,816,080

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

Expense Month : November 2015

1.	Last FAC Rate Billed		<u>(\$0.00365)</u>
2.	KWH Billed at Above Rate		<u>1,209,354,079</u>
3.	FAC Revenue/(Refund)	(Line 1 x Line 2)	<u>\$ (4,414,142)</u>
4.	KWH Used to Determine Last FAC Rate		<u>1,667,263,484</u>
5.	Non-Jurisdictional KWH (Included in Line 4)		<u>205,612,012</u>
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	<u>1,461,651,472</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>\$ (5,335,028)</u>
9.	Over or (Under) Recovery	(Line 3 - Line 8)	<u>\$ 920,886</u>
10.	Total Sales "Sm" (From Page 3 of 6)		<u>1,516,414,383</u>
11.	Kentucky Jurisdictional Sales		<u>1,319,285,958</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)		<u>1.14942054</u>
13.	Total Company Over or (Under) Recovery	(Line 9 x Line 12)	<u>\$ 1,058,485</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : November 2015

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy	\$ 2,111,055.97	91,794,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	<u>7,272.85</u>		
	\$ 2,118,328.82	<u>91,794,000</u>	
Internal Replacement	\$ 33,944.94	1,486,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>33,944.94</u>	<u>1,486,000</u>	
Total Purchases	<u>\$ 2,152,273.76</u>	<u>93,280,000</u>	
Sales			
Internal Economy	\$ 746,779.03	35,664,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	<u>5,927.73</u>		
	\$ 752,706.76	<u>35,664,000</u>	
Internal Replacement	\$ 35,103.25	1,354,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>35,103.25</u>	<u>1,354,000</u>	
Total Sales	<u>\$ 787,810.01</u>	<u>37,018,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy	\$ 746,779.03	35,664,000	KU Fuel Cost - Sales to LGE Native Load Half of Split Savings
	<u>5,927.73</u>		
	\$ 752,706.76	<u>35,664,000</u>	
Internal Replacement	\$ 35,103.25	1,354,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>35,103.25</u>	<u>1,354,000</u>	
Total Purchases	<u>\$ 787,810.01</u>	<u>37,018,000</u>	
Sales			
Internal Economy	\$ 2,111,055.97	91,794,000	Fuel for LGE Sale to KU for Native Load Half of Split Savings to LGE from KU
	<u>7,272.85</u>		
	\$ 2,118,328.82	<u>91,794,000</u>	
Internal Replacement	\$ 33,944.94	1,486,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>33,944.94</u>	<u>1,486,000</u>	
Total Sales	<u>\$ 2,152,273.76</u>	<u>93,280,000</u>	

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY**

Expense Month : November 2015

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$ 39,220
2.	Customer Sharing		<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$ 29,415
4.	Current Month True-up	OSS Page 3	<u>\$ 29,000</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	<u>\$ 58,415</u>
6.	Current Month S(m)	Form A Page 3	1,516,414,383
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	\$ 0.00004

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY**

Expense Month : November 2015

Line No.

1.	Total OSS Revenues		\$	165,690
2.	Total OSS Expenses		\$	<u>126,470</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>39,220</u></u>

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : November 2015

Line No.			
1.	Last OSS Adjustment Factor Billed		\$ (0.00010)
2.	KWH Billed at Above Rate		1,209,354,079
3.	OSS Adjustment Credit	(Line 1 x Line 2)	\$ (120,935)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,667,263,484
5.	Non-Jurisdictional KWH (Included in Line 4)		205,612,012
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,461,651,472
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		\$0.00000
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	\$ (146,165)
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	\$ 25,230
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,516,414,383
11.	Kentucky Jurisdictional Sales		1,319,285,958
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.14942054
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	\$ 29,000



a PPL company



Jeff DeRouen, Executive Director
Public Service Commission of Kentucky
Attention: Ms. Chris Whelan
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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

Derek Rahn
Manager - Revenue
Requirement
T 502-627-4127
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derek.rahn@lge-ku.com

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JAN 21 2016
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COMMISSION

January 21, 2016

Dear Mr. DeRouen:

In compliance with 807 KAR 5:056, Kentucky Utilities Company herewith files its adjustment clause factor including the monthly fuel adjustment factor and off-system sales adjustment factor applicable to billings under retail rates during the February 2016 billing cycle which begins February 1, 2015.

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

Sincerely,

Derek Rahn

Enclosure

KENTUCKY UTILITIES COMPANY
SUMMARY OF ADJUSTMENT CLAUSES

Expense Month : December 2015

1.	Fuel Adjustment Clause Factor (Page 1 of 6)	(+) \$	(0.00616) / KWH
2.	Off-System Sales Adjustment Clause Factor (OSS Page 1 of 3)	(-) \$	<u>0.00006</u> / KWH
3.	Total Adjustment Clause Billing Factor (Line 1 - Line 2)	= \$	<u>(0.00622)</u> / KWH

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

Effective Date for Billing: February 1, 2016

Submitted by



Title: Manager, Revenue Requirement

KENTUCKY UTILITIES COMPANY
FUEL ADJUSTMENT CLAUSE SCHEDULE

Expense Month : December 2015

$$\frac{\text{Fuel "Fm" (Fuel Cost Schedule)}}{\text{Sales "Sm" (Sales Schedule)}} = \frac{\$36,631,710}{1,609,372,140 \text{ KWH}} = (+) \$ 0.02276 / \text{KWH}$$

Per PSC approved Tariff Sheet No. 85.1 effective June 26, 2013. = (-) \$ 0.02892 / KWH

FAC Factor (1) = \$ (0.00616) / KWH

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

Effective Date for Billing: February 1, 2016

**KENTUCKY UTILITIES COMPANY
FUEL COST SCHEDULE**

Expense Month : December 2015

(A) <u>Company Generation</u>			
Coal Burned	(+)	\$30,899,490	(1)
Oil Burned	(+)	274,635	(1)
Gas Burned	(+)	6,290,624	
Fuel (assigned cost during Forced Outage)	(+)	177,269	
Fuel (substitute cost for Forced Outage)	(-)	179,153	
SUB-TOTAL		\$ 37,462,865	
(B) <u>Purchases</u>			
Net energy cost - economy purchases	(+)	\$ 389,231	
Identifiable fuel cost - other purchases	(+)	-	
Identifiable fuel cost (substitute for Forced Outage)	(-)	27	
Less Purchases above Highest Cost Units	(-)	-	
Internal Economy	(+)	644,697	
Internal Replacement	(+)	151,607	
SUB-TOTAL		\$ 1,185,508	
(C) <u>Inter-System Sales</u>			
Including Interchange-out	(+)	\$ 337,814	
Internal Economy	(+)	2,003,291	
Internal Replacement	(+)	2,133	
Dollars Assigned to Inter-System Sales Losses	(+)	1,689	
SUB-TOTAL		\$ 2,344,927	
(D) <u>Over or (Under) Recovery</u>			
From Page 5, Line 13		\$ (328,264)	
 TOTAL FUEL RECOVERY (A+B-C-D) =		 \$ 36,631,710	

Note: (1) Reflects exclusion of IMEA/IMPA portion of Trimble County Unit 2 fuel cost with recognition of 0.5% transmission losses per Commission's Order in Case No. 2012-00552.

Coal burned =	\$11,096
Oil burned =	\$149

KENTUCKY UTILITIES COMPANY

SALES SCHEDULE (KWH)

Expense Month : December 2015

(A) Generation (Net)	(+)	1,722,579,000
Purchases including interchange-in	(+)	61,686,000
Internal Economy	(+)	27,296,000
Internal Replacement	(+)	6,552,000
SUB-TOTAL		<u>1,818,113,000</u>

(B) Inter-system Sales including interchange-out	(+)	13,759,000
Internal Economy	(+)	89,848,000
Internal Replacement	(+)	81,000
(*) System Losses	(+)	105,052,860
SUB-TOTAL		<u>208,740,860</u>

TOTAL SALES (A-B) 1,609,372,140

(*) 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 2015

12 Months to Date KWH Sources: 23,169,558,000 KWH
 12 MTD Overall System Losses: 1,338,766,318 KWH
 December 2015 KWH Sources: 1,818,113,000 KWH

$$1,338,766,318 / 23,169,558,000 = 5.778126\%$$

$$5.778126\% \times 1,818,113,000 = 105,052,860 \text{ KWH}$$

WHOLESALE KWH SALES AND LOSSES

169,244,488 Wholesale Sales & Deliveries to ODP at Transmission Voltage (WS-T)
 42,296,000 Wholesale sales at Primary Voltage (WS-P)
 103,688,000 Intersystem Sales at Transmission Voltage (IS-T)

	Wholesale Sales\Deliveries	Loss Percentage	Losses	Wholesale Sources
WS-T:	169,244,488	2.153%	3,724,012	172,968,500
WS-P:	42,296,000	2.153% and 0.985%	1,360,689	43,656,689
IS-T:	103,688,000	0.5%	521,045	104,209,045

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

Expense Month : December 2015

1.	Last FAC Rate Billed	<u>(\$0.00668)</u>
2.	KWH Billed at Above Rate	<u>1,389,258,217</u>
3.	FAC Revenue/(Refund) (Line 1 x Line 2)	<u>\$ (9,280,245)</u>
4.	KWH Used to Determine Last FAC Rate	<u>1,535,512,717</u>
5.	Non-Jurisdictional KWH (Included in Line 4)	<u>188,867,374</u>
6.	Kentucky Jurisdictional KWH (Line 4 - Line 5)	<u>1,346,625,343</u>
7.	Revised FAC Rate Billed, if prior period adjustment is needed (See Note 1)	<u>\$0.00000</u>
8.	Recoverable FAC Revenue/(Refund) (Line 1 x Line 6)	<u>\$ (8,995,457)</u>
9.	Over or (Under) Recovery (Line 3 - Line 8)	<u>\$ (284,788)</u>
10.	Total Sales "Sm" (From Page 3 of 6)	<u>1,609,372,140</u>
11.	Kentucky Jurisdictional Sales	<u>1,396,224,708</u>
12.	Total Sales Divided by Kentucky Jurisdictional Sales (Line 10 / Line 11)	<u>1.15265983</u>
13.	Total Company Over or (Under) Recovery (Line 9 x Line 12)	<u>\$ (328,264)</u>

**FUEL ADJUSTMENT CLAUSE
INTERCOMPANY TRANSACTIONS**
Expense Month : December 2015

KENTUCKY UTILITIES COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 644,525.56	27,296,000	Fuel for LGE Sale to KU for Native Load
	171.27		Half of Split Savings to LGE from KU
	<u>\$ 644,696.83</u>	<u>27,296,000</u>	
Internal Replacement			
	\$ 151,607.39	6,552,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 151,607.39</u>	<u>6,552,000</u>	
Total Purchases	<u>\$ 796,304.22</u>	<u>33,848,000</u>	
Sales			
Internal Economy			
	\$ 1,995,596.91	89,848,000	KU Fuel Cost - Sales to LGE Native Load
	7,694.28		Half of Split Savings
	<u>\$ 2,003,291.19</u>	<u>89,848,000</u>	
Internal Replacement			
	\$ 2,133.48	81,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,133.48</u>	<u>81,000</u>	
Total Sales	<u>\$ 2,005,424.67</u>	<u>89,929,000</u>	

LOUISVILLE GAS AND ELECTRIC COMPANY

		KWH	
Purchases			
Internal Economy			
	\$ 1,995,596.91	89,848,000	KU Fuel Cost - Sales to LGE Native Load
	7,694.28		Half of Split Savings
	<u>\$ 2,003,291.19</u>	<u>89,848,000</u>	
Internal Replacement			
	\$ 2,133.48	81,000	Freed-up KU Generation sold back to LGE
	-	0	KU Generation for LGE Pre-Merger
	-	0	KU Generation for LGE IB
	<u>\$ 2,133.48</u>	<u>81,000</u>	
Total Purchases	<u>\$ 2,005,424.67</u>	<u>89,929,000</u>	
Sales			
Internal Economy			
	\$ 644,525.56	27,296,000	Fuel for LGE Sale to KU for Native Load
	171.27		Half of Split Savings to LGE from KU
	<u>\$ 644,696.83</u>	<u>27,296,000</u>	
Internal Replacement			
	\$ 151,607.39	6,552,000	Freed-up LGE Generation sold back to KU
	-	0	LGE Generation for KU Pre-Merger Sales
	<u>\$ 151,607.39</u>	<u>6,552,000</u>	
Total Sales	<u>\$ 796,304.22</u>	<u>33,848,000</u>	

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE SCHEDULE
KENTUCKY UTILITIES COMPANY**

Expense Month : December 2015

Line No.

1.	Current Month OSS Margins	OSS Page 2	\$ 133,726
2.	Customer Sharing		<u>75%</u>
3.	Customer Share of OSS Margins	L. 1 x L. 2	\$ 100,295
4.	Current Month True-up	OSS Page 3	<u>\$ (1,474)</u>
5.	Total Off-System Sales Adjustment	L. 3 + L. 4	<u><u>\$ 98,821</u></u>
6.	Current Month S(m)	Form A Page 3	1,609,372,140
7.	Off-System Sales Adjustment Clause Factor	L.5 ÷ L. 6	\$ 0.00006

**OFF-SYSTEM SALES ADJUSTMENT CLAUSE MARGINS
KENTUCKY UTILITIES COMPANY**

Expense Month : December 2015

Line No.

1.	Total OSS Revenues		\$	546,262
2.	Total OSS Expenses		\$	<u>412,536</u>
3.	Total OSS Margins	L. 1 - L. 2	\$	<u><u>133,726</u></u>

OFF-SYSTEM SALES ADJUSTMENT CLAUSE TRUE UP
KENTUCKY UTILITIES COMPANY

Expense Month : December 2015

Line No.	Description	Formula	Amount
1.	Last OSS Adjustment Factor Billed		\$ (0.00003)
2.	KWH Billed at Above Rate		1,389,258,217
3.	OSS Adjustment Credit	(Line 1 x Line 2)	\$ (41,678)
4.	KWH Used to Determine Last OSS Adjustment Factor		1,535,512,717
5.	Non-Jurisdictional KWH (Included in Line 4)		188,887,374
6.	Kentucky Jurisdictional KWH	(Line 4 - Line 5)	1,346,625,343
7.	Revised OSS Factor Billed, if prior period adjustment is needed (See Note 1)		\$0.00000
8.	OSS Adjustment Credit to be Distributed	(Line 1 x Line 6)	\$ (40,399)
9.	(Over) or Under Credited Amount	(Line 8 - Line 3)	\$ (1,279)
10.	Total Sales "Sm" (From Form A, Page 3 of 6)		1,609,372,140
11.	Kentucky Jurisdictional Sales		1,396,224,708
12.	Total Sales Divided by Kentucky Jurisdictional Sales	(Line 10 / Line 11)	1.15265983
13.	Total Company (Over) or Under Credited Amount	(Line 9 x Line 12)	\$ (1,474)